

Members Present:
 Susan Vallem, Chair
 Karen Thalacker, Secretary
 Gary Burke
 John Johnston
 Darold Wolff

Speakers Present:
 Mike Trachta, CEO
 Anne Mardorf, CFO
 David Rathe, D.O.
 Mark Slade
 Carol Smith
 Carol Stone

Guests Present:
 Karen Buls
 Mary Conway, COO
 Jennifer Peterson
 Dan Rigel
 Ivy Sprague

Minutes
 of the Meeting of the
Board of Trustees

January 26, 2004
 7:00 p.m.
**Carstensen/Gruben
 Room**

WAVERLY HEALTH
 — C E N T E R —

Our Mission: Waverly Health
 Center strives to provide the
 highest quality, patient-focused
 health care.

Item	Discussion/Notes	Action
I. Meeting called to order	Called to order by Vallem at 7:00 p.m.	
II. Approval of minutes	A motion was made to approve the minutes of the 12/15/03 meeting as written.	1 st – Thalacker 2 nd – Burke Approved
III. Featured Department – Respiratory Therapy	Carol Smith and Mark Slade presented information about the Echo Vascular and Respiratory Therapy departments. Rathe discussed the possibility of Waverly Health Center creating a type of Prevent-a-Stroke program.	
IV. Construction Update	<p>Gillett presented a construction update, reporting that the new structure should be closed in by the end of February. The project is currently a little behind schedule. We are currently rebidding two Phase 3 bid packages that previously did not receive any bids. We will receive bids for the nurses call system and fireproofing on February 19th, and a recommendation will be presented to the Board at the February 23rd meeting.</p> <p>Gillett reported that Harty Elving is currently working on plans for the 3rd floor, they plan to have drawings complete by March 1st. Trachta reported that we are considering have the drawings finalized and bidding out the finishing of the 3rd floor to have a solid estimate of the cost to determine whether that part of the project is feasible at this time. From current calculations and estimations, Trachta projects that we will be approximately \$1.2 million short of funding to finish the 3rd floor. Trachta requested the Board's support to continue investigating the possibility of finishing the 3rd floor and possible options for funding. The Board was in agreement with Trachta's plan of action. Trachta presented the idea of a rooftop garden as proposed by Dr. Bell.</p>	
V. Financial and Statistical Report <ul style="list-style-type: none"> • Operating Statement • Balance Sheet 	Mardorf presented the financial and statistical report for December. Mardorf announced that employee incentive goals were met for the 2 nd quarter of FY04.	

<ul style="list-style-type: none"> • Investment Report • Ambulance Report • Home Health Report 	<p>A motion was made to approve the financial and statistical report as written and the payout of the employee incentive bonus.</p> <p>Mardorf presented the Ambulance and Home Health reports for December as distributed to the Board members.</p>	<p>1st – Thalacker 2nd – Burke Approved</p> <p>Accepted</p>
<p>VI. Committee Reports</p> <ul style="list-style-type: none"> • Performance Improvement Committee • Environment of Care Committee 	<p>Stone presented the Performance Improvement report as included in the Board packets.</p> <p>Stone presented the Environment of Care Committee minutes as included in the Board packets.</p>	<p>Accepted</p> <p>Accepted</p>
<p>VII. CORS Report – 3rd Quarter</p>	<p>Stone presented the 3rd Quarter CORS Report as included in the Board packets.</p>	<p>Accepted</p>
<p>VIII. Organizational Performance Improvement Report – 2nd Quarter</p>	<p>Stone presented the Organizational Performance Improvement Report – 2nd Quarter as included in the Board packets.</p>	<p>Accepted</p>
<p>IX. C.E.O.’s Report</p> <ul style="list-style-type: none"> • Annual Competency Reports • Review of Board Bylaws • Review of Board Policy • Contracted Services Review • Conflict of Interest • Confidentiality Statement • WHC Evaluation of Patient Satisfaction 	<p>Trachta presented the 2003 Annual Competency Report. A motion was made to approve the Competency Report as written.</p> <p>Trachta presented the Board of Trustees Bylaws for annual review. A motion was made to approve the Bylaws as written and revised to reflect name/title changes.</p> <p>Trachta presented the Board Policy with revisions as suggested by the Finance Committee for annual review. A motion was made to approve the Board Policy as written and revised.</p> <p>Trachta presented the contracted service providers for review. A motion was made to approve the contracted service providers as individually considered.</p> <p>Trachta presented the annual Conflict of Interest statement. Board members reviewed and signed the statement.</p> <p>Trachta presented the annual Confidentiality statement. Board members reviewed and signed the statement.</p> <p>Trachta gave an overview of the 2nd quarter patient satisfaction survey results as included in the Board packets. He reported that patient satisfaction for the quarter was 94%, which exceeded the 92.5% goal set for the employee incentive bonus.</p>	<p>1st – Thalacker 2nd – Johnston Approved</p> <p>1st – Wolff 2nd – Burke Approved</p> <p>1st – Johnston 2nd – Wolff Approved</p> <p>1st – Burke 2nd – Johnston Approved</p>
<p>X. Medical Staff Report</p>	<p>No report.</p>	
<p>XI. Old Business</p> <ul style="list-style-type: none"> • Purchase of Property 	<p>Trachta referred to the motion approved by the Board of Trustees on November 24, 2003 to purchase the Rohlf Memorial Clinic from Clover. In further discussions with Clover, they have expressed interest in having Waverly Health Center purchase the property directly from Allen Hospital at the price they had</p>	

