



# EVANS MEMORIAL HOSPITAL

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Evans County Commissioners  
Attn: Casey Burkhalter  
3 Freeman Street  
Claxton, GA 30417

May 24, 2018

Commissioners,

Evans Memorial Hospital would like to utilize the excess funds in the debt service account for the 2006 Bonds. There is a requirement that the balance of the reserve fund equal \$484,600 as of December 31, 2018. Currently, the excess funds over that minimum requirement are approximately \$700,000.

The \$700,000 would immediately be used to pay down the Accounts Payable (AP) balance. The AP balance is currently about \$1.3 million with almost \$600,000 over 120 days outstanding. A \$700,000 reduction in the AP balance would bring it down to a manageable level and about 60 days outstanding.

Our plan is to pay back the funds over a 5-year period, at a minimum of \$150,000 per year, utilizing the tax credit donations the hospital receives. The rural hospital tax credit donation program was recently increased to a 100% credit and extended for an additional 2 years. This credit program is expected to sunset December 31, 2021. We have had a lot of interest in this program and are expecting a lot of support in the way of donations.

Regards,

Nikki NeSmith, CEO

John Wiggins, CFO