

**Tomball Hospital Authority DBA Tomball Regional Health Foundation
Board of Directors Minutes – January 29, 2025**

- Present:** Tom Kikis-Chairman, Vicki Clark-Secretary, Bill Hogue, Danny Marburger, Jack Smith, Lori Wilson
- Present Via Zoom:** TJ Tijerina-Vice Chairman, Christina Nash-Treasurer, Sharon Frank, Janna Hogle, Margarete Yacoubian
- Absent:** None
- Also, Present:** Jeffrey Klein-CEO, Sarah Dill-Administrative Manager, Russell Kent, Melissa Greer, Angela Caraway, Paul Lebouef-all with Wells Fargo. Eric Steffel and Christine Watkins with HCESD8.
- Also, Present Via Zoom:** Robert Spurck and Kevin Reed-Attorneys with Reed Claymon

- I. **Call to Order:** Tom Kikis called the meeting to order at 4:04 pm and Jeffrey Klein read the Foundation’s Mission Statement.
- II. **Approval of Minutes:** November 20, 2024, Board Meeting Minutes were reviewed. *A motion was made by Lori Wilson to accept the November 20, 2024, Board Minutes and seconded by Bill Hogue. Motion carried.*
- III. **Community Input:** Eric Steffel introduced himself and Christine Watkins to the Board.
- IV. **Monthly Financial Reports:**
 - A. **Financial Summary-** Jeffrey reviewed the December 2024 Balance Sheet and Profit and Loss Sheet. Total assets as of December 31, 2024, were \$142,977,150.26. Our total assets increased by over \$16 million from December 2023. Jeffrey reviewed the cash report and explained that most of the final payments for 2024 funding were due in January, so there weren’t many expenses in December. Expenses are about \$50,000 under budget. *Vicki Clark moved to accept the December 2024 financials. Danny Marburger seconded. Motion carried.*
 - B. **Wells Fargo** was present for the quarterly review of our Portfolio. Russell Kent reported that over the last 12 months, our portfolio is up 16.34%. Since its June 2016 inception, it is up 8.94% versus a 7.12% benchmark. The balance as of December 31, 2024, was \$141,093,804. Wells Fargo recommended staying at a 4% spend rate considering the fluctuating market.

Jeffrey requested the monthly funds transfer of \$850,000 from Wells Fargo to Frost Bank on January 30, 2025. We only used \$400,000 of the \$850,000 that was approved in December. *Jack Smith moved to approve moving \$850,000 from Wells Fargo to Frost Bank on January 30, 2025. Vicki Clark seconded. Motion carried.*

C. Allsprings fees as related to the Wells Fargo account- Jeffrey gave an overview of the fees Allsprings is charging to manage the Large Cap portion of our portfolio. These fees were not presented during the RFP process. The Board agreed that Wells Fargo should manage the Large Cap portion of our portfolio and should discontinue services provided by Allsprings. *TJ Tijerina moved to remove Allsprings from managing the Large Cap portion of our portfolio and for Wells Fargo to assume management. Lori Wilson seconded. Motion carried.*

D. Funding Reports:

Spend Rate Calculation- The new spend rate calculation as of December 31, 2024, using an eight-quarter average at 4% is \$5,068,754.60 less an estimated operational budget of \$600,000 leaves \$4,458,754.60 in funding available for 2025.

2024 Project Funding Summary- Q4 payments are due in January to conclude 2024 funding. Only a few payments are pending. Currently, the total funding distributed for 2024 is \$3,066,166. The funding distributed is less than what was initially committed largely due to TOMAGWA coming under what we allocated. The Board would like to consider creating an Emergency Fund to be positioned to quickly respond to a disaster. Jeffrey will include that on the February agenda for further discussion.

2025 Funding Requests- \$895,000 in funding is remaining with Northwest Community Health and TOMAGWA funding decisions still pending. If their funding is approved, we should have approximately \$420,000 in reserve with 2025 funding totaling \$3.8 million.

2025 Funding Categories- The Board reviewed the 12 designated funding categories. The highest-funded categories are: Senior Services, Student Services, Special Needs, and Mental Health.

E. Preliminary 2025 Operations Budget- The Board will review the preliminary 2025 operations budget once the compensation review is complete.

F. ACH payments are being considered again with the size/volume of checks written and the unreliability of the U.S. Postal Service. Information on ACH fees has been requested from Frost Bank. This item will be included on the February agenda.

V. 2025 Funding Requests:

A. Tomball Pregnancy Center extension- Jeffrey reviewed the letter from the Tomball Pregnancy Center requesting their unused 2024 funds be extended into 2025.

