



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

AGENDA

Thursday, April 1, 2021 – 12:00 PM (March Meeting)

ON MARCH 16, 2020, GOVERNOR GREG ABBOTT TEMPORARILY SUSPENDED PART OF THE TEXAS OPEN MEETINGS ACT TO HELP MITIGATE THE SPREAD OF COVID-19. SPECIFICALLY, THIS AMENDMENT ALLOWS FOR LOCAL GOVERNMENTS TO CONVENE VIRTUALLY SO LONG AS MEMBERS OF THE PUBLIC ARE PROVIDED A MEANS BY WHICH THEY CAN HEAR AND PROVIDE COMMENT TO THE GOVERNING BODY.

The Coastal Health & Wellness Governing Board will convene for its regularly scheduled March meeting by utilizing Zoom, which will allow for Board members and the public alike to partake in and/or view the meeting either online or over the phone.

CONNECTING VIA INTERNET:

Access the URL: <https://zoom.us/j/96402813943?pwd=OHR5UTJaN2VFcE9vY2p3NU80Wmt0QT09>

Meeting Password: 857807

An automated prompt should appear on your screen; when it does, click “Open Zoom Meetings”

1. If you would prefer to use your computer for audio connection, please do the following:
 - a. When prompted, select “Join Audio”
 - b. Another popup box will appear, select the tab, “Computer Audio”
 - c. Now click the box stating, “Join with Computer Audio.” Your connection to the meeting will be automatically established upon doing so.
2. If you would prefer to utilize a phone for your audio connection, please do the following:
 - a. Mute your computer’s volume;
 - b. When prompted, select “Join Audio”
 - c. Another popup box will appear, select the tab, “Phone Call”
 - d. You will be presented with a Dial-In, Audio Code, and Participant ID. Call the Dial-In number from your phone and follow the subsequent voice prompts. Your connection to the meeting will be automatically established upon doing so.

CONNECTING VIA PHONE (AUDIO ONLY):

1. Dial 346-248-7799
2. You will be prompted to enter the Meeting ID, which is 964 0281 3943# Meeting Password: 857807
3. Finally, you will be instructed to enter your Participant ID. When this occurs, merely select the pound (hashtag) key without entering any numbers. Your connection to the meeting will be automatically established upon doing so.

CONSENT AGENDA: ALL ITEMS MARKED WITH A SINGLE ASTERICK (*) ARE PART OF THE CONSENT AGENDA AND REQUIRE NO DELIBERATION BY THE GOVERNING BOARD. ANY BOARD MEMBER MAY REMOVE AN ITEM FROM THIS AGENDA TO BE CONSIDERED SEPARATELY.

REGULARLY SCHEDULED MEETING

Meeting Called to Order

*Item #1ACTION.....Agenda

*Item #2ACTION.....Excused Absence(s)

*Item #3ACTION.....Consider for Approval Minutes from February 25, 2021 Governing Board Meeting

- *Item #4**ACTION**.....Policies Approved by United Board of Health as Authorized Under the Shared Services Agreement
 - a) Emergency Operation Plan
 - b) Dress Code Policy
 - c) Limited English Proficiency Policy
 - d) Safety & Risk Management Policy
 - e) Workers’ Compensation Policy
 - f) Work Environment Policy
 - g) Fund Balance Policy

- Item #5**EXECUTIVE SESSION**.....The Coastal Health & Wellness Governing Board will enter into Executive Session as permitted under Chapter 551 of the *Texas Government Code*, pursuant to Section 551.071, Consultation with Attorney, specifically, to discuss litigation involving Coastal Health & Wellness

- Item #6.....Executive Reports
 - a) Executive Director
 - b) Medical Director
 - c) Dental Director

- Item #7**ACTION**.....Consider for Approval FY2020 Independent Auditor’s Report and Financial Statement and Single Audit Reports

- Item #8**ACTION**.....Consider for Approval February 2021 Financial Report

- Item #9**ACTION**.....Consider for Approval 2020 Bad Debt Write-off and Adjustment Report

- Item #10**ACTION**.....Consider for Approval Ratification of CEO Emergency Approvals Due to the Winter Storm

- Item #11**ACTION**.....Consider for Approval Re-Privileging Rights for Juliet McKee, MD

Next Regular Scheduled Meeting: April 29, 2021

Appearances before the Coastal Health & Wellness Governing Board

The Coastal Health & Wellness Governing Board meetings are conducted under the provisions of the Texas Open Meetings Act, and members of the public that wish to address the Board about an item presented on the agenda shall be offered three minutes to do so. The Board cordially requests that individuals desiring to make a such a statement notify the Board of their intention by writing their name on the sign-in sheet located at the Boardroom’s main entrance.

A citizen desiring to make comment to the Board regarding an item not listed on the agenda shall submit a written request to the Executive Director by noon on the Thursday immediately preceding the Thursday of the Board meeting. A statement of the nature of the matter to be considered shall accompany the request. The Executive Director shall include the requested appearance on the agenda, and the person shall be heard if he or she appears.

Executive Sessions

When listed, an Executive Session may be held by the Governing Board in accordance with the Texas Open Meetings Act. An

Executive Session is authorized under the Open Meetings Act pursuant to one or more the following exceptions: Tex. Gov't Code §§ 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding a prospective gift or donation), 551.074 (personnel matters), 551.0745 (personnel matters affecting Coastal Health & Wellness advisory body), 551.076 (deliberation regarding security devices or security audits), and/or 551.087 (deliberations regarding economic development negotiations). The Presiding Officer of the Governing Board shall announce the basis for the Executive Session prior to recessing into Executive Session. The Governing Board may only enter into Executive Session if such action is specifically noted on the posted agenda.

**Governing Board
March 2021
Item#2
Excused Absence(s)**

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Governing Board

March 2021

Item#3

Consider for Approval Minutes from February 25, 2021

Governing Board Meeting

**Coastal Health & Wellness
Governing Board
February 25, 2021**

Board Members

Conference Call:

Samantha Robinson
Milton Howard, DDS
Virginia Valentino
Flecia Charles
Jay Holland
Victoria Dougharty
Barbara Thompson, MD
Miroslava Bustamante

Staff:

Kathy Barroso, Executive Director
Dr. Ripsin
Hanna Lindskog, DDS
Eileen Dawley
Richard Mosquera
Debra Howey
Kristina Garcia (phone)
Tikeshia Thompson-Rollins

Excused Absence: Dorothy Goodman

Unexcused Absence: Elizabeth Williams

Items 1-4 Consent Agenda

A motion was made by Virginia Valentino to approve the consent agenda items one through four. Miroslava Bustamante seconded the motion and the Board unanimously approved the consent agenda.

Item #5 Executive Reports

Kathy Barroso, Executive Director, presented the February 2020 Executive Report to the Board. Kathy informed the Board for the month of January, 67% of available medical appointments were filled in Texas City and 60% were filled in Galveston. For dental, 96% of available appointments were filled in Texas City and 94% in Galveston and 90% of dental hygienist appointments were filled in both Texas City and Galveston. For counseling visits, 43% of available appointments were filled in Texas City and 19% in Galveston. We received a total of 61 patient satisfaction survey responses in January with a total weighted average score of 4.63. Kathy informed the Board that a virtual site survey conducted by the Joint Commission on February 1-2 went very well. Eileen Dawley, Chief Nursing Officer, updated gave the board an update based on the preliminary report.

Dr. Ripsin, Medical Director, provided the Board with the following updates:

- We have entered into two new collaborations that provide training and technical support directed at important markers for health in our population.
- Although these groups will collect de-identified data, at our level these are not research projects.

One year collaboration beginning now to provide training and technical assistance to develop the infrastructure to improve our management of diabetes, [HTN] and lipids.

- Coordinated by the National Center for Farmworker's Health
- Funded by the University of Texas Houston with support from the Department of State Health Services.
- \$10,000 stipend to defray cost.
- First meeting will be scheduled for March.

Five-year collaborative to improve our screening for colorectal cancer.

- Grant funding to the University of Texas Houston.

- Provide training and technical support as well as ongoing support in the form of monthly ECHO meetings with experts and other health centers.
- Goal is to consistently screen 80% of our eligible patients for colorectal cancer. Currently we are at 20%.
- Julio Garza, PA, will be the Champion for this.
- \$8,000 stipend to defray our costs.
- First meeting occurred yesterday.

COVID summary

COVID + rate for all of 2021 = 23/124 = 19%

+ rate for January = 19/81 = 23%

+ rate for February (through 2/25) = 4/43 = 9%

COVID vaccinations

- Vaccinating CHW patients has been a tremendous collaborative effort by every member of our staff.
- Unlike influenza and other vaccines, vaccinating patients for COVID cannot occur at the time patients are scheduled for routine care.
 - Vaccines come to us frozen.
 - We can store them refrigerated up to 30 days.
 - Once they are punctured to draw out the first dose all 10-12 doses must be used within 6 hours
 - All vaccinations need to be carefully scheduled so none are wasted.
- Vaccination clinics are going on at the same time as we see patients, so nurses and medical assistants are stretched thinner than usual to manage the extra work, schedulers work throughout the day to get patients scheduled and then make real-time calls to patients who fail to show for their appointment, and check-in staff are managing vaccine appointments as well as routine and acute appts.
- Thanks to everyone's efforts our no-show rate has been tiny (yesterday 100% showed up)
- To date we have received 300 first doses of the vaccine.
- 280 CHW patients have received their first dose and 20 more in Galveston will receive their first dose tomorrow.
- 100 of these patients have also received their second dose.
- So far, second doses have been arriving as promised as have the accessory supplies.
- We are vaccinating at both the TC and Galveston clinics, Galveston for the first time tomorrow.
- Created a data base of our patients 65+ and have been getting all who want the vaccine vaccinated.
- Now have created spreadsheets for each provider to order vaccines for all patients under 65 but eligible due to chronic conditions which place them at higher risk.
- Yesterday vaccinated 100 of our patients with their second vaccines.
Will vaccinate eligible patients in the Galveston clinic tomorrow afternoon.

Kathy Barroso, Executive Director, provided the Board with the following updates on behalf of Dr. Lindskog, Dental Director:

- The Batelle N95 decontamination program is ending March 31st, 2021. We will continue to use the CDC reuse protocol for N95 respirators.
- We continue to follow all COVID-19 Dental State board requirements and CDC recommendations while providing all dental services.

- The Galveston Dental Clinic is open Tuesday, Wednesday and Thursday and Texas City is open Monday-Saturday.
- A temporary dental assistant started working with us this month, and we have another assistant who has accepted our offer and is scheduled to complete her paperwork next week. We are working short staffed and adjusting the patient schedule as needed.
- We have started seeing patients under the Ryan White grant. As Kathy mentioned, this grant is through March 31st. The Resource Group stated they will send out contracts for renewal soon.

Item #6 Consider for Approval January 2021 Financial Report

Andrea Cortinas, Chief Financial Officer, presented the January 2021 financial report to the Board. A motion to accept the financial report as presented was made by Jay Holland. Miroslava Bustamante seconded the motion and the Board unanimously approved.

Item #7 Consider for Approval 2021/2022 Sliding Fee Scale

Andrea Cortinas, Chief Financial Officer, presented the 2021/2022 sliding fee scale to the Board. A motion to accept the sliding fee scale as presented was made by Virginia Valentino. Victoria Dougharty seconded the motion and the Board unanimously approved.

Item #8 Consider for Approval Revisions to the Coastal Health & Wellness Sliding Fee Policy

Kristina Garcia, Patient Services Manager, presented the sliding fee policy to the Board. A motion to accept the policy as presented was made by Jay Holland. Virginia Valentino seconded the motion and the Board unanimously approved.

Item #9 Consider for Approval Coast Health & Wellness Infection Control Plan

Debra Howey, Infection Control Nurse, presented the Coastal Health & Wellness Infection Control Plan. A motion to accept the infection control plan as presented with recommended changes were made by Victoria Dougharty and seconded by Dr. Howard. The Board unanimously approved the motion.

The meeting was adjourned at 12:53p.m.

Chair

Secretary/Treasure

Date

Date

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Governing Board

March 2021

Item#4

Policies Approved by United Board of Health as Authorized Under the Shared Services Agreement

- a) Emergency Operation Plan**
- b) Dress Code Policy**
- c) Limited English Proficiency Policy**
- d) Safety & Risk Management Policy**
- e) Workers' Compensation Policy**
- f) Work Environment Policy**
- g) Fund Balance Policy**

Emergency Operations Policy

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (CHW) (collectively "District") employees, volunteers, and contractors.

Policy

It is the District's policy that all employees fulfill their respective emergency response duties during a declared emergency. There is a specific group of emergencies that shall statutorily compel the District and select personnel to respond accordingly.

Chief Executive Officer

In the event of an emergency declared by either the County Judge or Local Health Authority, the Chief Executive Officer or designee, shall have the authority to control District operations and associated employees by:

- Expanding and/or altering operations;
- Reducing services;
- Permitting employees to evacuate the District and setting terms of said evacuation;
- Approving the emergency expenditure of funds;
- Granting emergency leave as needed due to extenuating circumstances (*Reference: Employee Leave Policy*);
- Paying overtime to non-exempt and exempt employees outside of the normal payroll process;
- Waiving or changing regular fees; and
- Taking other actions deemed necessary to protect the health and safety of the citizens of Galveston County.

Non-Essential and Essential Employees

Depending upon the type and scope of emergency, employees shall be designated either as essential or non-essential employees by the Chief Executive Officer, or designee. Accordingly, it is the responsibility of the employee to contact his/her supervisor to determine if he/she has been deemed essential or non-essential as a result of the circumstance.

Non-essential employees are defined as employees whose presence is unnecessary in the implementation of all or some portions of the *All Hazards Emergency Management Plan*, or in sustaining the continuity of other District operations as deemed necessary by the Chief Executive Officer, but who cannot leave their positions until released by their supervisor. Non-essential employees are responsible for:

- If evacuated and/or temporarily relieved of their duties as a result of the emergency, calling the District's emergency number (409-938-2489) on a daily basis for return to duty information;
- Remaining in contact with his/her supervisor regarding assignments and return to duty information; and
- Remaining abreast of the emergency situation by monitoring radio, television, internet and other means of communication for relevant instruction.

Essential employees are defined as employees whose presence is critical in implementing at least some aspect of the *All Hazards Emergency Management Plan*. Any exempt or non-exempt employee may be deemed essential in order to provide for the safety and well-being of the general public or for the restoration of vital services before, during and/or after an emergency circumstance. Such personnel typically include, but are not limited to, executive managers and staff, PHEP staff, and EMS employees as well as other individuals who are required within the course and scope of their employment to provide services for the benefit of the general public during emergency situations. The Chief Executive Officer, or designees shall determine which essential employees are required to remain in the workplace, county or otherwise designated location during an emergency.

All employees are required to annually complete an **Employee Hurricane Location Form** (*Reference: All*

Hazards Emergency Management Plan) and submit a copy to their supervisor and the Human Resources Department. It shall remain the employee's responsibility to pre-plan the safeguarding and /or relocation of his/her family before the employee is required to report to the District for his/her respective duty during an emergency situation.

Non-Essential and Essential Employee Compensation

(Reference: All Hazards Emergency Management Plan)

If a public health emergency/disaster situation occurs or a Disaster Declaration is issued for any jurisdiction which may incorporate crucial services provided by the District or its employees, both exempt and non-exempt employees may be compensated in accordance with the following clauses.

1. **Non-essential employees** released from duty by the Chief Executive Officer-or designee may receive compensation (disaster pay) at their regular rate of pay until they are required to return to work.
2. **Essential employees** performing District responsibilities during declared emergencies shall be paid in accordance with the terms set forth below.

During such circumstances, non-exempt employees shall be paid their regular wage for the first forty (40) hours they work during the work week, which shall always begin and reset each Thursday at 12:01 am, and one-hundred fifty percent (150%) their regular wage for every hour worked thereafter. Exempt employees undertaking District responsibilities during a declared emergency, at the discretion of the Chief Executive Officer, will be paid at straight-rate of their average respective hourly pay (individual weekly salary/40) for every additional hour worked in excess of forty (40) hours. Likewise, the work week for exempt employees shall begin and reset every Thursday at 12:01 am.

This policy may be modified in emergency situations as deemed necessary by the Chief Executive Officer, or designee. Each emergency approval made by the Chief Executive Officer, or designee will be brought to the respective Board at the next board meeting for review and ratification.

Employee Responsibilities

Each employee shall be responsible for:

- Understanding and following this policy, and seeking clarification from his/her supervisor if unsure about any portion of the policy or charged responsibilities during a declared emergency;
- Calling the District's emergency number daily at (409) 938-2489 for return to duty information;
- Contacting his/her supervisor to determine if he/she is considered a non-essential or essential employee;
- Reporting to work and possibly performing duties outside of his/her current job description to assist during emergency circumstances, as delegated by the Chief Executive Officer or designee;
- Remaining in contact with his/her supervisor regarding specific assignments and return to duty information;
- Remaining abreast of the emergency situation by monitoring the radio, television and/or internet for work-related instructions;
- Referring to the ICS chart and/or his/her supervisor for assigned roles during an emergency; and
- Providing a telephone contact outside of the potential evacuation area via the Employee Hurricane Location Form to act as a point of contact between the evacuated employee and their supervisor.

Linkages and Collaborations

The District has established numerous contractual agreements and procedures with entities in and around Galveston County that address how the District shall partner with these entities to engage in rescue and safety collaborations during declared emergencies and multiple other incidents which may pose a threat to the health, safety and/or wellbeing of area residents. Depending upon the posed circumstance, employees shall abide by specific instructions as delineated in the *All Hazards Emergency Management Plan*, or as set forth in Point of Dispensing (POD) or other specified agreements, which are retained in the District's contract library, MedTrainer.

Maintaining Operational and Financial Stability

The District has established administrative controls necessary to manage the expenditure of funds and to provide reasonable accountability and justification for expenditures made to support emergency operations. This shall be done in accordance with the established local fiscal policies and standard cost accounting procedures. Records should be collected and centrally stored by event, to the maximum extent possible. These procedures are explicitly defined in *Section H* of the District's *All Hazards Emergency Management Plan*.

Supervisor Responsibilities

In the event of an emergency situation, each supervisor is responsible for:

- Understanding and following this policy, and seeking clarification from his/her supervisor if ambiguity or uncertainty about any portion of the policy or responsibilities during a declared emergency exists;
- Communicating non-essential and essential statuses to direct reports;
- Communicating expectations to essential employees regarding job duties during an emergency; and
- Orienting new and existing employees to emergency operations upon hire and annually thereafter.

Law

It is the intent of this policy to be in compliance with provisions set forth by the District's *All Hazards Emergency Management Plan*, and by the Health Resources and Services Administration's Public Information Notice (PIN) 2007-15.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Dress Code Policy

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, Coastal Health & Wellness (collectively “the District”) employees, volunteers, temporaries, and contractors.

Policy

Employees are required to always maintain a professional appearance and public image and are expected to report to work neat, clean, well-groomed, and dressed in appropriate attire for their job functions.

In addition, employee identification badges are to be visibly worn at all times while in the workplace and while conducting District business outside of the workplace.

This is a general overview of appropriate attire for each area. Items not appropriate for office are also listed. Neither list is all inclusive. The lists tell you what is generally acceptable and what is generally not acceptable attire. No dress code can cover all contingencies, so employees must use a certain amount of judgment in their choice of clothing. If you are uncertain about what is acceptable work attire, please ask your supervisor.

OFFICE PROFESSIONAL DRESS CODE

All staff not covered under another category.

Slacks, Pants and Suit Pants

Suit pants and slacks (similar to Dockers and other makers of cotton or synthetic material pants,) are acceptable. Inappropriate pants include any that are wrinkled, holey, frayed, stained or patched. In addition, sweatpants, exercise pants, shorts, skorts, bib overalls, leggings and any spandex or other form-fitting pants are always inappropriate. Leggings may be worn under appropriate length skirts/dresses, but not alone as pants.

Skirts, Dresses and Skirted Suits

Dresses, skirts and skirted suits are acceptable. Dresses and skirts should not be shorter than 2” above the knee while standing. Short, tight skirts that ride up the thigh are inappropriate for work. Mini-skirts, sun dresses, beach dresses and spaghetti-strap dresses are inappropriate for the workplace. Exposure of cleavage is not acceptable.

Shirts, Tops, Blouses and Jackets

Dress shirts/blouses, sweaters, casual shirts/blouses, turtlenecks and collared polo-shirts are acceptable attire for work. Most suit jackets or sport jackets are also acceptable attire for the workplace. All tops must have sleeves. Inappropriate attire for work includes tank tops, spaghetti strap tops, midriff tops, t-shirts, halter-tops, tops with bare shoulders, undershirts and wrinkled shirts. Exposure of cleavage is not acceptable.

Footwear

Dress heels (including peep-toe pumps and sling-back pumps), dress flats, loafers, boots and leather deck-type shoes are acceptable. Athletic, tennis or walking shoes are acceptable for work on Fridays and in approved areas (all of which must be in good repair & clean). Thong type (between the toe) sandals/shoes, flip-flops, slippers, mules, Crocs and house shoes are not acceptable in the workplace.

SPECIFIC PUBLIC HEALTH & GAAA FIELD DRESS CODE

Air & Water Pollution

Field staff must wear blue jeans, a polo style shirt provided by the District with the name of the division and District logo, and athletic/tennis shoes -OR- office professional attire. Steel-toed boots, which are purchased by the District, must be worn while in the field.

Staff conducting water sampling must wear an orange shirt with the District's logo (which is purchased by the District) and nylon sampling pants (winter) or shorts (summer). A baseball cap or hat is optional in the field. Employees are also provided rubber boots, fire retardant clothing and raincoats for field use. *If you have a meeting with an outside entity, management may require staff to wear clothing that falls within the approved office professional attire.*

Animal Services

Animal Control Officers will be issued uniform shirts, utility pants, black utility boots and winter coats, which are provided by the District on an annual basis. New Animal Control Officers, within the probationary period, must wear utility pants or jeans with a collared shirt or District approved t-shirt. Clothing must not be torn or ripped.

Shelter staff must wear scrub pants, utility pants or jeans. Scrub tops, collared shirts or District approved t-shirts are acceptable. Clothing must not be torn or ripped.

For safety reasons, closed-toe shoes must be worn at all times while working in the shelter. Croc or Croc-like shoes are not permitted. *If you have a meeting with an outside entity, management may require staff to wear clothing that falls within the approved office professional attire.*

IT

Office professional attire must be worn while attending meetings with outside agencies. A polo style shirt with jeans and athletic/tennis shoes are acceptable. Croc or Croc-like shoes are not permitted.

Community Health Services: Public Health Nurses, Immunizations, TB, WIC, Office Program Staff

Office professional attire must be worn while in the office setting or while attending meetings with outside agencies. The District polo style shirt may be worn with athletic/tennis shoes while performing community outreach or field activities. Scrubs must be worn when working in any clinic setting. For safety reasons, closed-toe and closed-heel shoes must be worn at all times

while working in any clinic setting or outreach activity. Croc or Croc-like shoes are not permitted.

Consumer Health Services

Office professional attire must be worn Monday through Thursday. For safety reasons, closed-toe and closed-heel shoes or athletic/tennis shoes must be worn at all times while performing any type of inspections. Croc or Croc-like shoes are not permitted. On Fridays, the District approved t-shirt or polo shirt, jeans and athletic/tennis shoes are acceptable.

Staff conducting inspections on septic systems or public health nuisance may wear jeans and athletic/tennis shoes along with District approved shirts.

In addition, all personnel inspecting food establishments must wear a lab coat, which is provided by the District, and have their ID badge on and visible to the food establishment operator. *If you have a meeting with an outside entity, you must wear clothing that falls within the approved office professional attire.*

Swimming Pool Inspections - Swimming pool inspections are generally performed outside in hot, sunny, wet environments. Staff may wear nine inch or greater inseam dress shorts with pockets in front and back and athletic shoes to help prevent slipping on deck surfaces if desired. Otherwise, staff must comply with District general staff dress code requirements. Keep in mind a professional image is to be displayed at all times.

Epidemiology, Public Health Emergency Preparedness and HIV/STD Services

Office professional attire must be worn while in the office setting or while attending meetings with outside agencies. The Health District polo style shirt may be worn with jeans and athletic/tennis shoes while performing community outreach or field activities. For safety reasons, closed-toe and closed-heel shoes must be worn at all times while working in the clinic setting. Croc or Croc-like shoes are not permitted.

GAAA Field Employees

See Standard Operating Guidelines, Section III, Uniform Guidelines

The official uniform consists of:

- GAAA-issued polo shirt (a solid white t-shirt or a long sleeve solid black under shirt may be worn underneath)
- white uniform shirt (short or long-sleeved version)
- navy pants
- black belt
- white crew socks with solid white tennis shoes
- dark blue or black socks with solid black tennis shoes
- black shoes or boots that can be polished
- Navy baseball cap (may not have any printing or logo except the letters “Galveston EMS” in white).

Summer Uniform: Between April 15th and October 15th employees have the option of wearing navy pants or shorts as long as the shorts have a greater than nine inch in-seam and have pockets in both the front and back. The employee may not wear the summer uniform if they have any open wounds on the legs, if they are testifying in court, representing GAAA at a formal function or at a Community Outreach event, or on an air medical flight.

