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

**MEETING NOTES**

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| **Committee: Budget and Finance** | | **Date: May 23, 2023** |
| **Board Members Attending: Bob Gibson and David Rossetti**  **Board Members Absent: PJ Keeler, Jack Mabb (Chair), Kevin McDonald , Ken Stall,** | | **Guests: TJ Pellitteri** |
| **Staff Members Attending:**  **John Ray and Claire Parde** |
| **TOPIC** | **SUMMARY OF TOPIC DISCUSSED** | |
| Advisor Update on the Board-designated Fund and 401(k) | The agency’s investment advisor, TJ Pellitteri, provided a report on the performance of the agency’s Board-designated Fund and 401(k) accounts. TJ was sanguine about the performance of the Fund, noting that “things are looking up,” with year-to-date gains, after taxes and fees, of 3.27 points. When he reminded the Committee that our Investment Policy Statement is somewhat limiting, Claire asked him to detail the elements of the policy that he feels impose unhelpful constraints; TJ will report back to the Committee on this at the next meeting in June.  The transition from the Nationwide to Voya platform for the 401(k) is in process, but is still expected to take another 60 to 90 days. Funds are currently being “mapped” to ensure that “like” will be substituted for “like.” | |
| Update on the transfer of excess cash to an online savings account | John reported that he has identified an online savings account with Live Oak Bank that provides up to 4% interest on a balance of $30,000 or more. Since the principal goal is to reduce the agency’s operating account balance to at or below the FDIC-insured limit, we will proceed with transferring the “excess” cash to the online account immediately. However, since the online account’s interest rate is substantially higher than what our current banking institution, the Bank of Greene County, is providing, we will gradually load this account with as much cash as we can comfortably surrender, up to the FDIC-secured limit, in order to maximize the more favorable interest rate. | |
| Report on CARTS financial performance, January-April 2023 | In order to provide a “deep dive” on the financial performance of CARTS, John prepared both the Statement of Activities for the four months ending April 30, 2023 with comparison to the same period in the prior year, as well as a 12-month Statement of Activities for each of the past five years, 2018 to 2022. The good news is that we are currently meeting our program budget, particularly with respect to drivers’ wages; with John’s help providing trip, hour, and wage targets, Jim Funk is doing an excellent job managing this expense. Furthermore, we are on target to have a favorable variance with respect to budget by year’s end, in part due to various cost-containment strategies. John noted that a substantial decrease in Medicaid revenue, from an all-time high of $191K in 2016 to a low of $68K in 2020, is principally responsible for the imbalance of support to the program (note that Medicaid earnings in 2022 were $85K and are budgeted to be $92K in 2023). Although there has been some recovery in the Medicaid business, it is no longer assumed that it, and accompanying revenue, will be fully restored, so both expense-side and revenue-side strategies to balance the program budget are being pursued. | |

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| Financial Reports | Due to time constraints, the Committee did not have an opportunity to review the Organization’s usual, bimonthly 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), or John’s “Fiscal Highlights” report, all of which are current to April 30, 2022. Claire will circulate these reports to the Committee members via email and, as usual, also post them to the Board Portal. |
| Next meeting | **Date, Time & Location: Tuesday, July 25, 2023 at 3:00 p.m., via Zoom** |