



**CalViva Health
Finance
Committee Meeting Minutes**

February 21, 2019

Meeting Location

CalViva Health
7625 N. Palm Ave., #109
Fresno, CA 93711

| Finance Committee Members in Attendance | | CalViva Health Staff in Attendance | |
|---|-----------------------|------------------------------------|-------------------------------|
| ✓ | Daniel Maychen, Chair | ✓ | Cheryl Hurley, Office Manager |
| ✓ | Gregory Hund, CEO | ✓ | Jiaqi Liu, Sr. Accountant |
| ✓ | Paulo Soares | | |
| ✓ | Joe Neves | | |
| ✓ | Harold Nikoghosian | | |
| | David Rogers | | |
| ✓* | John Frye | | |
| | | ✓ | Present |
| | | * | Arrived late |
| | | • | Teleconference |

| AGENDA ITEM / PRESENTER | MOTIONS / MAJOR DISCUSSIONS | ACTION TAKEN |
|---|--|--|
| #1 Call to Order D. Maychen, Chair | The meeting was called to order at 11:30 am, a quorum was present. | |
| #2 New Finance Committee Member Information D. Maychen, Chair | New Finance Committee member, John Frye, was announced. | |
| #3 Finance Committee Minutes dated October 18, 2018 Attachment 3.A Action | The minutes from the October 18, 2018 Finance meeting were approved as read. | Motion: <i>Minutes were approved</i> <i>5-0-0-2</i> <i>(Neves / Nikoghosian)</i> |

| | | |
|--|--|---|
| <p>D. Maychen, Chair</p> <p>#4 Financial Statements as of December 31, 2018 Attachment 4.A</p> <p>Action D. Maychen, Chair</p> | <p>Total current assets were approximately \$273M; total current liabilities were approximately \$219M. Current ratio is 1.24. TNE as of December 31, 2018 was approximately \$64.4M, which is approximately 484% of the minimum DMHC required TNE amount.</p> <p>Total revenue reported for first six months of fiscal year was approximately \$590M which is \$19.1M above budgeted amounts primarily due to rates being higher than projected and enrollment being higher than projected. For those same reasons, capitation medical costs and admin service fees expense are higher than budgeted.</p> <p>All other expense line items are either below or in line with budget. Total net income for the first six months of the fiscal year is approximately \$4.6M which is approximately \$1.2M more than budgeted.</p> <p><i>John Frye arrived @ 11:31</i></p> | <p>Motion: <i>Approve Financial Statements as of December 31, 2018</i> <i>6 – 0 – 0 – 1</i> <i>(Nikoghosian / Soares)</i></p> |
| <p>#5 Fiscal Year 2020 – Review and Discuss Budget Attachment 5.A</p> <p>Action D. Maychen, Chair</p> | <p>A formalized budget is planned for presentation at the March meeting with intent to accept and adopt. Any changes as a result of the March meeting will carry on to an April meeting. The formal budget will be presented at the May Commission meeting. Basic assumptions are consistent with prior years with the exception of an increase in Knox Keene licensing fee, marketing expense, interest income, net income, and staffing increase to 18. In addition, enrollment is projected to be relatively flat for FY 2020. An overall rate decrease of approximately 1.3% is also projected. The current MCO tax is set to expire June 30, 2019 and an extension was not included in Gov. Newsom’s initial state fiscal year 2020 budget proposal. As such, MCO</p> | <p>Motion: <i>Approve Budget Assumptions</i> <i>6 – 0 – 0 – 1</i> <i>(Nikoghosian / Neves)</i></p> |

| | | |
|------------------|---|--|
| | <p>taxes were not included in CalViva's fiscal year 2020 preliminary budget.</p> <p>A recommendation was made by John Frye to create a secondary budget adding MCO tax.</p> | |
| #6 Announcements | A brief discussion on the Community Support program and the Marketing plan took place. | |
| #7 Adjourn | Meeting was adjourned at 11:49 am | |

Submitted by: *Cheryl Hurley*
 Cheryl Hurley, Clerk to the Commission

Dated: *March 21, 2019*

Approved by Committee: *Daniel Mayden*
 Daniel Maychen, Committee Chairperson

Dated: *3/21/19*