Special Events: In other than normal response situations (i.e., attending business functions, public meetings, official work-related non-personal courtroom proceedings, funerals, etc.), employees are required to wear the following when attending in an official capacity:

- GAAA-issued uniform pant
- white uniform shirt
- black shoes or boots that can be polished
- black belt
- black or dark blue socks

Facilities & Purchasing

Staff may wear jeans and athletic/tennis shoes *-OR-* office professional attire. Shirts must fall within the current office professional attire or be a District polo style shirt or an approved District t-shirt. *If you have a meeting with an outside entity, you must wear clothing that falls within the approved office professional attire.*

Coastal Health & Wellness Staff

Patient Services, Electronic Records, Unit Receptionist

Staff whose primary responsibility is assisting patients through the clinic check-in, screening and check-out processes should follow the Office Professional Dress Code as stated in this policy. On certain occasions, Friday attire can vary based on special events and with prior approval. In all cases, clothing must be work appropriate and cannot be torn or ripped.

CHW Nursing, Lab, Dental & Medical Staff

Scrubs

Scrubs are required for all Nursing, Lab and Dental Assistant staff. Individuals wearing scrubs will be allowed to wear either a solid-colored long sleeve shirt or t-shirt under their scrubs for warmth. Jackets can be worn over scrubs but should be solid in color (preferably black or navy blue) and without a hood.

Footwear

Athletic/tennis or walking shoes are acceptable for work (shoes must be in good repair & clean). Closed-toe and closed-heel shoes are required for all direct service areas.

Grooming

To reduce the risk of infections, ALL Medical/Dental staff directly involved in patient care must keep fingernails at a minimal length (no longer than ¼ of an inch beyond the end of the finger). Artificial nails are not permitted. Polish is allowed as long as it is not chipped or peeling.

EXAMPLES OF UNACCEPTABLE ATTIRE

This is not an all-inclusive list and other things may be prohibited if found to be offensive or inappropriate for the workplace. In addition, each Program Manager may have additional requirements for staff.

The following is a list of items which are considered unacceptable (not all-inclusive) for general staff:

- Torn, dirty, or frayed clothing
- Any clothing that has unapproved and unofficial words, terms, pictures, or logos
- Sweatpants, exercise pants, shorts, overalls, leggings, and any spandex or other form-fitting pants such as people wear for biking
- Excessively tight or short skirts, sun dresses, beach dresses, and spaghetti-strap dresses
- Tank tops or t-shirts (unless worn under another blouse, shirt, jacket, or dress). A t-shirt is defined as collarless short-sleeved or sleeveless usually cotton undershirt or outer shirt of similar design.
- Midriff tops and sweatshirts
- Dress or casual shirts that are see-through or excessively low cut
- Thong-type sandals (between the toes), thongs, flip-flops, slippers
- Tennis/athletic shoes (except on Fridays or in approved areas)
- Crocs or Croc-like shoes
- Hats (except in approved areas)
- Jeans (except on Fridays or in approved areas)

PERSONAL APPEARANCE

Jewelry, piercings, make-up, perfume, and cologne should be worn in good taste and moderation. *Some employees and clients may be allergic to chemicals in perfumes and make-up, so wear these substances with restraint.* Body modification that may be offensive to the public including excessive visible body piercing and tattoos may have to be covered. Please contact your supervisor for specific departmental expectations or if you have questions.

FRIDAYS

Category specific guidelines are the norm Monday through Thursday; “Jean Day” is an option on Fridays. Jeans may be worn with office professional attire shirts or District approved polo shirts or t-shirt. All shirts must have sleeves and no exposed cleavage. Employees are to keep in mind that their appearance should portray a professional image and reflection of GCHD/CHW. Dress and employee’s overall appearance should still be considered professional.

EXCEPTIONS

Employees needing to request an exception to the Dress Code policy for any reason are to put their request in writing to the Human Resource Director for executive management consideration.

SUPERVISOR RESPONSIBILITIES

Supervisors are responsible for:

- communicating program specific expectations to assigned employees;
- providing feedback (which may include corrective action) to employees who fail to adhere to the approved dress code; and
- developing and submitting a request for an alternate dress code that meets the business needs of the program or service area (if needed).

VIOLATION

Violation of this policy may result in appropriate corrective disciplinary action, up to and including termination of employment.

Limited English Proficiency Policy

Audience

This policy applies to all Galveston County Health District (“GCHD”), Galveston Area Ambulance Authority (“GAAA”), and Coastal Health and Wellness (“CHW”) (collectively “the District”) employees, volunteers, students, and contractors (business associates).

Policy

To ensure compliance with *Title VI of the Civil Rights Act of 1964*, the Galveston County Health District sets forth the following policy for persons with limited English proficiency (LEP). The purpose of this policy is to provide persons with limited English proficiency meaningful access to the District services and benefits. No person will be denied access to the District services and benefits as the result of the inability or limited ability to communicate in the English language. This policy shall apply to all the District programs and services.

Director of Human Resources Responsibilities:

It is the Director of Human Resources’ responsibility to:

- assist employees in accessing language line and/or other available interpretation services; and
- investigate complaints.

Supervisor’s Responsibilities

It is the supervisor’s responsibility to:

- ensure employees, patients or customers know resources are available to provide effective language assistance; and
- document employee training on accessing or requesting language assistance.

Employee Responsibilities

It is the employee’s responsibility to:

- schedule sign language as needed and send information to the Accounts Payable clerk;
- utilize the Language Line to assist clients, as needed; and
- within one business day of accessing the Language Line, complete the Language Line Usage form and forward the approved form to the Accounts Payable Clerk.

Laws

It is the intent of this policy to be in compliance with *Title VI of the Civil Rights Act of 1964*.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Safety and Risk Management Policy

-Last Approved
UBOH 02/24/2021
-Effective 10/01/2004

Audience

This policy applies to all Galveston County Health District (“GCHD”), Galveston Area Ambulance Authority (“GAAA”), and Coastal Health & Wellness (“CHW”) (collectively “the District”) employees, volunteers, and contractors.

Policy

It is the District’s policy to comply with applicable federal, state, and local standards regarding safety and risk management regulations.

Personnel at all levels shall be accountable for the reporting of injuries and/or incidents, as well as the prevention of job-related injuries, illnesses and incidents. Every employee shall be required to comply with all safety regulations, policies and procedures as set forth by the District, and the District will provide the necessary support to ensure that comprehensive safety processes and policies are maintained.

Program managers are responsible for developing program specific guidelines to address procedural and/or other specific safety needs. Program specific guidelines must be aligned with the *Safety and Risk Management Policy*, and applicable portions of the *Emergency Operations Plan*.

Risk and Safety Committee

For operations guided by the United Board of Health, a team of staff members shall comprise the GCHD Risk and Safety Committee, which will be responsible for reviewing incidents, offering recommendations for pertinent safety improvements and/or training and, if approved, implementing these recommendations.

Quality Assurance/Risk Management Committee

For operations guided by the Governing Board, the Quality Assurance/Risk Management Committee, led by the Chief Nursing Officer, will be responsible for reviewing incidents, offering recommendations for pertinent improvements and/or training and, if approved, implementing these recommendations.

Program Manager Responsibilities

It is the responsibility of program managers to:

- Assist the Risk Management Committees by ensuring safety recommendations are implemented within their applicable departments;
- Document corrective actions when relevant to preventable safety incidents; and
- Ensure staff receive safety training and job-related supplies and equipment as deemed applicable to each staff member’s scope of employment.

Chief Compliance Officer and Risk and Safety Coordinator Responsibilities

It is the responsibility of the Chief Compliance Officer and Risk and Safety Coordinator to:

- Work with Risk Management Committees to develop comprehensive safety guidelines to include reporting procedures and processes, carry out incident investigation procedures, and educate and train staff about safety plans and policies;
- Conduct surveys, audits and inspections;
- Prepare and present reported incidents to the Risk and Safety Committees;

- Introduce, enforce and monitor safety guidelines;
- Act as a resource to management and employees on matters concerning safety and risk management;
- Collect and track training records and incident data;
- Review incident reports for accuracy and completeness; and
- Retain all records and information related to investigations, trainings, and meetings in accordance with record retention guidelines.

Employee Responsibilities

District employees shall be responsible for:

- Practicing safety in the workplace at all times;
- Contacting emergency services immediately if he/she observes any behavior that is life threatening or poses a safety or security risk;
- Understanding and following policies, procedures, and/or guidelines related to safety and risk management;
- Attending safety trainings, as required;
- Complying with job related program requirements;
- Utilizing personal protective equipment (PPE) properly and in accordance with departmental procedures;
- Immediately reporting at-risk conditions, behaviors, accidents, and incidents to his/her supervisor, and the Risk and Safety Coordinator via an Incident Report form;
- Immediately reporting on-the-job injuries or exposures to his/her supervisor, and the Risk and Safety Coordinator via an Incident Report form, **AND** following necessary steps as outlined in the *Infection Control Plan* (if applicable);
- Completing an *Employee Incident/Injury Report* as soon as possible, and absolutely no later than twenty-four (24) hours after occurrence of the injury, exposure or incident; and
- Accepting safety as a personal responsibility and remaining aware of the safety and general wellbeing of other employees, clients and the general public.

Supervisor Responsibilities

It is a supervisor's responsibility to:

- Understand and follow policies and procedures related to safety and risk management;
- Inform and educate employees about policies and procedures related to safety and risk management;
- Develop and train employees about program specific safety guidelines;
- Train employees on how to properly use and store personal protective equipment (PPE) in accordance with District guidelines;
- Document all trainings;
- Report all accidents and incidents in accordance with District policy and guidelines;
- Identify and report unsafe and hazardous working conditions and, when appropriate, initiate corrective measures;
- Counsel employees requiring guidance or redirection;
- Take or recommend appropriate corrective disciplinary action when necessary; and
- Promote safety within his/her specific work area by setting an example of safe behavior.

Violations

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Forms

- *Employee Incident/Injury Report*

Workers' Compensation Policy

Audience

This policy applies to all Galveston County Health District ("GCHD"), Galveston Area Ambulance Authority ("GAAA"), and Coastal Health and Wellness ("CHW") (collectively "the District") employees who have not voluntarily opted out of their common law right as a class member to the Worker's Compensation Act.

Policy

It is the District's policy to be in compliance with and follow the minimum requirements of the Texas Workers' Compensation Act ("TWCA"), which covers:

- **On-the-job injuries:** An event or occurrence in the course and scope of employees' designated work which results in damage or harm to the body; and
- **Occupational illnesses:** An illness contracted by an employee due to a condition or exposure present in the workplace which, if not at the workplace, the employee likely would not have been exposed to.

Workers' compensation benefits are provided through a third-party administrator ("TPA") who determines if claims are compensable. If a claim is compensable, the TPA may provide compensation and medical benefits in accordance with the TWCA.

Reporting

An employee who sustains an injury or exposure in the course and scope of employment must immediately notify his/her supervisor and the Risk and Safety Coordinator. The employee must also complete an *Employee Incident/Injury Report* form, which is available on the employee extranet site, as soon as possible and no later than twenty-four (24) hours after occurrence of the injury or exposure. A drug and/or alcohol test may be performed on employees sustaining a work-related injury or exposure in accordance with the *Drug-Free Workplace* policy.

Occupational illnesses and/or exposures which require post exposure management will be handled in accordance with the District's *Infection Control Plan*, which outlines prevention, reporting and follow-up requirements.

Compensation

If an employee sustains an on-the-job injury or illness which renders him/her unfit to perform the duties of their job and the injury or illness is deemed compensable by the District's TPA, the TPA will remit workers' compensation pay to the employee as follows:

- If the employee is out on workers' compensation for less than eight days, the employee will not receive pay for workers' compensation but has the option to utilize his/her sick, personal, or vacation leave for up to the first seven days they are off of work.
- Beginning on the eighth day and for any days thereafter that the employee is medically unfit for duty, the employee will not be able to utilize his/her vacation or personal leave. The employee shall receive payments from the TPA in accordance with the law, via checks issued directly to the employee from the TPA.

- Employees out due to a compensable workers' compensation injury will not accrue paid benefits, such as vacation, sick or personal leave and will not be paid for holidays; however, they will be still be credited during their absence with service toward vesting for the employee's retirement.
- Employees on workers' compensation leave will be required to pay the employee and dependent portion of their elected benefits plan (e.g. medical, dental, etc.). Employees shall not be permitted to supplement workers' compensation benefits with paid vacation, sick or personal leave.

Seeking Treatment

Employees should not use their personal health insurance for work related injuries or exposures.

In response to Texas Labor Code §504.053, employees who sustain a work-related injury or exposure should seek treatment from a physician within the Alliance network. The Alliance network includes both primary care physicians and specialists. Any employee who chooses to seek non-emergency treatment from a provider not enrolled in the Alliance network assumes the risk of personal payment for medical treatment and the potential loss of income benefits.

Please note that in emergency situations, employees should seek care at the nearest emergency facility, ***regardless*** of whether or not the emergency care facility is a part of the Alliance network. However, all related post-emergency care treatments should be sought through a provider in the Alliance network.

The Alliance provider listing is available online at www.pswca.org. Employees may also contact TMLIRP, the District's TPA, at 1-800-537-6655 or consult the District's Risk and Safety Coordinator for assistance in locating an in-network provider.

Designated staff are permitted to attend medical visitations with injured employees to facilitate communication with the provider, and to assist the employee in returning to work and/or home.

Returning to Work

The Health District will make reasonable efforts to provide suitable return to work opportunities for employees who are unable to perform regular functions typically required of their job following a work-related injury. Only work that is necessary and considered to meet legitimate business needs of the Health District will be offered.

The Risk and Safety Coordinator will work with the employee, Human Resources, the treating provider, and the employee's supervisor to research work assignments which the injured employee is capable of accepting. Refusal of a bona fide offer of employment will directly: i) impact income benefits provided to the employee by the TPA; and ii) may impact the employee's continued employment with the District.

Family and Medical Leave Act (FMLA)

If an employee sustains an injury in the course and scope of employment for which the employee is receiving workers' compensation benefits, the injury may also qualify the employee for FMLA leave. In such cases, it will be the policy of the District to facilitate workers' compensation and FMLA concurrently on behalf of the employee. While out on workers' compensation and approved FMLA, accrued paid leave shall not be used for any purpose during the period in which the employee is receiving workers' compensation benefits (*Reference: Family Medical Leave policy*).

Neutral Absence Control

Any employee away from work for whatever reason for a period of six consecutive months may be terminated from the District due to unavailability for work, except for those employees who are out in accordance with the Uniformed Services Employment and Reemployment Rights Act (“USERRA”), as defined by federal law (Reference: *Family and Medical Leave Act* and *Employee Leave* policies).

Employee Responsibilities

It is the employee’s responsibility to:

- Know and follow the Health District’s safety policies and procedures;
- Report any injury or exposure incurred on-the-job immediately to their supervisor and the Risk and Safety Coordinator as soon as possible and no later than twenty-four (24) hours after occurrence of the injury or exposure;
- Complete the *Employee Incident/Injury Report* form and return it to Risk and Safety Coordinator within twenty-four (24) hours of the injury or exposure;
- If necessary, seek treatment from an in-network provider on the Alliance network (unless emergency circumstances dictate otherwise);
- Provide a notarized statement of how the incident occurred to the Risk and Safety Coordinator within seven (7) calendar days of the employee sustaining a work-related exposure;
- Complete baseline testing within twenty-four (24) hours if the employee sustains a work-related exposure;
- If medical attention is necessary, inform the treating provider that return to work opportunities may be available to accommodate the employee’s inhibited physical abilities;
- Notify the Risk and Safety Coordinator immediately if the employee’s work status changes;
- When released by the treating provider to return to work, present clearance paperwork to their supervisor, the Risk and Safety Coordinator and Human Resources, and notify these parties of the employee’s next regular shift as assigned by his/her supervisor;
- Comply with TPA procedures and TWCA regulations;
- Cooperate with and assist the TPA representative(s) handling the workers’ compensation case; and
- Stringently follow all orders and restrictions made by providers while at home and at work.

Supervisor Responsibilities

It is the supervisor’s responsibility to:

- Assist in obtaining immediate medical attention for the injured worker, as deemed appropriate;
- Notify the Risk and Safety Coordinator immediately and no later than twenty-four (24) hours of an on-the-job injury or exposure;
- Ensure that an *Employee Incident/Injury Report* form is completed and sent to the Risk and Safety Coordinator as soon as possible and no later than twenty-four (24) hours following occurrence of the injury or exposure;
- Ensure the injured worker with medical restrictions understands to not violate his/her medical restrictions; and
- Report any incidents in which the injured worker violates medical restrictions to the Risk and Safety Coordinator.

Risk and Safety Coordinator Responsibilities

It is the Risk and Safety Coordinator's responsibility to:

- Ensure the Health District's compliance with the Workers' Compensation Act;
- In applicable circumstances, work with the injured employee's supervisor to find a bona fide opportunity that will enable the employee to return to work;
- Monitor workers' compensation claims and serve as a liaison between the employee and the TPA;
- Maintain a log of accidents and injuries, train employees on proper reporting of incidents, and make official recommendations to supervisors pertaining to training of recurring incidents;
- Regularly communicate with the injured worker and supervisor during the employee's time away from work and monitor progress of the employee during his/her recovery period;
- Attend medical appointments if necessary; and
- Work in conjunction with Human Resources to determine if the employee's absence meets requirements to be designated as FMLA in accordance with the Family and Medical Leave Act. (*Reference: Family and Medical Leave Act.*)

Retaliation

Texas law prohibits retaliation against an employee because the employee in good faith filed a workers' compensation claim, hired an attorney, testified or will testify in a workers' compensation proceeding.

Law

It is the intent of this policy to be in compliance with the Texas Workers' Compensation Act and Uniformed Services Employment and Reemployment Rights Act.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Forms

- *Employee Incident/Injury Report Form*

Work Environment Policy

Audience

This policy applies to all Galveston County Health District (“GCHD”), Galveston Area Ambulance Authority (“GAAA”), and Coastal Health & Wellness (“CHW”) (collectively “the District”) employees, volunteers, students and contractors (business associates).

General Policy

The District is responsible for promoting a work environment free of hostile, intimidating, threatening, humiliating, bullying, or violent behavior in which customers and employees can conduct official business. The District intends for its work environment to be safe, positive, respectful, and productive, and has zero tolerance for behavior, actions, or language that is not conducive to that type of environment.

Employees are expected to act in a manner which acknowledges their responsibility in helping the District achieve this goal through such things as adherence to the **District’s I CARE values**, maintaining a safe and functional work area, properly using District office materials/machines and assisting in the effort to maintain a harassment-free, retaliation-free, and violence-free workplace as outlined below.

An employee who violates this policy and/or a supervisor who knows about and fails to report the violation or take appropriate corrective action against such an employee is subject to corrective action up to and including dismissal.

The District’s I CARE Values:

The District employees are expected to adhere to the District’s I CARE values as follows:

- **Integrity** - We are honest, trustworthy and transparent in all we do.
- **Customer Service** – We are committed to providing exceptional customer service.
- **Accountability** - We hold ourselves to high standards and take responsibility for our actions.
- **Respect** - We uphold a standard of conduct that recognizes and values the contributions of all.
- **Equality** - We equally value and serve all members of the community.

Public service is a public trust. As public servants, we will be fair, open, ethical, responsive, accountable, and dedicated to the public we serve. We foster a work environment that makes the best use of available resources. In so doing, we will make the District an example of leadership and excellence. We will be guided by the **I CARE values**.

Work Areas

Work areas are expected to be maintained in a manner which adheres to safety rules, assists staff in doing their jobs, and projects the District’s commitment to providing quality service. Work areas must be secured in a manner which allows for accessibility by authorized persons as designated by the supervisor. Staff must not use, duplicate, or possess keys to District work sites without proper

authorization. Unauthorized persons require management approval to access District work sites. Visitors are to be appropriately identified.

Equipment Use

The District computer hardware and software, copy machines, office supplies and other equipment are only intended for use in conducting official District business. Employees are expected to:

- adhere to this restriction; and
- handle District equipment in a manner that will not cause damage or loss of such equipment.

The District maintains the right to monitor equipment usage and employees do not have an expectation of privacy to use District equipment for District business. Other business equipment expectations can be found in the *Computer Usage* policy.

Workplace Harassment and Workplace Violence

Employees are expected to conduct themselves in a manner which promotes a work environment that is free of harassment and violence. The District prohibits and will not tolerate an employee engaging in such behavior, either at a District work site or during the performance of work-related duties.

Weapons

Employees are prohibited from possessing illegal weapons or explosives on District property. Employees are required to follow regulations described in Chapter 411 of the *Texas Government Code*, which through the Department of Public Safety sets forth all stipulations regarding an individual's right to carry a handgun in the State of Texas.

Workplace Harassment

Workplace harassment is a form of offensive and/or oppressive treatment or behavior which to a reasonable person creates an intimidating, hostile, or abusive work environment. It can be verbal or physical behavior, which is derogatory, abusive, disparaging, bullying, or disrespectful.

It may or may not be related to a person's legally protected status or a status protected by District policy (e.g., sex, race, color, national origin, age disability, religion, sexual orientation, veteran's status). Harassing behavior is prohibited under this policy and any employee found engaging in such behavior directed at fellow employees, customers, contractors, or visitors to the workplace will be subject to disciplinary action up to and including dismissal.

Some examples of behavior which may be considered harassment include, but are not limited to the following:

- Unwelcome touching of a personal nature which can encompass leaning over, cornering or pinching.
- Slurs and jokes about a class of persons, such as those who are disabled.
- Display of calendars, posters, pictures, drawings, or cartoons which reflect disparagingly upon a class of persons.
- Disparaging or disrespectful comments even if unrelated to a person's protected status.

- Loud, angry outbursts or obscenities directed toward another employee, a customer, contractor, or visitor in the workplace.
- A pattern of action and/or words which demean or humiliate a subordinate/coworker.

Please refer to the District's policy on *Sexual Harassment* for specific information relating to sexual harassment.

Any employee who feels that he/she has been adversely affected by workplace harassment is to refer to the District's *Employee Complaint/Issue Resolution* policy.

Violence in the Workplace

Workplace violence is behavior that threatens the safety of District employees and/or customers; affects the health, life or well-being of District employees and/or customers; or results in damage to property belonging to the District or its employees/customers. Such acts include, but are not limited to:

- threatening, coercing, or assaulting an employee or customer;
- carrying weapons on a District work site or concealing a weapon on a District work site that is not legally authorized;
- any behavior that causes other to feel unsafe; or
- damaging or attempting to damage property belonging to the District or another employee.

Situations at the work site that cause an immediate threat to the health, safety, or a negative outcome are to be immediately reported to the Risk and Safety Coordinator and Chief Compliance Officer, local building security (if available), and/or local law enforcement authorities.

Training

The Chief Compliance Officer and/or Human Resources Manager will give annual trainings on procedures detailing how to handle workplace issues involving harassment, safety, security, or confidentiality.

Violation

Violation of this policy may result in appropriate corrective action, up to and including suspension or dismissal. Supervisors are to take appropriate corrective action according to the *Corrective Action* policy.

Forms

- *Employee Incident or Injury Report*

Fund Balance Policy

Audience

This policy applies to Galveston County Health District, Galveston Area Ambulance Authority, Coastal Health & Wellness (collectively “the District”).

Purpose

The maintenance of a fund balance is essential to the preservation of the financial integrity of the District. This policy establishes definitions and provides guidance concerning the desired level of fund balance maintained by the District to mitigate financial risk that can occur from revenue fluctuations and unanticipated expenditures, in addition to allowing for the response to emergency events and/or opportunities.

Definitions

Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund.

Fund balance amounts will be reported in the following categories:

- 1) **Reserved Fund Balance** – amounts designated to be used for specific purposes such as non-recurring budgeted expenses, public health emergencies, leave payout liability, Coastal Health & Wellness and Animal Services specified funds.
- 2) **Operating Reserve** – amounts designated to provide stability and respond to unplanned events or opportunities.
- 3) **Unreserved Fund Balance** – includes all amounts not contained in the above classifications which are available for any purpose.

Policy

Fund Balance Levels – It is the goal of the District to achieve and maintain an operating reserve in all funds equivalent to 3 months of budgeted operating expenses. Unreserved fund balance amounts should be kept to under 10% of the total fund balance.

Assigning Fund Balance – A three-year forecast and classification of fund balance expenditures will be developed on an annual basis by designated District staff for presentation to and approval by the appropriate governing board.

Conditions for Use of Fund Balance – It is the intent of the District to use reserved fund balances to address non-recurring needs. Expenditures shall not normally be for recurring operating expenses. However, exceptions may be made at the discretion of the CEO and appropriate governing board.

Cash Balance – Cash balances will be maintained in money market accounts and/or pooled cash (TexPool) accounts in order to provide liquidity adequate to meet the needs of the District.

Replenishment of Reserves – In the event that operating reserves are used resulting in a balance below the 3 month minimum, a plan to replenish the reserves would be developed and included in a three-year forecast for presentation to the appropriate governing board.

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**Governing Board
March 2021
Item#5
EXECUTIVE SESSION**

The Coastal Health & Wellness Governing Board will enter into Executive Session as permitted under Chapter 551 of the *Texas Government Code*, pursuant to Section 551.071, Consultation with Attorney, specifically, to discuss litigation involving Coastal Health & Wellness

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Governing Board

March 2021

Item#6

Executive Reports

<https://content.govdelivery.com/accounts/TXGCHD/bulletins/2cacffa>

- a) **Executive Director**
- b) **Medical Director**
- c) **Dental Director**

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Coastal Health & Wellness March 2021 Coastal Wave

Galveston County Health District sent this bulletin at 04/01/2021 09:55 AM CDT

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Enroll now through Aug. 15 in Marketplace

Enrollment in the 2021 Health Insurance Marketplace has been reopened through Aug. 15 during a new special COVID-19 enrollment period.

