

## 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., January 17, 2024 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 Vratiss	Director

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

Mrs. Sherrie Norris	District Administrator
Mrs. Patricia Ojeda	Outgoing Indigent Care Director
Mrs. Victoria Carlo	District Administrator’s Assistant
Mr. Carson Jordan	Incoming Indigent Care Director
Mr. Hubert Oxford, IV	General Counsel for the District
Mrs. MaKayla Vidal	District’s CPA
Ms. Kaley Smith	Coastal Gateway Health Clinic
Dr. Michael Lyons	Coastal Gateway Health Clinic
Mr. Saad Javid	Chief Executive Officer, Riceland Hospital
Mr. Mo Danishmund	Chief Financial Officer, Riceland Hospital
Mrs. Michelle Hardy	Winnie Stowell Volunteer Emergency Medical Services
Mrs. Gloria Way	The Seabreeze Beacon

**4. Public Comment**

President Murrell called on those present at the meeting to make any public comment but there were no public comments to be made.

**5. Review and approve minutes of December 20, 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 December 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 December 20, 2023 Regular Meeting. This motion was seconded by Director Vratis, 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 December 2023. (See **Exhibit "A-1"**). Because January was the beginning of the Fiscal Year, Mrs. Vidal did not have much to report but she did state that the District needed to amend the year-end financial for 2023, which was going to be addressed during the discussion of Agenda Item No. 9.

Upon the completion of the discussion of December 2023 year end financials, Mrs. Vidal then asked the Board to turn their attention to the Treasurer's Report and Check Register. (See **Exhibit "A-2" and "A-3"**). Mrs. Vidal first noted that total invoices presented at the meeting amounted to \$158,504.27. She then asked the Board to review the following invoices.

**{INTENTIONALLY LEFT BLANK}**

Pending Expenses	For	Amount
Indigent Healthcare Solutions	Inv #77132	\$1,566.00
Brookshire Brothers	Indigent Care	\$1,801.24
Wilcox Pharmacy	Indigent Care	\$1,824.94
UTMB at Galveston	Indigent Care	\$0.00
UTMB Faculty Group	Indigent Care	\$0.00
Thompson Outpatient Clinic	Indigent Care	\$1,339.57
Coastal Gateway Health Center	Indigent Care	\$1,105.00
WSVEMS	Indigent Care	\$667.44
Roussel Clement, MD	Indigent Care	\$140.53
Winnie Family Dental	SP Program	\$140.00
Bayside Dental	SP Program	\$540.00
Dr June Stansky, Optometrist	SP Program	\$120.00
\$25 Optical	SP Program	\$100.00
Caba Therapy Svcs (Physio)	SP Program	\$250.61
Kalos Counseling (Benjamin Odom)	Youth Counseling	\$255.00
Technology Solutions of Tx	Inv #1836	\$95.00
Felipe Ojedia-Yard Service	Inv #1045	\$350.00
Graciela Chavez-Office Cleaning	Inv #965967	\$120.00
Benckenstein & Oxford	Inv #50955	\$30,597.00
Hubert Oxford	Legal Retainer	\$1,000.00
Makayla Vidal	Inv #00039	\$10,255.00
American Education Services	Grant S Stern-Student Loan	\$150.14
US Department of Education	Grant B Odom-Student Loan	\$760.52
Coastal Gateway	Grant	\$83,483.58
Hall Render	Inv #601289	\$16,020.20
The Hometown Press	Inv #4053	\$235.00
Patricia Ojeda	Inv #3001 (Contract)	\$5,587.50
<b>Total Pending Expenses:</b>		<b>\$158,504.27</b>

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)	\$457,814.60
First Financial DACA (Unrestricted)	\$6,595,872.78
First Financial DACA (Restricted)	\$3,086,432.25
First Financial Money Market	\$9,272,485.67
TexStar (Restricted)	\$736,919.51
FFB CD Balance	\$8,200,000.00
<b>Total District Funds</b>	<b>\$28,349,524.81</b>
Less First Financial (Restricted)	(\$3,086,432.25)
Less TexStar Reserve Account	(\$736,919.51)
Less LOC Outstanding	(\$4,433,740.99)
Less First Financial Money Market	\$0.00
Less Committed Funds (See Total Commitment)	(\$1,323,693.79)
Cash Position (Less First Financial Restricted)	<b>\$23,202,479.26</b>
Pending Expenses	(\$158,504.27)
Ending Balance (Cash Position-Pending Expenses)	<b>\$23,043,974.99</b>
<b>*Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Outstanding Chow Loans)</b>	<b>\$29,450,044.16</b>

Mrs. Vidal then explained that the Total Funds as of the meeting were \$29,450,044.16 which is slightly less than the prior month. Moreover, Mrs. Vidal

pointed out that following the last meeting, with the approval of the Board, Staff transferred \$9,000,000.00 into the Money Market account to earn more in interest.

