

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

The Public Hearing set for 5:30 p.m. on December 18, 2024, to address the 2024 budget of the Winnie-Stowell Hospital District (“District”) was published and filed ten (10) days prior to the meeting in the Hometown Press and Seabreeze Beacon pursuant to Section 286.125 of the Texas Health & Safety Code. Additionally, the Public Hearing and the Regular Board meeting were noticed pursuant to Chapter 551 of the Texas Government Code seventy-two (72) hours prior to the opening of said meeting for 5:30 p.m. on the 13th day of December 2024, at the 520 Broadway, Winnie, Texas 77665 (a copy of said Notice being placed amongst the files of the District).

Members of the public were asked to attend in person or allowed to participate by conference call. In addition, a recording of the meeting is available upon request.

Public Hearing

At approximately 5:41 p.m., the Public Hearing was convened, and the roll was called of the members of the Board, to wit:

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

All said Board members were present except for Director Rollo, thus constituting a quorum. In addition, to the above-named Board members, also present at the meeting were:

Mrs. Victoria Carlo	District Administrator
Mrs. Tina Davis	Indigent Care Director
Ms. Chrystal Logan	Assistant to Administrator
Mr. Hubert Oxford, IV	General Counsel
Mrs. MaKayla Vidal	District’s CPA
Mrs. Patricia Ojeda	3Branch & More, LLC
Mr. Josh Wahleithner	Winnie Stowell Volunteer Emergency Medical Service (“WSVEMS”)

President Murrell then called on the Finance Committee to discuss the proposed 2024 Budget. Per Directors Stramecki and Way, the Finance Committee met with the Mrs. Vidal earlier in the month to discuss the final 2024 budget and to prepare a budget for 2025. At this time, the Finance Committee recommended the adoption of an amended budget for 2024 during the January or February 2025, after the final Quality Improvement Payment Program (“QIPP”) Year 7, fourth (4th) quarter funds are determined.

Thereafter, Director Stramecki led the discussion on the 2025 budget and provided the Board with an overview of the income and expenses. (See **Exhibit “A”**). A summary of 2025 budget is set forth below:

	2024 YTD - November	2024 Budget (Amendment 1)	% of Budget Used	2025 Proposed Budget	\$ Change in Budget	% Change in Budget
Total Income	\$ 81,027,142.71	\$ 91,868,950.84	88%	\$ 125,144,690.01	\$ 33,275,739.17	36%
Expenses						
Total Admin Expenses	\$ 351,536.61	\$ 429,000.00	82%	\$ 439,485.00	\$ 10,485.00	2%
Total 600 - IC Healthcare Expenses	\$ 1,317,218.25	\$ 1,596,213.02	83%	\$ 1,602,443.00	\$ 6,229.98	0%
Total 620 WSHD - Grants	\$ 1,556,683.03	\$ 1,930,792.64	81%	\$ 1,490,949.52	\$ (439,843.12)	-23%
Total 630 NH Program	\$ 71,819,138.05	\$ 84,600,502.80	85%	\$ 115,881,971.53	\$ 31,281,468.73	37%
674 Property Acquisition/Development	\$ 1,865,020.02	\$ 1,900,000.00	98%	\$ 4,500,000.00		137%
Total 675 HWY 124 Expenses	\$ 17,139.76	\$ 52,405.00	33%	\$ 52,500.00		0%
Total Expense	\$ 76,926,735.72	\$ 90,508,913.46	85%	\$ 123,967,349.05		37%
Total Ordinary Income	\$ 4,100,406.99	\$ 1,360,037.38		\$ 1,177,340.96		

According to Director Stramecki, the District’s Total Ordinary Income was expected to increase in 2025 by \$33,275,739.17 (i.e., 36%), or from \$91,868,950.84 in 2024 to \$125,144,690.01 in 2025 . The reasons for the increase in Total Ordinary Income is because of the increased number of nursing facilities owned in 2025 and the fact that the QIPP funding for QIPP Year 8 increased substantially compared to QIPP Year 7.

Thereafter, the members of the Finance Committee and Mrs. Vidal explained the reason for the difference in expenses from 2024 and 2025.

