



AGENDA

Finance Committee

May 8th, 2024

11:00 AM

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 Chair-Joint Chamber of Commerce representing the public	
Mayra Widmann	Deputy CEO-Budget Fiscal	
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair-CEO, Innercare	
Dr. Carlos Ramirez	Finance Committee Chair-COO Unicare	

1. Call to Order *Dr. Carlos Ramirez, 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 *Dr. Carlos Ramirez, 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 4/3/2024



CLOSED SESSION

Mark Southworth, CFO

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. March 2024 P&L Variance Report
 - b. March 2024 Cash Transactions
 - c. March 2024 Cash Reconciliation
 - d. March 2024 Statement of Activity
 - e. March 2024 Statement of Financial Position
 - f. March 2024 Year-To-Date Statement of Activity

INFORMATION

9. Financial Services Report (*Mark Southworth, CFO*)
 - a. Finance Issues Dashboard

10. Other new or old business

Dr. Carlos Ramirez, Chair

11. Commissioner Remarks

Dr. Carlos Ramirez, Chair

Adjournment

Next Meeting: June 5th, 2024



MINUTES

Finance Committee

April 3rd, 2024

11:00 AM

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 Chair-Joint Chamber of Commerce representing the public	✓
Mayra Widmann	Deputy CEO-Budget Fiscal	✓
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair-CEO, Innercare	A
Dr. Carlos Ramirez	Finance Committee Chair-COO Unicare	✓

1. Call to Order *Dr. Carlos Ramirez, Chair*
Meeting called to order at 11:07 a.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
(Hindman/Widmann) To approve the agenda. Motion carried.

4. Public Comment *Dr. Carlos Ramirez, 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.
No public comment.



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 3/6/2024

(Widmann/Hindman) To approve the consent calendar. Motion carried.

CLOSED SESSION

Mark Southworth, CFO

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 Commission acceptance of the financial reports as presented.
Mark A. Southworth, CFO
(Hindman/Widmann) To recommend to the full commission acceptance of the financial reports as presented. Motion carried.
- a. Revenue & Expenses – February 29, 2024
 - b. Statement of Financial Position – February 29, 2024
 - c. Cash Transactions – February 29, 2024

INFORMATION

9. Financial Services Report (*Mark Southworth, CFO*)
- a. Finance Issues Dashboard
Chief Financial Officer (CFO) Mark Southworth presented the finance governance dashboard and discussed the following topics:
 - *Financial Audit*
 - *Chase Sweep Floor*
 - *County Fund Close-Out*
 - *Investment Account Setup*

10. Other new or old business
None.

Dr. Carlos Ramirez, Chair

11. Commissioner Remarks
Chair Ramirez inquired regarding the deadline for Form 700.

Dr. Carlos Ramirez, Chair

Adjournment: *Meeting adjourned at 11:51 a.m.*

IMPERIAL COUNTY LOCAL HEALTH AUTHORITY
dba Community Helath Plan of Imperial Valley
Year to Date P&L Variance
1/1/2024 to 3/31/2024

	March	March	March	Year To Date	
	Forecast	Actual	Variance	Variance	Explanation
REVENUE					
HN Settlements	-	-	-	(142)	
Premium	22,249,362	22,249,361	-1	(2)	
Pass-Through	883,592	883,592	0	1	
Interest Income	100,347	57,368	(42,978)	(53,260)	Chase sweep issue affected February and March
TOTAL REVENUE	23,233,300	23,190,321	(42,979)	(53,403)	
HEALTH CARE COSTS	22,465,472	22,465,472	(0)	(1)	
Gross Margin	767,827	724,849	(42,978)	(53,401)	
ADMINISTRATIVE EXPENSE					
Salaries	235,344	212,762	(22,582)	(57,453)	Three Paycheck Month coming up
Benefits and Bonus	76,826	24,374	(52,452)	(123,212)	Bonsu Accruals not implemented yet
Total Labor Costs	312,170	237,136	(75,034)	(180,665)	
Consulting, Audit, Legal, other Prof	10,508	44,367	33,859	76,805	Frontloaded Audit. Higher than expected legal
Office Occupancy	14,606	13,497	(1,109)	1,247	
Other Misc Admin	46,976	25,022	(21,955)	(27,825)	Misc new office expenses
Total Administrative Expense	384,261	320,022	(64,239)	(130,438)	
Non-Operating	-	-	-	-	
Excess Revenues from Operations	383,566	404,827	21,261	77,037	

