

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS FOR CHAMBERS COUNTY PUBLIC HOSPITAL DISTRICT NO. 1 HELD AT THE BAYSIDE COMMUNITY HOSPITAL CONFERENCE ROOM ON APRIL 22, 2024, ANAHUAC, CHAMBERS COUNTY TEXAS BEGINNING AT 5:30 PM.**

A regular meeting of the Board of Directors of the Chambers County Public Hospital District No. 1 was held at Bayside Community Hospital Conference Room in Anahuac, Texas on Monday, April 22, 2024, beginning at 5:30 pm with the following Directors present:

Mike Emmons, Chairperson  
Andy Legg, Vice Chairperson  
Linda Tinnerman, Secretary  
Geraldine Brown, Director  
Leslie Turner, Director

Pursuant to a Notice under the Open Meetings Act duly filed and posted a full 72 hours prior to the opening of said meeting.

Also present were Ann Newton, Interim CEO; Kimberly Cooper, CFO; Terri Billiot, HR Director; Ben Beaoui, PA-C; Xochitl Skibin, Nurse Practitioner; Collier Farnell, IT Director; Brooklynn Clay, Multimedia Specialist; Craig Carter, Attorney by Teams; Sue Hawthorne, The Progress; Gilfred Boullion; Aaron Henicke; Eric Humphrey; Annette Abernathy; Chris Jircik

The meeting was called to order at 5:30 pm by Chairperson Emmons, and it was determined that a quorum was present. Secretary Tinnerman gave the invocation, Director Turner led the pledges.

Introduction of Guests, which are included in list above.

Public Comment

- 1) Aaron Henicke –Billing complaint for PT services.
- 2) Collier Farnell –

*We need stability, and we do not have stability. If you ask any Chambers Health staff if we have clear direction, most will say it's unclear and aimless. We have had so much change over the past few years, and while there's good changes to be found, there's a lot that's happened that has caused high turnover rate of not just new staff, but old staff that has been here for 5, 10 and over 15 years. People are overwhelmed and fearful, and we haven't been able to provide the communication needed to resolve these issues.*

*Right now, we need a CEO the staff can trust, someone who understands the past 10 years of this organization, someone who can address our lack of internal direction, someone unbiased and stoic, someone who doesn't joke around.*

*With the past several years being a revolving door of executives, all with CEO background, I feel it has created the opportunity Chambers Health needs and has been looking for.*

*Someone once said, "Because sometimes the best leaders are the ones who have no interest in leading. Those are often the ones who are most interested in doing what is right, not what is popular."*

That is why I suggest appointing the role of full-time CEO to Ann Newton. Thank you.

### **Review and Approve Minutes of Previous Meetings**

A motion was made by Secretary Tinnerman and seconded by Director Turner to approve the minutes of March 21, 2024 Regular meeting as presented. Motion carried unanimously.

### **Administrators Report**

Ann Newton presented report.

CEO will begin providing CEO report to Board on a weekly basis

### **HR Report**

Terri Billiot provided a summary of recruiting, hiring, terminating & promotions for February 2024.

### **Marketing**

Terri Billiot & Brooklynn Clay provided an overview of slides within the Board packet, which included social media stats, flyers created & upcoming/attended events.

### **CCHC Executive Director Report**

Included in Board packet.

### **CEO Report**

Several items are in progress:

- **Wellness Center Parking** – Getting quotes for 2 options (bridge & culvert) allowing members to park at Masonic Lodge and safely walk to Wellness Center, resolving parking issues on Monday & Wednesday when congregate meals occur.
- **West Chambers Clinic Parking** – Topic on next meeting agenda; Ann to share power point with options to expand parking.
- **Front of Hospital** – Work in progress to improve exterior appearance.
- **ER Canopy** – Application signed and sent to state.
- **Couple of resignations** – Nellie Lunsford & Janice Jircik
- **Mont Belvieu Rehab** – Working on new revenue avenues; in negotiations.
- **Hospital Week** – Formed committee; In planning stages; each day will have a different theme. All Chambers Health locations (hospital, clinics & Wellness Center) will be included in planned activities.
- **HIM & Lab week** – Delivered snacks to all 3 clinic labs + Hosp lab & HIM.
- **Winnie (Dental Services & Congregate Meals)** – Collaborating on dental services and congregate meals. Winnie is going to help with Winnie congregate meals; meeting scheduled to discuss further later this week.
- **Omni Point Signage** – Omni signage taken down.

