



Finance Committee

Tuesday, October 2, 2018

8:00am – 8:20am

David B. Vliet, Chair

CPCA Finance Agenda

ORDER OF BUSINESS	RELEVANT ATTACHMENTS	REPORTING	ACTION A = Approval D = Discussion I = Information
I. Call to Order		David B. Vliet	I
II. Approval of Agenda		David B. Vliet	A
III. Approval of Minutes	<ul style="list-style-type: none"> July 12, 2018 	David B. Vliet	A
IV. Approval of Financials	<ul style="list-style-type: none"> Financials ending August 31, 2018 	Sandy Birkman	D/A
V. Other Business	<ul style="list-style-type: none"> Workgroup on revised budget presentation 	Kevin Mattson	I
VI. Adjournment		David B. Vliet	A

CALIFORNIA PRIMARY CARE ASSOCIATION

FINANCE COMMITTEE

July 12, 2018

Committee Members Present: David Vliet, Linda Costa, Deb Farmer, Cathy Frey, Nik Gupta, Kerry Hydash, Raphael Irving, Kevin Mattson, Danielle Myers, Mary Szecsey, Paula Zandi

Guest: Christina Velasco

Staff: Sandy Birkman, Janelle Mollgaard, Mike Witte, Meghan Nousaine, David Anderson, Kearsten Shepherd, Nataly Diaz, Shadi Kanaan

I. Call to Order

David Vliet, Chair, called the meeting to order at 8:02am.

II. Approval of Agenda

A motion was made and seconded to approve the agenda as presented. **The motion carried.**
(Farmer/Frey)

III. Approval of Minutes

A motion was made and seconded to approve the minutes of April 26, 2018 and June 12, 2018 as presented. **The motion carried.** (Farmer/Mattson)

IV. Approval of Financials

A motion was made and seconded to approve the financials ending May 31, 2018. **The motion carried.**
(Hydash/Szecsey)

V. Other Business

Birkman reported that audit for the fiscal year has been completed and will be presented at the October meeting.

VI. Adjourn

The meeting was adjourned by David Vliet, Chair at 8:12am

Respectfully submitted,

Janelle Mollgaard
Recording Secretary

CALIFORNIA PRIMARY CARE ASSN
Profit & Loss Budget vs. Actual
April through August 2018

	<u>Apr - Aug 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Income				
4500.00 · Dues	883,090.81	883,090.81	0.00	100.0%
4600.00 · Grants	1,319,619.31	1,391,644.16	-72,024.85	94.82%
4621.00 · Contributions	578,933.34	430,556.18	148,377.16	134.46%
4750.00 · Sponsorship	35,000.00	90,666.70	-55,666.70	38.6%
4900.01 · Interest	5,881.01	3,750.00	2,131.01	156.83%
4950.01 · Clinic Operations Support	240,809.81	273,333.31	-32,523.50	88.1%
4955.00 · Miscellaneous Income	33,586.64	31,249.97	2,336.67	107.48%
4960.00 · Conference Income	537,230.00	625,000.00	-87,770.00	85.96%
4999.99 · Training Income	618,092.88	344,166.70	273,926.18	179.59%
Total Income	<u>4,252,243.80</u>	<u>4,073,457.83</u>	<u>178,785.97</u>	<u>104.39%</u>
Gross Profit	4,252,243.80	4,073,457.83	178,785.97	104.39%
Expense				
6100.00 · Salaries	1,740,245.32	1,798,077.05	-57,831.73	96.78%
6300.00 · Employee Benefits	407,319.34	475,825.21	-68,505.87	85.6%
6500.00 · Occupancy	156,632.56	144,618.71	12,013.85	108.31%
6505.10 · Building Repair	1,904.63	3,681.82	-1,777.19	51.73%
6510.10 · Communications	21,933.11	19,351.65	2,581.46	113.34%
6520.10 · Postage & Delivery	5,314.32	3,354.05	1,960.27	158.45%
6530.10 · Supplies	28,324.10	29,768.50	-1,444.40	95.15%
6540.00 · Printing	9,999.44	17,187.47	-7,188.03	58.18%
6552.10 · Equipment Lease/Maintenance	11,370.48	9,512.88	1,857.60	119.53%
6554.10 · Small Equipment	4,874.23	11,104.09	-6,229.86	43.9%
6560.10 · Insurance	7,370.09	11,312.37	-3,942.28	65.15%
6565.10 · Dues & Licenses	5,889.75	5,997.91	-108.16	98.2%
6570.10 · Subscriptions/Pubs	39,664.84	30,114.57	9,550.27	131.71%
6580.10 · Marketing and Outreach	71,428.00	77,083.25	-5,655.25	92.66%
7010.10 · Audit/Accounting	23,877.73	14,478.98	9,398.75	164.91%
7020.10 · Legal Services	3,500.00	4,166.70	-666.70	84.0%
7040.10 · Temporary Staffing	31,209.00	28,000.00	3,209.00	111.46%
7110.10 · Board of Directors	33,327.73	22,916.62	10,411.11	145.43%
7200.10 · Travel & Registration Fees	103,744.46	103,333.34	411.12	100.4%
7275.00 · Staff Development	14,531.56	22,916.62	-8,385.06	63.41%
7300.00 · Meetings	36,458.12	98,069.50	-61,611.38	37.18%
7350.00 · Training Expense	425,661.24	346,145.67	79,515.57	122.97%
7450.00 · Annual Conference	87,993.55	441,666.70	-353,673.15	19.92%
7500.00 · Consultants	641,335.40	927,144.87	-285,809.47	69.17%
7800.00 · Sub-Grants	0.00	404,166.62	-404,166.62	0.0%
7900.10 · Bad Debt	10,188.33	2,083.32	8,105.01	489.04%
Total Expense	<u>3,924,097.33</u>	<u>5,052,078.47</u>	<u>-1,127,981.14</u>	<u>77.67%</u>
Net Income	<u>328,146.47</u>	<u>-978,620.64</u>	<u>1,306,767.11</u>	<u>-33.53%</u>