Community Health Plan of Imperial Valley
 March 2024 Cash Transactions

Date	Account	Vendor	Memo/Description	Amount
Chase Checking				
03/01/2024	Chase Checking	JPMorgan Chase	Dividend Income - Feb 2024	\$ 32,258.41
03/01/2024	Chase Checking	Brawley Rotary Club	Chase Bill Pay 2024-03-01 / Feb 2024 Statement	-90.00
03/01/2024	Chase Checking	CLEANBC, LLC	Chase Bill Pay 2024-03-01 / Invoice# 004	-700.00
03/01/2024	Chase Checking	Imperial Irrigation District	Chase Bill Pay 2024-03-01 / Service Date: 01/25/24 - 02/23/24	-1,163.24
03/01/2024	Chase Checking	Republic Services	Chase Bill Pay 2024-03-01 / Service Date: 03/01 - 03/31	-179.04
03/01/2024	Chase Checking	State Compensation Insurance Fund	Chase Bill Pay 2024-03-01 / Invoice# 1002048089	-815.08
03/01/2024	Chase Checking	VDC Arellano 3 LLC	Chase Bill Pay 2024-03-01 / Invoice# VDC3-0944	-2,500.00
03/11/2024	Chase Checking	360 Business Products	Chase Bill Pay 2024-03-11 / Invoice# OE-65543-1	-99.87
03/11/2024	Chase Checking	AccuSourceHR	Chase Bill Pay 2024-03-11 / Invoice# 43919	-66.29
03/11/2024	Chase Checking	Department of Managed Health Care	Chase Bill Pay 2024-03-11 / Invoice# 23-10444	-298.21
03/11/2024	Chase Checking	Granicus	Chase Bill Pay 2024-03-11 / Invoice# 155045	-9,936.73
03/11/2024	Chase Checking	Health Management Associates, Inc.	Chase Bill Pay 2024-03-11 / Invoice# 0000013	-10,915.53
03/11/2024	Chase Checking	I Do Events	Chase Check# 6659 / Invoice# 1609	-552.50
03/11/2024	Chase Checking	Law Office of William S. Smerdon	Chase Bill Pay 2024-03-11 / Invoice# 2482	-3,382.50
03/11/2024	Chase Checking	Nossaman LLP	Chase Bill Pay 2024-03-11 / Invoice# 559096	-8,346.00
03/11/2024	Chase Checking	Nossaman LLP	Chase Bill Pay 2024-03-11 / Invoice# 559102	-2,675.50
03/15/2024	Chase Checking	AM Copiers Inc.	Chase Bill Pay 2024-03-15 / Invoice# IN4692	-222.52
03/15/2024	Chase Checking	City of Imperial	Chase Bill Pay 2024-03-15 / Service Date: 01/24/24 - 02/24/24	-265.38
03/15/2024	Chase Checking	Conveyor Group	Chase Bill Pay 2024-03-15 / Invoice# 11037	-1,440.00
03/15/2024	Chase Checking	Economic Group Pension Services	Chase Bill Pay 2024-03-15 / Invoice# 163318	-1,650.00
03/15/2024	Chase Checking	Economic Group Pension Services	Chase Bill Pay 2024-03-15 / Invoice# 163319	-1,605.00
03/15/2024	Chase Checking	Moss Adams	Chase Bill Pay 2024-03-15 / Invoice# 102561763	-10,500.00
03/15/2024	Chase Checking	Moss Adams	Chase Bill Pay 2024-03-15 / Invoice# 102559655	-24,150.00
03/15/2024	Chase Checking	Rick's Roadrunner Lock & Safe	Chase Bill Pay 2024-03-15 / Invoice# 22499	-348.56
03/15/2024	Chase Checking	Texas Workforce Commission	Chase Bill Pay 2024-03-15 / Invoice# 004	-131.06
03/31/2024	Chase Checking	Department of Health Care Services	03/14 Receipt	25,341,535.19
03/31/2024	Chase Checking	Department of Health Care Services	03/14 Receipt	454,128.90
03/31/2024	Chase Checking	Department of Health Care Services	03/14 Receipt	60,853.72
03/31/2024	Chase Checking	Department of Health Care Services	03/14 Receipt	8,985.65
03/31/2024	Chase Checking	Department of Health Care Services	03/14 Receipt	884.25
03/31/2024	Chase Checking	Imperial County Public Health Department	Chase Check# 6658 - Reimbursement for check received in error	-6,000.00
03/31/2024	Chase Checking	Centene	--	-19,537,226.61
03/31/2024	Chase Checking	Mid Atlantic	03/11 Retirement	-4,103.16
03/31/2024	Chase Checking	Mid Atlantic	03/25 Retirement	-4,029.41
03/31/2024	Chase Checking	JPMorgan Chase	Feb 2024 Service Charges	-1,787.39
First Foundation Bank				
03/11/2024	FFB Payroll	First Foundation Credit Card	03/04 - Credit Card Payment	-19,009.69
03/31/2024	FFB Payroll	Payce, Inc.	03/11 Receipts	2,778.21
03/31/2024	FFB Payroll	Paychex, Inc.	03/07 - TPS Taxes	-36,438.19
03/31/2024	FFB Payroll	Paychex, Inc.	03/07 - Payroll	-65,711.84
03/31/2024	FFB Payroll	Paychex, Inc.	03/08 - EIB Invoice	-68.12
03/31/2024	FFB Payroll	Paychex, Inc.	03/20 - OAB Invoice	-49.50
03/31/2024	FFB Payroll	Paychex, Inc.	03/21 - TPS Taxes	-40,640.30
03/31/2024	FFB Payroll	Paychex, Inc.	03/21 - Payroll	-72,749.88
03/31/2024	FFB Payroll	Paychex, Inc.	03/22 - EIB Invoice	-69.29
03/31/2024	FFB Payroll	Blue Shield CA	03/27 - Insurance Payment	-14,555.31
03/31/2024	FFB Payroll	First Foundation Bank	03/06 - Wire Fee	-10.00
03/31/2024	FFB Payroll	First Foundation Bank	03/19 - Wire Fee	-10.00
J.P. Morgan Securities				
03/28/2024	J.P. Morgan Securities	Centene	--	-25,090,396.07
03/28/2024	J.P. Morgan Securities	J.P. Morgan Securities	Investment Income - Mar 2024	\$ 42,308.13

