

Agenda Item # 19  
Date 5/6/20

FREMONT COMMUNITY HEALTH RESOURCES

BOARD OF TRUSTEES  
MINUTES

February 10, 2020

THOSE PRESENT

Mr. Larry Shepard, President  
Mrs. Linda McClain, Vice President/Secretary  
Mr. Steve Pribnow, Treasurer  
Mr. Patrick Booth, Executive Director  
Mr. Bob Missel, County Board Representative  
Mrs. Kathy Bloch, Recording Secretary

THOSE EXCUSED

None

OTHERS PRESENT

Glen Gahan, Silverstone - HUB  
Brian Kimminau, Silverstone - HUB

1. WELCOME

The meeting of the Board of Trustees was called to order at 12:07 pm by Larry Shepard, President.

A current copy of the Open Meetings Act was available.

2. MINUTES

The minutes of the Fremont Community Health Resources Board of Trustees meeting of January 13, 2020 were available on the Board Webport prior to meeting.

MOTION: Moved by Pribnow and seconded by McClain to approve the minutes of the January Board meeting. Motion carried.

3. FINANCE & ACCOUNTING

Financial Statements - The January, 2020 Financial Statements were available on the Webport.

MOTION: Moved by Pribnow and seconded by McClain to receive and approve the January 31, 2020 Financial Report. Motion carried.

The balance in the checking account was discussed.

MOTION: Moved by McClain and seconded by Pribnow to transfer \$150,000 from the checking account to the Investment Account at First National Bank. Motion carried.

4. PENSION FUND & PLAN

Funding Request - Following the January meeting, Lincoln National had requested a deposit of \$4,808,917.75 for the 2020 contract year, with specifically requesting a deposit of \$150,000 for the January pension payments by January 31. A transfer of \$150,000 from the Investment Account to Lincoln National was made on January 29<sup>th</sup>. Board approval is needed to transfer the balance of \$4,658,917.75 to Lincoln National.

MOTION: Moved by Pribnow and seconded by McClain to authorize and ratify the transfer of the required funds from the First National Bank Investment Account to Lincoln National for the 2020 contract year. Motion carried.

5. ACTUARIAL VALUATION

Glen Gahan from Silverstone-Hub reviewed the January 1, 2020 Actuarial Valuation Report for the Fremont Health Restated Pension Plan.

MOTION: Moved by McClain and seconded by Pribnow to receive and accept the January 1, 2020 Actuarial Valuation Report for the Fremont Health Restated Pension Plan. Motion carried.

Glen Gahan also shared plan projections to 2050 with a 4.5% investment return.

6. INVESTMENT MANAGER UPDATE

Mr. Booth stated representatives from FNBO and Aon met to discuss the duration of bonds per the Investment Policy. It was determined the Liability Hedging portfolio will be managed with long government and credit bonds at a duration between 10-14<sub>years,</sub> with an expected target maintained at 11~~8~~<sup>12</sup> years.

7. EXECUTIVE DIRECTOR

Letter to Pension Participants - The letter to the Pension Participants was mailed February 3<sup>rd</sup>. We have received a

few calls mainly from retired participants and were relieved there are no changes to the pension.

The Fremont Community Health Resources Bylaws were distributed for the Board to review. Discussion will be held in March.

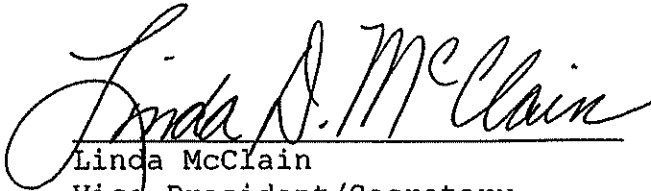
The document from Mr. Cohen outlining the duties of the Fremont Community Health Resources Board following the acquisition was distributed to the Board. Mr. Richmond will be providing the annual report at the March Board meeting.

8. OTHER ITEMS

None.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 1:25 p.m.