Lastly, Mrs. Vidal updated the Board on the District's Committed Funds. Mrs. Vidal noted that in this month's report, she reserved \$23,500,000.00 for CHOW advances. As of the meeting, the amount of funds outstanding for CHOW advances was \$1,691,485.66. Furthermore, Mrs. Vidal did report that since the CHOW advances were based on Medicaid payments only, she believes that the total amount used will be less than anticipated. Moreover, she reminded the Board that any advances made are based on receipts for actual Medicaid revenues not received by the various nursing facilities.

Upon the completion of the discussion of the financials, President Murrell then called for a motion to approve the financials, Treasurer's Report, and payment of invoices. In response, Director Stramecki made a motion to approve: (i) the December 2023 financials subject to any changes made after the discussion of Agenda Item No. 9; (ii) the Treasurer's Report; (iii) pay the outstanding invoices; and (iv) approve the Check Register. *See Exhibit "A-1", "A-2", and "A-3"*). This motion was seconded by Director Rollo and unanimously approved by all the Board Members.

**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 were none. He then called on staff to present their reports.

**8. Receive reports, by:**

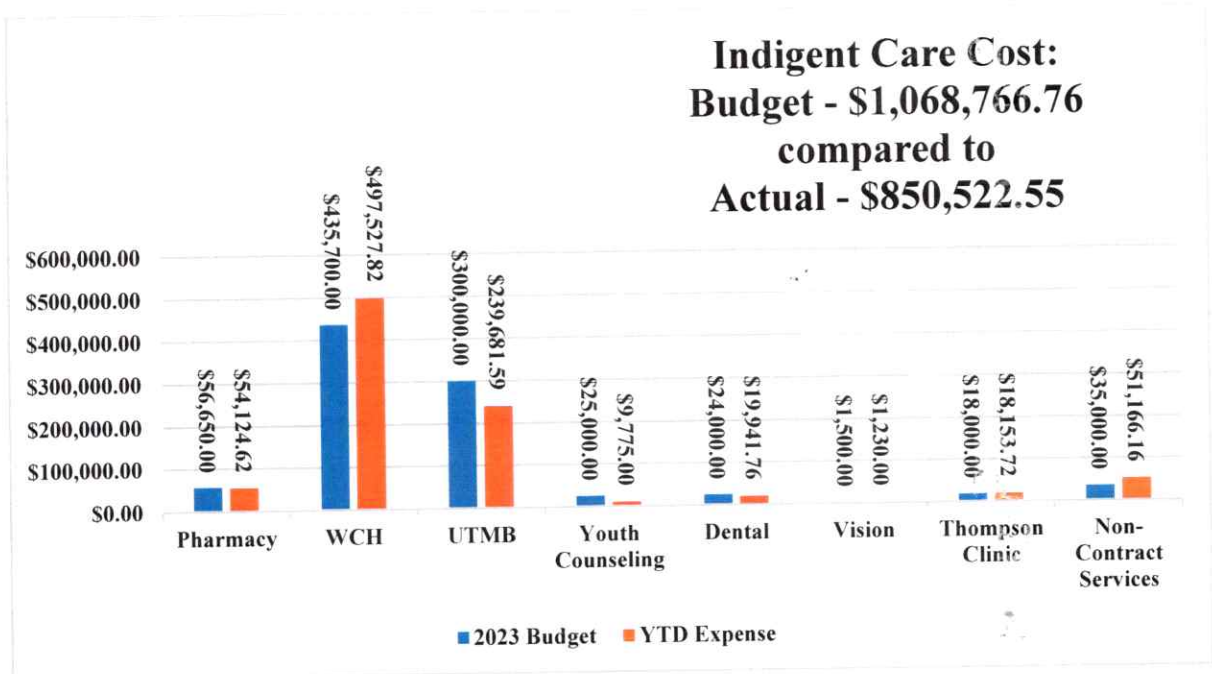
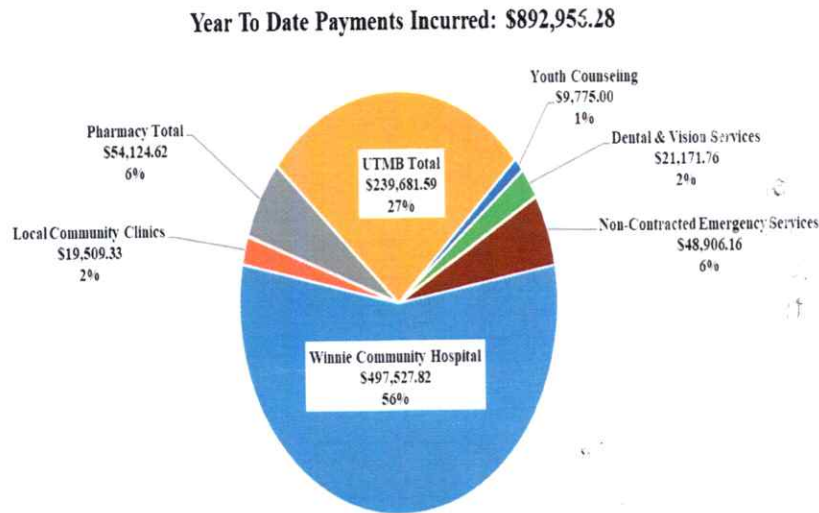
**a. Administrator's Report**

