

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

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act a full 72 hours prior to the opening of said meeting for 6:00 p.m., October 18, 2023 at the District’s Offices located at 520 Broadway, Winnie, Texas 77665, (a copy of said Notice being placed amongst the files of the District). An electronic copy of this meeting is available upon request.

At approximately 6:05 p.m., the meeting was convened, and roll was called off the members of the Board, to wit:

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

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

Mrs. Sherrie Norris	District Administrator
Ms. Reagan Walters	Office Assistance
Mr. Hubert Oxford, IV	General Counsel for the District
Mrs. MaKayla Vidal	District CPA
Mr. Mo Danishmund	Chief Financial Officer, Riceland Hospital
Mr. David Smith	LTC Group
Mr. Saad Javed	Winnie Community Hospital
Mr. Josh Wahleithner	Winnie Stowell Volunteer Emergency Medical Service (“WSVEMS) Staff
Mrs. Gloria Roemer	Seabreeze Beacon
Dr. Robert Lyons	Coastal Gateway Health Center
Ms. Kaley Smith	Coastal Gateway Health Center

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4. Public Comment

President Murrell called on those present at the meeting to make any public comment.

There were no public comments to be made.

5. Review and approve minutes of October 18, 2023 Regular Meeting.

President Murrell then called on the Board to return to Agenda Item 5, and to review and approve the minutes from the September 20, 2023 Regular Meeting. The Board then reviewed the minutes and did not have changes.

Consequently, Director Stramecki made a motion to approve the minutes from the September 20, 2023 Regular Meeting. This motion was seconded by Director Vratiss, and unanimously approved by all the Board Members present.

6. Review and approve Accountant's report and financials report for monthly payment of invoices; and adopt any budget amendments, if necessary.

Following the review and approval of the Minutes, President Murrell called on Mrs. MaKayla Vidal, the District's CPA, to present the financial reports for September 2023. (See Exhibit "A-1"). According to Mrs. Vidal, the financials for September were in order and she was going to present budget amendment recommendations following her discussion on the Treasurer's Report.

Upon the completion of September 2023 financials, Mrs. Vidal then asked the Board to turn their attention to the Treasurer's Report. (See Exhibit "A-2"). According to Mrs. Vidal, the total invoices presented at the meeting amounted to \$442,767.08. She then reviewed the individual invoices and explained that the payment to Coastal Gateway for \$173,988.65 was necessary to bring their bank balance back to \$250,000.00. A complete list of the invoices to be paid is as follows:

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Pending Expenses	For	Amount
Indigent Healthcare Solutions	Inv #76450	\$1,566.00
Brookshire Brothers	Indigent Care (Jul RXs)	\$3,124.64
Brookshire Brothers	Indigent Care (Aug RXs)	\$2,769.38
Wilcox Pharmacy	Indigent Care (Jul RXs)	\$1,529.75
Wilcox Pharmacy	Indigent Care (Aug RXs)	\$1,563.81
UTMB at Galveston	Indigent Care	\$42,705.17
UTMB Faculty Group	Indigent Care	\$7,409.81
Thompson Outpatient Clinic	Indigent Care	\$1,424.13
Winnie Stowll Volunteer EMS	Indigent Care (Ambulance Svs)	2093.45
Winnie Community Hospital (RMC)	Indigent Care	\$33,551.64
Bayside Dental	SP Program	\$770.00
Winnie Family Dental	SP Program	\$2,867.60
Nicki Holtzman	Youth Counseling	\$85.00
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$510.00
Technology Solutions of Tx	Inv #1806	\$95.00
Felipe Ojedia-Yard Service	Inv #1041	\$350.00
Graciela Chavez-Office Cleaning	Inv #965963	\$120.00
Benckenstein & Oxford	Inv #50879	\$19,550.00
Hubert Oxford	Legal Retainer	\$1,000.00
Makayla Vidal	Inv #26	\$9,625.00
American Education Services	Grant S Stern-Student Loan	\$150.14
Vaughns AC	Inv #WO1037	\$180.00
The Hometown Press	Inv # 3939	\$600.00
The Seabreeze Beacon	Inv # 6758	\$350.00
Durbin & Company (Outstanding Balance)	Inv # 9669	\$10,000.00
Winnie Community Hospital	WCH DY8 Recoup Demand	\$147,856.73
Marcelous-Williams Resource Center	Grant Inv 4nd Qtrly pmt	\$14,435.53
Durbin & Company (2022 Audit)	Invoice # 12093	\$34,000.00
Total Pending Expenses:		\$340,282.78

