

HEALTHTRUST, INC.
FINANCE & PERSONNEL COMMITTEE
Minutes of February 15, 2024

COMMITTEE MEMBERS PRESENT:

Dunn, Scott, Town Admin, Gilford, <i>Chair</i>	Rossner, Daniel, Business Admin, SAU #48 <i>ex officio</i>
Clark, Michelle, Business Admin, SAU #66	Ruehr, Timothy, Chief Financial Officer, SAU #29
Dean, Russell, Town Manager, Exeter	

BOARD MEMBERS IN ATTENDANCE:

Hilchey, Susan, Director of HR, SAU #25	
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STAFF PRESENT:

Bodwell, Erica, Benefits & Coverage Counsel	Herrick, Jeanne, General Counsel
DeRoche, Scott, Acting Deputy Director	Kalgren, Jason, Chief Information Officer
Easterling-Wood, Suzy, Compliance, Risk & Control Officer	Tsiopras, George, Chief Financial Officer

Committee Chair, Scott Dunn opened the meeting at 9:02 a.m.

Minutes of November 16, 2024 Finance & Personnel Committee Meeting

Scott Dunn asked if Committee members had reviewed the minutes and if there were any recommended revisions. No changes were recommended for the minutes.

MOTION by Michelle Clark, seconded by Russell Dean to accept the minutes of the November 16, 2024 HealthTrust, Inc. Finance & Personnel Committee meeting.

MOTION passed 4-1. Timothy Ruehr abstained.

FY2025 Budget Recommendation

Scott Dunn welcomed George Tsiopras to review the recommended FY2025 budget. Mr. Tsiopras began by presenting an overview of the changes in the FY2025 budget. Chair Scott Dunn noted that a cap of 3% merit for Leadership was a new approach.

A discussion took place on Actuarial Service fees and whether or not HealthTrust should consider bringing actuarial work in house. General Counsel Jeanne Herrick noted that Milliman's access to broader information across the country and New England is a benefit that HealthTrust would lose if we moved this service in house. A brief discussion on the process of the budget took place, including clarification that if there is a surplus it goes into net position and does not roll over to the new budget year. Daniel Rossner stated that he wanted to recognize and applaud the fact that the Leadership Team came forward with a smaller pool of merit for themselves to keep staff wages higher.

MOTION by Daniel Rossner, seconded by Russell Dean, to recommend the full Board adopt the Proposed FY2025 Budget in the amount of \$11,531,139, pending any adjustments to the salary line upon the hiring of a new Executive Director.

MOTION passed unanimously.

Internal Audit Reports

Scott Dunn invited Suzy Easterling-Wood, HealthTrust's Compliance, Risk and Control Officer, to share her internal audit reports. Ms. Easterling-Wood gave a detailed overview of the Employee Mileage and Expense Reimbursement audit and invited any questions. Discussion around payroll discrepancies with the voluntary

Christmas Kids campaign took place. The Committee suggested that employee initiated voluntary donation collections be removed from the oversight of the HealthTrust finance department. Additional discussion ensued regarding HealthTrust's participation in the United Way Campaign. Jeanne Herrick stated that staff would review this and determine whether policy development is needed.

Suzy Easterling-Wood proceed with the Center at Triangle Park tenant badge audit report. She stated that overall the badge audit was unremarkable, with the exception of FEMA's badge audit as their employees have short contract terms in various locations, which leads to a high turnover. Discussion around having a need for names attached to badges for FEMA took place. Staff will look into a new process and report back to the committee.

Ms. Easterling-Wood provided a detailed presentation on the FY2024 Pension Audit and extensive discussion took place on discrepancies found with future service calculations. Jeanne Herrick explained the process of using a new automated excel sheet to calculate future service, which was sent to Attorney John Rich at the McClane law firm for review and approval of the calculations. Daniel Rossner asked Ms. Herrick if any retirees have been overpaid, which the response was yes. Jeanne Herrick elaborated that there is a proposed plan to notify retirees that are being overpaid and that a correction would take place. In addition, she reviewed a proposal to rectify those being underpaid by the calculations. These proposals will be presented to the Retirement Committee at its next meeting. Further discussion took place on the methodology for calculating creditable service and whether there are more appropriate methods that would yield consistent results. Ms. Herrick advised that a change to the methodology would require a plan amendment, but that she would take a look at the method use by the State.

MOTION by Daniel Rossner, seconded by Timothy Ruehr, to accept the Internal Audit Reports with gratitude.

MOTION passed unanimously.

Suzy Easterling-Wood exited at 10:21am.

Investment Manager Update

George Tsiopras updated the Finance Committee on the sale of Vanguard to Mercer and the need to transition to a new investment manager within 90 days as Mercer does not serve public pensions. The firm PFM Asset Management has notified Mr. Tsiopras that they would be able to accommodate a transition from Vanguard with few changes to the current contractual agreement. The Retirement Committee on February 8, 2024 authorized HealthTrust and NHMA to move forward with transitioning to PFM Asset Management for investment management services.

Mr. Tsiopras further informed the committee that Vanguard also currently provides Custodial/Trustee Services and Retirement Administration Services and that those would need to be transitioned within the next year. Mr. Tsiopras noted that PFM Asset Managers has partners that could assist in taking on these services. He will conduct further review and determine whether an RFP is the appropriate process for identifying new vendors for these components.

Other Business

Chair Scott Dunn asked the Committee if there was any other business. No other business was brought forth.

MOTION by Daniel Rossner, seconded by Michelle Clark to adjourn.

MOTION passed unanimously.

Meeting adjourned at 10:28am.

Respectfully submitted,



Pam Saucier, Executive Assistant