



Present: Don Liddycoat, Chair; Jerald Steward, Secretary; John Shine, Treasurer; Charlie Tveit, CEO; Prahban Cumarasamy, CFO; Jennifer Antle, Board Member Elect

Don Liddycoat, Chair, opened the meeting at 2:30PM and noted that the meeting was informational only and strategic planning is for discussion, but no Board motions or votes would be entertained.

Prahban Cumarasamy introduced himself; he was hired as the CFO and has been in the role for two days.

Charlie Tveit reported to the Board that the District is, as has been discussed at previous open meetings, in a dire financial situation. After reviewing the financials, the best thing to do right now is to close the two business lines that are losing money, Lakeview Gardens and Home Health & Hospice; and move Cardiac Rehab into the Rehab Department. Mr. Tveit reported that Home Health & Hospice loses approximately \$250k per year and Lakeview Gardens loses close to \$2M dollars annually. Lakeview Gardens has always lost money (typically \$500K - \$1M), but due to contract labor increases, the cost to sustain the Gardens has become more than we can afford. Charlie also noted that by moving Cardiac Rehab, it would save approximately \$20K. Mr. Tveit reported that we are also seeing a lot of issues with our billing and collections - Mr. Cumarasamy is here to try and get that figured out, and work on ways to correct our billing and collection problems.

There were questions from the Board regarding the losses - how closing would be done, and how residents would be moved. Mr. Tveit responded that the staff and State would work on helping identify locations for the residents currently at Lakeview Gardens. Mr. Tveit noted that this is a very difficult thing, but the District can't afford to continue the sheer losses happening with Long Term Care & Assisted Living. There were questions regarding staff, whether they could be moved to work at the hospital, and Mr. Tveit reported that it's possible if they wanted to move into that position. Mr. Tveit reported that there are also considerations that need to be made due to Teamsters and ONA contracts.

Mr. Tveit noted that the finance team had been reviewing the financial situation and that there could be some very difficult decisions regarding staffing and other services as we move forward, but the District has to stem the flow of fund out and find a way to fix our billing and collection issues.

Mr. Tveit reported that there is a contractual wage increase for staff in July that will likely impact our financial situation as well.

The meeting was adjourned at 3:45pm