

**HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA**

**February 18, 2010**

**7:30a.m.**

**AGENDA**

- 
- |              |  |  |
|--------------|--|--|
| <b>I.</b>    | <b>Open Meeting and Establish a Quorum</b>   | <b>Ralph Rosenberg</b>                       |
| <b>II.</b>   | <b>Approval of the Agenda</b>                | <b>Ralph Rosenberg</b>                       |
| <b>III.</b>  | <b>Approval of Minutes of Prior meetings</b> | <b>Ralph Rosenberg</b>                       |
| <b>IV.</b>   | <b>Hospital Report</b>                       | <b>Joel Wernick</b>                          |
|              | ❖ <b>Building and Renovation update</b>      |  |
|              | ❖ <b>Residency Program/MCG Update</b>        | <b>Doug Patten, M.D.</b>                     |
|              | ❖ <b>Hospice House Update (Tour option)</b>  | <b>Tom Sullivan</b>                          |
|              | <b>New Business</b>                          | <b>Ralph Rosenberg</b>                       |
| <b>V.</b>    | <b>Authority Audit</b>                       | <b>Lin Harris –<br/>Driffin &amp; Tucker</b> |
| <b>VI.</b>   | <b>Auditor Selection</b>                     | <b>Kerry Loudermilk</b>                      |
| <b>VII.</b>  | <b>Old Business</b>                          | <b>Ralph Rosenberg</b>                       |
|              | <b>Closing Remarks</b>                       | <b>Ralph Rosenberg</b>                       |
| <b>VIII.</b> | <b>Adjournment</b>                           | <b>Ralph Rosenberg</b>                       |

**HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY  
MEETING MINUTES  
February 18, 2010**

**Attendees:**

Authority board Members: Ralph Rosenberg, Lamar Reese, Wilhelmina Hall, Charles Lingle, John Inman, Jr. M.D., Rev. H.B. Johnson., Also present were Joel Wernick, Kerry Loudermilk, Joe Austin, Tommy Chambless, Annette Allen and Authority Attorney, James Reynolds.

**Absent:**

Jyotir Mehta, M.D., Fred Ghiglieri and Rev. Eugene Sherman.

**Called To Order:**

The meeting was called to order by Chairman, Rosenberg at 7:30 a.m. in the Willson Board Room of PPMH.

Topic/Discussion	Conclusion/Evaluation	Recommendation/Action	Follow-Up
<p><b>Open Meeting and Establish a Quorum</b> Mr. Rosenberg welcomed the Authority and he established a quorum.</p>			
<p><b>Approval of the Agenda</b> The agenda was reviewed.</p>		<p>A motion was made and seconded to approve the agenda. The motion passed unanimously.</p>	
<p><b>Approval of the Minutes</b></p>		<p>The minutes of the August 13, 2009 meeting were approved.</p>	
<p><b>Hospital Report:</b> <b>Building and Renovation Update</b> Mr. Wernick gave a presentation (attached) of the current Hospital building and renovation projects.</p> <p><b>Residency Program/MCG Update</b> Dr. Patten gave a presentation (attached) to update the Authority on the MCG Student Campus. Dr. Patten identified Phoebe can accommodate 20 second-year medical students. He discussed the development of housing opportunities.</p>			

Topic/Discussion	Conclusion/Evaluation	Recommendation/Action	Follow-Up
<p><b>Willson Hospice House Update</b> Mr. Sullivan gave a update presentation (attached) on the Willson Hospice House. He presented the results of the giving campaign. Patty Woodall is the Hospice Director and Mr. Sullivan offered to have Ms. Woodall tour the Authority members. The opening is slated for May 18, 2010.</p>			
<p><b>Authority Audit</b> Mr. Lin Harris, auditor with Draffin and Tucker submitted the Authority Audit (attached).</p>		<p>Dr. Lingle made a motion and Ms. Hall seconded to approve the Authority Audit and to forward a copy to the Dougherty County Commission Chairman.</p>	
<p><b>Auditor Selection</b> Mr. Loudermilk reported the Health System Audit Committee received presentations from three different audit firms to review the option to select new auditors.</p>	<p>Mr. Loudermilk stated after careful review the Audit Committee recommended and approved using Draffin and Tucker as the audit firm and to change the Auditor. Therefore Mr. Lin Harris will be the new Audit Partner for the Health System.</p>	<p>Dr. Lingle made a motion to accept Draffin and Tucker firm as the Auditors for the Authority and to use Lin Harris as the Auditor Partner. Rev. Johnson seconded the motion. The motion passed unanimously.</p>	
<p><b>Old Business</b> Mr. Chambless responded to questions about the status of the HACA anti-trust litigation. Mr. Chambless stated the court accepted the Authority's motion to dismiss. Therefore the Authority is no longer defendants in the case.</p>			
<p><b>Closing Remarks</b></p>			

Topic/Discussion	Conclusion/Evaluation	Recommendation/Action	Follow-Up
<u>Adjournment</u>		A motion was made and seconded to adjourn. The motion passed unanimously. With no further business to report, meeting adjourned @ 8:33a.m.	

\_\_\_\_\_  
Annette Allen , Recorder

HOSPITAL AUTHORITY OF  
ALBANY-DOUGHERTY COUNTY, GEORGIA

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FINANCIAL STATEMENTS  
for the years ended July 31, 2009 and 2008

## CONTENTS

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
The Hospital Authority Of  
Albany-Dougherty County, Georgia  
Albany, Georgia

We have audited the balance sheets of the Hospital Authority of Albany-Dougherty County, Georgia as of July 31, 2009 and 2008, and the related statements of revenues, expenses, and changes in unrestricted net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We have conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hospital Authority of Albany-Dougherty County, Georgia as of July 31, 2009 and 2008, and the results of its operations and changes in unrestricted net assets, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The Authority has not presented a management discussion and analysis section that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the financial statements.

*Draffin & Tucker, LLP*

Albany, Georgia  
November 2, 2009

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**PARTNERS:**  
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STEPHEN M. BEDSOLE, CPA  
CYNTHIA R. DUPREE, CPA  
JIM L. CREAMER, SR., CPA  
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MILES V. ESPY, SR., CPA  
MICHAEL L. REESE, CPA  
SANDRA D. CANNON, CPA  
WILSON E. JOINER, III, CPA  
C. BERT BENNETT, CPA  
CHARLES R. HORNE, CPA  
JIMMIE D. RICHTER, JR., CPA

**MEMBERS:**  
THE AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
  
THE GEORGIA SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

BALANCE SHEETS, July 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash	\$ <u>20,738</u>	\$ <u>24,187</u>
Total assets	\$ <u>20,738</u>	\$ <u>24,187</u>
<b>LIABILITIES AND UNRESTRICTED NET ASSETS</b>		
Accounts payable	\$ -	\$ 2,043
Net assets:		
Unrestricted	<u>20,738</u>	<u>22,144</u>
Total liabilities and unrestricted net assets	\$ <u>20,738</u>	\$ <u>24,187</u>

The accompanying notes are an integral part  
of these financial statements.



HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN UNRESTRICTED NET ASSETS  
for the years ended July 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenue:		
Lease revenue	\$ -	\$ 2
Contribution from Phoebe Putney Memorial Hospital, Inc.	<u>75,009</u>	<u>-</u>
Total revenue	75,009	2
Expenses:		
Operating expenses	<u>76,415</u>	<u>17,372</u>
Excess of expenses over revenues	( 1,406)	(17,370)
Unrestricted net assets, beginning of year	<u>22,144</u>	<u>39,514</u>
Unrestricted net assets, end of year	\$ <u>20,738</u>	\$ <u>22,144</u>

The accompanying notes are an integral part  
of these financial statements.

