

Minutes of November 29, 2021

San Joaquin County Clinics Board of Directors – Finance Committee

Board Members Present:

Paul Antigua (SJCC Treasurer); Charson Chang (SJCC Board Member); Farhan Fadoo (SJCC CEO); Monica Fuentes (SJCC Board Member); Escardo Medina (SJCC Board Member)

Board Members Excused Absent:

Rod Place (SJCC Chair)

Board Members Unexcused Absent:

None

SJCC Staff: Alice Souligne (SJCC COO); Kris Zuniga (SJCC CFO); Michael Allen (SJCC Board Clerk)

Guests: David Culberson (SJGH CEO)

AGENDA ITEM	ATTACHMENTS	ACTION
<p>1. <u>Call to Order (Paul Antigua, SJCC Treasurer)</u> The meeting was called to order at 5:06 p.m. A quorum was established for today's meeting.</p>	No attachments	No action required
<p>2. <u>Approval of Minutes from 10/25/21 (Paul Antigua, SJCC Treasurer)</u> A quorum was established and the minutes from the previous Finance meeting were adopted.</p>	Finance Committee Minutes 2021-10-25	Esgardo motioned to approve the minutes and Monica seconded; minutes were approved unanimously
<p>3. <u>Introductions (Paul Antigua, SJCC Treasurer)</u> Paul introduced himself and noted his experience as CFO for VHP & HPSJ. Monica introduced herself and noted her psychiatric teaching experience at Delta College. Esgardo introduced himself and noted his experience in the medical field.</p>	No attachments	No action required
<p>4. <u>Presentation of Financials (Kris Zuniga, SJCC CFO)</u> Billable visits for October are unfavorable to budget by 611 visits. Net Patient Revenues are \$59,928 greater than budget. YTD financials reflect a PPS reconciliation liability accrual of \$100,000. YTD Medi-Cal payments for \$1,473,250 have been reflected on the Balance Sheet for FY2015, FY2016, and FY2017 according to the payment plan with DHCS. YTD Income Statement includes interest expense of \$71,813 for PPS liability payments made to DHCS for FY2015, FY2016, and FY2017. YTD financials includes \$8.1M payment from SJGH related to the finalization of FY2020 financial statement audit and according to the separation agreement between SJGH and SJCC.</p> <p>YTD results include \$37,473 in DHCS recoveries for overpaid Code 18 Wrap payments for the period of October 2020 through December 2020.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$3,988,660. Other Revenue includes combined Grants Revenue for Essential Access Title X, Health Net and American Rescue Plan (ARP) grants for \$298,280. Other Income includes the YTD Capitation Revenue with an unfavorable variance to budget by \$17,516 due to a slight decline in enrolled members. Also, Other Income includes the 340B Pharmacy</p>	CFO Presentation 2021-10	No action required

<p>Program revenue for \$549,145 and the program related expenses for \$329,619 are included in Supplies & Other Expenses categories on the financials. YTD financials reflect First Responder Program revenue for \$11,200. YTD Other Revenue includes revenues accrued for \$226,639 related to Purchased Services provided to SJGH by SJCC per the MOU. Total Net Operating Revenues are favorable to budget by \$415,332.</p> <p>YTD Salaries and benefits expenses exhibit a favorable variance to budget of \$494,870. Other operating expenses exhibit an unfavorable variance of \$1,022,111 largely due to Professional Fees and Other Expenses favorable variance of \$502,866 mainly offset by unfavorable variance in Purchased Services, Supplies, Interest and Miscellaneous Expenses \$1,524,977. An estimated expense for the Purchased Services is recorded from July through September based on the MOU.</p> <p>Unaudited, as presented, Net Income of \$475,437 on a year-to-date basis is unfavorable compared to budget by \$111,909.</p> <p>Kris noted increasing PCP assignments over the last 18 months.</p> <p>Capital Link benchmarks are all being met, with the exception of personnel-related expenses (PRE), which is expected for a County organization.</p> <p>Paul discussed some procedural clarifications regarding when financials are accepted. It was decided that no vote is necessary at the Finance committee, but that the Treasurer will make the recommendation to accept at the general Board meeting.</p>		
<p>5. <u>Status of 2020 & 2021 Audits (Kris Zuniga, SJCC CFO)</u> Independent audit reports due by September 2022 and are on track for timeliness.</p>	<p>No attachments</p>	<p>No action required</p>
<p>6. <u>Finance Committee Structure for 2021-22 (Paul Antigua, SJCC Treasurer)</u> Paul noted current timing and length of meetings and it was decided to keep the Finance committee as is.</p>	<p>No attachments</p>	<p>No action required</p>
<p>7. <u>Adjournment</u> There being no further topics of discussion, Paul Antigua adjourned the meeting at 5:31 p.m.</p>	<p>No attachments</p>	<p>No action required</p>