With job losses continuing to mount amid the COVID-19 pandemic, and millions of people having lost their job-based health insurance since the start of this public health and economic crisis, enrollment has reopened to give those who need health insurance a new opportunity to get covered.

Enrollment at HealthCare.gov is open through Aug. 15, giving consumers additional time to take advantage of new savings through the American Rescue Plan and to enroll or re-evaluate their coverage needs with increased tax credits available to reduce premiums.

[Click here](#) to learn more.

New 2021 Health Insurance Opportunities
MARKETPLACE ENROLLMENT PERIOD EXTENDED
ENROLL TODAY THROUGH AUG. 15

Nuevas oportunidades de seguro médico para 2021
SE EXTENDIÓ EL PERÍODO DE INSCRIPCIÓN EN EL MERCADO
INSCRÍBASE HOY HASTA EL 15 DE AGOSTO

COASTALHW.ORG
409.938.2204

WE CAN HELP YOU!
¡TE PODEMOS AYUDAR!

Coastal Health & Wellness

More than half of GC residents have received at least one COVID-19 vaccine shot

More than half of Galveston County residents have received at least one COVID-19 vaccine shot, according to the Texas Department of State Health Services.

As of March 29, 97,621 residents – 36.12 percent – have received at least the first COVID-19 vaccine dose while 57,997 – 21.54 percent – are fully vaccinated.

Galveston County Health District has administered roughly 24,000 first and second doses of the Moderna COVID-19 vaccine and is now ramping up its community outreach with vaccine clinics throughout the county. Vaccine crews have staffed community vaccine clinics in Hitchcock, Texas City, Bacliff and Crystal Beach.

On Monday, the Texas Department of State Health Services announced that all Texas adults are now eligible for a COVID-19 vaccine.

New COVID-19 cases, hospitalizations continue to decline

Galveston County continues to see a drop in new cases, positivity rate and hospitalizations.

As of March 29, there are 2,862 active cases with a total of 31,795 being reported since last March with 28,605 cases have recovered. A total of 328 deaths have been reported.

In the last month, hospitalizations have dropped from a one-time high of 87 to less than half that with 42 hospitalizations reported March 29. The average seven-day total for positive cases has dropped to 39.9 while the positivity rate still lingers in the low two-digit range.

Please continue to do your part to slow the spread of COVID-19: wear a face mask in public, watch your distance and wash your hands. Also, get your COVID-19 vaccine when it's your turn.

To view the latest, check out our [COVID-19 dashboard](#).



National Dentist's Day, March 6

Thank you to our CHW dentists for taking care of our communities: Unsil Keiser, DDS; Suma Shetty, DDS; CHW Dental Director Hanna Lindskog, DDS, and Bang Nguyen, DDS.

Dental Assistant's Recognition Week, March 7-13

Thank you to our CHW dental assistants Gabriella Lopez, Patricia Molina, Shonta' Hill, Latonya Romar, Kirsten Saddler, Carolina Rivas and Beatriz Soliz for taking care of our communities.





National Doctor's Day, March 30

Thank you to our CHW doctors for taking care of our communities: CHW Medical Director Cynthia Ripsin, MS, MPH, MD and Tandace McDill, MD.

Also pictured are Physician Assistants Julio Garza, PA-C; Yaa Cheremateng, PA-C; Haley McCabe, PA-C; Jacklyn Morgan, PA-C; and Jason Borillo, PA-C.



GCHD names Employee of the Month



Congratulations, Connie Almendarez, on being named the February Employee of the Month! Connie works on the Community Health Services COVID-19 team.

"Connie has taken on the duty of learning a new program called 'Health Call' in order to teach an entire team of people how to use it themselves. From the start, she has been patient, always forgiving the mistakes and assumptions the team makes while learning. The program was not even designed for what we needed, but Connie personally worked with the provider to make it fit our specific needs. Not only has she spent hours answering our questions, but she has also written a manual for the team and any volunteers to use."

Congratulations, Connie, and thank you for going above and beyond to benefit the district.

APRIL 10

NATIONAL YOUTH HIV/AIDS AWARENESS DAY



APRIL 18

NATIONAL TRANSGENDER HIV TESTING DAY



April 24-May 1 marks National Infant Immunization Week

National Infant Immunization Week is a time to highlight the importance of protecting children 2 years and younger from vaccine-preventable diseases.

This year, it's important to ensure families stay on track for children's routine checkups and recommended vaccinations - even during COVID-19.

There's been a troubling drop in childhood vaccinations as a result of families staying at home. As in-person learning and play become more common, on-time vaccination is even more vital to help provide immunity against 14 serious diseases.

[Learn more about NIW](#)

Signing up for the Patient Portal is easy and secure

The Patient Portal is an easy way to get in touch with your Coastal Health & Wellness team. It is a secure, internet application that allows you to:

- Request and view appointments
- Send a message to your medical provider, nurse, billing, medical records, registration, or the referral department
- View a summary of your health record and lab results
- Request a prescription refill
- View and pay your statement online

[Click here to learn more](#)

[Click here](#) to learn more about CHW services.

[Click here](#) to learn more about becoming a patient.

[Click here](#) to meet our CHW providers.

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Coastal Health & Wellness Updates

Medical

- Julio Garza, PA-C (Pending Community Health Choice)

Pending New/Evaluating Contracts:

- Bright Health – Pending; waiting for Bright Health to return the completed contract.
- Liberty Dental (Texas City) – Pending; waiting for Liberty Dental to return the completed contract.
- Evolve Dental – Pending; waiting for Evolve Dental to return the completed contract.
- Memorial Hermann Health Plan (MHHP)- Contract completed; received 3/31/21.
- Oscar Health Plan – Pending; resubmitted request to participate.

Other Insurance Updates:

- We are continuing to review insurance contracts and associated HEDIS or quality measures to assure compliance with industry and healthcare standards.

Committees –

Quality Assurance/Risk Management Committee

The monthly meeting of the QA/Risk Management Committee was held on March 3, 2021.

- QA/Risk Management meeting - standard monthly reports were reviewed (access to care; patient satisfaction survey results, insurance and credentialing, case management and lab reports).
 - For the month of February, 66% of available medical appointments were filled in Texas City and 64% were filled in Galveston. For dental, 96% of available appointments were filled in Texas City and 86% in Galveston and 82% of dental hygienist appointments were filled in Texas City and 85% in Galveston. For counseling visits, 36% of available appointments were filled in Texas City and 31% in Galveston. We received a total of 106 patient satisfaction survey responses in February, with a total weighted average score of 4.69. The survey responses and the overall weighted average score were slightly higher than the previous month.
 - Several quarterly reports and internal audits were presented and reviewed. Results from the TVFC compliance site visit were discussed as well as the results of two dental peer review audits. Updated medical and dental guidelines were also presented to the group for approval.

Infection Control / Environment of Care /Joint Commission Committee (IEJ)

- The monthly meeting of the Joint Commission/Infection Control/Environment of Care Committee was held on March 17, 2021. Survey results from the Joint Commission virtual site survey visit were discussed and updates provided.

- Infection control audit reports were reviewed as well as monthly environmental safety and compliance reports.

Patient Centered Medical Home (PCMH) Committee

- We received notification from the Joint Commission that Coastal Health & Wellness has been certified as a Primary Care Medical Home.

HRSA Deliverables / Updates –

- Through 2/28/21, we have expended \$16,533 of the \$23,172 awarded to us by HRSA for one-time quality improvement (QI) funds.
- On 5/8/20, a budget was submitted to HRSA in response to funding awarded through the *Health Center Coronavirus Aid, Relief, and Economic Security (CARES)* Act Funding. The award was issued 4/3/20 in the amount of \$971,360. As of 2/28/21, \$764,858 has been expended. A carryover request was submitted and approved to allow funds to be extended through 9/30/2021.
- On 5/4/20, Coastal Health & Wellness received a notice of grant award from HRSA in the amount of \$280,624 for the FY2020 *Expanding Capacity for Coronavirus Testing (ECT)*. As of 2/28/21, \$120,134 has been expended.
- On 8/18/20, HRSA issued a notice of grant award to Coastal Health & Wellness in the amount of \$29,891. The purpose of the *FY2020 Health Center Quality Improvement (QI)* one-time grant supplement is to support health centers that displayed high levels of clinical quality measure performance in Calendar Year 2019 Uniform Data System reporting to continue to strengthen quality improvement activities, including maintaining or achieving patient centered medical home recognition. As of 2/28/21, \$19,947 has been expended.
- HRSA recently announced that it would be awarding a little over \$6 billion dollars to 1,376 health centers under the *American Rescue Plan Act*. This is part of the Biden Administration's plan to invest \$10 billion dollars to expand access to COVID-19 vaccines and build vaccine confidence in some of the hardest hit and high-risk communities. Seventy-two Texas Health Centers will receive around \$400 million, with Coastal Health & Wellness receiving \$4,396,875. This is one-time funding for a 2-year period of performance to support health centers funded under the Health Center Program to prevent, mitigate, and respond to COVID-19 and to enhance health care services and infrastructure.
- In response to the HRSA program element that was noted in the final report from the operational site visit (Documentation of Hospital Admitting Privileges or Arrangements) a response was submitted to HRSA on 3/16/21. On 3/24/21, we received an updated notice of grant award for the current project period with no conditions.
- As reported to the Board previously, Coastal Health & Wellness applied for and was awarded \$187,080 for the 2021 National Hypertension Control Initiative: Addressing Disparities among Racial and Ethnic Minority Populations. This award provides one-time funding to increase provider and staff engagement in implementing evidence-based practices, including using advanced self-measured blood pressure technology, to increase the number of adult patients with controlled hypertension. As per HRSA's request, additional information was provided that clearly describes that self-monitoring blood pressure devices will be made available to a majority

of total patients with hypertension (controlled and uncontrolled). All information provided to HRSA was accepted and we received an updated notice of award on 3/16/21 with no conditions. The funding may be utilized through the end of the 2023 budget period.

- The annual UDS report for the 1/1/20 to 12/31/20 reporting period was submitted to HRSA on 2/15/21. We received a request to provide additional information and the final report was accepted on 3/28/21.
- HRSA continues to request that health centers fill out a weekly survey to help track health center capacity and the impact of COVID-19 on health center operations, patients, and staff. HRSA will use the information collected to better understand training and technical assistance, funding, and other health center resource needs.

Miscellaneous Updates –

- In addition to the HRSA grant awards recently received for the COVID-19 response, Coastal Health & Wellness has received provider stimulus payments of \$164,871 to assist with future shortfalls or needs. As of 2/28/21, we have used \$60,726 to cover COVID expenses related to supplies, leaving a balance of \$104,145.
- Telehealth equipment, funded through an award issued by the Federal Communication Commission last year, has been installed and is operational in Texas City. The remaining equipment will be installed in Galveston mid-April.
- A total of 3,221 patients have registered in the new patient portal system (Medfusion) since July 15, 2020, an increase of 269 patients from what had been reported in February. Staff is currently in the process of making sure that we have valid email addresses on file so that patients are sent an invitation to enroll in the portal. Patients are using the new system to send messages; pay bills online; view or download their patient health summary; complete registration forms; and view messages from their provider.
- We have started seeing patients under the Ryan White Grant. Through February, we have seen a total of 5 patients and billed \$1,550 to Ryan White. The Resource Group has advised us that the contract will be renewed for the next grant cycle starting April 1, 2021 – March 31, 2022. The contract will be structured the same way as the existing agreement, but will increase by \$25,000, for a total amount of \$100,000.
- The 2021 health insurance marketplace enrollment period was recently extended to August 15, 2021. Graphics advertising the extension have been made and posted on social media outlets. In addition, an informational video with i45NOW will be rolled out in the coming weeks and additional advertising plans are also being explored to help get the word out.
- Patients continue to utilize the new Express Check-in process and drop-off boxes continue to be utilized by patients at both the Texas City and Galveston clinics.
- The Galveston Housing Authority building is still not yet open to the public, but we are continuing to utilize the side entrance door to the clinic for patients to enter and exit for in-person services.
- Due to COVID, the deadline to submit the annual Medicare cost report has been extended to 4/30/21.

- TACHC continues to provide many resources to Health Centers in response to COVID-19. Conference calls/webinars have been very helpful in keeping health centers informed of funding and PPE opportunities to assist in our response efforts.
- Content on the CHW website continues to be reviewed as the website refresh progresses. This refresh will allow for increased flexibility in our communication with the public. The new website is planning to rollout sometime during the spring of 2021.
- This month is the debut of the newly designed Coastal Wave newsletter in a digital format provided through GovDelivery. GovDelivery replaced eNotification, the former health district communications system. With GovDelivery, we will be able to target users and better communicate news, events and program services.

Communications –

- The health district continues to publish its COVID-19 dashboard at noon Monday-Saturday.
- COVID-19 related communication continues to be focused on prevention steps (wearing a face mask in public, social distancing, washing your hands, staying home and testing if sick, etc.) as well as vaccine availability and education. All messages are pushed on the health district's website, through social media and to community stakeholders.
- Press releases – March
 - Marketplace Open Enrollment – new period
- Non-COVID-19 case update related social media posts include – March
 - Daily posts focused on stopping of spread COVID-19 through face coverings, social distancing, hand hygiene, caring for those with COVID-19, etc.
 - Various COVID-19 testing opportunities in the county
 - COVID-19 vaccine waitlist
 - COVID-19 vaccine education
 - COVID-19 vaccine clinic volunteers needed
 - COVID-19 vaccine FAQs
 - Photos from health district COVID-19 vaccine clinics
 - National Doctor's Day
 - National Dentist's Day
 - Dental Assistant's Recognition Week
 - National Nutrition Month
 - National Kidney Month
 - National Poison Prevention Week
 - Colorectal Cancer Awareness Month
 - World Obesity Day
 - National Diabetes Alert Day
 - Marketplace Open Enrollment – new period
 - Daylight Saving Time
 - #MotivationMonday healthy tips
 - Diabetes 101 education
 - #Take10 – campaign
 - Hydration and infused water
 - High blood pressure education
 - Heart disease education

- Well-child visits and immunizations
- Managing chronic diseases
- GCHD Employee of the Month
- We're hiring
- Chew on This series
- CHW services counseling
- CHW services dental
- CHW services medical

CHW Career Opportunities:

Feb. 13-March 23, 2021

- **Employee Onboarding** – Human Resources conducted new employee orientation for the following employee(s):
 - Nieto – Patient Services Specialist – Bilingual (full-time) 02/23/21
 - S. Silva – Patient Service Specialist (full-time) 02/23/21
- **Job Offers** – The following candidate(s) were extended job offers and have future start dates:
 - M. Garcia – CHW Business Director (full-time) 4/29/21
- **Current Vacancies:**
 - CHW Vacancies:
 - Dental
 - Dental Assistant I (Bilingual) full-time (2)
 - Providers
 - Physician (1)
 - Nursing
 - LVN full-time (1)
 - Medical Records
 - Unit Receptionist – Medical (Galveston) (1)

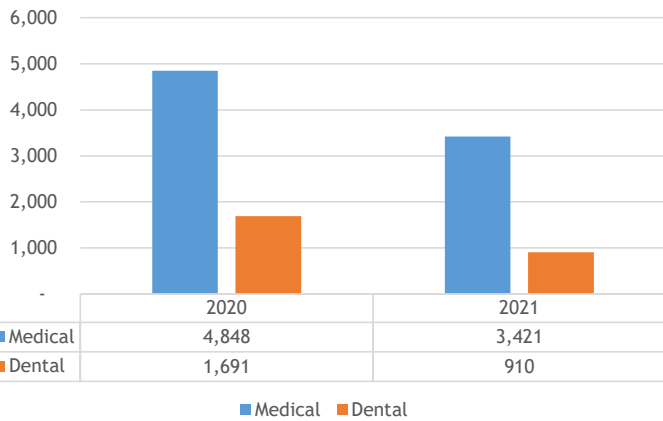
CHW Executive Contract Report: March 2021

1. Coastal Health & Wellness (“CHW”) entered into a Care Coordination Agreement with Gulf Coast Center (GCC”), a community mental health resource center. GCC provides services for those individuals who receive community-based mental health and/or substance use disorders from GCC. The Agreement stipulates that GCC and CHW will collaborate to facilitate treatment planning and care coordination activities for mutual clients in a manner that is person and family centered. This agreement carries no monetary implications.
2. Coastal Health & Wellness (“CHW”) executed a Service Agreement with Nexlar Security (“Nexlar”), a commercial security camera corporation. Nexlar will provide CHW with digital surveillance equipment at the entryways to the Mid-County Annex for a one-time charge of \$618.83.

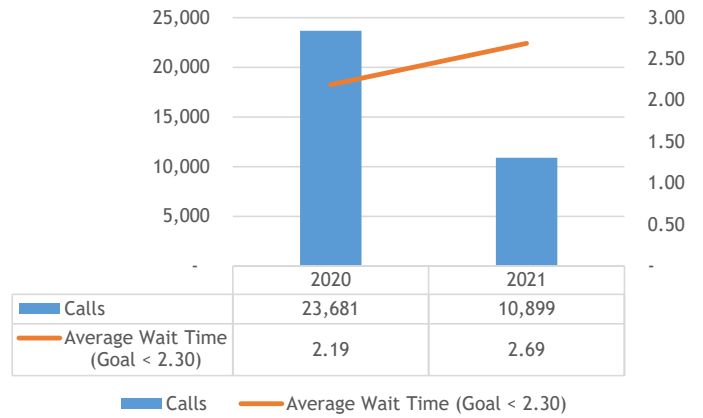
February 2021 Report
YTD Comparison Report (January-February 2021)

Patient Services - Patients Checked-In	2020	2021	% Change
Medical	4,848	3,421	-29%
Dental	1,691	910	-46%
Contact Center	2020	2021	% Change
Calls	23,681	10,899	-54.0%
Average Wait Time (Goal < 2.30)	2.19	2.69	23%
Electronic Records	2020	2021	% Change
Record Requests	1,828	1,809	-1.0%
County Indigent Program	2020	2021	% Change
Applied	257	186	-28%
Referrals	249	101	-59%
Avg Total Patients on Program	262	143	-46%
Case Management	2020	2021	% Change
Referrals	1291	868	-33%

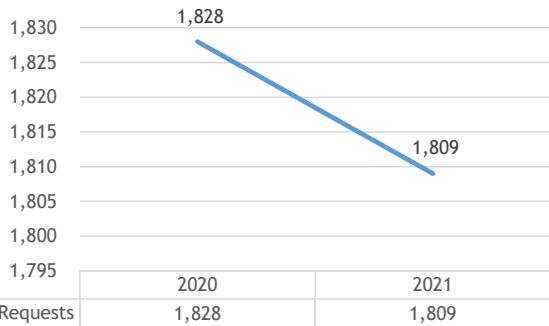
Patient Services-Total Patients Checked-In



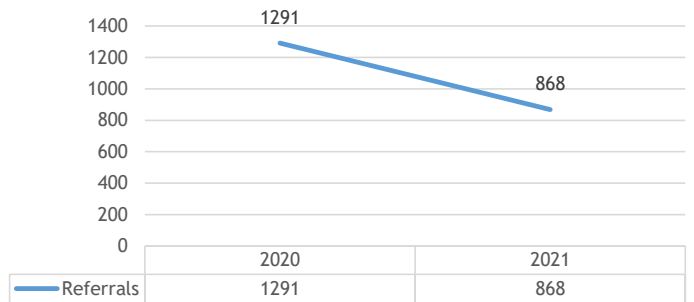
Contact Center - Calls and Wait Time



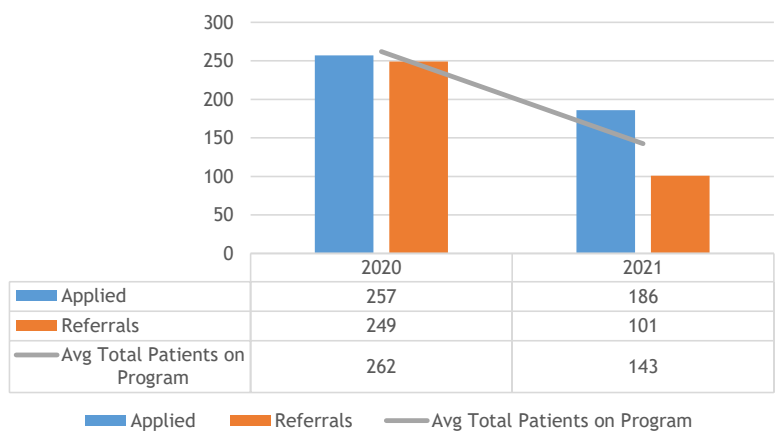
Electronic Record Requests



Case Management Referrals



County Indigent Program



[Back to Agenda](#)



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

March 2021

Item#7

**Consider for Approval FY2020 Independent Auditor's Report and
Financial Statement and Single Audit Reports**

PRESENTATION OF FY2020

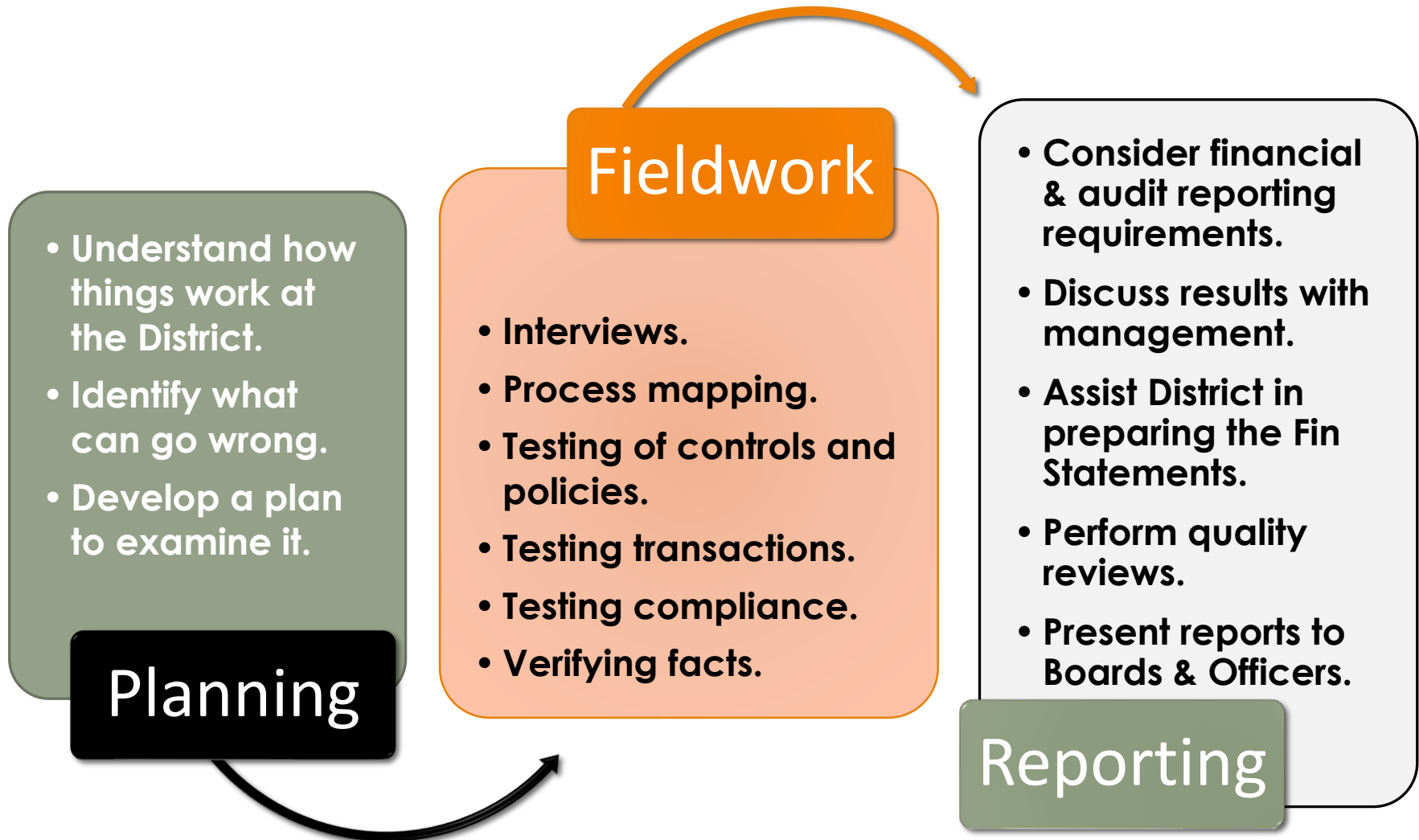


AUDIT REPORTS

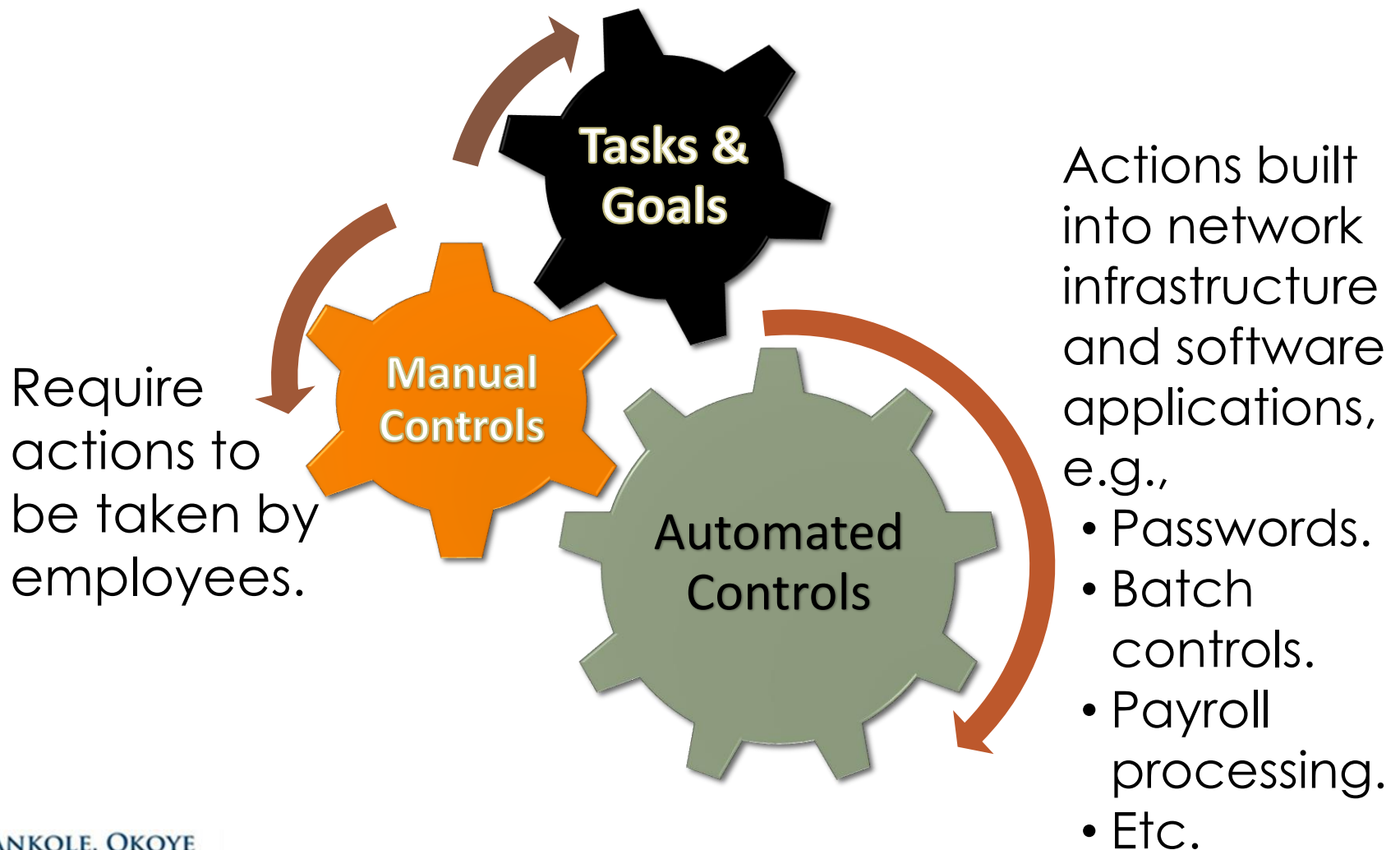
**GALVESTON COUNTY UNITED BOARD OF HEALTH
COASTAL HEALTH & WELLNESS GOVERNING BOARD
OF
GALVESTON COUNTY HEALTH DISTRICT**

March 29 – April 1, 2021

GCHD: Summary of Our Risk-Based Audit Process



Auditors Documented District's Control Processes and Tested them for Consistency of Operation . . .



