# ***Bert Fish Medical Center Inc. Board of Directors and***

#  ***Southeast Volusia Hospital District Board of Commissioners***

**July 16, 2020**

**SEVHD Office\***

**305 Magnolia Street**

**New Smyrna Beach, FL.**

**\*Meeting was held via live stream**

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| **Present:** | **Commissioners:**  | **Others Present:** | **Others Present:**  |
|  X | Bill Preston, Chairman | Jeff Davidson-Admin/CFO | Dr. Dennis Hernandez-Advent Health |
| X | Jan Mcgee, Vice Chair | Chris Ilardi-Mgr | Paulita Kundid-Volusia Reporting |
| X | Pat Card, Secy./Treasurer | Jon Gatto-Esq. | Jennifer Stephenson- Stewart Marchman |
| X | Jill Danigel |  | Dan Gavin-Alliance Bernstein |
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| Topic | Discussion | Recommendations/Actions | Follow-up & Date of Expected Completion |
| **CALL TO ORDER** | 5:30pm by the Chairman. Roll was recorded and the invocation given. |  | All documents presented are on file with the District. |
| **APPROVAL OF MINUTES** | Minutes as presented from:* March 10, 2020-Joint Meeting
 | **JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Danigel to approve the minutes from the March 10, 2020 joint meeting as presented.**YES**: Commissioners: Card, Danigel, McGee, and Preston**NO**: none |  |
| **NEW BUSINESS** | Dr. Hernandez presented his rationale to amend article II of the Lease and Transfer Agreement. He wishes to extend the capital expenditure period by 24 months. Due to the impact of Covid-19 and costs involved for Government mandates, staffing and PPE, non-essential work is postponed. He mentioned $26.2 million of the $35 million has been spent already. Mr. Davidson and Mr. Gatto cautioned the Board that if they amend the agreement and a natural disaster or adverse government action occurs, it could release Advent Heath of the obligation to make any further Capital expenditures. Discussion ensued.Jennifer Stephenson presented 2 applications for requests for funding from SEVHD. The 1st application requests $63,000 to have a certified peer support specialist placed at Advent Health ED. (or on call) to provide mentoring, education, assistance to programs, and Narcam to individuals exhibiting signs of opioid addiction or overdose. The 2nd application is for placing a  Mental health counselor in the Burns Science and Technology Charter School. This Master level counselor position will help with behavioral health screenings, Crisis response, counseling services, and teacher training. Each of these applications is for one year. Discussion ensued as to whether the applications’ fall within SEVHD guidelines and how the SEVHD can gain compliance and enforcement of the programs. Mr. Gatto advised that both applications fall with in Districts purview.Dan Gavin gave an update on the investment portfolios of the SEVHD/BFMC.Although the portfolios are down modestly, they are holding up and fees are down. Discussion ensued. | **JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner McGee to extend the Capital Commitment agreement for 6 months and allowing the Board to revisit the agreement at the call of the Chairman. A roll call was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston**NO**: noneDuring the discussion for the Burns Science and Technology school, Dr. McGee recused herself from the meeting.  |  |
| **LEGAL REPORT** | Mr. Gatto reported on the status of the Halifax intra-local agreement that the SEVHD ended in March. He spoke with attorneys from Volusia County and Halifax Health and they accept the decision. |  |  |
| **FINANCE REPORT** | Mr. Davidson presented the Medicaid Match calculations and explained how it works and how the County arrived at its expected contribution from each hospital district. He mentioned that the same allocation has been used in the past and though the County and hospital districts were interested in updating the allocation percentage, the current pandemic prevented it. He asked for the Boards approval and acceptance of the County’s calculations. Mr. Davidson presented the financial report for March through June 30, 2020 and fiscal year to date ended June 30, 2020. All items are in line with budget with the exception of Ad-Valorem taxes which are above budget and investment income and administrative expenses which are below budget. Mr. Davidson explained the discrepancies and discussion ensued.Mr. Davidson asked the Board to allow a withdrawal of $135,891 from SEVHD corporate account to allow for the District to have a positive cash balance through the end of fiscal year 2020. | **JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Danigel to approve the Medicaid Match contribution. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner McGee to approve the SEVHD/BFMC March through June 30, 2020 and fiscal year to date ended June 30, 2020 financial report as presented. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Danigel to approve the BFMC Pension Plan March through June 30, 2020 and fiscal year to date ended June 30, 2020 financial report as presented. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner McGee to approve the withdrawal of $135,891 from the SEVHD corporate account. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0 |  |
|  | Based on updated projections and BFMC positive cash balance, Mr. Davidson requested to deposit $169,525 into BFMC corporate account.Mr. Davidson presented the January 1, 2020 BPAS actuarial report and GASB 68report for the BFMC Pension Plan. Both states the plan is overfunded using the discount rate of 6.5%. Based on projections there is a 50% probability that the return on investment will be 6.1%-6.6% over the next 20 years. Mr. Davidson presented three policies created to document the internal controls.1. Receipt of Cash and Checks
2. Investments
3. Pension rate of return assumption.

Mr. Davidson presented engagement letters from Pinnacle Actuarial Resources to provide Medical Malpractice and general liability study. ANDEagle Technology Management to provide services for reportable unclaimed property that BFMC currently holds. He explained the significance of each. He mentioned that Pinnacle fees have decreased by $1500 and that ETM fees have increased by $100, which is the first increase since 2017.The Board was given a letter addressed to Governor DeSantis requesting he appoint new Board members. Although the Governor’s office maintains they are working on new appointments, no time frame was given.Due to several pension plan beneficiaries coming forward to claim their benefit and eligible retroactive payments, projected beneficiary expense is over budget. Mr. Davidson requested that the Board approve the September 1, 2020 pension beneficiary payment. | **JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner McGee to approve the deposit of $169,525 into the BFMC corporate account. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Mcgee to continue with the 6.5% discount rate. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Danigel to approve the three policies as presented. A roll call vote was called for.**YES**: Commissioners: Card, Danigel, McGee, and Preston.**NO:** NoneThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Mcgee to approve signing the engagement letter with Pinnacle Actuarial Resources as presented. A roll call was called for.**YES:**  Commissioners: Danigel, Card, McGee and Preston.**NO**: NONEThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Danigel to approve signing the engagement letter with Eagle Technology Management as presented. A roll call was called for.**YES:**  Commissioners: Danigel, Card, McGee, and Preston.**NO**: NONEThe motion carried 4-0**JOINT MOTION:** made by Commissioner Card and duly seconded by Commissioner Danigel to approve payment of the September 1, 2020 pension beneficiary payment A roll call was called for.**YES:**  Commissioners: Danigel, Card, McGee, and Preston.**NO**: NONEThe motion carried 4-0 |  |
| **OLD BUSINESS** |  none |  |  |
| **PUBLIC PARTICIPATION** | none |  |  |
| **BOARD DISCUSSION** | Board members needed!! |  |  |
| **ADJOURN** | Meeting adjourned 8:06pm. |  |  |