

Feel the Difference

Minutes of the Regular Meeting of the Board of Directors

The Governing Board of Gonzales Healthcare Systems met in a Regular Meeting on July 11, 2023, at 5:45 P.M. at THRIVE Healthplex Conference Room.

Directors Present:

Kenneth Gottwald – President
Greg Tieken – Vice President
Stephanie Kodack – Secretary
Wayne South – Member
Tim Markham – Member
Gene Reed – Member

Directors Absent:

Kerry Morgan – Member
Sascha Kardosz – Member
Lisa Gindler – Member

Others Present:

Gerald Parton, CEO
Brandon Anzaldúa, COO/CFO
Billy Bailey, CFO
Commie Hisey, D.O.
Kathleen Koerner, D.O.
Melissa Cowey
Juli Clay
Amanda Frederick
Karen Iacuone
Leslie Janssen
Joni Leland
Woody White, Ovation Healthcare (Virtual)
David Anton, Ovation Healthcare (Virtual)

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The meeting was called to order at 5:45 P.M. by Kenneth Gottwald – President.

The Pledge of Allegiance was led by Gene Reed.

The Invocation was given by Wayne South.

There was one present for Public Comment. Dr. Commie Hisey welcomed new CEO Brandon Anzaldua and presented a gift to him.

Kenneth Gottwald, President, appointed members to all standing Governing Board of Directors Committees.

- **Executive Committee:** Kenneth Gottwald, Greg Tieken, Stephanie Kodack, Wayne South
- **Finance Committee:** Greg Tieken, Stephanie Kodack, Kerry Morgan, Lisa Gindler
- **Building Committee:** Kenneth Gottwald, Tim Markham, Wayne South, Lisa Gindler, ex-officio David Malaer
- **Bylaws Committee:** Gene Reed, Sascha Kardosz, Lisa Gindler
- **Appointment for Gonzales Healthcare Systems Foundation Board:** Wayne South

Motion was made and **approved** to accept Gonzales Healthcare Systems Organizational Chart as submitted. (Motioned by Greg Tieken, seconded by Stephanie Kodack) There were six votes for and no votes against the motion.

President also welcomed new Chief Financial Officer, William “Billy” Bailey. Billy’s first day with Gonzales Healthcare Systems was July 5, 2023.

Construction project update was given by David Anton. At this time, the completion of the Design Development Construction documents with E4H. David recommended moving forward with construction drawings estimated expense - \$369,800. The equipment budget is still being priced out. David also recommends the transition from a Contractor Design Build process to a Design Bid due to the first contractor being overpriced. David did get a second bid and it was \$16.1 million. Overview of the Budget Summary was given. The bidding process will delay the project by 5 weeks – meaning construction commencement new date would be November 10th. David recommends continuing with the construction drawings with E4H, unwind the current engagement with Skiles, open this to a bid process and move forward with the

Call to Order

Pledge of Allegiance

Invocation

Public Comment

Appointment of Standing Committees

Approve GHS Organizational Chart

Welcome New CFO – William “Billy” Baily

Construction Project Update Presented by David Anton with Ovation Healthcare

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Construction Project Update Continued...

entire project. David also recommends we pay E4H's invoices through June but not pay Skiles invoices until he talks with them.

Motion was made and **approved** to terminate the contract with Skiles construction, continue Design Development with E4H, and pay all E4H invoices. (Motion by Greg Tieken, second by Tim Markham) There were six votes for and no votes against the motion.

Consent Agenda:

Kenneth Gottwald, President, asked if any items need to be pulled for discussion.

Consent Agenda Items:

- Minutes of the Gonzales Healthcare Systems Foundation Meeting on May 24, 2023
- Minutes of the Regular Meeting on June 6, 2023
- Minutes of the Executive Committee meeting on June 22, 2023
- Minutes of the Executive Committee meeting on June 26, 2023
- Minutes of the Finance Committee meeting on June 26, 2023
- Minutes of the Executive Committee meeting on July 10, 2023
- Interlocal Cooperation Agreement between Gonzales Healthcare Systems and Gonzales County Emergency Service District #1
- Patient Financial Assistance Program – Medically Indigent Program – Presumptive Financial Assistance Policy
- Public Comment at Board Meetings Policy
- Nursing Home QIPP Reports

Greg Tieken asked to pull minutes of the Executive Committee Meeting on July 10th. "firing the architect firm" needs to be corrected to "firing the construction firm"

Motion was made and **approved** to accept the Consent Agenda as presented. (Motioned by Gene Reed, second by Stephanie Kodack) There were six votes for and no votes against the motion.

Approved Termination of Skiles contract, continue DD with E4H and pay E4H Invoices **Updated Motion at end of meeting**

Consent Agenda

Consent Agenda Items

Pulled minutes of Exec Meeting on July 10, 2023

Approved Consent Agenda

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Motion was made and **approved** to open investment account through Prosperity Bank and managed by Raymond James. Brandon Anzaldua mentioned this is to open the account. This was discussed at the Executive Committee meeting to invest up to \$30 million dollars in a 3 month at rates of 5.1% (Motioned by Greg Tieken, second by Tim Markham) There were six votes for and no votes against the motion.

Approve Investment Account with Prosperity Bank and Raymond James

Motion was made and **approved** Administrator's (Brandon Anzaldua) Bond in the amount of \$5,000.00 for four years, equaling \$177.50. (Motioned by Tim Markham, second by Gene Reed) There were six votes for and no votes against the motion.

