

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, July 23, 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.;

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

Absent: Harvey West

3. Consent Calendar

The consent calendar was approved as submitted.

Motion: Dr. Swanson, Seconded by: Katherine Pairish

4. Board Comments

No comment was received.

5. Public Comments

No comment was received.

6. CFO Report

Report of June Financials

Summary The fiscal year ending June 30, 2020 has been an interesting one, to say the least. It went by quickly and was not without its challenges. Eastern Plumas Health Care employees rose to the occasion and continue to do so with the usual can-do attitude.

Revenues

Year-to-date total Revenue was over budget by \$414,591. Inpatient Revenue was over budget by \$828,175. Outpatient Revenue was over budget by \$68,956 and Clinic Revenue was under budget by \$482,540. Outpatient and Clinic Revenues were impacted greatly in April due to COVID, but we recovered nicely in May and June.

Expenses

Total operating expenses for the year were over budget by \$481,483.

Salaries and Benefits: Combined Salaries and Benefits were under budget by \$269,460. Purchased Services and Professional Fees were over budget by \$458,291. This was due mainly to unbudgeted legal and recruiting fees.

Repairs & Maintenance: Repairs & Maintenance were over budget by \$130,487.

Supplies: Supplies were over budget by \$99,897.

Depreciation Expense: Depreciation Expense was under budget by \$178,071.

Other Expenses: Other expenses were over budget by \$151,452. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable ended the month at \$4.7M. Gross Accounts Receivable days at June 30, 2020 were 47. We budgeted 54 and best practice is 55.

Balance Sheet

Total Assets at June 30, 2020 were \$35,478,725 - An increase of \$13,868,032 over last year. Included in total current liabilities is \$4,633,940 for Medicare Advance Payments, \$4,643,484 for HHS Stimulus, and \$3,139,282 for PPP loan.

Additional Information

Days cash on hand at June 30, 2020 was 310. This includes the Medicare advance payments, HHS Stimulus Monies and Payroll Protection Program. Without these funds, days cash on hand would be 133. June 30, 2019 days cash on hand was 111.

20-21 Budget

We have completed the budget for the upcoming fiscal year. We feel that the budget we are presenting is attainable. We took a conservative approach with regard to projections of revenue as we are not sure of the ongoing impact of COVID. We met with Directors and Managers to solicit their input and have reviewed the departmental budgets at length. We have budgeted for a 2% increase in patient revenues keeping expenses relatively flat over the prior year.

General Discussion:

General discussion was had within the committee regarding the importance of the return of investments on all investments. Doug McCoy shared that the rehabilitation and wellness facility expansion is on hold until the growth rate of the department can support the expense. The expansion will be revisited the end of Q1 2021.

Adjournment

Meeting adjourned at 9:27 a.m.