

**AMARILLO HOSPITAL DISTRICT
REGULAR MEETING OF BOARD OF MANAGERS
AMARILLO CITY HALL
COMMISSION CHAMBERS
MINUTES
April 30, 2002
7:30 A.M.**

<u>Members</u>	<u>Present</u>
Mr. Rick Jones, Chair	Yes
Mr. Ernie Boyd, Vice-Chair	Yes
Mr. John Irwin	Yes
Ms. Karen O'Hara, Secretary	Yes
Mr. Steve Walton	Yes
Ms. Nancy Seliger	No
Mr. Dave Taylor	Yes

Also Present

Mr. Marcus Norris	City Attorney-City of Amarillo
Mr. Dean Frigo	Finance Director, City of Amarillo
Ms. Debbie Close	Recording Secretary, City of Amarillo
Ms. Claudia Blackburn	Public Health Director-City of Amarillo
Mr. David Clark	Pediatric Program Presenter
Mr. Jerry McMillon	Clifton Gunderson
Ms. Myra Owings	Community Dental Clinic Presenter
Ms. Diann Gilmore	Community Dental Clinic Presenter
Ms. Leann Ayers	Health Access Clearinghouse Presenter
Mr. Alonzo Peterson	Tobacco Free Amarillo Presenter
Mr. John Crider	Actuary
Mr. Moody Chisholm	Northwest Texas Healthcare System

ITEM I: Mr. Jones called the meeting to order at 7:33 a.m. at City Hall, 509 East 7th Street, Third Floor, Commission Chambers, and welcomed those in attendance.

ITEM II: Mr. Jones presented the Minutes of the February 11, 2002 meeting. Motion for approval was made by Ms. O'Hara, seconded by Mr. Boyd and unanimously carried.

ITEM III: Executive Session to Discuss Pending Litigation. The Board convened into Closed Session at 7:35 a.m. in which no actions were taken, and the Board reconvened into Open Session at 7:45 a.m.

ITEM IV: Approval of a Deed to the City (on foreclosed property) for street and sidewalk right-of-way (ROW) at 1510 La Mesa Avenue. Mr. Norris stated that the City is in the process of paving this street and is requesting approval of the Amarillo Hospital District to change the right of way from 40 to 50 feet. Motion for approval was made by Mr. Irwin, seconded by Mr. Taylor and unanimously carried.

ITEM V: Presentation of Tobacco Agreed Upon Procedures Report. Mr. McMillon with Clifton Gunderson presented the Agreed Upon Procedures Report on the submission of AHD's Tobacco Cost Report. Mr. McMillon stated that his firm was engaged to perform Agreed Upon Procedures with respect to the Pro Rata Tobacco Settlement Distribution Expenditure Statement. Mr. McMillon explained that after performing these procedures, nothing came to their attention that would indicate a material misstatement in the figures provided for the Expenditure Statement.

ITEM VI: Discussion of Actuarial Report on the Pension Plan. Mr. Crider presented the actuarial evaluation of the AHD's pension plan for former employees. Mr. Crider stated that the actuarial valuation shows an increase in the contribution rate because of a decrease in the rates of return of the Pension Plan assets. Mr. Crider recommended that the Board approve the 10year funding level.

ITEM VII: Consider of Funding Recommendation on the Pension Plan. Mr. Irwin stated that the Finance Committee recommends the 10year funding level of \$938,614 for the current year contributions. The Board unanimously approved this recommendation.

ITEM VIII: Approval of Tax Sale Properties for Potter County. Mr. Frigo presented a list of Potter County Sheriff Sale properties. He stated that Potter County requires approval from the taxing entities to complete the sale of this property. Motion was made by Ms. O'Hara, seconded by Mr. Boyd and unanimously carried, to approve the sale for delinquent property taxes of the property.

ITEM IX: Presentation of 2001 Tobacco Settlement Report. Mr. Frigo presented the Tobacco Settlement Proceeds calculation for the 2002 year. Mr. Frigo explained that the Amarillo Hospital District in conjunction with Potter County, receives tobacco settlement proceeds based on an expenditure report and that this year's settlement was in the amount of \$212,861. The District's portion was \$207,906 for 2002. Mr. Frigo also reviewed that proceeds have been decreasing from \$1.2 million in 2000 down to \$700 thousand in 2001. The budget for the 2002 proceeds had been prepared at \$400 thousand.

ITEM X: Presentation of Quarterly Financial Statements. Mr. Jones asked Mr. Frigo to review the Quarterly Financial Statements with the Board. Mr. Frigo gave an overview of the General Fund financial statements for the period ending March 31, 2002. Mr. Frigo reported that the AHD had total assets of \$223 million and a fund balance of over \$220 million. Mr. Frigo reported that the AHD had total revenue of (\$978,911) and total expenses of \$4.6 million, for a net loss of \$5.5 million. Mr. Frigo stated that the total revenue figure included an unrealized investment loss of \$8.4 million, without the unrealized loss, the District has net income of approximately \$2.9 million. Mr. Frigo also reviewed the budget versus actual report. He stated that the realized investment income is at 57% of the budget and that total expenses is at 40% of budgeted expenditures.