Next, Mrs. Vidal referred the Board to the Funds Summary section of the Treasurer's report, which is set forth below.

Funds Summary	Totals
Prosperity Operating (Unrestricted)	\$545,327.51
First Financial DACA (Unrestricted)	\$10,715,837.16
First Financial DACA (Restricted)	\$1,685,496.75
First Financial Money Market (Restricted)	\$13,565,151.77
TexStar (Restricted)	\$723,947.12
FFB CD Balance	\$8,200,000.00
Total District Funds	\$35,435,760.30
Less First Financial (Restricted)	(\$1,685,496.75)
Less TexStar Reserve Account	(\$723,947.12)
Less LOC Outstanding	(\$1,745,740.56)
Less First Financial Money Market (Restricted)	(\$13,565,151.77)
Less Committed Funds (See Total Commitment)	(\$1,573,783.47)
Cash Position (Less First Financial Restricted)	\$17,887,381.20
Pending Expenses	\$340,282.78
Ending Balance (Cash Position-Pending Expenses)	\$18,227,663.98
*Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Outstanding Chow Loans)	\$25,669,698.06

According to Mrs. Vidal, the Total Funds as of the meeting were \$25,669,698.06, which was \$976,726.20 less than the last meeting's Treasurer's Report. Concerning the Five Month Note, Mrs. Vidal stated that this loan was paid

in full on September 30, 2023 and she requested authority to pay \$2,190,268.00 at the end of the month for the eleven (11) month Short Term Note with First Financial Bank. If approved, Mrs. Vidal explained that the District would be one (1) month ahead of schedule for payments. Therefore, this loan would also be paid off early.

Next, Mrs. Vidal asked the Board to review the proposed budget amendments for 2023 set forth in **Exhibit “A-3”**. Mrs. Vidal then proceeded to review each line item and explained all the various monetary amendments as well as changes to the line-item names and line-item designation number that were changed in order to better categorize (i.e., organize the budget). After answering questions by the District’s Board Members, she summarized the overall changes in the budget, as set forth below, by stating that if adopted, the Total Ordinary Income will be reduced by \$1,084,683.33 to \$3,869,104.41.

	2023 YTD	2023 Original Budget	% of Budget Used	Proposed Budget Amendments	Budget (Amendment 1)
Revenue					
Total Income	\$ 50,968,074.22	\$ 65,681,574.68	77.60%	\$ 212,102.08	\$ 65,893,676.76
Expenses					
Total Expense	\$ 44,918,885.33	\$ 60,727,786.94		\$ 1,002,958.04	\$ 62,024,572.35
Total Ordinary Income	\$ 6,049,188.89	\$ 4,953,787.74	122.11%	\$ (1,084,683.33)	\$ 3,869,104.41

Lastly, Mrs. Vidal referred the Board to the Check Register and other supporting financial information found in **Exhibit “A-4”**.

President Murrell then called for a motion to approve the financials, Treasurer’s Report, and payment of invoices. In response, Director Vratis made a motion to approve: (i) the September 2023 financials; (ii) the Treasurer’s Report; (iii) pay the outstanding invoices; (iv) approve the Check Register; (v) the proposed amended budget; and (vi) authorized staff to make an early payment of \$2,190,268.00 for the outstanding eleven (11) month loan at First Financial Bank. (See **Exhibit “A-1”, “A-2”, “A-3”, and “A-4”**). This motion was seconded by Director Rollo and unanimously approved by all the Board Members present except Director Stramecki who abstained.

