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

**MEETING NOTES**

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| **Committee: Budget and Finance** | | **Date: September 27, 2022** |
| **Board Members Attending: Jack Mabb (Chair), Bob Gibson, PJ Keeler, Ken Stall**  **Board Members Absent: Kevin McDonald, David Rossetti** | | **Guests: None** |
| **Staff Members Attending:**  **John Ray and Claire Parde** |
| **TOPIC** | **SUMMARY OF TOPIC DISCUSSED** | |
| Update on acquisitions through Enterprise Fleet Management | We received the first of the five vehicles ordered and built to spec through Enterprise Fleet Management. The first is a Ford Escape that is AWD, satisfying a request from drivers for a vehicle that can accommodate tricky road conditions in the early mornings when our dialysis patients are being transported. John noted that in terms of accounting, the acquisition is noted as both an asset and a liability on the balance sheet.  Four additional vehicles, all Ford Transit Connects, have been built in Spain and one has already been shipped. We are currently contemplating the financing and purchase of at least two additional vehicles, but are somewhat constrained by the serious global shortage in supply, especially of sedans and minivans.  We have a little bit of feedback for the Enterprise team, particularly around the length of the process required to register the vehicles once delivered, but on the whole, we have been pleased with the arrangement thus far. | |
| Update on the Audit | The IRS990 and NYS CHAR500 have now both been filed, completing the last step in our annual audit and tax filing process. | |
| Financial Reports | The Committee inspected the Organization’s Financial Reports, including the Statement of Revenues, Supports and Expenses, Aging Summary, the Statement of Financial Position (Balance Sheet), and Statements of Activities (Income Statement) for both the agency and transportation program, , all of which are current to August 31, 2022. Additionally, John Ray offered his “Fiscal Highlights” report. As usual, these reports will be posted to the Board Portal for review by all interested Directors.  John noted that he released the first $100,000 installment from the Foundation for Community Health’s General Operating Support Grant, and also that the second installment, tied to the 12-month period starting July 1st, has now been received. Claire reminded the group that there are no restrictions on these funds in terms of time or purpose; we are entirely free to use them, or not, according to our needs and schedule. She anticipates that she will draw against these funds in 2023, principally for salary and fringe support to newly created positions.  The group reviewed the performance of the agency’s investment account, which, like portfolios everywhere, has declined in value in 2022. The question was asked whether the Fund’s manager, TJ Pelliterri, is doing anything to mitigate the loss, such as diversifying the portfolio to include bonds or T-bills. Since TJ was unable to attend the meeting, Claire will pose these questions to TJ via email and share his response with the group.  There was another lengthy discussion about the significant increases in variable (versus fixed) costs of doing business, like labor and fuel, which are resulting in losses to the Transportation Program’s P&L that approximate $100K now, and will only grow by year-end. The members acknowledged this dynamic and affirmed the commitment to ongoing service delivery despite these losses. Claire noted that while she could have used the General Operating Support dollars to “plug the holes in the program’s budget both this year and last, she has resisted doing so because it would effectively “mask” the losses, which need to remain top-of-mind and inform strategies to generate new sources of ongoing revenue (rather than simply one-time infusions of cash). In other words, we have sufficient revenue to “square up” the transportation program’s balance sheet, but we do not do so in order to provide an honest snapshot of the economic realities of running the program at this time. That said, Claire assured the group that we have ample cash to continue delivering the service, and even grow it, so the problems are more theoretical than practical at this time. | |
| Next meeting | **Date, Time & Location: Tuesday, November 22, 2022 at 3:00 p.m., via Zoom** | |