

Agenda

1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

MEMBERS:

- ___ John B. Martinez, J.D., Chairman
- ___ Sylvia Tryon-Oliver, Vice-Chairman
- ___ Belinda Flores, R.N.
- ___ Vishnu V. Reddy, M.D.
- ___ Daniel W. Dain
- ___ John E. Valls
- ___ Mariana Garza, J.D.

3. CALL TO ORDER & ESTABLISHMENT OF QUORUM

- A. Call to order.
- B. Establish quorum.
- C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.

4. WORKSHOP SESSION - A Workshop Session may be conducted on the following item(s):

- A. Fiscal Year 2021 Annual Budget.

5. PUBLIC COMMENT - Persons wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board meeting room at least five (5) minutes prior to commencement of the meeting. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Board through a translator shall limit their comments to six (6) minutes.

6. REGULAR AGENDA

A. Network Access Improvement Program:

- 1) Ratify Administrator's action(s) performed as part of his duties directing the affairs of the District and/or as required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):
 - a) Execution of Medicaid Network Access Improvement Program Inter-Governmental Transfer Responsibility Contract with Texas Health and Human Services Commission for the term September 1, 2020 - August 31,

2021. (***ACTION***)

B. FY2021 Budget:

- 1) Adopt Board of Managers Resolution committing an amount of the September 30, 2020 fiscal year-end General Fund balance to the subsequent fiscal year for unpaid intergovernmental transfers relating to Demonstration Year No. 9 of the Texas Healthcare Transformation and Quality Improvement Program Section 1115 Waiver (Uncompensated Care and Delivery System Reform Incentive Payment Programs) and for the Disproportionate Share Hospital Program, Network Access Improvement Program, Uniform Hospital Rate Increase Program, and Graduate Medical Education Program. (***ACTION***)

- 2) Adopt Board of Managers Resolution relating to August 27, 2020 letter relating to the Amended and Restated CHRISTUS Spohn Health System Corporation Membership Agreement Member Revenue Allocation Percentage for the period October 1, 2020 - September 30, 2021; Acknowledgement of Revenue Allocation Percentage procedure established pursuant to Membership Agreement, Section 5.03(b) and action taken by CHRISTUS Spohn Health System Corporation Board of Directors thereunder. (***ACTION***)

- 3) Adopt Board of Managers Resolutions relating to approval of the Fiscal Year 2021 Annual Budget covering the period October 1, 2020 - September 30, 2021 ("Annual Budget"):
 - a) Resolutions incorporating funding in the Annual Budget for:
 - (1) Nueces Center for Mental Health and Intellectual Disabilities; and
 - (2) Nueces County-related healthcare expenditures.
 - b) Resolution relating to the prioritization of Annual Budget funding for voluntary intergovernmental transfers supporting Medicaid supplemental payment programs.
 - c) Resolution approving Annual Budget, approval pursuant to Texas Health and Safety Code, §281.091(b); Annual Budget includes:
 - (1) General Fund;
 - (2) Tobacco Fund;
 - (3) Indigent Care Fund; and
 - (4) Capital Budget. (***ACTION***)

7. ADJOURN

IGT RESPONSIBILITY CONTRACT
BETWEEN
THE TEXAS HEALTH AND HUMAN SERVICES COMMISSION
AND
NON-STATE GOVERNMENTAL ENTITY

This Contract is between the Texas Health and Human Services Commission (“**HHSC**”) and Nueces County Hospital District (“**Governmental Entity**”) (individually, a “**Party**” and collectively, “the **Parties**”).

I. LEGAL AUTHORITY

This Contract is entered into pursuant to Chapter 531 of the Texas Government Code.

II. BACKGROUND AND PURPOSE

- A. HHSC is the single state agency designated in Texas to administer the medical assistance program known as Medicaid.
- B. HHSC administers the Network Access Improvement Program (“**NAIP**”) through Medicaid managed care organizations (“**MCOs**”). The Centers for Medicare and Medicaid Services (“**CMS**”) has determined that NAIP payments meet the following definition of “pass-through payments” contained in 42 C.F.R. §438.6(a):

[A]ny amount required by the State to be added to the contracted payment rates, and considered in calculating the actuarially sound capitation rate, between the MCO, PIHP, or PAHP and hospitals, physicians, or nursing facilities that is not for the following purposes: A specific service or benefit provided to a specific enrollee covered under the contract; a provider payment methodology permitted under paragraphs (c)(1)(i) through (iii) of this section for services and enrollees covered under the contract; a subcapitated payment arrangement for a specific set of services and enrollees covered under the contract; GME payments; or FQHC or RHC wrap around payments.

Under NAIP, MCOs will be required by HHSC to provide pass-through payments to eligible Public Hospitals.

- C. The purposes of this Contract are:
 - 1. To provide terms and conditions for the Governmental Entity to transfer non-federal public funds to HHSC for use as the non-federal share of NAIP pass-through payments to the Public Hospital from the MCO(s);
 - 2. To describe the expectations of the Parties in the event the Governmental Entity fails to timely transfer funds to HHSC for this purpose; and

3. To describe the process that will be used to reconcile the non-federal percentage of payments from HHSC to the MCOs with the amount of funds transferred to HHSC from the Governmental Entity.

III. DEFINITIONS

For purposes of this Contract, the following terms have the meanings as described below:

- A. Intergovernmental Transfer (“**IGT**”) -- A transfer of Public Funds from a Non-state Governmental Entity to HHSC.
- B. Managed Care Organization (“**MCO**”) -- A Medicaid managed care organization contracted with HHSC to provide health care services to Medicaid recipients.
- C. Non-state Governmental Entity -- A hospital authority, hospital district, health district, city or county.
- D. Public Hospital -- The hospital located in Nueces County, Texas and qualifying as a public hospital as defined in Section 355.8065(b)(46) of the Texas Administrative Code, in which the Governmental Entity owns a membership interest (i.e. CHRISTUS Spohn Health System Corporation).
- E. Public Funds -- Funds derived from taxes, assessments, levies, investments, and other public revenues within the sole and unrestricted control of the Governmental Entity that owns a membership interest in the Public Hospital. Public funds do not include gifts, grants, trusts, or donations, the use of which is conditioned on supplying a benefit solely to the donor or grantor of the funds.

IV. PROGRAM PERIOD AND CONTRACT PERIOD

- A. The term of this Contract (the “**Contract Period**”) begins on the latest date a Party signs the Contract and continues until the completion of the final reconciliation, which is described in Article VIII below, but no later than August 31, 2023.
- B. The term of the NAIP initiative (the “**Program Period**”) begins on September 1, 2020, and ends on August 31, 2021.
- C. The term of the Program Period or Contract Period may be modified by written Contract between the Parties.

V. CONTRACT AMOUNT

- A. For each Medicaid managed care program and service area in which the Public Hospital participates in a NAIP pass-through payment arrangement, HHSC's managed care contract with participating MCOs will require the MCOs to allocate a fixed percentage of the capitation rates to the Public Hospital's NAIP payments (the "**NAIP Rate Component**").

- B. The Governmental Entity agrees to reimburse HHSC for the non-federal percentage of the NAIP Rate Component for all Medicaid programs and service areas in which the Public Hospital participates in the NAIP program.

The non-federal percentage of the NAIP Rate Component equals one-hundred percent minus the applicable Federal Medical Assistance Percentage for Medicaid for Texas in effect when HHSC incurs the expense.

- C. The Parties agree that the amount of this Contract will not exceed \$7,351,958.00 (SEVEN MILLION, THREE HUNDRED FIFTY-ONE THOUSAND, NINE HUNDRED AND FIFTY-EIGHT DOLLARS) (“**Contract Amount**”), which equals (1) the non-federal percentage of the pass-through payment amount plus ten percent, and (2) the non-federal percentage of the risk margin, administrative fee, and any other NAIP-related amounts HHSC is required to pay each applicable MCO pursuant to the associated managed care contract between HHSC and the MCO. The agreed maximum Contract Amount is subject to the provisions of Section V.A. and Article VII.

VI. STATEMENT OF SERVICES TO BE PERFORMED

- A. Governmental Entity’s responsibilities under this Contract include the following:

1. Beginning on August 10, 2020, and continuing on the tenth day of each month through July 10, 2021, the Governmental Entity will transfer to HHSC an amount equal to one-twelfth of the estimated Contract Amount. If at any time during the Program Period HHSC determines that the Contract Amount is likely to exceed the amount described in Section V.B., HHSC will notify the Governmental Entity in writing of a revised amount that the Governmental Entity must transfer on the tenth day of each month remaining in the Program Period.
2. The Governmental Entity will transfer any shortfall amount calculated as described in Article VIII. The Governmental Entity will complete the transfer within 30 days of receipt of HHSC’s notice regarding the shortfall.

- B. HHSC’s responsibilities under this Contract include the following:

1. Prior to August 10, 2020, HHSC will provide the Governmental Entity with the NAIP Rate Component for each applicable MCO, Medicaid managed care program, and service area in which the Public Hospital participates in NAIP.
2. HHSC will perform the reconciliation processes described in Article VIII.

VII. FAILURE BY THE GOVERNMENTAL ENTITY TO TRANSFER FUNDS TO HHSC

If the Governmental Entity does not transfer the full amount described in Section VI.A. for one or more months, HHSC may elect to take any or all of the following actions:

- A. Determine that the Public Hospital is ineligible to participate in NAIP for future eligibility periods, subject to Article VIII;
- B. Withhold any or all future Medicaid payments from the Public Hospital until HHSC has recovered an amount equal to the amount of the shortfall; and
- C. Retain any funds that would normally be returned to the Governmental Entity as part of the reconciliation process described under Article VIII.

VIII. RECONCILIATION

HHSC will complete the reconciliation in multiple parts:

- A. HHSC will confirm that the amount owed by the Governmental Entity under this Contract equals the amount actually paid by the Governmental Entity under this Contract by completing a reconciliation in multiple parts, as follows:
 - 1. For each Medicaid program and service area in which the Public Hospital participates in NAIP, HHSC will determine the non-federal percentage of the NAIP Rate Component expended by HHSC for the Program Period by multiplying the NAIP Rate Component by the total member months included in the Program Period. Total member months include any adjustments to enrollment that occurred for the Program Period prior to the reconciliation.
 - 2. HHSC will compare the amount transferred by the Governmental Entity to HHSC for the Program Period and any amounts identified in Article VII, to the non-federal percentage of the NAIP Rate Component expended by HHSC for the Program Period.
 - a. If the amount transferred by the Governmental Entity exceeds 102% of the non-federal percentage of the NAIP Rate Component expended by HHSC:
 - I. HHSC will refund the difference between the amount transferred and 102% of the amount expended by HHSC; and
 - II. HHSC will return any excess funds following the reconciliation described in Section VII.C.
 - b. If the amount transferred by the Governmental Entity is less than 102% of the non-federal percentage of the NAIP Rate Component expended by HHSC, HHSC will notify the Governmental Entity in writing of the amount of the shortfall and of a deadline for the Governmental Entity to transfer the shortfall to HHSC.
- B. HHSC may complete interim reconciliations between August 31, 2021, and August 31, 2023, as updated enrollment data for the Program Period, as reflected in adjusted member months, becomes available. HHSC will follow the process described in Section VIII.A. for such interim reconciliations.

