STATE OF TEXAS §
COUNTIES OF POTTER §
AND RANDALL §
CITY OF AMARILLO §

On the 25th day of March 2009, the Amarillo Health Facilities Corporation convened in regular session at 12:00 P.M. in Room 305 on the third floor of City Hall, 509 East 7th Avenue, Amarillo, Texas, with the following members present:

VOTING MEMBERS	PRESENT
Eddie Boyd, President	Yes
Ed Flood, Vice President	Yes
Dennis Clounch, Secretary	Yes
Cole Young, Asst. Secretary	Yes
Larry Day, Treasurer	Yes
Dr. Anthony V. Bass	Yes
Charles E. Warford	Yes

STAFF MEMBERS PRESENT:

Vicki Covey, Director of Community Services
Dean Frigo, Director of Finance
Matt Richardson, Director of Public Health
Andrea Rains, Recording Secretary

Also Present: Robert Dransfield - Bond Lawyer, Fulbright & Jaworski, LLP and David Pittman - Health Reporter, Amarillo Globe News.

ITEM 1: Call to order

Mr. Boyd established a quorum, welcomed everyone in attendance and called the meeting to order at 12:05 p.m.

ITEM 2: Election of Officers

Dr. Bass moved to maintain the current slate of officers for the Amarillo Health Facilities Corporation to serve an additional annual term. Mr. Day seconded the motion and it carried unanimously.

ITEM 3: Approval of Minutes from June 13, 2008 Meeting

Mr. Boyd presented the minutes from the last Amarillo Health Facilities Corporation meeting held June 13, 2008. There were no questions or comments. Motion to accept the minutes as written was made by Mr. Clounch, seconded by Mr. Warford, and unanimously carried.

ITEM 4: Discussion and consideration of a "Resolution Consenting to the Amendment of Documents Necessary to Secure the $3,155,000 Amarillo Health Facilities Corporation Variable Rate Health Facilities Refunding Revenue Bonds, Series 1997, under a Master Trust Indenture" and resolving other matters incident and related thereto

Mr. Dransfield explained that the Evangelical Lutheran Good Samaritan Society is requesting that the Amarillo Health Facilities Corporation allow them to consider taking this asset under this process and putting it under their Master Trust Indenture, to allow the bonds to be now part of the Master Trust Indenture. He further explained that the Master Trust Indenture does not involve the Amarillo Health Facilities Corporation; it is an arrangement between the Good Samaritans and their trustee bank. He noted that this is a positive request from the Corporation's perspective, that the Corporation will be able to have additional collateral available. The resolution, Mr. Dransfield explained, addresses two requests: 1) to amend the existing Trust Indenture and 2) to amend the loan agreement. He explained that the parties are the same as they have been for some period of time, that the collateral or security is now expanded for this bond. Mr. Dransfield stated that the documents are straightforward and that the Corporation's letter of credit for these bonds stays as-is; the purpose for bringing things under a Master Trust Indenture is not to allow dilution of any collateral. Motion to adopt the resolution was made by Mr. Young, seconded by Mr. Day, and carried unanimously.

ITEM 5: Quarterly Investment Report

Mr. Frigo presented the Quarterly Investment Report and reviewed that at December 31, 2008; the Corporation had a Fidelity Investment Money Market Mutual Fund balance of $650,333.12 and $2,556.12 invested at JP Morgan Chase Bank. He stated that once Mr. Warford closes the Chase account, an account would be opened at Bank of America that would allow the Corporation to invest in CD's and other such instruments. Mr. Frigo reviewed quarterly investment earnings of $611.67 from the Fidelity Treasury Account and stated that the account is conservative, investing in treasury-only securities that produce smaller earnings but overall, is very safe. Mr. Frigo noted that the funds are invested in accordance with the Corporation's Investment Policy and Texas State Law.

ITEM 6: Presentation of Financial Statements

Mr. Day presented the Financial Statements for the Amarillo Health Facilities Corporation at February 29, 2009 and reported that the Corporation had $653,229 in cash and cash equivalents. Reviewing revenue, he stated that the Corporation had received interest income in the amount of $951. Mr. Day reported unrestricted assets of $653,229; and stated that of these assets, $623,095 should be distinguished as restricted assets because the Corporation had previously earmarked those funds for the construction of the new building for the Department of Public Health. He further reported the remaining balance of $30,134 as unrestricted assets. Mr. Frigo replied that he would correct the Financial Statements to reflect the suggested changes. Mr. Young motioned to accept the financial statements with the suggested corrections. Dr. Bass seconded the motion and it carried unanimously.

ITEM 7: Discussion of Health Department Facility

Mr. Richardson presented a summary of bids and costs for the new building for the Department of Public Health and stated that 7 competitive bids were submitted to the City of Amarillo on February 3, 2009, with only $100 thousand approximately separating the highest from the lowest bid. He reviewed that the construction estimate in July 2008 was approximately $2.5 million, or $208 per square foot and that the successful bid, submitted in February 2009, is $173 per square foot. Mr. Richardson reported total construction costs of approximately $2.2 million and total funding of approximately $2.4 million. He presented a color palette with samples of flooring and paint schemes that will be used in the new facility, and noted that the current Department of Public Health building is approximately 3,300 square feet and that the new facility will comprise almost 12,000 square feet. Mr. Richardson thanked the Corporation for their donation and support of the new facility and acknowledged Mr. Warford and Mr. Clounch's attendance at the groundbreaking ceremony held the previous day. Ms. Covey reviewed the funding sources and stated that no additional funding would be needed. She explained that although the furnishings and landscaping was not included in the scope of work, the project was expected to come under budget. Mr. Frigo explained that any surplus funds would be given back to the Amarillo Hospital District.

ITEM 8: Annual Review and Consideration of Investment Policy

Mr. Day presented the Amarillo Health Facilities Corporation Investment Policy and Strategy. He questioned if the reporting procedures on page 4 would need to be exercised and requested that, in light of the current economic conditions, the Corporation add local banks: Happy State Bank and Amarillo National Bank to its allowable institutions for Health Facilities Corporation Investments on page 5. Mr. Frigo recommended striking the words "at the Health Facilities depository" under Preserving Capital, 1.a. on the first page, leaving: "Time Deposits, Certificates of Deposit, and other interest bearing accounts" to facilitate using the above-named local banks. The Corporation moved to adopt the recommended changes to its investment policy with no opposition.

ITEM 9: Consider Approval of Investment Training with the University of North Texas

Mr. Frigo explained that an Investment Officer is required to obtain 10 hours of investment training every two years. He reviewed that since he and Mr. Day received 10 hours of training in January of 2008, training was not required of them this year. Mr. Frigo noted that other Investment Officers from the City had attended the training. Mr. Day stated that the University of North Texas uses professionals to administer the high-quality training and would recommend that the Amarillo Health Facilities approve the investment training received from the University. With no objection, the Board approved the investment training administered by the University of North Texas.

ITEM 10: Adjournment

Motion to adjourn was made by Mr. Day. There being no further items before the committee, the meeting adjourned at 12:55 p.m. All remarks are recorded and are on file in the Finance Department.

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Eddie Boyd, President

ATTEST:

Dennis Clounch, Secretary