

**Tomball Hospital Authority
Board of Directors
August 23, 2017**

Present: **Jack Smith, Chairman**
 Vicki Clark, VP - Telephonically
 Tom Kikis, Secretary
 Ralph Foxworthy
 Danny Marburger
 Bill Hogue
 Jim Ross
 Latrell Shannon
 Steve Vaughan

Absent: **Jerry Till, Treasurer**
 Lori Wilson

Also Present: **Marilyn Kinyo (Chief Administrative Officer)**
 Lynn LeBouef (CEO)
 Vincent Norris (Myrtle Cruz)
 Kevin Reed (Reed, Claymon, Meeker & Hargett) - Telephonically
 George Shackelford (Tomball City Manager)
 David Powell (Wells Fargo)
 Melissa Greer (Wells Fargo)
 Angela Caraway (Wells Fargo)

Tomball Hospital Authority Board Meeting

1. Call to Order
 - A. Jack Smith, Chairman of the Board, called the meeting to order at 4:00P.M. CST on Wednesday, August 23, 2017.
2. Approval of minutes from the July 26, 2017 board meeting.
 - A. A motion was made by Vicki Clark and seconded by Latrell Shannon to approve the meeting minutes from the July 26, 2017. The motion was unanimously passed.
3. Community Input – George Shackelford let the board know that the park is moving along and they are in the process of bringing water to the park.
4. Wells Fargo Q2 reports from David Powell.
 - A. Economy - Shorter term indicators suggest there is no recession in sight over the next 6 months to possibly a year. Economic cycles suggest it could be several years before we have the next recession.
 - B. The US Dollar relative to global currencies - Historically our currency seems to spend more time going down versus going up. We have a global portfolio that should benefit from more stable returns than just a domestic only portfolio.
 - C. Portfolio Summary - We are slightly overweight Alternative Investments and close to our long term strategic target weightings on other investments. Historically, alternative investments do better than their longer term average returns when interest rates go up.
 - D. Investment Returns - The portfolio has earned \$10,777,582 or a compounded annual rate of 10.84% from 5/1/2016 through June 30, 2017. Fees have been \$243,123, so the net return has

been a compounded annual rate of 10.59% from 5/1/2016 through June 30, 2017. Our expected return over the next two business cycles is about an 8% average return.

A motion was made by Tom Kikis and was seconded by Danny Marburger to approve the Q2 report on the Wells Fargo investment account as presented. The motion was passed unanimously.

5. Financials

A. An update on the financials was given by Vincent Norris for July 31, 2017. He reviewed the balance sheet - cash total \$ 633,063.05, total Investments \$95,050,574.82, total checking and savings for the month of for July 2017 in the amount of \$95,683,637.87. Total current liabilities \$726,468.16, total liabilities and equities for the month were \$95,769,510.41. He then went on to review the P&L statement. Total income of \$50,388.16 total expenses of \$44,727.60 and net ordinary income of \$5,660.56 net income of \$1,629,322.53. Marilyn Kinyo presented and reviewed the cash report. No major changes. Lynn LeBouef reviewed the P&L Budget Performance we are \$74,661.84 below on income and \$2,051.77 below on expenses. Lynn LeBouef reported that our investment account was up for the month. A motion was made by Tom Kikis and was seconded by Bill Hogue to accept the financials as presented. The motion was unanimously passed.

B. Legal Bills – An invoice was submitted by Reed, Claymon, Meeker & Hargett for July 2017 charges in the amount of \$2026.00. A motion was made by Latrell Shannon and was seconded by Danny Marburger to approve the Reed, Claymon invoice in the about of \$2026.00. The motion was unanimously passed.

6. An update on the TOMAGWA dental and medical clinics was handed out to the board for July 2017. The dental clinic budgeted to see 366 patients in the month of July and actually saw 306. The medical clinic budgeted to see 800 patients in the month of July and actually saw 1049. They were both up for the month.

7. The Board reviewed the August 14th Funding Committee report. The committee would like to see the following items before they make their recommendations for the coming year.

1. TOMAGWA's Strategic Plan for moving forward
2. Patient count broken out for medical and dental for 2016 and 2017.
3. Break out of all expenses for 2016 and 2017, i.e. salaries etc.
4. Recent balance sheet and P&L

The Funding Committee tabled the request for now until the requested information is provided and reviewed a recommendation will be made at the September Board meeting.

8. Smith Pilot update. Jack Smith reported that he has not received the other job titles and descriptions for the board to review. The board then went into Executive session at 4:48PM to discuss employee related matters. They came out of Executive Session at 5:18PM.

9. Jack Smith informed the Nominating Committee that they cannot meet and discuss the coming year's position appointments until the City appoints/reappoints the two positions that are up for renewal. He advised the board members that they are on the board until which time they are replaced.

Adjournment:

There being no further business, the meeting was adjourned at approximately 5:23PM CST.



Tom Kikis, Secretary