

**BAY AREA HOSPITAL
FINANCE COMMITTEE MEETING
April 23, 2024, MINUTES
Myrtle Conference Room / Microsoft Teams**

CALL TO ORDER

Chair Barbara Taylor called the meeting to order at 5:16 pm; requests administrative assistant to take roll call. Administrative assistant did so and established there was not a quorum in attendance at this time. Ms. Barbara Taylor asked that Troy Cribbins Board Chair to appoint a stand in Committee Member to create a quorum. Mr. Troy Cribbins appointed Ms. Patrice Parrott as a stand in Committee Member and a quorum was created.

FINANCE COMMITTEE MEMBER ATTENDANCE

Finance Chair Barbara Taylor; Jim Hough; and Linet Samson

ABSENT (*excused*)

Fred Messerle; Tom, McAndrew, MD; and Eric Farm

BAHD BOARD OF DIRECTORS ATTENDANCE

Patrice Parrott; and Troy Cribbins

STAFF ATTENDANCE

Mary Lou Tate, CFO; Brian Moore, President & CEO; Kelli Dion, CQO; Mark Hadley, Senior Financial Analyst; Ashley Doss, Financial Analyst; Sherry Horne, Controller; Marlene Kinsella, Accountant; and Shanna Sheaffer, Executive Assistant

LEGAL COUNSEL

Megan Kronsteiner, Esq.

GUEST SPEAKERS/GRAYSTONE

Tim Skelly; and Nicholas Bzovi

PUBLIC ATTENDANCE

Members of the public were in attendance

APPROVAL OF FINANCE COMMITTEE MINUTES – Ms. Barbara Taylor, Chairperson

Mr. Jim Hough moved to approve the Finance Committee minutes for March 26, 2024, as presented in the packet. Ms. Patrice Parrott seconded. The motion carried on call of vote.

Graystone – Tim Skelly and Nicholas Bzovi

Mr. Tim Skelly discussed the transition of Bay Area Hospital portfolio, which involved liquidating \$10.2 million in mortgage-backed positions and reducing the portfolio's durations from just shy of five years to just over 3.5 years. Mr. Skelly discussed the potential movement in the yield curve and the need to balance the portfolio with high quality and lower rate risk. Mr. Skelly discussed inflation and investment strategies and explained that services have been the stickier part of the inflation equation. He attributes this to the pandemic and macro events such as labor market, onshoring, and housing shortage.

New Business – Brian Moore, President & CEO; and Ms. Mary Lou Tate, CFO

Mr. Brian Moore discussed the hospital's expansion and operational updates, including the upgrade of virtual intensive care unit services, staff shortages, and the success of our CAN sponsorship program class that has started. We are also in contract negotiations with ONA currently. Mr. Moore explained the need to move to outsourcing out revenue cycle team and how we are working with our staff on their next steps which could include retirement, jobs within BAH that they qualify for or interviewing with Savista our Vendor that we are moving our revenue cycle to. Mr. Moore also discussed the poll that has recently started for the Hospital to see how the community would support a special temporary tax levy to help support the hospital. We are currently the only district hospital in the state that does not receive tax support from our district.

Ms. Mary Lou Tate discusses the transition dates with Savista which will be Phase 1 for billing, coding, and clinical documentation on July 15th and Phase 2 will be for financial clearance and be on October 1st. So, staff will have plenty of time to decide how they want to move forward with their next steps, and we are supporting them with resources every step of the way.

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

Ms. Mary Lou Tate reviewed the Capital Review Minutes and Update report as presented in the packet.

Questions were asked and answered.

Ms. Mary Lou Tate discussed the Preliminary Capital Budget FY 2025 as presented in the packet.

Questions were asked and answered.

FINANCIAL PRESENTATION – Ms. Mary Lou Tate, CFO; Mark Hadley, Fin. Analyst; and Ashley Doss, Fin. Analyst

Ms. Mary Lou Tate updated the committee on end of month financial results and Key Performance Indicators (KPI) as presented in the packet.

Questions were asked and answered.

Mr. Mark Hadley and Ms. Ashley Doss discussed the FY25 Budget Assumptions as presented in the packet.

Questions were asked and answered.

GOOD OF THE ORDER

Next meeting will be June 25, 2024, at 5:15 p.m.

ADJOURNMENT

There being no further business, the Finance Committee was adjourned at 6:31 p.m.

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Barbara Taylor, Finance Committee Chair

Date: May 28, 2024