

**MINUTES  
FINANCE COMMITTEE  
BOARD OF MANAGERS  
NUECES COUNTY HOSPITAL DISTRICT**

**July 23, 2012**

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The Finance Committee of the Nueces County Hospital District Board of Managers met at 6:15 p.m., Monday, July 23, 2012, in the NCHD Board Room at 555 N. Carancahua, Suite 950-A, Corpus Christi, TX.

**HOSPITAL DISTRICT REPRESENTATIVES:**

Jonny F. Hipp, Administrator/CEO  
Dena B. Bruni, Assistant Administrator, Administrative Services  
Donna Littlefield, Director, Accounting & Finance  
Wm. DeWitt Alsup, Attorney, Alsup & Alsup Law Firm  
Catherine Heller, Assistant Nueces County Attorney  
Sara G. Lopez, Administrative Specialist  
Carmen H. Ramos, Administrative Assistant

**OTHER(S):**

None.

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1. **Call to Order** - Mr. Wilson, Chair  
The meeting was called to order by Mr. Wilson at 6:25 p.m.
  2. **Establishment of Quorum** - Mr. Wilson  
A quorum was present with all members in attendance.  
  
Charles Wilson, Chair - PRESENT  
Claude "Cal" Jennings, Member - PRESENT  
Raymond F. Wetegrove, Member - PRESENT
  3. **Review and approve minutes from the April 17, 2012 meeting** - ACTION  
Motion by Mr. Jennings, seconded by Mr. Wetegrove, the Finance Committee approved the April 17, 2012 minutes as written. **MOTION CARRIED.**
  4. **Receive unaudited financial statements for months and fiscal year-to-date periods ended March 31, 2012 - June 30, 2012** - INFORMATION  
Ms. Littlefield presented the unaudited financial statements for the months and fiscal year-to-date period ended March 31, 2012 - June 30, 2012.

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The Finance Committee received and accepted the unaudited financial statements for the fiscal year-to-date period noted above. Copies of unaudited financial statements are attached hereto for information and made a part of these minutes.

5. **Receive summary payment information for fiscal year-to-date period ended June 30, 2012; INFORMATION**

Ms. Littlefield presented the County Healthcare Expenditures Cash Disbursements Relating to FY 2012. The Finance Committee received and accepted the County Healthcare Expenditures report as presented.:

- (1) Medical services at Nueces County Juvenile Detention Facility;
- (2) Emergency medical services in unincorporated areas of Nueces County;
- (3) Supplemental funding for the Nueces County Mental Health and Mental Retardation; and
- (4) Salaries, benefits, and supplies at City of Corpus Christi/Nueces County Public Health Department.

Copy of summary payment information for fiscal year-to-date ended June 30, 2012 is attached hereto for information and made a part of these minutes.

6. **Receive summary information relating to healthcare claims adjudicated pursuant to the Indigent Care Agreement; INFORMATION**

Ms. Bruni presented the summary information relating to claims adjudicated for the period noted above:

- (1) Calendar Year 2012 service date claims through June 30, 2012.

The Finance Committee received and accepted the summary information relating to claims adjudicated as per the Indigent Care Agreement as presented. Copy of summary information is attached hereto and made a part of these minutes.

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7. **Receive summary report of intergovernmental transfer relating to the Hospital District's participation in the Texas Health and Human Service Commission's Medicaid Disproportionate Share, Upper Payment Limit, and Transformation and Quality Improvement 1115 Waiver Programs and related Program payments to Christus Spohn Health System Corporation, report as of July 18, 2012 - INFORMATION**

Mr. Hipp reported this is the schedule provided to the Committee on a regular basis. It represents our last Waiver payment was made May 8, 2012 in the amount of \$12,529,562; of which Spohn has netted \$548,010,461. This amount would be higher if we went back and captured payments to Spohn of prior years and dating back to 1996. Business part of our regular reporting shows where the IGTs have gone and how they've been used. In 2012, we're already making IGTs under the initial year of the Waiver and so that's why they are labeled Waiver funds instead of UPL funds. Copy of Nueces County Hospital District DSH/UPL Intergovernmental Transfer Activity Report is attached hereto for information and made a part of these minutes.

8. **Receive investment report and ratify related investment transactions: INFORMATION**

Ms. Littlefield presented the Quarterly Investment Reports and Interim Investment Report as noted below:

- (1) Quarterly Investment Report for fiscal quarter ended March 31, 2012;
- (2) Quarterly Investment Report for fiscal quarter ended June 30, 2012; and
- (3) Interim Investment Transactions Report for period of July 1, 2012 - July 18, 2012.