<ul style="list-style-type: none"> Physician Recruitment 	<p>previously negotiated - \$450,000. A motion was made to amend the November 24, 2003 action to purchase the Rohlf Memorial Clinic property directly from Allen Hospital for \$450,000.</p> <p>In an unrelated event, Trachta has learned there will be an unrestricted \$50,000 donation made to the hospital in the coming year.</p> <p>Trachta reported that physician recruitment is ongoing.</p>	<p>1st – Burke 2nd –Thalacker Approved</p>
<p>XII. New Business</p> <ul style="list-style-type: none"> Election of Officers Resignations from Medical Staff: <ul style="list-style-type: none"> Stephen Koopmeiners, M.D. Appointments to Medical Staff: <ul style="list-style-type: none"> Phyllis Steffen, R.N. Richard Menning, M.D. Valerie Nicholson, M.D. Christopher Nicholas, M.D. New/Revised Policies: <ul style="list-style-type: none"> Courier Service Finance Committee <ul style="list-style-type: none"> Capital Requests <ul style="list-style-type: none"> E-MAR Electronic Video Colonoscope & Fiber Ureteroscope Personnel Committee 	<p><u>Election of Officers:</u> A motion was made to approve the nomination of Susan Vallem to the position of Chair of the Board of Trustees. Vallem accepted appointment to the position.</p> <p>A motion was made to approve the nomination of Karen Thalacker to the position of Secretary of the Board of Trustees. Thalacker accepted appointment to the position</p> <p>Trachta presented the resignation from Medical Staff and the appointments to Medical Staff as listed at left. A motion was made to approve the preceding as individually considered.</p> <p>Trachta described the new policy as listed at left. A motion was made to approve the new policy.</p> <p>Trachta reported that the Finance Committee met on 1/19/04. Trachta presented the minutes as included in the packet for the 1/19/04 meeting as well as the 6/13/03 meeting. A motion was made to approve the minutes as written.</p> <p>Trachta presented the following motion for capital purchases as brought forth by the Finance Committee:</p> <ul style="list-style-type: none"> E-MAR at a cost not to exceed \$12,000 Electronic Video Colonoscope & Fiber Ureteroscope at a cost not to exceed \$33,210 <p>Trachta reported that the Personnel Committee met prior to this meeting. Trachta presented the minutes of the Personnel Committee meetings as included in the packet for 12/15/03, 7/28/03, 7/14/03, 6/16/03, and 5/20/03. A motion was made to approve the minutes as written.</p> <p>Trachta reported that the Personnel Committee selected Connie Koehler as February’s Employee of the Month.</p> <p>Trachta presented a motion with a second from the Personnel Committee to approve a market adjustment for wages in the amount of approximately \$80,000 as recommended by the Director’s Council and based</p>	<p>1st – Thalacker 2nd – Wolff Approved</p> <p>1st – Burke 2nd – Johnston Approved</p> <p>1st – Wolff 2nd –Thalacker Approved</p> <p>1st – Burke 2nd –Wolff Approved</p> <p>1st – Burke 2nd – Wolff Approved</p> <p>1st – Wolff 2nd – Burke Approved</p> <p>1st – Thalacker 2nd – Johnston Approved</p> <p>1st – Burke 2nd –Thalacker Approved</p>

	upon the IHA salary survey. This amount will be part of the amount budgeted for increases in July, not an additional amount.	
XIII. Adjourn	A motion was made adjourn the meeting at 8:35 p.m.	1 st – Johnston 2 nd – Burke Approved

Next meeting will be held
February 23, 2004
7:00 p.m.
Carstensen/Gruben Room

Karen Thalacker, Secretary
Board of Trustees

Mike Trachta
Chief Executive Officer