

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 9th day of May 2016, the Amarillo Hospital District Finance Committee met at 4:00 p.m. in regular session in Room 306, located on the third floor of City Hall at 509 S.E. 7th Avenue, Amarillo, Texas.

VOTING MEMBERS	PRESENT	NO. OF MEETINGS HELD SINCE APPOINTMENT	NO. OF MEETINGS ATTENDED SINCE APPOINTMENT
SMITH ELLIS	Yes	12	9
SAM LOVELADY	Yes	5	5
DEAN FRIGO	Yes	1	1

Also in attendance were the following:

MICHELLE BONNER	ASSISTANT CITY MANAGER, CITY OF AMARILLO
LAURA STORRS	DIRECTOR OF FINANCE, CITY OF AMARILLO
ANDREA MCDONALD	RECORDING SECRETARY, CITY OF AMARILLO
KELLY BEVIS	INVESTMENT CONSULTANT, WELLS FARGO ADVISORS
HERMAN SHIRLY	INVESTMENT MANAGER, HERRING BANK
RANDY HAHN	SENIOR TRUST OFFICER, HERRING BANK

Mr. Ellis established a quorum, called the meeting to order at 4:00 p.m., and the following items of business were conducted:

ITEM 1: Consider Minutes. Mr. Ellis presented the minutes from the last Finance Committee meeting held January 25, 2016. Mr. Lovelady made a motion to approve the minutes as presented. Mr. Frigo seconded the motion and it carried unanimously.

ITEM 2: Presentation and Discussion of the Pension Fund Investment Performance. Ms. Bevis presented the Pension Fund's Investment Performance at March 31, 2016 and gave a review of the capital markets for the same time period. She explained that the market experienced the worst ever start to a year on record, yet had the greatest recovery since 1933. For the latest quarter, she reviewed that the Fund was right in-line with the Policy with a return of 1.5%. Ms. Bevis stated that overall, the Fund performed well against inflation for the 3-year, 5year and 10-year time periods.

Mr. Shirly introduced Mr. Hahn to the Committee as the new Senior Trust Officer at Herring Bank.

ITEM 3: Presentation and Discussion of the AHD Corpus Investment Performance. Ms. Bevis reviewed the Investment Performance Analysis of the AHD Corpus at March 31, 2016. She explained that returns of the Total Fund were ahead of the Policy for the latest quarter at 2.5% versus 2.3%. Ms. Bevis reported that the Fund was beating inflation and that both money managers were doing a good job.

ITEM 4: Consider Plan Amendment and Resolution to Change Actuarial Assumptions of the Retirement Plan for Employees of Northwest Texas Healthcare System. Ms. Bonner reviewed that in October of 2015, the Board of Managers approved changing the actuarial assumption rate to 7.5%, adopting the TMRS mortality table, and changing the assumed retirement age to 100% retired at age 65. She explained that the Pension Plan's attorney had prepared the presented amendment and resolution to reflect those changes necessary in the Plan Document. A motion was made by Mr. Lovelady, seconded by Mr. Frigo and unanimously carried to approve the Plan amendment and resolution as presented.

ITEM 5: Consider Addendum No. 1 to Agreement for Accounting, Secretarial and Legal Services. Ms. Bonner explained that the Amarillo Hospital District has an agreement with the City of Amarillo to perform certain services for the Hospital District. She further explained that staff would like to expand the administrative function with the District's Pension Plan to assist in processing vested retirements and organizing retiree files. Ms. Bonner reviewed that the presented addendum would allow for the City to be reimbursed for the costs associated with city employee(s) performing such services on behalf of the Amarillo Hospital District. Mr. Frigo made a motion to approve Addendum No. 1 to Agreement for Accounting, Secretarial and Legal Services as presented. Mr. Lovelady seconded the motion and it carried unanimously.

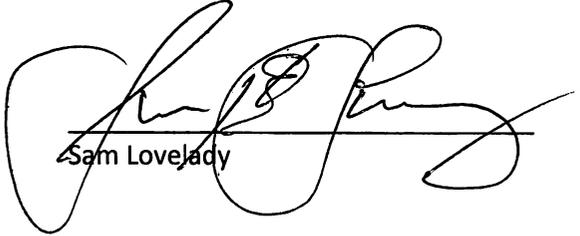
ITEM 6: Public Forum. There were no public comments at this meeting.

There, being no further business, Mr. Ellis motioned to adjourn the meeting. Mr. Lovelady seconded the motion and the meeting adjourned at 4:25 p.m. This meeting was recorded and all comments are on file with the City Finance Department.



Smith Ellis

ATTEST:



Sam Lovelady