

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

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 3:30 PM on Tuesday, July 25, 2023. The meeting was held in the conference room at Orchard View on Whitesville Road in Columbus, Georgia. 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 Chairwoman Sarah Lang, members Mike Welch, Warner Kennon, Jr., Chuck Hecht, and Betty Tatum. Member Dr. John Kingsbury was excused. Members Cynthia Jordan and Jennings Chester were unexcused.

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 June 27, 2023 Board meeting were reviewed. Sarah moved for their approval and Chuck seconded the motion. The June 2023 Board Minutes were unanimously approved.

BOARD BUSINESS

Jack called for nominations from the Board for names of individuals to fill the seat of Jennings Chester. Ernie and Chuck each stated they had contacted individuals about the seat and all individuals who responded declined the position due to conflicts. Jack asked the Board to continue in its efforts to located potential interested persons to fill the seat.

Jack called on Rick to discuss a contract he signed on behalf of HAC with BMI. Rick stated BMI has contacted HAC multiple times about HAC obtaining a license to broadcast music in its facilities. The license allows music produced by artists represented by BMI to be played in HAC's facilities without violating the federal Copyright Act. The annual fee for the license is based on the highest number of beds HAC reports each year as occupied. The fee for 2023 is \$1,465.75. According to Jack, the license will help to ensure that HAC is compliant with the Copyright Act.

PRESIDENT'S REPORT

Britt Hayes gave the President's report:

2023 Bond Issuance: Britt reported that a successful bid for refunding the 2013 bond has been obtained. He recounted that the attempts to refund the bond in May of 2023 did not yield sufficient savings with the lowest offered interest rate of 3.34%. This week, a bid of 2.79999% interest was offered by Wells Fargo, which will generate a savings of about \$1.32 million (5.5% savings) over the remaining life of the loan, or about \$130,000 annually. Including the refunding fees of about \$380,000, the final interest rate is about 3.03%. Britt indicated that HAC wishes to move forward with accepting the offer. Britt introduced to the Board HAC's bond counsel, who were present at the meeting, and counsel presented the necessary bond paperwork for the Board's consideration. If passed by the Board and adopted by city council, the closing for the refunding will occur on August 24, 2023 in time for a report at the next Board meeting. Britt introduced

Courtney Rogers from Davenport & Company, who presented the details of the refunding to the Board as well as a proposed resolution for the Board to consider to approve the refunding. Following the presentation, Chuck moved to adopt the proposed resolution. Warner seconded the motion. After further discussion, the resolution was unanimously adopted by the Board, and signed by Ernie and Jack.

5 Year Strategic Plan: Britt reported that, following the results of the SWOT analysis, HAC, in conjunction with CSU, has prepared a five year strategic plan with input from frontline workers. According the Britt, this is the first such plan implemented by HAC. Britt indicated this plan should help to orient and guide HAC and its staff for progressing over the next five years.

Brookstone Parcel: Britt reported that HAC has received an offer of \$885,000 for a 14.9 acre parcel in Brookstone Centre, which was acquired by HAC several years ago at a cost of \$885,000. Britt indicated the parcel is not suitable for development due to the presence of powerlines and a pond on the lot, nor is it in a desirable area for a nursing home. According to Britt, the sale would result in a break-even for HAC because there are no fees, commissions, or taxes associated with the land or sale. There is a long due diligence period, and the closing would occur in January of 2024. Chuck moved to accept the offer and approve the sale, which was seconded by Sarah. Following discussion, the Board unanimously approved the sale at the offered price.

BRONZE Quality Award Press Releases: Britt reported that the Bronze National Quality Award designated to all three of HAC's facilities has been covered by the local press and news networks. Britt indicated he received calls from other nursing home administrators across the state offering congratulations to HAC for the achievement.

Medicaid Rates: Britt reported that Medicaid rates have increased which will result in increases in income across all of HAC's facilities. According to Britt, the Medicaid daily rates per resident in Ridgecrest were increased from \$284 to \$333, from \$267 to \$293 at Muscogee Manor, and from \$242 to \$285 at Orchard View.

Britt also indicated that pay raises have been implemented for clinical staff: CNA and LPN hourly rates increased by \$3, and dietary/housekeeping/laundry rates increased as well. Ernie commented that this should help to make HAC a competitive employer in Columbus, and increased staff retention should enable growth in census for all of HAC's facilities.

New Initiatives: Britt reported that WTVM advertisements for HAC's job fair received strong attention, and Goodwill shared the ads with its email list of 4,300 potential job seekers. Britt reported that, in response to the ads, HAC received 22 applications and hired 20 new staff to fill vacancies primarily in the dietary and housekeeping roles at Orchard View and Muscogee Manor.

Britt reported that HAC has received and reviewed an offer from Bristol Facilities Healthcare Support Services for outsourcing HAC's dietary and housekeeping services. Britt indicated that Bristol is familiar with the industry, but outsourcing to Bristol would increase expenses by half a million dollars annually. For this reason, Britt declined any further consultation from Bristol, but wanted the Board to know that HAC is considering all available options for improving its services. Britt also reviewed devices for on-site medical waste disposal and spoke to an administrator at another nursing home that uses the devices. According to Britt, these new devices are also expensive and would not easily conform with HAC's current infrastructure. Britt indicated that he is exploring other options for improving medical waste disposal at HAC's facilities.

Britt indicated that HAC hosted a recent meeting of Professionals Serving Older Adults, a local association, at Ridgecrest. Britt reported the meeting was well attended and that he met several individuals who were new to him. Britt commented that hosting the event was a good method of community outreach for HAC to be in contact with other local providers in the industry. Warner asked about the results of shifting to the 12-hour shift schedule, and Britt reported that staff are still adjusting to the change, but there have been no complaints so far. According to Britt, staffing on the weekends continues to be difficult.

Britt reported that HAC has commenced with a 6-month transition to International Dysphagia Standardization Initiative, which is a new initiative increasing in popularity across the industry. Also, Britt reported that HAC has renewed its association with Safehouse Columbus for another year.

COVID-19 Update: Britt reported that Ridgecrest is currently in a 14-day lockdown due to a Covid-19 outbreak amongst staff in that facility. Britt also reported that an annual Department of Health audit of vaccine providers was passed without any comments or citations. According to Britt, a new vaccine combining flu and Covid shots should be publicly available by the end of September 2023. Also, NHSN will no longer report primary vaccinations; only boosters.

OIG Federal Audit: Rick reported that HAC passed, without comment or an exit interview, an audit of the \$3.3 million received as stimulus payments during Covid. Only thirty organizations nationwide were selected for the audit, and no issues arose for HAC as a result of being selected for the audit.

City Pension Contributions: Rick indicated that HAC froze its participation in the city pension plan because many staff members did not want to participate in the plan. Consequently,

HAC has partially transitioned to a 403(b) plan, which will generate a savings of about \$560,000 annually.

Year End Audit: Rick reported that Forvis has begun its annual audit, the results of which should be presented at the October Board meeting.

CFO'S REPORT

Rick Alibozek presented the Financial and Statistical Reports.

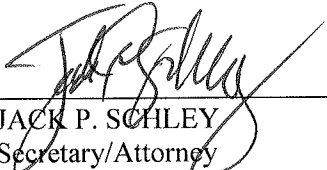
Statistical Report: Attached to these Minutes is the FY 2023 YTD Statistical Report.

Financial Report: Attached to these Minutes is the Hospital Authority of Columbus YTD Consolidated Income Statement through June 30, 2023.


NEXT MEETING

The next meeting will be Tuesday, August 29, 2023.

There being no further business the meeting was adjourned.



