

**A MEETING OF THE FINANCE/INVESTMENT COMMITTEE
OF THE LIVING WELL FOUNDATION
ON THURSDAY, JANUARY 23, 2020, AT 8:00 A.M.
AT THE WEST MONROE WEST OUACHITA CHAMBER OF COMMERCE OFFICE
112 PROFESSIONAL DRIVE
WEST MONROE, LOUISIANA 71291**

MINUTES

Members Present:

Dave N. Norris, Jr., Vice Chair
Jim Allbritton
Lori Allen
A. Whitfield "Whitty" Hood, Jr.
Major Jason Pleasant

Members Absent:

none

Staff Present:

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

Others Present:

Doug Caldwell, Attorney
Lucius McGehee, Jr., President, Argent Financial
Oren Welborn, Portfolio Manager, Argent Financial
Beck Hanes, Associate, Argent Financial

Dr. Norris called the meeting to order, and the presence of a quorum was verified.

Minutes – The minutes from the October 24, 2019, meeting were reviewed. Upon motion by Mr. Hood, and seconded by Major Pleasant, the minutes were unanimously approved (5-0).

December 2019 Financial Statements – The December 2019 financial statements, with the Argent statement and both the bond and cash basis worksheets, were presented. A deficit was reported in the change in assets for December due to the booking of the Fall 2019 grant awards, but there was no deficit in the change in assets year-to-date. It was noted that the year-end investment income had greatly exceeded the budget, and total net assets as of 12/31/19 greatly exceeded the restricted principal. The cash basis worksheet reflected that cash income exceeded payments during 2019. It was noted that Fall 2017 grants had been paid out, final installments would be paid soon on the Fall 2018 grants, and first payments have begun on Fall 2019 grants. Due to the change in status of the ULM Autism Center and the notification by the Foundation to ULM that the Autism Center Initiative was discontinued, the accrued payables were reversed. After no further discussion, upon motion by Mr. Allbritton, seconded by Mrs. Allen, the December 2019 financial statements were unanimously approved (5-0). This item will be presented to the Board of Directors and thereafter to the HSD #1 Board of Commissioners for their quarterly review.

Final Amendment to 2019 Budget – With final adjustments made to the 2019 budget based on the December financials, the second and final amendment to the 2019 budget was presented. Upon motion by Major Pleasant, seconded by Mr. Hood, the amendment was unanimously approved (5-0). This item will be presented to the Board of Directors and thereafter to the HSD #1 Board of Commissioners.

2020 Mileage Reimbursement Rate – Information was presented on the IRS 2020 standard mileage rates, with recommendation that the Foundation accept the IRS business standard mileage rate for 2020. Upon motion by Mr. Hood, seconded by Mr. Allbritton, the recommendation was unanimously approved (5-0).

Tech Support Services – As approved in the Executive Committee upon certain contingencies, the final letter of agreement and quote from Infinet Technologies, LLC, for monthly services was presented. It was noted that the current provider, NetTech, had notified the Foundation of no longer providing the existing structure of services, and fees would triple within a full managed contract as of 1/31/20. It was recommended that the Foundation accept the quote from Infinet for monthly services, as well as the upgrades to the server and QuickBooks, with those two upgrades to be undertaken upon capital budget approvals. Upon motion by Mr. Allbritton, seconded by Major Pleasant, the recommendation was unanimously approved (5-0).


Amendment to 2020 Capital Budget – An amendment to the 2020 capital budget was presented to provide for upgrades to the server and QuickBooks, both installed in 2011. As approved in Executive Committee, and after final approval in this Committee of terms for tech support services, it was recommended that the 2020 capital budget be amended to provide for upgrades as needed at the Foundation. Upon motion by Mr. Hood, seconded by Mr. Allbritton, the recommendation was unanimously approved (5-0). This item will be presented to the Board of Directors and thereafter to the HSD #1 Board of Commissioners.

At this time, the Committee agreed to take the agenda item, Investment Policy Revisions, out of order due to time constraints.

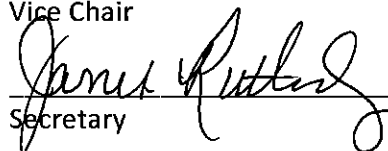
Investment Policy Revisions – Proposed revisions to the Investment Policy, related to allowable investments within LA R.S.33:2955 and as recommended by the investment manager for certain investments, were then presented. It was noted that the original investment policy for the Foundation did not include all the allowable investments, and at this time opportunities exist to consider these instruments. It was also noted that new investments must comply with the provisions of that letter dated July 26, 2018, from HSD#1 Board of Commissioners. After discussion, it was recommended that the investment policy be revised as presented to fully comply with the current amended LA R.S. 33:2955. Upon motion by Major Pleasant, seconded by Mrs. Allen, the recommendation was unanimously approved (5-0). This item will be presented to the Board of Directors and thereafter to the HSD #1 Board of Commissioners.

Investment Opportunities – Lucius McGehee, with Oren Welborn and Beck Hanes, of Argent Financial Services, then provided a review of 2019 performance, noting the large amount of available cash after several maturities of long-held notes, CDs, and some redemptions. A discussion was held concerning new investment opportunities due to current market trends and those risks associated with various investments. It was noted that the Federal Reserve had already lowered interest rates 3 times this year, causing a flat line in the yield curve, and the market is in some turmoil due to China trade agreement phases, an election year, and other economic factors, with no perceived risk of a recession at this time. Opportunities for investment in certain taxable municipal bonds, as compared to US Treasuries, agency notes, and CDs, were reviewed, and it was determined that there will likely be an investment option submitted upon approval of the investment policy. Further, Argent will present the annual portfolio update at the February 6th Board meeting. No further action was required on this item at this time.

Other Comments or Discussion - 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.

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Vice Chair



Secretary