

BOARD MINUTES
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA
September 30, 2025

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, September 30, 2025. 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 Chairman Chuck Hecht, Vice Chairwoman Sarah Banks-Lang, and members Warner Kennon, Jr., Bob Jones, Dr. Sharen Kelly, Tony Floyd, Wayne Joiner and Dr. John Kingsbury. Dr. Linn Storey was absent and excused.

Britt Hayes, CEO and Rick Alibozek, CFO were present. Jack P. Schley, Secretary/Attorney, was excused.

WELCOME AND INVOCATION

The meeting was called to order by Chuck and Britt 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 28, 2025, Board meeting were reviewed. Chuck Hecht noted a revision. The August 2025 Board Minutes will be brought back to the next meeting for approval.

BOARD BUSINESS

Britt reported that Dr. Linn Storey has been formally sworn in and is now officially a member of the Board.

CFO'S REPORT

Rick presented the Statistical and Financial Reports:

Statistical Report: Attached to these Minutes is the FY 2025 YTD Statistical Report. Rick reported that the admissions in July 2025 totaled 42, and discharges equaled 42. According to Rick, the census at the beginning of the month was 269 and the current census is 275.

Financial Report: Attached to these Minutes is the Hospital Authority of Columbus Consolidated Income Statement and Summary Report through August 31, 2025. Rick calculated HAC's total debts to be about \$43 million with current cash, repurchase agreements, and short-term investments totaling about \$26 million.

Rick apprised the Board that although the IRS ruled in favor of the Hospital Authority and payment for the Employee Retention Credit, only 90% of HAC's claim was granted. HAC is preparing to request a hearing with a Taxpayer Advocate to attempt to be awarded the remaining funds of approximately \$400k plus interest.

Rick commented that this month we received notification for approval for payment for 3rd Quarter FY 2025 Upper Payment Limit (UPL) amounting to \$1,259,000. We are still awaiting approval for the 4th Quarter UPL payment.

Regarding regulatory issues, the Department of Labor is revisiting the Joint Employer classification. This entails Employee vs Independent Contractor relationships and whether certain salaried employees are rightfully exempted from overtime. We have made a corporate decision to 1) limit the number of salaried employees and 2) to extent possible, not to use agencies that do not

pay employees with a W-2. Automatic lunch deductions have been addressed through our handbook, as some entities have struggled with different concepts within our industry. Finally, CMS has withdrawn all appeals of the staffing mandate which was introduced in April 2024. Recent legislation placed a 10-year moratorium on implementation, which was appealed.

Venture into obtaining nurses from the Philippines have been halted. As we moved closer to taking exams and moving to the U.S., those nurses lost interest. The third-party legal firm handling the process indicated that we should discontinue interest.

PRESIDENT'S REPORT

Britt Hayes gave the President's report:

Insurance Renewals: Property, cyber, and automobile insurance renewals effective October 1st experienced an annual premium increase of \$20,400 (or 11%).

Ridgecrest Survey: Britt discussed a recent 6-day long Complaint survey at Ridgecrest. Due to the excellent management team's response and knowledge, Department of Community Health survey exited without citing any deficiencies.

Litigation Update: Britt relayed that efforts have been made this month regarding pending litigation against HAC. Britt and team members were deposed during the month for a case that is 6+ years old and is moving toward closure. A second case was mediated successfully last week and is now closed.

Accolades: Britt apprised the Board of another National Award recognizing HAC. Newsweek has named Orchard View to the list of 2026 America's Best Nursing Homes! There were only 25 selected from Georgia which would place Orchard View in the Top 7% in the state and as one of the top 1,200 in the U.S. This ranking was the result of achieving high performance data marks, peer recommendations, accreditation and resident satisfaction, with performance data "carrying an

increased weight in 2026 to reflect the growing emphasis on clinical quality measures”. The Board urged Britt to send out a press release and share the information with discharge planners, etc.