- C. HHSC will complete the final reconciliation no later than August 31, 2023, to ensure that payments under this Contract are based on final enrollment figures for the Program Period.
 - 1. For each Medicaid program and service area in which the Public Hospital participates in NAIP, HHSC will determine the non-federal percentage of the NAIP Rate Component expended by HHSC for the Program Period by multiplying the NAIP Rate Component by the total member months included in the Program Period. Total member months include any adjustments to enrollment that occurred subsequent to a reconciliation.
 - 2. HHSC will compare the amount transferred by the Governmental Entity to HHSC for the Program Period and any amounts identified in Article VII, to the non-federal percentage of the NAIP Rate Component expended by HHSC for the Program Period.
 - a. If the amount transferred by the Governmental Entity exceeds the non-federal percentage of the NAIP Rate Component expended by HHSC, HHSC will refund the excess and the amount retained under Section A.2.a.II. of this Article VIII;
 - b. If the amount transferred by the Governmental Entity is less than the non-federal percentage of the NAIP Rate Component expended by HHSC, HHSC will notify the Governmental Entity of the amount of the shortfall and of the 30-day deadline for the Governmental Entity to transfer the shortfall to HHSC.
- D. If the Governmental Entity does not timely complete the transfer upon notification by HHSC under Sections A.2.b. or C.2.b of this Article VIII, HHSC will withhold any or all future Medicaid payments from the Public Hospital until HHSC has recovered an amount equal to the amount of the shortfall under this Contract and the Public Hospital will be ineligible for future participation in NAIP.

IX. TERMINATION

- A. HHSC may terminate this Contract at any time at its discretion by providing written notice to the Governmental Entity through the individual identified in Section XI.A.
- B. The Governmental Entity has no termination rights for the duration of the Contract Period.

X. ADDITIONAL TERMS

- A. The services specified above are necessary and authorized for activities that are properly within the statutory functions and programs of the Parties.
- B. The services contracted for are not required by Section 21 of Article XVI of the Constitution of Texas to be supplied under contract given to the lowest responsible bidder.

- C. The proposed arrangements serve the interest of efficient and economical administration of state government.
- D. All acts required under this Contract will be done in conformity with federal and state laws and regulations.
- E. If any portion of this Contract is held to be invalid or unenforceable, the remainder of the Contract remains valid and enforceable.
- F. The dispute resolution process provided for in Chapter 2260 of the Texas Government (Resolution of Certain Contract Claims Against the State) will be used by the Parties to attempt to resolve any claim for breach of the Contract.
- G. This Contract may only be amended or modified by written Contract of the Parties.
- H. Information related to the performance of this Contract may be subject to the Chapter 552 of the Texas Government Code (Public Information Act) and will be withheld from public disclosure or released to the public only in accordance therewith. The Governmental Entity shall make any information required under the Public Information Act available to the HHSC in portable document file (".pdf") format or any other format agreed between the Parties.
- I. This Contract and the rights and obligations of the Parties hereto shall be governed by, and construed according to, the laws of the State of Texas, exclusive of conflicts of law provisions. Venue of any suit brought under this Contract shall be in a court of competent jurisdiction in Travis County, Texas. The Governmental Entity irrevocably waives any objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Contract or any document related hereto. NOTHING IN THIS SECTION SHALL BE CONSTRUED AS A WAIVER OF SOVEREIGN IMMUNITY BY HHSC OR GOVERNMENTAL IMMUNITY BY THE GOVERNMENTAL ENTITY.
- J. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.
- K. Neither Party shall assign or subcontract the whole nor any part of the Contract, including any right or duty required under it, without the other Party's prior written consent. Any assignment made contrary to this shall be void.

XI. NOTICE

- A. All communications to the Governmental Entity under this Contract will be sent to:
Name: Jonny F. Hipp

Title: Administrator/Chief Executive Officer
Address: Nueces County Hospital District
555 North Carancahua Street, Suite 950
Corpus Christi, TX 78401-0835
Phone: 361-808-3300
Email: jonny.hipp@nchdcc.org

- B. All communications to HHSC under this Contract will be sent to Victoria Grady, Director of Rate Analysis, Health and Human Services Commission, Brown-Heatly Bldg., 4900 North Lamar Blvd., Austin, TX 78751.

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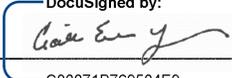
Certification by Governmental Entity

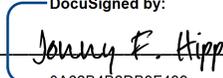
By signing this Contract, the person signing on behalf of the Governmental Entity certifies that this Contract has not been altered, amended, or changed from the version of the Contract sent by HHSC to the Governmental Entity.

The individuals below are authorized representatives of their respective agencies and have the authority to bind their respective agencies in a contractual Contract:

**HEALTH AND HUMAN SERVICES
COMMISSION**

GOVERNMENTAL ENTITY

By: 
Name: Cecile Young
Title: Executive Commissioner
Signature Date: August 22, 2020

By: 
Name: Jonny F. Hipp
Title: Administrator/CEO
Signature Date: August 21, 2020

**THE FOLLOWING ATTACHMENT IS HEREBY INCORPORATED BY REFERENCE:
ATTACHMENT A – SFY 2021 NAIP PROGRAM FINANCIAL ASSUMPTIONS**

Attachment A NAIP PROGRAM FINANCIAL ASSUMPTIONS

Superior - CHRISTUS Spohn Health System

		September 1, 2020 - August 31, 2021								
Program	SDA	All Funds	IGT (w/o 10% buffer)	FMAP	Net to Provider	TAXES	TAXES %	ADMIN	ADMIN %	Monthly IGT w/ 10% Margin
STAR, STAR+Plus	Nueces	5,791,065	2,211,608	61.81%	5,675,244	101,344	1.75%	14,478	0.25%	202,731
STAR, STAR+Plus	Nueces	4,508,781	1,721,903	61.81%	4,418,605	78,904	1.75%	11,272	0.25%	157,841
		10,299,846	3,933,511		10,093,849	180,247		25,750		360,572

United - CHRISTUS Spohn Health System

		September 1, 2020 - August 31, 2021								
Program	SDA	All Funds	IGT (w/o 10% buffer)	FMAP	Net to Provider	TAXES	TAXES %	ADMIN	ADMIN %	Monthly IGT w/ 10% Margin
STAR+Plus	Nueces	5,791,065	2,211,608	61.81%	5,675,244	101,344	1.75%	14,478	0.25%	202,731
STAR	Nueces	1,410,000	538,479	61.81%	1,381,800	24,675	1.75%	3,525	0.25%	49,361
		7,201,065	2,750,087		7,057,044	126,019		18,003		252,091

United - CHRISTUS Spohn Health System

September 1, 2019 - August 31, 2020

Program	SDA	All Funds	IGT (w/o 10% buffer)	FMAP	Net to Provider	TAXES	TAXES %	ADMIN	ADMIN %	Monthly IGT w/ 10% Margin
STAR+Plus	Nueces	5,791,065	2,264,886	60.89%	5,675,244	101,344	1.75%	14,478	0.25%	207,615
STAR	Nueces	1,410,000	551,451	60.89%	1,381,800	24,675	1.75%	3,525	0.25%	50,550
		7,201,065	2,816,337		7,057,044	126,019		18,003		258,164



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 SEPTEMBER 8, 2020

A RESOLUTION COMMITTING A FISCAL YEAR-END GENERAL FUND AMOUNT TO SUBSEQUENT FISCAL YEAR'S INTERGOVERNMENTAL TRANSFERS

WHEREAS, the Nueces County Hospital District (the "Hospital District" or "District") is a body politic and corporate and 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 Hospital District's Board of Managers (the "Board") have been duly appointed pursuant to Health Code, §281.021(a); pursuant to collective authorities of Health Code, §281.047 and §281.048, the Board is the Hospital District's governing body and the Board has, and at 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's Administrator (the "Administrator") has the responsibility for preparing an annual budget under the Board's direction pursuant to Health Code, §281.091(a); the District's Fiscal Year 2020 is October 1, 2019 through September 30, 2020 ("Hospital District Fiscal Year 2019"); and the District's Fiscal Year 2021 is October 1, 2020 through September 30, 2021 ("Hospital District Fiscal Year 2021");

WHEREAS, the Hospital District is a governmental entity participating in certain Medicaid supplemental payment programs organized by the Texas Health & Human Services Commission (the "Commission"), including: [1] the Texas Healthcare Transformation and Quality Improvement Program Section 1115 Waiver ("Waiver"); [2] Disproportionate Share Hospital Program ("DSH"); [3] Network Access Improvement Program ("NAIP"); [4] Uniform Hospital Rate Increase Program ("UHRIP"); and [5] Graduate Medical Education Program ("GME");

WHEREAS, the Waiver includes two provider funding pools that rely on local intergovernmental transfers ("IGTs"): [1] Uncompensated Care ("UC"); and [2] Delivery System Reform Incentive Payment ("DSRIP");

WHEREAS, pursuant to 1 Texas Administrative Code §354.1602, the Waiver’s Demonstration Years (“DY”) are a 12-month period beginning each October 1 and ending September 30; and the Waiver’s DY No. 9 began October 1, 2019 and ends September 30, 2020;

WHEREAS, pursuant to the authority of Health Code, §281.094(b), the Hospital District provides IGTs to the State of Texas for use as the nonfederal share of Waiver-related UC and DSRIP payments for certain eligible health care providers located inside and outside the District’s boundaries that periodically provide healthcare services to beneficiaries enrolled in the District’s indigent health care program and residents of Nueces County, Texas, including Christus Spohn Hospital-Alice, Christus Spohn Hospital-Beeville, Christus Spohn Hospital-Corpus Christi, Christus Spohn Hospital-Kleberg, Corpus Christi Medical Center, Corpus Christi-Nueces County Public Health District, DeTar Healthcare System, and Driscoll Children’s Hospital (collectively, the “Eligible Providers”);

WHEREAS, under terms of the Waiver, Eligible Providers who are: (1) hospitals receive Waiver UC payments designed to offset the costs of uncompensated care; and (2) hospitals and other providers receive Waiver DSRIP incentive payments for achievement of agreed-upon metrics associated with projects designed to achieve certain Waiver goals;

WHEREAS, due to Eligible Providers’ partially-reported or Commission-delayed approval of Providers’ DSRIP achievement metrics reporting for DY No. 9 and the Commission’s split of UC Waiver payments during DY No. 9, the Commission has delayed its request to the Hospital District for IGTs associated with Eligible Providers’ DY No. 9 DSRIP and/or UC payments until a date occurring after Hospital District Fiscal Year 2020 (the “Unpaid DY No. 9 IGTs”);

WHEREAS, in addition to the preceding, the Commission is expected to delay or has delayed requests to the Hospital District for IGTs associated with certain Eligible Providers’ participation in the DSH, NAIP, UHRIP, and GME until a date occurring after Hospital District Fiscal Year 2020 (the “Other Unpaid Program IGTs”); and

WHEREAS, in consideration of the preceding recitals, the Board desires to commit from the Hospital District’s fiscal year-end September 30, 2020 General Fund balance an amount sufficient to fund the Unpaid DY No. 9 IGTs and Other Unpaid Program IGTs in Hospital District Fiscal Year 2021.

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

1. The Board hereby commits an amount not to exceed **\$40,000,00.00** from the Hospital District's fiscal year-end September 30, 2020 General Fund balance to Hospital District Fiscal Year 2021 to fund the Unpaid DY No. 9 IGTs and Other Unpaid Program IGTs in Hospital District Fiscal Year 2021 for incurred but unrequested and unpaid expenditures arising from the District's and Eligible Providers' participation in the UC, DSRIP, DSH, NAIP, UHRIP, and GME during Hospital District Fiscal Year 2020.

2. The actual amount committed above shall be final determined by the Hospital District's Administrator on or after October 1, 2020 considering information then available from the Commission and/or Eligible Providers, however, the actual committed amount shall not exceed that amount identified in Resolved Statement No. 1 above.

3. The actual committed funds above shall be committed from the Hospital District General Fund subaccount containing District funds routinely used for paying Waiver-related IGTs.

4. The Administrator shall be and is expressly authorized and directed to do and perform all acts, and to execute all instruments and other related documents, whether or not herein cited, as required to carry out the intent, terms, and provisions of this Resolution, such execution to be conclusively evidenced by the performance of such acts.

5. 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 Hospital District.

