FINANCE COMMITTEE MEETING	SIERRA KINGS HEALTH CARE DISTRICT **Minutes**	**Tuesday, March 26, 2024** **1011 G. Street** **Reedley, CA 93654** **11:00 a.m.**

MEMBERS PRESENT:		**REPRESENTATION:**
	Bruce Hunter	Chair
	Jim Fixel	Member
STAFF PRESENT:		
	Chinayera Black Hardaman, MPA	Chief Executive Officer
OTHERS PRESENT:		
	Teresa Jacques via Zoom	Chief Financial Officer, (Jacques Consulting)

1.0 CALL TO ORDER: The meeting was called to order at 11:20 by Chair Bruce Hunter.

2.0 ROLL CALL: Present: Jim Fixel and Bruce Hunter

3.0 CONSENT AGENDA:

3.1 Consideration of the Committee Agenda
3.2 Consideration of the February 2024 Meeting Minutes

ACTION BY CONSENSUS: Motion to approve the Consent Agenda as presented. M/S Fixel/Hunter. Motion passed unanimously: Fixel-aye, Hunter-aye.

4.0 PUBLIC COMMENT: None

5.0 ACTION & DISCUSSION ITEMS:

5.1 PRESENTATION OF THE JANUARY FINANCIAL STATEMENTS:
CFO Teresa Jacques presented the February 2024 financials to be forwarded to the full Board and filed for public review. The following are highlights:

Balance Sheet:

- Teresa will create a payment schedule so the finance committee can view purchases and due dates.
- In the LAIF account the District has $3,182,940. There was an increase of $370,503 over December.
- The General Obligation Bonds account with the County of Fresno experienced a net decrease of $308,096 between the bond payment and the monthly accrual. This was the District's second installment payment for the 2024 Fiscal Year and it was an interest only

payment in the amount of $451,825.

- The Employer Contribution for the 403b Retirement Plan is $1,214, a decrease of $12,658 due to the annual Employer Contribution that was paid in early January. Board Member Bruce Hunter asked if this is an annual payment. CFO Teresa Jacques explained that the Employer Contribution is paid annually to employees upon the close of the calendar year.
- Last month, Chandler Assets recommended that the District present the Book Value (vs the Market Value) when presenting on the US Bank Investment Account. Since then, staff has learned that the District must abide by the Government Rules of Accounting which requires the US Bank Investment Account reporting to use Market Value. This results in adjusted balance as of January 31, 2024 to increase from $6,393,447 to $6,462,357.

Profit and Loss Statement

- The District had a positive gain over budget in Net Position of $129,728 for the first seven months of FY 2024.

Operating Expenses

- Roughly 80% of over budget funds are in the Professional Fees line item. The District budgeted for $100K to share costs for AB 1953 assessments with Adventist Health and additional funds for consulting fees related to selling the hospital facility. Adventist Health has yet to bill the District for such anticipated costs.

Revenues

- The District's FY 2024 budget projected that the Adventist Health lease payments would increase by 3.5%. However, the actual Consumer Price Index (CPI) only increased 2.76%. As a result, the Committee should anticipate a budget shortfall each month for the remainder of this fiscal year in the amount of $689, and a year-end deficit in the amount of $4,134.

ACTION BY CONSENSUS: Motion to approve January Financial statements as presented. M/S Fixel/Hunter. Motion passed unanimously: Fixel-aye, Hunter-aye.

5.2 PRESENTATION OF SECOND QUARTER GRANT ACTIVITY:

Program Manager Merari Gutierez presented the Grant Tracker as per second quarter reconciliations. The following are highlights:

- January is a "true up" month for the General and Renewal grants. It is when the grantees invoice the District for actual expenses they incurred during the second quarter (October thru December).
- In some instances, a grantee may experience delayed payments from the District due to incomplete documentation (i.e., incomplete invoicing/receipts, delays in the submittal of required documents like proof of insurance or audit, etc.). This contributed to reconciled numbers for during the second quarter.
- Two mini grants were successfully closed during the second quarter, the Community Youth Ministries - Teen Mom Wellness Retreat and the Reedley Lions Club - Pop-Up Bike Rodeo. This means the grantee successfully implemented the program and submitted all

receipts and expenses confirming the funds were utilized in accordance with the contract.

- Two grant contracts were terminated during the second quarter, the City of Parlier - Enhancing Wellness Program and the Central Valley Resource Center - Connect with Your Health for Success Program. Both programs experienced delays in start-up. Such delays for the Central Valley Resource Center mini grant would not allow ample time to complete the program during the contract period. The City of Parlier simply struggled with communication, documentation, and reliable fiscal reporting since inception. Unaddressed attempts to remedy this resulted in contract termination effective December 20, 2023. During the District's regular meeting, the Board will consider a "stop gap" solution to maintain fitness activities with Parlier seniors with the assistance of Gnardog.

5.3 PREPARATION FOR THE FISCAL YEAR 2024-2025 BUDGET

CEO Chinayera Black initiated conversation with the Committee regarding preparation for the FY 2024-2025 budget which included the following highlights:

- At the March meeting of the Finance Committee, members will participate in discussion related to fiscal expectations and assumptions to guide CFO Teresa Jacques in preparing a draft budget.
- At the April meeting of the Finance Committee, CFO Teresa Jacques will present the Committee with the first draft of the budget for consideration. The Committee will offer staff feedback and direction. The proposed draft budget will be edited accordingly and presented to the Board during the May Retreat. At which time the full Board will take an extensive look into the budget and make decisions to finalize the budget.
- The Committee decided to keep the March Finance Committee meeting on the fourth Tuesday of the month to begin this process.

6.0 ANNOUNCEMENTS:

CEO Chinayera Black reminded the Committee that the District will receive the Business Partner of the Year Award from Reedley College and Valley Regional Occupational Program on Wednesday, February 28, 2024 at 5:00p.m.

7.0 NEXT MEETING:

The next regularly scheduled meeting of Sierra Kings Health Care District Finance Committee shall be on Tuesday, March 26, 2024.

8.0 ADJOURNMENT:

ACTION BY CONSENSUS: Motion to adjourn the Finance Committee Meeting at 11:39. M/S Fixel/Hunter. Motion passed unanimously: Fixel-aye, Hunter-aye.

Respectfully submitted,
Bruce Hunter, Chair