ITEM XI: Quarterly Investment Report from Investment Officer. Mr. Irwin reported that for the quarter ending March 31, 2002, as the memo to the Board states, the Investment Portfolio was in compliance with state law and the AHD's Investment Policy. Mr. Irwin said that all three money managers are doing a good job.

ITEM XII: Consider Acceptance of the Grant Award from the American Heart Association to Purchase Automated External Defibrillators (AED's). Colonel Dieterman updated the Board on the training and deployment of the AED's in the Police Department. Mr. Frigo explained that the total of the purchase is approximately \$104,000 and that the American Heart Association will reimburse the District for half of this amount. Mr. Taylor made the motion to accept the Grant, Mr. Irwin seconded and the motion carried unanimously.

ITEM XIII: Consider the Award to the Vendor for the Purchase of AED's. Mr. Frigo presented the City's recommendation to award the purchase of AED's to Cardiascience for \$104,936. Mr. Frigo stated that the Fire Department already uses this type of unit and is in the process of training the Police Department. Mr. Irwin made the motion to accept the recommendation to award the purchase to Cardiascience in the amount of \$104,936, Ms. O'Hara seconded and the motion carried unanimously.

ITEM XIV: Program Review of the Health Access Clearinghouse (HAC). Ms. Leann Ayers, Project Director of HAC, presented the Board with information regarding some of the activities of the HAC. Ms. Ayers also reviewed with the Board some of the opportunities regarding additional funding sources.

ITEM XV: Program Review of the Tobacco Prevention and Control Initiative. Mr. Alonzo Peterson, Project Director, American Cancer Society, reviewed the program activities with the Board. These activities included awareness campaigns, enforcement activities, cessation programs, counseling, and evaluation material. Mr. Peterson also reviewed with the Board that the Program has generated additional community resources in the amount of \$0.32 for every \$1 of Amarillo Hospital District grant money.

ITEM XVI: Program Review of the Community Dental Clinic. Ms. Myra Ownings and Ms. Diann Gilmore reviewed the Dental Clinic activities with the Board. Ms. Myra Ownings reviewed patient care statistics regarding the Clinic. Ms. Ownings also reviewed additional funding possibilities for the Clinic. She stated that they are in the process of preparing a video about the Clinic, which will be presented and reviewed with different organizations by Dr. Cassada. Amarillo Area Foundation is in the process of preparing an evaluation of the community impact of the Clinic. The Clinic is also looking at using Amarillo College for hygienist work, allowing for the addition of Medicaid children as patients, and to work with new dentists out of college.

ITEM XVII: Program Review of the Specialized Pediatric Services Agreement. Mr. David Clark of AAHS reviewed the program services offered by the Pediatric Agreement. Mr. Clark stated that as a joint venture between AAHS and Texas Tech, they have been able to recruit two Pediatric Cardiologists for the Amarillo area. In the area of Pediatric Oncology, they have merged the two practices and have received additional funding from two other area organizations. They are working to add to the area of Pediatric Endocrinology. Mr. Clark stated that they have developed two pediatric areas they are going to focus on: pediatric asthma and pediatric diabetes. Mr. Clark also reviewed patient care statistics with the Board.

ITEM XVIII: Committee Reports.

Indigent Care: Mr. Walton read an Indigent Care Committee report in Ms. Seliger's absence. Mr. Walton said that the Indigent Care Committee met on April 2, 2002. At that time they approved a Request for Proposal. Mr. Walton also said the Request for Proposal was for evaluation of healthcare services for indigent and needy persons who apply to and/or are certified as eligible for the Amarillo Hospital District Indigent Care Program. Proposals are due May 28, 2002 and will be awarded on June 17, 2002.

Funding Priorities: Mr. Boyd presented the Minutes of the last Funding Priorities meeting. Mr. Boyd stated that they reviewed the memorandum of understanding between the District and the Amarillo Area Foundation that created the Community Health Issues Committee (CHIC). Mr. Boyd stated that this memorandum has expired but they have decided to study the continuation of this committee and will report later on their decision.

Finance: Mr. Irwin stated that he had no additional information to present.

ITEM XIX: Public Comments.

Mr. Moody Chisholm, Northwest Texas Healthcare System, updated the Board on the activities of the hospital. He reported that they have announced the addition of the Lone Star Heart Hospital. Mr. Chisholm also stated that a floor of the new hospital will be used to expand children service care of the Hospital.

ITEM XX: Adjournment. There being no further business the meeting was adjourned at 8:55 a.m. This meeting was recorded and all comments are on file in the City Finance Department.


Rick Jones, Chair


Karen O'Hara, Secretary