

BOARD MINUTES
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA
October 25, 2022

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, October 25, 2022. 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 Mike Welch, Warner Kennon, Jr., Betty Tatum, and Dr. John Kingsbury. 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 Hayes opened the meeting with a prayer.

DETERMINATION OF QUORUM

It was determined by Ernie Smallman at the start of the meeting there was a quorum.

REVIEW OF MINUTES

The Board Minutes from the September 27, 2022, Board meeting were reviewed and Mike Welch moved for their approval. Dr. John Kingsbury seconded the motion and the September 27, 2022 Minutes were unanimously approved by the Board.

BOARD BUSINESS

Jack Schley reported that nominations for individuals to fill the vacant seats on the Board were received and will be reviewed for potential submission to City Council.

PRESIDENT'S REPORT

Britt Hayes gave the President's report:

Financial Presentation: Britt introduced Kelly Thrift, a CPA from FORVIS, to present a draft of the annual audit. Kelly presented two draft documents: Report to the Board of Directors and Financial Statements. Kelly stated there were no difficulties encountered with the audit, nor any disagreements with members of management at HAC, and all documentation was well prepared by management when it was presented to FORVIS. Kelly stated further that there were no issues revealed by the audit needing disclosure. Britt thanked Rick for all his work to ensure the audit was smooth with no surprises, and credited the successful audit to Rick's experience as a CPA and auditor before joining HAC. Rick commented that the results of the audit confirm the monthly financial statements presented at each Board meeting are accurate. Kelly affirmed Rick's comment. Chairman Ernie Smallman requested that FORVIS move forward with finalizing the audit for the Board's acceptance.

MHH Sale: Britt reported that no issues have arisen with the sale of Muscogee Home Health, and the sale is being finalized.

Elections: Britt reported that early voting opened in Georgia on October 17, 2022, and HAC is assisting residents with their needs regarding participation in the election through mail-in and absentee ballots. A few candidates have stopped by HAC's facilities; including, Dr. Patrick Leonard who is running for John House's seat on City Council (District 10) and Senator Randy Robertson. Britt reported he spoke with the Senator regarding bills currently before the Senate and

how the bills would impact HAC's activities and residents. Britt extended an invitation to the Senator to call Britt if he had any questions regarding the bills and their application at HAC.

New Staffing Initiatives: Britt reported many new initiatives are underway: HAC has never employed a deaf individual, but HAC just hired a deaf person to work in the laundry and she is doing very well. Britt knows sign language and communicates with the new team member that way, and this has increased interest amongst other team members to learn sign language. HAC has also opened the door to hiring autistic individuals, and two current team members, who have autism, are both doing well in their current positions. A new administrator in training candidate named Kyle Fisette will start January 1, 2023. Britt will train Kyle for the new position. Kyle is currently the director of rehabilitation at Orchard View, where he has worked for four years. Britt also reported that a new phone app was made available to team members for scheduling purposes through Paycom. The app also includes a survey feature for team members to indicate benefits they would like to see provided by HAC. A shoe allowance was the top request followed by car washes, pet insurance, and discounted childcare. Britt reported all four of these benefits will be implemented. Pet insurance and discounted childcare will be provided at no cost to HAC, as these benefits will be accounted for through payroll deduction. Britt is also looking into offering a discounted gym membership at no cost to HAC.

Columbus Administrator Coalition Alliance: Britt reported he started this group for managing members of various local organizations to share expertise and experiences with one another. The first meeting was attended by Britt and administrators from Magnolia Manor and Spring Harbor. Britt hopes the organization can benefit all local organizations without disclosing proprietary information of each organization. Britt is working to determine how often the group will meet; perhaps quarterly or annually.

Lab Services: Britt reported that the quality of work-product of HAC's current provider of lab services has been falling so he is looking into potential replacement providers.

COVID-19 Update: Reported by Britt: Covid activity within our facilities continues to dissipate. Since our last Board meeting, NO residents and only 1 staff member has tested positive.

DPH showed that Muscogee County's Positivity Rate has fallen dramatically during the last month and stands at 6.2% for the last two weeks (13.0% at last Board meeting). Georgia's positivity rate is 5.5% for the last two weeks (9.4% at last Board meeting).

Per NEW 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 an **ORANGE** county, or 'substantial' level of transmission. This map in conjunction with new regulations dictate that Orchard View, Ridgecrest and Muscogee Manor DO NOT have to routine test staff at this time (with the exception of those who received an exemption request) but must adhere to the infection control legend 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. HAC offers them weekly to those residents and staff who want them.

