

## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, January 10, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of December 13, 2010.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Discussion of the resolution with the Texas Comptroller of Public Accounts to authorize the purchasing of services for local governments pursuant to 271.082 and 271.083 of the Local Government Code and any action relating thereto.
- 5) Discussion and approval of amendment to the budget to include replacement of Sutton County Hospital District telephone system.
- 6) Discussion of the results of the feasibility study and any action relating thereto.
- 7) Administrators report
- 8) Financial report for November 30, 2010.
- 9) Approval of January 2011 expenditures.
- 10) Visitor comments.
- 11) Board Member comments.
- 12) Adjournment.

Lewis Allen, President

Our Mission  
"To provide quality health care and services which are responsive to the needs of our community in the spirit of our founders."

Our Vision  
"Commit our compassion to significantly improving of healthcare in the community we service."

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**REGULAR MEETING  
Sutton County Hospital District  
January 10, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, January 10, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Preston Faris  
Lance Castro  
Sharon Holman  
Gary Leonard

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary.

Lewis Allen called the meeting to order at 6:15PM.

Sharon Holman moved to approve the minutes from the regular meeting of December 13, 2010. Preston Faris seconded the motion and all voted in favor.

There was no report from the Sutton County Appraisal District.

Preston Faris moved to approve the Sutton County Hospital District's participation in the State of Texas CO-OP Program. Gary Leonard seconded the motion and all voted in favor. (Exhibit A)

Gary Leonard moved to amend the 2011 budget to include the purchase of a telephone system for the district. Lance Castro seconded the motion and all voted in favor.

Keith Butler reported the feasibility study is complete and the results show a strong support for an assisted living and independent living facility. Keith will ask the Merrimac Group to attend our next public meeting to discuss the findings and answer any questions the board may have.

Keith Butler reported the Diagnostic Wing is 95% complete. There has been a slight delay in paying the retainage fee due to Awesome Electric filing bankruptcy and suppliers filing liens. All of the details have been worked out and attorney Jim Kosub has given us clearance to pay the remaining balance. Accounts receivable was down just slightly in December. The average turn around days now stands at 55 days. The district's rental property is near capacity with just two vacancies. Keith also reported the use of Specialist on Call. We have used this service 5 times since going live late October and have been able to admit 4 of these patients at our facility instead of transferring them to another hospital.

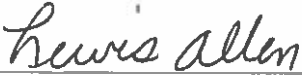
Michelle Schaefer reported no major changes in the balance sheet for November 30, 2010. Expenses noted include: salaries for all departments; lab supplies; administrative employee benefits; advertising; administrative contracted services; materials management employee benefits; and rental building repairs. Additions to revenue noted include restricted contributions from RAC-K for the purpose of installing Specialist On Call.

Lance Castro moved, Preston Faris seconded, to approve the expenditures for January 2011. All voted in favor.


There were no visitor comments.

Preston Faris moved, Gary Leonard seconded, to move the regular meeting next month to February 21, 2011, due to absences. All voted in favor.

Gary Leonard moved, Sharon Holman seconded, to adjourn at 7:23 pm.

  
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Lewis Allen, President

ATTEST:

  
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Michelle Schaefer, Board Secretary

## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, February 21, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of January 10, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Report from the quarterly PI and Medical Staff Joint Conference Committee.
- 5) Discussion of the results of the feasibility study and any action relating thereto.
- 6) S.W.O.T analysis.
- 7) Discussion and approval of the 3-year capital budget.
- 8) Administrators report.
- 9) Financial report for December 31, 2010 unaudited.
- 10) Approval of February 2011 expenditures.
- 11) Visitor comments.
- 12) Board Member comments.
- 13) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
February 21, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, February 21, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Preston Faris  
Lance Castro  
Sharon Holman  
Gary Leonard  
Virginia Epps  
Lenora Pool

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Mark Edwards MD; Margaret Evans.

Lewis Allen called the meeting to order at 6:16PM.

Lance Castro moved to approve the minutes from the regular meeting of January 10, 2011. Gary Leonard seconded the motion and all voted in favor.

There was no report from the Sutton County Appraisal District.

Margaret Evans with Merrimac Group gave a brief overview of the feasibility study compiled by Health Care Advisory Group. (Exhibit A) She explained all the services she offered and the steps that need to be taken in the event the board decided to proceed with building a senior housing/assisted living project. Gary Leonard move to allow Keith to take the first step in perusing the housing center. Virginia Epps seconded the motion and all voted in favor.

Lance Castro gave the report from the quarterly PI and Medical Staff Joint Conference Committee meeting. (Exhibit B)

Keith guided the board in the annual S.W.O.T. analysis. (Exhibit C)

The annual 3-year capital budget was reviewed and will be approved at next month's meeting.

