



**FINANCE COMMITTEE MINUTES
8 AM, TUESDAY, August 17, 2021
BOARD ROOM
1200 E. PLANT STREET
WINTER GARDEN, FL 34787
ZOOM 876 8527 5323**

The West Orange Healthcare District Finance Committee met on Tuesday, August 17, 2021 in the Boardroom of the Healthy West Orange building at 1200 E. Plant Street in Winter Garden.

Chair Maryke Lee called the meeting to order at 8:00am. **Trustees Present:** Mark Griffith, Jaclyn Whiddon, and Jeff Sedloff. **Trustees Present ZOOM:** Rod Talbot and John Murphy. **Trustee Absent:** Tim Keating. **Staff Present:** Chief Executive Officer Tracy Swanson and Controller Janet Ziomek. **Guest Present:** Patricia Brown, Controller, Foundation for a Healthier West Orange and Jon Breth of AndCo Consulting.

Chair M. Lee asked if there were members of the public in attendance. There were none.

APPROVAL OF PRIOR MINUTES

Chair M. Lee asked if there were comments or a motion on the minutes of the Committee's prior meeting. There were no comments.

Action: Upon a motion made and seconded, the minutes of July 20, 2021 Committee meeting were unanimously approved.

INVESTMENT REPORT FOR QUARTER ENDED JUNE 30 AND MONTH OF JULY 2021

J. Breth reviewed the Investment Performance Review report for the quarter ended June 30, 2021. Total portfolio performance for the quarter was 4.03% and 14.71% FYTD. Fixed income outperformed the aggregate index for the quarter while the equity component of the portfolio was slightly under the index. J. Breth also reviewed the asset allocation compliance as of June 30, 2021 and noted that The District has a higher-than-expected level of cash in the portfolio that once transferred out to Seacoast, should come back closer to compliance percentages. J. Ziomek stated that the cash transfer was initiated on August 16, 2021. J. Breth also gave his view of current market conditions and expectations of the interest rate environment for 2022 and 2023 which he believed are moving in a positive direction for the market.

For the month of July 2021, the portfolio return was .64% as compared to the total growth policy of .66%.



J. Breth then reminded the Committee that The District is in the que for liquidation of its real estate portfolio allocation and has received several payments in redemption of its interests including \$1.7 million in July.

J. Breth concluded his report and Chair M. Lee asked if there were questions or comments and, if none, a motion is needed.

Action: Upon a motion made and seconded, the Investment Reports for the quarter ended June 30, 2021 and the month of July 2021 were unanimously approved.

FINANCIAL REPORTS FOR JULY 2021

Chair M. Lee called upon Controller J. Ziomek to present the internal financial reports. J. Ziomek responded that the financial statements are as of July 31, 2021 the 10th month of the fiscal year. Referring to the Statements of Net Position, she commented that the total assets were \$67.9 million vs. \$88.7 million a year earlier. The contraction is due primarily to grant activity and funding of the Plant Street building construction, noting that the investment portfolio and the money market account at Seacoast Bank are the funding sources for this project. The money market account at Seacoast Bank is at \$21.1 million. There were no transfers to the money market account from the investment portfolio this month. The distributions from the real estate investment accounts of \$1.7 million in July were deposited to the checking account for grant payments.

The investment in the Plant Street property, including building construction and furnishings, was at \$7.0 million at month end. There are several outstanding items to be corrected in the building and upon completion, the property will be transferred to Health West Orange as previously reported.

As to liabilities, J. Ziomek noted that grants currently payable are at \$1.2 million with details shown at Exhibit A. The District has also committed to funding grantee construction projects with unpaid balances totaling just over \$16 million, also detailed in Exhibit A. Other grants in various stages of approval total \$41.7 million, leaving unrestricted resources of the District at June 30 of \$8.8 million, of which \$7.0 million relates to the Plant Street Property.

J. Ziomek then called attention to the Statement of Changes in Net Assets for the month of July. The top line shows that the investment portfolio produced returns of just over \$340 thousand. As to other monthly results, expense categories are generally within their monthly budgets. As to the bottom line for the month, expenditures exceeded revenues by \$4.2 million due to grants expense of \$4.5 million.

Moving to the Statement of Changes in Net Assets for the ten months ended July 3^{1st},

J. Ziomek commented that investment income was at \$8.9 million for the year to date. She then reviewed actual year to date amounts compared to budgeted amounts for the four expense classifications noting that total actual expenses for the year to date of \$601 thousand approximates the budgeted amount for the ten months of \$595 thousand. For the ten months year to date, the \$21 million in grant expense is less than the \$25 million budgeted due to timing of grant payments.

J. Ziomek then called attention to the Active Grant Status Report. There were five grant payments during July totaling \$4.3 million.

J. Ziomek concluded her report and Chair M. Lee asked if there were questions or comments and, if none, a motion is needed.

Action: Upon a motion made and seconded, the Financial Report for July 2021 was unanimously approved.

CASH FLOW AND INVESTMENT FORECAST

Chair M. Lee called upon Controller J. Ziomek to comment on the cash flow and investment balance forecast that was provided to the Committee members. J. Ziomek responded that the forecast covered the remaining two months in the current fiscal year (August and September 2021) and the four quarters for the fiscal year ending September 30, 2022. She added that as we look at the forecast results, keep in mind that this is only a forecast and is subject to considerable variation. Overall, note that we have assumed that by September of next year, the majority of the portfolio will have been invested for the health and well-being of the residents of West Orange. She added that no investment gains or losses are included.

J. Ziomek concluded by saying that the forecast is presented for information only and no Committee action is required.

OPEN FORUM

Chair M. Lee asked if there was other business to come before the Committee. There was none.

ADJOURN

There being no further business to come before the Committee, upon a motion made and seconded, the meeting was adjourned at 9:00 am.

A handwritten signature in cursive script that reads "Maryke Lee".

Maryke Lee, Committee Chair