

**Minutes of October 24, 2023**
**San Joaquin Health Centers Board of Directors – Finance Committee**
**Board Members Present:** Greg Diederich (Interim CEO); Monica Fuentes (Finance); Brian Heck; Samantha Monks (Finance)

**Board Members Excused Absent:** Rod Place (Interim Finance Chair)

**Board Members Unexcused Absent:** Esgardo Medina (Finance)

**SJHC Staff:** Michael Allen (Board Clerk); Kris Zuniga

**Guests:** Brandi Hopkins

AGENDA ITEM	ATTACHMENTS	ACTION
<b>1. <u>Call to Order (Brian Heck)</u></b> The meeting was called to order at 5:19 p.m. A quorum was not established for today's meeting.	No attachments	No action required
<b>2. <u>Approval of Minutes from 9/26/23 (Brian Heck)</u></b> Minutes from September 26, 2023 were not approved, as there was no quorum. Approval deferred to next month.	Finance Committee Minutes 2023-09-26	Item deferred to next month, as a quorum was not present
<b>3. <u>Presentation of Financials (Kris Zuniga)</u></b> Billable visits for September are unfavorable to budget by 1,487 visits. Net Patient Service Revenues for September are unfavorable to budget by \$443,905. The decrease in Net Patient Service revenues is in line with the decline in visits in September. YTD financials reflect a PPS liability accrual of \$75,000.  YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$2,964,987. Combined Grants Revenue includes revenues for Exact Sciences Focus Program, ARPA, ACE/Practice, Test To Treat Equity, HRSA Expanding Covid Vaccinations and HHIP Street Medicine grants for \$1,077,254. Also, September grant revenues are higher compared to budget due to the recognition of ARPA grant revenue for \$794,322 for identified retroactive allowable expenses related to July 2022 through September 2023. YTD financials include Capitation Revenue for \$1,604,793 and the 340B Pharmacy program revenue for \$363,257. Other Revenue includes revenues accrued for \$162,607 related to Purchased Services provided to SJGH by SJHC per the MOU and Interest Income of \$168,889. Total YTD Operating Revenue is unfavorable to budget by \$814,511 primarily due to budgetary underperformance of \$221,973 in the SJHC grant portfolio. Also, YTD Operating Revenue is unfavorable to budget by \$684,280 due to the decrease in Net Patient Service revenues because of decline in billable visits.  Salaries and Benefits expenses exhibit a favorable variance to budget by \$234,411. Other operating expenses exhibit an unfavorable variance of \$42,197 largely due to Purchased Services, Supplies, Interest, Insurance, Utilities, Rent and other expenses with a favorable variance of 381,783 mainly offset by unfavorable variance in Professional Fees, Dues, Repairs, Depreciation, Telephone, and miscellaneous expenses for \$423,980. An estimated expense for the	CFO Presentation – 2023-09; Finance Narrative – 2023-09	No action required



# SJ HEALTH

San Joaquin Health Centers

<p>Purchased Services is recorded for July through September based on the MOU. YTD expenditures are favorable to budget by \$192,214.</p> <p>Unaudited, as presented, Net Loss of \$40,178 on a year-to-date basis is unfavorable compared to budget by \$622,297.</p> <p>Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at -0.3% against a goal of &gt;3%, Bottom Line Margin at -0.3% against a goal of &gt;3%, Days Cash on Hand at 168 against a goal of &gt;45 days, Days in Net Patient Receivables at 35 against a goal of &lt;60 days, and Personnel-Related Expenses at 83% against a goal of &lt;70%.</p>		
<p><b>4. Adjournment (Brian Heck)</b> There being no further topics of discussion, Brian Heck adjourned the meeting at 5:32 p.m.</p>	<p>No attachments</p>	<p>No action required</p>