Keith reported a former Eldorado resident has been accepted to medical school. The hospital district is exploring the idea of offering monetary support in return for a work contract upon completion of his degree. Scholarships are also being offered by the Texas Department of Rural Affairs in support of physicians who will agree to serve in the rural area. The final payment of the construction project is still outstanding due to the ongoing bankruptcy of one sub-contractor. The court hearing was held February 14, 2011 and hopefully the settlement will follow within 60 days. Average AR days to collection now stand at 53, and revenue remains very stable. The hospital used its emergency operation plan recently. The hospital was without water for over 12 hours and the emergency plan was successful.

Michelle Schaefer reported a credit from CMS on the balance sheet for December 31, 2010 unaudited. Revenue has steeply increased now as we have two full time therapists. Expenses noted include: payroll taxes for nursing; ER contracted services; ER equipment; radiology computer expense; administrative employee benefits and payroll taxes; administrative contracted services; administrative equipment; housekeeping employee benefits; materials


management equipment; respiratory therapy salaries; all facility benefits; and rental utilities. Additions to revenue noted include contribution from the hospital auxiliary and UPL payments.

Preston Faris moved, Virginia Epps seconded, to approve the expenditures for February 2011. All voted in favor.


There were no visitor comments.

Virginia Epps praised the LMH staff for her recent stay in the hospital and was the first patient to use the over-flow beds in the MRI/GI addition.

Virginia Epps moved, Lenora Pool seconded, to adjourn at 8:15 pm.

  
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Lewis Allen, President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary

## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, March 14, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of February 21, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Consideration of inter-local agreement with Sutton County for EMS and any action relating thereto.
- 5) Discussion and approval of the 3-year capital budget.
- 6) Discussion of parking lot and any action relating thereto.
- 7) Board education on self pay accounts.
- 8) Administrators report.
- 9) Financial report for January 31, 2011.
- 10) Approval of March 2011 expenditures.
- 11) Visitor comments.
- 12) Board Member comments.
- 13) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
March 14, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, March 14, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Preston Faris  
Sharon Holman  
Gary Leonard  
Lenora Pool

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Mark Edwards MD; Maura Weingart; Carla Garner.

Lewis Allen called the meeting to order at 6:22PM.

Lenora Pool moved to approve the minutes from the regular meeting of February 21, 2011. Preston Faris seconded the motion and all voted in favor.

The board was notified about an email (Exhibit A) that was sent to all taxing districts concerning the big possibility of mineral values vastly decreasing in the coming year.

Carla Garner, County Judge, presented to the board the possibility of the hospital taking over the day to day operations of the EMS. A similar discussion took place in the last commissioner's court meeting and the reason being there is a shortage of volunteer personnel and 24 hour coverage is often a problem. If an inter-local agreement can be met both taxing entities will share in the expense of the operation. (Exhibit B) Gary Leonard moved, Sharon Holman, seconded to move forward toward such an agreement. All voted in favor.

Keith presented the final 3-year capital budget. (Exhibit C) Preston Faris moved to approve the budget as presented. Gary Leonard seconded the motion all voted in favor.

Keith presented a proposal to build a new parking lot. (Exhibit D) Sharon Holman moved, Lenora Pool seconded, to approve this project and to allow Keith to move forward with the bidding process. All voted in favor.

Michelle explained the self-pay program that is offered to LMH patients. (Exhibit E)

Keith reported average days to collections stands at 51 days. He also reported the architect has agreed to create a master plan for the assisted living facility for \$23,500. It was a general consensus to find a possible location before we move forward with the master plan.

Michelle Schaefer reported no major changes in the balance sheet for January 31, 2011. Revenue and deductions from revenue is right on target for January. Expenses noted include: nursing benefits; laboratory computer/dues; radiology salaries; radiology supplies; radiology maintenance; physical therapy equipment; pharmacy supplies; administrative contracted services; medical records dues/computer expense; medical records equipment maintenance; operations benefits; respiratory therapy salaries; clinic salaries; clinic benefits; depreciation expense; rental building repair; rental depreciation. Additions to revenue noted include grants from the state for the feasibility study, SHIP reimbursement and First Choice purchasing agreement.



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Sutton County Hospital District  
March 14, 2011

Gary Leonard moved, Lenora Pool seconded, to approve the expenditures for March 2011. All voted in favor.

There were no visitor comments.

Sharon Holman shared an article with the board concerning public perception of the hospital. Gary Leonard proposed the hospital board meet/partner with the school board. Lewis Allen pointed out that the hospital was nominated for organization of the year.

Lenora Pool moved, Preston Faris seconded, to adjourn at 8:15 pm.