The Funding Committee moved not to extend Tomball Pregnancy Center's 2024 funding into 2025. Maggie Yacoubian seconded. Vicki Clark abstained. Motion carried.

B. ESD 8 Mobility Application- Jeffrey gave an overview of the presentation Northwest Community Health/Harris County ESD 8 gave to the Funding Committee. The Funding Committee agreed to re-open ESD 8's funding application. Their new 2025 request includes \$25,000 for financial support for qualified riders, \$20,000 for transportation for TOMAGWA clients, and up to \$50,000 for a Ford Edge SUV. Legal Counsel will be consulted for the agreement terms related to the vehicle use.

Danny Marburger moved to approve funding Northwest Community Health/Harris County ESD 8 up to \$95,000 including \$25,000 for qualified general community members, \$20,000 for free medical transportation for TOMAGWA clients, and up to \$50,000 for a small SUV. Vicki Clark seconded. Motion carried.

C. TOMAGWA Dental Services Application- The Board reviewed TOMAGWA's funding application summary. The Funding Committee recommended an eleven-month funding agreement for \$400,000 for their dental program salaries and supplies as well as \$10,000 for a transportation program. Since Northwest Community Health is providing the transportation program, TOMAGWA will not need that portion of its funding request.

TJ Tijerina moved to approve funding TOMAGWA Ministries \$400,000 for February through December 2025 for dental salaries and supplies. Maggie Yacoubian seconded. Motion carried.

VI. CEO Report:

A. Development of Medical Complex Drive (MCDP) update:

- Site and building permits were received within four weeks.
- An additional 20 trees were saved by adjusting the walking path.
- Temporary fencing and tree protection are in place.
- Equipment will be delivered tomorrow to start digging the pond.
- Dirt from the pond tested well and may be used for additional site fill.
- Pricing is on track.
- The parking lot to the west is encroaching on our property. Remedies are being discussed.
- Jeffrey will meet with the city to discuss the tree requirements.

B. Payment Requirements and Options for MCDP- Jeffrey reviewed the process he has implemented with Paradigm and MG Project Management. Once a month they will all walk the property and verify the project is completed to the percentage stipulated in the pay application. Once all parties agree, payment may be made.

Danny Marburger made a motion to move that the Board, having previously reviewed and approved the administrative office/education center construction, authorizes the CEO to make payment to the contractor, Paradigm Construction, on a regular basis, upon receipt of invoices and progress acceptable to the CEO and after consultation and approval of the invoice by the project manager/architect. The CEO shall report to the Board of Directors not less than monthly on the progress of construction and the payment of invoices. Payments under this authorization shall not exceed the amount of 7 million dollars. The second was made by Jack Smith. Motion carried.

Bill Hogue moved that before final payment is made and retainage is paid that the CEO come back to the TRHF Board of Directors for approval of final payment to Paradigm Construction. Vicki Clark seconded. Motion carried.

- C. Executive Team Engagement Summary-** Jeffrey covered a few highlights from the summary and noted upcoming events that board members may want to attend.
- Jeffrey was the recipient of the Magnolia Chamber's Chairman's Award in recognition of his leadership and the impact TRHF is having on the community.
 - Legal Counsel gave an update on the potential bond issue for the TRHF Administrative and Learning Center.
 - Sarah read Jim Ross's thank you note for the Board's recognition of his service on the Board of Directors.

D. Compensation and Health Insurance- Discussed in closed session.

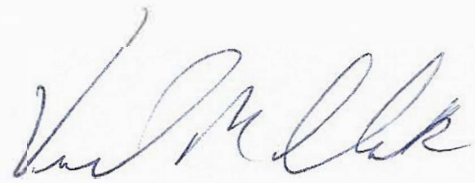
VII. Closed Session- the Board went into closed session at 5:50 pm pursuant to Sec. 551.071 of the TEXAS GOVERNMENT CODE to discuss with its attorney, either in person or by telephone, matters which require confidential discussion with counsel under the attorney-client privilege including personnel matters and also financing options for the building of the Tomball Regional Health Foundation offices on Medical Complex Drive.

VIII. Open Session- The Board came back into open session at 6:14 pm.

Lori Wilson moved to accept the Executive Committee's written recommendations for salary and insurance reimbursements for TRHF staff, and Vicki Clark seconded. Motion carried.

IX. Adjournment

Jack Smith moved to adjourn the meeting at 6:15 pm and Lori Wilson seconded. Motion carried.



Vicki Clark (Secretary)