

**MINUTES OF 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 6:30 p.m. on the 18th day of March 2015, at the Winnie Community Hospital-Conference Room, Broadway, Winnie Texas (a copy of said Notice being placed amongst the files of the District).

The roll was called of the members of the Board, to wit:

Elroy Henry, Chair
Jeff Rollo, Vice-Chair
Ed Murrell, Secretary
Sharron Burgess, Director
Raul Espinosa, Director

All said Board members were present. In addition, to the above named Board members, also present at the meeting was: Sherrie Norris, District Administrator; Donna Sonnier, Indigent Care Coordinator; Hubert Oxford, IV, District Attorney; Mary Ellen Robertson, District CPA; and a number of interested citizens listed on **Exhibit “A”**.

At approximately 6:37 p.m., a quorum was established and Chairman Henry made introductions which were followed by a request for public comment. There being no public comment, Chairman Henry asked the Board to consider and take action on Agenda Item No. 3, to review and approve minutes of the following meetings:

- February 18th, 2015-Regular Board meeting;
- February 25, 2015-Special Board meeting; and
- March 4, 2015 Special Meeting

After a review of the all the minutes, Director Murrell made a motion to accept the minutes as drafted for the February 18, 2015 Regular Board Meeting; the February 25, 2015

Special Board meeting; and March 4, 2015 Special Meeting. This motion was seconded by Director Espinoza and passed with the unanimous consent of all Board members.

The Board was then asked to move to Agenda Item No. 4, to review and approve financial report and payment of invoices. According to Mary Ellen Robertson, , the District currently had 783,751.01 in cash available, including a \$43,139.84 tax payment from the Comptroller's office on March 14, 2015. In addition, there were \$40,686.91 in outstanding invoices and once these were paid, the District would be left with \$743,066.10 in cash available plus \$152,401.61 in its TexStar account and \$103,637.07 in a CD kept at Prosperity Bank. (**See Exhibit "B" for list of the District's financials and invoices to be paid**). After a review of the financials and the outstanding bills to be paid, Director Murrell mad a motion to approve the payment of invoices and the financial statement dated March 14, 2015. This motion was seconded by Director Espinoza with the unanimous consent of all Board members present.

Chairman Henry then called on the committee chairpersons to discuss and take action on committee reports. The reports were as follows:

- **Building Committee:** The first called on was Building Committee and both Chairman Henry and Director Espinoza recommended that the District turn the power on at this facility located on Highway 124 and then began a discussion on some issues with the Windstorm Certificate for this same facility. Per Director Murrell, he advised the Board that the building located on the District's property off of Highway 124 was certified to be a Class B building but needed to be a Class C in order to get Windstorm certified as a condition of the District's loan obligations on this building was to be insured for windstorm. Murrell also reported that the East Chambers School District was interested in leasing the building for a potential program. Afterwards, there some discussion about

the potential need to have a special meeting in order to retain a windstorm inspector and to possibly go out for bid in order to make the necessary improvements to the facility.

- **Finance Committee:** Chairmen Henry then asked Director Murrell to give the Finance Committee report. Director Murrell advised that the Committee had met with the Managers of the nursing homes to discuss the status of each facility's financials, any outstanding issues or concerns; and methods to improve the nursing homes with the funds received from the Nursing Home Upper Payment Limit ("UPL") program. For more details, Director Murrell deferred to Donna Sonnier, who had prepared a Finance Committee report of the meeting that she reviewed with the Board. *See Exhibit "C"*.

The Board then moved to Agenda Item No. 6, to consider and take action on creating a job description for a District Nursing Home Director. This agenda item was postponed until after the Executive Session.

Next, the Board turned to Agenda Item 7, to discuss and take action, if necessary, on giving support to the Winnie Community Hospital for their application to the Rural Outreach Benefit Counseling Program. According to Staff, this letter is a letter of support for the Winnie Community Hospital (i.e., Riceland Medical Center) to obtain grant funding through the Department of Health and Human Services to hire someone whose job it would be to assist clients of the hospital with obtaining insurance and public health benefits and then once the benefits are obtained to learn how to utilize the insurance and public health benefits in order to maximize the client's healthcare related services. Thereafter, a motion was made by Director Murrell to support the Hospital's grant request for the Rural Outreach Benefit Counseling Program by way of authorizing Chairman Henry to sign a letter of support. *See Exhibit "D"*.

This motion was seconded by Director Espinoza and passed with the unanimous consent of all the Board members.

