

Budget and Finance Committee Report

19 January 2024

Clarendon Town Hall, Clarendon Vermont

In Person and Telephonic meeting

Board Members Present: Peter Fagan, Charly Dickerson, Michael Klopchin (in person); Robert Hooper and Joyce Scribner(telephonically).

Board Members Absent: None

Invited Guests/ Staff: Asa Morin and Steve McClafferty(telephonically)

Started at 1304hrs

Strategic Goals Addressed: #1 Serve More Vermont Veterans, #9 Preserve Financial Health

Discussions:

1. Audit Results- CFO reported and had previously emailed audit results which stated, in part, “the financial statements present fairly in all material respects the financial position of the home as of 30 Jun 2023 and 2022” which is a clean audit result. We discussed when next audit would begin and Steve reported July. In accordance with our bylaws, we appointed the entire committee as a sub-committee, to meet beforehand with the auditors. We asked Steve why the audit was required- he stated that per CMS the audit is required and it provides Board Oversight to comply with Risk Management.
2. Trust Accounts- we discussed that the accounts, consisting of donated funds to the VVH Board of Trustees, are on the Home’s Balance Sheet even though they are not State of Vermont funds. More discussion is needed at a future meeting as to how to properly account for those funds. Of note- Pension and OPEB were audited IAW GASB regulations despite the Home not having oversight of those funds which rest at the State Treasurer’s Office. **More at a future meeting.**

Other Issues discussed: Bad debt Expense/ Resident Account Interest Accruals

1. There is no approval by the State to write-off bad debt
2. Bad debt accrues as residents do not pay their part (patient share) of the monthly bill
3. The Home issues a 30 day notice of non-payment. But we have not been successful in collection efforts
4. The new plan beginning this year is to collect appropriate documentation and apply to Probate Court for payment. COO is working this approach.
5. There are approximately 12 residents currently accruing debt.
6. CMS/ Federal guidelines prohibit liens against medical debt.
7. The CFO will send to the committee the federal guidelines pertaining to bad debt collection
8. Regarding Resident accounts- we are current in the crediting of interest

Findings/Recommendations- None

Attachments- None

Future Meeting Dates- April 19th at 1300hrs, July 19th at 1300, September 20th at 1300.

Future Agenda Items- The three Trust Accounts

Adjourned: 1350hrs

Peter Fagan (Committee Chair) 21 January 2024