

DOMES Meeting Minutes – August 24, 2022

Meeting Date: August 24, 2022

Time: 3:00pm

Facilitator: Dan Schebler, Director of Operations

Location: Okaloosa County Administrative Complex

Attendees:

- Dan Schebler (Chief Operating Officer (COO))
- Brad Baker (Santa Rosa County)
- Craig Coffey (Okaloosa County)
- Melissa Thomason (Walton County)
- Eric Gilmore (Escambia County)
- Tony Cornman, Interim County Administrator (Walton County)
- Commissioner Mike Barker (Walton County)

Via Teams Meeting Online Access

- Lynn Hoshihara (Okaloosa County)

Mr. Schebler opened the meeting and stated all DOMES Board members were present in person for the meeting along with Interim County Administrator Tony Cornman (Walton) and Commissioner Mike Barker (Walton County BOCC Chairman).

Public Forum Comments:

- No public comments

Approval of the Minutes

- June 22, 2022
- July 20, 2022

Mr. Coffey stated he has not had an opportunity to review the minutes asked to defer approval to September DOMES Meeting.

Mr. Schebler stated the approval of the minutes will be deferred to the DOMES meeting next month.

~ No action taken

Agenda Items

Discussion on Item I (Grant Agreement)

Approval of FDLE Grant. Draft agreement presented between Florida Department of Law Enforcement (FDLE) and DOMES mirrors the Santa Rosa County (SRC) agreement with FDLE, apart from the scope of work. The deliverables have been updated to further advance the designs. Funds to be paid directly from FDLE to DOMES account as reimbursable expenses. No separate legal review done outside of the original SRC legal review since the agreements are the same. All expenses on the budget document are for consultants, contract, and design fees.

Grant Term: July 1, 2022 to June 30, 2023 to execute the next two phases: Schematic design and Design Development. FDLE was strict with Santa Rosa County on the extension. An extension may be possible if needed but should not be planned on.

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Eric Gilmore (Escambia) stated Commissioner Barry inquired if this FDLE agreement that DOMES will receive for \$500,000.00 dollars is to develop a facility that there is no location for at this time?

Mr. Schebler responded yes, it is for development of a facility and DOMES has up to June 30, 2023, to expense the grant. For context he added, Santa Rosa County executed the \$250,000 dollars in approx. four months.

Mr. Schebler states for this agenda item he is seeking the DOMES Board approval to allow Dr. Oleske to execute the agreement between FDLE and DOMES.

~Mr. Coffey called for a motion to approve Dr. Oleske to execute the grant agreement between FDLE and DOMES. Ms. Thomason seconded; Three (3) in favor; One (1) opposed - Eric Gilmore opposed due to location concerns.

Discussion on Item II (Finances)

2021 Tax Return

An accountant has been hired to manage the DOMES books. A third-party accounting firm was hired to perform an audit of DOMES accounts and taxes. A 2021 tax extension was filed and expires on October 15, 2022. Draft Form 990 for DOMES attached for review and approval.

Mr. Coffey stated we hired a professional to do the taxes but he wishes we would get rid of the non-profit.

Mr. Schebler stated he respectfully disagrees, and a non-profit is the way to go.

Mr. Schebler asked if there were any questions or concerns? If not, he is seeking the DOMES Board approval of Form 990.

~ Motion made and Ms. Thomason seconded the request for approval; All in favor.

Third Party Audit

Mr. Schebler stated the next twenty-four pages handed out is the audit report from the external audit. There are items that need to be addressed for efficiency control: Internal control policies – Mr. Schebler stated he will have the policy presented at future DOMES meeting.

Mr. Coffey asked for consideration in using a more governmental approach to accounting (cash v. accrual) moving forward. Policies should govern expenditures, guided by the approved budget. Any exceptions for large expenditures or changes above a threshold would come back to the DOMES board.

Mr. Schebler will invite the auditors to be available for a Q & A during the monthly September DOMES meeting for Board member to ask questions.

