

Hilltown Community Health Center

Board of Directors

Thursday, June 4, 2020

Zoom link: <https://us02web.zoom.us/j/590224751>

Meeting ID: 590 224 751 Phone: 1 312 626 6799

5:30 p.m. – 7:30 p.m.

ANNUAL MEETING AGENDA

<u>Time</u>	<u>Topic</u>	<u>Purpose</u>	<u>Presenter</u>
6:50 PM	Call to Order and Approval of Minutes	Vote Needed	John Follet
6:55 PM	Election of Officers and Members Proposed slate of officers and director nominations for the 2020-2021 Fiscal Year: <ul style="list-style-type: none">• President: Lee Manchester• VP/Treasurer: John Follet• Clerk: Katharine Jensen Director Renewals: <ul style="list-style-type: none">• Seth Gemme• Nancy Brenner• Matt Bannister	Vote Needed	Recruitment Orientation and Nomination - Wendy Long
7:05 PM	Staff Presentation – HCHC in Review	Inform	Eliza Lake
7:20 PM	Adjourn	Vote Needed	John Follet

HCHC BOARD OF DIRECTORS ANNUAL MEETING

Date/Time: 06/04/2019 6:00pm

Pizzeria Paradiso- Northampton, MA

MEMBERS: John Follet, President; Nancy Brenner, Vice President; Kathryn Jensen, Clerk; Matt Bannister; Kate Albright-Hanna; Seth Gemme; Wendy Long; Maya Bachman

STAFF: Eliza Lake, CEO; Frank Mertes, CFO; Tabitha Griswold, Executive Assistant

ABSENT: Lee Manchester; Alan Gaitenby; Michael Purdy, Risk Manager

GUEST: Deb Leonczyk

Agenda Item	Summary of Discussion	Decisions/ Next Steps/ Person Responsible Due Date
	John Follet called the meeting to order at 6:22pm.	
Approval of Annual Meeting Minutes 06/07/2018	The June 7, 2018 minutes from the Annual Meeting were reviewed by the Board members present. A motion was made by Nancy Brenner to approve the June 7, 2018 minutes as written. The motion was seconded by Wendy Long.	June 7, 2018 minutes were approved
Finance Committee	<ul style="list-style-type: none">John Follet reported on the financial annual report as a reflection of financial activities of FY 2018. The financial annual report was handed out to those present. The financial annual report was discussed with the main points being 1) Amherst expansion expenses 2) slight revenue increases from year to year 3) net gain was a loss. It was asked as to what makes up the payor mix. The payor mix has changed slightly (partially due to Amherst) and is a combination of six different factors, which were discussed. This financial annual report mirrors the financial statements as presented by the auditors. Overall, HCHC continues to correct the \$245K loss from the previous year, and lower the compensation percentage to cap links standards.	The Board voted unanimously to approve the Financial Annual Report.

	Nancy Brenner moved to approve the Financial Annual Report. Matt Bannister seconded the motion.	
Annual Review	<ul style="list-style-type: none"> Eliza Lake presented an Annual Review of 2018, which reviewed HCHC's efforts on elements of the organization's 2017-2020 Strategic Plan. There was discussion on the strategic plan throughout the year, but this is a summary of activities from the past year. As a note the Strategic Plan is a high level view, and not as operationally focused. A PDF of the annual review will be distributed to members in the portal. 	
Nominating Committee Report Presentation of Slate of Officers and Directors	<p>The following slate of officers for the Board of Directors was presented by Wendy Long, as a member of the Nominating Committee. Officers for one-year terms included:</p> <ul style="list-style-type: none"> Chair, John Follet, MD Vice Chair, Nancy Brenner Clerk, Kathryn Jensen Treasurer, Deborah Leonczyk <p>A motion was made by Wendy Long and seconded by Kate Albright-Hanna to approve the above slate of officers.</p>	The slate of officers for one-year terms was approved unanimously.
Election of Officers and Directors	<p>The directors for a three-year term was presented by Wendy long. The directors included:</p> <ul style="list-style-type: none"> Lee Manchester Kathryn Jensen Wendy Long <p>A motion was made by Wendy Long and seconded by Maya Bachman to approve another three-year term of service for Lee Manchester, Kathryn Jensen and Wendy Long.</p>	The slate of directors was approved to serve another three-year term unanimously.
	<p>With no further business to discuss, Nancy Brenner made a motion to adjourn this meeting and Matt Bannister seconded the motion. The motion was approved.</p> <p>The meeting adjourned at 7:39pm.</p>	The motion to adjourn was approved unanimously.

