**Soldiers’ Home in Holyoke**

**Finance Committee Board of Trustees Meeting Minutes**

A meeting of the Board of Trustees of the Soldiers’ Home in Holyoke (HLY) was held telephonically on January19, 2021. The meeting began at 5:39 PM.

**Finance Committee Members Present**:

Kevin Jourdain, Finance Committee Chairman; Cindy Lacoste, Isaac Mass

**Also Present**:

Michael Lazo, Interim Superintendent; Michael Lynch, Chief Financial Officer; Stephen Giordano, Business Office, Accountant; John Cronin, Chief Financial Officer, DVS; Michael Ravosa, UBS; Kathleen Denner, Recording Secretary.

Roll Call is as follows: Kevin Jourdain (Yes). Trustee Mass (Yes), Trustee Lacoste (Yes).

**Pledge of Allegiance** - All present recited the Pledge of Allegiance

**Approval of Minutes of November 4, 2021 Finance Committee Meetings**

Upon motion by Trustee Mass and seconded by Trustee Lacoste. It was unanimously VOTED to approve the minutes from the Finance Committee Meetings held on November 4, 2021.

**Old Business:**

**Soldiers’ Home Budget Process and Capital Plan**

Mr. Lynch reported that regarding the state appropriates we are just past midway point and about this time of year the state legislature starts to look at our prior year expenditures and start to get a better senses of what our budget will look like for FY23. This begins with the House and Senate Ways and Means committees they have an analyst that will reach out to every agency across the EHS and the Commonwealth and start to look at existing current year expenditures and begin to think about what at a bare minimum will be needed in the coming year. He then shared regarding the Capitol plan we have not formally started the process, we recently completed the refresh project and we have another few capital projects that we are working on specifically the 2south quarantine unit trying to make that a negative pressure unit. That is one of the larger focuses we have, as mentioned at previous meetings COVID has been a focal point in the Home with what is going on in the community and trying to make sure we are the Veterans, Staff and anyone coming into the Home is prepared. Mr. Lynch reported we are starting conversation with liaisons for the Senate Ways and Means and the House Ways and Means regarding state appropriations and nothing has been formally submitted. He continued that sometime this month we will be having the annual survey that the VA completes at the Home with that there is a clinical and financial piece. We have been provided the initial documents, so we are engaging in that process. Mr. Lynch shared that the department is very excited to add new members which will help us achieve goals we have set forth.

Trustee Jourdain asked when will we capital plan be available to review he understands we are on a limited bases with the new building coming, is there a wish list and what is administration thinking at this point the needs are over the next 2-3 years. Mr. Lynch shared that there is a biweekly meeting go over project plans for the home he has mentioned a security project that we are looking to complete at the home to enhance our video coverage replacing some dated cameras and some equipment at the main switch board and operations center in the home. He shared that one of the biggest issues we have are the brick façade we have had rainstorms that seeps in and will leak into building. He continued that we have a short life in this building and we need to make sure that we are operating in a way that is providing the best level of care and wont jeopardize any health or safety of staff or veterans while keeping an eye on the future. Mr. Lynch reported regarding the formal capital plan we have not labeled one yet but there are a number existing projects.

Trustee Jourdain asked if at last meeting there was mention of a COVID screening trailer? Mr. Lynch stated yes we are getting a COVID screening trailer in the back parking lot where employees and guests can be screened properly and enter the building. He continued that we hope to have site work begin this month, we have an approved vendor for site work, secured the trailer and should be completed fairly soon. Trustee Jourdain where is the money coming from is it federal or state appropriation, Mr. Lynch replied that DCAMM has been a big part of this project and all our funding relating to this site work site work and delivery of trailer coming from DCAMM. The home is providing the initial funding for rental of trailer.

