

McDonough District Hospital  
Board of Directors  
Finance Committee

McDonough District Hospital (MDH) Finance Committee met on Thursday, May 15, 2025, at 7:00 a.m. in the third-floor Board Room. Finance Committee members present were Ryan Riggins, Jere Greuel, Dave Garner, Kathleen Neumann, Dan O'Neill, and Todd Lester. Hospital Administration members present were, Bill Murdock, Sherri Hitchcock, and Administrative Assistant, Kim Thorman.

Guests of the meeting included Dr. Curt Farr, Seth Minter, Terry Hostert, and Alexis Vonholt. Beth Jones and Alana Parm from Morton Community Bank Wealth Management, and Glen Maxey and Todd Sheridan from DVI.

Excused: Dr. Tim Biagini

Ryan Riggins, Chairman of the MDH Finance Committee, called the meeting to order at 7:00 a.m.

**Public comment**

There was no public comment at this time

**Annual Fellheimer Fund Review**

Beth Jones, Trust Officer at Morton Community Bank (MCB) Wealth and Trust, presented the Annual Fellheimer Fund Review, detailing the trust's history and its purpose to support initiatives at MDH which specifically benefit the elderly. She introduced the David Vaughn Investments, LLC (DVI) portfolio management team, Todd Maxwell and Glen Maxey, and announced her upcoming retirement, introducing Alana Parm as her replacement. Alana shared a brief bio of her extensive history with MCB, noting her familiarity with the Fellheimer Trust. Beth continued the presentation, covering the administrative aspects of the Trust, including fees and tax returns, and turned the presentation over to DVI. Glen Maxey provided background on DVI and their contractual agreement with MCB Wealth Management. He discussed market observations (tariffs, volatility, Federal Open Market Committee (FOMC) expectations, S&P 500 performance, equity styles, and valuations), and reviewed assets of the portfolio, long-term allocations, distribution strategies, investment gains, rates of return, and risk management. He also presented a portfolio appraisal, weightings, income, principal, and trust terms, addressing questions alongside Todd Maxwell, who elaborated on defensive management during market volatility, and fund distributions. Beth concluded the presentation by summarizing the portfolio's cumulative gain.

Beth Jones, Alana Parm, Todd Maxwell, and Glen Maxey left the meeting at 7:58 am.

**Review and Recommend FY 2026 Annual Budget**

Sherri introduced Alexis Vonholt, Director of Fiscal Services, and Terry Hostert, Manager of Data Analytics/Budget, to the group. Copies of the FY26 Annual budget were distributed and Terry presented the annual budget, detailing operating expenses, income, losses, and revenue projections by department, including stats used for projections, revenue deductions, and net revenue. Discussions covered top income producers, waste reduction efforts, salaries, market adjustments, contract labor, and employer-paid benefits. Supplies, drugs, and the impact of an executive order reducing Medicare reimbursements for 340B drugs were key items addressed, along with other operating expenses, depreciation (including the Community Pharmacy), and amortizations. Non-operating expenses, such as capital grants and gifts, were reviewed and discussed. The Community Pharmacy's business strategy was outlined, focusing on employee utilization, meds-to-beds, clinic conversions, and securing long-term contracts, with assumptions for revenues, expenses, and staffing shared. Potential director-led financial stability plans were outlined within the budget and discussed. The capital budget was detailed with

calculations based on debt service ratio, days cash on hand, and bond covenants. Terry noted that Alexis formed a Capital Budget team, meeting quarterly to review capital spending and progress.

Ryan turned the meeting over to Jere Greuel, noting a prior commitment, leaving the meeting at 8:53 am.

**A motion was made by Dave Garner and seconded by, Dan O'Neill to recommend to the MDH Board of Directors, the approval of the FY2026 annual budget. Motion carried.**

**Miscellaneous / Items for discussion**

There was a discussion regarding the ERC denial, and the appeal which has been filed in response.

**Executive Session for the purpose of open meetings act exception 5ILCS 120/2(c)(1), 120/2(c)(2), 120/2(c)(3), 120/2(c)(11)**

There was no business to discuss in Executive Session at this time.

**At 8:55 am with no further items to discuss, a motion was made by Dave Garner and seconded by Kathy Neumann to adjourn, motion carried.**

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Ryan Riggins  
Secretary/Treasurer of MDH Board of Directors