

**Notice of Special Meeting of the Board of Directors  
Chambers County Public Hospital District No. 1  
10:00 A.M. September 23, 2021 – Notice of Time Revision to 12:05 P.M.  
Bayside Community Hospital Conference Room  
Agenda**

1. **Call to Order**
  - a. Confirmation of a quorum.
  - b. Invocation.
  - c. Introduction of Guests.

**New Business**

1. Discuss, Consider and Take Action on, if necessary, Revision to District's Financial Assistance Policy.
2. Discuss, Consider and Take Action on, if necessary, Hospital Auditors Review.
3. Discuss, Consider and Take Action on, if necessary, Board Education.
4. Discuss, Consider and Take Action on, if necessary, Budget.
5. Discuss, Consider and Take Action on, if necessary, Taxation.
6. Adjournment.

The next Board Meeting is scheduled for Thursday September 30, 2021, at 5:30 p.m. in the Conference Room at Bayside Community Hospital.

*Brandy Frames*

Submitted by: Brandy Frames, Administrative Assistant

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Heather M. Hawthorne, County Clerk

Recorded: *Heather M. Hawthorne*

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**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS FOR CHAMBERS COUNTY PUBLIC HOSPITAL DISTRICT NO. 1 HELD AT THE BAYSIDE COMMUNITY HOSPITAL CONFERENCE ROOM ON SEPTEMBER 23, 2021, ANAHUAC, CHAMBERS COUNTY TEXAS BEGINNING AT 12:05 P.M.**

A special meeting of the Board of Directors of the Chambers County Public Hospital District No. 1 was conducted at Bayside Community Hospital Conference Room. Anahuac, Texas on Thursday, September 23, 2021, beginning at 12:05 P.M. with the following Directors present:

Theresa Greco, Chairperson  
Leslie Turner, Secretary  
Mike Emmons, Director  
Geraldine Brown, Director

Late: (Arrived at 2:43 P.M.)  
Marcia Smith, Vice Chairperson

Pursuant to a Notice under the Open Meetings Act duly filed and posted a full 72 hours prior to the openings of said meeting (a copy being placed amongst the files of the District).

Also Present were William Kiefer, CEO/CNO, Jay Hodges, CFO, Paul Aslin, COO, Kaley Smith, Clinics Executive Director, and Nellie Lunsford, Director of Business Development, Natalie Vasquez-Clarke, Human Resources, Brandy Frames, Administrative Assistant, Kevin Reed, Reed & Claymon, Rachel Hisler, Sue Hawthorn, Dr. Redman (arrived during lunch break).

The meeting was called to order by Chairperson Greco, and it was determined that a quorum was present. Pastor Shawn Buser from the First Baptist Church in Anahuac gave the invocation.

**New Business:**

Hodges discussed the results from Durbin & Co., Auditor, and proposed that we accept the recommendations made, to move eligible bad debt to charity, this must be done by September 30, 2021, to be included in this fiscal year. There was discussion on how patients will be identified, as eligible to be moved to charity from bad debt. Durbin & Co. has a program to identify patients that are in the range of 300% below poverty level through state funded programs, and other forms of identifying factors of eligibility.

A motion was made by Director Brown to accept the changes, Secretary Turner seconded the motion, motion carried unanimously.

A motion to break for lunch was made by Chairperson Greco at 12:19 P.M. Motion carried unanimously.

Chairperson Greco called meeting resume at 12:47 P.M.

Hodges explained that due to the PRF (Private Relief Fund) issues the auditor needs additional information to complete the report. Durbin & Co. will present findings next Thursday at the meeting. A draft should be available Monday.

Chairperson Greco turned the floor over to Kevin Reed, attorney, for the Board Education and PowerPoint presentation of Good Governance. Topics discussed: Successful Boards, clear goals, economical driver, legacy of the board, strategic leadership, Functional/Dysfunctional Board Members. Making long-term decisions, CEO Support, kindness and respect of others, feedback to management.

Open Questions: Discussion about being careful with others and bringing in a coach to help become strategic and unified. Liability insurance coverage for Board Members was questioned. Discussion over getting involved in issues that are not board related can lead to personal liability. Advice was given to set a policy for items to be added to the agenda. Roberts Rules should be used as a guideline, but can cause issues with a small board, they are in place for larger boards. Further discussion was requested to receive Board Packets in a timely manner, if not items that need review can be tabled until the next meeting. Kevin Reed answered questions about previous and current hospitals/districts that he has or is working with. Voting questions were answered that Texas Statute states that the Chairperson votes on all items and is not considered the tiebreaker.

