

**A SPECIAL CALLED MEETING OF THE FINANCE/INVESTMENT COMMITTEE
OF THE LIVING WELL FOUNDATION
ON WEDNESDAY, JUNE 10, 2020, AT 8:30 A.M. BY VIDEO CONFERENCE
AT THE CITY OF WEST MONROE COUNCIL CHAMBERS,
2305 NORTH 7TH STREET, WEST MONROE, LOUISIANA 71291**

MINUTES

Members Present:

Jim Allbritton

Members Present by Zoom:

Dr. Dave N. Norris, Jr., Vice-Chair

Lori Allen

A. Whitfield Hood, Jr.

Members Absent:

Major Jason Pleasant

Staff Present:

Alice M. Proffit, President/CEO

Janet Rutledge, Executive Assistant,

Secretary/Treasurer

Others Present:

Doug Caldwell, Attorney

Lucius McGehee, Jr., Vice-President, Argent Advisors

Oren Welborn, Portfolio Manager, Argent Financial Group

Pursuant to the provisions of Proclamation 75 JBE 2020 by the state of Louisiana, a tele-conference/video conference was held for this special called Finance/Investment Committee meeting. Dr. Norris called the meeting to order, and the presence of a quorum was verified. It was noted that Argent Advisors would participate with discussion in various agenda items.

Minutes – The minutes from the January 23, 2020, meeting were reviewed. Upon motion by Mr. Allbritton, and seconded by Mr. Hood, the minutes were unanimously approved (4-0).

April 2020 Financial Statements – The April 2020 financial statements, with the Argent statement, the bond worksheet, and the cash basis worksheet, were presented. No deficits were noted for the month or year to date. Due to the impact from the COVID-19 pandemic, and the call of several bond holdings, the earnings were lower than budgeted, and would likely remain lower. Discussion was held with Argent on the current situation and updated as to May and June activities in the portfolio. Upon motion by Mr. Hood, seconded by Mrs. Allen, the April 2020 financial statements were unanimously approved (4-0).

Budget for Fall 2020 Grant Cycle – A review of budgets and expenditures for current grants and initiatives was presented. Argent discussed predicted net earnings for 2020 and the challenges of investment options at this time. Discussion was held regarding caution in the current market and yet remaining a grant-making body as defined by the Foundation mission. Reference was also made to the unknown status for the region's population as the pandemic and societal challenges continue. In addition, note was made to the recently funded Special Funding Cycle-COVID-19 Impact at \$200,000 and the possibility of a large impact project to establish a full-service clinic in south West Monroe to serve those most at-risk. A review of the initiatives indicated that the Dental Hygiene Initiative and the School-Based Health Center Initiative would be under budget by a total of \$20,000. After discussion, recommendation was made to amend the grant budget to \$400,000, separately from the budgets for the Dental Hygiene Initiative and the School-Based Health Center Initiative. Upon motion by Dr. Norris, seconded by Mrs. Allen, the recommendation was unanimously approved (4-0).

First Amendment to 2020 Budget – A proposed amendment to the 2020 budget was presented for discussion, due to the change in earnings and the amended budget for grants. After review, a recommendation was made to amend the 2020 budget as presented, and upon motion by Mr. Allbritton, seconded by Mr. Hood, 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.

Renewal of the 5-year Dental Hygiene Initiative – The Dental Hygiene Initiative was then considered for renewal, as the current 5-year initiative ends December 31, 2020. This initiative with ULM serves as a large impact project, especially for the under-served and Medicaid populations, through the mobile dental hygiene unit and the Riser school-based dental hygiene clinic. Information from ULM indicates that the continued partnership is of importance to the university and provides not only needed services but also future dental hygienists throughout the service area of the Foundation. The budgeted \$35,000 annually continues to be applicable, and it was noted that the university typically returns monies. It was noted that the Riser clinic will soon need new dental treatment chairs and can be considered at a future time. After discussion, recommendation was made to renew the 5-year Dental Hygiene Initiative at \$35,000 annually. Upon motion by Dr. Norris, seconded by Mr. Allbritton, 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.

Investment Portfolio Update – At this time, Lucius McGehee, Jr., assisted by Oren Welborn of Argent Financial Group, provided a review of year-to-date performance, including a discussion of limited investment options and the bond market. Portfolio return since 2014 is reported as 1.78% compared to the benchmark of 1.68%. The portfolio is currently composed of 50% cash and 50% fixed income, including CDs, municipal bonds, agency notes, and one treasury note. After the recent purchase of callable municipal bonds, the fixed income portion of the portfolio has a modified duration of 1.4 years and a yield to maturity of 1.6%. Including the cash, the modified duration is 0.7 years, and the portfolio has negligible volatility in this market. Of the previously approved \$10 million for investment, \$7.4 million has been invested in 2020 to municipal bonds, based on ad valorem taxes but no sales tax exposure. Prior to the COVID-19 pandemic and the resulting market issues, the portfolio would have benefitted from rising interest rates. At this time, the portfolio is positioned well for the future, but earnings are deflated due to called notes in this environment and limited investment opportunities. Discussions were held on flexible investment options in light of the current volatile market, and it was determined that further discussions by the Foundation would be held with the HSD #1 Board of Commissioners for a viable plan. No further actions were required 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.

Vice Chair

Secretary