SJ HEALTH
San Joaquin Health Centers

Minutes of October 28, 2025
San Joaquin Health Centers Board of Directors – Finance Committee

Board Members Present: Rick Ledo (Finance); Samantha Monks (Finance Chair)
Board Members Excused Absent: None
Board Members Unexcused Absent: None
SJHC Staff: Michael Allen (Board Clerk); Rachna Sharma
Guests: Brandi Hopkins

AGENDA ITEM	ATTACHMENTS	ACTION
1. Call to Order (Samantha Monks) The meeting was called to order at 4:38 p.m. by Samantha Monks. A quorum was established for today's meeting.	No attachments	No action required
2. Approval of Minutes from 8/26/2025 (Samantha Monks) The minutes from August 26, 2025 were approved unanimously.	Finance Committee Minutes 2025-08-26	Rick motioned to accept the minutes from the Finance meeting on 8/26/2025 and Samantha seconded; motion was approved unanimously
3. Presentation of Financials (Rachna Sharma) August financials were presented. Year-to-date (YTD) billable visits as of August are unfavorable to budget by 148 visits mainly related to visits included in the FY26 budget pertaining to vacant positions not filled yet. Recruitment efforts are ongoing for additional providers to fill the vacant positions. Net Patient Service Revenues for August are favorable to budget by $164,793 primarily due to higher billable visits along with the favorable YTD revenue true up adjustment recorded based on the actual collections. YTD financials reflect an estimated PPS liability accrual of $50,000. August 2025 financials include Medi-Cal payment for $139,334 for FY2023 PPS liabilities due to DHCS. Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of $4,561,845. Also, YTD financials include Capitation Revenue for $911,146 and 340B Pharmacy program revenue for $482,733. Grant Revenues include ARPA grant revenues for $159,190. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for $158,000 for July and August health care services. Other Revenue includes revenues accrued for $106,987 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for $254,830 has been reflected on the financials, which is favorable compared to budget by $8,136 mainly due to higher cash balance contained within the County Treasury. Total Operating Revenue is favorable to budget by $85,432 primarily due to revenues related to grants, 340B pharmacy program and interest income higher than budget. Salaries and Benefits expenses exhibit a favorable variance to budget by $2,368,269 which is mainly related to vacant positions that have not filled yet. Salaries and Benefits expenses budgeted for FY26 are based on 100% employment.	CFO Presentation – 2025-08; CFO Presentation – 2025-08; CFO Presentation – 2025-09; Finance Narrative – 2025-09	No motion put forth

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Other operating expenses exhibit an unfavorable variance of $108,309 largely due to an unfavorable variance for $208,928 for Professional Fees, Supplies, Interest, Dues, Repairs, Travel, and Insurance expenses offset by a favorable variance of $100,619 reflected in the Purchased Services, Office, Telephone, Advertising, Utilities, Rent, and Miscellaneous expense categories. An estimated accrual for the Purchased Services is recorded for July and August based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by $2,259,960. Unaudited, as presented, YTD Net Income of $2,225,446 represents a favorable variance of $2,345,392 as compared to budgeted Net Loss of $119,945. Net Income is favorable mainly due to the actual salaries and benefits expenses related to vacant positions that have not been filled yet and are included in FY26 budgeted expenses. September financials were presented. Year-to-date (YTD) billable visits as of September are favorable to budget by 455 visits. Net Patient Service Revenues for September are favorable to budget by $252,133 which is in line with the higher billable visits. YTD financials reflect an estimated PPS liability accrual of $75,000. YTD financials include Medi-Cal payment for $139,334 for FY2023 PPS liabilities due to DHCS. Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of $6,842,767. Also, YTD financials include Capitation Revenue for $1,359,378 and 340B Pharmacy program revenue for $678,030. Grant Revenues include ARPA grant revenues for $234,089. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for $237,000 for July through September health care services. Other Revenue includes revenues accrued for $164,289 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for $254,894 has been reflected on the financials, which is unfavorable compared to budget by $6,356. Total Operating Revenue is favorable to budget by $315,516 primarily due to revenues related to patient services, SJGH Chargebacks per MOU, and grants higher than budget. Salaries and Benefits expenses exhibit a favorable variance to budget by $3,688,959 which is mainly related to vacant positions that have not filled yet. Salaries and Benefits expenses budgeted for FY26 are based on 100% employment. Recruitment efforts are ongoing to fill the vacant positions. Other operating expenses exhibit an unfavorable variance of $285,378 largely due to an unfavorable variance for $399,304 for Professional Fees, Supplies, Interest, Dues, Repairs, Travel, Insurance and Miscellaneous expenses offset by a favorable variance of $113,926 reflected in the Purchased Services, Office, Telephone, Advertising, Utilities, and Rent expense categories. An estimated accrual for the Purchased Services is recorded from July through September based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating		

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Expenditures are favorable to budget by $3,403,582. Unaudited, as presented, YTD Net Income of $3,384,015 represents a favorable variance of $3,719,098 as compared to budgeted Net Loss of $335,083. Net Income is favorable mainly due to the actual salaries and benefits expenses related to vacant positions that have not been filled yet and are included in FY26 budgeted expenses. Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 20.9% against a goal of >3%, Bottom Line Margin at 20.9% against a goal of >3%, Days Cash on Hand at 236 against a goal of >45 days, Days in Net Patient Receivables at 35 against a goal of <60 days, and Personnel-Related Expenses at 63% against a goal of <70%.		
4. Adjournment (Samantha Monks) There being no further topics for discussion, Samantha adjourned the meeting at 5:15 p.m.	No attachments	No action required