

**Board Meeting Minutes  
February 22, 2024  
10am to 12 Noon EST**

**Meeting Participants:** Gerald Waters, Reggie Johns, Rendy Lovelady, Ronald Pickett, Dr. Liz Holifield, Bambi Smith, Keith Dean, Dr. Mark Stavros, Michael Beedie, Charlie Strickland, Serena Armstrong, Teresa Roberts, Arthur Cullen, Denise Myers, Mike Watkins, Courtney Stanford, Rae Kerr, Kelly Faircloth, Jeremy Scanlon, Maureen Castano, Amy Cliburn, Marcia Mathis, Ralph Haben, Michael Lee, April Hargrove, George Baston, Christy Bertera, Charles McDonald, Angie Nichols, Kristi Lock, Bruce Foster

**I. Welcome and Chair's Remarks Gerald Waters**

Meeting was called to order and guests were welcomed. It was noted that we have a quorum of the Board.

**II. Consent Agenda Gerald Waters**

**A. Review and Approval of Minutes**

1. Board of Directors
2. Executive Committee
3. Finance Committee

**B. Review Performance Child Welfare/Behavioral Health**

**C. Media Coverage**

**D. Policy Review**

Reggie Johns made a motion to accept the Consent Agenda. Arthur Cullen seconded the motion. All were in favor, motion passed.

**III.. Review and Approval of Finance Committee Report Rae Kerr**

**A. 23-24 FY**

**Originally Budget Summary pg. 23** This shows the original schedule of funds that was adopted for the fiscal year ending 6/30/2024.

**CBC Budget to Actual CBC C1** includes a fiscal year to date (FYTD) surplus of \$459,402. The projected end of year surplus after the \$100,000 reserve is \$5,514,602. We are anticipating an end of year carry forward from last year's contract of approximately \$4.1 million dollars.

There were no questions regarding the CBC C1 Budget Summary.

**CBC Budget to Actual CBC C2/14:** The fiscal year to date only shows a \$73k deficit and does not project what we expect at end of year. The total FSFN expenses will show the more significant deficit in Out of Home Care (OHC) costs. The OHC is driven by the acuity of kids not the number of kids. The current average for regular Foster Care is \$43 per day and this number was historically \$20 per day. Residential Group Care (RGC) costs are averaging \$300 and higher. Two years ago, OHC costs were \$8 million, last year costs were around \$11 million, and the projection for OHC costs this year are around \$14 million.

We anticipate the deficit in C2/14 to be \$2,800,796 after reserve and carry forward funding. The \$2.8 million deficit is the best-case scenario. The projected deficit using estimated annual expenses based on the current trend is \$3,976,663.

NWFHN management continues to work on reducing expenditures, utilizing various tools, including a project on provider rates, reviewing all placement types, cost shifting to other funding streams that can fund program costs. Discussion occurred regarding requests to the Department of Children and Families (DCF) for ways to mitigate the deficit, including offsetting with C1 surplus or amortizing over the life of the contract. NWFHN has not heard formally from DCF regarding this request.

There were no questions on the CBC C2/14 Budget to Actual

**ME Working Budget:** The ME contract has a projected end of year surplus of approximately \$7.5 million dollars. There is a \$85k surplus in Operations and a \$10.8 million-dollar overall surplus. There is a set amount of Administrative dollars within the \$125 million-dollar budget of approximately \$3.6 million. NWFHN will receive CORE funding and Opioid settlement funds to provide more services, however, there will not be additional Administrative funds to provide the services. NWFHN is only allowed to carry forward 8% of funds to the future year and there is question with DCF regarding whether the 8% will apply to Opioid settlement funds.

There were no questions regarding the ME Budget.

**CBCIH Budget** CBCIH has a FYTD surplus of \$47,862 and a Projected Revenue of \$742,740. This contract is transitioning to Sunshine Health in April 2024. NWFHN was previously shareholders in CBCIH and this is formally being disbanded.

The contract with Sunshine Health will begin on April 1<sup>st</sup> and continue until December 31<sup>st</sup>. The Agency for Health Care Administration (AHCA) will determine who the contract will go to in January 2024 and it is possible that we could have 3 different provider relations for managed care Medicaid.

There were no questions regarding the CBCIH budget.

**Fatherhood Grant** The Fatherhood Grant was awarded on December 1, 2023 and has a budget of approximately \$801k. We expect to break even because of cost reimbursement. NWFHN is the only CBC that won the Fatherhood Grant. Five Peer Specialists have been hired and three are awaiting the background screening from the Department. The grant has guidelines that Peer Specialists must have prior history with Substance Abuse, Mental Health, or have been incarcerated. This sometimes poses a challenge with background screening at the DCF level.

There were no questions regarding the Fatherhood Grant.

**NWFHN Balance Sheets:** The Balance Sheets indicate sufficient cash to meet our cash flow needs. DCF is timely in paying our invoices. The \$2.8 million deficit in C2/14 will eventually create a cash flow issue in the funding stream at the end of year until we get future cash advances.

**Independence Village Balance Sheet):** Independence Village was the 24-unit apartment complex that was destroyed in Hurricane Michael. We owe the liability with this property and have entered into an agreement for the payment of interest only (\$5k per month), with a large balloon payment at the end. In the agreement, it is understood that we will either request an extension at that time, look for a public use for the land, find a third-party buyer, or forfeit the land. We are not in danger of being in default and loan payments have been resumed.

Reggie Johns made a motion to approve the Finance Report as presented. All were in favor and motion passed unanimously.

B. **Facility Updates:** There are no issues to report. Renovations are being maintained. The elevator at the MLK facility will potentially need replacement in 2025. The lease in Pensacola was extended to June 30, 2024.

There were no questions from the Board.

## IV.. Strategic Discussions

Mike Watkins

### A. Annual Priorities

#### 1. C2 Update

Charles McDonald

Circuit Administrator, Charles McDonald covers the counties in C2, as well as Madison and Taylor counties which are part of Circuit 3. The youth who are in care have very high acuity needs, which result in expensive cost of care. Costs

are approximately \$400k per year for one child who is currently in care; due to their behavior and Department of Juvenile Justice history. Staff is working to get this youth in a committed placement. All of NWFHN's placements are voluntary which requires the child saying they are willing to go. Most places for children with this level of need are not located in our service area. Other challenges in C2 include the placement of large sibling groups with one caregiver. C2 is struggling in three areas: Placing children together and preventing constant movement, Permanency within 12 months, and visiting parents as often as the Department recommends that they should be seen. All other areas are going well.

There are two Case Management organizations in C2: Camelot and Disc Village. Both only have 1 vacancy each and due to the budget, they have been asked to freeze those positions. Caseloads are low, and contracted to be under 17 children per Case Manager (CM). Disc has the lowest ratio in all 16 counties, with 11 children per CM. Camelot has 17 children per CM. The Adoptions goal is 50 and that goal will be exceeded despite court challenges.

A Services Bazaar took place at the Tharpe facility yesterday. This was Provider led and booths were set up so Providers could share information, and visitors could learn more about the services that were in the community

## 2. **BHME Update & Opioid Settlement**

**Courtney Stanford**

**The BHME ITN** was submitted to the Department on February 11<sup>th</sup> with over 2500 pages being sent. NWFHN was the only bidder for the 16 counties. Madison and Taylor counties were included as part of NWFHN's submission. Being the only bidder does not guarantee that NWFHN will receive the bid, though. The ITN allows for the Department to go in a different direction if only one bid is received. We do not know what the Department plans to do but expect an update in April 2024. The Board will be sent the highlights from the ITN. NWFHN is in a cone of silence regarding the BHME ITN. This means staff cannot engage in any discussions with DCF or any other MEs regarding the ITN. This will continue until 72 hours post award. It is fine to discuss normal operational issues with the Department however.

As a result of the **Opioid Settlement**, over \$51 million will flow through the ME contracts over the next 18 years. NWFHN Staff have met with all 18 counties even though Escambia was a qualified county, and they have all been very forthcoming.

Gulf and Escambia counties already have a CORE program in place which begins when overdose occurs. We are now working with Okaloosa, Bay, and Leon Counties to help get their CORE programs up and running. The

Department has not stated how much funding these three counties will receive, as of this date.

### **3. Faith Liaison**

**Marcia Mathis**

The Faith Initiative began on February 1, 2023 to coincide with the Governor's initiative. At that time, NWFHN already had a good foundation with the Faith community, especially with the Foster Family Support Group. However, we wanted to expand in order to better serve the children and families under our care. The attachment, "365 Day of Faith" gives an update on the past year since NWFHN began the Faith-Based Initiative. The attachment includes quotes from our Faith Organizations and a listing of the accomplishments from the past year. This was the first time that we issued Faith grants for General Behavioral Health and Teen Meth Prevention. 5 General Behavioral Health grants were awarded, totaling \$125k. There were 16 awardees for the Teen Meth Prevention Grants which totaled \$80k to be shared amongst the groups. Many churches have expressed interest in offering the teen meth prevention program. The Inaugural Faith Summit was held in Pensacola with over 100 in attendance from 50 Faith Organizations.

In addition to the mini-grants, NWFHN has entered into a formal contract with First City Church for Safety Management Services (SMS). This is a core program in Child Protection. This is our first time partnering with First City Church. The SMS contract was formerly held by Families First Network. We are also entering into a contract with Secret Place Home who focuses on Human Trafficking. Secret Place Home provides outreach with Law Enforcement and Criminal Justice. We are working to get this agency involved in our RGC and Foster homes.

No questions from the Board regarding Strategic Discussions.

### **4. Criminal Justice**

**Christy Bertera**

Staff have been involved in meetings with Outreach Worker and the Mobile Response Team to build relationships with Apalachee Center and the Wakulla County Sheriff's Office. These meetings are scheduled across C2 and staff is beginning to schedule for the Circuit 14 area with Life Management Center.

### **5. Fatherhood**

**Lyn Masslieno**

The Fatherhood Grant was awarded on December 1, 2023. NWFHN is the only CBC that won the Fatherhood Grant. Five Peer Specialists have been hired and three of those have completed training and are certified. The other two hires will be trained in March and thereafter. We are currently waiting on two applications to go through the

DCF screening process. The grant has guidelines that Peer Specialists must have prior history with Substance Abuse, Mental Health, or have been incarcerated. This sometimes poses a challenge with background screening at the DCF level.

Staff will be meeting with 6 fathers within the week to introduce the fatherhood initiative and begin changing lives. Peer Specialists will be connecting with the Criminal Justice Outreach Workers to reach those who are incarcerated. There are agreements in place with 15 counties and are a combination of MOU and Contracts. Some counties must go through their County Commission for approval and some obtain approval from their local Sheriff's office.

Chair Waters shared that he spoke with 2 Chaplains who gave high praise to Lyn and his team for what they are doing.

## V. Review Risk Management

**Mike Watkins**

- a. **Executive/Legislative** –The amendments to HB 1061 will go to the floor next week. Amendments include changing the proposal that Child Welfare contracts would be renewed each year, and instead, the contracts would be renewed every five years. The Bill previously imposed civil penalties to the Board and that has been removed. A section was inserted regarding developing a new allocation model to determine how dollars are allocated across the state. There is new language regarding competitively procuring contracts over \$35k or face penalties. In the old Bill, financial penalties would go to the Department. However, the new Bill states those financial penalties would go back to the State and not the Department. Representative McFarland has worked closely with Mike Watkins to amend HB 1061. If the Bill passes it would go into effect on July 1<sup>st</sup>.

The chart on the last page of the Board packet shows the number of children in Foster Care from 1998-2023. The number of children in care has been a risk issue since 1988 when law was passed to privatize Child Protection Services. The graph shows the return on investment and the spend.

- b. **Legal-**

**Ralph Haben**

There is currently a claim against Liberty County regarding someone who has come forward with allegations that occurred while in care. There is also the infant fatality case in Escambia/Santa Rosa. The last case involves the slip and fall at our facility.

Deputy General Counsel, Michael Lee noted that the minutes of the Finance Committee were accepted into the Consent Agenda. During the Finance Committee Meeting, NWFHN counsel presented two legal documents to the committee, seeking committee approval and recommendation for approval by NWFHN's full board

meeting on February 22, 2024. These documents details NWFHN's continued observation of corporate and legal monitoring of its operations since the January 1, 2024 corporate reorganization. Presented by counsel, both documents detail specific review, approval, denial, or modification of prior actions approved and noticed to NWF Partnership for Better Communities' board actions. Upon conclusion of legal presentation, Bambi Smith made a motion to approve and place both memos before the full NWFHN Board. Ronald Pickett seconded the motion and the memos were formally accepted by the committee with no objections but with one modification (A notation within the combined document contained a scrivener's error related to prior board meetings of NWFHN and NWFPC. This was modified and accepted to reflect that both meetings occurred during 2022.)

c. **Other:**

**Reggie Johns**

Over the past few months, Board Members have been planning ideas for fundraising events to generate unrestricted funds. The dates for the fundraisers will be April 23, 24, and 25. There will be performances by country music artists from Tennessee and dinner served. The goal is to raise \$1,000,000 in the next three years by having these events each year across all three circuits. The 2024 venues will be held in Panama City, Pensacola, and Tallahassee. Corporate Sponsors will have a chance to purchase tables for the event and one table will be reserved for Staff who have been recommended by their Supervisors.

Board Meeting in Marianna on 25<sup>th</sup>.

The Board was asked if there are any risk issues that they would like us to discuss. There were none.

**VI. Review Governance**

**Gerald Waters**

a. Status of Directors

- i. Reappointment of Member(s): Keith Dean and Charlie Strickland are up for re-appointment. Both would like to continue and a motion was made by Reggie Johns to accept their re-appointment. Arthur Cullen seconded the motion and all were in favor.
- ii. Proposed Member(s): Bruce Foster, is familiar with the Child Welfare system and was adopted while in care. He has ties to the Tallahassee and Crestview community. Reggie Johns motioned to accept Bruce Foster as a new Board Member. Arthur Cullen seconded the motion and all were in favor. Motion passed.

VII. **Next Meeting: April 25<sup>th</sup> 10:00am CST, Marianna**

**FCC Conference**, July 21-23, Marriott Sawgrass Resort & Spa, Ponte Vedra Beach

**Florida Children & Families Summit**, September 4-6, JW Marriott Orlando

Board Members were asked to email Angie Nichols if they would like ant to attend the FCC or the Summit. Especially the FCC since Mike is now the Chair.

VIII. **Adjourn**

**Gerald Waters**

Reggie Johns made a motion to adjourn, Bambi Smith seconded the motion.