

CLALLAM COUNTY PUBLIC HOSPITAL DISTRICT NO. 1
FORKS COMMUNITY HOSPITAL

Board of Commissioners Meeting Minutes
Community Health Conference Room
November 15, 2017

Those present were Commissioners: Daisy Anderson, President; Don Lawley, Vice President; Patricia Birch, Secretary; Sandy Schier, Commissioner; and Jerry George, Commissioner. Additional attendees included: Tim Cournyer, CEO; Paul Babcock, CFO; and Kirk Cole, Chief of Staff.

The meeting was called to order at 4:03 p.m. by Daisy Anderson.

Discussion and Adoption of the 2018 Budget:

Paul Babcock, CFO reported:

The general assumptions used in the development of the 2018 budget were as follows:

1. Expenses
 - a. Salaries have been increased overall by 7%. This reflects the changes due to the new Union contracts, annual raises for non-Union staff, and additional FTEs that the hospital will need in the coming year. This also includes our best estimate of Physicians in the coming year.
 - b. Supplies have been increased by 5%, and Pharmaceutical supplies have been increased by 18%.
 - c. Utilities were increased by 7%, anticipating a rate increase.
 - d. Other Expenses were increased by 4% or as needed based on Department Director input.
2. Revenues
 - a. 10% across the board price increase.
 - b. Decreased WEOS Grant funds.
 - c. 58% Net to Gross, similar to 2017.
 - d. Improved Swing Bed reimbursement from Medicare Cost Report.

KEY OPERATING STATISTICS:

1. Patient Volumes:
 - a. 10% decrease in Surgery volumes.
 - b. 1% increase in Radiology volumes.
 - c. Similar volumes in all other areas.
 - d. No Newborns until September and only a few after that.

We are predicting a total of 221.25 FTE's in the 2018 budget.

Net Patient Revenues are projected to increase by 12 percent from the 2017 projection.

Other Operating Revenues are projected to decrease by 6.8 percent from the 2017 projection.

Operating Expenses are projected for increase by about 10.8 percent from the 2017 projection.

Other Operating Revenues: We are projecting an increase of 6.8% from CY 2017 projected, anticipating the loss of some WEOS grant money, but also anticipating the Olympic Community of Health (OCH) grant funds, as well as several other small grants.

Capital Purchase Requests for 2018 total in excess of 7.3 million. The Board of Commissioners briefly discussed the upcoming capital regarding a new EHR system and the costs associated with a new system. Don made a motion to approve the budget as presented, Patty seconded, and the motion carried.

ACTION: It was moved, seconded, and passed to approve the 2018 budget as presented.

Resolution 2016-504:

Tim presented the Board with Resolution No. 2017-509 and Levy Certifications; whereas, the Board of Commissioners of Clallam County Public Hospital District No. 1 have met and considered the budget for the calendar year 2018. Jerry made a motion to approve Resolution No. 2017-509 and Levy Certifications, Patty seconded, and the motion carried.

ACTION: It was moved, seconded, and passed to approve Resolution No. 2017-509 for the calendar year 2018 budget.

There being no further business to discuss, the meeting was adjourned at 5:00 p.m.

The Board of Commissioners next meeting is scheduled for November 28, 2017 at 5 p.m.

Minutes recorded by Laci Johnson, Executive Assistant.

Patricia Birch, Secretary