



AGENDA

Finance Committee

March 6th, 2024

11:00 PM

512 W. Aten Rd.

Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Committee Members	Representing	Present
Lee Hindman	LHA Chairperson – Joint Chambers of Commerce Nominee	
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair – CEO, Inncare	
Dr. Carlos Ramirez	Finance Committee Chair – COO Unicare	
Mayra Widmann	Deputy CEO - Budget Fiscal.	

1. Call to Order *Lee Hindman, Chair*
2. Roll Call *Donna Ponce, Commission Clerk*
3. Approval of Agenda
 - a. Items to be pulled or added from the Information/Action/Closed Session Calendar
 - b. Approval of the order of the agenda
4. Public Comment *Lee Hindman, Chair*

Public Comment is limited to items NOT listed on the agenda. This is an opportunity for members of the public to address the Commission on any matter within the Commission’s jurisdiction. Any action taken as a result of public comment shall be limited to the direction of staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the board.

CONSENT CALENDAR

All items appearing on the consent calendar are recommended for approval and will be acted upon by one motion, without discussion. Should any Commissioner or other person express their preference to consider an item separately, that item will be addressed at a time as determined by the Chair.

5. Approval of Minutes from 2/7/2024



CLOSED SESSION

Larry Lewis, CEO

6. Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 01/2024)

ACTION

7. Report on actions taken in closed session.
8. Motion to recommend to the full Committee approval of the financial reports as presented.
Mark A. Southworth, CFO
 - a. Revenue & Expenses – January 31, 2024
 - b. Statement of Financial Position – January 31, 2024
 - c. Cash Transactions – January 31, 2024

INFORMATION

9. Financial Services Report (*Mark Southworth, CFO*)
 1. Finance Issues Dashboard
10. Other new or old business
11. Commissioner Remarks

Lee Hindman, Chair

Lee Hindman, Chair

Adjournment

Next Meeting: April 3rd, 2024



MINUTES

Finance/Executive Committee

February 7th, 2024

12:00 PM

512 W. Aten Rd.

Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Committee Members	Representing	Present
Lee Hindman	LHA Chairperson – Joint Chambers of Commerce Nominee	✓
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair – CEO, Innercare	A
Dr. Carlos Ramirez	Finance Committee Chair – COO Unicare	✓
Mayra Widmann	Deputy CEO - Budget Fiscal.	✓
Dr. Unnati Sampat	LHA Commissioner – Imperial Valley Medical Society	✓
Dr. Allan Wu	LHA Commissioner – Innercare	✓

1. Call to Order *Lee Hindman, Chair*
Meeting called to order at 12:04 p.m.

2. Roll Call *Donna Ponce, Commission Clerk*
Roll call taken and quorum confirmed. Attendance is as shown.

3. Approval of Agenda
 - a. Items to be pulled or added from the Information/Action/Closed Session Calendar
 - b. Approval of the order of the agenda
(Wu/Ramirez) To approve the agenda. Motion carried.

4. Public Comment *Lee Hindman, Chair*

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No public comment.



CONSENT CALENDAR

5. Approval of Minutes from 1/3/2024

(Ramirez/Wu) To approve the Consent Calendar.

CLOSED SESSION

Larry Lewis, CEO

6. Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 01/2024)
 - a. Update/Action on Contract with Health Net Community Solutions, Inc.
 - b. Compliance Reports

ACTION

7. Report on actions taken in closed session.

No action taken.

8. Motion that the Executive/Finance Committee recommend to the Full Commission approval of the financial reports as presented.
*Mark A. Southworth, CFO
Chief Financial Officer (CFO) Mark Southworth announced that he would like to start scheduling one on one meetings, via video call, with each member of the Finance Committee to thoroughly go over financial information prior to the Finance Committee meetings.*

(Ramirez/Sampat) To recommend to the full Commission to accept the financial statements ended on December 31, 2023. Motion carried.

- a. Revenue & Expenses - December 31, 2023
 - b. Financial Position - December 31, 2023
 - c. Transactions - December 31, 2023
9. Motion that the Executive/Finance Committee recommend to the Full Commission, approval to open an investment account at City National Bank.
(Ramirez/Wu) To recommend to the full Commission approval to open an investment account at City National Bank. Motion carried.
 10. Motion that the Executive/Finance Committee recommend to the Full Commission approval of the 2024 Budget, as presented.
(Ramirez/Widmann) To recommend to the full Commission approval of the 2024 Budget, as presented. Motion carried.