Management's Responsibility for Proper Financial Reporting

1. Establishing internal controls.
2. Selecting accounting policies.
3. Preventing/detecting fraud.
4. Complying with regulations.
5. Complying with contracts/agreements.
6. Responding to auditors.
7. Accepting responsibility for the financial statements.

GCHD: FY2020 Financial Highlights

	FY2020	FY2019	Change + / (-)
	\$'000	\$'000	\$'000
Revenues from services	11,592	11,039	553
Federal grant revenues	7,803	7,122	681
County/other grant revenues	8,420	7,988	432
Expenditures	(27,370)	(25,860)	(1,510)
Others	248	301	(53)
Change in fund balances	693	589	104
Liquidity (cash + investments)	14,942	14,693	249

CHW Only: FY2020 Financial Highlights

	FY2020	FY2019	Change + / (-)
	\$'000	\$'000	\$'000
Revenues from services	3,320	3,081	239
Federal grant revenues	4,008	3,536	472
County/other grant revenues	207	23	184
Transfer-in from Gen Fund	3,735	3,889	(154)
Patient services expenses	(10,552)	(10,758)	206
Others, net	52	44	8
Change in net position	798	(185)	983
Liquidity (cash + investments)	6,172	4,886	1,286

Audit of Federal Grants and Programs

Single Audit procedures were performed on the **Health Center Program Cluster program** that comprises the following HRSA grants:

1. **CFDA No. 93.224** – Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care.)
2. **CFDA No. 93.527** – Grants for New and Expanded Services under the Health Center Program.

Federal Grants Audit Results

	Auditors' Report on the Schedule of Expenditures of Federal Awards.	Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with GAS.	Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by Title 2 U.S. Code of Federal Regulations Part 200.
1 Report Page	1	7-8	9-10
2 Any Material Weakness?	No	No	No
3 Any Significant Difficiency?	None Reported	None Reported	None Reported
4 Auditors' Opinion	Unmodified	N/A	Unmodified

End of Presentation!

Any questions?

GALVESTON COUNTY HEALTH DISTRICT

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORTS

FISCAL YEAR ENDED SEPTEMBER 30, 2020



Bankole, Okoye & Associates PC

Certified Public Accountants | Business Advisors

11511 Katy Frwy., Ste. 501 | Houston | Texas 77079

Tel: 281.741.7900 | Web: www.boacpas.com

Galveston County Health District

Fiscal Year Ended September 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Galveston County United Board of Health and
The Coastal Health & Wellness Governing Board of
The Galveston County Health District
Texas City, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Galveston County Health District (the "District"), as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT, *CONTINUATION*

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, and pension information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL**, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Houston, Texas

DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL

Galveston County Health District

Management's Discussion and Analysis Fiscal Year Ended September 30, 2020

The following discussion and analysis of the Galveston County Health District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2020 (also referred to as fiscal year 2020 or the current fiscal year). Readers should consider the information presented here in conjunction with the District's financial statements that follow this section.

Financial Highlights

1. Total assets and deferred outflows of resources of the District exceeded total liabilities and deferred inflows of resources at the close of fiscal year 2020 by \$20.7 million.
2. Of this amount, \$2.3 million represents the District's net investment in capital assets; \$2.9 million is restricted for net pension asset and there is an unrestricted net surplus of \$15.5 million.
3. The district had total cash and investments of \$14.9 million as of September 30, 2020, an increase of \$249 thousand from September 30, 2019.
4. The District's expenses, net of program revenues, for fiscal year 2020 were \$7.5 million while general revenues were \$8.6 million.
5. The District reported an increase in total net position of \$1.1 million (or 6%) in fiscal year 2020.
6. As of the close of the current fiscal year, the District's governmental funds reported an ending fund balance of \$16.4 million.
7. The General Fund reported a fund balance of \$5.1 million at the end of the current fiscal year. The unassigned fund balance for the General Fund was \$42 thousand, or 0.5%, of total General Fund expenditures. There was a \$295 thousand increase in the total fund balance for the General Fund from September 30, 2019.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances using the economic resources measurement focus in a manner similar to that of a private-sector business entity, on the accrual basis of accounting. Government-wide financial statements presented include the Statement of Net Position and the Statement of Activities.

Statement of Net Position

The statement of net position presents information on all of the District's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Galveston County Health District

Management's Discussion and Analysis - *Continuation*
Fiscal Year Ended September 30, 2020

Statement of Activities

The statement of activities presents information showing how the government's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues are recorded in the period earned and when the amount and timing of the revenue can be reasonably determined. Expenses and asset additions are recognized at the time a liability arises which is normally at the time a service is received by, or title of goods passes to, the District. Accordingly, revenue and expenses reported in this statement for some items will only result in cash flows in future periods, *e.g.*, uncollected service billings and earned but unused employee vacation leave.

The government-wide financial statements present functions of the District that are provided from funding sources (*governmental activities*). The government-wide financial statements can be found on pages 11 through 12 of this report.

Fund Financial Statements.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District consist solely of governmental funds—the General Fund, Coastal Health & Wellness Fund, and the Galveston Area Ambulance Authority Fund. (The Coastal Health & Wellness Fund and the Galveston Area Ambulance Authority Fund are Special Revenue Funds).

Governmental Funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide financial statements.

The basic governmental funds financial statements and the related reconciliations to the government-wide financial statements can be found on pages 13 through 16 of this report.

Notes to the Financial Statements.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 36 of this report.

Galveston County Health District

Management's Discussion and Analysis - *Continuation*
 Fiscal Year Ended September 30, 2020

Other Information.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's governmental funds' budgets and the District's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 37 through 43 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20.7 million at September 30, 2020.

Condensed Statement of Net Position (in Thousand Dollars)

	2020	2019	Dollar Change	Total Percentage Change
Assets				
Cash and other assets	\$ 20,772	\$ 18,417	\$ 2,355	13%
Capital assets, net	2,252	1,830	422	23%
Total Assets	23,024	20,247	2,777	14%
Deferred outflows of resources	258	1,323	(1,065)	-80%
Liabilities				
Long-term liabilities	601	487	114	23%
Accounts payable and accrued liabilities	1,492	1,238	254	21%
Total Liabilities	2,093	1,725	368	21%
Deferred inflows of resources	538	325	213	66%
Net Position				
Net investment in capital assets	2,252	1,830	422	23%
Restricted	2,895	1,487	1,408	95%
Unrestricted	15,504	16,203	(699)	-4%
Total net position	\$ 20,651	\$ 19,520	\$ 1,131	6%

The largest portion (\$14.9 million) of the District's net position reflects its cash and cash equivalents. The District was able to report positive balances in all three categories of net position—net position invested in capital assets, restricted net position, and unrestricted net position as shown in the preceding table. The same situation held true for the prior fiscal year.

Galveston County Health District

Management's Discussion and Analysis - *Continuation*
 Fiscal Year Ended September 30, 2020

Net position of the District achieved a \$1.1 million increase. The key elements of this increase are presented in the following table:

Condensed Statement of Activities (in Thousand Dollars)

	2020	2019	Dollar Change	Total Percentage Change
Revenues				
Program revenues:				
Charges for services	\$ 11,592	\$ 11,039	\$ 553	5%
Operating grants and contributions	7,802	7,122	680	10%
General revenues:				
Unrestricted grants and contributions	8,420	7,988	432	5%
Gain/(loss) on sale of capital assets	(10)	21	(31)	-148%
Investment earnings, unrestricted	207	256	(49)	-19%
Total revenues	<u>28,011</u>	<u>26,426</u>	<u>1,585</u>	<u>6%</u>
Expenses				
Public health	3,782	3,654	128	4%
Public health, reimbursable	3,303	3,201	102	3%
Animal services	1,339	1,304	35	3%
Pollution control	918	835	83	10%
Patient services	10,600	10,849	(249)	-2%
Ambulance services	6,939	6,367	572	9%
Total program expenses	<u>26,881</u>	<u>26,210</u>	<u>671</u>	<u>3%</u>
Change in net position	1,130	216	914	423%
Net position, beginning of year	<u>19,521</u>	<u>19,304</u>	<u>217</u>	<u>1%</u>
Net position, end of year	<u>\$ 20,651</u>	<u>\$ 19,520</u>	<u>\$ 1,131</u>	<u>6%</u>

Revenues from governmental activities totaled \$28.0 million for the fiscal year ended September 30, 2020 while expenses totaled \$26.9 million for the same period.

The District's total revenues for fiscal year 2020 increased by \$1.6 million, or 6 percent, from the prior fiscal year. Primary factors for this increase included an increase in grant revenue from new COVID-19-related grant funding, as well as revenue from the new contract to provide ambulance services to the cities of Kemah and Clear Lake Shores.

The District's total expenses for fiscal year 2020 increased by \$671 thousand, or 3 percent, from the prior fiscal year. The key factors for this increase included an increase in ambulance services expense of \$572 thousand due to additional expenses to provide services in Kemah and Clear Lake Shores, as well as the

Galveston County Health District

Management's Discussion and Analysis - *Continuation*
Fiscal Year Ended September 30, 2020

purchase of replacement vehicles. In addition, public health and public health reimbursable expenses increased due to additional personnel, supplies, and contract services expenses related to COVID-19.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with the financial reporting requirements of the U.S. governmental accounting standards promulgated by the Governmental Accounting Standards Board.

The focus of the District's governmental funds' financial reports is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, an unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2020, the District's governmental funds, which consist of the General Fund and the two Special Revenue Funds, reported an ending fund balances of \$16.4 million, an increase of \$693 thousand during the fiscal year.

The *General Fund* is the chief operating fund of the District. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$42 thousand, a \$124 thousand decrease from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to the total fund expenditures. Unassigned fund balance represents 0.5% of General Fund's total expenditures, while General Fund's total fund balance represents 55% of that same amount.

The *Coastal Health and Wellness Fund (CHW)*, a major governmental fund, had an increase of \$798 thousand to an overall balance of \$6.4 million at the end of the year.

The *Galveston Area Ambulance Authority Fund (GAAA)*, a major governmental fund, had a decrease in fund balance of \$400 thousand during the fiscal year to bring its year-end fund balance to \$4.9 million.

General Fund Budgetary Highlights

Revenues

The District's final fiscal year 2020 budget estimated General Fund's revenues at \$12.9 million. The actual realized revenues for the period were \$13.4 million, or 4% greater than the budget, primarily due to new grant revenue from unbudgeted COVID-19-related grant funding.

Public Health program service revenues were under the budgeted amount by \$57 thousand, or 3%, due to decreases in immunizations provided and birth/death certificates issued, all attributed to the COVID-19 pandemic. The Public Health division includes service revenues from immunization, vital statistics, potable water testing, and inspections/permits associated with food services, septic tanks, swimming pools and wastewater.

Animal Service program revenues (which included both field and shelter services) were under the budgeted amount by \$5 thousand, or 0.8%, due to declines in the total adoption and redemption fee revenues, also attributed to the COVID-19 pandemic.

Galveston County Health District

Management's Discussion and Analysis - *Continuation*
Fiscal Year Ended September 30, 2020

Pollution Control program revenues were \$11 thousand or 8% higher than the budget, primarily due to certain insurance proceeds received for an accidented program vehicle.

Expenditures

General Fund's operating expenditures and other financing uses in fiscal year 2020 were budgeted at \$13.2 million, but the actual expenditures and other financing uses incurred for the fiscal year were \$13.1 million, or 99.5% of the amount that was projected for the fiscal year.

Public Health program expenditures were \$408 thousand or 10% lower than the budgeted amount due primarily to salary and benefit lapses and savings in supplies' costs.

Public Health Reimbursable expenditures (i.e., grant-funded services) were higher than the budgeted amount by \$425 thousand or 15%, due primarily to additional staffing and contracted expenses related to COVID-19.

Animal Service actual expenditures were lower than budget by \$78 thousand or 6%, due to salary and benefit lapses and savings in supplies' costs.

Pollution Control actual expenditures were lower than budget by \$56 thousand or 6% due to salary and benefit lapses and savings in training and travel costs attributed to the COVID-19 pandemic.

Capital Assets and Debt Administration

Capital Assets:

The District's investment in capital assets as of September 30, 2020, amounts to \$2.3 million (net of accumulated depreciation and amortization). These capital assets include buildings, improvements, furniture and equipment, and vehicles. The total increase in the District's investment in capital assets for fiscal year 2020 was \$422 thousand or 23%.

	Capital Assets (in Thousand Dollars)			
	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>	<u>Total Percentage Change</u>
Improvements other than buildings	\$ 59	\$ 59	\$ -	0%
Furniture and equipment	2,936	2,721	215	8%
Vehicles	3,578	2,838	740	26%
Less accumulated depreciation and amortization	<u>(4,322)</u>	<u>(3,789)</u>	<u>(533)</u>	<u>14%</u>
Total capital assets, net	<u>\$ 2,251</u>	<u>\$ 1,829</u>	<u>\$ 422</u>	<u>23%</u>

Additional information on the District's capital assets can be found in *Note 4* to the financial statements.

Galveston County Health District

Management’s Discussion and Analysis - *Continuation*
 Fiscal Year Ended September 30, 2020

Debt Administration:

The District’s long-term liabilities increased by \$114 thousand due to an increase in compensable absences (i.e., employees earned but outstanding vacation leaves.)

Long-term Liabilities (in Thousand Dollars)

	<u>2019</u>	<u>Change</u>	<u>2020</u>
Compensable absences	<u>\$ 487</u>	<u>\$ 114</u>	<u>\$ 601</u>

Economic Factors and Next Year’s Budgets and Rates

The District is currently operating under its fiscal year 2021 budget, which was adopted and passed by its respective Boards in accordance with state and federal guidelines. The following table provides a comparison of the fiscal year 2020 and fiscal year 2021 budgets for both estimated revenues and expenditures.

<u>Fund</u>	<u>Year Ended September 30,</u>	
	<u>2021</u>	<u>2020</u>
General Fund		
Revenues and transfers	\$ 13,544,702	\$ 13,187,934
Expenditures	13,528,805	13,175,706
Coastal Health & Wellness		
Revenues and transfers	11,177,896	12,038,835
Expenditures	11,177,896	12,038,835
Galveston Area Ambulance Authority		
Revenues and transfers	7,578,703	7,720,634
Expenditures	7,578,703	7,720,634

General Fund: In comparison to 2020, 2021 revenues budgeted under the General fund increased by \$357 thousand, or 3%, primarily due to anticipated additional grant revenue for COVID-19 grants as well as additional funding for existing TB, STD/HIV, PHP and WIC grants. The projected expenditures increased by \$353 thousand, or 3%, due primarily to new job positions funded by the additional grant revenue.

Coastal Health & Wellness (CHW): The budget for Coastal Health & Wellness for fiscal year 2021 decreased by \$861 thousand, or 7%, from fiscal year 2020. Patient revenues decreased due to lower projected health providers’ contact volumes. Expenses also decreased due to planned elimination of vacant positions.

Galveston County Health District

Management's Discussion and Analysis - *Continuation*
Fiscal Year Ended September 30, 2020

Galveston Area Ambulance Authority (GAAA): The budget for Galveston Area Ambulance Authority for fiscal year 2021 decreased by \$142 thousand, or 2%, in comparison to fiscal year 2020, due mainly to budgeted decreased spending on supplies and vehicles.

Future Outlook

The immediate future outlook for the District depends on the economic impacts of the COVID-19 pandemic until the completion of the population vaccination process. In fiscal year 2020 as well as in the early part of the subsequent period, the pandemic resulted in significant decreases in volumes and revenue for the Coastal Health & Wellness clinics and the public health programs such as vital statistics, immunizations and food services. Supplemental funding (federal, state, and local) has helped in replacing the lost revenue, and by helping to cover the additional expenses incurred for the case reporting and mass testing services the District provided.

The District is now in the process of administering the COVID-19 vaccines to the general public and will continue to incur additional operating costs in order to do so. The clinic and public health service volumes have seen some increases but are still not at pre-pandemic levels. The District anticipates receiving more supplemental funding (stimulus, FEMA, HRSA, state, and county) which will help to offset these costs and any lost revenue. What remains unknown is how long the vaccination process and the associated costs will continue, as the District will most likely also be involved in administering any booster vaccines recommended by federal public health authorities to be given to the public.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Galveston County Health District: Andrea Cortinas, Chief Financial Officer, P.O. Box 939, La Marque, Texas, 77568.

DRAFT REPORT

District's Basic Financial Statements

Galveston County Health District

Statement of Net Position

September 30, 2020

	<u>Amount</u>
ASSETS	
Cash and cash equivalents	\$ 14,877,180
Investments	65,332
Receivables, net	2,526,891
Prepaid expenses	299,445
Inventories	108,522
Net pension asset	2,894,923
Capital assets, net of depreciation and amortization:	
Improvements, other than buildings	13,268
Furniture and equipment	473,209
Vehicles	1,765,154
Total Assets	<u>23,023,924</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions:	
Difference between expected and actual experience	46,997
Change in assumptions	34,110
Contributions made after the measurement date	177,069
Total deferred outflows of resources	<u>258,176</u>
Total assets and deferred outflows of resources	<u>23,282,100</u>
LIABILITIES	
Accounts payable and accrued liabilities	1,176,060
Unearned revenue	315,773
Noncurrent liabilities:	
Due within one year	60,118
Due in more than one year	541,067
Total Liabilities	<u>2,093,018</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions:	
Net difference between projected and actual earnings	403,400
Difference between expected and actual experience	134,898
Total deferred inflows of resources	<u>538,298</u>
Total liabilities and deferred inflows of resources	<u>2,631,316</u>
NET POSITION	
Net investment in capital assets	2,251,631
Restricted for net pension asset	2,894,923
Unrestricted	15,504,230
Total Net Position	<u>\$ 20,650,784</u>

See the Accompanying Notes to Financial Statements

Galveston County Health District

Statement of Activities

Fiscal Year Ended September 30, 2020

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
				<u>Governmental Activities</u>
FUNCTIONS/PROGRAMS				
Governmental activities:				
Public health	\$ 3,782,503	\$ 1,644,623	\$ 7,259	\$ (2,130,621)
Public health, reimbursable	3,302,733	37,506	3,193,086	(72,141)
Animal services	1,339,203	588,485	-	(750,718)
Pollution control	918,314	153,677	497,764	(266,873)
Patient services	10,599,719	3,319,923	4,007,906	(3,271,890)
Ambulance services	6,938,861	5,848,148	96,641	(994,072)
Total governmental activities	<u>\$ 26,881,333</u>	<u>\$ 11,592,362</u>	<u>\$ 7,802,656</u>	<u>(7,486,315)</u>
General revenues/(losses):				
Grants and contributions not restricted to specific programs				8,419,702
Net loss on sale of capital assets				(10,159)
Investment earning, unrestricted				207,038
Total general revenues				<u>8,616,581</u>
Change in net position				1,130,266
Net position, beginning of year				<u>19,520,518</u>
Net Position, End of Year				<u>\$ 20,650,784</u>

See the Accompanying Notes to Financial Statements

Galveston County Health District

Balance Sheet - Governmental Funds
September 30, 2020

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 4,213,005	\$ 6,145,174	\$ 4,519,001	\$ 14,877,180
Investments	17,293	26,441	21,598	65,332
Receivables:				
Federal	1,043,518	539,907	-	1,583,425
State	81,060	-	-	81,060
Patient, program and other (net where applicable)	63,956	208,469	589,981	862,406
Due from other funds	31,360	3,264	-	34,624
Prepaid expenses	135,873	112,970	50,602	299,445
Inventories	108,522	-	-	108,522
Total Assets	<u>\$ 5,694,587</u>	<u>\$ 7,036,225</u>	<u>\$ 5,181,182</u>	<u>\$ 17,911,994</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 514,043	\$ 386,177	\$ 275,840	\$ 1,176,060
Unearned revenue	67,795	223,348	24,630	315,773
Due to other funds	3,264	-	31,360	34,624
Total Liabilities	<u>585,102</u>	<u>609,525</u>	<u>331,830</u>	<u>1,526,457</u>
FUND BALANCES				
Nonspendable	244,395	112,970	50,602	407,967
Committed	4,822,768	6,035,000	1,657,881	12,515,649
Assigned	-	278,730	3,140,869	3,419,599
Unassigned	42,322	-	-	42,322
Total fund balance	<u>5,109,485</u>	<u>6,426,700</u>	<u>4,849,352</u>	<u>16,385,537</u>
Total Liabilities and Fund Balances	<u>\$ 5,694,587</u>	<u>\$ 7,036,225</u>	<u>\$ 5,181,182</u>	<u>\$ 17,911,994</u>

See the Accompanying Notes to Financial Statements

Galveston County Health District

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

September 30, 2020

	<u>Amount</u>
Total fund balances - governmental funds	\$ 16,385,537
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,251,631
Deferred inflows and outflows related to pensions are not recognized on the fund financial statements.	(280,122)
Net pension asset is not financial resources and is not reported in the funds.	2,894,923
Long-term liabilities are not due and payable in the current period and are not reported in the funds.	
Compensable absences	<u>(601,185)</u>
Net position of governmental activities	<u><u>\$ 20,650,784</u></u>

See the Accompanying Notes to Financial Statements

Galveston County Health District

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Fiscal Year Ended September 30, 2020

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total Governmental Funds
REVENUES				
Program services and patient service revenue, net where applicable	\$ 2,424,291	\$ 3,319,923	\$ 5,848,148	\$ 11,592,362
Intergovernmental:				-
Federal/State	3,698,109	4,007,906	96,641	7,802,656
Local	7,214,818	206,618	998,266	8,419,702
Investment earnings	59,760	77,318	69,960	207,038
Total revenues	<u>13,396,978</u>	<u>7,611,765</u>	<u>7,013,015</u>	<u>28,021,758</u>
EXPENDITURES				
Current:				
Public health	3,740,122	-	-	3,740,122
Public health, reimbursable	3,259,698	-	-	3,259,698
Animal services	1,314,895	-	-	1,314,895
Pollution control	898,787	-	-	898,787
Patient services	-	10,522,759	-	10,522,759
Ambulance services	-	-	6,539,841	6,539,841
Capital outlay	155,450	28,459	910,141	1,094,050
Total expenditures	<u>9,368,952</u>	<u>10,551,218</u>	<u>7,449,982</u>	<u>27,370,152</u>
Excess/(deficiency) of revenues over expenditures	<u>4,028,026</u>	<u>(2,939,453)</u>	<u>(436,967)</u>	<u>651,606</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in/(out)	(3,734,667)	3,734,667	-	-
Proceeds from sale of capital assets	1,200	3,089	36,694	40,983
Total other financing sources/(uses)	<u>(3,733,467)</u>	<u>3,737,756</u>	<u>36,694</u>	<u>40,983</u>
Net change in fund balances	294,559	798,303	(400,273)	692,589
FUND BALANCES, BEGINNING OF YEAR	<u>4,814,926</u>	<u>5,628,397</u>	<u>5,249,625</u>	<u>15,692,948</u>
FUND BALANCES, END OF YEAR	<u>\$ 5,109,485</u>	<u>\$ 6,426,700</u>	<u>\$ 4,849,352</u>	<u>\$ 16,385,537</u>

See the Accompanying Notes to Financial Statements

Galveston County Health District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Fiscal Year Ended September 30, 2020

	<u>Amount</u>
Net change in fund balances - total governmental funds	\$ 692,589
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlays (\$1,065,006) exceeded depreciation and amortization expense (\$605,231) in the current period.	459,775
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Net change in net pension asset	\$ 1,408,408
Net change in deferred inflows and outflows of resources	(1,278,778)
Net change in accrued compensable absences	(113,897)
Net loss on sale of capital assets	<u>(37,831)</u>
Change in net position of governmental activities	<u><u>\$ 1,130,266</u></u>

See the Accompanying Notes to Financial Statements

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

NOTE 1: NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

The Galveston County Health District (the District) was established in accordance with Subtitle E, Texas Health and Safety Code, Chapter 121 Local Public Health Reorganization Act. This law also prescribes the structure and operation of the District. The District was formed by a contractual arrangement between the County of Galveston and the cities within the county which provides for an Administrative Board—the Galveston County United Board of Health (the “Board of Health”) to govern the District, including setting the policies and associated operating budget(s) for the public health, pollution control, animal services and ambulance services operated by the District. The Board of Health comprises 13 members nominated by the Commissioners Court of Galveston County, Texas and approved by a majority of the member governments. The Board of Health has delegated to the Coastal Health & Wellness (“CHW”) Governing Board the operational responsibility for health care that is provided through the community health center's medical and dental clinics within the District.