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

Next, President Murrell asked the Committees if there were any reports but there was none. He then called on staff to present their reports.

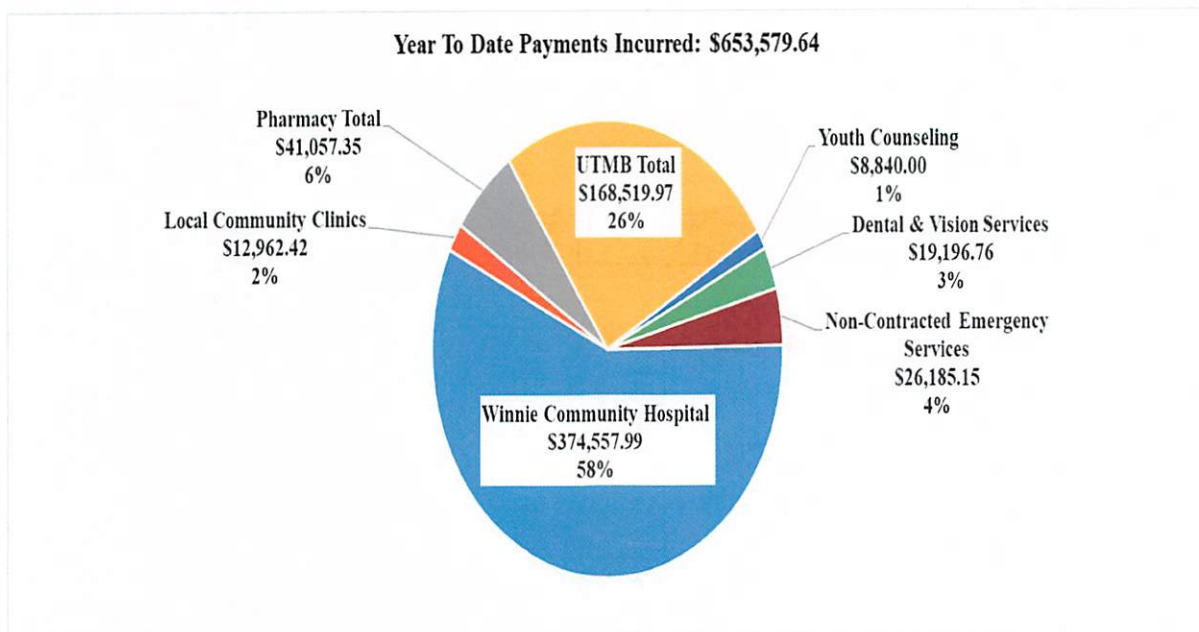
8. Receive reports, by:

a. Administrator's Report

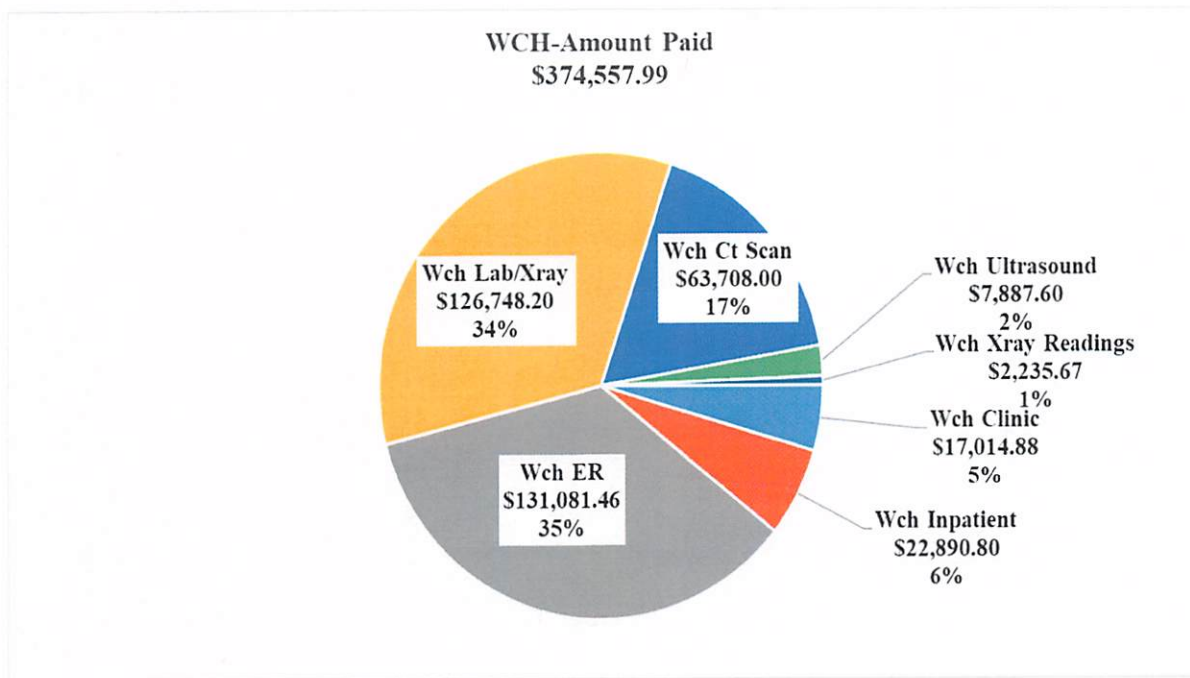
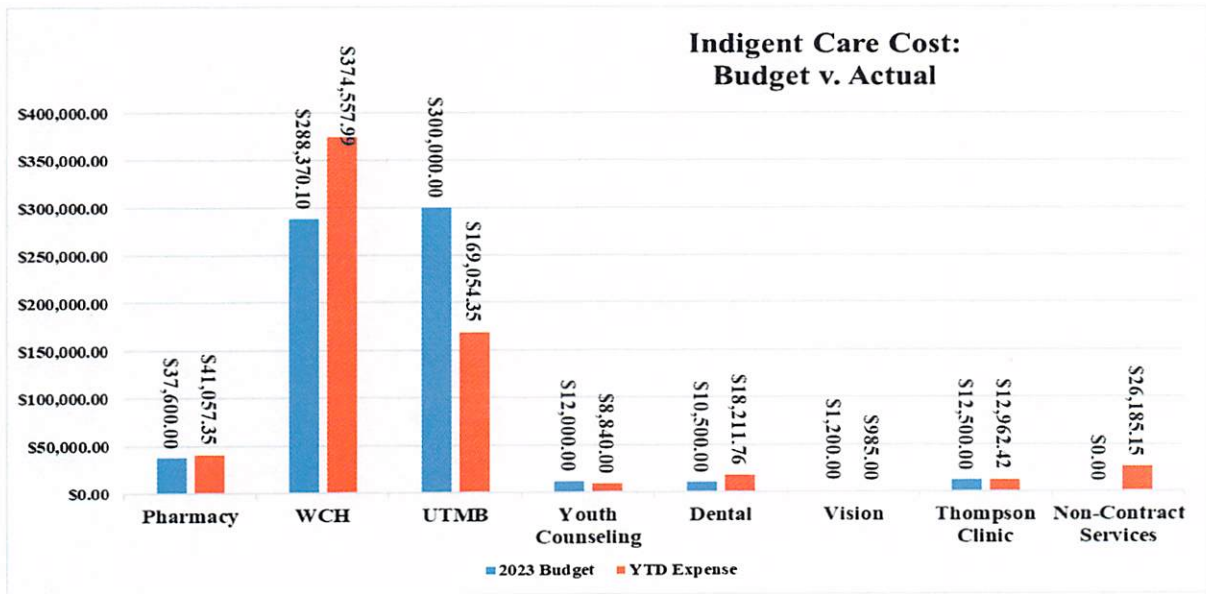
The District's Administrator advised that she had nothing to report.

b. District Indigent Care Director Report

Next, President Murrell called on Attorney Oxford to give the Indigent Care Report in lieu of Mrs. Ojeda's absence. Mr. Oxford referred the Board Members to Mrs. Ojeda's monthly reports and the following charts and asked if there were any questions. (See Exhibit "B"). There were none.