INFORMATION

11. Administrative Reports

a. Health Services

Dr. Arakawa, CMO

Chief Medical Officer (CFO) Gordon Arakawa updated the Commission on the following:

- *Population Health and Health Equity Efforts-Intro*
- *Completing Rosters for PAC & QIHEC*

b. Financial Services

Mark A. Southworth, CFO

Chief Financial Officer (CFO) Mark Southworth updated the Commission on the following:

- *Commission P&L Variance Report*
- *YTD Statement of Activity*
- *City National Bank (CNB)*

c. Compliance

Elysse Tarabola, CCO

Chief Compliance Officer (CCO) Elysse Tarabola and Senior Director of Compliance (SDC) Chelsea Hardy updated the Commission on the following:

- *Compliance Presentation*
- *2023 Year-End Review*

d. Human Resources and Community Relations

Michelle S. Ortiz-Trujillo, SDHRCR

Senior Director of Human Resources and Community Relations, (SDHRCR) Michelle S. Ortiz Trujillo updated the Commission on the following:

- *Updates with Paychex*
- *Member Services*
- *Community Relations*

e. CEO Report

Larry Lewis, CEO

Chief Executive Officer (CEO) Larry Lewis updated the Commission on the following:

- *Landscaping bids for CHPIV facility*
- *Strategy Sessions with CHPIV and Health Net*
- *LHPC Strategic Planning meeting*
- *CalAIM meeting at CHPIV*

12. Other new or old business

Lee Hindman, Chair

None.

13. Commissioner Remarks

Lee Hindman, Chair

Committee Chair Lee Hindman suggested that it would be a good idea for the Finance Committee to meet with the CFO one hour prior to the Finance Committee meeting to thoroughly cover financial information.

Adjournment

The meeting was adjourned at 1:54 p.m.

Finance Commission Presentation

March 2023

Action Item - Motion to accept the financials as reported:

1. January 2024 Commission P&L Variance Report
2. January 2024 Cash Transactions
3. January 2024 Statement of Activity
4. January 2024 Statement of Financial Position
5. January 2024 Year-to-date Statement of Activity

Discussion:

1. Finance Issues Dashboard

IMPERIAL COUNTY LOCAL HEALTH AUTHORITY
dba Community Helath Plan of Imperial Valley
Year to Date P&L Variance
1/1/2024 to 1/31/2024

	Year To Date			Explanation
	January	January	January	
	Forecast	Actual	Variance	
REVENUE				
HN Settlements	135,000	-	(135,000)	Moss Adams had us move this to 2023
Premium	22,249,362	22,249,361	-1	Accrual due to ~1.5 month lag in data and cashflows
Pass-Through	883,592	883,592	0	Accrual due to ~1.5 month lag in data and cashflows
Interest Income	43,600	44,660	1,060	
TOTAL REVENUE	23,311,553	23,177,613	(133,941)	
HEALTH CARE COSTS	22,465,472	22,465,472	(0)	
Gross Margin	846,081	712,141	(133,940)	
ADMINISTRATIVE EXPENSE				
Salaries	206,532	169,446	(37,085)	No Bonus Accruals yet
Benefits and Bonus	67,694	26,607	(41,086)	403(b) Profit Share not yet in place
Total Labor Costs	274,225	196,053	(78,172)	Will be made whole in later months
Consulting, Audit, Legal, other Prof	10,508	6,373	(4,135)	
Office Occupancy	14,606	12,529	(2,077)	
Other Misc Admin	27,476	3,702	(23,774)	Budget Spread Lumpy Expenses
Total Administrative Expense	326,816	218,658	(108,158)	
Non-Operating	-	-	-	
Excess Revenues from Operations	519,265	484,460	(34,805)	

**Community Health Plan of Imperial Valley
January 2024 Transactions**

Date	Description	Full name	Amount
Chase Checking			
01/02/2024	Dividend Income - Dec 2023	Chase Checking	\$ 43,694.73
01/03/2024	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX9253 DE\$	Chase Checking	(8,049.36)
01/03/2024	Chase Bill Pay - Invoice: 23-10360	Chase Checking	(561.46)
01/03/2024	Chase Bill Pay - December Statement	Chase Checking	(215.00)
01/03/2024	Chase Bill Pay - Invoice: 2433	Chase Checking	(3,300.00)
01/03/2024	Chase Bill Pay - Invoice: OE-65163-1	Chase Checking	(213.39)
01/03/2024	Chase Bill Pay - Invoice: OE-QT-30096-1	Chase Checking	(837.69)
01/03/2024	Chase Bill Pay - Invoice: OE-QT-30096-2	Chase Checking	(1,071.53)
01/03/2024	Chase Bill Pay - Service Date: 11/22/23 - 12/21/23	Chase Checking	(2,265.24)
01/03/2024	Chase Bill Pay - Invoice: 35536233 (01/36)	Chase Checking	(440.70)
01/03/2024	Chase Bill Pay - Invoice: OE-QT-31148-1	Chase Checking	(2,773.48)
01/03/2024	Chase Bill Pay - Invoice: 0467-001698496	Chase Checking	(325.74)
01/03/2024	Chase Bill Pay - Invoice: WO 11107	Chase Checking	(1,200.00)
01/03/2024	Chase Bill Pay - Invoice: 23-10284	Chase Checking	(730.94)
01/03/2024	Chase Bill Pay - Invoice: WA2782311	Chase Checking	(45.00)
01/12/2024	Check: 6652 - IC Tax Collector 1st Installment Late Penalty	Chase Checking	(480.61)
01/12/2024	Chase Bill Pay - Invoice: OE-65421-1	Chase Checking	(541.25)
01/12/2024	Chase Bill Pay - Application 1	Chase Checking	(165,157.50)
01/12/2024	Chase Bill Pay - Invoice: 001	Chase Checking	(350.00)
01/12/2024	Chase Bill Pay - Invoice: 206100-0000008	Chase Checking	(46,440.00)
01/12/2024	Chase Bill Pay - Invoice: 206100-0000010	Chase Checking	(14,206.25)
01/12/2024	Chase Bill Pay - Invoice: 2023-69	Chase Checking	(40.99)
01/12/2024	Chase Bill Pay - Invoice: 556628	Chase Checking	(4,140.90)
01/12/2024	Chase Bill Pay - Invoice: 1001699223	Chase Checking	(673.13)
01/12/2024	Chase Bill Pay - Invoice: VDC3-0904	Chase Checking	(3,004.88)
01/12/2024	Chase Bill Pay - Invoice: 97177	Chase Checking	(237.50)
01/12/2024	Chase Bill Pay - Invoice: OE-QT-31148-1	Chase Checking	(2,773.48)
01/12/2024	Check: 6653 - November Invoice	Chase Checking	(545.00)
01/12/2024	Check: 6653 - December Invoice	Chase Checking	(600.00)
01/12/2024	Chase Bill Pay - Invoice: 10966	Chase Checking	(1,732.50)
01/12/2024	December Service Charges	Chase Checking	(2,275.07)
01/19/2024	Chase Bill Pay - Application No. 02	Chase Checking	(61,655.00)
01/19/2024	Chase Bill Pay - Application No. 03	Chase Checking	(11,937.50)
01/19/2024	Chase Bill Pay - Invoice: 22797	Chase Checking	(94.82)
01/19/2024	Chase Bill Pay - Invoice: WA2782312	Chase Checking	(45.00)
01/19/2024	Chase Bill Pay - Invoice: 22438	Chase Checking	(542.13)
01/19/2024	Chase Bill Pay - Invoice: 878282	Chase Checking	(337.50)
01/19/2024	Chase Bill Pay - Invoice: 8894	Chase Checking	(150.00)
01/19/2024	Chase Bill Pay - Invoice: 9023	Chase Checking	(22.00)
01/19/2024	Chase Bill Pay - Invoice: 23-12-011	Chase Checking	(2,100.00)
01/26/2024	Chase Bill Pay - Invoice: OE-65478	Chase Checking	(703.46)
01/26/2024	Chase Bill Pay - Invoice: 23-10387	Chase Checking	(389.17)
01/26/2024	Chase Bill Pay - Invoice: 181373	Chase Checking	(535.00)
01/26/2024	Chase Bill Pay - Invoice: 35742855 (2/36)	Chase Checking	(306.01)
01/26/2024	Chase Bill Pay - Invoice: 1609	Chase Checking	(552.50)
01/26/2024	Chase Bill Pay - Reimbursement for check received in error.	Chase Checking	(6,000.00)
01/26/2024	Chase Bill Pay - Julia Hutchins - Travel Reimbursement	Chase Checking	(319.38)
01/26/2024	Chase Bill Pay - Invoice: 13-15979	Chase Checking	(412.14)
01/26/2024	Chase Bill Pay - Invoice: 0800350011724	Chase Checking	(129.97)
01/26/2024	Chase Bill Pay - Invoice: 0800350011724	Chase Checking	(2,739.59)
01/31/2024	End-of-Day Investment Sweep - 01/02/24	Chase Checking	10,729,947.47
01/31/2024	End-of-Day Investment Sweep - 01/31/24	Chase Checking	(10,186,916.65)

