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

**MEETING NOTES**

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| **Committee: Budget and Finance** | **Date: November 21, 2017** |
| **Board Members Attending: Robin Andrews, Jim Campion, PJ Keeler, Chelly Hegan (by phone)** **Board Members Absent: Ken Stall, Onat Sanchez-Schwartz** | **Guests: Tim Bartholomew, TBOGC** |
| **Staff Members Attending: Claire Parde and John Ray** |
| **TOPIC**  | **SUMMARY OF TOPIC DISCUSSED** |
| Highlights from the Financial Reports | The Committee inspected the Organization’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 October 31, 2017. John Ray offered his “Fiscal Highlights” (see attached).  |
| Monitoring Investment Account | Tim Bartholemew, our Investment Advisor from the Bank of Greene County, attended the meeting to provide his semi-annual in-person review pertaining to the agency’s investment account. He provided statements from October and May, noting that the balance at January 1st was $154,533.13 and at October 31st was $164,090.28. While he admitted the account is “not on fire here,” he noted it did experience a total growth between January and October of 5.82%.Tim speculated about the effects of the pending tax plan. It is his prediction that if the tax plan does not pass, there will be a selloff in the market which would drive prices down, and if it does happen, the current growth will continue into 2018. His recommendation, if it does pass, is to make some subtle changes to the account. He noted that there are a couple of funds within the portfolio which have had lackluster performance. He proposed to move 25% of the assets within each of these two positions into another fund which has experienced stronger growth. The group recognized that this would represent a shift from two ultra conservative, “stabilizing” funds to moderately aggressive funds focused on growth. This is only a suggestion at this time; he would only make the change if the proposed legislation passes. The group discussed whether we should generally consider adding more equity stocks, consistent with the agency’s Investment Policy. The group agreed to review the Investment Policy prior to its next meeting and to continue a conversation about rebalancing at that time. The group had an extensive discussion about whether there was a stop loss feature on the account; Tim confirmed that there is not. The group then discussed what precautions are taken to guarantee against excess loss. These entail reviewing the funds on a quarterly basis. Also, Tim noted that he monitors the funds themselves, if not our account, daily. Therefore, if anything dramatic were to occur, Tim would contact us immediately and directly with his recommendation. It was agreed that we may ask to institute a stop loss were we to add more equity stocks.The group then had an extensive discussion about a new investment of excess cash, discussing numbers from $25,000 to $100,000. It was decided that John and Claire will use the period between now and the next meeting to identify the fund balance at which they would like to operate, and any excess cash suitable for investment. A member advised that they also consult with their auditor.  |
| Report Format | The group agreed that John no longer needed to provide detailed A/P reports.  |
| Audit Update | John advised that Carol Hausamann from Marvin and Company will make a presentation to the Board at its meeting in December regarding the scope of audit. They will also be on-site in December and again in February, with a completion date slated for April 1, 2018. |
| Next mtng | The next meeting is **January 16th** **at 3:00 p.m.** |

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| **Finance & Budget Committee Meeting** |
| **Fiscal Highlights** |
| **Tuesday, November 21, 2017** |
| Statement of Financial Position |
| **Cash** - Cash balance in the operating checking account started the year off with $355K and ended with $350K at October 31, 2017. Low balance on June 26th was $199K & the high balance on February 17th was $405K. Average daily balance for 2017 is $325K. During the month of July'17, we received two grant advances from NYSDOH totaling $102K (Tobacco $80K + CSP $22K) |
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| **Grants Receivable -**  As of October 31, 2017 our Grant Receivable is $196,611. Expectation is that we will collect on all receivables. Summary as follows: |
|  |  |  | Amount $ |  |  |  |
|  |  | Rural Health Network Program | 49,150  |  |  |  |
|  |  | Navigator Health Exchange Program | 45,089  |  |  |  |
|  |  | Tobacco-Free Program | 32,856  |  |  |  |
|  |  | Cancer Services Program | 18,830  |  |  |  |
|  |  | Transportation-Medicaid | 15,564  |  |  |  |
|  |  | Other Columbia County Programs | 30,140  |  |  |  |
|  |  | Greene County DSS | 4,983  |  |  |  |
|  | **Total Grants Receivable** |  | **$196,611**  |  |  |  |

