

BOARD MINUTES
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA
September 24, 2024

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, September 24, 2024. 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 more than 48 hours 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 acting Chairman Mike Welch, Vice Chairwoman Sarah Banks-Lang, and members Dr. John Kingsbury, Warner Kennon, Jr., Chuck Hecht, Tony Floyd, and Bob Jones. Ernie Smallman and Wayne Joiner were absent and excused.

Rick Alibozek, CFO, and Jack P. Schley, Secretary/Attorney, were present at the meeting. Britt Hayes, CEO, was absent and excused for medical reasons. Betty Tatum was present as a guest of the Board.

INVOCATION AND WELCOME

The meeting was called to order and Mike opened the meeting with a prayer.

DETERMINATION OF QUORUM

It was determined that a quorum was present.

REVIEW OF MINUTES

The Minutes for the August 27, 2024, Board meeting were reviewed. Chuck moved for their approval and Bob seconded the motion. The August 2024 Board Minutes were unanimously approved.

BOARD BUSINESS

Jack informed the Board that he recently received a letter forwarded to him from the Clerk of Council. According to Jack, the letter concerns a conversation between family members of a resident at Ridgecrest and a member of the staff there who had a disagreement or misunderstanding over the resident's medications. Jack and Rick indicated the subject of the letter is being investigated and they would report their findings to the Board at the next meeting.

CFO'S REPORT

Mike called for the financial report to be given, and Rick Alibozek presented the Financial and Statistical Reports:

Statistical Report: Attached to these Minutes is the FY 2024 YTD Statistical Report. Rick reported that HAC's census for August was about 269 residents. The current census per facility follows: Orchard View – 65.82%; Ridgecrest – 45.05%; and Muscogee Manor – 51.27%. According to Rick, HAC had a total of 43 new admissions in August as compared to 47 in July. The goal is to raise HAC's average census to 300 across all three facilities. The Medicare census is up to 23.28 from 19.81 in July. Rick credited the overall census increase to admission of more long-term residents at Ridgecrest.

Financial Report: Attached to these Minutes is the Hospital Authority of Columbus YTD Consolidated Income Statement through August 31, 2024. Rick reported that HAC currently has cash and cash equivalents of about \$17,857,000. Rick reported further that the ERC refund payment of \$2,040,000 was approved for release on September 17. Rick further reported that HAC received a check for \$2,437,000 on September 23, 2024, covering the ERC refund for Q3 2021, plus interest of \$396,000. The remainder of the ERC request for Q1 and Q2 2021 is still under appeal. The Bibb Mill/Macon Road property swap closed and Rick indicated a gain of \$222,000

on the Bibb Mill property will be reported this month. The August report also reflects the annual audit fee of \$70,000, which is 90% of the total fee, and a profit from nursing home operations of \$39,000. Rick informed the Board that 60% of HAC's expenses are labor related, and that he and Britt are always looking for savings within that category while keeping a goal of providing above-average service.

Rick reported that HAC's property and casualty insurance will renew on October 1 this year with rate increase of 13%. Rick expects the increase to add an additional \$19,000 to HAC's insurance expense after renewal. While discussing the renewal with HAC's agent at Marsh McClennan, Rick received a quote for cyber coverage of about \$25,000. Rick stated HAC is presently covered for cyber attacks and he expects to receive lower quotes next year due to ongoing improvements to HAC's cyber infrastructure. According to Rick a new rule banning non-compete agreements has been blocked by a Federal Court in Texas. This does affect the industry but should not have an impact on HAC. Rick mentioned the HAC continues to make preparations as if the new staffing mandates will become effective. Rick stated HAC is compliant with all terms of the new mandate except for having 24-hour RN coverage. Changes to staffing policies may be necessary for HAC to comply with that requirement, and research into international hiring from the Philippines continues. Bob asked about the quality of nurses trained in the Philippines. Chuck indicated there are nursing schools in the Philippines producing qualified, trained nurses currently serving in the local hospital who he indicated are well trained. Sarah asked about a joint resolution in Congress addressing the mandate, and Rick responded that he believed the proposal was withdrawn because it did not have enough support to survive a veto. Rick asked the Board to be vocal to any state legislatures up for re-election about HAC's needs. Tony asked for specific details

about those needs, and Rick discussed the difficulties with the new staffing mandate and expressed appreciation for the new budget which increased the rates applicable to HAC.

Rick mentioned that HAC has saved \$209,696 this year by switching pharmacy provides to Script Source. HAC's auditors plan to attend the October meeting to discuss HAC's financial statements. Rick reported that Orchard View's 2022 cost report remains open and that all information requested by the auditors has been provided.

