

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., June 15, 2022 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 copy of this meeting is available upon request.

1. Call the Meeting to Order

At approximately 6:10 p.m., the meeting was convened, and the roll was called off 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 except for Director Rollo. 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	Winnie Community Hospital
Mr. Chris Portner	Counsel, for Hospital
Mr. Lee Hughes	LTC Group
Mr. David Smith	LTC Group
Mr. Wade Thibodeaux	The Hometown Press
Mrs. Gloria Roamer	Seabreeze Beacon

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

President Murrell then asked those in attendance for any public comment. There being none, he then asked the Board to address the different Agenda Items

5. Review and Approve Minutes of Previous Regular Meeting on June 15, 2022.

The Board was then asked to consider Agenda Item No. 5, to review and approve minutes for the May 18, 2022 Regular Meeting. The Board reviewed the minutes and had no further changes.

Consequently, Director Stramecki made a motion to approve the minutes of the May 18, 2022 Regular Meeting. This motion was seconded by Director Way, and unanimously approved by all the Board members present.

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

After the approval of the minutes, President Murrell called on Mr. David Sticker, the District's CPA, to present the May 2022 Balance Sheet and Income Statement. (*See Exhibit "A-1"*). Regarding the financial reports, Mr. Sticker reviewed the Balance Sheet and Income statement and advised the Board that through May 2022, the District's budget was in order, but he did recommend making a budget amendment at this meeting for line item 629-Property Acquisition to account for the purchase of 2626 Highway 124 and the modular building. In the future, Mr. Sticker advised that the District needed to amend the budget to account for: 1) acquisition of property; 2) increased interest and LTC Expenses due to the

acquisition of the Villa at Texarkana facility; 3) lower than expected Coastal Gateway Health Center (“Coastal Gateway”) expenses; and several other minor line items.

Upon the completion of presenting the District’s May 2022 Financial Statements by Mr. Sticker, President Murrell called on Attorney Oxford to review the District’s Treasurer’s report through June 15, 2022. (See **Exhibit “A-2”**). First, Attorney Oxford and Mrs. Norris asked the Board to review the invoices in the attached table and asked if there were any questions.

Pending Expenses	For	Amount
Brookshire Brothers	Indigent Care	\$1,238.05
Wilcox Pharmacy	Indigent Care	\$1,016.53
UTMB at Galveston	Indigent Care	\$17,785.57
UTMB Faculty Group	Indigent Care	\$8,685.91
Alliance Medical Services	IC Medical Supplies	\$175.00
Omnipoint Health-Dental	SP Program	\$140.00
Thompson Outpatient Clinic	Indigent Care	\$1,012.95
Penelope (Polly) Butler	Youth Counseling	\$170.00
Nicki Holtzman	Youth Counseling	\$680.00
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$1,445.00
Indigent Healthcare Solutions	IC Inv #73885	\$1,109.00
Benckenstein & Oxford	Inv #50467	\$20,210.00
Hubert Oxford	Legal Retainer	\$1,000.00
David Sticker	Inv #78	\$2,093.75
Technology Solutions of Tx	Inv #1692	\$75.00
Felipe Ojedia-Yard Service	Inv #1026	\$300.00
Graciela Chavez-Office Cleaning	Inv #8018609	\$150.00
WSVEMS (dated)	Grant Inv May 2022	10416
American Education Services	S Stern-Student Loan	\$150.14
LJA Engineering Inc	Inv #2022120608	\$3,000.00
Cigna (overpayment)	Reimb H MS QY5 Feb	\$29,097.86
Allegiance Bank	LOC Interest-Auto Pay	\$11,404.16
Total Pending Expenses:		\$111,354.92

There being none, Attorney Oxford then 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 \$15,681,660.74. Of the total funds deposited in this account, the District’s Unrestricted funds balance was \$11,136,919.92.