Approved CEO Bond for \$5,000.00

FINANCIAL REPORT AS PRESENTED BY BRANDON ANZALDUA:

Financial Report

Motion was moved and **approved** to accept the Financial Report for May 2023 as presented with the following documents:

- Balance Sheet
- Cash Flow Sheet
- Current Month and YTD Income Statement Compared to Last Year
- Currently Month and YTD Income Statement Compared to Budget
- Departmental Charge/Expense Report
- Departmental Charge/Supply Expense Report
- Receivable, Payor Mix and Collections
- Cash Comparison
- Trend Report
- Capital Expenditure Report
- Investment Schedule
- Tax Report
- THRIVE Healthplex
- Foundation

(Motioned by Gene Tieken, second by Tim Markham) There were six votes for and no votes against the motion.

Approved Financial Report

Greg Tieken requested to have the tax rate calculation before the next Finance Committee meeting. Brandon Anzaldua will reach out to Crystal Cedillo for that request.

Tax Rate Calculation Request

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CEO REPORT AS PRESENTED BY BRANDON ANZALDUA:

CEO Report

Motion was moved and **approved** to accept the CEO Report as presented with the following documents:

- Town Hall Meetings
- Rounding
- EHR – Cerner
- Physician Contracts
- Construction Update
- Radiology Partners
- Recruitment
- Mammo Survey
- Employee Goals
- Shiner Rural Health Clinic Accreditation
- Organizational Chart
- Upcoming Events
- Department Reports
- GHS Newsletter – June 2023
- Cerner Update

(Motioned by Gene Reed, second by Tim Markham) There were six votes for and no votes against the motion.

CEO Report Approved

Ovation Healthcare Update as presented by Woody White. Woody gave kudos to the team as we are far above in the EMR implementation process than other facilities. Congratulations were given to Brandon as he was promoted to CEO and continues to advance through Leadership U. Board Self-Assessments are in and currently working on the report to present to the board. No action taken.

Ovation Healthcare Update

Gerald Parton mentioned the Bylaw Committee met today and will have a report to the Board of Directors at next meeting.

Bylaw Committee Update

Motion was made and **approved** to close the Open Session of Board of Directors meeting held on July 11, 2023. Meeting was called into Closed Session at 7:06 PM, Pursuant to the Provisions of Chapter 551 of the Texas Government Code; Section 551.071, Section 551.072, Section 551.073, Section 551.074, Section 551.076, Section 551.085, and Section 161.032 under the Texas Health & Safety Code. (Motion by Tim Markham, second by Wayne South) There were six votes for and no votes against the motion.

Closed Open Session – Called Meeting into Closed Session

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Motion was made and **approved** to adjourn its Closed Session at 7:48 PM on July 11, 2023. (Motioned by Gene Reed, second by Stephanie Kodack) There were six votes for and no votes against the motion.

Adjourn Closed Session

The meeting was called into Open Session at 7:48 PM on July 11, 2023.

Call Meeting into Open Session

Motion was made and **approved** to accept the Medical Staff Report as presented in Closed Session. (Motion by Stephanie Kodack, second by Gene Reed) There were six votes for and no votes against the motion.

Approve Medical Staff Report

Motion was made and **approved** to accept the Performance Improvement and Patient Safety Report as presented in Closed Session. (Motion by Greg Tieken, second by Tim Markham) There were six votes for and no votes against the motion.

Approve PI/Patient Safety

Motion was made and **approved** to accept the medical screening exams in obstetric ED patients for Dayna Lampley, RN. (Motioned by Stephanie Kodack, second by Gene Reed) There were six votes for and no votes against the motion.

Approve OB Privileges for Dayna Lampley, RN

Motion was made and **approved** to accept the Radiology Telemedicine Schedule 1 Credentialing Privileges. (Motioned by Stephanie Kodack, second by Gene Reed) There were six votes for and no votes against the motion.

Approve Credentialing – Schedule 1

Motion was made and **approved** to accept the Compliance Report as presented in Executive Session. (Motion by Tim Markham, second by Gene Reed) There were six votes for and no votes against the motion.

Approve Compliance Report

No action was taken on the facilities and environmental services management contract update.

No action taken on Facilities/EVS Contract

Motion was made and **approved** to accept the Amendment to Professional Services Agreement for Dr. Sean Hattenbach with Discovery Medical Network, Inc. (Motion by Greg Tieken, second by Gene Reed) There were six votes for and no votes against the motion.

Approved Amendment for Dr. Hattenbach

Motion was made and **approved** to accept the Chief Executive Officer Position Transition Plan (Motion by Tim Markham, second by Gene Reed) There were six votes for and no votes against the motion.

Approve CEO Transition Plan

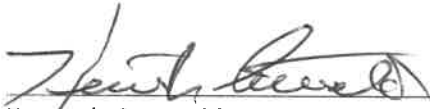
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Greg Tieken would like to amend the previous motion for item G on the agenda for Construction Project Update. Motion was made and **approved** to accept the plans that were presented by David Anton and resend the other motion. (Motion by Greg Tieken, Second by Tim Markham) There were six votes for and no votes against the motion.

Motion was made and **approved** to adjourn the meeting at 7:52 PM. (Motion by Wayne South, second by Stephanie Kodack) There were six votes for and no votes against the motion.

****Amended Motion for
Construction Project Update**

Adjournment



Kenneth Gottwald
President



Stephanie Kodack
Secretary