Trustee Jourdain asked if we will be able in the short term us becoming a Medicare certified facility and I know it is in the state goals. Mr. Lynch replied the plan for the future to be CMS certified facility and moving into the new building is a great timeline. He shared there have been some discussion informally but that is one of our goals. Trustee Mass has a concerns that we presume we are getting a new building and that this is all contingent on federal funding which has not been received in which the total amount for last year was not enough to fund what we had, so do we have backup capital planning for what we need to make things happen to become CMS certified if we do not get a new building. Mr. Lynch replied that we are working on the initial plan so we have yet to have a backup plan and if we can have this cued up ahead of the new building, it is one of our top goals and we ae focused on doing this and you will see in the coming months that we are able to develop some more thoughts on this in a direction of that is needed, what is required on our behalf and getting that ball rolling. Trustee Mass added that he appreciates all work going into the planning for the new building and thinks we should take some time to have some contingency planning and to think about what if this does not happen. Mr. Lynch added that this was a good point. Trustee Jourdain added that big government has had to commit to the full cost of the project of course they are expecting as much money as possible from Washington to back them up ideally, they will get the 2/3 but I think the state is committed. Mr. Lynch agreed with Trustee Jourdain they submitted a $400 million dollar bond bill, so they are confirming that funding is available and if this project is approved by the VA then they are eligible for 65% reimbursement. Trustee Mass wanted to weigh in just because we have a $400 million bond bill does not mean that whoever is sitting governor has to release those funds, those funds are all anticipated on federal funding and we cannot take it as a guarantee, it is a big assumption. Trustee Jourdain asked when do you think will we get any sense of when the VA will come down on the approval, Mr. Lynch replied this group and the rest of the board of trustees would know as soon as we hear it, the VA will announce and approve on their website. He added if it was not approved, we would be aware very quickly. Trustee Jourdain was trying to recall if we would hear something in the summertime or the fall what is our estimated timeline, Trustee Lacoste shared that the last time we did this when we went to Washington, I think Secretary Poppe mentioned we were running behind so we could possibly hear back in the February/March timeframe.

**Non-veteran license plate inquiry**

Trustee Jourdain shared his notes from the main board meeting report from last discussion was that there was going to be a responsibility of 3000 license plates over the next 3-5 years and required to get 500 signatures and a $150,000 bond to be posted and maybe join with Chelsea on that amount. He asked the group if we should have a discussion with Chelsea to make an arrangement to move forward joining with them or is this something we do not want to pursue. Trustee Mass thinks the revenue is so dramatic it would be a shame to miss it would be better situated if we had Chelsea involved because they will help promote the sale of the license plate in a more populous eastern part of the state. He is not sure we should we do 50/50 split or if it should mirror what we have with veterans license plates, I feel it could be based on the number of residents in each of the facilities, we need to have a conversation with Chelsea and work out with them. He suggested that we put on the bot meeting agenda. Trustee Mass stated that we are going to need to identify a nonprofit who is going to take this on even if we are funding them for the bond we need to identify a nonprofit who is going to take this on. He suggested talking with the Friends of the Holyoke Soldiers Home since we have not engaged with them in a long time, since I have been on the board I have not had the opportunity to meet or talk to any of the people who are involved tint he group but it might be helpful to invite them to a finance committee meeting and see if they are interested. Trustee Lacoste questioned once we decide to move forward with this how are we going to advertise and get it out, so people know about it? She added if this something the nonprofit would do or are we expected to and is the going to be an advertising budget because word of mouth from 15 trustees across the state will not be enough? Trustee Jourdain said we need to develop a plan and who will be our spokesperson, is this something we can bring in the coalition. Trustee Jourdain added that we can reach out the local media here and we need Chelsea to do it too. Trustee Lacoste suggest sending a letter to Chelsea with the facts and timeline so they can discuss as a board. Trustee Jourdain stated that Mr. Deacon goes to both meetings so he may be able to speak to it. Trustee Jourdain will reach out to Mr. Deacon and in the meantime will draft up a fact sheet with the logistics and ask Chelsea to put on their agenda. Trustee Lacoste asked if we are supposed to take this back to our board before moving forward sending a letter to Chelsea and Trustee Jourdain replied yes we should report the board that this is our plan and we are looking for Mr. Deacon to be an ambassador to express to them that there is support here from the finance committee and if we can get that confirmed at our next board meeting to have Chelsea place on their agenda and if they are interested and if it is yes we should move forward with it. Trustee Lacoste suggested that Trustee Jourdain add this topic to the next board meeting agenda and have a draft of the letter go to the members before the next board meeting. Trustee Jourdain will discuss with Mr. Deacon and have a letter for the board to review at the next board meeting.

