

BOARD MINUTES
OF THE
HOSPITAL AUTHORITY OF COLUMBUS, GEORGIA
May 30, 2023

A regularly scheduled meeting of the Board of the Hospital Authority of Columbus, Georgia (HAC) was held at 11:00 AM on Tuesday, May 30, 2023. 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 Betty Tatum, Dr. John Kingsbury, and, Warner Kennon, Jr. Members Jennings Chester and Chuck Hecht were excused. Member Cynthia Jordan was 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. Betty 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 April 25, 2023 Board meeting were reviewed. Sarah moved for their approval and Dr. Kingsbury seconded the motion. The April 2023 Board Minutes were unanimously approved.

BOARD BUSINESS

Jack reminded the Board members to submit names for nominations to fill the seat of Jennings Chester. Sylvan Hollingsworth and Audrey Hollingsworth were mentioned as possible nominees. Ernie requested that an email reminder be sent out to the Board as a reminder that names should be submitted for nomination.

Jack announced that HAC has been presented with an opportunity to invest in a money market account with a guaranteed rate of 4.75% through December 31, 2023 by Colony Bank. Jack indicated this opportunity needed to be presented to the Board because two Board members are affiliated with Colony Bank: Mike is employed by Colony Bank as its Market President and Ernie is a member of its board, and these relationships create a potential conflict of interest the Board is obligated to prevent under Article Four, Section 2(c) of the By-laws. Ernie stepped out of the room for the Board to discuss the matter. Rick presented the results of his due diligence into other available options in the open market place. Rick reported that the offered rate is comparable to the current interest rates on existing accounts held by HAC. Rick mentioned that the collateralization requirements for HAC's deposits prevent many financial institutions from offering services to HAC, but Rick further indicated that this Colony Bank offer is not the only available option; specifically, Georgia Fund One provides a comparable investment opportunity that meets the collateralization requirements. All Board members present voiced concerns about the potential conflict of interest associated with the proposed transaction. Following further discussion, Sarah called for Board members to indicate their willingness to pursue the proposal further, which was seconded by Dr. Kingsbury: a majority of the Board voted against HAC accepting the offer from Colony Bank. Ernie was called back into the meeting.

PRESIDENT'S REPORT

Britt Hayes gave the President's report:

Bond Discussion: Britt thanked the Board for its attention to the Special Called Meeting to discuss the refunding of HAC's 2013 bond. Britt reported the meeting was cancelled because the offered bids were insufficient to pursue by resolution. Britt indicated that rates were stable for about 45 days before the bids were received which indicated HAC was positioned to save more than a million dollars by refunding; however, the rates changed shortly before the bids were received and the greatest savings through the bids received was only about \$600,000. Rick indicated the bids did not fulfill the requirements to pursue the refunding any further, and that the current debt ceiling debates in Congress most likely spooked investors and changed the rates. Britt mentioned another opportunity may become available within the next six months.

Staffing: Britt reported that the new schedule of three-day work weeks with twelve-hour shifts for clinical staff will begin this Thursday. Britt anticipates that this new schedule will help address the staffing shortage by efficiently managing the work of current staff members. If this new schedule proves to be efficient, Britt expects that additional units can be opened with current staffing numbers to help increase census. The new schedule is also compatible with the new tier system which incentivizes hard work to increase pay. This should make HAC a competitive employer for hard working clinical staff willing to do the work. WTVM is advertising a job fair hosted by HAC in partnership with Goodwill scheduled for June 27 and 28.

New Initiatives: Britt reported that the clinical data compiled by Point-Click Care creates an opportunity for the data to be reviewed by a third-party consultant to offer feedback for improving patient care and fully utilizing staff. Britt indicated Polaris is one of the consultants

being considered to review the data. By outsourcing MDS work, this would create an opportunity to utilize the MDS staff to perform other work.

