

**WILLACY COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING
Tuesday, July 15, 2025
Willacy County Hospital District Office
1623 South 15th Street
Raymondville, Willacy County, Texas**

DIRECTORS PRESENT:

Rosa Lee Pedraza, President
George Mukhar, Vice President
Ilene F. Nyquist, Secretary-Treasurer
Albino S. Cantu, Jr.
Mr. Ariel Rebeles
Jaime Salazar
Michelle Rodriguez-Zamarron, RN-BSN
Maria Guadalupe Pruneda-Garza

DIRECTORS ABSENT:

Ashley N. Dominguez (Excused)

OTHERS PRESENT

Samantha L. Atkinson, CPA - Carr, Riggs, Ingram (CRI), LLC
Alejandra Rodriguez - Carr, Riggs, Ingram (CRI), LLC

James E. Darling, Legal Counsel
Martha C. Acevedo, RHIA, WCHD Staff
Lorena J. Rodriguez, WCHD Staff

CALL TO ORDER

With a quorum being duly noted, the July 15, 2025 meeting of the Board of Directors of the Willacy County Hospital District (WCHD) was called to order at 6:00 p.m. by Rosa Lee Pedraza, President.

- A) **Absences** - Director Ashley N. Dominguez was not present and noted to be excused.
- B) **Public Comment(s)** - None (no public audience in attendance).

FISCAL YEAR ENDING 09/30/24 ANNUAL AUDIT

Samantha L. Atkinson, CPA of the accounting firm of Carr, Riggs, & Ingram (CRI), LLC was in attendance to present the Willacy County Hospital District's Fiscal Year (FY) 2024 financial audit report. She was accompanied by Ms. Alejandra Rodriguez, also of CRI.

A general overview of the audit was presented including *Management's Discussion and Analysis, District's General Fund Comparative Balance Sheets, Comparative*

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Statements of Revenues, Expenditures, and Changes in Fund Balance. The *Management's Discussion and Analysis* summarizes fiscal year financial information. Noted was a decrease in indigent care expenditures and that no assets were acquired. Program revenues include claims processing and tax revenues. There was a slight decrease in this year's tax rate. Overall, there were no significant changes in this year's audit and year end adjustments were minimal. Audit testing did not identify any issues to be reported. The Hospital District has a "healthy fund balance" and its net position continues to remain stable.

The *Required Supplementary Information Significant Deficiency and Material Weaknesses in Internal Control* were also noted. Ms. Atkinson stated the observation pertaining to the full segregation of accounting functions continues to be reported as has been reported on previous audit reports. This observation is not to be considered a recommendation to hire additional employees as the number of employees required to fully segregate accounting functions is not realistic due to the size of the Hospital District. The Hospital District's main purpose is providing indigent health care funded through the receipt of tax revenues placing emphasis on the Board's continued responsibility of overseeing all Hospital District financial aspects, i.e., monthly financial reports and statements and annual fiscal audits, as is being done.

There being no questions or additional discussion, a motion was made and duly seconded to accept the Willacy County Hospital District's FY 2024 annual financial audit as presented. Vote was unanimous in the affirmative.

Ms. Atkinson was thanked for her presentation. Ms. Atkinson and Ms. Rodriguez proceeded to leave the meeting room at approximately 6:10 p.m.

MINUTES

The minutes of the May 20, 2025 meeting of the Board of Directors of the Willacy County Hospital District were provided to the Board for their review and consideration. The week prior, the minutes and this meeting's agenda were mailed to directors for their review.

A motion was made and duly seconded to approve the minutes of the May 20, 2025 meeting as submitted, with no additions, deletions, or corrections. Vote was unanimous in the affirmative.

FINANCIAL REPORT

A) **May and June 2025 Financial Statements** - Reports given by Ms. Acevedo. No questions or clarifications were requested.

A motion was made and duly seconded to approve the May and June 2025 financial statements as reported. Vote was unanimous in the affirmative.

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- B) **Quarterly Financial Report April - June 2025** - In accordance with the Hospital District's Investment Policy on reporting requirements, the April 2025 through June 2025 Quarterly Financial Report was provided and reported by Ms. Acevedo.

