



**EASTERN PLUMAS HEALTH CARE DISTRICT  
MEETING OF THE STANDING FINANCE COMMITTEE  
AGENDA  
Thursday, July 25, 2024 at 4:00 p.m.**

The July 25, 2024 Finance Committee meeting will be held in both a virtual and an in-person setting for the general public. The Board meeting location at the Portola Medical Clinic Conference Room will be accessible to the public. The meeting is also accessible to the public via Zoom (See the connection information below). Public comment will be accepted on any item on the agenda as called for by the Board chair until the close of public comment for each item.

Any person with a disability may submit a request for reasonable modification or accommodation to the above-described means for accessing and offering comment at the meeting to Barbara Sokolov [barbara.sokolov@ephc.org](mailto:barbara.sokolov@ephc.org) who will swiftly resolve such request.

The Finance Committee meeting is accessible via Zoom:

Meeting ID: 845 5401 3387 Passcode: 924105 Dial In: +1 669 900 6833 US (San Jose)  
<https://us06web.zoom.us/j/84554013387?pwd=bO2pLGO2B3WSMCbbNlnGVT4K938rEa.1>

	<u>Presenter(s)</u>	<u>I/D/A</u>	<u>Page(s)</u>
1. <b><u>Call to Order</u></b>	Dr. Paul Swanson	A	
2. <b><u>Roll Call</u></b>	Dr. Paul Swanson	I	
3. <b><u>Consent Calendar</u></b>	Dr. Paul Swanson	A	
• Agenda			1
• Meeting Minutes of the 6.27.24 Finance Committee			2-3
4. <b><u>Board Comments</u></b>	Board Members	I	
5. <b><u>Public Comment</u></b>	Members of the Public	I	
6. <b><u>CFO Report</u></b>	Katherine Pairish	I/D	4-10
• Approve 24-25 Annual Budget			
7. <b><u>Adjournment</u></b>	Dr. Paul Swanson	A	

*The next regularly scheduled meeting of the Standing Finance Committee is August 22, 2024 at the Portola Medical Clinic Conference Room, 480 1<sup>st</sup> Avenue, Portola CA 96122.*

**EASTERN PLUMAS HEALTH CARE DISTRICT  
MEETING OF THE STANDING FINANCE COMMITTEE  
OF THE BOARD OF DIRECTORS**

**MINUTES**

**Thursday, June 27, 2024 at 4:00 p.m.**

**1. Call to Order**

Meeting was called to order at 4:00 p.m.

**2. Roll Call**

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

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

**3. Consent Calendar**

The consent calendar items were approved as submitted.

Motion: Director Satchwell, seconded by Director Swanson.

**4. Board Comments**

None.

**5. Public Comments**

None.

**6. CFO Report**

Summary

This report will cover the eleven months ended May 31, 2024, compared to the eleven months ended May 31, 2023.

Net Patient Revenues were higher than last year by \$2,882,280. Total Operating Revenue was higher than last year by \$5,394,023. This is due to the receipt of IGT's in the amount of \$11,554,741 that were higher than last year by \$4,941,978. Total Operating Expenses were higher than last year by \$1,179,619. Our bottom line improved over last year by \$2,219,386. Last year included \$2,665,773 in recognition of final Cares Act monies.

**Revenues (Year-to-Date Current Year Compared to Year-to-Date Prior Year)**

Total Inpatient Revenues were higher by \$939,808, with Skilled Nursing Revenues posting higher by \$1,037,886. Pro Fees were lower by \$488,849. Total Outpatient Revenues were higher by \$2,327,922 and Clinic Revenues were higher by \$103,399.

**Expenses (Year-to-Date Current Year Compared to Year-to-Date Prior Year)**

Salaries and Benefits: Combined Salaries and Benefits were higher by \$507,513.

Purchased Services: Purchased Services were lower by \$343,840.

Professional Fees: Professional Fees were higher by \$273,319.

Repairs & Maintenance: Repairs & Maintenance were higher by \$109,949.

Utilities: Utilities were higher by \$259,579.

Supplies: Supplies were higher by \$48,397.

Depreciation Expense: Depreciation Expense was higher by \$121,199.

Other Expenses: Other Expenses were higher by \$174,064. These include training, travel, and dues and subscriptions.

Meeting of the Standing Finance Committee of Eastern Plumas Health Care  
**June 27, 2024 MINUTES - Continued**

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**Revenue Cycle**

Gross Accounts Receivable as of May 31, 2024 was \$11 million. This is a 16.78% decrease from last year.