PRESIDENT'S REPORT

In Britt's absence, Rick gave the President's report:

Betty Tatum Plaque: Rick recognized Betty Tatum and presented her with a plaque expressing HAC's gratitude for her 14-years of service to the Board. The Board applauded Betty and thanked her for her contributions. Betty expressed her gratitude for the recognition and stated it was her honor to serve HAC.

Bibb Mill Property: Rick reiterated that the Bibb Mill/Macon Road property swap closing and with gains from the sale reported by HAC in the amount of \$222,000.

Institute for Healthcare Improvement "Age Friendly Health System" Award: Rick remarked that HAC received recognition from the Institute for Healthcare Improvement and commented that the recognition adds one more credential to distinguish HAC in the community.

Vohra "Center of Excellence" Award: Rick reported that Muscogee Manor was recently recognized for quality wound care. Rick attributed the award to the skills of David Askew, the administrator at Muscogee Manor, as well as, the wound care nurse, Annette Glenn, who both have experience with quality wound care.

Tort Reform in Georgia: Governor Kemp created focus groups to study frivolous lawsuits which included looking into the healthcare industry. According to Rick, this could benefit HAC if

tort reform is passed to prevent lawsuits from being filed simply due to frustrations following a resident's passing.

Insurance Renewal: Rick reiterated that he is looking into new cyber coverage, and that HAC's property and casualty policy will renew on October 1, 2024, with a 13% increase in the rate.

New Initiatives: Rick reported that Ridgecrest recently participated in an active shooter drill hosted by the city and the regional Homeland Security director. HAC is developing a relationship with Edgewood Senior Center to increase HAC's exposure in the community and grow its referral network. HAC's internal quality committee recently conducted a mock survey at Orchard View. Rick commented the mock surveys tend to be tougher than the actual surveys as a training tool for quality care. Management requested a quote from HAC's main supplier, McKesson, for textile products, but the quote was 25% more than the current textile supplier. Rick indicated no change would be made at this time. Rick announced that Orchard View will host an event on Wednesday, September 25, called Evening Under the Stars. The event will take place outside from 6:00-8:00 PM and will include live music and food. Sarah asked about the weather and the storm headed for Columbus later this week. Rick responded that he is monitoring the weather, which he does not expect to arrive until Friday. Orchard View has a contingency plan to move the event indoors in the event of inclement weather.

COVID-19 Update: Rick reported that HAC recently hosted a booster clinic which provided COVID-19 boosters to 153 residents and 31 staff members at no cost to HAC or the booster recipients.

ERC Payment: Rick reiterated that HAC received a check for the Q3 2021 ERC refund plus interest in the amount of \$2,437,000 and that the Q1 and Q2 2021 requests remaining pending.

Year end audit: Rick reiterated that the auditors plan to attend the October meeting to discuss the financial statements.

NEXT MEETING

The next meeting will be Tuesday, October 29, 2024 at Orchard View.

There being no further business the meeting was adjourned.



JACK P. SCHLEY
Secretary/Attorney



ERNEST SMALLMAN, IV
Chairman

HOSPITAL AUTHORITY OF COLUMBUS
 FY 2025 YTD Statistical Report

	June	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	August	July	Average	Prior Year
Orchard View														
% Occupancy											65.81%	61.69%	63.75%	66.31%
Medicaid%											73.16%	76.52%	74.84%	73.18%
Medicare%											7.99%	4.26%	6.13%	7.10%
Private %											10.42%	9.46%	9.94%	10.00%
Hospice %											3.28%	4.63%	3.96%	5.34%
ADV %											5.15%	5.12%	5.14%	4.37%
Daily Medicare and ADV Census											17.29	11.58	14.44	15.32
Employment (Full Time Equivalents)											170.56	174.57	172.57	177.07
Ridgecrest														
% Occupancy											45.05%	45.28%	45.17%	35.71%
Medicaid%											63.43%	61.66%	62.55%	52.20%
Medicare%											8.10%	11.03%	9.57%	16.24%
Private %											25.40%	23.66%	24.53%	23.17%
Hospice %											0.00%	0.00%	0.00%	1.37%
ADV %											3.07%	3.65%	3.36%	7.01%
Daily Medicare and ADV Census											4.22	5.58	4.90	6.92
Employment (Full Time Equivalents)											39.01	38.83	38.92	34.69
Muscooke Manor														
% Occupancy											51.27%	51.40%	51.34%	50.73%
Medicaid%											88.12%	88.22%	88.17%	89.05%
Medicare%											1.77%	2.08%	1.93%	3.08%
Private %											4.75%	2.98%	3.87%	1.31%
Hospice %											5.36%	6.18%	5.77%	6.21%
ADV %											0.00%	0.54%	0.27%	0.35%
Daily Medicare and ADV Census											1.77	2.65	2.21	3.41
Employment (Full Time Equivalents)											133.74	142.35	138.05	136.54