Imperial County Local Health Authority

Statement of Activity

January 2024

	TOTAL
Revenue	
DHCS Pass-Through	883,592.00
DHCS Premium	22,249,361.00
Interest Income	44,659.55
Total Revenue	\$23,177,612.55
Cost of Goods Sold	
Healthcare Capitation	21,581,880.00
Healthcare Pass-Through	883,592.00
Total Cost of Goods Sold	\$22,465,472.00
GROSS PROFIT	\$712,140.55
Expenditures	
Contract & Professional Fees	535.00
Insurance	
Liability insurance	1,428.93
Total Insurance	1,428.93
Interest paid	45.26
Labor Costs	
Benefits Expense	
Employee Health Insurance	18,613.21
Employee Retirement Plan Contributions	7,937.93
Workers' compensation insurance	56.09
Total Benefits Expense	26,607.23
Salaries & wages	169,446.18
Total Labor Costs	196,053.41
Meals and Entertainment	1,675.55
Employee Appreciation	632.50
Total Meals and Entertainment	2,308.05
Occupancy	
Cleaning	687.50
Rent	2,500.00
Utilities	514.87
Total Occupancy	3,702.37
Office expenses	8,901.98
Bank fees & service charges	500.61
Memberships & subscriptions	1,144.98
Small tools & equipment	703.46
Software & apps	1,278.17
Total Office expenses	12,529.20
Phone	155.15
Repairs & maintenance	779.63
Supplies	813.49

Imperial County Local Health Authority

Statement of Activity

January 2024

	TOTAL
Travel	
Airfare	237.79
Parking & tolls	30.00
Vehicle rental	39.81
Total Travel	307.60
Total Expenditures	\$218,658.09
NET OPERATING REVENUE	\$493,482.46
Other Expenditures	
Amortization expenses	281.51
Depreciation	8,741.04
Total Other Expenditures	\$9,022.55
NET OTHER REVENUE	\$ -9,022.55
NET REVENUE	\$484,459.91

01/31/2024	Wire transfer to FFB Payroll - 01/10/24	Chase Checking	(100,000.00)
01/31/2024	Wire transfer to FFB Payroll - 01/24/24	Chase Checking	(125,000.00)
01/31/2024	Retirement Contributions - 01/12 Payroll	Chase Checking	(3,949.35)
01/31/2024	Retirement Contribution - 01/26 Payroll	Chase Checking	(3,988.58)
Total for Chase Checking Account			\$ (412.14)

FFB Payroll

01/31/2024	01/05 ACH Payment - Deluxe	FFB Payroll	\$ (330.00)
01/31/2024	01/05 ACH Payment - Blue Shield	FFB Payroll	(18,613.21)
01/31/2024	01/11 ACH Payment - Payce, Inc.	FFB Payroll	(38,021.29)
01/31/2024	01/11 ACH Payment - Imperial County	FFB Payroll	(57,858.15)
01/31/2024	01/25 ACH Payment	FFB Payroll	(13,497.71)
01/31/2024	Wire transfer from Chase - 01/24/24	FFB Payroll	125,000.00
01/31/2024	01/25 ACH Payment - Payroll	FFB Payroll	(61,021.78)
01/31/2024	01/10 Wire Fee	FFB Payroll	(10.00)
01/31/2024	01/24 Wire Fee	FFB Payroll	(10.00)
01/31/2024	01/24 ACH Payment - Taxes	FFB Payroll	(630.01)
01/31/2024	Wire transfer from Chase - 01/10/24	FFB Payroll	100,000.00
01/31/2024	01/25 ACH Payment - Taxes	FFB Payroll	(37,301.22)
Total for FFB Payroll Account			\$ (2,293.37)

Imperial County LHA Funds

01/31/2024	Canceled Check #712907 - Smith Kandal	Imperial County LHA Funds	\$ 2,490.39
01/31/2024	Correction transfer made in error - 12/19 Transfer	Imperial County LHA Funds	100,000.00
01/31/2024	Quarterly Interest - County Allocated	Imperial County LHA Funds	2,017.57
Total for Imperial County LHA Funds			\$ 104,507.96