- **New Chambers Health Signage** – Required occupancy permit to put up new Chambers Health sign at West Chambers Clinic.

#### **District Financial Report –**

- Everything is looking really good, but clean-up of old issues still underway.
- CFO & Accounting team working on some reconciliation deadlines; only 1 bank reconciliation incomplete.
- Ms. Cooper very comfortable with P&L.
- Britney Strickland and Kim Cooper reviewing final contract related to contract management.

**Account Reconciliation** – Looking for an organization to come in and help. Could be on an interim or ongoing basis, depending on Chambers Health’s needs.

- Ms. Cooper expressed concerns she does not have time to complete everything that needs to be completed; Ms. Cooper presented options for hiring consultants:
  1. Hiring a consultant will allow her to work proactively, instead of reactively.
  2. Preferred Consultant – Jeff with Partners Healthcare Accounting Group (PHG). He’s been an auditor for years & worked with several audit firms. This firm helps with ongoing audits, financial statement presentation, issues with our accounting systems, plus multiple other facets. In addition, allows us to better segregate duties. Typically, a year long contract required, but the proposal is a 6-month contract with a 45 day out with written notice clause and auto renewal; PHG will complete a deep dive the 1<sup>st</sup> two months & would be able to catch us up within 6 months. Director Turner asked Ms. Cooper if she felt confident if this firm would be able to catch us up within 6 months & she responded yes. Jeff w/ PHG said if we approve during this Monday evening board meeting, he could be here as early as this Wednesday.
  3. Ms. Cooper recommended Partners Healthcare Accounting Group
  4. Auditors Update – Vice Chairperson Legg asked Ms. Cooper how auditors have been doing & will those audits be impacted if a consultant is hired. Having a consultant come in will not impact the auditors any more than they already have been impacted.

#### **Motion for Accounting Consultant –**

- a. A motion was made by Director Brown and seconded by Director Turner to hire preferred firm PHG with a 6-month contract.
  - b. Vice Chairperson Legg amended motion & requested the contract be reviewed with the Board prior to contract renewal at 6 months; contract should not auto renew.
  - c. Amended motion: Director Brown made motion to go with preferred firm PHG. The 6-month contract will be reviewed with the board prior to contract renewal; there will not be an auto renewal. Director Turner seconded the motion. Motion carried unanimously.
- Ms. Cooper requested to close the following accounts 8689, 7200, 8575 & 9539.

- A motion was made by Director Tinnerman and seconded by Director Brown to close account 8689 & 7200, 8575 & 9539 and keep account #0719. Motion carried unanimously.
- QIPP -  
New Light rejoined April 1st, Chambers Health sent out a lot of money and all nursing homes are caught up. As a result, numbers reflected in the Board packet are inaccurate and Board members should expect a significant change in the reflected numbers. QIPP income has also been shifted over to the hospital as well.
- Ann Newton, Chief Executive Officer, and Kimberly Cooper, Chief Financial Officer, requested to work with Legend Bank to open accounts for the 4 new nursing homes. This is 8 total accounts or 2 for each nursing home. Both Ann Newton & Kimberly Cooper are signers at Legend and no changes to Styling at Legend has been requested.  
Director Turner made a motion and Director Brown seconded the motion to approve opening 8 new accounts for 4 new nursing homes. Motion carried unanimously.
- No action taken on financial report. It was an informational report only.

#### **Remove/Appoint Bayside Healthcare Foundation Executive Director –**

Director Turner made a motion and Director Brown seconded the motion to remove Nellie Lunsford as Bayside Healthcare Foundation Executive Director and named Terri Billiot the Bayside Healthcare Foundation Executive Director. Motion carried unanimously.