HOSPITAL AUTHORITY OF COLUMBUS
12 MONTH MOVING STATISTICAL REPORT

	Aug-24	Jul-24	Jun-24	May-24	Apr-24	Mar-24	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	13 Mth Average	Prior Year Avg
Orchard View															
% Occupancy	65.81%	61.69%	63.08%	63.60%	63.97%	64.97%	66.52%	67.16%	65.87%	65.13%	67.14%	65.52%	64.43%	71.79%	65.97%
Medicaid%	73.16%	76.52%	77.44%	77.50%	78.06%	75.74%	74.03%	71.64%	73.53%	71.50%	69.62%	68.44%	68.43%	71.43%	72.68%
Medicare%	7.99%	4.26%	6.55%	4.06%	3.88%	4.20%	6.92%	10.66%	6.39%	6.86%	5.25%	3.69%	11.59%	11.59%	6.86%
Private%	10.42%	9.46%	8.30%	9.48%	9.72%	9.72%	7.96%	8.75%	10.31%	10.34%	11.15%	11.15%	10.34%	10.34%	10.34%
Hospice%	3.28%	4.63%	3.70%	4.13%	5.41%	5.41%	6.06%	5.35%	4.80%	5.70%	7.49%	6.71%	5.23%	5.23%	5.23%
ADV %	5.15%	5.12%	3.41%	5.06%	3.20%	4.27%	5.03%	3.72%	5.19%	4.99%	6.46%	3.72%	4.96%	4.67%	4.67%
Daily Medicare and ADV Census	17.29	11.58	12.57	11.54	9.07	11.77	15.90	19.32	15.26	15.70	15.54	17.64	22.91	15.18	15.18
Employment (Full Time Equivalents)	170.56	174.57	189.00	174.79	173.80	175.72	174.72	182.60	187.28	175.35	176.58	178.19	169.66	177.15	176.40
Refugees															
% Occupancy	45.05%	45.28%	41.94%	38.73%	36.90%	38.17%	38.95%	35.79%	32.87%	35.32%	36.41%	32.70%	29.03%	29.03%	35.48%
Medicaid%	63.43%	61.65%	60.17%	57.24%	54.73%	53.02%	53.75%	53.23%	54.32%	52.81%	47.85%	42.35%	49.07%	54.30%	52.10%
Medicare%	8.10%	11.09%	10.97%	10.89%	15.48%	21.73%	17.88%	7.51%	12.97%	16.83%	18.46%	17.84%	16.67%	14.34%	16.77%
Private%	25.40%	23.65%	22.52%	21.69%	23.33%	21.93%	24.10%	28.54%	27.57%	22.92%	20.78%	21.84%	24.07%	23.72%	22.88%
Hospice%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.93%	3.80%	3.64%	3.31%	1.13%	1.26%
ADV %	3.07%	3.65%	6.34%	5.70%	6.46%	3.32%	4.25%	10.75%	5.14%	3.48%	9.29%	14.32%	6.88%	6.71%	6.88%
Daily Medicare and ADV Census	4.22	5.58	6.10	6.71	6.80	5.03	5.49	5.49	5.00	6.03	8.68	8.43	5.74	6.50	7.01
Employment (Full Time Equivalents)	39.01	38.83	38.61	35.61	35.77	35.46	32.55	37.42	38.24	31.66	31.45	34.18	34.24	35.49	34.67
Sturgeon Manor															
% Occupancy	51.27%	51.40%	49.73%	43.09%	48.45%	48.56%	51.67%	51.37%	52.24%	52.45%	52.65%	52.21%	50.53%	50.86%	50.72%
Medicaid%	88.12%	88.22%	89.60%	90.35%	89.47%	85.99%	90.83%	88.82%	89.18%	89.95%	87.40%	87.07%	87.13%	88.95%	89.16%
Medicare%	1.77%	2.08%	3.18%	2.85%	3.02%	2.22%	0.95%	2.98%	2.74%	2.69%	3.26%	3.55%	4.85%	2.78%	3.05%
Private%	4.75%	2.96%	1.40%	1.06%	1.19%	0.24%	1.02%	1.99%	1.95%	0.97%	1.94%	1.95%	1.01%	1.73%	1.28%
Hospice%	5.36%	6.18%	5.57%	5.77%	6.32%	6.22%	6.06%	5.64%	5.92%	6.10%	7.22%	7.45%	6.58%	6.18%	6.18%
ADV %	0.00%	0.54%	0.24%	0.00%	0.00%	1.33%	1.17%	0.58%	0.00%	0.29%	0.16%	0.06%	0.42%	0.36%	0.32%
Daily Medicare and ADV Census	1.77	2.65	3.33	2.74	2.87	3.36	3.58	3.58	2.81	3.07	3.55	3.63	5.23	3.13	3.35
Employment (Full Time Equivalents)	133.74	142.35	139.05	139.91	141.20	131.43	135.56	143.63	150.43	139.29	134.87	156.52	123.69	137.82	135.24

**HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED AUGUST 31, 2024**

	Orchard View	Home Office	Ridgecrest	Muscooge Manor	Total Nursing Home	Cobles PCH	Muscooge Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 4,081,826	\$ -	\$ 5,775,154	\$ 3,980,359	\$ 13,837,339	\$ 32,673	\$ 334,817	\$ 3,652,321	\$ 17,857,150
Other Current Assets	4,586,778	-	1,758,857	3,386,956	9,732,591	4,606	2,598	-	9,739,795
Intercompany Balances	15,873,384	-	(136,076)	(6,110,322)	9,626,986	(6,386,177)	(2,318,291)	(922,518)	-
Noncurrent Assets	34,844,361	-	33,527,051	8,988,807	77,360,219	149,656	83,642	-	77,593,517
Total Assets	\$ 59,386,349	\$ -	\$ 40,974,986	\$ 10,245,800	\$ 140,557,135	\$ (6,199,242)	\$ (1,897,234)	\$ 2,729,803	\$ 105,190,462
Current Liabilities	\$ 955,331	\$ -	\$ 355,002	\$ 595,695	\$ 1,906,028	7	260	-	\$ 1,906,295
Non-current Liabilities (excluding bonds)	10,950,305	-	4,047,178	6,750,787	21,748,270	360,100	450,668	-	22,559,038
Bonds Payable	19,462,632	-	28,214,929	-	47,677,561	-	-	-	47,677,561
Total Liabilities	31,368,268	-	32,617,109	7,346,482	71,331,859	360,107	450,928	-	72,142,894
Fund Balance	28,018,081	-	8,307,877	2,899,318	39,225,276	(6,559,349)	(2,348,162)	2,729,803	33,047,568
Total Liabilities and Fund Balance	\$ 59,386,349	\$ -	\$ 40,974,986	\$ 10,245,800	\$ 110,557,135	\$ (6,199,242)	\$ (1,897,234)	\$ 2,729,803	\$ 105,190,462
INCOME STATEMENT									
Revenue	\$ 1,699,249	\$ 110,166	\$ 460,905	\$ 1,199,763	\$ 3,470,083	\$ 2,000	\$ 10,547	\$ 224,498	\$ 3,707,128
Operating Expenses	1,395,113	241,637	396,156	1,087,580	3,120,486	831	650	71	3,122,038
Net Profit (Loss) before Noncash expense	304,136	(131,471)	64,749	112,183	349,597	1,169	9,897	224,427	585,090
Provision for Bad debts	-	-	-	-	-	-	-	-	-
Interest expense	(42,509)	-	(77,868)	-	(120,377)	-	-	-	(120,377)
Depreciation and Amortization	(85,282)	-	(95,374)	(10,905)	(189,561)	(359)	-	-	(189,920)
Current Month Income (loss)	\$ 178,345	\$ (131,471)	\$ (108,493)	\$ 101,278	\$ 39,659	\$ 810	\$ 9,897	\$ 224,427	\$ 274,793
YTD Income (loss)	\$ 22,049	\$ (201,469)	\$ (80,421)	\$ 110,954	\$ (148,887)	\$ 1,845	\$ 20,761	\$ 226,573	\$ 100,292
Monthly Net Income (loss)	\$ 178,345	\$ (131,471)	\$ (108,493)	\$ 101,278	\$ 39,659	\$ 810	\$ 9,897	\$ 224,427	\$ 274,793
Add: Bad Debt Expense	-	-	-	-	-	-	-	-	-
Add: Depreciation	85,282	-	95,374	10,905	189,561	359	-	-	189,920
Add: Interest Expense	42,509	-	77,868	-	120,377	-	-	-	120,377
Less: Monthly bond payment	(187,127)	-	(61,332)	-	(248,459)	-	-	-	(248,459)
Less: Property & Equipment Additions	(3,400)	-	-	-	(3,400)	-	-	-	(3,400)
Net Cash Flow	\$ 113,609	\$ (131,471)	\$ 3,417	\$ 112,183	\$ 97,738	\$ 1,169	\$ 9,897	\$ 224,427	\$ 333,231

