

# **Exhibit “A”**



# WINNIE-STOWELL HOSPITAL DISTRICT

2020 AUDIT RESULTS

JANUARY 19, 2022





# urbin & Company, L.L.P.

Steven M. Thummel, CPA

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# Agenda & Highlights

- Current Year Results
  - Unmodified Opinion
- Comparison to Previous Years
- Governance Letter



# Balance Sheet

<b>ASSETS:</b>	<u>2020</u>	<u>2019</u>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 11,079,682	\$ 8,228,489
Short-Term Investments	6,109,405	2,893,276
Assets Restricted by Contributors or Grantors	2,060	-
Patient Accounts Receivable, Net of Allowance	28,197,516	29,598,324
Nursing Home Supplemental Payment Receivable	8,380,760	5,334,452
Prepaid and Other Current Assets	25,076,993	9,442,502
Sales Taxes Receivable	<u>111,050</u>	<u>142,755</u>
Total current assets	78,957,466	55,639,798
<b>CAPITAL ASSETS, NET</b>		
Construction-in-Progress	-	21,700
Depreciable Capital Assets, Net	<u>\$ 126,462</u>	<u>\$ -</u>
Total Capital Assets, Net	<u>\$ 126,462</u>	<u>\$ 21,700</u>
Total Assets	<u>\$ 79,083,928</u>	<u>\$ 55,661,498</u>



# Balance Sheet

## LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION:

	<u>2020</u>	<u>2019</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 32,384,529	\$ 27,682,833
Accrued Payroll, Benefits, and Related Liabilities	3,715	3,538
Notes Payable	<u>23,304,017</u>	<u>14,180,780</u>
Total Current Liabilities	<u>55,692,261</u>	<u>41,867,151</u>
Total Liabilities	<u>55,692,261</u>	<u>41,867,151</u>
DEFERRED INFLOWS OF RESOURCES	9,570,728	-
NET POSITION		
Invested in Capital Assets Net of Related Debt	126,462	21,700
Unrestricted	<u>13,694,477</u>	<u>13,772,647</u>
Total Net Position	<u>13,820,939</u>	<u>13,794,347</u>
Total Liabilities and Net Position	<u>\$ 79,083,928</u>	<u>\$ 55,661,498</u>



# Income Statement

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:		
Net Nursing Home Patient Service Revenue	\$ 235,510,870	\$ 209,878,521
Other Revenue	13,222	9,839
Total Operating Revenues	<u>235,524,092</u>	<u>209,888,360</u>
OPERATING EXPENSES:		
Salaries	117,525	98,549
Employee Benefits	10,124	6,863
Nursing Home Expenses	221,915,400	199,408,758
Indigent Care	622,402	1,673,947
Legal and Consulting Fees	1,923,116	1,868,842
Other Operating	19,122,504	6,508,203
Depreciation and Amortization	3,021	-
Total Operating Expenses	<u>243,714,092</u>	<u>209,565,162</u>
Operating Income (Loss)	(8,190,000)	323,198
NONOPERATING REVENUES (EXPENSES):		
Sales Tax Revenue	645,787	768,179
CAREs Act Provider Relief Funds	9,545,150	-
Investment Income	43,981	73,238
Interest Expense	<u>(2,018,326)</u>	<u>(1,614,016)</u>
Total Nonoperating Revenues (Expenses)	<u>8,216,592</u>	<u>(772,599)</u>
Excess of Revenues Over Expenses Before Capital Grants and Contributions	<u>26,592</u>	<u>(449,401)</u>
Increase (Decrease) in Net Position	26,592	(449,401)
Net Position, Beginning of Year	<u>13,794,347</u>	<u>14,243,748</u>
Net Position, End of Year	<u>\$ 13,820,939</u>	<u>\$ 13,794,347</u>



# PRF Reporting Requirements

- Two-Step Process:
  - Step 1: Calculate Healthcare Related Expenses Attributable to Coronavirus
    - Unreimbursed Expenses Incurred to Prevent, Prepare for, and/or Respond to Coronavirus
    - The District received \$19,115,877 of provider relief funds in 2020. All amounts were transferred to the respective nursing homes and the District recognized \$9,545,150 of unreimbursed expenses and lost revenues associated with the nursing homes in 2020.
  - Step 2: Remaining PRF funds are Applied to Patient Care Lost Revenues
    - The Difference between 2019 and 2020 actual patient care revenue received.





# Governance Letter

- Professional standards require that we provide you with information related to our audit:
  - Our responsibility under audit standards
  - Planned Scope and Timing
  - Significant Audit Findings:
    - Difficulties, if any, Encountered in Performing Audit
    - Corrected and Uncorrected Misstatements
      - Entries to record nursing home activity and adjust the QIPP receivable (decrease in net position of \$4,650,761)
    - Disagreements with Management, if any
    - Management Representations



# Questions?

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**Winnie-Stowell Hospital District  
Winnie, Texas**

**DRAFT**

**For the Years Ended  
December 31, 2020 and 2019**



## INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management  
Winnie-Stowell Hospital District  
Winnie, Texas

We have audited the accompanying financial statements of Winnie-Stowell Hospital District (the "District"), as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Winnie-Stowell Hospital District's statements of net position, and the related statements of revenues, expenses, and changes in net position, and cash flows.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Winnie-Stowell Hospital District as of December 31, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management discussion and analysis on pages A-1 through A-4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Durbin & Company, L.L.P.  
Lubbock, Texas  
January 18, 2022

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**Winnie-Stowell Hospital District  
Winnie, Texas**

**Management's Discussion and Analysis**

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**For the Years Ended  
December 31, 2020 and 2019**

**WINNIE-STOWELL HOSPITAL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AND FINANCIAL STATEMENTS**

Our discussion and analysis of Winnie-Stowell Hospital District's financial performance provides an overview of the District's financial activities for the fiscal years ended December 31, 2020 and 2019. Please read it in conjunction with the District's financial statements, which begin on page 1.

**FINANCIAL HIGHLIGHTS**

- The District's net position increased in 2020 by \$26,592 or 0.2% and decreased in 2019 by \$449,401 or 3.2%.
- The District's net patient service revenue increased in 2020 by \$25,632,349 or 12.2% and increased in 2019 by \$20,462,494 or 10.8%.
- The District's operating expenses increased in 2020 by \$34,148,930 or 16.3% and increased in 2019 by \$22,062,981 or 11.8%.
- The District's non-operating revenues and expenses increased in 2020 by \$8,989,191 or 1163.5% and decreased in 2019 by \$434,455 or 128.5%.

**USING THIS ANNUAL REPORT**

The District's financial statements consist of three statements, a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Fund Net Position; and a Statement of Cash Flows. These financial statements and related notes provide information about the activities of the District, including resources held by the District but restricted for specific purposes by contributors, grantors, and enabling legislation.

**The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position**

Our analysis of the District's finances begins on page A-2. One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District's resources and its activities in a way that helps answer this question. These statements include all restricted and unrestricted assets and all liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes to it. You can think of the District's net position—the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as measures of the quality of service it provides to the community, as well as local economic factors to assess the overall health of the District.

**WINNIE-STOWELL HOSPITAL DISTRICT  
UNAUDITED MANAGEMENT’S DISCUSSION AND ANALYSIS  
AND FINANCIAL STATEMENTS (CONTINUED)**

**The Statement of Cash Flows**

The final required statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. It provides answers to such questions as “Where did cash come from?” “What was cash used for?” and “What was the change in cash balance during the reporting period?”

**THE DISTRICT’S NET POSITION**

The District’s net position is the difference between its assets and liabilities reported in the Statement of Net Position on page 2. The District’s assets, liabilities, and net position are summarized in **Table 1**. The total net position represents the District’s net worth.

**Table 1: Assets, Liabilities, and Net Position**

	2020	2019	2018
Assets:			
Current Assets	\$ 78,957,466	\$ 55,639,798	\$ 43,571,305
Capital Assets (net)	126,462	21,700	-
Total Assets	<u>\$ 79,083,928</u>	<u>\$ 55,661,498</u>	<u>\$ 43,571,305</u>
Liabilities:			
Other Current and Non-Current	\$ 55,692,261	\$ 41,867,151	\$ 29,327,557
Deferred Inflows of Resources	9,570,728	-	-
Total Net Position	<u>13,820,939</u>	<u>13,794,347</u>	<u>14,243,748</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 79,083,928</u>	<u>\$ 55,661,498</u>	<u>\$ 43,571,305</u>

A significant component of the change in the District’s assets is the increase in prepaid and other current assets in the amount of \$15,634,491 in 2020, and the increase in patient accounts receivable of \$7,133,802 in 2019. A significant component of the change in the District’s liabilities, deferred inflows of resources and net position is the increase in deferred inflows of resources of \$9,570,728 which is related to the receipt of provider relief funds discussed in Note 13.



**WINNIE-STOWELL HOSPITAL DISTRICT  
UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS  
AND FINANCIAL STATEMENTS (CONTINUED)**

**OPERATING RESULTS AND CHANGES IN THE HOSPITAL'S NET POSITION**

In 2020 and 2019, the District's net position increased in 2020 by \$26,592 or 0.2% and decreased in 2019 by \$449,401 or 3.2%.

	2020	2019	2018
<b>Operating Revenues:</b>			
Net Patient Service Revenue	\$ 235,510,870	\$ 209,878,521	\$ 189,416,027
Other Operating Revenue	13,222	9,839	9,734
Total Operating Revenue	<u>235,524,092</u>	<u>209,888,360</u>	<u>189,425,761</u>
<b>Operating Expenses:</b>			
Salaries	117,525	98,549	75,135
Employee Benefits	10,124	6,863	6,081
Nursing Home Expenses	221,915,400	199,408,758	178,967,254
Indigent Care	622,402	1,673,947	1,257,687
Legal and Consulting Fees	1,923,116	1,868,842	1,739,724
Other Operating	19,122,504	6,508,203	5,456,300
Depreciation and Amortization	3,021	-	-
Total Operating Expenses	<u>243,714,092</u>	<u>209,565,162</u>	<u>187,502,181</u>
Operating Income (Loss)	<u>(8,190,000)</u>	<u>323,198</u>	<u>1,923,580</u>
<b>Nonoperating Revenues and (Expenses):</b>			
Sales Tax Revenue	645,787	768,179	500,912
CAREs Act Provider Relief Funds	9,545,150	-	-
Investment Income	43,981	73,238	48,674
Interest Expense	<u>(2,018,326)</u>	<u>(1,614,016)</u>	<u>(887,730)</u>
Total Nonoperating Revenue / (Expense)	<u>8,216,592</u>	<u>(772,599)</u>	<u>(338,144)</u>
Increase (Decrease) in Net Position	<u>\$ 26,592</u>	<u>\$ (449,401)</u>	<u>\$ 1,585,436</u>

**Operating Income (Loss)**

Contributing to the overall change of the District's net position is its operating income, generally, the difference between the net patient service revenue and the expenses incurred to perform those services. The District has reported an operating income (loss) of (\$8,190,000) and \$323,198 in 2020 and 2019, respectively.

**WINNIE-STOWELL HOSPITAL DISTRICT  
UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS  
AND FINANCIAL STATEMENTS (CONTINUED)**

**Nonoperating Revenues and Expenses**

Nonoperating revenues consist primarily of sales taxes levied by the state and provider relief funds. The District received \$122,392 less in taxes in 2020, while in 2019 the taxes collected increased by \$267,267. The District recognized provider relief funds of \$9,545,150 as of December 31, 2020. Nonoperating expenses consist primarily of interest expense. The District paid \$404,310 more in interest in 2020 and \$726,286 more in 2019.

**THE DISTRICT'S CASH FLOWS**

Changes in the District's cash flows are consistent with changes in operating losses and nonoperating revenues and expenses previously discussed.

**DEBT ADMINISTRATION**

**Debt**

At December 31, 2020 and 2019, the District had \$23,304,017 and \$14,180,780, respectively, in notes payable as detailed in Note 8 of the financial statements.

**Other Economic Factors**

The District maintains good relations with various employers in the area. The District seeks to maintain its provider status in the many health insurance networks that local employers participate in. The District will continue to look for ways to foster its relationship with local employers and work towards promoting the services it offers to potential patients in the area.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our patients, suppliers, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact, the District's office at Winnie-Stowell Hospital District, 538 Broadway, Winnie, Texas 77665.

**Winnie-Stowell Hospital District  
Winnie, Texas**

**Financial Statements**

**DRAFT**

**For the Years Ended  
December 31, 2020 and 2019**

**WINNIE-STOWELL HOSPITAL DISTRICT**  
**STATEMENTS OF NET POSITION**  
**DECEMBER 31, 2020 AND 2019**

<b>ASSETS:</b>	2020	2019
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 11,079,682	\$ 8,228,489
Short-Term Investments	6,109,405	2,893,276
Assets Restricted by Contributors or Grantors	2,060	-
Patient Accounts Receivable, Net of Allowance	28,197,516	29,598,324
Nursing Home Supplemental Payment Receivable	8,380,760	5,334,452
Prepaid and Other Current Assets	25,076,993	9,442,502
Sales Taxes Receivable	111,050	142,755
Total current assets	78,957,466	55,639,798
<b>CAPITAL ASSETS, NET</b>		
Construction-in-Progress	-	21,700
Depreciable Capital Assets, Net	\$ 126,462	\$ -
Total Capital Assets, Net	\$ 126,462	\$ 21,700
Total Assets	\$ 79,083,928	\$ 55,661,498

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT  
STATEMENTS OF NET POSITION**

**DECEMBER 31, 2020 AND 2019**

**LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES, AND NET POSITION:**

	<u>2020</u>	<u>2019</u>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	32,384,529	27,682,833
Accrued Payroll, Benefits, and Related Liabilities	3,715	3,538
Notes Payable	<u>23,304,017</u>	<u>14,180,780</u>
Total Current Liabilities	<u>55,692,261</u>	<u>41,867,151</u>
Total Liabilities	<u>55,692,261</u>	<u>41,867,151</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	 9,570,728	 -
 <b>NET POSITION</b>		
Invested in Capital Assets Net of Related Debt	126,462	21,700
Unrestricted	<u>13,694,477</u>	<u>13,772,647</u>
Total Net Position	<u>13,820,939</u>	<u>13,794,347</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 79,083,928</u></u>	<u><u>\$ 55,661,498</u></u>

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>OPERATING REVENUES:</b>		
Net Nursing Home Patient Service Revenue	\$ 235,510,870	\$ 209,878,521
Other Revenue	13,222	9,839
Total Operating Revenues	235,524,092	209,888,360
<b>OPERATING EXPENSES:</b>		
Salaries	117,525	98,549
Employee Benefits	10,124	6,863
Nursing Home Expenses	221,915,400	199,408,758
Indigent Care	622,402	1,673,947
Legal and Consulting Fees	1,923,116	1,868,842
Other Operating	19,122,504	6,508,203
Depreciation and Amortization	3,021	-
Total Operating Expenses	243,714,092	209,565,162
Operating Income (Loss)	(8,190,000)	323,198
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Sales Tax Revenue	645,787	768,179
CAREs Act Provider Relief Funds	9,545,150	-
Investment Income	43,981	73,238
Interest Expense	(2,018,326)	(1,614,016)
Total Nonoperating Revenues (Expenses)	8,216,592	(772,599)
Excess of Revenues Over Expenses Before Capital Grants and Contributions	26,592	(449,401)
Increase (Decrease) in Net Position	26,592	(449,401)
Net Position, Beginning of Year	13,794,347	14,243,748
Net Position, End of Year	\$ 13,820,939	\$ 13,794,347

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT  
STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from and on Behalf of Patients	\$ 217,499,352	\$ 190,643,540
Other Receipts and Payments, net	13,222	9,839
Indigent Care Support	(12,746,337)	(3,911,689)
Payments to Suppliers and Contractors	(225,403,862)	(184,237,051)
Payments to Employees	(127,472)	(103,652)
Net cash provided by (used in) operating activities	(20,765,097)	2,400,987
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Earnings	43,981	73,238
Purchase of Investments	(3,218,189)	(53,518)
Net Cash Provided by (Used in) Investing Activities	(3,174,208)	19,720
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of Capital Assets	(107,783)	(21,700)
Net Cash Provided by (Used in) Capital and Related	(107,783)	(21,700)
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Sales Tax	677,492	717,100
CAREs Act Provider Relief Funds	19,115,878	-
Principal Payments on Debt and Notes Payable	(14,180,780)	(10,684,865)
Proceeds From Issuance of Long-Term Debt and Notes Payable	23,304,017	12,180,780
Interest Payments on Long-Term Debt and Notes Payable	(2,018,326)	(1,614,016)
Net Cash Provided by (Used in) Noncapital Financing Activities	26,898,281	598,999
Net Increase (Decrease) in Cash and Cash Equivalents	2,851,193	2,998,006
Cash and Cash Equivalents, Beginning of Year	8,228,489	5,230,483
Cash and Cash Equivalents, End of Year	\$ 11,079,682	\$ 8,228,489

The accompanying notes are an integral part of these financial statements.

**WINNIE-STOWELL HOSPITAL DISTRICT  
STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>RECONCILIATION OF CASH AND EQUIVALENTS TO THE BALANCE SHEETS</b>		
Cash and equivalents presented under the following titles:		
Cash and Cash Equivalents	\$ 11,079,682	\$ 8,228,489
	\$ 11,079,682	\$ 8,228,489
<b>RECONCILIATION OF NET INCOME TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating Income (Loss)	(8,190,000)	323,198
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows Used in Operating Activities:		
Depreciation and Amortization	3,021	-
(Increase) Decrease in:		
Accounts Receivable	1,400,808	(7,133,802)
Prepaid Expenses and Other Current Assets	(15,634,491)	(982,151)
Nursing Home Supplemental Payment Receivable	(3,046,308)	(849,937)
Increase (Decrease) in:		
Accounts Payable	4,701,696	11,041,919
Accrued Salaries and Benefits Payable	177	1,760
Net Cash Provided By (Used in) Operating Activities	\$ (20,765,097)	\$ 2,400,987

The accompanying notes are an integral part of these financial statements.



**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization** - The Winnie-Stowell Hospital District (the “District”) was formed as a political subdivision under the laws of the State of Texas, and became effective on January 1, 2005, in the eastern portion of Chambers County, Texas. The District is governed by an elected five-member board of directors serving four-year terms. As a hospital district it is not controlled by or dependent upon any other entity and does not exercise control over operations of any other entity. During 2014, the District entered into operations transfer agreements with thirteen nursing facilities which transferred the operations and certain operating assets of each facility. The District has also received an assignment or transfer of the Medicare and Medicaid Provider agreements for each facility.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America.

**Enterprise Fund Accounting** – The District uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. The District has elected to apply the provisions based on Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The District has also elected to apply the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

**Newly Adopted Accounting Pronouncements**

**GASB Statement No. 88** – In April 2018, GASB issued GASB Statement No. 88 – Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Statement is effective for reporting periods beginning after June 15, 2018. The implementation of this statement had no effect on the change in net position.

