

MINUTES FOR 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., September 22, 2021 at the District’s Offices located at 520 Broadway, Winnie, Texas 77665, (a copy of said Notice being placed amongst the files of the District). An electronic version of this meeting is available upon request.

1. Call the Meeting to Order

At approximately 6:04 p.m., the meeting was convened, and the roll was called of the members of the Board, to wit:

Mr. Ed Murrell	President
Mr. Anthony Stramecki	Vice-President
Robert “Bobby” Way	Treasurer
Jeff Rollo	Secretary
Kacey Vratiss	Director

All said Board members were present, thus constituting a quorum. In addition, to the above-named Board members, also present at the meeting were:

Mrs. Sherrie Norris	Administrator
Mrs. Patricia Ojeda	Indigent Care Director
Mr. Hubert Oxford, IV	General Counsel for the District
Mr. David Sticker	District CPA
Mr. Mo Danishmund	Chief Financial Officer, Winnie Community Hospital (“Hospital”)
Mr. Saad Javed	Co-Chief Operating Officer, Hospital
Mr. Robert Jacobs	Clinical Manager for Riceland
Mr. Scott Campbell	Superintendent, East Chambers Independent School District

2. Introduction of Guest

3. Pledge of Allegiance and Pledge to Texas Flag

After the introduction of the guests, President Murrell called on those present to recite the Pledge of Allegiance and the Pledge of Allegiance to the State Flag of Texas.

4. Public Comment

The President then asked for Public Comment but there was none.

5. Review and Approve Minutes of Previous Meeting(s): August 18, 2021, Regular Meeting and August 27, 2021, Special Meeting.

Following, President Murrell called on the Board to return to Agenda Item No. 5 to review and approve the minutes from August 18, 2021, Regular Meeting and August 27, 2021, Special Meeting. Afterwards, the minutes were examined by the Board, they had no further changes.

Consequently, Director Stramecki made a motion to approve the minutes of the August 18, 2021, Regular Meeting and August 27, 2021, Special Meeting. This motion was seconded by Director Vratis, and unanimously approved by all the Board members.

11. Discuss and take-action, if necessary, on renewing the Interlocal Agreement for Healthcare Services with the East Chambers Independent School District.

The President asked the Board to move to Agenda Item No. 11 to discuss and take-action, if necessary, on renewing the Interlocal Agreement for Healthcare Services with the East Chambers Independent School District and then call on Mr. Campbell, Superintendent of East Chambers Independent School District (“ECISD”), to make the annual request to renew the Interlocal Agreement for 2021-2022. Mr. Campbell thanked the Board on behalf of the ECISD and the students of

the ECISD for the District’s support. He then distributed a presentation to recap the services provided during the prior ECISD fiscal year (i.e., 2020-2021) and announced that this year he was going to quickly go through the presentation. (*See Exhibit “A”*).

According to Mr. Campbell, thanks to the District’s funding, during the 2020-2021 school year, the ECISD was able to provide accident insurance for 1,530 children. During the year, the accident insurance paid \$73,564.00 in claims. Moreover, Mr. Campbell reported that in the same year, in addition to their routine nursing services, the nurses at the ECISD, who are funded by the District, were able to provide over 4,000 screenings during the year, including but not limited to: vision screenings to over 700 students; hearing screenings to over 600 students; and scoliosis screening to approximately 120 students. Lastly, Mr. Campbell stated that the District’s funds were also used to provide counseling services to seventy-nine (79) students; physical therapy to four (4) students; occupational therapy to ten (10) students; and speech therapy to sixty-nine (69) students.

Turning to the budgets, Mr. Campbell informed the Board that in 2020-2021, the District’s \$180,000.00 in payments assisted with covering the cost of the following expenses:

Category	Budget	Expenditure	Balance
Insurance	\$52,000.00	\$51,327.00	\$673.00
Therapy and Related Contracted Services (partial)	\$2,100.00	\$1,260.00	\$840.00
Nursing Salary/Benefits (2-Partial)	\$127,935.00	129,201.32	(\$1,266.32)
Nursing Supplies/Expenses (partial)	\$36,000.00	\$23,946.60	\$12,053.40
Immunizations (partial)	\$100.00	\$135.00	(\$35.00)
Totals	\$218,135.00	\$205,869.92	\$12,265.08

In response to the questions about funding and expenses incurred, Mr. Campbell explained that the school district incurred \$205,869.92 in expenses for the

line items funded with the District’s funds. Otherwise stated, the cost for the designated line items were \$25,869.92 more than the amount paid by the District.