**Balance Sheet**

Total Cash increased 19.42%. Net AR decreased 27.66% and Net Fixed Assets increased 4.33%. Total Liabilities decreased 33.22%. Our Fund Balance increased by \$4,399,438 or 15.51%.

**Additional Information**

Days cash on hand on May 31, 2024, was 186. May 31, 2024, days cash on hand was 159. We have spent \$2,033,946 on capital equipment so far this year.

We plan to present the budget for the 2024/2025 fiscal year at the July Board meeting.

**7. Adjournment**

Meeting adjourned at 5:04 p.m.



**Eastern Plumas Health Care  
Board Report  
Financial and Budget Summary**

**Date: July 25, 2024**

**FISCAL YEAR 2023/24 OVERVIEW:**

EPHC exceeded the 2023/24 fiscal year net income budget by \$756,959 and had a positive net income of 2.6m. These results are not finalized until we complete our external audit process scheduled for September.

Total patient revenue was under budget by 2.3m but increased over the previous year by 4.36m. However total operating revenue exceeded budget for the fiscal year by 3.04m due to the increase in IGT receipts. Due to the Cerner implementation in April 2023, financial statements for the 4<sup>th</sup> quarter of FY 2022/23 were unavailable so our estimates for patient revenue were overstated in addition to the unexpected impact and length of the EMR transition period.

Overall expenses were over budget by 4.1% primarily due to an increase in purchased services for the Cerner implementation and monthly subscription, completion of the Loyaltan Medical Clinic, and architectural costs for the large number of projects completed during the year. Salaries were under budget by \$859,000 even with the 2023 COLA increase and a full year of cost for the CA meal break legislation.

Account receivable days ended at 86 which was a decrease from a high of 150+ due to the Cerner conversion. Our target for FY 2024/25 will be to reach 60 days during the year. Days cash on hand ended at 175 which was an increase from June 2023 (166).

**2024/25 BUDGET OVERVIEW:**

Due to the anticipated reduction in IGT receipts and lack of additional MediCal funding due to the state budget deficit, our budget anticipates a similar net income result to FY 2023/24. Key budget factors include the following:

- Accounting for a planned reduction in IGTs of approximately 4.3m. To counter this reduction the budget reflects a significant increase in revenue specifically in census development for the hospital and skilled nursing facilities.
- A 6% increase in salaries over 2023/24 to account for COLA increases and additional staff required to accommodate the increase in census expectations.
- Overall expenses are budgeted to be reduced by .5% inclusive of the salary increase through improved expense management and vendor contract oversight.

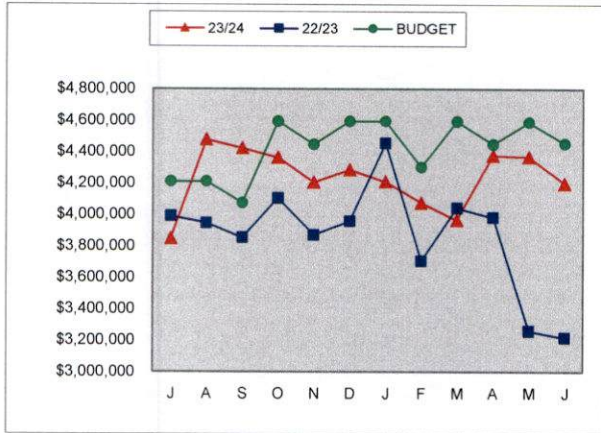
- Due to state funding reductions, we have reduced capital budget project spending to mitigate the fund balance impact, and will add additional projects throughout the year based on quarterly performance.

Eastern Plumas Health Care  
Income Statement  
DRAFT  
For the Month of June 2024