~ No action

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Change in Tax Year

Mr. Schebler stated he recommends changing the tax year to match with the fiscal year. DOMES is filing 2021 taxes and will file a short year tax form for 2022 which, will allow the change to take place for the tax years and fiscal years to be in sync at the point.

Mr. Schebler asked if there were any concerns or questions.

~ No concerns to move forward from the DOMES Board. No further action needed.

Capitalization Threshold

Mr. Schebler stated a motion of approval from the DOMES Board is needed for the capitalization threshold. He went on to share some non-profits organizations use \$25,000 dollars and others use \$5,000 dollars as a threshold. The IRS will allow either. Mr. Schebler recommended the DOMES board use \$5,000 dollars as a threshold. Then DOMES will need to capitalize and depreciate over time.

Mr. Schebler asked the DOMES board for their feedback.

~ Ms. Thomason recommended a motion to use \$5,000 dollar threshold, which is the same as the state. Mr. Coffey seconded; All in favor.

Monthly Reports (June/July)

Mr. Schebler stated both June and July reports are included this month for the DOMES Board to review. The Board will note corrections and see changes from government to non-profit accounting. Mr. Schebler stated, as Ms. Thomason pointed out, liability of accrued staff leave is now accounted for as an expenditure.

Mr. Coffey asked why are the accountants doing everything on an accrual basis? Why don't they use modified accrual and cash during the year and then do modified accrual at the end of the year? That is what Okaloosa does, and he knows the accountants can do it both ways.

Items of Discussion:

Credit Card Statements: Mr. Coffey asked if DOMES is charging all expenses to the credit card since the balance is currently \$23,000.00. Mr. Schebler responded several expenses are charged on the credit cards. This is one account with multiple card users of the account, much like a P-Card. The following bills are paid on credit card: Company cell phones, Cox Cable, security system monitoring, etc. Bills are paid using bill pay directly from the DOMES bank account. Checks are paid in house for travel expense reimbursement.

Process of Expense/Reimbursement

Dr. Oleske reviews charges, Dan Schebler signs the checks

Expenses for Mr. Schebler are submitted to Dr. Oleske for review and approval, Dr. Oleske signs the check. Credit card charges – Supervisors can submit a request to purchase to Mr. Schebler or Dr. Oleske for approval. Accountant balances the card statement and Mr. Schebler reviews the credit card reconciliation for final approval

Statement of Revenues, Expenditures

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Mr. Coffey suggested structuring the expenditure spreadsheet using the following columns for ease of understanding:

Total Budget

Month – Year to date

Remaining

Percentage

Recommended removing the following columns:

Total and Additional Funding

Staff Salaries

Includes accrued vacation hours

Mr. Coffey asked if the accountants could show the salary and accrual hours separately as a line item. Obviously, some line items we are coming in exceptionally low and others very high. I have concerns about how we will land overall.

Locum Tenens

Expenses are exceedingly high. Expenses make up 97% of staff salaries. No expenses in July showing due to the checks for coverage being written in August. June no Locums expenses due to D1MEO still having four full-time doctors for coverage, as of June 30, 2022, D1MEO is down to three full-time doctors.

D1MEO currently looking at a doctor from the Baltimore area who is in his fellowship year and will be complete in June 2023; he is scheduled for a site visit next month. Physician recruiting remains an ongoing process – fellows are coming out of the Tampa area. Dan and Dr. Oleske had an opportunity to meet some of them at the FAME conference, but many are still eight (8) months away from finishing their fellowship

Mr. Coffey stated he wished that D1MEO would reconsider using a recruiter because we have not had much success.

Mr. Schebler stated for certain positions recruiting does not work out very well. Medical Examiners and County Administrators are the two positions that come to mind. Mr. Schebler stated Escambia county hired a search firm for a report that produced twenty-eight candidates which took eight months and then they threw it out. Mr. Coffey and I will agree to disagree on recruiters too.

Mr. Coffey asked, what is the end of the year projection?