The Reporting Entity

These financial statements include all activities and operations of the District including CHW and the Galveston Area Ambulance Authority (“GAAA”). These financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, no other entities, organizations, or functions have been included in the District's financial reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by accounting principles generally accepted in the United States of America (“GAAP”). These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity.

Basis of Accounting and Presentation

The Governmental Accounting Standards Board (“GASB”) establishes the accounting and financial reporting standards that govern the preparation of financial reports by governmental entities in accordance with generally accepted accounting principles in the United States of America.

The District's financial statements include the following government-wide and fund financial statements:

Government-Wide Financial Statements

The government-wide financial statements report information on all of the activities of the District,

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

CHW and GAAA. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through intergovernmental revenues and other nonexchange transactions. The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or identifiable activity. Expenses that cannot be specifically identified to a particular function are charged to funds based on time spent for that function and are included in the functional categories. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or identifiable activity and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or identifiable activity.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

1. The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
2. The CHW is used to account for the operations of two community clinics throughout Galveston County. The principal sources of revenues for this fund are Federal and Local grants, program revenues from Galveston County and charges for patient services. Expenditures relate to the costs of providing medical and dental outpatient services at the clinics.
3. The GAAA Fund accounts for the contract operations of emergency medical services and medical transport services programs. Principal revenues consist of charges for services.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include grants, entitlements and similar items, and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Grants, entitlements and donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as unearned revenues.

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Governmental Funds Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in available spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available.

The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include federal funds, local funds and investment earnings. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences and obligations for workers' compensation, which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are due to a plan.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows and outflows of resources, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Significant estimates included in the financial statements include (a) actuarial assumptions that went into the determination of the net pension asset, (b) allowances made for uncollectible receivables, (c) the useful lives assumed for the depreciation of capital assets, and (d) governmental fund balances reserved for contingent liabilities. Actual amounts could differ from those estimates.

Cash and Investments

The District considers all liquid investments with original maturities of three months or less to be cash equivalents. Cash equivalents included in cash as of September 30, 2020 amounted to \$14,175,566. At September 30, 2020, all investments represent amounts held in TexPool and are stated at amortized cost.

Inventory

Inventory consists of medical and office supplies and is reported at original costs. Related expenditures are recorded governmental funds as inventory items are used.

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Capital Assets

Capital assets, which include improvements other than buildings, furniture and equipment, and vehicles, are reported in the governmental activities column, in the government-wide financial statements.

Capital assets are defined as assets with an initial value or cost greater than or equal to \$5,000 and an estimated useful life of greater than two years. Costs for the purchase or construction of facilities and other fixed assets are recorded as capital outlay expenditures in the governmental fund financial statements. Interest incurred during construction periods is not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Improvements other than buildings	5-10 years
Furniture and equipment	3-10 years
Vehicles	7 years

Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

Capital Asset Impairment

The District evaluates capital assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital asset has occurred. If a capital asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, the capital asset historical cost and related accumulated depreciation are decreased proportionately such that the net decrease equals the impairment loss. No asset impairment was recognized during the year ended September 30, 2020.

Long-Term Obligations

In the government-wide financial statements, long-term debt for notes payable and compensated absences are reported as liabilities in the governmental activities statement of net position.

Compensable Absences

It is the District's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the District. All vacation and compensatory pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, such as those resulting from employee resignations and retirements.

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Pensions

The District participates in an agent defined benefit pension plan *Texas County and District Retirement System* (TCDRS). For purposes of measuring the net pension asset (NPA), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TCDRS and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenue

Unearned revenue represents advances on grants and contract awards for which the District has not met all of the applicable eligibility requirements.

Deferred Outflows/Inflows of Resources

The District reports increases in net position that relate to future periods as deferred outflows of resources in a separate section of its statement of net position.

The District reports decreases in net position that relate to future periods as deferred inflows of resources in a separate section of its statement of net position.

Patient Accounts Receivable

Patient accounts receivable for CHW are reduced by an allowance for uncollectible accounts. In evaluating the collectability of accounts receivable, the District analyzes its history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for uncollectible accounts. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts.

For receivables associated with services provided to patients who have third-party coverage, the District analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for uncollectible accounts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely).

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the District records a significant provision for uncollectible accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or provided by the sliding fee or

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

other policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

Net Patient Service Revenue

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known. Patient service revenue as reported for CHW for the year ended September 30, 2020, is net of an allowance for uncollectible accounts of \$924,012.

Fund Balances – Governmental Funds

The fund balances for the District's governmental funds are displayed in five components:

Non-spendable Fund Balances

Non-spendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted Fund Balances

Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers. When restricted and unrestricted fund balance exists for the same purpose, restricted fund balance will be used first.

Assigned Fund Balances

Assignments of fund balance are imposed by the District's intention of use for specific purposes, but with no formal action.

Committed Fund Balances

To indicate fund balance that can be used only for the specific purposes determined by a formal action of the Galveston County United Board of Health (the District's highest level of decision-making authority). Commitments may be changed or lifted only by the Board of Health taking the same formal action that imposed the constraint originally.

Unassigned Fund Balances

Unassigned fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications.

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Income Taxes

The District is a governmental entity that is not subject to federal or state income taxes.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. All annual appropriations lapse at year-end and are re-established in the succeeding year.

NOTE 2: DEPOSITS AND INVESTMENTS

Deposits

Financial assets deposited with financial institutions are often subject to custodial and credit risks. Custodial and credit risks refer to the probability that in the event of the failure of a depository financial institution, the depositor would not be able to recover all or a portion of the deposits. The District maintains cash balances with financial institutions considered by management as credit-worthy and strong. These cash balances may occasionally exceed limits insured by the Federal Depository Insurance Corporation (FDIC), which is \$250,000 per customer per participating financial institution. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law, including obtained pledged securities from the financial institutions to collateralize cash balances in excess of the FDIC insured-limit.

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) requires that deposits in financial institutions be collateralized with federal depository insurance and other acceptable collateral in specific amounts. The act further specifies the types of securities that can be used as collateral. The District's written investment policy establishes additional requirements for collateralization of deposits. No legal opinion has been obtained regarding the enforceability of any of the collateral arrangements.

As of September 30, 2020, the District's deposits were fully collateralized and, therefore, were not exposed to custodial credit risk.

Investments

The District is authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) certain collateralized mortgage obligations; (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities; (5) certain "A" rated or higher obligations of states and political subdivisions of any state; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) insured or collateralized certificates of deposit; (8) certain fully collateralized repurchase agreements; (9) bankers' acceptances with limitations; (10) commercial paper rated "A-1" or "P-1" or higher and a maturity of 270 days or

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

less; (11) no-load money market mutual funds and no-load mutual funds with limitations; (12) certain guaranteed investment contracts; (13) certain qualified governmental investment pools; and (14) a qualified securities lending program.

TexPool

The District participates in TexPool, the Texas Local Government Investment Pool. The State Comptroller of Public Accounts exercises oversight responsibility of TexPool, which includes (1) the ability to significantly influence operation; (2) designation of management and (3) accountability for fiscal matters. Additionally, the state Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Although TexPool is not registered with the U.S. Securities and Exchange Commission as an investment company, it operates in a manner consistent with the U.S. Securities and Exchange Commission's Rule 2a7 of the Investment Company Act of 1940. As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price. Accordingly, the fair value of the District's position in TexPool is the same as the value of TexPool shares.

NOTE 3: RECEIVABLES

As of September 30, 2020, accounts receivable consisted of the following:

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total
Federal:				
Reimbursement of expenditures pending under federal grants	\$ 1,043,518	\$ 539,907	\$ -	\$ 1,583,425
State:				
Reimbursement of expenditures pending under state grants	81,060	-	-	81,060
Patient, program and other:				
Patient, net	-	207,893	260,589	468,482
Program and other	63,956	576	329,392	393,924
Total for patient, program and other	63,956	208,469	589,981	862,406
Total receivables by fund	\$ 1,188,534	\$ 748,376	\$ 589,981	\$ 2,526,891

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

NOTE 4: CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2020, is presented below.

	Beginning Balance 10/01/2019	Additions	Disposals	Ending Balance 09/30/2020
Governmental activities:				
Improvements other than buildings	\$ 59,218	\$ -	\$ -	\$ 59,218
Furniture and equipment	2,721,305	214,755	-	2,936,060
Vehicles	2,837,761	879,295	(138,869)	3,578,187
Total at cost	<u>5,618,284</u>	<u>1,094,050</u>	<u>(138,869)</u>	<u>6,573,465</u>
Less accumulated depreciation and amortization:				
Improvements other than buildings	(35,662)	(10,289)	-	(45,951)
Furniture and equipment	(2,231,302)	(231,551)	-	(2,462,853)
Vehicles	(1,521,633)	(363,391)	71,994	(1,813,030)
Total accumulated depreciation and amortization	<u>(3,788,597)</u>	<u>(605,231)</u>	<u>71,994</u>	<u>(4,321,834)</u>
Capital assets, net	<u>\$ 1,829,687</u>	<u>\$ 488,819</u>	<u>\$ (66,875)</u>	<u>\$ 2,251,631</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

	Amount
Public health	\$ 42,381
Public health, reimbursable	43,035
Animal services	24,308
Pollution control	19,527
CHW	76,960
GAAA	399,020
Total depreciation and amortization expense by function	<u>\$ 605,231</u>

NOTE 5: NET PATIENT SERVICE REVENUE

Service rendered by CHW and GAAA generate patient service revenue. As a result, the District recognizes patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for the sliding fee program, the District recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of the District's uninsured patients who do not qualify for the sliding fee program will be unable or unwilling to pay

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

for the services provided. Thus, the District records a significant provision for uncollectible accounts related to uninsured patients in the period the services are provided. This provision for uncollectible accounts is presented on the statement of activities as a component of net patient service revenue.

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. These payment arrangements include.

Medicare.

Covered Federally Qualified Health Center (FQHC) services rendered by CHW to Medicare program beneficiaries are paid in accordance with provisions of Medicare's Prospective Payment System (PPS) for FQHCs. Medicare payments, including patient coinsurance, as now paid on the lesser of the District's actual charge or the applicable PPS rate. Services not covered under the FQHC benefit are paid based on established fee schedules. Covered services rendered by GAAA to Medicare program beneficiaries are paid based on Medicare established fee for service rates.

Medicaid.

Covered FQHC services rendered by CHW to Medicaid program beneficiaries are paid based on a prospective reimbursement methodology. The District is reimbursed a set encounter rate for all services provided under the plan. Covered services rendered by GAAA to Medicaid program beneficiaries are paid based on a flat rate established by Medicaid.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the District under these agreements includes prospectively determined rates per unit of service and discounts from established charges.

NOTE 6: INTERFUND BALANCES AND TRANSFERS

Balances due between the District's different funds as of September 30, 2020, were as follows:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
CHW Fund	General Fund	\$ 3,264
General Fund	GAAA Fund	31,360
		<u>\$ 34,624</u>

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

The outstanding balances between funds result mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Transfers between funds during the fiscal year ended September 30, 2020, were as follows:

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
General Fund	CHW Fund	<u>\$ 3,734,667</u>

This represents the transfer of local funds from Galveston County to the General Fund that are allocated to CHW to supplement the operation of the clinics.

NOTE 7: LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended September 30, 2020:

	<u>Beginning Balance at 10/01/2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance at 09/30/2020</u>	<u>Current Portion</u>
Compensable absences	<u>\$ 487,288</u>	<u>\$ 113,897</u>	<u>\$ -</u>	<u>\$ 601,185</u>	<u>\$ 60,118</u>

Accrued compensated absences represent vacation and compensatory time off earned by District, CHW and GAAA employees. These employees are 100 percent vested with respect to these benefits when earned. These amounts are expected to be paid from future available resources upon termination or retirement.

NOTE 8: FUND BALANCES

The District reports the following General Fund, CHW Fund and GAAA Fund equity as non-spendable at September 30, 2020, and classified governmental fund balances as follows:

	<u>General Fund</u>	<u>Coastal Health & Wellness Fund</u>	<u>Galveston Area Ambulance Authority Fund</u>
Nonspendable:			
Prepaid expenses	\$ 135,873	\$ 112,970	\$ 50,602
Inventories	<u>108,522</u>	<u>-</u>	<u>-</u>
Total nonspendable fund balances	<u>\$ 244,395</u>	<u>\$ 112,970</u>	<u>\$ 50,602</u>

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

The District reports the following General Fund, CHW Fund and GAAA Fund equity as committed at September 30, 2020, and classified governmental fund balances as follows:

	<u>General Fund</u>	<u>Coastal Health & Wellness Fund</u>	<u>Galveston Area Ambulance Authority Fund</u>
Committed:			
IT infrastructure/software upgrades	\$ 153,390	\$ 100,000	\$ 17,300
Public health emergencies	300,000	-	-
Reserve for leave payouts	40,000	-	-
Medical/dental equipment	-	125,000	139,875
Vehicle replacements	-	-	262,000
CHW clinic renovations	374,020	900,000	-
Animal services	623,658	-	-
Reserve for Medicaid cost report audit	-	-	500,000
Reserve for payment to the County	-	-	679,970
FY2020 planned expenditures remaining to be purchased from reserve	-	-	25,184
Reserve for other	131,700	10,000	33,552
Operating reserves	<u>3,200,000</u>	<u>4,900,000</u>	<u>-</u>
Total committed fund balances	<u>\$ 4,822,768</u>	<u>\$ 6,035,000</u>	<u>\$ 1,657,881</u>

NOTE 9: PENSION PLANS

The District provides retirement benefits for full-time employees through agent, multiple-employer, defined-benefit plan. This plan is administered by the state-wide, public-employee TCDRS. TCDRS is governed by the TCDRS Board of Trustees and administers the pension plans of approximately 760 counties and districts. It issues in the aggregate, on a calendar-year basis, a comprehensive annual financial report (CAFR) which is available upon request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-2034. The CAFR is available, upon written request, from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-2034 or at www.tcdrs.org.

The TCDRS plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with eight or more years of service, with 30 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions to the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits, with interest. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

that the resulting benefits can be expected to be adequately financed by the employer's commitments to contribute. At retirement, disability or death, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates, as prescribed by the TCDRS Act.

Employees Covered by Benefit Terms

TCDRS reports annual financial information on the calendar year basis, which coincides with the federal payroll reporting year-end. At the December 31, 2019, valuation and measurement date, the following employees were covered by the benefit terms.

<u>Covered Employees - TCDRS Calendar Year Basis</u>	<u>2019</u>
Inactive employees or beneficiaries currently receiving benefits	29
Inactive employees entitled to but not yet receiving benefits	338
Active employees	<u>312</u>
Totals	<u><u>679</u></u>

Funding Policy

The District has chosen a variable rate plan under the provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. The District's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The District's contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee-contribution rates are set by the District and are currently 7 percent. The District's required contribution rate was 2.12 percent effective January 1, 2019.

If a plan has had adverse experience, the TCDRS Act has provisions which allow the employer to contribute a fixed supplemental contribution rate determined by the system's actuary above the regular rate for 25 years or to reduce benefits earned in the future.

Net Pension Asset

The District's NPA was measured as of December 31, 2019, and the Total Pension Liability ("TPL") used to calculate the NPA was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The TPL in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Overall payroll growth	2.0% per year
Investment rate of return	8.0 % per year
Ad hoc cost of living adjustments	Not included

Galveston County Health District

Notes to Basic Financial Statements Fiscal Year Ended September 30, 2020

Salary increases were based on a service-related table. Mortality rates for active depositing members were based on 90 percent of the RP-2014 Active Employee Mortality Table for males and 90 percent of the RP-2014 Active Employee Mortality Table for females, projected with 110 percent of the MP-2014 Ultimate scale after 2014. Mortality rates for service retirees, beneficiaries and non-depositing members were based on 130 percent of the RP-2014 Healthy Annuitant Mortality Table for males and 110 percent of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110 percent of the MP-2014 Ultimate scale after 2014. Mortality rates for disabled retirees were based on 130 percent of the RP-2014 Disabled Annuitant Mortality Table for males and 115 percent of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110 percent of the MP-2014 Ultimate scale after 2014.

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies. The experience study in TCDRS was for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions an amendment of GASB Statement No. 27*.

The long-term expected rate of return on pension plan investments is 8.00 percent. The pension plan's policy for to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciations and the production of income, to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Geometric Real Rate of Return
U.S. equities	14.50%	5.20%
Private equities	20.00%	8.20%
Global equities	2.50%	5.50%
International equities - developed markets	7.00%	5.20%
International equities - emerging markets	7.00%	5.70%
Investment-grade bonds	3.00%	-0.20%
Strategic credit	12.00%	3.14%
Direct lending	11.00%	7.16%
Distressed debt	4.00%	6.90%
REIT equities	3.00%	4.50%
Master limited partnerships	2.00%	8.40%
Private real estate partnerships	6.00%	5.50%
Hedge funds	8.00%	2.30%
Total	<u>100%</u>	

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Discount Rate

The discount rate used to measure the TPL was 8.10 percent. This rate reflects the long-term rate of return funding valuation assumption of 8.00 percent, plus 0.10 percent adjustment to be gross of administrative expenses.

The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The TPL as of December 31, 2019 was calculated as follows:

	Increase/(Decrease)		
	Total Pension Liability {a}	Plan Fiduciary Net Position {b}	Net Pension Asset {a}-{b}
Balances as of December 31, 2018	\$ 14,820,993	\$ 16,307,508	\$ (1,486,515)
Changes for the year:			
Service cost	1,372,156	-	1,372,156
Interest on total pension liability	1,292,908	-	1,292,908
Effect of economic/demographic gains or losses	58,746	-	58,746
Refund of contributions	(257,702)	(257,702)	-
Benefit payments	(214,122)	(214,122)	-
Administrative expenses	-	(15,216)	15,216
Member contributions	-	1,101,156	(1,101,156)
Net investment income/(loss)	-	2,677,040	(2,677,040)
Employer contributions	-	333,493	(333,493)
Other	-	35,745	(35,745)
Net changes	<u>2,251,986</u>	<u>3,660,394</u>	<u>(1,408,408)</u>
Balances as of December 31, 2019	<u>\$ 17,072,979</u>	<u>\$ 19,967,902</u>	<u>\$ (2,894,923)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability (asset) of the District, calculated using the discount rate of 8.10 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10 percent) or 1 percentage point higher (9.10 percent) than the current rate.

	1% Decrease in Discount Rate (7.1%)	Current Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
District's net pension liability/(assets)	\$ (78,202)	\$ (2,894,923)	\$ (5,162,606)

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the fiscal year ended September 30, 2020, the District recognized pension expense of \$347,032. At September 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Inflows of</u>	<u>Deferred Outflows of</u>
Differences between expected and actual experience	\$ 134,898	\$ 46,997
Changes in actuarial assumptions	-	34,110
Net differences between projected and actual earnings	403,400	-
Contributions after the measurement date	-	269,921
	<u>\$ 538,298</u>	<u>\$ 351,028</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions after the measurement date, will be recognized in pension expense as follows:

<u>Fiscal Year Ended/Ending September 30,</u>	<u>Amount</u>
2020	\$ (142,214)
2021	(124,362)
2022	61,052
2023	(251,667)
	<u>\$ (457,191)</u>

Deferred Compensation Plan

In addition, the District makes available a deferred compensation plan under Internal Revenue Code Section 457 (the Plan). The Plan was effective April 1, 2000, and is available to employees of the General Fund, CHW Fund and GAAA Fund. The assets of the Plan shall be held in trust for the exclusive benefit of the plan participants and their beneficiaries. The Plan is administered by an authorized administrator who is responsible for ensuring that the Plan is operating in accordance with Plan terms and conditions including but not limited to investment options. Employees may voluntarily contribute up to a basic annual limit of \$18,500 into the Plan.

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

NOTE 10: ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as of September 30, 2020, are comprised of the following:

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total
Trade payables	\$ 220,057	\$ 97,154	\$ 65,014	\$ 382,225
Accrued payroll costs	293,986	289,023	210,826	793,835
	<u>\$ 514,043</u>	<u>\$ 386,177</u>	<u>\$ 275,840</u>	<u>\$ 1,176,060</u>

NOTE 11: LEASES AND RENTALS

The District previously entered into operating lease agreements with the following lessors:

Galveston Housing Authority

The District entered into a five-year lease in order to obtain space at the Island Community Center for operation of the Women's, Infant's and Children's program. The lease commenced on April 1, 2017 and will expire March 31, 2022. Minimum lease payments are \$2,086 per month.

The District also entered into a two-year lease to lease space at the Island Community Center to operate the CHW medical and dental clinic. The lease commenced on July 1, 2019 and will expire on June 30, 2021. Minimum lease payments are \$13,919 per month.

The District also entered into a two-year lease to lease space at the Island Community Center to operate a public health clinic. The lease commenced on July 1, 2019 and will expire on June 30, 2021. Minimum lease payments are \$611 per month.

Astra Properties, LLC.

The District entered into a five-year lease-to-lease space for the Immunization and Women's, Infant's and Children's program in Dickinson, Texas. The lease commenced on October 16, 2017 and will expire on October 31, 2022. Minimum lease payment is \$3,300 per month with the first month prorated at \$1,760. The lease may be renewed once for a five-year period.

Bacliff Volunteer Fire Department (VFD)

The District entered into a lease agreement with the Bacliff VFD to lease space for emergency medical services. Minimum lease payments were \$1,000 per month. The lease commenced on October 1, 2008 and was set to automatically renew each year. The District has the right to terminate the lease agreement annually at renewal by furnishing a 30-day written notice.

Hitchcock VFD

The District entered into a one-year memorandum of agreement with the Hitchcock VFD effective October 1, 2016, at a cost of \$900 per month. The District has the right to terminate the lease agreement annually at renewal by furnishing a 30-day written notice.

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

Galveston County

Beginning in fiscal year 2012, the District remitted lease payments to Galveston County for the Animal Resource Center and Mid-County Annex (which are County-owned facilities). The monthly lease payments to the County include \$16,641 per month for the Animal Resource Center and \$74,572 per month for the Mid-County annex. These lease payments included the utilities, maintenance, janitorial and insurance costs associated with these buildings.

The District incurred total lease and rental expenditures of \$1,451,116 during the fiscal year ended September 30, 2020.

Total minimum lease and rental payments for the next five years, based on the terms of the existing agreements, are as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Amount</u>
2021	\$ 1,312,758
2022	52,116
2023	3,300
Thereafter	-
Total based on existing contracts	<u>\$ 1,368,174</u>

NOTE 12: RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District's risk management programs encompass various means of protecting the District against loss by obtaining property, casualty and liability coverage through commercial insurance carriers and from participation in a risk pool. The participation of the District in the risk pool is limited to the payment of premiums. Settled claims have not exceeded insurance coverage in any of the previous four fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

The District is a party to legal proceedings, many of which occur in the normal course of operations. It is not possible at the present time to estimate the ultimate outcome or liability, if any, of the District with respect to the various proceedings. Management believes any unfavorable outcomes would not be material.