Financial Overview: Chuck prefaced this discussion by reiterating that this is to be exploratory in nature and that no decisions were to be made at this meeting. Britt and Rick then addressed financial performance of the Company and areas of focus. Much of our revenue goals are affected by the Medicare Advantage plans we are eligible to receive by contractual agreements. Rick stated that for every 10 residents that are admitted equals about \$1,200,000 monthly. Rick has recently provided all pertinent information requested by a third-party company LTC Ally to enable them to arrange agreements with Aetna, Humana, VA, etc. New contracts would be monumental to increasing admissions in our Metropolitan Statistical Area as more people migrate away from traditional Medicare Part A. More Americans are currently covered by Advantage Plans than traditional Medicare.

Multiple ideas were discussed regarding possible future plans for the Muscogee Manor campus, Cobis Personal Care Home, the Home Health building, debt financing, and other parcels that could be sold.

NEXT MEETING

The next meeting will be on Tuesday, October 28, 2025 at 11:00 AM at Orchard View.

There being no further business the meeting was adjourned.

JACK P. SCHLEY
Secretary/Attorney

CHARLES K. HECHT, III
Chairman

INCOME STATEMENT

[illegible]

**HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED AUGUST 31, 2025**

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobis PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 9,082,353	\$ -	\$ 5,859,827	\$ 3,806,725	\$ 18,748,905	\$ 48,729	\$ 459,603	\$ 3,755,162	\$ 23,012,399
Other Current Assets	3,877,024	-	1,928,151	3,624,615	9,429,790	8,607	5,510	-	9,443,907
Intercompany Balances	13,615,241	-	(13,446)	(3,970,616)	9,631,179	(6,389,957)	(2,318,703)	(922,519)	-
Noncurrent Assets	29,639,192	-	30,557,464	6,752,585	66,949,241	145,506	83,642	-	67,178,389
Total Assets	\$ 56,213,810	\$ -	\$ 38,331,996	\$ 10,213,309	\$ 104,759,115	\$ (6,187,115)	\$ (1,769,948)	\$ 2,832,643	\$ 99,634,695
Current Liabilities	\$ 1,218,952	\$ -	\$ 506,774	\$ 687,941	\$ 2,413,667	\$ -	\$ 645	\$ -	\$ 2,414,312
Non-current Liabilities (excluding bonds)	8,798,355	-	3,123,591	4,956,117	16,878,063	360,100	450,668	-	17,688,831
Bonds Payable	17,722,519	-	27,404,708	-	45,127,227	-	-	-	45,127,227
Total Liabilities	27,739,826	-	31,035,073	5,644,058	64,418,957	360,100	451,313	-	65,230,370
Fund Balance	28,473,984	-	7,296,923	4,569,251	40,340,158	(6,547,215)	(2,221,261)	2,832,643	34,404,325
Total Liabilities and Fund Balance	\$ 56,213,810	\$ -	\$ 38,331,996	\$ 10,213,309	\$ 104,759,115	\$ (6,187,115)	\$ (1,769,948)	\$ 2,832,643	\$ 99,634,695
INCOME STATEMENT									
Revenue	\$ 1,590,806	\$ 110,166	\$ 612,602	\$ 1,093,113	\$ 3,406,687	\$ 2,001	\$ 11,710	\$ 7,590	\$ 3,427,988
Operating Expenses	1,467,018	136,890	538,969	1,080,921	3,223,798	607	1,058	-	3,225,463
Net Profit (Loss) before Noncash expense	123,788	(26,724)	73,633	12,192	182,889	1,394	10,652	7,590	202,525
Provision for Bad debts	-	-	-	-	-	-	-	-	-
Interest expense	(29,522)	-	(74,757)	-	(104,279)	-	-	-	(104,279)
Depreciation and Amortization	(83,762)	-	(92,042)	(8,886)	(184,690)	(275)	-	-	(184,965)
Current Month Income (loss)	\$ 10,504	\$ (26,724)	\$ (93,166)	\$ 3,306	\$ (106,080)	\$ 1,119	\$ 10,652	\$ 7,590	\$ (86,719)
YTD Income (loss)	\$ (141,998)	\$ (126,944)	\$ (101,749)	\$ (111,355)	\$ (482,046)	\$ 2,237	\$ 21,689	\$ 15,686	\$ (442,434)
Monthly Net Income (loss)	\$ 10,504	\$ (26,724)	\$ (93,166)	\$ 3,306	\$ (106,080)	\$ 1,119	\$ 10,652	\$ 7,590	\$ (86,719)
Add: Depreciation	83,762	-	92,042	8,886	184,690	275	-	-	184,965
Add: Interest Expense	29,522	-	74,757	-	104,279	-	-	-	104,279
Less: Monthly bond payment	(185,453)	-	(66,608)	-	(252,061)	-	-	-	(252,061)
Less: Property & Equipment Additions	-	-	-	-	-	-	-	-	-
Net Cash Flow	\$ (61,665)	\$ (26,724)	\$ 7,025	\$ 12,192	\$ (69,172)	\$ 1,394	\$ 10,652	\$ 7,590	\$ (49,536)