CALIFORNIA PRIMARY CARE ASSN

Balance Sheet

As of August 31, 2018

	Aug 31, 18
ASSETS	
Current Assets	
Checking/Savings	
1000.00 · Cash	
1015.00 · Petty Cash	100.00
1016.00 · Checking - First Citizens	1,347,394.08
1017.00 · First Citizens - MMA	885,199.58
1060.00 · Morgan Stanley Smith Barney	877,708.04
1090.00 · NCBFSB MMDA Plus	1,206,946.92
Total 1000.00 · Cash	<u>4,317,348.62</u>
Total Checking/Savings	4,317,348.62
Accounts Receivable	
1300.00 · Grants Receivable	
1300.01 · BPHC	223,894.85
1300.10 · CDPH - MAT Project	141,851.00
1300.23 · CDPH - Emergency Preparedness	0.02
Total 1300.00 · Grants Receivable	<u>365,745.87</u>
1320.00 · Due from CPCA Ventures	89,900.91
1323.00 · Due from CA Health+ Advocates	5,076.01
1350.00 · Other Receivables	
1380.00 · Revenue Cycle Management	54,451.19
1350.00 · Other Receivables - Other	179,748.95
Total 1350.00 · Other Receivables	<u>234,200.14</u>
1400.00 · IMIS Receivable	
1400.00 · IMIS Receivable - Other	260,621.22
Total 1400.00 · IMIS Receivable	<u>260,621.22</u>
Total Accounts Receivable	955,544.15
Other Current Assets	
1490.00 · Prepaid Expenses	81,500.00
1499.00 · Undeposited Funds	4,130.06
Total Other Current Assets	<u>85,630.06</u>
Total Current Assets	5,358,522.83
Fixed Assets	
1600.00 · 1231 I Street Suite 400	6,407,085.91
1650.00 · Furniture	331,111.39
1660.00 · Equipment	406,259.55
1670.00 · Capitalized Interest	69,592.00
1700.00 · Accumulated Depreciation	-683,801.00
1710.00 · Building Depreciation	-1,840,902.00
1740.00 · Interest Amortization	-59,732.00
1750.00 · Loss on Disposal of Assets	-1,954.00
Total Fixed Assets	<u>4,627,659.85</u>
Other Assets	
1810.00 · Deposits/PrePaid	13,500.00
Total Other Assets	<u>13,500.00</u>
TOTAL ASSETS	<u><u>9,999,682.68</u></u>

CALIFORNIA PRIMARY CARE ASSN

Balance Sheet

As of August 31, 2018

	<u>Aug 31, 18</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2025 · Accrued Vacation	291,694.10
2030.01 · Deferred/Unearned Revenue	54,000.00
2040.00 · Prepaid Dues	731,194.21
2055.01 · Payroll FSA	8,335.87
2200.00 · Sales Tax Payable	72.73
Total Other Current Liabilities	<u>1,085,296.91</u>
Total Current Liabilities	1,085,296.91
Long Term Liabilities	
2510.00 · Loan Payable IronStone Bank	3,582,805.14
Total Long Term Liabilities	<u>3,582,805.14</u>
Total Liabilities	4,668,102.05
Equity	
3000.00 · Opening Bal Equity	1,101,200.47
4000.00 · Net Assets	3,902,233.69
Net Income	328,146.47
Total Equity	<u>5,331,580.63</u>
TOTAL LIABILITIES & EQUITY	<u><u>9,999,682.68</u></u>



INFORMATIONAL

Date: September 28, 2018
To: Finance Committee
From: Sandy Birkman, Director of Finance & Operations
Re: Revised Budget Presentation

MEMORANDUM

I. Background

During the last budget period, several questions were raised by the Board on the formatting of the budget presentation. Some Board Members questioned the use of restricted funds in the operating revenue section of the budget. Matt Krehe, CPA from Gilbert Associates (CPCA's auditing firm) was asked to clarify best practices. A telephone conference call was held in early September with Kerry Hydash, Kevin Mattson, David Vliet, Brent Copen (David's CFO), Matt Krehe, Sandy Birkman, Robert Beaudry, and Carmela Castellano-Garcia. It was decided that a workgroup consisting of Kevin, Brent, Matt, Sandy, Carmela and Robert would work together to present a format to the Finance Committee for approval that would become CPCA's budget format.

II. Some Questions that will be answered by the workgroup on the Budget Format

- 1) What title do we use for temporarily restricted assets that will be utilized in the current year?
- 2) Where do we place these restricted assets?
- 3) Where do we show expenses related to these restricted funds (presently it is lumped in with all expenses)?
- 4) Where do we want to show depreciation, as an expense or "below the line"?
- 5) Do we want to show the mortgage principle deduction someplace on the budget and where as it is not an "expense" but does involve cash?

III. Next Steps

The workgroup will meet before the January Finance Committee meeting and present a format for approval to the committee. After adoption this format will be utilized in March 2019 to present the budget for FY 19/20.