Britt reported that HAC participated in Community Coalition Full Scale Exercise which consists of a group of regional medical service providers that discuss hypothetical emergencies to form strategic plans to address those emergencies. The participating organizations post online their resources and how each organization can contribute to the hypothetical scenario. Britt indicated the latest hypothetical involved the emergency landing of a commercial plane bearing Ebola physicians at the Columbus airport and a local Ebola outbreak resulting from the plane's arrival. The intention of the exercise is for regional medical providers to network and provide greater community responses to an emergency. Rick indicated that the Point-Click Care program, which operates through the Cloud, includes an emergency mode which permits staff to access the system remotely. In emergency mode, the program tracks the work of staff working away from HAC facilities (i.e. HAC staff reporting to an off-site public emergency) and compiles data for seeking Medicare/Medicaid reimbursement for the emergency services rendered.

Britt reported HAC is pursuing a \$250,000 grant through CMP Reinvestments. The grant would be used to improve resident health and quality of life outcomes through expansion and improvement of restorative nursing approaches and programs.

Britt reported the results of the SWOT Analysis are not yet available but an active link to the survey has been posted online so that second and third shift frontline workers have an opportunity to contribute their ideas.

Britt indicated that HAC has not historically participated in legislation pertaining to healthcare, but Britt is working to improve that by building relationships with state representatives like Georgia State Senator Randy Robertson and Representative Richard Smith. Britt hopes these

relationships will make HAC a sounding board for our local representatives to discuss pending legislation that would impact HAC's work.

COVID-19 Update: Reported by Britt:

The Public Health Emergency (PHE) ended on May 11, 2023. As a result, the website tracking Muscogee County's outbreak status has been shut down. Mask requirements have been lifted, but HAC is still required to mandate vaccinations for new hires. This deters some seeking employment with HAC, but Britt indicated this mandate is also set to expire. Booster clinics will also continue and Britt reported that all of HAC's facilities are above the national average for resident boosters.

UPL Payments: Rick reported that half of the UPL payment was received in December with the second half totaling \$2.4 million scheduled to be paid in June. Upon receipt of the second payment, the net payment will be \$4.9 million.

Year End Audit: Rick reported that FORVIS, formerly DHG, began its audit of HAC last week and Rick expects the final report to be shared with the Board in October. The fee charged by FORVIS increased nominally according to Rick.

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 April 30, 2023.

Rick reported that HAC's accounting is caught-up with the new software, that all available budget cuts have been made, and that HAC needs to grow its census. Betty asked about memory

care within HAC's facilities. Britt reported that memory care service is saturated in Columbus and HAC does not plan to open more memory care units because it would not be able to fill the beds.