HAC has also procured 200 of the new Moderna bi-valent boosters and are offering them weekly to residents and staff. Last week, HAC administered 27 of the bivalent vaccines during

HAC's first clinic. The Department of Public Health held the first Pfizer bivalent boosters clinic for Orchard View & Ridgecrest on October 12th. 78 doses were given to residents and 24 doses were given to staff members for a total of 104 doses administered. A second clinic will be held at Muscogee Manor on October 26th.

DHHS has continued supplying antigen 'quick swab' tests. The CDC now recommends annual vaccination for COVID-19.

Flu Vaccines: Britt reported that Georgia currently has the highest transmission rate for the flu in the United States. HAC is offering flu shots to residents and team members.

HR Personnel Handbook: Britt reported that the internal review of the new HR Handbook has been completed and the draft is ready for attorney review by attorneys at Hall Booth Smith. The new handbook includes new holidays and updated language regarding gender designations and social media policies. Rick referred to the current handbook as a pamphlet and the new handbook as a fifty-two page document. Sarah asked if under the terms of the new handbook will vaccination be required for staff members. Britt explained they intentionally left that term vague in the handbook to permit flexibility based on federal guidelines, but commented further that new team members must have at least a first shot of a vaccine to be hired.

Insurance Renewals: Britt asked Rick to present an update on the insurance renewals. Rick reported that the policies for Workers Compensation and Healthcare will renew January 1, 2023. Rick explained the latest average for claims has been \$18,000 annually while prior averages were over \$200,000 annually for worker's compensation. Rick expects the lower averages will make renewal smoother.

CFO'S REPORT

Rick Alibozek presented the Financial and Statistical Reports.

Statistical Report: Attached to these Minutes is the FY 2023 YTD Statistical Report. Rick indicated they are working to increase admissions to HAC's facilities.

Financial Report: Attached to these Minutes is the Hospital Authority of Columbus YTD Consolidated Income Statement through September 30, 2022.

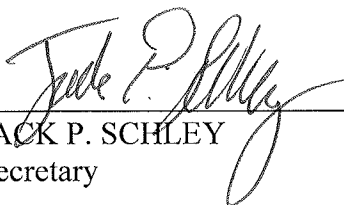
NEXT MEETING

The next meeting will be Tuesday, January 31, 2023.

DISCUSSION

Chairman Ernie Smallman asked that the final draft of the new handbook be circulated for review by the Board members before the next meeting. Then Ernie opened the floor to discussion and Sarah asked whether HAC has cyber security insurance coverage. Britt answered the question stating HAC had cyber security at one time, but HAC's current cyber security infrastructure is too antiquated for any provider to offer a quote for coverage. Britt and Rick are working to install upgrades to HAC's cyber infrastructure, including a new server which was recently installed, as well as implementing multi-step authentication safeguards to HAC's systems. Once these upgrades are completed, Britt and Rick will pursue quotes for cyber security insurance from various providers.

There being no further business the meeting was adjourned.



JACK P. SCHLEY
Secretary



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										66.07%	63.32%	62.63%	64.01%	60.27%
Medicaid%										68.95%	72.90%	72.98%	71.61%	76.76%
Medicare%										10.42%	4.99%	8.65%	8.02%	6.94%
Private %										10.19%	11.08%	6.77%	9.35%	7.19%
Hospice %										7.24%	8.02%	8.34%	7.87%	7.66%
ADV %										3.20%	3.01%	3.26%	3.16%	1.45%
Daily Medicare and ADV Census										18.00	10.13	14.90	14.34	10.19
Employment (Full Time Equivalents)										183.37	182.03	190.35	185.25	195.23
Ridgecrest														
% Occupancy										26.23%	26.73%	24.42%	25.79%	23.59%
Medicaid%										34.95%	26.72%	29.09%	30.25%	24.48%
Medicare%										23.75%	23.28%	25.00%	24.01%	40.93%
Private %										23.90%	31.61%	37.74%	31.08%	24.27%
Hospice %										9.08%	8.91%	6.76%	8.25%	1.82%
ADV %										8.32%	9.48%	1.42%	6.41%	8.50%
Daily Medicare and ADV Census										7.06	7.36	5.42	6.61	9.70
Employment (Full Time Equivalents)										31.72	28.75	30.21	30.23	32.24
Muscogee Manor														
% Occupancy										57.50%	55.89%	55.00%	56.13%	59.69%
Medicaid%										84.65%	88.43%	89.47%	87.52%	90.85%
Medicare%										4.53%	2.65%	0.60%	2.59%	4.29%
Private %										0.98%	1.27%	1.47%	1.24%	0.87%
Hospice %										5.97%	6.83%	7.03%	6.61%	3.06%
ADV %										3.87%	0.82%	1.43%	2.04%	0.95%
Daily Medicare and ADV Census										9.47	3.80	2.20	5.16	5.55
Employment (Full Time Equivalents)										130.77	125.51	121.46	125.91	114.82
Muscogee Home Health														
Employment (Full Time Equivalents)										1.18	2.35	3.21	2.25	6.84