**GASB Statement No. 90** – In June 2018, GASB issued GASB Statement No. 90 – *Majority Equity Interests*. The objective of this Statement is to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The Statement is effective for periods beginning after December 15, 2018. The implementation of this statement has no effect on the change in net position.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Newly Adopted Accounting Pronouncements (Continued)**

**GASB Statement No. 95** – In May 2020, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stake holders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for the periods beginning after June 15, 2018, or later.

- The effective date for GASB Statement No. 87 has been postponed from reporting periods beginning after December 15, 2019 to reporting periods beginning after June 15, 2021.
- The effective date for GASB Statement No. 89 has been postponed from reporting periods beginning after December 15, 2019 to reporting periods beginning after December 15, 2020.
- The effective date for GASB Statement No. 90 has been postponed from reporting periods beginning after December 15, 2018 to reporting periods beginning after December 15, 2019.
- The effective date for GASB Statement No. 91 has been postponed from reporting periods beginning after December 15, 2020 to reporting periods beginning after December 15, 2021.
- The effective date for GASB Statement No. 92 has been postponed from reporting periods beginning after June 15, 2020 to reporting periods beginning after June 15, 2021.

**New Pending Accounting Pronouncements**

**GASB Statement No. 87** – In June 2017, GASB issued GASB Statement No. 87 – *Leases*. The objective of this Statement is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. In accordance with GASB Statement No. 95, the Statement is effective for reporting periods beginning after June 15, 2021. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

**GASB Statement No. 89** – In June 2018, GASB issued GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about the capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. In accordance with GASB Statement No. 95, the Statement is effective for reporting periods beginning after December 15, 2020. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

**GASB Statement No. 91** – Governmental Accounting Standards Board Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. In accordance with GASB Statement No. 95, the Statement is effective for reporting periods beginning after December 15, 2021.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**New Pending Accounting Pronouncements (Continued)**

**GASB Statement No. 92** – In January 2020, the Governmental Accounting Standards Board (“GASB”) issued GASB Statement No. 92 – *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of GASB Statement No. 87, *Leases* to be effective for *fiscal years* beginning after December 15, 2019 and is effective for all reporting periods thereafter;
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB);
- The applicability of GASB Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended*, and No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans, as amended*, to reporting assets accumulated for postemployment benefits;
- The applicability of certain requirements of GASB Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements;
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition;
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers;
- Reference to nonrecurring fair value measurements of assets and liabilities in authoritative literature;
- Terminology used to refer to derivative instruments.

The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance;
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021, in accordance with GASB Statement No. 95;
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021, in accordance with GASB Statement No. 95;
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021, in accordance with GASB Statement No. 95.

Management is currently evaluating the effect this statement will have on the financial statements and related disclosures.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents** - The District considers highly liquid investments with an original maturity of three months or less to be cash equivalents, excluding amounts whose use is limited by board designation or other arrangements under trust agreements.

**Patient Accounts Receivable** – The allowance for estimated uncollectible patient accounts receivable is maintained at a level which, in management’s judgment, is adequate to absorb patient account balance write-offs inherent in the billing process. The amount of the allowance is based on management’s evaluation of the collectability of patient accounts receivable, including the nature of the accounts, credit concentrations, and trends in historical write-off experience, specific impaired accounts, and economic conditions. Allowances for uncollectibles and contractuals are general determined by applying historical percentages to financial classes within accounts receivable. The allowances are increased by a provision for bad debt expenses and contractual adjustments, and reduced by write-offs, net of recoveries.

**Investments** – The District is authorized to invest excess working capital and assets whose use is limited in certificate of deposit, money market accounts, or U.S. government securities. The District can invest its excess working capital monies in certificates of deposit at its designated depository and other financial institutions. Investments at the District’s depository are secured by the Federal Deposit Insurance Corporation (FDIC) or through the purchase of collateral in the form of US government securities by the depository.

**Assets Whose Use is Limited** - Assets whose use is limited (if any) include assets held under indenture agreements and designated assets set aside by the board of directors to be used for capital expenditures over which the board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of the District have been reclassified as current assets

**Capital Assets** – Capital assets are carried at cost. Contributed capital assets are reported at their estimated fair value at the time of their donation. Equipment under capital lease obligations is amortized on the straight-line method over the shorter of the lease term or the estimated useful life of the equipment life. Such amortization is included in depreciation and amortization in the financial statements. Except for capital assets acquired through gifts, contributions, or capital grants, interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring these assets.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The District has elected to capitalize expenditures over \$5,000 and provide for depreciation of capital assets by the straight-line method at rates promulgated by the American Hospital Association, which are designed to amortize the cost of such equipment over its useful life as follows:

Building	5 to 50 years
Major Moveable Equipment	3 to 20 years

**Net Position** – Net position of the District is classified into two components. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets.

**Operating Revenues and Expenses** – For purposes of display, the District’s statements of revenues, expenses and changes in net position distinguishes between operating and non-operating revenues and expenses. Operating revenues and expenses result from exchange transactions associated with providing health care services - the District’s principal activity. Non-exchange revenues and expenses, including taxes, grants and contributions, and intergovernmental transfers received for purposes other than capital asset acquisition, are reported as non-operating revenues and expenses. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

**Federal Income Taxes** - The District is a political subdivision under the laws of the State of Texas, and therefore, it is exempt from federal income tax pursuant to Section 115 of the Internal Revenue Code. Additionally, pursuant to Section 1.6033-2(g)(6) of the Income Tax Regulations, it is not required to file an information return form 990.

**Indigent Care** – The District provides payment for services to health care providers for certified indigents who have applied and met the District’s criteria for indigent care. The District pays a discounted rate which in most cases is equal to the Medicaid reimbursement rates.

**Sales Tax Revenue** – Sales taxes are collected by the state of Texas and remitted to the District monthly. The tax is collected by the vendor and is required to be remitted to the state by the 20<sup>th</sup> of the month following collection. The tax is then paid to the District by the Friday following the second Wednesday of the subsequent month. These funds were used to support operations.

**Risk Management** - The District is exposed to various risks of loss from torts: theft of, damage to and destruction of assets; business interruption; errors and omissions and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage during the year.

**Reclassifications** – Certain reclassifications have been made to the 2019 financial statements to conform to the 2020 financial statement presentation. These reclassifications had no effect on the change in net position.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 2 – NURSING HOME NET PATIENT SERVICE REVENUE**

A significant portion of the District’s nursing home revenues and related accounts receivable are derived from programs administered by various federal and state agencies. Accordingly, the District is subject to regulatory requirements imposed by these governmental agencies. Revenues under certain of these programs are subject to examination and retroactive adjustment. Management does not expect a material settlement to result from any such examinations.

Patient service revenue for the Nursing Homes is comprised as follows:

	<u>2020</u>	<u>2019</u>
SNF Patient Revenue	\$ 202,484,477	\$ 188,518,554
Other Revenue	22,555,089	13,317,896
Supplemental Payments	<u>16,366,018</u>	<u>11,251,242</u>
Gross Nursing Home Patient Service Revenue	241,405,584	213,087,692
Provision for Bad Debts	<u>(5,894,714)</u>	<u>(3,209,171)</u>
Net Nursing Home Patient Service Revenue	<u><u>\$ 235,510,870</u></u>	<u><u>\$ 209,878,521</u></u>

**NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS**

At December 31, 2020 and 2019, the carrying amount of the District’s deposits with financial institutions was \$10,434,683 and \$7,397,900, respectively, and the bank balance was \$10,554,762 and \$7,421,928, respectively.

	<u>2020</u>	<u>2019</u>
Amount insured by the FDIC	\$ 1,359,405	\$ 1,086,048
Amount collateralized with securities held by the pledging financial institution's trust department in the District's name	<u>15,142,411</u>	<u>9,468,714</u>
Total bank balance	<u><u>\$ 16,501,816</u></u>	<u><u>\$ 10,554,762</u></u>



**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 4 – INVESTMENTS**

The District has funds invested in TexSTAR which is reported as cash and equivalents. TexSTAR is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. TexSTAR is administered by First Southwest Asset Management, Inc. and JP Morgan Chase. The fund is rated AAAM by Standard and Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The fund seeks to maintain a constant dollar objective and fulfills all requirements of the Texas Public Funds Investment Act for local government investment pools. At December 31, 2020 and 2019, the carrying amount of the District's deposits with financial institutions was \$690,359 and \$687,082, respectively. Separate financial statements can be obtained by sending TexSTAR a fax or calling 1-800-TEX-STAR.

TexSTAR is a member of Securities Investor Protection Corporation (SIPC). The SIPC provides \$500,000 of coverage for missing securities, including \$250,000 for claims of cash awaiting reinvestment. Market losses are not covered by SIPC.

The District's investments may be exposed to the following types of risk:

**Interest Rate Risk** – Interest rate risk is the risk that the market values of investments will change based on changes in market interest rates. The District limits maturities to one year or less as a means of managing its exposure to fair value losses arising from increasing interest rates. State investment pools are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

**Credit Risk** – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2020 and 2019, the District's investments in TexSTAR was rated AAA by Standard & Poor's.

**Custodial Credit Risk** – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. TexSTAR is managed to fulfill all requirements of the Texas Public Funds Investment Act.

**Concentration of Credit Risk** – The District places no limit on the amount that may be invested in any one issuer. At December 31, 2020 and 2019, the investment in state investment pools was approximately 4.0% and 6.2% of total cash and cash equivalents and short-term investments respectively.

**WINNIE-STOWELL HOSPITAL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 2020 AND 2019**

**NOTE 5 – NURSING HOME ACCOUNTS RECEIVABLE**

**Concentration of Credit Risk** – The District grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31 is as follows:

	<u>2020</u>	<u>2019</u>
Medicare	30%	15%
Medicaid	16%	25%
Managed Care	42%	44%
Patients	<u>12%</u>	<u>16%</u>
Total	<u><u>100%</u></u>	<u><u>100%</u></u>

**NOTE 6 – SALES TAX RECEIVABLE**

Sales taxes are reported as revenues in the period for which they are collected. Tax revenue for 2020 and 2019 was \$645,787 and \$768,179, respectively. As of December 31, 2020 and 2019, the balance of sales tax receivable and its related allowance for uncollectible taxes are as follows:

	<u>2020</u>	<u>2019</u>
Taxes Receivable	<u>\$ 111,050</u>	<u>142,755</u>



**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 7 – CAPITAL ASSETS**

The following is a summary of capital assets at cost less accumulated depreciation:

	Balance 12/31/19	Additions	Reclass/ Retirements	Balance 12/31/20
Building and improvements	-	107,783	21,700	129,483
Equipment	\$ 140,655	\$ -	\$ -	\$ 140,655
Construction in progress	21,700	-	(21,700)	-
Totals at Historical Cost	162,355	107,783	-	270,138
Less Accumulated Depreciation for:				
Building and improvements	-	(3,021)	-	(3,021)
Equipment	(140,655)	-	-	(140,655)
Total Accumulated Depreciation	(140,655)	(3,021)	-	(143,676)
Capital Assets, Net	\$ 21,700	\$ 104,762	\$ -	\$ 126,462
	Balance 12/31/18	Additions	Reclass/ Retirements	Balance 12/31/19
Equipment	\$ 140,655	\$ -	\$ -	\$ 140,655
Construction in progress	-	21,700	-	21,700
Totals at Historical Cost	140,655	21,700	-	162,355
Less Accumulated Depreciation for:				
Equipment	(140,655)	-	-	(140,655)
Total Accumulated Depreciation	(140,655)	-	-	(140,655)
Capital Assets, Net	\$ -	\$ 21,700	\$ -	\$ 21,700

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 8 – NOTES PAYABLE**

Following is a summary of notes payable at December 31:

	Balance 12/31/19	Additions	Reductions	Balance 12/31/20
(15) Salt Creek Capital	\$ 7,113,078	\$ -	\$ (7,113,078)	\$ -
(16) Salt Creek Capital	5,067,702	-	(5,067,702)	-
(17) Salt Creek Capital	-	6,042,713	-	6,042,713
(17a) Salt Creek Capital	-	6,042,713	-	6,042,713
(18) Salt Creek Capital	-	5,609,296	-	5,609,296
(2) Allegiance Bank	2,000,000	-	(2,000,000)	-
(2b) Allegiance Bank	-	5,609,295	-	5,609,295
<b>Total Notes Payable</b>	<b>\$ 14,180,780</b>	<b>\$ 23,304,017</b>	<b>\$ (14,180,780)</b>	<b>\$ 23,304,017</b>

	Balance 12/31/18	Additions	Reductions	Balance 12/31/19
(13) Salt Creek Capital	\$ 6,342,432	\$ -	\$ (6,342,432)	\$ -
(14) Salt Creek Capital	4,342,433	-	(4,342,433)	-
(15) Salt Creek Capital	-	7,113,078	-	7,113,078
(16) Salt Creek Capital	-	5,067,702	-	5,067,702
(2) Allegiance Bank	2,000,000	-	-	2,000,000
<b>Total Notes Payable</b>	<b>\$ 12,684,865</b>	<b>\$ 12,180,780</b>	<b>\$ (10,684,865)</b>	<b>\$ 14,180,780</b>

The terms and due dates of the District's notes payable at December 31, 2020 and 2019 follow:

- (2) Allegiance Bank – 3.5% note payable with all outstanding principal and interest due January 7, 2019. Note payable was transferred from Post Oak Bank to Allegiance bank during 2019 and renewed with a new maturity date of July 7, 2020. Note payable is collateralized by cash and investments.
- (2b) Allegiance Bank – 3.5% note payable with all outstanding principal and interest due July 7, 2020. Note payable was renewed with a new maturity date of November 10, 2021. Note payable is collateralized by cash and investments.
- (15) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due March 31, 2020 and is collateralized by cash and investments.
- (16) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due October 1, 2020 and is collateralized by cash and investments.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 8 – NOTES PAYABLE (CONTINUED)**

- (17a) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due March 31, 2021 and is collateralized by cash and investments
- (17b) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due March 31, 2021 and is collateralized by cash and investments
- (18) Salt Creek Capital – 16.8% note payable with all outstanding principal and interest due November 1, 2021 and is collateralized by cash and investments

In 2020 and 2019, total interest incurred was \$2,018,326 and \$1,614,016, respectively, all of which was charged to operations.

**NOTE 9 – INDIGENT CARE**

The District is responsible for providing healthcare for residents of the District that qualify under the indigent program guidelines. In March 2015, the District hired an indigent care director and began operating the indigent care program themselves. In addition, the District is part of an indigent care assistance agreement with Winnie Community Hospital (the “Hospital”). This agreement is intended to reimburse the Hospital for services provided to residents of the District. The District incurred expense for indigent care and assistance in the amount of \$622,402 and \$1,673,947 for the year ended December 31, 2020 and 2019, respectively.

**NOTE 10 – NURSING HOME OPERATIONS**

During 2014, the District entered into operations transfer agreements with thirteen nursing facilities which transferred the operations and certain operating assets of each facility. In fiscal years 2017 and 2018, the District entered into operations transfer agreements with a total of eleven additional nursing homes. In 2020, the District entered into an operations transfer agreement with an additional nursing home. The District has also received an assignment or transfer of the Medicare and Medicaid Provider agreements for each facility. In addition to the operations transfer agreements, the District has also entered into a lease agreement with each facility for the lease of real property, fixed assets, and associated equipment that encompass the nursing home’s physical properties. The total rental expense paid to all facilities was \$24,922,581 and \$22,345,502 for the year ended December 31, 2020 and 2019, respectively.

At the time of each transfer agreement, the District executed a management agreement with LTC Group, LLC to provide certain operational and clinical review services for all of the nursing home facilities on behalf of the Hospital District. The initial term of these agreements are through August 31, 2016, unless sooner terminated. These agreements shall be automatically renewed for successive two-year periods unless either party cancels in writing on or before 90 days prior to the end of the current term. As of December 31, 2020 and 2019, no termination event has occurred.

Under these agreements, the District has paid total service fees of \$9,178,043 and \$6,277,490, respectively, which is recorded in other operating expenses on the statements of revenues, expenses, and changes in net position for the year ended December 31, 2020 and 2019.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 10 – NURSING HOME OPERATIONS (CONTINUED)**

In connection with these agreements, the District has recorded all patient revenue and the related accounts receivable. The District recorded \$235,510,870 and \$209,878,521 in net patient related revenue for the years ended December 31, 2020 and 2019, respectively. These revenues are recorded as Net Nursing Home Patient Service Revenues on the statements of revenues, expenses, and changes in net position.

Additionally, the District has entered into separate management agreements whereby each facility is managed by a third-party in which the District pays monthly fees for management services and operating expenses including quality incentives, if any, based upon the terms of each individual agreement. These fees total \$221,915,400 and \$199,408,758 for the years ended December 31, 2020 and 2019, respectively. These expenses are recorded as Nursing Home expenses on the statements of revenues, expenses, and changes in net position. Amounts due and unpaid as of December 31, 2020 and 2019 for these expenses are \$32,384,529 and \$27,682,833, respectively.

**Quality Incentive Payment Program (QIPP)** – During its 84th session, the Texas Legislature directed HHSC to transition MPAP to a new Quality Incentive Payment Program (QIPP) effective September 1, 2016, and HHSC will implement QIPP on September 1, 2017. QIPP will require participating facilities meeting certain qualifying criteria to submit projects to HHSC requesting the additional funding as supported in the individual projects. These projects are expected to improve quality and innovation in the provision of nursing facility services, including but not limited to payment incentives to establish culture change, small house models, staffing enhancements and outcome measures to improve the quality of care and life for nursing facility residents. A portion of the additional funding will be funded through intergovernmental transfer (IGT) payments from each participating provider. QIPP IGTs for a specific capitation rate period will be due to HHSC approximately six months prior to the beginning of the rate period. The District has recorded a QIPP receivable of \$8,380,760 and \$5,334,452 at December 31, 2020 and 2019, respectively.

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

**Litigation** – The District is, from time to time, subject to claims and suits for damages, including damages for personal injuries to patients and others, most of which are covered as to risk and amount. In the opinion of management, there were no known pending legal proceedings that could have a material effect on the District's financial position or results of operations.

**NOTE 12 – MALPRACTICE CLAIMS**

The District is a unit of government covered by the Texas Tort Claims Acts which, by statute, limits its liability to \$100,000 per person and \$300,000 for each single occurrence. These limits coincide with the malpractice insurance coverage maintained by the District, which is purchased under a claims-made policy on a fixed premium basis. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claims costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon the District's claims experience, no such accrual has been made.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 13 – COVID-19 PROVIDER RELIEF FUNDS**

The Coronavirus Aids, Relief, and Economic Security (CARES) Act (P.L. 116-136), THE Paycheck Protection Program (PPP) and Health Care Enhancement Act (P.L. 116-139), and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-123) appropriated funds to reimburse eligible healthcare providers for healthcare related expense or lost revenues attributable to coronavirus. These funds were distributed by the Health Resources and Services Administration (HRSA) through the Provider Relief Fund (PRF) program. The District received relief funds through Phase 1-3 Stimulus payments and targeted distributions such as Rural Distribution, Allocation for Skilled Nursing Facilities (SNFs), Nursing Home Infection Control, and Allocation for Safety Net Hospitals. Recipients of these funds agreed to Terms and Conditions, which require compliance with reporting requirements as specified by the Secretary of Health and Human Services in program instructions. Non-compliance with any terms and conditions is grounds for the Secretary to recoup some or all of the payment made from the Relief Fund.

