

**THE MEDICAL CENTER HOSPITAL AUTHORITY**  
**BOARD OF TRUSTEES**  
**MINUTES**  
October 26, 2022

The quarterly meeting of The Medical Center Hospital Authority Board of Trustees was held on Wednesday, October 26, 2022, in the conference center at Piedmont Columbus Regional Midtown.

Members Present: Susan McWhirter, M.D., Chair, Alpna Arora, Max Brabson, Jr., Mike Burns, John Hargrove, Rodney Mahone, Rick McKnight

Member Excused: Brenda DeRamus

Others Present: Laura Drew, Allen Holladay, Bill Tustin, Andrew Rothschild

**I. Approval of Minutes**

On motion by Mr. Brabson, seconded by Mr. Burns, the minutes of the July 27, 2022, meeting were approved as submitted.

**I. The Medical Center Hospital Authority Fiscal Year 2022 Audit Report**

Mr. Thrift presented the draft audit report for fiscal year 2022 conducted by Forvis (formally Dixon Hughes Goodman).

Required communications were reviewed. The responsibilities of management and the auditors were discussed. The most sensitive estimate affecting the financial statements were: 1) deferred revenues from entrance fees and related annual amortization; 2) valuation of certain level 2 financial assets; and 3) The disclosure of the ongoing property tax matter. There was a significant deficiencies in Information Technology Controls and Related Segregation of Duties to include: 1) The accounting director having administration rights to AOD software Recommendation was made that management consider limiting administration access to ensure that end-users with financial reporting responsibility are segregated from administrator access to the system.); 2) Administrative access to the Network is not limited to authorized individuals; 3) Formalized processes are not in place to add users to the network and core financial applications or to remove access for terminated employees; 4) Incident response procedures are not documented; 5) Change management procedures for network and core applications are not documented; and 6) Procedures for short-term backups are not in place or IT operations management does not monitor daily backups.

The financial statements were reviewed. A clean opinion will be issued.

Mr. Thrift was excused from the meeting after the presentation of the audit report.

On motion by Mr. Burns, seconded by Mr. Hargrove, the board approved the draft audit report for fiscal year 2022 as presented by Mr. Thrift and discussed.

**II. Review of Operations and approval of Financial Statements Period Ending September 30, 2022**

**A. The Medical Center Hospital Authority**

Total income year-to-date September 30, 2022 was \$72,530 versus prior year of \$70,497. Total expenses were \$42,711 versus the prior year of \$103,463. Net income was \$29,819 versus the prior year of -\$32,966. Mr. Holladay advised that the fencing and landscaping project has been completed.

Total Current Assets of \$2.5M versus prior year of \$2M. Noncurrent Assets and other of \$5.89M versus \$5.4M. Total Current Liabilities of \$180,230K versus \$381,894K

**B. Spring Harbor**

There has been a significant turnaround since last year. This is the first time in several years where they have made budget. Operating income for year-to-date September 30, 2022 was \$73,624 versus the budget of \$99,779 and PY of \$232,136. Total occupancy was 83% versus the target of 84%. Independent living current occupancy was 175 versus the target of 174. Healthcare occupancy was 69.4% versus the target of 73.5%. Operating Expenses of \$3.9M is \$133K under budget. SW&B expense is under budget by \$95K due to lower FTEs and better employee benefit pricing. Supplies were under budget as well. Purchased Services came under budget by \$41K. R&M expense was \$26K under budget.

**C. Piedmont Columbus Regional**

Month ending September 30, 2022 earnings after regional allocations of \$7.2M on a budget of \$6.3M. Year-to-date earnings after regional allocations were \$16.3M on a budget of \$18.6M. There was a miss in the 1<sup>st</sup> quarter around revenue in the Month of July. Stats compared to where we were last year are improving. The Emergency Department is also picking up.

**D. Muscogee County Indigent Care Program**

No report at this time.

On motion by Mrs. Arora, seconded by Mr. Hargrove, the board adopted the financial/operations report presented by Mr. Holladay and discussed.

**III. Spring Harbor Update**

Currently in the CMS window. Continuing to focus on the improvement in Food and Nutrition and have seen positive feedback on the changes already made. A survey was completed in July showing positive feedback from the residents and staff.

**IV. Board Terms**

Mr. Mahone advised that due to other obligations he will be coming off the Board. A discussion was had in regards to who would be approached. Dr. McWhirter will discuss with Mr. Hill and present some names at the next meeting

**V. Report from Chairman**

There was no report from the Chairman.

**VI. Report from Piedmont Columbus Regional**

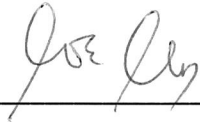
Mr. Tustin provided an update on the Children's Hospital project and the next steps.

**VII. Other**

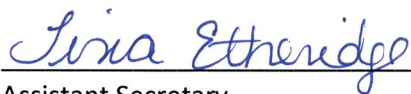
There were no other items for discussion.

**VIII. Executive Session**

On motion by Mr. Burns, seconded by Mr. Hargrove, the Authority, on advice of legal counsel, then went into executive session, closed to the public, to discuss matters described below pursuant to exemption from the Open Meetings Act set forth at O.C.G.A. §50-14-3(a)(6)(C) which permits closure of any meeting of the governing authority of a public hospital in which the granting, restriction or revocation of medical staff privileges is discussed; pursuant to the exemption from the Open Meetings Act set forth at O.C.G.A. §50-14-2 which permits closure of any meeting to consult with legal counsel pertaining to pending litigation brought by or against an "agency"; and also pursuant to the exemption from the Open Meetings Act set forth in the Georgia Hospital Authorities Law §50-31-75.2 which permits closure in executive session to allow discussion of a potentially commercially valuable proposal or strategy that may be of "competitive advantage" in the operations of the Authority or its medical facilities that has not been made public. The members voting to go into executive session were all those who were initially present as indicated above.



Chair



Assistant Secretary