

**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., July 20, 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 6:13 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 Vratis	Director

All said Board members were present. 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
Ms. Kaley Smith	Coastal Gateway Health Center
Mr. Mo Danishmund	Chief Financial Officer, Winnie Community Hospital (“Hospital”)
Mr. Saad Javed	Winnie Community Hospital
Mr. Chris Portner	Counsel, for Hospital
Mrs. Amber Lucia	Winnie Stowell Volunteer Emergency Medical Service (“WSVEMS”)
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. Discuss and take-action, if necessary, on approving the 2021 Audit.**

Attorney Oxford informed the Board that this Agenda Item needed to be tabled because the audit for 2021 was not ready to be presented. However, he did state that the Auditors told him that they anticipate presenting the audit at August 2022 Regular Meeting.

In response, a motion was made by Director Stramecki to table Agenda Item 5. This motion was seconded by Director Way and unanimously approved by all the Board members.

**6. Review and Approve Minutes of Previous Regular Meeting on June 15, 2022 and the July 1, 2022 Special Meeting.**

The Board was then asked to consider Agenda Item No. 5, to review and approve minutes for the June 15, 2022 Regular Meeting and the Special Meeting held on July 1, 2022. The Board reviewed the minutes and had no further changes.

Consequently, Director Stramecki made a motion to approve the minutes of the June 15, 2022 Regular Meeting and the Special Meeting held on July 1, 2022.

This motion was seconded by Director Vratis, and unanimously approved by all the Board members present.

**7. 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 June 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 June 2022, the District’s budget was in order, but he did recommend making a second budget amendment at next Board meeting to update the budget for the remaining line items that still need to be amended.

Upon the completion of presenting the District’s June 2022 Financial Statements by Mr. Sticker, President Murrell called on Attorney Oxford to review the District’s Treasurer’s report through July 20, 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	\$3,373.52
Wilcox Pharmacy	Indigent Care	\$1,271.49
UTMB at Galveston	Indigent Care	\$40,633.38
UTMB Faculty Group	Indigent Care	\$3,929.65
Alliance Medical Services	IC Medical Supplies	\$175.00
Thompson Outpatient Clinic	Indigent Care	\$1,069.40
Omnipoint Health-Dental	SP Program	\$250.00
\$25 Optical	SP Program	\$140.00
Penelope (Polly) Butler	Youth Counseling	\$170.00
Nicki Holtzman	Youth Counseling	\$595.00
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$340.00
Indigent Healthcare Solutions	IC Inv #74050	\$1,109.00
Benckenstein & Oxford	Inv #50477	\$21,800.00
Hubert Oxford	Legal Retainer	\$1,000.00
David Sticker	Inv #80	\$2,781.25
Technology Solutions of Tx	Inv #1697	\$75.00
Felipe Ojedia-Yard Service	Inv #1027	\$300.00
Graciela Chavez-Office Cleaning	Inv #8018610	\$120.00
WSVEMS (dated )	Grant Inv Jun 2022	\$10,080.00
American Education Services	S Stern-Student Loan	\$150.14
Marcelous-Williams Resource Center	Grant Inv 3rd Qtrly pmt	\$13,887.50
Allegiance Bank	LOC Interest-Auto Pay	\$14,875.00
<b>Total Pending Expenses:</b>		<b>\$118,125.33</b>

Next, 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 \$16,703,474.38. Of the total funds deposited in this account, the District’s Unrestricted funds balance was \$8,824,450.97.

After a review of the funds in the First Financial Bank accounts and a discussion on the funds due for the Mission, Red Oak, and Villa at Texarkana facilities, as discussed below in Agenda Item 13, Attorney Oxford referred the Board to the Funds Summary section set forth in the following table:

Funds Summary	Totals
Prosperity Operating (Unrestricted)	\$248,453.75
First Financial (Unrestricted)	\$8,824,450.97
First Financial (Restricted)	\$7,879,023.42
TexStar	\$691,674.44
Allegiance Bank LOC (Available)	\$0.00
<b>Total District Funds</b>	<b>\$17,643,602.57</b>
Less First Financial (Restricted)	<b>(\$7,879,023.42)</b>
Less TexStar Reserve Account	<b>(\$691,674.44)</b>
Less Committed Funds (Capital Acquisition and Grant Funding-See below)	<b>(\$4,891,436.33)</b>
<b>Cash Position (Less First Financial Restricted)</b>	<b>\$4,181,468.39</b>
Pending Expenses	<b>(\$118,125.33)</b>
<b>Ending Balance (Less expenses-Available Cash, not Committed)</b>	<b>\$4,063,343.06</b>
<b>Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding)</b>	<b>\$11,633,242.14</b>

