

**MEDINA COUNTY HOSPITAL DISTRICT  
FINANCE COMMITTEE MEETING  
July 25, 2022  
Minutes**

**PRESENT:** Dr. Carlton "Corky" Young, Chairman  
Tim Hardt, Director  
William "Bill" Bain, Director  
Tony Johnson, Director  
  
Janice Simons, CEO  
Kevin Frosch, CFO  
Billie Bell, CNO  
Randi Davis, Executive Administrative Assistant

**ABSENT:** Marc Strode, Methodist Healthcare System

1. **CALL TO ORDER** Dr. Young called the meeting of the Finance Committee of the Medina County Hospital District to order at 5:01 p.m. He stated for the record that the Committee has four 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 June 27, 2022 Mr. Hardt made a motion to approve the Finance Committee Minutes of June 27, 2022 as presented in the packet. Mr. Bain seconded.

**VOTE**  
The motion passed unanimously.

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

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

- A. **Summary** Mr. Frosch stated that the Gross Revenue was 6.6% above budget for the month, and 4.3% above budget on a YTD basis. The Net Revenue for the month was 1.1% below budget but remains 7.2% above budget for the YTD. Expenses were 4.1% above expected levels for the period and are 3.2% above YTD. Mr. Frosch noted that Net Operating Income was in the red for the month but still ahead on a YTD basis. Grant Proceeds recorded in the period were \$327K, which represents the recognition of Provider Relief Fund phase 4 funding. 340B revenue was \$116K below budget for the month and \$834K below for the year. Unfortunately, this trend is expected to continue for the remainder of the fiscal year.
- B. **Financial Summary**
- C. **Income Statement**
- D. **Balance Sheet**
- E. **Cash Flow /Reconciliation**

Mr. Frosch reviewed the June volumes. Admits were below budget by 6. Patient days were above expectations by 28 days, swingbed days were up by 32, outpatient visits were above expected levels by 695 visits, and RHC visits were

above budget by 812 visits for the June reporting period. Emergency Department visits were up by a total of 86 visits, surgeries were down by 12 for the month, and births were down 6 from the expected levels.

Mr. Frosch proceeded with the Revenue/Net Revenue portion of the June Financial Report. As previously mentioned, the Net Revenue for the month was 1.1% below budget for the month. Cash collections were strong in the June reporting period. The deductions as a percent of gross revenue line item was 0.6% above the expected level for the period but remain at 3.3% below expectations for the year. 340B revenue came in at \$116K below budget and is \$834K below budget YTD. There was a shift in expenses from bad debt expense to charity care during this period.

Mr. Frosch moved to the Expenses report for June. Total Operating Expenses were above budget by 4.1% for the month and are 3.1% above budget for the year. The Salaries line item remained below budget due to several remaining employee position openings. The Agency Staffing line item for June was \$148K above expected levels due to high agency rates and high Medina Regional Hospital usage. The Physician Fees like was \$20K below budget for the reporting period but is in line on a YTD basis.

Mr. Frosch reviewed the ongoing action items, as well as accomplishments since the last reporting period. The interim cost report with BKD is underway, as is the DSH/UC application process. Budget planning has started for the 2022-2023 fiscal year. Finally, the new Electronic Health Record (EHR) Project is in the preparation phase.

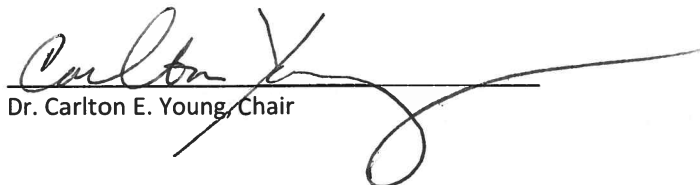
Committee Members requested that Mr. Frosch and administration put together a brief list of available avenues for investment so the Board can discuss options. Mr. Frosch noted that Medina Regional is in line with most other hospital districts by using CD accounts. This tends to be industry standard, but there are other options. The Finance Committee members requested that this be an action item at the August Board Meeting.

**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