

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 18th day of August 2022, the Amarillo Hospital District Finance Committee met at 9:00 a.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	9	7
WESTON WRIGHT	Yes	6	6
DEAN FRIGO	Yes	20	20

Also in attendance were the following:

COURTNEY WHITE, CITY OF AMARILLO, ASSISTANT CITY ATTORNEY
LAURA STORRS, ASSISTANT CITY MANAGER
STEPHANIE COGGINS, CITY SECRETARY
CASIE STOUGHTON, CITY OF AMARILLO, PUBLIC HEALTH DIRECTOR
TIM BOWLES, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
DR. SHANNON HERRICK, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
DR. RICHARD JORDAN, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
DAN ETTTEL, ARTHUR J. GALLAGHER & CO. (BY TELEPHONE)
SAM HARTMANN, ARTHUR J. GALLAGHER & CO. (BY TELEPHONE)

Mr. Frigo established a quorum, called the meeting to order at 9:02 a.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 October 25, 2021. 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 Increase to Texas Tech University Health Sciences Center Department of Pediatrics Agreement. Mr. Bowles, Dr. Herrick, and Dr. Jordan presented information related to the work conducted by the Department of Pediatrics and the current funding sources for the programs. They explained there is currently a shortfall in funding for pediatric programs and asked the District for an additional \$550,000 in annual funding. Ms. Storrs reviewed the projected cash flows of the District with the additional \$550,000 included, showing that it would put some strain on the cash flows towards the end of the current indigent care agreement in 2036. Mr. Weston made a motion to increase the annual funding to the Texas

Tech Pediatric Subspecialties by \$250,000, the motion was seconded by Mr. Frigo, and it passed unanimously.

ITEM 3: Presentation on Local Suicide Prevention Program. Ms. Stoughton presented information related to the Amarillo Area Suicide Review Team and Loss Team along with the Local Outreach for Survivors of Suicide.

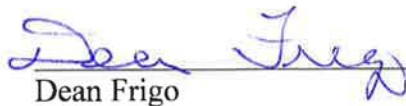
ITEM 4: Presentation and Discussion of Actuarial Report on the Pension Plan. Sam Hartman, Arthur J. Gallagher & Co., the District's Actuary along with Dan Ettel, Arthur J. Gallagher & Co., called into the meeting and presented the Retirement Plan for Employees of Northwest Texas Healthcare System Actuarial Valuation report as of October 1, 2021. They explained that the pension liability was 107.6% funded as of 10/1/2021, but that with declining market conditions this ratio would possibly decrease in the upcoming year. They then reviewed options for terminating the Plan. The Committee mentioned they were not interested in termination of the Plan at this point but want to continue to receive updates on it with each annual valuation.

ITEM 5: Discuss and Consider Amarillo Hospital District Budget. Ms. Storrs presented the proposed AHD Budget for fiscal year 2022/2023. The Operating Budget provides for a total of \$3,402,600 in revenues and \$14,776,260 in total expenditures. It includes funding pediatrics, psychiatry, and Tobacco Free Amarillo at the same amounts as fiscal year 2021/2022. The Committee discussed increasing the budget by \$250,000 for partial funding of the additional amount requested by Texas Tech Pediatrics and increasing the Tobacco Free Amarillo funding to \$375,000 to match the amount anticipated to be received from the tobacco settlement proceeds. Ms. Storrs also presented the LPPF budget with a rate of 6%, which is the highest amount allowed, for a total of \$54,765,679 in revenues and \$64,488,679 in expenditures.

Ms. Storrs reviewed cash flow projections through 2036 showing sufficient funds should be available through that time with potentially \$12.9 million in reserves in 2036 but stated she would update these projections for the full Board with the additional amounts recommended to be included in the budget. 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 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 \$250,000 in funding for Texas Tech pediatrics and to increase the funding for Tobacco Free Amarillo to \$375,000 for fiscal year 2022/2023. Mr. Frigo seconded the motion and it carried unanimously.

There being no further business, the meeting was adjourned at 10:47 a.m.


Dean Frigo

ATTEST:


Stephanie Coggs