Category	Change \$P	Explanation
Administrative	\$10,485.00	The Administrative payments increased because staff were provided with benefits and insurance in 2024 after taking into account a substantial decrease in Administrator’s salary due to the fact the

		District was paying for two (2) Administrators in 2024 while paying Mrs. Carlo to train with Sherrie and a decrease in legal fees that are mostly attributable to nursing home operations.
IC Healthcare	\$6,229.98	This line item remained roughly same with large decreases in the 1115 Waiver Payment and Indigent Care contracted payments (i.e., Mrs. Ojeda is no longer being paid through Contractor Services), but her payments were added back for the Community Health Worker Program.
Grants	\$(439,843.12)	The grant program decreased substantially because of the unused funds assigned to Riceland in 2024 and a reduction in Coastal Gateway’s grant.
NH Program	\$31,281,468.73	The expenses for the Nursing Home Program increased due to the increased number of nursing facilities and the higher Intergovernmental Transfers (“IGT”) for QIPP Year 8.
Property Acquisition/Development	\$,2,600,000.00	Property acquisitions increased by \$2,600,000.00 from \$1,900,000.00 to \$4,500,000.00 due to the anticipated cost to build a new facility on the property acquired in 2024 from TAG Real Estate and Seabreeze Partners.

After going through the summary of changes for 2025, Mrs. Vidal then reviewed each line item in the proposed budget and provided an explanation of the proposed budget amounts.

Following the discussion of the proposed Budget, the Board was asked if there were any other questions but there were none. Therefore, the Board agreed to adopt the proposed budget during the Regular Meeting. Afterwards, a motion was made at 6:04 p.m. by Director Stramecki to close the public meeting. This motion was seconded by Director Vratis and passed with the unanimous consent of all Board members present.

Regular Meeting

Immediately following the Public Hearing, at 6:05 p.m., President Murrell called the Regular Meeting of the Board of Directors of Winnie Stowell Hospital District to order. The roll was called of 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 except Director Rollo, thus constituting a quorum. In addition, to the above-named Board members, also present at the meeting were:

Mrs. Victoria Carlo	District Administrator
Mrs. Tina Davis	Indigent Care Director
Ms. Chrystal Logan	Assistant to Administrator
Mr. Hubert Oxford, IV	General Counsel for the District
Mrs. MaKayla Vidal	District's CPA
Mr. Patricia Ojeda	3Branch & More, LLC
Ms. Kaley Smith	Coastal Gateway Health Clinic
Dr. Michael Lyons	Coastal Gateway Health Clinic
Mr. Saad Javed	CEO, Riceland Hospital ("Hospital")
Mr. Mo Danishmund	Chief Financial Officer, Riceland Hospital
Mr. Josh Wahleithner	Winnie Stowell Volunteer Emergency Medical Service ("WSVEMS")
Mr. Daniel Duplechin	Oak Grove Nursing Facility

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. Thereafter, President Murrell informed the Board that he would like to address Agenda Item Nos. 15 and 10 first.

4. Discuss and take-action, if necessary, on approving the payment of interest on the Oak Grove CHOW line of credit.

Attorney Oxford was then called to discuss increasing the interim working capital advance for Oak Grove. Attorney Oxford stated that the Board had previously approved an advance in the amount of \$750,000.00 but the facility requested the increase be \$1,000,000.00 based on Oak Grove’s calculations of the lack of revenue from Medicaid during the hold period. Mr. Duplechin, with Oak Grove then expressed the facility’s appreciation for the consideration and stated that he understood the terms set forth in the proposed Management Agreement.

Following the discussion of the request, a motion was made by Director Stramecki to authorize the revisions to the draft Management Agreement to reflect a \$1,000,000.00 advance to be repaid by October 31, 2025 subject to the terms previously approved by the Board. This motion was seconded by Director Way and unanimously approved by all the Board Members.

4. Discuss and take-action, if necessary, on approving Grant Request for 2024 and 2025.

Moving to Agenda Item No. 10, President Murrell called on the Finance Committee to review and make recommendations for the 2024 and 2025 grant request. In so doing, the Finance Committee first addressed the remaining grant request for 2024 and then moved to the 2025 grant. A summary of the grant request discussion is set forth below.