6. This Resolution shall take effect and be in full force and effect upon and after its passage.

7. The Board retains its right to amend or repeal this Resolution.

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**NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

**John B. Martinez, J.D.
Chairman**

**Sylvia Tryon Oliver
Vice Chairman**

**Belinda Flores, R.N.
Member**

**Vishnu V. Reddy, M.D.
Member**

**Daniel W. Dain
Member**

**John E. Valls
Member**

**Mariana Garza
Member**

5. The attached Resolution is a true and correct copy of the original on file in the official records of the Hospital District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Resolution would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, Texas Government Code, as amended.

6. I am the Secretary of the Board having been duly appointed pursuant to Health Code, §281.023(b).

7. The foregoing Resolution is in full force and effect; that the same has not been rescinded, nor has it been amended or modified in any way.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the Hospital District on this the **8th day of September 2020**.

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

{HOSPITAL DISTRICT SEAL}



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 **SEPTEMBER 8, 2020**

A RESOLUTION RELATING TO AMENDED AND RESTATED MEMBERSHIP AGREEMENT REVENUE ALLOCATION PERCENTAGE IN HOSPITAL DISTRICT FISCAL YEAR 2021

WHEREAS, the Nueces County Hospital District (“Hospital District” or “District”) is a body politic and corporate and 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 (“Health Code”), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

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

WHEREAS, on November 18, 2015, CHRISTUS Spohn Health System Corporation (“CHRISTUS Spohn”), CHRISTUS Health (“CHRISTUS Health”), and the Hospital District (collectively, the “Parties”) entered into an agreement titled “CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement” (“Amended and Restated Membership Agreement”) and Article V thereof relates to member distributions of net patient revenue;

WHEREAS, Amended and Restated Membership Agreement, Section 5.03 (a) established a procedure for the Parties to confer and agree on the percentage of net patient revenue that will be made available during each ensuing year to CHRISTUS Health (the “Specified Annual Percentage”) in exchange for its contributions to support CHRISTUS Spohn, and the remaining percentage of the net patient revenue that will be made available to the Hospital District in exchange for its continued support for the operations of CHRISTUS Spohn as a public, safety-net hospital in Nueces County, Texas;

WHEREAS, Amended and Restated Membership Agreement, Section 5.03 (b) provides that if the Parties fail to agree on a Specified Annual Percentage of any year of the Amended and Restated Membership Agreement, then the CHRISTUS Spohn Board of Directors, or its designee, shall determine the Specified Annual Percentage for the ensuing year; and

WHEREAS, the Parties have conferred but were unable to agree on a Specified Annual Percentage for the ensuing year October 1, 2020 – September 30, 2021 and the CHRISTUS Spohn Board of Directors has determined the Specified Annual Percentage for that year as shown in Exhibit “A” attached hereto.

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

1. The Board acknowledges that the Parties have conferred but were unable to agree on a Specified Annual Percentage for the ensuing year October 1, 2020 – September 30, 2021 and that the CHRISTUS Spohn Board of Directors has determined the Specified Annual Percentage for such ensuing year as shown in Exhibit “A’ attached hereto.
2. 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 Hospital District.
3. 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**

John B. Martinez, J.D.
Chairman

Sylvia Tryon Oliver
Vice Chairman

Belinda Flores, R.N.
Member

Vishnu V. Reddy, M.D.
Member

Daniel W. Dain
Member

John E. Valls
Member

Mariana Garza
Member

Exhibit “A”



August 27, 2020

Jonny Hipp
Chief Executive Officer
Nueces County Hospital District
555 North Carancahua Street, Suite 950
Corpus Christi, Texas 78401-0835

Re: 2021 Revenue Allocation Percentage

Dear Jonny:

Subsequent to the discussions between CHRISTUS Spohn Health System Corporation (“Spohn”), CHRISTUS Health (“CHRISTUS”), and the Nueces County Hospital District (“District”) required under Section 5.03 of the Amended and Restated CHRISTUS Spohn Health System Corporation Membership Agreement (the “Membership Agreement”), I am writing to memorialize the Specified Annual Percentage for the Ensuing Year (October 1, 2020 – September 30, 2021). While Section 5.03 of the Membership Agreement requires that the parties agree to the Specified Annual Percentage by July 1, the parties mutually agreed to extend this deadline.

In preparation for establishing the Specified Annual Percentage for the Ensuing Year, CHRISTUS and Spohn prepared a hospital budget and projected Spohn’s Net Patient Revenue (as defined in Section 5.01 of the Membership Agreement). Preparing these figures assisted Spohn and CHRISTUS in projecting Spohn’s operational needs during the Ensuing Year and the Net Patient Revenue that would be available to share with the District. On August 20, Spohn and the District met to discuss Spohn’s proposed budget and projected Net Patient Revenue for the Ensuing Year. The parties also discussed the many factors that are considered each year when negotiating the Specified Annual Percentage, including (but not limited to) Spohn’s role in operating programs in the community and the District’s role in acting as the Region 4 Anchor. Finally, the parties discussed the specific circumstances expected to affect the parties’ respective operations in the Ensuing Year, including (but not limited to) the District’s efforts to establish a COVID-19 alternate care site, the impact of COVID-19 on Spohn’s operations, the ongoing Texas 1115 Demonstration Waiver, Spohn’s investment in behavioral health projects and services, and community behavioral health initiatives.

The parties were unable to agree to a Specified Annual Percentage for the Ensuing Year. As a result, the Spohn Board of Directors exercised their authority under Section 5.03 of the Membership Agreement to unilaterally determine the Specified Annual Percentage for the Ensuing Year. Pursuant to the Board’s determination, the Specified Annual Percentage will be ninety-eight percent (98%), and the remaining two percent (2%) will be transferred to the District in accordance with the provisions of Section 5.02 of the Membership Agreement and in recognition of its membership in Spohn and role in

Jonny Hipp
August 27, 2020
Page 2

Spohn's continued delivery of high-quality, integrated, and accessible services to patients in Nueces County.

Very truly yours,

A handwritten signature in black ink, appearing to read "Osbert Blow", written over a horizontal line.

Osbert Blow, MD, PhD, FACS
President and Chief Medical Officer

A handwritten signature in blue ink, appearing to read "Dominic Dominguez", written over a horizontal line.

Dominic Dominguez
Senior Vice President, Group Operations
Chief Executive Officer

#199982

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS

§

COUNTY OF NUECES

§

§

THE UNDERSIGNED HEREBY CERTIFIES that:

1. The members of the Board of Managers (the "Board") of the Nueces County Hospital District (the "Hospital District") have been duly appointed pursuant to Texas Health and Safety Code (the "Health Code"), §281.021.

2. Pursuant to Health Code, §281.021(a), the Hospital District's Board of Managers (the "Board") have been duly appointed; pursuant to Health Code, §281.048, the Board is the governing body of the Hospital District; and pursuant to the collective authorities of 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 Hospital District.

3. On the **8th day of September 2020** the Board convened in a regular meeting at the Hospital District's regular meeting place (the "Meeting"), the duly constituted members and officers of the Board being as follows:

- John B. Martinez, J.D., Chairman
- Sylvia Tryon Oliver, Vice Chairman
- Belinda Flores, R.N.
- Vishnu V. Reddy, M.D.
- Daniel W. Dain
- John E. Valls
- Mariana Garza

and all of said persons were present, except the following absentees:

_____ and _____, thus constituting a quorum.

4. Among other business considered at the Meeting, the attached resolution entitled:

**A RESOLUTION RELATING TO
AMENDED AND RESTATED MEMBERSHIP AGREEMENT
REVENUE ALLOCATION PERCENTAGE IN HOSPITAL DISTRICT FISCAL YEAR 2021**

is a true copy of a resolution introduced and submitted to the Board for consideration toward passage and adoption (the "Resolution"). After presentation and discussion, it was then duly moved and seconded that the Resolution be passed and adopted. The motion to pass and adopt the Resolution prevailed and carried by the following viva voce vote:

YEAS: _____
 NAYS: _____
 PRESENT NOT VOTING: _____
 ABSENT: _____

all as shown in the official Minutes of the Board for the Meeting.

5. The attached Resolution is a true and correct copy of the original on file in the official records of the Hospital District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Resolution would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, Texas Government Code, as amended.

6. I am the Secretary of the Board having been duly appointed pursuant to Health Code, §281.023(b).

7. The foregoing Resolution is in full force and effect; that the same has not been rescinded, nor has it been amended or modified in any way.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the Hospital District on this the **8th day of September 2020**.

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

{HOSPITAL DISTRICT SEAL}



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 **SEPTEMBER 8, 2020**

A RESOLUTION INCORPORATING FISCAL YEAR 2021 ANNUAL BUDGET FUNDING FOR THE NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES

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

WHEREAS, the Hospital District's Administrator (the "Administrator") has the responsibility for preparing an annual budget under the Board's direction, pursuant to Health Code, §281.091(a); and the District's Fiscal Year 2021 is October 1, 2020 through September 30, 2021;

WHEREAS, the Hospital District has certain funds made available to it from sources other than a tax levy ("Hospital District's Non-Tax Funds") as described in Health Code, §281.094(a) and when said funds are used for statutorily authorized expenditures, said expenditures qualify as a portion of the District's annual claims submitted for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2);

WHEREAS, the Nueces Center for Mental Health and Intellectual Disabilities (the "NCMHID") is authorized by and was established pursuant to Health Code, Title 7, Chapter 534, Subchapter A (the "MHMR Code"), to provide mental health and mental retardation services in the community;

WHEREAS, pursuant to the MHMR Code, §534.001(c), the NCMHID is an agency of the state, a governmental unit, and a unit of local government as defined and specified by Chapters 101 and 102, Civil Practice and Remedies Code; a local government, as defined by §791.003, Government Code; a local government for the purposes of Chapter 1084, Acts of the 70th Legislature, Regular Session, 1987; and a political subdivision for the purposes of Chapter 172, Local Government Code;

WHEREAS, previously in August 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, and 2019 Nueces County Commissioners Court (the “Commissioners Court” or “Court”) requested that the Hospital District Board provide funding for certain Health Code, §281.094(a)-permitted purposes in the District’s related Fiscal Years 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 Annual Budgets;

WHEREAS, Commissioners Court has requested, pursuant to Health Code, §281.094(a), that the Hospital District Board appropriate within the District’s Fiscal Year 2021 Annual Budget (the “FY 2021 Annual Budget”), funds sufficient to provide local match, services, and other funding for the NCMHID (the “NCMHID Services”) and the Hospital District Board is amenable to said request, subject to the continuing availability of funds sufficient from the Hospital District’s Non-Tax Funds;

WHEREAS, considering Commissioners Court’s request, the Hospital District Board desires to make available in the District’s FY 2021 Annual Budget, funds sufficient to provide for the NCMHID Services in the aggregate amount of **\$969,129.00** (the “NCMHID Services Funding Amount”) as further detailed and described in the “Nueces Center for Mental Health and Intellectual Disabilities Funding Schedule - Fiscal Year 2021” attached hereto and identified as “Attachment “A”” which is incorporated herein by reference;

WHEREAS, the NCMHID Services are mental health and mental retardation services and the related NCMHID Services Funding Amount to be paid by the Hospital District from the Hospital District’s Non-Tax Funds pursuant to this Resolution are revenues made available to the District from sources other than a tax levy as described in Health Code, §281.094(a), and as a result said expenditures qualify as a portion of the District’s annual claims for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2) due to the fact they are statutorily authorized expenditures under Health Code, §281.094(a), Health Code, §281.094(a) provides that, with the approval of Commissioners Court, the Hospital District Board may use funds made available to the Hospital District from sources other than a tax levy to fund health care services, including mental health and mental retardation services; and

WHEREAS, pursuant to the authority of the Health Code, §281.026(d) and (e), the Administrator has the full power and authority to perform the acts described and resolved by the Hospital District Board hereunder, and he is legally authorized and capable of performing such acts.

