

**A MEETING OF THE FINANCE/INVESTMENT COMMITTEE
OF THE LIVING WELL FOUNDATION
ON WEDNESDAY, JULY 26, 2017, AT 7:30 A.M.
AT THE WMWO CHAMBER OFFICE,
112 PROFESSIONAL DRIVE
WEST MONROE, LOUISIANA 71291**

MINUTES

Members Present:

A. Whitfield "Whitty" Hood, Jr., Vice Chair
Deion Hemphill
Dave N. Norris, Jr.
Ken Phillips

Staff Present:

Alice M. Proffit, President/CEO
Janet Rutledge, Executive Assistant
Secretary/Treasurer

Others Present:

Doug Caldwell, Attorney
Lucius McGehee, Jr., Argent Financial Group
Oren Welborn, Argent Financial Group
Julian Johnston, Board Advisor

Members Absent:

Dr. John Shepard
Carl Turner

Whitty Hood called the meeting to order, and the presence of a quorum was verified.

Minutes – The minutes from the April 20, 2017, meeting were reviewed. There being no changes, upon motion by Dave N. Norris, Jr., seconded by Ken Phillips, the minutes were unanimously approved (4-0).

June 2017 Financial Statements – The June 2017 financial statements were presented. It was noted that investment income is ahead of budget and remaining amortization is greatly reduced. After discussion, upon motion by Dave N. Norris, Jr., seconded by Deion Hemphill, the June 2017 financial statements were unanimously approved (4-0). This item will be presented to the Board of Directors, and thereafter to the HSD #1 Board of Commissioners for their quarterly review.

At this time Lucius McGehee, Jr., and Oren Welborn of Argent Financial Group entered the meeting.

2018 Operating and Capital Budgets Package – The proposed 2018 Operating Budget Package was presented. It was noted that the new budget reflected a slight increase in projected revenues based on current holdings, maturing notes, and the interest rate environment, while remaining conservative. Although most expenses are typical each month, it was reported that there are contract renewals for grant software and needed technology, website, and server updates. Discussion was held on the allocation for school-based health centers and potential start-ups in outlying parishes with federally qualified health centers (FQHCs). After discussion, it was recommended that the 2018 Operating Budget Package as presented be introduced at the August Board meeting, and thereafter presented for public inspection, with final consideration for approval at the October Board meeting. Upon motion by Dave N. Norris, Jr., seconded by Ken Phillips, the recommendation was unanimously approved (4-0). This item will be introduced at the next Board meeting and thereafter published for public inspection.

The 2018 Capital Budget was also introduced, including computer upgrades and a fireproof filing cabinet. It was recommended that the 2018 Capital Budget be rounded to \$10,000 and presented with the 2018 Operating Budget at the next Board meeting. Upon motion by Deion Hemphill, seconded by Ken Phillips, the 2018 Capital Budget, with revision, was unanimously approved (4-0). This item will be presented to the Board of Directors and thereafter published for public inspection.

2017 Capital Equipment Budget – The 2017 Capital Budget for the purchase of new conference room chairs was presented. Three bids, as previously requested, were also presented and reviewed. It was recommended that the 2017 Capital Budget be approved as presented. Upon motion by Dave N. Norris, Jr., seconded by Deion Hemphill, the recommendation was unanimously approved (4-0). This item will be presented to the Board of Directors, and thereafter to the HSD #1 Board of Commissioners.

Policy for Credit Card Use – Discussion was held on the policy for credit card use to address items in the Statewide Agreed-Upon Procedures from the Legislative Auditor for audits beginning 2017. It was noted that current practice adheres to the requirements but that there was no written policy. After discussion, it was recommended that the Policy for Credit Card Use be approved as presented. Upon motion by Ken Phillips, seconded by Dave N. Norris, Jr., the recommendation was unanimously approved (4-0). This item will be presented to the Board of Directors.

Items regarding the Investment Portfolio: It was noted that, as part of the presentation of materials, items requiring an approval would be voted upon within the discussion.

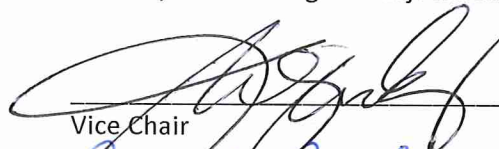
Portfolio Update – Lucius McGehee and Oren Welborn of Argent Financial Group provided an update on the portfolio performance. It was noted that the average maturity of the portfolio was 4.4 years with a duration of 4.0, and the yield to maturity was now 2.11%, with current yield of 1.78% on the bonds and notes and overall 1.70% including cash. It was noted that an interest rate increase by the Federal Reserve in December is likely, and it is advised that waiting for better purchasing opportunities for the large amount of cash reserves is warranted. This portfolio update will be provided to all Board members.

New Benchmark Measure – Information for an appropriate benchmark was then presented based on the performance of current holdings as compared to several indices. After discussion, it was recommended that the benchmark be the Barclay Aggregate Bond US Government 3-5 Year Index. Upon motion by Ken Phillips, seconded by Dave N. Norris, Jr., the recommendation was unanimously approved (4-0). This item will be updated to the Board.

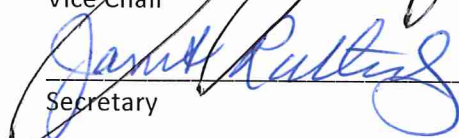
Annual Review of the Investment Policy – It was reported that the President/CEO and the Vice Chair, Finance/Investment Committee, with input from Argent Financial Group, had reviewed the Investment Policy. It was recommended that there be no changes or updates to the Investment Policy, as amended in 2013. Upon motion by Dave N. Norris, Jr., seconded by Deion Hemphill, the recommendation was unanimously approved (4-0). This item will be updated to the Board.

Federated US Treasury Cash Reserves Money Market Fund – Discussion was held on the need for holding cash in the current market conditions and the use of the short term Federated money market fund. It was reported that a thorough analysis of the money market fund had been included in the Investment Policy review. No further action was necessary.

There being no other activities, and no Committee members or members of the public wished to make any further comments, upon motion duly made and seconded, the meeting was adjourned.



Vice Chair



Secretary