- **Stimulus Phases 1-3** – By accepting the Relief Funds, the District must maintain compliance with the Secretary’s terms and conditions, including but not limited to, using the Relief Funds to prevent, prepare for, and respond to coronavirus, and shall reimburse the District only for health care related expenses or lost revenues that are attributable to coronavirus. The District received stimulus phases 1-3 in the amount of \$3,083,475 for the year ended December 31, 2020.
- **Skilled Nursing Facilities (SNFs) and Nursing Home Infection Control** – The Relief Funds provided to skilled nursing facilities is to help them combat the effects of the pandemic on the nation’s vulnerable seniors. The provider relief funds will be used to support nursing homes suffering from significant expensed or lost revenue attributable to COVID-19. Each SNF will receive a fixed distribution of \$50,000, plus a distribution of \$2,500 per bed to all certified SNFs with six or more certified beds. The Nursing Home must attest they will only use the Provider Relief Fund payments to prevent, prepare for, and respond to coronavirus. The payment shall reimburse for health care related expense or lost revenues that are attributable to coronavirus. The District received skilled nursing facilities funds in amount of \$16,032,403 for the year ended December 31, 2020.

In accordance with the Department of Health and Human Services Post-Payment Notice of Reporting Requirements, the recipients must submit their use of PRF payments by reporting healthcare related expense attributable to coronavirus that another source has not reimbursed then applying actual patient care lost revenues to the remaining funds. If recipients do not expend PRF funds in full by the end of calendar year 2020, they will have an additional six months in which to use remaining amounts toward expenses attributable to coronavirus but not reimbursed by other sources, and /or lost revenues. For the year ended December 31, 2020, the District received \$19,115,877 in total COVID-19 provider relief funds, had \$9,545,150 expenses attributable to coronavirus not reimbursed by other sources and estimated lost revenues. Additionally, the District recognized revenue of \$9,545,150 for the year ended December 31, 2020. The respective revenue is included with nonoperating revenues in accompanying statements of revenues, expenses and changes in net position.

**WINNIE-STOWELL HOSPITAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2020 AND 2019**

**NOTE 14 – SUBSEQUENT EVENTS**

The date to which events occurring after December 31, 2020, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosure is January 18, 2022, which is the date on which the financial statements were available to be issued.

DRAFT

# **Exhibit “B”**

## GRANT PROPOSAL REQUIREMENTS

**Application Checklist:** All of the following items are required for a complete grant application. Incomplete grant applications will not be considered.

- Cover Sheet** (*See Exhibit "B"*)
  - Signed by CEO, Executive Director, head of organization, Individual making
- Narrative** (*please limit narrative to 5 pages, 12-point font, single space acceptable, 1.5 preferred*)
  - Organizational Background:** Brief history of organizational description, and affiliation with District.
  - Description & Beneficiaries:** Need statement and summary of basis for the grant request. Please state how you determine that the funding of the request is the best way to address that need. State the impact of this grant request aligns with the Grant/Sponsorship Priorities of the Winnie Stowell Hospital District, including the expected target group and number of beneficiaries. If necessary, describe how it was determined that the request is not a duplication of efforts, and any specific plans to partner with the District. (if applicable)
  - Evaluation Grant Request:** Include a logic model and a timeline for the achievement of the stated purpose of the grant request. State the objectives and anticipated outcomes along with method and criteria to evaluate the request. Show clear measurable outcomes and an evaluation process that is data-driven. The number of people served is an output and does not determine success or impact. State how you will measure whether the award of the grant resulted in a successful outcome.
  - Impact and Sustainability:** Clearly and succinctly state the expected impact that the award of the grant will have and how it aligns with the mission of the District. If applicable, specify concrete plans to sustain any projects funded with grant proceeds beyond the District's funding.
  - Funding Request:** Specify and explain your preference for the method of funding the grant. Please keep in mind, if applicable, it is the District's preference that grant payments be made on an as needed basis or schedule following the receipt of the necessary reports and supporting documents
  - Timeline:** If the basis of your request is a project, please indicate a start date, key milestones, and estimated completion date.
  - Application Budget:** (*See Exhibit "C"*)
    - ✓ Budget should include total cost of the grant request, and clearly indicate what is to be funded through the District's grant.
    - ✓ Include a budget narrative justifying expenses, including if applicable, plans to sustain any projects funded with grant proceeds beyond the District's funding.
    - ✓ Make sure to include other parties funding the above program/project, if applicable.
- Attachments**
  - Job descriptions and resumes of staff involved in the program/project
  - List of governing board members of organization and their affiliations.
  - Authority from governing organization to request grant funds. (If applicable.)
  - Proof of good standing and/or nonprofit status.
  - If you are requesting grant funding from parties for the same or similar reason, please include a complete copy of the application packet(s) submitted to the third parties.
  - Copy of most recent audited financials, organizational budget, and tax return forms.
  - Additional Pertinent Materials:** You may attach materials that directly support the proposed grant request.



Exhibit "B"

**WINNIE STOWELL HOSPITAL DISTRICT  
GRANT/SPONSORSHIP COVER SHEET**

(Please return to Winnie Stowell Hospital District,  
P. O. Box 1997, Winnie, Texas 77665;  
No later than two (2) weeks prior to the funding deadline)

Date: 1/5/22

Organization/Individual Requesting Grant Funds: Winnie-Stowell Volunteer EMS  
Organization/Individual Address: P.O. Box 755

Winnie, TX 77665

Contact Person: Amber Lucia

Title: Director

Phone Number: 409.350.7474 Fax Number: 409.296.1233

E-Mail Address: amber@wsguems.com

Name of Project, Program or Event: Life Pack 15 monitors

Date of Program or Event: 1/5/22

Is your organization (check one):

- Non-profit and classified as tax-exempt under Sections 501(c) (3) or 170(c) of the United States Internal Revenue Code (attach copy of organizations tax and exemption information)
- Public Agency
- Private Healthcare Provider
- None of the above

Dollar Amount or In-kind Services Requested: \$ 104,815.71

Please provide a comprehensive description of how the District's resources will be used (Please complete below, or you may also attach support material): purchase 3 Life Pack 15's to replace 3 monitors that are failing.

Which of the following does the requested sponsorship support (check all that apply):

- Indigent Care  Economic Development
- Community Healthcare  Community Outreach

Please provide a brief description of the request provided how the request will help the District will assist the District in achieving its stated purposes. (Please complete below, or you may also attach support material):

The monitors we have now are failing to give good readings. We need to upgrade to better equipment so we can provide the best care for the community.

Please verify that this grant is a tax free donation in which 100% of the grant proceeds will be spent for the designed purpose and no money donated by the District will be used to offset taxes of any kind.

Signature Amber Lucia

Name Amber Lucia

Title EMS Director

**Exhibit "C"**  
**SAMPLE BUDGET**

	<b>Project Expenses*</b>	<b>WSHD Funding †</b>	<b>Other Funding/ In Kind ‡</b>	<b>Comment/Explanation</b>
<b>A.</b>	<b>Department/Agency Personnel:</b>			
	<i>Leader % of time</i>			
	<i>Staff % of time</i>			
<b>B.</b>	<b>Benefits:</b>			
	<i>FICA</i>			
<b>C.</b>	<b>Consultant/Contract Personnel:</b>			
	<i>Evaluator if applicable</i>			
<b>D.</b>	<b>Travel:</b>			
	<i>Local mileage (specify rate)</i>			
<b>E.</b>	<b>Materials/Equipment:</b>			
	<i>Educational materials</i>			
	<i>Promotional materials</i>			
<b>F.</b>	<b>Office/Other Supplies:</b>			
	<i>Copy paper</i>			
	<i>Mailing or printing</i>			
<b>G.</b>	<b>Miscellaneous:</b>			
	<i>Atypical expenses please specify</i>			
	<i>Rent of space</i>			
<b>H.</b>	<b>Indirect Cost:</b>			
	<i>% of administrative cost</i>			
	<b>Total Cost:</b>			

\* *Items Listed under each category are examples only*



3 Zoll's Trade In

LP 15

Quote Number: 10306258

RECEIVED

Remit to: Stryker Medical

Version: 1

JAN 11 2022

P.O. Box 93308  
Chicago, IL 60673-3308

Prepared For: WINNIE STOWELL VOLNTR FIRE AND EMS

Rep: Matthew Hechler

Attn:

Email: mathew.hechler@stryker.com

Phone Number: (832) 621-8682

Quote Date: 09/03/2021

Expiration Date: 01/30/2022

Delivery Address

End User - Shipping - Billing

Bill To Account

Name: WINNIE STOWELL VOLNTR  
FIRE AND EMS

Name: WINNIE STOWELL VOLNTR  
FIRE AND EMS

Name: WINNIE STOWELL EMS

Account #: 1186438

Account #: 1186438

Account #: 1078267

Address: 249 BROADWAY

Address: 249 BROADWAY

Address: PO BOX 755

WINNIE

WINNIE

STOWELL

Texas 77665

Texas 77665

Texas 77661

Equipment Products:

#	Product	Description	Qty	Sell Price	Total
1.0	99577-001957	LIFEPAK 15 V4 Monitor/Defib - Manual & AED, Trending, Noninvasive Pacing, SpO2, SpCO, NIBP, 12-Lead ECG, EtCO2, BT. Incl at N/C: 2 pr QC Electrodes (11996-000091) & 1 Test Load (21330-001365) per device, 1 Svc Manual CD (26500-003612) per order	3	\$32,322.40	\$96,967.20
2.0	41577-000288	Ship Kit -QUIK-COMBO Therapy Cable; 2 rolls100mm Paper; RC-4, Patient Cable, 4ft.; NIBP Hose, Coiled; NIBP Cuff, Reusable, adult; 12-Lead ECG Cable, 4-Wire Limb Leads, 5ft; 12-Lead ECG Cable, 6-Wire Precordial attachment	3	\$0.00	\$0.00
3.0	11577-000004	Station Battery Charger - For the LP15	3	\$1,724.80	\$5,174.40
4.0	21330-001176	LP 15 Lithium-ion Battery 5.7 amp hrs	12	\$434.72	\$5,216.64
5.0	21300-008159	LIFEPAK 15 NIBP Straight Hose, 6'	3	\$64.24	\$192.72
6.0	11160-000011	NIBP Cuff-Reusable, Infant	3	\$20.24	\$60.72
7.0	11160-000013	NIBP Cuff-Reusable, Child	3	\$22.88	\$68.64
8.0	11160-000015	NIBP Cuff-Reusable, Adult	3	\$28.16	\$84.48
9.0	11160-000017	NIBP Cuff -Reusable, Large Adult	3	\$31.68	\$95.04
10.0	11160-000019	NIBP Cuff-Reusable, Adult X Large	3	\$44.88	\$134.64
11.0	11577-000002	LIFEPAK 15 Basic carry case w/right & left pouches; shoulder strap (11577-000001) included at no additional charge when case ordered with a LIFEPAK 15 device	3	\$296.56	\$889.68
12.0	11220-000028	LIFEPAK 15 Carry case top pouch	3	\$53.68	\$161.04
13.0	11260-000039	LIFEPAK 15 Carry case back pouch	3	\$76.56	\$229.68



# LP 15

Quote Number: 10306258

Remit to: **Stryker Medical**

Version: 1

P.O. Box 93308

Prepared For: WINNIE STOWELL VOLNTR FIRE AND EMS

Chicago, IL 60673-3308

Attn:

Rep: Matthew Hechler

Email: mathew.hechler@stryker.com

Phone Number: (832) 621-8682

Quote Date: 09/03/2021

Expiration Date: 01/30/2022

#	Product	Description	Qty	Sell Price	Total
14.0	21996-000109	Titan III WiFi Gateway	3	\$910.80	\$2,732.40
15.0	11171-000057	Masimo™ Rainbow DCI Adult Reusable SpO2, SpCO, SpMet Sensor, 6 FT. For use with RC Patient Cable.	3	\$642.40	\$1,927.20
16.0	11171-000050	Masimo™ Rainbow™ DCIP Pediatric Reusable SpO2, SpCO, SpMet Sensor, 3 FT. For use with RC Patient Cable.	3	\$620.40	\$1,861.20
Equipment Total:					\$115,795.68

### Trade In Credit:

Product	Description	Qty	Credit Ea.	Total Credit
TR-ZX-LP15	TRADE-IN-ZOLL X-SERIES TOWARDS PURCHASE OF LIFEPAK 15	3	-\$14,999.99	-\$44,999.97

### ProCare Products:

#	Product	Description	Qty	Sell Price	Total
17.1	78000008	ProCare LIFEPAK 15 Prevent Service: Annual onsite preventive maintenance inspection and unlimited repairs including parts, labor and travel with battery coverage for LIFEPAK 15 V4 Monitor/Defib - Manual & AED, Trending, Noninvasive Pacing, SpO2, SpCO, NIBP, 12-Lead ECG, EtCO2, BT. Incl at N/C: 2 pr QC Electrodes (11996-000091) & 1 Test Load (21330-001365) per device, 1 Svc Manual CD (26500-003612) per order	3	\$11,340.00	\$34,020.00
ProCare Total:					\$34,020.00

### Price Totals:

Grand Total: \$104,815.71

Prices: In effect for 90 days

Terms: Net 30 Days

Contact your local Sales Representative for more information about our flexible payment options.

11/02/2021

**WINNIE STOWELL VOLNTR FIRE AND EMS**  
 249 BROADWAY  
 WINNIE, Texas 77665

**Equipment:** See proposal for detailed equipment descriptions and pricing.

**Finance structure:** \$1 out end of term option

**\$1 out end of term option:** Purchase the equipment for \$1.00

**Payment terms:**

<b>\$1 OUT</b>	<b>12 quarterly payments</b>	<b>20 quarterly payments</b>
<b>Equipment total</b>	\$70,795.71	\$70,795.71
<b>Service total</b>	\$34,020.00	\$34,020.00
<b>Equipment payment</b>	\$6,341.00	\$3,998.05
<b>Service payment</b>	\$3,047.09	\$1,921.21
<b>Total payment</b>	\$9,388.09	\$5,919.26

*Payments are exclusive of all applicable taxes and freight unless otherwise noted.*

**Contract commencement:** Upon delivery, installation and acceptance

**First payment due:** Net 30

**Payment adjustment:** The payments quoted herein were calculated based, in part, on an interest rate equivalent as quoted on the Intercontinental Exchange website, at <https://www.theice.com/marketdata/reports/180>, under the USD Rates 1100 Series. Stryker's Flex Financial business reserves the right to adjust the payments prior to contract commencement in order to maintain current economics of this proposed transaction.

**Deal consummation:** This proposal is subject to final credit, pricing, and documentation approval. Legal documents must be signed before your equipment can be delivered.

Please note that this proposal is subject to change if documents are not signed prior to 11/30/2021.

# **Exhibit “C-1”**

**Winnie-Stowell Hospital District**  
**Balance Sheet**  
As of December 31, 2021

	Dec 31, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
100 Prosperity Bank -Checking	644,312.78
104b Allegiance Bank -CD#6434	6,020,261.18
105 TexStar	690,478.84
108 Allegiance Bank NH Combined	5,737,758.79
109 First Financial Bank	14,398,259.33
<b>Total Checking/Savings</b>	27,491,070.92
<b>Other Current Assets</b>	
110 Sales Tax Receivable	142,755.43
114 Accounts Receivable NH	29,598,324.27
117 NH - QIPP Prog Receivable	8,689,294.96
118 Prepaid Expense	83,044.65
119 Prepaid IGT	15,714,877.60
<b>Total Other Current Assets</b>	54,228,296.91
<b>Total Current Assets</b>	81,719,367.83
<b>Fixed Assets</b>	
120 Equipment	140,654.96
121 Office Building	155,897.63
125 Accumulated Depreciation	-140,654.64
<b>Total Fixed Assets</b>	155,897.95
<b>TOTAL ASSETS</b>	<b>81,875,265.78</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
190 NH Payables Combined	2,478,413.60
201 NHP Accounts Payable	864,626.23
210.19 Loan Payable 19 QIPP 5	11,786,158.80
210.20 Loan Payable 20 QIPP 5	11,786,158.80
225 FUTA Tax Payable	112.00
230 SUTA Tax Payable	251.31
235 Payroll Liabilities	1,221.06

10:17 AM

01/19/22

Accrual Basis

**Winnie-Stowell Hospital District**  
**Balance Sheet**  
**As of December 31, 2021**

---

	<u>Dec 31, 21</u>
240 Accounts Payable NH	24,979,741.09
250 Stimulus Funds Flow-Through	3,252,151.76
<b>Total Other Current Liabilities</b>	<u>55,148,834.65</u>
<b>Total Current Liabilities</b>	<u>55,148,834.65</u>
<b>Total Liabilities</b>	55,148,834.65
<b>Equity</b>	
300 Net Assets, Capital, net of	155,897.63
310 Net Assets-Unrestricted	19,766,358.13
Net Income	<u>6,804,175.37</u>
<b>Total Equity</b>	<u>26,726,431.13</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>81,875,265.78</u></u>