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

1. The Board hereby determines and declares that the forgoing recitals are true and correct and are adopted as part of this Resolution as findings of fact.
2. The Board hereby determines, declares, and issues a finding of fact wherein the funds from the Hospital District's Non-Tax Funds to be appropriated from the General Fund pursuant to this Resolution for payment of the NCMHID Services Funding Amount are funds made available to the Hospital District from sources other than a tax levy and any disbursement of said funds is a statutorily authorized expenditure as described in Health Code, §281.094(a) and thereby qualifies as a portion of the District's annual claims for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2).
3. Pursuant to the authority of Health Code, §281.091(a) and the provisions of Health Code §281.094(a), the Hospital District Board hereby directs the Administrator to incorporate into the District's FY 2021 Annual Budget an amount equal to **\$969,129.00** to provide for the NCMHID Services shown in Attachment "A" titled "Nueces Center for Mental Health and Intellectual Disabilities Funding Schedule - Fiscal Year 2021" attached hereto.
4. The Hospital District Board hereby authorizes and directs the Administrator to disburse the NCMHID Services Funding Amount to the NCMHID in equal quarterly portions, or otherwise on a payment schedule he otherwise determines is reasonable and appropriate following commencement of the District's Fiscal Year 2021.
5. The Administrator is hereby authorized and directed to establish any additional procedures and requirements that are reasonable and appropriate for disbursing the NCMHID Services Funding Amount and, if needed, the NCMHID's accounting, reporting, and utilization thereof to the Hospital District.
6. The Administrator shall be and is expressly authorized and directed to do and perform all acts, and to execute all instruments and other related documents, whether or not herein cited, as required to carry out the intent, terms, and provisions of this Resolution, such execution to be conclusively evidenced by the performance of such acts.
7. 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 Governing Board Bylaws of the Hospital District and the laws of the State of Texas.
8. This Resolution shall take effect and be in full force and effect upon and after its passage.

**NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

John B. Martinez, J.D.
Chairman

Sylvia Tryon Oliver
Vice Chairman

Belinda Flores, R.N.
Member

Vishnu V. Reddy, M.D.
Member

Daniel W. Dain
Member

John E. Valls
Member

Mariana Garza
Member

Attachment "A"

**NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES
FUNDING SCHEDULE - FISCAL YEAR 2021
(October 1, 2020 - September 30, 2021)**

Item #	Function/Description/Program/Purpose	Amount
1	Community Center's local match to draw down state funds from the Texas Health and Humans Services Commission for mental health and intellectual disability services.	\$562,129
2	Continue previous Nueces County commitments relating to adolescent inpatient care and youth services.	60,000
3	Court assistance in the involuntary commitment process.	75,000
4	Local matching funds to draw down state funds from the Texas Health and Human Services Commission to prevent and/or reduce psychiatric bed day use by enhancement of crisis respite services.	75,000
5	Local matching funds to draw down additional state and federal funds for Center services.	65,000
6	Medication and related services to children and adult consumers.	132,000
Total		\$969,129

**CERTIFICATE FOR RESOLUTION
A RESOLUTION INCORPORATING FISCAL YEAR 2021
ANNUAL BUDGET FUNDING FOR THE
NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES**

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

I, the undersigned Secretary 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 8th day of September, 2020, at the regular meeting place, and the roll was called of the duly constituted officers and members of said Board of Managers, to wit:

John B. Martinez, J.D., Chairman
Sylvia Tryon Oliver, Vice Chairman
Belinda Flores, R.N.
Vishnu V. Reddy, M.D.
Daniel W. Dain
John E. Valls
Mariana Garza

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

**A RESOLUTION INCORPORATING FISCAL YEAR 2021
ANNUAL BUDGET FUNDING FOR THE
NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES**

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: _____
ABSENT: _____

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 8th day of September, 2020.

ATTEST:

Jonny F. Hipp
Secretary, Board of Managers

{NCHD SEAL}



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 **SEPTEMBER 8, 2020**

A RESOLUTION INCORPORATING FISCAL YEAR 2021 ANNUAL BUDGET FUNDING FOR NUECES COUNTY-RELATED HEALTHCARE EXPENDITURES

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

WHEREAS, pursuant to the statutory requirements of Health Code, §281.091(a), the Hospital District's Administrator (the "Administrator") has the duty of preparing an annual budget under the Board's direction and the Hospital District's Fiscal Year 2021 is October 1, 2020 through September 30, 2021;

WHEREAS, the Hospital District has certain funds made available to the District from sources other than a tax levy ("Hospital District's Non-Tax Funds") as described in Health Code, §281.094(a), and when said funds are used for statutorily authorized expenditures, said expenditures qualify as a portion of the District's annual claims submitted for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2);

WHEREAS, on January 19, 1999, the Board adopted a Resolution creating a restricted Tobacco Settlement Fund (the "Tobacco Settlement Fund") and said resolution directed that all proceeds arising from the litigation styled, *The State of Texas v. The American Tobacco Co., et al., No. 5-96CV-91 in the United States District Court, Eastern District of Texas* (the "Tobacco Litigation"), be placed into said Fund;

WHEREAS, the Hospital District proceeds that arise from the Tobacco Litigation are revenues made available to the District from sources other than a tax levy as described in Health Code, §281.094(a), and when said revenues are used for statutorily authorized expenditures, said expenditures qualify as a portion of the District’s annual claims submitted for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2);

WHEREAS, previously in August 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, and 2019 the Nueces County Commissioners Court (the “Commissioners Court” or “Court”) requested that the Board provide funding for the Nueces County-related health care services permitted in Health Code, §281.094(a) during the District’s related Fiscal Years 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 Annual Budgets and the Board has undertaken all such requests;

WHEREAS, Commissioners Court has requested that the Board appropriate, in the Hospital District’s Fiscal Year 2021 Annual Budget (the “FY 2021 Annual Budget”), funds sufficient to: **[1a]** provide Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver-related intergovernmental transfers for projects of the Corpus Christi-Nueces County Public Health District; **[1b]** reimburse Nueces County for County employees’ salaries and benefits at the Corpus Christi-Nueces County Public Health District, and for certain public health supplies and equipment at the Health District; **[2]** provide funds for emergency medical services provided by cities and emergency services districts into the County outside of municipalities; **[3]** provide local match and other funding to the Nueces Center for Mental Health and Intellectual Disabilities; **[4]** provide funding for a community mental health collaborative jail diversion program, crisis intervention teams, and jail-based competency restoration program relating to implementation of recommendations arising from the Nueces County Comprehensive Behavioral Health Community Needs Assessment performed by the Meadows Mental Health Policy Institute in June 2020; **[5]** provide funding for implementation of additional recommendations arising from the Nueces County Comprehensive Behavioral Health Community Needs Assessment performed by the Meadows Mental Health Policy Institute in June 2020 **[6]** reimburse Nueces County or direct pay inmate healthcare services at the juvenile detention facility; **[7]** direct pay inmate healthcare services provided under a third-party contract at the county jail and jail annex; **[8a]** reimburse Nueces County for contributions to the Alcohol and Drug Rehabilitation Center; **[8b]** reimburse Nueces County for contributions to the Council on Alcohol and Drug Abuse; **[9]** reimburse Nueces County for programs that impact juvenile and adult diabetes; **[10]** provide public health grants relating to the COVID-19 pandemic; **[11]** provide funding for an Alternate Care Site relating to the COVID-19 pandemic; and **[12]** provide funding for behavioral health consulting (collectively, the “FY 2021 Nueces County Healthcare Services”);

WHEREAS, the Board is amenable to undertaking Commissioners Court's request above to fund the FY 2021 Nueces County Healthcare Services, subject to the continuing availability of funds and the Board desires to appropriate in the FY 2021 Annual Budget, funds sufficient to provide for the FY 2021 Nueces County Healthcare Services in the aggregate amount of **\$17,235,030** (the "FY 2021 Nueces County Healthcare Services Funding Amount") as detailed and described in the schedule "Nueces County Healthcare Services Funding Schedule - Fiscal Year 2021" attached hereto and identified as "Attachment "A"" and incorporated herein by reference;

WHEREAS, the FY 2021 Nueces County Healthcare Services are health care services described in Health Code, §281.094(a) and the related FY 2021 Nueces County Healthcare Services Funding Amount to be paid by the Hospital District from the Hospital District's Non-Tax Funds and Tobacco Settlement Fund pursuant to this Resolution are funds made available to the District from sources other than a tax levy as described in Health Code, §281.094(a), and as a result said expenditures qualify as a portion of the District's annual claims submitted for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2) due to the fact they are statutorily authorized expenditures, and Health Code, §281.094(a), provides that, with the approval of Commissioners Court, the Board of the Hospital District may use funds made available to the Hospital District from sources other than a tax levy to fund those health care services described therein;

WHEREAS, the Board desires to assure that FY 2021 Annual Budget funds disbursed for FY 2021 Nueces County Healthcare Services, as described in this Resolution, are utilized for the intended efforts, or come as a logical consequence of such efforts; and

WHEREAS, pursuant to the authority of the Health Code, §281.026(d) and (e), the Administrator has the full power and authority to perform the acts described and resolved by the Board hereunder, and he is legally authorized and capable of performing such acts.

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

1. The Board hereby determines and declares that the forgoing recitals are true and correct and are adopted as part of this Resolution as findings of fact.
2. The Board hereby determines, declares, and issues a finding of fact wherein the funds from the Hospital District's Non-Tax Funds and Tobacco Settlement Fund for payment of the FY 2021 Nueces County Healthcare Services Funding Amount pursuant to this Resolution are funds made available to the District from sources other than a tax levy and any disbursement of those funds is a statutorily authorized expenditure as described in Health Code, §281.094(a) and thereby qualify as a portion of the District's annual claims submitted for distribution of tobacco settlement proceeds to political subdivisions as described in 25 Texas Administrative Code §102.3(e)(2).

3. Pursuant to the authority of Health Code, §281.091(a) and the provisions of Health Code, §281.094(a), the Board hereby directs the Administrator to incorporate into the Hospital District's FY 2021 Annual Budget an amount equal to **\$17,235,030** to provide for the FY 2021 Nueces County Healthcare Services to be allocated as shown in the schedule "Nueces County Healthcare Services Funding Schedule - Fiscal Year 2021" attached hereto and identified as "Attachment "A"."
4. It shall be the responsibility of Nueces County to assure that FY 2021 Annual Budget funds disbursed for FY 2021 Nueces County Healthcare Services, as described in this Resolution, are utilized for the intended efforts, or come as a logical consequence of such efforts.
5. The Board hereby authorizes and directs the Administrator to disburse the FY 2021 Nueces County Healthcare Services Funding Amount on a basis, schedule, and in a manner he determines is reasonable and appropriate following commencement of the Hospital District's Fiscal Year 2021.
6. The Administrator shall be and is hereby expressly authorized and directed to do and perform all acts, and to execute all instruments and other related documents, whether or not herein cited, as required to carry out the intent, terms, and provisions of this Resolution, such execution to be conclusively evidenced by the performance of such acts.
7. The Administrator, in his capacity as the Secretary of the Hospital District Board, be and is hereby legally authorized and empowered to certify these resolutions and that the provisions hereof are in conformance with the Governing Board Bylaws of the Hospital District and the laws of the State of Texas.
8. This Resolution shall take effect and be in full force and effect upon and after its passage.