Mr. Schebler stated we will be about 98% execution of the budget. Ms. Thomason brought up that there should be some balance just like counties carry in their enterprise fund and suggested that D1MEO carry some items as a liability in the retained earnings as opposed to showing it in that expenditure line.

Mr. Coffey added that we missed Locum Tenens by quite a bit this year, is that primarily because Dr. Oleske was out on leave and the shortage of a physician?

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Mr. Schebler added the budget submitted last year did not include the Locum Tenens dollar figure. He added, when he became employed with D1MEO and what the DOMES board approved was the use of money to break down separately out of employee costs out of salary from each line. This way it is easily tracked. This year Locums Tenens is included in the budget that has been sent for approval by the four respective counties.

Employee Cost of Health

Mr. Schebler stated he planned to have the following conversations:

Santa Rosa County Administrator and Mr. Coffey Of Okaloosa County regarding the opportunity for one of the counties to absorb the D1MEO employees into their county's health plan.

Mr. Schebler added he will be looking into new coverage in the new year. Currently D1MEO is with Paychex Professional Employees Option and the insurance plan is UHC.

Mr. Coffey added Okaloosa county is also looking into self-insurance options and it may be problematic for any county to take on politically or even organizationally, but there are some other avenues. Mr. Coffey suggested speaking with the sheriff's association, as they are quasi-governmental like D1MEO for benefit share.

Mr. Baker added Santa Rosa County has also been researching insurance plans for consideration of change, but no decision has been made.

~ No Action for review only

MEO Facility Project Update

Assignment of Contract

Mr. Schebler included in the back-up documents provided today a contract SRC currently has with Caldwell and Associates will be assigned to DOMES, which Santa Rosa County Board approved, and the County attorney is working on, so I do not currently have the actual assignment of contract to present to the DOMES board. Points: Task Orders will be written for the phases, no specific dollar amount assigned to each phase, costs will be line itemed once a site has been decided. Termination or cancellation is in contract presented at today's meeting.

~ Mr. Coffey moved to give Dr. Oleske authority under DOMES to take the assignment of the contract. Eric Gilmore seconded, All in favor.

BOCC Positions/Actions

Mr. Schebler stated he attended the Walton County BOCC meeting and with Commissioner Barkers assistance was able to get the following from Walton County:

Walton BOCC agreed that SRC is an acceptable location to build a facility but there was no BOCC agreement on the funding plan Senator Broxson proposed. The Walton BOCC was clear with me, and the phrase was "I'm going to tell you one more time, so you do not have to come back". There is no funding commitment for Walton County currently.

Okaloosa County approved SRC being a fair location for the facility and approved the funding commitment that Senator Broxson proposed during the July 20th Round table discussion.

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SRC agreed to the same as Okaloosa County two weeks later at their BOCC meeting.

Escambia County has not placed anything on a BOCC agenda to take action on either of the proposals from the July 20th Round table discussion. Mr. Schebler added he has been before the Escambia BOCC several times recently. He added, Commissioner Barry requested time to look at additional sites to include the old Baptist Hospital site and Sacred Heart Hospital. Until this is complete Commissioner Barry stated no commitment to funding will be made until location concern is resolved in the BOCC's minds.

Mr. Gilmore stated he emailed Dawn Rudolph, President of Sacred Heart Hospital today to see if there is any additional footprint or assets of buildings on the campus that could potential be used for D1MEO. Ms. Rudolph shared that Sacred Heart is currently doing an internal audit and she will see if there are options. Commissioner Barry asked them to do their due diligence to make sure there is nothing available and there is nothing to look at could be refurbished to occupy. As of now there is no commitment for Escambia for the new building.

Mr. Schebler stated that is what he heard at the Escambia BOCC meeting while there. He offered (and has Caldwell and associates working at risk) to put together a task order to do a site assessment of the three sites, the one in Santa Rosa County, old Baptist Hospital and Sacred Heart Hospital, but the Escambia BOCC opted not spend any money because they thought this may be a simple yes or no just by going to leadership and asking is there anything even feasible to even assess before spending money on a site assessment phase. He added he has had a conversation with Baptist Hospital, at the vice president level, and their real estate guy and right now this does not seem to be a feasible option. Baptist stated they would provide me with something in writing in the next week but advised the fifty-one acres is on the market and they are currently accepting proposals which are due by September 20, 2022.

