



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

Thursday, February 22, 2024 at 4:00 p.m.

The February 22, 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 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=bO2pLGO2B3WSMcbNlnGVT4K938rEa.1>

| | <u>Presenter(s)</u> | <u>I/D/A</u> | <u>Page(s)</u> |
|--|-----------------------|--------------|----------------|
| 1. <u>Call to Order</u> | Dr. Paul Swanson | A | |
| 2. <u>Roll Call</u> | Dr. Paul Swanson | I | |
| 3. <u>Consent Calendar</u> | Dr. Paul Swanson | A | |
| • Agenda | | | 1 |
| • Meeting Minutes of 1.25.24 Finance Committee | | | 2 |
| 4. <u>Board Comments</u> | Board Members | I | |
| 5. <u>Public Comment</u> | Members of the Public | I | |
| 6. <u>CFO Report</u> | Katherine Pairish | I/D | 3-7 |
| • Report of January Financials | | | |
| 7. <u>Adjournment</u> | Dr. Paul Swanson | A | |

The next regularly scheduled meeting of the Standing Finance Committee is March 28, 2024 at the Portola Medical Clinic Conference Room, 480 1st Avenue, Portola CA 96122.

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

MINUTES

Thursday, January 25, 2024 at 4:00 p.m.

1. Call to Order

Meeting was called to order at 4:02 p.m.

2. Roll Call

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

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

3. Consent Calendar

The consent calendar items were approved as submitted.
Motion: Director Corcoran, seconded by Director Swanson.

4. Board Comments

None.

5. Public Comments

None.

6. Audit Presentation

Jerrel Tucker, JWT & Associates, LLP

See Audit Results in January Finance Committee Packet

Jerrel's report indicated that it was another strong financial year for EPHC. Dr. Swanson asked about EPHC's internal controls. Jerrel & Katherine explained that everything was appropriately in place for an organization of this size. Dr. Swanson asked about budgeting with a deficit. Jerrel explained that red flags included a significant decline in volume or inability to maintain volume; capital improvements that require heavy debt; and a revenue cycle with increasing amounts of bad debt. Dr. Swanson asked about the merits of having a different auditor. Katherine said that was not a bad idea if the Board would like to consider it. Good to have a second set of eyes but also good that Jerrel knows EPHC and other area hospitals.

7. CFO Report

Katherine Pairish, CFO

Because the Audit Presentation and discussion went long, Katherine's report was deferred to the Regular BOD Meeting. See January Finance Committee Packet for financial reports from December.

8. Adjournment

Meeting adjourned at 5:01 p.m.

Eastern Plumas Health Care
Financial Statements – Board Report
January 2024

Summary

We are seven months into the fiscal year. This report will cover year-to-date through January 31, 2024, compared to year-to-date through January 31, 2023.

Total Patient Revenues were higher than last year by \$1,617,237. This represents a 6% increase. Total Operating Expenses were higher than last year by \$182,634. This represents a 1% increase. Our bottom line improved over last year by \$1,610,335 or 47%.

Revenues (Year-to-Date)

Overall, total Inpatient Revenues were higher than last year by \$852,659, with Skilled Nursing Revenues higher than last year by \$816,156. Pro Fees were higher than last year by \$133,661. Total Outpatient Revenues were higher than last year by \$813,581 and Clinic Revenues were less than last year by \$192,664.

Expenses (Year-to-Date Current Year Compared to Year-to Date Last Year)

Salaries and Benefits: Combined Salaries and Benefits were higher by \$303,398.

Purchased Services: Purchased Services were less by \$432,710. This includes traveler expenses that were less than last year by \$646,377.

Professional Fees: Professional Fees were higher by \$75,952.

Repairs & Maintenance: Repairs & Maintenance were less by \$19,279.

Utilities: Utilities were higher by \$145,200.

Supplies: Supplies were less by \$99,331.

Depreciation Expense: Depreciation Expense was higher by \$93,232.

Other Expenses: Other Expenses were higher by \$76,417. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of January 31, 2024 was \$17 million. The business office made great strides in posting payments in Cerner. Gross Accounts Receivable at the end of November 2023 was \$19 million. December's balance was \$21 million.

Balance Sheet

Total Cash decreased 18.65%. Net AR increased 56.83% and Net Fixed Assets increased 11.34%. Total Liabilities decreased 31.23%.