In addition, after reviewing the First Bank Reconciliation, Attorney Oxford provided the District’s Board with a list of Cap X projects provided by HMG for the eleven (11) new facilities. (See **Exhibit “A-3”**). Attorney Oxford reminded the Board that the Cap X projects were to be paid with the Quality Improvement Payment Program (“QIPP”) the District allowed HMG to keep for the Mission and Red Oak Facilities. Per Attorney Oxford, the value of the list of projects was \$2,981,940.16 and the amount that should be set aside by HMG for the projects through the reservation of QIPP Funds from Mission and Red Oak was \$1,900,875.45.

Next, Attorney Oxford referred the Board to the Funds Summary section set forth in the following table:

Funds Summary	Totals
Prosperity Operating (Unrestricted)	\$341,605.84
First Financial (Unrestricted)	\$11,136,919.92
First Financial (Restricted)	\$4,544,740.82
TexStar	\$691,114.94
Allegiance Bank LOC (Available)	\$0.00
Total District Funds	\$16,714,381.52
Less First Financial (Restricted)	(\$4,544,740.82)
Less TexStar Reserve Account	(\$691,114.94)
Less Committed Funds (Capital Acquisition and Grant Funding-See below)	(\$5,341,436.33)
Cash Position (Less First Financial Restricted)	\$6,137,089.43
Pending Expenses	(\$111,354.92)
Ending Balance (Less expenses-Available Cash, not Committed)	\$6,025,734.51
Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding)	\$13,364,456.76

Lastly, Mr. David Sticker asked for a budget amendment to increase line item 639-Property Acquisition from \$150,000.00 to \$2,000,000.00. Per Mr. Sticker, the

increase of \$1,850,000.00 was needed to pay for the Highway 124 Property and the purchase of a building to be discussed during Agenda Item 12. *See Exhibit “A-4”*.

President Murrell then called for a motion to approve the financials for June 15, 2022; the Treasurer’s Report; payment of invoices; and to amend the budget. In response, Director Stramecki made a motion, which was seconded by Director Vratis, with unanimous approval of the Board members to: a) approve the financials for June 15, 2022; b) approve the Treasurer’s Report; and c) pay the outstanding invoices; d) amend the budget for Line Item 39-Property Acquisition by \$1,850,000.00 to \$2,000,000.00. (*See Exhibit “A-1”, “A-2”, “A-3”, and “A-4”*).

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

President Murrell asked the Committees if there were any reports. This month, there were no reports that were not going to be discussed by the Committees outside of a remaining agenda item.

8. Receive reports, by:

a. Administrator’s Report

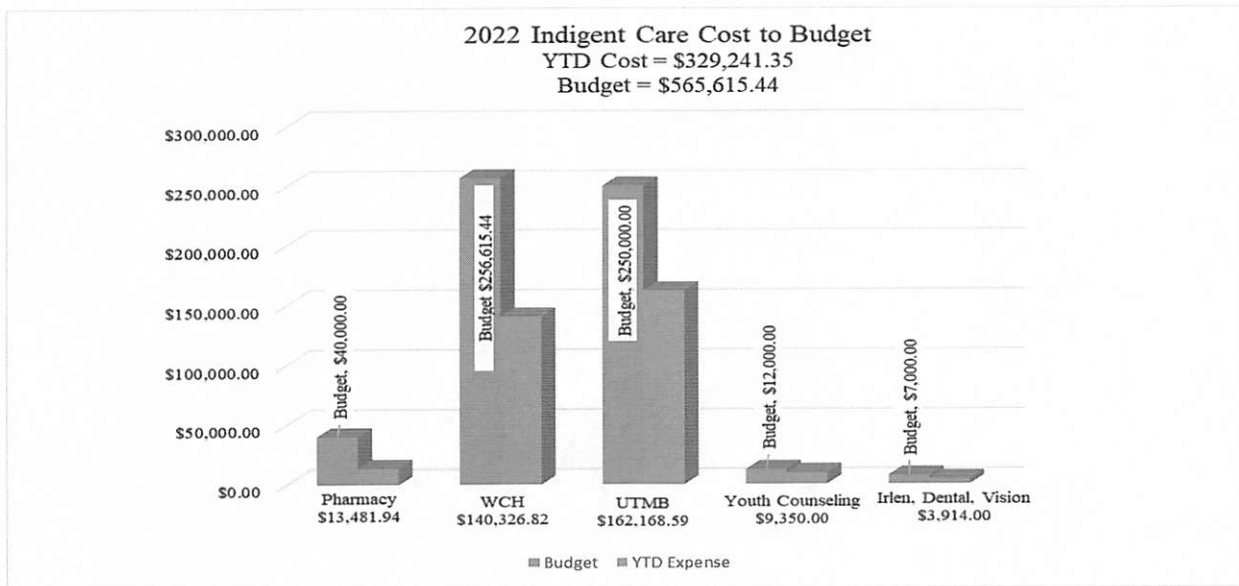
Mrs. Norris informed the Board that it was time to enroll in the Texas Healthcare Trustee Conference and/or the fall TORCH seminars. She asked the Board to let her know if there was anyone that was interested.