NOTE 13: PROFESSIONAL LIABILITY CLAIMS

The U.S. Department of Health and Human Services deemed that CHW and its practicing medical professionals covered under the Federal Tort Claims Act (FTCA) for damage for personal injury, including death, resulting from the performance of medical, surgical, dental and related functions. There is no cost to CHW or their providers, and they are not liable for any settlements or judgments that are made. The Federal Government assumes responsibility for these costs. CHW, their employees and eligible contractors are considered Federal Employees immune from suit for medical malpractice

Galveston County Health District

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2020

claims while acting within the scope of their employment. CHW is therefore immune from medical malpractice lawsuits resulting from the performance of medical, surgical, dental or related functions with the approved scope of project. A patient who alleges acts of medical malpractice by CHW cannot sue the center or the provider directly but must file the claim against the United States. These claims are reviewed and/or litigated by the U.S. Department of Health and Human Services, Office of the General Counsel and the Department of Justice according to FTCA requirements. HRSA pays for all settlements and judgments from a separately appropriated Health Center FTCA Judgment Fund.

At September 30, 2020, two cases involving claims and lawsuits were pending of which the District is either the or a co-defendant. In the opinion of District management, the potential loss on all claims and lawsuits, to the extent not provided for under the FTCA protection or otherwise, will not be significant to the financial statements of the District.

NOTE 14: CONCENTRATIONS

The following concentrations with particular customers existed as of and for the year ended September 30, 2020:

Galveston County. Approximately 42 percent of the District's revenues for the year ended September 30, 2020, were provided by Galveston County.

Federal Government. Approximately 26 percent of the District's revenues for the year ended September 30, 2020, were provided by the Federal Government.

Through CHW and GAAA, the District grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of net receivables from patients and third-party payers at September 30, 2020, is as follows.

	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund
Medicare	27%	45%
Medicaid	9%	12%
Other third-party payers	16%	28%
Self-pays	48%	15%
Total	100%	100%

NOTE 15: RECENT ACCOUNTING PRONOUNCEMENTS

The following accounting pronouncements issued by GASB are effective for the fiscal years described and could be applicable to the District:

GASB Statement No. 84, Fiduciary Activities.

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

Galveston County Health District

Notes to Basic Financial Statements

Fiscal Year Ended September 30, 2020

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement is effective for periods beginning after December 15, 2020.

GASB Statement No. 87, Leases.

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2022.

Required Supplementary Information

Galveston County Health District

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual, General Fund

Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
REVENUES				
Program services	\$ 2,474,953	\$ 2,474,953	\$ 2,424,291	\$ (50,662)
Intergovernmental:				-
Federal/State	3,203,141	3,203,141	3,698,109	494,968
Local	7,214,818	7,214,818	7,214,818	-
Investment earnings	42,000	42,000	59,760	17,760
Total revenues	<u>12,934,912</u>	<u>12,934,912</u>	<u>13,396,978</u>	<u>462,066</u>
EXPENDITURES				
Public health	4,147,973	4,147,973	3,740,122	(407,851)
Public health, reimbursable	2,835,068	2,835,068	3,259,698	424,630
Animal services	1,392,406	1,392,406	1,314,895	(77,511)
Pollution control	954,842	954,842	898,787	(56,055)
Capital outlays	110,750	110,750	155,450	44,700
Total expenditures	<u>9,441,039</u>	<u>9,441,039</u>	<u>9,368,952</u>	<u>(72,087)</u>
Excess of revenues over expenditures	<u>3,493,873</u>	<u>3,493,873</u>	<u>4,028,026</u>	<u>534,153</u>
OTHER FINANCING USES				
Transfers out	(3,734,667)	(3,734,667)	(3,734,667)	-
Proceeds from sale of capital assets	-	-	1,200	1,200
Total other financing uses	<u>(3,734,667)</u>	<u>(3,734,667)</u>	<u>(3,733,467)</u>	<u>1,200</u>
Net change in fund balance	(240,794)	(240,794)	294,559	535,353
FUND BALANCE, BEGINNING OF YEAR	<u>4,094,739</u>	<u>4,094,739</u>	<u>4,814,926</u>	<u>720,187</u>
FUND BALANCE, END OF YEAR	<u>\$ 3,853,945</u>	<u>\$ 3,853,945</u>	<u>\$ 5,109,485</u>	<u>\$ 1,255,540</u>

Galveston County Health District

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Coastal Health & Wellness Fund

Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
REVENUES				
Program services	\$ 4,937,438	\$ 4,937,438	\$ 3,319,923	\$ (1,617,515)
Intergovernmental:				-
Federal/State - grant	3,191,078	3,191,078	4,007,906	816,829
Local - county	19,064	19,064	206,618	187,554
Investment earnings	79,500	79,500	77,318	(2,182)
Total revenues	<u>8,227,079</u>	<u>8,227,079</u>	<u>7,611,765</u>	<u>(615,314)</u>
EXPENDITURES				
Patient services	<u>12,038,835</u>	<u>12,038,835</u>	<u>10,522,759</u>	<u>1,516,076</u>
Total expenditures	<u>12,038,835</u>	<u>12,038,835</u>	<u>10,551,218</u>	<u>1,487,617</u>
Deficiency of revenues over expenditures	<u>(3,811,756)</u>	<u>(3,811,756)</u>	<u>(2,939,453)</u>	<u>(2,102,931)</u>
OTHER FINANCING SOURCES				
Transfers in	3,811,756	3,811,756	3,734,667	(77,089)
Proceeds from sale of capital assets	-	-	3,089	3,089
Total other financing sources	<u>3,811,756</u>	<u>3,811,756</u>	<u>3,737,756</u>	<u>(74,000)</u>
Net change in fund balance	-	-	798,303	(2,176,931)
FUND BALANCE, BEGINNING OF YEAR	<u>5,787,414</u>	<u>5,787,414</u>	<u>5,628,397</u>	<u>(159,017)</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,787,414</u>	<u>\$ 5,787,414</u>	<u>\$ 6,426,700</u>	<u>\$ (2,335,948)</u>

Galveston County Health District

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Galveston Area Ambulance Authority Fund

Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
REVENUES				
Program services	\$ 5,848,801	\$ 5,848,801	\$ 5,848,148	\$ (653)
Intergovernmental:				-
Federal/State	-	-	96,641	96,641
Local	993,593	993,593	998,266	4,673
Investment earnings	66,040	66,040	69,960	3,920
Total revenues	<u>6,908,434</u>	<u>6,908,434</u>	<u>7,013,015</u>	<u>104,581</u>
EXPENDITURES				
Ambulance services	7,063,744	7,063,744	6,539,841	523,903
Capital outlays	656,890	656,890	910,141	(253,251)
Total expenditures	<u>7,720,634</u>	<u>7,720,634</u>	<u>7,449,982</u>	<u>270,652</u>
Excess/(deficiency) of revenues over expenditures	<u>(812,200)</u>	<u>(812,200)</u>	<u>(436,967)</u>	<u>(166,071)</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	11,000	11,000	36,694	25,694
Net change in fund balance	(801,200)	(801,200)	(400,273)	(140,377)
FUND BALANCE, BEGINNING OF YEAR	<u>4,495,543</u>	<u>4,495,543</u>	<u>5,249,625</u>	<u>754,082</u>
FUND BALANCE, END OF YEAR	<u>\$ 3,694,343</u>	<u>\$ 3,694,343</u>	<u>\$ 4,849,352</u>	<u>\$ 613,705</u>

Galveston County Health District

Notes to Required Supplementary Information
Fiscal Year Ended September 30, 2020

Budgets and Budgetary Accounting

An annual operating budget is prepared for each of the District's funds. The District prepares its annual budget on a basis consistent with GAAP. The legal level of compliance is at the fund level.

DRAFT REPORT

Galveston County Health District

Texas County and District Retirement System - Schedule of Changes in Net Position Liability/(Assets) and Related Ratios

Last Ten Fiscal Years Ended September 30,

	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service cost	\$ 1,372,156	\$ 1,299,404	\$ 1,355,009	\$ 1,347,810	\$ 1,150,880	\$ 1,242,706
Interest on total pension liability	1,292,908	1,131,946	988,004	794,836	698,684	636,959
Effect of plan changes	-	-	-	-	(208,950)	-
Effect of assumption changes or inputs	-	-	34,358	-	122,207	-
Effect of economic/demographic losses/(gains)	58,746	(26,065)	(98,563)	(57,384)	(364,240)	(570,617)
Benefit payments/refunds of contributions	(471,824)	(509,152)	(385,521)	(403,513)	(299,711)	(613,133)
Net Change in Total Pension Liability	2,251,986	1,896,133	1,893,287	1,681,749	1,098,870	695,915
Total Pension Liability, Beginning	14,820,992	12,924,860	11,031,573	9,349,824	8,250,954	7,555,039
Total Pension Liability, Ending {a}	17,072,978	14,820,993	12,924,860	11,031,573	9,349,824	8,250,954
Plan Fiduciary Net Position						
Contributions, employer	333,493	360,566	334,386	428,694	474,220	498,239
Contributions, employee	1,101,156	1,026,002	971,246	914,897	873,563	836,373
Investment income, net of expenses	2,677,040	(282,666)	1,895,061	819,567	(101,429)	575,465
Benefit payments/refunds of contributions	(471,824)	(509,152)	(385,521)	(403,513)	(299,711)	(613,133)
Administrative expenses	(15,216)	(13,098)	(10,440)	(8,912)	(7,621)	(7,265)
Other	35,746	27,308	12,233	159,256	15,421	(8,021)
Net Change in Plan Fiduciary Net Position	3,660,395	608,960	2,816,965	1,909,989	954,443	1,281,658
Plan Fiduciary Net Position - Beginning	16,307,507	15,698,548	12,881,583	10,971,594	10,017,151	8,735,493
Plan Fiduciary Net Position - Ending {b}	19,967,902	16,307,508	15,698,548	12,881,583	10,971,594	10,017,151
District's Net Pension Asset - Ending = {a}-{b}	\$ (2,894,924)	\$ (1,486,515)	\$ (2,773,688)	\$ (1,850,010)	\$ (1,621,770)	\$ (1,766,197)
Plan fiduciary net position as a percentage of total pension liability/(assets)	116.96%	110.03%	121.46%	116.77%	117.35%	121.41%
Covered payroll	\$ 15,730,801	\$ 14,657,155	\$ 13,874,942	\$ 13,069,941	\$ 12,479,471	\$ 11,948,185
Net pension asset as a percentage of covered payroll	(18.4)%	(10.1)%	(20.0)%	(14.2)%	(13.0)%	(14.8)%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

This schedule is presented as of measurement date for the fiscal year.

Galveston County Health District

Texas County and District Retirement System - Schedule of Employer Contributions

Last Ten Fiscal Years Ended September 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 347,032	\$ 327,756	\$ 355,405	\$ 354,346	\$ 441,853	\$ 478,634
Actual employer contribution	<u>347,032</u>	<u>327,756</u>	<u>355,405</u>	<u>354,346</u>	<u>441,853</u>	<u>478,634</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 15,730,801	\$ 14,657,155	\$ 14,515,712	\$ 13,770,402	\$ 13,118,255	\$ 12,337,624
Contributions as a percentage of covered payroll	2.2%	2.2%	2.4%	2.6%	3.4%	3.9%

Galveston County Health District

Notes to the Schedule of Contributions

Fiscal Year Ended September 30, 2020

Valuation Date Actuarially determined contributions rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.0 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset Valuation Method	Five years smooth market
Inflation	2.75 percent
Salary Increases	Varies by age and service. 4.9 percent average over career including inflation
Investment Rate of Return	8 percent, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130 percent of the RP-2014 Healthy Annuitant Mortality Table for males and 110 percent of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110 percent of the MP-2014 Ultimate scale after 2014.
Changes in Plan Provisions Reflected in the Schedule	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. New Annuity Purchase Rates were reflected for benefits earned after 2017.

Other Supplementary Information

Galveston County Health District

Schedule of Revenues - Budget and Actual, General Fund

Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2019

	Fiscal Year 2020				Fiscal Year 2019 Actual
	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)	
	Original	Final			
REVENUES					
Program services:					
Public health	\$ 1,684,399	\$ 1,684,399	\$ 1,644,623	\$ (39,776)	\$ 1,728,090
Public health, reimbursable	55,000	55,000	37,506	(17,494)	58,560
Animal services	593,142	593,142	588,485	(4,657)	611,066
Pollution control	142,412	142,412	153,677	11,265	138,221
	<u>2,474,953</u>	<u>2,474,953</u>	<u>2,424,291</u>	<u>(50,662)</u>	<u>2,535,937</u>
Intergovernmental:					
Federal/State					
Public health, reimbursable	2,692,628	2,692,628	3,200,345	507,717	3,089,888
Pollution control	510,513	510,513	497,764	(12,749)	458,700
	<u>3,203,141</u>	<u>3,203,141</u>	<u>3,698,109</u>	<u>494,968</u>	<u>3,548,588</u>
Local - Galveston County	<u>7,214,818</u>	<u>7,214,818</u>	<u>7,214,818</u>	<u>-</u>	<u>7,130,591</u>
Investment earnings	<u>42,000</u>	<u>42,000</u>	<u>59,760</u>	<u>17,760</u>	<u>70,412</u>
Total Revenues	<u>\$ 12,934,912</u>	<u>\$ 12,934,912</u>	<u>\$ 13,396,978</u>	<u>\$ 462,066</u>	<u>\$ 13,285,528</u>

Galveston County Health District

Schedule of Expenditures - Budget and Actual, General Fund

Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2019

	Fiscal Year 2020				
	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)	Fiscal Year 2019 Actual
	Original	Final			
EXPENDITURES					
Program services:					
Personnel services	\$ 2,913,393	\$ 2,913,393	\$ 2,784,444	\$ 128,949	\$ 2,508,251
Supplies	285,862	285,862	141,559	144,303	136,985
Contractual services	91,924	91,924	69,950	21,974	74,057
Other	856,794	856,794	744,169	112,625	867,966
Capital outlay	36,000	36,000	35,172	828	44,921
	<u>4,183,973</u>	<u>4,183,973</u>	<u>3,775,294</u>	<u>408,679</u>	<u>3,632,180</u>
Public health, reimbursable:					
Personnel services	2,176,774	2,176,774	2,378,334	(201,560)	2,082,944
Supplies	49,609	49,609	130,776	(81,168)	244,824
Contractual services	258,711	258,711	356,105	(97,394)	198,283
Other	349,975	349,975	394,483	(44,509)	622,255
Capital outlay	5,750	5,750	57,680	(51,930)	36,141
	<u>2,840,818</u>	<u>2,840,818</u>	<u>3,317,378</u>	<u>(476,560)</u>	<u>3,184,447</u>
Animal services:					
Personnel services	936,362	936,362	814,308	122,054	789,097
Supplies	132,710	132,710	103,773	28,937	143,711
Contractual services	58,476	58,476	124,851	(66,375)	67,528
Other	264,858	264,858	271,963	(7,105)	257,485
Capital outlay	-	-	-	-	80,552
	<u>1,392,406</u>	<u>1,392,406</u>	<u>1,314,895</u>	<u>77,511</u>	<u>1,338,373</u>
Pollution control:					
Personnel services	739,759	739,759	711,317	28,442	640,023
Supplies	12,168	12,168	11,119	1,049	10,410
Contractual services	58,724	58,724	58,635	89	57,132
Other	144,191	144,191	117,716	26,475	122,903
Capital outlay	69,000	69,000	62,598	6,402	-
	<u>1,023,842</u>	<u>1,023,842</u>	<u>961,385</u>	<u>62,457</u>	<u>830,468</u>
Total Expenditures	<u>\$ 9,441,039</u>	<u>\$ 9,441,039</u>	<u>\$ 9,368,952</u>	<u>\$ 72,087</u>	<u>\$ 8,985,468</u>

Galveston County Health District

Schedule of Revenues - Budget and Actual. GAAP Basis to Financial Status Report Basis Comparison Coastal Health & Wellness Fund

Fiscal Year Ended September 30, 2020

	<u>GAAP Basis</u>	<u>Donated Services</u>	<u>Balance per Financial Status Report</u>
REVENUES			
Program services	\$ 3,319,923	\$ -	\$ 3,319,923
Intergovernmental:			
Federal/State	4,007,906	-	4,007,906
Local	206,618	3,912	202,706
Investment earnings	<u>77,318</u>	<u>-</u>	<u>77,318</u>
Total revenues	<u>7,611,765</u>	<u>3,912</u>	<u>7,607,853</u>
EXPENDITURES			
Patient services:			
Personnel services	7,284,827	-	7,284,827
Supplies	992,064	-	992,064
Contracted services	1,038,867	-	1,038,867
Other	1,207,001	3,912	1,203,089
Capital outlay	<u>28,459</u>	<u>-</u>	<u>28,459</u>
Total expenditures	<u>10,551,218</u>	<u>3,912</u>	<u>10,547,306</u>
Deficiency of revenues over expenditures	<u>(2,939,453)</u>	<u>-</u>	<u>(2,939,453)</u>
OTHER FINANCING SOURCES			
Transfers in	3,734,667	-	3,734,667
Proceeds from sale of capital assets	<u>3,089</u>	<u>-</u>	<u>3,089</u>
Total other financing sources	<u>3,737,756</u>	<u>-</u>	<u>3,737,756</u>
Net change in fund balance	798,303	-	798,303
FUND BALANCE, BEGINNING OF YEAR	<u>5,628,397</u>	<u>-</u>	<u>5,641,135</u>
FUND BALANCE, END OF YEAR	<u>\$ 6,426,700</u>	<u>\$ -</u>	<u>\$ 6,439,438</u>

GALVESTON COUNTY HEALTH DISTRICT

SINGLE AUDIT AND
INDEPENDENT AUDITORS' REPORTS

FISCAL YEAR ENDED SEPTEMBER 30, 2020



Bankole, Okoye & Associates PC
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Tel: 281.741.7900 | Web: www.boacpas.com

Galveston County Health District

Fiscal Year Ended September 30, 2020

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INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District
Texas City, Texas

We have audited the financial statements of the governmental activities and each major fund of Galveston County Health District (the "District") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated **DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL**, which contained unmodified opinions on those financial statements.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards on pages 2-4, is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the fiscal year 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Bankole, Okoye & Associates PC
Houston, Texas

DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL

Galveston County Health District

Schedule of Expenditures of Federal Awards
Fiscal Year Ended September 30, 2020

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services				
Direct Programs:				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	N/A	\$ -	\$ 1,416,721
Grants for New and Expanded Services under the Health Center Program	93.527	N/A	-	2,503,917
Provider Relief Fund	93.498	N/A	-	145,671
Total for U.S. Department of Health and Human Services Direct Programs			-	4,066,309
Passed Through Texas Department of State Health Services:				
Public Health Emergency Preparedness	93.069	537-18-0188-00001	-	70,482
Public Health Emergency Preparedness	93.069	537-18-0174-00001	-	211,259
HPP and PHEP Aligned Cooperative Agreements	93.074	537-18-0174-00001	-	5,000
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	HHS000048400001	-	13,050
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	HHS000686100016	-	39,589
Immunization Cooperative Agreements	93.268	HHS000119700012	-	116,969
Public Health Crisis Response	93.354	HHS000371500020	-	48,328
Public Health Crisis Response	93.354	HHS000768900001	-	336,914
HIV Prevention Activities Health Department Based	93.940	2016-004097	-	50,145
HIV Prevention Activities Health Department Based	93.940	HHS000077800003	-	102,203
HIV Prevention Activities Health Department Based	93.940	HHS000288900004	-	107,708
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	HHS000288900004	-	77,603
Preventive Health and Health Services Block Grant	93.991	HHS000485600015	-	128,509
Total for Texas Department of State Health Services			\$ -	\$ 1,307,758

The accompanying notes are an integral part of this schedule.

Galveston County Health District

Schedule of Expenditures of Federal Awards, *Continuation*
Fiscal Year Ended September 30, 2020

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Passed Through Texas Health and Human Services Commission:				
Social Services Block Grant	93.667	529-17-0023-00015	\$ -	\$ 17,619
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	529-17-0023-00015	-	53,240
Maternal and Child Health Services Block Grant to the States	93.994	HHS000136500013	-	38,238
Total for Texas Health and Human Services Commission			-	109,097
Passed Through National Association of County & City Health Officials:				
Medical Reserve Corps Small Grant Program	93.008	MRC 18/20-0334	-	562
Passed Through The County of Galveston:				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224		-	140,324
Total for U.S. Department of Health and Human Services			-	5,624,051
U.S. Department of Agriculture				
Passed Through Texas Health and Human Services Commission:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2017-049803-001	-	898,950
Total for U.S. Department of Agriculture			-	898,950
U.S. Environmental Protection Agency				
Passed Through Texas Commission on Environmental Quality:				
Performance Partnership Grants	66.605	582-18-80090	-	93,070
Passed Through General Land Office:				
Beach Monitoring and Notification Program Implementation Grants	66.472	16-101-000-9301	-	104,602
Beach Monitoring and Notification Program Implementation Grants	66.472	21-043-002	-	12,879
Total for General Land Office			-	117,481
Total for U.S. Environmental Protection Agency			\$ -	\$ 210,551

The accompanying notes are an integral part of this schedule.

Galveston County Health District

Schedule of Expenditures of Federal Awards, *Continuation*
 Fiscal Year Ended September 30, 2020

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Homeland Security				
Passed Through Texas Department of Public Safety:				
Disaster Grants - Public Assistance	97.036	4332DRTXP0000001	-	\$ 7,259
Passed Through Texas Commission on Environmental Quality:				
Homeland Security Biowatch Program	97.091	582-19-90034	-	133,321
Total for U.S. Department of Homeland Security			-	140,580
Total Expenditures of Federal Awards			\$ -	\$ 6,874,133

The accompanying notes are an integral part of this schedule.

GALVESTON COUNTY HEALTH DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED SEPTEMBER 30, 2020

Note 1 - The Organization

The Galveston County Health District (the “District”) receives federal grants to provide community health and related services to low-income families throughout the Galveston County, pursuant to the public health administration component of its charter.

Note 2 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activities of the District under programs of the federal government for the fiscal year ended September 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the “Uniform Guidance”). Because the Schedule presents only a selected portion of the District’s operations, it is not intended to and does not present the net position or changes in net position of the District.

Note 3 - Summary of Significant Accounting Policies

In accordance with U.S. generally accepted accounting principles, the District accounts for all awards under federal programs on an accrual basis of accounting. Accordingly, expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement by the federal funding agency.

Federal grant funds are considered to be earned to the extent of qualifying expenditures made under the provisions of the grants. When such funds are advanced to the District, they are recorded as deferred revenues until earned. Otherwise, federal grant funds are received on a reimbursement basis from the respective federal program agencies or pass-through entities.

Note 4 – Indirect Cost Rate

The District did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 5 – Program Income

The District did not generate program income. Accordingly, no program income was used to reduce the amount of federal funds expended in providing the programs. Similarly, any program expenditures funded in cash or kind to meet the District’s matching contributions, where applicable, to grant budgets have not been included in the amounts reported on the Schedule.

GALVESTON COUNTY HEALTH DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FISCAL YEAR ENDED SEPTEMBER 30, 2020

Note 6 - Relationship of the Schedule to Financial Reports Submitted to Grant Awarding Agencies

Expenditures included on the Schedule may differ from amounts reflected in the financial reports submitted to grant awarding agencies and pass-through entities because of the following reasons:

1. Expenses accrued at the end of the District's fiscal year may not have been included in the financial reports submitted to grant awarding agencies until after fiscal year-end.
2. Program matching costs that are reported, where applicable, in the financial reports submitted to awarding agencies are not included in the amounts reported on the Schedule; and
3. Differences may exist between grant periods and the District's accounting period.

Note 7 - Contingencies

Federal grants require the fulfillment of certain conditions set forth in grant agreements, and may be regularly monitored and reviewed by grantors, both during and after the programs. Failure to satisfy the requirements of contract agreements could result in disallowed costs and return of funds to grantors. Management believes that the District is in substantial compliance with grant provisions and requirements and that disallowed costs, if any, will not be significant to affect the amounts and disclosures in the Schedule or the District's basic financial statements.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District
Texas City, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Galveston County Health District (the "District"), as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances, for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

CONTINUATION OF:

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bankole, Okoye & Associates PC
Houston, Texas

DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District
Texas City, Texas

Report on Compliance for Each Major Federal Program

We have audited Galveston County Health District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the fiscal year ended September 30, 2020. The District's major federal programs are identified on page 11 in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management of the District is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended September 30, 2020.

CONTINUATION OF:

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE FEDERAL UNIFORM GUIDANCE,

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bankole, Okoye & Associates PC
Houston, Texas

DATE OPEN PENDING MANAGEMENT REVIEW AND APPROVAL

GALVESTON COUNTY HEALTH DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FISCAL YEAR ENDED SEPTEMBER 30, 2020

PART 2: FINANCIAL STATEMENT FINDING SECTION

This section identifies material weaknesses, significant deficiencies, fraud, illegal acts, violation of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a federal Uniform Guidance audit.

No matters were reported.

INITIAL DRAFT

GALVESTON COUNTY HEALTH DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FISCAL YEAR ENDED SEPTEMBER 30, 2020

PART 3: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

This section identifies the audit findings required to be reported by Section §200.516, *Audit Findings*, of the federal Uniform Guidance, such as material instances of noncompliance, including questioned costs, and material weaknesses or significant deficiencies in internal control over compliance for federal grant programs, as well as any abuse findings involving federal awards that are material to a major program.

No matters were reported.

INITIAL DRAFT

GALVESTON COUNTY HEALTH DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND CURRENT STATUS FISCAL YEAR ENDED SEPTEMBER 30, 2020

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS:

This section reports the current status of prior year audit finding(s).

No findings were reported in the prior year audit.