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HOSPITAL AUTHORITY OF COLUMBUS
12 MONTH MOVING STATISTICAL REPORT

	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22	Mar-22	Feb-22	Jan-22	Dec-21	Nov-21	Oct-21	Sep-21	13 Mo Average	Prior Year Avg
Orchard View															
% Occupancy	66.07%	63.32%	62.63%	63.13%	63.10%	61.98%	59.23%	59.88%	60.37%	60.42%	60.42%	61.23%	60.50%	61.66%	60.03%
Medicare	68.95%	72.90%	71.96%	70.48%	75.46%	74.78%	78.27%	76.14%	73.80%	76.50%	75.83%	79.85%	79.37%	75.12%	77.27%
Medicaid	10.42%	4.98%	8.65%	8.66%	6.13%	6.13%	5.42%	8.20%	7.81%	8.94%	8.94%	6.22%	5.26%	7.58%	6.72%
Private %	10.19%	11.08%	6.77%	8.00%	6.77%	7.53%	7.19%	5.96%	9.20%	7.27%	5.93%	4.26%	5.56%	7.36%	7.23%
Hospice %	7.24%	8.02%	8.34%	7.76%	7.87%	8.79%	7.22%	7.46%	7.75%	8.40%	7.72%	8.40%	7.85%	7.92%	7.43%
ADY %	3.20%	3.01%	3.26%	2.09%	1.34%	2.77%	1.90%	2.24%	1.44%	0.53%	1.57%	1.29%	1.96%	2.05%	1.34%
Daily Medicare and ADV Census	18.00	10.13	14.90	15.86	12.49	11.03	8.68	12.50	11.16	9.20	11.70	9.19	8.74	11.89	9.76
Employment (Full Time Equivalents)	383.37	382.03	390.35	390.42	390.66	390.72	205.95	213.60	203.14	199.32	202.60	191.99	195.84	195.84	195.84
Rockcrest															
% Occupancy	76.25%	76.73%	74.42%	75.91%	74.62%	75.18%	73.20%	75.06%	71.74%	75.08%	72.38%	73.27%	70.74%	74.23%	73.45%
Medicare	84.65%	86.72%	86.09%	84.04%	83.85%	84.03%	81.87%	82.35%	80.78%	80.78%	81.03%	81.58%	80.78%	81.83%	81.48%
Medicaid	23.75%	23.25%	25.00%	31.55%	35.57%	45.43%	44.54%	41.72%	29.51%	38.73%	35.46%	45.93%	43.93%	34.14%	43.27%
Private %	3.08%	8.91%	6.76%	4.59%	4.84%	4.73%	3.13%	2.48%	0.00%	0.00%	0.00%	0.00%	0.00%	3.58%	2.05%
Hospice %	8.32%	9.48%	1.42%	4.59%	4.14%	3.79%	4.14%	11.77%	8.83%	7.96%	6.31%	5.26%	17.25%	7.24%	8.52%
ADY %	7.06	7.36	5.42	7.87	10.40	10.40	9.49	7.05	7.00	10.22	7.97	9.90	10.40	8.34	10.08
Daily Medicare and ADV Census	33.72	28.75	30.21	34.85	32.05	31.64	29.02	28.32	34.14	31.50	30.49	31.74	31.11	31.35	30.88
Employment (Full Time Equivalents)	57.50%	55.89%	55.00%	54.68%	53.14%	54.76%	54.33%	60.06%	60.76%	64.46%	62.57%	62.96%	60.84%	58.23%	60.17%
Medicare	84.65%	88.43%	89.47%	91.10%	89.50%	91.30%	84.99%	89.40%	88.54%	85.05%	90.13%	92.13%	98.90%	89.51%	91.10%
Medicaid	4.53%	2.65%	0.60%	3.05%	3.50%	3.70%	6.44%	6.28%	5.28%	7.95%	5.42%	3.62%	1.13%	4.19%	4.33%
Private %	0.98%	1.77%	1.47%	0.78%	1.24%	-2.83%	1.88%	-0.87%	2.47%	2.77%	2.13%	1.12%	-1.22%	0.60%	0.73%
Hospice %	5.97%	6.83%	7.03%	4.57%	5.36%	4.91%	4.90%	4.83%	3.12%	2.62%	1.79%	1.79%	1.68%	4.20%	2.90%
ADY %	3.87%	0.82%	1.43%	0.50%	0.40%	2.92%	1.63%	0.50%	0.50%	1.61%	0.53%	2.20%	-0.48%	1.25%	0.94%
Daily Medicare and ADV Census	9.47	3.80	2.30	3.80	4.07	7.10	8.77	6.78	6.06	10.48	6.34	6.22	0.67	5.83	5.64
Employment (Full Time Equivalents)	290.77	275.51	274.46	274.53	272.00	271.76	273.47	270.77	273.43	272.20	272.20	272.20	273.43	273.43	273.43
Muscooke Home Health															
Employment (Full Time Equivalents)	1.18	2.35	3.21	3.52	4.30	4.87	5.17	6.23	7.22	8.32	7.68	8.06	8.46	8.46	7.07

