



## Amarillo Hospital District Board of Managers Special Meeting

September 20, 2023  
7:30 AM  
Council Chamber, City Hall  
601 S Buchanan Street  
Amarillo, Texas 79101

### MINUTES

#### 1. Welcome and Introductions

On the 20th day of September, 2023, 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 S. Buchanan in Amarillo, Texas.

<b>VOTING MEMBERS</b>	<b>NO. OF MEETINGS HELD SINCE</b>	<b>NO. OF MEETINGS ATTENDED SINCE</b>
	<b>PRESENT</b>	<b>APPOINTMENT</b>
Dean Frigo, Chairman	Yes	32
Rodney Young, Vice-Chairman	Yes	22
Weston Wright	Yes	16
William Biggs, MD	Yes	27
Michelle Bonner, Investment Officer	Yes	14
Michael Alexander	Yes	4
Laura Street	Yes	4

Also in attendance were the following:  
 Laura Storrs, Assistant City Manager  
 Courtney White, Assistant City Attorney  
 Stephanie Coggins, City Secretary  
 Matthew Poston, Finance Director  
 Kelly Bevis, Wells Fargo Advisors  
 Matt Ramsey, Amarillo National Bank  
 Tim Bowles, Texas Tech University  
 Dan Ettel, Gallagher, by phone  
 Sam Hartmann, Gallagher, by phone

Chairman Frigo established a quorum and called the regular meeting to order at 7:33 a.m.

#### 2. Public Address Citizens who desire to address the Amarillo Hospital District Board of Managers with regard to matters on the agenda or having to do with the City's policies,

programs, or services will be received at this time. Each speaker will be limited to three minutes. The Board may not discuss items not on this agenda, but may respond with factual, established policy information, or refer to staff. The Board may choose to place the item on a future agenda. (Texas Attorney General Opinion JC-0169.)

3. **Approval of Minutes** The Board will consider approval of the minutes from the last meeting of the Board of Managers held August 29, 2023.

Ms. Bonner moved to approve the minutes with one change to Item 4H to reflect Dr. Young as abstaining from the vote. Mr. Wright seconded the motion, and it passed unanimously.

4. **Special Meeting Items**

- 4.A. **Discuss and Consider Pension Risk Transfer Services Consulting Agreement**

The District's Actuary will present information on options for the transfer of pension risk services for the Retirement Plan for Employees of Northwest Texas Healthcare System and the Board will consider entering into a contract to conduct these services for an amount not to exceed \$88,000.

Mr. Hartmann presented the item. He stated that interest rates are the highest they have been in decades which allows the District to consider transferring the risk associated with the existing pension plan to insurance annuities. As of 9/12/23, the District would need approximately an additional \$2.9 million contribution to the Pension Plan to terminate it. He mentioned that participants will receive several notices related to the change throughout the process including notices of termination and information for a call center that can help answer questions. Mr. Hartmann went on to explain that insurance companies have annual quotas so he would recommend waiting to get bids in from them in January or February, noting that the longer the District waits, the more interest rate risk it will be exposed to. He also mentioned it would take a couple of months for an insurance company to take over once a bid is selected by the District.

Mr. Ramsey (ANB) shared that ANB will be liquidating the portfolio as soon as the District approves this item, and then they will have cash. They will be putting a hedge on it to positively affect the price of the annuity. Sage will provide some assistance to ANB for the hedge.

Ms. Storrs mentioned that she would bring back a budget amendment for the Board to approve based on the final contribution needed to the Pension Plan.

Ms. Bonner motioned to approve the agreement and to allow the Chairman to

enter into the risk transfer services up to an additional \$3.4 million contribution from the District's Corpus funds. Mr. Alexander seconded, and it passed unanimously.

**4.B. Discuss and Consider Pension Plan Amendment**

The District will discuss and consider an amendment to the Retirement Plan for Employees of Northwest Texas Healthcare System for the pension risk transfer services.

Ms. Storrs presented the item. The amendment includes language to define the effective date of termination of the Plan that will align with the purchase of the insurance annuities. Ms. Storrs mentioned that Gallagher provided the draft amendment and the District's legal counsel reviewed it.

Dr. Young made a motion to approve the Amendment to Terminate Retirement Plan. Dr. Biggs seconded the motion, and it passed unanimously.

**4.C. Discuss and Consider Updated Amarillo Hospital District Pension Plan Investment Policy**

The Board will discuss and consider changes to the Amarillo Hospital District Pension Plan Investment Policy.

Ms. Bevis presented the item and discussed a redlined copy of the Investment Policy Statement. The investment objectives, objective goals, and investment guidelines are changing to reflect the termination of the Plan. The goal will be to match the performance of the portfolio to the purchase of the annuities necessary to terminate the Plan.

Ms. Street made a motion to accept the revised investment policy. Ms. Bonner seconded, and the item passed unanimously.

**4.D. Presentation from Texas Tech University Health Sciences Center of Psychiatry**

Texas Tech University Health Sciences Center will present to the Board updates about the use of District funding for Psychiatry Services.

No action was taken on this item.

**4.E. Presentation from Texas Tech University Health Sciences Center of Pediatrics**

Texas Tech University Health Sciences Center will present to the Board updates about the use of District funding for Specialized Pediatric Services.

Mr. Bowles presented the item. Mr. Frigo requested statistics to show how they help indigents and low income population in the future.

**4.F. Presentation from Tobacco Free Amarillo**

Tobacco Free Amarillo will present to the Board updates about the use of District

funding.

Meg Williams, with Tobacco Free Amarillo (TFA) presented the item.

**4.G. Announcement - Next Meeting**

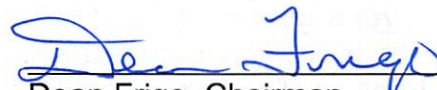
Ms. Storrs shared that the Board would have their next quarterly regular meeting in November. If the Board wishes to push to December 5, 2024, it would allow for an update on the Plan termination. The Board gave consensus for a meeting on December 5, 2023.

**5. Discuss Items for Future Agendas**

Chairman Frigo adjourned the meeting at 8:44 a.m.

ATTEST:

  
Stephanie Coggins, City Secretary

  
Dean Frigo, Chairman