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

STATEMENTS OF CASH FLOWS  
for the years ended July 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Funds paid to Georgia Department of Community Health:		
Indigent Care Trust Fund	\$( 6,087,041)	\$( 6,346,820)
Upper payment limit	( 788,626)	( 1,226,305)
Funds received from Georgia Department of Community Health:		
Indigent Care Trust Fund	17,141,766	17,200,055
Upper payment limit	2,705,541	3,272,002
Lease revenue	-	2
Contribution from Phoebe Putney Memorial Hospital, Inc.	75,009	-
Change in accounts payable	( 2,043)	2,043
Funds paid for operating expenses	<u>( 76,415)</u>	<u>( 17,372)</u>
Net cash provided by operating activities	<u>12,968,191</u>	<u>12,883,605</u>
Cash flows from noncapital financing activities:		
Transfer from Phoebe Putney Memorial Hospital, Inc.	6,875,667	7,573,125
Transfer to Phoebe Putney Memorial Hospital, Inc.	<u>(19,847,307)</u>	<u>(20,472,057)</u>
Net cash used by noncapital financing activities	<u>(12,971,640)</u>	<u>(12,898,932)</u>
Net decrease in cash	( 3,449)	( 15,327)
Cash, beginning of year	<u>24,187</u>	<u>39,514</u>
Cash, end of year	<u>\$ 20,738</u>	<u>\$ 24,187</u>

The accompanying notes are an integral part  
of these financial statements.

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

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1. Significant Accounting Policies

Organization

The Hospital Authority of Albany-Dougherty County, Georgia is a public corporation organized to operate, control, and manage matters concerning the County's health care functions.

On September 1, 1991, the Hospital Authority implemented a reorganization plan whereby all of the assets, management and governance of Phoebe Putney Memorial Hospital was transferred to Phoebe Putney Memorial Hospital, Inc., a not-for-profit corporation (Corporation), qualified as an organization described in Section 501(c)(3) of the Internal Revenue Code. The transfer was made pursuant to a Lease and Transfer Agreement dated as of December 11, 1990 between the Hospital Authority and the Corporation. An annual lease payment of one dollar is paid to the Hospital Authority. During 2002, the lease term was renewed to the original term of forty years.

Under the terms of the Agreement, any debt issued by the Hospital Authority will be the responsibility of the Corporation. As of July 31, 2009 approximately \$127,440,000 of Revenue Anticipation Certificates are outstanding in the Authority's name. These certificates are recorded and disclosed in the financial statements of the Corporation for the year ended July 31, 2009.

The primary function of the Hospital Authority currently is to receive and transfer indigent care funds from the Georgia Department of Community Health to Phoebe Putney Memorial Hospital, Inc.

Use Of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Continued

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued

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1. Significant Accounting Policies, Continued

Enterprise Fund Accounting

The Authority uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. Based on GASB Statement No. 20, as amended, the Authority has elected to apply the provisions of all relevant pronouncements of the FASB, including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Subsequent Events

In preparing these financial statements, the Authority has evaluated events and transactions for potential recognition or disclosure through November 2, 2009, the date the financial statements were available to be issued.

2. Concentrations of Credit Risk

In recent years, there has been increasing pressure on Congress and some state legislatures to control and reduce the cost of healthcare on the national or at the state level. If legislation is enacted, the healthcare providers could be faced with significant reductions in reimbursement from the various governmental programs such as Medicare and Medicaid. No assurance can be made that legislation adverse to the business of the Authority will not be enacted.

3. Income Taxes

The Hospital Authority is a tax exempt entity and none of its present or anticipated future activities are subject to income taxes; therefore, no provision for income taxes is made in these financial statements.

# ALBANY DOUGHERTY COUNTY HOSPITAL AUTHORITY Facilities Update

FEBRUARY 18, 2010

## Building and Renovations Recent Completions

- ◆ Family Tree \$7,000,000
- ◆ Inpatient Dialysis \$2,500,000



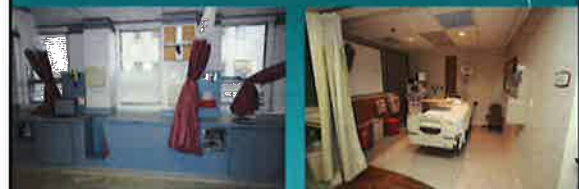
## Dialysis Renovation Project



Old Nurses'  
Station

New Nurses'  
Station

## Dialysis Renovation Project



Old Patient  
Treatment Area

New Patient  
Treatment Area



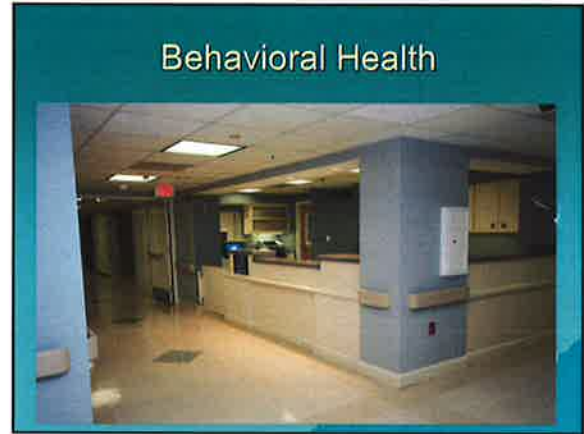
## Projects Under Construction

- ◆ Willson Hospice House  
- \$13,000,000
- ◆ 3E & 4E Inpatient Behavioral Health  
- \$729,000
- ◆ 4A/B Cardiology / Cardiac Surgery  
- \$5,074,779



Brasfield & Gorrie, LLC  
Willson Hospice House  
January 25, 2019





HOSPITAL AUTHORITY OF  
ALBANY-DOUGHERTY COUNTY, GEORGIA

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FINANCIAL STATEMENTS

for the years ended July 31, 2009 and 2008



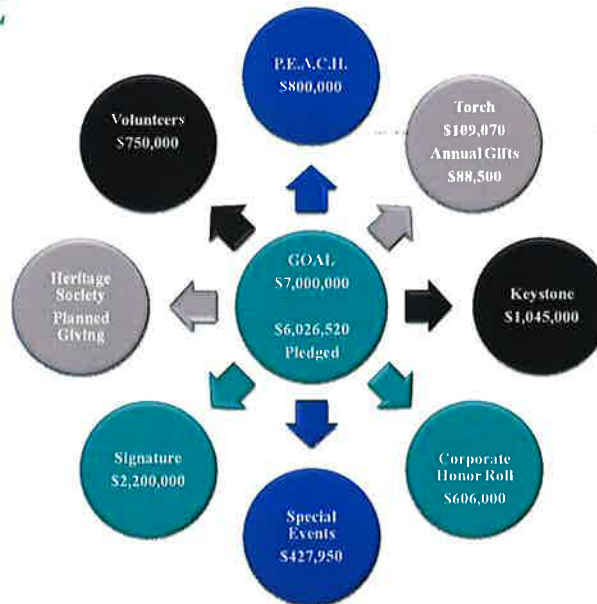
**Hospital Authority of Albany-Dougherty County, Georgia  
February 18, 2010**

**Tom Sullivan,  
Vice President, Executive Director  
Phoebe Foundation**

**Willson Hospice House Update**



**Campaign**





Brasfield & Gorrie LLC  
Wilson Hospice House  
January 25, 2010



Brasfield & Gorrie LLC  
Wilson Hospice House  
January 25, 2010







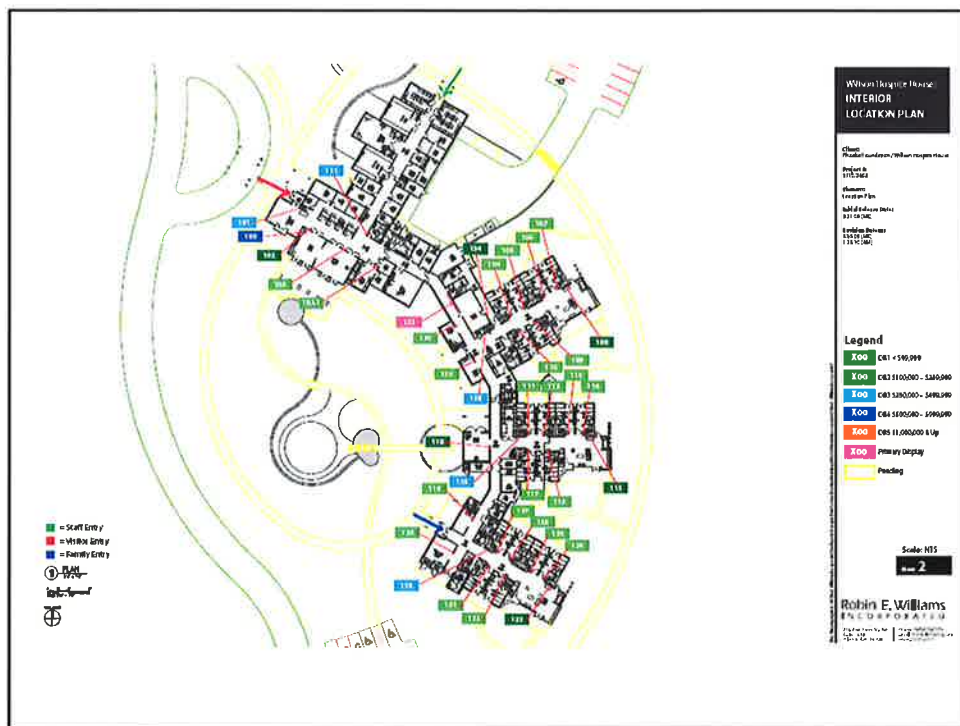
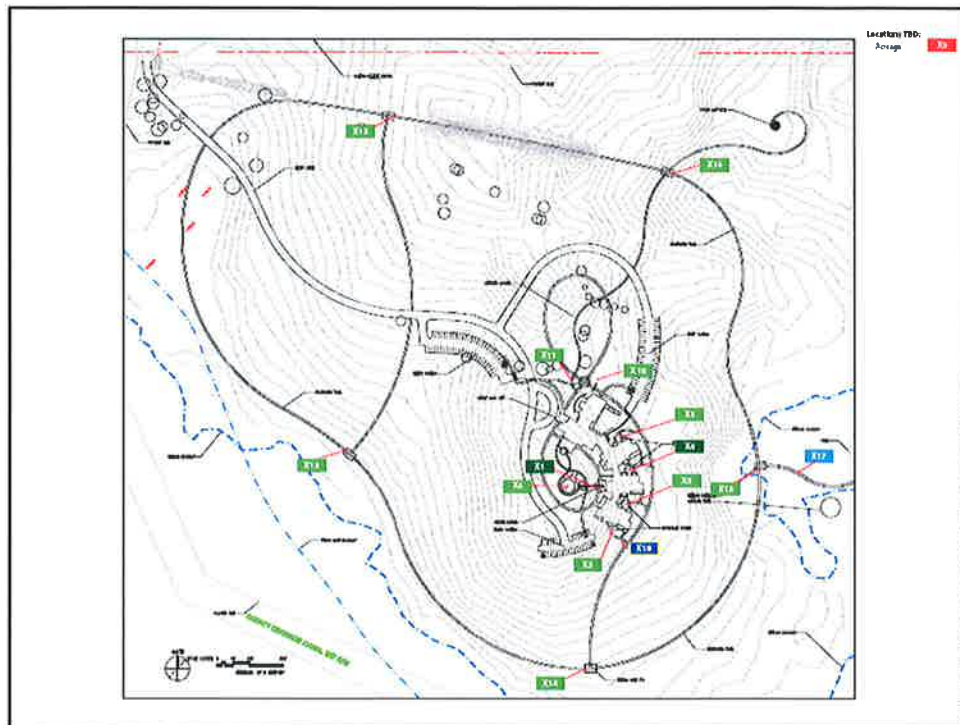












## Willson Hospice House Donor Celebration and Opening Events

<p>Tuesday, May 18<sup>th</sup> 7:00pm</p> <p><b>Keystone Recognition Event (Black-Tie Event)</b></p> <p><i>Guest list would include all Keystone members and Corporate donors at the signature level.</i></p>	<p>Thursday, May 20<sup>th</sup></p> <p><b>Sneak Preview for Special Guests</b></p> <p>9:00am – 11:00am 4:00pm – 7:00pm</p> <p><i>Board Members Physicians Contributors: Torch Society Corporate P.E.A.C.H. Key Volunteers (Adm. Bd., Jr. Woman's Club, Gift Shop)</i></p> <ul style="list-style-type: none"><li>• <i>Walking tour</i></li><li>• <i>Refreshments</i></li></ul>	<p>Sunday, May 23<sup>rd</sup> 2:00pm</p> <p><b>Grand Opening and Ribbon Cutting</b></p> <p><i>Board Members Management Employees Volunteers Elected Officials Ministers Contractors, Architects, Designers</i></p> <ul style="list-style-type: none"><li>• <i>Program</i></li><li>• <i>Walking tour</i></li><li>• <i>Chamber of Commerce</i></li><li>• <i>Media</i></li></ul>
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THE FAMILY TREE