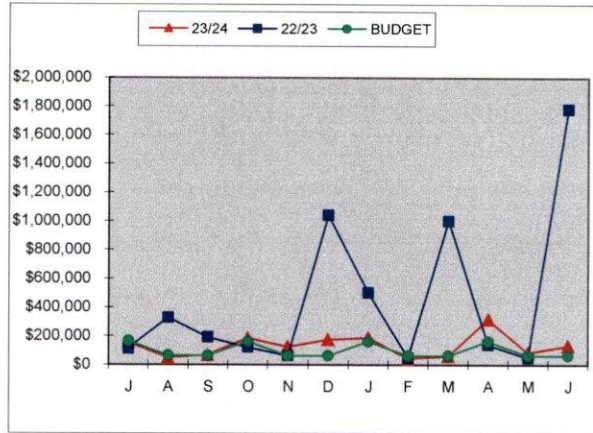
	% Net Pt Revenue	Year-to-Date Actual	Year-to-Date Budget	\$ Variance
<b>1 REVENUE</b>				
2 Inpatient Revenue		\$ 1,775,915	\$ 2,880,907	\$ (1,104,992)
3 Inpatient Revenue - Swing Bed		\$ 2,028,000	\$ 2,417,242	\$ (389,242)
4 Inpatient Revenue - SNF		\$ 10,745,411	\$ 9,867,540	\$ 877,871
5 Inpatient Revenue		\$ 14,549,326	\$ 15,165,689	\$ (616,363)
6 All Pro Fees		\$ 3,732,635	\$ 3,808,392	\$ (75,757)
7 Outpatient Revenue		\$ 26,774,891	\$ 27,930,230	\$ (1,155,339)
8 Clinics		\$ 5,667,539	\$ 6,185,650	\$ (518,111)
9 Total Patient Revenue		\$ 50,724,391	\$ 53,089,961	\$ (2,365,570)
11 Contractual Allowances		\$ (20,203,700)	\$ (19,894,985)	\$ (308,715)
12 Charity Discounts		\$ (119,729)	\$ (117,900)	\$ (1,829)
13 Other Allowances		\$ (388,221)	\$ (382,289)	\$ (5,932)
14 Bad Debt		\$ (781,654)	\$ (769,710)	\$ (11,944)
15 Total Deductions		\$ (21,493,304)	\$ (21,164,884)	\$ (328,420)
16 Net Patient Revenue		\$ 29,231,087	\$ 31,925,077	\$ (2,693,990)
17 % of Gross Revenue		57.63%	60.13%	-2.51%
18 Meaningful Use Revenue		\$ -	\$ -	\$ -
19 Quality Payments		\$ 262,238	\$ -	\$ 262,238
20 IGT Payments		\$ 11,808,807	\$ 7,639,931	\$ 4,168,876
21 Other Operating Revenue		\$ 329,817	\$ 100,689	\$ 229,128
22 Total Operating Revenue		\$ 41,631,949	\$ 39,665,697	\$ 1,966,252
<b>23 EXPENSES</b>				
24 Salaries and PTO	60.2%	\$ (17,608,094)	\$ (18,467,929)	\$ 859,835
25 Employee Benefits	19.9%	\$ (5,818,468)	\$ (5,458,971)	\$ (359,497)
26 Professional Fees - Medical	12.1%	\$ (3,539,423)	\$ (3,838,073)	\$ 298,650
27 Professional Fees - Other	0.7%	\$ (198,707)	\$ (166,164)	\$ (32,543)
28 Supplies	9.5%	\$ (2,768,369)	\$ (2,447,647)	\$ (320,722)
29 Purchased Services	19.1%	\$ (5,569,476)	\$ (4,157,734)	\$ (1,411,742)
30 Insurance	1.6%	\$ (458,625)	\$ (529,069)	\$ 70,444
31 Rental and Leases	0.4%	\$ (118,185)	\$ (78,420)	\$ (39,765)
32 Repairs and Maintenance	3.6%	\$ (1,038,943)	\$ (596,964)	\$ (441,979)
33 Utilities and Telephone	4.5%	\$ (1,324,319)	\$ (1,102,586)	\$ (221,733)
34 Depreciation Amortization	4.3%	\$ (1,269,942)	\$ (1,430,335)	\$ 160,393
35 Other Expenses	3.0%	\$ (867,964)	\$ (678,226)	\$ (189,738)
36 Total Operating Expenses	138.8%	\$ (40,580,515)	\$ (38,952,119)	\$ (1,628,396)
37 Income From Operations	3.6%	\$ 1,051,434	\$ 713,578	\$ 337,856
38 Tax Revenue	-2.9%	\$ 839,798	\$ 650,000	\$ 189,798
39 Capital Grants and Donations	-0.8%	\$ 230,606	\$ 150,000	\$ 80,606
40 Interest Income	-1.8%	\$ 538,824	\$ 400,000	\$ 138,824
41 Interest Expense	0.7%	\$ (206,323)	\$ (207,398)	\$ 1,075
42 Non-Operating Income (Expenses)	-0.5%	\$ 143,734	\$ 134,934	\$ 8,800
43 Total Non-Operating Gain (Loss)	-5.3%	\$ 1,546,639	\$ 1,127,536	\$ 419,103
44 Net Income	8.9%	\$ 2,598,073	\$ 1,841,114	\$ 756,959
45 Operating Margin %		2.53%	1.80%	0.73%
46 Net Margin %		6.24%	4.64%	1.60%
47 Payroll as % of Operating Expense		57.73%	61.43%	