b. District Indigent Care Director Report

Next, Mrs. Ojeda was called on to give the Indigent Care report. Mrs. Ojeda reported that in May 2022, there were seventy-five (75) indigent clients enrolled in the District’s Indigent Care Program. This is an increase of nine (9) clients from May 2022. Likewise, the District provided Youth Counseling to an additional four (4) children, bringing the year-to-date enrollment to thirty-one (31) children.

Otherwise, two (2) residents used the dental benefits but the District’s services for Irlen’s Services remained at three (3) children. (See Exhibit “B”).

Mrs. Ojeda then reviewed the year-to-date indigent care cost as summarized in the following tables:



Source	Description	Amount Bil	Amount Paid	% of Total
20	Physical Therapy	\$1,994.00	\$1,395.80	0.99%
21	Wch Clinic	\$32,170.00	\$13,513.75	9.63%
23	Wch Inpatient	\$20,847.00	\$12,716.67	9.06%
24	Wch ER	\$54,773.00	\$31,259.99	22.28%
25	Wch Lab/Xray	\$74,338.00	\$52,036.60	37.08%
26	Wch Ct Scan	\$24,559.00	\$17,191.30	12.25%
28	Wch MRI	\$44,425.00	\$2,145.64	1.53%
29	Wch Ultrasound	\$13,287.00	\$9,300.90	6.63%
44	Wch Xray Readings	\$5,505.00	\$766.17	0.55%
Expenditures/Reimbursements/Adjustments		\$271,898.00	\$140,326.82	100%
Grand Total		\$271,898.00	\$140,326.82	100%

Thereafter, Mrs. Ojeda presented reports for the County Van, Marcelous Williams, and the Winnie Stowell Emergency Medical Services (“WSEMS”). A summary of activity for each is as follows:

District Program	Residents Served	District Indigent Clients
County Van	57	5
Marcelous Williams	21	11

	Transports	Transports From Riceland
WSEMS Transport Van	12	9

Lastly, Mrs. Ojeda informed the Board that she attended the Chambers County Health Fair on June 9, 2022. Mrs. Ojeda was pleased to report that she felt it was a productive event to attend as she was successful in sharing information on all the services that the District provides.