2024	
Requestor	Request
Winnie Community Hospital	Hospital requested ninety-seven (97) computers to be purchased by the District with a portion of the unused budgeted funds for 2024. Per the Hospital, Mr. Danishmund, the Hospital Representative, the Hospital presented three (3) bids for the computers if the District approved the grant. Moreover, Mr. Danishmund explained that the Hospital was making this request for assistance because the Hospital has not purchased a new set of computers since they purchased the Hospital back in 2014. As such, if the Board approved the request, the Hospital suggested that the computers be purchased from Dell Technologies, even though the Dell bid was the second highest above Amazon, because the Hospital has been advised by their computer staff that Dell provided the best customer support. The bid for the Dell

	<p>Computers without the sales tax was \$85,603.00. (See Exhibit “B-1”). Per the Hospital, of the computers to be purchased, eighty (80) are desk top computers that cost \$879.00 per unit and seventeen (17) will be laptop computers.</p> <p>In response to this request, the Board asked Mr. Danishmund questions regarding the need for that many computers at the Hospital and how the District could receive assurance that if purchased, the computers would remain at the Hospital.</p> <p>Regarding the first concern, Mr. Danishmund assured the Board that the numbers of computers were determined by manual counts of computers at the Hospital as well as by counting the number of VPNs at the Hospital. Furthermore, prior to ordering, Mr. Danishmund has asked his technology department to review the request for laptops to make sure they were absolutely needed. Turning to making sure the computers stayed at the Hospital, Mr. Danishmund informed the Board that the Hospital purchased a bar code tracking system that produces reports on each computer and their location. If requested by the District, Mr. Danishmund, stated that he would be happy to provide reports generated by the system.</p>
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Turning to the 2025 grant request, President Murrell asked the Finance Committee for their recommendations. Below is a summary of the discussions.

2025	
Requestor	Request
Winnie Stowell Emergency Medical Services	<p>Mr. Wahleithner was called on to present the WSVEMS’s 2025 request. Per Mr. Wahleithner, the WSVEMS had requests for new equipment and then requested the continuance of their personnel grant. As it relates to the equipment request, the WSVEMS asked for assistance to purchase: 1) Monitor Mount for \$6,735.00; 2) three (3) vents with the recommendation to purchase the Zoll vents for \$35,236.15; and 3) two (2) Lucas Devices that cost a total of \$70,657.89 (See Exhibit “B-2”). According to Mr. Wahleithner, he only received one bid for the Monitor Mount and the Lucas Device because there was only seller of each product that would satisfy the Department’s needs. Regarding the Zoll vents, these vents were not the cheapest but not the most expensive. However, the WSVESM recommended this brand of vent because they meet all of Department’s operational and clinical needs and there are no supply chain or logistical issues. In addition, Mr. Wahleithner asked the Board to reapprove the Department’s personnel grant and emphasized that the Department did not have any changes in their</p>

	<p>grant request amount from 2024. (See Exhibit “B-3”). As such, the amount that the District budgeted for this grant request was \$152,774.40.</p> <p>After Mr. Wahleithner’s presentation, the Board discussed the request and all agreed that the equipment was necessary and that under Mr. Wahleithner’s leadership, the Department has performed well and responsibly with the funds used for the Personnel Grant.</p>
Coastal Gateway Health Center’s Grant	<p>Turning to the Coastal Gateway request, for 2025, they asked for \$823,734.00, which is down substantially from 2024 when their request was for \$953,364.63. (See Exhibit “B-4”). After reviewing the request, the Board congratulated Ms. Smith and her team for having a great year and for all their accomplishments. Moreover, the District’s informed Mrs. Smith that the Board looked forward to an even more productive 2025.</p>
East Chambers Independent School District	<p>Lastly, the Board addressed the East Chambers Independent School District (“East Chambers”) grant for \$278,165.04. Per Finance Committee, they did not receive a request from East Chambers but that is because their fiscal year is different than the District’s and we would most likely receive a request later in the year. Therefore, the Committee agreed to recommend renewing and continuing to fund this grant request</p>

After the extensive discussion on the grant the various grant requests, Director Stramecki made a motion to approve:

- the 2024 Hospital request for ninety-seven (97) computers in the amount of \$85,603.00;
- the 2025 WSVEMS grant request for (a) Monitor Mount for \$6,735.00; (b) three (3) Zoll (3) vents that cost \$35,236.15; (c) two (2) Lucas Devices that cost a total of \$70,657.89; and (d) the Personnel Grant for \$152,774.40;
- The 2025 Coastal Gateway Health Center’s Grant for \$823,734.00; and
- The East Chambers Independent School District for \$278,165.04.