NEXT MEETING

The next meeting will be Tuesday, June 27, 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	64.70%	66.10%	64.98%	63.37%	62.18%	64.08%	68.05%	66.07%	63.32%	63.32%	62.63%	64.55%	64.55%	60.27%
Medicaid%	66.28%	71.79%	63.04%	64.70%	64.59%	66.11%	65.32%	68.95%	72.90%	72.90%	72.98%	67.67%	67.67%	76.76%
Medicare%	10.10%	13.03%	12.81%	9.52%	10.61%	12.02%	12.82%	10.42%	4.99%	4.99%	8.65%	10.50%	10.50%	6.94%
Private %	12.83%	12.71%	16.02%	13.77%	12.76%	11.11%	11.42%	10.19%	11.08%	11.08%	6.77%	11.87%	11.87%	7.19%
Hospice %	5.87%	0.00%	6.54%	9.13%	10.48%	9.13%	7.70%	7.24%	8.02%	8.02%	8.34%	7.30%	7.30%	7.66%
ADV %	4.92%	2.46%	1.59%	2.37%	1.56%	1.64%	2.74%	3.20%	3.01%	3.01%	3.26%	2.68%	2.68%	1.45%
Daily Medicare and ADV Census	19.44	20.49	18.71	15.06	15.13	17.50	21.16	18.00	10.13	10.13	14.90	17.05	17.05	10.19
Employment (Full Time Equivalents)	166.73	166.53	169.20	180.11	177.36	168.76	171.00	183.37	182.03	182.03	190.35	175.54	175.54	195.23
Ridgcrest														
% Occupancy	29.52%	28.99%	31.12%	29.95%	27.73%	24.72%	29.38%	26.23%	26.73%	26.73%	24.42%	27.88%	27.88%	23.59%
Medicaid%	45.70%	49.14%	34.15%	44.10%	44.60%	48.96%	36.34%	34.95%	26.72%	26.72%	29.09%	39.38%	39.38%	24.48%
Medicare%	23.12%	19.21%	22.13%	22.18%	16.07%	18.30%	32.55%	23.75%	23.28%	23.28%	25.00%	22.56%	22.56%	40.93%
Private %	21.37%	24.24%	24.86%	23.85%	28.39%	22.47%	16.60%	23.90%	31.61%	31.61%	37.74%	25.50%	25.50%	24.27%
Hospice %	4.03%	0.00%	3.83%	3.97%	4.29%	4.82%	7.32%	9.08%	8.91%	8.91%	6.76%	5.30%	5.30%	1.82%
ADV %	5.78%	7.42%	15.03%	5.90%	6.65%	5.46%	7.19%	8.32%	9.48%	9.48%	1.42%	7.27%	7.27%	8.50%
Daily Medicare and ADV Census	7.16	6.49	9.72	7.06	5.29	4.93	9.80	7.06	7.36	7.36	5.42	7.03	7.03	9.70
Employment (Full Time Equivalents)	34.29	34.43	35.01	36.89	36.65	32.35	32.16	31.72	28.75	28.75	30.21	33.25	33.25	32.24
Muscogee Manor														
% Occupancy	53.25%	53.80%	55.10%	53.83%	53.18%	54.52%	56.20%	57.50%	55.89%	55.89%	55.00%	54.83%	54.83%	59.69%
Medicaid%	89.40%	96.02%	1.32%	1.13%	0.34%	1.97%	3.13%	4.53%	2.65%	2.65%	0.60%	1.90%	1.90%	90.85%
Medicare%	1.66%	2.36%	0.10%	2.84%	2.63%	1.87%	1.00%	0.98%	1.27%	1.27%	1.47%	1.72%	1.72%	4.29%
Private %	2.87%	0.00%	6.28%	6.55%	5.97%	4.99%	5.42%	5.97%	6.83%	6.83%	7.03%	5.48%	5.48%	0.87%
Hospice %	6.07%	0.00%	0.46%	1.01%	0.09%	0.44%	1.78%	3.87%	1.43%	1.43%	1.43%	0.99%	0.99%	3.06%
ADV %	0.00%	1.71	1.93	2.25	0.45	2.57	5.42	9.47	3.80	3.80	2.20	3.15	3.15	0.93%
Daily Medicare and ADV Census	116.09	117.23	125.47	130.44	132.62	127.04	130.04	130.77	125.51	125.51	121.46	125.67	125.67	5.55
Employment (Full Time Equivalents)	116.09	117.23	125.47	130.44	132.62	127.04	130.04	130.77	125.51	125.51	121.46	125.67	125.67	114.82
Muscogee Home Health														
Employment (Full Time Equivalents)				1.18	2.35	3.21							2.25	6.84