For the balance of her reports, Mrs. Ojeda referred the Board to **Exhibit “B”** and asked that after the Directors reviewed in more detail, to please call her with any questions.

c. District General Counsel Report

Attorney Oxford did not have anything to report that was not on the agenda.

d. Coastal Gateway Health Center Report

Speaking on behalf of Coastal Gateway Health center (“Coastal Gateway”), Director Stramecki presented the Board with Coastal Gateway monthly report. (See **Exhibit “C”**). Thereafter, he reviewed the various line items in the report and asked for any questions. There being none, Director Stramecki thanked the District’s other Board members for all the support.

e. LTC Report

This month, David Smith, with LTC presented the LTC Report for May 2022 and asked the Board to review and contact LTC with any questions. (See **Exhibit “D”**). Furthermore, Mr. Smith and Mr. Hughes discussed the status of the QIPP and were pleased to inform the Board that everything was going smoothly with QIPP.

f. Hospital Report

President Murrell then called on Mr. Javed to provide the Hospital’s monthly report for May 2022.

Census	Jan	Feb	Mar	Apr	May	Average
ER Visits	210	161	215	229	240	211
Conversion to Inpatient/observation	17	18	26	24	20	21
<i>Percentage</i>	8%	11%	12%	10%	8%	10%
Transferred out	13	10	12	12	11	12
<i>Percentage</i>	6%	6%	6%	5%	5%	6%
ER shifts covered by doctors	3%	4%	3%	3%	3%	3%
Number Inpatient days	187	171	127	74	125	137
Number Hospice days	0	4	8	5	7	5
Number Swingbed days	27	47	53	60	67	51
Number Observation days	47	38	29	24	51	38
Total All Inpt. Days	261	260	217	163	250	230
Average Inpatient days per day	8.42	9.29	7.00	5.43	8.06	7.64
CTs	70	56	85	77	47	67
Xrays	268	241	228	198	225	232
Ultrasounds	29	41	35	25	40	34
Encounters - Adult Clinic	471	445	499	262	220	379
Encounters - Pediatric Clinic	188	232	316	245	195	235
Behavioral Health patients	30	29	31	32	44	33
Physical Therapy	1	1	0	0	0	0

After a discussion of Hospital's monthly statistics and trends, Mr. Danishmund highlighted the following areas of interest:

- Outpatient Clinic Volumes have declined;
- Hospital was marketing for new providers and patients for the clinic;
- Radiology was down due to the decreased volume in outpatient patients; and
- The Hospital was in the middle of another round of patients with Covid who have been admitted as inpatients. Currently there were fourteen (14) patients in the Hospital with Covid and the Hospital expected the census to increase up to twenty-five (25) patients.

9. Discuss and take-action, if necessary, on ordering the November 8, 2022 director's election.

Following the reports, President Murrell called on the Board to address Agenda Item No. 9, and then called on staff to discuss the need for ordering the November 8, 2022 election. Attorney Oxford asked that this agenda item be tabled until the August 2022 Regular Meeting to determine whether an election was necessary.

Thereafter, Director Stramecki made a motion to table this agenda item until the next meeting. This motion was seconded by Director Vratis and unanimously approved by all Board members present.

10. Discuss and take-action, if necessary, on approving proposed tuition loan repayment request policy.

Directors Stramecki and Vratis were called on to discuss the proposed amendments to the Tuition Repayment Request Policy. They deferred to Attorney Oxford, who prepared a revised policy, set forth in **Exhibit "E"**. After a review of the details of the revised policy, the Board asked Attorney Oxford to revise the draft policy to include provisions for part-time and volunteers to participate in the Tuition Repayment program subject to their being able to demonstrate active participation with the healthcare provider (i.e., emergency response organization). Attorney Oxford agreed to make the revisions.

Subsequently, Director Stramecki made a motion to approve the revised Tuition Repayment Request Policy set forth in **Exhibit "E"** subject to changes to enable volunteers and part-time employees to participate if they were able to show an active participation with the healthcare provider. This motion was seconded by Director Vratis and unanimously approved by all Board members present.

11. Discuss and take-action, if necessary, on considering request by Riceland Hospital for assistance in repaying Overpayment of Demonstration Year 7 Uncompensated Care and Demand for Refund of Overpayment Amount for Winnie Community Hospital.