President Murrell then called for a motion to approve the financials for July 20, 2022; the Treasurer’s Report; and payment of invoices. In response, Director Stramecki made a motion, which was seconded by Director Vratis, with the unanimous approval of the Board members to: a) approve the financials for July 20, 2022; b) approve the Treasurer’s Report; and c) pay the outstanding invoices. (*See Exhibit “A-1”, “A-2”, and “A-3”*).

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**8. 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.

**9. Receive reports, by:**

**a. Administrator's Report**

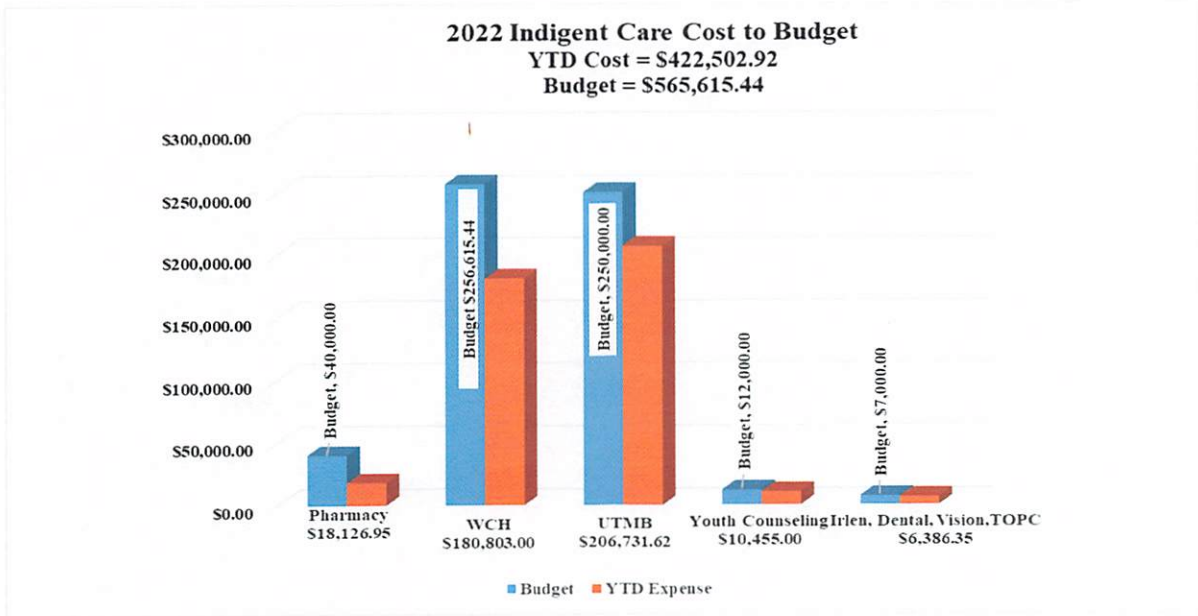
Mrs. Norris informed the Board that she did not have anything to report.

**b. District Indigent Care Director Report**

Next, Mrs. Ojeda was called on to give the Indigent Care report. Mrs. Ojeda reported that in June 2022, there were seventy-nine (79) indigent clients enrolled in the District's Indigent Care Program. This is an increase of four (4) clients from the previous month. Likewise, the District provided Youth Counseling to thirty-one (31) children, which is also the same amount as the month before. Furthermore, three (3) residents used the dental benefits in June and three (3) children received services for Irlen's in June. In both situations, the amount of dental benefits and Irlen's services provided in June 2022 was the same as the previous month. (*See Exhibit "B"*).

