

**Special Meeting of the
Prairie Meadows Board of Directors
May 15, 2023
9:00 a.m.
Conference Call**

A Special Meeting of the Prairie Meadows Board of Directors was called to order by Mr. Albaugh 9:00 a.m.

Roll Call.

Dennis Albaugh
Chris Costa
Linda Grandquist
Danny Homan
Dr. Ian Lin - absent
Marty Martin
John Mauro
Dr. Steven Neville

Bob O'Hollearn
Ken Sagar
Mary Simon
Susan Voss
Jeff Wangsness
Jeff Russell
Tiffany Tauscheck - absent

Also in attendance were:

Gary Palmer, President/CEO
Michele Wilkie, Senior Vice President/CAO
Elaine Castelline, Vice President of Finance/CFO
Tom Flynn, Legal Counsel
Nancy Winget, Its Recording Secretary

Action Item – Investment Resolution. Mr. Palmer thanked the Board for attending via conference call on such a short notice; the reason for the meeting is, staff would like to invest in an interest-bearing guaranteed account instead of letting the money set and getting no interest; Ms. Castelline and her staff investigated different companies and have a recommendation.

Ms. Castelline said with the higher interest rates, we looked at where we could invest some funds; the PM Investment Policy is conservative, and we can't invest in the Stock Market. We looked at three Iowa companies and their recommendations: CD ladder up to \$250,000, Iowa Municipal Bonds (City, County, and School Districts), and Treasury Bonds (US Government-backed); the recommendation is to sign an Agreement with the recommended company following the guidelines of the PM Investment Policy approved June 24, 2009; investing this way will allow us to get "the best bang for our buck".

Question on the ROI and Ms. Castelline said 3-4%; the policy allows up to three years using CD ladders, Treasury ladders, municipal bond investments.

Question on the amount to invest and Ms. Castelline commented.

Question regarding fees and Ms. Castelline said it's \$20,000 per quarter, but we'll have earnings of more than that – expected earnings for one year = \$350,000

Mr. Flynn asked if any portion of the investment will not be fully backed by the government, etc.? Ms. Castelline said the investment company reported that CD ladders are guaranteed by the FDIC for \$250,000, and the Municipal Bonds and Treasury Bonds are secure enough unless an apocalyptic event happens. Mr. Wangsness suggested waiting until the Federal Government decides on the debt ceiling – that needs to happen in the next two weeks and Ms. Castelline said that is our concern and we can wait.

Mr. Homan moved to approve the Bank Investment Resolution and the motion was seconded by Mr. Martin.

Mr. Martin asked if the Board is voting on engaging a company to manage the investment (CD and Municipal Bonds ladders) of the recommended amount? Ms. Castelline said the motion can include the dollar amount and the three ladders, but the Resolution is generic, based on the PM Investment Policy.

Mr. Mauro thought waiting two weeks shouldn't be a problem.

Mr. Martin wants to be clear on the vote – hiring a company to invest with discussion of the particulars or vote on hiring a company with authorization to invest under the PM Investment Policy, or amend the motion?

Mr. Wangsness said vote and build in a two-week waiting period, under the PM Investment Policy.

Question – does it make sense to invest in Municipal Bonds? Ms. Castelline said there's a lower return on Municipal Bonds, and the idea is to invest in Iowa.

Mr. Russell asked about investing in taxable Municipal Bonds as PM is a non-profit – has staff thought about modifying the Investment Policy and Ms. Castelline said no. Mr. Russell asked if the motion is to justify authority within the Investment Policy and Ms. Castelline said yes, all three companies were given a copy of the Investment Policy and told that we had to abide by the policy.

Question – the vote is to engage a company, not change the Investment Policy and Ms. Castelline said yes.

The motion (engage a company following the PM Investment Policy guidelines) unanimously passed on a voice vote.

Adjournment. There being no further business, the meeting adjourned at 9:15 a.m.

Respectfully submitted,

Dr. Steven Neville, Its Secretary