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HOSPITAL AUTHORITY OF COLUMBUS
CONSOLIDATED SUMMARY REPORT
MONTH ENDED SEPTEMBER 30, 2022

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobis PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 3,869,557	\$ -	\$ 8,247,223	\$ 11,636,037	\$ 23,752,817	\$ 1,156	\$ 3,804	\$ 2,867,841	\$ 26,625,618
Other Current Assets	2,421,111	-	516,575	1,600,210	4,537,896	-	35,677	-	4,573,573
Intercompany Balances	21,580,281	-	1,941,637	(13,916,613)	9,605,305	(6,383,016)	(2,301,971)	(920,318)	-
Noncurrent Assets	33,136,191	-	35,496,852	7,188,212	75,821,255	158,290	83,642	564,920	76,628,107
Total Assets	\$ 61,007,140	\$ -	\$ 46,202,287	\$ 6,507,846	\$ 113,717,273	\$ (6,223,570)	\$ (2,178,848)	\$ 2,512,443	\$ 107,827,298
Current Liabilities	\$ 1,406,270	\$ -	\$ 506,123	\$ 840,304	\$ 2,752,697	\$ -	\$ 32,159	\$ 625	\$ 2,785,481
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	23,766,970	-	29,753,269	-	53,520,239	-	-	-	53,520,239
Total Liabilities	32,636,307	-	33,456,377	5,488,883	71,581,567	360,100	482,827	625	72,425,119
Fund Balance	28,370,833	-	12,745,910	1,018,963	42,135,706	(6,583,670)	(2,561,675)	2,511,818	35,402,179
Total Liabilities and Fund Balance	\$ 61,007,140	\$ -	\$ 46,202,287	\$ 6,507,846	\$ 113,717,273	\$ (6,223,570)	\$ (2,178,848)	\$ 2,512,443	\$ 107,827,298
INCOME STATEMENT									
Revenue	\$ 1,249,619	\$ 41,195	\$ 303,555	\$ 1,060,966	\$ 2,655,335	\$ -	\$ -	\$ -	\$ 2,655,335
Operating Expenses	1,281,663	206,982	399,780	1,159,825	2,988,250	374	18,130	694	3,007,448
Net Profit (Loss) before Noncash expense	(32,044)	(165,787)	(36,225)	(98,859)	(332,915)	(374)	(18,130)	(694)	(352,113)
Provision for Bad debts	(453)	-	(6,731)	(7,702)	(14,886)	-	-	-	(14,886)
Interest expense	(60,062)	-	(81,232)	-	(141,294)	-	-	-	(141,294)
Depreciation and Amortization	(85,892)	-	(95,349)	(9,508)	(190,749)	(377)	-	-	(191,126)
Current Month Income (loss)	\$ (178,451)	\$ (165,787)	\$ (219,537)	\$ (116,069)	\$ (679,844)	\$ (751)	\$ (18,130)	\$ (694)	\$ (699,419)
YTD Income (loss)	\$ (533,590)	\$ (622,412)	\$ (648,193)	\$ (318,988)	\$ (2,123,183)	\$ (2,253)	\$ (70,517)	\$ (832)	\$ (2,196,785)
YTD Net Income (loss)	\$ (178,451)	\$ (165,787)	\$ (219,537)	\$ (116,069)	\$ (679,844)	\$ (751)	\$ (18,130)	\$ (694)	\$ (699,419)
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	-	-	-	-	-	-	-	-	-
Net Cash Flow	\$ (229,942)	\$ (165,787)	\$ (187,510)	\$ (106,561)	\$ (689,800)	\$ (374)	\$ (18,130)	\$ (694)	\$ (708,998)