**New Business:**

**Review of UBS Fund Performance and Westfield Bank Checking Account**

Trustee Jourdain shared the UBS and the Westfield Bank financial statements on the screen. Mr. Ravosa gave an overview of the asset allocations he shared that we are sitting at 1.26% increase, in fixed income 46.68%, we are very diversified in the whole portfolio. He continued with the equity position of 52.06% we are always striving for 50/50 for equity and bonds. He reported that within equity slant toward large cap stock have a great balance sheet and have a history of paying dividends and increasing dividends every year. Mr. Ravosa informed the group that we are in inflationary times and dividend paying stocks is one of the best asset classes to own. He also noted we have large cap, core growth and value, mid cap core growth and value, international develop markets core growth and value, we have a lot asset classes and it is a very diversified portfolio. Mr. Ravosa continued with the 2021 performance returns, we did 11.47% shows the net deposits, withdrawals and dividend of interest income, on the portfolio the income is almost $60,000. Mr. Ravosa stated since February 2020 we are up 8.66% average annual return, year-to-date down a little bit because markets are down. He also shared that the bond market is also down 2-5%. Mr. Ravosa explained the cash flow section of the report and that for the next 12 months coming into the account what is hitting the accounts and what months., Trustee Jourdain asked about taxable income and they have us classified as a nonprofit, Mr. Ravosa confirmed we are a nonprofit but it still going to show tax and tax deferred (qualified and non-qualified) so if it was an 401K and IRA it would show up under tax deferred.

Trustee Jourdain asked Mr. Lynch to go over the checking account balance. Mr. Lynch replied that as of yesterday the balance in Westfield Bank, Mr. Lynch replied the checking balance is $259,738.24.

**Review of FY22 Trustee Fund Spending Plan/Budget**

Mr. Lynch shared that the trustee budget spending plan that we approved was submitted to the full board of trustees last week. The most routine expenditures are entertainment and bingo; we are taking a look at the budget this month and next month because we are rescheduling entertainment due to COVID for next month and given that the checks are already signed we will have spent the same amount. He continued that we have spent just under $24,000 and donations are at $33,000, so with almost 7 months until the end of the fiscal year there will be money leftover because we set $100,000 in place and we have only spent $24,000. Mr. Lynch added that there will be room to adjust the budget going into FY23 and try to identify what types of trustees fund expenditures are we going to have and where can we make improvements and impact the veterans and as we have talked about in the past the travel funds things the state can appropriate and fund. Mr. Lynch shared we are looking at the budget and I think the biggest goal is to have donations exceed expenditures and have the funds in the bank in case it does not. He expects to see expenditure of QuickBooks, entertainment, bingo, memorial expenditures so overall, we are in good shape, if the trustee do an event for Memorial Day we have some room to fund activities.

**QuickBooks expenditure request**

Mr. Lynch provided a formal request for tonight’s meeting, through email yesterday, in the amount of $840 which is the total annual cost for Pro Plus QuickBooks with up to 5 users. He shared that the next plan down only allows one user, the 5 users will allow for the teams needs, the first 3 months half the cost so it will be $40 and then $80 per month, the payments are done online to from bank to bank, this may be an expense that a check would not be the best way to go. Trustee Jourdain motion to approve the annual cost of $840 for QuickBooks, Trustee Lacoste seconded. All in favor. The motion passed unanimously.