JACK P. SCHLEY
Secretary/Attorney



ERNEST SMALLMAN, IV
Chairman

HOSPITAL AUTHORITY OF COLUMBUS
FY 2023 YTD Statistical Report

	June	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	August	July	Average	Prior Year
Orchard View														
% Occupancy	66.60%	64.92%	64.70%	66.10%	64.98%	63.37%	62.18%	64.08%	68.05%	66.07%	63.32%	62.63%	64.75%	60.27%
Medicaid%	66.82%	67.40%	66.28%	71.79%	63.04%	64.70%	64.59%	66.11%	65.32%	68.95%	72.90%	72.98%	67.57%	76.76%
Medicare%	9.81%	9.09%	10.10%	13.03%	12.81%	9.52%	10.61%	12.02%	12.82%	10.42%	4.99%	8.65%	10.32%	6.94%
Private %	14.11%	13.71%	12.83%	12.71%	16.02%	13.77%	12.76%	11.11%	11.42%	10.19%	11.08%	6.77%	12.21%	7.19%
Hospice %	5.51%	5.86%	5.87%	0.00%	6.54%	9.65%	10.48%	9.13%	7.70%	7.24%	8.02%	8.34%	7.03%	7.66%
ADV %	3.75%	3.93%	4.92%	2.46%	1.59%	2.37%	1.56%	1.64%	2.74%	3.20%	3.01%	3.26%	2.87%	1.45%
Daily Medicare and ADV Census	18.07	16.90	19.44	20.49	18.71	15.06	15.13	17.50	21.16	18.00	10.13	14.90	17.12	10.19
Employment (Full Time Equivalents)	168.33	163.52	166.73	166.53	169.20	180.11	177.36	168.76	171.00	183.37	182.03	190.35	173.94	195.23
Ridgecrest														
% Occupancy	32.74%	29.95%	29.52%	28.99%	31.12%	29.95%	27.73%	24.72%	29.38%	26.23%	26.73%	24.42%	28.46%	23.59%
Medicaid%	50.91%	52.56%	45.70%	49.14%	34.15%	44.10%	44.60%	48.96%	36.34%	34.95%	26.72%	29.09%	41.44%	24.48%
Medicare%	23.15%	16.28%	23.12%	19.21%	22.13%	22.18%	16.07%	18.30%	32.55%	23.75%	23.28%	25.00%	22.09%	40.99%
Private %	19.39%	23.21%	21.37%	24.24%	24.86%	23.85%	28.39%	22.47%	16.60%	23.90%	31.61%	37.74%	24.80%	24.27%
Hospice %	0.00%	2.05%	4.03%	0.00%	3.83%	3.97%	4.29%	4.82%	7.32%	9.08%	8.91%	6.76%	4.59%	1.82%
ADV %	6.55%	5.90%	5.78%	7.42%	15.03%	5.90%	6.65%	5.46%	7.19%	8.32%	9.48%	1.42%	7.09%	8.50%
Daily Medicare and ADV Census	8.17	5.58	7.16	6.49	9.72	7.06	5.29	4.93	9.80	7.06	7.36	5.42	7.00	9.70
Employment (Full Time Equivalents)	34.42	34.91	34.29	34.43	35.01	36.89	36.65	32.35	32.16	31.72	28.75	30.21	33.48	32.24
Muscogee Manor														
% Occupancy	50.61%	52.19%	53.25%	53.80%	55.10%	53.83%	53.18%	54.52%	56.20%	57.50%	55.89%	55.00%	54.26%	59.69%
Medicaid%	90.49%	89.25%	89.40%	96.02%	92.03%	88.17%	90.36%	90.74%	88.67%	84.65%	88.43%	89.47%	89.86%	90.85%
Medicare%	2.65%	2.14%	1.66%	1.62%	1.32%	1.13%	0.34%	1.97%	3.13%	4.53%	2.65%	0.60%	1.98%	4.29%
Private %	1.01%	2.59%	2.87%	2.36%	-0.10%	2.84%	2.63%	1.87%	1.00%	0.98%	1.27%	1.47%	1.73%	0.87%
Hospice %	5.85%	6.02%	6.07%	0.00%	6.28%	6.85%	5.97%	4.99%	5.42%	5.97%	6.83%	7.03%	5.61%	3.06%
ADV %	0.00%	0.00%	0.00%	0.00%	0.46%	1.01%	0.09%	0.44%	1.78%	3.87%	0.82%	1.43%	0.83%	0.93%
Daily Medicare and ADV Census	2.63	2.19	1.73	1.71	1.93	2.25	0.45	2.57	5.42	9.47	3.80	2.20	3.03	5.55
Employment (Full Time Equivalents)	119.62	114.88	116.09	117.23	125.47	130.44	132.62	127.04	130.04	130.77	125.51	121.46	124.26	114.82
Muscogee Home Health														
Employment (Full Time Equivalents)										1.18	2.95	3.21	2.25	6.84