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c. District General Counsel Report

Attorney Oxford did not have anything further to report that was not discussed in the Indigent Care Report or to be discussed later in the meeting.

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d. Coastal Gateway Report

Turning to the Coastal Gateway report, Ms. Kaley Smith, Coastal Gateway's ("Health Center") Chief Executive Officer, presented the Coastal Gateway's ("Clinic") monthly report. Some of the matters discussed were as follows:

- Monday, September 25, 2023 was the Clinic's official first day;
- Open House event with the Winnie Area Chamber of Commerce has been scheduled for Wednesday, November 8, 2023;
- First Mobile Mammo day is scheduled for October 31, 2023;
- The Clinic has completed all their training on the EMR;
- The Clinic was continuing to push the administration of Influenza (flu) vaccines
- The laboratory interface with Riceland is underway and should be nearing completion soon.

e. LTC Report

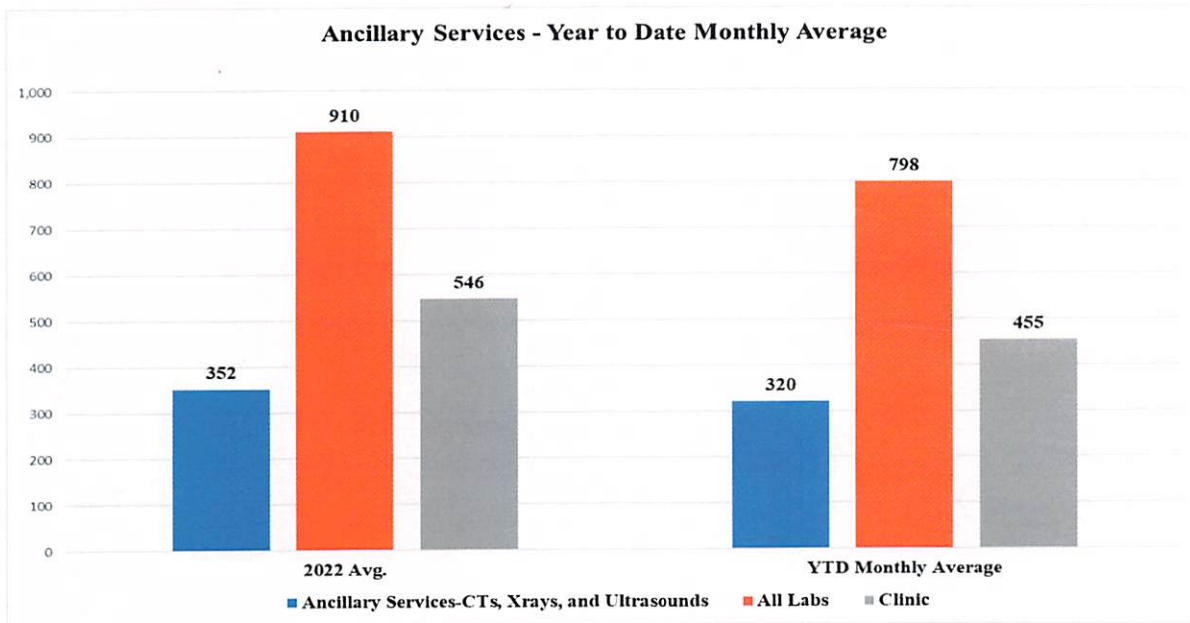
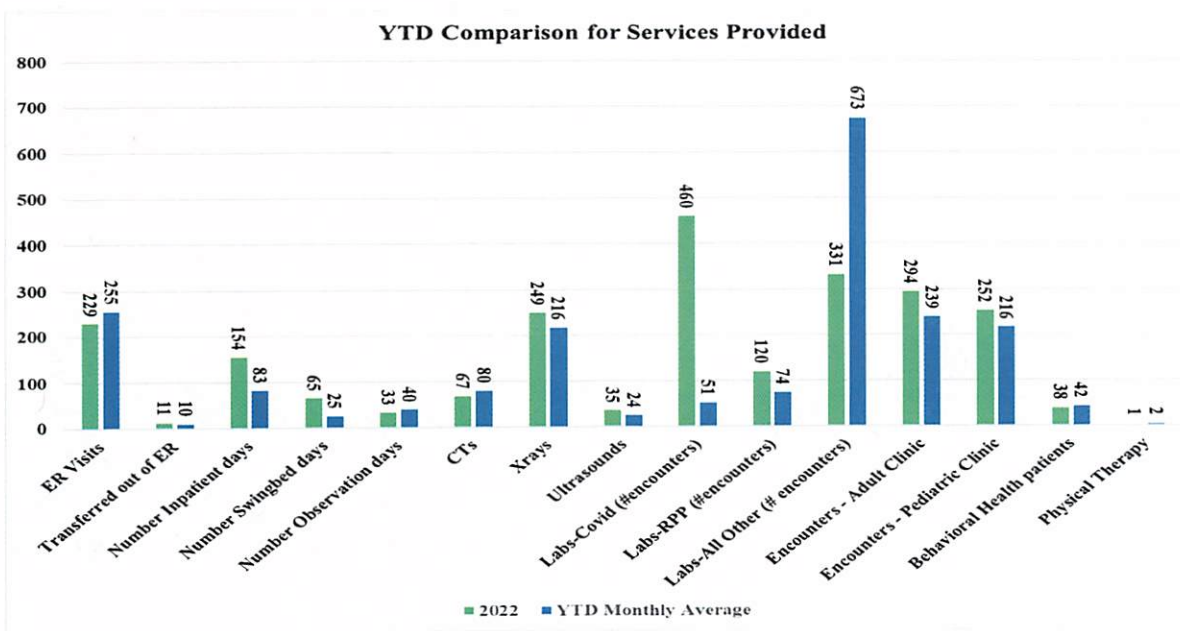
The Board was then directed to the September 2023 LTC Report and President Murrell called on Mr. David Smith with LTC to review the report. Mr. Smith then went through the monthly report and highlighted areas of improvement and concern for the various District nursing facilities. (See **Exhibit "C"**).

