

CHAPTER 4.16

HOSPITAL BOARD

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4.16.005 Separate Fund Established.

There is hereby established a separate fund to be known as the Community Health Endowment which fund shall consist of the cash proceeds realized by the City of Lincoln from the sale of Lincoln General Hospital on October 31, 1997 (less any reasonable and necessary expenses incurred subsequent to such sale arising out of or relating thereto) together with any interest or other investment income earned by the endowment. The endowment may be increased by donations, bequests, or appropriations to the fund. Monies in the fund shall be used for the purpose of funding health and health-related programs or projects which further the health, safety, or welfare of the citizens of the City of Lincoln, and for no other purpose. (Ord. 17402 §1; August 24, 1998).

4.16.007 Use of Funds Restricted.

The City Council and the Community Health Endowment Board will not spend the original net proceeds of the sale of Lincoln General Hospital which is hereby determined to be Thirty-seven Million Dollars (\$37,000,000). However, in the event of a community health disaster, as defined herein, the Director of the Lincoln-Lancaster County Health Department may initiate a written request for funds to the Community Health Endowment Board of Trustees and the Council for the purpose of alleviating such disaster. Regardless of the total amount of the fund at the time of the request, such request shall not exceed Nine Million Two Hundred Fifty Thousand and no/100ths Dollars (\$9,250,000.00). If a majority of trustees of the Community Health Endowment Board has voted to allow the request for funds to alleviate a public health disaster, a majority vote of the City Council shall authorize such use of the endowment funds, but in the event that a majority of the Community Health Endowment Board has not voted to allow such request, a two-thirds vote of the City Council shall be required to authorize such requested use of funds.

In the event that the City receives reimbursement from public or private sources for expenditures that have been made to alleviate a public health disaster, for which funds have been expended from the Community Health Endowment, such reimbursed funds shall be used to replenish the funds that have been expended from the Community Health Endowment unless restrictions that have been placed on such reimbursements prohibit replenishing such funds.

No new endowment funds may be committed if the fair market value of the assets of the Community Health Endowment Fund is below Thirty-seven Million Dollars (\$37,000,000) except to alleviate a public health disaster or to fund existing commitments or operating expenses.

a. For purposes of this section, public health disaster shall mean any event or the imminent threat thereof to the public health causing widespread or severe illness, injury or loss of life resulting from any natural or manmade cause, whose scale, timing, or unpredictability threatens to overwhelm routine community capabilities to address them.

b. For purposes of this section, existing commitments shall mean approved contracts or other legally binding commitments and operating expenses shall mean investment management fees and all operation costs as specified in approved budgets. (Ord. 19860 §1; March 25, 2013: prior Ord. 18043 §1; July 29, 2002).

4.16.010 Board of Trustees Created; Appointment of Members; Terms.

There is hereby created a Board of Trustees for the Community Health Endowment. The board shall consist of fifteen persons, who shall be known as trustees, who shall be residents of the city. The Health Director shall be a voting ex officio member of the Board of Trustees. Additionally, the president of Bryan Health or Bryan Medical Center (or any successor entity thereof) and the president of St. Elizabeth Regional Medical Center (or any successor entity thereof) shall, if agreeable to them, be voting ex officio members of the Board of Trustees. If either or both are unwilling to serve, the vacancy or vacancies shall be filled by Mayoral appointment in the same manner as provided for the remaining trustees. The remaining twelve trustees shall, to the extent possible, include individuals from the health care community, business and finance community, and other community stakeholders including, but not necessarily limited to, minorities, under-served populations, individuals with disabilities, neighborhood representatives, community volunteers and representatives from the religious and educational communities. At least five must have a recognized background in public health, medicine, human services, registered nursing, mental health, dentistry or related fields. No publicly elected official shall be eligible to serve as a Trustee. The members of the Board of Trustees shall be appointed by the Mayor with confirmation by the City Council. All Mayoral appointees shall, if requested, appear before the City Council to be examined as to their knowledge, opinions, character, and general fitness to hold such position. The term of each trustee, other than the ex officio trustees, shall be three years, except that at the time of the first appointment, four of the members shall be appointed for a term of one year from September 1, 1998; four shall be appointed for a term of two years from September 1, 1998; and four shall be appointed for a term of three years from September 1, 1998. No person other than an ex officio member may serve more than two consecutive terms as a trustee, except that a trustee appointed to fill the remainder of the unexpired term of a former trustee may serve a two consecutive three-year terms in addition to the remainder of such unexpired term. (Ord. 19860 §2; March 25, 2013: prior Ord. 17402 §1; August 24, 1998: Ord. 15432 §1; February 12, 1990: P.C. §8.12.010: Ord. 13988 §1; November 12, 1984: Ord. 12625 §1; July 2, 1979: Ord. 11926 §1; March 28, 1977: Ord. 7627 §1; January 2, 1962: Ord. 3489 §11-701; July 6, 1936).