CHILD DEVELOPMENT CENTER  
FOR THE PHOEBE FAMILY

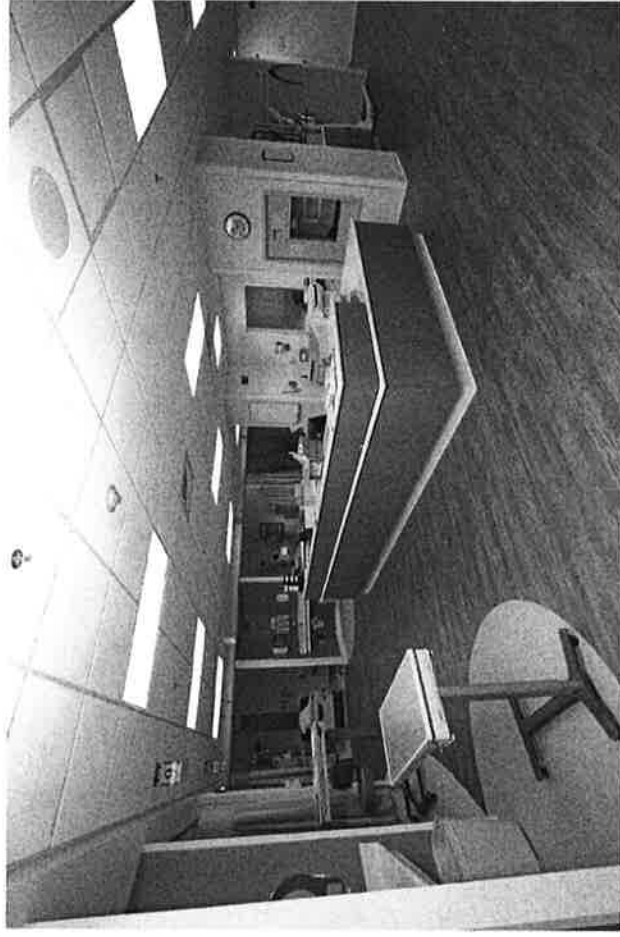
*"Tall oaks from little acorns grow."*



# Dialysis Renovation Project



**Old Nurses'  
Station**



**New Nurses'  
Station**



# Dialysis Renovation Project

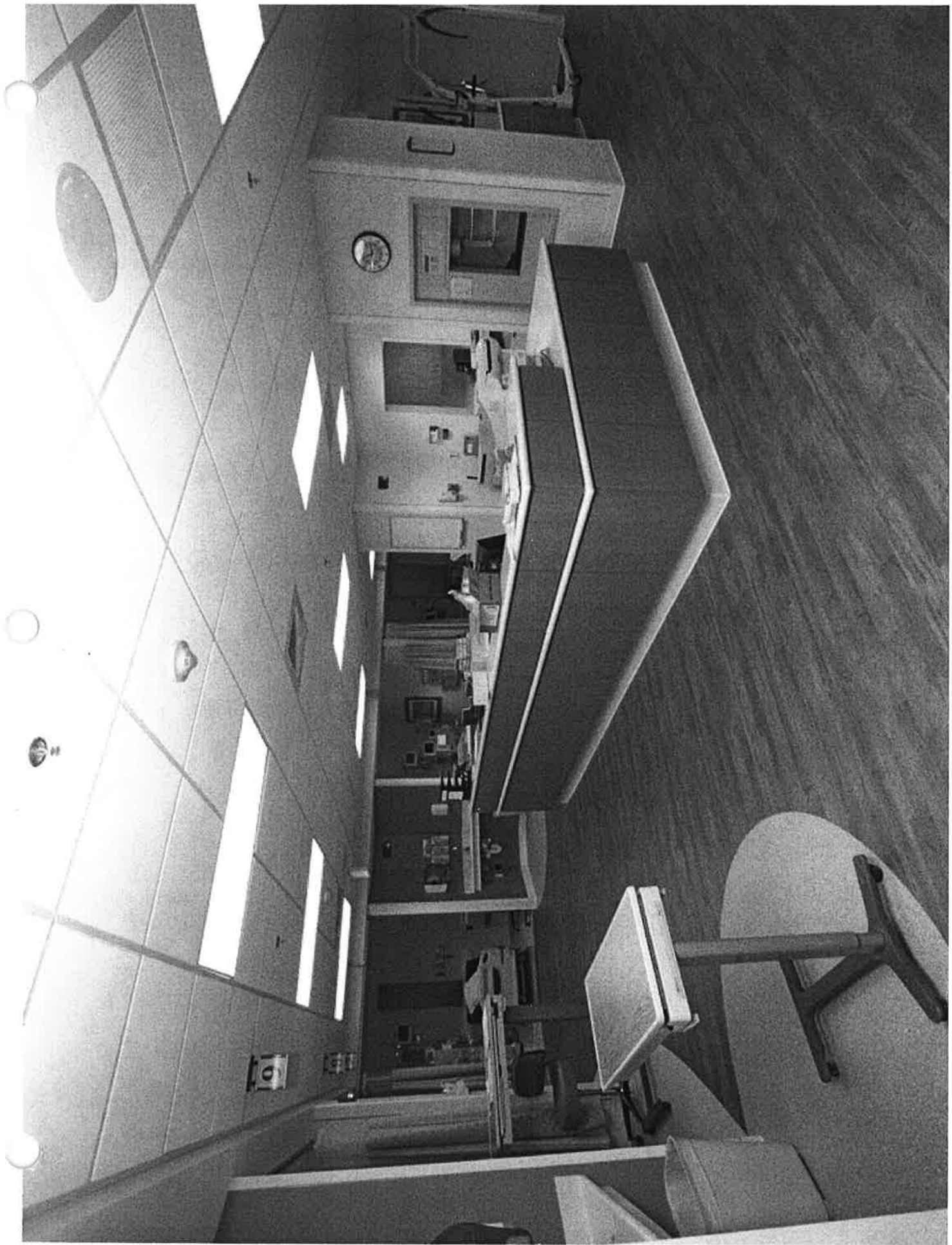


**Old Patient  
Treatment Area**



**New Patient  
Treatment Area**



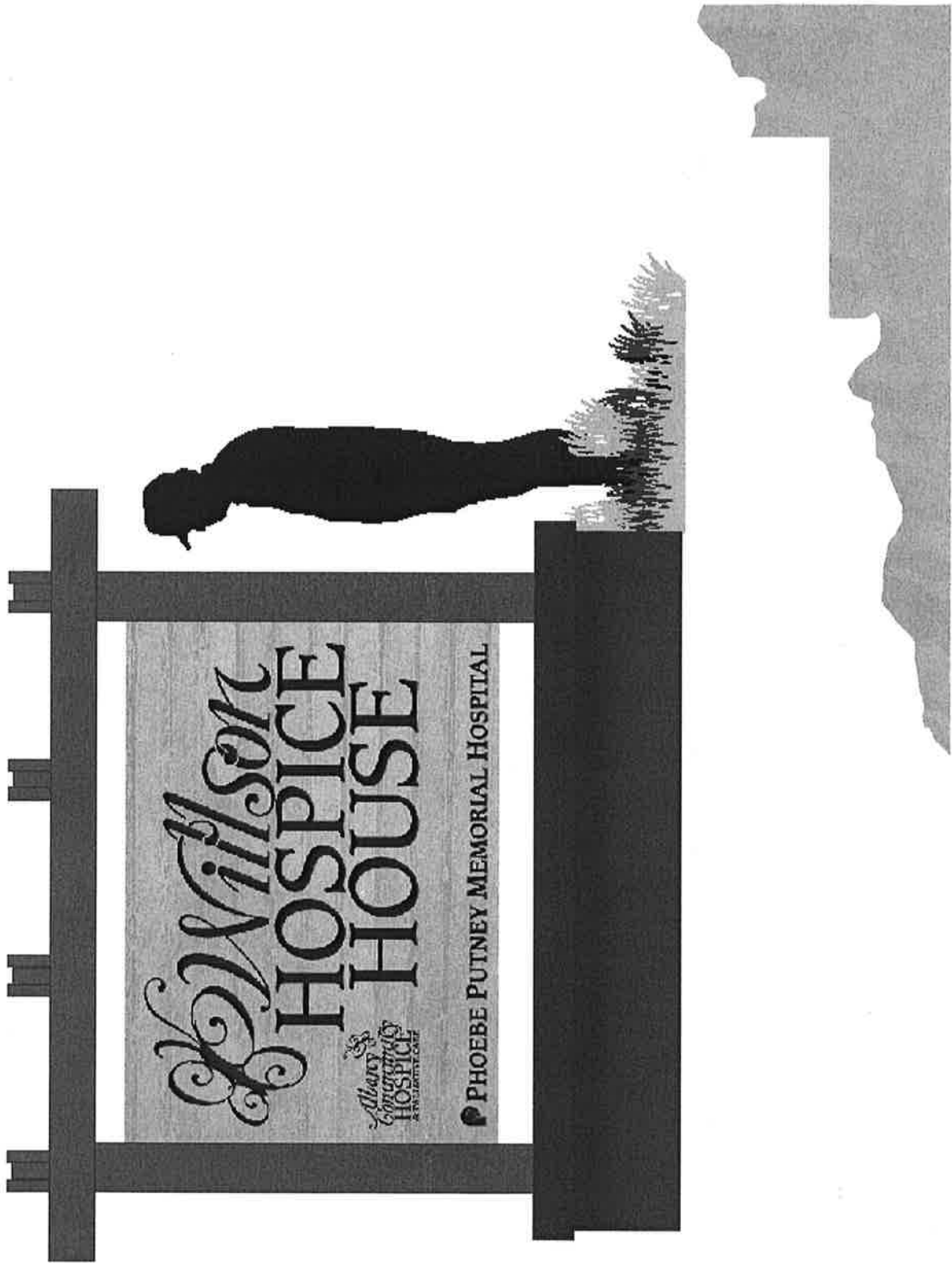




# Projects Under Construction

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*McWilson*  
HOSPICE  
HOUSE

