

**BAY AREA HOSPITAL
FINANCE COMMITTEE MEETING
August 29, 2023, MINUTES
Myrtle Conference Room / Microsoft Teams**

CALL TO ORDER

Chair Barbara Taylor called the meeting to order at 5:17 pm; requests administrative assistant to take roll call. Administrative assistant did so and established there was a quorum in attendance at this time.

FINANCE COMMITTEE MEMBER ATTENDANCE

Finance Chair Barbara Taylor; Tom McAndrew; Linet Samson; Eric Farm and Jim Hough

BAHD BOARD OF DIRECTORS ATTENDANCE

Dr. Donna Rabin, Troy Cribbins, and Patrice Parrott

STAFF ATTENDANCE

Mary Lou Tate, CFO; Brian Moore, CEO; Jennifer Collins, Sherry Horne, Controller; Dr. Lee Saltzgaber, CMO; Carla Ballou, Director Revenue Cycle; Brian Bowers Materials Manager; Marlene Kinsella, Accountant IV; and Shanna Sheaffer EA

LEGAL COUNSEL

Megan Kronsteiner, Esq.

Moss Adams

Tony Andrade Auditor

PUBLIC ATTENDANCE

Members of the public were in attendance

APPROVAL OF FINANCE COMMITTEE MINUTES – Ms. Barb Taylor

Upon the establishment of a quorum, Mr. Jim Hough moved to approve the Finance Committee minutes for July 25, 2023, as presented. Mr. Tom McAndrew seconded. The motion carried on call of vote.

CHAIR REPORT – Ms. Barbara Taylor

Chair Taylor turned the meeting over for New Business to Mr. Brian Moore CEO, and Mary Lou Tate, CFO.

New Business – Mr. Brian Moore, CEO & Ms. Mary Lou Tate, CFO

Mr. Brian Moore discussed Bank of the West discussions. Documents have been reviewed and language has been changed. Our attorneys are currently reviewing documents and putting together a draft. We should have a full package to present to our board at the September meeting and looking at moving forward with the hospital restructure and moving back into compliance. We are on a path to financial recovery and the bank is willing to continue to review and work with us. Patients are able to seek treatment closer to home which is allowing Bay Area Hospital to sit at a fuller capacity with enough staff to cover.

Ms. Mary Lou Tate discussed Holiday Finance Committee Meeting schedule. November meeting is scheduled to be on Tuesday, November 28th. This is the week after Thanksgiving and will work out. However, the December meeting is scheduled for Tuesday, December 26th. This is the day after the holiday and is a concern. Motion is made to change the December Finance meeting to Tuesday, December 19th. The motion is carried on call of vote.

Ms. Mary Lou Tate introduced Tony Andrade, Auditor from Moss Adams. Mr. Adams took a moment to introduce himself and what he will be doing in the next few days with Bay Area Hospital Staff to perform the Audit.

Questions were asked and answered.

CAPITAL EQUIPMENT REQUEST REPORT – Ms. Mary Lou Tate, CFO

Ms. Mary Lou Tate presented a purchase request for replacement HPE server hardware and support for our current, aging infrastructure. The current HP server hardware is greater than 10 years old, and well past its intended lifespan. We also have a mix a 5-, 10-, and 12- year-old hardware in the same virtual environment. This is a custom-built solution for our organization's needs. Our current VMware environment running on our HO servers hosts 75 of our hospitals most critical functions outside of

EPIC. Downtime or otherwise failure of this system would create a complete downtime for most or all clinical departments. The total cost is \$395,946.44 with an immediate savings if \$265,000

Questions were asked and answered.

Dr. Tom McAndrew moved to approve the Capital Purchase Request to present to Board as presented. Mr. Jim Hough seconded. The motion carried on call of vote.

FINANCIAL RECOVERY UPDATE – Ms. Mary Lou Tate

Ms. Tate reviewed the Financial Recovery and projections as presented in the packet.
Ms. Tate discussed the ongoing conversations with banks to work on a restructure to allow hospital to exit default.
Ms. Tate provided Payor discussions update on status of contract negotiations.
Ms. Tate presented the cash flow projections and current trends as presented in the packet.
Ms. Tate provided an ECG Financial Turnaround update.

Questions were asked and answered.

FINANCIAL PRESENTATION AND MONTH END RESULTS

Ms. Mary Lou Tate reviewed the Financial Presentation and Month End Results as presented in the packet.

Questions were asked and answered.

FINANCE COMMITTEE MEMBER INPUT

Next meeting will be Tuesday October 24, 2023, at 5:15 p.m. This meeting will be on the 5th Friday of the month allowing us to complete the Audit and bring the Audit Report to the Committee.

ADJOURNMENT

There being no further business, the Finance Committee was adjourned at 6:20 p.m.

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Barbara Taylor, Finance Committee Chair

Barbara Taylor Finance Committee Chair
attended Virtually

Date: September 26, 2023