**Winnie-Stowell Hospital District**  
**Profit & Loss Budget vs. Actual**  
As of Dec. 31, 2021

Accrual Basis

	Jan - Dec 21	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
400 Sales Tax Revenue	653,965.18	650,000.00	3,965.18	100.6%
405 Investment Income	21,443.15	16,000.00	5,443.15	134.0%
409 Tobacco Settlement	12,313.73	12,500.00	-186.27	98.5%
415 Nursing Home - QIPP Program	48,454,102.72	48,377,807.74	76,294.98	100.2%
<b>Total Income</b>	<b>49,141,824.78</b>	<b>49,056,307.74</b>	<b>85,517.04</b>	<b>100.2%</b>
<b>Gross Profit</b>	<b>49,141,824.78</b>	<b>49,056,307.74</b>	<b>85,517.04</b>	<b>100.2%</b>
<b>Expense</b>				
500 Admin-Administrative Salary	62,000.03	62,000.00	0.03	100.0%
502 Admin-Administrative Assnt	9,148.50	8,000.00	1,148.50	114.4%
503 Admin - Staff Incentive Pay	3,000.00	3,000.00	0.00	100.0%
504 Admin-Administrative PR Tax	6,146.55	6,000.00	146.55	102.4%
505 Admin-Board Bonds	250.00	250.00	0.00	100.0%
515 Admin-Bank Service Charges	728.95	560.00	168.95	130.2%
521 Professional Fees - Acctng	22,500.00	25,000.00	-2,500.00	90.0%
522 Professional Fees-Auditing	0.00	25,000.00	-25,000.00	0.0%
523 Professional Fees - Legal	12,000.00	25,000.00	-13,000.00	48.0%
550 Admin-D&O / Liability Ins.	11,873.75	12,000.00	-126.25	98.9%
560 Admin-Cont Ed, Travel	8,905.15	9,000.00	-94.85	98.9%
561 Admin-Cont Ed-Medical Pers.	1,801.68	2,000.00	-198.32	90.1%
562 Admin-Travel&Mileage Reimb.	2,021.28	2,250.00	-228.72	89.8%
569 Admin-Meals	1,190.00	1,000.00	190.00	119.0%
570 Admin-District/County Prom	45,219.44	43,250.00	1,969.44	104.6%
571 Admin-Office Supp. & Exp.	11,899.19	14,000.00	-2,100.81	85.0%
572 Admin-Web Site	510.00	1,000.00	-490.00	51.0%
573 Admin-Copier Lease/Contract	3,472.00	3,776.00	-304.00	91.9%
575 Admin-Cell Phone Reimburse	1,800.00	1,800.00	0.00	100.0%
576 Admin-Telephone/Internet	2,939.00	3,000.00	-61.00	98.0%
577 - Admin Dues	1,895.00	1,895.00	0.00	100.0%
591 Admin-Notices & Fees	3,072.00	3,500.00	-428.00	87.8%
592 Admin Office Rent	4,080.00	4,080.00	0.00	100.0%
593 Admin-Utilities	3,244.87	3,600.00	-355.13	90.1%
594 Admin-Casualty & Windstorm	2,077.52	2,100.00	-22.48	98.9%
597 Admin-Flood Insurance	1,431.00	1,450.00	-19.00	98.7%
598 Admin-Building Maintenance	5,169.00	6,000.00	-831.00	86.2%
599 FQHC Feasibility Study	25,768.21	25,768.21	0.00	100.0%
600 East Chambers ISD Partnersh	193,333.32	193,333.32	0.00	100.0%
601 IC-Pmt to Hosp (Indigent)	624,971.23	625,000.00	-28.77	100.0%
602 IC-WCH 1115 Waiver Prog	57,420.13	75,000.00	-17,579.87	76.6%
603a IC-Pharmaceutical Costs	33,686.88	50,000.00	-16,313.12	67.4%
604a IC-Non Hosp Cost-Other	1,630.04	2,000.00	-369.96	81.5%

**Winnie-Stowell Hospital District**  
**Profit & Loss Budget vs. Actual**  
As of Dec. 31, 2021

Accrual Basis

	Jan - Dec 21	Budget	\$ Over Budget	% of Budget
604b IC-Non Hosp Costs UTMB	225,016.20	250,000.00	-24,983.80	90.0%
605 IC-Office Supplies/Postage	278.00	500.00	-222.00	55.6%
607 WSHD Non-Hospital - Grants	118,969.41	118,969.41	0.00	100.0%
608 IC-Non Hosp Costs-Specl Pro	6,395.00	7,000.00	-605.00	91.4%
611 IC-Indigent Care Dir Salary	51,999.96	52,000.00	-0.04	100.0%
612 IC-Payroll Taxes -Ind Care	4,246.76	4,000.00	246.76	106.2%
615 IC-Software	13,308.00	13,308.00	0.00	100.0%
616 IC-Travel	497.40	700.00	-202.60	71.1%
617 Youth Programs	11,200.00	12,000.00	-800.00	93.3%
630 NH Program-Mgt Fees	12,241,382.96	12,648,453.66	-407,070.70	96.8%
631 NH Program-IGT	23,104,505.07	23,104,505.68	-0.61	100.0%
632 NH Program-Telehealth Fees	159,754.92	155,251.65	4,503.27	102.9%
633 NH Program-Acctg Fees	0.00	35,000.00	-35,000.00	0.0%
634 NH Program-Legal Fees	245,115.66	250,000.00	-4,884.34	98.0%
635 NH Program-LTC Fees	2,004,000.00	2,004,000.00	0.00	100.0%
637 NH Program-Interest Expense	2,968,620.35	2,684,617.32	284,003.03	110.6%
638 NH Program-Bank Fees & Misc	0.00	300.00	-300.00	0.0%
639 NH Program-Appraisal	17,175.00	17,175.00	0.00	100.0%
<b>Total Expense</b>	<b>42,337,649.41</b>	<b>42,599,393.25</b>	<b>-261,743.84</b>	<b>99.4%</b>
<b>Net Income</b>	<b>6,804,175.37</b>	<b>6,456,914.49</b>	<b>347,260.88</b>	<b>105.4%</b>

# **Exhibit “C-2”**

**WSHD Treasurer's Report**

Reporting Date:		Wednesday, 1/19/2022		
Pending Expenses	For	Amount	Funds Summary	Totals
Brookshire Brothers	Indigent Care	\$1,201.00	Prosperity Operating (Unrestricted)	\$657,284.15
Wilcox Pharmacy	Indigent Care	\$1,359.85	First Financial (Unrestricted)	\$7,485,112.65
UTMB at Galveston	Indigent Care		TexStar	\$690,478.84
UTMB Faculty Group	Indigent Care		Allegiance Bank LOC (Available)	\$6,020,261.18
Barrier Reef Emergency Physician	Indigent Care	\$128.90	First Financial (Restricted)	\$7,518,749.67
Chambers Cnty Phd #1 Dental	IC Dental	\$1,228.00	Total District Funds	<b>\$22,371,886.48</b>
Indigent Healthcare Solutions	IC Inv #73070	\$1,109.00	Less First Financial (Restricted)	\$7,518,749.67
American Education Services	S Stern-Student Loan	\$150.14	Less Committed Funds (Capital Acquisition and Grant Funding-See below)	\$2,450,688.00
Penelope (Polly) Butler	Youth Counseling	\$85.00	Cash Position (Less First Financial Restricted)	<b>\$12,402,448.82</b>
Nicki Holtzman	Youth Counseling	\$255.00	Pending Expenses	<b>(\$33,521.74)</b>
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$850.00	Ending Balance (Less expenses)	<b>\$12,368,927.08</b>
Benckenstein & Oxford	Inv #50287	\$20,389.10	Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding)	<b>\$12,368,927.08</b>
Hubert Oxford	Legal Retainer	\$1,000.00	<b>Prior Month</b>	
David Sticker	Inv #68	\$2,718.75	Prosperity Operating (Unrestricted)	\$833,478.89
Technology Solutions of Tx	Inv #1653	\$75.00	First Financial (Unrestricted)	\$7,039,128.31
Felipe Ojedia-Yard Service	Invs #1021	\$300.00	TexStar	\$690,470.69
Graciela Chavez-Office Cleaning	Inv #8018604	\$120.00	Allegiance Bank LOC (Available)	\$6,020,261.18
The Hometown Press	Inv#s 3186 & 3269	\$348.00	First Financial (Restricted)	\$4,642,138.49
The Seabreeze Beacon	Inv#s 5671 & 5700	\$600.00	Total District Funds	<b>\$19,225,477.56</b>
Wright National Flood Ins	Renewal Notice (Opt A)	\$1,604.00	Less First Financial (Restricted)	\$4,642,138.49
<b>Total Pending Expenses</b>		<b>\$33,521.74</b>	Less Committed Funds (Capital Acquisition and Grant Funding-See below)	\$2,450,688.00
			Cash Position (Less First Financial Restricted)	<b>\$12,132,651.07</b>
			Pending Expenses	<b>(\$153,561.92)</b>
			Ending Balance (Less expenses)	<b>\$11,979,089.15</b>
			Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding)	<b>\$11,979,089.15</b>

First Financial Bank Reconciliations					
	Balances	Total Due	Balance Received	Balance Due	Due to District
<b>FFB Balance Jan 18 2022</b>	<b>\$15,003,862.31</b>				
<b>IGT 9, QIPP Year 5 (Public Only)</b>					
Component 1-Sept. (1st Half)	\$1,722,176.10	\$1,885,789.54	\$1,722,176.10	\$163,613.44	\$1,885,751.02
Component 1-Oct. (1st Half)	\$1,871,079.44	\$1,971,341.24	\$1,871,079.44	\$100,261.80	\$1,971,341.24
Component 1-Nov. (1st Half)	\$1,917,531.72	\$2,022,232.12	\$1,917,531.72	\$104,800.40	\$2,022,232.12
<b>Total Component 1, IGT 8</b>	<b>\$5,510,787.26</b>	<b>\$5,879,362.90</b>	<b>\$5,510,787.26</b>	<b>\$368,675.64</b>	<b>\$5,879,324.38</b>
<b>*The "Balance Due" of \$368,675.64 is for Mission Nursing Home. These are funds that are subject of the discussion for Agenda Item 12.</b>					
<b>Loan 9 Set Aside (Salt Creek &amp; Allegiance)</b>					
Loan 19 Payment-Sept. (2nd Half)	\$1,722,176.10	\$1,885,789.54	\$1,722,176.10	\$163,613.44	\$1,885,789.54
Loan 19 Payment-Oct. (2nd Half)	\$1,871,079.44	\$1,971,341.24	\$1,871,079.44	\$100,261.80	\$1,971,341.24
Loan 19 Payment-Nov. (2nd Half)	\$1,917,531.72	\$2,022,332.12	\$1,917,531.72	\$104,800.40	\$2,022,232.12
<b>Total Loan 18 Set Aside</b>	<b>\$5,510,787.26</b>	<b>\$5,879,462.90</b>	<b>\$5,510,787.26</b>	<b>\$368,675.64</b>	<b>\$5,879,362.90</b>
<b>Yr. 5 Component 2 (Public &amp; Private)</b>					
Y5/Q1-Comp. 2-Sept. due to MGRs.	\$16,312.91	\$0.00	\$0.00	\$0.00	<b>(\$16,312.91)</b>
Y5/Q1-Comp. 2-Oct. due to MGRs.	\$251,509.39	\$470,392.96	\$446,952.91	\$23,440.05	\$218,883.57
Y5/Q1-Comp. 2-Nov. due to MGRs.	\$262,419.32	\$492,212.83	\$466,711.23	\$25,501.60	\$229,793.51
<b>Total Component 2 due to MGRs.</b>	<b>\$530,241.62</b>	<b>\$962,605.79</b>	<b>\$913,664.14</b>	<b>\$48,941.65</b>	<b>\$432,364.17</b>
<b>*The "Balance Due" of \$368,675.64 is for Mission Nursing Home. These are funds that are subject of the discussion for Agenda Item 12.</b>					
<b>Variance Payments</b>					
Variance Payment Oct	\$139,755.57	\$287,007.66	\$279,511.13	<b>\$7,496.53</b>	\$3,748.26
Variance Payment Nov	\$82,716.48	\$181,383.17	\$165,432.95	\$15,950.22	\$7,975.11
<b>Total Variance Payment</b>	<b>\$222,472.04</b>	<b>\$468,390.83</b>	<b>\$444,944.08</b>	<b>\$23,446.75</b>	<b>\$11,723.38</b>
<b>Non-QIPP Funds due to NHs</b>	<b>\$12,984.00</b>				
<b>Centene/Superior Over pmt</b>	<b>\$85,975.91</b>				
<b>Balance Owed on Line of Credit</b>	<b>\$0.00</b>				
			<b>*Overpayment for October and November QIPP Component 1 and 2 by Superior.</b>		

<b>Interest Reserves</b>					
Reserve Ln 19 (Balance Due)	\$495,018.66				
Reserve Ln 20 (Balance Due)	\$660,024.88				
Alligiance Interest (December )	\$1,245.30				
<b>Total Reserves</b>	<b>\$1,156,288.84</b>				
<b>Restricted</b>	<b>\$7,518,749.67</b>				
<b>Unrestricted</b>	<b>\$7,485,112.65</b>				
<b>Total Funds</b>	<b>\$15,003,862.31</b>	<b>\$960,603.66</b>	<b>\$911,655.31</b>	<b>\$48,948.35</b>	<b>\$241,516.88</b>

<b>Committed Funds</b>					
<b>1. Property Acquisition (\$150,000.00 for 2019, 2020, 2021)</b>	<b>\$450,000.00</b>				
<b>2. FQHC Grant Funding-2022</b>	<b>\$1,318,730.00</b>				
<b>3. FQHC Grant Funding-2023</b>	<b>\$681,958.00</b>				
<b>Total Commitments</b>	<b>\$2,450,688.00</b>				

<b>11 Month Outstanding Short Term Revenue Note-Loan 19 (June 1, 2021-Apr. 30, 2022) 1st Half of QIPP Year 5</b>					
<b>Loan 19-Principle</b>	\$11,786,158.80		<b>Reserve</b>	\$825,031.10	
<b>Interest</b>	16.80%				
<b>Amortization Table</b>					
	<b>Date</b>	<b>Balance</b>	<b>Interest</b>	<b>Principal Rcvd.</b>	<b>Payment</b>
1	6/30/2021	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
2	7/31/2021	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
3	8/28/2021	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
4	9/30/2021	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
5-(Sept. 2021, Comp. 1)	10/31/2021	\$11,786,158.80	\$165,006.22	\$1,722,176.10	\$1,887,182.32
6-(Oct. 2021, Comp. 1)	11/30/2021	\$11,786,158.80	\$165,006.22	\$1,871,079.44	\$2,036,085.66
7-(Nov. 2021, Comp. 1)	12/31/2021	\$11,786,158.80	\$165,006.22	\$1,917,531.72	\$2,082,537.94
8-(Dec. 2021, Comp. 1)	1/31/2022	\$11,786,158.80	\$165,006.22	\$2,005,406.93	\$2,170,413.15
9 (Jan. 2021, Comp. 1)	2/28/2022	\$0.00	\$165,006.22	\$1,999,051.99	\$2,164,058.21
10 (Feb. 2021, Comp. 1)	3/31/2022	\$0.00	\$165,006.22	\$1,966,884.41	\$2,131,890.63
Reserve		\$11,786,158.80	\$0.00	\$304,028.21	\$304,028.21
11	4/30/2022	\$0.00	\$165,006.22	\$0.00	\$165,006.22
<b>Amount Paid</b>		\$0.00	<b>\$1,815,068.42</b>	<b>\$11,786,158.80</b>	<b>\$13,601,227.22</b>
<b>Amount Due: October 31, 2021</b>			<b>\$1,815,068.42</b>	<b>\$11,786,158.80</b>	<b>\$13,601,227.22</b>
<b>Amount Remaining</b>				<b>\$0.00</b>	<b>\$0.00</b>

<b>11 Month Outstanding Short Term Revenue Note-Loan (December 1, 2021-Oct. 31, 2022) 2nd Half of QIPP Year 5</b>					
<b>Loan 20-Principle</b>	\$11,786,158.80		<b>Reserve</b>	\$825,031.10	
<b>Interest</b>	16.80%				
<b>Amortization Table</b>					
	<b>Date</b>	<b>Balance</b>	<b>Interest</b>	<b>Principal Rcvd.</b>	<b>Payment</b>
1	12/30/2021	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
2	1/31/2022	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
3	2/28/2022	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
4	3/31/2022	\$11,786,158.80	\$165,006.22	\$0.00	\$165,006.22
5-(Sept. 2021, Comp. 1)	4/30/2022	\$11,786,158.80	\$165,006.22	\$1,806,017.33	\$1,971,023.55
6-(Oct. 2021, Comp. 1)	5/31/2022	\$11,786,158.80	\$165,006.22	\$1,811,229.47	\$1,976,235.69
7-(Nov. 2021, Comp. 1)	6/30/2022	\$11,786,158.80	\$165,006.22	\$1,900,052.83	\$2,065,059.05
8-(Dec. 2021, Comp. 1)	7/31/2022	\$11,786,158.80	\$165,006.22	\$1,945,905.70	\$2,110,911.92
9 (Jan. 2021, Comp. 1)	8/31/2022	\$0.00	\$165,006.22	\$1,893,443.61	\$2,058,449.83
10 (Feb. 2021, Comp. 1)	9/30/2022	\$0.00	\$165,006.22	\$1,994,995.69	\$2,160,001.91
Reserve		\$11,786,158.80	\$0.00	\$434,514.17	\$434,514.17
11	10/31/2022	\$0.00	\$165,006.22	\$0.00	\$165,006.22
<b>Amount Paid</b>		\$0.00	<b>\$1,815,068.42</b>	<b>\$11,786,158.80</b>	<b>\$13,601,227.22</b>
<b>Amount Due: October 31, 2021</b>			<b>\$1,815,068.42</b>	<b>\$11,786,158.80</b>	<b>\$13,601,227.22</b>
<b>Amount Remaining</b>				<b>\$0.00</b>	<b>\$0.00</b>
<b>Alligiance Bank Line of Credit</b>					
<b>Balance:</b>	\$0.00	<b>Principle Balance Owed</b>	\$0.00		
<b>Interest Rate:</b>	2.35%	<b>LOC Funds Available</b>	\$6,020,261.18		

<b>District's Investments</b>					
	<b>Amount</b>	<b>Percentage</b>	<b>From</b>	<b>To</b>	<b>Interest</b>
*CD at Allegiance Bank C.D. #9503	\$6,020,261.18	0.35%	11/1/2021	11/30/2021	Paid Quarterly \$5,405.13 Pd Nov 12
Texstar C.D. #1110	\$690,478.84	0.0100%	12//1/2021	12/31/2021	Paid \$8.15 Dec 2021
<p><b>TO THE BEST OF MY KNOWLEDGE, THESE FIGURES IN THE WSDH TREASURER'S REPORT AND SUPPORTING DOCUMENTS CORRECT AND IN COMPLIANCE WITH THE DISTRICT'S INVESTMENT POLICY.</b></p>					
<p>_____ Edward Murrell, President</p>			<p>_____ Robert "Bobby" Way Treasurer/Investment Officer</p>		
<p>_____ Date</p>			<p>_____ Date</p>		
<p>Italics are Estimated amounts</p>					

# **Exhibit “C-3”**

**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
 Batch Dates 12/04/21-12/04/21

Brookshire Bros. Phar. (Winnie)  
 P.O. Box 2058  
 Lufkin, TX 75904

Vendor #: 65460

GL #	Description	Amount
WSHD	Wshd	1,201.00
<b>Expenditures</b>		<b>1,201.00</b>
<b>Reimb/Adjustments</b>		
<b>Grand Total</b>		<b>1,201.00</b>