Additional Information

Days cash on hand on January 31, 2024, was 132. January 31, 2023, days cash on hand was 163. We have spent \$1,325,035 on capital equipment so far this year. Included in the current year-to-date operating income is \$2,245,289 for the HQAF IGT that was returned to us in November. We will be funding the remaining IGT's in February and March for approximately \$2,695,200 and will net approximately \$5,692,200 in return. We expect to receive those funds before the end of the fiscal year. Our Fund Balance increased by \$4,697,387 or 18.6%.

Eastern Plumas Health Care
Income Statement
DRAFT
For the Month of January

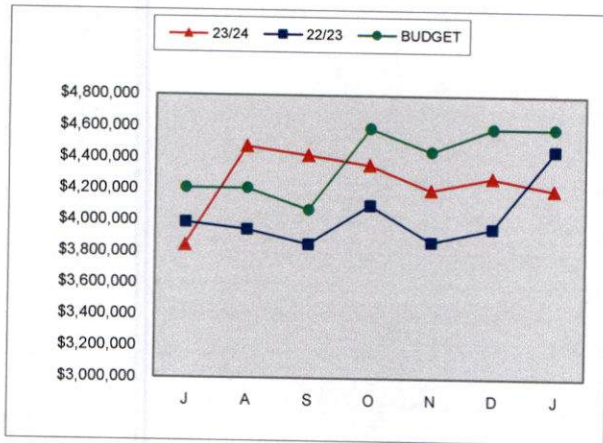
| | % Net Pt | Year-to-Date | Year-to-Date | |
|--------------------------------------|----------|-----------------|-----------------|----------------|
| | Revenue | 01/31/24 | 01/31/23 | \$ Variance |
| 1 REVENUE | | | | |
| 2 Inpatient Revenue | | \$ 1,096,337 | \$ 1,425,334 | \$ (328,997) |
| 3 Inpatient Revenue - Swing Bed | | \$ 1,188,000 | \$ 822,500 | \$ 365,500 |
| 4 Inpatient Revenue - SNF | | \$ 6,224,656 | \$ 5,408,500 | \$ 816,156 |
| Inpatient Revenue | | \$ 8,508,993 | \$ 7,656,334 | \$ 852,659 |
| 5 All Pro Fees | | \$ 2,227,110 | \$ 2,093,449 | \$ 133,661 |
| 7 Outpatient Revenue | | \$ 15,821,362 | \$ 15,007,781 | \$ 813,581 |
| 8 Clinics | | \$ 3,223,848 | \$ 3,406,512 | \$ (182,664) |
| 9 Total Patient Revenue | | \$ 29,781,313 | \$ 28,164,076 | \$ 1,617,237 |
| 11 Contractual Allowances | | \$ (10,804,850) | \$ (10,385,905) | \$ (418,945) |
| 12 Charity Discounts | | \$ (66,180) | \$ (69,089) | \$ 2,909 |
| 13 Other Allowances | | \$ (214,588) | \$ (159,498) | \$ (55,090) |
| 14 Bad Debt | | \$ (432,056) | \$ (464,235) | \$ 32,179 |
| 15 Total Deductions | | \$ (11,517,674) | \$ (11,078,727) | \$ (438,947) |
| 16 Net Patient Revenue | | \$ 18,263,639 | \$ 17,085,349 | \$ 1,178,290 |
| 17 % of Gross Revenue | | 61.33% | 60.66% | 0.66% |
| 18 Meaningful Use Revenue | | \$ - | \$ - | \$ - |
| 19 Quality Payments | | \$ - | \$ 232,180 | \$ (232,180) |
| 20 IGT Payments | | \$ 2,245,289 | \$ 70,844 | \$ 2,174,445 |
| 21 Other Operating Revenue | | \$ 39,510 | \$ 84,802 | \$ (45,292) |
| 22 Total Operating Revenue | | \$ 20,548,438 | \$ 17,473,175 | \$ 3,075,263 |
| 23 EXPENSES | | | | |
| 24 Salaries and Wages | 52.0% | \$ (9,495,993) | \$ (9,586,936) | \$ 90,944 |
| 25 Employee Benefits | 22.3% | \$ (4,072,490) | \$ (3,678,148) | \$ (394,341) |
| 26 Professional Fees - Medical | 11.1% | \$ (2,035,926) | \$ (1,887,773) | \$ (148,153) |
| 27 Professional Fees - Other | 0.6% | \$ (103,123) | \$ (175,324) | \$ 72,201 |
| 28 Supplies | 8.7% | \$ (1,594,173) | \$ (1,693,504) | \$ 99,331 |
| 29 Purchased Services | 16.8% | \$ (3,077,052) | \$ (3,509,762) | \$ 432,710 |
| 30 Insurance | 1.7% | \$ (310,534) | \$ (264,518) | \$ (46,015) |
| 31 Rental and Leases | 0.2% | \$ (43,860) | \$ (40,120) | \$ (3,740) |
| 32 Repairs and Maintenance | 2.6% | \$ (477,912) | \$ (497,190) | \$ 19,279 |
| 33 Utilities and Telephone | 4.1% | \$ (754,016) | \$ (608,816) | \$ (145,200) |
| 34 Depreciation Amortization | 4.1% | \$ (746,153) | \$ (652,921) | \$ (93,232) |
| 35 Other Expenses | 3.3% | \$ (604,038) | \$ (527,621) | \$ (76,417) |
| 36 Total Operating Expenses | 127.7% | \$ (23,315,268) | \$ (23,122,634) | \$ (192,634) |
| 37 Income From Operations | -15.1% | \$ (2,766,830) | \$ (5,649,459) | \$ 2,882,629 |
| 38 Tax Revenue | -2.1% | \$ 379,400 | \$ 340,056 | \$ 39,344 |
| 39 Non Capital Grants and Donations | -1.0% | \$ 180,404 | | \$ 180,404 |
| 40 Interest Income | -2.2% | \$ 407,218 | \$ 227,066 | \$ 180,152 |
| 41 Interest Expense | 0.7% | \$ (122,311) | \$ (134,228) | \$ 11,917 |
| 42 Non-Operating Income (Expenses) | -0.5% | \$ 83,066 | \$ 1,767,177 | \$ (1,684,111) |
| 43 Total Non-Operating Gain (Loss) | -5.1% | \$ 927,777 | \$ 2,200,071 | \$ (1,272,294) |
| 44 Net Income | -10.1% | \$ (1,839,053) | \$ (3,449,388) | \$ 1,610,335 |
| 45 Operating Margin % | | -13.46% | -32.33% | 18.87% |
| 46 Net Margin % | | -8.95% | -19.74% | 10.79% |
| 47 Payroll as % of Operating Expense | | 58.20% | 57.37% | |