[THIS SPACE INTENTIONALLY LEFT BLANK, SIGNATORY PAGE FOLLOWS]

**NUECES COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

John B. Martinez, J.D.
Chairman

Sylvia Tryon Oliver
Vice Chairman

Belinda Flores, R.N.
Member

Vishnu V. Reddy, M.D.
Member

Daniel W. Dain
Member

John E. Valls
Member

Mariana Garza
Member

Attachment "A"

**NUECES COUNTY HEALTHCARE SERVICES
FUNDING SCHEDULE - FISCAL YEAR 2021
(October 1, 2020 - September 30, 2021)**

Item #	Function/Description/Program/Purpose	Amount
1a	Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver-related intergovernmental transfers for projects of the Corpus Christi-Nueces County Public Health District.	\$1,208,100
1b	Nueces County employees' salaries and benefits at the Corpus Christi-Nueces County Public Health District, and for certain public health supplies and equipment.	693,200
2	Emergency medical services provided by cities and emergency services districts into the County outside municipalities.	500,000
3	Local match and other funding for the Nueces Center for Mental Health and Intellectual Disabilities.	969,129
4	Nueces Center for Mental Health and Intellectual Disabilities for community mental health collaborative jail diversion program, crisis intervention teams, and jail-based competency program arising from the Nueces County Comprehensive Behavioral Health Community Needs Assessment June 2020.	4,200,000
5	Additional mental health programs funding arising from the Nueces County Comprehensive Behavioral Health Community Needs Assessment June 2020.	556,801
6	Detainee healthcare services within the Nueces County juvenile detention facility.	407,000
7	Third-party inmate healthcare services provided within the Nueces County Jail and McKenzie Jail Annex.	5,250,800
8a	Nueces County for contribution to the Alcohol and Drug Rehabilitation Center (Cenikor).	60,000
8b	Nueces County for contribution to the Council on Alcohol and Drug Abuse.	50,000
9	Nueces County for programs impacting juvenile and adult diabetes.	50,000
10	Public health grants relating to the COVID-19 pandemic for Coastal Bend Wellness Foundation and Amistad Community Health Center.	170,000
11	Alternate Care Site relating to the COVID-19 pandemic.	3,000,000
12	Behavioral health consulting services.	120,000
Total		\$17,235,030

**CERTIFICATE FOR RESOLUTION
A RESOLUTION INCORPORATING
FISCAL YEAR 2021 ANNUAL BUDGET FUNDING
FOR NUECES COUNTY-RELATED HEALTHCARE EXPENDITURES**

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

I, the undersigned Secretary 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 8th day of September, 2020, at the regular meeting place, and the roll was called of the duly constituted officers and members of said Board of Managers, to wit:

John B. Martinez, J.D., Chairman
Sylvia Tryon Oliver, Vice Chairman
Belinda Flores, R.N.
Vishnu V. Reddy, M.D.
Daniel W. Dain
John E. Valls
Mariana Garza

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

**A RESOLUTION INCORPORATING
FISCAL YEAR 2021 ANNUAL BUDGET FUNDING
FOR NUECES COUNTY-RELATED HEALTHCARE EXPENDITURES**

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: _____
ABSENT: _____

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 8th day of September, 2020.

ATTEST:

Jonny F. Hipp
Secretary, Board of Managers

{NCHD SEAL}



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 **SEPTEMBER 8, 2020**

A RESOLUTION RELATING TO VOLUNTARY INTERGOVERNMENTAL TRANSFERS DURING HOSPITAL DISTRICT FISCAL YEAR 2021

WHEREAS, the Nueces County Hospital District (“Hospital District” or “District”) is a body politic and corporate and 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 (“Health Code”), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

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

WHEREAS, the Hospital District’s Administrator (“Administrator”) has the responsibility for preparing an annual budget under the Board’s direction as required by Health Code, §281.091(a); the District’s annual budget must be approved by the Board and then shall be presented to the Commissioners Court for final approval, pursuant to requirements of Health Code, §281.091(b); and the District’s Fiscal Year 2021 is October 1, 2020 through September 30, 2021 (“Hospital District Fiscal Year 2021”);

WHEREAS, the Hospital District has adopted a Fiscal Year 2021 Annual General Fund Budget (“FY 2021 General Fund Budget”) and said Budget is attached hereto and identified as Exhibit “A” which is incorporated herein by reference;

WHEREAS, the Hospital District may create a Local Provider Participation Fund pursuant to Health Code, §298C (“LPPF”); the purpose of the LPPF is to generate funds for intergovernmental transfers from mandatory payments assessed against all hospitals in Nueces County providing inpatient services (“Local Hospitals”) in support of certain Medicaid-related supplemental payment programs authorized by the statute; and the District has been recently approached by certain but not all Local Hospitals about establishing an LPPF in Hospital District FY 2021;

WHEREAS, although the Hospital District has made establishment of the LPPF contingent upon the Hospital District's receipt from each Local Hospital a communication in writing or by personal testimony expressing its support or non-objection to the establishment of LPPF and the District has not yet received such communication from each Local Hospital, the FY 2021 General Fund Budget includes a projection of potential revenues that would be generated in the event an LPPF is established by the Hospital District at or near the beginning of Hospital District Fiscal Year 2021 ("LPPF Revenues");

WHEREAS, the FY 2021 General Fund Budget also includes operating expenses identifying disbursements of the LPPF Revenues for intergovernmental transfers for certain statutorily-authorized Medicaid supplemental payment programs ("LPPF IGT Transfers") and the LPPF IGT Transfers rely primarily on the availability of sufficient LPPF Revenues;

WHEREAS, the LPPF has not yet been and may not be timely established thereby creating a potential circumstance where no or insufficient LPPF Revenues will be available for the LPPF IGT Transfers when requested by the Texas Health and Human Services Commission ("HHSC") during Hospital District Fiscal Year 2021; and

WHEREAS, in consideration of the potential circumstance in which there may or may not be sufficient LPPF Revenues available LPPF IGT Transfers when requested by HHSC during Hospital District Fiscal Year 2021, the Board desires to prepare priorities for the disbursement of any Hospital District monies, including the LPPF Revenues, and from monies from any of its other funds, that the District uses for intergovernmental transfers during said Fiscal Year.

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

1. The Board hereby finds that a potential circumstance may arise during Hospital District Fiscal Year 2021 where no or insufficient LPPF Revenues will be available to fund all or part of the LPPF IGT Transfers when requested by HHSC during said Fiscal Year and the Board desires to prepare for such a circumstance.
2. Considering Resolved Statement No. 1 above, the Board may require during Hospital Fiscal Year 2021 that the Administrator start prioritizing disbursement of any Hospital District monies, including the LPPF Revenues, and monies from any of its other funds, that the District uses for intergovernmental transfers during said Fiscal Year. If so required, the Administrator shall first fund any intergovernmental transfers for which the Hospital District is contractually obligated to fund through its contract(s) with HHSC, and then with any available remaining LPPF Revenues, and monies from any other of its funds that the District uses for intergovernmental transfers, fund the intergovernmental transfers requested by HHSC for those Medicaid-related supplemental payment programs the Hospital District determines in its discretion to be most beneficial, provided that the Hospital District has sufficient funds available after paying its other non-intergovernmental transfer related expenses.
3. The Administrator shall be and is expressly authorized and directed to do and perform all acts, and to execute all instruments and other related documents, whether or not herein cited, as required to carry out the intent, terms, and provisions of this Resolution, such execution to be conclusively evidenced by the performance of such acts.
4. 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 Hospital District.
5. 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**

John B. Martinez, J.D.
Chairman

Sylvia Tryon Oliver
Vice Chairman

Belinda Flores, R.N.
Member

Vishnu V. Reddy, M.D.
Member

Daniel W. Dain
Member

John E. Vails
Member

Mariana Garza
Member

all as shown in the official Minutes of the Board for the Meeting.

5. The attached Resolution is a true and correct copy of the original on file in the official records of the Hospital District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Resolution would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, Texas Government Code, as amended.

6. I am the Secretary of the Board having been duly appointed pursuant to Health Code, §281.023(b).

7. The foregoing Resolution is in full force and effect; that the same has not been rescinded, nor has it been amended or modified in any way.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the Hospital District on this the **8th day of September 2020**.

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

{HOSPITAL DISTRICT SEAL}



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 **SEPTEMBER 8, 2020**

A RESOLUTION APPROVING FISCAL YEAR 2021 ANNUAL BUDGET

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

WHEREAS, the Hospital District's Administrator (the "Administrator") has the responsibility for preparing an annual budget under the Board's direction as required by Health Code, §281.091(a); the District's annual budget must be approved by the Board and then shall be presented to the Commissioners Court for final approval, pursuant to requirements of Health Code, §281.091(b); and the District's Fiscal Year 2021 is October 1, 2020 through September 30, 2021;

WHEREAS, the Administrator has prepared the Hospital District's Fiscal Year 2021 annual budget under the Board's direction (the "FY 2021 Annual Budget") and said Budget is attached hereto and identified as Exhibit "A" which is incorporated herein by reference;

WHEREAS, the FY 2021 Annual Budget consists of the Hospital District's (1) Consolidated Budget, inclusive of the General, Tobacco, and Indigent Care Funds; and (2) Capital Budget;

WHEREAS, the Board desires to assure that FY 2021 Annual Budget funds disbursed for the "Nueces County Healthcare Services," as resolved in a separate but related Hospital District Board Resolution related to the District's FY 2021 Annual Budget, are utilized for the efforts intended, or come as a logical consequence of such efforts; and

WHEREAS, the Board desires to approve the FY 2021 Annual Budget and authorize the expenditure of budgeted funds for the purposes indicated therein.

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

1. The Board hereby approves the FY 2021 Annual Budget (attached hereto as Exhibit "A").
2. The Board hereby directs the Administrator to submit the approved FY 2021 Annual Budget to Commissioners Court for their final approval.
3. It shall be the responsibility of Nueces County to assure that Hospital District funds disbursed as a part of the FY 2021 Annual Budget for the "Nueces County Healthcare Services," as resolved in a separate but related Hospital District Board Resolution related to the District's FY 2021 Annual Budget, are utilized for the efforts intended, or come as a logical consequence of such efforts.
4. The Board hereby finds that the approved FY 2021 Annual Budget provides the authority necessary to expend budgeted funds for the purposes indicated and in accordance with state law and the Hospital District's approved purchasing and expenditure procedures. The expenditure of budgeted funds shall be under the direction of the Administrator or his designee who shall ensure that funds are expended in accordance with the approved Budget.
5. The Administrator shall be and is expressly authorized and directed to do and perform all acts, and to execute all instruments and other related documents, whether or not herein cited, as required to carry out the intent, terms, and provisions of this Resolution, such execution to be conclusively evidenced by the performance of such acts.
6. 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 Hospital District.
7. 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**

John B. Martinez, J.D.
Chairman

Sylvia Tryon Oliver
Vice Chairman

Belinda Flores, R.N.
Member

Vishnu V. Reddy, M.D.
Member

Daniel W. Dain
Member

John E. Valls
Member

Mariana Garza
Member

Exhibit "A"