A motion was made and duly seconded to approve the April through June 2025 Quarterly Financial Report, as submitted. Vote was unanimous in the affirmative.

- C) **Update to Certificate of Deposit Maturity Notices** - An update was provided regarding the action taken by the Board at the May 2025 meeting of opening two (2) certificate of deposit accounts, one with Hospital District funds and the other for the Mary "Sippy" Burnett Scholarship fund. This did not occur because the interest rate reported as being offered by PNC was not for public funds. The application with TexPool was in process and the Hospital District was approved to participate on June 18th. The Executive Board was informed of the interest rate offered by TexPool and that of PNC Bank. The Executive Board agreed it was in the best interest of the Hospital District to invest the funds at TexPool.

Ms. Acevedo informed the Board accounts were set up at TexPool for Hospital District funds, Mary "Sippy" Burnett Scholarship funds, and Willacy County Hospital District Farm Account funds.

Also reported was the amount of the certificate of deposit approved to be opened at First Community Bank was for \$68,000 and not \$70,000 in order to avoid the possibility of going over FDIC coverage limits at the time of its maturity.

- D) **Authorization to Transfer Certificate of Deposit Accounts Held at Wells Fargo Advisors to TexPool WCHD Account Upon Their Maturity** - Ms. Acevedo informed the Board there are two certificate of deposit accounts held at Wells Fargo Advisors due to mature on July 17th and requested the approval from the Board to transfer the proceeds to the Hospital District's TexPool account. She also requested approval to transfer to TexPool the remaining certificate of deposit accounts held at Wells Fargo Advisors upon their maturity. Current interest rate offered by TexPool was noted.

A motion was made and duly seconded to transfer Hospital District Wells Fargo Advisors certificate of deposit accounts to TexPool upon their maturity. Vote was unanimous in the affirmative.

- E) **Authorization to Transfer Funds From the Wells Fargo Bank WCHD Farm Money Market Account to the TexPool WCHD Farm Account** - Information on the minimum balance required by Wells Fargo Bank on money market accounts and the current interest rate of 0.01% was provided. Expenses paid through the

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Hospital District's Operating Account for Farm expenses such as farmland taxes and director bonds are reimbursed annually by transfer of funds from the Farm Money Market account to the Hospital District's Operating Account. She recommended to leave the required minimum balance and to transfer the difference to the Farm Account at TexPool after the Operating Account was reimbursed for farm account expenses.

A motion was made and duly seconded to transfer WCHD Farm Money Market Account funds held at Wells Fargo Bank to the Farm Account at TexPool after reimbursing the Operating Account for farm expenses and to leave the required minimum balance. Vote was unanimous in the affirmative.

Ms. Acevedo was asked to check with Wells Fargo Bank on available bank sweep services.

- F) **Authorization to Close the Wells Fargo Bank WCHD Money Market Account And Transfer Funds to the WCHD TexPool Account** - Ms. Acevedo explained this account receives one direct deposit from the State Comptroller for Tobacco Settlement proceeds in April each year. As part of submission of the annual report to qualify for receipt of the funds, direct deposit fund account information is also updated annually, if applicable.

A motion was made and duly seconded to close the WCHD Money Market Account held at Wells Fargo Bank and to transfer the funds to the WCHD TexPool Account. Vote was unanimous in the affirmative.

New account information will be submitted at the time of the next report.

- G) **Review of Current Process Upon Maturity of a Wells Fargo Advisors Certificate of Deposit** - Ms. Acevedo informed the Board when a Wells Fargo Advisors certificate of deposit matures, a check is issued by Wells Fargo Advisors and mailed by U.S. Postal Service to the Willacy County Hospital District. When received, it is deposited into the Tax Fund Account and subsequently transferred to the WCHD TexPool account. This is being done to avoid the wiring transfer fee which she recalls is \$125.00. Question was asked whether funds could be transferred directly to TexPool from Wells Fargo Advisors.

It was the consensus of the Board to have Ms. Acevedo check on the wiring transfer fee and as long as the wiring transfer fee did not exceed \$100, to go ahead and have funds wired.

- H) **Review of Process of Transfer of Funds For Operating Expenses** - The

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current practice when tax revenues are received was reviewed by Ms. Acevedo.

