

HUNT MEMORIAL HOSPITAL DISTRICT
BOARD OF DIRECTORS' BUDGET WORKSHOP MINUTES

August 23, 2022

The Board of Directors of Hunt Memorial Hospital District conducted a budget workshop on Tuesday, August 23, 2022 at 4:00 p.m. in the sixth floor Homer Horton, Jr. Boardroom at Hunt Regional Medical Center, 4215 Joe Ramsey Boulevard, Greenville, Texas.

Dr. Pierce, Chairman, called the workshop to order.

ROLL CALL:

Mrs. Deborah Clack
Mr. William Jefferson Helton (Absent)
Mrs. Leslie Killgore
Mr. John C. Nelson, Jr.
Mrs. Janet Peek (Absent)
Dr. Scott Pierce
Mr. Michael Taylor
Mrs. Julia Wensel (Absent)

comprising a quorum of the Board; also,

Mr. Steven Lee Boles, Jr., President/CEO
Mr. Stuart O'Neil, Legal Counsel
Mr. James Robertson, Jr., Vice President/CFO
Mr. Reese Hurley, Vice President/CNO
Mr. John Heatherly, Vice President/Support Services
Mr. Travis Potter, Vice President
Mr. Chad Martin, Vice President/
Ms. Jamie Morgan, Controller
Ms. Tammie Brooks, Decision Support Director
Ms. Hannah Tatum, Decision Support Manager
Mrs. Mary Pattberg, Financial Planning Director

**Proposed
HMHD
FY 2023
Operational
And Capital
Investment
Plan Budgets**

Mr. Robertson presented the first draft of Fiscal Year 2023 Hunt Memorial Hospital District Operating and Capital Plan budgets. He outlined trends for adult, Rehab, NICU and birth admissions, outpatient visits, emergency department visits, assumptions for service demand in Greenville, noting a 7% strategic increase in charges, the revenue mix and revenue deductions, payer mix history, terminology and calculations of the truth-n-taxation process, the debt service for outstanding issues, property tax rates, changes in key taxation indicators, tax revenue for operations compared to

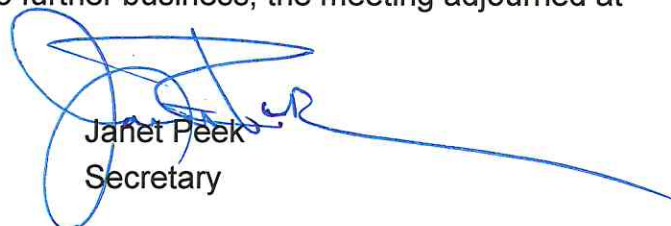
uncompensated care costs with the funding gap increasing from \$3 million to over \$25 million in twelve years, and operating expenses including salaries, professional fees, supplies, purchased services, repairs and maintenance, lease rentals, insurance, utilities, and non-operating income. Not reflected in the workshop draft budget is a second pass to validate admissions, patient days, and surgical volumes; detailed final expense review by senior leadership; and, Board input on the tax rate. The cash flow projection schedule, the Capital Investment Plan and capital requests funding were presented and discussed. Mr. Hurley reported due to the large number of patient holds in the Emergency Department the hospital is conducting internal disasters when the emergency room holds are high for extended periods of time. A Transitional Patient Care location has been established in the space located right next to the staff elevators on the 2nd Floor, behind the Retail Pharmacy. This location will be referred to as "2 East" during its operation and is set up with six patient beds. There was discussion on how best to transition the fifth floor beds pursuant to the request by the Obstetricians last month and it was the consensus to maintain the renovation budgets for the fifth and sixth floors.

**Proposed
HMHD 2022
Ad Valorem
Tax Rate**

Mr. Robertson presented historical data on the Hunt Memorial Hospital District property tax rates and reported the certified property tax values are \$10,583,046,619. He reviewed the current tax rate options with our current debt noting the voter-approval tax rate would be \$0.208956 with total tax revenues of \$22,113,911 and the no-new revenue tax rate will be \$0.199025. Following review, Mr. Taylor moved, seconded by Mrs. Killgore, to propose an ad valorem tax rate for 2022 at \$0.208956 with the debt rate at \$0.039511 and maintenance and operation rate at \$0.169445. The motion carried unanimously.

Adjournment

There being no further business, the meeting adjourned at 5:10 p.m.


Janet Peek
Secretary