

**Tomball Hospital Authority  
Board of Directors  
October 26, 2016**

**Present:** Jack Smith, Chairman  
Danny Marburger, VP  
Jerry Till, Treasurer  
Vicki Clark  
Bill Hogue  
Jim Ross  
Lori Wilson  
Steve Vaughan

**Absent:** Ralph Foxworthy  
Latrell Shannon  
Tom Kikis

**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)  
John Bracken (Montgomery County Youth Services)  
Brian Bayani (Northwest EMS)

**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, October 26, 2016.
2. Approval of minutes from the September 28, 2016 board meeting. A motion was made by Bill Hogue and seconded by Danny Marburger to approve the meeting minutes from the September 28, 2016. The motion was unanimously passed.
3. Community Input – There was no community input
4. Funding Committee Updates
  - A. Montgomery County Youth Services request – MCYS is requesting \$65,000 to fund the salary and benefits for a Spanish speaking mental health counselor to provide services to the youth served at the Magnolia Office. This office also serves youth from Tomball and Waller. Counseling will include; individuals, family, and group counseling sessions to assist the young people to cope with depression, anxiety, problems with relationships, school problems, etc. The parents will learn effective parenting skills to strengthen the family and help the youth stay in school.

John Bracken the CEO of Montgomery County Youth Services came to address the board about their funding submission. MCYS are committed to working with youth and their families through human services and mental health programs. MCYS was established in 1979 by a group of community leaders who developed juvenile justice prevention services for at-risk youth in the community. They provide crisis counseling, shelter programs, and prevention services to

strengthen families, keep youth in school, and prepare them to be productive citizens. Last year they helped 249 youth and families in the Magnolia area. An example of the positive work that they do is they had (2) 14 year old girls that had been contemplating suicide. They were able to get them both hospitalized and the help they needed. They were released from the hospital and continued to work with them and now one is a cheerleader.

A question was raised as to why they only have one counselor currently when in the past you had two. John went on to explain that they lost a federal grant and had to tighten the belt. They are in need of a bilingual counselor to work within the school systems and counselors in Magnolia. The board also asked how long a program lasts. On average each program takes 8-10 sessions. There are follow up sessions after each program to assure that the children and families are doing well. They have one counselor in the office that has worked with a patient since she was 9 years old. She just graduated from college and invited the counselor to the graduation.

MCYS hold golf a tournament and a gala annually to raise money for their programs and services. They also receive funds from United Way, Houston Endowment as well as funds from the State, but since the oil industry has been down they have notice that their fundraising has been down.

They have nine counselors that work a 40 hour work week and see 20+ clients per week, plus some private sessions and evening hours to work with some families. They also see some students at school when transportation is difficult. One of the board members expressed concern to fund a reoccurring projects especially salaries. John was asked if there was anything else that the foundation could fund, equipment, furniture, etc. Unfortunately they just received a grant that covered what they need in those areas. A motion was made by Steve Vaughan and was seconded by Danny Marburger to defer this decision until the November Board meeting so the new Funding Committee members can look over the financials and all the material. The motion was passed unanimously.

B. Broussard Park - The City of Tomball has acquired 14 acres of land in order to develop a new city park. They are requesting assistance from TRHF in the amount of \$235,000 to help fund the park.

i. Walking Trails	\$210,000
ii. Exercise Circuit	\$10,000
iii. ADA accessible playground equipment	\$10,000
iv. ADA signage for the walking trails, exercise	
1. Units and Accessible playground equipment	\$5,000

The Funding Committee made a motion to approve the proposal to fund Broussard Park in the amount of \$235,000 and it was seconded by Steve Vaughan. After further discussion the motion was passed unanimously.

## 5. Financials

A. An update on the financials was given by Vincent Norris for September 30, 2016. He reviewed the balance sheet - cash total \$416,992.40, investments were up a little to \$89,598,283.18, with a total for the month of \$90,015,205.58 for September 2016. Total liabilities and equities for the month were \$90,120,255.47. Lynn reported that current investments as of midnight last night were at \$88,715,935.36. Vincent went on to review the P&L statement. Total income of \$448,838.68 total expenses of \$215,062.26 and net ordinary income of \$233,776.42, net income of \$2,708,191.75. Marilyn presented and reviewed the cash report. No major changes.

David Powell, Melissa Greer and Angela Caraway from Wells Fargo came to present the quarterly report.



### Economy

The economy is in good shape. There is a high level of job openings. It is taking companies longer to fill job openings. The consumer's balance sheet is in great shape. The decline in energy costs could add to economic growth going forward. This is true globally as seven of the largest economies are driven by the consumer.

The election should be somewhat of a non-event. Investor sentiment has been negative since last December. This indicates investment returns should do well over the next 12-18 months.