Albany  
Congregational  
HOSPICE  
& NURSING CARE

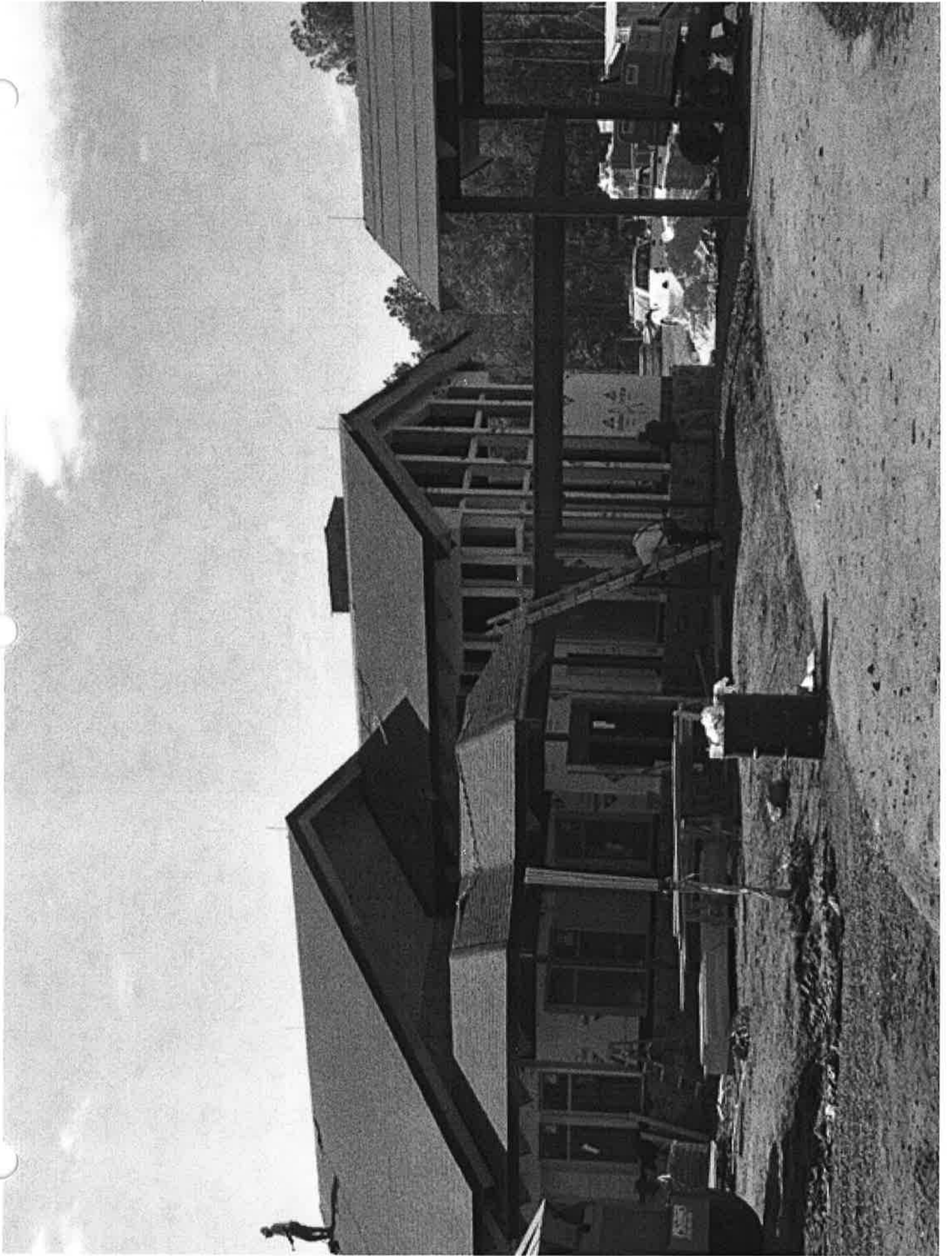
PHOEBE PUTNEY MEMORIAL HOSPITAL



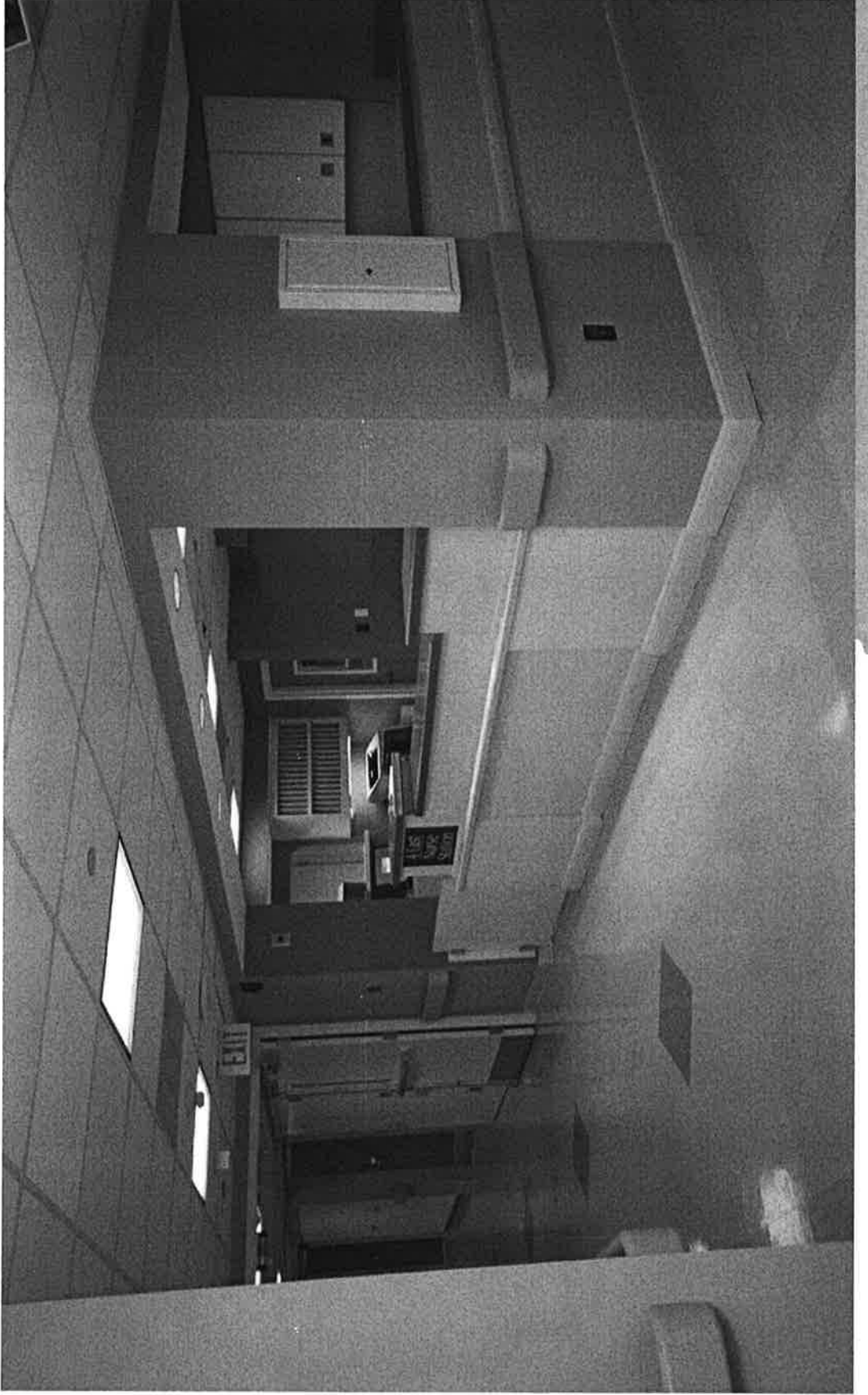
Brasfield & Gorrie LLC  
Willson Hospice House  
January 25, 2010