Chairman Henry then asked the Board to move past Agenda Item No. 8, to discuss and take action, if necessary, on hiring a full time District Administrator until after the Executive Session and instead to take up Agenda Item No. 9, discuss and take action, if necessary, on amending the District's Quality Incentive Fee Policy to include Quality Assurance Goals for the District's Nursing Facilities. Attorney Oxford introduced a draft of an amended version of the District's Quality Incentive Fee Policy and explained that as a result of the meeting with the Managers of the District's nursing facilities, all parties, including the Managers agreed that it was vital to the District's ownership of these facilities as well as in keeping with the spirit of the Nursing Home UPL program, which is to utilize UPL funds to improve healthcare to clients inside of the nursing homes that are owned by the District. *See Exhibit "E"*. Consequently, a motion was made by Director Espinoza to approve the amendment to the District's Quality Incentive Fee Policy to include the Quality Assurance Goals to ensure the improvement of the quality of life, care and service delivery in the District's facilities as set forth in **Exhibit "E"**. This motion was seconded by Director Espinoza with the unanimous consent of all the Board members.

Before going into Executive Session, Chairman Henry called on staff to present reports as set forth in Agenda Item No. 10. The reports of each are as follows:

- First, the District Administrator, Sherrie Norris, reported that it was time to renew the Board's Employee Financial Bonds and recommended a policy limit of \$25,000.00 that cost \$170.10 per year.

- Following, the District's Indigent Care Director, Donna Sonnier reported that she had been discussing software needed to operate its Indigent Program with the Director of the Chambers County Indigent Care Department and was recommending that the District acquire the rights to the software created by Indigent Software Solution out of Conroe, Texas. Per Mrs. Sonnier, the cost for this software would be approximately \$1,000.00 per month but having it would allow the District to gather information on its clients; process client applications; and track the client's application process and participation in the program. Mrs. Sonnier was asked to get a copy of the contract and ask that this be placed on next month's agenda.
- Next, the District's CPA, Mary Ellen Robertson, reported that she had been working with the District's Auditor and advised she was finalizing the information needed by the District's auditor to perform a complete audit of the District and the District's nursing home facilities.
- Lastly, Attorney Oxford presented the Board with a HUD 2530 Previous Participation Form that gives Chairman Henry authority to sign documents relating to the ownership of certain facilities that have been financed by the previous owners through Housing and Urban Development ("HUD") guarantee programs. *See Exhibit "F"*. Attorney Oxford explained that Chairman Henry had previously been given authority to sign on behalf of the District for documents relating to the ownership of nursing homes but he wanted to bring this to the Board's attention before asking Chairman Henry to sign this document because the Resolution identified the other Board members by name and as such, wanted to make sure they were aware of the document and the need for the resolution.


After the reports, at 8:10 p.m., Chairman Henry called the Board into Executive Session to discuss Personnel Matters pursuant to Section 551.074 of the Texas Government Code. Since both Administrator Norris's and Donna Sonnier's job duties and employment status were being discussed, they were both asked to participate in the meeting. This Executive Session was recorded and a certified copy of the recording was asked to be kept with the minutes of this meeting in sealed envelope. No action was taken and the Board came out of Executive Session at 9:15 p.m.

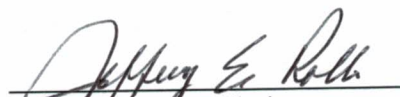
Upon the returning from Executive Session, Chairman Henry asked the Board to return to Agenda Item No. 8, to discuss and take action, if necessary, on hiring a full time District Administrator. It was briefly discussed that Administrator Norris had been doing a great job and the Board wanted to offer her a full time job as the District's Administrator with a base salary of \$41,600.00 per year or \$20.00 per hour at forty (40) hours per week. In addition, the Board discussed a paid time off policy that attempted to give each employee credit for their prior job experience. A motion as then made by Director Espinoza to hire Sherrie Norris as the District's administrator for \$41,600.00 per year and to give the District's employees two weeks of paid time off to be used as sick time and/or vacation time. This motion was seconded by Director Burgess with the unanimous consent of all board members.

The Board also went back to consider Agenda Item No. 6, to consider and take action on creating a job description for a District Nursing Home Director. It was discussed that in the meeting with state officials, it was recommended that the District consider hiring someone to be the District's nursing home director to make sure the District was actively involved with the nursing home and the supervision of the LTC Group. As such, the Board recognized that the District's Indigent Care Director, Donna Sonnier, had vast experience in this field and would be

a possible candidate depending on the time needed for these job task balanced with the time she needed to spend to get the District's Indigent Care program operational. In regard to the scope of the Nursing Home Director's job duties, Attorney Oxford explained that the District had engaged the LTC Group to oversee the District's nursing facilities and this job really was to make sure the LTC Group was doing their job; to gather the LTC Reports; and to report to the Board any irregularities at any of the facilities. No action was taken on this agenda item but the Board asked Mrs. Sonnier to consider taking on these job duties and report back to the Board in ninety (90) days whether she would be willing and able to do both the Indigent Care Director's job and the District Nursing Home Director's job.

In closing, the Board discussed that the next regularly scheduled meeting would be held on April 15, 2015, and then a motion was made by Director Burgess and was seconded by Director Espinoza, with the unanimous consent of all Board members to adjourn at 9:35 p.m.


Elroy Henry, Chairman


Jeff Rollo, Vice-Chairman