

BOARD OF TRUSTEES  
**Special Meeting Minutes**  
May 13, 2024

**Presiding Chairperson:** Harlan Holste, Chairman

**Secretary:** Rosalie Ross

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**Attendance:**

***Board Members present:***

Harlan Holste, Chairman  
Matt Wolters, Vice Chairman  
Mike Braxmeyer, Treasurer  
Rosalie Ross, Secretary  
Cedric Green  
Roger Philpott  
Phil Studer  
Mike Mulligan – via Teams  
Dan Fields

***Members absent:***

***Guests:***

Eric Lopata – via Teams  
Grant Creager – via Teams  
Jeremy Klima – via Teams

***Administrative Team Staff Present:***

Gina Eastin, Regional Analyst  
Heather Prideaux, Regional CFO  
Ryan Marvin, Support Services Director  
Travis Daise, MD – via Teams  
Tina Whisnant, Risk Manager – via Teams  
Stephanie Klinge, Spc Clinical Coordinator – via Teams  
Suzanna Koel, Foundation Director  
Allison Mulch, CCO – via Teams  
Josh Neff, Common Spirit VP of Outreach

***RCHC Staff Present:***

Bre McEwen, executive assistant – via Teams

***Community Members Present:***

**Call to Order:**

- Board Chairman, Harlan Holste, called the meeting to order at 4:12p.m.
- Recognition of Special Guests and Announcements: None.
- Mr. Wolters moved, and Ms. Studer seconded to approve the agenda. Motion carried 9-0.

**Public Comment:**

- Harlan Holste asked if there were any public comment: None.

**Board Committee**

- Building Committee:
  - Only change on the feasibility study were the equity contributions on the scenarios. Will walk through these later. Reviewed current building with updates made in 2012. There are a few spots original to the building on the main level. Lower level is still primarily original. Would like to finish up from the original construction with this build. Patients are a large part of the build as well with grown opportunities. Proposed main level construction includes phase III of the OR Suite, ER Garage enclosure, Specialty Clinic with addition, and a connection link with a new physical therapy addition. This would triple the specialty clinic space. Canopy enclosure was in the original build plan but had to adjust funds at the time. Proposed lower level construction includes rehab space with pool addition, new meeting spaces, and lower level specialty clinic space. Reviewed individual floor plans for each build. These floor plans are not finalized, they are still in the works.
  - Eric Lopata from Forvis reviewed the Feasibility Study. This feasibility study is a requirement as a 5-year financial projection for the hospital's function. USDA will refer to this as an Examined Financial Projection and will often give an opinion back. This is not a guarantee that the assumptions will be factual down the road, just a rough idea to have a better understanding of what the next few years might look like. Two components of a USDA Loan: direct and guaranteed. USDA will not loan 100% of total costs. They will do 80%, which is the direct long. The other 20% is the guaranteed portion that is funded from another source. Eric reviewed the cost breakdown of the total loan. The direct loan portion is a fixed rate at 3.75% (at this time) over 35 years. The guaranteed loan portion is sitting 6%. Reviewed the revenue and expense assumption projections over the next 5 years. Debt service coverage ratio looks very well. USDA likes to see 1.25 or above, Forvis says 1.50 or above is doing really well. RCHC projected to be at 1.92. Next steps include reviewing the completed environmental reviews, finalizing the preliminary architectural review, and agreeing on an equity contribution. Once everything is in place, RCHC informs the County Commissioners then submit an application for a USDA Low-Interest Loan. This is a 45-90 day wait after submission. The largest moving piece to this is the Mill Levy vote in August. RCHC is able to submit application prior to the Mill Levy vote.
    - Question rose to Eric seeing if there are any 'holes' in this application. Cash on hand right now is really strong. If that cash position is not as good, or the debt service coverage ratio is right on the line, that's where USDA gets concerned. RCHC is in a good position for both right now.
    - Question rose about cash on hand going down in 2026 then significantly back up in 2027 on. Dip in 2026 due to expenses to get going. Depreciation not in place yet until 2027/2028. Cost report will pick that back up about that time to have cash go back up.
    - Motion to go with the \$5,000,000 for RCHC equity contribution by Mr. Wolters, seconded by Mr. Fields. Motion carried 9-0.

**Chairperson Report:**

- Harlan, Matt, Josh, and Goodland Board chair, Greg, interviewed an interim CEO candidate, Jeannette. She has done CEO interim position work since 2017. Lindon Consulting has used her services a number of times. She is one to continue to drive the culture and be present in the community. She would be ready to start as early as next week. She would not be a candidate for a permanent position, due to the nature of her work, but we would contract with her for 4-6 months. We cannot actively look for a CEO during that time frame. Jeannette provided good feelings as a good fit for us. Josh proposed that one of the facilities holds a direct agreement with her as opposed to an agreement through CommonSpirit. Agreement between

facilities as an MOU for reimbursement to share the cost. Hospital is to provide housing per interim agreements, so RCHC has an apartment open at the Prairie Plaza for her to stay. Would have to hold a stipend for travel every other weekend to go home. Need to approve this employment agreement tonight if all agree. Goodland will be doing the same thing tonight.

- Motion to approve the interim CEO position with Jeannette Filpe by Mr. Wolters, seconded by My. Studer. Motion carried 9-0.

**Other New Business:**

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**Executive Session**

- Motion to enter into executive session for the purpose of discussing personnel matters for non-elected personnel for 5 minutes at 6:42pm by Mr. Fields, seconded by Mr. Studer. Motion carried 9-0.
- Re-entered into open session at 6:47pm. No action was taken.

**Adjournment:**

- There being no further business to come before the board, the meeting was adjourned at 6:48pm.

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Rosalie Ross, Secretary

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Bre McEwen, Recording Secretary