

BOARD MINUTES  
OF THE  
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA  
April 25, 2023

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, April 25, 2023. The meeting was held in the conference room at Orchard View on Whitesville Road in Columbus, Georgia, and by Zoom video conference. A notice was emailed to each member of the Board prior to the meeting. A copy of the notice was posted more than 24 hours before the meeting on the door of the building in which the meeting was held.

Present at the meeting were Chairman Ernie Smallman, Vice Chairman Sarah Lang, members Betty Tatum, Dr. John Kingsbury, Mike Welch, Warner Kennon, Jr., and Chuck Hecht. Members Jennings Chester and Cynthia Jordan were excused.

Britt Hayes, CEO, Rick Alibozek, CFO, and Jack P. Schley, Secretary/Attorney, were also present at the meeting.

INVOCATION AND WELCOME

Chairman Ernie Smallman called the meeting to order and welcomed everyone to the meeting. Britt opened the meeting with a prayer.

DETERMINATION OF QUORUM

It was determined by Ernie that a quorum was present.

REVIEW OF MINUTES

The Minutes for the March 28, 2023 Board meeting were reviewed. Sarah moved for their approval and Mike seconded the motion. The March 2023 Board Minutes were unanimously approved.

## BOARD BUSINESS

Britt introduced and welcomed Chuck Hecht to the Board. Jack announced that city council affirmed Chuck's nomination, and Chuck mentioned he was sworn-in the morning of the meeting. Jack announced that Jennings Chester indicated her desire to resign from the Board and asked that everyone consider possible nominations to fill the vacancy. Jack also presented the results of the call for a vote on potential changes to the Board's meeting time: the majority of votes were in favor of maintaining the current meeting schedule.

Rick announced the new Employee Handbook was finalized and Ernie called for a vote to approve it. Sarah moved to approve the new handbook and Betty seconded the motion. Following discussion by the Board of the new handbook's thoroughness, it was unanimously approved.

## PRESIDENT'S REPORT

Britt Hayes gave the President's report:

**Muscogee Manor DCH Annual Re-visit:** Britt reported that surveyors recently returned for a review of Muscogee Manor's Plan of Correction for their annual survey and have placed the facility back in substantial compliance.

**Bond Discussion:** Britt reported that Rick appeared before city council on April 11 regarding refinancing the refunding of the 2013 bond issuance, and that council was in favor of it. On May 11, Britt and Rick will meet with Moody's and S&P rating agency representatives, city officials and financial advisors to discuss the bond refunding issuance. The sale will occur on May 23 and for a sale to be approved a special meeting of the Board will be conducted via teleconference. The Board will have to adopt a resolution and an appearance before city council is required.

Britt reported receiving a call from the CEO of Magnolia Manor about the bond issuance to finance the building of their Lodge. The CEO indicated Magnolia Manor does not plan to use

HAC or the Medical Center Authority to obtain a bond to avoid conflicts with local providers. Britt announced that the Economic Development Authority granted Magnolia Manor the ability to issue \$130 million in bonds for their Lodge project. The Lodge will provide independent and assisted living services which will not compete with HAC. Britt reported that this development will not create more beds in our region, but will update the existing number of beds Magnolia Manor already provides. Britt is not concerned about competition from the Lodge if new facilities for skilled nursing are built on a limited scale. Mike commented that there is a potential risk of loss in occupancy due to the allure of a new facility even if no more beds are being created.

**SWOT Analysis:** Britt reported that HAC department heads recently met with Columbus State University representatives who conducted the Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis, and indicated the meeting was productive. The representatives recently met with frontline employees at Muscogee Manor and Britt expects to have the results of those interviews soon.

**Staffing:** Britt reported that HAC announced a change from three shifts a day to two (twelve hours each) for all clinical staff. Britt is waiting for feedback on the change and may make various decisions at different facilities with the hope that the changes will create opportunities for improvements to address staffing challenges. Britt reported that Rivertown recently took three staff members from HAC and Britt attributed the loss to Rivertown's twelve-hour shift schedule. Britt commented on staffing agency reports of high rates of pay for LPNs and CNAs which make it difficult for HAC to compete. Large starting bonuses at hospitals also attract longtime staff members away to different employers. Britt stated that HAC is trying to keep long term staff but the nursing profession is changing to support short-term traveling nurses. Betty commented that short term, traveling staff schedules are occurring across all healthcare departments. Britt

highlighted the new tier system in use which rates the hours worked by individuals and assigns them to a tier, which corresponds to their pay & benefits. Rick commented on the accountability aspects of the tier system. Britt also mentioned a change from five day work weeks to three day weeks allows for CNAs to be paid more (because they do not qualify for benefits if working less than 30 hours/week) and have a more flexible work schedule.

