**Columbia County Community Healthcare Consortium, Inc.**

**Joint Budget and Finance and Executive Committee**

**Notes from the meeting of January 27, 2016**

**Attending Members:** Beth Schuster, Robin Andrews, Theresa Lux, Leitha Pierro, Ken Stall, Lisa Evans, Linda Tripp, Jim Campion, and PJ Keeler

**Absent Members:** Tam Mustapha, Art Proper, and Chelly Hegan

**Staff Members:** Claire Parde, John Ray, and Aleshia Boyle

**Guest Speaker**: Todd Heller, Esq., CPC of Heller Pension Associates, Inc.

**CALL TO ORDER**

Meeting was called to order at 9:00 a.m. by President Beth Schuster.

Claire introduced Todd Heller of Heller Pension Associates, Inc.

After introductions, Todd explained that he is an Attorney and Certified Pension Consultant at Heller Pension Associates, Inc., with an office in Hyde Park. His office is exclusively “fee-for-service” and does not sell products. Services include plan design, administration and compliance.

Todd presented a proposal for a 401(k) that he and Claire had developed together. The presentation addressed many features of the plan, including eligibility, entry dates, and vesting schedules (see attached).

A question about the Fidelity Bond insurance coverage prompted Todd to explain that this is a federal requirement for all plans subject to ERISA.

A question about the direction of investments prompted Todd to clarify that the employer selects an investment platform and an investment advisor. The advisor then narrows the investment options from which employees select. Thereafter, employee investments may be entirely “self-directed.” Todd explained that while Third Party Administrators such as Heller Pension Associates do not handle investments, he would be happy to recommend Investment Advisors with whom we might work.

Other questions for Todd pertained to reporting requirements, mitigating risk exposure, and the typical range of employer contributions.

With no further questions, Todd thanked members for their time and exited at 9:40 a.m.

At this time, members discussed the proposal at length. Members raised concerns about reporting requirements and costs. The group requested that Claire prepare a cost estimate for the plan as proposed based on full participation of all eligible employees. Claire will have this prepared by the next Executive Committee meeting in February.

*Lisa Evans exited at 10:20 a.m.*

The Committee reviewed the agency’s Financial Reports, including the Accounts 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 December 31, 2015.

*PJ Keeler exited at 10:27 a.m.*

John Ray, Fiscal Manager, offered the following highlights and explanations:

* 2015 was a record year for the Consortium with a revenue of $1.6 million compared to 2014’s $1.38 million.
* The Cancer Services Program received grant renewal documentation from NYSDOH for the next two and a half years at $140,000 per year. The program also received COLA monies in the amount of $11,228. The first of two vouchers for OTPS expenditures and reimbursement of the Program Assistant’s wages and fringe expenses was submitted for payment in the amount of $3,813.
* The Tobacco Free Action Program received COLA monies in the amount of $25,584. The first voucher, in the amount of $24,661 for OTPS expenditures, was submitted for payment.
* A new budget in the amount of $43,987 was submitted NYSOFA for the NY Connects Program, Year 10. The agency is currently awaiting approval.
* A new budget and work plan in the amount of $118,589 has been submitted to NYSOFA for the NY Connects Expansion and Enhancement Program. The agency is currently awaiting approval.
* As of December 2015, Operation Unite has submitted vouchers totaling $11,890 for the Bengali Community Health Worker Project. At this time, $4,162 of the $5,000 previously issued advance has been recouped. There is an $838 grant advance balance remaining.
* Funds in the TrustCo account have still not been moved to the Bank of Greene County account. The delay appears to be the fault of Trustco.

*Beth Schuster exited at 10:45 a.m.*

Claire queried the Budget and Finance Committee members about the level of involvement they would like to have in determining the amounts and timing of transfers from the agency’s operating account into the Bank of Greene County investment account, once established. As some members of that Committee had already exited, the remaining members agreed to defer this to the next Budget and Finance Committee meeting. However, the general feeling is that this would be left to the discretion of agency staff.

Next, members discussed the proposed changes to the section of the Bylaws pertaining to investments. Members had no concerns with the suggested change. This will be brought to the Board when time permits.

