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

**MEETING NOTES**

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| **Committee: Budget and Finance** | | **Date: July 27, 2021** |
| **Board Members Attending: Jack Mabb (Chair), Bob Gibson, PJ Keeler, Tina Lee, Casey O’Brien**  **and Ken Stall**  **Board Members Absent: Kevin McDonald** | | **Guests: Terrence Pellitteri** |
| **Staff Members Attending:**  **Claire Parde and John Ray** |
| **TOPIC** | **SUMMARY OF TOPIC DISCUSSED** | |
| Update on the investment account | TJ Pellitteri, the manager of the agency’s investment account (“the Fund”), provided an update to the Committee. TJ noted that while equities have levelled off, fixed income made up the difference. Year-to-date, TJ noted the account value is up 8.47%, and recording just under $18,000 in profit. Furthermore, he noted that, since its inception, the value of the account has grown 12.71%.  The Committee was advised that $100,000 was transferred into the account on July 23rd via check and, once deposited, TJ immediately made trades with those new dollars. This brings the current value of our account to approximately $342K.  TJ has sent the paperwork by mail that, once signed by Claire, Jack and Robin, will allow for wire transfers in the future. It is interesting to note that, for security purposes, TJ cannot act on an email, and requires a verbal confirmation to make a trade. | |
| Update to the ED’s Disclosure of Interests | Claire reported that her spouse, Kurt Parde, became a financial advisor with North Country Financial Group, TJ’s firm, effective Monday, July 19th. She updated her own Disclosure of Financial Interests Form accordingly, but also asked TJ to offer additional explanation to the Committee about the arrangement, since she anticipated that the members would have questions and possibly some concerns about it. TJ explained that Kurt is considered a junior advisor (non-partner) in the firm. As such, he will have no access to partner accounts, meaning he cannot view, trade or direct investments on those accounts. Claire asked TJ whether he could ensure that Kurt would continue to be distanced from the Consortium’s investment account even if he became a partner at some future date, and TJ confirmed that this would be the case, largely because the advisors are themselves required to make disclosures that would prevent access. In short, there are a lot of safeguards in place in this highly regulated industry, and that our account is a “preferred portfolio” for which he is a co-fiduciary and is audited annually. Committee members expressed that they were grateful for the transparency around this issue, including the disclosure and discussion, and are satisfied that there are adequate safeguards in place. | |
| Status report on the PPP Loan Forgiveness Application | Claire reported that Fiscal Manager, John Ray, has been working diligently on preparing the PPP loan application, with a particular focus on ensuring that there is robust supporting documentation for every expense for which forgiveness will be claimed. Our current estimate is that approximately $120,000 of the borrowed amount of $197,400 is eligible for forgiveness. At this time, we are prepared to transfer the application to Jeff Beale at the Bonadio Group, with whom we have contracted to review and advise on our application prior to submission. Our hope is that Jeff’s turnaround time will be brief. That said, we anticipate that we will enter the repayment period, which starts on or around August 23rd, before there is a determination about the forgiveness amount. Given that forgiveness can be applied for and granted at any time during the loan term, we anticipate that any payments we make prior to forgiveness will be applied to the adjusted principal and interest once forgiveness is granted. | |
| Request to contract with Enterprise Fleet Management | Claire reminded the Committee that staff has been engaged in discussion with Enterprise Fleet Management for a year or more, exploring how this vehicle financing model might benefit the Children and Adults Rural Transportation Program (CARTS). After considerable due diligence, it is the view of the Transportation Program Team that it would benefit the program to contract with Enterprise Fleet Management for vehicle procurement, financing and disbursement, as well overall fleet management. Toward that end, Claire requested permission to execute a Master Equity Lease Agreement with Enterprise Fleet Management, after which time management would be free to make decisions about how many vehicles to order or disburse under the arrangement. **Bob Gibson made that motion, Ken Stall seconded it, and it was unanimously approved.** | |
| 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 June 30, 2021. Additionally, John Ray offered his “Fiscal Highlights” report. Of note: nice cash position, good Fund performance, and modest Accounts Receivable, and steadily rebounding Medicaid revenue. | |
| Next meeting | **Date, Time & Location: Tuesday, September 28, 2021 at 3:00 p.m., TBD** | |