Britt commented that the recent job fairs earlier in the year hosted and co-hosted by HAC were not successful. The Muscogee County School District recently hosted a job fair at Columbus State University specifically for high school juniors to give them ideas for potential employment opportunities after graduation. Britt also reported that last week a job fair was hosted by Goodwill and the Refugee Community Church at which HAC gave out forty applications and eleven were submitted. Another job fair will be hosted in May. HAC's Human Resources director plans to attend career day at Richards Middle School.

**New Initiatives:** Britt reported that 2023 marks twenty years for HAC and the Alzheimer's Association partnership. Britt commented on the success of the partnership and its public outreach led by Jennifer Kelly who participates every year in the local Dancing with the Stars fundraiser. Britt reported the successes of the switch to McKesson as HAC's supplies vendor. Britt recently reviewed the financial figures associated with the switch: Britt compared the first month in 2023 with the same month from 2022 and found a \$14,000 difference in savings for 2023. He anticipated an annual savings of \$100,000 with McKesson but now believes the savings could be higher. Britt stated that McKesson has been very attentive to HAC's account. Specifically, Britt attributed the savings to McKesson's formulary redirect program, which he explained takes in product requests and automatically redirects them to similar McKesson products of a lower price. Britt reported that a partnership between Herzing University and CHE Behavioral is testing a counseling clinical

program at HAC. Britt also reported that consultants from Alera provide a service to review pharmacy expenditures for employees and he is looking into their services.

**COVID-19 Update:** Reported by Britt:

The federal government has indicated the Public Health Emergency (PHE) will end on May 11, 2023. DHHS has discontinued supplying antigen ‘quick swab’ tests. HAC has approximately 2,600 remaining and await guidance of how skilled nursing facilities will receive tests after the end of the public health emergency.

Covid activity within HAC’s facilities has dissipated. Since the last Board meeting, NO residents and 2 staff members have tested positive, all at Orchard View. That last positive person at Orchard View was identified on 4/17/23.

DPH showed that Muscogee County’s Positivity Rate began rising, after a low of 4.6% on November 9<sup>th</sup> the rate topped out at 25.9% on January 11<sup>th</sup>. The rate has dissipated the last fourteen weeks and now stands at 5.6% for the last two weeks (8.8% at last Board meeting). Georgia’s positivity rate is 5.6% for the last two weeks (6.2% at last Board meeting).

Per federal directives, the County’s Community Transmission rate from the CDC now shows masking/source control protocols based on color frequency (also affected by the cases in each facility). The Community Transmission rate map shows Muscogee County as a **YELLOW** county, or ‘substantial’ level of transmission. This map indicates that our facilities must adhere to the infection control below:

High (Red)	All must wear masks
Substantial (Orange)	Masks in resident areas
Moderate (Yellow)	Masks during resident interactions
Low (Blue)	Masks optional

HAC has administered over 1,000 Covid-19 vaccine doses to staff and residents Company-wide. HAC currently has Moderna vaccines to be administered in-house and offers them weekly

to those residents and staff who want them. HAC also procured the latest Moderna bi-valent boosters which are being offering weekly to residents and staff.

There is new guidance this week regarding Covid vaccines. The original (2 shot) monovalent version is no longer approved in the US. The current bivalent vaccine (single dose) can now be used for all doses. Individuals who have already received a single dose of the bivalent vaccine (booster) are not currently eligible for another dose. Individuals 65 years of age and older who have received a single dose of a bivalent vaccine may receive one additional dose at least four months following their initial vaccine.

**Market Increases:** Rick reported that proposed increases in Medicare payments are the highest he has ever seen at 3.7%. Costs and reimbursement rates have also increased.

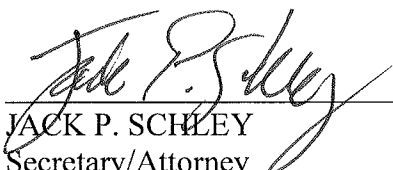
#### CFO'S REPORT

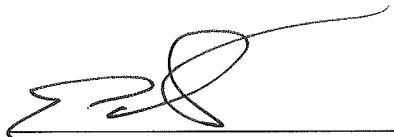
Rick Alibozek announced that financial reports are not available because HAC's finance program is undergoing updates and Rick was not confident the current numbers are accurate due to issues with the updates. Rick expects to have a financial report to share by the next Board meeting. Rick commented that he believes all available expenditure cuts have been implemented, and that revenue from occupancy increases are the next step for improving the financial numbers. As for statistics, Rick reported that there were no significant changes in the census numbers from those reported at the last meeting.

#### NEXT MEETING

The next meeting will be Tuesday, May 30, 2023.

There being no further business the meeting was adjourned.