This motion was seconded by Director Way and unanimously approved by the all the Directors present.

4. Review and approve minutes of November 20, 2024 Regular Meeting.

President Murrell then called on the Board to return to Agenda Item 5, and to review and approve the minutes from the November 20, 2024 Regular Meeting. The Board then reviewed the minutes and did not have changes.

Consequently, Director Vratis made a motion to approve the minutes from the November 20, 2024 Regular Meeting. This motion was seconded by Director Way, and unanimously approved by all the Board Members present.

5. 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 District’s Income Statement and Balance Sheet for November 2024 and to present the Treasurer’s Report for November 20, 2024. Mrs. Vidal then reviewed the balance sheet and income statement. As with the meeting in November, Mrs. Vidal reported that all of the line items were within the budget. She then asked the Board if there were any questions but there were none at the time. (See Exhibit “C-1”).

After the review of the District’s financials, Mrs. Vidal then asked the Board to turn to the Treasurer’s Report and first reviewed the invoices to be paid as set forth below and in Exhibit “C-2”.

Pending Expenses	For	Amount
WSVEMS	Indigent Care	\$589.58
Brookshire Brothers	Indigent Care	\$2,461.67
Coastal Gateway Health Center	Indigent Care	\$789.38
Thompson Outpatient Clinic, LLC	Indigent Care	\$587.39
UTMB at Galveston	Indigent Care	\$22,326.52
UTMB Faculty Group Practice	Indigent Care	\$3,590.00
Wilcox Pharmacy	Indigent Care	\$1,440.11
\$25 Optical	SP Program	\$50.00
Bayside Dental	SP Program	\$2,740.00
CABA Therapy Services dba Physio	SP Program	\$260.14
Dr. June Stansky	Indigent Care	\$180.00
Kalos Counseling	Youth Counseling	\$255.00
Coastal Gateway Health Center	Marketing	\$4,573.49
US Department of Education	Acct #1778777792-1	\$720.62
Winnie Family Dental	Indigent Care	\$70.00
Hubert Oxford	Retainer November 20, 2024	\$1,000.00
Felipe Ojeda	Invoice# 1057	\$350.00
Funcion 4-Lease fka Star Graphics	Inv# 83341348	\$229.18
Function 4	Inv# 1175696	\$98.53
Graciela Chavez	Inv# 965980	\$140.00
Indigent Healthcare Solutions, LTD	Inv# 78983	\$2,023.00
3Branch & More	December Inv	\$9,324.42
Technology Solutions of Texas, LLC	Inv# 1913	\$155.84
Benckenstein & Oxford	Inv# 51201	\$23,791.23
Vidal Accounting, PLLC	Inv# 00076	\$8,085.00
Total Pending Expenses:		\$85,831.10

Once the Board reviewed the invoices and asked staff questions about some invoices, 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)	\$379,930.33
First Financial DACA (Unrestricted)	\$4,759,114.82
First Financial DACA (Restricted)	\$773,709.68
First Financial Money Market	\$11,296,288.41
TexStar (Restricted)	\$10,294,986.14
FFB CD Balance	\$0.00
Total District Funds	\$27,504,029.37
Less First Financial (Restricted)	(\$773,709.68)
Less TexStar Restricted Amount	(\$500,000.00)
Less LOC Outstanding	\$0.00
Less First Financial Money Market	\$0.00
Less Committed Funds (See Total Commitment)	(\$149,183.08)
Cash Position (Less First Financial Restricted)	\$26,081,136.62
Pending Expenses	(\$85,831.10)
Ending Balance (Cash Position-Pending Expenses)	\$25,995,305.52
*Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Outstanding Chow Loans)	\$27,783,759.27

According to Mrs. Vidal, this month’s total funds were higher than last month because of the receipt of additional Quality Incentive Payment Program (“QIPP”) Year 7. Mrs. Vidal also explained that the District should begin to receive Component payments for the facilities enrolled in QIPP as private facilities and that were acquired at the end of 2023 and early part of 2024. Once received, the funds will offset the differences between the year-to-date funds received and spent.