Turning to the 2021-2022 fiscal year, Mr. Campbell presented a budget for \$180,000.00 to be assigned to the following line items:

Category	Budget
Insurance	\$50,000.00
Therapy and Related Contracted Services (partial)	\$9,000.00
Nursing Salary/Benefits (2-Partial)	\$100,000.00
Nursing Supplies/Expenses (partial)	\$20,000.00
Immunizations (partial)	\$1,000.00
Totals	\$180,000.00

At the completion of the presentation, President Murrell reminded Mr. Campbell that last year, the District’s Board offered to consider requests to increase funding. Mr. Campbell responded that he appreciated the offer and promised this year to go back and consider a request to increase the funding.

Director Stramecki then made a motion to renew the Interlocal Agreement with East Chambers Independent School District to renew the Interlocal Agreement to fund medical services pursuant to the budget in the presentation presented set forth in **Exhibit “A”**. This motion was seconded by Director Rollo and unanimously approved by all the Board members except Director Vratis who abstained from voting.

6. Review and approve financials report; payment of invoices; receive Accountant’s report, and amend budget, if necessary.

Turning to the District’s financial reports, Mr. David Sticker was asked to discuss, the District’s year to date Balance Sheet and Profit & Loss Budget vs. Actual. (See **Exhibit “B-1”**). Mr. Sticker then reviewed the Balance Sheet and

Profit & Loss Budget vs. Actual and advised the Board that everything was in order except a handful of budget amendments that need to be made.

Upon the conclusion of the discussion of the Balance Sheet and Profit & Loss Statement, Attorney Oxford continued the discussion on the financials by addressing the Treasurer’s Report, check register, and outstanding invoices to be considered. (See **Exhibit “B-2”**). As in the past, Attorney Oxford asked the Board to review the invoices to be paid. Attorney Oxford stated that this month, the total invoices amounted to \$190,683.52. He then explained that the invoices were higher than usual because the invoices included the payment for the transport ambulance purchased on behalf of the Winnie Stowell Emergency Medical Service previously approved in 2020. Also, the District paid the invoice for masks and hand sanitizer to be given away at the Texas Rice Festival as well as a repayment to the State of Texas for excess sales tax revenue. A complete list of the invoices to be paid is as follows:

Pending Expenses	For	Amount
Brookshire Brothers	Indigent Care	\$2,658.98
Wilcox Pharmacy	Indigent Care	\$816.93
UTMB at Galveston	Indigent Care	
UTMB Faculty Group	Indigent Care	
Barrier Reef Emergency Physician	Indigent Care	\$95.54
Indigent Healthcare Solutions	IC Inv #72423	\$1,109.00
American Education Services	S Stern-Student Loan	\$150.14
Nicki Holtzman	Youth Counseling	\$255.00
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$595.00
Penelope (Polly) Butler	Youth Counseling	\$85.00
Chambers Cty PHD#1	IC Dental	\$70.00
Benckenstein & Oxford	Inv #50213	\$14,675.00
Hubert Oxford	Legal Retainer	\$1,000.00
David Sticker	Inv #61	\$1,593.75
Technology Solutions of Tx	Inv #1622	\$75.00
Bonds & Ellis (Clay Taylor)	Inv #12970 (In re Abri)	\$19,162.50
Function4	Inv888292 (copy paper)	\$197.50
Felipe Ojedia-Yard Service	Inv #1017	\$300.00
Graciela Chavez-Office Cleaning	Inv #8018600	\$100.00
The Hometown Press	Inv #3062	\$600.00
Seabreeze Beacon	Inv #5397	\$400.00
Texas Comptroller of Public Accounts	Reimbursement	\$24,645.48
Southwest Ambulance Sales	Inv #5917	\$89,229.70
Texas Media Corp (Festival Supplies)	Inv #15693 (Ck #3334)	\$29,600.00
Southcoast Industrices (Festival Supplies)	Inv #203 (Ck #3335)	\$3,269.00
Total Pending Expenses		\$190,683.52

Once the Board members completed their review of the invoices, Attorney Oxford referred the Board to the First Financial Bank Reconciliation section of the report. Per Attorney Oxford, the balance in the District's Commercial Account at First Financial Bank was \$14,027,532.18. Of the total funds deposited in this account, the District's unrestricted funds balance was \$3,872,877.79. Additionally, the Board was told that the District received \$5,821,724.03 for Year 4, Component 1 Reconciliation payments (Reconciliation Payments"). These funds were deposited into the District's Deposit Account Control Agreement ("DACA") accounts at Allegiance Bank. Of these Reconciliation Payments received, the District's share was \$2,910,862.01. Attorney Oxford explained that these funds represented the majority of the shortfall due to the District after receiving initial Component 1 payments for QIPP, Year 4. After considering the unrestricted funds less the restricted funds and expenses to be paid, Attorney Oxford informed the Board that the District's total unrestricted fund balance was \$9,366,310.25.