  
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JACK P. SCHLEY  
Secretary/Attorney

  
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ERNEST SMALLMAN, IV  
Chairman



**HOSPITAL AUTHORITY OF COLUMBIUS  
CONSOLIDATED SUMMARY REPORT  
MONTH ENDED MARCH 31, 2023**

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobis PCH	Muscogee Home Health	River Mill	Consolidated
<b>BALANCE SHEET</b>									
Cash	\$ 6,356,556	\$ -	\$ 7,901,780	\$ 9,110,888	\$ 23,369,224	\$ 6,265	\$ 3,301	\$ 2,866,792	\$ 26,245,582
Other Current Assets	1,938,134	-	367,479	1,504,522	3,810,135	3,026	29,392	-	3,842,553
Intercompany Balances	18,930,094	-	1,057,730	(10,364,749)	9,623,075	(6,386,177)	(2,316,580)	(920,318)	-
Noncurrent Assets	34,296,448	-	35,456,607	7,223,137	76,976,192	156,029	83,642	564,920	77,780,783
<b>Total Assets</b>	<b>\$ 61,521,232</b>	<b>\$ -</b>	<b>\$ 44,783,596</b>	<b>\$ 7,473,798</b>	<b>\$ 113,778,626</b>	<b>\$ (6,220,857)</b>	<b>\$ (2,200,245)</b>	<b>\$ 2,511,394</b>	<b>\$ 107,868,918</b>
Current Liabilities	\$ 1,386,508	\$ -	\$ 498,423	\$ 686,335	\$ 2,571,666	\$ -	\$ 18,058	\$ -	\$ 2,589,724
Non-current Liabilities (excluding bonds)	7,463,067	-	3,196,985	4,648,579	15,308,631	360,100	450,668	-	16,119,399
Bonds Payable	23,647,119	-	29,735,420	-	53,382,539	-	-	-	53,382,539
<b>Total Liabilities</b>	<b>\$ 32,497,694</b>	<b>\$ -</b>	<b>\$ 33,430,828</b>	<b>\$ 5,334,914</b>	<b>\$ 71,262,836</b>	<b>\$ 360,100</b>	<b>\$ 468,726</b>	<b>\$ -</b>	<b>\$ 72,091,662</b>
Fund Balance	29,024,138	-	11,352,768	2,138,884	42,515,790	(6,580,957)	(2,668,971)	2,511,394	55,777,256
<b>Total Liabilities and Fund Balance</b>	<b>\$ 61,521,232</b>	<b>\$ -</b>	<b>\$ 44,783,596</b>	<b>\$ 7,473,798</b>	<b>\$ 113,778,626</b>	<b>\$ (6,220,857)</b>	<b>\$ (2,200,245)</b>	<b>\$ 2,511,394</b>	<b>\$ 107,868,918</b>
<b>INCOME STATEMENT</b>									
Revenue	\$ 1,468,547	\$ 39,333	\$ 293,513	\$ 1,132,870	\$ 2,934,663	\$ 2,000	\$ -	\$ -	\$ 2,936,663
Operating Expenses	1,182,648	277,085	364,116	1,036,266	2,860,115	504	(4,563)	71	2,856,127
<b>Net Profit (Loss) before Noncash expense</b>	<b>286,299</b>	<b>(237,752)</b>	<b>(70,603)</b>	<b>96,604</b>	<b>74,548</b>	<b>1,496</b>	<b>4,563</b>	<b>(71)</b>	<b>80,536</b>
Provision for Bad debts	(14,000)	-	-	(6,200)	(21,000)	-	-	-	(21,000)
Interest expense	(60,062)	-	(81,232)	-	(141,294)	-	-	-	(141,294)
Depreciation and Amortization	(85,892)	-	(95,349)	(9,508)	(190,749)	(377)	-	-	(191,126)
<b>Current Month Income (loss)</b>	<b>\$ 125,545</b>	<b>\$ (237,752)</b>	<b>\$ (247,184)</b>	<b>\$ 80,896</b>	<b>\$ (278,495)</b>	<b>\$ 1,119</b>	<b>\$ 4,563</b>	<b>\$ (71)</b>	<b>\$ (272,884)</b>
<b>YTD Income (loss)</b>	<b>\$ 929,571</b>	<b>\$ (1,432,667)</b>	<b>\$ (2,041,336)</b>	<b>\$ 800,932</b>	<b>\$ (1,743,100)</b>	<b>\$ 461</b>	<b>\$ (77,814)</b>	<b>\$ (1,258)</b>	<b>\$ (1,821,711)</b>
Monthly Net Income (loss)	125,545	(237,752)	(247,184)	80,896	(278,495)	1,119	4,563	(71)	(272,884)
Add: Depreciation	85,892	-	95,349	9,508	190,749	377	-	-	191,126
Add: Interest Expense	60,062	-	81,232	-	141,294	-	-	-	141,294
Less: Monthly bond payment	(197,445)	-	(144,554)	-	(341,999)	-	-	-	(341,999)
Less: Property & Equipment Additions	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow</b>	<b>\$ 74,054</b>	<b>\$ (237,752)</b>	<b>\$ (215,157)</b>	<b>\$ 90,404</b>	<b>\$ (288,451)</b>	<b>\$ 1,496</b>	<b>\$ 4,563</b>	<b>\$ (71)</b>	<b>\$ (282,463)</b>





