

**BEAUFORT MEMORIAL HOSPITAL BOARD OF TRUSTEES  
MEETING  
BMAC BOARD ROOM 317 OR ZOOM**

**FINANCE COMMITTEE – OPEN SESSION**

**Minutes – September 23, 2024**

Victoria Viventi took roll call at 7:30 a.m.

**By Zoom:** Richardson LaBruce, Vernita Dore, Dan Barton, Brian Hoffman, Allison Coppage, Chris Ketchie, Courtney Smith, Kim Yawn

**Present:** Tommy Harmon (chair), Bill Himmelsbach, Russell Baxley, Ken Miller, Kurt Gambla, D.O., Dee Robinson, Cindy Gibson, Victoria Viventi

**Absent:** Stephen Larson, MD

**CALL to ORDER:** Mr. Harmon called the meeting to order at 7:30 a.m.

**APPROVAL of MINUTES – August 26, 2024:** Mr. LaBruce made a motion, which was seconded by Mrs. Dore to approve the minutes of the August 26, 2024, meeting. Unanimous approval.

**FINANCIAL STATEMENTS:**

August volumes were down from prior month but still relatively strong compared to prior year. Adult discharges were 772; below budget and above prior year. Acute discharges were 689, mental health discharges were 49 and rehab discharges were 34. Adult patient days were 3,166, below budget and prior year. The case mix index [CMI] adjusted average length of stay (ALOS) decreased from 2.85 to 2.72, compared to last year 2.86. Case mix index increased to 1.51 from 1.42 budget was 1.55 and last year was 1.53. Deliveries were 102, budget was 86 and prior year was 85. Emergency room visits were 3,774, and budget was 4,308. Outpatient registrations were 20,411, budget was 23,289 and last year was 19,438. Observation days were 622 and budget was 618. Surgical volumes were 1,069 and budget was 1,093. Beaufort Physician Practices visits were 23,786, budget was 29,203. Express care volumes: Beaufort had 1,809 visits, budget of 2,079; Okatie had 1,250 visits, budget of 1,496, and Bluffton had 836 visits, budget of 1,030.

Patient gross revenue was \$93.2M, budget was \$103.8M and last year was \$93.7M. Uncompensated care decreased from \$2.4M to \$1.6M or 1.7% of Gross Revenue, Budget was \$3.6M or 3.5% of Gross, last year was \$2.4M or 2.5% of Gross. Total net patient revenue was \$28.4M, budget was \$26.9M and last year was \$25.2. Net to gross was 30.5%, budget is 28.6% and last year was 26.9%. Total operating revenue was \$29.4M, budget was \$31.1M and prior year was \$26.5M.

Cash collections did not achieve the goal coming in at 92.0%. No HAWQ funds were received in August. For the month of August YTD we are at 102.1% or \$6.2M above the goal. YTD for the 30-day average was 101.5% or \$4.3M above the goal. 12-month rolling cash report is 102.0% or \$6.3M ahead of the 60-day goal and 101.0% or \$3.4M ahead of the 30 day goal. Gross AR days increased going from 58.9 to 59.9 and net days increased from 34.8 to 36.1.

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Total expenses decreased from \$29.8M to \$27.0M, budget was \$30.6M and prior year was \$26.9M. Salaries decreased from \$11.6M to \$11.0M, budget was \$11.7M and the prior year was \$10.5M. Contract labor remained below \$600K, budget was \$1.0M and last year was \$1.0M. Benefits were \$3.4M, budget was \$3.6M and last year was \$3.1M. Supplies remained low at \$4.5M due to a \$900k credit in drug cost, budget was \$6.2M and last year was \$5.9M. Purchased services were \$2.9M, budget was \$2.7M and last year was \$2.4M. Other expenses were \$3.0M, budget of \$2.7M, prior year of \$1.8M.

August net profit for the month was \$1.9M, on a budgeted profit of \$489k and previous year had a loss of (\$362k). YTD net profit is \$9.3M, budgeted net profit was \$4.7M, and last year was a \$780k operating profit. YTD Actual to Budget Variance is \$4.6M and Actual to Prior Year Variance is \$8.5M. EBITDA was \$3.2M, budget was \$2.3M, and Last Year was \$1.1M. YTD EBITDA is \$24.1M, budget is \$22.2M, last year was \$17.2M. YTD actual to budget variance is \$1.9M and actual to prior year EBITDA variance is \$6.9M. 'Free Cash' defined as operating income/loss plus noncash depreciation was \$2.8M, last year it was \$505k. YTD 'Free Cash' is \$19.2M, last year it was \$10.2M. Days cash increased from 73.7 to 753.2.

Mr. Miller reviewed the FY25 capital and operating budget with the committee. The committee discussed risk factors for the budget next year related to volumes and expense control.

**MOTION TO RECOMMEND TO THE BOARD OF TRUSTEES FISCAL YEAR 2025 OPERATING AND CAPITAL BUDGETS FOR THEIR CONSIDERATION AND APPROVAL.** The motion was made by Mrs. Dore, seconded by Mr. LaBruce. Unanimous approval. No questions or concerns.

**ADJOURN:** A motion was made by Mrs. Dore and seconded by Mr. LaBruce to adjourn the meeting. Unanimous approval. The meeting adjourned at 8:32 a.m.

Respectfully submitted,

Tommy Harmon, Jr., Chair