

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE WINNIE-STOWELL HOSPITAL DISTRICT

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act a full 72 hours prior to the opening of said meeting for 6:00 p.m. on the 21 day of September 2016, at the Winnie Community Hospital (“Hospital”)-Conference Room, Broadway, Winnie Texas (a copy of said Notice being placed amongst the files of the District).

The roll was called of the members of the Board, to wit:

Elroy Henry, Chair
Jeff Rollo, Vice-Chair
Ed Murrell, Secretary
Sharon Burgess, Director
Raul Espinosa, Director

All said Board members were present. In addition, to the above named Board members, also present at the meeting were: Sherrie Norris, District Administrator; Yani Jimenez, Indigent Care Director; David Sticker, District’s CPA; and Hubert Oxford, IV, General Counsel; Mo Danishmund, Chief Financial Officer for Riceland Hospital; Chris Portner, General Counsel for Riceland Hospital; and Dr. Zubair Ashfaq with Riceland Hospital as well as citizens listed on **Exhibit “A”**.

At approximately 6:05 p.m., a quorum was established and Chairman Henry made introductions that were followed by a brief moment of silence, the Pledge of Allegiance, and then a request for public comment. There being no public comment, Chairman Henry asked the Board to address Agenda Item No. 3, to consider and take action on reviewing and approving the minutes from the following meeting:

- August 24, 2016 Regular Meeting; and
- August 31, 2016 Special Meeting

After a review of the minutes, Director Murrell made a motion to approve the minutes for the August 24, 2016 Regular Meeting and August 31, 2016 Special Meeting. This motion was seconded by Director Espinosa, with the unanimous consent of all Board members present.

Next, the Board was asked to return to Agenda Item No. 4, to review and approve financials report; payment of invoices, and amend budget, if necessary. According to Mrs. Norris, the District had a net cash position of \$2,434,367.15 in its various accounts after the payment of \$1,821,904.45 in expenses. Included in this net cash position were: 1) \$3,433,422.86 in the District's Operating Account; 2) \$65,333.76 in the Interbank Account; 3) \$104,181.22 in a Prosperity CD; and 4) \$653,333.76 in its TexStar Account. In addition, Mrs. Norris reported to the Board that during the past month, the District paid \$1,390,964.61 to Caring Healthcare for incentive and quality incentive fees; \$99,971.50 was spent on Interest for Loans 8, and 9; and 3) \$267,168.88 was paid to LTC for December 2015 and January 2016 invoices. (See **Exhibit "B"**). Director Murrell made a motion to approve the payment of bills and the financial statements presented by Mrs. Norris and the District's CPA, David Sticker. (See **Exhibit "B"**). This motion was seconded by Director Espinosa, with the unanimous consent of all Board members present.

After the approval of financial report and payment of invoices, Chairman Henry called on the Committee Chairman to provide reports, if any. The reports by each Committee Chair are as follows:

- **Finance Committee:** Chairman Murrell advised the Committee that the District still needed to amend its budget to account for nursing home Minimum Payment Amount Program adjustments in revenue and expenses.
- **Indigent Healthcare Committee:** Chairwoman Burgess advised the Indigent Healthcare Committee had nothing to report.

- **Personnel Committee:** Likewise, Chairwoman Burgess informed the Board there was nothing to report concerning personnel.
- **Hospital Liaison:** Director Espinosa introduced Mr. Mo Danishmund who discussed the fact that Danny Thompson, longtime Physician Assistant was retiring but Mr. Thompson was going to be replaced Dr. Ashfaq. Additionally, Mo added that while Danny Thompson was a longtime loyal employee, he was only working thirty-five percent (35%) of time and the hospital is replacing him with a full time physician. The Board welcomed Dr. Ashfaq and inquired about his thoughts on the Hospital. Dr. Ashfaq informed the Board that he has observed a number of improvements that can be made but he enjoys working Dr. Boutte and believes the two, working as a team, will be able to provide increased care to the residents of the District.

Chairman Henry then called on staff to address Agenda Item No. 6, to discuss and take action on reports by staff. Mrs. Norris reported she is continuing to work the District's CPA to finish providing auditors with information in order to comply with requests by the District's auditors so that they can finish the 2014 and 2015 audit.

Following the Administrator's report, President Henry called on the District's Indigent Care Director to give her indigent care report. In so doing, Mrs. Jimenez referred the Board to **Exhibit "C"** and advised the Board that the District's indigent care expenses incurred in August were \$23,047.44 of which \$4,715.93 was for prescription costs that were actually incurred by the District. In addition, Mrs. Jimenez reported that the District currently had forty-seven (47), which is up from the forty-four (44) indigent enrolled in the program in July 2016.

After the completion of Indigent Care Report, Attorney Hubert Oxford was asked to give a report gave his Attorney's report. Attorney Oxford reported that he had no report and deferred to the District's CPA to give a report.

Per David Sticker, the reason the District needs to amend its budget is to make adjustments to the budgets to potentially reflect accrued numbers for Intergovernmental Transfers as expenses and MPAP proceeds as revenue. Otherwise, he noted that the audit request information is ninety-nine (99) percent complete.

Following the CPA's presentation, David Smith, with LTC Group was called on to give a nursing home report. Prior to his report, David Smith provided the Board with an executive summary, attached hereto as **Exhibit "D"**. Per Mr. Smith, the District's total average occupancy rate for the month of August was 67%. In addition, Mr. Smith highlighted two facilities, Marshall Manor and Highland Park. In regard to Marshall Manor, the facility had their annual survey on June 9th 2016 and had their plan of correction accepted by the state. Since then, there were no reportable incidents since the last visit. As for the Highland Park Care Center (HPCC) this facility has been given the highest rating in Houston for patient satisfaction.

Next, Chairman Henry requested the Board to attend to Agenda Item No. 7, to discuss and take action, if necessary; on approving the election contract with the Chambers County Clerk and approve any necessary notices of publication. Attorney Oxford informed the Board that the District was obligated to post notices of cancellation of elections at early voting polling locations and at polling locations on Election Day. Otherwise, no action was taken.

At the conclusion of the action items, Chairman Henry called the Board to Executive Session at 7:05 p.m. pursuant to Section 551.071 of the Texas Government Code. The Board returned from Executive Session at 7:14 p.m. and took no action.

There being no other business, Chairman Henry advised the Board that the next Regularly Scheduled Board meeting would be on October 19, 2016 at 6:00 p.m. At 7:14 p.m., a motion was then made by Director Espinosa to adjourn the meeting. This motion was seconded by Director Burgess, with the unanimous consent of all Board members.


Elroy Henry, Chairman


Jeff Rollo, Vice-Chairman