



FHWO FINANCE COMMITTEE MEETING MINUTES
Wednesday, July 30, 2025, at Noon
Via Teleconference

The Foundation for a Healthier West Orange Finance Committee met on Thursday, April 17, 2025, via Zoom. Acting Chair B. Spong called the meeting to order at 12:02 p.m. A quorum was established with the following **Finance Committee Members Present:** B. Spong, C. Evans, D. Blakeslee; **Finance Committee Members Absent:** none; **Staff Present:** T. Swanson, K. Carter and P. Brown; **Others Present:** J. Whiddon (HWO Inc. Board Chair), J. Breth (Mariner), J. Jonasen, (Gunster)

PUBLIC COMMENT

Acting Chair B. Spong noted no members of the public were in attendance; therefore, no public comment period was necessary.

APPROVAL OF MINUTES

Board Action: Upon a motion duly made and seconded, the minutes of the April 17, 2025, FHWO Finance Committee Meeting were unanimously approved.

FINANCE REPORTS – June 2025

Acting Chair B. Spong called upon P. Brown to present the HWO Inc. financial reports for June 30, 2025. P. Brown called attention to the June 2025 combined balance sheet that includes HWO, Inc. and its four affiliates: HWO Investments, LLC, HWO Holdings, LLC, Healthy West Orange, LLC and Creative Aging, LLC. On a combined basis, total assets were \$108 million at end of June 2025 with the primary assets being HWO Investments, LLC portfolio at \$90.4 million. The Foundation's money market account and ICS accounts were \$10.3 million. These funds are at Seacoast Bank primarily in the Money Market and ICS accounts earning between 375 and 425 basis points. Liabilities are \$2.6 million at end of June 2025 with the majority being \$2.5 million Grant payables for WOHD grants.

Moving to the HWO Inc. Combined Statement of Revenues and Expenses for the 9 months ended June 30, 2025, net Investment Income was a gain of \$4.5 million and \$458 thousand of interest income. The FYE25 total operating expenses were \$1.7 million to date compared to the annual budget of \$2.5 million. P. Brown called attention to the separate Creative Aging Financial Statement that will track the Grant spending which is \$264k to date compared to the forecasted amount for the year of \$373k. P. Brown also discussed the HWO Inc. Cash Flow Forecast. P. Brown noted that \$5.156M was transferred in June to Investments from the cash accounts. Staff continues to monitor interest rates to optimize liquidity and cash levels across Money Market, CD, and ICS accounts.

P. Brown referenced the Mariner June 30, 2025 Investment Performance Review reporting that overall returns from portfolio inception to date were up 7.22% and the fiscal year to date 2025 were up 5.55%. For the quarter ending 6/30/25, overall returns were up 5.94% with domestic equities up 10.08%. International equities were up 9.59% as well as fixed composites were up 1.75%. The real estate composite was up 1.75% for the quarter. P. Brown also referenced Page 17 noting that all asset allocations were within the acceptable asset allocation range set by the Investment Policy.

P. Brown concluded the HWO Inc. Finance Report for June 2025 by asking for questions, comments, or a motion.

Board Action: Upon a motion duly made and seconded, the Finance Committee unanimously approved the HWO Inc. June 2025 Finance Reports and June 30, 2025, Mariner Investment Performance Review and Flash Report.

BUDGET DISCUSSION

T. Swanson and P. Brown provided an overview of the FY2025 Budget to forecasted Actuals current state and yearend forecast for the Foundation, highlighting organizational structure including Creative Aging, LLC, and direction for the coming year. P. Brown presented the FYE 2026 HWO, Inc. and Affiliates budget proposal and cause of change to FYE2025. Changes are largely driven by planned labor rate increases and expected growth as planned for Healthy West Orange including additional schools for Westly's Mile program.

P. Brown concluded the HWO Inc. Budget Presentation for FYE2026 by asking for questions, comments, or a motion.

Action: Upon a motion made and seconded, the Budget for FYE 2026 was unanimously approved to be brought with a recommendation for approval before the HWO Inc. Board on August 12, 2025.

INVESTMENT QUARTERLY DISCUSSION

Acting Chair B. Spong called upon J. Breth to present the June 30, 2025 Mariner Investment Performance Review. J. Breth provided an overview of the HWO Investments, LLC portfolio. The portfolio's overall performance was up 5.94%, net of fees, for the quarter ending 6/30/2025. J. Breth said, consistent with current market conditions, the Portfolio's performance was up in Domestic Equity, International Equity and Domestic Fixed Composites. J. Breth advised maintaining the long-term asset allocation strategy. J. Beth confirmed that the Touchstone Growth Opportunities fund (TGVVX) valued at 8,027,396 at 3/31/2025 was liquidated and invested in the Fidelity Large Cap Growth Index Fund (FSPGX) per approval at the April 17, 2025 Finance Committee meeting. J. Breth also discussed the investing of \$5 million from the Foundation's money market accounts and CDs into the diversified stock portfolio as

well as \$157k was invested as a result of a capital call for the Private Equity fund held at Morgan Stanley. J. Breth discussed possible future investments in Private Equity funds. He will bring proposals to the next Finance Committee meeting.

OPEN FORUM

B. Spong and C. Evans paid tribute to Finance Committee Chair and Board Treasurer Tim Keating who sadly passed away on July 20, 2025. The entire Committee reflected on his significant contributions and the absence of his insightful leadership was deeply felt.

T. Swanson discussed the extensive building work being done on the exterior to allow for water to properly drain away from the building and prevent further water intrusion.

B. Spong and D. Blakeslee have agreed to be Co-Chairs for the FHWO Finance Committee.

The meeting was adjourned at 1:39 p.m.


Bernadette Spong, Finance Committee