Mr. Coffey stated from a property location standpoint we have three counties in agreement. It makes sense that Escambia county do some additional due diligence.

Two concerns are:

Processes - How is one commissioner going out looking at properties and talking to people going to provide data points and how is that evaluated for concluding that the other three counties should go with the location selection?

Time Frame – Has the Escambia BOCC given a timeframe to get this done?

Mr. Gilmore responded, no timeline provided by the Escambia BOCC, but Commissioner Barry has made this issue a priority. We tried to meet with Ms. Rudolph last week, however she was on vacation. Met with Ms. Rudolph today and she will be reaching out to Mr. Schebler and Dr. Oleske, to determine what is needed to see if Sacred Heart can accommodate. This should be within the week or next two weeks.

Mr. Schebler added at the Escambia county board meeting, Commissioner Underhill mentioned, and Commissioner Barry agreed, that if they could have the initial question answered, is it worth doing more assessment by their next meeting which is in September. He added he will continue to push for a yes/no on feasibility by September 1st. If it is feasible, his recommendation would be to build the Task Order around site comparisons.

Mr. Gilmore added that SHH is looking at retrofitting or putting in a new cooler and how long it would take for D1MEO to begin working within the space and additional admin. There are two buildings on the

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campus Ms. Rudolph is looking at. One is on the backside of the campus. One is on the top floor and the PO Building. There is also an Ascension site on Davis Hwy off I-10 and being totally vacated (September 2023) which is another option.

Mr. Schebler added the Baptist Hospital 51 acres total includes buildings that have not be rehabilitated since Hurricane Ivan. I believe the answer to relocate to Baptist Hospital is “no.” I will talk with Ms. Rudolph in the next day or so. The bigger issue is what meets the requirements such as:
Autopsy stations
Morgue/Cooler Space
Similar requirements for special autopsies (decomps)

Mr. Baker added, SRC is working to have an appraisal done to help determine if SRC purchases the land. Appraisal on hold until Escambia has an opportunity to do their due diligence. SRC Chairman worked out a delay in the terms until an agreement is in place and to ensure an optional land use in the event the deal fall through. The land is located close to the new Santa Rosa County courthouse. We are still pursuing the ability to purchase the land

Mr. Schebler stated a seller and a buyer had been previously secured and agreed to assign the contract to D1MEO to buy the land. Unfortunately, the buyer is going to purchase the land now. This is the same gentleman Chairman Cole spoke with several times with who has agreed to do nothing with the property until the September 30th. Based on additional DOMES board discussion Mr. Schebler agreed to: Mr. Schebler will inquire with owner regarding the use of a Sales-Purchase agreement until September 30, 2022. Mr. Baker added he would also check with the BOCC Chairman regarding Sales-Purchase agreement and added that SRC is getting an appraisal. SRC is discussing the potential purchase of the parcel or the potential of DOMES purchasing with SRC giving DOMES the money to purchase as part of SRC’s contribution to the overall project with a two-year reverter back to SRC. A solid plan would need to be in place to ensure there is planned used for the property

Mr. Coffey stated if we do not put a contract in place, his fear is that the owner will read about this in the paper and say it is worth a couple more thousand dollars.

Mr. Schebler stated the owner has sent him links to WEARTV and news articles. This does not concern me. The owner has been nothing but forthright and honest through the whole process. The issue is SRC may have a use for the property. If SRC provided the money to DOMES, DOMES makes an offer, I have the service letters from wastewater, Florida Power and Light. We have done soil borings and know the soil is good and will handle the storm water runoff. So, all that due diligence has been done and if you put that in the contract that if DOMES does not construct the facility within two years the land goes back to SRC I do not want to give the appearance that we are nailing down a location before ESC agrees. It would give the appearance that we would be nailing down a place before Escambia County agrees. Mr. Schebler stated he will speak with Ms. Rudolph from Sacred Heart.