Linda McClain  
Vice President/Secretary

DISTRIBUTION:

Larry Shepard  
Linda McClain  
Steve Pribnow  
Patrick Booth

Robert Bendig  
Greg Beam  
Lon Strand  
David Saalfeld

Bob Missel  
Dan Weddle  
Doug Backens  
Fred Mytty

**Fremont Community Health Resources**  
**Statement of Revenue and Expenses**  
For the one and eight months ending February 29, 2020

	Feb 20	Jul '19 - Feb 20
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4300 · Interest Income	115,250.58	938,554.86
<b>Total Income</b>	115,250.58	938,554.86
<b>Expense</b>		
6100 · Accounting and Administration	475.00	4,630.00
5200 · Actuary & Benefit Calc Fees	30,405.00	47,585.00
5300 · Audit and Accounting Fees	0.00	17,753.00
5305 · Bank Service Charges	0.00	667.00
5310 · Consulting services	0.00	14,750.00
5500 · Insurance Expense	4,029.14	21,826.46
5700 · Legal and Prof Fees	0.00	41,432.39
5800 · Miscellaneous Expense	8.84	98.62
5900 · Office Supplies	0.00	160.50
<b>Total Expense</b>	34,917.98	148,902.97
<b>Net Ordinary Income</b>	80,332.60	789,651.89
<b>Net Income</b>	80,332.60	789,651.89

FREMONT COMMUNITY HEALTH RESOURCES

BOARD OF TRUSTEES  
MINUTES

March 9, 2020

THOSE PRESENT

Mr. Larry Shepard, President  
Mrs. Linda McClain, Vice President/Secretary  
Mr. Steve Pribnow, Treasurer  
Mr. Patrick Booth, Executive Director  
Mr. Bob Missel, County Board Representative  
Mrs. Kathy Bloch, Recording Secretary

THOSE EXCUSED

None

OTHERS PRESENT

Brett Richmond, President/CEO, Methodist Fremont Health

1. WELCOME

The meeting of the Board of Trustees was called to order at 12:15 pm by Larry Shepard, President.

A current copy of the Open Meetings Act was available.

2. MINUTES

The minutes of the Fremont Community Health Resources Board of Trustees meeting of February 10, 2020 were available on the Board Webport prior to the meeting. Mr. Pribnow noted in Section 6 of the February minutes, the bond duration should read "between 10-14 years with an expected target maintained at 11-12 years."

MOTION: Moved by Pribnow and seconded by McClain to approve the minutes of the February Board meeting as amended. Motion carried.

3. FINANCE & ACCOUNTING

Financial Statements - Mr. Booth noted the \$150,000 had not been transferred from the checking account to the investment account as directed at the last meeting. The transfer has now been completed. There were no questions related to the Financial Statements.

MOTION: Moved by Pribnow and seconded by McClain to receive and approve the February, 2020 Financial Report. Motion carried.

4. METHODIST FREMONT HEALTH

Brett Richmond, President/CEO of Methodist Fremont Health, presented the 2019 Annual Report to the FCHR Board of Trustees in addition to reviewing the Capital Spending Report from 10/2018 to present.

5. BYLAWS REVIEW

Mr. Booth performed a review of the Board Bylaws and recommends no changes at this time.

MOTION: Moved by McClain and seconded by Pribnow to affirm the Bylaws as stated without changes. Motion carried.

6. PENSION FUND & PLAN

Mr. Booth has had discussions with Stacy Auman with First National Bank is working to target the durations to stay within the Investment Strategy Policy.

7. GASB REPORT 6/30/2020

The Fremont Health Restated Pension Plan's Governmental Accounting Standards Board Statement (GASB) for year end June 30, 2020 prepared by Silverstone was distributed to the Board prior to the meeting.

MOTION: Moved by McClain and seconded by Pribnow to receive the Governmental Accounting Standards Board Report or June 30, 2020 from Silverstone. Motion carried.

8. EXECUTIVE DIRECTOR

No report.

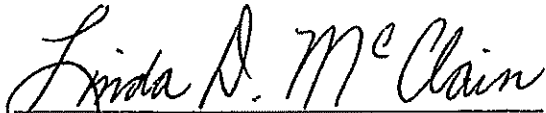
9. OTHER ITEMS

None.

10. ADJOURNMENT

Board of Trustees  
March 9, 2020  
Page 3

There being no further business, the meeting was adjourned  
at 1:05 p.m.