  
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Lewis Allen, President

ATTEST:

  
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Michelle Schaefer, Board Secretary

## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, April 11, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of March 14, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Nursing advisory committee report.
- 5) Discussion and approval of the Inter-local agreement with Sutton County for EMS.
- 6) Open bids for the construction of the parking lot and any action relating thereto.
- 7) Executive Session: Under Texas Government Code 551.072 Real Estate.
- 8) Approval of recommendations from the Medical Staff for approval of Chief of Staff, Consulting Staff and Active Staff.
- 8) Administrators report.
- 9) Financial report for February 28, 2011.
- 10) Approval of April 2011 expenditures.
- 11) Visitor comments.
- 12) Board Member comments.
- 13) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
April 11, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, April 11, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lance Castro, Vice-President  
Preston Faris  
Sharon Holman  
Gary Leonard  
Lenora Pool  
Virginia Epps

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Mark Edwards MD; Jon-Michael Parker; Robbie Hard.

Lance Castro called the meeting to order at 6:15PM.

Sharon Holman moved to approve the minutes from the regular meeting of March 14, 2011. Preston Faris seconded the motion and all voted in favor.

Gary Leonard moved to accept the access budget funds report as given to us by the Sutton County Appraisal District. (Exhibit A) Lenora Pool seconded the motion and all voted in favor.

Jon-Michael Parker reported the nursing committee met with three nurses attending. We are currently fully staffed with RN and LVNS. We are in need of one CNA. It was the recommendation of the committee that more training be offered.

Charles Howard Construction was the only bid received for the parking lot project. The bid came in at \$172,000 plus the cost of moving utilities and testing. Robbie Hard reviewed the proposed plans with the board (Exhibit B) and said if approved he could start May 1, 2011. Lenora Pool moved we award the bid as proposed to Charles Howard Construction. Preston Faris seconded the motion and all voted in favor.

Keith attended the Commissioner's Court Meeting earlier and questions were raised about the need for a joint meeting between the hospital board and commissioners. It was recommended we hold a public forum in order that all citizens could have the opportunity to ask questions. The proposed meeting being, Tuesday, April 19<sup>th</sup>, 5:00 pm.

The board moved into executive session at 6:56 pm for the purpose of discussing real estate. The meeting was opened up to the public at 7:20 pm. Gary Leonard moved to allow Keith to place an offer with Cleve T and Lola Beth Jones for the property at the end of E2nd not to exceed \$3200 an acre. (Exhibit C) Sharon Holman seconded the motion and all voted in favor.

Sharon Holman moved to approve the recommendations of the Medical Staff. (Exhibit D) Preston Faris seconded the motion and all voted in favor.

Keith reported average days to collections stands at 50 days. Pricing comparison was forwarded to the board members and it was noted the services at LMH were all well below the rate from which this particular client was transferred. Keith also reported there has been no word from the FQHC application. He attended a meeting last

week and word has it that the Federal Government has not touched the proposed money for FQHC funding. A map was also displayed at the recent Torch meeting showing where applications have been submitted from and there where very few from our area. Keith met with the Rocksprings County Judge for the purpose of discussing health care needs. The residents from that area have been very receptive to the services we offer here at LMH. We are in the process of filing for a refund for our Electronic Health Records (EHR). This is a very tedious process but we are hopeful this will be financially rewarding. Computer Program Systems Inc, our current computer supplier, has notified us we will need to install another update in order to meet the meaningful use guidelines as set by the government. This will come at an approximate cost of \$56,000.

Michelle Schaefer reported the increase of CD investment for a total of \$4 million. The auditors have given us the year-end adjustments which cleared out seven of the nine building in processes. Revenue and deductions from revenue were down in February. Expenses noted include: nursing education and travel; laboratory computer/dues; laboratory supplies; laboratory contracted services; advertising medical records maintenance; housekeeping equipment expense; hospital building repairs; and rental building repairs. Money continues to be received from Disproportionate share.


Preston Faris moved, Lenora Pool seconded, to approve the expenditures for April 2011. All voted in favor.

There were no visitor comments.

Virginia Epps moved, Sharon Holman seconded, to adjourn at 7:58 pm.

  
\_\_\_\_\_  
Lance Castro, Vice-President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary

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**REGULAR MEETING  
Sutton County Hospital District  
April 19, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Tuesday, April 19, 2011 at 5:00PM in the multipurpose room at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, Vice-President  
Preston Faris  
Gary Leonard  
Lenora Pool  
Virginia Epps  
Lance Castro

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Milton Cavaness; John Wade; Carla Garner; David Wallace; Miguel Villaneuva; Fred Perez; Rachel Duran; visitor list attached.

Lewis Allen called the meeting to order at 5:00PM.

Lewis Allen opened the meeting with prayer.

Carla Garner, County Judge, began the meeting with explanation as to why the proposed agreement is needed, too few volunteers with too little training and certification. If this inter-local agreement is approved it will operate much like the current inter-local agreement the county currently has with the city for the senior citizen center.

Lewis Allen and Carla Garner guided everyone through each line item on the drafted agreement. Much discussion was held concerning the need for such a change as well as the finances of the proposed agreement. Keith Butler gave insight into the hospital's proposal of running the EMS service.

Visitors Billy Martin and Frank Wamble asked questions concerning the inter-local agreement and board members answered their questions. John K Wilson commented this situation is not new and it had been a topic of discussion on previous commissioner court meetings.

