

Bartlett Regional Hospital

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Finance Committee Meeting Minutes BRH Boardroom – January 17, 2020

Called to order at 12:02 p.m. by.

Finance Committee* & Board Members: Mark Johnson*, Deb Johnston*, Kenny Solomon-Gross, Iola Young

Staff: Kevin Benson, CFO, Billy Gardner, COO, Bradley Grigg, CBHO, Chuck Bill, CEO, Dallas Hargrave, HR Director, Rose Lawhorne, CNO, and Megan Rinckenberger, Executive Assistant.

Other attendees: Tiara Ward, CBJ

Mr. Johnson made a MOTION to approve the minutes from the December 11, 2019 Finance Committee Meeting. Ms. Johnston noted no objections and they were approved.

November 2019 Finance Review – Kevin Benson, CFO

Following four months of increased activity and revenues well above budget expectations, November saw slower volumes and was an at-budget month. Mr. Benson expressed gratitude for the work the Revenue Cycle team here at BRH where BRH is realizing lower discounts. As a result, net patient revenue was \$400K over budget. Total expenses were \$636K over budget. Salaries and wages were over budget due to overtime. This correlates with leave due to illness, which required overtime to cover. More callbacks also resulted in more overtime. Mr. Johnson requested a future summary of the 340B program, which will be provided at a future meeting.

Deferred Maintenance – Chuck Bill, CEO

Mr. Bill explained when BRH has a construction or repair project there is a very lengthy and involved process involving an amount of back and forth between parties. The results in an extended lead time before a project can get underway. By designating an amount to be used as Deferred Maintenance which could be budgeted and approved through CIP. These funds could be used for unplanned and unforeseen costs. That way funds can be available much sooner and project timelines could be greatly streamlined. Mr. Bill suggests doing this in the upcoming budget. Ms. Johnston asks if we have a deferred maintenance schedule. Mr. Benson explains that departments are asked to submit expected projects for the next five years, but many repairs cannot be anticipated. Those are the projects that would apply to the flat amount line item. Finance committee members approved the request to add this to FY21 budget planning.

CIP – Kevin Benson, CFO

The chart provided in the packet is for the purpose of information sharing, and items can be adjusted as projects near. This sharing is done to ensure resources aren't overextended locally and so that other enterprises are aware of projects for planning purposes. Mr. Bill stated that the deferred maintenance line item will be added to the chart before submission. Crisis Stabilization is in the process of negotiating architect fees, then the project is expected to move forward. The plan will be presented to the board with, and without, a parking structure. The chart will be updated with timelines, priorities, and expected costs for next board meeting.

Budget Calendar – Kevin Benson, CFO

Budget process is beginning and will consume much of the rest of January and February. For this reason, Mr. Benson asked that the February Finance Meeting be later in the month. The committee members agreed. Mr. Johnson requested that acronyms in future packet documents be spelled out for clarity. FY21 is being developed to include the Rural Demonstration Project, but alternate budget will be produced as well in case the RDP doesn't get renewed. PERS denial lawsuit still underway and a decision may not be made for a year or two.

Next Meeting: Friday, February 21, 2020 at 12:00 p.m. in BRH Boardroom

Adjourned – 12:40 p.m.