

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the day 10th of August 2021, 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
DEAN FRIGO, INVESTMENT OFFICER	No	22	18
PATRICK WILLIAMS	No	10	9
RODNEY YOUNG	Yes	12	12
WESTON WRIGHT	Yes	6	6
WILLIAM BIGGS, MD, CHAIRMAN	Yes	17	17
MARY BEARDEN, VICE CHAIR	Yes	9	6
MICHELLE BONNER	Yes	4	4

Also in attendance were the following:
LAURA STORRS, ASSISTANT CITY MANAGER
STEPHANIE COGGINS, CITY SECRETARY
BRYAN MCWILLIAMS, CITY ATTORNEY
DEBBIE REID, FINANCE DIRECTOR
KELLY BEVIS, WELLS FARGO ADVISORS
MEG WILLIAMS, TOBACCO FREE AMARILLO

Dr. Biggs established a quorum, called the regular meeting to order at 7:32 a.m., and the following items of business were:

PUBLIC ADDRESS: Dr. Biggs inquired if there were any comments. There were none.

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 May 4, 2021. Ms. Bonner made a motion to approve the minutes as presented. Dr. Young seconded, and the motion carried unanimously.

ITEM 2: Public Hearing on the LPPF Mandatory Payment Assessment. Robin Daniel, Adelanto Healthcare Ventures, presented the request to amend the current LPPF rate from 2.45% to 6% due to the increased need in Medicaid spending and added supplemental programs through the State. She also mentioned that the final three amended payments would be due September 30, 2021, October 31, 2021, and November 30, 2021. Dr. Biggs opened the public hearing. Divya Matai with Northwest Texas Hospital and Lorenzo Olivarez Jr. with BSA Hospital both spoke in favor of the amended rate. Dr. Biggs then closed the public hearing.

ITEM 3: Review and Consider Resolution Setting Amount or Rate of LPPF Mandatory Payment and Uses of Such Revenue for the State Fiscal Year Ending August 31, 2021. Mr. Wright made a motion to approve the resolution as presented, Ms. Bearden seconded the motion, and it carried unanimously.

ITEM 4: Presentation and Discussion of the Pension Fund Investment Performance. Kelly Bevis, Wells Fargo Advisors, presented the Capital Markets Review and reviewed the Pension Fund's Investment Performance for the quarter ending June 30, 2021. Ms. Beavis reviewed that for the quarter the fund outperformed the benchmark.

ITEM 5: Presentation and Discussion of the AHD Corpus Investment Performance. Ms. Bevis presented the Amarillo Hospital District Agency Fund for the quarter ending June 30, 2021. Ms. Bevis stated the fund outperformed the policy for the quarter and things were looking better with the two new managers.

ITEM 6: Presentation and Discussion of Actuarial Report on the Pension Plan. Sam Hartman, Arthur J. Gallagher & Co., the District's Actuary called into the meeting and presented the Retirement Plan for Employees of Northwest Texas Healthcare System Actuarial Valuation report as of October 1, 2020. He explained that the pension liability was 96.1% funded as of 10/1/2020 even with the interest rate assumption being lowered to 6%. He went on to state that the Plan is at 107% funding as of 7/1/2021. He mentioned that they could help with de-risking the Plan in the future and would present more about that at an upcoming meeting.

ITEM 7: Discuss and Consider Resolution for Funding Recommendation on the Pension Plan. Mr. Wright made a motion not to proceed with funding a pension contribution in the current fiscal year, Ms. Bonner seconded the motion, and it carried unanimously.

ITEM 10: Discuss and Consider Amarillo Hospital District Budget. Ms. Storrs presented the proposed AHD Budget for fiscal year 2021/2021. The Operating Budget provides for a total of \$3,577,600 in revenues and \$13,314,194 in total expenditures. It includes funding pediatrics, psychiatry, and Tobacco Free Amarillo at the same amounts as fiscal year 2020/2021. She mentioned the Finance Committee increased the budget by \$2,000,000 for a possible pension contribution that was not needed in fiscal year 2020/2021. She also presented the LPPF budget with a rate of 6%, which is the highest amount allowed, for a total of \$49,545,000 in revenues and \$49,520,000 in expenditures. Ms. Storrs reviewed cash flow projections through 2036 showing sufficient funds should be available through that time with potentially \$21 million in reserves in 2036. She reviewed that the District would need to start taking action in 2029 to work with the legislature to set a property tax rate to fund the indigent care after 2036. The District would also need to start an RFP process for a new indigent care contract before 2036. Ms. Bonner made a motion to approve the budget as presented for fiscal year 2021/2022. Ms. Bearden seconded the motion and it carried unanimously.

ITEM 11: Discuss and Consider Addendum for the Texas Tech University Health Science Center Psychiatry Residency Program. Mr. Wright made a motion to approve the addendum for a one-year extension as presented, Ms. Bonner seconded the motion, Dr. Young abstained from the vote, and it carried unanimously.

ITEM 8: Discuss and Consider Agreement for the Texas Tech University Health Science Center Department of Pediatric. Ms. Storrs explained that the current agreement states that no action will need to be taken if the Board wants to extend. The Board took no action on this item.

ITEM 9: Discuss and Consider Agreement for Tobacco Free Amarillo. Ms. Williams presented information on the activity of Tobacco Free Amarillo from the past year. Mr. Wright made a motion to approve the addendum for a one-year extension as presented, Ms. Bearden seconded the motion, Dr. Young and Ms. Bonner abstained from the vote, and it carried unanimously.

ITEM 12: Presentation of Quarterly Financial Statements. Ms. Reid presented the District's Quarterly Financial Statements as of June 30, 2021. Ms. Reid reviewed the Balance Sheet, Income Statement, and Budget versus Actual Reports.

ITEM 13: Presentation of Quarterly Investment Report from Investment Officer. Ms. Bonner 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.

ITEM 14: Discuss Indigent Care Agreement Consulting Services. Ms. Bearden reviewed the activity that had been conducted thus far by BKD CPAs & Advisors regarding a review of the Indigent Care Agreement. She stated that the final report should be ready to present to the Board at the next quarterly meeting.

Dr. Biggs adjourned the meeting.

ATTEST:




Dr. William Biggs, Chairman