The current volunteer EMS personnel and Firefighters were commended on a job well done. County Attorney David Wallace said he sees no problems with this agreement and he would make the changes to the contract and forward it to the Hospital District's attorney for approval.

Hospital board members Gary Leonard and Preston Faris both expressed their support for the agreement. Board member Virginia Epps explained she did miss the first meeting that discussed the proposed changes and it did come as a surprise to her.

Lenora Pool moved, Virginia Epps seconded to adjourn at 6:51 PM.

  
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Lewis Allen, President

ATTEST:

  
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Michelle Schaefer, Board Secretary

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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, May 9, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of April 11, 2011 and special meeting of April 19, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Review of December 31, 2010 audit presented by Oliver Raney & Wojtek, CPA.
- 5) Discussion of the Inter-local agreement with Sutton County for EMS and any action relating thereto.
- 6) Executive Session: Under Texas Government Code 551.072 Real Estate.
- 7) Report from the quarterly PI and Medical Staff Joint Conference Committee.
- 8) Discussion and approval of bid for remodel on 104 Sonora apt #6.
- 9) Discussion and approval of budget adjustment for the allowance of ARRA upgrade.
- 10) Administrators report.
- 11) Financial report for March 31, 2011.
- 12) Approval of May 2011 expenditures.
- 13) Visitor comments.
- 14) Board Member comments.
- 15) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
May 9, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, May 9, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Lance Castro  
Preston Faris  
Sharon Holman  
Gary Leonard  
Virginia Epps

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Teresa Pineda CPA.

Lewis Allen called the meeting to order at 6:13PM.

Gary Leonard moved to approve the minutes from the regular meeting of April 11, 2011 and the special meeting of April 19, 2011. Sharon Holman seconded the motion and all voted in favor.

The board was informed of the estimated appraisal values for 2011 as prepared by the Sutton County Appraisal District. (Exhibit A)

Teresa Pineda presented the December 31, 2010 audit report as prepared by Oliver Raney & Wojtek, CPA. (Exhibit B)

Gary Leonard moved to approve of the inter-local agreement with Sutton County for EMS operations as presented. (Exhibit C) Virginia Epps seconded the motion and all signed in agreement.

The board moved into executive session at 6:41 pm for the purpose of discussing real estate. The meeting was opened up to the public at 6:48 pm. No action was taken.

Lewis Allen gave a report from the quarterly PI and Medical Staff Joint Conference Committee. (Exhibit D)

Gary Leonard moved to let bids for the remodel of 104 Sonora Drive Apt #6. Lance Castro seconded the motion and all voted in favor.

Preston Faris moved to approve the budget amendment for the allowance of ARRA upgrade in the amount of \$65,900. Lance Castro seconded the motion and all voted in favor.

Keith reported revenue has remained very steady. He also reported the Texas House and Senate approved the bill to allow physicians to be employed as an employee. The bill is on the Governor Perry's desk for final approval and speculation is it will be signed into law. No word has been received on the approval of our FQHC application. The Saint Ann's Catholic Church has written a very nice thank you note for the hospitals donation of the used stoves. Board members were informed of the need to deny services to a client based on previous history.

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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, June 13, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of May 9, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Opening of bids for the remodel of 104 Sonora Drive apartment #6.
- 5) Approval of policy and procedures manual for the following departments: Nursing, Emergency Room, Pharmacy, Dietary, Medical Records, Radiology, Laboratory, Life Safety, Emergency Operations, Physical Therapy and RHC.
- 6) Executive Session: Under Texas Government Code 551.072 Real Estate.
- 7) Administrators report.
- 8) Financial report for April 30, 2011.
- 9) Approval of June 2011 expenditures.
- 10) Visitor comments.
- 11) Board Member comments.
- 12) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
June 13, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, June 13, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Sharon Holman  
Gary Leonard  
Lance Castro

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Mark Edwards.

Lewis Allen called the meeting to order at 6:17PM.

Lance Castro moved to approve the minutes from the regular meeting of May 9, 2011. Gary Leonard seconded the motion and all voted in favor.

There was no report from the Sutton County Appraisal District.

Bids were received from Wayne Webb Painting and Ozona Remodel for the general construction of apartment #6 remodel. Gary Leonard moved to accept Wayne Webb Painting's bid of \$32000.00. Lance Castro seconded the bid and all voted in favor. Bid for plumbing were received from McCants Plumbing and Banister Plumbing. Sharon Holman moved, Gary Leonard seconded, to accept the bid of \$2574.00 from McCants Plumbing. All voted in favor. Newkirk Electric bid \$3,980 for the remodel of apartment #6. Gary Leonard moved, Sharon Holman seconded, the bid and all voted in favor. (Exhibit A)

Sharon Holman moved to approve the policy and procedures manual for the following departments: Nursing, Emergency Room, Pharmacy, Dietary, Medical Records, Radiology, Laboratory, Life Safety, Emergency Operations, Physical Therapy and RHC, *second, all in favor.*

The board moved into executive session at 6:39 pm for the purpose of discussing real estate. The meeting was opened up to the public at 6:50 pm. No action was taken.

Keith Butler reported the accounts receivable, average days to collections is below 50. Revenue had been very steady, with self pay consistently increasing. We have not received any word from our FQHC application. Information received from TORCH is, only 60-70 FQHC's will be approved as opposed to the original 300 plus that were originally expected. Keith also shared with the board a listing of all Texas hospital district rates as reported by the Texas Hospital Association. Sutton County is among the lowest. Keith reported he had interviewed five people for the EMS director's position and will be making a decision soon.

Michelle Schaefer reported the following changes for building in process as of April 30, 2011 for DeFib Equipment, Doppler Equipment, phone system and finishing of apartment #7. The outstanding payable for the phone system was noted. Contractual for Medicare included the repayment of \$93,000 from the 2006 Cost Report settlement. Noted expenses include: nursing computer expense, radiology salaries, radiology benefits, physical therapy education/travel, administrative benefits, medical records maintenance, dietary equipment and repairs to rental property. Money was received for UPL and 2011 Tobacco Settlement.

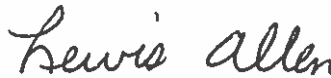
Page 2  
Sutton County Hospital District  
June 13, 2011

Lance Castro moved, Gary Leonard seconded, to approve the expenditures for June 2011. All voted in favor.

There were no visitor comments.

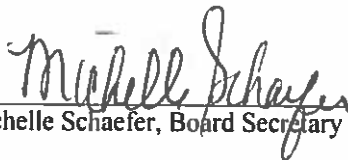
There were no board member comments.

Sharon Holman moved, Gary Leonard seconded, to adjourn at 7:17 pm.



Lewis Allen, President

ATTEST:



Michelle Schaefer, Board Secretary

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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, July 11, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of June 13, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Administrators report.
- 5) Financial report for May 31, 2011.
- 6) Approval of July 2011 expenditures.
- 7) Visitor comments.
- 8) Board Member comments.
- 9) Adjournment.

Lewis Allen, President

**Our Mission**

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**REGULAR MEETING  
Sutton County Hospital District  
July 11, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, July 11, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Virginia Epps  
Sharon Holman  
Preston Faris  
Lance Castro  
Lenora Pool

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary.

Lewis Allen called the meeting to order at 6:17PM.

Lance Castro moved to approve the minutes from the regular meeting of June 13, 2011 with corrections to paragraph 5 of a seconded and all voting in favor. Sharon Holman seconded the motion and all voted in favor.

Sutton County Appraisal District reported a budget amendment for equipment by \$10801.99. (Exhibit A)

Keith Butler reported the hospital revenue steady with average days to collection of 42. We have not received any word from our FQHC application. The parking lot is still under construction with delays due to concrete suppliers. The director for the EMS service has been hired and started working the first of July; he will be interviewing applicants for the roster. Our goal is to begin rendering services from the hospital district on August 1, 2011.

Michelle Schaefer reported no major changes to the balance sheet for May 31, 2011. Net patient revenue was 40% above budget for the month of May. Noted expenses include: MRI expense; radiology travel/education; EKG equipment; pharmacy supplies; administrative benefits; advertising; dietary benefits; operations benefits; building repairs; and rental building repairs. Money was received for UPL and Disproportionate Share.

Virginia Epps moved, Sharon Holman seconded, to approve the expenditures for July 2011. All voted in favor.


There were no visitor comments.

Lewis Allen commended the Sutton County Hospital District and expressed how proud he was of our facility.

Preston Faris moved, Lenora Pool seconded, to adjourn at 7:53 pm.

  
\_\_\_\_\_  
Lewis Allen, President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary

AMENDMENT TO THE APPROVED BUDGET

The Sutton County Appraisal District Board of Directors will meet in the meeting room of the County Annex building on Monday, August 8<sup>th</sup>, 2011 at 8:00 a.m.

- Amendment - Increase Account #6631 (Equipment) by \$10,801.99

M. Schey  
Received by

6/30/11  
Date

\_\_\_\_\_  
Chief Appraiser

\_\_\_\_\_  
Date

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Sonora, TX 76950



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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, August 8, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of July 11, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Quarterly Joint Staff, PI and Medical Staff report.
- 5) Discussion of Real Estate.
- 6) Preliminary budget discussion 2012.
- 7) Administrators report.
- 8) Financial report for June 30, 2011.
- 9) Approval of August 2011 expenditures.
- 10) Visitor comments.
- 11) Board Member comments.
- 12) Adjournment.

Lewis Allen, President

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**REGULAR MEETING**  
**Sutton County Hospital District**  
**August 8, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, August 8, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Virginia Epps  
Preston Faris  
Lenora Pool  
Gary Leonard

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Mark Edwards MD.

Lewis Allen called the meeting to order at 6:17PM.

Gary Leonard moved to approve the minutes from the regular meeting of July 11, 2011. Lenora Pool seconded the motion and all voted in favor.

The Sutton County Appraisal District reported the 2011 Effective Tax Rates. (Exhibit A)

Lewis Allen reported on the Joint Staff meeting of Medical Staff Committee and Process Improvement Committee. (Exhibit B)

Discussion was held concerning the purchase of real estate for the purpose of building a senior living facility. It was the general consensus of the board to continue to look for a feasible site.

The preliminary budget figures for 2012 (Exhibit C) was presented to the board. Few changes from the previous year's budget are expected.

Keith Butler reported on recent cuts by the Federal and State government for medical care. Our payer mix is still very good for a facility our size and we will not be hit as hard as some Critical Access Hospitals in our area. We still have not heard from the status of our FQHC application. Accounts receivable, average days to collection continues to stay at 42 for July, revenue was down for the month but we have seen an increase in patients from surrounding communities. The parking lot has been very slow to completion. The EMS services started August 1, 2011 by the hospital district. The state has completed our EMS inspection and we are waiting on this license to proceed with our Medicare certification. The school has signed an agreement for the EMS department to cover the football games. The hospital is sponsoring "Golfing for Ta Ta's" a fund raiser for the purpose of providing mammography screening for uninsured patients. The SCHF is also teaming up with this event and will be matching all funds raised. LMHMH and TDRA has partnered in financially sponsoring a medical student with the agreement he will serve in our area once his

Page 2  
Sutton County Hospital District  
August 8, 2011

education is completed. Starting in September an orthopedist will be holding a day clinic in Sonora.

Michelle Schaefer reported no major changes to the balance sheet for June 30, 2011. June retirement for all departments was incorrectly expensed in July. Other noted expenses include: nursing school; EMS department; CT Scan maintenance; radiology school; physical therapy employee benefits; administrative HRA; administrative contracts and medical records contracted services. A correction was made to tax revenue, incorrectly applied in May. Money was received for UPL, bad debt recovery and Disproportionate Share.

Gary Leonard moved, Lenora Pool seconded, to approve the expenditures for August 2011. All voted in favor.

There were no visitor comments.

There were no board member comments.

Preston Faris moved, Gary Leonard seconded, to adjourn at 7:22 pm.

  
\_\_\_\_\_  
Lewis Allen, President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary



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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, September 12, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of September 12, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto. Discussion and approval of the 2012 Sutton County Hospital District tax rate.
- 4) Review and approval of professional and non-professional vendor contracts.
- 5) Approval of Michael Johnson MD to the consulting staff.
- 6) Discussion and approval of the TCDRS plan provisions year 2012.
- 7) Executive session for the discussion of CEO evaluation as per Section 551.074.
- 8) Discussion approval of the 2012 operational budget and 2012 capital budget.
- 9) Administrators report.
- 10) Financial report for July 31, 2011.
- 11) Approval of September 2011 expenditures.
- 12) Visitor comments.
- 13) Board Member comments.
- 14) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
September 12, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, September 12, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Sharon Holman  
Lance Castro  
Lenora Pool  
Gary Leonard

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary.

Lewis Allen called the meeting to order at 6:25PM.

Gary Leonard moved to approve the minutes from the regular meeting of August 8, 2011. Sharon Holman seconded the motion and all voted in favor.

Gary Leonard moved to approve the 2011 Sutton County Hospital Districts effective tax rate at 0.135386/\$100. Lance Castro seconded the motion and all voted in favor.

Lance Castro moved, Sharon Holman seconded, to approve the vendor contract list. (Exhibit A) All voted in favor.

Gary Leonard moved to approve Michael Johnson MD to the consulting staff as recommended by the medical staff. Lenora Pool seconded the motion and all voted in favor. (Exhibit B)

Gary Leonard move to make no change to the Sutton County Hospital Districts retirement plan for 2012. Lance Castro seconded the motion and all voted in favor.

The board moved into executive session per Section 551.074, at 6:43 pm. for the purpose of discussing the CEO evaluation. The meeting was opened to the public at 7:08 pm. No action was taken. The board members commended Keith on a job well done.

Gary Leonard moved to approve the 2012 budget as presented not to include any merit increases. Lance Castro seconded the motion and all voted in favor.

Sharon Holman moved, Gary Leonard seconded, to approve the 2012 capital budget. (Exhibit C) All voted in favor.

Keith reported our request for a FQHC has been denied. Only four FQHC's were approved in Texas. Our application will stay on file, in the event more are approved in the future. The federal

government is still trying to cut CAH funding. Keith also reported the parking lot project should be completed by October 1<sup>st</sup>. The hospital is sponsoring two different wellness programs; Golfing for Ta Ta's and Fun Run. Both events are to promote women's wellness and our facility is partnering with other Texas agencies to make mammography available to all who live in our area. Lastly, Keith reported no major changes to the accounts receivable. Average days to collection remain at forty.