**NUECES COUNTY HOSPITAL DISTRICT
BUDGET - GENERAL FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2021**

	Column 1		Column 2		Column 3	Column 4		Column 5	
	Fiscal 2021 Budget		Fiscal 2020 Budget		Budget 2021 vs. 2020	Fiscal 2020 Est. Actual		Est. Act vs F2021 Bud	
Explanation									
REVENUES									
Property Taxes:									
1 Current	34,531,245	83.18%	33,274,804	27.98%	1,256,441	33,835,934	28.40%	695,310	Note 1
2 Delinquent	(0)	0.00%	(0)	0.00%	(0)	580,803	0.49%	(580,803)	Note 2
3 Penalties & Interest	345,312	0.83%	332,748	0.28%	12,564	319,941	0.27%	25,371	
4 Total Property Tax Revenue	34,876,557	84.02%	33,607,552	28.26%	1,269,005	34,736,678	29.15%	139,879	
5 Spohn Corporate Member Revenue	6,500,000	15.66%	84,500,000	71.06%	(78,000,000)	83,667,372	70.22%	(77,167,372)	Note 3
6 Investment Income	15,068	0.04%	506,937	0.43%	(491,869)	579,177	0.49%	(564,109)	Note 4
7 Other Income	120,000	0.29%	300,000	0.25%	(180,000)	171,295	0.14%	(51,295)	
8 Total Other Revenues	6,635,068	15.98%	85,306,937	71.74%	(78,671,869)	84,417,844	70.85%	(77,782,776)	
9 TOTAL REVENUES	41,511,625	100%	118,914,489	100%	(77,402,864)	119,154,522	100%	(77,642,898)	
OPERATING EXPENSES									
10 Intergovernment Transfers	62,881,100	74.47%	114,835,114	89.23%	(51,954,014)	102,480,973	88.73%	(39,599,873)	Note 5
11 County Healthcare Services	15,906,930	18.84%	8,531,039	6.63%	7,375,891	8,035,704	6.96%	7,871,226	Note 6
12 Salaries	1,525,704	1.81%	1,439,022	1.12%	86,682	1,250,458	1.08%	275,246	Note 7
13 Benefits	703,257	0.83%	653,222	0.51%	50,034	633,292	0.55%	69,965	Note 8
14 Legal & Professional Fees	1,582,500	1.87%	1,610,000	1.25%	(27,500)	1,600,992	1.39%	(18,492)	Note 9
15 Purchased Services	559,800	0.66%	480,500	0.37%	79,300	434,599	0.38%	125,201	Note 10
16 Tax Assessor / Appraisal Collection Fees	720,000	0.85%	695,000	0.54%	25,000	629,727	0.55%	90,273	Note 11
17 Supplies & Materials	21,000	0.02%	19,400	0.02%	1,600	24,233	0.02%	(3,233)	
18 Rent & Leases	146,500	0.17%	133,000	0.10%	13,500	135,151	0.12%	11,349	Note 12
19 Repairs & Maintenance	9,000	0.01%	7,500	0.01%	1,500	4,180	0.00%	4,820	
20 Telephone & Utilities	61,500	0.07%	42,450	0.03%	19,050	49,214	0.04%	12,286	
21 Insurance	26,000	0.03%	25,300	0.02%	700	21,090	0.02%	4,910	Note 13
22 Administrative & General	168,000	0.20%	63,600	0.05%	104,400	60,252	0.05%	107,748	
23 Capital Outlay	127,000	0.15%	162,000	0.13%	(35,000)	134,628	0.12%	(7,628)	Note 14
24 Extraordinary	5,000	0.01%	5,000	0.00%	0	536	0.00%	4,464	
25 TOTAL EXPENDITURES	84,443,290	100%	128,702,147	100%	(44,258,857)	115,495,029	100%	(31,051,738)	
26 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER SOURCES & USES	(42,931,666)		(9,787,659)		(33,144,007)	3,659,494		(46,591,159)	
NON-OPERATING SOURCES (USES)									
27 Operating Transfer In (Tobacco Fund)	550,000		600,000		(50,000)	661,000		(111,000)	
28 Operating Transfer Out (Indigent Care Fund)	0				0	0		0	
29 TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(42,381,666)		(9,187,659)		(33,194,007)	4,320,494		(46,702,159)	
30 FUND BALANCE, BEGINNING OF PERIOD	50,016,821		33,916,185			45,696,327			
31 FUND BALANCE, END OF PERIOD	7,635,155		24,728,526			50,016,821			

FOOTNOTES TO 2021 BUDGET:

1. The proposed tax rate is **0.111824**, which is 3% above the no-new-revenue tax rate. Property values are increasing 3.92% from **\$32,185,218,280** to **\$33,447,505,059**. The tax rate and new valuation will generate revenues of **\$37,402,338**. With a collection rate of 94%, our budgeted cash collections are expected to be **\$34,531,245**. Timing of the collections is based on historical trends. **See Exhibit A - Tax Collections Analysis.**
2. No delinquent tax is budgeted this year. Property value lawsuits from fiscal years 2017 through 2019 have yet to be settled. The total expected tax refund from these lawsuits is estimated at \$1,375,000.
3. **Spohn Corporate Member Revenue** is calculated annually and is stated as a percentage of Spohn’s Nueces County facilities’ net patient revenue exclusive of any federal funds.
4. **Investment income** is budgeted based on cash outflows (expenses) and cash inflows (revenue). The interest rate is budgeted 0.05%. **See Exhibit B - Cash Flow Schedule.**
5. **Intergovernmental Transfers** are estimated to be the following:

Region 4 Providers	\$61,413,000
Health Department	1,208,100
Anchor Expense & Monitoring	260,000
Total IGT’s	\$62,881,100

See Exhibit F - Intergovernmental Transfer Needs by Provider.

6. **County Healthcare** related expenditures have increased \$7,375,891 in total compared to prior year budget. **See Exhibit C – County Healthcare Expenditures**
7. **Salaries** are budgeted with 3% increases for 22 staff and goal achievement payments for Administrator.
8. **Benefits** are budgeted with no increase in health insurance premiums from last year.
9. **Legal and Professional Fees** are budgeted as follows:

<u>Legal Services</u>	
General Counsel/Litigation	\$440,000
Indigent Care/Waiver/MMC	425,000
Miscellaneous	91,000
Total Legal	\$956,000

<u>Other Professional Fees</u>	
Audit Services	\$25,500
Waiver Consulting	150,000
ACS Consulting	60,000
Mental Health Consultants	120,000
Engineering Services	90,000
Enrollment Outreach Consulting	100,000

Eligibility Dept Consulting	50,000
Salary Study	15,000
Miscellaneous	16,000
Total Professional	\$626,500

10. **Purchased Services** are as follows:

Claims Management Svc	\$261,000	(TMF, Scriptcare, Electronic clearing house)
Security Service	94,000	(HPG Clinic)
Computer Tech Service	94,100	
Maintenance Contracts	81,100	(Software, networks)
File/Equipment Storage	7,700	
Fraud Investigation Svcs	1,400	
Copy/Binding	3,500	
Other	17,000	(Payroll Services, Courier, Misc.)
Total	\$559,800	

11. The following are the breakdown in costs for the **Tax Appraiser and Appraisal Collection Fees**:

Tax Assessor Fees	\$270,000	(Based on # of parcels and est. rate per parcel)
Appraisal Collection Fees	450,000	(Per Tax Appraisal District budget estimate)
Total	\$720,000	

See Exhibit E for Tax Fees Analysis.

12. **Rents and Leases** are as follows:

Office Lease	\$125,000
Equipment Lease	21,500
Total	\$146,500

13. **Insurance** Premiums are as follows:

General Liability	\$5,500
Property	19,200
Auto	1,300
Total	\$26,000

14. Please **See Exhibit D for a complete list of Capital Expenditures Budgeted.**

NUECES COUNTY HOSPITAL DISTRICT
 BUDGET OF GENERAL FUND BY DEPARTMENT
 FOR THE YEAR ENDING SEPTEMBER 30, 2021

General Fund					
Explanation	Eligibility	Administration	County Svcs	Tax Collection	Total
REVENUES					
Property Taxes	0	0	0	34,876,557	34,876,557
Spohn Corporate Member Revenue & LPPF Program	6,500,000	0	0	0	6,500,000
Investment Income	0	15,068	0	0	15,068
Other Income	0	120,000	0	0	120,000
TOTAL REVENUES	6,500,000	135,068	0	34,876,557	41,511,625
OPERATING EXPENSES					
Intergovernmental Transfers	61,413,000	260,000	1,208,100	0	62,881,100
County Healthcare Services	0	0	15,906,930	0	15,906,930
Salaries	970,018	555,685	0	0	1,525,704
Benefits	510,117	193,139	0	0	703,257
Legal & Professional Fees	313,000	1,149,500	120,000	0	1,582,500
Purchased Services	489,550	70,250	0	0	559,800
Tax Assesor / Appraisal Collection Fees	0	0	0	720,000	720,000
Supplies & Materials	11,500	9,500	0	0	21,000
Rent & Leases	8,000	138,500	0	0	146,500
Repairs & Maintenance	2,000	7,000	0	0	9,000
Telephone & Utilities	26,700	34,800	0	0	61,500
Insurance	0	26,000	0	0	26,000
Administrative & General	112,300	54,700	0	1,000	168,000
Capital Outlay	32,000	95,000	0	0	127,000
Extraordinary/Tax Refund	500	4,500	0	0	5,000
TOTAL EXPENDITURES	63,888,686	2,598,575	17,235,030	721,000	84,443,290
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER SOURCES & USES	(57,388,686)	(2,463,507)	(17,235,030)	34,155,557	(42,931,666)
NON-OPERATING SOURCES (USES)					
Operating Transfers In	0	0	0	0	550,000
Operating Transfers Out	0	0	0	0	0
TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(57,388,686)	(2,463,507)	(17,235,030)	34,155,557	(42,381,666)
FUND BALANCE, BEGINING OF PERIOD					50,016,821
FUND BALANCE, END OF PERIOD					7,635,155

NUECES COUNTY HOSPITAL DISTRICT
 BUDGET - TOBACCO FUND
 FOR THE YEAR ENDING SEPTEMBER 30, 2021

Explanation	Fiscal 2021 Budget												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
SPECIAL REVENUE FUND													
TOBACCO FUND - 203													
REVENUES													
Investment Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Tobacco Income (From State)	0	0	0	0	0	0	550,000	0	0	0	0	0	550,000
OTHER FINANCING SOURCES(USES)													
Operating Transfers In - Indigent Care Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Transfer Out - County Health Expenditures	0	0	0	0	0	0	(550,000)	0	0	0	0	0	(550,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, BEGINNING OF PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, END OF PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0

NUECES COUNTY HOSPITAL DISTRICT
 BUDGET - INDIGENT CARE FUND
 FOR THE YEAR ENDING SEPTEMBER 30, 2021

Explanation	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Fiscal 2021 Budget
SPECIAL REVENUE FUND:													
INDIGENT CARE FUND - 205													
REVENUES													
Investment Income	7,022	7,023	7,024	7,025	7,025	7,026	7,027	7,028	7,029	7,030	7,031	7,032	84,321
EXPENDITURES													
	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER FINANCING SOURCES(USES)													
Operating Transfers In(Out)	0	0	0	0	0	0	0	0	0	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,022	7,023	7,024	7,025	7,025	7,026	7,027	7,028	7,029	7,030	7,031	7,032	84,321
FUND BALANCE, BEGINNING OF PERIOD	56,324,272	56,331,294	56,338,317	56,345,341	56,352,365	56,359,391	56,366,417	56,373,444	56,380,472	56,387,501	56,394,531	56,401,562	56,324,272
FUND BALANCE, END OF PERIOD	56,331,294	56,338,317	56,345,341	56,352,365	56,359,391	56,366,417	56,373,444	56,380,472	56,387,501	56,394,531	56,401,562	56,408,594	56,408,594

NUECES COUNTY HOSPITAL DISTRICT
CONSOLIDATED BUDGET - FOR THE GENERAL FUND, &
SPECIAL REVENUE-TOBACCO & INDIGENT CARE FUNDS
FOR THE YEAR ENDING SEPTEMBER 30, 2021