Regarding the remainder of the Treasurer’s Report, Mrs. Vidal updated the Board on the District’s Committed Funds; Advance to Hospital for DY-8 Repayment; Interim Working Capital (“CHOW”) advances; and outstanding loan balances. A summary of each is as follows:

- **Committed Funds:** At the beginning of the year, the District approved Committed funds, less Marcellous Williams, of \$1,531,536.56 for the Coastal Gateway, Marketing grant, WSVEMS, and the East Chambers grant. As of the end of the meeting, the amount the District paid remained the same at \$1,215,386.28 of the Committed Funds but Committed Balances decreased from \$316,150.28 to \$149,183.08. The reason the remaining

Committed balance decreased while the amount paid remained the same was because of the credit due from Coastal Gateway.

- Advance to Hospital for DY-8: The total advanced to the Hospital for the DY-8 Repayment demand by the Texas Health and Human Services Commission was \$1,626,424.00. Since November 2023, the District has received \$1,160,715.00 after a payment from the Hospital for November 2024 and upon receipt of the State's Share of the repayment. Therefore, as of the meeting, the District was still owed \$465,708.831, which is due by October 31, 2026.
- Interim Working Capital Advances: As of the meeting, the District has three (3) authorized Interim Working Capital advances ("Advances") outstanding totaling \$4,000,000.00 in authorized advances. Of the authorized amount the owed to the District was \$1,323,744.91. The amount owed is down from \$1,724,789.41 because SLP repaid their advance for the Coronado facility.
- Outstanding Short-Term Working Capital Loans: Earlier in December 2024, the District secured a loan in the amount of \$29,290,000 for the second half of QIPP Year 8. This loan is due on November 30, 2025. Consequently, the total owed for nursing home operations is \$58,580,000.00 and the next payment of \$14,645,000.00 is due on February 25, 2025.

Following the review of the Treasurer's Report, Mrs. Vidal asked the Board to review the bank reconciliations, which also include the invoices previously listed and discussed. (See **Exhibit "C-3"**).

Upon the completion of the discussion of the financials and the budget amendment discussion, President Murrell then called for a motion to approve the financials, Treasurer's Report, payment of invoices and budget amendment. In response, Director Stramecki made a motion to approve: (i) the November 2024 financials (ii) the Treasurer's Report; (iii) pay the outstanding invoices; and (iv) approve the Check Register. (See **Exhibit "C-1", "C-2", and "C-3"**). This motion was seconded by Director Way and unanimously approved by all the Board members.

6. **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. Director Vratiss informed the Board that she met with Hospital representatives regarding some issues that developed over the month with the CT machine. Per Director Vratiss, there were some concerns and rumors that the CT machine at the Hospital was not working but after inquiring about the matter, she was told that the CT machine was working but the CT tech mistakenly thought it was not. Thus, there are no problems with CT machine.

7. Receive reports, by:

a. Administrator's Report

The District's Administrator reported that she has engaged a temporary worker to assist with scanning documents so that the District could put all the boxes that have accumulated over the years in a warehouse. Currently, Mrs. Carlo is getting quotes for a warehouse to store the District's documents.

b. District Indigent Care Director Report

Next, President Murrell called on Mrs. Davis for the Indigent Care Director Report. Mrs. Davos 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 "D"*). There were none.

c. Grant Report and Community Health Worker Report

Mrs. Ojeda was then called on to give the District's Grant Report and Community Health Worker Report. Complete copies of the reports are attached as **Exhibit "E"**.

d. District General Counsel Report

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

e. 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. As with the other reports, a copy of Mrs. Smith's report is set forth in **Exhibit "F"**. However, Mrs. Smith was happy to announce that HRSA Operational Site Visit (OSV) onsite survey took place on December 10-12, 2024. and Mrs. Smith was happy to announce that the clinic 'passed' the visit and had a total of three (3) findings that need to be corrected. Looking forward, Mrs. Smith explained the official report will be out within about forty-five to sixty days. If approved, Coastal Gateway will be one-more step closer to having official Look Alike Status.

f. LTC Report

The Board was then directed to the November 2024 LTC Report. This month, Attorney Oxford reviewed the report. (*See Exhibit "G"*).