# EASTERN PLUMAS HEALTH CARE MONTHLY FINANCIAL GRAPHS FOR THE YEAR ENDED JUNE 30, 2024

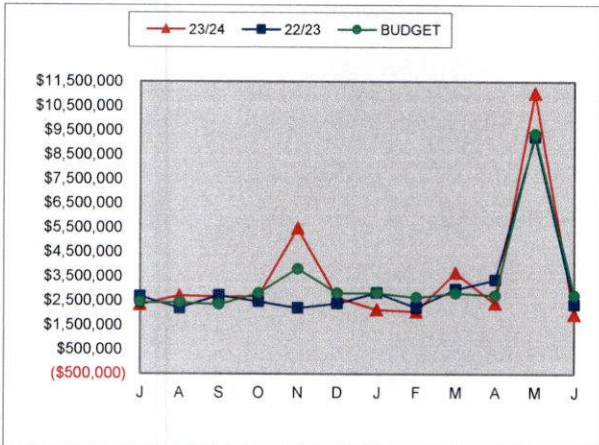
## 1. GROSS PATIENT REVENUE



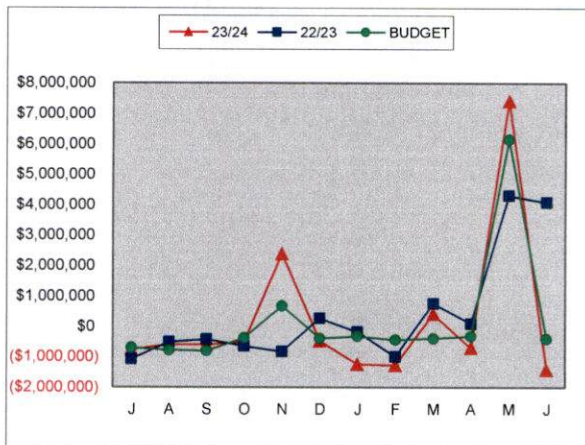
## 4. NON-OPERATING INCOME



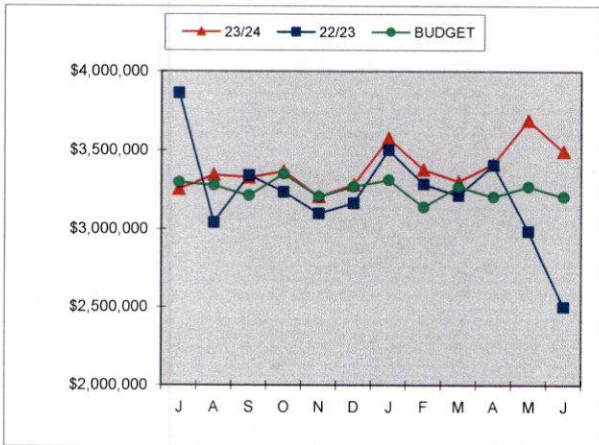
## 2. ESTIMATED NET REVENUE



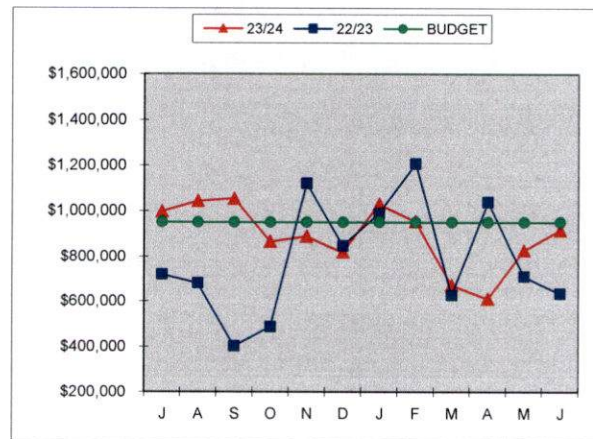
## 5. NET INCOME (LOSS)