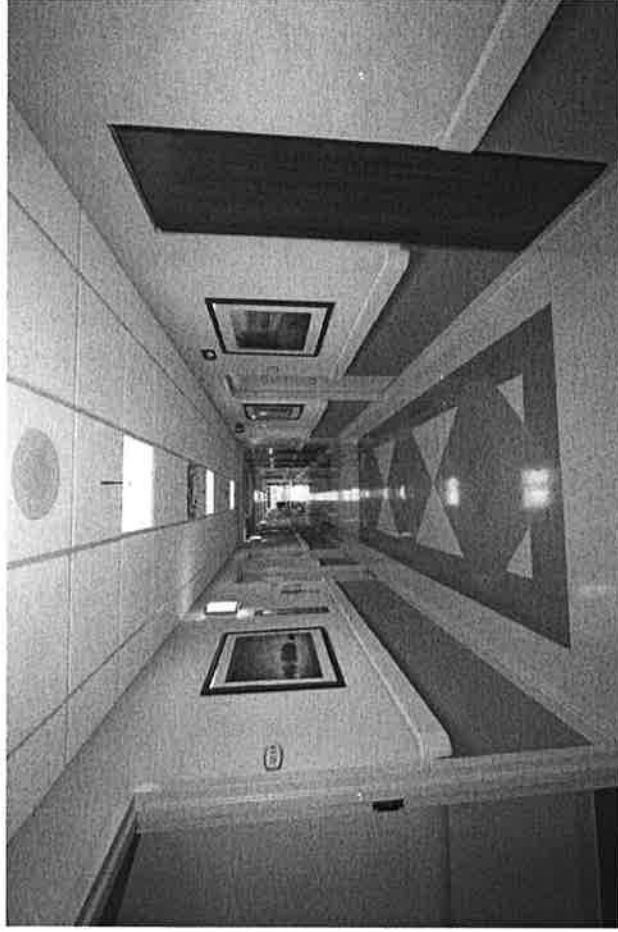
# Behavioral Health



# 4 AB Cardiac Services



**4 A/B Present  
Hallway**



**3 A/B Present  
Hallway**





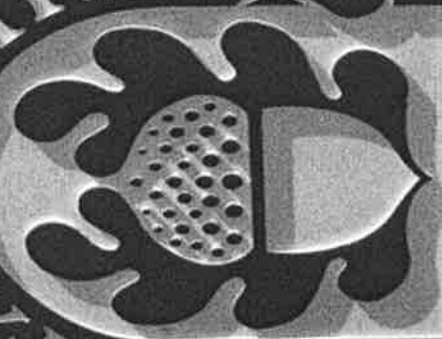
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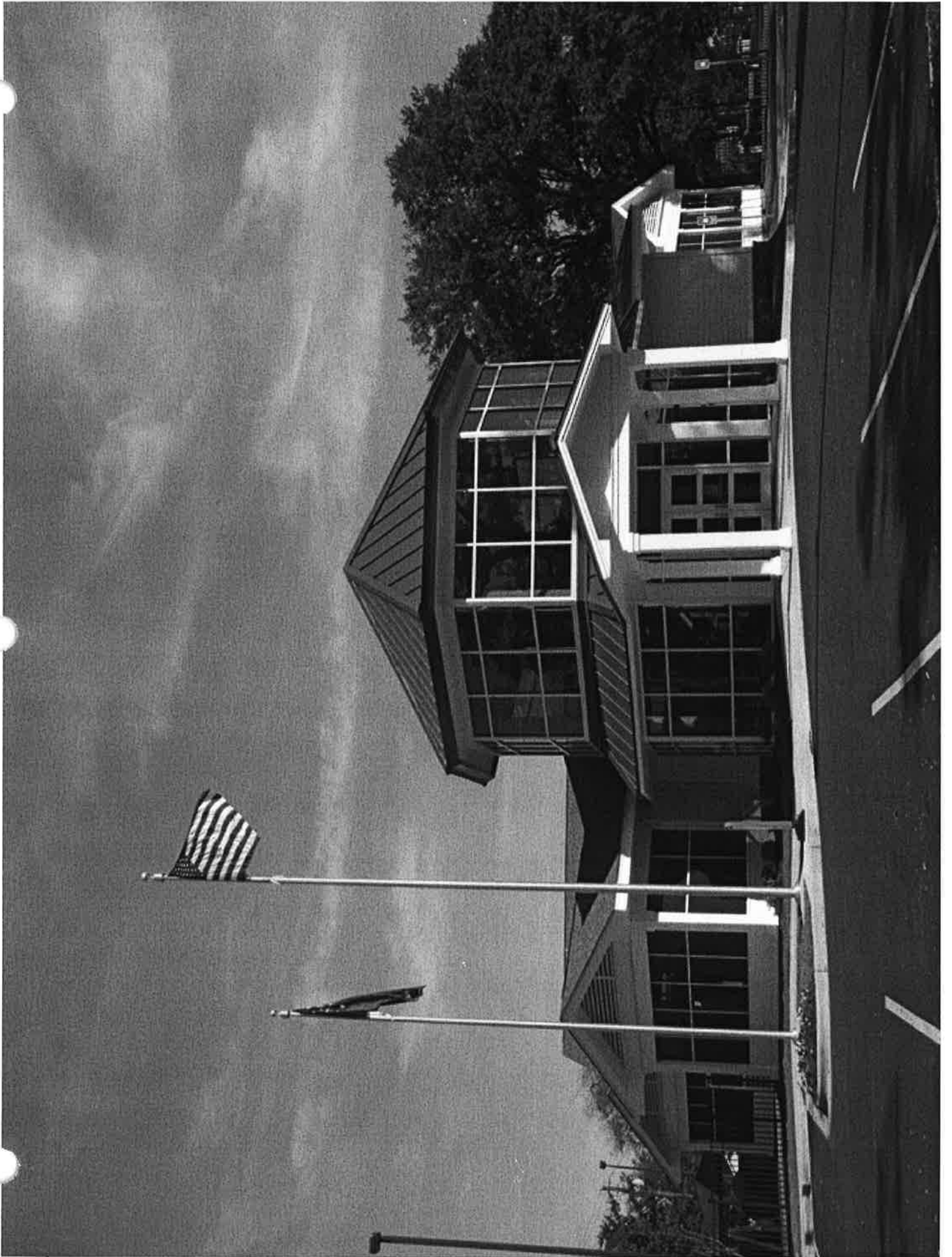