At the end of the discussion, the Board was asked if there were any additional questions or comments. Since there were none, Director Stramecki made a motion, which was seconded by Director Vratis, and the unanimous approval of the Board members to: a) approve the financials for August 2021; b) adopt the Treasurer's Reports; and c) pay the invoices presented. (See Exhibits "B-1", "B-2", and "B-3").

7. Discuss and take-action on Committee Reports: a) Finance Committee; b) Indigent Healthcare Committee; c) Personnel Committee; and d) Hospital Liaison.

No Committee had a report for this meeting.

8. Receive reports, by:

a. Administrator's Report

This month, Mrs. Norris inquired about the logistics for handing out mask at the Rice Festival. Mrs. Norris and President Murrell agreed to get together to discuss

the distribution of the mask and hand sanitizers. In addition, Mrs. Norris reported that over the last four (4) weeks, the District had spent the following on lunches for the Hospital:

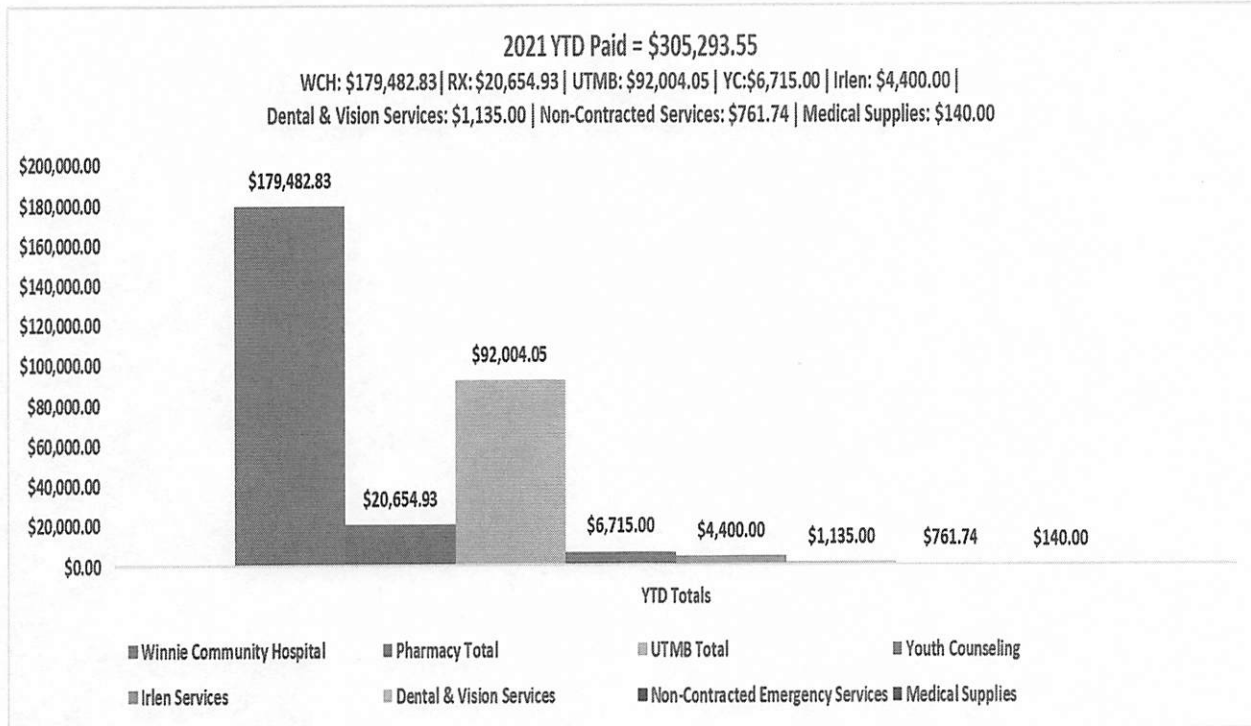
Vendor	Cost
Selso Abolos	\$1,292.00
Charlies	\$912
Lercy's	\$1122.00
Tony's BBQ	\$906.10
Total Cost	\$4,232.10
Avg. Cost	\$1,058.02

After providing the Board with monthly totals for the lunches, Mrs. Norris assured the Board that the Hospital employees appreciated the lunches and then she asked if the District wanted to continue to provide lunches in October. Mrs. Norris reminded the Board that this was not on the agenda but if the Board agreed to continue the lunches, the staff would include an agenda item on the October 20, 2021 Regular Meeting agenda to document the approval. In response, the Board asked Mrs. Norris to continue scheduling the Wednesday lunches at the Hospital through the month of October 2021.

b. District Indigent Care Director Report

Next, Mrs. Ojeda was called on to give the Indigent Care report. Mrs. Ojeda reported that in August 2021, the number of clients enrolled in the indigent care program increased by five (5) sixty-two (62) clients and the Youth Counseling clients also increased by (1) to fifteen (15) children.

Next, Mrs. Ojeda presented the Board with her monthly statistics and the reports set forth in Exhibit "C" and summarized below.



After her discussion of the financial aspects of the report, Mrs. Ojeda asked the Board to review her remaining reports and contact her if there were any questions.

c. District General Counsel Report

Mr. Oxford advised that he had nothing to report at this time.

d. LTC Report

Staff presented the LTC Report for August 2021. (See Exhibit “D”). After the Board reviewed the reports, there were no questions.

e. Hospital Report

President Murrell then called on Mr. Javed to give the Hospital report for August 2021. Mr. Javid reviewed the monthly statistics but emphasized that the month of August 2021 was the Hospital’s busiest month for average inpatient days

because of the continued treatment of Covid 19 by the Hospital. A copy of the report is set forth below and attached as **Exhibit “E”**.

2021									
Census	Jan	Feb	Mar	Apr	May	June	July	Aug	Average
ER Visits	167	170	184	225	231	256	265	249	218
Conversion to Inpatient/observation	16	17	9	14	24	26	31	31	21
<i>Percentage</i>	10%	10%	5%	6%	10%	10%	12%	12%	9%
Transferred out	7	7	12	8	17	13	12	5	10
<i>Percentage</i>	4%	4%	7%	4%	7%	5%	5%	2%	5%
ER shifts covered by doctors	74%	51%	55%	68%	48%	60%	56%	58%	59%
Average Inpatient days per day	167	172	146	117	196	135	115	262	164
Average Hospice days per day	0	13	7	22	7	5	18	19	11
Average Swingbed days per day	0	50	35	20	83	26	114	58	48
Average Observation days per day	31	12	18	33	35	32	36	20	27
Total All Inpt. Days	198	247	206	192	321	198	283	359	251
Average All Inpt. days per day	6.39	8.52	6.65	6.40	10.35	6.60	9.13	11.58	8.21
CTs	66	66	60	68	73	61	68	47	64
Xrays	248	240	309	292	250	305	318	383	293
Ultrasounds	30	42	37	39	37	32	26	42	36
Encounters - Adult Clinic	409	368	514	507	455	552	497	490	474
Encounters - Pediatric Clinic	226	171	287	279	168	179	242	301	231
Behavioral Health patients	0	0	0	0	0	11	18	18	6
Physical Therapy	1	0	0	0	1	0	1	0	0

Upon the completion of the monthly statistics, Mr. Javid provided some other Hospital areas if interest, including:

- The Intensive Outpatient Programs (IOP) was open and serving nursing home patients;
- The Antibody Monoclonal Infusion Center was open;
- Hospital continues to administer Pfizer and Moderna vaccines; and
- The Hospital continues test for covid.

Thereafter Mr. Javed’s presentation, the Hospital was asked about community concerns involving the lack of lab technicians in evenings and on the weekends. Specifically, Attorney Oxford explained that he received a call from an interested citizen who complained about the lack of lab technicians during the evenings and weekends and the impact the lack of lab technicians had on the WSEMS because they were having to transport patients to Beaumont, Texas area hospitals to get lab work. Consequently, they were having to take one of their emergency vehicles out

of service to provide the transport. In response, Mr. Danishmund and Mr. Jacobs explained that they were aware of the concern and have been working on hiring lab technicians to work in the evenings and the weekends but have not had any luck due to the shortage of qualified technicians. However, they assured the Board that they were continuing to work on resolving the problem.

Likewise, Attorney Oxford asked the Hospital representatives about a concern by the same citizen why the Hospital was having to transfer patients for CT scans because the Hospital's CT scan machine was not operational. Again, Mr. Danishmund and Mr. Jacobs explained to the Board that the bulb for the CT machine went out on a Friday, but the machine was repaired on the following Tuesday and put back into service the next day.

