

**A MEETING OF THE FINANCE/INVESTMENT COMMITTEE
OF THE LIVING WELL FOUNDATION
ON THURSDAY, JULY 11, 2024, AT 7:30 A.M.
AT THE WMWO CHAMBER OF COMMERCE
112 PROFESSIONAL DRIVE, WEST MONROE, LOUISIANA 71291**

MINUTES

Members Present:

Todd Burgess, Vice Chair
Jim Allbritton
Ken Phillips
Brandon Welch

Staff Present:

Alice M. Proffit, President/CEO
Monica Turner, Executive Assistant,
Secretary/Treasurer

Members Absent:

Chris Pittard

Others Present:

Lucius McGehee, Jr., Argent Financial Group
Beck Hanes, Argent Financial Group

The meeting was called to order, and the presence of a quorum was verified. It was noted that the Argent investment advisors would join the meeting for the portfolio discussion.

Minutes – The minutes from the January 18, 2024, meeting were reviewed. Upon motion by Mr. Allbritton, seconded by Mr. Phillips, the minutes were unanimously approved (4-0).

May 2024 Financial Statements – The May 2024 financial statements, including the bond worksheet, the Argent statement, and the cash basis worksheet, were reviewed. Net asset valuation continues to remain well above restricted principal, with earnings reflecting higher interest rates after maturities and reinvestments. Expenses are in line and below budget, and there is no deficit for month or year to date. After discussion, upon motion by Mr. Welch, seconded by Mr. Allbritton, the financial statements for May 2024 were unanimously approved (4-0). This item will be provided as an update to the Board of Directors.

First Amendment to 2024 Budget – An amendment to the 2024 budget was then presented. An increase in revenues was proposed based on higher returns and upcoming reinvestments. Discussion was held on the proposed increases for grant funding from \$350,000 to \$550,000 for the Grant Cycle 2024, and from \$250,000 to \$350,000 for additional school-based health centers, all as opportunities due to the increased earnings in the portfolio and the larger volume of applications to be considered in the current grant cycle. Recommendation to approve the amendment for the 2024 budget as presented was then made, and upon motion by Mr. Phillips, seconded by Mr. Welch, 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.

2025 Operations and Capital Budgets – A discussion was held on current performance and projections for 2024, with considerations for the 2025 operations budget. After review of all information, and further discussion on the portfolio opportunities, recommendation was made to introduce the proposed 2025 operations budget at the Board meeting in October. Upon motion by Mr. Phillips, seconded by Mr. Allbritton, the recommendation was unanimously approved.

The 2025 capital budget was then presented, including provisions for office furniture and equipment as needed in 2025 if furniture and equipment are not purchased within the 2024 capital budget previously approved. It was noted that furniture company delays and changes in schedules had delayed the opportunities to furnish the conference room of the new suite. Recommendation was made to approve the proposed 2025 capital budget, and upon motion by Mr. Allbritton, seconded by Mr. Welch, the recommendation was unanimously approved (4-0).

These two budget items will be introduced at the Board of Directors October 2024 meeting with public inspection to follow prior to consideration for approval at the November 2024 Board meeting, and presentation to the HSD #1 Board of Commissioners thereafter.

Portfolio Review – Prior to the advisors joining the meeting, the Committee then discussed the recent swaps, other opportunities for reinvestment, and the portfolio impact. A review of the maturities list by year from the bond worksheet and duration of the portfolio was held, with agreement among the Committee that the continuing strategy to extend the duration is important for the Foundation's future returns.


At this time, the investment advisors then arrived, and Mr. McGehee provided an update on current portfolio performance and comparison to benchmarks, with much improved performance overall from last year based on higher returns in the market and the short duration of the portfolio for reinvestment within those opportunities. The maturities list was further reviewed with a focus on the continuing turnover in the portfolio and reinvestment to extend the duration of the portfolio. Discussion was held on the strategy for swaps and selling before maturity with a review of other low interest rate holdings and whether more swaps would be feasible to capture better rates. It was agreed that continuing to extend the duration in new purchases would be attractive overall, and that continuing to study swaps and those opportunities to reposition the portfolio would be ongoing. No action was necessary at this time on the investment strategy.

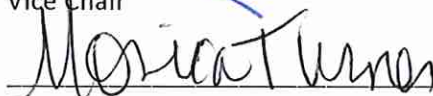
At this time, a discussion was held on the fee structure in the current contract and the investment managers request to increase the fees on the portfolio. After discussion, it was determined that a Request for Proposals (RFP) process would be necessary, and upon motion by Mr. Allbritton, seconded by Mr. Welch, the recommendation for an RFP process was unanimously approved (4-0). This item will be presented to the Board of Directors, and thereafter to the HSD #1 Board of Commissioners.

President/CEO Report – No further report at this time.

Board Chair Report – No further report at this time.

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