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

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2022 YTD Percentage of Total Service Charges for Riceland Services				
Source	Description	Amount Bil	Amount Paid	% of Tot
20	Physical Therapy	\$8,027.00	\$5,618.90	3.11%
21	Wch Clinic	\$36,824.01	\$15,135.40	8.37%
23	Wch Inpatient	\$20,847.00	\$12,716.67	7.03%
24	Wch ER	\$79,172.00	\$45,952.67	25.42%
25	Wch Lab/Xray	\$101,915.00	\$71,340.50	39.46%
26	Wch Ct Scan	\$24,559.00	\$17,191.30	9.51%
28	Wch MRI	\$52,716.00	\$2,641.22	1.46%
29	Wch Ultrasound	\$13,287.00	\$9,300.90	5.14%
44	Wch Xray Readings	\$6,546.00	\$905.44	0.50%
<b>Expenditures/Reimbursements/Adjustments</b>		<b>\$343,893.01</b>	<b>\$180,803.00</b>	<b>100%</b>
<b>Grand Total</b>		<b>\$343,893.01</b>	<b>\$180,803.00</b>	<b>100%</b>

Thereafter, Mrs. Ojeda presented reports on the County Van, Marcelous Williams, and the Winnie Stowell Emergency Medical Services (“WSEMS”). A summary of activity for July 2022 is as follows:

District Program	Residents Served	District Indigent Clients
County Van	60	2
Marcelous Williams	25	24
	<b>Transports</b>	<b>Transports From Riceland</b>
WSEMS Transport Van	15	9

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”), Ms. Kaley Smith presented the Board with Coastal Gateway monthly report. (*See Exhibit “C”*). In addition to reviewing the various line items in the report and asked for any questions, Ms. Smith informed the Board that at the next Board meeting, she was going to request another draw against their grant award to bring Coastal Gateway’s bank balance back to \$250,000.00. In response, Mr. David Sticker and Attorney Oxford expressed with Ms. Smith their willingness to work with her to create a standardized draw request form. Otherwise, nothing further was discussed.

**e. LTC Report**

This month, David Smith, with LTC presented the LTC Report for June 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 June 2022.

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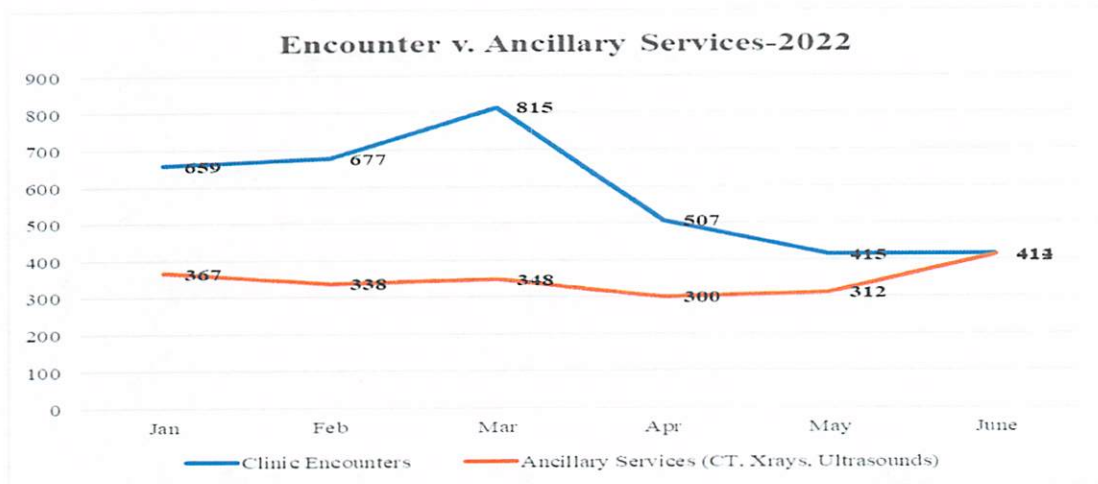
2022								
Census	Jan	Feb	Mar	Apr	May	June	Average	Texas Average
ER Visits	210	161	215	229	240	245	217	
Conversion to Inpatient/observation	17	18	26	24	20	16	20	
Percentage	8%	11%	12%	10%	8%	7%	9%	
Transferred out	13	10	12	12	11	15	12	
Percentage	6%	6%	6%	5%	5%	6%	6%	
ER shifts covered by doctors	3%	4%	3%	3%	3%	0%	3%	
Number Inpatient days	187	171	127	74	125	163	141	
Number Hospice days	0	4	8	5	7	0	4	
Number Swingbed days	27	47	53	60	67	218	79	
Number Observation days	47	38	29	24	51	14	34	
Total All Inpt. Days	261	260	217	163	250	395	258	
Average Inpatient days per day	8.42	9.29	7.00	5.43	8.06	13.17	8.56	1.63
CTs	70	56	85	77	47	44	63	
Xrays	268	241	228	198	225	340	250	
Ultrasounds	29	41	35	25	40	28	33	
Encounters - Adult Clinic	471	445	499	262	220	227	354	
Encounters - Pediatric Clinic	188	232	316	245	195	187	227	
Behavioral Health patients	30	29	31	32	44	43	35	
Physical Therapy	1	1	0	0	0	2	1	

