

**AMARILLO HOSPITAL DISTRICT
BOARD OF MANAGERS
AUGUST 11, 1997**

Members

Ms. Lilia Escajeda, Chairman	Yes
Mr. Steve Walton, Chairman Pro Tem	Yes
Mr. Rick Jones, Secretary	Yes
Dr. Ron Fortner	No
Mr. John Irwin	Yes
Mr. Lin Rodgers	Yes
Mrs. Paula Toland	No

Also Present

Mr. Dean Frigo	Director of Finance - City of Amarillo
Mrs. Debra Nunez	Administrative Assistant - City of Amarillo
Ms. Donna DeRight	City Secretary - City of Amarillo

Media Present

Shae Dodson	Amarillo Globe News
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ITEM 1: Ms. Escajeda called the meeting to order at 7:00 p.m. at the Central Library, 413 E. 4th, Second Floor, Conference A, and welcomed those in attendance.

ITEM 2: Ms. Escajeda presented the minutes of July 29, 1997. There were no questions or comments regarding the minutes. Motion was made by Mr. Jones, seconded Mr. Walton, and unanimously carried, to approve the minutes.

ITEM 3: Ms. Escajeda introduced Mr. Michael Callahan, CEO at Northwest Texas Healthcare System, and asked him to present the Indigent Care Report. He reported that there were 10,567 qualified indigents in 1996 and 9,217 in 1997. He stated that indigent care costs increased slightly with the largest expense being pharmacy services. He advised that there was a significant decrease in psychiatric treatment due to less demand for these services and due to the discontinuation of the methadone detoxification program. Mr. Callahan told the Board to feel free to review the indigent care records at anytime.

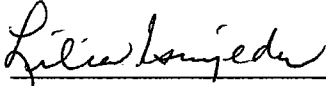
ITEM 4: Ms. Escajeda stated that she would not be participating in the discussion or vote of this item and asked Mr. Frigo to explain the necessary action. Mr. Frigo advised that Boatmen's First National Bank did not want to continue as Trustee/Money Manager for the AHD Pension Plan and therefore a new one needed to be named. Mr. Frigo recommended the appointment of Amarillo National Bank. Motion was made by Mr. Irwin, seconded by Mr. Rodgers, to appoint Amarillo National Bank as Trustee/Money Manager for the AHD Pension Plan. Voting AYE were Mr. Walton, Mr. Jones, Mr. Irwin and Mr. Rodgers; voting NO were none; ABSTAINING was Ms. Escajeda.

ITEM 5: Ms. Escajeda asked Mr. Frigo to review the proposed 1997/98 Amarillo Hospital District budget with the Board. Mr. Frigo stated that this budget includes a part-time management analyst position and \$268,000 to Healthcare Professional Associates. He stated that the budget did not include funding for the expansion of children's services at Northwest Texas Hospital and that the Hospital District is contractually obligated to pay up to \$6.5 million for this expansion. Mr. Callahan informed the Board that the cost for the expansion of children's services is \$3.8 million. After some discussion, it was decided to include \$1.3 million in the proposed budget for the expansion of children's services rather than amending the budget later. Motion was made by Mr. Jones, seconded by Mr. Rodgers, and unanimously carried, to approve the proposed 1997/98 budget and include \$1.3 million for the expansion of children's services at Northwest Texas Hospital.

ITEM 6: Ms. Escajeda asked Mr. Frigo to review the Investment Policy changes. Mr. Frigo stated that some revisions to the Investment Policy are needed due to some changes requested by the money managers and some changes in the law that will be effective in September. Motion was made by Mr. Rodgers, seconded by Mr. Jones, and unanimously carried, to approve the Amarillo Hospital District Investment Policy as amended.

ITEM 7: Ms. Escajeda asked Mr. Irwin to present the quarterly investment report. Mr. Irwin stated that on June 30, 1997 the Investment Portfolio was in compliance with the AHD Investment Policy. He stated that the money managers are doing a good job at this time and are complying with the Investment Policy.

The meeting was adjourned at 7:50 p.m.


Lilia Escajeda, Chairman