The Finance Committee received and accepted the Quarterly Investment Reports and Interim Investment Transaction Report for the periods noted above. Copies of Quarterly Investment Reports and Interim Investment Transaction Reports are attached hereto for information and made a part of these minutes.

9. **Receive summary information relating to Nueces Aid service utilization for the period of January 1, 2012 - June 30, 2012: INFORMATION**

Ms. Bruni presented the Script Care cost and utilization summary report for the period of January 1, 2012 - June 30, 2012.

- (1) Pharmacy Program; and
- (2) Pharmacy Volume by Month.

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The Finance Committee received and accepted the Nueces Aid service utilization report for the periods noted above. Copy of the summary information relating to Nueces Aid service utilization is attached hereto for information and made a part of these minutes.

10. **Review and recommend the Board of Managers ratify Calendar Year 2011 unreimbursed health care expenditures amounts submitted to the Texas Department of State Health Services for pro rata share distribution of Calendar Year 2011 income from the Tobacco Permanent Trust Account; expenditure submission pursuant to Texas Administrative Code, Title 25, Part 1, Chapter 102, Rules §102.1(b) and §102.3(a), (e)(2), and (f) - ACTION**

The Finance Committee recommends Board ratification of Calendar Year 2011 relating to unreimbursed health care expenditures amounts submitted to the Texas Department of State Health Services for pro rata share distribution of Calendar Year 2011 income from the Tobacco Permanent Settlement Trust Account as presented. Copy of transmittal letter dated March 27, 2012 from Mr. Hipp to Department of State Health Services, Pro Rata Tobacco Settlement Distribution Hospital District Expenditure Statement - 2012 are attached hereto and made a part of these minutes.

11. **Receive information relating to the State Comptroller of Public Accounts' 2012 local and statewide pro rata distribution of Calendar Year 2011 income from the Tobacco Permanent Settlement Trust Account, distribution pursuant to Texas Administrative Code, Title 25, Part 1, Chapter 102, Rules §102.2 - INFORMATION**

Copy of the List of Political Subdivisions that Received a Payment in the 2012 Distribution shows the 2011 Unreimbursed Health Care Expenditures of **\$35,780,392.45**; NCHD's 2011 Distribution of **\$698,820.34**; and ranks 7<sup>th</sup> in the state. Copy of List of Political Subdivisions and Received a Payment in the 2012 Distribution is attached hereto and made a part of these minutes.

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12. **Discuss and make recommendation to Board of Managers to adopt a Board of Managers' Resolution relating to annual review of the investment policy and investment strategy and adopting changes to the investment policy, pursuant to Texas Government Code, §2256.005(e) - ACTION**

Motion by Mr. Jennings, seconded by Mr. Wetegrove, the Finance Committee recommends Board adoption of a resolution and ratification relating to the annual review of the investment policy and investment strategy as presented. There have been no amendments made to the investment policy and investment strategy since July 26, 2011. **MOTION CARRIED.** Copy of unsigned resolution and its Exhibit "A" are attached hereto for information and made a part of these minutes.

13. **Discuss and make recommendation to Board of Managers to adopt a Board of Managers' Resolution relating to review and adoption of the listing of qualified broker/dealers authorized to engage in investment transactions, pursuant to Texas Government Code, §2256.025 - ACTION**

Motion by Mr. Jennings, seconded by Mr. Wetegrove, the Finance Committee recommends Board adoption of a resolution effective August 1, 2012 relating to the review and adoption of the listing of qualified broker/dealers authorized to engage in investment transactions, pursuant to Texas Government Code, §2256.025 as presented. **MOTION CARRIED.** Copy of unsigned resolution and its Exhibit "A" (Authorized Broker/Dealer List) are attached hereto for information and made a part of these minutes.

14. **Review and discuss annual operating budget deficit projected for fiscal year ending September 30, 2012 and subsequent year's projected budget deficits; discuss expected revenues and expenditures, and other related matters - INFORMATION**

Mr. Hipp stated the above paragraph serves as a constant reminder of the district's financial situation.

15. **Consider actions relating to projected annual operating budget deficit for fiscal year ending September 30, 2012 and subsequent fiscal years - ACTION**

No action taken on this agenda item. Mr. Hipp announced that Commissioners Court will adopt NCHD 2012-2013 Budget on September 4, 2012.

16. **Adjourn**

There being no further business, the meeting adjourned at 6:52 p.m.