HOSPITAL AUTHORITY OF COLUMBUS
12 MONTH MOVING STATISTICAL REPORT

	Apr-23	Mar-23	Feb-23	Jan-23	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22	13 Moth Average	Prior Year Avg.
Orchard View															
% Occupancy	64.70%	65.10%	64.98%	63.37%	62.18%	64.08%	68.05%	66.07%	63.32%	62.65%	63.13%	63.10%	61.98%	64.13%	60.01%
Medicare%	66.28%	71.79%	63.04%	64.70%	64.59%	66.11%	65.32%	68.95%	71.90%	71.98%	71.67%	75.46%	74.78%	68.12%	77.27%
Medicaid%	10.10%	13.03%	12.81%	9.53%	10.51%	12.02%	12.82%	10.42%	4.98%	8.65%	10.48%	8.56%	6.13%	10.01%	6.72%
Private %	12.89%	12.71%	16.02%	13.77%	12.85%	11.11%	11.42%	10.15%	11.08%	6.77%	8.00%	6.77%	7.53%	10.84%	7.53%
Hospice %	5.87%	0.00%	6.54%	9.65%	10.48%	9.13%	7.70%	7.24%	8.02%	8.34%	7.68%	7.87%	8.79%	7.49%	7.43%
ADV %	4.92%	2.46%	1.59%	2.37%	1.56%	1.66%	2.74%	5.26%	3.01%	3.26%	2.08%	1.34%	2.77%	2.53%	1.34%
Daily Medicare and ADV Census	19.44	20.49	18.71	15.06	15.13	17.50	21.16	18.00	10.13	14.90	15.86	12.49	11.03	16.15	9.76
Employment (Full Time Equivalents)	166.73	166.53	169.20	160.11	177.36	168.76	171.00	183.37	152.63	150.35	150.42	175.69	176.95	176.89	195.64
Ridgcrest															
% Occupancy	29.52%	28.95%	31.12%	29.95%	27.73%	24.72%	29.38%	26.25%	26.73%	24.42%	25.91%	24.62%	25.16%	27.27%	23.45%
Medicare%	45.70%	49.14%	34.15%	44.10%	44.60%	48.96%	36.34%	34.95%	26.72%	29.09%	24.04%	33.85%	17.03%	36.05%	23.48%
Medicaid%	23.12%	19.21%	22.13%	22.18%	16.07%	18.30%	32.55%	23.75%	23.25%	25.00%	31.55%	35.57%	45.43%	26.01%	43.27%
Private %	21.37%	24.24%	24.86%	23.85%	28.59%	22.47%	16.60%	23.90%	31.61%	37.74%	35.22%	21.37%	29.02%	26.20%	23.05%
Hospice %	4.03%	0.00%	3.83%	3.97%	4.25%	4.82%	7.32%	9.08%	8.91%	6.76%	4.58%	4.84%	4.75%	5.17%	1.68%
ADV %	5.78%	7.43%	15.03%	5.90%	6.65%	5.46%	7.15%	8.32%	9.46%	1.42%	4.59%	4.37%	3.75%	6.57%	8.52%
Daily Medicare and ADV Census	7.16	6.49	9.72	7.06	5.29	4.33	9.80	7.06	7.36	5.42	7.87	6.25	10.40	7.45	10.08
Employment (Full Time Equivalents)	34.25	34.43	35.01	36.89	36.65	32.35	32.16	31.72	28.75	30.21	34.95	32.05	31.64	33.15	32.59
Muscossee Manor															
% Occupancy	53.25%	53.80%	55.10%	53.83%	53.18%	54.52%	56.20%	57.50%	55.83%	55.00%	54.68%	55.14%	54.76%	54.68%	60.17%
Medicare%	89.40%	96.02%	91.03%	88.17%	90.96%	90.76%	88.67%	84.65%	88.43%	89.47%	91.10%	89.50%	91.30%	90.03%	91.10%
Medicaid%	1.66%	1.62%	1.32%	1.15%	0.94%	1.97%	3.15%	0.38%	3.65%	1.60%	3.05%	3.50%	3.70%	2.25%	4.33%
Private %	2.87%	2.36%	-0.10%	2.88%	2.63%	1.87%	1.00%	0.98%	1.27%	1.47%	0.78%	1.24%	-2.83%	1.26%	0.73%
Hospice %	6.07%	0.00%	6.28%	6.85%	5.97%	4.99%	5.42%	5.87%	6.83%	7.05%	4.57%	5.36%	4.91%	5.40%	2.90%
ADV %	0.00%	0.00%	0.46%	1.01%	0.09%	0.44%	1.78%	3.87%	0.82%	1.43%	0.56%	0.40%	2.32%	1.06%	0.94%
Daily Medicare and ADV Census	1.73	1.71	1.83	2.25	0.45	2.57	5.42	9.47	3.80	2.20	3.80	4.07	7.10	5.38	5.64
Employment (Full Time Equivalents)	116.09	117.23	125.47	130.44	132.62	137.04	130.04	130.77	125.51	121.46	114.53	112.00	111.76	122.69	114.46
Muscossee Home Health - Employment (Full Time Equivalents)															
								1.18	2.35	3.21	3.62	4.30	4.87	3.87	7.07

