

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 2nd day of December 2022, the Amarillo Hospital District Finance Committee met at 2:00 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	10	7
WESTON WRIGHT	Yes	7	7
DEAN FRIGO	Yes	21	21

Also in attendance were the following:

BRYAN MCWILLIAMS, CITY OF AMARILLO, CITY ATTORNEY
LAURA STORRS, ASSISTANT CITY MANAGER
MATT RAMSEY, AMARILLO NATIONAL BANK
KELLY BEVIS, WELL FARGO ADVISORS

Mr. Frigo established a quorum, called the meeting to order at 2:01 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 18, 2022. 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 Investment Strategy Changes to the District’s Corpus Funds. Mr. Ramsey with Amarillo National Bank, one of the District’s money managers, presented a 25-year trend on the 2-year treasury yield and the 10-year treasury yield and explained that there are current embedded losses in the District’s bonds because of the inverted yield curve. He explained that the District has about a 16 cent loss per dollar on each of the current bond holdings and that the District is taking out more annually than the investments are earning. Mr. Ramsey went on to explain the challenges of being graded both against the benchmark and the budget. One option would be for the District to come up with a tolerable amount of losses or to look at all three portfolios as a whole and match maturities to known liabilities through 20236. Kelly Bevis, Wells Fargo Advisors, joined the meeting over the phone and covered a presentation prepared by actuaries at Sage, one of the District’s other money managers, where the portfolio is invested to match maturities with liabilities going forward. Mr. Ramsey mentioned Sage could buy zero coupon bonds to match the

maturities and potentially manage the entire portfolio. The Committee asked Ms. Bevis to work with Sage to get a model portfolio that would mature fully in 12 years that could be presented at the Amarillo Hospital District Board meeting on December 6, 2022. This item was for discussion purposes only; no action was taken.

ITEM 3: Discuss and Consider Updated Amarillo Hospital District Corpus Investment Policy. No action was taken on this item.

There being no further business, the meeting was adjourned at 3:03 p.m.


Dean Frigo

ATTEST:

