

North Broward Hospital District Board of Commissioners
1700 Northwest 49th Street, Suite #150, Ft. Lauderdale, FL 33309

FINANCE COMMITTEE MEETING
Immediately Following the Quality Assessment and Oversight Committee Meeting
Wednesday, June 22, 2022

The Finance Committee of the North Broward Hospital District was held on Wednesday, June 22, 2022, immediately following the Quality Assessment and Oversight Committee Meeting, at the Broward Health Corporate Spectrum Location, 1700 NW 49th Street, Suite 150, Fort Lauderdale, Florida 33309.

1. **NOTICE**

Official notice is attached to these minutes, titled EXHIBIT I. Agenda of this meeting is attached to the minutes, titled EXHIBIT II. Supporting documents, if applicable, are attached to these minutes, titled EXHIBIT III. These exhibits are presented for consideration of the Committee.

2. **CALL TO ORDER**

There being a quorum present, the meeting was called to order by Vice Chair Christopher J. Pernicano at 10:50 a.m.

3. **ROLL CALL**

Present:

Commissioner Paul C. Tanner
Commissioner Stacy L. Angier
Commissioner Ray T. Berry
Commissioner Christopher J. Pernicano, Vice Chair
Vacant, Chair

Not Present:

Commissioner Jonathan K. Hage
Commissioner Levi G. Williams, Jr.
Commissioner Nancy W. Stamper

Senior Leadership

Additionally Present:

Shane Strum, President, Chief Executive Officer
Ken Hetlage, Interim, Chief Operating Officer
Alex Fernandez, SVP, Chief Financial Officer
Linda Epstein, Corporate General Counsel

4. **PUBLIC COMMENTS**

Vice Chair Pernicano opened the floor for public comments, in which there were none.

5. **APPROVAL OF MINUTES**

5.1. Approve Meeting Minutes dated May 18, 2022

Without objection, Vice Chair Pernicano approved the minutes, dated May 18, 2022.

Motion *carried* without dissent.

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6. **TOPIC OF DISCUSSION**

6.1. CFO Presentation (Presenter – Alex Fernandez, SVP, Chief Financial Officer)

Mr. Fernandez thanked Commissioners' Angier, Stamper and Williams for attending the District's Annual *Supplier Diversity Business & Health EXPO* held on Tuesday, June 21, 2022, which provide businesses that are either small, led by women or minority-owned, to learn how to partner with Broward Health to provide products and services that enhance the level of care that the District offers to the community.

Noted that Mr. Jorge Hernandez, VP, Supply Chain & Chief Procurement Officer was recognized for Diversity, Equity & Inclusion initiatives by both South Florida Business & Wealth and the South Florida Business Journal.

It was shared that the District is part of *South Florida Anchor Alliance*, a collaborative of regional institutions, hospitals and healthcare systems, education enterprises and municipalities-coming together to harness their collective spending power and vast human and intellectual capital to create a more just and inclusive local economy.

As a follow-up to the last update, provided on February 16, 2022, Mr. Fernandez advised on the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding:

- District received \$3.5M for resubmission of Phase 4 - Health Resources and Services Administration (HRSA) Provider Relief Fund (PRF) General Distribution for Provider Relief Fund (PRF)

Mr. Fernandez continued to share his monthly CFO Presentation that included financial detail for the entire Broward Health System.

For further detail, related slides are available within the June 2022 Finance Committee Meeting book on the Board of Commissioners' webpage.

6.2. Approval of Interim Financial Statements for the month of May 2022 (Presenter – Alex Fernandez, SVP, Chief Financial Officer)

MOTION It was *moved* by Commissioner Berry, *seconded* by Commissioner Angier, that:

The Finance Committee recommend that the Board of Commissioners of the North Broward Hospital District approve the Interim Financial Statement for the month of May 2022, as presented.

Motion confirmed by roll call.

YES Commissioner Paul C. Tanner

YES Commissioner Stacy L. Angier

YES Commissioner Ray T. Berry

YES Commissioner Christopher J. Pernicano, Vice Chair

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Motion *carried* 4/0.

6.3. Approval of the 2023 Balanced Scorecard Targets (Presenter – Alex Fernandez, SVP, Chief Financial Officer)

Mr. Fernandez reviewed the District’s proposed 2023 Balanced Scorecard Targets. Noted, this year was a different approach, as previously there were multiple metrics under each pillar (Quality, Service, People, Growth and Finance). However, this year, the direction was to focus on one (1) metric under each pillar that will have the biggest impact to the organization. As such, Leadership created the following proposed 2023 Balanced Scorecard Targets:

TARGET POINTS	PILLAR	KPI	Definition	Threshold	Achievement	Full Eligible Points	Threshold Points	Achievement Points	Full Eligible Points
20	Quality	Total System NHSN Incidents	Summation of CLABSI, CAUTI, & CDIIF Incidents	<=120	<=108	<=96	7	13	20
10	Service	Total System Willingness to Recommend	Based on satisfaction survey, Target based on FYTD through March improvements	>=84	>=85	>=86	3	7	10
20	People	Total System Turnover	Improvement over CY22 through April Performance	<=21%	<=20%	<=19%	7	13	20
20	Growth	Total System % achieved of Budgeted Volume Target	Hospitals based on Total Hospitalizations Ambulatory based on Total OP Visits excluding Gold Coast (Total System based on 20% of each regions achievement)	>=95%	>=97.5%	>=100%	7	13	20
30	Finance	Total System Gain or Loss on operations	Based on FY23 performance vs. approved budget	N/A	N/A	Budget	-	-	30

MOTION It was *moved* by Commissioner Tanner, *seconded* by Commissioner Berry, that:

The Finance Committee recommend that the Board of Commissioners of the North Broward Hospital District approve the 2023 Balanced Scorecard Targets, as presented.

Motion confirmed by roll call.

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- YES** Commissioner Paul C. Tanner
- YES** Commissioner Stacy L. Angier
- YES** Commissioner Ray T. Berry
- YES** Commissioner Christopher J. Pernicano, Vice Chair

Motion *carried* 4/0.

6.4. Timeline of Tax Hearings (Presenter – Alex Fernandez, SVP, Chief Financial Officer)

Mr. Fernandez presented an overview of the Broward County Property Appraiser's timeline related to annual tax hearings. Broward Health maintains an internal calendar of the tax hearing tasks and meetings. In addition, Mr. Fernandez highlighted the Board's responsibilities, as it applies to approving the fiscal year's tax millage rate.

- 101-day Truth In Millage (TRIM) timetable: Commences July 1st.
 - Special Board Meeting Tax Announcement
 - Announcement occurs at the end of July at a pre-scheduled Special Board Meeting.
 - Board certifies the prior year millage rate.
 - Board proposes the current year's millage rate.
 - Board certifies the roll-back rate.
 - Board votes on the location, time, and date for First and Final Tax Hearings.
 - It was noted that Broward Health's tax hearings cannot be held on the same day as the School Board or, County Board of Commissioners' tax hearings.

6.5. Resolution FY22-13, Resolution Authorizing the District to Open and Close Certain Bank Accounts and to Authorize a Line of Credit (Presenter – Alex Fernandez, SVP, Chief Financial Officer)

MOTION It was *moved* by Commissioner Angier, *seconded* by Commissioner Tanner, that:

The Finance Committee recommend that the Board of Commissioners of the North Broward Hospital District approve Resolution FY22-13, Resolution Authorizing the District to Open and Close Certain Bank Accounts and to Authorize a Line of Credit, as presented.

Motion confirmed by roll call.

- YES** Commissioner Paul C. Tanner
- YES** Commissioner Stacy L. Angier
- YES** Commissioner Ray T. Berry
- YES** Commissioner Christopher J. Pernicano, Vice Chair

Motion *carried* 4/0.

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- 6.6. BHPG, Approval to enter into a two-year employment agreement up to the 84th percentile with Dr. Rubens Sievert for the provision of endocrinology services (Presenter – Ken Hetlage, Interim Chief Operating Officer)

MOTION It was *moved* by Commissioner Berry, *seconded* by Commissioner Angier, that:

The Finance Committee recommend that the Board of Commissioners of the North Broward Hospital District authorize the District to enter into a two-year employment agreement up to the 84th percentile with Dr. Rubens Sievert for the provision of endocrinology services, as presented.

Motion confirmed by roll call.

YES Commissioner Paul C. Tanner

YES Commissioner Stacy L. Angier

YES Commissioner Ray T. Berry

YES Commissioner Christopher J. Pernicano, Vice Chair

Motion *carried* 4/0.

- 6.7. Community Health Needs Assessment 2021 - 2023 Executive Summary (Presenter – Kathryn Salerno, Director, Community Affairs)

Ms. Salerno provided an overview of Broward Health's FY 2022 -2023 Community Health Needs Assessment (CHNA), which is a requirement under the Affordable Care Act and the Internal Revenue Code Section 501(c)(3) for tax exempt organizations.

Noted that Broward Health's CHNA Advisory Council members participated in community forums from June 25, 2021, to November 19, 2021, in which the council reviewed data to identify and prioritize community health needs in Broward Health's service area.

The full Community Health Needs Assessment 2021 – 2023, can be found on the Broward Health Webpage - Who We Are.

7. **ADJOURNMENT**

There being no further business on the agenda, the Chair adjourned the meeting at 11:53 a.m.