Linda McClain  
Vice President/Secretary

DISTRIBUTION:

Larry Shepard  
Linda McClain  
Steve Pribnow  
Patrick Booth

Robert Bendig  
Greg Beam  
Lon Strand  
David Saalfeld

Bob Missel  
Dan Weddle  
Doug Backens  
Fred Mytty

FREMONT COMMUNITY HEALTH RESOURCES

BOARD OF TRUSTEES

SPECIAL MEETING  
MINUTES

March 24, 2020

THOSE PRESENT

Mr. Larry Shepard, President  
Mrs. Linda McClain, Vice President/Secretary  
Mr. Steve Pribnow, Treasurer  
Mr. Patrick Booth, Executive Director  
Mr. Bob Missel, County Board Representative  
Mrs. Kathy Bloch, Recording Secretary

THOSE EXCUSED

None

OTHERS PRESENT

Jennifer Benson, First National Bank Omaha  
Stacy Auman, First National Bank Omaha

1. WELCOME

A special meeting of the Board of Trustees was called to order at 12:03 pm by Larry Shepard, President. This meeting was held via a Conference Call by notice of an Outlook Calendar invitation on March 23, 2020.

MOTION: Moved by Pribnow and seconded by McClain to waive the meeting notice requirements due to the emergency nature of the meeting. Motion carried. [*For: Shepard, Pribnow, McClain, Against: none.*]

In light of the COVID-19 impact on the Pension Investments, the purpose for the FCHR Board to conduct a special emergency meeting is to discuss and consider adjustments to the Investment Policy Statement.

MOTION: Moved by McClain and seconded by Pribnow the agenda for the special emergency meeting shall be to discuss and consider adjustments to the IPS due to the COVID-19 impact on the pension investments. Motion carried. [*For: Shepard, Pribnow, McClain, Against: none.*]



2. PENSION INVESTMENTS

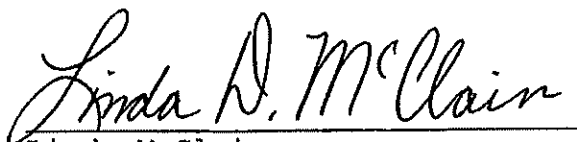
Mr. Booth stated that within the last two weeks the Pension Investment portfolio has fallen due to the impact of COVID-19 on the market. First National Bank of Omaha, Investment Manager, is requesting direction from the Board on asset allocations which are currently outside of the IPS ranges due to the recent stock market decline. The IPS does allow for the Board to review appropriateness of the investment policy if there was a change in the Plan's circumstances and/or material change in the capital market environment. Mr. Aumen reviewed various options for the Board and after discussion, the Board decided to widen the asset allocation range for both the Return Seeking and Liability-Hedging Assets.

MOTION: Moved by Pribnow and seconded by McClain to widen the asset allocation ranges for the Return Seeking Assets (IPS Target allocation is currently 30% with a 27%-33% range) to 22%-38% range; and the Liability-Hedging Assets (IPS Target allocation is currently 70% with a 67%-73% range) to 62%-78% range. Motion carried. [For: Shepard, Pribnow, McClain, Against: none.]

Mr. Auman informed the Board that First National Bank will be monitoring the asset allocation on a weekly basis and will make the trades necessary to keep the Pension Plan in line with the updated asset allocation ranges.

3. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:38 p.m.



Linda McClain  
Vice President/Secretary

DISTRIBUTION:

Larry Shepard  
Linda McClain  
Steve Pribnow  
Patrick Booth

Robert Bendig  
Greg Beam  
Lon Strand  
David Saalfeld

Bob Missel  
Dan Weddle  
Doug Backens  
Fred Mytty

**Fremont Community Health Resources**  
**Statement of Revenue and Expenses**  
For the one and nine months ending March 31, 2020

	<u>Mar 20</u>	<u>Jul '19 - Mar 20</u>
<b>Ordinary Income/Expense</b>		
Income		
4300 · Interest Income	115,250.58	1,053,805.44
<b>Total Income</b>	<b>115,250.58</b>	<b>1,053,805.44</b>
Expense		
5100 · Accounting and Administration	0.00	4,630.00
5200 · Actuary & Benefit Calc Fees	0.00	47,585.00
5300 · Audit and Accounting Fees	0.00	17,753.00
5305 · Bank Service Charges	0.00	667.00
5310 · Consulting services	4,000.00	18,750.00
5500 · Insurance Expense	4,029.14	25,855.60
5700 · Legal and Prof Fees	0.00	41,432.39
5800 · Miscellaneous Expense	8.84	107.46
5900 · Office Supplies	0.00	160.50
<b>Total Expense</b>	<b>8,037.98</b>	<b>156,940.95</b>
<b>Net Ordinary Income</b>	<b>107,212.60</b>	<b>896,864.49</b>
<b>Net Income</b>	<b>107,212.60</b>	<b>896,864.49</b>