When received, tax revenue is deposited to the Tax Fund Account. Transfers are made from the Tax Fund Account to the Operating Account for monthly operating expenses. Transfers require two signatures. Both accounts are held at Wells Fargo Bank.

The liquidity and availability of funds for operating expenses through TexPool was discussed. Deposits, withdrawals, and transfers to Tex Pool can be made on any business day of the week. The process would involve transferring funds from the TexPool account to the Well Fargo Bank Tax Fund account when needed with the final transfer to the Operating Account to cover operating expenses.

- I) **Texas Regional Bank Certificate of Deposit Maturity Notice** - Current interest rate quotes obtained as a result of maturation on 07/06/2025 of the certificate of deposit (CD) held with Texas Regional Bank were provided. Discussion held.

A motion was made and duly seconded to keep the funds at Texas Regional Bank and to reinvest them in a certificate of deposit for six (6) months at the offered interest rate of 3.95% with an APY of 4.01%. Vote was unanimous in the affirmative.

FINANCIAL BUDGET(S)

- A) **Report of Tax Revenues** - Ms. Acevedo reported May 2025's tax revenues were received on June 13, 2025. Total monthly revenue includes current tax year collections and penalties and interest for prior years. The percent of collected for the 2025 fiscal year is now at 94.12% (99.07% for prior fiscal year). Tax collector/assessor's 92% predicted percent of collection was compared to prior fiscal year's percent of collection. Year-to-date fees for tax assessor/collector and tax attorney were also reviewed and noted to be within budget for that expenditure.
- B) **Draft of Preliminary Budget for Fiscal Year (FY) End 09/30/2026** - Ms. Acevedo provided and went over a draft of the preliminary budget proposed for use during FY ending 09/30/2026. She stated the proposed budget is very similar to current year's approved budget including effective tax rate. The source of proposed revenue calculations for tax year 2026 was taken from the WCAD's "2025 Estimated Taxable Values Totals" report. The final proposed budget will be updated with the final 2025 certified WCAD values report which is expected to be received later this month.

Ms. Acevedo informed the Board there will most likely be changes needed on some budget items as the values provided now are estimated. She will update

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the Board with any changes. Ms. Acevedo was asked to bring this item back to the Board for further discussion and was also asked to obtain estimates for replacement of the Board Meeting Room central air-conditioner.

A Final Proposed Budget for use during Fiscal Year 10/01/2025 through 09/30/2026 and the effective tax rate will be acted upon by the WCHD Board of Directors following the Budget Hearing which will be scheduled in Item D below.

- C) **Fiscal Year End 2025 Budget Amendments** - There were no budget amendments to consider at this time.
- D) **Fiscal Year 2025-2026 Budget Hearing** - A motion was made and duly seconded to hold the Willacy County Hospital District's Budget Hearing for the 2025-2026 Fiscal Year in conjunction with the Hospital District Board of Directors meeting on Tuesday, September 9, 2025 at 6:00 p.m. Vote was unanimous in the affirmative.

OPIOID ABATEMENT FUND COUNCIL (O AFC) ALLOCATION(S)

The information received from the Opioid Abatement Fund Council (O AFC) For Hospital Districts to remediate the opioid crisis (Hospital District Distribution Rule, 34 TAC 16.222) was reviewed. Discussion held.

A motion was made and duly seconded not to participate in the Opioid Abatement Fund Council (O AFC) for Hospital District's opioid remediation program. Vote was unanimous in the affirmative.

LEGISLATIVE UPDATE

Mr. Darling reported there were no major legislative changes affecting this Hospital District. The changes were statewide and dealt with hospital districts operating hospitals. Further information to be provided at the next meeting, if applicable.

INDIGENT HEALTH CARE PROGRAM MONTHLY UTILIZATION REPORT

Indigent Health Care Program's current enrollment, indigent care and prescription expenditures (payments), provider referrals, and applications requested during the month of June 2025, as well as prior year's information was reviewed. No questions or comments were received.

There being no further business to discuss, with the consensus of the Board, a motion was made and duly seconded to adjourn the meeting. Meeting adjourned at 7:18 p.m.


Ilene F. Nyquist, Secretary-Treasurer