

Mascoma Community Healthcare

Minutes of the meeting of the Board of Directors

Location: Cardigan Mt. School

March 14, 2016

Dale Barney presiding

In attendance:

Voting Directors - Carolyn Barney, Scott Berry, Barry Clause, John Dow, Tim Jennings, Sean Murphy, Mary Paquette, Alice Schori, Jim Spaulding, Peter Thurber

Ex - officio Directors – David Beaufait, Mike Samson, Dale Barney

Interested community members – Catherine Mulholland, Christopher Partain, Philip Salvail, Andy Ware

Not in attendance - David Beaufait, Lori Dacier, Barbara Dolyak, Karen Gray, Gili Lushkov, Ed McGee, Michael Paine, Curtis Payne, Linda Von Reyn

Minutes

John Dow moved to approve minutes from February 8, 2016 as amended. Second by Mary Paquette. Unanimously approved.

Committee Report Summaries

Finance

Mary Paquette reports the reconciliation summary shows \$5,885.89 in un-cleared transactions and has an ending balance of \$21,475.40 as of February 29, 2016. Balance sheet displays the entire fiscal year. Land was purchased and reflects under fixed assets. Unrestricted net income shows we have a total of \$162,424.70. Profit & Loss only goes through February and also shows we have a net income of \$162,424.70. Institutional donation totals are \$50,200.00. Private donations-in memoriam totals are \$14,866.35 and other private donations amount to \$103,582.00 for a total of \$118,448.35. In addition, corporate donations amount to \$12,950.00 and brings total contribution amount to \$181,598.35. Net ordinary income reflects a value of \$162,424.65. Profit & Loss Budget vs. Actual shows we are under budget on expenses by \$74,380.93 in payroll expenses since we do not have a staff at this time. Net income is short \$63,731.38. John Dow moved to accept finance report. Second by Barry Clause. Unanimously approved.

Construction/Building

John Dow reports we are down to 5 total contractors. Northbranch is the lowest bidder. Dow included a list of potential scope changes, which were placed in order of priority by Randy Cole. Categories include permanent, temporary, and changes not recommended. With these changes the project will lower the cost to \$2,412,613.00. There is no priority to the changes at this moment. Changes in the temporary category may be included in construction if contingency funds remain. John Dow moved to approve changes in the permanent category. Second by Jim Spaulding. Unanimously approved. Peter Thurber moved to cap total construction funds at \$2,985,000.00. Second by Scott Berry. Unanimously approved.

Fundraising

Carolyn Barney reports next mailing will blanket the 5 towns. We are working with the Lebanon Rotary Club to setup a silent auction around September or October this year. We should net about \$10,000.00 from that event. Mike Samson reports Hypertherm should give us an answer in the coming weeks. The Williams Foundation will be making their contribution in December. Hopefully it will be about \$10,000.00. We are also approaching Brundage for a \$10,000.00 grant, but we are not sure about timeline. There are several individuals we are approaching for in-kind gifts. So far we have raised \$1,250.00 online and another \$1,000.00 in transition. Right now we are wrapping up all the leads we have so the rough estimate of contributions in limbo is about \$140,000.00

Staffing

No updates to report at this time.

Other business

Mike Samson reports on revised business plan. If you look at the page titled Project Budget – Estimate, it will reflect the current status of where we are with the USDA. As of now, the total amount that will be rolled into the loan for the land and building is \$2,935,467. The construction cost is estimated to be \$2,520,000.00 by Northbranch and a contingency total of \$28,735.00. Ideally we would like an additional \$100,000.00 in contingency. Right now we have a total of about \$378,000.00 in grants. We are still in need of about \$141,000.000 to get to our next goal for total raised in fundraising. For USDA to be happy, we can never show a (negative) cash balance in our long term financials. We are moving half of the cost of the electronic health record over to the equipment loan. As of now we need \$120,000.00 to break ground. Timken should inform us of their decision about providing a grant by the end of the week and I estimate it to be between \$50,000.00 to \$70,000.00. We asked USDA to increase

loan by \$250,000.00 because all bid estimates were over budget. USDA said we had to show in our financials and show how we would cover the debt service. We have sufficient reserves already.

Dale Barney reports we received a letter from Mr. Putnam stating we did not honor all the terms that were agreed upon in the purchase of the land. According to purchase and sale agreement of land, additional funds would be provided contingent upon construction, land, design and closing costs coming under a specified amount. Right now the total construction, land and closing cost sits above that agreed upon amount and we will not know the actual cost until after completion of the project. Tim Jennings moved to draft a subcommittee comprised of Dale Barney, Scott Berry, and Peter Thurber to handle the Putnam matter with our attorney and to have the subcommittee address the following concerns: formulate an appropriate response to Mr. Putnam, comply with the addendum by placing money in an escrow account, and to report back to the board via special meeting as soon as possible. Additionally, any official communications with the press, public, and the attorney pertaining to this matter will be handled by the subcommittee. Second by Mary Paquette. Unanimously approved.

John Dow moved to adjourn meeting. Second by Peter Thurber. Unanimously approved.

Respectfully submitted by
Lori Dacier, Secretary