

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 30th day of April 2019, the Amarillo Hospital District Board of Managers met at 7:30 a.m. in regular session in the City Council Chamber located on the third floor of City Hall at 601 South Buchanan Street.

VOTING MEMBERS	PRESENT	NO. OF MEETINGS HELD SINCE APPOINTMENT	NO. OF MEETINGS ATTENDED SINCE APPOINTMENT
SAM LOVELADY, CHAIRMAN	No	20	17
DEAN FRIGO, INVESTMENT OFFICER	Yes	14	11
PATRICK WILLIAMS	Yes	2	2
RODNEY YOUNG	Yes	4	3
MENDI SEYMOUR-PERMENTER	No	10	7
WILLIAM BIGGS, MD	Yes	10	9

Also in attendance were the following:

KELLY BEVIS, INVESTMENT COUNSELOR, WELLS FARGO ADVISORS
MICHELLE BONNER, DEPUTY CITY MANAGER
MARCUS NORRIS, DEPUTY CITY ATTORNEY
LAURA STORRS, FINANCE DIRECTOR
FRANCES HIBBS, CITY SECRETARY, CITY OF AMARILLO

Dr. Biggs established a quorum, called the regular meeting to order at 7:30 a.m., and the following items of business were conducted:

ITEM 1: Consider Minutes of the Amarillo Hospital District Board of Managers. Dr. Biggs presented the minutes from the last Board of Managers meeting held on January 29, 2019. Dr. Young made a motion to approve the minutes as presented. Mr. Frigo seconded, and the motion carried unanimously.

ITEM 2: Presentation and Discussion of the Pension Fund Investment Performance. Ms. Bevis presented the Capital Markets Review and reviewed the Pension Fund’s Investment Performance for the quarter ending March 31, 2019. She stated employment was strong and that international trade concerns have eased. Bonds performed well for the quarter, however, the more risk taken the better the return. She further stated Amarillo National Bank made the decision to no longer invest in international securities. Ms. Beavis reviewed that for the quarter the fund outperformed the market. She stated the returns exceeded the inflation target and for the three and ten-year periods exceeded the absolute return target of 7.5%.

ITEM 3: Presentation and Discussion of the AHD Corpus Investment Performance. Ms. Bevis stated it has been a very strong year. She reviewed the Investment Performance Analysis of the AHD Corpus Fund at March 31, 2019. She stated that ANB has more in municipals which has

allowed for increased returns, and that the combination of ANB and Herring should serve the portfolio well. She stated this was a very good report.

ITEM 4: Presentation and Discussion of the AHD Audit. Ms. Arnold presented the audit of the financial statements for the year end September 30, 2018. She stated there were no findings or adjustments reported. She stated the auditor's opinion was clean. She recommended the Board read the Management's Discussion and Analysis beginning on page five.

ITEM 5: Presentation and Consideration of Nwth Pension Plan Audit for the year end September 30, 2018. Ms. Arnold presented the audit of the financial statements for the year end September 30, 2018 and stated that the audit had a clean opinion with no findings. Motion was made by Mr. Williams, seconded by Dr. Young to approve the Nwth Pension Plan Audit, the motion carried unanimously by a 4:0 vote.

ITEM 6: Presentation and Discussion of Agreed Upon Procedures Audit on the Tobacco Settlement Cost Report ended December 31, 2018. Ms. Bonner explained that the agreed upon procedures provides the due diligence review of the amounts used in the 2019 Tobacco Settlement expenditure statement filed with the State. Ms. Arnold stated that there was a single finding with one individual who received a prescription as an indigent in the amount of \$55.29.

ITEM 7: Presentation of 2019 Tobacco Settlement Cost Report. Ms. Bonner reviewed the 2019 Expenditure Statement filed with the State. She explained that this report is prepared and submitted annually so that the District is eligible for tobacco settlement proceeds. Ms. Bonner also stated that the District had received the proceeds, which were consistent with the amount received in the prior year.

ITEM 8: Consider Provider Support Agreement for the Texas Tech University Health Sciences Center Psychiatry Program. Ms. Bonner stated the Finance Committee met yesterday and approved this agreement. Ms. Bonner explained that the Board had previously authorized by resolution the funding of \$100,000 for the 2018/2019 fiscal year for Texas Tech. And that Texas Tech has asked for an agreement recognizing this funding. Dr. Biggs called the question to approve the Provider Support Agreement for the Texas Tech University Health Sciences Center for the Psychiatry Program. This motion passed by a 3:0:1 vote. Dr. Young recused himself.

ITEM 9: Presentation of Quarterly Financial Statements. Laura Storrs, Finance Director, presented the District's Quarterly Financial Statements at March 31, 2019. Ms. Storrs reviewed the Balance Sheet, Income Statement, and Budget versus Actual Reports.

ITEM 10: Presentation of Quarterly Investment Report from Investment Officer. Mr. Frigo presented the District's Quarterly Investment Report and reviewed the investment portfolio and stated it was in compliance with both the District's Investment Policy and the Policy Funds Investment Act.

Taken out of order

ITEM 12: Public Forum. There were no comments.

ITEM 11: Executive Session. Mr. Norris announced at 8:31 a.m. that the Amarillo Hospital District Board of Managers would convene into Executive Session, under Section 551.071 – Confer with attorney on a matter in which the Open Meetings Act conflicts with the Attorney's confidentiality with client per Texas Rules of Disciplinary Conduct, regarding legal advice

concerning the indigent care agreement, health services agreement, and LPPF. At 9:04 a.m. the Board of Managers completed its Executive Session.

There were no further public comments at this meeting.

ATTEST:


William Biggs