

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, December 7, 2023 at 4:00 p.m.**

1. Call to Order

Meeting was called to order at 3:59 p.m.

2. Roll Call

Present: Paul Swanson, M.D., Committee Chair/Board Member

Staff in attendance: Doug McCoy, CEO; Katherine Pairish, CFO; Barbara Sokolov, Executive Assistant/Clerk of the Board.

3. Consent Calendar

No quorum, deferred until next month.

4. Board Comments

None.

5. Public Comments

None.

6. CFO Report

Katherine Pairish, CFO

Summary

Total Patient Revenues for the first quarter of the current fiscal year were over budget by \$232,667. Total Operating Revenues were over budget by \$447,616. Total Operating Expenses were over budget by \$129,223. Net Income was over budget by \$294,982.

Revenues (Year-to-Date)

Overall, total Inpatient Revenues were under budget by \$220,794, with Skilled Nursing Revenues over budget by \$52,064. Pro Fees were over budget by \$120,885. Total Outpatient Revenues were over budget by \$229,229 and Clinic Revenues were over budget by \$103,347.

Expenses (Year-to-Date)

Salaries and Benefits: Combined Salaries and Benefits were over budget by \$352,703.

Purchased Services: Purchased Services were under budget by \$318,299.

Professional Fees: Professional Fees were under budget by \$87,591.

Repairs & Maintenance: Repairs & Maintenance were over budget by \$54,352.

Utilities: Utilities were over budget by \$7,954.

Supplies: Supplies were over budget by \$124,971.

Depreciation Expense: Depreciation Expense was under budget by \$43,468.

Other Expenses: Other Expenses were over budget by \$105,568. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of September 30, 2023 was \$17.5 million. The increase is due to the Cerner transition. We are working on catching up on payment posting and sending bills out timelier.

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Balance Sheet

Total Cash decreased 33.34%. Net AR increased 90.99% and Net Fixed Assets increased 31.01%. Total Liabilities decreased 35.71%.

Additional Information

Days cash on hand on September 30, 2023, was 142. September 30, 2022, days cash on hand was 206. Our cash position is still very strong. We have spent \$785,224 on capital equipment so far this year. We funded the HQAF IGT in October in the amount of \$694,616 and received \$2,245,289 back in November. We netted \$1,550,673 and anticipate our days cash on hand at the end of November to be 150.

Our auditor will present the audit report at the January Board meeting.

In addition, Katherine reported that the business office was catching up in the wake of the Cerner conversion, staffing was stable, and they were no longer using the consultant. Projected \$4.3 million in revenue for October and \$4.13 for November. Year over year \$420,000 improvement in revenue. Also received unexpected \$800,000 back from cost report. Dr. Swanson asked about how much cash was represented by each day of cash on hand. Katherine explained that it was approximately \$100,000. The large AR is due to the Cerner conversion's negative impact on collections plus \$400,000 in expenditures on capital equipment. Doug said that he anticipates a positive cash flow for the year and to be up to 200 days cash on hand by July. Currently EPHC is outperforming the operational plan. The goal is to build the nest egg, not pull from it. He is very proud of Katherine and her team!

7. Adjournment

Meeting adjourned at 4:43p.m.