g. 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 November 2024 monthly report and the year-to-date comparison from previous years, which is as follows:

2024												
Census	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	YTD Monthly Average
ER Visits	254	204	236	245	257	260	280	286	278	278	298	261
Conversion to Inpatient/observation	28	26	28	27	19	28	35	28	20	21	28	26
Percentage	11%	13%	12%	11%	7%	11%	13%	10%	7%	8%	9%	10%
Transferred out of ER	7	7	8	11	11	6	12	13	16	18	9	11
Percentage	3%	3%	3%	4%	4%	2%	4%	5%	6%	6%	3%	4%
ER shifts covered by doctors	0%	0%	0%	3%	3%	0%	0%	0%	1%	0%	0%	1%
Number Inpatient days	149	66	58	88	76	53	99	58	80	53	59	76
Number Hospice days	0	0	0	0	0	0	0	0	0	0	0	0
Number Swingbed days	60	7	3	26	6	13	14	3	40	16	0	17
Number Observation days	31	72	45	44	29	28	21	36	15	24	30	34
Total All Inpt. Days	240	145	106	158	111	94	134	97	135	93	89	127
Average Inpatient days per day	7.74	5.00	3.42	5.27	3.58	3.13	4.32	3.13	4.50	3.00	2.97	4.19
CTs	94	86	98	110	103	84	95	106	96	92	85	95
Xrays	287	229	176	229	194	231	228	255	234	249	273	235
Ultrasounds	33	25	32	34	27	20	24	26	18	18	19	25
Labs-Covid (#encounters)	71	69	49	24	15	26	47	66	55	27	38	44
Labs-RPP (#encounters)	44	22	12	18	9	9	12	27	140	119	72	44
Labs-All Other (# encounters)	501	547	543	500	551	593	656	618	615	715	764	600
Encounters - Adult Clinic	202	225	143	204	193	174	185	191	228	216	212	198
Encounters - Pediatric Clinic	140	175	137	175	148	94	108	163	146	160	110	141
Behavioral Health patients	44	42	41	43	51	47	42	40	45	41	43	44
Physical Therapy	1	1	2	2	2	0	1	2	0	1	1	1

Yearly Averages							
Census	2019	2020	2021	2022	2023	2024-YTD	Average
ER Visits	190	174	220	229	249	261	227
Conversion to Inpatient/observation	10	13	21	20	26	26	21
Percentage of Converted Patients	5%	7%	9%	9%	10%	10%	9%
Transferred out of ER	10	12	11	11	10	11	11
Percentage Transferred out of ER	5%	7%	5%	5%	4%	4%	5%
ER shifts covered by doctors	79%	65%	56%	4%	2%	1%	26%
Number Inpatient days	58	115	191	154	81	76	123
Number Hospice days	12	5	9	4	2	0	4
Number Swingbed days	16	47	48	65	22	17	40
Number Observation days	18	23	25	33	39	34	31
Total All Inpt. Days	104	190	273	255	144	127	198
Average Inpatient days per day	3.42	6.23	8.96	8.41	4.76	4.19	6.51
CTs	42	57	64	67	80	95	73
Xrays	204	228	287	249	211	235	242
Ultrasounds	23	16	37	35	20	25	27
Labs-Covid (#encounters)	0	0	0	460	47	44	110
Labs-RPP (#encounters)	0	0	0	120	77	44	48
Labs-All Other (# encounters)	0	0	0	331	633	600	313
Encounters - Adult Clinic	576	479	486	294	230	198	337
Encounters - Pediatric Clinic	283	209	225	252	208	141	207
Behavioral Health patients	57	11	13	38	43	44	30
Physical Therapy	5	0	0	1	3	1	1

Otherwise, Mr. Danishmund thanked the Board for their time and stated that

he had nothing else to report.

8. Discuss and take-action, if necessary, to adopt 2025 proposed budget.

The Board was then asked to return to **Exhibit “A”** to approve the 2025 proposed budget. Since the budget was previously discussed in the Public Hearing, there was no discussion on this agenda item.

Consequently, a motion was made by Director Stramecki to the 2025 Budget set forth in **Exhibit “A”**. This motion was seconded by Director Vratis and unanimously approved by all the Board Members.

