



BOARD OF TRUSTEES' MINUTES

Tuesday, April 27, 2021
1200 E. Plant Street, Ste 220
Winter Garden, FL
Virtual
882 5343 8574
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The West Orange Healthcare District Board of Trustees met Tuesday, April 27, 2021 at the Healthy West Orange Building. Chairman, R. Talbot officially called the meeting to order at 4:00 PM after a quorum was established. **Trustees in Attendance:** W. Britt, L. Cervenka, M. Lee, J. Sedloff, N. Sutton, R. Talbot, P. Taylor, J. Whiddon, M. Griffith, D. Carter **Remote:** K. Ardaman J. Murphy, **Trustees Absent:** T. Keating, C. Miller **Partial Attendance:** R. Wilsen **Staff Present:** P. Brown, L. Boettcher, K. Harker, T. Swanson **Guest:** M. Marsh of Orlando Health.

R. Talbot noted that since there were no members of the public in attendance, there would be no public comment period.

FINANCE COMMITTEE REPORT

Chair R. Talbot called upon Finance Chair M. Lee to present the report of the Finance Committee. M. Lee responded that the Finance Committee met on April 20th and reviewed the financial reports for March 2021. She reminded the Board that the minutes of that meeting are included in the materials for this meeting.

As to the Statements of Net Position, M. Lee commented that total assets of the District at March 31st were at \$72.7 million vs. \$78.5 million a year earlier. The money market account at Seacoast Bank was at \$7.8 million and is earning a "special" rate of 44 basis points. The investment portfolio was valued at \$57.9 million. The costs of the Plant Street office building plus furnishings were at \$6.7 million, exclusive of retainage.

As to liabilities, M. Lee pointed out that the most significant is grants payable of \$428 thousand. The District has also committed to funding grantee construction projects with unpaid balances totaling \$18.5 million at March 31st. Unrestricted net assets were \$53.4 million at month end.

Calling attention to the Statements of Changes in Net Assets for March, M. Lee pointed out that it was a good month for the investment portfolio. It was up by just over \$785 thousand. As to expense categories, a delay in transfer of the Plant Street building to HWO, Inc. requires that the District carry insurance on it. Overall, total actual expenses for the month are near the budget. For the month, expenses and grants exceeded revenues by \$745 thousand.

For the six months of the fiscal year, M. Lee commented that investment income was almost \$1 million per month at \$5.9 million. However, the bottom line for the month was a loss of just over \$7 million, resulting from investment revenue of almost \$6 million offset by expenses and grants of \$13 million. She noted that one expense line, legal fees of \$56,758, exceeds the annual budget of \$50,000.

Moving to the Active Grant Status Report, M. Lee pointed out that there were seven grant payments for the month totaling just over \$1.9 million. Active grant awards were \$87 million at

month end, of which \$68 million has been disbursed, leaving an \$18.9 million balance at month end as shown on the grant report.

M. Lee then moved to the March 2021 AndCo Consultants reports on the investment portfolio. She called attention to the statement included in the meeting materials that shows that the portfolio earned a solid 1.52% for the month. She also informed the Board that all asset allocations are within the ranges set forth in the Investment Policy Statement.

M. Lee then stated that her report was concluded.

Action: Upon a motion duly made and seconded, the report of the Finance Committee was unanimously approved.

PRIORITIES TASKFORCE REPORT

R. Talbot shared that the Priorities Taskforce had met three times in the month of April, with initial work focused on understanding the state of mental health programs and initiatives for school aged children in west Orange and communities throughout the country. After in-depth discussion, the task force decided to shift focus to Senior needs and opportunities. The committee provided Orlando Health time on the 4.26.21 agenda to share opportunities for potential partnership on projects impacting The Center for Rehabilitation and Health Central Park in west Orange. After robust discussion and numerous questions fielded by OH, the taskforce indicated they would be back in touch once they evaluated how the OH proposals fit in the overall priorities of the District.

Action: Upon a motion duly made and seconded, the report of the Priorities Taskforce was unanimously approved.

VICTIM SERVICE CENTER SIMPLIFIED GRANT

T. Swanson provided details on the Victim Service Center grant request in the amount of \$9,500 to rent counseling and office space from Shepherd's Hope at a rate of \$500 per month for the next two years, after which, Victim Services Center believed they would have sustainability plans in place.

Action: Upon a motion duly made and seconded, a grant for Victim Service Center of \$9,500 was unanimously approved.

AUTHORIZATION AGREEMENT AMENDMENT WITH HWO INC. & HWO HOLDINGS, LLC

T. Swanson reminded the Trustees that the District had empowered HWO, Inc. and HWO Holdings, LLC to act on their behalf and contract with vendors directly to provide operating services for the Healthy West Orange building. The agreement dated February 1, 2020 authorizes HWO, Inc and HWO Holdings to negotiate and enter into agreements directly with vendors and contractors for services to be performed for the building.

Action: A motion duly made and seconded was unanimously approved to ratify the agreement from the West Orange Healthcare District authorizing HWO, Inc. and HWO Holdings, LLC to enter into agreements with vendors and contractors directly for services for the maintenance and upkeep of 1200 E. Plant St. (N. Sutton and J. Whiddon declared a conflict, abstained from voting, and filed form 8B).

MANAGEMENT SERVICE AGREEMENT AMENDMENT WITH HWO INC.

T. Swanson shared that the October 19, 2019 Management Service Agreement has been updated twice before, and the attached Districts Loaned Employee (Exhibit A) is modified to release the CFO, K. Harker, for responsibilities to the Foundation, as a new Controller, P.

Brown, will take over the Foundation's responsibilities effective May 1st. T. Swanson remains as the sole employee providing services from the District to the Foundation.

Action: A motion duly made and seconded, was unanimously approved for amendment of the Management Service Agreement dated October 1, 2019 removing the CFO, K. Harker's responsibility to the Foundation.

PGP GRANT SUSTAINABILITY

L. Boettcher provided an update on the investment with PGP for targeted health communication campaigns since 2017 and shared the PGP Sustainability proposal and strategy to continue these campaigns into the future. After lively discussion, the Trustees agreed to empower staff to begin refining the sustainability plans with PGP and return in the future with a grant proposal for consideration.

Action: Upon a motion duly made and seconded, the District Trustees empowered the staff to collaborate with PGP on development of sustainability plans, negotiate future terms, and return to the Board with a grant proposal for continued partnership on the health communication campaigns.

OPEN FORUM

T. Swanson gave an update on the status of first-floor leases of the Healthy West Orange Building at 1200 E. Plant St. There has been significant activity and interest from potential lessees. While most leases are expected to be completed after the building transitions to HWO Holdings, LLC, One Blood is anxious to begin buildout and in order to proceed, a lease is required with the District with a clause for transition to HWO Holdings, once the building grant is complete. R. Talbot also provided an update on the work at Tucker Ranch, providing more recent renderings for review.

Action: Upon a motion duly made and seconded, the District Trustees empowered staff and the Board Chair to work with legal to finalize a lease agreement between the District and One Blood for space on the first floor with transfer parameters to HWO Holdings after the building grant is completed. (J. Murphy and N. Sutton declared a conflict, abstained from voting, and filed form 8B)

Adjourned: 5:17 PM

R. Talbot, Chairman