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

	Orchard View	Home Office	Ridgecrest	Muscogee Manor	Total Nursing Home	Cobis PCH	Muscogee Home Health	River Mill	Consolidated
BALANCE SHEET									
Cash	\$ 5,896,170	\$ -	\$ 7,764,086	\$ 8,993,389	\$ 22,653,645	\$ 9,350	\$ 1,711	\$ 2,862,721	\$ 25,527,427
Other Current Assets	2,178,899	-	477,767	1,687,616	4,344,282	437	28,717	-	4,373,436
Intercompany Balances	18,990,041	-	903,561	(10,270,334)	9,623,268	(6,386,177)	(2,316,580)	(920,318)	193
Noncurrent Assets	34,433,002	-	35,508,373	7,213,629	77,155,004	155,652	83,642	564,920	77,959,218
Total Assets	\$ 61,498,112	\$ -	\$ 44,653,787	\$ 7,624,300	\$ 113,776,199	\$ (6,220,738)	\$ (2,202,510)	\$ 2,507,323	\$ 107,860,274
Current Liabilities	\$ 1,540,951	\$ -	\$ 610,650	\$ 782,172	\$ 2,933,773	\$ -	\$ 18,379	\$ -	\$ 2,952,152
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	23,627,144	-	29,732,445	-	53,359,589	-	-	-	53,359,589
Total Liabilities	32,631,162	-	33,540,080	5,430,751	71,601,993	360,100	469,047	-	72,431,140
Fund Balance	28,866,950	-	11,113,707	2,193,549	42,174,206	(6,580,838)	(2,671,557)	2,507,323	35,429,134
Total Liabilities and Fund Balance	\$ 61,498,112	\$ -	\$ 44,653,787	\$ 7,624,300	\$ 113,776,199	\$ (6,220,738)	\$ (2,202,510)	\$ 2,507,323	\$ 107,860,274
INCOME STATEMENT									
Revenue	\$ 1,338,845	\$ 39,333	\$ 303,928	\$ 1,093,102	\$ 2,775,208	\$ 1,000	\$ -	\$ -	\$ 2,776,208
Operating Expenses	1,250,363	139,049	339,804	1,028,929	2,758,145	504	2,586	4,071	2,765,306
Net Profit (Loss) before Noncash expense	88,482	(99,716)	(35,876)	64,173	17,063	496	(2,586)	(4,071)	10,902
Provision for Bad debts	-	-	-	-	-	-	-	-	-
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)	\$ (57,472)	\$ (99,716)	\$ (212,457)	\$ 54,665	\$ (314,980)	\$ 119	\$ (2,586)	\$ (4,071)	\$ (321,518)
YTD Income (loss)	\$ 872,499	\$ (1,532,383)	\$ (2,253,793)	\$ 855,597	\$ (2,058,080)	\$ 580	\$ (80,400)	\$ (5,329)	\$ (2,143,229)
YTD Net Income (loss)	(57,472)	(99,716)	(212,457)	54,665	(314,980)	119	(2,586)	(4,071)	(321,518)
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	(13,108)	-	-	-	(13,108)	-	-	-	(13,108)
Net Cash Flow	(122,071)	(99,716)	(180,430)	64,173	(338,044)	496	(2,586)	(4,071)	(344,205)