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

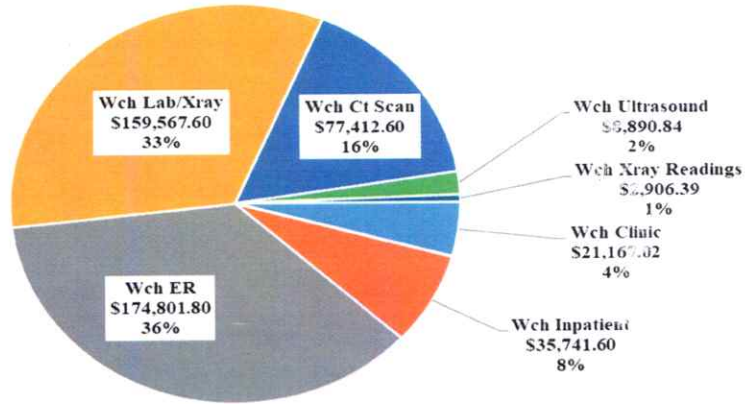
**{INTENTIONALLY LEFT BLANK}**

## b. District Indigent Care Director Report

Next, President Murrell called on Mrs. Carson Jordan for the Indigent Care Director Report. Mr. Jordan reviewed the monthly report on active clients and the District's programs and then directed the Board to her monthly reports and the following charts and asked if there were any questions. (See Exhibit "B"). There were none.



**WCH-Amount Paid**  
\$497,527.82



**c. District General Counsel Report**

Attorney Oxford did not have anything to report other than what was to be discussed during an agenda item below.

**d. Coastal Gateway Report**

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

- In December 2023, the Clinic did not see a large increase compared to November 2023, but visits are increasing as the Clinic is continuing to see new patients every day;
- Texas Vaccine for Children (TVFC) application is in process;
- The Clinic will be hosting: (i) a Life Share blood drive on February 14, 2024 from 9:00 am to 2:00 p.m.; (ii) its first mammogram date of 2024 April 4, 2024; and will be providing Flu Vaccines at First Baptist Church in Hamshire, Texas during the food distribution drive on February 18, 2024;
- The Clinic received an invitation to apply for the FY 2024-2025 United Way of Greater Baytown and Chambers County funding cycle as applications were opened on January 15, 2024 and funding decisions will not be made until June 2024.



- The Clinic submitted a grant request \$1,000,000.00 for the DSHS Incubator Grant on January 4, 2024 and hopes to find out if they received the grant in February 2024; and
- The Clinic was still fine tuning its daily operations at the health center by perfecting the workflows/timing and training staff on the various functions of their job.

### e. LTC Report

The Board was then directed to the December 2023 LTC Report for the District's nursing facilities. (See Exhibit "C"). After reviewing the reports, the Board asked Attorney Oxford questions about the District's active participation and Attorney Oxford advised of the various actions taken to comply with the new regulations adopted by the Texas Health and Human Services Commission.