Michelle Schaefer reported no major changes to the balance sheet for July 31, 2011. We did receive \$192,972 for the 2010 cost report settlement. Noted expenses include: benefits for all departments; EMS license; lab contracted services; clinic computer expense; facility licenses. Money was received for trauma, UPL and Disproportionate Share.

Lenora Pool moved, Sharon Holman seconded, to approve the expenditures for September 2011. All voted in favor.

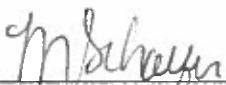
There were no visitor comments.

There were no board member comments.

Lenora Pool moved, Sharon Holman seconded, to adjourn at 8:47 pm.

  
\_\_\_\_\_  
Lewis Allen, President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary



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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, October 10, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of September 12, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Report from the Hudspeth Ranch Board and any action relating thereto.
- 5) Administrators report.
- 6) Financial report for August 31, 2011.
- 7) Approval of October 2011 expenditures.
- 8) Visitor comments.
- 9) Board Member comments.
- 10) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
October 10, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, October 10, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Sharon Holman  
Preston Faris  
Lenora Pool  
Lance Castro

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Bob Brockman with the Hudspeth Ranch Board; Mark Edwards.

Lewis Allen called the meeting to order at 6:23PM.

Lance Castro moved to approve the minutes from the regular meeting of September 12, 2011 with adding Lance Castro and removing Preston Faris on members in attendance. Lenora Pool seconded the motion and all voted in favor.

There was no report from the Sutton County Appraisal District. The board members present signed the tax roll approval as approved September 12, 2011. (Exhibit A)

Bob Brockman with the Hudspeth Ranch Board updated the Hudspeth Hospital Board members on the operations of the ranch for the last year.

Keith reported federal funds have been cut for non-emergent ER visits by Medicaid recipients. We are still waiting on our Medicare approval for filing EMS claims. The parking lot is completed except for the hand rails. We experienced flooding in the wellness center from the rain over the weekend. The slope of the landscape and the down pour was too big for the drainage system. Keith also informed the board that influenza shots are now being administered.

Michelle Schaefer reported no major changes in the balance sheet for 08/30/11. Revenue line was added for EMS department. Noted expenses include: nursing school; laboratory contracted services; radiology CT expense; medical records contracted services; dietary supplies; materials management salaries; clinic employee benefits and utilities. Other revenue was received from Disproportionate Share.


Lenora Pool moved to approve the October expenditures. Lance Castro seconded the motion and all voted in favor.

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Sutton County Hospital District  
October 12, 2011

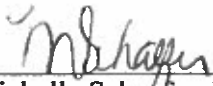
There were no visitor comments.

Lewis Allen told the board the Kimble County Hospital tax rate for 2012 was .44100/100. Lenora Pool expressed condolences for Carmen Joy Preston family.

Lenora Pool moved, Sharon Holman seconded, to adjourn at 7:10 pm.

  
\_\_\_\_\_  
Lewis Allen, President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary



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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, November 14, 2011 at 6:00PM in the lobby of the old building at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of October 10, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Quarterly PI and Medical Staff Report.
- 5) Discussion and approval of the Nursing Committee Report.
- 6) Administrators report.
- 7) Financial report for September 30, 2011.
- 8) Approval of November 2011 expenditures.
- 9) Visitor comments.
- 10) Board Member comments.
- 11) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
November 14, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, November 14, 2011 at 6:00PM in the lobby of the old LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Virginia Epps  
Preston Faris  
Gary Leonard

Also present: Keith Butler, CEO; Michelle Schaefer, Board Secretary; Mark Edwards.

Lewis Allen called the meeting to order at 6:17PM.

Preston Faris moved to approve the minutes from the regular meeting of October 10, 2011. Virginia Epps seconded the motion and all voted in favor.

There was no report from the Sutton County Appraisal District.

Lewis Allen reported from the Process Improvement committee meeting. Michelle Schaefer reported from the Medical Staff Quarterly meeting. (Exhibit A)

Preston Faris moved to table the Nursing Committee Report until the December regular meeting. Virginia Epps seconded the motion and all voted in favor.

Keith reported accounts receivable, average days to collection has increased to 52 days. The revenue for October did hold very steady. The EMS approval has been received from Medicare and the Medicaid application has been sent. Keith was please to report we now have seven specialists from San Angelo coming to our facility to see patients and one physician is now coming twice a month due to patient load. The new parking lot is now complete. We regret to report both of our physical therapist will be leaving in December. We do have another therapist hired but she will not be able to practice until she receives her license in February. Keith reported he and the radiology director, Joe Marshall, will be traveling to the RSNA annual show in Chicago. This gives us the opportunity to see all of the latest radiology equipment that the industry has to offer.

