

**Tomball Hospital Authority  
Board of Directors  
April 27, 2016**

**Present:** Jack Smith, Chairman  
Danny Marburger, VP  
Ellen Stutts, Secretary  
Jerry Till, Treasurer  
Ralph Foxworthy  
Tom Kikis  
Bill Hogue  
Latrell Shannon

**Absent:** Jim Ross  
Vicki Clark  
Steve Vaughan

**Also Present:**

Marilyn Kinyo (Chief Administrative Officer)  
Lynn LeBouef (CEO)  
Vincent Norris (Myrtle Cruz)  
Kevin Reed (Reed, Claymon, Meeker & Hargett)  
George Shackelford (Tomball City Manager)  
Bruce Hillegeist (Tomball Chamber President)

**Tomball Hospital Authority Board Meeting**

1. Call to Order
  - a) Jack Smith, Chairman of the Board, called the meeting to order at 4:02P.M. CST on Wednesday, April 27, 2016.
2. Approval of minutes from the March 23, 2016 board meeting. A motion was made by Bill Hogue and seconded by Latrell Shannon to approve the meeting minutes from the March 23, 2016. The motion was unanimously passed.
3. Community Input – There was no community input
4. Financials
  - a) An update on the financials was given by Vincent Norris for March 23, 2016. He reviewed the balance sheet - cash total \$389,028.83, investments were up to \$85,403,528.98, with a total for the month of \$85,792,557.81 for March 2016. Total liabilities and equities for the month were \$85,924,189.57. Lynn reported that current investments as of midnight last night were up to \$86,719,451.13. Lynn the 2011 and 2012 Medicaid liability and that we may not owe that entire amount. Vincent went on to review the P&L statement. Total income of \$2,613,366.01 total expenses of \$462,103.64 and net ordinary income of \$-5,561,945.46, net income of \$-3,410,683.09. Marilyn presented and reviewed the cash report which had no major changes or expenses. On the P&L Budget performance report there was no significant change. A motion was made by Tom Kikis and seconded by Jerry Till to approve the cash reports as presented. The motion carried unanimously.

A motion was made by Tom Kikis and seconded by Jerry Till to approve the Budget performance report as presented. After discussion, the motion carried unanimously.

- b) Legal Bills – A motion was made by Danny Marburger and seconded by Latrell Shannon to approve the outstanding legal bill to Reed, Claymon, Meeker and Hargett in the amount of \$4,317.50 for March and April 2016. After discussion, the motion was unanimously passed.
  - c) Lynn advised the board that towards the end of the month of May we will need to dip into the investments for projects and expenses. A motion was made by Ralph Foxworthy and was seconded by Tom Kikis to give Lynn LeBouef permission to transfer \$828,508.00 from the investment account to the checking account to be used for projects and expenses. The motion carried unanimously.
5. A brief update on the TOMAGWA dental clinic was handed out to the board for March 2016 as well as the Q2 report. They budgeted to see 333 patients in the month of March and actually saw 365. They were up for the month.

**Patient Visits**

January 2016	302
February 2016	461
March 2016	365
	1128

**Salaries and Insurance**

January 2016	\$26,685.25
February 2016	\$28,465.18
March 2016	\$24,735.09
	\$79,885.52

A motion was made by Jerry Till and was seconded by Tom Kikis to pay TOMAGWA a total amount of \$124,885.52 for the second quarter payment. The motion was unanimously passed.

6. A brief update was given by Marilyn Kinyo on the NWEMS Transportation Program. The first quarter in complete. Because of some administrative issues they didn't start transporting clients. They will have a complete quarter next go round to report.

Q1 Payment	\$25,025.00
Q1 Expenses	\$10,267.98
Remaining Funds	\$14,757.02
Q1 Payment Shortage	\$ 1,000.00
Total	\$15,757.02
Q2 Payment	\$26,025.00
Less Q1 Remaining Funds	\$15,757.02
Q2 Payment for Approval	\$10,267.98

A motion was made by Ellen Stutts and was seconded by Jerry Till to pay NW EMS a total amount of \$10,267.98 for the second quarter payment. The motion was unanimously passed. There also was a copy of the press release attached for the board to review.

7. Investment Committee Update - Lynn LeBouef reported that the committee met on April 21<sup>st</sup> and that the transfer of funds from JP Morgan to Wells Fargo was almost complete. Termination notices for Investment Management by JP Morgan have been executed and the last day JP Morgan will be

managing our funds will be April 30, 2016. Lynn also reported that the Market Value of our portfolio was \$86,949,211.20 on a Book Value of \$87,642,992.07. On May 1, under the Nonprofit Service Agreement with Wells Fargo with the Non-Managed Assets Addendum, there will be no one actively managing our portfolio. Management is recommending revocation of Section 10 of the Non-Managed Assets Addendum in order for Wells Fargo to begin managing our portfolio on May 1. The Committee discussed our previous concern regarding the large difference between Market Value and Book Value of our portfolio when we started this process. Now that the market has rebounded, that is not so much a concern.


A motion was made by Ellen Stutts and seconded by Tom Kikis to revoke Section 10 of the Non-Managed Assets Addendum to the 4/30/2016 Nonprofit Service Agreement with Wells Fargo to allow Wells Fargo to begin actively managing our portfolio on May 1, 2016. After discussion, the motion carried unanimously.

Lynn then went on to report that we need to update our Investment Policy to reflect the changes in Investment Advisors and recommended portfolio allocations from Wells Fargo. Current investment allocations from JP Morgan and proposed allocations from Wells Fargo were reviewed and noted that there were not many differences in the allocations. A motion was made by Ellen Stutts and was seconded by Bill Hogue to revise the Investment Policy Exhibit A, B & C. After some discussion, the motion carried unanimously.

8. Dr. Khan came back and asked the board to waive the filing fees. A motion was made by Ralph Foxworthy and seconded by Tom Kikis to deny the counter offer. The Authority is firm on the \$5,000.00 and filing fees to remove the restrictions.
9. FEMA – No update to report.
10. The Meals on Wheels press release was included in the packet for the boards review.

#### **Adjournment**

There being no further business, the meeting was adjourned at approximately 5:00 P.M. CST.

  
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Ellen Stutts, Secretary