### f. Hospital Report

Following the LTC Report, President Murrell called on Mr. Javid to discuss the Hospital's report. Mr. Javed thanked President Murrell for the opportunity present the Hospital's year end December 2023 monthly report, which was as follows:

Census	2023													YTD Monthly Average	Average
	2022	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec		
ER Visits	229	220	207	257	233	278	280	291	268	264	235	236	221	249	249
Conversion to Inpatient/observation	20	26	26	29	14	23	29	23	27	35	24	28	23	26	26
Percentage	9%	12%	13%	11%	6%	8%	10%	8%	10%	13%	10%	12%	10%	10%	10%
Transferred out of ER	11	10	8	13	11	5	6	11	12	13	8	8	9	10	10
Percentage	5%	5%	4%	5%	5%	2%	2%	4%	4%	5%	3%	3%	4%	4%	4%
ER shifts covered by doctors	4%	0%	0%	0%	13%	0%	0%	3%	0%	0%	3%	7%	0%	2%	2%
Number Inpatient days	154	108	130	83	58	65	66	56	77	100	79	96	53	81	81
Number Hospice days	4	5	0	5	2	10	0	0	0	0	0	0	0	2	2
Number Swingbed days	65	14	59	16	16	20	26	32	33	8	23	2	17	22	22
Number Observation days	33	48	23	46	20	50	33	36	40	60	51	34	29	39	39
Total All Inpt. Days	255	175	212	150	96	145	125	124	150	168	153	132	99	144	144
Average Inpatient days per day	8.41	5.65	7.57	4.84	3.20	4.68	4.17	4.00	4.84	5.60	4.94	4.40	3.19	4.76	4.76
CTs	67	58	80	78	106	92	75	88	54	86	73	92	81	80	80
Xrays	249	203	215	282	216	214	188	209	228	193	212	203	172	211	211
Ultrasounds	35	33	27	41	29	21	11	19	12	22	6	11	9	20	20
Labs-Covid (#encounters)	460	90	72	48	11	16	29	23	100	69	37	36	36	47	47
Labs-RPP (#encounters)	120	179	184	87	34	54	27	9	25	68	71	93	94	77	77
Labs-All Other (# encounters)	331	669	611	714	655	705	678	707	709	606	524	560	455	633	633
Encounters - Adult Clinic	294	227	211	298	224	246	241	240	227	245	200	213	182	230	230
Encounters - Pediatric Clinic	252	210	236	268	226	181	157	169	298	197	201	198	153	208	208
Behavioral Health patients	38	40	47	46	45	44	42	42	39	37	44	46	40	43	43
Physical Therapy	1	1	2	1	2	4	4	2	4	1	7	5	0	3	3

A chart comparing prior year end services provided by the Hospital is as follows:

<b>Yearly Averages</b>					
<b>Census</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
ER Visits	190	174	220	229	249
Conversion to Inpatient/observation	10	13	21	20	26
Percentage of Converted Patients	5%	7%	9%	9%	10%
Transferred out of ER	10	12	11	11	10
Percentage Transferred out of ER	5%	7%	5%	5%	4%
ER shifts covered by doctors	79%	65%	56%	4%	2%
Number Inpatient days	58	115	191	154	81
Number Hospice days	12	5	9	4	2
Number Swingbed days	16	47	48	65	22
Number Observation days	18	23	25	33	39
Total All Inpt. Days	104	190	273	255	144
Average Inpatient days per day	3.42	6.23	8.96	8.41	4.76
CTs	42	57	64	67	80
Xrays	204	228	287	249	211
Ultrasounds	23	16	37	35	20
Labs-Covid (#encounters)	0	0	0	460	47
Labs-RPP (#encounters)	0	0	0	120	77
Labs-All Other (# encounters)	0	0	0	331	633
Encounters - Adult Clinic	576	479	486	294	230
Encounters - Pediatric Clinic	283	209	225	252	208
Behavioral Health patients	57	11	13	38	43
Physical Therapy	5	0	0	1	3

Otherwise, Mr. Danishmund informed the Board that he was going to set up a meeting with the Finance Committee to request grant funding for CT Machine software and repairs to the flooring.

**9. Discuss and take-action, if necessary, to make final budget amendments for 2023.**

Following the discussion of the various reports, President Murrell called on Mrs. Vidal presented the final year end budget amendments recommendations for 2023. (See Exhibit "D"). A summary of the proposed budget amendments is set forth below:

{INTENTIONALLY LEFT BLANK}



	2023 YTD	2023 Original Budget	Budget (Amendment 1)	Proposed Budget Amendments for Amendment 2	Budget (Amendment 2)	% of Budget Used	% Change in Budget
<b>Revenue</b>							
Total Income	\$ 69,869,487.65	\$ 65,681,574.68	\$ 65,893,676.76	\$ 3,184,993.24	\$ 69,078,270.00	101.15%	4.83%
<b>Expenses</b>							
Total Expense	\$ 63,589,181.41	\$ 60,727,786.94	\$ 62,824,572.35	\$ 2,584,741.23	\$ 64,609,313.58	89.06%	4.17%
Total Ordinary Income	\$ 6,348,306.24	\$ 4,953,787.74	\$ 3,069,104.41	\$ 599,252.91	\$ 4,468,956.42	142.32%	15.98%

