**COLUMBIA COUNTY COMMUNITY HEALTHCARE CONSORTIUM. INC.**

**MEETING NOTES**

|  |  |  |
| --- | --- | --- |
| **Committee: Budget and Finance** | | **Date: August 13, 2019** |
| **Board Members Attending: Jack Mabb (Chair), Ken Stall, Bob Gibson and Chelly Hegan (by phone)**  **Board Members Absent: PJ Keeler, Kevin McDonald, Casey O’Brien** | | **Guests: None** |
| **Staff Members Attending: Claire Parde and John Ray** |
| **TOPIC** | **SUMMARY OF TOPIC DISCUSSED** | |
| Report on Investment Account from Tim Bartholomew | Tim Bartholomew, who has been acting as the agency’s Investment Advisor with Greene Investment Services (Bank of Greene County), attended the meeting to provide an update on the investment account (the last in-person report provided by Tim was in November 2017). His written report consisted of copies of statements from Infinex from August 2018, December 2018, and July 2019, which were intended to illustrate the slide in the markets in the fall of 2018 and the subsequent recovery. Tim reported that in early July he made a number of adjustments to the account for the purpose of saving internal expenses. To do this, he switched from mutual funds to exchange-traded funds, which have lower internal expenses. Although we incurred a $50 transaction fee for this change, Tim suggested that we would save three or four times that amount over time. He also moved from fixed income products to a greater equity composition in response to the new policy, which was provided to him in December 2018 following approval by the Board and provided greater flexibility with regard to our equity position.  The Committee discussed their interest in more frequent communication with Tim. It was agreed that he would personally attend the Committee meetings on a quarterly basis to provide in-person updates. Staff will follow up to schedule those dates in advance. Claire also requested that he provide a second point of contact for herself and John, to ensure timely responsiveness should Tim be unavailable. Finally, Claire requested that Tim initiate contact with our office whenever he trades in the account. Staff will monitor and report on his compliance with these requests.  After Tim’s departure, the group discussed moving excess cash into the investment account. The Committee agreed to move $50,000 from the agency’s operating account to its investment account. Staff will consult the investment policy to determine if this deposit can be made without board approval. If it can, they will proceed; if board approval is required, it will be put on the agenda of the October meeting. Once this deposit is made, the Committee will be careful to observe how long Tim allows it to remain in cash.  The group also returned to the idea, much discussed, of changing investment advisors. Claire will return to the task of identifying another advisor. As this will take some time, it was agreed that she will outline our expectations of Tim in an email, including timely responsiveness and initiating outreach when trading. | |
| Financial Reports | The Committee inspected the Organization’s Financial Reports, including the Grants Receivable Aging Summary, the Statement of Financial Position (Balance Sheet), Statement of Activities (Income Statement) for the agency and transportation program, respectively, and the Statement of Revenues, Supports and Expenses, all of which are current to July 31, 2018. Additionally, John Ray offered his “Fiscal Highlights” report. | |
| Line of Credit | John Ray reported that the Bank of Greene County extended the agencies Line of Credit in the amount of $100,000 for a period of 2 years ending August 2021. | |
| Pending vehicle purchases | Claire reported that the Transportation Program is contemplating one, if not two, vehicle purchases and advised the Committee that she anticipates requesting their approval for this purchase at the next meeting in September. | |
| Change to investment advisor on 401(k) account | Claire reported that Vicki Haak, the Financial Advisor for the agency’s 401(k) profit sharing account, has indicated that, as a result of a change in her scope of practice, she will be withdrawing as the broker of record on the account. This will necessitate finding a new Financial Advisor. Chelly Hegan recommended her advisor from Principal; Claire will follow up.  A question was raised about the Officers on the 401(k) account (currently, the Trustees are the Board President and Executive Director) and their duties to oversee the Financial Advisor and assess the reasonableness of her fees. Claire will consult with Todd Heller, of Heller Pension Associates (our Third Party Administrator) to better understand the required functions and seek his guidance about how to fulfill them. | |
| Next meeting | **Tuesday, September 24, 2019 at 3:00 p.m.** This and all remaining meetings in the calendar year will be hosted by the Columbia County Department of Health in its conference room. | |