Mr. Coffey stated he is talking about trying to nail down an option not a location. He added he would hate for DOMES to get the finish line a new set of issues presents itself. He would feel more comfortable with an agreement.

Mr. Schebler added he would be much more comfortable having that land in hand and knowing that it will go back to Santa Rosa County if that option comes up, but I do not have \$750,000 dollars.

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Mr. Coffey stated that if you do an option agreement you do not have to have a penny. All your doing is putting what he is telling you into writing as good faith. which states this the price that we are locked into as of this date.

Mr. Schebler added he plans to sign an agreement that gives DOMES until September 30th to close on the property. The asking price was \$737,750.00 dollars plus closing costs.

Contributions:

Commissioner Mike Barker (Walton) stated he talked with Senator Broxson, and we did after lengthy discussion decide it would be okay for us to be in SRC. It does concern me and our BOCC for a location. I do not plan to ask them for anything additional until a location is determined. I do not think the contribution will be 25/25/25/25 like previously discussed.

Mr. Schebler added:

No official vote by the four respective BOCC's on a 25/25/25/25, funding across counties. It has been discussed in DOMES meetings, and it has been discussed at some BOCC meetings without action Escambia County feels their funding contribution is increasing. However, DOMES also discussed 50/15/25/10 and in that case Escambia County is negotiating down and the other Walton and Santa Rosa Counties will pay more. Okaloosa County at one point offered to pay 30%.

Senator Broxson proposed a fair approach for cost share and acknowledged only one facility is needed. \$3 million dollars per county recommended because that is half the project costs and base the remaining half of the cost on the metric based around caseload by county. Using this metric:

Escambia County is 35%

Santa Rosa County is 18% -19%

Okaloosa is 25%

Walton County is 16% - 17%

This is the only equitable way to account for change that will occur naturally in the region over the 20 or 15 years of financing and 40 years of useful life of the facility.

Mr. Gilmore stated if Escambia put more money on the line and it stayed in Escambia it is something that could be modified or put toward.

Mr. Schebler stated Commissioner May threw out it could be up to 35% if it stayed in Escambia County. Escambia is not negotiating up from 25% they are negotiating down from 50% and if it stays in Escambia county they should be prepared to pay 50%. For Walton county your funeral homes and your families who want to come to our office to talk to an investigator in person, your law enforcement agencies that have to come for investigative reasons to an autopsy or to bring or pick-up evidence they are driving to the eastern part of the district is driving 5-7 times as many miles every year.

Mr. Schebler stated he heard Commissioner Glidewell say I am not going to spend our taxpayer money or more than is necessary to subsidize Escambia county costs. You are spending your money; you are paying more for that funeral service. Joel must drive seventy-five miles to Sacred Heart to pick up a body and you think that family is not paying a premium for that pick-up from Sacred Heart Hospital, but they are. That is seventy-five miles each way. They are not paying in taxes, but they are paying. I do not know

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if that is a business deal with the funeral homes or will they charge less for transport if it moves 20 minutes east? But there is a cost to the eastern counties.

Mr. Schebler stated there needs to be one facility wherever it will be. Mr. Baker stated the messaging has been clear. That everyone will come to the table to discuss funding when the location is clear.

Mr. Coffey asked Mr. Gilmore I know we have been dealing with one Commissioner in Escambia and now you got a new commissioner that will take seat in 2 weeks right in the middle of November, does it behoove us to come over and meet with the other Commissioners' and have Bergosh and Bender?

Mr. Gilmore stated that Commissioner Barry spoke up at the meeting and to the delegation. Bender has made it very clear, like Barry said, why do we want to spend out taxpayer dollars over in Santa Rosa County? So, they have echoed the same sentiment.

Mr. Coffey then stated, why would I want to spend taxpayer dollars over there?

Mr. Gilmore stated I think if there is a feasibility question of whether to keep the facility here or to keep it at Sacred Heart or to keep it cost minimal, renovate, or do whatever, put the money toward that versus a \$25-\$30-million-dollar facility, I think that is what we are getting at. I think the BOCC wants to do their due diligence. At the very least Commissioner Barry will have his answer.

Mr. Schebler stated there is nothing wrong with asking questions and the consultants can do feasibility and analysis studies. Mr. Schebler provided:

Baptist Hospital did facility assessments and feasibility studies, and the result is the reason Baptist Hospital is building a new \$600 million dollar facility. For Baptist to bring their current buildings up to standard would cost several hundred million dollars on buildings that are 50 years old.

Mr. Schebler added he is trying to get additional information for Mr. Gilmore. He had other tasking, so I was going to mention that there are:

Twenty-five other medical examiners districts in the state of Florida. There are not twenty-five facilities because some share operating areas, for example District 5 and 4.

There are three projects I am aware of going on in the state for other Medical Examiner facilities most like what D1MEO is trying to do:

District 12 – is multi-county (Sarasota, Manatee and Desoto) and the most like D1, they are building one central facility and they are using a developer agreement with the developer doing the construction and the counties have agreed to fund the lease for three to five years. They are still working out the exact terms. The county will buy the facility at the end of the lease term – they are building 39,000 square feet and they are equal to us. They have less staff and a few more doctors, 4 or 5.

District 7 – Volusia – a little smaller than D1, they are about two-thirds our size and they are 600,000 people to our 900,000 population roughly. They do about two-thirds of our case load. They are building a 18-19 thousand sq. feet at a total cost of \$18.1 million. (private for pro-fit county owned facility)

District 4 Jacksonville – Much larger than D1 and they serve, Nassau, Clay and Hamilton and Baker counties – they are building a 53,000 sq. ft. facility – I do not have costs estimate for the project. Do not know the number of autopsy stations. (Department of the City of Jacksonville and they are a bit larger than D1 staff and facility wise that they are planning to build in the next three years)

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Mr. Schebler suggested meeting separate from the DOMES Board meeting due to agenda items that need to be discussed during the DOMES meeting. He stated he would check the four respective county BOCC's calendars for a scheduling opportunity. It is no problem to publicly advertise the meeting.

~No Action Taken

Interlocal Agreement

DOMES is still operating from the original agreement. Mr. Schebler stated October 1, recommendation will be made to the Escambia County finance directors to invoice all four respective counties for half of the monthly or half of the annual fees for next year.

Mr. Coffey stated he has been working a broad Interlocal Agreement amendment, but due to time he can do an initial amendment II and then later present an updated agreement. Amendment II will cover all things the DOMES board has agreed on so far to include the budget process. He will have a strike through - underlined copy out to the DOMES board before the next meeting.

Mr. Schebler added we will not have it ready in time to be approved by the four respective counties by the October 1, 2022, date.

Mr. Coffey stated we will have to go with what we have although he would like to get to a quarterly payment. The October payment is a little rougher because your taxes do not come into it play.

Mr. Schebler confirmed this board would review it in September and then get on BOCC Boards October 1st.

Mr. Coffey agreed.

Discussion on Item IV (DOMES Other Business)

Other Business

Next DOMES Meeting Date – September 28, 2022, at 3:00pm
Santa Rosa County Administrative Complex

BOCC Boardroom
6495 Caroline Street
Milton, FL 32570

Adjourned: 4:30pm

Next Steps:

Mr. Coffey to provide Mr. Schebler with a sample of how he would like to see the revenue and expenditures shown for Mr. Schebler to update the spreadsheet accordingly
Mr. Schebler to invite auditors to the September DOMES meeting
Mr. Schebler to work on a consecutive meeting with the September DOMES meeting for the consultants to present the facility requirements

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Mr. Coffey to provide a copy of the edited Interlocal Agreement for the September DOMES meeting that is operationally focused, strikethrough and underline version of what we currently have that does not address the capital project.