Robin reported that the Bylaws/Membership/Nominating Committee met on January 11th to discuss the composition of the Board in the next year. The Committee also discussed the creation of a Governance Committee, as recommended at the Board Retreat in October. As the functions of the existing Bylaws/Membership/Nominating Committee are similar to those of a Governance Committee, the former proposes to become the latter. Provided this meets with the Board’s approval, this would require a bylaws change, to be proposed at a later time.

*Leitha Pierro exited at 10:50 a.m.*

The Committee received the Executive Director’s written report. It was agreed that from this point forward the same written report will be provided to the Entire Board when it convenes. Claire asked the Executive Committee members to consider the financial reports provided by John Ray and determine which, if any, they would likely to receive on a monthly basis. The Committee members will review these at their leisure and report back, but in the meantime, they noted that the “Fiscal Highlights” sheet and the Statement of Revenues Supports and Expenses are probably the most useful.

Claire reported that she has not, as yet, received the updated Executive Director’s Job Description or Evaluation Tool for review and comment. Consequently, her annual contracting process has also not been completed.

**ADJOURNMENT**

The meeting adjourned at 11 a.m.

The next Executive Committee meeting is scheduled for **February 24, 2016.**

*Notes respectfully prepared and submitted by Aleshia Boyle on January 29, 2016.*

HELLER PENSION ASSOCIATES, INC.

Todd E. Heller, Esq., CPC, President 1363 Rt. 9G

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Date: January 12, 2016

To: Columbia County Community Healthcare Consortium, Inc. (CCCHC) From: Todd E. Heller, Esq., CPC

Re: Proposal for 401(k) Plan

# PLAN SUMMARY

1. Type of Plan: "Traditional" 401(k) Plan for the Plan Year Ending December 31, 2016.
2. Eligibility. One month of service and attainment of age 21 for all contributions. Per-Diem Employees will be excluded. Eligible employees enter the plan on the first day of the month coincident with or next following the completion of the plan's eligibility requirements.
3. Vesting. For All Plan Contributions: 100% Immediate.
4. Employee 401(k) Deferral Contributions. The plan will allow eligible employees to make elective 401(k) deferral contributions from payroll withholding on a pre-tax basis or "Roth" (after-tax) basis. The annual 401(k) deferral limitation for the 2016 calendar year is 18,000, or $24,000 for anyone age 50 or older by December 31, 2016.
5. Discretionary Employer Contributions: CCCHC will also have the option of making additional employer contributions, which can be either matching, nonelective (i.e., not based on an employee's participation), or both. Our firm will provide the agency with these options annually, which may be deposited after the end of the applicable plan year. The plan will allow CCCHC to determine the annual allocation of any such nonelective contribution on a per-participant basis.

# SERVICES AND FEES

1. The plan administrative service includes the following and is covered by our annual administrative fee:
   1. Annual Plan Valuations and Participant Statements;
   2. Annual IRS/DOL Returns (i.e., Form 5500 Returns);
   3. Paperwork Associated with Plan Distributions, including 1099R Forms and 945 Returns;
   4. Participant Loan Agreements and Recordkeeping (if applicable);
   5. Nondiscrimination Testing;
   6. Determination of Plan Eligibility and Calculation of Plan Contributions;
   7. All Required Plan Amendments and Restatements Due to Changes in the Law or Regulations; and
   8. Automatic review of the provisions of your plan to provide continued optimization for the business owners.
2. We are exclusively “fee-for-service.” We do not sell products (i.e., either insurance or investments). We have provided qualified retirement plan services for over 40 years.
3. Fees: The one-time fee to design and draft the plan, which includes the adoption of an IRS “tax-qualified” Heller Pension Associates, Inc. 401(k) Profit Sharing Plan, is $1,800. This fee is payable before we draft the plan. In addition, the annual administration fee (which covers all required annual plan administration and documentation services) will be

$1,770 plus $50 per participant (based on the number of participants with account balances). The annual fee will first be payable after we complete the work for the Plan Year Ending December 31, 2016 (i.e., sometime in 2017). This fee includes all plan administration and plan documentation services.

1. Fidelity Bond Coverage: CCCHC would be required to obtain a fidelity bond covering at least 10% of the plan's assets. These bonds are relatively inexpensive and can be acquired through most insurance agents that sell business-related insurances. If desired, we can help coordinate this coverage.