

HUNT MEMORIAL HOSPITAL DISTRICT
BOARD OF DIRECTORS' BUDGET WORKSHOP MINUTES

August 22, 2023

The Board of Directors of Hunt Memorial Hospital District conducted a budget workshop on Tuesday, August 22, 2023 at 2:37 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
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, General Counsel
Ms. Jamie Morgan, Vice President/CFO
Mr. Reese Hurley, Vice President/CNO
Mr. John Heatherly, Vice President/Operations/Support Services
Ms. Brandi Isham, Vice President/Coordinated Care/Quality
Mr. Chad Martin, Vice President Clinic Operations
Mr. Travis Potter, Vice President Business Development
Mr. Matthew Prater, Financial Analyst, Decision Support Services
Ms. Mary Pattberg, Financial Planning Director

**Proposed
HMHD
FY 2024
Operational
And Capital
Investment
Plan Budgets**

Ms. Morgan introduced and thanked Mr. Prater for his assistance with the day to day budget process and the line item reviews of each department budget. Ms. Morgan presented the first draft of the Fiscal Year 2024 Hunt Memorial Hospital District Operating and Capital Plan Expenditure Plan Budgets and outlined the following: trends for adult admits, Rehab, NICU and birth days, uncompensated outpatient visits, emergency department visits, assumptions for service demand in Greenville, revenue mix, payer mix history, revenue deductions, tax revenue and other operating revenue, terminology and calculations of the truth-n-taxation process, the debt service for outstanding issues, property tax rates, changes in key

taxation indicators, and 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, leases and rentals, insurance, utilities, and non-operating income including tax revenue for debt service and ambulance, interest income, unrealized gain/loss on investments and contributions. 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; Board input on the tax rate; changes in payor contracts; and, GASB 96 - subscription based information technology arrangements. The cash flow projection schedule and the 2024 capital budget summary were presented and discussed.

**Proposed
HMHD 2023
Ad Valorem
Tax Rate**

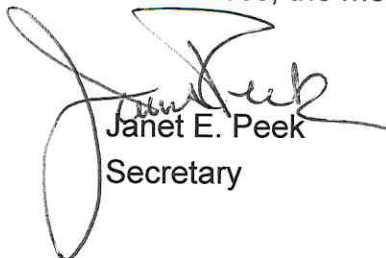
Ms. Morgan presented historical data on the Hunt Memorial Hospital District property tax rates and reported the certified property tax values are \$13,168,721,876. She reviewed the current tax rate options with our current debt noting the voter-approval tax rate would be \$0.197792 with total tax revenues of \$25,740,360 and the no-new revenue tax rate will be \$0.188543. Mr. Taylor reported the voter-approval tax rate reflects a 5.34% reduction from the previous year. Following review, Mrs. Killgore moved, seconded by Mr. Taylor, to propose an ad valorem tax rate for 2023 at \$0.197792 with the debt rate at \$0.032405 and maintenance and operation rate at \$0.165387. The motion carried unanimously.

**Schedule a
Public Hearing**

Mrs. Clack moved, seconded by Mr. Oswald, to schedule a public hearing on the proposed tax rate for Tuesday, September 12, 2023 at 5:00 p.m. in the sixth floor boardroom. The motion carried unanimously.

Adjournment

There being no further business, the meeting adjourned at 3:53 p.m.


Janet E. Peek
Secretary