According to Mrs. Vidal, she recommended that the revenue be increased by \$3,184,593.24 because the amended budget includes actual QIPP funds received instead of the estimated seventy-five percent (75%) and the cost to IGT during the year were higher than expected. Meanwhile, on the expense side, the expenses went up by \$2,584,741.23 because of increased Management Fees resulting from a change in the Incentive Payment Structure as well as the advance for the Hospital of the Uncompensated Care reimbursement. However, Ms. Vidal advised the form that the District approved the payoff of the outstanding advance and that the District should be reimbursed by the State for the State's share of \$680,007.87 within the next two months. Otherwise, amendments were made to account for personnel costs and increased indigent care expenses.

Consequently, a motion was made by Director Stramecki to the 2024 Budget set forth in **Exhibit "D"**. This motion was seconded by Director Rollo and unanimously approved by all the Board Members.

**10. Discuss and take-action, if necessary, on approving Investment Policy.**

Moving to Agenda Item No. 10, President Murrell called Attorney Oxford to present the 2024 Investment Policy. Attorney Oxford then presented the 2024 Investment Policy and advised that the policy is the same as the previous year except that the dates were changed. (See **Exhibit "E"**).

After a review of the policy, a motion was made by Director Stramecki to approve the proposed 2024 Investment Policy. This motion was seconded by Director Vratis and unanimously approved by all the Board Members.

e

**11. Discuss and take-action, if necessary, on approving exceptions District promotions.**

The Board asked to table this agenda item until the next meeting because they have not had an opportunity to discuss this Agenda Item with Staff.

Consequently, a motion was made by Director Stramecki to table Agenda Item No. 11. This motion was seconded by Director Vratis and unanimously approved by all the Board Members.

**12. Discuss and take-action, if necessary, to authorize an Intergovernmental Transfer for the DY-13 Uncompensated Care Program on behalf of the Hospital.**

Staff presented the Board with a request by Winnie Community Hospital to make an Intergovernmental Transfer (“IGT”) for the DY-13 Uncompensated Care Program. (See Exhibit “F”). Per staff, the amount of the initial IGT for DY-13 is \$35,160.57 to be made entered into TexNet by February 1, 2024. Thereafter, Staff advised the Board that the Hospital reported that there was a change in formula by the State on the total annual Uncompensated Care payments that is expected to result in a larger than the IGT for the year and therefore, the District may need to increase its budget for Line Item 602-IC-WCH 1115 Waiver UC/IGT Prog, which is currently set at \$129,340.00. In the meantime, Staff recommended the Board authorize making the current IGT up to \$36,000.00.

The Board concurred and then a motion was made by Director Stramecki to authorize an IGT for DY-13 up to \$36,000.00. This motion was seconded by Director Rollo and unanimously approved by all the Board Members.

**13. Discuss and take-action, if necessary, on pending litigation.**

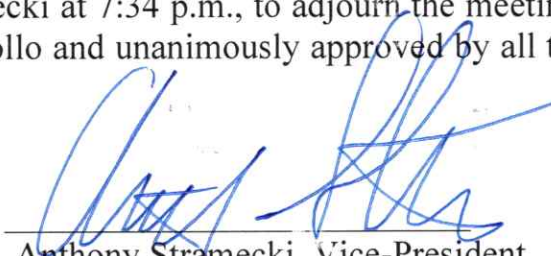
Before addressing Agenda Item No. 13, President Murrell at 7:25 p.m. called the Board into Executive Session to consultant with the Attorney pursuant to Chapters 551.071 of the Texas Government Code.

After discussing certain matters as provided for in the sections of the Texas Government Code set forth above, the Board returned from Executive Session at 7:30 p.m.

Following the return from Executive Session, a motion was made by Director Stramecki to approve litigation matters discussed in Executive Session. This motion was seconded by Director Vratis and unanimously approved by all the Board Members present.

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 February 21, 2024. A motion was then made by Director Stramecki at 7:34 p.m., to adjourn the meeting. This motion was seconded by Director Rollo and unanimously approved by all the Board Members present.

  
Edward Murrell, President

  
Anthony Stramecki, Vice-President