HOSPITAL AUTHORITY OF COLUMBUS
12 MONTH MOVING STATISTICAL REPORT

	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	Nov-24	Oct-24	Sep-24	Aug-24	13 Mth Average	Prior Year Avg
Orchard View															
% Occupancy	65.10%	61.24%	58.05%	56.77%	58.87%	61.89%	65.13%	63.37%	67.61%	64.57%	65.09%	65.09%	65.78%	65.93%	63.01%
Medicare	71.89%	75.27%	76.63%	76.85%	76.67%	76.88%	71.13%	76.94%	74.74%	77.11%	74.34%	74.34%	74.16%	75.17%	75.17%
Medicaid	6.35%	7.64%	6.05%	6.05%	7.65%	7.14%	9.30%	6.73%	8.06%	8.37%	6.90%	6.90%	6.13%	7.98%	7.25%
Private %	7.87%	8.77%	9.82%	9.12%	8.18%	8.26%	8.98%	9.47%	8.25%	8.35%	8.35%	8.35%	10.47%	10.47%	8.50%
Respite %	3.87%	3.08%	4.68%	4.20%	5.89%	5.69%	3.45%	2.49%	2.70%	2.48%	3.13%	3.85%	3.38%	3.74%	3.85%
ADU %	9.05%	5.34%	7.53%	3.79%	1.90%	2.05%	6.69%	4.38%	6.75%	3.90%	7.27%	5.60%	5.15%	4.93%	4.55%
Daily Medicare and ADU Census	22.09	11.90	10.30	11.16	11.00	11.39	70.97	14.06	19.35	15.76	18.55	15.43	17.29	15.47	14.77
Employment (Full Time Equivalents)	392.17	386.04	380.06	379.65	377.00	365.72	376.75	394.86	387.00	382.49	385.45	382.05	370.56	381.42	379.57
Ridgmont															
% Occupancy	57.22%	57.49%	50.88%	50.69%	49.25%	46.77%	46.43%	45.43%	43.01%	43.23%	43.15%	42.78%	45.05%	47.80%	45.00%
Medicare	57.18%	52.57%	59.92%	59.92%	58.15%	55.42%	53.93%	57.40%	53.84%	53.80%	61.03%	60.03%	63.45%	57.91%	58.73%
Medicaid	10.82%	10.82%	11.50%	11.39%	19.61%	6.24%	9.32%	5.21%	10.98%	7.70%	8.01%	3.43%	8.10%	6.38%	8.33%
Private %	20.57%	20.57%	19.38%	19.38%	19.61%	22.69%	21.82%	20.12%	21.16%	22.74%	24.82%	25.23%	25.40%	21.57%	21.91%
Respite %	8.22%	8.59%	7.42%	7.05%	8.05%	7.84%	9.34%	7.66%	9.38%	11.82%	4.72%	2.32%	0.00%	7.20%	6.50%
ADU %	4.77%	6.33%	3.28%	3.94%	11.86%	8.05%	5.95%	5.41%	4.64%	2.55%	1.42%	2.97%	3.07%	4.94%	4.79%
Daily Medicare and ADU Census	6.71	8.23	7.23	5.61	5.80	5.91	5.89	5.58	5.63	3.67	3.42	2.30	4.22	5.42	5.69
Employment (Full Time Equivalents)	59.58	55.51	55.33	51.22	50.89	47.97	45.18	48.44	42.45	40.20	39.52	41.21	39.01	47.97	45.53
Message Manor															
% Occupancy	45.15%	45.68%	47.05%	48.01%	47.82%	48.05%	48.34%	48.91%	48.05%	49.33%	49.72%	50.41%	51.27%	48.40%	48.12%
Medicare	91.53%	91.93%	91.11%	90.01%	89.62%	91.85%	91.38%	91.34%	91.11%	89.31%	91.03%	89.57%	88.17%	89.71%	90.32%
Medicaid	1.09%	1.04%	1.41%	1.41%	1.02%	1.37%	1.05%	1.00%	1.51%	3.28%	1.03%	1.03%	1.77%	1.30%	1.56%
Private %	0.00%	1.11%	1.08%	1.08%	1.60%	1.60%	1.05%	1.00%	1.24%	1.03%	1.03%	2.33%	4.75%	1.40%	1.90%
Respite %	7.28%	5.92%	6.89%	7.51%	5.76%	5.93%	5.84%	6.62%	6.24%	6.36%	6.26%	6.78%	5.38%	6.40%	6.23%
ADU %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.57%	0.00%	0.00%	0.00%	0.42%	0.42%	0.42%	0.10%	0.12%
Daily Medicare and ADU Census	6.97	0.13	0.80	1.32	2.81	1.28	1.54	1.55	1.55	3.17	1.55	1.30	1.77	1.41	1.46
Employment (Full Time Equivalents)	156.71	146.76	150.07	137.54	140.94	135.52	135.41	146.61	133.48	135.27	128.49	136.42	133.74	139.59	133.74