Respectfully submitted,
 Tabitha Griswold, Executive Assistant



Financial Annual Report for FY 2019

The fiscal year 2019 ended with a positive **change in net assets** of \$76,014 as compared to a positive change in FY 2018 of \$16,156. In 2019 non-operating activities contributed \$51,634 to the increase in net assets.

In FY2019 broke the negative trend in **net operating activity**. The net operating gain in FY2019 was a positive \$24,380 versus a net loss in FY2018 of \$534,914. Operating revenues were up \$523,414 or 6.8%. This increase is primarily driven by a \$363,177 increase in grants, an \$84,391 improvement in net investment gains and \$52,912 on a forgiven rent obligation. Operating expense dropped by \$35,880 or .4%.

HCHC reversed the negative trend of **compensation and related expense as a percent of net revenue** in FY 2019. Total compensation dropped to 77.0% of total revenue versus 85.6% in FY 2018.

Other operating expenses increased by \$222,484 or 13.5% versus an increase of \$131,372 or 8.7% in FY 2018. Note that half of the expense increase is due to a \$94,359 increase in depreciation in FY 2019. Much of the remaining increase is due to a \$45,151 or 77.2% increase in bad debt expense.

	2018	2019		
	\$	\$	% Change 2018 to 2019	\$ Change 2018 to 2019
Compensation and related expense				
Program services	5,787,614	5,512,927	-4.7%	(274,687)
Management and general	738,090	791,498	7.2%	53,408
Fund-raising	58,287	21,202	-63.6%	(37,085)
Total Compensation Expense	6,583,991	6,325,627	-3.9%	(258,364)
% of Total Net Revenue	85.6%	77.0%		
Other expenses				
Program services	1,350,676	1,560,619	15.5%	209,943
Management and general	281,121	292,805	4.2%	11,684
Fund-raising	10,593	11,450	8.1%	857
Total Other Expense	1,642,390	1,864,874	13.5%	222,484
Total Expense	8,226,381	8,190,501	-0.4%	(35,880)

	2018	2019		
	\$	\$	% Change 2018 to 2019	\$ Change 2018 to 2019
Revenue				
Net Patient Services, net	4,984,590	4,988,618	0.1%	4,028
Pharmacy, net	151,811	123,623	-18.6%	-28,188
Optometry hardware, net	35,406	69,787	97.1%	34,381
Grants and contributions	2,494,737	2,857,914	14.6%	363,177
Investing gain (Loss)	(19,453)	64,938	-	84,391
Other revenue	<u>44,376</u>	<u>110,001</u>	147.9%	65,625
Total Net Revenue	7,691,467	8,214,881	6.8%	523,414
Expenses				
Program services	7,138,290	7,073,546	-0.9%	(64,744)
Management and general	1,019,211	1,084,303	6.4%	65,092
Fund-raising	<u>68,880</u>	<u>32,652</u>	-52.6%	(36,228)
Total Expenses	8,226,381	8,190,501	-0.4%	(35,880)
Net Operating Activities	(534,914)	24,380	-104.6%	559,294
Non-Operating Activities				
Capital grants and contributions	551,070	51,634	-90.6%	(499,436)
Capital campaign expenses	<u>-</u>	<u>-</u>		
Total Non-Operating Activities	551,070	51,634	-90.6%	(499,436)
Change in Net Assets	<u>16,156</u>	<u>76,014</u>	370.5%	59,858