[Back to Agenda](#)

INITIAL DRAFT

Governing Board

March 2021

Item#8

Consider for Approval February 2021 Financial Report

COASTAL HEALTH & WELLNESS

Governing Board



FINANCIAL SUMMARY

For the Period Ending

February 28, 2021

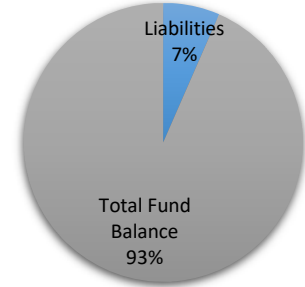
April 1, 2021

GCHD Board Room | 9850-A Emmett F. Lowry Expy. | Texas City, TX 77591

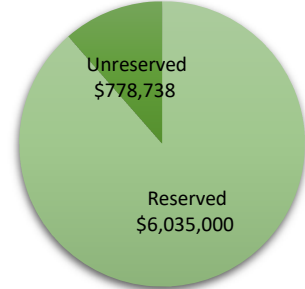
CHW - BALANCE SHEET as of February 28, 2021

	Current Month Feb-21	Prior Month Jan-21	Increase (Decrease)
ASSETS			
Cash & Cash Equivalents	\$6,401,372	\$6,240,464	\$160,908
Accounts Receivable	1,769,390	1,729,511	39,879
Allowance For Bad Debt	(1,047,764)	(1,025,440)	(22,323)
Pre-Paid Expenses	101,127	236,897	(135,770)
Due To / From	69,110	(35,151)	104,262
Total Assets	\$7,293,236	\$7,146,281	\$146,955
LIABILITIES			
Accounts Payable	\$121,431	\$114,786	\$6,646
Accrued Salaries	228,307	275,761	(47,454)
Deferred Revenues	129,760	131,984	(2,224)
Total Liabilities	\$479,498	\$522,531	(\$43,032)
FUND BALANCE			
Fund Balance	\$6,426,698	\$6,426,698	0
Current Change	387,039	197,052	189,987
Total Fund Balance	\$6,813,738	\$6,623,750	\$189,987
TOTAL LIABILITIES & FUND BALANCE	\$7,293,236	\$7,146,281	\$146,955

Current Period Assets



Total Fund Balance

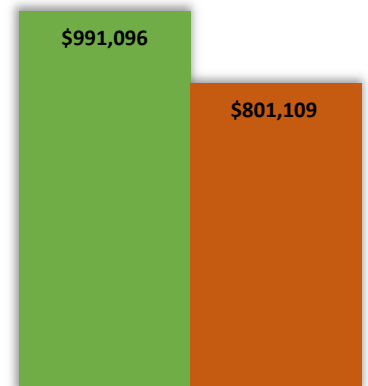


CHW - REVENUE & EXPENSES as of February 28, 2021

	Actual Feb-21	Budgeted Feb-21	PTD Budget Variance	YTD Budget Variance
REVENUE				
County Revenue	\$311,222	\$311,222	\$0	\$0
DSRIP Revenue	95,000	65,833	29,167	154,544
HHS Grant Revenue	362,768	260,617	102,151	1,263,562
Patient Revenue	186,314	317,112	(130,798)	(1,270,424)
Other Revenue	35,793	10,827	24,966	142,165
Total Revenue	\$991,096	\$965,611	\$25,486	\$289,846
EXPENSES				
Personnel	\$541,293	\$632,211	\$90,918	\$396,016
Contractual	63,143	70,723	7,580	151,765
IGT Reimbursement	30,391	25,747	(4,643)	17,736
Supplies	20,516	104,826	84,309	312,954
Travel	749	4,533	3,784	41,161
Bad Debt Expense	22,323	33,605	11,282	27,112
Other	107,925	93,966	(13,959)	(54,782)
Total Expenses	\$801,109	\$965,611	\$164,502	\$877,194
CHANGE IN NET ASSETS	\$189,987	\$0	\$189,987	\$1,167,039

Current Month Actuals

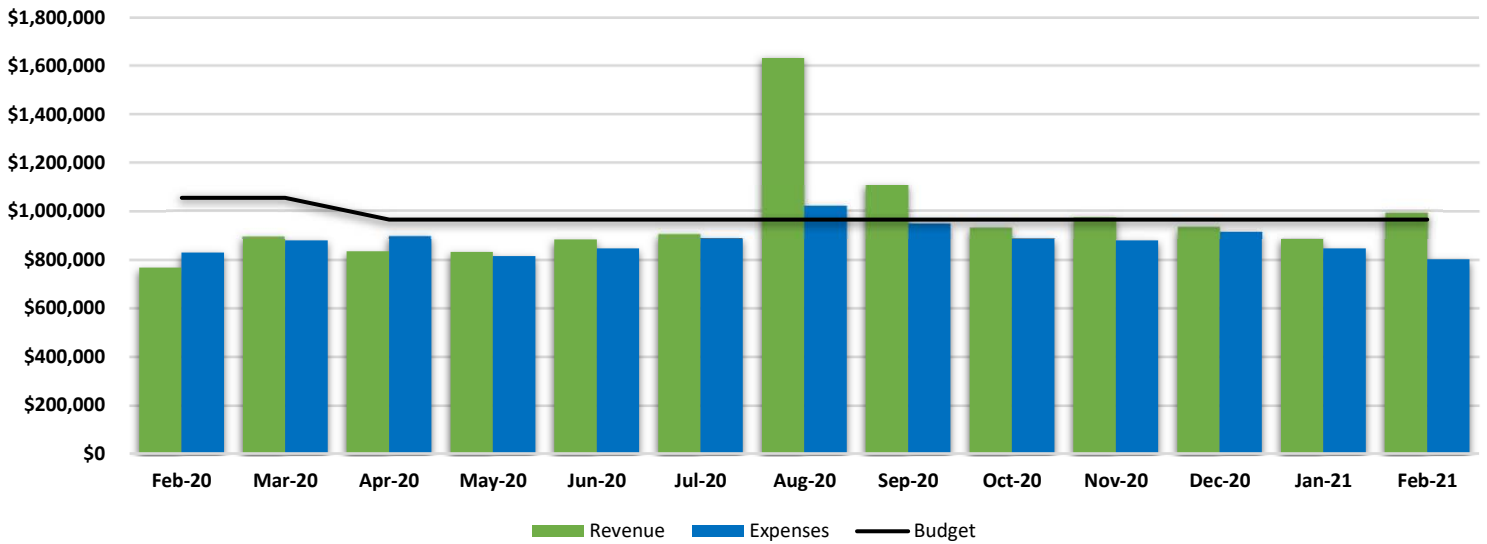
■ Revenue ■ Expenses



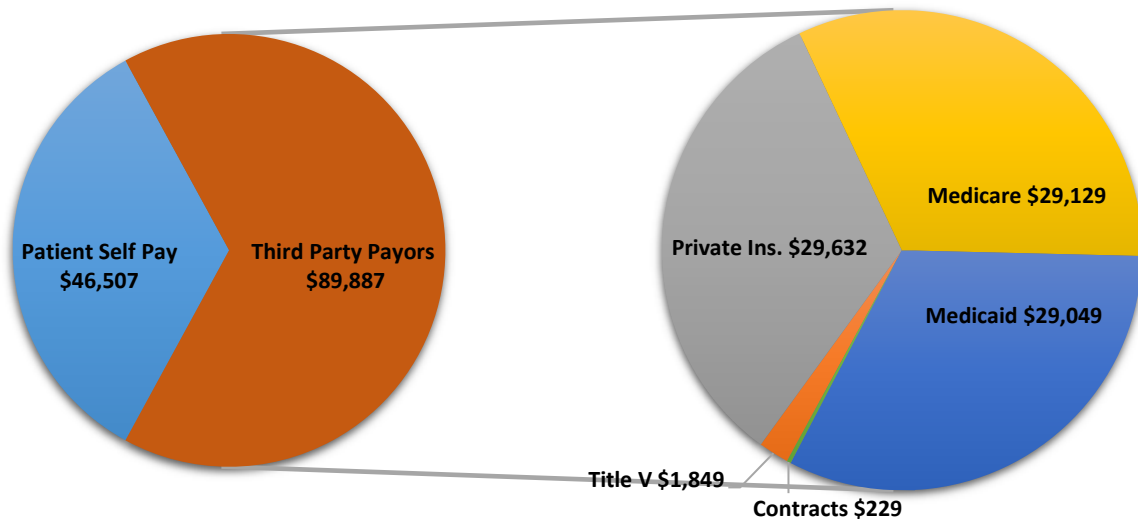
HIGHLIGHTS

- MTD increase in fund balance of \$189,987.
- MTD revenues were \$25,486 higher than budget due to additional QI, FCC and Covid-related grant funding, as well as health insurance transition credits (\$22k). In addition, the entire second-round DSRIP payment hit this month, while the budget was spread evenly. These were offset by lower than budgeted patient revenues.
- YTD revenues were \$289,846 higher than budget due to higher pharmacy revenue, as well as additional QI, FCC, Direct Relief and Covid-related grant funding. These were offset by lower patient revenues among all payers.
- MTD expenses were (\$164,502) lower than budget due mainly to lower personnel and pharmaceutical supply expenses which offset purchase of operating equipment related to the FCC grant.
- YTD Expenses were (\$877,194) under budget due mainly to lower personnel, outside lab contract, pharmaceutical supply and travel expenses. These offset equipment expenditures related to the Direct Relief and FCC grants.
- Cumulative increase in fund balance of \$387,039. Total fund balance of \$6,813,738 as of 2/28/2021.

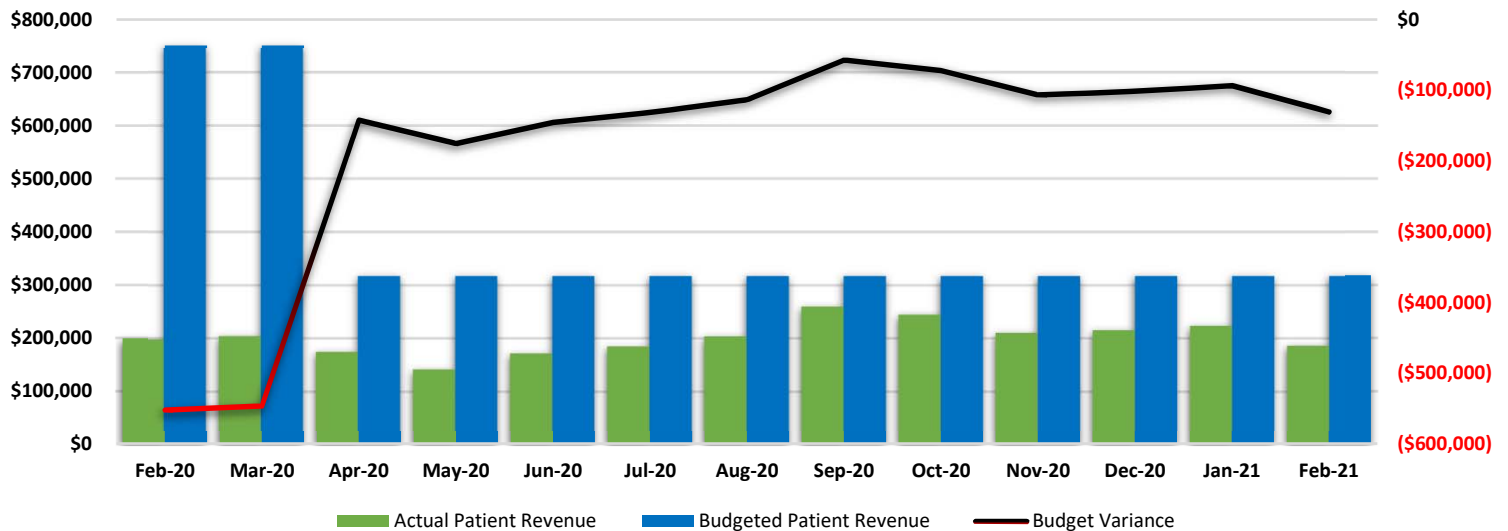
Actual Revenue & Expenses in Comparison to Budget



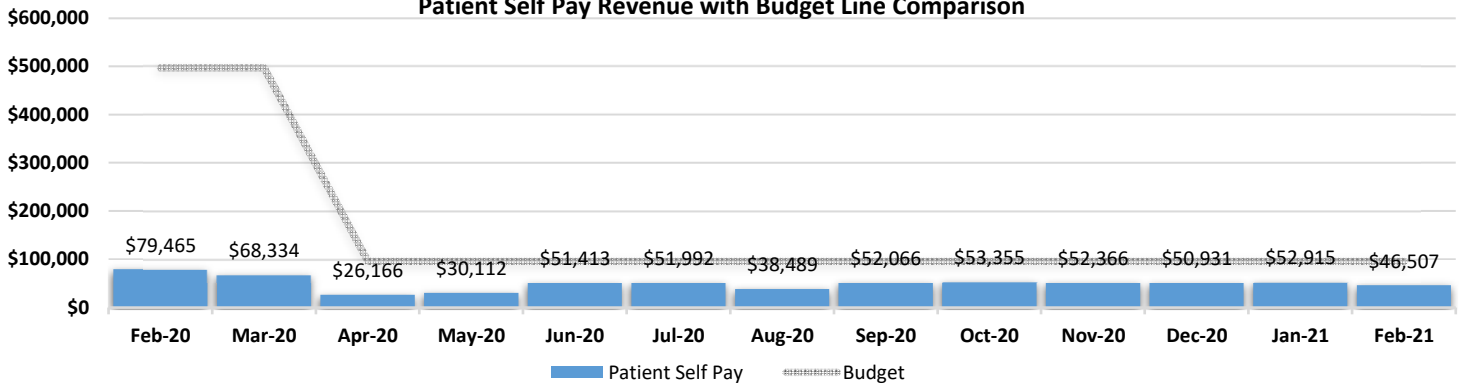
Current Period Patient Revenue with Third Party Payor Contributions Identified



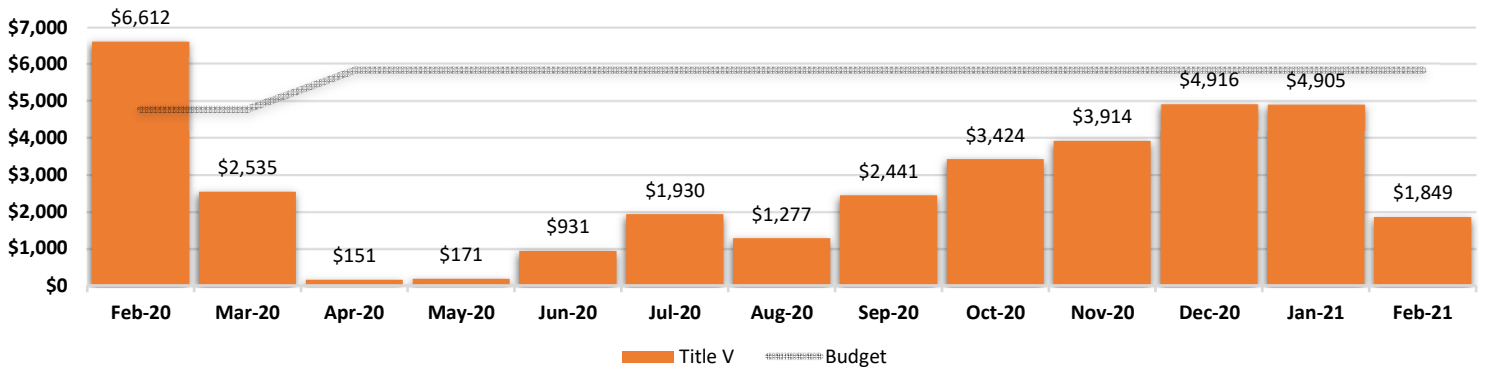
Actual Patient Revenue Rec'd vs Budget with Variance



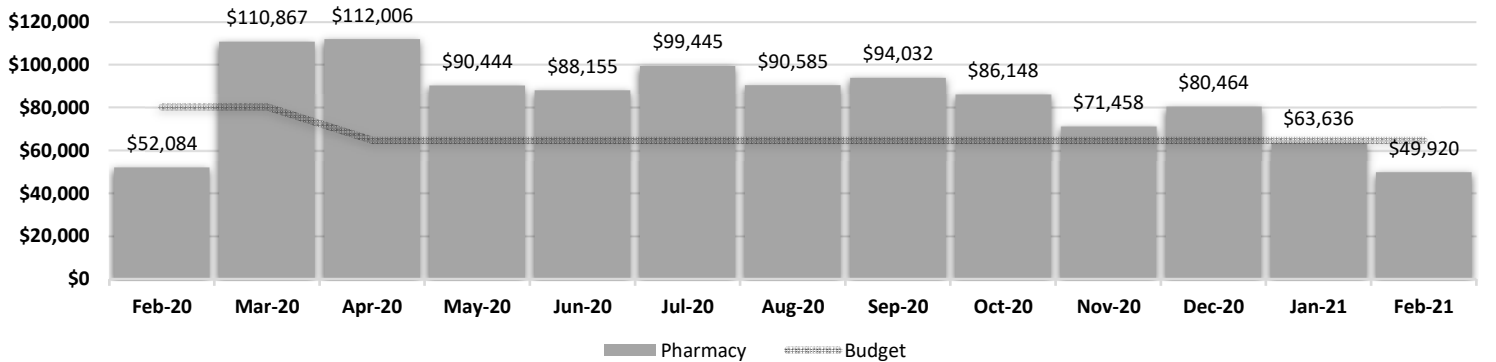
Patient Self Pay Revenue with Budget Line Comparison



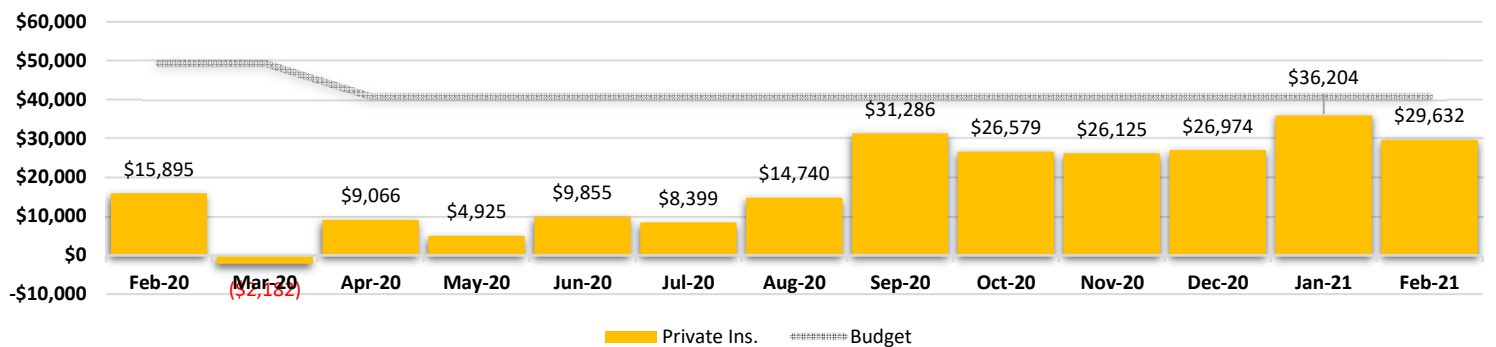
Title V Revenue with Budget Line Comparison



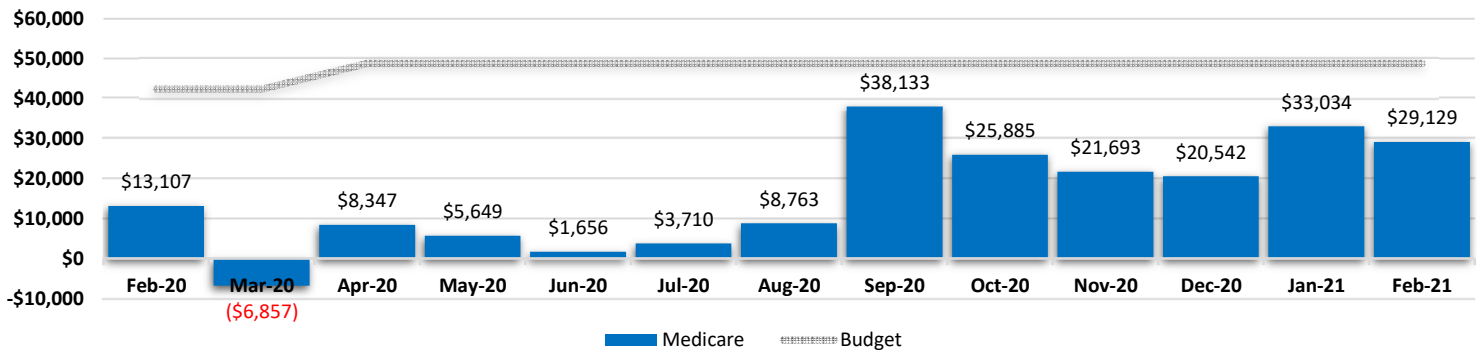
Pharmacy Revenue with Budget Line Comparison



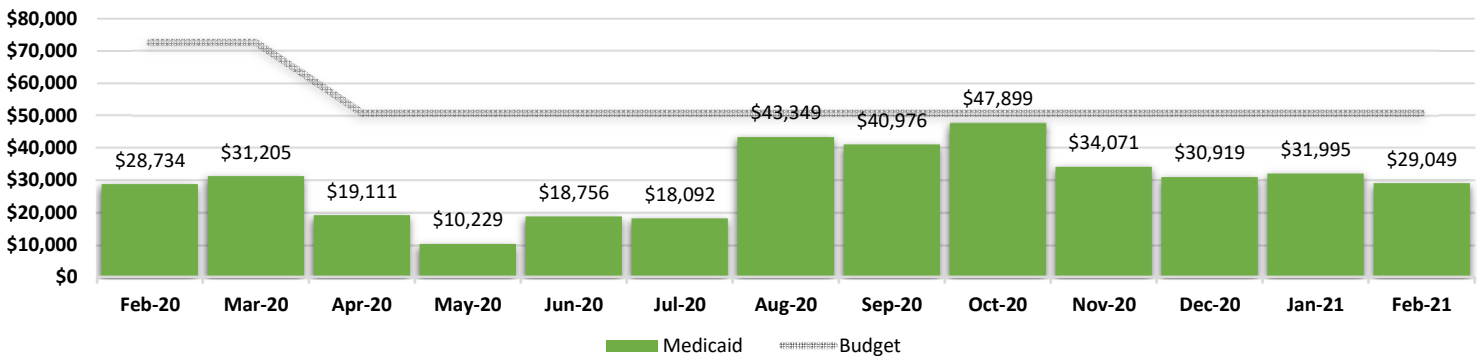
Private Insurance Revenue with Budget Line Comparison



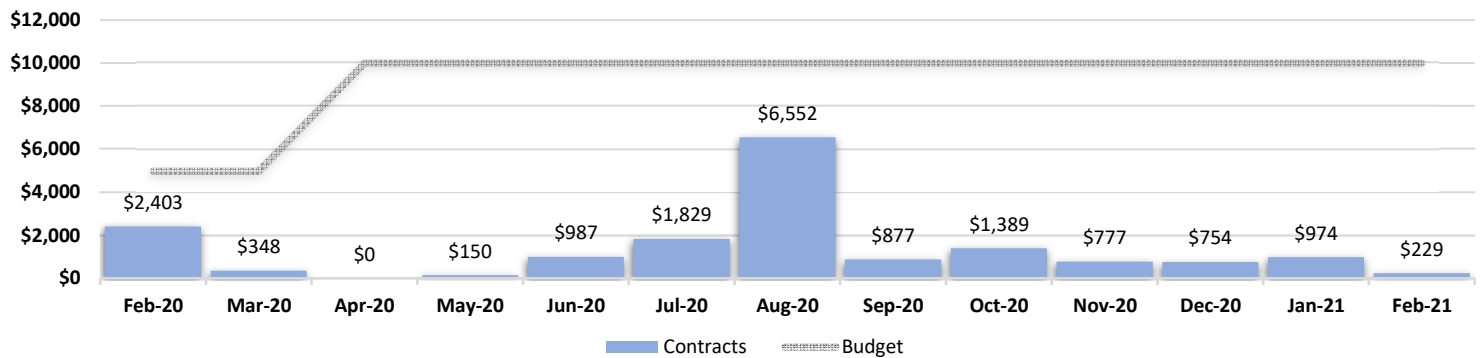
Medicare Revenue with Budget Line Comparison



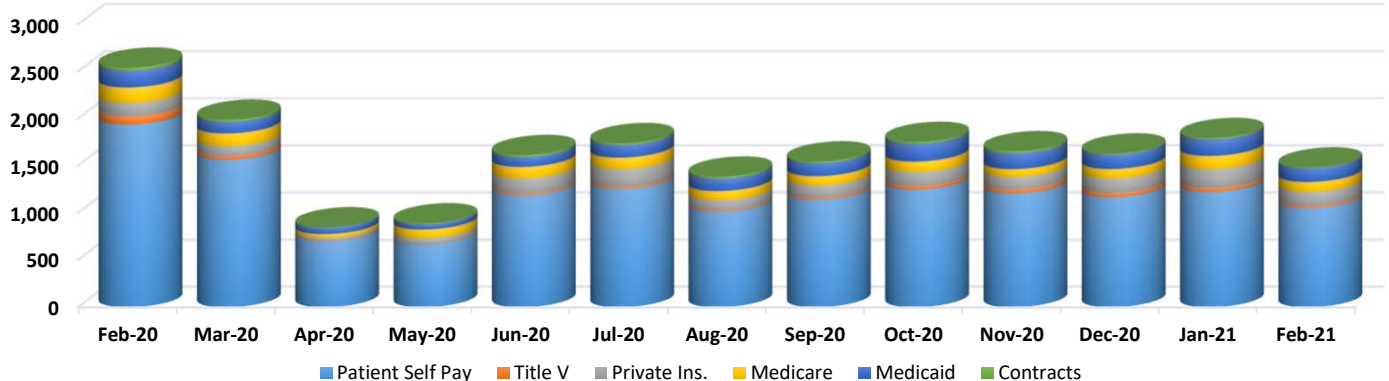
Medicaid Revenue with Budget Line Comparison



