

**MEDINA COUNTY HOSPITAL DISTRICT  
FINANCE COMMITTEE MEETING  
February 27, 2023  
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

**GUESTS:** Travis Skinner, FORVIS  
Deborah Whitley, FORVIS

1. **CALL TO ORDER** Dr. Young called the meeting of the Finance Committee of the Medina County Hospital District to order at 5:02 p.m. He stated for the record that the Committee has five Board 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 January 23, 2023 Mr. Hardt made a motion to approve the Finance Committee Minutes of January 23, 2023 as presented in the packet. Dr. Young seconded.

**VOTE**  
The motion passed unanimously.

5. **AUDIT AND COST REPORT FOR FY 10/01/2021 – 09/30/2022 AS PRESENTED BY FORVIS** Ms. Whitley and Mr. Skinner of FORVIS presented the Audit and Cost Report results. A copy of the draft audit and management letter was given to the Board of Directors.

Ms. Whitley and Mr. Skinner introduced themselves to the Board members present, and commended Medina Healthcare System on a strong report with continued consistent financial performance even through a global pandemic. Ms. Whitley and Mr. Skinner started the presentation by reviewing some ongoing items. First, they reviewed updates to the Medicaid 1115 Waiver. The waiver has been extended for an additional 10 years. Ms. Whitley outlined the pros and cons of this extension and potential impacts to MHS in the future. The QIPP Program has also been extended. Ms. Whitley reported that they had seen an increase in competition amongst governmental entities within the QIPP Program, and this

represented a source of possible disruption in the future. Mr. Skinner noted that the price transparency rules are still in place, and that the OIG is still continuing to monitor hospitals for compliance. Lastly, Mr. Skinner presented updates on the COVID-19 relief funds and Provider Relief Funds. It is still unclear how audits in the future will be conducted, and this is on the FORVIS radar for future implications.

Mr. Skinner and Ms. Whitley moved to the balance sheet portion of the report and reviewed several key assets figures with the Board, including the Cash line item, the Net Capital Assets, and the Net Lease Assets. The total assets line increased by roughly \$2.1M from the 2021-2022 fiscal year.

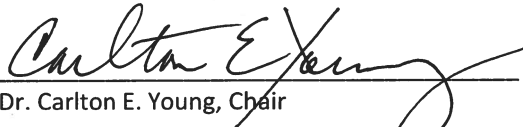
Moving to the Statements of Revenues, Expenses, and Changes in Net Position portion of the audit, Mr. Skinner and Ms. Whitley reviewed several key figures. The total operating revenues increased by \$11.2M. The salaries and wages line decreased by \$1.3M. The Noncapital Grants and Gifts line decreased by \$4.1M after the removal of the Provider Relief Funds monies. The hospital operating income was roughly \$2.0M, which was one of the biggest highlights of the audit. As a special note, the special items line decreased by \$2.7M with the loss of the PPP Loan forgiveness program that was received in the 2021 fiscal year.

Mr. Skinner and Ms. Whitley provided a final quick overview for the Finance Committee members. The cash/investments line increased by \$1.5M. The Gross Patient Services Revenue increased by \$5.6M, and the Net Patient Services Revenue increased by \$2.4M. The total hospital operating expenses increased by \$653K. Both FORVIS representatives noted how impressive these numbers were, and showed trend graphs with national averages, state averages, rural averages, and Medina trends to help bring home how positive the year was for MHS. Finally, Mr. Skinner and Ms. Whitley answered lingering questions from the Finance Committee members.

Each of the present Board members thanked the Medina Healthcare System staff members for their outstanding work this fiscal year despite the global pandemic. Each member also expressed appreciation to Mr. Skinner, Ms. Whitley, and the entire FORVIS team for their guidance and support. Due to time constraints, the Finance Committee elected to move the January financial report to the regular Board meeting.

**6. ADJOURNMENT**

There being no further business to come before the Finance Committee, the meeting was adjourned at 6:08 p.m.

  
Dr. Carlton E. Young, Chair