88 total invoices

**GL Totals Detail**

Invoice #	GL #	Date in	Amt Billed	Amt Paid
1024*65460*38	WSHD	12/15/2021	10.96	10.96
1024*65460*39	WSHD	12/15/2021	10.28	10.28
1091*65460*67	WSHD	12/06/2021	16.68	16.68
1091*65460*68	WSHD	12/06/2021	8.42	8.42
1091*65460*69	WSHD	12/06/2021	12.28	12.28
1091*65460*70	WSHD	12/06/2021	11.30	11.30
1091*65460*71	WSHD	12/02/2021	28.83	28.83
1096*65460*80	WSHD	12/29/2021	18.25	18.25
1096*65460*81	WSHD	12/29/2021	8.36	8.36
1096*65460*82	WSHD	12/22/2021	10.53	10.53
1096*65460*83	WSHD	12/21/2021	10.70	10.70
1096*65460*84	WSHD	12/02/2021	15.31	15.31
1096*65460*85	WSHD	12/02/2021	9.26	9.26
1096*65460*86	WSHD	12/02/2021	31.66	31.66
1096*65460*87	WSHD	12/02/2021	28.66	28.66
1096*65460*88	WSHD	12/02/2021	12.76	12.76
1096*65460*89	WSHD	12/02/2021	31.66	31.66
1108*65460*37	WSHD	12/16/2021	9.47	9.47
1108*65460*38	WSHD	12/09/2021	20.03	20.03
1116*65460*14	WSHD	12/08/2021	39.59	39.59
1126*65460*2	WSHD	12/17/2021	19.67	19.67
1128*65460*90	WSHD	12/21/2021	10.63	10.63
1128*65460*91	WSHD	12/21/2021	15.10	15.10
1128*65460*92	WSHD	12/21/2021	13.07	13.07
1128*65460*93	WSHD	12/21/2021	10.57	10.57
1128*65460*94	WSHD	12/14/2021	16.21	16.21
1128*65460*95	WSHD	12/14/2021	8.37	8.37
1128*65460*96	WSHD	12/14/2021	13.47	13.47
1128*65460*97	WSHD	12/14/2021	8.58	8.58
1128*65460*98	WSHD	12/14/2021	18.96	18.96
1128*65460*99	WSHD	12/14/2021	10.81	10.81
1128*65460*100	WSHD	12/03/2021	11.51	11.51
1128*65460*101	WSHD	12/03/2021	9.46	9.46
1132*65460*12	WSHD	12/02/2021	9.87	9.87



**GL Totals**

Issued 01/14/22

Winnie Stowel Hospital District Indigent Healthcare Services  
Batch Dates 12/04/21-12/04/21Brookshire Bros. Phar. (Winnie)  
P.O. Box 2058  
Lufkin, TX 75904

Vendor #: 65460

Invoice #	GL #	Date in	Amt Billed	Amt Paid
1140*65460*52	WSHD	12/16/2021	9.93	0.00
1151*65460*86	WSHD	12/27/2021	10.95	10.95
1151*65460*87	WSHD	12/08/2021	8.64	8.64
1151*65460*88	WSHD	12/08/2021	8.43	8.43
1151*65460*89	WSHD	12/08/2021	8.37	8.37
1151*65460*90	WSHD	12/01/2021	8.89	8.89
1165*65460*26	WSHD	12/07/2021	39.35	39.35
1165*65460*27	WSHD	12/07/2021	12.76	12.76
1165*65460*28	WSHD	12/07/2021	10.88	10.88
1166*65460*16	WSHD	12/02/2021	8.89	8.89
1166*65460*17	WSHD	12/01/2021	16.14	16.14
1166*65460*18	WSHD	12/01/2021	13.81	13.81
1205*65460*24	WSHD	12/17/2021	11.18	11.18
1205*65460*25	WSHD	12/17/2021	10.88	10.88
1205*65460*26	WSHD	12/17/2021	15.89	15.89
1214*65460*49	WSHD	12/20/2021	21.69	21.69
1214*65460*50	WSHD	12/30/2021	13.03	0.00
1214*65460*51	WSHD	12/27/2021	11.88	11.88
1214*65460*52	WSHD	12/03/2021	10.44	10.44
1214*65460*53	WSHD	12/03/2021	16.35	16.35
1214*65460*54	WSHD	12/02/2021	9.02	9.02
1214*65460*55	WSHD	12/01/2021	13.03	13.03
1219*65460*19	WSHD	12/28/2021	10.00	10.00
1219*65460*20	WSHD	12/23/2021	12.28	12.28
1219*65460*21	WSHD	12/17/2021	19.89	19.89
1219*65460*22	WSHD	12/17/2021	10.52	10.52
1219*65460*23	WSHD	12/15/2021	9.00	9.00
1221*65460*9	WSHD	12/15/2021	9.69	9.69
1223*65460*7	WSHD	12/27/2021	10.77	10.77
1223*65460*8	WSHD	12/27/2021	8.68	8.68
1223*65460*9	WSHD	12/27/2021	17.19	17.19
1223*65460*10	WSHD	12/27/2021	22.67	22.67
1223*65460*11	WSHD	12/27/2021	11.48	11.48
1223*65460*12	WSHD	12/27/2021	8.78	8.78
1223*65460*13	WSHD	12/27/2021	11.59	11.59
1223*65460*14	WSHD	12/27/2021	14.80	14.80
1231*65460*1	WSHD	12/28/2021	11.48	11.48
2458*65460*82	WSHD	12/28/2021	14.64	14.64
2458*65460*83	WSHD	12/18/2021	9.17	9.17
2458*65460*84	WSHD	12/07/2021	10.75	10.75
2458*65460*85	WSHD	12/07/2021	10.47	10.47
2458*65460*86	WSHD	12/03/2021	20.61	20.61
2458*65460*87	WSHD	12/01/2021	14.64	14.64
2815*65460*135	WSHD	12/13/2021	8.91	8.91
2815*65460*136	WSHD	12/10/2021	25.63	25.63
2815*65460*137	WSHD	12/10/2021	20.03	20.03
2815*65460*138	WSHD	12/10/2021	12.59	12.59

**GL Totals**

Issued 01/14/22

Winnie Stowel Hospital District Indigent Healthcare Services

Batch Dates 12/04/21-12/04/21

Brookshire Bros. Phar. (Winnie)

Vendor #: 65460

P.O. Box 2058

Lufkin, TX 75904

Invoice #	GL #	Date in	Amt Billed	Amt Paid
2815*65460*139	WSHD	12/10/2021	10.92	10.92
2815*65460*140	WSHD	12/04/2021	10.58	10.58
2815*65460*141	WSHD	12/04/2021	9.37	9.37
2815*65460*142	WSHD	12/04/2021	10.35	10.35
2815*65460*143	WSHD	12/04/2021	10.17	10.17
2815*65460*144	WSHD	12/04/2021	12.28	12.28
3363*65460*14	WSHD	12/15/2021	12.33	12.33
<b>88 invoices, 88 line items</b>			<b>1,223.96</b>	<b>1,201.00</b>
<b>Grand Totals</b>			<b>1,223.96</b>	<b>1,201.00</b>

88 total invoices  
88 total line items

**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
 Batch Dates 12/03/21-12/03/21

Wilcox Pharmacy  
 P. O. Box 1850  
 Winnie, TX 77665

Vendor #: 18651

GL #	Description	Amount
WSHD	Wshd	1,359.85
<b>Expenditures</b>		<b>1,359.85</b>
<b>Reimb/Adjustments</b>		
<b>Grand Total</b>		<b>1,359.85</b>

56 total invoices

**GL Totals Detail**  
**Invoice #**

GL #	Date in	Amt Billed	Amt Paid
1040*18651*67	12/21/2021	9.22	9.22
1093*18651*84	12/28/2021	23.29	23.29
1093*18651*85	12/28/2021	18.34	18.34
1093*18651*86	12/20/2021	23.29	23.29
1093*18651*87	12/17/2021	8.00	8.00
1093*18651*88	12/13/2021	47.44	47.44
1093*18651*89	12/08/2021	9.08	9.08
1093*18651*90	12/04/2021	8.98	8.98
1095*18651*70	12/03/2021	9.48	9.48
1095*18651*71	12/03/2021	8.64	8.64
1095*18651*72	12/03/2021	11.61	11.61
1095*18651*73	12/03/2021	10.66	10.66
1107*18651*40	12/09/2021	15.37	15.37
1107*18651*41	12/09/2021	9.60	9.60
1107*18651*42	12/09/2021	18.55	18.55
1107*18651*43	12/08/2021	18.78	18.78
1110*18651*33	12/01/2021	8.49	8.49
1115*18651*44	12/14/2021	8.79	8.79
1115*18651*45	12/13/2021	57.09	57.09
1157*18651*83	12/07/2021	11.76	11.76
1157*18651*84	12/07/2021	10.47	10.47
1157*18651*85	12/07/2021	21.76	21.76
1157*18651*86	12/07/2021	8.74	8.74
1182*18651*4	12/07/2021	9.38	9.38
1191*18651*58	12/20/2021	10.94	10.94
1191*18651*59	12/13/2021	10.33	10.33
1191*18651*60	12/11/2021	10.59	10.59
1191*18651*61	12/11/2021	15.76	15.76
1194*18651*11	12/10/2021	18.56	18.56
1194*18651*12	12/10/2021	43.54	43.54
1204*18651*12	12/22/2021	9.84	9.84
1204*18651*13	12/22/2021	8.85	8.85
1204*18651*14	12/16/2021	18.78	18.78
1206*18651*17	12/10/2021	11.42	11.42

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**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
Batch Dates 12/03/21-12/03/21

Vendor #: 18651

Wilcox Pharmacy  
P. O. Box 1850  
Winnie, TX 77665

Invoice #	GL #	Date in	Amt Billed	Amt Paid
1206*18651*18	WSHD	12/10/2021	13.96	13.96
1210*18651*5	WSHD	12/28/2021	43.54	43.54
1210*18651*6	WSHD	12/28/2021	18.55	18.55
1210*18651*7	WSHD	12/28/2021	9.60	9.60
1210*18651*8	WSHD	12/09/2021	43.54	43.54
1210*18651*9	WSHD	12/08/2021	18.34	18.34
1210*18651*10	WSHD	12/08/2021	18.55	18.55
1210*18651*11	WSHD	12/08/2021	9.60	9.60
1225*18651*1	WSHD	12/20/2021	9.78	9.78
1225*18651*2	WSHD	12/20/2021	10.43	10.43
1225*18651*3	WSHD	12/20/2021	485.11	485.11
1226*18651*4	WSHD	12/07/2021	9.24	9.24
1226*18651*5	WSHD	12/07/2021	10.71	10.71
1226*18651*6	WSHD	12/07/2021	12.56	12.56
1227*18651*1	WSHD	12/13/2021	19.13	19.13
1228*18651*1	WSHD	12/03/2021	11.73	11.73
1230*18651*1	WSHD	12/29/2021	10.03	10.03
1230*18651*2	WSHD	12/08/2021	17.95	17.95
1292*18651*17	WSHD	12/15/2021	8.55	8.55
2994*18651*32	WSHD	12/20/2021	12.78	12.78
2994*18651*33	WSHD	12/20/2021	11.49	11.49
2994*18651*34	WSHD	12/20/2021	9.26	9.26

56 invoices, 56 line items

\*\*\*

**1,359.85**

**1,359.85**

**Grand Totals**

**1,359.85**

**1,359.85**

56 total invoices  
56 total line items

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 Issued 01/10/22

**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
 Batch Dates 12/01/21-12/01/21

Barrier Reef Emergency Physician  
 Po Box 98694  
 Las Vegas, NV 89193

Vendor #: 90001  
 NPI: 1275761512

GL #	Description	Amount
WSHD	Wshd	128.90
	<b>Expenditures</b>	<b>128.90</b>
	<b>Reimb/Adjustments</b>	
	<b>Grand Total</b>	<b>128.90</b>

**1 total invoices**

GL Totals Detail				
Invoice #	GL #	Date in	Amt Billed	Amt Paid
1191*90001*1	WSHD	12/11/2021	2,374.00	121.20
1191*90001*1	WSHD	12/11/2021	23.00	7.70
<b>1 invoices, 2 line items</b>	<b>***</b>		<b>2,397.00</b>	<b>128.90</b>
<b>Grand Totals</b>			<b>2,397.00</b>	<b>128.90</b>

**1 total invoices**  
**2 total line items**

© IHS  
 Issued 01/18/22

**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
 Batch Dates 11/01/21-12/31/21

Chambers Cnty Phd #1-Dental  
 Po Box 398  
 Anahuac, TX 77514

Vendor #: 90012

GL #	Description	Amount
WSHD	Wshd	1,228.00
	<b>Expenditures</b>	<b>1,228.00</b>
	<b>Reimb/Adjustments</b>	
	<b>Grand Total</b>	<b>1,228.00</b>

6 total invoices

**GL Totals Detail  
 Invoice #**

Invoice #	GL #	Date in	Amt Billed	Amt Paid
1093*90012*2	WSHD	10/08/2021	110.00	110.00
1128*90012*1	WSHD	12/03/2021	70.00	70.00
1165*90012*3	WSHD	12/15/2021	798.00	798.00
1166*90012*1	WSHD	12/06/2021	70.00	70.00
1199*90012*2	WSHD	10/20/2021	70.00	70.00
1296*90012*1	WSHD	10/08/2021	110.00	110.00
<b>6 invoices, 6 line items</b>			<b>1,228.00</b>	<b>1,228.00</b>
<b>Grand Totals</b>			<b>1,228.00</b>	<b>1,228.00</b>

6 total invoices  
 6 total line items

Indigent Healthcare Solutions, Ltd.  
2040 North Loop, 336 West, Suite 304  
Conroe, TX 77304

Invoice # 73070

Phone # (800) 834-0560

Fax # (936) 756-6741

**RECEIVED**  
**DEC 30 2021**

Date: 1/1/2022

WINNIE STOWELL HOSPITAL DISTRICT  
P O BOX 1997  
WINNIE, TX 77665

Terms: Net receipt of invoice

---

Professional services for the month of February 2022

1,109.00

---

**Total**

**\$1,109.00**

PLEASE REMIT PAYMENT TO  
INDIGENT HEALTHCARE SOLUTIONS, LTD  
ATTN: KELLEY ASTOLOS  
3011 ARMORY DRIVE, SUITE 190  
NASHVILLE, TN 37204

*THANK YOU FOR YOUR BUSINESS!!!*

**IHS**





## ADDITIONAL LOAN DETAILS

See below for the Current Owner and Repayment Term for each loan listed.

Loan Sequence	Date Disbursed	Loan Program	Current Owner	Repayment Term
*1002	11/29/2006	SUBCNS	CIT EDUCATION LOAN T	240
*1001	11/29/2006	UNCNS	CIT EDUCATION LOAN T	240

### Would you rather receive this statement electronically?

Sign in to Account Access at [aesSuccess.org](http://aesSuccess.org) and update your Account Profile preferences if you would prefer that we send you an email reminder instead of a paper statement.

Total paid since your last statement	\$150.14
Interest Satisfied	\$15.94
Principal Satisfied	\$134.20
Late Fees Paid	\$0.00

As of today, the amount paid on your loans	\$19,668.35
Total Interest Satisfied	\$5,368.21
Total Principal Satisfied	\$14,292.64
Total Late Fees Paid	\$7.50

The Total Principal Satisfied includes any payment that satisfies principal (not just payments made by you) and may include consolidation payments, refunds, cancellation payments, returned disbursements, etc.

© IHS  
 Issued 01/14/22

**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
 Batch Dates 12/02/21-12/02/21

Penelope (Polly) Butler  
 7750 Gladys, Suite B  
 Beaumont, TX 77706

Vendor #: 13632

GL #	Description	Amount
WSHD	Wshd	85.00
	<b>Expenditures</b>	<b>85.00</b>
	<b>Reimb/Adjustments</b>	
	<b>Grand Total</b>	<b>85.00</b>

1 total invoices

**GL Totals Detail**

Invoice #	GL #	Date in	Amt Billed	Amt Paid
YC17*13632*28	WSHD	12/03/2021	85.00	85.00
<b>1 invoices, 1 line items</b>	<b>***</b>		<b>85.00</b>	<b>85.00</b>
<b>Grand Totals</b>			<b>85.00</b>	<b>85.00</b>

1 total invoices  
 1 total line items

©IHS  
 Issued 01/10/22

**GL Totals**

Winnie Stowel Hospital District Indigent Healthcare Services  
 Batch Dates 12/02/21-12/02/21

Nicki Holtzman  
 5825 Phelan, Ste. 104  
 Beaumont, TX 77706

Vendor #: 90007

GL #	Description	Amount
WSHD	Wshd	255.00
	<b>Expenditures</b>	<b>255.00</b>
	<b>Reimb/Adjustments</b>	
	<b>Grand Total</b>	<b>255.00</b>

3 total invoices

**GL Totals Detail**

Invoice #	GL #	Date in	Amt Billed	Amt Paid
YC38*90007*4	WSHD	12/13/2021	85.00	85.00
YC47*90007*1	WSHD	12/13/2021	85.00	85.00
YC48*90007*1	WSHD	12/13/2021	85.00	85.00
<b>3 invoices, 3 line items</b>	<b>***</b>		<b>255.00</b>	<b>255.00</b>
<b>Grand Totals</b>			<b>255.00</b>	<b>255.00</b>

3 total invoices  
 3 total line items

**GL Totals**

Issued 01/12/22

Winnie Stowel Hospital District Indigent Healthcare Services

Batch Dates 12/02/21-12/02/21

Kalos Counseling (Benjamin Odom)

Vendor #: 90009

1271 N. Main St.

Vidor, TX 77662

GL #	Description	Amount
WSHD	Wshd	850.00
<b>Expenditures</b>		<b>850.00</b>
<b>Reimb/Adjustments</b>		
<b>Grand Total</b>		<b>850.00</b>

9 total invoices

**GL Totals Detail**

Invoice #	GL #	Date in	Amt Billed	Amt Paid
YC32*90009*7	WSHD	12/08/2021	85.00	85.00
YC32*90009*7	WSHD	12/14/2021	85.00	85.00
YC33*90009*2	WSHD	12/09/2021	85.00	85.00
YC34*90009*3	WSHD	12/09/2021	85.00	85.00
YC36*90009*6	WSHD	12/07/2021	85.00	85.00
YC37*90009*6	WSHD	12/08/2021	85.00	85.00
YC40*90009*4	WSHD	12/15/2021	85.00	85.00
YC41*90009*3	WSHD	12/15/2021	85.00	85.00
YC42*90009*3	WSHD	12/07/2021	85.00	85.00
YC46*90009*1	WSHD	12/14/2021	85.00	85.00
<b>9 invoices, 10 line items</b>	<b>***</b>		<b>850.00</b>	<b>850.00</b>
<b>Grand Totals</b>			<b>850.00</b>	<b>850.00</b>

9 total invoices

10 total line items

**BENCKENSTEIN & OXFORD, L.L.P.**

ATTORNEYS AT LAW  
BBVA COMPASS BANK BUILDING  
3535 CALDER AVENUE, SUITE 300  
BEAUMONT, TEXAS 77706  
TELEPHONE:(409) 833-9182  
FAX: (409) 833-8819

Hubert Oxford, IV

hoxfordiv@benoxford.com

January 19, 2022

Mr. Edward Murrell  
President  
Winnie Stowell Hospital District  
520 Broadway  
Winnie, Texas 77665

Re: Winnie Stowell Hospital District; Billable Invoice for January 2022 Time Entries less Retainer; Our File No. 87250.

Dear President Murrell,

Attached, please find Benckenstein & Oxford's monthly time entry invoice for October 2021. This invoice is for \$21,389.10 but the amount due is \$20,389.10 after reducing the invoice by \$1,000.00 for the monthly retainer already paid.

During the month of October, we spent time working with THRIVE to assist in the revisions of the FQHC Feasibility Report. In addition, we prepared budget amendments for 2021 and the 2022 Budget since we were having to review the financials to reconcile a payment to managers that was under question.

Will you please review and let me know if there are any questions? If not, we would appreciate your payment of this invoice in the amount of \$20,389.10 representing the balance owed for October 2021.