## 3. OPERATING EXPENSES

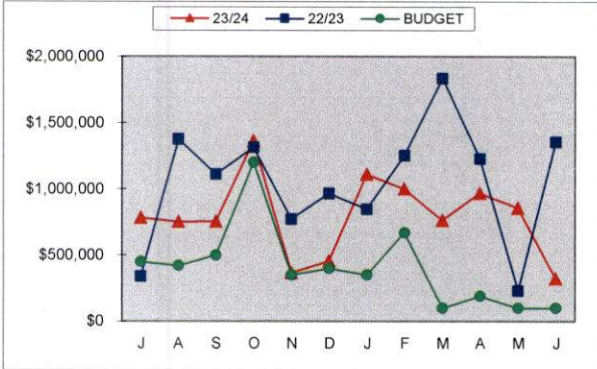


## 6. ACCOUNTS PAYABLE

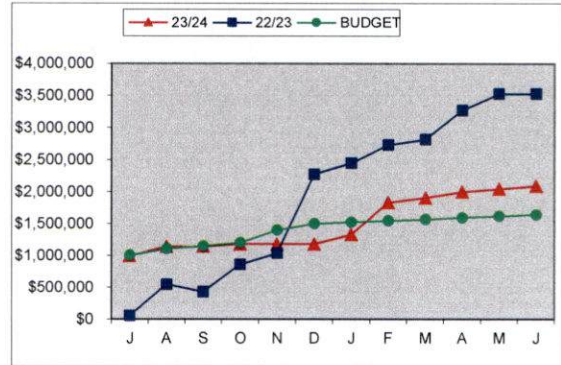


# EASTERN PLUMAS HEALTH CARE MONTHLY FINANCIAL GRAPHS FOR THE YEAR ENDED JUNE 30, 2024

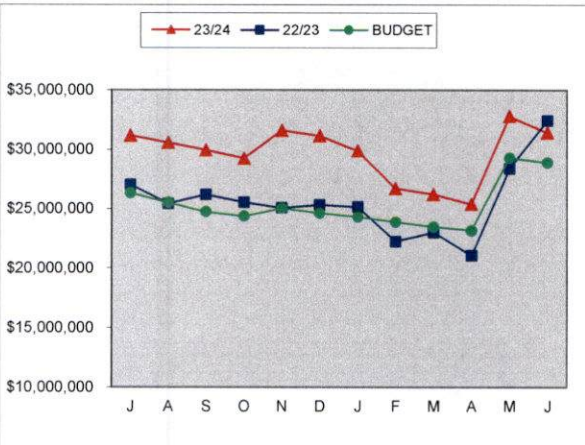
**7. OPERATING CASH**



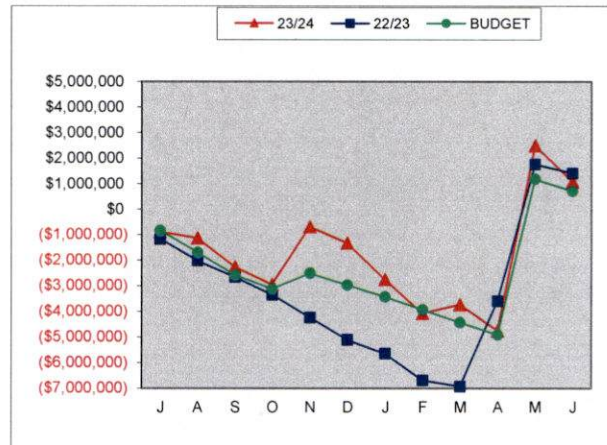
**10. CAPITAL EXPENDITURES-YTD**



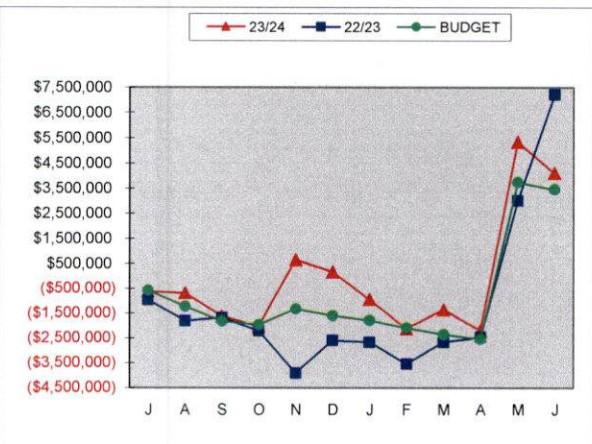
**8. FUND BALANCE + NET INCOME (LOSS)**



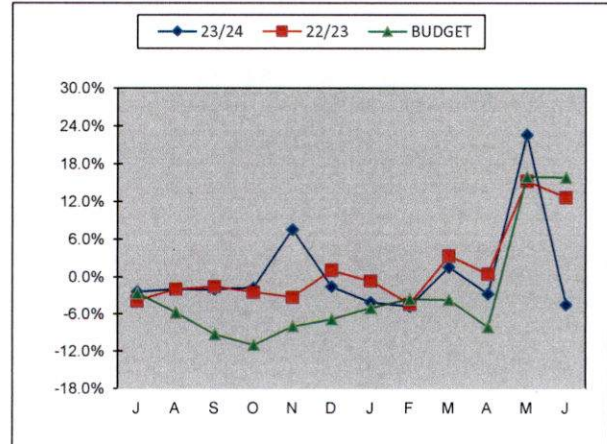
**11. YEAR TO DATE OPERATING INCOME (LOSS)**



