

**MEDINA COUNTY HOSPITAL DISTRICT
FINANCE COMMITTEE MEETING
October 25, 2021
Minutes**

PRESENT: Dr. Carlton Young, Chairman
Tim Hardt, Director
William "Bill" Bain, Director
Judy Winkler, Director
Tony Johnson, Director

Janice Simons, CEO
Kevin Frosch, CFO
Billie Bell, CNO
Marc Strode, Methodist Healthcare System
Randi Davis, Executive Administrative Assistant

ABSENT: None

1. **CALL TO ORDER** Dr. Young called the meeting of the Finance Committee of the Medina County Hospital District to order at 5:00 p.m. He stated for the record that the Committee has five members present, representing a quorum.
2. **QUORUM CHECK**

3. **PUBLIC COMMENT:** There were no members of the public present.

4. **MINUTES** **MOTION**
A. Regular Meeting of September 27, 2021 Mr. Bain made a motion to approve the Finance Committee Minutes of September 27, 2021 as presented in the packet. Mr. Hardt seconded.

VOTE
The motion passed unanimously.

5. **REVIEW SEPTEMBER FINANCIALS** There was discussion regarding the financial report for September, as presented in the board packet.

Dr. Young noted that the financials for this month were positive, and asked Kevin to proceed with the Financial Report for September.

- A. **Summary** Mr. Frosch reviewed the September financial statement.
B. **Financial Summary** Mr. Frosch stated that the Gross Revenue was 14.7% above budget for the month, bringing Medina Regional Hospital to 2.16% above budget on a YTD basis.
C. **Income Statement** The Net Revenue for the month was 60.9% above budget, 5.6% above budget on a YTD basis. Mr. Frosch attributed this exceptional level to significant waiver funds revenue, as well as funds from a carry-forward DSRIP measure. Expenses were 5.1% above expected levels for the period, remaining 1.6% above YTD, and included the two COVID bonuses awarded to staff this year. Mr. Frosch noted that cash collections for the month totaled roughly \$3.2M.
D. **Balance Sheet**
E. **Cash Flow /Reconciliation**

Mr. Frosch reviewed the September volumes, noting that many metrics were above expectations for the month. Patient days were above by 69 days, swingbed days were up by 96, and RHC visits were above budget by an astounding 1,313 visits for the September reporting period. Emergency Department visits were up by a total of 46 visits. Surgeries were 7 encounters below expected levels for the month, and outpatient visits were below expected levels by 71 visits.

Mr. Frosch proceeded with the Revenue/Net Revenue portion of the September Financial Report. As previously mentioned, the net revenue for the month was 60.9% above budget for the month, which brings MRH to 5.6% above budget on a YTD basis. Cash collections were extremely strong for the period. The Deductions as a Percent of Gross Revenue line item was 4.8% below budget in September, and 0.3% above YTD.

Mr. Frosch moved to the Expenses report for September. Total Operating Expenses were above budget by 5.1%, and are 1.7% above budget YTD. The Salaries line item was \$82K above budget. The Agency Staffing line item for September was \$121K above expected levels due to escalating pricing. A \$176K inventory adjustment that occurred during the month brought the Supplies and Drugs line to \$82K below budget. The Employee Benefits item was above budget for the month but modestly below expected levels for the year.

Mr. Hardt asked about the ongoing grant reporting process. Mr. Frosch gave a brief update to the Finance Committee. The narrative for Period 1 reporting has been fully drafted and sent to BKD for their review. Phase 4 reporting is also underway at this time. The \$4M Payroll Protection Program (PPP) loan has been 100% approved. The Provider Relief Fund monies have been recognized and administration is following updates closely to determine whether those funds will remain recognized. Mr. Frosch noted that the nursing home lost revenue is a factor that is being considered during the reporting period. Ms. Simons reported that revenues were impacted by patient deaths, a decrease in new nursing home patients as a result of the pandemic, staff illness, and patients being moved out of the facility. Administration will continue to provide progress reports on the grant reporting process as new updates become available.

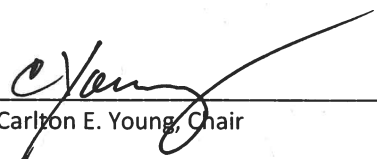
Finance Committee members commended Mr. Frosch and all of hospital senior management on their hard work and continued success during the pandemic.

F. OTHER REPORTS

- A. Aged Trial Balance
- B. Accounts Payable Aging
- C. Rural Health Clinic Schedules
- D. Key Indicators and Scorecard
- E. Investments
- F. Debts & Cash Review and Analysis: MRH Debt & Cash Review report was presented and reviewed.

6. ADJOURNMENT

There being no further business to come before the Finance Committee, the meeting was adjourned at 5:43 p.m.



Dr. Carlton E. Young, Chair