Contract Revenue with Budget Line Comparison



Total Number of Patient Visits



Coastal Health & Wellness
Statement of Revenue and Expenses for the Period ending February 28, 2021

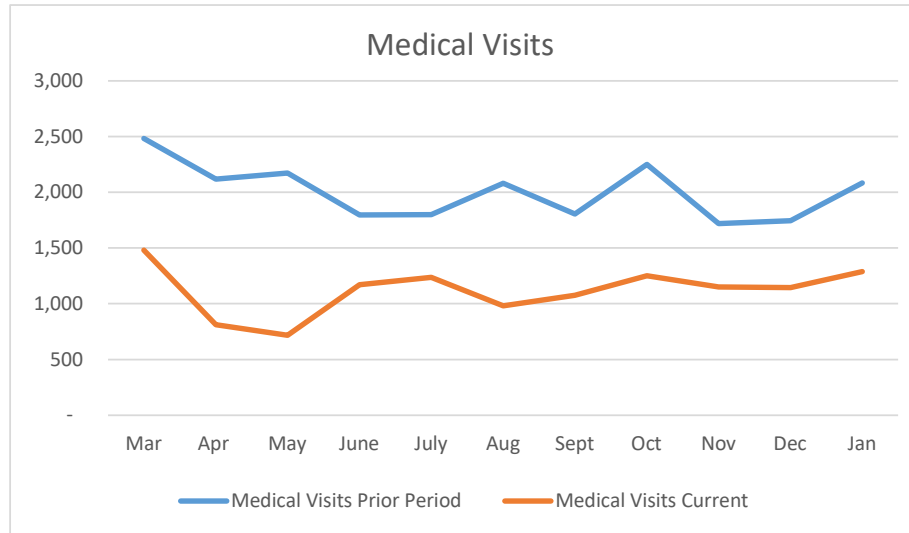
	Description	Period Ending 2/28/2021	MTD Budget	MTD Budget Variance	YTD Actual	YTD Budget	YTD Budget Variance	Annual Budget
Grouping	REVENUE							
HRSA	HHS GRANT REVENUE - Federal	\$340,825	\$260,617	\$80,209	\$3,961,608	\$2,866,783	\$1,094,824	\$3,127,400
	HHS GRANT REVENUE - BASE	\$234,018	\$260,617	(\$26,599)	\$2,802,937	\$2,866,783	(\$63,847)	\$3,127,400
	HHS GRANT REVENUE - SUD-MH	\$12,359	\$0	\$12,359	\$149,089	\$0	\$149,089	\$0
	HHS GRANT REVENUE - Care	\$180	\$0	\$180	\$18,612	\$0	\$18,612	\$0
	HHS GRANT REVENUE - QI 2019	\$253	\$0	\$253	\$6,041	\$0	\$6,041	\$0
	COVID Supplemental	\$0	\$0	\$0	\$79,990	\$0	\$79,990	\$0
	CARES ACT	\$49,908	\$0	\$49,908	\$764,858	\$0	\$764,858	\$0
	HHS GRANT REVENUE - ECT	\$24,160	\$0	\$24,160	\$120,134	\$0	\$120,134	\$0
	HHS GRANT REVENUE - QI 2020	\$19,947	\$0	\$19,947	\$19,947	\$0	\$19,947	\$0
HRSA	HHS Other Grant Revenue	\$21,942	\$0	\$21,942	\$168,737	\$0	\$168,737	\$0
Patient Rev	GRANT REVENUE - Title V	\$1,849	\$5,833	(\$3,985)	\$25,910	\$64,167	(\$38,256)	\$70,000
Patient Rev	PATIENT FEES	\$46,507	\$96,014	(\$49,507)	\$505,514	\$1,056,151	(\$550,637)	\$1,152,165
Patient Rev	PRIVATE INSURANCE	\$29,632	\$40,750	(\$11,118)	\$224,584	\$448,250	(\$223,666)	\$489,000
Patient Rev	PHARMACY REVENUE - 340b	\$49,920	\$64,874	(\$14,954)	\$926,293	\$713,614	\$212,679	\$778,488
Patient Rev	MEDICARE	\$29,129	\$48,826	(\$19,697)	\$196,539	\$537,084	(\$340,545)	\$585,910
Patient Rev	MEDICAID	\$29,049	\$50,828	(\$21,779)	\$324,446	\$559,103	(\$234,656)	\$609,930
Other Rev.	LOCAL GRANTS & FOUNDATIONS	\$1,351	\$1,351	\$0	\$127,324	\$14,857	\$112,466	\$16,208
Other Rev.	MEDICAL RECORD REVENUE	\$657	\$1,500	(\$843)	\$12,226	\$16,500	(\$4,274)	\$18,000
Other Rev.	MEDICAID INCENTIVE PAYMENTS	\$2,920	\$0	\$2,920	\$13,208	\$0	\$13,208	\$0
County	COUNTY REVENUE	\$311,222	\$311,222	\$0	\$3,423,445	\$3,423,445	\$0	\$3,734,667
DSRIP	DSRIP REVENUE	\$95,000	\$65,833	\$29,167	\$878,710	\$724,167	\$154,544	\$790,000
Other Rev.	MISCELLANEOUS REVENUE	\$23,000	\$0	\$23,000	\$30,986	\$0	\$30,986	\$0
Other Rev.	OTHER REVENUE - SALE OF FIXED ASSET	\$810	\$0	\$810	\$1,010	\$0	\$1,010	\$0
Other Rev.	INTEREST INCOME	\$6,750	\$7,500	(\$750)	\$73,121	\$82,500	(\$9,379)	\$90,000
Patient Rev	CONTRACT REVENUE	\$229	\$9,987	(\$9,758)	\$14,519	\$109,861	(\$95,342)	\$119,848
Other Rev.	LOCAL FUNDS / OTHER REVENUE	\$305	\$476	(\$171)	\$3,385	\$5,236	(\$1,851)	\$5,712
Other Rev.	CONVENIENCE FEE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Rev.	Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Revenue	\$991,096	\$965,611	\$25,486	\$10,911,563	\$10,621,717	\$289,846	\$11,587,328
	EXPENSES							
Personnel	SALARIES	\$434,161	\$502,875	\$68,713	\$5,373,000	\$5,531,620	\$158,619	\$6,034,494
Personnel	SALARIES, Merit Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	SALARIES, PROVIDER INCENTIVES	\$0	\$6,500	\$6,500	\$750	\$71,500	\$70,750	\$78,000
Personnel	SALARIES, supplemental	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	SALARIES, O/T	\$1,764	\$3,750	\$1,986	\$20,527	\$41,250	\$20,723	\$45,000
Personnel	SALARIES, PART-TIME	\$12,779	\$15,788	\$3,008	\$142,153	\$173,663	\$31,510	\$189,451
Personnel	Comp Pay	\$78	\$0	(\$78)	\$78	\$0	(\$78)	\$0.00
Personnel	FICA EXPENSE	\$33,320	\$40,460	\$7,140	\$401,966	\$445,065	\$43,099	\$485,525
Personnel	TEXAS UNEMPLOYMENT TAX	\$3,801	\$1,113	(\$2,687)	\$29,196	\$12,244	(\$16,952)	\$13,357
Personnel	LIFE INSURANCE	\$1,417	\$1,285	(\$133)	\$16,114	\$14,133	(\$1,980)	\$15,418
Personnel	LONG TERM DISABILITY INSURANCE	\$1,077	\$1,206	\$130	\$11,918	\$13,271	\$1,353	\$14,477
Personnel	GROUP HOSPITALIZATION INSURANC	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	WORKER'S COMP INSURANCE	\$1,690	\$1,586	(\$104)	\$9,310	\$17,448	\$8,138	\$19,034
Personnel	EMPLOYER PAID HEALTH INSURANCE	\$29,346	\$40,108	\$10,761	\$348,250	\$441,183	\$92,932	\$481,290
Personnel	COBRA EXPENSE	\$48	\$0	(\$48)	\$131	\$0	(\$131)	\$0
Personnel	EMPLOYER SPONSORED HEALTHCARE	\$4,614	\$5,852	\$1,237	\$68,906	\$64,369	(\$4,537)	\$70,221
Personnel	HRA EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	PENSION / RETIREMENT	\$10,144	\$11,689	\$1,545	\$122,711	\$128,575	\$5,864	\$140,264
Contractual	OUTSIDE LAB CONTRACT	\$13,388	\$25,125	\$11,737	\$128,752	\$276,375	\$147,623	\$301,500
Contractual	OUTSIDE X-RAY CONTRACT	\$1,104	\$3,000	\$1,896	\$9,624	\$33,000	\$23,376	\$36,000
Contractual	MISCELLANEOUS CONTRACT SERVICES	\$29,641	\$16,543	(\$13,098)	\$267,368	\$181,973	(\$85,395)	\$198,516
Personnel	TEMPORARY STAFFING	\$7,053	\$0	(\$7,053)	\$13,295	\$0	(\$13,295)	\$0
Contractual	CHW CONTRACT BILLING SERVICE	\$5,287	\$8,000	\$2,714	\$52,316	\$88,000	\$35,684	\$96,000
IGT	IGT REIMBURSEMENT	\$30,391	\$25,747	(\$4,643)	\$265,486	\$283,222	\$17,736	\$308,969
Contractual	JANITORIAL CONTRACT	\$11,878	\$14,000	\$2,122	\$145,505	\$154,000	\$8,495	\$168,000
Contractual	PEST CONTROL	\$80	\$80	(\$0)	\$881	\$880	(\$1)	\$960
Contractual	SECURITY	\$1,766	\$3,975	\$2,209	\$21,741	\$43,725	\$21,984	\$47,700
Supplies	OFFICE SUPPLIES	\$9,121	\$6,883	(\$2,237)	\$130,152	\$75,717	(\$54,435)	\$82,600
Supplies	OPERATING SUPPLIES	\$14,442	\$21,900	\$7,458	\$275,529	\$240,900	(\$34,629)	\$262,800
Supplies	OUTSIDE DENTAL SUPPLIES	\$4,663	\$3,350	(\$1,313)	\$35,870	\$36,850	\$980	\$40,200
Supplies	PHARMACEUTICAL SUPPLIES	(\$7,710)	\$71,992	\$79,702	\$398,064	\$791,914	\$393,850	\$863,906
Supplies	JANITORIAL SUPPLIES	\$0	\$0	\$0	\$448	\$0	(\$448)	\$0
Supplies	PRINTING SUPPLIES	\$0	\$465	\$465	\$63	\$5,115	\$5,052	\$5,580
Supplies	UNIFORMS	\$0	\$235	\$235	\$0	\$2,585	\$2,585	\$2,820
Other	Controlled Assets	\$0	\$0	\$0	\$1,304	\$0	(\$1,304)	\$0
Other	POSTAGE	\$517	\$833	\$316	\$6,653	\$9,167	\$2,514	\$10,000
Other	TELEPHONE	\$6,563	\$4,405	(\$2,158)	\$47,973	\$48,455	\$482	\$52,860
Other	WATER	\$31	\$31	\$1	\$336	\$341	\$6	\$372
Other	ELECTRICITY	\$1,136	\$2,000	\$864	\$12,810	\$22,000	\$9,190	\$24,000
Travel	TRAVEL, LOCAL	\$95	\$383	\$288	\$1,230	\$4,217	\$2,987	\$4,600
Travel	TRAVEL, OUT OF TOWN	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	LOCAL TRAINING	\$654	\$2,933	\$2,279	\$7,476	\$32,267	\$24,791	\$35,200
Travel	TRAINING, OUT OF TOWN	\$0	\$1,217	\$1,217	\$0	\$13,383	\$13,383	\$14,600

Coastal Health & Wellness
Statement of Revenue and Expenses for the Period ending February 28, 2021

	<i>Description</i>	<i>Period Ending 2/28/2021</i>	MTD Budget	MTD Budget Variance	YTD Actual	YTD Budget	YTD Budget Variance	Annual Budget
Other	RENTALS	\$21,252	\$3,200	(\$18,052)	\$52,401	\$35,200	(\$17,201)	\$38,400
Other	LEASES	\$43,091	\$43,122	\$31	\$473,910	\$474,342	\$432	\$517,464
Other	MAINTENANCE / REPAIR, EQUIP.	\$6,046	\$7,120	\$1,074	\$71,810	\$78,324	\$6,514	\$85,444
Other	MAINTENANCE / REPAIR, AUTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	FUEL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	MAINTENANCE / REPAIR, BLDG.	\$32	\$417	\$385	\$1,586	\$4,583	\$2,998	\$5,000
Other	MAINT/REPAIR, IT Equip.	\$0	\$0	\$0	\$46,230	\$0	(\$46,230)	\$0
Other	MAINTENANCE / Preventative, AUTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	INSURANCE, AUTO/Truck	\$9	\$12	\$3	\$105	\$132	\$27	\$144
Other	INSURANCE, GENERAL LIABILITY	\$937	\$1,125	\$188	\$10,496	\$12,375	\$1,879	\$13,500
Other	INSURANCE, BLDG. CONTENTS	\$1,452	\$1,535	\$83	\$15,839	\$16,885	\$1,046	\$18,420
Other	Settlements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	COMPUTER EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	OPERATING EQUIPMENT	\$14,769	\$0	(\$14,769)	\$20,991	\$0	(\$20,991)	\$0
Other	BUILDING IMPROVEMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	NEWSPAPER ADS	\$1,137	\$1,800	\$663	\$15,898	\$19,800	\$3,902	\$21,600
Other	SUBSCRIPTIONS, BOOKS, ETC	\$125	\$248	\$123	\$7,958	\$2,723	(\$5,235)	\$2,970
Other	ASSOCIATION DUES	\$2,667	\$2,849	\$182	\$33,221	\$31,337	(\$1,884)	\$34,186
Other	IT SOFTWARE, LICENSES, INTANGIBLES	\$20,670	\$20,979	\$309	\$249,732	\$230,765	(\$18,966)	\$251,744
Other	PROF FEES/LICENSE/INSPECTIONS	\$0	\$155	\$155	\$5,008	\$1,700	(\$3,309)	\$1,854
Other	PROFESSIONAL SERVICES	\$51	\$2,202	\$2,151	\$7,540	\$24,218	\$16,678	\$26,420
Other	MED/HAZARD WASTE DISPOSAL	\$390	\$550	\$160	\$4,276	\$6,050	\$1,774	\$6,600
Other	TRANSPORTATION CONTRACT	\$104	\$625	\$521	\$1,854	\$6,875	\$5,021	\$7,500
Other	BOARD MEETING OPERATIONS	\$0	\$29	\$29	\$0	\$321	\$321	\$350
Other	SERVICE CHG - CREDIT CARDS	\$961	\$730	(\$231)	\$7,074	\$8,030	\$956	\$8,760
Other	CASHIER OVER / SHORT	\$0	\$0	\$0	(\$36)	\$0	\$36	\$0
Other	LATE CHARGES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	BAD DEBT EXPENSE	\$22,323	\$33,605	\$11,282	\$342,541	\$369,653	\$27,112	\$403,258
Other	MISCELLANEOUS EXPENSE	\$755	\$0	(\$755)	\$8,205	\$0	(\$8,205)	\$0
	Total Expenses	\$801,109	\$965,611	\$164,502	\$9,744,524	\$10,621,717	\$877,194	\$11,587,328
	Net Change in Fund Balance	\$189,987	\$0	\$189,987	\$1,167,039	\$0	\$1,167,039	\$0

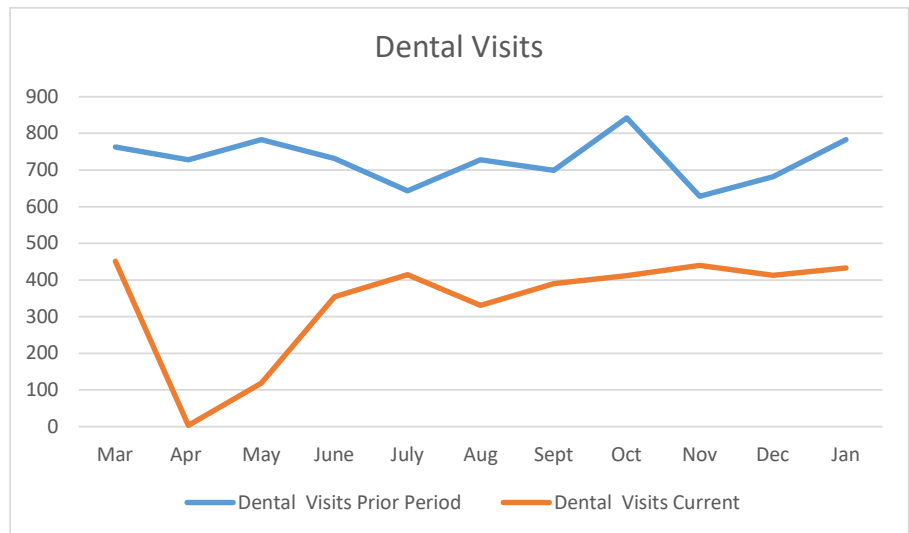
Medical Visits

	<u>Prior Period</u>	<u>Current</u>
Mar	2,484	1,480
Apr	2,119	812
May	2,171	719
June	1,797	1,170
July	1,798	1,238
Aug	2,081	981
Sept	1,804	1,077
Oct	2,250	1,251
Nov	1,719	1,150
Dec	1,745	1,145
Jan	2,082	1,288
Feb	1,710	1,058
	<u>23,760</u>	<u>13,369</u>



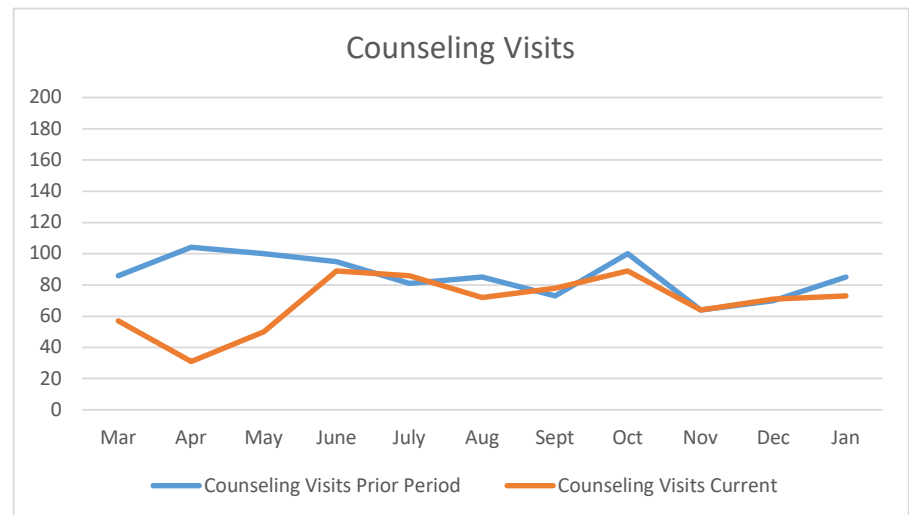
Dental Visits

	<u>Prior Period</u>	<u>Current</u>
Mar	763	451
Apr	728	3
May	783	119
June	731	354
July	643	415
Aug	728	331
Sept	699	390
Oct	842	412
Nov	628	440
Dec	682	413
Jan	783	433
Feb	747	361
	<u>8,757</u>	<u>4,122</u>



Counseling Visits

	<u>Prior Period</u>	<u>Current</u>
Mar	86	57
Apr	104	31
May	100	50
June	95	89
July	81	86
Aug	85	72
Sept	73	78
Oct	100	89
Nov	64	64
Dec	70	71
Jan	85	73
Feb	84	62
	<u>1027</u>	<u>822</u>



Vists by Financial Class - Actual vs. Budget
As of February 28, 2021 (Grant Year 4/1/2020-3/31/2021)

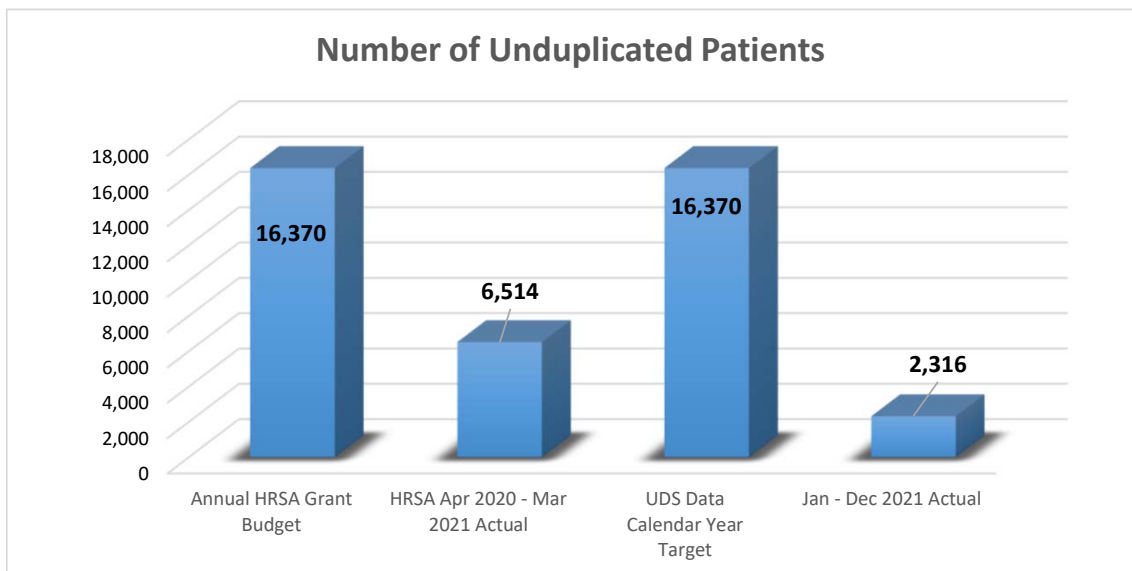
	Annual HRSA		Over/(Under)		YTD	Over/(Under)	% Over/ (Under)	
	Grant Budget	MTD Actual	MTD Budget	MTD Budget				YTD Actual
Medicaid	4,518	147	377	(230)	1,734	4,142	(2,408)	-58%
Medicare	4,507	105	376	(271)	1,218	4,131	(2,913)	-71%
Other Public (Title V, Contract)	2,498	27	208	(181)	429	2,290	(1,861)	-81%
Private Insurance	3,912	150	326	(176)	1,524	3,586	(2,062)	-58%
Self Pay	32,919	1,052	2,743	(1,691)	11,685	30,176	(18,491)	-61%
Total	48,354	1,481	4,030	(2,549)	16,590	44,325	(27,735)	-63%

Unduplicated Patients - Current vs. Prior Year
UDS Data Calendar Year
January through December

	Current Year		Increase/		% of Annual Target
	Annual Target	Jan-Dec 2020 Actual	Jan-Dec 2021 Actual	(Decrease) Prior Year	
Unduplicated Patients	16,370	4,019	2,316	(1,703)	14%

Unduplicated Patients - Current vs. Prior Year
HRSA Grant Year
April through March

	Current Year		Increase/		% of Annual Target
	Annual HRSA Grant Budget	Apr 2019 - Mar 2020 Actual	Apr 2020 - Mar 2021 Actual	(Decrease) Prior Year	
Unduplicated Patients	16,370	11,284	6,514	(4,770)	40%





COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

March 2021

Item#9

**Consider for Approval 2020 Bad Debt Write-off
and Adjustment Report**

**Coastal Health & Wellness
Adjustment - Primary Payer
From 1/1/2020 to 12/31/2020**

Totals for Billing Write-offs	\$	(12,509.99)
*Totals for Bad Debt	\$	(369,872.26)
Total	\$	<u>(382,382.25)</u>

* Bad Debt Writeoffs	Amount
2017	\$ 313,318.00
2018	\$ 392,919.00
2019	\$ 478,526.90
2020	\$ 369,872.26
4 Year Average	<u>\$ 388,659.04</u>

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

March 2021

Item#10

**Consider for Approval Ratification of CEO Emergency
Approvals Due to the Winter Storm**

Emergency Ratification for Winter Storm Urie

Kathy Barroso, CEO, approved emergency leave in addition to hours worked during Winter Storm Urie. Emergency leave was granted from Monday, 2/15/21 through Thursday, 2/18/21. The costs incurred due to Winter Storm Urie are as follows:

	CHW
Emergency Leave	\$86,322.96
Emergency Pay (for hours worked)	\$13,127.66
Total	\$99,450.62

We anticipate that the emergency pay will be reimbursed at a later date by FEMA at 75%.

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

March 2021

Item#11

**Consider for Approval Re-Privileging Rights for
Juliet McKee, MD**



Date: April 1, 2021

To: CHW Governing Board

Thru: Kathy Barroso, CPA *KB*
Executive Director

From: Cynthia Ripsin, MS, MPH, MD *CR*
Medical Director

Re: Re-Privileging

After review to determine that Juliet McKee, MD has an active and unrestricted license to practice medicine in the State of Texas, we are requesting re-credentialing approval by the Governing Board.

In addition, after review by Medical Director Cindy Ripsin, MD of the re-privileging documents submitted by Juliet McKee, MD we are requesting re-privileging approval by the Governing Board.

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