

**Tomball Hospital Authority  
Board of Directors  
February 24, 2016**

**Present:**     **Jack Smith, Chairman**  
                  **Danny Marburger, VP**  
                  **Ellen Stutts, Secretary**  
                  **Jerry Till, Treasurer**  
                  **Vicki Clark**  
                  **Ralph Foxworthy**  
                  **Jim Ross**

**Absent:**       **Tom Kikis**  
                  **Bill Hogue**  
                  **Latrell Shannon**  
                  **Steve Vaughan**

**Also Present:** **Marilyn Kinyo (Chief Administrative Officer)**  
                  **Lynn LeBouef (CEO)**  
                  **Vincent Norris (Myrtle Cruz)**  
                  **Robert Spurck (Reed, Claymon, Meeker & Hargett)**  
                  **George Shackelford (Tomball City Manager)**

**Tomball Hospital Authority Board Meeting**

**Call to Order**

Jack Smith, Chairman of the Board, called the meeting to order at 4:07P.M. CST on Wednesday, February 24, 2016.

1. Approval of minutes from the January 23, 2016 board meeting. A motion was made by Ralph Foxworthy and seconded by Danny Marburger to approve the meeting minutes from the January 23, 2016. The motion was unanimously passed.
2. Community Input – The Meals on Wheels folks came to address the board and thank them for the grant. They said that the money allowed them to get 40 people off the wait list and these individuals will be able to have nutritionally balanced meal twice a week for a year.
3. Financials
  - a) An update on the financials was given by Vincent Norris for January 2016. He did mention that the balance sheet has a new layout as per Tom’s request. The new layout showed previous month, Prior month and the change. He reviewed the balance sheet - cash total \$560,167.81, investments were down little to \$81,852,833.36, with a total for the month of \$82,413,001.17 for January 2016. Total liabilities and equities for the month were \$82,545,987.69. Vincent went on to review the P&L statement. Total income of \$2,386,959.00 total expenses of \$371,340.35 and net ordinary income of -\$8,841,194.54, net income of \$-6,825,575.89. Marilyn Kinyo 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.

Then Lynn advised the board that towards the end of the month of March we will need to dip into the investments for projects and expenses. The workman's Comp claims will be going up. We have one individual that is now requiring 24 hour care. The totals will be \$13,000 - \$14,000 per month in care and meds.

- b) Legal Bills – A motion was made to approve the outstanding legal bill to Reed, Claymon, Meeker and Hargett in the amount of \$2,222.50 for January and February 2016 by Jerry Till and was seconded by Vicki Clark. The motion was unanimously passed.
- 4. A brief update on the TOMAGWA dental clinic was handed out to the board for January 2016. They budgeted to see 333 patients in the month of January and actually saw 302. They were down for the month of January. No explanation was given for the decrease.
- 5. The Funding Committee met in February to discuss the following proposals:
  - a) TOMAGWA Medical Clinic – They have come to us with a request for the medical program for FY2016. They are requesting \$225,000 to see an additional 1800 patients at the cost of \$125.00 per visit. They presented several tiers to the request a year ago. They started at \$450,000 to see 3600 additional patients at \$125.00 per visit. After reviewing the proposal the funding committee would like propose the following:

Jim Ross made a motion and it was seconded by Jack Smith in the funding committee meeting to bring the request to the full board for approval. The grant for TOMAGWA a 10% increase which would \$120,000.00. This would be an increase of 80 patients per month at \$125.00 per patient or \$30,000.00 per quarter. The minutes from this meeting are in the board packet.

A motion was made by Ralph Foxworthy and was seconded by Danny Marburger to grant TOMAGWA \$120,000.00 to see an additional 80 patients per month. The board went on to discuss the potential grant and went on to review the 2016 project budget to see where we stand. After the discussion was completed the board took it to a vote. There were 0 for and 7 against entering into this grant at this time. The board agreed to readdress this grant in three months.

- b) Living Your Dreams Program – The “Living Your Dreams” program is Klein Oaks version of the Shattered Lives program. They wanted to put a different spin on it so it has a little more of a positive spin on it, so if you make the right decision you can live your dreams. They are taking a little more of a current day issue as well. Not only are they talking about drinking and driving, but texting and drugs. They are also talking to the kids on the impact of having a party at your house with or without the parents' permission and the repercussions on the parents that provide the alcohol to the kids. A motion was made by Jerry Till and was seconded by Vicki Clark to grant Klein Oak High school \$5,000.00 for the Living Your Dreams 2016 Program. The motion was unanimously passed.
- c) EVIEWS – We received a request from the Fire Department to use \$16,100.00 of the remaining funds in this project to bring two more intersections online after the construction has been completed. The funds are already allocated from the original grant and we are just letting the board know that they have requested the funds.
- d) Lone Star College Foundation – We received a request yesterday from the Lone Star College Foundation to host a special reception for the C-Suite representatives of area hospitals and health care systems. The purpose of the event would be to inform the group about all the Lone Star College is doing to continue to deliver well-trained and high quality health care workers into our communities. The board decided not to participate in this and requested that this be sent to legal to see if we can participate in this sort of activities in the future.

6. Dr. Khan's thought that \$5,000 to cover all legal and filing fees related to the release of the property was too high. He has decided to not sell the property and may build on it himself. This item has been tabled until he gets back to us.
7. Audit, Finance and Investment Committee Meeting update – The committee had a conference call with JP Morgan to go over the 4<sup>th</sup> quarter investment results as well as the January Flash Report. The Lynn reported on the presentation and Portfolio Discussion related to a potential new investment strategy for the Portfolio. The board discussed the recommendation of the new Portfolio Strategy with regards to timing in relation to the change in Custodian of the funds as well as their fiduciary responsibility. The board had a discussion about at what point should they sell. Should they try and stay at the corpus of \$78 million? Lynn reminded the board that we may be below \$78 million shortly because of the withdrawal we will need to make by the end of the March to replenish the checking account for expenses and projects. The board then asked that we look at our investment strategy to see how it is worded.
8. The board then had a brief discussion about our lease. We are in year 3 of a 5 year lease. The discussion came up on whether the board would want to consider building their own office and it will take two years for this to happen.
9. FEMA – No update to report.

### **Adjournment**

There being no further business, the meeting was adjourned at approximately 5:40 P.M. CST.



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Ellen Stutts, Secretary