Director Stramecki asked that this Agenda Item be tabled because the Finance Committee had not been asked for a meeting with the Hospital per the grant guidelines. In response, representatives from the Hospital assured the Finance Committee that they would arrange a meeting before the July 20, 2022 Regular Meeting.

The Board agreed to table the Agenda Item until the following meeting. Thus, a motion was then made by Director Stramecki to table this agenda item. This motion was seconded by Director Vratis and unanimously approved by all Board present.

12. Discuss and take-action, if necessary, on the following agenda items involving 2626 Highway 124:

- a. Discuss and take-action, if necessary, on authorizing the President to execute an agreement with a qualifying purchasing cooperative as provided for in Chapter 271 of the Texas Local Government Code.**
- b. Discuss and take-action, if necessary, on authorizing the purchase of a modular as provided for in Chapter 271 of the Texas Local Government Code.**
- c. Discuss and take-action, if necessary, to authorize a fair market value appraisal for the building and parking lot located at 2626 Highway 124 in Winnie, Texas and a lease agreement with the current tenants.**

President Murrell called on Attorney Oxford to discuss Agenda Items 12(a), 12(b), and 12(c). Attorney Oxford asked to address each matter separately. The Board concurred.

12(a)-Purchasing Cooperative: The Board discussed the need to join a purchasing cooperative so that the District could purchase a modular building to serve as a health clinic and be in compliance with the bidding and advertising requirements set forth in Chapter 271 of the Texas Local Government Code. Per Attorney Oxford, the purchasing cooperative he recommended joining was the Buy Board as the preferred vendor for the modular building the District was interested in was already a member of the Buy Board. Attorney Oxford then provided the Board with an interlocal agreement with the Buy Board and recommended that the District execute the agreement. (See Exhibit “F-1”)

The Board agreed and then a motion was made by Director Stramecki to authorize the President to execute the Interlocal Agreement with the Buy Board. This motion was seconded by Director Way and unanimously approved by all the Directors present.

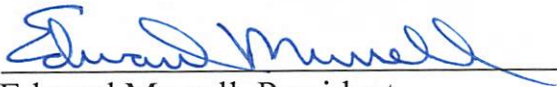
12(b)-Purchase of Modular Building: Attorney Oxford presented the information for three (3) potential modular buildings provided by Coastal Gateway and asked the Board to review. (See Exhibit “F-2”). However, Attorney Oxford expressed concerns that the information submitted was lacking details necessary to make an informed decision and recommended that the agenda item be tabled until all the necessary information was provided by Coastal Gateway. Once the additional information was received, Attorney Oxford suggested having a special meeting to acquire the building.

After reviewing the information provided, the Board asked Attorney Oxford to work with Coastal Gateway to obtain additional information and photographs of the three (3) buildings. A motion was then made by Director Stramecki to table this agenda item. This motion to table was seconded by Director Vratil and unanimously approved by all the Directors present.

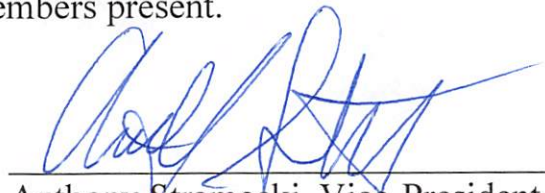
12(c)-Fair Market Value of Appraisal for Building and Parking Lot: Attorney Oxford suggested that the Board may consider getting an appraisal for the Fair Market Value of the building and parking lot located on the District’s newly acquired property located at 2626 Highway 124. Attorney Oxford advised that this may be necessary to establish a fair market value for the rent to the existing tenants.

Given that the rent was already established from the prior owner, the Board stated that they did not want to take-action on the agenda item but to possibly revisit whenever the District renegotiated the lease. Thus, no action was taken on this Agenda Item.

Thereafter, President Murrell then called for any other such matters before the Board. There being none, the Board then confirmed the date for the next Regular Meeting on July 20, 2022. A motion was made by Director Stramecki at 8:09 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