f. Hospital Report

President Murrell then asked the Board to move forward to Agenda Item 8(f) and called on Mr. Javed to present the Hospital report. Mr. Javed thanked President Murrell for the courtesy and then distributed and discussed the Hospital's monthly report for September 2023:

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The following are charts summarizing the report set forth above:



Otherwise, Mr. Danishmund thanked the Board for their time and stated that he had nothing else to report.

Next, President Murrell called on the Board to address the remainder of the agenda and action items. He then called on the Board to address and move to Agenda

Item 10 and advised that Agenda Item 9 was going to be addressed at the end of the meeting.

10. Discuss and take-action, if necessary, on any grant requests.

President Murrell then called on the Hospital to discuss any possible grant request. In response, Mr. Danishmund informed the Board that the Hospital was withdrawing their request. Therefore, no action was taken.

11. Discuss and take-action, if necessary, on approving amendments to the District's Indigent Care Policy.

Attorney Oxford was asked to present this agenda item. Attorney Oxford explained that he and Mrs. Ojeda had been working on updating the District's Indigent Care Policy and they anticipated a series of agenda items in the future to make any changes they recommend. Presently, the changes they requested were set forth in **Exhibit "D"**. The first change in Section 5(B) was to allow aliens with valid work permits or in the country legally per the Deferred Action for Childhood Arrivals (DACA) to participate in the program. The second change was to Section VI(C) to limit the definition of Mandated Provider to those providers within the District's Boundaries legally and authorized the Board to use its discretion in designating mandated providers.