9. Discuss and take-action, if necessary, to approve funding agreement with WSEMS for operating and staffing transport van.

President Murrell asked Attorney Oxford to give an update on this agenda item. Attorney Oxford informed the Board that he has worked on an agreement, but he was informed that the vehicle will not be delivered until the end of October 2021 and therefore, has not finalized the agreement. He then requested the Board table this agenda item and asked that it remain on the agenda.

The Board agreed. Director Stramecki then made a motion to table Agenda Item No. 9. This motion was seconded by Director Vratis, and unanimously approved by all the Board members.

10. Discuss and take-action, if necessary, on authorizing staff to renew crime policy.

President Murrell called on staff to discuss the crime policy. Attorney Oxford spoke up and said he had been communicating with the District's agent regarding the crime policy. According to Attorney Oxford, he explained that the insurance company determined that the District was a governmental entity and therefore, they raised the rates as reflected in Option 3 below. Based on the coverage amounts and the premium charged, Attorney Oxford recommended against purchasing the policy.

Crime Policy Analysis				
Coverage	2018-2021 Policy	2021-2024 Policy Option 1	2021-2024 Policy Option 2	2021-2024 Policy Option 3*
1. Employee Theft	\$100,000.00	\$100,000.00	\$200,000.00	\$100,000.00
2. Employee Theft-Client Premises	\$0.00	\$0.00	\$0.00	\$0.00
3. Computer & Funds Transfer Fraud	\$100,000.00	\$100,000.00	\$200,000.00	\$100,000.00
4. Inside the Premises (Money, Securities, Other Property)	\$100,000.00	\$100,000.00	\$50,000.00	\$50,000.00
5. Outside the Premises (Money, Securities, Other Property)	\$100,000.00	\$100,000.00	\$0.00	\$0.00
6. Depositors Forgery or Alteration	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
7. Credit, Debit or Charge Card Forgery	\$0.00	\$0.00	\$0.00	\$0.00
8. Money Orders and Counterfeit Currency	\$50,000.00	\$50,000.00	\$0.00	\$0.00
9. Investigative Expenses	\$0.00	\$0.00	\$0.00	\$0.00
10. Computer System Restoration Expenses	\$0.00	\$0.00	\$0.00	\$0.00
11. Identity Recovery Expenses Reimbursement	\$0.00	\$0.00	\$0.00	\$0.00
Total Insured Amount	\$550,000.00	\$550,000.00	\$550,000.00	\$350,000.00
Premium Cost	\$2,482.00	\$2,482.00	\$3,429.00	\$2,919.00

*Cost for Option 3 is higher than existing policy despite less insurance because Insurer realized we were a governmental entity and they charge governmental entities more.

The Board concurred, and Director Stramecki made a motion to not purchase the crime policy as presented. This motion was seconded by Director Vratis, and unanimously approved by all the Board members.

12. Discuss and take-action, if necessary, on approving grant request by Winnie Community Hospital for reimbursement for Patient Monitoring Telemetry Machine.

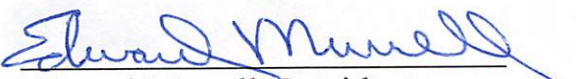
President Murrell called on Mr. Danishmund to address this agenda item. Mr. Danishmund presented the Board with an invoice for the Telemetry Machine. The invoice was for \$142,350.65. (See **Exhibit "F"**) and per the previous meeting and grant request, Mr. Danishmund asked the District to reimburse the Hospital for the cost of the machine.

In response, the Board asked Mr. Danishmund why the cost of the machine increased from last month. Mr. Danishmund explained that the cost increased due to the \$9,001.14 in taxes that were not included when the request was originally made. After this statement, the Board reemphasized to the Hospital that in the future, if a request was going to be made to purchase equipment, the request must be made

prior to any purchases because if the District purchased the equipment, no sales tax would be paid.

After the discussion to reemphasize the need by the Hospital to get prior authorization for funding assistance to purchase, or secure, equipment or services, Director Stramecki made a motion to reimburse the Hospital \$142,350.65 for the telemetry machine described in Exhibit "F". This motion was seconded by Director Way, and unanimously approved by all the Board members.

Thereafter, President Murrell then called for any other such matters before the Board. There being none, the Board discussed the date for the upcoming meeting, and it was agreed to hold the next Regular Meeting on October 20, 2021. A motion was made by Director Stramecki at 8:10 p.m., to adjourn the meeting. This motion was seconded by Director Vratis and unanimously approved by all the Board members present.


Edward Murrell, President


Anthony Stramecki, Vice-President