**Potential Funds request for helping DOM residents’ transition and support**

Trustee Jourdain wanted to discuss the support of a few domiciliary veterans who may need assistance as they transition into new housing, that was previously discussed at the full board of trustees meeting. He continued that some folks may need some help with first, last or security deposits and we wanted to put it out there that we could be a potential portion of the answer we would like the state who is relocating these folks to do what they can but that is what these types of funds are for. He believes requests should come our way for new furniture, need a bed, need a chair, a refrigerator. Trustee Jourdain is interested to learn if someone goes into an apartment what is the state doing for them and we want to be part of the solution and let us know. Trustee Lacoste shared that she agrees that the first, last, and security may be something we can do to help them out if nobody else can help them at that point but there are a couple of services and I am sure the social worker, Ms. Menard, and I am sure she has all these resources but there is one out of Ludlow that you go in and can pick up furniture and small appliances for no costs and there are other veteran organizations that are doing that as well. She continued that as long as they are using the resources out there because we are setting a precedent because we didn’t do it for all of the ones that have already found their places and now we are going to do it for the ones that have been dragging their feet or cannot find places. I just want to make sure it doesn’t look like the longer I wait the more I will get, and Ms. Menard has been working very hard on this. Trustee Mass is concerned by waiting for a request to come to us it may be too late in the process, that may make it difficult to access the money, I agree with Trustee Lacoste that they are doing a great job and there are a lot of resources out there but I would like to give the authority right now to spend up to $3000 per veteran and no more $15,000 for aggregate, for those here and those who already have moved out. He continued stating so we are not giving out a blank check but giving them a lot of flexibility so they can start to use the money right now and make the transition. Trustee Mass said when we hit the deadline for demolition that ties this all up we are going to be in a bad position on any legal action we need to take and if we are being delay because we have to have a board meeting but I am inclined to trust our staff and give them leeway and authority to expedite the process. Trustee Jourdain suggested we could do, under the current rules, is give up to $2000 each with me as finance committee chair spending authority and we could increase to $3000 at the next board meeting. He also shared that he wants to make sure available resources are being used first and logistically we are an email away to get this approved. Trustee Mass stated just for this limited purpose make it $3000 with a $15000 cap. Trustee Mass made a motion and Trustee Lacoste seconded the motion. Discussion. Mr. Giordano stated there may be a potential issue from a couple of the veterans that have qualified to come over to the long term care and they were looking to move out, if it gets around that the funds are available they may want to move out of the long term care on their own but they just didn’t have the funding at the time. Trustee Lacoste shared that we have people ready to move and I don’t want to change where the goo places they are going. We need to let Ms. Menard continue what she has been doing. Trustee Jourdain is skeptical that if you were approved to go into long term care you are supposed to qualify for skilled nursing, the whole reason people want to come here other than the veteran lifestyle is because it is affordable, they are not going to go out to some other nursing home for $3000. He continued if they were going to go into an apartment and not skilled nursing, I question how did they qualify for long term care. He does not feel it is realistic that anyone would give up their space in the Holyoke Soldiers’ Home over $3000. Trustee Jourdain will let us know if he gets these types of requests and we will work together as a team. He continued that we don’t want people just coming for the sake of getting the money on the other hand for those who might have financial need. Trustee Jourdain restated the motion on the floor, to authorize finance committee chairman to authorize this limited purpose of domically transition $3000 per veteran not to exceed $15,000 in the aggregate and will present to the board to approve at the next meeting. Trustee Lacoste who will be dealing with this beside Ms. Menard, who are we entrusting this money to talk to and if Ms. Menard hits a stone will she knows that Mr. Lynch will be available. Mr. Lynch confirmed that if Ms. Menard knows that someone needs assistance and there is no other funding out there and it will be brought to the committee. Trustee Jourdain asked all in favor, the vote is unanimous.