**Community Health Plan of Imperial Valley
Cash Reconciliation - March 2024**

Chase Bank - Checking Account #3723

Bank Balance - March 2024	\$	200,000.00	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - March 2024	\$	<u>200,000.00</u>	[A]

J.P. Morgan Securities - Bond Account #4427

Bank Balance - March 2024	\$	8,172,420.19	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - March 2024	\$	<u>8,172,420.19</u>	[A]

First Foundation Bank - Restricted Deposit #4602

Bank Balance - March 2024	\$	300,000.00	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - March 2024	\$	<u>300,000.00</u>	[A]

Chase Bank - Operating Account #3723

Bank Balance - March 2024	\$	2,938,721.16	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - March 2024	\$	<u>2,938,721.16</u>	[A]

First Foundation Bank - Payroll Account #2698

Bank Balance - March 2024	\$	63,378.46	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - March 2024	\$	<u>63,378.46</u>	[A]

Total Cash Reconciliation

QuickBooks - Cash (Current)	\$	11,374,519.81	
QuickBooks - Cash (Noncurrent)		<u>300,000.00</u>	
Total Cash Per QuickBooks		11,674,519.81	
Total Cash Per Reconciliation		<u>11,674,519.81</u>	[A]
Difference	\$	-	

NOTE: The County of Imperial fund has been closed.


Preparer: Tony Godinez, Jr. - Senior Accounting Manager


Approver: Mark Southworth - Chief Financial Officer

Community Health Plan of Imperial Valley

Statement of Net Position For March 2024

REVENUES

DHCS Premium	\$ 22,249,361
DHCS Pass-Through	883,592
<hr/> Total Operating Revenues	<hr/> 23,132,953

OPERATING EXPENSES

Medical Expenses	
Healthcare Capitation	21,581,880
Healthcare Pass-Through	883,592
<hr/> Total Medical Expenses	<hr/> 22,465,472

Administrative Expenses

Salaries, Wages, and Employee Benefits	237,136
Professional fees	47,034
Office Expenses & Administrative	12,832
Occupancy - Cleaning, Landscape, Rent, Utilities	4,079
Supplies & Services	9,523
Depreciation and Amortization	9,418
<hr/> Total Administrative Expenses	<hr/> 320,022