After reviewing the monthly statistics, Mr. Javid then informed the Board that the Board of the following:

- Hospital was currently handling another influx of additional Covid as inpatients;
- The Hospital was currently evaluating the need to replace its Electronic Medical Records (“EMR”) system because the current system is being modified and the modified version of the system may not satisfy the Hospital’s needs.
- The Hospital was marketing for new providers and new patients for the clinic because the volume was down due to the departure of Dr. Boutte and Mr. Danny Thompson. A line chart of the Ancillary Services and the Clinic for the year is as follows:

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Before concluding, the representatives of the Hospital, WSVEMS, and the District’s Board discussed the status of the self-pay ambulance patient invoices owed to the WSVEMS. Since January 2022, according to the Indigent Care Report, there have been twenty-four (24) self-pay transports in which the Hospital is going to be billed \$35,700.00. However, according to the Hospital, they have not been invoiced for these services and or for the self-pay clients prior to 2022. In response, Mrs. Lucia, with the WSVEMS asked that the WSVEMS work with the Hospital to resolve the payment issues and to finalize an agreement for services with the Hospital. The Board concurred and expressed to Mrs. Lucia that this is a matter to be addressed between the Hospital and the WSVEMS.

**10. Discuss and take-action, if necessary, on approving agreement with the Chambers County Clerk to conduct the District’s November 8, 2022 director’s election.**

Staff was called on to present the election agreement with the County to administer the November 8, 2022 general election. Staff asked that the Agenda Item be tabled since the agreement had not been received prior to the meeting.

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

**11. Discuss and take-action, if necessary, on approving grant requests, including request by Hospital and tuition loan repayment request.**

President Murrell then called on Directors Stramecki and Vratiss to discuss the proposed Tuition Loan Repayment Policy set forth in **Exhibit “E”**. Director Stramecki reminded the Board that during the June 15, 2022 Regular Meeting, the Agenda Item was tabled because Attorney Oxford was asked to revise the draft policy to include provisions for part-time and volunteers to participate in the Tuition program subject to their being able to demonstrate active participation with the healthcare provider (i.e., emergency response organization). Attorney Oxford informed the Board that the revision was made and set forth in Section 3(g) of the proposed policy. The Board then reviewed Section 3(g) and agreed to the proposed revisions.

President Murrell then called on Riceland Hospital staff to discuss the Hospital’s request for assistance with the repayment demand by the Texas Health and Human Services Commission for \$580,527.00 resulting from an overpayment from the DY-7 Uncompensated Care funds. This month, Riceland and Finance Committee announced that they had met prior to the meeting but Director Stramecki informed the Board that he was still unsure of the reason behind the repayment demand. Per Director Stramecki, the issue outstanding was whether the repayment demand was caused by the Hospital including services in the application for the Uncompensated Care funds that did not qualify or if the repayment was due to factors outside of the Hospital’s control such a change in the formula or an outside lawsuit involving children’s hospitals. The Board then discussed possible assistance amounts with President Murrell stating that if the Hospital were to repay the entire \$580,527.00, then the District would receive \$250,323.24 as the District’s share of IGT funds that it over paid. Assuming that to be the case, President Murrell then stated that he was considering paying the District’s portion of the repayment request resulting from the overpayment of the IGT in the amount of \$250,323.24 but upon receipt these funds from the State of Texas, the District would be reimbursed. Therefore, if the District paid a portion of the repayment demand, the District would receive a refund of its contribution and then the only funds the District would not recoup was this same amount in the original IGT. Nevertheless, it was agreed by all

parties to table this Agenda Item until the District could get further clarification of the reasoning for the repayment demand.