4. Discuss and take-action, if necessary on considering incentive payments for 2024 and pay increases for 2025.

Moving to Agenda Item No. 11, President Murell called on Director Stramecki to discuss the incentive payments, salary increases and Compensation Time. Director Stramecki explained that the Personnel Committee met with Mrs. Carlo to receive recommendations on incentive payments, salary increase, and payment for Compensation Time. Per Director Stramecki, it was the Personnel Committees recommendation to: 1) pay staff for Compensation Time over eighty (80) hours since the District has been understaffed; 2) increase the Administrator’s salary and the Indigent Care Directors salaries by \$5,000.00 each, which would raise Mrs. Carlos salary from \$70,000.00 to \$75,000.00 and Mrs. Davis’s salary from \$55,000.000 to \$60,000.00; and pay an incentive payment, as budgeted, of five percent (5%) of their salaries through the end of 2024. The rest of the Board agreed.

Thereafter, Director Stramecki made a motion to approve the recommendations of the Finance Committee as set forth above. This motion was seconded by Director Vratis and unanimously approved by all the Board members.

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

Attorney Oxford reminded the Board that the adoption of an annual Investment Policy was something they do every year. He then explained that the purpose of adopting the policy was to re-adopt the rules requiring the District’s funds on deposit be collateralized and the District invest its funds in state approved investments. (*See Exhibit “H”*). However, Attorney Oxford did note that in the 2025 policy, former Administrator Norris was replaced with Administrator Carlo to be one of the District’s financial officers along with Treasurer Wade.

Subsequently, upon motion by Director Stramecki, which was seconded by Director Rollo, the Board unanimous approval the renewal of the District's Investment Policy as proposed and set forth in **Exhibit "H"**.

10. **Discuss and take-action, if necessary, on renewing agreement with Prosperity Bank to serve as a District's depository bank, and to renew bonds with Prosperity.**

Attorney Oxford presented the Board with correspondence from Prosperity Bank to renew the Bank's agreement for services through December 31, 2026. (See **Exhibit "J"**). The Board reviewed and staff recommended that the Board approve the Agreement.

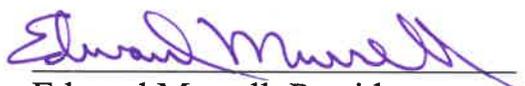
Upon motion by Director Stramecki, which was seconded by Director Way, the Board unanimously approved the renewing its agreement with Prosperity Bank to serve as the District's Depository Bank. (See **Exhibit "J"**).

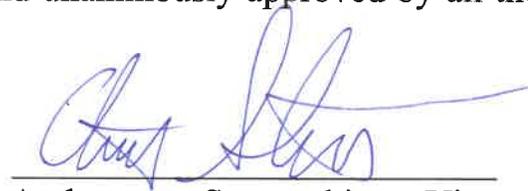
11. Discuss and take-action, if necessary, on approving Accounts Receivable loan with Oxford Capital for the Cascades of Galveston facility.

Turning to the last action item, President Murrell called on Attorney Oxford to present Agenda Item No. 14. According to Attorney Oxford, the District needed to approve and give President Murrell authority to execute agreements and other documents (“Documents”) necessary for Cascades of Galveston to secure an accounts receivable loan. Per Attorney Oxford, he has been working the facility’s lawyers and the lender’s lawyers on the Documents necessary to enable Cascades of Galveston to secure their loan. Moreover, Attorney Oxford explained that the various agreements that have been reviewed will be consistent with the other agreements executed by the District for other accounts receivable loans approved by the District for other nursing facilities. Specifically, the loan documents signed by the District state that no tax revenues or any of the District’s revenues are to be used for collateral and the nursing facility cannot use unearned QIPP funds as collateral.

After the discussion, a motion was made by Director Stramecki to authorize the accounts receivable loan for Cascades of Galveston and to authorize the President to execute the necessary Documents. This motion was seconded by Director Way and unanimously approved by all the Board Members.

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 January 22, 2025. A motion was then made by Director Stramecki at 8:04 p.m., to adjourn the meeting. This motion was seconded by Director Way and unanimously approved by all the Board Members present.


Edward Murrell, President


Anthony Stramecki, Vice-President