

**Tomball Hospital Authority DBA Tomball Regional Health Foundation
Board of Directors Minutes – February 28, 2024**

Present: Jim Ross-Chairman, Tom Kikis-Vice Chairman, Vicki Clark-Secretary, Danny Marburger, Jack Smith, Margarette Yacoubian, Sharon Frank, Lori Wilson, Bill Hogue

Present Via Zoom: Christina Nash-Treasurer

Absent: TJ Tijerina

Also, Present: Jeffrey Klein-CEO, Sarah Dill-Administrative Manager, Russell Kent, Melissa Greer, Angela Caraway-all with Wells Fargo, Randy Parr-City of Tomball, Bruce Hillegeist-GTACC, Kristina Fox-Texas County & District Retirement System

Also, Present Via Zoom: Kevin Reed-Attorney with Reed Claymon

I. Call to Order: Jim Ross called the meeting to order at 4:04 pm and read the Foundation's Mission Statement.

II. Approval of Minutes: January 24, 2024, and February 7, 2024, Board Meeting Minutes were reviewed. *A motion was made by Jack Smith to accept the January 24 and February 7, 2024, Minutes and seconded by Tom Kikis. Motion carried.*

III. Community Input: None.

IV. Monthly Financial Reports:

A. Financials-Jeffrey Klein reviewed the January 2024 Balance Sheet and Profit and Loss Sheet. Total assets as of January 31, 2024, were \$127,216,520. Expenses are \$10,000 under budget for the year. Jeffrey reviewed the cash report. These are the last financial statements prepared by Myrtle Cruz. Our new bookkeeper, Lori Ivey, started February 1, 2024. *A motion was made by Sharon Frank and seconded by Vicki Clark to accept the January 2024 financials. Motion carried.*

B. Wells Fargo reviewed the January Portfolio. Russell Kent reported that our portfolio is up 16.6% over the last year and 8% since inception in 2016. The value at close of the day was just under \$130 million. Fixed income has been making money for the first time in a while. Jeffrey requested the monthly funds transfer of \$100,000 from Wells Fargo to Frost Bank on March 1, 2024. *A motion was made by Lori Wilson and seconded by Sharon Frank to approve moving \$100,000 from Wells Fargo to Frost Bank. Motion carried.*

C. Project Funding Summary- Jeffrey reviewed the updated Project Funding report, and we're projected to spend \$3,276,409 leaving \$562,702 to fund using an 8-quarter average at a 4% spend rate. Vicki looked into the electronic payment option, and she reported it is not cost effective for as few checks as we would need it for.

- D. Move money to Money Market for Property Development**-the Board and Wells Fargo agreed that with the current state of the portfolio and equities needing to be reduced back to 65% to align with our investment policy that it is a great opportunity to move money for the TRHF building project. Jim Ross recommended moving \$5 million out of equities to fixed income.

A motion was made by Tom Kikis and seconded by Vicki Clark to move \$5 million from equities to cash in the TRHF portfolio for the TRHF building project. Motion carried.

V. CEO Report:

- A. Presentation by Texas County and District Retirement System**-Kristina Fox, the Employer Services Representative for Texas County & District Retirement System (TCDRS) presented on the retirement plan that TRHF qualifies to participate in. Employee savings earn 7% compound interest and a lifetime benefit at retirement that includes employer match of 100% up to 250%. Group Term Life Coverage that awards beneficiaries with a one-time payment equal to the employee's wages is also available. She gave four examples of options for the Board to consider. The employee deposit and employer match can be adjusted annually. The estimate is good for 6 months. The employer cost will be the same until January 2026.
- B. Development of Medical Complex Drive Property Update**-Jeffrey and Jim met with MG Architect partner, Scott Clanton, and project manager, Giancarlo Perossa. MG will oversee the complete project. They are experienced with the size building we are considering. The cost per square foot would be approximately \$550, and the project would take about 18 months to complete. They submitted contracts today for review. A rendering would be available in a couple of months. The Board previously voted at the Board Meeting on February 7, 2024, to authorize Jeffrey to hire MG Architects pending contract review.
- C. Next Steps in Investment Advisor Review and RFP Development**-Jeffrey reached out to four organizations for sample RFPs. Jeffrey made modifications based on those RFPs and sent it to the Finance Committee for review. The Finance Committee is comfortable with the RFP Jeffrey presented.
- A motion was made by Danny Marburger and seconded by Christina Nash to approve the Request for Proposal for distribution to the approved potential investment advisors, Goldman Sachs, Hirtle Callaghan, Moody Bank, and Wells Fargo. Motion carried.*
- D. Executive Team Engagement Summary**-the Board reviewed the engagement summary and complemented Jeffrey and Sarah for effectively managing the foundation by: engaging funding partners, engaging potential funding partners and the community, and improving best practices. The Board is very pleased to see in the summaries all that is being accomplished. Jeffrey reminded the Board that we'll have the opportunity to tour the Lone Star College-Tomball Health Sciences building preceding the March 27, 2024, Board meeting.

VI. Funding Partner Updates:

- A. TOMAGWA's** monthly financials were reviewed. January funding paid was \$40,836.23. Jim mentioned that TOMAGWA has done great work in improving its financial reporting.
- B. Potential Applicants for Express Funding Application**-the Board reviewed the list of potential applicants that Jeffrey and Sarah interviewed. The Funding Committee will review at their meeting on March 18, 2024.
- C. Mosaics of Mercy Funding Application**-Mosaics of Mercy presented in person to the Board in January and their summary was reviewed for a final decision by the Board. Christina Nash remarked that she has contacts who used their services and had a great experience. Danny Marburger emphasized the need for mental health support in our community.
A motion was made by Christina Nash and seconded by Danny Marburger to approve funding Mosaics of Mercy \$30,000 for a part-time bilingual licensed Mental Health Navigator to expand services to the Tomball region.
- D. Tidy Up Tomball**-the Board viewed a clip of the Tidy Up Tomball video. Jeffrey asked the Board if it could be considered a healthcare, sanitization, and safety issue or a marketing opportunity. The Board discussed and decided that although a great cause, it does not align with our health and wellness mission. The Board does not want to take on additional marketing at this time.

VII. Closed Session-the Board went into closed session at 5:55 pm to discuss personnel matters related to employee benefits.

VIII. Open Session-the Board came back into open session at 6:12 pm. No action was taken.

IX. Adjournment

A motion was made by Tom Kikis to adjourn the meeting at 6:12 pm and seconded by Lori Wilson. Motion carried.



Vicki Clark (Secretary)