Following the discussion of the revised Tuition Loan Repayment policy and the request by the Hospital, a motion was made by Director Stramecki to:

1. Adopt the proposed Loan Tuition Policy set forth in **Exhibit “E”**; and
2. Table the Hospital’s request for assistance with repayment of the DY-7 Uncompensated Care funds.

Director Stramecki’s motion was seconded by Director Vratis and unanimously approved by all the Board members.

**12. Discuss and take-action, if necessary, on the following agenda items for property located at 2626 Highway 124:**

- a. Engage engineering firm(s) to perform a drainage study and to prepare design specifications for a foundation that satisfies the Windstorm specifications.**
- b. Authorize the Board President to enter into a lease agreement with tenants.**

Turning to Agenda Item 12, President Murrell called on Attorney Oxford to discuss. Attorney Oxford first requested that the Board table the adoption of the lease with the tenants that were occupying the building at the District’s Highway 124 property. Per Attorney Oxford, the tenants were in the process of entering into a franchise agreement with the managers of the Tony’s BBQ restaurant who will ultimately be the tenants in the lease with the District. As such, this Agenda Item was not ripe for action.

Next, Attorney presented the Board with three proposals by qualified architects to perform a drainage study on the new Highway 124 property and to assist with the Windstorm Certification for the foundation on which the District’s modular building would rest. (*See Exhibit “F”*). After a review of the professional services proposals pursuant to Chapter 2254 of the Texas Government Code, the Board chose

the proposal by Fittz & Shipman to assist with the drainage study for the property and to assist with the new modular building's foundation Windstorm Certification.

Subsequently, a motion was made by Director Stramecki to:

1. to engage Fittz & Shipman to assist with assist with the drainage study for the Highway 124 property and to assist with the new modular building's foundation Windstorm Certification"; and
2. Table the adoption of a lease agreement for the building located on the Highway 124 property.

Director Stramecki's motion was seconded by Director Way and unanimously approved by all the Board members.

**13. Discuss and take-action, if necessary, on approving the distribution of QIPP Year 5 Funds for the Villa of Texarkana**

Lastly, President Murrell once again called on Attorney Oxford to address this Agenda Item. Attorney Oxford explained that like the Mission and Red Oak facilities, the Villa at Texarkana, which was acquired by the District on April 1, 2022, also previously participated in the QIPP program as a private facility. However, since being acquired by the District, the District had been receiving QIPP funds for the facility and discussed whether the Board would agree to allow the facility to keep the Component payments from QIPP Year 5 subject to an agreement that any Component 1, 4, Lapsing Funds associated with Component 4, and any Variance payments associated with Component 1 and 4 be assigned by Caring Healthcare for capital projects to improve any Caring Healthcare facility owned and operated by the District. If the Board agreed, this would be consistent with the District's actions involving the Mission and Red Oak facilities. After a discussion on the issue, the Board agreed to request Attorney Oxford to prepare an agreement to ratify the terms.

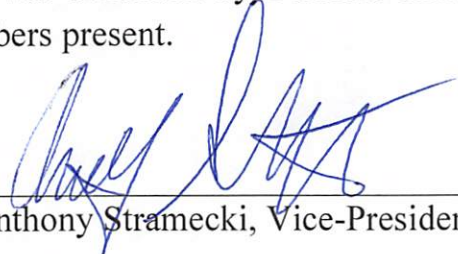
A motion was made by Director Stramecki to authorize the execution of an agreement with the Villa at Texarkana to allow the facility to retain the QIPP Year 5 Component payments with the requirement that any Component 1, 4, Lapsing Funds associated with Component 4, and any Variance payments associated with Component 1 and 4 be assigned by Caring Healthcare for capital projects to improve any Caring Healthcare facility owned and operated by the District. Director

Stramecki's motion was seconded by Director Way and unanimously approved by all the Board members present.

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 August 17, 2022. A motion was made by Director Stramecki at 8:27 p.m., to adjourn the meeting. This motion was seconded by Director Rollo and unanimously approved by all the Board members present.



Edward Murrell, President



Anthony Stramecki, Vice-President