**CFO Annual Evaluation Due by May 1, 2022**

Trustee Jourdain shared regarding the CFO annual evaluation information for Mr. Lynch. He continued that were asked to weigh in on the evaluation and between yourself and Mr. Mr. Lazo could you send to the Finance Committee members what were your goals, we want to make sure we are tracking on a timeline that is we are able to give this feedback by May 1. Trustee Jourdain asked Mr. Lynch if he and Mr. Lazo could reach out to the committee and let us know what is the best way to facilitate our feedback for your evaluation. Mr. Lynch will connect with Mr. Lazo and any materials we have that relate to our Mass Perform, the standard state review process, we will provide what we able to. provide they will.

**Discussion of new EOHHS Travel Policy allowing limited out of state travel**

Trustee Jourdain asked if we have something in writing yet on this on how we can use the state appropriation money for the two conference a year? Mr. Lynch responded that as soon as he gets something in writing he we will send to the group. Mr. Lynch reminded everyone that the travel policy was amended for state approved funding for Soldiers’ Home staff to attend February conference in Alexandria, VA, but due to COVID the February conference has been postponed, the summer conference is in August in San Diego, not sure they will try to reschedule the February conference. Trustee Jourdain asked for the August dates, Mr. Lynch replied they are August 22-26 at the Manchester Grand Hyatt in San Diego. nasvh.org is the website.

Trustee Lacoste wanted to let the committee know that the search committee is moving forward and the board will be paying for the search firm this time not the state, if we want a search firm it is coming under the trustees funds. She shared the documents have been emailed regarding the search. Trustee Jourdain questioned that it could be paid out of our state budget but why out of trustee, Trustee Lacoste replied it is the trustees because it was the way it was brought up. Trustee Jourdain we appoint the Superintendent and we have a right to have a search committee and shuffling those bills off onto the donors is not appropriate that is the hiring a state employee. Trustee Lacoste replied if we go through EOHHS the way they normally do it then they would pay for it but since we are asking to do a separate search firm which is not usual. Trustee Jourdain said if they got to pick the last time why can’t they pick another one then give them to us. Trustee Lacoste said we have the state approved list. Trustee Jourdain asked what the price is, and Trustee Lacoste does not have that information. Trustee Jourdain feels that is going to be very expensive and he will not be able to support that and that should absolutely be paid by the state. He also feels that people who have donated to this fund did not donate for a search to hire. Trustee Lacoste shared that their will be a call with Mr. Deacon and Mr. Lynch so she will send Trustee Jourdian the invite. Trustee Mass shared that when HireEd hires a president of community college or any state college the operating budget or that state college pays for that search, it is built into their budget and not out of the foundation, it is in an ordinary cost of an institution because the Solders Home have not used a search firm in the past does not mean it is not an allowable expense, it is an allowable expense. He continued that we have a guarantee with last contract and the board did not let them out of that agreement the Executive Office of Health and Human Services did, we are still entitle to another search and if we can go back to BE Smith. If HR is giving away our contractual right they should cover the costs. He feels there are a lot of reasons why the trustee account should not be paying for this search. Trustee Jourdain reported it was very expensive to do that search and if we had a failed search they were supposed to pick up the tab for the second one. Mr. Lynch said there will be a call next week to discuss this again.

Trustee Mass stated at the last board Mr. Lynch is expanding team, we made the change that Mr. Lynch’s title would be CFO is the Treasurer we are obligated to have an Assistant Treasurer and Mr. Lynch has not sent us a name yet and that is subject to approval of the board. He asked Mr. Lynch to send a motion to the board to name an Assistant Treasurer. Mr. Lynch shared that the end of the growth of his team will be an eventual posting for a budget director, this is a state position at each agency. The reference to send a name for the Assistant Treasure should come from Mr. Lazo.

Trustee Lacoste made a motion to adjourn the meeting and it was seconded by Trustee Mass. It was unanimously VOTED to conclude the meeting at 6:51 pm.

Respectfully submitted,

Kathleen Denner

Acting Secretary for the Board of Trustees

Attachments:

UBS report