HOSPITAL AUTHORITY OF COLUMBUS
12 MONTH MOVING STATISTICAL REPORT

	Jun-23	May-23	Apr-23	Mar-23	Feb-23	Jan-23	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	13 Mth. Average	Prior Year Avg.
Orchard View															
% Occupancy	66.60%	64.32%	64.70%	66.10%	64.98%	63.37%	62.18%	64.08%	64.05%	66.07%	63.32%	62.65%	63.13%	64.63%	60.01%
Medicaid%	66.82%	67.40%	66.28%	71.79%	61.04%	64.70%	64.59%	66.11%	65.32%	68.95%	72.50%	72.96%	71.67%	67.89%	71.27%
Medicare%	9.81%	9.09%	10.10%	13.03%	12.81%	9.52%	10.61%	12.02%	12.82%	10.42%	4.99%	8.65%	10.48%	10.33%	6.72%
Private %	14.11%	13.71%	12.83%	12.71%	16.02%	13.77%	12.76%	11.11%	11.42%	10.19%	11.06%	11.06%	8.00%	11.68%	7.23%
Hospice %	5.51%	5.86%	5.87%	0.00%	6.54%	9.65%	10.46%	8.13%	7.70%	7.24%	8.02%	8.34%	7.78%	7.08%	7.43%
ADV %	3.75%	3.93%	4.92%	2.46%	1.59%	2.57%	1.56%	1.64%	2.76%	3.20%	3.02%	3.46%	2.09%	2.91%	1.34%
Daily Medicare and ADV Census	18.07	16.90	19.44	20.49	18.71	15.06	15.13	17.50	21.16	18.00	10.13	14.90	15.86	17.03	3.76
Employment (Full Time Equivalents)	168.33	163.52	166.73	166.53	169.20	177.36	168.76	171.00	183.37	182.03	150.35	150.35	150.35	175.21	395.84
Redcrest															
% Occupancy	32.74%	29.95%	20.52%	28.95%	31.12%	29.95%	27.75%	24.72%	29.36%	26.23%	26.73%	24.42%	25.31%	28.26%	23.45%
Medicaid%	50.91%	52.58%	45.70%	49.18%	34.15%	44.10%	44.60%	48.96%	36.34%	34.95%	26.72%	29.09%	24.04%	40.10%	23.48%
Medicare%	23.15%	16.28%	23.12%	19.21%	22.13%	22.18%	16.07%	18.30%	23.55%	23.75%	23.28%	25.00%	31.55%	22.81%	43.27%
Private %	19.39%	23.21%	21.37%	24.26%	24.85%	24.85%	28.38%	22.47%	16.60%	23.90%	31.61%	37.74%	35.23%	25.60%	23.05%
Hospice %	0.00%	2.05%	4.05%	0.00%	3.83%	3.97%	4.29%	4.32%	7.32%	9.08%	9.48%	6.76%	4.59%	4.59%	1.69%
ADV %	6.55%	5.90%	5.78%	7.42%	15.05%	5.90%	6.63%	5.46%	7.18%	8.32%	9.48%	14.24%	4.59%	6.90%	8.57%
Daily Medicare and ADV Census	8.17	5.58	7.16	6.49	9.72	7.06	5.29	4.53	5.00	7.06	7.36	5.42	7.87	7.07	10.08
Employment (Full Time Equivalents)	34.42	34.91	34.29	34.43	35.01	36.89	36.65	32.35	32.16	31.72	28.75	30.21	34.66	33.59	32.59
Muscogee Manor															
% Occupancy	50.61%	52.19%	53.25%	53.80%	55.10%	53.83%	53.18%	54.52%	56.20%	57.50%	55.89%	55.00%	54.68%	54.26%	60.17%
Medicaid%	90.45%	89.25%	89.40%	96.02%	92.03%	88.17%	90.96%	90.74%	86.67%	84.65%	86.43%	83.47%	81.10%	81.55%	91.30%
Medicare%	2.65%	2.14%	1.66%	1.62%	1.13%	1.13%	0.34%	1.97%	3.13%	4.53%	2.65%	0.60%	3.05%	2.06%	4.33%
Private %	1.01%	2.59%	2.87%	2.36%	-0.10%	2.84%	2.63%	1.87%	1.00%	0.98%	1.27%	1.47%	0.78%	1.66%	0.73%
Hospice %	5.85%	6.02%	6.07%	0.00%	6.28%	6.85%	5.97%	4.99%	5.42%	5.97%	6.85%	7.03%	4.57%	5.53%	2.90%
ADV %	0.00%	0.00%	0.00%	0.00%	0.46%	0.09%	0.09%	0.49%	1.78%	3.87%	0.82%	1.43%	0.50%	0.80%	0.94%
Daily Medicare and ADV Census	2.63	2.19	1.73	1.71	1.93	2.25	0.45	2.57	5.42	5.47	3.80	2.30	3.80	3.09	5.64
Employment (Full Time Equivalents)	119.62	114.88	116.09	117.23	125.47	130.44	132.52	127.04	130.04	130.77	125.51	121.46	114.53	123.52	114.46
Muscogee Home Health															
Employment (Full Time Equivalents)									1.18	2.35	3.21	3.62	3.62	3.87	7.07

**HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED JUNE 30, 2023**

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobis PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 6,231,101	\$ -	\$ 7,742,106	\$ 9,146,507	\$ 23,119,714	\$ 9,265	\$ 86	\$ 2,862,651	\$ 25,991,716
Other Current Assets	1,694,376	-	467,240	1,221,231	3,382,847	1,513	5,398	-	3,389,758
Intercompany Balances	18,818,304	-	528,406	(9,723,037)	9,623,673	(6,386,177)	(2,314,978)	(922,518)	-
Noncurrent Assets	34,634,027	-	35,601,706	7,218,308	77,454,041	154,898	83,642	564,920	78,257,501
Total Assets	\$ 61,377,808	\$ -	\$ 44,359,458	\$ 7,863,009	\$ 113,580,275	\$ (6,220,501)	\$ (2,225,852)	\$ 2,505,053	\$ 107,658,975
Current Liabilities	\$ 1,722,766	\$ -	\$ 823,623	\$ 780,982	\$ 3,327,371	\$ -	\$ 4,418	\$ 71	\$ 3,331,860
Non-current Liabilities (excluding bonds)	7,463,067	-	3,196,985	4,648,578	15,308,630	360,100	450,668	-	16,119,398
Bonds Payable	23,587,194	-	29,726,496	-	53,313,690	-	-	-	53,313,690
Total Liabilities	32,773,027	-	33,747,104	5,429,560	71,949,691	360,100	455,086	71	72,764,948
Fund Balance	28,604,781	-	10,592,354	2,433,449	41,630,584	(6,580,601)	(2,680,938)	2,504,982	34,874,027
Total Liabilities and Fund Balance	\$ 61,377,808	\$ -	\$ 44,359,458	\$ 7,863,009	\$ 113,580,275	\$ (6,220,501)	\$ (2,225,852)	\$ 2,505,053	\$ 107,658,975
INCOME STATEMENT									
Revenue	\$ 1,507,638	\$ 39,333	\$ 306,451	\$ 1,203,243	\$ 3,056,665	\$ 1,000	\$ -	\$ -	\$ 3,057,665
Operating Expenses	1,389,548	122,163	454,303	1,132,921	3,098,935	504	(13,336)	2,271	3,088,174
Net Profit (Loss) before Noncash expense	118,090	(82,830)	(147,852)	70,322	(42,270)	496	13,536	(2,271)	(30,509)
Provision for Bad debts	(26,197)	-	(6,467)	23,653	(9,011)	-	(21,970)	-	(30,981)
Interest expense	(60,062)	-	(81,232)	-	(141,294)	-	-	-	(141,294)
Depreciation and Amortization	(89,839)	-	(95,883)	(15,565)	(201,287)	(377)	-	-	(201,664)
Current Month Income (loss)	\$ (58,008)	\$ (82,830)	\$ (331,434)	\$ 78,410	\$ (393,862)	\$ 119	\$ (8,434)	\$ (2,271)	\$ (404,448)
YTD Income (loss)	\$ 787,064	\$ (1,710,519)	\$ (2,802,784)	\$ 1,086,953	\$ (2,639,286)	\$ 818	\$ (89,781)	\$ (7,671)	\$ (2,735,920)
YTD Net Income (loss)	\$ (58,008)	\$ (82,830)	\$ (331,434)	\$ 78,410	\$ (393,862)	\$ 119	\$ (8,434)	\$ (2,271)	\$ (404,448)
Add: Depreciation	89,839	-	95,883	15,565	201,287	377	-	-	201,664
Add: Interest Expense	60,062	-	81,232	-	141,294	-	-	-	141,294
Less: Monthly bond payment	(197,445)	-	(144,554)	-	(341,998)	-	-	-	(341,998)
Less: Property & Equipment Additions	-	-	-	-	-	-	-	-	-
Net Cash Flow	\$ (105,552)	\$ (82,830)	\$ (296,873)	\$ 93,975	\$ (393,280)	\$ 496	\$ (8,434)	\$ (2,271)	\$ (403,489)