With best wishes, I am

Sincerely,

**BENCKENSTEIN & OXFORD, L.L.P.**

By:   
Hubert Oxford, IV

Enclosure

# Benckenstein & Oxford, L.L.P.

3535 Calder Avenue, Suite 300  
Beaumont, TX 77706

January 19, 2022

Winnie-Stowell Hospital District  
P.O. Box 1997  
Winnie, TX 77665

INVOICE #: 50287 HOIV  
Billed through: October 31, 2021  
Client/Matter #: WSHD 87250

RE: Winnie-Stowell Hospital District

## PROFESSIONAL SERVICES RENDERED

10/01/21	HOIV	Received and reviewed multiple sets of changes to Loan Documents for eleven (11) new facilities; exchanged multiple e-mails and phone conversations with HMG and counsel for HMG to inquire about the changes and to discuss concerns; and prepared e-mail to client and Allegiance Bank confirming pre-approval of the loan documents.	6.70 hrs
10/04/21	HOIV	Read, reviewed, and responded to e-mail from HMG regarding surety bond increases for Hallettsville, Spindletop and Woodlands; and worked with staff to coordinate the signature of the documents.	0.40 hrs
10/04/21	HOIV	Received draft FQHC Report; made significant revisions and comments; and returned to THRIVE.	3.80 hrs
10/07/21	HOIV	Prepared for and participated in conference call with Thrive to review draft FQHC report.	5.00 hrs
10/08/21	HOIV	Received income statement spreadsheet from Thrive on potential FQHC and added additional information from other worksheets to make the income statement more complete.	3.50 hrs
10/11/21	HOIV	Prepared for and participated in extensive conference call with WSEMS regarding the proposed agreement for funding a transport van operator; and then revised agreement and prepared extensive notes to explain issues discussed during the call.	3.80 hrs
10/11/21	HOIV	Read and reviewed Y4 June, July, Aug Scorecard-Y2A3, Y3A2, Y4 IGT R1 spreadsheet; and then exchanged twelve (12) e-mails with LTC Group, staff, and the District's CPA regarding discrepancies with Component 2 payments for Year 4.	1.80 hrs
10/11/21	HOIV	Drafted e-mail to the Board advising of the Status of the FQHC Feasibility Report and to request dates for a Special Meeting to receive and discuss the report.	0.70 hrs
10/11/21	HOIV	Researched Co-applicant agreements; prepared revisions to Public Agency (Co-application) section in FQHC Report to clarify recommendations in report and to ask questions regarding the Regulations that govern Co-Applicant clinics; and exchanged seven (7) e-mails with THRIVE regarding the same..	2.80 hrs

10/12/21	HOIV	Received responses from WSEMS on proposed agreement; revised notes for the Board in the Agreement and submitted draft to WSHD Board and staff.	1.20 hrs
10/12/21	HOIV	Second conference call with Bill Franz to discuss non-profit FQHC models and public agency models; researched the models; and made revisions to section in draft report discussing the models.	3.00 hrs
10/13/21	HOIV	Received and Read CMS Investigation of Texas QIPP program.	0.80 hrs
10/13/21	HOIV	Received second revised version of FQHC Feasibility Report and reviewed comments and changes.	1.40 hrs
10/14/21	HOIV	Continue to review and make extensive adjustment and changes to the FQHC Report.	6.50 hrs
10/15/21	HOIV	Began drafting minutes for the September 22, 2021 Regular Minutes.	1.70 hrs
10/16/21	HOIV	Continued drafting minutes for the September 22, 2021 Regular meeting.	1.50 hrs
10/18/21	HOIV	Finalized draft set of minute for September 22, 2021 Regular Meeting and circulated to the Board.	1.80 hrs
10/18/21	HOIV	Updated 2021 Budget and added notes to line items regarding grants and payments to the Hospital; and e-mailed to David Sticker along with QIPP models to verify Quickbooks income statements were correct.	1.30 hrs
10/19/21	HOIV	Receipt and review of e-mail from HMG Counsel regarding missing signature pages for HUD Loan DACA and DAISA agreements.	0.30 hrs
10/19/21	HOIV	Assisted with preparing Treasurer's Report and Board Binder in anticipation of October 20, 2021 Regular Meeting.	1.70 hrs
10/20/21	HOIV	Prepare for and attend October 20, 2021 Regular Meeting.	2.80 hrs
10/20/21	HOIV	Worked with staff, District CPA, and LTC Group to recreate and understand October 7, 2021 transfers resulting from the payment of QIPP Year 4, Component 1 Reconciliation; QIPP Year 4, Component 2 June, July, and August payment; and variances.	4.60 hrs
10/21/21	HOIV	Revised WSEMS agreement following the October 20, 2021 Regular Meeting and drafted extensive e-mail to representatives of the WSEMS advising of changes to the agreement and Board action at the meeting.	1.80 hrs
10/21/21	HOIV	Prepared e-mail to Allegiance Bank requesting increase in daily transfer limit.	0.30 hrs
10/21/21	HOIV	Drafted e-mail to ECISD advising of the District's decision to increase their annual allotment for healthcare needs.	0.40 hrs
10/21/21	HOIV	Received third draft of THRIVE report, continued making changes; participated in conference call with THRIVE to go through close to final version; and exchanged eleven (11) e-mails regarding the same.	4.70 hrs
10/21/21	HOIV	Exchanged nine (9) e-mails with Salt Creek Capital, Staff, and LTC regarding corrected ACH transfers to First Financial Bank.	0.60 hrs
10/22/21	HOIV	Revised final draft of FQHC report.	1.30 hrs

10/22/21	HOIV	Received and reviewed Presswood v. WSHD lawsuit filed in Harris County and prepared e-mail along with extensive letter demanding indemnity to HMG regarding the case.	1.40 hrs
10/22/21	HOIV	Worked on updating QIPP Budget Spreadsheets and began preparing draft budget amendment for review by the CPA; sent e-mail to CPA and staff with proposed spreadsheets for review.	3.50 hrs
10/25/21	HOIV	Received final version of THRIVE FQHC Report and provided draft abbreviated version for THRIVE to consider be converted to Powerpoint.	2.40 hrs
10/26/21	HOIV	Meeting with David Sticker to discuss Budget Amendments; Budget Line Item Readjustments; and Component 1 Adjustment payments.	3.70 hrs
10/28/21	HOIV	Worked on updating the Treasurer's report and budget with staff and CPA in anticipation of upcoming meeting.	2.20 hrs
10/29/21	HOIV	Prepared for and attended Workshop on FQHC.	6.00 hrs
		Total fees for this matter	\$21,350.00

**DISBURSEMENTS**

10/31/21		Copy Expense	26.60
10/31/21		Color Copy Expense	12.50
		Total disbursements for this matter	\$39.10

**BILLING SUMMARY:**

Oxford, IV Hubert	85.40 hrs @	\$250.00 /hr	\$21,350.00
TOTAL FEES			\$21,350.00
TOTAL DISBURSEMENTS			\$39.10
TOTAL CHARGES FOR THIS INVOICE			\$21,389.10
RETAINER			\$1,000.00 CR
<b>TOTAL BALANCE NOW DUE</b>			<b>\$20,389.10</b>

Federal ID# 74-1646478

**Invoice Terms: Net 10 Days Upon Receipt**  
Please Reference Invoice Number on Your Check



**David B Sticker & Company PC**2180 Eastex Freeway  
Beaumont, TX 77703**Invoice**
**Invoice #:** 68  
**Invoice Date:** 01/12/2022  
**Due Date:** 01/12/2022  
**Project:**  
**P.O. Number:**
**Bill To:**Winnie Stowell Hospital District  
PO Box 1997  
Winnie, TX 77665

Date	Description	Amount
12/05/2021	Review emails & begin preparing budget numbers. Work on FQHC budget items. 1.00 Hrs	
12/06/2021	Begin Nov books, adjustments and preliminary Financials. 5.50 Hrs.	
12/07/2021	Go over budget in detail in prep for public hearing. 4.00 Hrs.	
12/07/2021	Attend budget workshop meeting. 2.50 Hrs.	
12/14/2021	Review bank recs & other balances. 2.00	
12/15/2021	Complete bank reconciliation and other balances review. 1.00	
12/15/2021	Review binder, & attend regular meeting. 3.50 Hrs.	
12/16/2021	Review, prepare and initiate transmittal of interim payroll. .75 Hrs.	
12/27/2021	Review end of month payroll, approve and initiate. .75 Hrs.	
12/28/2021	Review quickbooks and discuss payroll tax deposit. .75 Hrs.	
	Total Hours - 21.75 @ \$125.00 = \$2,718.75	2,718.75

<b>Total</b>	<b>\$2,718.75</b>
--------------	-------------------

<b>Payments/Credits</b>	<b>\$0.00</b>
-------------------------	---------------

<b>Balance Due</b>	<b>\$2,718.75</b>
--------------------	-------------------

Technology Solutions of Texas,  
L.L.C.

5725 Frost St  
Beaumont, TX 77706

4095545953  
ronnie@techsol-tx.com  
<http://www.techsol-tx.com>

Invoice 1653

TECHNOLOGY  
SOLUTIONS-TX

RECEIVED

JAN 07 2022

BILL TO	SHIP TO
Sherrie Norris	Sherrie Norris
Winnie Stowell Hospital District	Winnie Stowell Hospital District
538 Broadway	538 Broadway
Winnie, TX 77665	Winnie, TX 77665
United States	United States

DATE  
01/15/2022

PLEASE PAY  
\$75.00

DUE DATE  
01/15/2022

DATE	DESCRIPTION	QTY	RATE	AMOUNT
	IT Services:MSP-Dsk MSP Support per Desktop	3	25.00	75.00

SUBTOTAL	75.00
TAX	0.00
TOTAL	75.00

TOTAL DUE \$75.00

THANK YOU.

# Yard Service Invoice

**Felipe Ojeda**

Invoice# 1023

**RECEIVED**

**DATE** January 18, 2022

558 W.LeBlanc Rd  
Winnie, TX 77665  
Phone: (409) 466-7105

**JAN 18 2022**

**Property Location:**

Winnie-Stowell Hospital District  
520 Broadway  
Winnie, TX 77665

Description	AMOUNT
Yard Maintenance	\$ 250.00
Trash Service	\$ 50.00
<b>TOTAL</b>	<b>\$ 300.00</b>

If you have any questions concerning this invoice, Contact Felipe Ojeda, (409) 466-7105

**THANK YOU FOR ALLOWING ME TO PROVIDE YARD SERVICES FOR YOUR BUSINESS!**

The Hometown Press

P.O.Box 801  
Winnie, TX 77665

# Invoice

Date	Invoice #
11/26/2021	3186

Bill To
Winnie Stowell Hospital District Sherrie Norris P.O.Box 1997 Winnie, Texas 77665

**RECEIVED**  
DEC 21 2021

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
2	1/4 page display black and white ad in The Hometown Press for the week of 11-24 & 12-01-2021	157.50	315.00
		<b>Total</b>	\$315.00

The Hometown Press

P.O.Box 801  
Winnie, TX 77665

# Invoice

Date	Invoice #
12/22/2021	3269

Bill To
Winnie Stowell Hospital District Sherrie Norris P.O.Box 1997 Winnie, Texas 77665

**RECEIVED**


**DEC 27 2021**


P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
1	Public Notice in The Hometown Press the size of 3 columns X 2.2 inches for the week of 12-01-2021	33.00	33.00
		<b>Total</b>	\$33.00

The Seabreeze Beacon  
PO BOX 814  
WINNIE, TX 77665 US  
(409)296-2102  
seabreezebeacon@gmail.com

*The Seabreeze Beacon*

"News you can use"  "News you can trust"

409-296-2102 Office    1354 SH 124, Winnie, TX    409-296-2104 Fax  
seabreezebeacon@gmail.com    (Behind Dairy Queen)    Like us on Facebook 

# INVOICE

**RECEIVED**  
JAN 07 2022

**BILL TO**  
Sherrie Norris  
Winnie-Stowell Hospital District  
PO BOX 1997  
Winnie, TX 77665

**INVOICE # 5671**  
**DATE 12/31/2021**  
**DUE DATE 01/15/2022**  
**TERMS Net 15**

ACTIVITY	QTY	RATE	AMOUNT
Display Ad Display Ad 1/4 Page Part-Time Position Admin Assistant 11/30	1	160.00	160.00
Display Ad Display Ad 3co. x 5inches Public Notice for Public Hearing 11/30	1	80.00	80.00

\*Monthly invoices will be mailed the third week of the month.

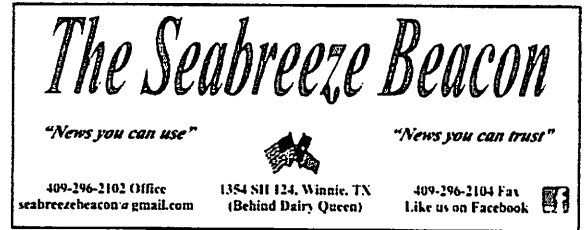
\*Invoice dates will be the last day of the month with a due date 15 days later.

**BALANCE DUE**

**\$240.00**

Please call our office at 409-296-2102 if you have any questions or concerns about your invoice.

The Seabreeze Beacon  
PO BOX 814  
WINNIE, TX 77665 US  
(409)296-2102  
seabreezebeacon@gmail.com



# INVOICE

**BILL TO**  
Sherrie Norris  
Winnie-Stowell Hospital District  
PO BOX 1997  
Winnie, TX 77665

**RECEIVED**

JAN 07 2022

INVOICE # 5700  
DATE 12/31/2021  
DUE DATE 01/15/2022  
TERMS Net 15

ACTIVITY	QTY	RATE	AMOUNT
Display Ad Display Ad Christmas Special Edition 12/21 1/4 Page	1	360.00	360.00

\*Monthly invoices will be mailed the third week of the month.

\*Invoice dates will be the last day of the month with a due date 15 days later.

**BALANCE DUE**

**\$360.00**

Please call our office at 409-296-2102 if you have any questions or concerns about your invoice.

WRIGHT NATIONAL FLOOD INSURANCE COMPANY  
J S EDWARDS & SHERLOCK INS  
PO BOX 22237  
BEAUMONT TX 77720

2000 11523 FLD PREF  
42 1151922752 02

RECEIVED

JAN 04 2022

Agent: (409)832-7736  
Report a Claim: [www.wrightflood.com](http://www.wrightflood.com)

04165

WINNIE STOWELL HOSPITAL DISTRICT  
PO BOX 1997  
WINNIE TX 77665-1997

WRIGHT NATIONAL FLOOD INSURANCE COMPANY  
J S EDWARDS & SHERLOCK INS  
PO BOX 22237  
BEAUMONT TX 77720

04165

WINNIE STOWELL HOSPITAL DISTRICT  
PO BOX 1997  
WINNIE TX 77665-1997

06056114211519227522136303

03908

04165





2000 11523 FLD PREF  
42 1151922752 02

06056114211519227522136303

03908



WFL 99.023 0118  
6250105  
12/28/21

42 1151922752 02

Property Address  
520 BROADWAY  
WINNIE TX 77665-7600

Agent (409)832-7736  
J S EDWARDS & SHERLOCK INS  
AGENCY LLP  
PO BOX 22237  
BEAUMONT TX 77720-2237

ADDITIONAL COPIES SENT TO THE FOLLOWING:

06056114211519227522136201

0000A

Insured

04165



WFL 99.023 0118  
6250105  
12/28/21

42 1151922752 02

ADDITIONAL COPIES SENT TO THE FOLLOWING:

06056114211519227522136201

0000A

Insured





Wright National Flood Insurance Company  
 A Stock Company  
 P.O. Box 33003  
 St. Petersburg, FL 33733-8003  
 Customer Service: 1-800-820-3242  
 Claims: 1-800-725-9472

WFL 99.023 0118  
 6250105  
 12/28/21

2000 11523 FLD PREF

Policy Number  
 42 1151922752 02

Expiration Date  
 2/22/22

Date of Notice  
 12/28/21

Agent (409)832-7736  
 J S EDWARDS & SHERLOCK INS  
 AGENCY LLP  
 PO BOX 22237  
 BEAUMONT TX 77720-2237

WINNIE STOWELL HOSPITAL DISTRICT  
 PO BOX 1997  
 WINNIE TX 77665-1997

## Renewal Notice

Payor: Insured

Rated Zone: X  
 Current Zone: X

Property Address:  
 520 BROADWAY,  
 WINNIE, TX 77665-7600

CRS Discount: 0%  
 HFIAA Surcharge: \$250\*  
 Federal Policy Fee: \$25\*

Please make your renewal payment on or before the expiration date shown above. Premium payments can be made via either credit card or electronic funds online through our website: <http://www.myfloodpayment.com> or, if paying by check, see the instructions on the remittance coupon below.

Payment received more than 90 days after expiration may result in a loss of eligibility for Pre-FIRM subsidized rates, grandfathering, and/or Newly Mapped.

If the coverage amount(s) shown under Option A or the payor listed above is incorrect, please contact your agent.

Coverage Options	Coverages		Deductibles		Premium
	Building	Contents	Building	Contents	
A: CURRENT COVERAGE	\$100,000	\$50,000	\$1,000	\$1,000	\$1,604.00
B: INCREASED COVERAGE	\$150,000	\$100,000	\$1,250	\$1,250	\$2,097.00

\*See reverse for an explanation of the HFIAA surcharge as well as other important billing information.

Please RETURN BOTTOM PORTION along with your payment to the mailing address below.



