

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
SWEENY HOSPITAL DISTRICT**

July 27, 2021

Time 18:00

Members Present: Mason Nichols, President; Scott Swift, Vice President; Patti Foster, Secretary
Violet Weeks, Lisa Leal, Charlie Genella, Leeda Wood

Members Absent:

Others Present: Jason, Martinez, Monroe Vos
Michael Muth, Rudd & Wisdom
Enrique Leal, III, M.D.
Tom Ronayne
Brian Brooks

Employees Present: Kelly Park, Cindy Burge, Stuart Butler, Dana Quintanilla,
Noralene Corder (by phone), Tracy White, Travis Alford

1. **Call to Order** Mr. Nichols called the meeting to order at 1801.

2. The invocation was given by Ms. Weeks.

3. **Record Members Present and Establish A Quorum**
There being 7 members present, a quorum was established.

4. **Public Comments**

A. Tom Ronayne, citizen of the hospital district, made a public comment by reading from a document about his concerns regarding the replacement hospital. He said he would add to this, he would like for the project to follow the general accepted practices of any project in any industry. He said it has been almost seven months since we started down this road and we still do not have project management. He feels the board confuses construction manager with project manager, someone onboard from the beginning. He provided a written statement of what he read.

Mr. Nichols thanked Mr. Ronayne for his comments. He said Kelly Park and Patti Foster forwarded the emailed received from Mr. Ronayne to the full board. He said they appreciate the email and a lot of good points were in there. He said there are some comments in question, one of the things mentioned was the project manager. We do have one of those that Kelly Park will introduce later tonight. He commented, I know it has been on your time frame but we are putting the pieces together here so we are working on that time frame. Also, about the public comments section about the document not being fully posted, that is the discretion of our legal advice from our attorney which is completely legal. If you have comments presented as written, we can post as said. Anyone that wants to get the written comments, they can request for it. The written document is kept on file. He said the full board does recognize his concerns. Mr. Ronayne said he welcomes any of the board to reach out to him anytime.

5. **Review/Approve Board of Directors' Meeting Minutes:**

A. June 21, 2021 General Meeting

Mr. Nichols said an amended copy has been submitted pertaining to item 7. Ms. Leal requested a change in the wording regarding a statement she made in behalf of Mr. Ronayne.

Patti Foster made a motion to approve the minutes as corrected from June 21, 2021. Ms. Wood seconded the motion. Mr. Swift abstained, motion carried.

8. **New Business**

B. Discuss Fiscal Year End 9/30/2021 GASB No 68 Report – Hospital Retirement Plan and take action if needed

Michael Muth joined virtually to make presentation to the board. They have been the actuary since 1989 for the THA retirement plan.

The purpose of the call today is how much investment risk the hospital wants to take in this program. It is a defined benefit program plan. Prior to 2004 all employees were members of this plan. In 2004, participation in the plan was frozen. Only 8 grandfathered employees remaining to retire in this plan as of January 2021. Once these employees retire there will be no employees left accruing benefits. The plan is well funded.

The hospital may be approaching the time to consider terminating the plan. To terminate it, the obligations would have to be transferred to an insurance company that will guarantee the pension. If you terminate the plan you need more cash in the plan.

What is suggested is to begin taking some risk off the table to move out of equities. Currently the plan is 75% equities and 25 % fixed income security funds. Suggestion was to dialing back the equities from 75% to 60% or 55%. As the hospital gets closer to terminating, it should continue to take risk off the table and eventually have all fixed income.

The hospital has continued to put \$120,000 per year to fund the plan. After further discussion, Ms. Foster motioned to leave the plan like it is and table it. Ms. Weeks seconded the motion. Unanimous decision, motion passed.

A. Monroe Vos

1) Retirement Plan Update

Mr. Martinez gave a summary regarding the 401(A) and 457(B) plans. He said to be mindful of your personal asset allocation investments. No recommendations for changes in the plan were indicated.

2) Investment Account Update

Mr. Martinez gave an overview of the investment fund. He commented to be patient. It will take time to increase the fund. Mr. Nichols thank him for the update.

6. **Finance Committee Report**

Noralene Corder gave overview of June 2021 financials.

After discussion, Ms. Wood motioned to approve the June 2021 financials. Mr. Genella seconded the motion. Unanimous decision, motion carried.

7. **Old Business**

A. Replacement hospital update: Kelly Park, CEO

Updates on the following items were presented.

- Preliminary pictures of the outside of what the hospital may look like were viewed. Pictures will be added to the hospital website. The floor plan was also viewed.

- Architects due back the week of August 16th or 23rd.
- The hospital Website is under construction. Contact information for the board has been added.
- Project Manager, Jimmy Mashaw, to start in August.
- Architects have been in touch with City of Sweeny, Reese Cook. Plat still shows a road going through the middle of the hospital property. We will have to request to be replatted.
- Geotec to be contacted after next meetings with Architect
- Interior pictures of hospital have been shown to the Foundation Board. They are the districts community members.

9. **Board Committee Reports:**

A. **Sweeny Community Hospital Foundation Board Update:**

- New officers were chosen
- Capital campaign will start back up, target is 2 million total
- Board members are very excited about the new hospital build

10. **Administrative Information Report – Kelly Park**

A. **CEO Report**

Updates were given on the following:

- Architects will make presentation at the regular board meeting in August
- The Fountains – 3rd Thursday networking meeting
- Covid is on the rise again. More supplies have been ordered.
- West Columbia Health Clinic – more flags ordered for advertising
- Marketing update

B. **Human Resources Report**

Ms. Quintanilla gave the monthly update.

- Employee count is 204 total, 146 FT/PT remaining PRN
- 27 termed making a 18.4 % turnover rate
- Update given on open positions and employees hired

C. **Emergency Medical Services Report:**

- ESD 6 has decided that it is not cost effective to add another crew and truck in Brazoria for now.
- Currently adding new PRN employees

Break taken at 2052.

10. **CLOSED EXECUTIVE SESSION:**

Mr. Nichols announced the Board would go into closed, Executive Session at 2103 to review the following:

A. Discuss Deliberations Concerning Real Property

End of Executive Session

Went out of Executive Session at 2205

11. **Action regarding Executive Session:**

11. Action regarding Executive Session:

Ms. Weeks made a motion to put the hospital property located on Hwy 524 for sale. Mr. Swift seconded the motion, unanimous decision, motion passed.

12. Adjournment

Mr. Swift moved for adjournment, seconded by Mr. Genella. Meeting adjourned at 2210.



Mason Nichols, President
Recorder: Cindy Burge