Michelle Schaefer reported the addition of one account to the balance sheet ending 09/30/11 for the purpose of the revolving account payable to Commerce Bank. Net patient revenue for the month of September was well above the projected amount. Medicare contractual does include an adjustment for the 2011 interim cost report. Noted expenses include: EMS department all lines; physical therapy education and travel; pharmacy supplies; medical records contracted services; dietary employee benefits; dietary food expense; clinic employee benefits; telephone expense; rental utilities and insurance expense. Other revenue was received from Disproportionate Share and UPL.




Page 2  
Sutton County Hospital District  
November 14, 2011

Virginia Epps moved to approve the November expenditures. Gary Leonard seconded the motion and all voted in favor.

There were no visitor comments.

Lewis Allen reported one complaint made to him concerning the dietary department.

Gary Leonard moved, Virginia Epps seconded, to adjourn at 7:05 pm.

  
\_\_\_\_\_  
Lewis Allen, President

ATTEST:

  
\_\_\_\_\_  
Michelle Schaefer, Board Secretary



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## PUBLIC NOTICE

The regular meeting of the Sutton County Hospital District, Board of Directors, will be held on Monday, December 12, 2011 at 6:00PM in the multipurpose room at LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas.

### AGENDA

- 1) Call to Order.
- 2) Approval of minutes from the regular meeting of November 14, 2011.
- 3) Mary Bustamante, Sutton County Appraisal District and any action relating thereto.
- 4) Approval of recommendations from the Medical Staff for the approval of Timothy Hopkins MD and Don Hughes MD to the consulting staff.
- 5) Approval of physician employment as approved by Medical Staff.
- 6) Discussion and approval of the Nursing Committee Report.
- 7) Administrators report.
- 7) Financial report for October 31, 2011.
- 8) Approval of December 2011 expenditures.
- 9) Visitor comments.
- 10) Board Member comments.
- 11) Adjournment.

Lewis Allen, President

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**REGULAR MEETING  
Sutton County Hospital District  
December 12, 2011**

The regular meeting of the Sutton County Hospital District, Board of Directors, was held on Monday, December 12, 2011 at 6:00PM in the multipurpose room of the LMH Memorial Hospital, 308 Hudspeth, Sonora, Texas. The following board members were present:

Lewis Allen, President  
Lenora Pool  
Preston Faris  
Gary Leonard  
Sharon Holman  
Lance Castro

Also present: Michelle Schaefer, Board Secretary; Mark Edwards; Glen & Linda Fisher; Ben Pool; Carl & Melissa Teaff; John Paul Friess; Jon-Michael Parker.

Lewis Allen called the meeting to order at 6:37PM.

Glen Fisher, president of the Sutton County Health Foundation, gave an overview of 2011. Revenue was generated from the annual fish fry, memorials and interest from investments. Expenditures included the purchase of AED equipment, scholarship for medical education, hospital expansion and matching funds from Golfing for Ta Ta's. Lewis Allen and Gary Leonard reviewed the hospital happenings for 2011. The hospital now has seven specialty physicians coming to our facility for day clinic; an application was filed for a FQHC; sponsorship of a physician to be repaid by serving our facility once medical school is complete; and Mid-Level students coming to Sonora for internship.

Gary Leonard moved to approve the minutes from the regular meeting of November 14, 2011. Sharon Holman seconded the motion and all voted in favor.

There was no report from the Sutton County Appraisal District.

Lenora Pool moved to approve Timothy Hopkins MD and Don Hughes MD to the consulting staff. Lance Castro seconded the motion and all voted in favor. (Exhibit A)

Lance Castro moved to approve the physician employment agreement as approved by Medical Staff. Preston Faris seconded the motion and all voted in favor. (Exhibit B)

Jon-Michael Parker, Director of Nursing, met with the nursing committee earlier today. Areas of concern were streamlining the department; patient visitation policies; staffing shortages; and EMS helping when staff is short handed. Gary Leonard moved, Lenora Pool seconded, to accept the nursing committee report. All voted in favor.

There was no administrator report due to Keith's absence.

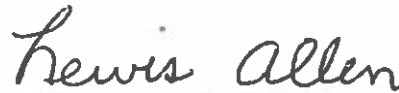
Michelle Schaefer reported transferring building in process accounts to the final asset account and adding them to the depreciation schedule, for the financial ending 10/31/11. A loss was shown for the replacement of the phone system. Net patient revenue for the month of October was well above the projected amount, it did include the addition of bad debt, charity and indigent accounts for EMS. Noted expenses include: treatment room supplies; radiology equipment; medical records contracted services; clinic pharmacy supplies; tax collection fee; hospital building repairs; and deprecation expense. Other revenue was received for restricted contributions.

Sharon Holman moved to approve the December expenditures. Gary Leonard seconded the motion and all voted in favor.

There were no visitor comments.

Lewis Allen reminded the board 2012 will be an election year.


Preston Faris moved, Lance Castro seconded, to adjourn at 7:53 pm.



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Lewis Allen, President

ATTEST:



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Michelle Schaefer, Board Secretary