	Explanation	General Fund	Tobacco Fund	Indigent Care Fund	Total
	REVENUES				
1	Property Taxes	34,876,557	0	0	34,876,557
2	Spohn Corporate Member Revenue & LPPF Program	6,500,000	0	0	6,500,000
3	Investment Income	15,068	0	84,321	99,389
4	Other Income	120,000	0	0	120,000
5	Tobacco Income	0	550,000	0	550,000
6	TOTAL REVENUES	41,511,625	550,000	84,321	42,145,946
	OPERATING EXPENSES				
7	Intergovernmental Transfers	62,881,100	0	0	62,881,100
8	County Healthcare Services	15,906,930	0	0	15,906,930
9	Salaries	1,525,704	0	0	1,525,704
10	Benefits	703,257	0	0	703,257
11	Legal & Professional Fees	1,582,500	0	0	1,582,500
12	Purchased Services	559,800	0	0	559,800
13	Tax Assessor / Appraisal Collection Fees	720,000	0	0	720,000
14	Supplies & Materials	21,000	0	0	21,000
15	Rent & Leases	146,500	0	0	146,500
16	Repairs & Maintenance	9,000	0	0	9,000
17	Telephone & Utilities	61,500	0	0	61,500
18	Insurance	26,000	0	0	26,000
19	Administrative & General	168,000	0	0	168,000
20	Capital Outlay	127,000	0	0	127,000
21	Extraordinary/Tax Refund	5,000	0	0	5,000
22	Debt Service	0	0	0	0
23	TOTAL EXPENDITURES	84,443,290	0	0	84,443,290
24	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER SOURCES & USES	(42,931,666)	550,000	84,321	(42,297,344)
	NON-OPERATING SOURCES (USES)				
25	Operating Transfers In	550,000	0	0	550,000
26	Operating Transfers Out	0	(550,000)	0	(550,000)
27	TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(42,381,666)	0	84,321	(42,297,344)
28	FUND BALANCE, BEGINING OF PERIOD	50,016,821	0	56,324,272	106,341,093
29	FUND BALANCE, END OF PERIOD	7,635,155	0	56,408,594	64,043,749

EXHIBIT A

Nueces County Hospital District
 Current Tax Collections Analysis
 For the Year Ending September 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Tax Levy	36,214,798	35,560,218	35,037,066	34,698,916	33,268,991	32,737,721	32,699,744
Current Tax Revenue Budget	33,274,804	32,704,041	32,499,531	32,111,476	30,956,418	30,601,368	30,503,795
Current Tax Collections	34,277,591	34,335,718	32,784,311	33,282,586	31,404,039	31,656,202	31,469,600
Amount Remitted to Reinvestment Zone	(452,880)	(441,463)	(444,427)	(429,868)	(400,562)	(364,696)	(346,449)
Net Current Tax Collections	33,824,712	33,894,256	32,339,884	32,852,718	31,003,477	31,291,506	31,123,152
% Collected of Levy	93.40%	95.32%	92.30%	94.68%	93.19%	95.58%	95.18%

EXHIBIT B

NUECES COUNTY HOSPITAL DISTRICT
 BUDGET - GENERAL FUND
 FOR THE YEAR ENDING SEPTEMBER 30, 2021
 CASH FLOWS/INTEREST PROJECTION

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Totals
BEGINNING CASH	53,829,406	51,879,785	40,878,875	38,845,857	34,539,857	41,933,729	38,815,424	37,631,264	25,849,136	16,143,584	14,439,126	12,953,775	53,829,406
DEPOSITS:													
Tax Deposits	4,580,224	4,729,385	3,892,934	11,049,434	9,027,033	631,809	373,051	234,518	243,329	40,049	47,892	26,900	34,876,557
Spohn Corporate Member	541,667	541,667	541,667	541,667	541,667	541,667	541,667	541,667	541,667	541,667	541,667	541,663	6,500,000
Other Deposits	0	0	0	0	120,000	0	0	0	0	0	0	0	120,000
Transfers In	0	0	0	0	0	0	0	550,000	0	0	0	0	550,000
TOTAL DEPOSITS	5,121,891	5,271,052	4,434,601	11,591,101	9,688,700	1,173,476	914,718	1,326,185	784,996	581,716	589,559	568,563	42,046,557
WITHDRAWALS:													
Accounts Payable Pmts	(649,346)	(522,878)	(484,352)	(469,160)	(546,672)	(426,265)	(443,650)	(424,263)	(421,711)	(429,992)	(418,667)	(418,303)	(5,635,260)
Intergovernmental Transfers	(3,791,658)	(13,288,931)	(4,847,984)	(14,292,625)	(612,663)	(2,730,199)	(612,663)	(11,641,000)	(9,025,388)	(812,663)	(612,663)	(612,663)	(62,881,100)
County Services Funding	(2,632,286)	(2,462,285)	(1,136,962)	(1,136,912)	(1,136,912)	(1,136,912)	(1,044,112)	(1,044,112)	(1,044,112)	(1,044,112)	(1,044,112)	(1,044,101)	(15,906,930)
Other Transfers Out	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL WITHDRAWALS	(7,073,290)	(16,274,094)	(6,469,298)	(15,898,697)	(2,296,247)	(4,293,376)	(2,100,425)	(13,109,375)	(10,491,211)	(2,286,767)	(2,075,442)	(2,075,067)	(84,443,290)
END CASH BEFORE INTEREST	51,878,008	40,876,743	38,844,177	34,538,261	41,932,310	38,813,829	37,629,717	25,848,073	16,142,920	14,438,533	12,953,242	11,447,270	11,432,673
INTEREST	1,777	2,132	1,680	1,596	1,419	1,595	1,546	1,062	663	593	532	470	15,068
ENDING CASH	51,879,785	40,878,875	38,845,857	34,539,857	41,933,729	38,815,424	37,631,264	25,849,136	16,143,584	14,439,126	12,953,775	11,447,741	11,447,741

Nueces County Hospital District
 County Healthcare Department Expenditures
 For the Year Ending September 30, 2021

EXHIBIT C

	Program	Budget 2020	Budget 2021	Difference
	<u>Intergovernmental Transfers</u>			
1a	Health Department - Intergovernmental Transfers *	1,208,100	1,208,100	0
	<u>County Healthcare Services</u>			
1b	Health Department (Operating Expenditures) *	591,200	693,200	102,000
2	Emergency Medical Services	500,000	500,000	0
3	Nueces Center for Mental Health & Intellectual Disabilities	969,129	969,129	0
4	MHID - Jail Programs (Jail Div, CIT, Jail Based Comp)	2,500,000	4,200,000	1,700,000
5	Mental Healthcare Services	0	556,801	556,801
6	Juvenile Detention Center-Health Services	355,000	407,000	52,000
7	County Jail Healthcare Services	3,476,996	5,250,800	1,773,804
8a	Alcohol and Drug Rehabilitation Center (Cenikor)	55,000	60,000	5,000
8b	Council on Alcohol & Drug Abuse	28,714	50,000	21,286
8c	Palmer Drug Abuse Program	5,000	0	(5,000)
9	County Juvenile and Adult Diabetes Program	50,000	50,000	0
10	Public Health Grants	0	170,000	170,000
11	Alternate Care Site Funding	0	3,000,000	3,000,000
	Subtotal	8,531,039	15,906,930	7,375,891
	Subtotal County Services	9,739,139	17,115,030	7,375,891
	<u>Professional Fees</u>			
12	Consulting (Behavioral Health)	500,000	120,000	(380,000)
	Grand Total County Services Department	10,239,139	17,235,030	6,995,891

* Note - Total Health Department For Budget 2021 = \$1,901,300 up from \$1,799,300 for Budget 2020.

Nueces County Hospital District
Budgeted Capital Assets
For The Year Ending September 30, 2021

EXHIBIT D

	<u>DESCRIPTION</u>	<u>AMOUNT</u>
<u>GENERAL FUND</u>		
<u>Eligibility</u>	Major Movable Equipment	\$2,000
	Software Upgrades	\$25,000
	Computer Contingency	<u>\$5,000</u>
	Total Eligibility	<u>\$32,000</u>
<u>Administration</u>	Phone System Contingency	\$40,000
	Website Upgrades	\$50,000
	Computer Contingency	<u>\$5,000</u>
	Total Administration	<u>\$95,000</u>
	Total General Fund Capital Budget	<u>\$127,000</u>

Nueces County Hospital District
 Tax Collector Ad Valorem Tax Fees Analysis
 For the Year Ending September 30, 2021

EXHIBIT E

	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>Avg Coll</u>	<u>Budget FY2021</u>
October	59,204	60,581	61,852	57,448	90,537	95,979	29.0%	78,363
November	44,660	41,847	44,385	49,232	15,604	12,377	13.9%	37,504
December	29,982	28,719	28,301	26,631	38,147	20,960	11.7%	31,478
January	49,947	44,919	44,467	47,762	47,575	42,916	18.8%	50,649
February	39,405	32,716	30,815	37,044	32,014	26,837	13.4%	36,174
March	7,267	6,248	6,797	10,701	6,653	5,340	2.9%	7,812
April	4,336	3,155	4,157	7,264	3,752	18,689	2.9%	7,742
May	2,131	3,050	6,091	7,993	9,730	2,589	2.1%	5,752
June	3,172	3,784	2,234	5,559	0	2,875	1.2%	3,200
July	18,861	20,390	19,396	4,496	0	0	4.2%	11,325
August	0	0	0	0	0	0	0.0%	0
September	0	0	0	0	0	0	0.0%	0
Total	258,964	245,411	248,494	254,129	244,011	228,561	100.0%	270,000
Per Parcel Fee	\$1.4863	\$1.3600	\$1.3633	\$1.3881	\$1.3314	\$1.1372		\$1.3361

Increase
18.13%

NUECES COUNTY HOSPITAL DISTRICT
Medicaid IGT Needs by Provider & Non-Provider
FYE 9/30/21

Provider	UC	DSRIP	DSH	NAIP	UHRIP	IGT Amount	Expected Payments	
Spohn - Corpus Christi	7,600,558	2,019,819	14,982,254	7,351,958	7,855,705	39,810,294	100,843,208	
Spohn - Alice	799,214	117,672			1,061,297	1,978,183	5,032,137	
Spohn - Beeville	391,407	45,589			1,060,590	1,497,586	3,738,843	
Spohn - Kleberg	544,432	22,895			959,786	1,527,113	3,847,068	
Spohn SubTotal	9,335,611	2,205,975	14,982,254	7,351,958	10,937,378	44,813,176	113,461,257	
City/County Health Dept.		1,208,100				1,208,100	2,186,211	
Corpus Christi Med. Ctr.	2,996,434	1,267,168			7,792,512	12,056,114	31,068,449	
Driscoll Children's Hosp.	517,465	1,374,840				1,892,305	5,323,957	
DeTar Healthcare					2,362,558	2,362,558	5,297,895	
All Others SubTotal	3,513,899	3,850,108	-	-	10,155,070	17,519,077	43,876,511	
All Providers in Nueces SDA					288,847	288,847	647,282	
Spohn & All Others SubTotal	12,849,510	6,056,083	14,982,254	7,351,958	21,381,295	62,621,100	157,985,050	
Non-Provider								
NCHD - Anchor Costs						60,000	120,000	
NCHD - Waiver Monitoring Fee						200,000	-	
NCHD SubTotal					-	260,000	120,000	
Total	12,849,510	6,056,083	14,982,254	7,351,958	21,381,295	62,881,100	158,105,050	

Notes:

"UC" - Uncompensated care (Hospitals only)