Please WRITE POLICY NUMBER ON CHECK  
 and make payable to: Wright National Flood Insurance Company

Insured: WINNIE STOWELL HOSPITAL DISTRICT  
 To be paid by: Insured

Renewal Date: 2/22/22

Option A  \$1,604.00  
 Option B  \$2,097.00

PO. Box 33070  
 St. Petersburg, FL 33733-8070



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**IMPORTANT MESSAGES**

1. The HFIAA surcharge is required by FEMA for every policy as part of section 1308 of the Homeowners Flood Insurance Affordability Act (HFIAA). The surcharge applied to your policy is \$25 for a verified primary residence or \$250 for a non-primary residence. If your primary residence status has changed, please contact your agent listed below.
2. Provided your payment is received within 30 days of the expiration of your policy, it will be renewed without a lapse in coverage. Any payment received after the 30 day grace period and prior to 90 days will still renew your policy, however, there will be a 30 day waiting period for coverage to become effective. The 30 day waiting period begins the day the premium is received. If more than 90 days have passed since expiration, a new application must be submitted.
3. You are encouraged to insure your property for at least 80% of the structure's replacement cost to ensure adequate coverage in the event of a loss. Contact your insurance agent for details.
4. If the mortgagee listed on the bill is not the current mortgagee, please forward the bill to the new financial institution (if they are responsible for premium payment) and have a change endorsement sent to correct the policy.
5. If this policy is a Preferred Risk Policy (PRP), please note that there have been recent changes to the eligibility requirements for the PRP. If the flood zone listed on your policy is not the zone on the current flood insurance rate map, you may no longer be eligible for the PRP. Please contact your insurance representative to verify if you are still eligible for this policy or to obtain a quote for a Standard policy.
6. Using Certified Mail when sending premium payments has the advantage of limiting lapses in coverage as the certified mail date is used as the premium receipt date to ensure the earliest receipt date possible and also provides a method to track your payment from the post office to the remittance center by going to [www.usps.com/shipping/trackandconfirm.htm](http://www.usps.com/shipping/trackandconfirm.htm).
7. **Effective June 1, 2014 the following deductible option changes have been made.** Policies rated with full-risk rates (post-firm, pre-firm elevation-rated, and all x-zone rated policies) or in AR, AR Dual, or A99 zones will have a minimum deductible of \$1,000 for building coverage and \$1,000 for contents coverage if the building coverage does not exceed \$100,000. If building coverage exceeds \$100,000, the minimum deductible will be \$1,250 for building and contents coverage. Policies rated with pre-firm subsidized rates will have a minimum deductible of \$1,500 for building or contents coverage if the building coverage does not exceed \$100,000. If building coverage exceeds \$100,000, the minimum deductible will be \$2,000 for building or contents coverage. Contents-only policies will use the same minimum deductibles that apply to building coverage that does not exceed \$100,000. For additional information concerning these changes or a premium quote, please contact your insurance representative.
8. Carefully review the renewal offer being provided for accuracy. This renewal offer will expire 30 days from the effective date shown on this form at 12:01 a.m. Price and terms associated with this renewal offer are subject to underwriting review and may not be available after expiration of this renewal offer. Please refer to the policy for complete terms, conditions, and exclusions. Please refer to [www.ambest.com](http://www.ambest.com) for rating, financial size category and additional information on the company shown on this renewal offer.
9. Our records show you are the building or unit owner at the address listed on the front of this notice. If you are not the owner and are a tenant, please contact your agent to update your policy.



# **Exhibit “D”**

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Confidential information

# **Exhibit “E”**



<b>Winnie-Stowell Hospital District</b>			
<b>Executive Summary of Nursing Home Monthly Site Visits</b>			
<b>December 2021</b>			
<b>Facility</b>	<b>Operator</b>		<b>Comments</b>
<b>Park Manor of Conroe</b>	HMG		Current Census: 90. The facility had their annual survey in early November 2021, the facility received one quality of care tag. The POC was accepted by the state and the tag was cleared. There were six reportable incidents since the last visit, the facility was not cited following state review. The residents at the facility are enjoying the unlimited visitation rules that are now in place, they are also participating in facility activities more regularly. The facility is planning on having parties for both staff and residents to celebrate the holidays.
<b>Park Manor of The Woodlands</b>	HMG		Current Census: 98. The facility last had their annual survey in March 2021, they are in compliance with the state. There were no reportable incidents since the last visit. Due to the high level of vaccinations at the facility they have an open visitation policy, the facility is also able to do a more traditional dining experience for the residents. The facility is doing good enough on staffing that they aren't having to use agency staffing, they have some needs but are able to make do as of now.
<b>Spindletop Hill Nursing and Rehabilitation Center</b>	Regency		Current Census: 77. The facility had their annual survey in November 2020, they are currently in their survey window. The facility is still under the IJ tag they received in May 2021. The state was in the facility to review five incidents since the last visit, the facility received one tag for failing to adequately treat a pressure ulcer. The facility is still looking for a beautician to hire, they had a candidate but they would not get vaccinated so the facility could not hire them.
<b>The Woodlands Nursing and Rehabilitation Center</b>	Regency		Current Census: 134. The facility last had their annual survey in October 2020, they are currently in their survey window. There were eleven reportable incidents since the last visit, the facility was not cited following state review. The facility is having to use agency staffing currently for nurses, they are actively recruiting new nurses with bonus incentives. The facility is hosting a Christmas party for staff and residents in the coming week.

<b>November 2021</b>			
<b>Facility</b>	<b>Operator</b>		<b>Comments</b>
<b>Garrison Nursing and Rehab</b>	Caring		Current Census: 81. The facility last had their annual survey in December 2020, they are currently in their survey window. There were no reportable incidents since the last visit. The facility is no longer considered to be in “outbreak” status, they do have areas of the facility designated to handle any new COVID cases. The facility had a Thanksgiving celebration, and each resident was allowed to have one visitor in their room at a time. There are no plans for Christmas at this time, but the facility is wanting to do an event.
<b>Golden Villa</b>	Caring		Current Census: 67. The facility was undergoing a survey during the time of the call; the surveyor was in to check on 42 outstanding self-reports. The facility is in the process of remodeling the resident’s bathrooms, they are also painting the interior of the facility. The facility is still having nurses work 12-hour shifts, they have not determined when they might switch back. The facility is planning on providing each of the residents a Christmas present this year.
<b>Marshall Manor Nursing and Rehab</b>	Caring		Current Census: 92. The facility had their annual survey in July 2021, their POC was accepted by the state. There were no reportable incidents since the last visit. The facility provided Thanksgiving dinner for all residents and staff who were working. The facility is preparing a holiday party for both staff and residents. The facility is set to lose some staff due to the vaccine mandate; they are hoping to use a waiver to help hire CNA’s.
<b>Marshall Manor West</b>	Caring		Current Census: 55. The facility had their annual survey in June 2021, their POC was accepted by the state. There was one reportable incident since the last visit, it is awaiting state review. The facility will not be losing any staff due to the vaccine mandate, the staff who are unvaccinated have an exemption. The facility is in the process of updating rooms by repairing walls, floors, blinds, and painting. The facility has switched back to 8-hour shifts for staff, they are able to do this because they will not be affected by the mandate.
<b>Rose Haven Retreat</b>	Caring		Current Census: 35. The facility last had their annual survey in November 2020. There were twelve reportable incidents since the last visit, all were cleared via desk review. The facility is hiring a new activity director to start at the beginning of December, this should take some work off the plate of the administrative staff and give the residents more activities.

			The facility is expecting to lose quite a bit of staff due to the vaccine mandate; they are providing as much education to their staff.
<b>Park Manor of Quail Valley</b>	HMG		Current Census: 76. The facility had their annual survey in November 2021, there were no health deficiencies and only minor life-safety tags; the facility is preparing their POC to send to the state. There were three reportable incidents since the last visit, the facility was not cited following state review. The administrator is planning on planting an herb garden to be used for aroma therapy and as a new activity for the residents. The facility is planning on repainting the interior of the facility as well as replacing the furniture in the common areas.
<b>Park Manor of Tomball</b>	HMG		Current Census: 97. The facility had a follow-up survey in August and the state cleared all the deficiencies from the annual survey. There were two reportable incidents since the last visit, the facility is waiting for review. The facility is having to use agency staffing, they are expecting to lose more staff once the mandate is effective. The facility is not planning any holiday parties but is encouraging family members to come visit the residents.

Administrator: Crystal Quintero (new as of 11/5/2021)  
DON: Ramona Cain, RN

### **FACILITY INFORMATION**

Park Manor Conroe is a licensed 123- bed facility with an overall star rating of 3 and Quality of Care of 5. Census given that day was 90: PP (7); MC (8); MCD; (47 + 6 pending) Hospice (0) and HMO (22).

Due to the current COVID-19 restrictions in place, the QIPP site visit was conducted via telephone. The DON was on the call. DON reports they are still following CMS/CDC/state infection control guidelines for COVID-19.

The DON stated they continue to implement their emergency plan and are following all the state/federal/local mandates. At the time of the call, Montgomery County's positivity rate was 5.06%. Testing is three days a week for unvaccinated staff and the last COVID\_19 positive employee was 11/11/2021. Park Manor of Conroe closed their COVID\_19 Unit. In the Warm Unit, they have nine residents. PPE inventory is still good, with some supplies in storage.

Those employees who have been fully vaccinated add up to 90% and residents are over 100%. The Administrator reports the facility had a clinic for COVID\_19 vaccines and will have one in January as well. The Administrator reports the facility will hire staff that are not vaccinated but they will have to test 3x/wk and they also will have the exemptions available.

The DON reported many residents are not as depressed now that visitation is fully opened and they are coming out to the dining room and participating in activities, especially Bingo, all with social distancing.

The Administrator reports the facility management are having a White Elephant exchange for lunch tomorrow and all other staff will have a party tomorrow as well. The facility is also planning several holiday activities for the residents and a party next week.

### **SURVEY Information**

The facility's last survey was November 4-7, 2021 resulting in one Quality of Care tag. The DON reports the POC has been submitted and accepted and the tag has been cleared.

### **REPORTABLE INCIDENTS**

During **Sept/Oct/Nov** the facility had:

- Sept 2 self-reports- no citations noted
- Oct 2 self-reports no citations noted
- Nov 2 self-reports no citations noted

**CLINICAL TRENDING**

**Incidents/Falls:**

**Sept/Oct/Nov**, Park Manor of Conroe had 54 total falls without injury, 1 fall with injury, 4 skin tears, 1 elopement, 1 fracture, 4 bruises, 2 lacerations, 4 behaviors and 2 Other.

**Infection Control:**

**Sept/Oct/Nov** Park Manor of Conroe reported 54 infections during, of which 20 were UTI's, 9 were URIs; 3 GI tract infections, 10 EENT infections, 8 Wound infections and 4 Blood infections.

**Weight loss:**

**Sept/Oct/Nov**, Park Manor of Conroe had 15 residents with 5-10% weight loss in 1 month and 2 with >10% weight loss in 6 months.

**Pressure Ulcers:**

Park Manor of Conroe reported 15 residents with pressure ulcers with 15 sites, 6 were facility-acquired during **Sept/Oct/Nov**.

**Restraints:**

Park Manor of Conroe does not use side rails or restraints.

**Staffing:**

Currently the facility is in need of: (1) RN 6a-2p; (1) RN 10p-6a; (2) LVN's for 6a-2p; (3) LVN for 2p-10p; (1) LVN 10p-6a; (3) CNA's for 6a-2p; (3) CNA's 2p-10p; and (3) CNA's for 10p-6a.

**CASPER REPORT**

Quarter Quality Indicators (Casper)				
Indicator	Facility	State	National	Comments/PIPs
New Psychoactive Med Use (S)	0.7	2.0%	2.0%	
Fall w/Major Injury (L)	1.6	3.4%	3.5%	
UTI (L)	0.0	1.6%	2.6%	
High risk with pressure ulcers (L)	8.9	8.7%	8.9%	
Loss of Bowel/Bladder Control(L)	78.8	51.4%	47.0%	Bowel & Bladder program in place
Catheter(L)	0.0	1.9%	1.9%	
Physical restraint(L)	0.0	0.0%	0.2%	
Increased ADL Assistance(L)	15.5	17.2%	14.7%	
Excessive Weight Loss(L)	5.3	5.0%	6.0%	
Depressive symptoms(L)	1.8	4.8%	7.5%	
Antipsychotic medication (L)	0.0	11.7%	14.6%	

### QIPP Component 1

Indicator	QAPI Mtg Dates	PIP's Implemented (Name specific PIP's)
QAPI Meeting	Sept 18, 2021	ADL's Falls POC Documentation
	Oct 23, 2021	ADL's Falls POC Documentation
	Nov 14, 2021	ADL's Falls POC Documentation

### Component 2

Indicator	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours of RN staffing coverage per day, beyond the CMS mandate?	N	
Did NF maintain 8 additional hours of RN staffing coverage per day, beyond the CMS mandate?	N	
Does the NF have a staffing recruitment and retention program that includes a self-directed plan and monitoring outcomes?	Y	
Was Workforce Development data submitted q month to QIPP during the quarter?	Y	

### QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.26	4.88	8.26%	Y	
Percent of residents who received an anti-psychotic medication	14.32%	1.06%	14.32%	Y	

Percent of residents whose ability to move independently has worsened	25.37%	11.56%	25.37%	Y	
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**QIPP Component 4 – CMS Long-Stay Quality Metrics**

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of residents with urinary tract infections	2.52%	1.9%	1.8%	Y	
Percent of residents whose pneumococcal vaccine is up to date.	0%	0%	0%	N	
Facility has an infection control program that includes antibiotic stewardship. The program includes policies and training as well as monitoring, documenting and providing staff feedback.				Y	Infection Control Policy reviewed.  Antibiotic Stewardship Program review and is in place with all components.

Administrator: AV Meghani  
DON: Julie Slyotsky

## **FACILITY INFORMATION**

Park Manor Woodlands is a licensed 124- bed facility with an overall star rating of 2 and a rating of 4 stars in Quality Measures. Current census given 98: 10 PP; 30 MC; 36 MCD; 17 HMO; 5 Hospice.

Due to the current COVID-19 restrictions in place, the QIPP site visit was conducted via telephone. The Administrator was on the call.

The Administrator reported they continue with their emergency plan and are following all the state/federal/local mandates. Administrator reports Montgomery County positivity rate was 5.1%. At this time, testing of unvaccinated employees (5) is three times a week. PPE inventory remains good with no issues. All employees are wearing surgical masks in the general population. Administrator reports they continue to follow CMS/CDC/state infection control guidelines for COVID-19.

The Administrator reported they are still able to allocate vaccinations in-house and it was working well for everyone. The last employee that tested positive was October 26,2021. At this time, Park Manor Woodlands no longer has a Hot Zone. Warm Zone has seven residents (if they come from the hospital) monitored. Full PPE is being worn in the Warm Zones and employees wear goggles and N95 masks in the warm zone.

At this time, the general population is going to the dining room. The Administrator reports the facility now has open visitation and it is going very well. The residents are now participating in the dining room for social distancing with good participation.

The Administrator reported 90% of employees and 100% of residents have been fully vaccinated. No contract agency is needed at this time. The Administrator reports the facility had a Christmas party for employees yesterday and day before for the residents and feedback was very good, "everybody loved it." Also tomorrow, the facility is having a special meal for staff and residents.

## **SURVEY INFORMATION**

Full book survey was March 2nd-5th, 2021 and no other recent state visits.

## **REPORTABLE INCIDENTS**

Park Manor Woodlands had no self-reports or complaints in **Sept/Oct/Nov.**



**CLINICAL TRENDING**

**Incidents/Falls:**

During **Sept/Oct/Nov**, Park Manor Woodlands had 14 total falls without injury and 5 falls with injury; 10 skin tears; 1 elopement; 4 bruises; 2 lacerations and 2 behaviors.

**Infection Control:**

Park Manor Woodlands reported 50 infections during **Sept/Oct/Nov**, of which 16 were UTI's; 18 Respiratory; 2 GI; 5 wound; 3 blood and 6 Other.

**Weight loss:**

**Sept/Oct/Nov**, Park Manor Woodlands had 2 residents with 5-10% weight loss in 1 month and 0 with >10% weight loss in 6 months.

**Pressure Ulcers:**

**Sept/Oct/Nov**, Park Manor Woodlands reported 12 residents with pressure ulcers with 25 sites, of them 3 facility-acquired.

**Restraints:**

Park Manor Woodlands does not use restraints but 33 residents with side rails.

**Staffing:**

Currently, Park Manor Woodlands needs: (1) LVN 2p-10p; (2) CNA 6a-2p; (4) CNA 2p-10p.

**CASPER REPORT**

Quarter Quality Indicators (Casper)				
Indicator	Facility	State	National	Comments/PIPs
New Psychoactive Med Use (S)	0%	2%	2%	
Fall w/Major Injury (L)	3.4%	3.4%	3.5%	
UTI (L)	0%	1.6%	2.6%	
High risk with pressure ulcers (L)	1.1%	-	2.9%	
Loss of Bowel/Bladder Control(L)	85%	51.4%	47%	Pip is being worked on
Catheter(L)	2.2%	1.9%	1.9%	
Physical restraint(L)	0	0	0.2%	
Increased ADL Assistance(L)	1.9%	17.2%	14.9%	
Excessive Weight Loss(L)	0	5.0%	6.0%	
Depressive symptoms(L)	5.2%	4.8%	7.5%	
Antipsychotic medication (L)	14.0%	11.7%	14.6%	

**QIPP Component 1**

Indicator	QAPI Mtg Dates	PIP's Implemented (Name specific PIP's)
QAPI Meeting	9/14/2021 10/14/2021 11/15/2021	Fall Prevention Fall Prevention Fall Prevention

**Component 2**

Indicator	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours of RN staffing coverage per day, beyond the CMS mandate?	Y	
Did NF maintain 8 additional hours of RN staffing coverage per day, beyond the CMS mandate?	Y	
Does the NF have a staffing recruitment and retention program that includes a self-directed plan and monitoring outcomes?	Y	
Was Workforce Development data submitted q month to QIPP during the quarter?	Y	

**QIPP Component 3 – CMS Long-Stay Quality Metrics**

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.9	8.7	4.8	Y	

Percent of residents who received an anti-psychotic medication	14.6	11.7	14	Y	
Percent of residents whose ability to move independently has worsened	20	18.2	6.1	Y	

**QIPP Component 4 – CMS Long-Stay Quality Metrics**

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of residents with urinary tract infections	2.6	1.6	0	Y	
Percent of residents whose pneumococcal vaccine is up to date.	0	0	100	Y	
Facility has an infection control program that includes antibiotic stewardship. The program includes policies and training as well as monitoring, documenting and providing staff feedback.				Y	Infection control policy review  Antibiotic Stewardship program review is place with all components.

Administrator: Teresa Parker  
DON: Chelsea Music, RN

### **FACILITY INFORMATION**

Spindletop Hill is a licensed 144- bed facility with an overall star rating of 1 and a rating of 1 star in Quality Measures. Census on the given day of call was 77. Private Pay 1; Medicare 2; HMO 8; Medicaid 56; Hospice 8; Medicaid Pending 2; and Memory Care 19.

Due to the current COVID-19 restrictions in place, the QIPP site visit was conducted via telephone. The Administrator was on the call. At the time of the call, Jefferson County reports a positivity rate of 3.7% (orange Transmission Rate). Testing is twice per week for unvaccinated employees. The Administrator reports the last time an employee tested positive for COVID\_19 was October 20, 2021 and the last resident tested positive on October 13, 2021 and expired in the hospital.

The Administrator reported they continue implementing their emergency plan and are following all the state/federal/local mandates. Staff are wearing N-95 masks if not vaccinated and all other staff are wearing surgical masks in the general population. Spindletop Hill is using a few contract staff as of the last couple of days.

New unvaccinated admissions are placed in quarantine. The Warm Zone has two residents in their unit. Full PPE is worn in the Warm Zone and Spindletop's PPE inventory remains good (exceeding minimum currently).

Spindletop Hill had no additional COVID\_19 vaccine clinics. The Administrator reports the National Guard has held 2 vaccine clinics and will come again on January 4, 2022. The Administrator stated 76% of the residents and 74.70% of staff have been vaccinated.

Visits in the building remain high with no issues. Spindletop Hill has two receptionists to screen all of these visitors and staff. Visitors are wearing N-95 masks if they say they have not been vaccinated or refuse to answer. Residents are still hesitant to come out to the dining room to eat and to participate in activities unless it is bingo.

Spindletop Hill is still looking for a beautician, qualified candidate refused to be vaccinated. The Administrator reports the facility is having a party today for staff and residents with ugly sweater contest for staff, food and gifts and a Christmas meal on Christmas Day.