4.16.030 Vacancies on Board; Appointments.

Appointments to fill vacancies shall be made and approved in the same manner and shall expire at the end of the term for which the appointment shall be made. (Ord. 15432 §3; February 12, 1990: P.C. §8.12.030: Ord. 3489 §11-703; July 6, 1936).

4.16.040 Removal of Members by Council.

The City Council may remove any member of the Board of Trustees for malfeasance or nonfeasance in office or for any cause that renders a member ineligible to office or incapable or unfit to discharge the duties thereof. (Ord. 17402 §4; August 24, 1998: prior Ord. 15432 §4; February 12, 1990: P.C. §8.12.040: Ord. 3489 §11-704; July 6, 1936).

4.16.050 Organization of Board.

The Board of Trustees shall annually elect its chairperson and such other officers as it desires from among its members and shall establish its own rules of procedure for the conduct of such meetings. The board shall hold at least one regular meeting in each calendar quarter. A special meeting may be called by the chairperson or in the absence of the chairperson, by such other officers as may be designated by the board, or by any three members upon written request. Eight members of the board shall constitute a quorum for the transaction of business, and eight affirmative votes shall be required for final action in any matter acted upon by the board. The board is hereby authorized to make all necessary rules for the exercise of its powers and performance of its duties as set out in Section 4.16.060 of the Lincoln Municipal Code and for securing cooperation from all officers and employees selected or appointed by the board. Any changes to such rules shall be approved by the City Council. (Ord. 19860 §3; March 2, 2013: prior Ord. 17402 § 5; August 24, 1998: Ord. 15432 §5; February 12, 1990: P.C. §8.12.050: Ord. 9867 §1; September 29, 1969: Ord. 7627 §2; January 2, 1962: Ord. 3489 §11-705; July 6, 1936).

4.16.060 Board of Trustees; Powers and Duties.

The Board of Trustees of the Community Health Endowment shall have the following powers and duties:

(a) To exercise general supervision and control over the Community Health Endowment; provided, however, endowment funds shall be deposited with the City Treasurer who shall place all funds of the endowment in a separate account or accounts for the benefit of the Community Health Endowment. All deposits thereto and disbursements therefrom shall be made through the office of the City Treasurer upon proper certification to the Treasurer by the Board of Trustees or personnel authorized by the board.

(b) To annually prepare and submit to the City Council a proposed budget of the Community Health Endowment for the ensuing year which shall include recommendations regarding the funding of community health projects and programs utilizing Community Health Endowment monies.

(c) To review proposals requesting endowment funds to support existing community programs and new, innovative, and creative programs which have a strong potential to improve community health. For purposes of reviewing funding requests, health shall be defined as the ability of all people within the community to reach full mental, spiritual, and physical potential by living in safety with vigor and purpose; meeting personal needs; meeting community responsibilities; adapting to change; and having trusting and caring relationships.

(d) To enter contracts for the disbursement of budgeted endowment funds to approved programs or projects.

(e) To direct investment of all monies in the Community Health Endowment into such investments as may be from time to time authorized by the city charter and state law.

(f) To hire a President/CEO and such employees as may be necessary for the efficient and economical management of the Community Health Endowment. The board may authorize the President/CEO to discharge for cause any person employed by the Community Health Endowment;

provided, however, that said President/CEO shall, upon discharging such employee, file with the board a written report of the actions taken and giving reasons for such discharge. (Ord. 19860 §4; March 25, 2013: prior Ord. 17402 §6; August 24, 1998: Ord. 15432 §6; February 12, 1990: P.C. §8.12.060: Ord. 12625 §2; July 2, 1979: Ord. 9867 §2; September 29, 1969: Ord. 3489 §11-706; July 6, 1936).

4.16.090 Annual Report; Budget.

The board shall prepare annually a proposed budget for the ensuing year, for the use and disbursement of funds from the Community Health Endowment, pursuant to the requirements of City of Lincoln Charter. All monies received and set apart for the Community Health Endowment, shall be deposited with the City Treasurer to the credit of the Community Health Endowment, and those sums shall be kept by the City Treasurer and paid out upon the order of those persons designated by the Board of Trustees. The Board of Trustees shall have control over the expenditure of all funds budgeted annually from the Community Health Endowment, provided, however, that the budget prepared by the board, and any substantial changes therein, must be approved by the City Council.

Concurrently with the annual budget, the Board of Trustees shall present an annual report or "State-of-the-Endowment" to the Mayor, the City Council, and the community. Such report shall include a description of the past year's accomplishments of the Community Health Endowment, current or anticipated funding priorities, and a financial audit of the Community Health Endowment. (Ord. 17402 §9; August 24, 1998: prior Ord. 15432 §9; February 12, 1990: P.C. §8.12.090: Ord. 9867 §5; September 29, 1969: Ord. 3489 §11-709; July 6, 1936).