

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, August 27, 2020 at 8:30 a.m.**

1. Call to Order

Meeting was called to order at 8:36 a.m.

2. Roll Call

Present: Paul Swanson, M.D.; Harvey West, Board Member

Staff in attendance: Doug McCoy, CEO; Katherine Pairish, CFO; Jessica Folchi Executive Assistant

Members of the public in attendance: Steven Clifton

3. Consent Calendar

The consent calendar was approved as submitted.

Motion: Harvey West, Seconded by: Dr. Swanson

4. Board Comments

No comment was received.

5. Public Comments

Steve Clifton gave a report on the most recent Portola City Council meeting.

6. CFO Report

Report of July Financials

Summary

We are one month into the new fiscal year. Gross Patient Revenue for the month of July 2020 was \$3,362,880; \$215,054 over budget. We posted a net loss in the amount of \$75,932 compared to a budgeted net loss of \$373,208 for a positive variance of \$297,276.

Revenues

We budgeted conservatively for revenues for the new fiscal year as there is uncertainty as to the impact of COVID. Inpatient Revenue was under budget by \$97,274. Outpatient Revenue was over budget by \$314,249 and Clinic Revenue was under budget by \$1,921.

Expenses

Total operating expenses for July 2020 were under budget by \$68,062. Most expenses are budgeted evenly throughout the year, so some variances are due to timing of purchases.

Salaries and Benefits: Combined Salaries and Benefits were under budget by \$15,744. Combined Purchased Services and Professional Fees were under budget by \$3,261.

Repairs & Maintenance: Repairs & Maintenance were under budget by \$11,494.

Supplies: Supplies were under budget by \$5,427.

Depreciation Expense: Depreciation Expense was under budget by \$1,970.

Other Expenses: Other expenses were under budget by \$10,309. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable ended the month at \$4.8M. Gross Accounts Receivable days at July 31, 2020 were 50. We budgeted 50 and best practice is 55.

Balance Sheet

Total Assets at July 31, 2020 were \$35,158,112 -An increase of \$13,568,921 over last year. As mentioned previously, included in total cash and current liabilities is \$4,633,940 for Medicare Advance Payments, \$4,643,484 for HHS Stimulus, and \$3,139,282 for PPP loan. We have been conservative keeping these funds on the balance sheet. The Medicare Advance Payments will be paid back, but we have not yet received final determination regarding timing. We will be able to retain some of the funds provided for HHS Stimulus as we have incurred expenses related to COVID. We are fairly confident that we will be able to retain the PPP funds as we have kept our employees "whole" during the COVID crisis. We will be applying for forgiveness of that loan as soon as we are notified to do so.

Additional Information

Days cash on hand at July 31, 2020 was 306. This includes the Medicare Advance Payments, HHS Stimulus Monies and Payroll Protection Program. Without these funds, days cash on hand would be 128. July 31, 2019 days cash on hand was 102.

7. General Discussion:

General discussion was had within the committee regarding new sources of revenue. Doug McCoy updated the committee on his progress of some of the suggestions the committee presented in terms of new revenue and marketing. Doug McCoy reported that many small projects were taking place on campus such as a new ER door, security cameras, and the lobby remodel. Harvey West questioned the timeliness of the annual cost of living wage increase for employees.

8. Adjournment

Meeting adjourned at 9:07 a.m.