

MINUTES

The quarterly meeting of The Medical Center Hospital Authority Board of Trustees was held on Wednesday, July 22, 2020, at 5:00 p.m. via WebEx due to the COVID-19 restrictions.

Members Present: Michael Gorum, M.D., Chairman, Max Brabson, Jr., Mike Burns, James E. W. Crosse, M.D., John Hargrove, T. Fredrick McKnight, Susan McWhirter, M.D., Dr. Robert Wright

Member Excused: Dr. Carole Rutland

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

I. Approval of April Quarterly Minutes

On motion by Mr. McKnight, seconded by Mr. Burns, the minutes of the April 22, 2020 meeting were approved as submitted.

II. Review of Operations and Approval of Financial Statements Period Ending June 30, 2020

A. The Medical Center Hospital Authority

Total income for year-to-date June 30, 2020 was \$567,367 and total operating expenses were \$244,345. Net income was \$323,022. Total assets were \$5.3 million.

A notice was received approximately five weeks ago stating the Hospital Authority's 501(C)3 status had been revoked. The Hospital Authority received de facto tax exemption in the 1970s and was chartered as a 501(C)3 organization. When the Hospital Authority changed auditors to Dixon Hughes, the auditors failed to file the 990s as had been filed in the past. We are in the process of having the 501(C)3 status reinstated.

B. Spring Harbor

Operating income year-to-date June 30, 2020 was \$968,000 versus the budget of \$1.5 million and prior year \$1.3 million. Independent living occupancy was 182 versus the budget of 189. Healthcare occupancy was 61.2% versus the target of 89%. The healthcare occupancy has been impacted by several deaths. Revenue was \$16 million which was \$943,000 below target. The lower revenue was due to lower occupancy which was offset by stimulus checks received for COVID-19 related expenses and prevention. Total operating expenses were \$15.1 million versus the budget of \$15.4 million.

C. Piedmont Columbus Regional

In June, \$9.7 million of stimulus money was received through the CARES Act. Earnings before allocations for the month of June were \$14.6 million on a budget of \$5.8 million. Year-to-date

earnings before allocations were \$33.8 million on a budget of \$53.7 million. June was a strong cash month and July is performing better.

The facilities are very busy. The pediatrics emergency department volume has not come back to date. The emergency departments at both Midtown and Northside are busier than in the winter.

On motion by Dr. McWhirter, seconded by Mr. Hargrove, the board adopted the financial/operations report for Spring Harbor and Piedmont Columbus Regional, and the financial statements for The Medical Center Hospital Authority for year-to-date ending June 30, 2020, as presented by Mr. Holladay and discussed.

III. Muscogee County Indigent Care Program Update

Total utilization year-to-date June 30, 2020 was \$29.4 million versus \$29.8 million prior year. Payments received were \$13.9 million versus \$14.9 million prior year. The decrease in payments from 2019 was due to lower tax collections in 2020. Year-to-date utilization was 47.3% versus 50% prior year.

IV. Indigent Care Trust Fund Update

There was nothing new to report.

V. Spring Harbor Update

IT upgrades are being completed. There was one resident that tested positive for COVID-19. Some of the services that are offered are temporarily on hold. The state came in to perform an infection control survey and had zero findings. Independent living is 96.9% sold. Unidine came on board July 1, 2020 and is taking over dining services from Sodexo. The transition is almost complete. Due to the COVID positive resident, food is available by delivery only.

VI. Medical Staff Update

There were no extraordinary items for Midtown or Northside.

VII. Reaffirm Bank Resolution and Signatories

On motion by Mr. Hargrove, seconded by Dr. McWhirter, the board reaffirmed Synovus as a depository of the Authority.

On motion by Mr. Hargrove, seconded by Dr. McWhirter, the board affirmed Michael Gorum, M.D., Chairman, T. Fredrick McKnight, Treasurer, Allen Holladay, Assistant Treasurer, and Holly Saville as authorized bank signatories on all financial transactions.

VIII. Selection of Nominating Committee

Dr. Gorum appointed Dr. McWhirter, Mr. Burns and Mr. McKnight to the Nominating Committee. The Committee's purpose is to prepare a slate of nominees to fill The Medical Center Hospital Authority Board of Trustee Officer positions to be elected to take office January 1, 2021. The committee will present its recommendations at the October meeting.

IX. Conflict of Interest Questionnaires

The board reviewed and accepted the attached Conflict of Interest Questionnaires, as presented by Dr. Gorum and discussed. There were no changes noted in any potential conflict of interest since the last review by the board.

X. Replacement of Board Member

Ms. Brenda DeRamus was unanimously selected to fill Dr. Carole Rutland's unexpired term as a member of The Medical Center Hospital Authority Board of Trustees on motion by Dr. Crosse, seconded by Mr. Burns. This term is effective July 22, 2020, and expires December 31, 2021, or until her successor is elected, which last occurs.

XI. Hospital Authority of Americus/Sumter Bond Issue

Mr. Rothschild reported the Americus and Sumter County Hospital Authority is seeking the permission of The Medical Center Hospital Authority to issue the Series 2020 Magnolia Manor bonds. The Series 2020 bond issue will be utilized to refinance the Series 2013 bonds, obtain a better interest rate, and make improvements on their two facilities in Columbus. There will be no financial obligation by The Medical Center Hospital Authority.

On motion by Dr. McWhirter, seconded by Mr. Brabson, the board approved the resolution for the Americus and Sumter County Hospital Authority Series 2020 bond issue, as presented by Mr. Rothschild and discussed.

XII. Report from Chairman

There was no report from the Chairman.

XIII. Report from Piedmont Columbus Regional

There was no report from Piedmont Columbus Regional.

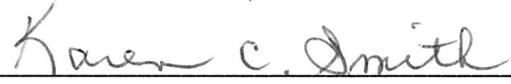
IX. Other

There were no other items for discussion.

On motion by Dr. McWhirter, seconded by Dr. Crosse, the Authority, on advice of legal counsel, then went into executive session, closed to the public, to discuss the matters described below pursuant to the 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 operation 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, being Michael Gorum, M.D., Chairman, Max Brabson, Jr., Mike Burns, James E. W. Crosse, M.D., John Hargrove, T. Fredrick McKnight, Susan McWhirter, M.D., and Robert Wright, O.D.



Chairman



Assistant Secretary