

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 9th day of August 2021, 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 601 South Buchanan Street, Amarillo, Texas.

VOTING MEMBERS	PRESENT	NO. OF MEETINGS HELD SINCE APPOINTMENT	NO. OF MEETINGS ATTENDED SINCE APPOINTMENT
PATRICK WILLIAMS	No	7	6
WESTON WRIGHT	Yes	4	4
DEAN FRIGO	Yes	18	18

Also in attendance were the following:

BRYAN MCWILLIAMS, CITY OF AMARILLO, CITY ATTORNEY
LAURA STORRS, ASSISTANT CITY MANAGER
ROBIN DANIEL, ADELANTO HEALTHCARE VENTURES

Mr. Frigo established a quorum, called the meeting to order at 4:04 p.m., and the following items of business were conducted:

PUBLIC ADDRESS: Mr. Frigo asked if there was anyone who wished to comment. There were none.

ITEM 1: Consider Minutes. Mr. Frigo presented the minutes from the last Finance Committee meeting held on August 10, 2020. Mr. Wright made a motion to approve the minutes as presented. Mr. Frigo seconded the motion and it carried unanimously.

ITEM 2: Discuss and Consider Recommendation for the Amount or Rate of LPPF Mandatory Payment and Uses of Such Revenue for the State Fiscal Year Ending August 31, 2021. Robin Daniel with 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. Mr. Wright made a motion to approve the amended rate. Mr. Frigo seconded the motion and it carried unanimously.

ITEM 3: 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 could present more about that at an upcoming meeting.

ITEM 4: 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 \$11,314,194 in total expenditures. It includes funding pediatrics, psychiatry, and Tobacco Free Amarillo at the same amounts as fiscal year 2020/2021. The Committee discussed increasing 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.

Mr. Wright made a motion to approve the budget as presented with an additional of \$2,000,000 in pension contribution for fiscal year 2021/2022. Mr. Frigo seconded the motion and it carried unanimously.

There being no further business, the meeting was adjourned at 5:21 pm.


Dean Frigo

ATTEST:

