

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
Thursday, June 20, 2019
8:00 A.M.
EPHC Administrative Conference Room**

Minutes

- 1. Call to Order:** The meeting was called to order at 8:10 a.m.
- 2. Roll Call:**

Present: Paul Swanson, M.D., Harvey West
Absent:
Staff: Katherine Pairish, CFO, Todd Plimpton, CEO, Ashlie Preston, Executive Assistant, Sharon DiNicholas, CNO, Janie Dikes, Controller
Guest: 1
- 3. Approval of Agenda:** The agenda was approved as submitted.
- 4. Approval of Minutes:** The minutes were approved as submitted.
- 5. Board Comments:** None
- 6. Public Comments:** None
- 7. CFO Report**
 - May Financials

Eastern Plumas Health Care posted a net income for the month of May in the amount of \$8,804,013. Included in this is \$675,000 received for PRIME IGT and \$8,272,199 in HQAF5 and Rate Range IGT's. Last year May 31, 2018 we posted net profit in the amount of \$424k, which included \$450k in PRIME IGT. We continue to see growth in revenue across all revenue centers. Gross revenue for the month of May was \$3.6 mil. Our inpatient revenue has been averaging around \$359k. May's inpatient revenue was \$534k. Outpatient revenue for the month was \$2.1 mil. SNF revenue was \$616k and has been averaging \$530k.

Expenses
Total operating expenses for the month were \$2.5mil. In May of 2018, overhead was \$2.1mil.

Salaries and Benefits: Salaries and Benefits were \$159k over last May. As mentioned in previous reports, this was due partly to the conversion of two providers from contractors to employee status.

Repairs & Maintenance: Repairs & Maintenance was up \$26k over May 2018. This was due primarily to the continued improvements District-wide along with pipe repairs at Portola.

Supplies: Supplies are up for the month over last year by \$138k. This was due mainly to the work on finalizing the Portola Clinic. As mentioned previously, as we see increases in census, we will see increases in supplies.

Purchased Services:

Purchased Services are up over last May by \$52k. We had travelers in Lab, the increase was also due to timing of payments for Business Office software services.

Revenue Cycle

Gross Accounts Receivable ended the month at \$5.3M. Gross Accounts Receivable days at May 31, 2019 were 50. Best practice is 55.

19-20 Budget Update

Janie and I were really looking forward to working with Todd on the budget because we thought he would make the process easier. We were sadly mistaken. The process was much more complicated, but also more thorough. The budget we are presenting is realistic. We took a conservative approach with regard to projections of revenue and a more aggressive approach to expense projections as we are continuing to work on improvements campus-wide along with a lift in IT. We met with Directors and Managers to solicit their input and have reviewed the departmental budgets at length.

Additional Information

Days cash on hand at the end of May was 111. Last year at this time days cash on hand was 22. Projected days cash on hand for the end of June, our fiscal year, is 106. We ended last fiscal year with 71 days cash on hand. We are continuing to pay our vendors timely with average days in AP at 16 days.

- 2019/2020 Budget:

Ms. Pairish reiterated that we have reviewed the proposed budget in detail with department managers.

The Operating Budget and Capital Budget were reviewed in detail. The committee will recommend that the Board accept the 2018/19 Budget.

Mr. Plimpton discussed his outlook on the future average monthly gross revenues, noting that we should see an overall increase in annual gross revenue. He stated that our main goal is to increase patient care with lines of service such as Outpatient PT/OT.

Dr. Swanson discussed the goals in his view are to position ourselves into a place of long term survivability, where we are looking at expanding and prospering.

Mr. Plimpton discussed his meeting with the Architect and plans for site-wide upgrades and expansion.

- 8. Adjournment:** Dr. Swanson adjourned the meeting at 9:13 am.

Approval

Date