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| **Investment - Infinex Financial-Securities** - As of October 31, 2017, investment account value of six mutual funds is $164,090. Initial investment was $25K per mutual fund |
|  |  | Beginning | Purchases | Income | Unrealized Gains | Ending Balance |  |
|  | Cash | (0) | (2,683) | 2,683  |   | (0) |  |
|  |   |   |   |   |   |   |  |
|  | FCISX  | 26,400  | 1,038  | 1,038  | 929  | 28,367  |  |
|  | FRUGX  | 24,919  | 481  | 481  | (415) | 24,985  |  |
|  | FRGSX  | 25,841  | 0  | 0  | 5,709  | 31,550  |  |
|  | FCSCX | 25,202  | 311  | 311  | (424) | 25,089  |  |
|  | FSGCX  | 25,507  | 319  | 319  | 713  | 26,539  |  |
|  | TEGBX | 26,664  | 535  | 535  | 361  | 27,560  |  |
|  |   |   |   |   |   |   |  |
|  |  | 154,533  |  | Totals | 6,873  | 164,090  | 6.18% |
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|  | **TEGBX**-Templeton Global Bond Fund Class C - Strategy: The Fund seeks current income with capital appreciation and growth of income by investing at least 80% of its net assets in "bonds." In addition, the Fund's assets will be invested in issuers located in at least three countries including the U.S. |  |
|  | **FSGCX**-Franklin Templeton Strategic Income Fund Class C - Strategy: The Fund seeks to earn a high level of current income. Its secondary goal is capital appreciation over the long term. The Fund invests at least 65% of its assets in U.S. and foreign debt securities. |  |
|  | **FCSCX**-Franklin Adjustable US Government Securities Fund Class C- Strategy: The Fund seeks a high level of current income while providing lower volatility of principal than a fund that invests in fixed-rate securities. The Fund invests at least 80% of its net assets in adjustable-rate U.S. government mortgage securities. |  |
|  | **FRGSX**-Franklin Growth Series Class C- Strategy: The Fund seeks capital appreciation. The Fund primarily invests in equity securities that are leaders in their industries. |  |
|  | **FRUGX**-Franklin US Government Securities Series Class C- Strategy: The Fund seeks income. Under normal market conditions, the Fund invests at least 80% of its net assets in U.S. government securities. The Fund presently invests substantially all of its assets in Government National Mortgage Association obligations (Ginnie Maes). |  |
|  | **FCISX**-Franklin Income Series Class C- Strategy: The Fund seeks to maximize income while maintaining prospects for capital appreciation. The Fund will achieve this by investing in a diversified portfolio of debt and equity securities.  |  |
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| **Equipment, Furniture & Vehicles** -Agency purchased and sold the following capital equipment.  |
|  | **Month in Service** | **Funding Source** | **Supplier** | **Description** | **Cost** |  |
|  | May-17 | Agency | Columbia County  | 2010 Ford Van |  $5,995  |  |
|  | May-17 | Agency | Central Dodge  | 2017 Dodge Caravan |  $21,427  |  |
|  | May-17 | Agency | Henderson Ford  | 2017 Ford Taurus |  $21,625  |  |
|  |  |  |  |  | **Total** |  **$49,047**  |  |
|  |  |  |  |  |  |  |  |
|  | **Sold in Month** | **Sold thru** |  **Mileage**  | **Description** |  **Revenue**  |  |
|  | Jul-17 | Auctions International |  144.9K  | 2010 Chevy Impala  |  $1,825  |  |
|  | Aug-17 | Auctions International |  158.3K  | 2010 Dodge Caravan |  $3,350  |  |
|  |  |  |  |  | **Total** |  **$5,175**  |  |
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| **Accounts Payable -** At October 31, 2017, accounts payable lability is $11,358 and all AP liability is being paid timely within 28 days except CSP Clinical Services which gets paid once NYS pays CCCHC.  |
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| **Line of Credit** - Received notification from The Bank of Greene County. Bank renewed our $100,000 line for another twelve months until August 1, 2018. |
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| **Advance Funding Payable** - When the Agency receives a deposit for work to be done in the future, it recognizes it by debiting (increasing) cash and crediting (increasing) a deferred revenue account or "Advance Funding Payable"(a liability account). This transaction doesn't affect the income statement -- the deferred revenue is not really a revenue per se. The deferred account functions like a holding place, until services are provided. The entire transaction affects only balance sheet accounts. Once the service is provided, a "real" revenue is recognized with an entry that debits (decreases) the deferred account and credits (increases) the revenue account. Program income received in advance consist of the following as of October 31, 2017, |

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|  | **Fund Name** | **Beginning Balance at January 1st**  | **+ Contributions** | **<Distributions>** | **Ending Balance at October 31, 2017** |  |
|  | **Foundation for Community Health** |  |  |  |  |
|  | Prescription Rx Access |  12,113  |  |  (2,707) |  9,406  |  |
|  | Transportation: Acram/Copake |  -  |  25,000  |  (20,232) |  4,768  |  |
|  | Children's Mental Health Project |  1,746  |  |  (1,746) |  -  |  |
|  | **Dyson Foundation** |  |  |  |  |  |
|  | Prescription Rx Access |  -  |  22,000  |  (14,603) |  7,397  |  |
|  | **NYS Grant Advances** |  |  |  |  |  |
|  | Cancer Services Program |  7,610  |  22,451  |  (21,641) |  8,421  |  |
|  | Tobacco Free Program |  43,704  |  79,750  |  (68,937) |  54,517  |  |
|  | Health & Recovery Plan (HCBS - HARP) |  49,850  |  -  |  (49,850) |  -  |  |
|  | **Total Advance Funding Payable** |  $115,023  |  $149,201  |  $ (179,715) |  $84,509  |  |
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| **Temporary Restricted Funds** - Temporarily restricted net assets are donated contributions that have only a one-sided economic benefit and are restricted to a specific period of time or set of conditions. To decrease this revenue employ another account named Net Assets Released From Restrictions, which reports revenue. Below temporarily restricted net assets represents donations to be used for the following specific program purpose as of October 31, 2017:  |
|  | **Fund Name** | **Beginning Balance at January 1st**  | **+ Contributions** | **<Distributions>** | **Ending Balance at October 31, 2017** |  |
|  | Columbia County -CARTS & Receptionist |  -  |  49,000  |  (40,833) |  8,167  |  |
|  | Columbia County Depts.-CARTS |  -  |  19,000  |  (15,833) |  3,167  |  |
|  | Columbia County Cancer Fund |  17,438  |  8,238  |  (10,109) |  15,566  |  |
|  |  |  |  |  |  |  |
|  | Greene County Cancer Fund |  8,261  |  6,794  |  (4,561) |  10,494  |  |
|  | Complementary Therapies |  5,855  |  |  (470) |  5,385  |  |
|  | Jan Koweek Fund |  1,101  |  |  -  |  1,101  |  |
|  |  |  -  |  |  -  |  -  |  |
|  | Totals of Temporary Restricted Funds | $32,654  | $83,032  |  $(71,807) | $43,879  |  |