Director Emmons requested a recess. Chairperson Greco makes a motion for recess at 2:20 P.M.

Chairperson Greco calls meeting back to order at 2:32 P.M.

CEO Kiefer speaks on reason he chose healthcare, and his drive to grow the organization by believing in his staff and board. COO Aslin reads the Mission Statement, CFO Hodges reads the Vision Statement. Kiefer reiterates the boards desire to reduce the tax rate and funds are available due to QIPP. A program implemented by Kiefer and his management team, bringing the excess funds to the budget.

Budget was reviewed by board. Kiefer proposed to do in tandem with Hodges, an email was sent last night regarding the missing column, and it was added with a \$894,691 impact. Three components discussed were Wellness Center with a need of 70K in capital, Hospital with a need of \$239k in capital, and Clinics with \$2.4 million in capital needs. \$250K was received in grant funds for COVID, possibly leaving only \$50K coming from reserves. QIPP Nursing Homes Management fees from HSM are usually only 5%, with a few being 7%. Discussion of trying to include more nursing homes, which requires a CHOW, since many do not have sufficient fiscal reserves needed to CHOW. Columns J-K Dayton Clinic has added an additional \$10K. Potentially adding sleep medicine services were discussed and the benefits, and the potential cost to add these services related to transforming the OR space to a sleep area, and additional costs for a registration clerk. Columns K-M reflect the debits, to become more people centric and bring salary adjustments to bring staff to comparable surrounding areas. An overall salary adjustment was discussed followed by merit raises based on evaluations by directors. Checks and balances were discussed to ensure all would be treated fairly and a grievance policy is now in place with H/R. Column M Taxation at \$.15 decreases income by \$873,972 a 31% cut in taxes. Column N \$750K from county for services. Column O \$50K additional for marketing expenses to drive future growth and communicate with communities we serve.

Rachel Hisler had a question about the new legislation and the cost of transparency for hospitals, how does it affect what is being discussed. Hodges explained that we have received a 5 Star rating for the

information on our webpage and should not have any issues. As of August 31<sup>st</sup> there is \$13.58M in all accounts. Possibility of having to return up to \$5M of PRF funds, leaving \$8.5M. Discussion of changing collections company. Foundation account has \$59K and needs to be allocated to locations that donors requested. Foundation donations were requested to be brought to next Thursday's meeting. Kiefer proposes that we continue to grow and diversify our portfolio. There were discussions of selling the land south of Mont Belvieu. Discussions of NFP was tabled.

Taxation documents were reviewed. Hodges discussed spreadsheet C, the changes in tax rates over the years of 2013-2014, how it was dropped by \$.43 and then to \$.33 then back to \$.39 and highest at \$.54. It was noted that it is easy to lower taxes and hard to bring them back if an issue arises such as a loss of QIPP funds. Discussion of Liberty tax increase will not be on ballot due to the increase of only \$.07 instead of \$.09. Discussion moving into other districts and possible issues. It was discussed that Dayton invited us to bring in medical services to their community, and the need to continue to compete in that area. Hodges made a recommendation of tax decrease of \$.15 which is 30% decrease, all board members agreed with that amount and will vote next Thursday.

Recess was called at 4:18P.M by Chairperson Greco.

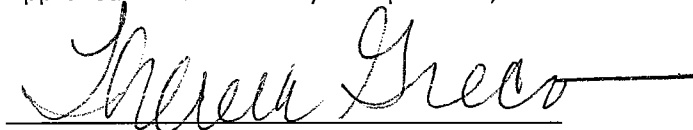
Meeting called back to order by Chairperson Greco at 4:34 P.M.

Round Table Discussion over Taxes Section C page: 6,7, & 8. Hodges made a recommendation of \$.15 all board members agreed. Rate discussed is .328697. Kiefer asks if there is any additional information needed for the meeting next Thursday – no additional information was requested. Chairperson Greco asks for any additional questions.

**Adjournment:**

A motion is made by Secretary Turner to adjourn the meeting and Director Brown seconds the motion. All parties were in favor and meeting was adjourned at 4:51 P.M unanimously.

Approved this 30<sup>th</sup> the day of September, 2021.

A handwritten signature in cursive script, reading "Theresa Greco", with a horizontal line extending to the right from the end of the signature.

\_\_\_\_\_  
THERESA GRECO, CHAIRPERSON  
BOARD OF DIRECTORS