**9. EARNINGS BEFORE INTEREST, DEPRECIATION & AMORTIZATION**



**12. RETURN ON EQUITY**





**EASTERN PLUMAS HEALTH CARE  
OPERATING BUDGET  
JULY 1, 2024 TO JUNE 30, 2025**

	FYE JUNE 30, 2025 BUDGET			PERCENTAGE OF TOTAL REVENUE
	REVENUE DEPARTMENTS	OVERHEAD DEPARTMENTS	TOTAL	
PATIENT REVENUE	\$55,321,545	\$53,050	\$55,374,595	
OTHER OPERATING REVENUE	\$230,000	\$0	\$230,000	
GOVERNMENT CONTRACTUALS	(\$14,308,795)		(\$14,308,795)	-26%
ALL OTHER CONTRACTUALS	(\$5,471,010)		(\$5,471,010)	-10%
BAD DEBT & ADMINISTRATIVE ADJUSTMENTS	(\$1,262,541)		(\$1,262,541)	-2%
INTER GOVERNMENTAL TRANSFERS	\$7,523,691		\$7,523,691	14%
<b>NET REVENUE</b>	<b>\$42,032,890</b>	<b>\$53,050</b>	<b>\$42,085,940</b>	<b>76%</b>
SALARIES	\$13,759,520	\$4,978,133	\$18,737,653	34%
BENEFITS	\$3,407,141	\$1,773,333	\$5,180,474	9%
SUPPLIES	\$1,874,651	\$924,022	\$2,798,673	5%
PROFESSIONAL FEES	\$3,696,313	\$41,881	\$3,738,194	7%
REPAIRS & MAINTENANCE	\$311,492	\$323,778	\$635,270	1%
PURCHASED SERVICES	\$2,449,472	\$3,536,954	\$5,986,426	11%
UTILITIES & TELEPHONE	\$144,478	\$1,226,416	\$1,370,894	2%
INSURANCE	\$34,700	\$430,253	\$464,953	1%
RENT & LEASE	\$41,964	\$74,648	\$116,612	0%
INTEREST		\$191,181	\$191,181	0%
DEPRECIATION & AMORTIZATION	\$662,837	\$601,011	\$1,263,848	2%
OTHER EXPENSES	\$353,033	\$572,106	\$925,139	2%
<b>TOTAL DIRECT EXPENSES</b>	<b>\$26,735,601</b>	<b>\$14,673,716</b>	<b>\$41,409,317</b>	<b>75%</b>
OPERATING INCOME	\$15,297,289	(\$14,620,666)	\$676,623	1%
PROPERTY TAX CONTRIBUTIONS			\$650,400	1%
RENTS			\$64,161	0%
NONOPERATING INCOME			\$437,958	1%
<b>TOTAL NONOPERATING INCOME</b>			<b>\$1,763,064</b>	
<b>NET INCOME</b>			<b>\$2,439,687</b>	<b>4%</b>
IGT'S FUNDED			\$ (2,301,075)	
<b>NET INCREASE (DECREASE) TO FUND BALANCE</b>			<b>\$138,612</b>	

**EASTERN PLUMAS HEALTH CARE  
 CAPITAL BUDGET  
 JULY 1, 2024 TO JUNE 30, 2025**

<b>DEPARTMENT</b>	<b>ITEM</b>	<b>COST</b>	<b>FUNDING SOURCE</b>
SNF - LOYALTON	FLOORING	\$ 262,000	OPERATING CAPITAL
SNF - LOYALTON	JACUZZI TUB REPLACEMENT	\$ 12,000	OPERATING CAPITAL
RADIOLOGY	PHILIPS XRAY ROOM	\$ 567,000	OPERATING CAPITAL
SNF - PORTOLA	SARA SIT TO STAND	\$ 8,500	OPERATING CAPITAL
	<b>TOTAL</b>	<b>\$ 849,500</b>	