### **SURVEY INFORMATION**

The facility had their annual survey on November 9th through the 13<sup>th</sup> of 2020 and are currently in their window. The facility is still under the IJ citation from May.

**REPORTABLE INCIDENTS**

**Sept/Oct/Nov** -The facility had 3 self-reports (2 resident-to-resident; 1 exploitation of property – by family member) and 2 state reviews (1 on-site received one tag F686; one off-site review for complaints – no tags)

**CLINICAL TRENDING**

**Incidents/Falls:**

During **Sept/Oct/Nov**, Spindletop Hill had 29 total falls without injury and 6 falls with injury, 3 Skin Tears, 0 Elopements and 1 Bruise, 0 Laceration, 2 Behaviors and 2 Other (no details).

**Infection Control:**

Spindletop Hill reported 47 infections during **Sept/Oct/Nov** of which 13 were UTI’s, 3 URIs, 18 wound infections, 2 EENT infections, and 1 Blood infection, 1 GI infection and 9 Other.

**Weight loss:**

**Sept/Oct/Nov**, Spindletop Hill had 2 resident with 5-10% weight loss in 1 month and 0 with >10% weight loss in 6 months.

**Pressure Ulcers:**

**Sept/Oct/Nov**, Spindletop Hill reported 8 residents with pressure ulcers with 10 sites, 4 of them facility-acquired.

**Restraints:**

Spindletop Hill does not use side rails or restraints.

**Staffing:**

The facility is in need of 3 LVNs on 2p-10p; 1 CNA on 6a-2p and 3 CNAs on 2p-10p.

**CASPER REPORT**

Quarter Quality Indicators (Casper)				
Indicator	Facility	State	National	Comments/PIPs
New Psychoactive Med Use (S)	3.3%	2.0	2.0	
Fall w/Major Injury (L)	2.9%	3.4	3.5	
UTI (L)	0	1.6	2.6	
High risk with pressure ulcers (L)	12.8%	8.7	8.9	PIP in place
Loss of Bowel/Bladder Control(L)	65.4	51.4	47.0	
Catheter(L)	3.3	1.9	1.9	
Physical restraint(L)	0	0	0.2	
Increased ADL Assistance(L)	27.8	17.2	14.7	
Excessive Weight Loss(L)	0	5.0	5.0	
Depressive symptoms(L)	5.3	4.8	7.5	

Antipsychotic medication (L)	13.1	11.7	14.6	PIP in place
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### QIPP MEASURES

#### Component 1

Indicator	QAPI Mtg Date	PIP's Implemented (Name specific PIP's)
QAPI Meeting	9/16/2021, 10/19/2021, 11/9/2021	Pressure Ulcers, Anti-psychotics medication (L), Restorative Nursing; Infection Control; Workforce Development and Engagement, Pain Management

#### Component 2

Indicator	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours of RN staffing coverage per day, beyond the CMS mandate?	N	At this time we only have the DON and WE/RN.
Did NF maintain 8 additional hours of RN staffing coverage per day, beyond the CMS mandate?	N	WE/RN did not work consecutive 8 hours
Does the NF have a staffing recruitment and retention program that includes a self-directed plan and monitoring outcomes?	Y	
Was Workforce Development data submitted q month to QIPP during the quarter?	Y	

#### QIPP Component 3 – CMS Long-Stay Quality Metrics

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.26%	16.1%	12.8%	N	PIP in place
Percent of residents who received an anti-psychotic medication	14.6%	22.1%	13.1%	Y	PIP now complete
Percent of residents whose ability to move independently has worsened	23.6%	16.2%	16.2%	Y	

**QIPP Component 4 – CMS Long-Stay Quality Metrics**

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of residents with urinary tract infections	2.6%	0%	0%	Y	
Percent of residents whose pneumococcal vaccine is up to date.	93.6%	98%	98.5%	Y	
Facility has an infection control program that includes antibiotic stewardship. The program includes policies and training as well as monitoring, documenting and providing staff feedback.				Y	<p>Infection Control Policy reviewed. Yes, per Administrator</p> <p>Antibiotic Stewardship Program review and is in place with all components. Yes, per Administrator</p>

Administrator: Gloria Carrasco  
DON: Annie Cadio, RN

### **FACILITY INFORMATION**

The Woodlands Nursing and Rehabilitation Center is a licensed 214 - bed facility with an overall star rating of 2 and a rating of 3 stars in Quality Measures. Census given was 134: 13 PP; 8 MC; 71 (13 pending) MDC; 12 HMO; 7 Hospice; 10 VA; and 16 MC.

Due to the current COVID-19 restrictions in place, the QIPP site visit was conducted via telephone. The Administrator and DON were on the call.

The Administrator continues to implement their emergency plan and are following all the state/federal/local mandates.

The positivity rate for Montgomery County was 3.4%. Testing is twice per week for unvaccinated staff and residents. The last time a resident tested COVID\_19 positive was Tuesday, the 14<sup>th</sup> of September and has since returned to general population. The Woodlands has no residents in the Hot Zone. The facility has 21 residents (new/re-admissions) who are in the Warm Zone. The Woodlands is still following CMS/CDC/state infection control guidelines for COVID-19. PPE inventory is still good, just filled storage with delivery from Austin (HHSC).

Residents who are in the Warm Zone stay in their room to eat and have one on one activities. Many residents in the general population like to eat in their room as they like watching TV in their own room. Participation for activities in the general population is high as they love Bingo and continue to have it three to four times a day.

The facility continues documenting the screening of all employees and visitors that come into the building. Volunteers are now allowed at this time. The facility is also open to visitation with no limitations.

A Vaccination clinic for residents and staff is coming up this week, through the State. Most residents are vaccinated (75%). Approximately 75% of employees have been vaccinated and more will receive theirs tomorrow.

Contract agency is being used for nurses at this time at The Woodlands but they are actively recruiting with bonus incentives. The Administrator reports the facility is having a Christmas party for staff and residents this week.

### **SURVEY INFORMATION**

Facility had their annual survey in October of 2020.



## REPORTABLE INCIDENTS

- Complaints/Self Reports: 4 /7
- State visits/desk reviews: 3/0 with no citations/deficiencies after each visit

## CLINICAL TRENDING

### Incidents/Falls:

During **Sept/Oct/Nov**, The Woodlands had 50 total falls without injury and 3 falls with injury; 5 skin tears; 3 elopements; 3 fractures; 2 bruises; 3 behaviors and 2 other (no details).

### Infection Control:

The Woodlands reported 26 infections during **Sept/Oct/Nov**, of which 9 were UTI's; 3 GI; 9 wound; 3 EENT and 2 Other.

### Weight loss:

**Sept/Oct/Nov**, The Woodlands had 8 residents with 5-10% weight loss in 1 month and 2 with >10% weight loss in 6 months.

### Pressure Ulcers:

**Sept/Oct/Nov**, The Woodlands reported 16 residents with pressure ulcers with 32 sites, of them 3/5 facility-acquired.

### Restraints:

The Woodlands do not use side rails or restraints.

### Staffing:

Currently the facility is in need of: (1) RN; 6a-2p; (4) LVN's for 6a-2p; (4) CNA's for 6a-2p; (2) CNA's 2p-10p; (4) CNA's for 10p-6a; (2) dietary aide 6a-2p; and (2) dietary aide 2p-10p.

## CASPER REPORT

Quarter Quality Indicators (Casper)				
Indicator	Facility	State	National	Comments/PIPs
New Psychoactive Med Use (S)	0%	2.0%	2.0%	
Fall w/Major Injury (L)	7.0%	3.4%	3.5%	PIP in place
UTI (L)	0%	1.6%	2.6%	
High risk with pressure ulcers (L)	7.6%	8.7%	8.9%	
Loss of Bowel/Bladder Control(L)	51.9%	51.4%	47%	
Catheter(L)	2.3%	1.8%	1.9%	Diagnoses meet requirement
Physical restraint(L)	0%	0%	0.2%	
Increased ADL Assistance(L)	18.2%	17.2%	14.7%	
Excessive Weight Loss(L)	5.8%	5.0%	6.0%	

Depressive symptoms(L)	1.1%	4.8%	7.5%	
Antipsychotic medication (L)	7.7%	11.7%	14.6%	

**QIPP Component 1**

Indicator	QAPI Mtg Dates	PIP's Implemented (Name specific PIP's)
QAPI Meeting	9/9/21 10/14/21 11/11/21	

**Component 2**

Indicator	Benchmark Met Y/N	Comments
Did NF maintain 4 additional hours of RN staffing coverage per day, beyond the CMS mandate?	N	Continue hiring RNs
Did NF maintain 8 additional hours of RN staffing coverage per day, beyond the CMS mandate?	yes	
Does the NF have a staffing recruitment and retention program that includes a self-directed plan and monitoring outcomes?	yes	
Was Workforce Development data submitted q month to QIPP during the quarter?	yes	

**QIPP Component 3 – CMS Long-Stay Quality Metrics**

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of high-risk Long-Stay residents with pressure ulcers; including unstageable ulcers	8.9%	8.4%	2.22%	Y	

Percent of residents who received an anti-psychotic medication	14.6%	14.4%	7.6%	Y	
Percent of residents whose ability to move independently has worsened	20.0%	20.0%	15.2%	Y	

**QIPP Component 4 – CMS Long-Stay Quality Metrics**

Indicator	National Benchmark	Baseline Target	Results	Met Y/N	Comments
Percent of residents with urinary tract infections	2.6%	5%	0%	y	
Percent of residents whose pneumococcal vaccine is up to date.	100%	93.6%	95.1%	y	
Facility has an infection control program that includes antibiotic stewardship. The program includes policies and training as well as monitoring, documenting and providing staff feedback.				y	

# **Exhibit “F”**

## 2020

Census	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Average	Texas Average
ER Visits	187	178	193	147	162	166	141	169	190	188	194	168	174	
Conversion to Inpatient/observation	9	14	17	14	10	7	6	17	21	10	14	11	13	
<i>Percentage</i>	5%	8%	9%	10%	6%	4%	4%	10%	11%	5%	7%	7%	7%	
Transferred out	8	14	7	13	16	11	11	8	9	12	17	12	12	
<i>Percentage</i>	4%	8%	4%	9%	10%	7%	8%	5%	5%	6%	9%	7%	7%	
ER shifts covered by doctors	80%	82%	87%	72%	57%	67%	61%	55%	66%	52%	47%	52%	65%	
Number Inpatient days	83	95	69	64	75	74	60	124	90	183	201	257	115	
Number Hospice days	1	17	27	7	1	0	0	4	6	0	0	0	5	
Number Swingbed days	2	7	16	20	99	57	53	43	62	41	48	119	47	
Number Observation days	36	47	21	5	8	11	5	28	33	33	25	26	23	
Total All Inpt. Days	122	166	133	96	183	142	118	199	191	257	274	402	190	
Average Inpatient days per day	3.94	5.72	4.29	3.20	5.90	4.73	3.81	6.42	6.37	8.29	9.13	12.97	6.23	1.63
CTs	56	71	59	39	56	48	46	57	54	80	56	60	57	
Xrays	270	268	185	160	200	169	151	194	248	280	306	305	228	
Ultrasounds	20	20	14	8	5	1	3	2	21	30	44	26	16	
Encounters - Adult Clinic	637	598	591	349	360	452	383	387	524	478	539	447	479	
Encounters - Pediatric Clinic	275	306	221	69	95	168	178	233	279	243	256	190	209	
Behavioral Health patients	45	44	39	0	0	0	0	0	0	0	0	0	11	
Physical Therapy	0	1	2	0	1	0	0	0	0	0	0	0	0	

## 2021

Census	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Average	Texas Average
ER Visits	167	170	184	225	231	256	265	248	270	204	185	238	220	
Conversion to Inpatient/observation	16	17	9	14	24	26	31	31	20	21	17	24	21	
<i>Percentage</i>	10%	10%	5%	6%	10%	10%	12%	13%	7%	10%	9%	10%	9%	
Transferred out	7	7	12	8	17	13	12	5	10	13	10	19	11	
<i>Percentage</i>	4%	4%	7%	4%	7%	5%	5%	2%	4%	6%	5%	8%	5%	
ER shifts covered by doctors	74%	51%	55%	68%	48%	60%	56%	58%	70%	48%	60%	23%	56%	
Number Inpatient days	167	172	146	117	196	135	115	262	472	179	106	227	191	
Number Hospice days	0	13	7	22	7	5	18	19	0	0	0	14	9	
Number Swingbed days	0	50	35	20	83	26	114	58	39	58	37	58	48	
Number Observation days	31	12	18	33	35	32	36	20	19	20	22	24	25	
Total All Inpt. Days	198	247	206	192	321	198	283	359	530	257	165	323	273	
Average Inpatient days per day	6.39	8.52	6.65	6.40	10.35	6.60	9.13	11.58	17.67	8.29	5.50	10.42	8.96	1.63
CTs	66	66	60	68	73	61	68	47	74	54	53	75	64	
Xrays	248	240	309	292	250	305	318	383	410	254	199	232	287	
Ultrasounds	30	42	37	39	37	32	26	42	31	53	34	46	37	
Encounters - Adult Clinic	409	368	517	507	455	550	497	490	405	663	522	451	486	
Encounters - Pediatric Clinic	226	171	285	279	168	179	242	301	195	275	227	157	225	
Behavioral Health patients	0	0	0	0	0	11	18	18	14	30	36	32	13	
Physical Therapy	1	0	0	0	1	0	1	0	0	0	0	0	0	

# **Exhibit “G”**

## **AUTHORIZING RESOLUTION**

At a duly constituted meeting of the Board of Directors of Winnie-Stowell Hospital District (“District”), a political subdivision of the State of Texas established pursuant to CHAPTER 286 OF THE TEXAS HEALTH & SAFETY CODE, held on January 19, 2022, the following resolution was adopted:

**WHEREAS**, at its January 19, 2021 Regular Meeting, the Board of Directors determined that it was in the best interest of the District to acquire “The Villa at Texarkana” (“Facility”) owned by Texarkana SNF LLC.

**WHEREAS**, at the Board January 19, 2002 Regular Meeting, the Board of Directors unanimously voted to:

1. Acquire the Facility and to establish depository accounts for each Facilities consistent with the District’s other nursing home accounts at Allegiance Banks for the purpose of operating the District, including, owning and operating the District’s nursing homes.
2. Make the President, Edward Murrell; Vice President, Anthony Stramecki; Treasurer George Robert Way, Jr. and Administrator, Sherrie Norris, the signatories for the District’s accounts and enter into Treasury Management Services Agreements with Allegiance Bank.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the District hereby adopts the following resolutions:

- (1) Allegiance Bank is authorized to open a depository accounts for each Facility consistent with the District’s other nursing home accounts
- (2) The following officers of the District, listed below, are authorized to enter into execute Treasury Management Services Agreements with Bank; and wire transfer funds or ACH Funds to or from the Accounts subject to any agreement with the following: a) Bank; b)Managers of each facility; c) Accounts Receivable Lenders; or d) Landlords, including but not limited to: a) Management Agreements; b) Security Agreements; c) Depository Account Instruction and Service Agreements (“DAISA”); d) Inter-creditor Agreements; Collateral Agreements; or e) Depository Account Control Agreements (“DACA”):

Name	Title	Signature
Edward Murrell	President	_____
Anthony Stramecki	Vice President	_____
George Robert Way, Jr.	Treasurer	_____

- (3) The following employee of the District, listed below is authorized to enter into execute Treasury Management Services Agreements with Bank; and wire transfer funds or ACH Funds to or from the Accounts subject to any agreement with the following: a) Bank; b)Managers of each facility; c) Accounts Receivable Lenders; or d) Landlords, including but not limited to: a) Management Agreements; b) Security Agreements; c) Depository Account Instruction and Service Agreements (“DAISA”); d) Inter-creditor Agreements; Collateral Agreements; or e) Depository Account Control Agreements (“DACA”)::

Name	Title	Signature
Sherrie Norris	Administrator	_____

- (4) The officers and employee named above have provided specimen signatures herein and are authorized to sign signature cards and Accounts agreements.
- (5) The Administrator of the District is authorized and directed to deliver for and on behalf of the District, a certificate of this resolution to the bank.
- (6) The Bank is authorized to rely upon this Resolution until the bank has received written notice of any amendment or recession of the resolution.
- (7) The District is authorized to enter into Treasurer Management Agreements for the newly established Accel at College Station; Silver Spring; and Cimarron Place Nursing & Rehabilitation facilities Accounts account subject to this resolution.



I further certify that the District is duly organized and existing and has the power to take the action called for by the foregoing resolutions.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary this \_\_\_\_ day of \_\_\_\_\_, 2022.

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Jeff Rollo, Secretary

**CERTIFICATE**

I, the undersigned, Jeff Rollo, Secretary of the Winnie Stowell Hospital District, hereby certify that that the foregoing Resolution to establish depository accounts for the Facilities consistent with the District's other nursing home accounts at Allegiance Bank is a full, true, and correct copy of a resolution duly adopted by the Board of Directors of the Winnie Stowell Hospital District at its Regular Meeting held on January 19, 2022, held on the day and at the place therein specified, at which a majority of the members were present and voted. I further certify that the resolution is entered in the minutes and has not been amended or repealed.

**IN WITNESS WHEREOF**, I have hereunto set my hand as Secretary this 19th day of January 2022.

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Jeff Rollo  
Secretary, Board of Directors

# **Exhibit “H”**

**Exhibit C-2017-2021WSHD/Winnie Community Hospital Cost  
2022 Indigent Care Agreement Calculations**

<b>Year</b>	<b>Number of Clients</b>	<b>WCH Amount Billed</b>	<b>Actual Medicaid Payment Amount Incurred</b>	<b>Avg. Per Client Cost/Billed</b>	<b>Avg. Per Client Cost/Paid</b>
2017	61	\$520,406.20	\$214,062.41	\$8,531.25	\$3,509.22
2018	61	\$638,848.11	\$264,655.20	\$10,472.92	\$4,338.61
2019	80	\$755,761.37	<del>\$309,326.39</del>	\$9,447.02	\$3,866.58
2020	52	\$524,493.12	\$198,713.45	\$9,666.16	\$2,857.41
2021 (Through Dec.)	<b>106</b>	<b>\$712,751.01</b>	<b>\$291,128.70</b>	<b>\$6,724.07</b>	<b>\$2,746.50</b>
<b>2017-2021 Avg.</b>	<b>63.50</b>	<b>\$561,249.14</b>	<b>\$256,615.44</b>	<b>\$9,556.78</b>	<b>\$3,568.41</b>

<b>Paid in April 2020</b>	\$450,000.00
<b>Less 2020 Agreement Amount</b>	\$196,669.35
<b>Balance of Credit</b>	<u>\$253,330.65</u>
<b>Less 2021 Average</b>	<u>\$225,810.35</u>
<b>Remainder of 2020 Credit</b>	\$27,520.30
<b>2022 Payment Amount</b>	<u>\$256,615.44</u>
<b>Less Credit Remaining</b>	\$229,095.14