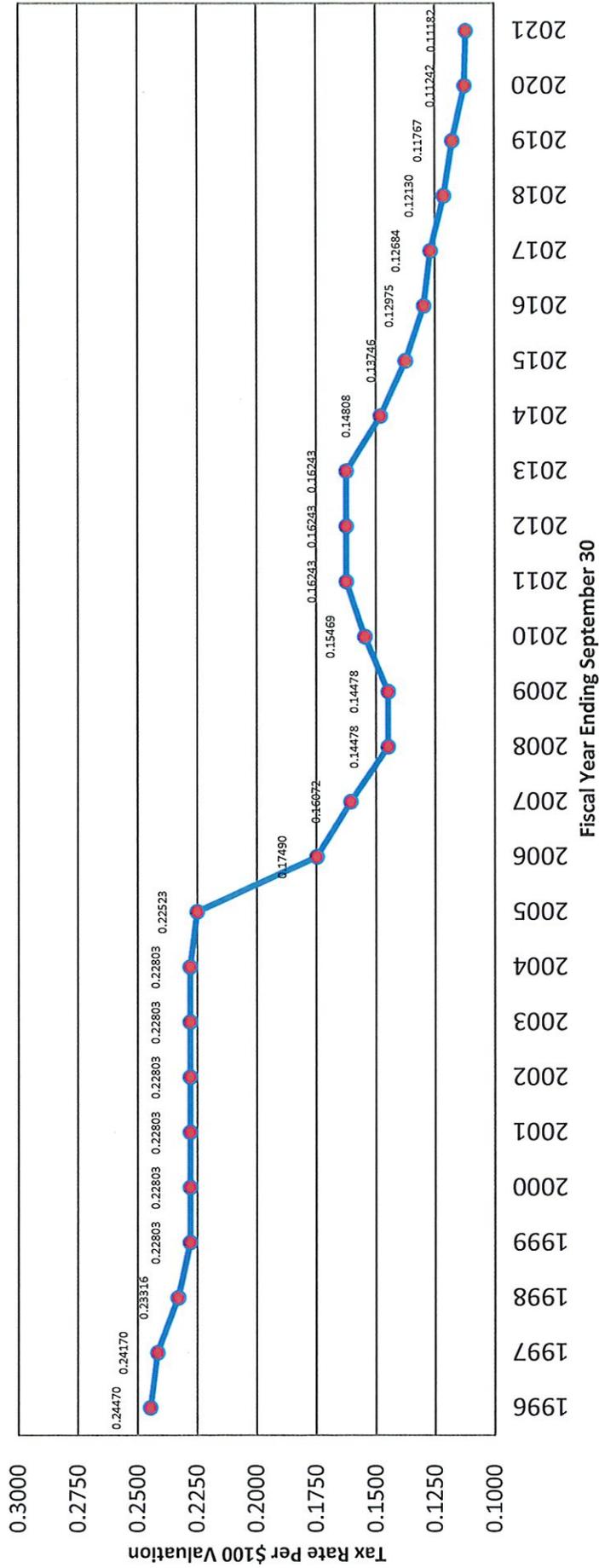
"DSRIP" - Provider-selected quality improvement/efficiency/infrastructure projects approved by the State

"DSH" - Disproportionate Share Hospital (DSH) Program

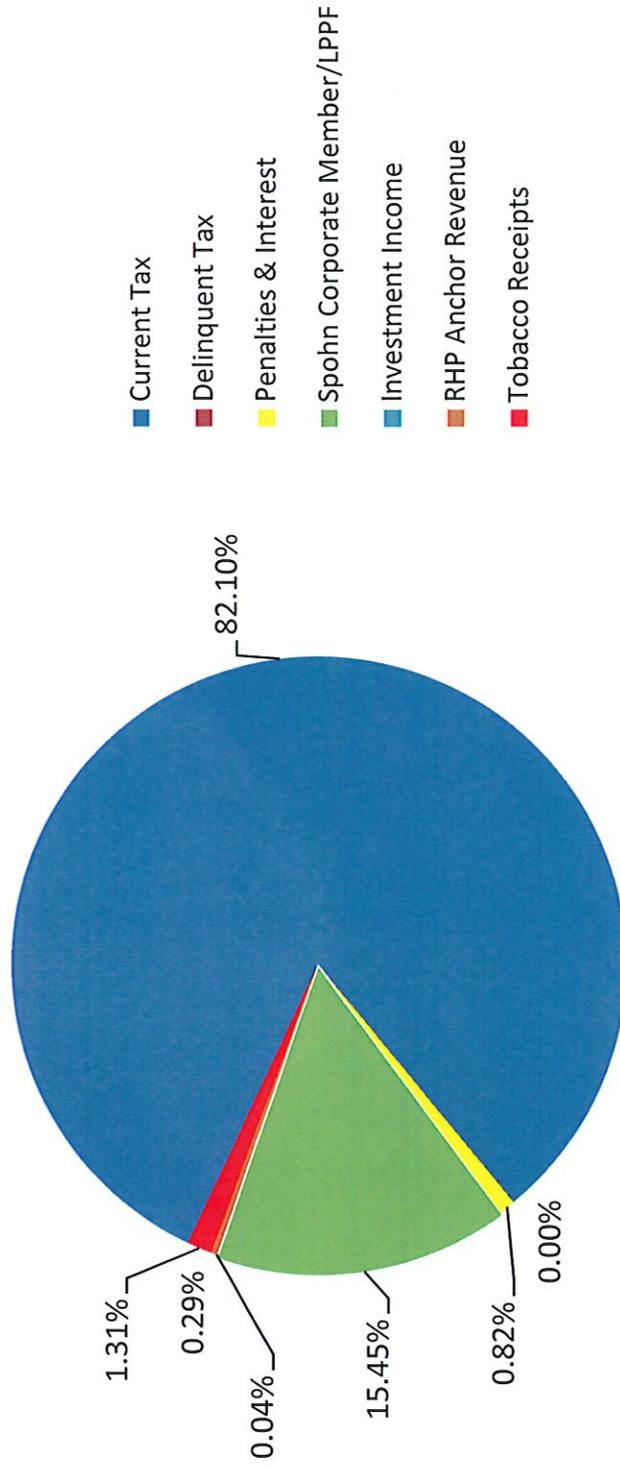
"NAIP" - Network Access Improvement Program

"UHRIP" - Uniform Hospital Rate Increase Program

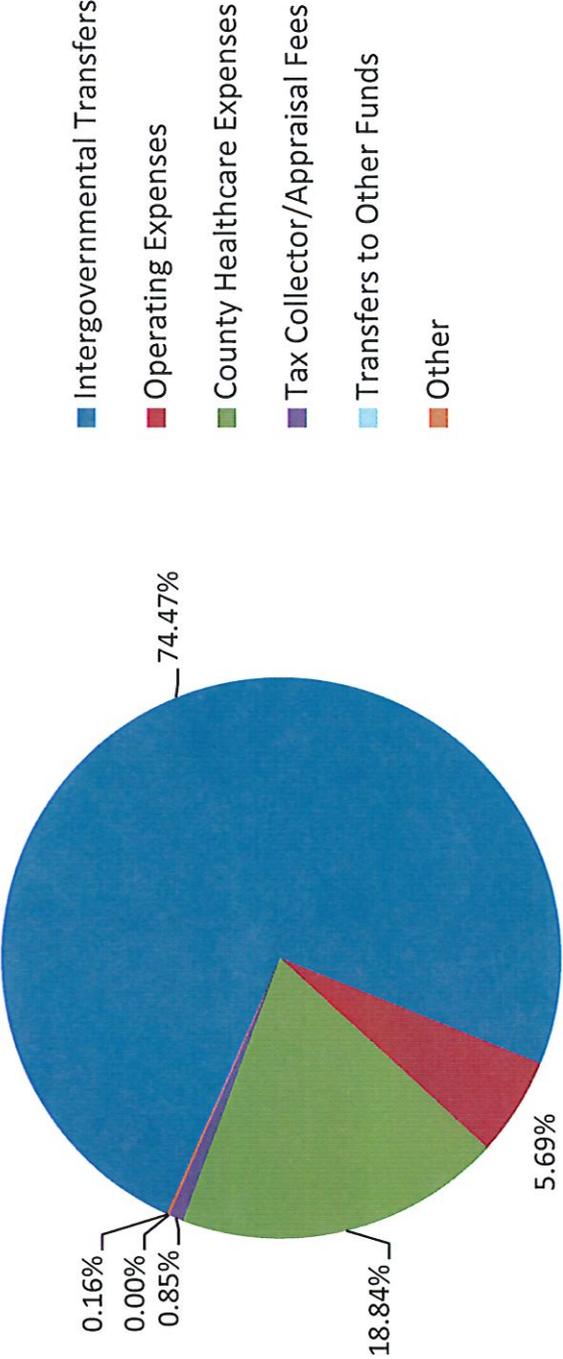
Nueces County Hospital District Tax Rate History FY 1996-2021



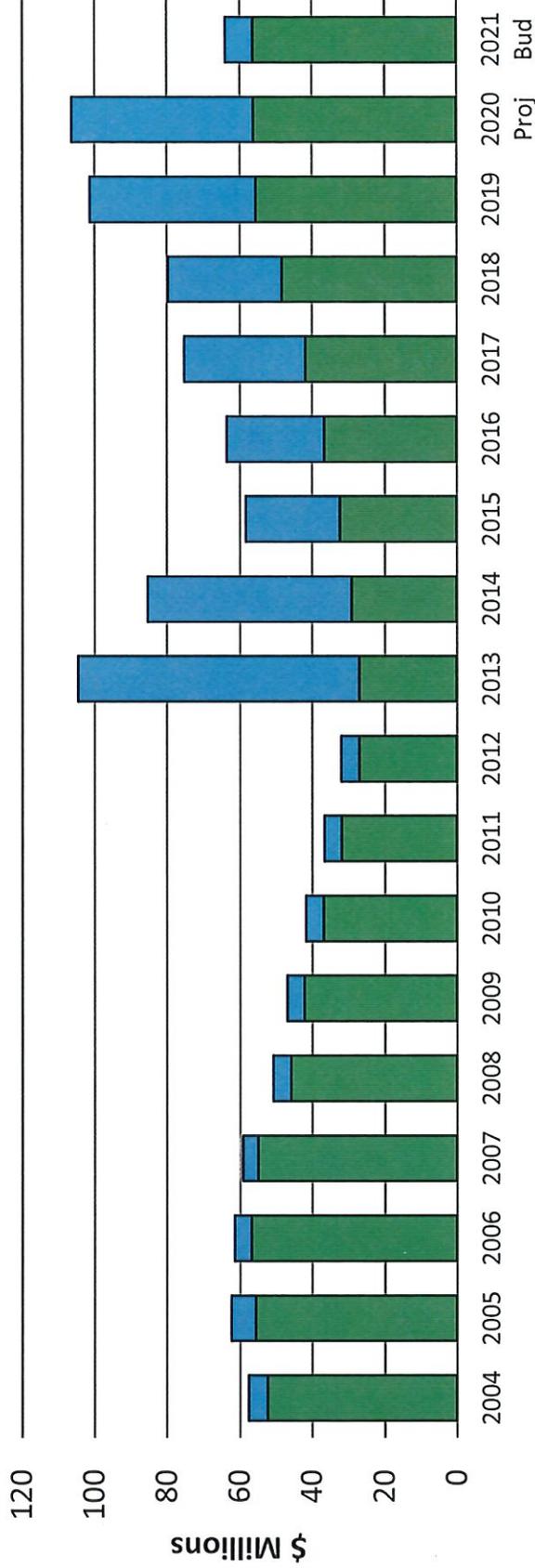
Nueces County Hospital District General Fund FY 2021 Revenue Sources



Nueces County Hospital District General Fund FY 2021 Expenditures



Nueces County Hospital District Fund Balance History Indigent Care Fund & General Fund



**CERTIFICATE FOR RESOLUTION
A RESOLUTION APPROVING
FISCAL YEAR 2021 ANNUAL BUDGET**

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

I, the undersigned Secretary 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 8th day of September 2020, at the regular meeting place, and the roll was called of the duly constituted officers and members of said Board of Managers, to wit:

John B. Martinez, J.D., Chairman
Sylvia Tryon Oliver, Vice Chairman
Belinda Flores, R.N.
Vishnu V. Reddy, M.D.
Daniel W. Dain
John E. Valls
Mariana Garza

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

**A RESOLUTION APPROVING
FISCAL YEAR 2021 ANNUAL BUDGET**

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: _____
ABSENT: _____

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 8th day of September, 2020.

ATTEST:

Jonny F. Hipp
Secretary, Board of Managers

{NCHD SEAL}