



# NUECES COUNTY HOSPITAL DISTRICT

## Administrative Offices

555 N. Carancahua Street, Suite 950  
Corpus Christi, Texas 78401-0835

Phone: (361) 808-3300  
Fax: (361) 808-3274

### **BOARD OF MANAGERS RESOLUTION** **MAY 16, 2017**

#### **A RESOLUTION RELATING TO A NOMINATION TO TEXAS CONFERENCE OF URBAN COUNTIES FOR SERVICE ON THE TOBACCO SETTLEMENT PERMANENT TRUST ACCOUNT INVESTMENT ADVISORY COMMITTEE**

**WHEREAS**, the Nueces County Hospital District (the "Hospital District" or "District") is a political subdivision of the State of Texas, established and created pursuant to the Texas Constitution, Article IX, Section 4 and the Texas Health and Safety Code (the "Health Code"), Chapter 281 and operated in accordance with the Health Code and other applicable laws of the State of Texas;

**WHEREAS**, the Board of Managers of the Hospital District (the "Board") is the governing body of the Hospital District, pursuant to Health Code, §281.048, and pursuant to the collective authorities of the Health Code, §281.047 and §281.048, the Board has, and the time of adoption of this Resolution had, full power and authority to manage, control, administer, and to adopt rules governing operation of the District;

**WHEREAS**, the Hospital District was an "intervenor applicant" and signatory on the Agreement Regarding Disposition of Settlement Proceeds filed on July 24, 1998, in the United States District Court, Eastern District of Texas, in the case titled *The State of Texas v. The American Tobacco Company, et al.* No. 5-96CV-91;

**WHEREAS**, Texas Government Code (the "Government Code") §403.1042(b) states, in part, that the Tobacco Settlement Permanent Trust Account Investment Advisory Committee (the "Advisory Committee") shall be composed of eleven members of which four members shall be appointed by the Texas Conference of Urban Counties (the "CUC") from nominations received from political subdivisions that, in the year preceding the appointment, received the 3<sup>rd</sup> through 12<sup>th</sup> largest annual distributions paid from the Tobacco Settlement Permanent Trust Account, and the Hospital District is one of these entities;

**WHEREAS**, the Advisory Committee (i) advises the Texas Comptroller of Public Accounts ("Comptroller") with respect to managing the assets of the tobacco settlement permanent trust account; (ii) provides the Comptroller guidance with respect to the investment philosophy that should be pursued in managing these assets and the extent to which, at any particular time, the assets should be managed to maximize growth of the corpus or to maximize earnings; and (iii) except as provided by Government Code, §403.1041(h), the Advisory Committee serves in an advisory capacity only and is not a fiduciary with respect to the account;

**WHEREAS**, in 2011 **Kevin Kieschnick** was elected Nueces County's Tax Assessor-Collector, he has served on Nueces County's investment committee since 2012, and his statutory duties include assessing and collecting property taxes, registering and licensing motor vehicles, and registration of voters;

**WHEREAS**, pursuant to Government Code, §403.1042(e), Advisory Committee members serve staggered six-year terms expiring on August 31<sup>st</sup> of each odd-numbered year; and pursuant to Government Code, §403.1042(g), Advisory Committee members may not receive compensation from the trust fund or the state for service on the Advisory Committee and may not be reimbursed from the trust fund or the state for travel expenses incurred while conducting the business of the Advisory Committee;

**WHEREAS**, Government Code, §403.1042(c) requires that Commissioners Court approve any person appointed by the Hospital District to serve on the Advisory Committee; and

**WHEREAS**, the Board desires to place a responsible Advisory Committee nomination with the CUC.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MANAGERS OF THE NUECES COUNTY HOSPITAL DISTRICT, THAT:**

1. The Board hereby nominates **Kevin Kieschnick** to the Texas Conference of Urban Counties for service on the Tobacco Settlement Permanent Trust Account Investment Advisory Committee for the term expiring August 31, 2023.
2. The Board hereby directs the Administrator to submit this nomination to Commissioners Court for its consideration toward approval.
3. The Administrator, in his capacity as the Secretary of the Hospital District Board, be and is hereby legally authorized and empowered to perform all acts described above and certify these resolutions and that the provisions hereof are in conformance with the laws of the State of Texas and the Governing Board Bylaws of the District.
4. This Resolution shall take effect and be in full force and effect upon and after its passage.

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**NUECES COUNTY HOSPITAL DISTRICT  
BOARD OF MANAGERS**

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Van Huseman  
Chairman

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Claude C. Jennings, C.P.A.  
Vice Chairman

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Rodney J. Hart, P.E.  
Member

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Irma Caballero  
Member

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Robert N. Corrigan, Jr.  
Member

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John E. Valls  
Member

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Ted A. Daniels  
Member

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**CERTIFICATE FOR RESOLUTION  
A RESOLUTION RELATING TO  
A NOMINATION TO TEXAS CONFERENCE OF URBAN COUNTIES  
FOR SERVICE ON THE TOBACCO SETTLEMENT PERMANENT  
TRUST ACCOUNT INVESTMENT ADVISORY COMMITTEE**

THE STATE OF TEXAS       §  
                                      §  
COUNTY OF NUECES       §

We, the undersigned Secretary and General Counsel of the Board of Managers of the Nueces County Hospital District, hereby attest as follows:

1. The Board of Managers of said District convened in regular meeting on the 16<sup>th</sup> day of May, 2017, at the regular meeting place, and the roll was called of the duly constituted officers and members of said Board of Managers, to wit:

Van Huseman, Chairman  
Claude C. Jennings, C.P.A., Vice Chairman  
Rodney J. Hart, P.E.  
Irma Caballero  
Robert N. Corrigan, Jr.  
John E. Valls  
Ted A. Daniel

and all of said persons were present, except the following absentees: \_\_\_\_\_,  
\_\_\_\_\_, and \_\_\_\_\_ thus constituting a quorum. Whereupon, among  
other business, the following was transacted at said Meeting: A written

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was introduced for the consideration of said District and read in full. It was then duly moved and seconded that said Resolution be passed, and, after due discussion, said motion, carrying with it the passage of said Resolution, prevailed and carried by the following vote:

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

PRESENT NOT VOTING: \_\_\_\_\_

2. That a true, full and correct copy of the aforesaid Resolution passed at the meeting described in the above and forgoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in the minutes of said Meeting; that the above and forgoing paragraph is a true, full, and correct excerpt from the minutes of said Meeting pertaining to and passage of said Resolution; that the persons named in the above and forgoing paragraph are the duly appointed, qualified, and acting members of the Board of Managers of said District as indicated therein; that each of the members of the Board of Managers of said District was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of aforesaid Meeting, and that said Resolution would be introduced and considered for passage at said Meeting, and that each of said members consented, in advance, to holding of said Meeting for such purpose; and that said Meeting was open to the public, and public notice of the date, time, place, and purpose of said Meeting was given all as required by Texas Government Code, §551.001 et.seq.

SIGNED AND SEALED THIS 16<sup>th</sup> day of May, 2017.

ATTEST:

\_\_\_\_\_  
Jonny F. Hipp  
Secretary, Board of Managers  
Nueces County Hospital District

{SEAL}

ATTEST:

\_\_\_\_\_  
Wm. DeWitt Alsup  
General Counsel  
Nueces County Hospital District