Respectfully submitted,

Commissioner Christopher J. Pernicano, Secretary/Treasurer

Resolution FY22-13

RESOLUTION AUTHORIZING THE DISTRICT TO OPEN AND CLOSE CERTAIN BANK ACCOUNTS AND TO AUTHORIZE A LINE OF CREDIT

WHEREAS, the Board of Commissioners (the "Board") of the North Broward Hospital District (the "District"), at its January 29, 2020 regular board meeting, adopted Resolution FY20-15, Financial Institution Resolution, with respect to certain banking powers of the District (the "Banking Resolution");

WHEREAS, the Banking Resolution superseded, replaced and repealed certain portions of the District's 2013 banking resolution;

WHEREAS, the Banking Resolution, in accordance with ch. 280, Fla. Stat., requires funds of the District that are deposited in financial institutions be adequately secured and only deposited with a "qualified public depository," as such term is defined in § 280.02, Fla. Stat.;

WHEREAS, the Banking Resolution requires that opening and closing of the District's financial accounts at financial institutions be approved by the Board via resolution;

WHEREAS, the Banking Resolution incorporates the North Broward Hospital District Incumbency Certificate and Certification of Authorized Signatures to Financial Institution Accounts ("Incumbency Certificate") that is amended from time to time without further action of the Board to reflect the Board's currently-serving Secretary/Treasurer and the District's current President and Chief Executive Officer, Chief Financial Officer, and other authorized agents of the District to take such actions and have such powers conferred to them in the Banking Resolution (collectively, the "Authorized Officials");

WHEREAS, the Board, at its March 25, 2020 regular board meeting, authorized the District to secure access to short-term capital through a banking or other financial institution;

WHEREAS, at the time BankUnited, N.A. offered the most favorable proposal to the District and the Board via Resolution FY20-19 authorized the opening of a financial account and revolving credit line with BankUnited, N.A. for access to short-term capital (the "Current Credit Line");

WHEREAS, the District, in accordance with the Master Procurement Code, solicited competitive sealed bids for commercial banking services and J.P. Morgan Chase Bank, N.A. ("J.P. Morgan Chase") was awarded a contract pursuant to the competitive solicitation;

WHEREAS, J.P. Morgan Chase has been deemed a "qualified public depository" by the Florida Department of Financial Services, Division of Treasury;

WHEREAS, J.P. Morgan Chase has offered the District a revolving credit line on more favorable terms and conditions than the Current Credit Line and the Board wishes to authorize the District to open a revolving credit line upon expiration of the Current Credit Line on such terms and conditions deemed appropriate and in the best interests of the District as determined by the District's Chief Financial Officer;

WHEREAS, the Board wishes to authorize the District to close one or more of its financial accounts with Wells Fargo Bank, N.A. and BankUnited, N.A. (collectively, the "Current Accounts") and transfer the District's funds into similar financial accounts at J.P. Morgan Chase on substantially the same or more favorable terms to the District as determined by the District's Chief Financial Officer; and

WHEREAS, unless context otherwise requires, capitalized terms used but not defined herein have the meanings ascribed to such terms in the Amended and Restated Bylaws of the North Broward Hospital District and its accompanying Codified Resolutions of the Board of Commissioners of the North Broward Hospital District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the North Broward Hospital District, that:

1. The above-stated recitals are true and correct in every respect and are hereby incorporated herein by reference.
2. The Board hereby grants the authority to the current Authorized Officials listed in the Incumbency Certificate to close one or more of the District's Current Accounts holding the District's funds, to open one or more new financial accounts at J.P. Morgan Chase, and to transfer such funds into such new financial accounts at J.P. Morgan Chase on substantially similar or more favorable terms to the District as deemed appropriate and prudent by the District's Chief Financial Officer.
3. The Board hereby grants the authority to the current Authorized Officials listed in the Incumbency Certificate to enter into and renew from time to time a new revolving line of credit with J.P. Morgan Chase or such other financial institution as the District may choose now or hereafter on similar or favorable terms to the District as deemed appropriate and prudent by the District's Chief Financial Officer.
4. The Board hereby grants the authority to the current Authorized Officials listed in the Incumbency Certificate and such individuals are hereby empowered to prepare, execute, deliver and file, as appropriate, any and all related financing and other documents, in such form as such Authorized Officials approve, and such preparation, execution, delivery, and filing by the Authorized Officials shall be conclusive evidence of such approval, and to take further actions authorized under the Banking Resolution and other actions, as appropriate, that is otherwise necessary or desirable, to carry out the purposes and intent of this Resolution.
5. This resolution is effective immediately upon its ratification by the Board.
6. This resolution hereby supersedes, amends, replaces and repeals any conflicting resolution or conflicting policy previously adopted by the Board.

DULY ADOPTED this 29 day of June, 2022.

Time Adopted 5:12 PM



Stacy Angier, Chairperson

Date 6/29/22



Christopher Pernicano, Secretary-Treasurer

Date 6/29/22