

Redwoods Rural Health Center--  
Finance Committee Meeting  
January 22, 2008  
starting at 5PM at the Meeting Room at the Redway Clinic.

Board Members Present: Mary Whitmore, Shon Wellborn, Thad Horner, Kathy Epling, Rick Silva, Dee Way (towards the end of the meeting, ready for the board meeting which followed), Troy Harrington-Dean (also coming in as the meeting ended, in preparation for the board meeting)  
Staff Present: Eric Fimbres, RRHC Executive Director; Jeanie Eldridge, RRHC CFO, Jim Gergits, financial analyst

Jeanie passed out the finalized RRHC Audit, as presented at the December finance/board meeting, as well as the Audit letter, which the group briefly reviewed.

Jeanie pointed out the section dealing with percentage of income from grants, vs. other revenues. RRHC depends more heavily upon grant revenues than many similar health centers; this is something to be aware of.

Coding training, which has been ongoing for staff, is a key need, and the educational/training funds for this are recognized by the auditors as a good investment. RRHC should continue this process.

In general RRHC ratios are all within healthy parameters. Because the auditors do not include the Board reserve fund in the days cash on hand, this number appears lower than desired, though still within parameters. Jeanie noted that our own monthly finance reports will show a different number here, since we do include the reserve funds. The auditors give RRHC 16.85 days cash on hand; our own days of operating cash figures, which include the board funds, generally fall at around 48 to 51 days.

Bureau of Primary Health believes health centers should have 90 days cash on hand, a number the committee believes rather unreasonable given the need of a health center to continue providing service to the most at risk. As Shon Wellborn noted, if we had that much money tucked away we would probably not be doing our job as a community clinic.

Overall the Audit was very positive.

Jeanie passed out financial statements for the months of October, November, and December 2007, which bring the committee up to date on the financial position of RRHC.

The committee briefly reviewed the Oct 2007 financial statement. Ratios were good that month; Jeanie pointed out that the days of cash on hand were getting higher (up to 56 days), but this was because long awaited state monies finally came in in October.

By Oct 31, 2007 net income was at 40,818.59.

The health center received the EAPC grant monies in October. This, said Jeanie, artificially inflated the bottom line.

The committee reviewed the November 2007 financials. Cash dropped in this month, but benchmarks were still within range. A/R rose. The month closed with a positive 929.64 bottom line.

The committee turned to the December financials. In December the center posted a loss of 7,593.93.

Jeanie noted that patient revenues were down in December, but also that there was a clean up of the books to reflect the behavioral health billing issue that had been discussed in previous meetings.

Year to date the Center remains in the black; the YTD figure being a positive 2,838.11.

The committee reviewed the figures with and without grant revenues. Thad asked if the grants were one time grants or ongoing ones; Jeanie said many are one time in that they must be applied for each year, and that this is something of which the board needs to be aware.

Jim Gergits passed out productivity reports for one month, promising that he would soon give the board a Quarterly productivity report (which he did, during the board meeting). He brought the board's attention to the fact that overall productivity is currently at about a 50% of budgeted encounters for each provider.

The meeting adjourned so that the Board meeting might begin at 5:40PM

respectfully submitted, Kathy Epling, board secretary.