

Support and Help Preserve Wills Memorial Hospital!!

The Situation:

Our 46-year-old hospital has serious, possibly even critical problems. The following are some direct quotes from a report by a consultant hired by the Hospital Authority:

- “Plumbing is on the verge of collapse.”
- “Mechanical systems are at the end of their life expectancy.”
- “Electrical branch circuit panels are rapidly deteriorating and in many instances breaking down.”
- “Emergency electrical service does not meet code.”
- “Surgical facilities are functionally, hopelessly obsolete.”

Wills Memorial has had a positive cash flow for the past five years and a profit from operations for the past two years.

A nationally recognized hospital financing firm believes the hospital, with county support, can qualify for investment grade tax exempt bonds.

The Solution:

The Hospital Authority has voted unanimously to do the following:

- By a combination of new construction and renovation, “regenerate” the facility on the existing site at an initial estimated cost of \$18,000,000.
- Ask the County Commission to guarantee revenue bonds which will be issued by the Authority to finance the project.

The bonds will be paid back by revenue generated by the hospital. Only in the extremely unlikely case the hospital is unable to make the payments would the county have an obligation. Having a guarantee from the county would mean that the project could start in four to six months and be the least costly.

Not having a county guarantee and having to use an alternate financing source would mean a delay of 12 to 18 months because of the time required to get the federal loan guarantee. Not having the county onboard would also increase the cost of the project by 10 to 12 percent because of inflation and the added bureaucratic requirements.

Other Viewpoints:

Two reports by Stroudwater and Associates, a second consulting firm, are being mentioned because of their recommendations. There were indeed some good ones, and most have been adopted. One that has not been adopted was the recommendation that the Intensive Care Unit (ICU) be closed. The reason is that members of the medical staff believe Wills Memorial’s patients benefit from the increased level of monitoring it offers.

Another recommendation that Stroudwater made was to build a completely new hospital on another site. The Authority did not adopt that proposal because it would have cost \$25 million, plus the cost of land and site development.

Problems experienced by another hospital in a neighboring county have been cited as reason for Wilkes County not to support the Wills Memorial project. A close look at the histories of the two facilities will show that the situations are totally different and have absolutely no comparison.

The Bottom Line:

The Authority has agreed unanimously that doing nothing is not an option if we are to continue having a hospital. The Authority also agrees that delaying increases the cost significantly and subjects the hospital and patients to increased risk of failures in the plumbing and electrical systems.

Most people believe that Wills Memorial is vital to our county, and most recognize it is important to the economy, since it is the second largest employer in Wilkes County and a critical factor in attracting new businesses and residents.

If you agree, contact the County Commissioners and strongly urge them to support Wills Memorial Hospital and guarantee the bonds necessary to insure it serves the needs of Wilkes County for another 40 years. Our future depends on it!