

BOARD OF TRUSTEES MEETING
TVHC Board Room
Special Meeting: Working Session
WEDNESDAY, OCTOBER 21, 2009, 6:00 PM

Trustees Present: Michael Whitfield, Janine Jolley, Deborah Ray-Malheiro, Robert Emerson, Brooke Blackwelder, Mark Trupp (left at 6:25)

Ex-Officio Present: Mitch Felchle, Dr. Mo Brown (arrived 5 minutes late)

Trustees Absent: Bob Benedict

Minutes Recorded by: Martha Barge

M. Whitfield, board chair, called the meeting to order at 6:03 pm.

CHANGES/ADDITIONS TO THE AGENDA: NONE

BOARD DEVELOPMENT:

M. Whitfield reminded the board that Chris Larson would be starting at the October 28 meeting in place of Mark Trupp. Additionally, Brooke Blackwelder and Deborah Ray-Malheiro would be extending their terms at the same meeting.

M. Whitfield said both Aaron Hanson from Tetonia and Steven Dietrich from Tetonia had expressed interest in serving on the TVHC board. He had not had a chance to visit with S. Deitrich yet; Aaron Hanson had been at the last several board meetings. He said both applicants would bring financial expertise to the board and were also from the north end of the valley. He asked the board how they felt about adding two more members even though there were only two possible candidates. The board agreed that they were interested in both candidates but thought contact needed to be made with S. Dietrich before making an official nomination.

M. Trupp suggested bringing one or both of the candidates to the board in an ex-officio capacity before making official nominations; this would allow them to add to the discussion before being able to vote. M. Whitfield thought that would not violate the bylaws. The board agreed to invite Aaron Hanson to sit at the table and join discussion at the October 28 meeting. Aaron agreed to do so. R. Emerson and M. Whitfield agreed to follow up with S. Dietrich to make sure he was serious in his interest. They would report back on the interview at the next meeting. If the report was positive, the board would make those two nominations to the BCC and move membership up to nine.

CEO/CFO SEARCHES—SUMMARY REPORTS:

M. Whitfield presented a CEO search summary and search considerations (see attachment #1). He thought conversation needed to take place around the timing of the two searches—what position was first, what was second. He said the board initially elected to move ahead with the CEO search in order to get an idea of what talent was out there; they chose to open up a CFO search in response to concerns about management of the Business Office. He stressed discussion should not go into any detail during public session that included information on salaries or specific personnel.

He read through the CEO summary and commented that viable applicants would likely be lost if the search was postponed or prolonged. He said each of the 17 interviews had lasted 1.5 hours; all first round interviews were completed. He said the committee's intention was to choose 7-9 candidates for second round interviews. Of these candidates, they would ask 3-4 to come for a rigorous site visit. Background checks

would be done on the candidates before their arrival. The committee hoped to have the onsite visits completed by Thanksgiving. He believed this was an accomplishable goal.

M. Whitfield said that salary ranges for viable candidates were not as extravagant as he had feared and felt qualified candidates were within TVHC's budget. He added that five of the six top candidates had not come through a recruiter, meaning there would be no recruiting fee (otherwise, the fee was 25% of base compensation).

M. Whitfield said candidate availability ranged from next week to six months, but that the average was 1-2 months. He noted a number of the top candidates were in transition periods. He said they had covered the reasons they were in transition during the interview process.

M. Whitfield asked for Nancy Siverd's comments on the CEO process. (Nancy is the community participant on the CEO committee; she had been present at every phone interview.)

Nancy Siverd said she obviously had no concept or idea about the financial part of the process and said a common question she heard in the community was how TVHC planned to pay for both executives. She thought that—if there was money to hire both—it would be better to hire a CEO first, then a CFO. She thought this format provided a necessary level of comfort for any CFO candidate. She said the committee had not explored the option of having one person do both jobs but her belief was that most candidates would not take that position willingly. If any of the candidates had done this in the past it was only on a temporary basis related to a hiring situation.

N. Siverd said that only one of the 17 candidates interviewed would have been ok with TVHC filling the CFO position before the CEO position. However, this candidate was one of the lowest choices.

N. Siverd said the interview process had been intense and time consuming. However, she said she was personally optimistic that there were several great candidates. She added that at least five of the top candidates were very familiar with the area, which was a bonus—there was not concern they would come for a visit and decide they did not like the location. Overall, she thought it had been easy for the committee to reach consensus throughout the process.

N. Siverd said all of the candidates seemed optimistic and positive about the BMH contract and were interested in using the liaison to TVHC's best advantage—no one seemed uncomfortable with the affiliation. In general, there was a very positive response from candidates. M. Whitfield added that at least one candidate they had interviewed worked in a QHR hospital and said TVHC had made the right choice by going with the local option.

M. Trupp notified the board that he had to leave. He thanked everyone and said he saw a lot more unison of the board than in the past. He commended everyone on their willingness to serve the community. He said the board was diverse, but worked well together and though it served the hospital well because they shared one common goal. Regarding the CEO/CFO searches, he thought it was preferable to hire a CEO and let them have a say in who their CFO would be. His final words to the board before leaving were "Remember where we have been, let's walk before we start running too fast." M. Trupp left the meeting at 6:25 pm.

CFO Recruiting Summary

M. Felchle handed out a CFO recruitment summary (see attachment #2) and said the CFO search was started about 6 weeks after the CEO search. He and Jeff Daniels were doing the preliminary scoring of candidates using a system very similar to that of the CEO committee. Most of the qualified candidates had come from recruiters rather than independently. He said it would cost a projected \$7,500.00 for TVHC to bring in three candidates for on-site interviews.

M. Felchle said the committee was waiting on this meeting and a decision of the process moving forward before setting a time-table for on-site interviews etc; at this time they would be accepting applications at least until the end of the month.

He said that some of the candidates expressed preference for filling the CFO position first—especially if the time table was vague as to how soon the CEO position would be filled (i.e. if they knew Mitch would continue as CEO for the next while).

R. Emerson thought that CEO candidates would be lost if we chose to hire the CFO first due to financial constrictions. M. Whitfield asked if the board needed to go into executive session in order to complete the conversation. R. Emerson said yes, a closer look at the business/finance side of operations needed to be considered in order to understand what options were available.

EXECUTIVE SESSION:

● **MOTION:** Mr. Whitfield motioned to go into Executive session pursuant to Idaho Code 67-2345 (1) (a) for the purpose of conducting deliberations on personnel issues. Deliberations on the concurrent searches to fill the CFO and CEO positions took place. Motion seconded by D. R-Malheiro. A roll call vote was taken and motion carried unanimously. M. Whitfield said he did not anticipate a decision in public session at end of the meeting.

Executive Session began at 7 pm.

Members present: R. Emerson, J. Jolley, M. Whitfield, D. R-Malheiro, B. Blackwelder

Ex-Officio members present: M. Felchle (Interim CEO)

Members absent: M. Trupp. Dr. Mo Brown

Executive session ended at 7:48 pm.

● **MOTION:** R. Emerson moved to adjourn the meeting. Motion seconded by B. Blackwelder and carried unanimously.

Meeting adjourned at 7:50 pm.



Michael Whitfield, Chairman

ATTEST: 

Marni Vasseur, CEO Executive Assistant