After a brief discussion on the proposed amendments, Director Stramecki made a motion to approve the changes to the Indigent Care Policy as set forth in **Exhibit "D"**. This motion was seconded by Director Way and unanimously approved by all the Board Members.

12. Discuss and take-action, if necessary, on approving provider agreements with the UHPHEALTH, INC for behavioral health services and PHYSIO Physical Therapy.

Next, President Murrell asked Attorney Oxford to also present Agenda Item No. 12. Attorney Oxford presented agreements with UPHEALTH, Inc. and Physio Physical Therapy which Mrs. Ojeda and himself negotiated and prepared ,and asked that they be approved by the Board. (See **Exhibits "E-1" and "E-2"**). Attorney Oxford explained that the UPHEALTH, Inc. agreement was to provide mental health services to the District's indigent clients while the Physio agreement was necessary

because Mrs. Ojeda has been having a difficult time scheduling appointments with the Hospital.

At the conclusion of the discussion, Director Stramecki made a motion to approve and authorize the agreements set forth in **Exhibit “E-1” and “E-2”**. This motion was seconded by Director Vratis and unanimously approved by all the Board Members.

13. Discuss and take-action, if necessary, on receiving proposals from contractors to assist with the installation of the new facility on /Highway 124 (i.e., signage and landscaping) and consider request for foundation change orders for the facility.

Moving to Agenda Item No. 13, President Murrell called on Ms. Kaley Smith to present bids received for signage and landscaping. (*See Exhibits “F-1” and “F-2”*). Ms. Smith reviewed the proposals received and recommended that the District’s Board accept the bid by Teo Arteago for the landscaping and the installation of a sprinkler system. In addition, she recommended the proposal by Image 360 for signage. Thereafter, the Board Members had a lengthy discussion on the type of sign that would be appropriate and ultimately a decision was made to stay with the post and panel sign.

Once the discussion concluded, President Murrell asked for a motion to approve Ms. Smith’s recommendation. In response, a motion was made by Director Stramecki to approve Teo Arteago’s landscaping proposal and the Image 360 proposal for a post and panel sign. This motion was seconded by Director Vratis and unanimously approved by all the Board Members.

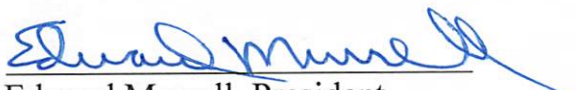
9. Discuss and take-action, if necessary, on engaging Hall Render to provide legal services to the District.

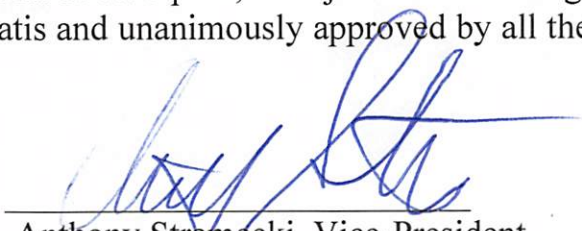
Before addressing Agenda Item No. 9, President Murrell called the Board into Executive Session to consultant with the Attorney pursuant to Chapter 551.071 of the Texas Government Code 7:38 p.m.

After discussing Agenda Item No. 9 in Executive Session, the Board returned from Executive Session at 7:54 p.m. and a motion by Director Stramecki was made

after returning to open session to engage outside counsel to protect the District's interest. This motion was seconded by Director Vratis and unanimously approved by the all the Directors.

At the end of the discussion of the agenda items, President Murrell called for any other such matters before the Board. There being none, the Board then confirmed the date for the next Regular Meeting to be on November 15, 2023. A motion was then made by Director Stramecki at 7:56 p.m., to adjourn the meeting. This motion was seconded by Director Vratis and unanimously approved by all the Board Members present.


Edward Murrell, President


Anthony Stramecki, Vice-President