<hr/> Total Operating Expenses	<hr/> 22,785,494
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OPERATING INCOME	<hr/> 347,459.16
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NON-OPERATING REVENUES

Dividend Income - Chase Money Market	15,060
Investment Income - J.P. Morgan Securities	42,308
<hr/> Total Non-Operating Revenues	<hr/> 57,368

Increase In Net Position	404,827
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NET POSITION, beginning of period	<hr/> 16,328,002
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NET POSITION, ending of period	<hr/> \$ 16,732,829
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Community Health Plan of Imperial Valley

Statement of Financial Position

As of March 31, 2024

ASSETS

Current Assets

Cash and Investments	
Chase - Checking	\$ 200,000
Chase - Money Market	2,938,721
JPMorgan Securities	8,172,420
First Foundation Bank - Payroll	63,378

Receivables

Accounts Receivable	2,773
Dividend Receivable	15,060
Premium Receivable	20,740,225
Pass-Through Receivable	2,650,776
Profit Share Receivable	1,422,701

Other Current Assets

Prepaid Expenses	20,019
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Total Current Assets	36,226,074
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Noncurrent Assets

Restricted Deposit	
First Foundation Bank - Restricted	300,000

Capital Assets

Buildings - Net	3,034,435
Computer Hardware & Office Equipment - Net	9,244
Improvements - Net	2,905
Intangible Assets - Net	22,929
Operating ROU Asset (Copier) - Net	9,008

Total Noncurrent Assets	3,378,521
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Total Assets	<u>\$ 39,604,595</u>
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Community Health Plan of Imperial Valley

Statement of Financial Position

As of March 31, 2024

LIABILITIES

CURRENT LIABILITIES

Payables

Accounts Payable	\$	23,046
Capitation Payable		20,118,017
Pass-Through Payable		2,650,776
Credit Card Payable		10,392

Other Current Liabilities

Payroll Accrual		243
Short Term Lease Liability - Copier		2,423
Vacation Accrual		60,204

Total Current Assets		22,865,100
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NON-CURRENT LIABILITIES

Long Term Lease Liability - Copier		6,665
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Total Noncurrent Liabilities		6,665
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Total Liabilities		22,871,766
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NET POSITION

Net investment in capital assets		3,069,513
Unrestricted		12,305,306
Net Revenue		1,358,011

Total Net Position		16,732,829
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Total Liabilities and Net Position		\$ 39,604,595
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Community Health Plan of Imperial Valley

Statement of Net Position

As of March 31, 2024

REVENUES

DHCS Premium	\$ 66,748,083
DHCS Pass-Through	2,650,776
Health Net Contributions - 2023	134,859
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Total Operating Revenues	69,533,718

OPERATING EXPENSES

Medical Expenses	
Healthcare Capitation	64,745,640
Healthcare Pass-Through	2,650,776
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Total Medical Expenses	67,396,416

Administrative Expenses

Salaries, Wages, and Employee Benefits	689,366
Professional fees	111,824
Office Expenses & Administrative	53,313
Occupancy - Cleaning, Landscape, Rent, Utilities	17,403
Supplies & Services	13,813
Depreciation and Amortization	27,858
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Total Administrative Expenses	913,577

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Total Operating Expenses	68,309,993

OPERATING INCOME	<u>1,223,724.36</u>
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NON-OPERATING REVENUES

Dividend Income - Chase Money Market	89,961
Investment Income - J.P. Morgan Securities	42,308
Interest Income - County of Imperial	2,018
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Total Non-Operating Revenues	134,286

Increase In Net Position	1,358,011
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NET POSITION, beginning of year	<u>15,374,819</u>
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NET POSITION, ending of period	<u>\$ 16,732,829</u>
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**Imperial County Local Health Authority
Finance Committee Governance Dashboard
May, 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.	5/3/2024	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	3/28/2024	Set up a bond trading account at JP Morgan and bought T-Bills directly.
		County Fund Close-Out	3/1/2024	Close to shutting the county 'claim on cash' fund.	3/28/2024	We are closed out of the county fund at of 3/23/2024
		Investment Account Setup	3/1/2024	We need to designate reserve funds, an investment manager, and move reserves into a diversified account.	3/28/2024	Account setup is underway at CNB, and we have a fixed income alternative with JPMorgan.