#### **EXECUTIVE SESSION**

Chairperson Emmons requested we go into Executive Session under Section 551.074 and Section 551.071. Director Brown made a motion to go into closed Executive session at 6:10 pm and Director Turner seconded. The motion carried unanimously.

At 7:50 Director Brown made motion to exit executive session and Director Turner seconded motion; Motion carried unanimously.

#### **Discuss, Consider and Take Action on Executive Session Items -**

- 1) Motion made by Secretary Tinnerman and seconded by Director Turner to reject counteroffer by former CEO Robert (Bob) Pascasio with no counteroffer. Motion carried unanimously.
- 2) Motion to begin looking for a company to hire a CEO –

Director Brown made a motion to table the CEO company search and Secretary Tinnerman seconded the motion. Motion carried 4 to 1; Vice Chairperson Legg opposed.

- 3) Hire New CEO –

Director Brown made a motion and Secretary Tinnerman seconded the motion to hire Ann Newton as CEO for a minimum of 2 years. She provides stability for the employees of Chambers Health.

- Discussion: Vice Chairperson Legg does not think this is a good idea, but agrees Ann Newton deserves to be compensated for her time as Interim CEO. Vice Chairperson Legg really appreciates all that Ann Newton has done for the company. Vice Chairperson Legg believes we should place heavy emphasis on recruiting within, but we owe it to the taxpayers to do a legitimate search for a CEO and interview the candidates before we name the person. Vice Chairperson Legg is concerned hiring Ann Newton would result in Chambers Health returning to a similar situation that occurred when promoting a previous COO to Interim CEO to CEO.
- Director Brown's rationale is it is not going to matter what 'face' the new board takes; we place Ann Newton with protection. With Ann Newton as the CEO, the new board would have someone with experience with the company. In addition, the employees will have somebody they can depend on and is somebody they know & trust. Ann Newton has proven to Director Brown that she can do this job, especially with the mess she came into as the Interim CEO position. Ann Newton knows where the pitfalls are. If you want to reward someone performing well as a temporary, that's not truly rewarding them.
- If the Board votes yes to hire Ann Newton as CEO, Craig Carter's team will put together a contract for a 2 year term at \$180,000 per year with a coach and bonus for time served as interim CEO. The contract will include insurance for at least that same 2 years, even if terminated without cause. There was also discussion about putting in the contract to continue the insurance until Ann Newton becomes Medicare eligible for clarity.

Director Brown moved and Secretary Tinnerman seconded the motion to hire Ann Newton as CEO for a minimum of 2 years at \$180,000 with benefits and bonus for time served as interim.

The motion carried 4 to 1 with Vice Chairman Legg opposing.

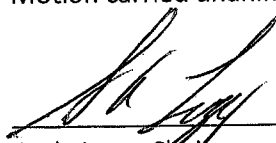
- Secretary Tinnerman made the motion and Director Brown seconded motion to let Chairman Emmons & Craig Carter have the authority to negotiate the contract with Ann Newton and sign said contract.

Motion carried 4 to 1 with Vice Chairman Legg opposing. Upon signing contract, Ann Newton becomes CEO.

- Next meeting will be between May 7<sup>th</sup> & 15<sup>th</sup> to canvas the election votes. There was also discussion about going ahead and setting up a meeting for the 4<sup>th</sup> Thursday in May too.

## ADJOURNMENT

Director Turner made motion and Director Brown seconded motion to adjourn the meeting at 8:15 PM. Motion carried unanimously.




Andy Legg, Chairperson  
Board of Directors

SECRETARY'S CERTIFICATE

I, Linda Tinnerman do hereby certify that: I am the Secretary of Chambers County Public Hospital District No. 1 d/b/a Chambers Health (hereinafter the "District") that these are true and correct minutes reflecting the discussion and actions of the Board of Directors of the District at a regular or special meeting held on the date shown above and entered in the permanent records of the District.

IN WITNESS WHEREOF I have hereunto set my hand this the 13th day of May, 2024.



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Linda Tinnerman, Secretary  
Board of Directors