THE FAMILY TREE



CHILD DEVELOPMENT CENTER  
FOR THE PHOEBE FAMILY

*"Tall oaks from little acorns grow."*



# Dialysis Renovation Project



**Old Nurses'  
Station**



**New Nurses'  
Station**



# Dialysis Renovation Project



**Old Patient  
Treatment Area**



**New Patient  
Treatment Area**

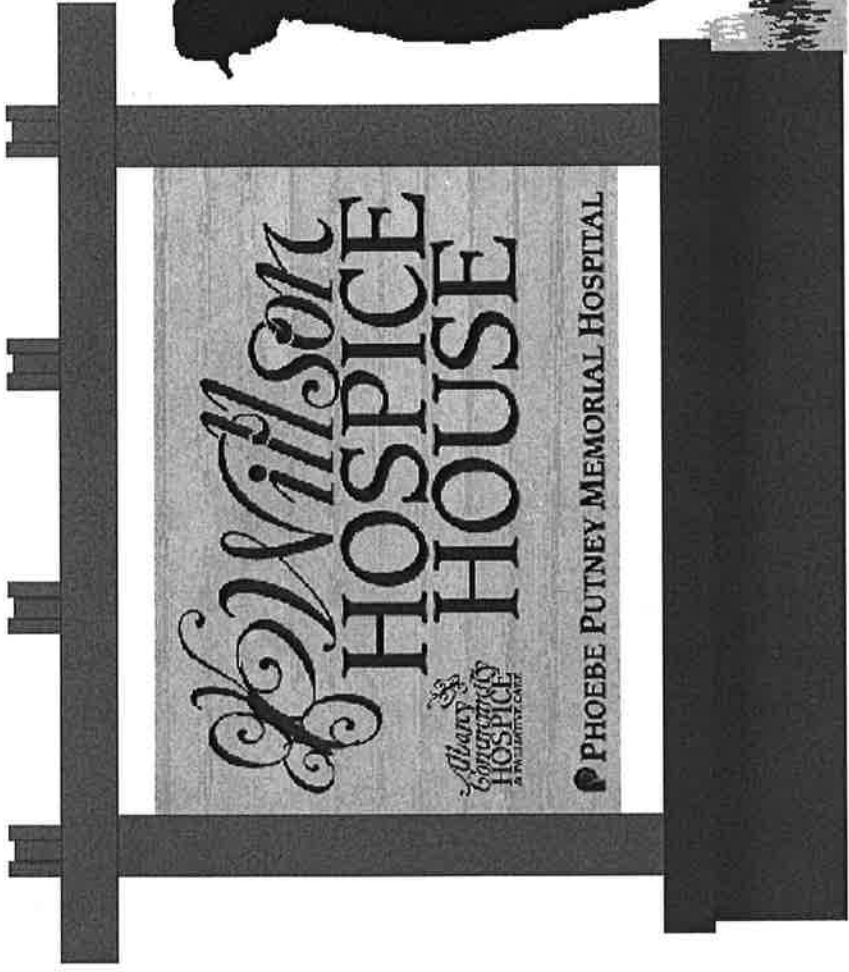




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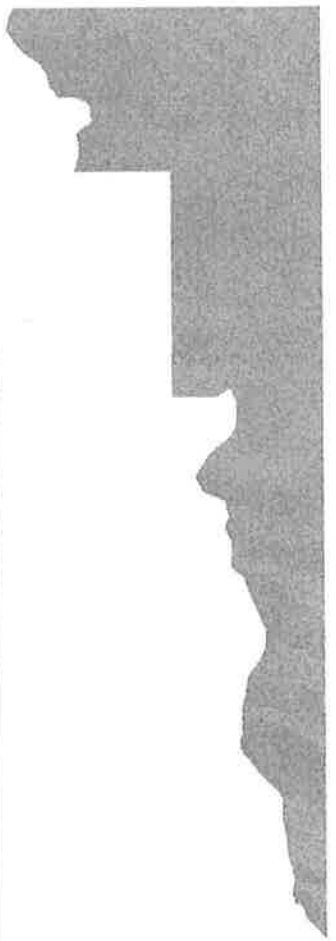
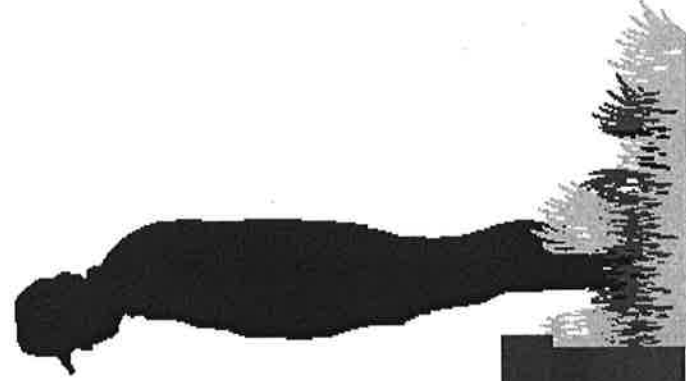