Eastern Plumas Health Care
Comparative Balance Sheets - Board Report
DRAFT
Dates as Indicated

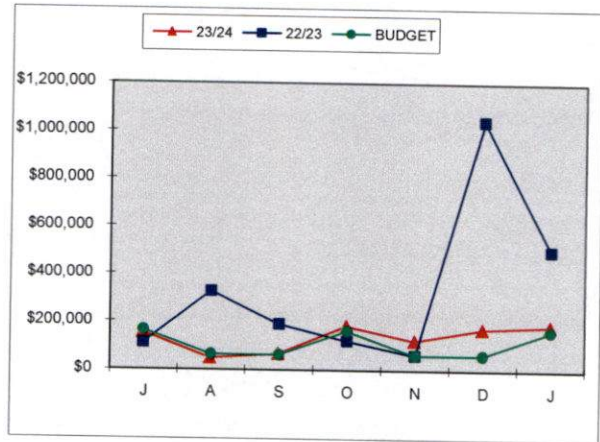
| | FYE as of 1/31/24 | FYE 1/31/2023 | FYE 1/31/2022 | FYE 1/31/2021 | FYE 2024-2023 | |
|---|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------|
| | | | | | \$ Change | % Change |
| Assets | | | | | | |
| Current Assets | | | | | | |
| Cash | \$ 1,107,109 | \$ 846,086 | \$ 877,161 | \$ 514,487 | \$ 261,023 | 30.85% |
| Short-term Investments (LAIF) | \$ 12,859,002 | \$ 16,322,845 | \$ 25,875,475 | \$ 19,058,959 | \$ (3,463,843) | -21.22% |
| Total Cash and Equivalents | \$ 13,966,111 | \$ 17,168,931 | \$ 26,752,636 | \$ 19,573,447 | \$ (3,202,820) | -18.65% |
| Patient Accounts Receivable | \$ 16,880,670 | \$ 9,087,067 | \$ 6,174,936 | \$ 5,339,328 | \$ 7,793,603 | 85.77% |
| Accounts Receivable Reserves | \$ (8,179,082) | \$ (3,538,592) | \$ (2,238,093) | \$ (1,985,254) | \$ (4,640,490) | 131.14% |
| Net Accounts Receivable | \$ 8,701,588 | \$ 5,548,475 | \$ 3,936,843 | \$ 3,354,074 | \$ 3,153,112 | 56.83% |
| % of Gross Account Receivables | 51.5% | 61.1% | 63.8% | 62.8% | | |
| Inventory | \$ 578,269 | \$ 481,936 | \$ 438,471 | \$ 258,921 | \$ 96,333 | 19.99% |
| Other Assets | \$ 1,044,016 | \$ 650,541 | \$ 1,169,221 | \$ 924,998 | \$ 393,475 | 60.48% |
| Total Other Assets | \$ 1,622,285 | \$ 1,132,478 | \$ 1,607,692 | \$ 1,183,919 | \$ 489,807 | 43.25% |
| Total Current Assets | \$ 24,289,984 | \$ 23,849,884 | \$ 32,297,171 | \$ 24,111,439 | \$ 440,100 | 1.85% |
| Fixed Assets | | | | | | |
| Land | \$ 1,166,344 | \$ 1,166,344 | \$ 1,123,344 | \$ 1,123,344 | \$ - | 0.00% |
| Buildings | \$ 15,220,840 | \$ 15,218,416 | \$ 14,878,413 | \$ 14,819,921 | \$ 2,424 | 0.02% |
| Capital Equipment | \$ 16,267,141 | \$ 15,288,255 | \$ 14,812,148 | \$ 14,299,907 | \$ 978,886 | 6.40% |
| In Progress | \$ 3,374,352 | \$ 2,147,112 | \$ 464,776 | \$ - | \$ 1,227,240 | 57.16% |
| Total Plant & Equipment | \$ 36,028,677 | \$ 33,820,127 | \$ 31,278,681 | \$ 30,243,171 | \$ 2,208,550 | 6.53% |
| Accumulated Depreciation | \$ (23,840,194) | \$ (22,873,652) | \$ (21,990,184) | \$ (20,948,896) | \$ (966,542) | 4.23% |
| Net Fixed Assets | \$ 12,188,483 | \$ 10,946,475 | \$ 9,288,497 | \$ 9,294,275 | \$ 1,242,008 | 11.35% |
| Total Assets | \$ 36,478,466 | \$ 34,796,359 | \$ 41,585,668 | \$ 33,405,714 | \$ 1,682,108 | 4.83% |
| LIABILITIES AND RETAINED EARNINGS | | | | | | |
| Current Liabilities | | | | | | |
| Accounts Payable | \$ 1,028,526 | \$ 988,037 | \$ 779,286 | \$ 725,553 | \$ 40,489 | 4.10% |
| Accrued Payroll & Benefits | \$ 1,305,260 | \$ 2,088,311 | \$ 1,237,835 | \$ 1,027,884 | \$ (783,051) | -37.50% |
| Other Current Liabilities | \$ 10,912 | \$ 1,957,922 | \$ 7,221,651 | \$ 12,527,617 | \$ (1,947,010) | -99.44% |
| Total Current Liabilities | \$ 2,344,698 | \$ 5,034,270 | \$ 9,238,773 | \$ 14,281,053 | \$ (2,689,572) | -53.43% |
| Long-Term Liabilities | | | | | | |
| Loans | \$ 4,294,967 | \$ 4,620,675 | \$ 4,927,781 | \$ 5,751,726 | \$ (325,708) | -7.05% |
| Capitalized Leases | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Total Long Term Liabilities | \$ 4,294,967 | \$ 4,620,675 | \$ 4,927,781 | \$ 5,751,726 | \$ (325,708) | -7.05% |
| Deferred Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| TOTAL LIABILITIES | \$ 6,639,665 | \$ 9,654,945 | \$ 14,166,554 | \$ 20,032,779 | \$ (3,015,280) | -31.23% |
| Fund Balance | \$ 29,838,801 | \$ 25,141,414 | \$ 27,419,113 | \$ 13,372,935 | \$ 4,697,387 | 18.68% |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 36,478,466 | \$ 34,796,359 | \$ 41,585,668 | \$ 33,405,714 | \$ 1,682,107 | 4.83% |

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

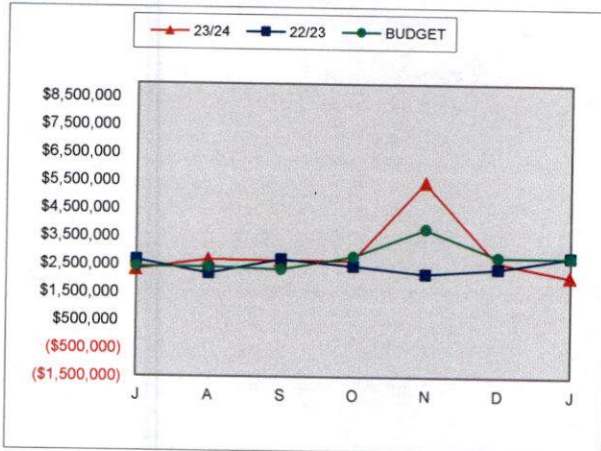
1. GROSS PATIENT REVENUE



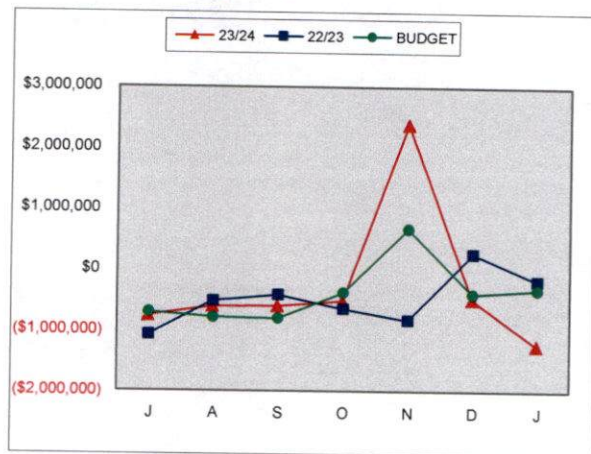
4. NON-OPERATING INCOME



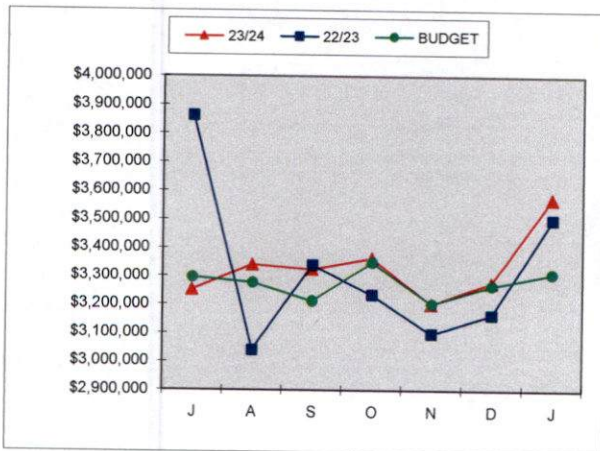
2. ESTIMATED NET REVENUE



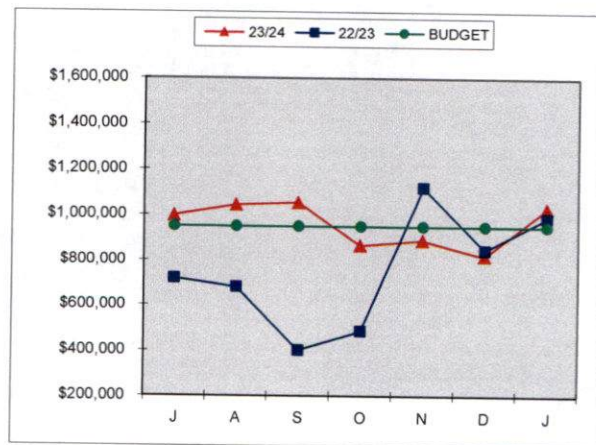
5. NET INCOME (LOSS)



3. OPERATING EXPENSES

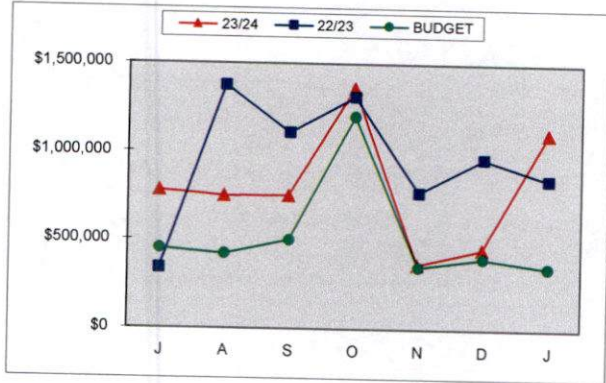


6. ACCOUNTS PAYABLE

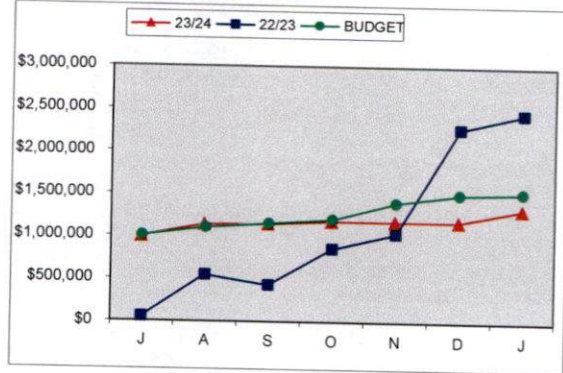


EASTERN PLUMAS HEALTH CARE
MONTHLY FINANCIAL GRAPHS
FOR THE YEAR ENDED JUNE 30, 2024

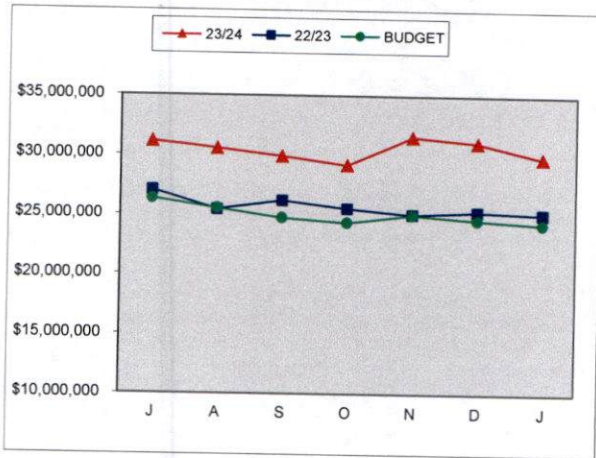
7. OPERATING CASH



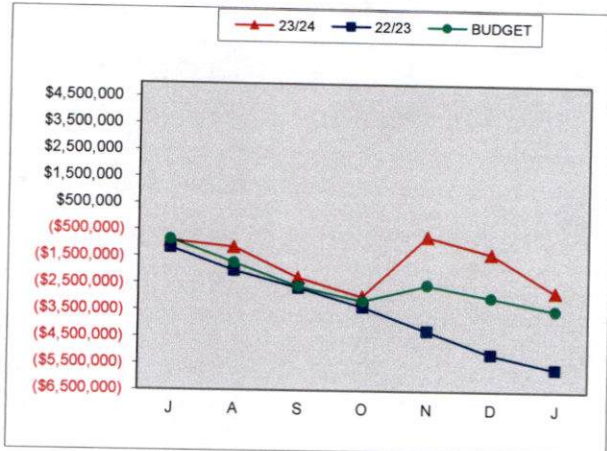
10. CAPITAL EXPENDITURES-YTD



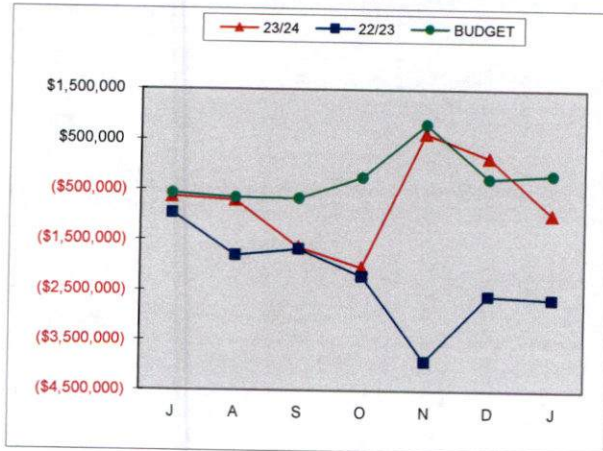
8. FUND BALANCE + NET INCOME (LOSS)



11. YEAR TO DATE OPERATING INCOME (LOSS)



9. EARNINGS BEFORE INTEREST, DEPRECIATION & AMORTIZATION



12. RETURN ON EQUITY