HOSPITAL AUTHORITY OF COLUMBUS
FY 2026 YTD Statistical Report

	June	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	August	July	Average	Prior Year
Orchard View														
% Occupancy											65.10%	61.24%	63.17%	62.87%
Medicaid%											72.89%	75.22%	74.06%	75.46%
Medicare%											6.39%	7.64%	7.02%	7.06%
Private %											7.80%	8.72%	8.26%	9.06%
Hospice %											3.87%	3.08%	3.48%	3.86%
ADV %											9.05%	5.34%	7.20%	4.56%
Daily Medicare and ADV Census											20.09	15.90	18.00	14.72
Employment (Full Time Equivalents)											192.17	186.04	189.11	179.57
Ridgecrest														
% Occupancy											57.22%	57.49%	57.36%	46.00%
Medicaid%											57.18%	52.57%	54.88%	58.73%
Medicare%											9.19%	10.82%	10.01%	8.33%
Private %											20.54%	20.57%	20.56%	21.91%
Hospice %											8.32%	9.69%	9.01%	6.30%
ADV %											4.77%	6.35%	5.56%	4.73%
Daily Medicare and ADV Census											6.71	8.29	7.50	5.09
Employment (Full Time Equivalents)											59.58	56.51	58.05	45.53
Mustogee Manor														
% Occupancy											45.16%	46.08%	45.62%	49.12%
Medicaid%											91.62%	91.93%	91.78%	90.32%
Medicare%											1.09%	0.14%	0.62%	1.56%
Private %											0.00%	1.11%	0.56%	1.67%
Hospice %											7.29%	6.82%	7.06%	6.29%
ADV %											0.00%	0.00%	0.00%	0.15%
Daily Medicare and ADV Census											0.97	0.13	0.55	1.66
Employment (Full Time Equivalents)											136.71	148.26	142.49	139.74