*McWilson*  
HOSPICE  
HOUSE

Albany  
Congregational  
HOSPICE  
A FAMILY CARE

PHOEBE PUTNEY MEMORIAL HOSPITAL



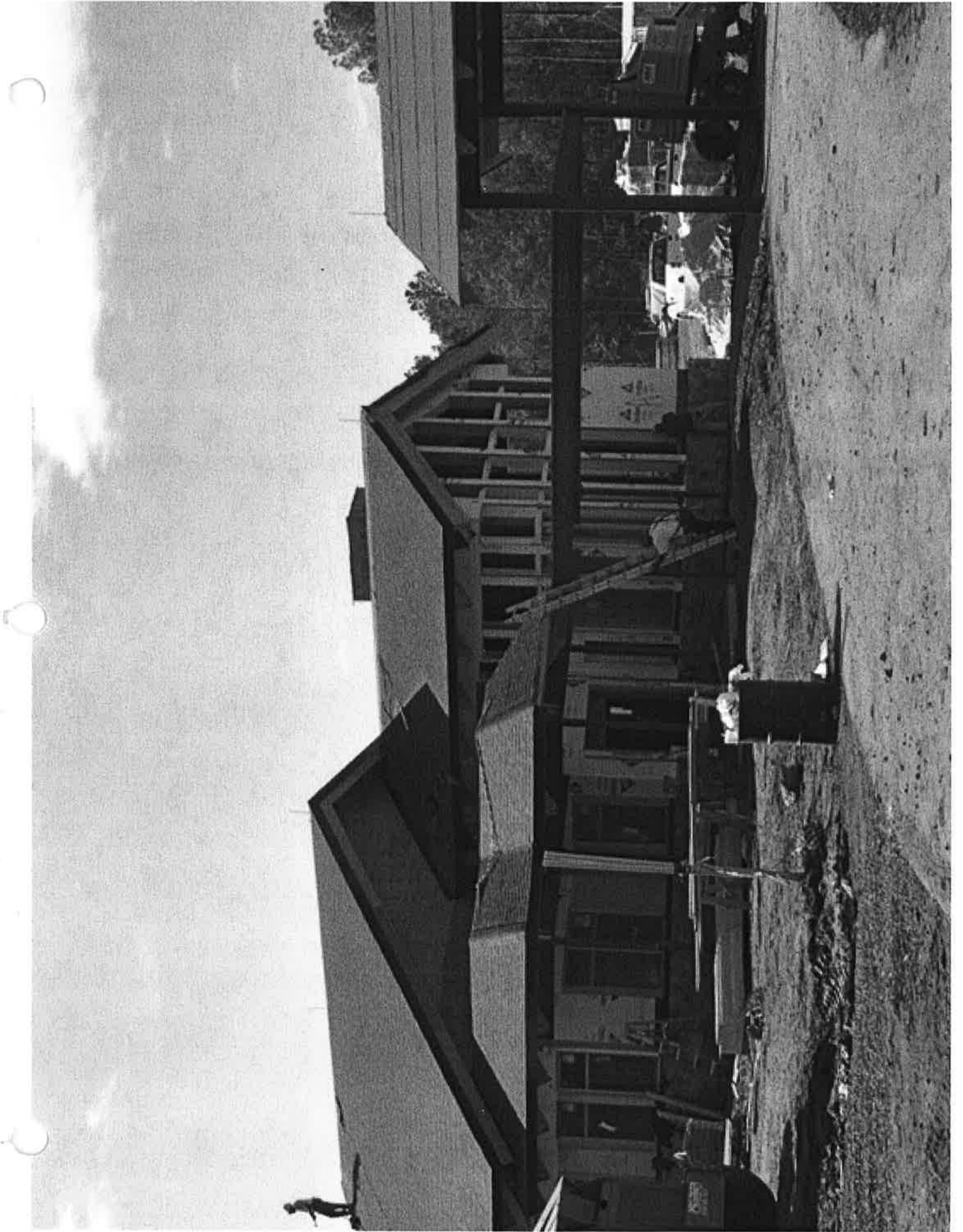




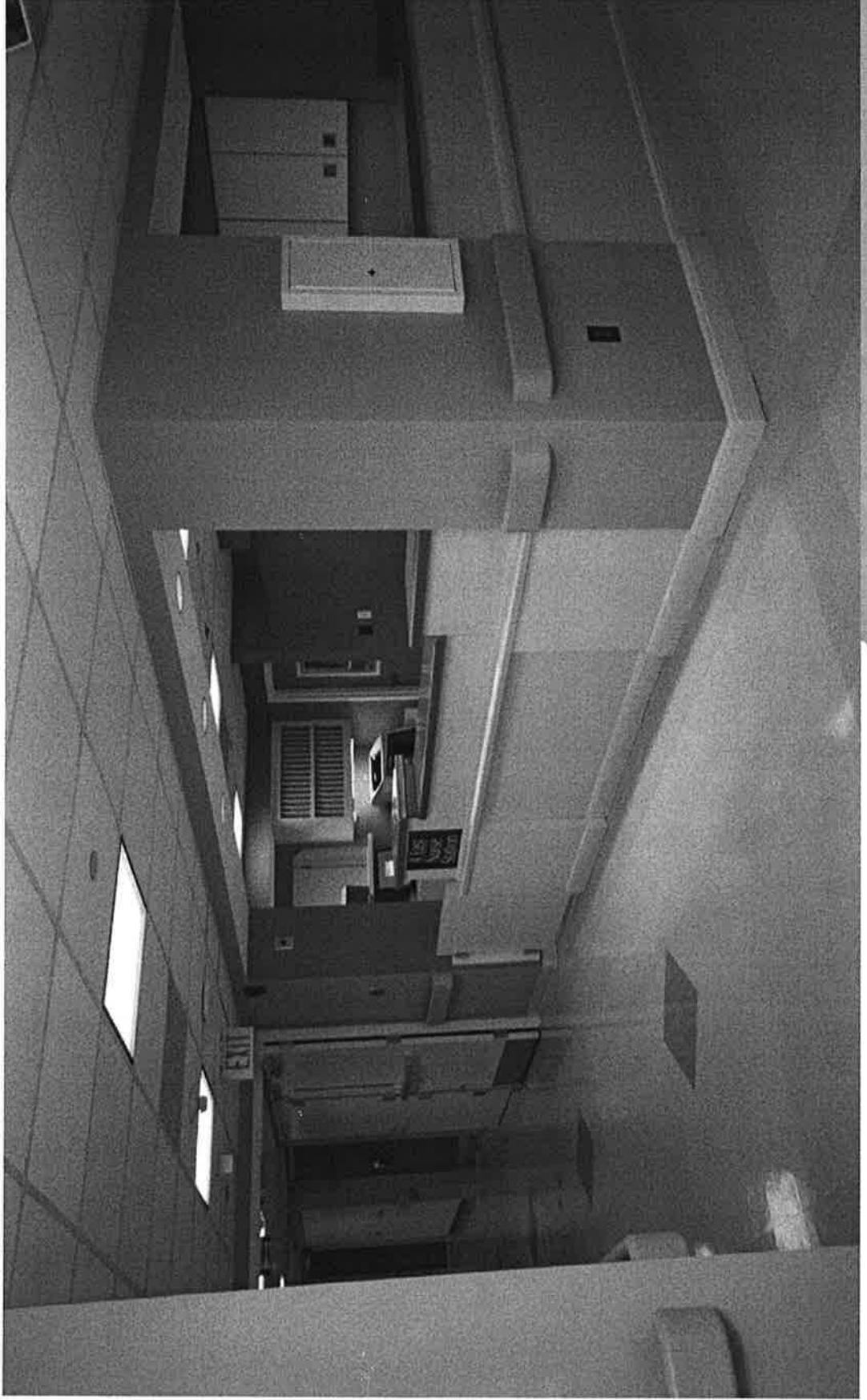
Brasfield & Gorrie LLC  
Willson Hospice House  
January 25, 2010







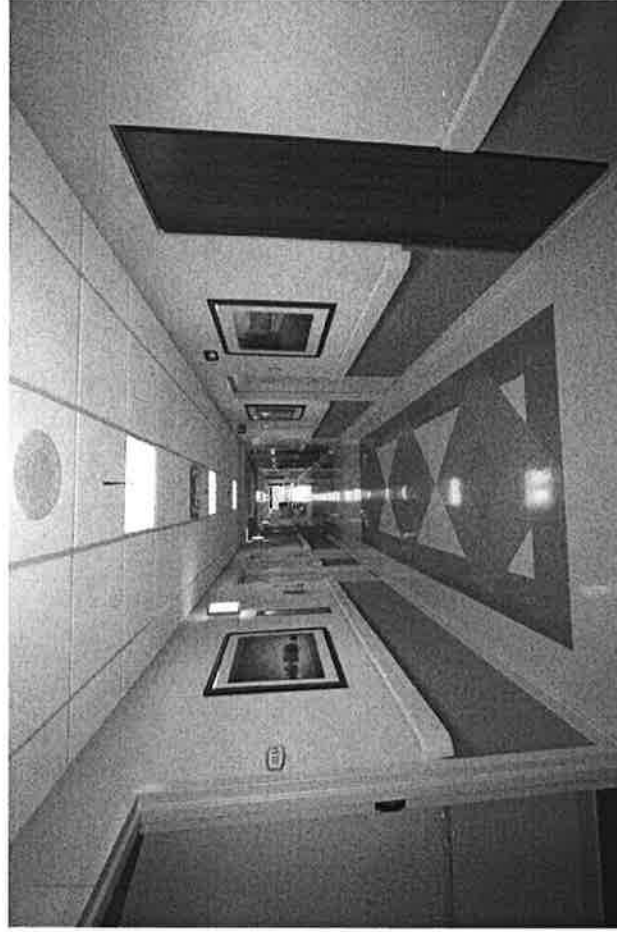
# Behavioral Health



# 4 AB Cardiac Services



**4 A/B Present  
Hallway**



**3 A/B Present  
Hallway**



# Building and Renovations

## Recent Completions

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