The Fed will likely raise interest rates after the election. Any short term dislocations in markets should be short lived. The Fed is still adding liquidity to the economy as their rate is below inflation. Yellen looks at wage increases as her measure of inflation. That is about 2.5%.

### Returns

We have benchmarks that provide a reference to the portfolio. Some benchmarks are difficult to track in the short term. Over time, the portfolio should come close to these benchmark returns. There will be variance in the short term (1-4 years).

We have five months of data. This is a small sample size. Timing of investments can have some influence. The benchmarks assume no rebalancing during the month. This timing issue can affect returns versus the benchmark over small sample sizes. The variance dwindles once we get to about 40 months.

### Portfolio changes

We recently increased our weightings in Alternative Investments. We reduced equity and real assets to do this. Alternatives have done well when interest rates go up.

A motion was made by Vicki Clark and seconded by Jerry Till to approve the reports as presented. The motion carried unanimously.

- B. Legal Bills – A motion was made by Bill Hogue and seconded by Danny Marburger to approve the outstanding legal bill to Reed, Claymon, Meeker and Hargett in the amount of \$6,226.00 for the September and October 2016 invoice. After discussion, the motion was unanimously passed.
- C. September outstanding obligations

A.) FEMA – Nothing to report this month.

- 6. The Nominating Committee met on October 18<sup>th</sup> to review all the recommendations and or suggestion from all the board members about the 2016/2017 committee assignments. A motion was made by the Nominating Committee and seconded by Danny Marburger to accept the recommendations as presented. The motion passed unanimously.
- 7. Since Ellen Stutts was not reappointed by City Council, resolutions from both Wells Fargo and BBVA Compass Bank were presented to the board to for changes. These changes were to the authorized signatures and contacts on all of the accounts as well as authorizing a consultant representative to access the accounts. The motion was made by Bill Hogue and was seconded by Jerry Till to make all the necessary changes. The motion was passed unanimously.

### 8. Quarterly Reports

#### A. TOMAGWA

A.) The September Dental Program report was presented to the board as well as the Q1 total. For September they budgeted to see 366 patients and actually saw 431. For the first quarter they budgeted to see 1100 patients and actually saw 1264. So with salaries in the amount \$88,960.98 and patient visits in the amount of \$45,000.00 the total



amount due to TOMAGWA is \$133,890.98. A motion to pay the Q1 TOMAGWA dental program in the amount of \$133,809.00 was made by Steve Vaughan and was seconded by Danny Marburger. The motion was passed unanimously.

B.) The first quarter medical report was presented to the board. TOMAGWA budgeted to see 2400 patients in the quarter and actually saw 3462. The board agreed to pay \$125.00 per patient for 240 patients per quarter. A motion was made by Lori Wilson and was seconded by Vicki Clark to pay TOMAGWA the Q1 payment of \$30,000. The motion was passed unanimously.

C.) Northwest EMS Chief Brian Bayani presented the Q3 project report to the board. He told the board that the growth of the program is going slower than they had anticipated. The best form of referral is word of mouth. They are working with healthcare providers to try and promote the business, but it hasn't been working well. They recently hired a new employee that has a great deal of skills in marketing and has been very helpful to them. They are planning on expanding their service area. When the project initially began they set the territory small to make sure that they could handle the volume. One of the purposes of this program is to divert the ambulance calls that aren't needed and redirect them to the mobility project. The Mobility Project closed its 3<sup>rd</sup> quarter with 132 trips. It is an 8% increase in volume from the 2<sup>nd</sup> quarter, in the 3<sup>rd</sup> quarter there was a small increase in private consumer. They will not be seeking further funding from the Foundation. Their budget for next year has been approved by NW EMS and the ESD to cover all costs for the program moving forward. A motion was made by Danny Marburger and seconded by Jerry Till to approve the final payment to NW EMS in the amount of \$26,025.00. The motion was passed unanimously.

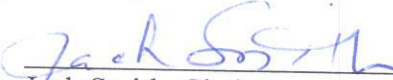
D.) The Flu Shot Program took place on October 22<sup>nd</sup> at Tomball Regional Medical Center. There were a total of 69 shots given. Five of the shots were given to hospital employees so we were not charged for those shots. The total cost for this program was \$1,472.00.

9. 2016 Tomball Parade – The Tomball Chamber has come to us again this year asking if we would consider being their band sponsorship. They will potentially have six bands participating in this year's parade. This is a marketing expense for the board. A motion was made by Vicki Clark and was seconded by Steve Vaughan. The motion was passed. Jim Ross abstained.

10. The board briefly went on to discuss that our lease on the office space will be up in October of 2017. Possible things to consider is do we need the amount of space we have currently have, what space do we need moving forward or should we think about purchasing or building as an investment option. The board will revisit this at the November 16<sup>th</sup> Board Meeting.

### Adjournment

There being no further business, the meeting was adjourned at approximately 5:55PM CST.

  
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Jack Smith, Chairman