Imperial County Local Health Authority

Statement of Financial Position

As of January 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Chase Checking	199,587.86
Chase Money Market	10,186,916.65
FFB Payroll	53,761.14
FFB Restricted	300,000.00
Imperial County LHA Funds	-32,980.37
Total Bank Accounts	\$10,707,285.28
Accounts Receivable	
Accounts Receivable (A/R)	2,773.48
Interest Receivable	42,641.98
Pass-Through Receivable	883,592.00
Premium Receivable	22,249,361.00
Total Accounts Receivable	\$23,178,368.46
Other Current Assets	
Prepaid expenses	28,342.36
Total Other Current Assets	\$28,342.36
Total Current Assets	\$33,913,996.10
Fixed Assets	
Accumulated depreciation	-26,223.12
Buildings	3,077,173.09
Computer Hardware & Office Equipment	10,084.49
Construction In Progress	0.00
Improvements	3,031.00
Operating ROU Asset	10,134.16
ROU Accumulated Amortization	-563.01
Total Fixed Assets	\$3,073,636.61
TOTAL ASSETS	\$36,987,632.71
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	6,811.10
Capitation Payable	21,581,880.00
Pass-Through Payable	883,592.00
Total Accounts Payable	\$22,472,283.10
Credit Cards	
First Foundation Bank Credit Card	8,711.75

Imperial County Local Health Authority

Statement of Financial Position

As of January 31, 2024

	TOTAL
Total Credit Cards	\$8,711.75
Other Current Liabilities	
Payroll wages and tax to pay	243.00
Short Term Lease Liability	2,948.36
Unearned Revenue	0.00
Vacation Accrual	60,203.51
Total Other Current Liabilities	\$63,394.87
Total Current Liabilities	\$22,544,389.72
Long-Term Liabilities	
Long Term Lease Liability	6,665.49
Total Long-Term Liabilities	\$6,665.49
Total Liabilities	\$22,551,055.21
Equity	
3000 Retained Earnings	13,952,117.59
Opening balance equity	0.00
Net Revenue	484,459.91
Total Equity	\$14,436,577.50
TOTAL LIABILITIES AND EQUITY	\$36,987,632.71

Imperial County Local Health Authority

Statement of Activity

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Revenue	
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Total Revenue	\$23,177,612.55
Cost of Goods Sold	
Healthcare Capitation	21,581,880.00
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Total Cost of Goods Sold	\$22,465,472.00
GROSS PROFIT	\$712,140.55
Expenditures	
Contract & Professional Fees	535.00
Insurance	
Liability insurance	1,428.93
Total Insurance	1,428.93
Interest paid	45.26
Labor Costs	
Benefits Expense	
Employee Health Insurance	18,613.21
Employee Retirement Plan Contributions	7,937.93
Workers' compensation insurance	56.09
Total Benefits Expense	26,607.23
Salaries & wages	169,446.18
Total Labor Costs	196,053.41
Meals and Entertainment	1,675.55
Employee Appreciation	632.50
Total Meals and Entertainment	2,308.05
Occupancy	
Cleaning	687.50
Rent	2,500.00
Utilities	514.87
Total Occupancy	3,702.37
Office expenses	8,901.98
Bank fees & service charges	500.61
Memberships & subscriptions	1,144.98
Small tools & equipment	703.46
Software & apps	1,278.17
Total Office expenses	12,529.20
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Imperial County Local Health Authority

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NET OTHER REVENUE	\$ -9,022.55
NET REVENUE	\$484,459.91

**Imperial County Local Health Authority
Finance Committee Governance Dashboard
March, 2024**

Risk	Urgency	Issue	Date Added	Description	Status Date	Status
		Financial Audit	3/1/2024	Moss Adams annual financial audit for CY2023. Planned to be finished in April.		We may need to move some \$1.13m 2024 budgeted revenue into 2023 accruals. We also need to convene an audit committee to review the draft and final audit report
		Chase Sweep Floor	3/1/2024	After our first \$20m capitation revenue from the State Chase reduced our daily swept amount to the contract minimum of \$3m (from a variable \$10m+). This costs us \$4,000 a day in lost interest	2/28/2024	Mathew, our contract manager is working with their cash team to figure out what happened and design a solution
		County Fund Close-Out	3/1/20024	Close to shutting the county 'claim on cash' fund.	3/1/2023	Tony found \$100k in double booked outflows which will be favorable to us in the close-out
		Investment Account Setup	3/1/2024	We need to designate reserve funds, an investment manager, and move reserves into a diversified account.	3/1/2023	Account creation waiting on a few details from signatories