



**CalViva Health
Finance
Committee Meeting Minutes**

Meeting Location
Kings County Government Center
1400 W. Lacey Boulevard
Hanford, CA 93230

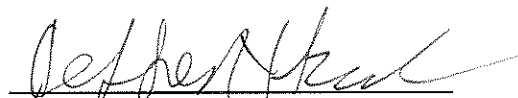
September 17, 2015

Finance Committee Members in Attendance		CalViva Health Staff in Attendance	
✓	William Gregor, Chair	✓	Kim Lopez, Administrative Assistant
✓	Gregory Hund, CEO	✓	Daniel Maychen, Director of Finance
✓*	Paulo Soares	✓	Cheryl Hurley, Office Manager
✓	Joe Neves		
✓	Harold Nikoghosian	✓	Present
✓•	Deborah A Poochigian	*	Arrived late
	David Rogers	•	Teleconference

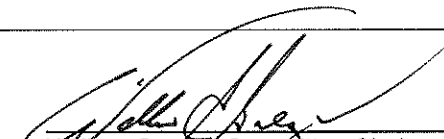
AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
#1 Call to Order	The meeting was called to order at 10:59 am a quorum was present	
#2 Finance Committee Minutes dated July 16, 2015 Attachment A Action W Gregor, Chair	The minutes from July 16, 2015 Finance meeting were approved as read.	Motion: <i>Minutes were approved 5 – 0 – 0 – 2 (Neves/Poochigian)</i>
#3 Fiscal Year End Financial Statements – June 30, 2015 Attachment B	D. Maychen presented the Fiscal Year End Financial Statements as of June 30, 2015 to the Finance Committee. As of June 30, 2015 there were \$125 million in current assets, \$98 million in current liabilities, providing a current ratio of 1.28. Total TNE as of June 2015 was approximately	Motion: <i>Fiscal Year End Financial Statements were Approved 5 – 0 – 0 – 2 (Neves/Nikoghosian)</i>

<p>Action D. Maychen</p>	<p>\$26.8 million. DMHC required TNE was approximately \$11.6 which has CVH at 231% of the DMHC required TNE.</p> <p>Premium capitation income exceeded \$1 billion for the year which was due to increase in enrollment, increase in capitation rates, and increase in the ACA PCP rate increase payments. Capitation medical costs expense, administrative service agreement fees expense, and taxes will all be higher than budgeted amounts. All other expense items were below budgeted amounts with the exception of insurance. This was due to premium rates being higher than initially projected. Net income was approximately \$13.3 million, which included \$3 million of the Health Net loan that was forgiven.</p> <p>Overall CVH was ahead of budgeted income by approximately \$8.9 million.</p>	
<p>#4 Financial Statements – August 31, 2015</p> <p>Attachment C</p> <p>Action D Maychen</p>	<p>D. Maychen presented the Financial Statements as of August 31, 2015 to the Finance Committee.</p> <p>Current assets were approximately \$164.7 million; current liabilities were approximately \$136.2 million, providing a current ratio of 1.21. Tangible net equity was \$28.9 million, which is 232% of the DMHC required TNE.</p> <p>The premium capitation income actual was approximately \$183 million which was \$33.4 million above budgeted income. This was due to enrollment and capitation rates. Current net income is \$2 million; this includes \$40K of other income relating to funds from Health Net for additional marketing. CVH is ahead of budgeted net income by approximately \$625K.</p>	<p>Motion: <i>Financial Statements as of August 31, 2015 were Approved 5 – 0 – 0 – 2 (Neves/Nikoghosian)</i></p>

<p>#5 Proposed Amendment to FY 2016 Budget</p> <p>No attachment</p> <p>Information W Gregor, Chair</p>	<p>A proposal will be presented to Commission to adjust FY 2016 Marketing expense budget by \$40K. This money was given to CVH by Health Net to be used for additional sponsorships.</p> <p><i>P. Soares arrived at 11:10 am</i></p>	
<p>#6 Banking Changes – moving from Bank of America to Wells Fargo</p> <p>Information W. Gregor, Chair</p>	<p>CVH received notice from Bank of America that they are terminating our relationship due to the impact that public entities have on their reserve requirements. CVH will begin a relationship with Wells Fargo for future banking</p>	
<p>#7 Announcements</p>	<p>Moss Adams will be presenting the FY 2015 Audit results during the October meeting.</p>	
<p>Adjourn</p>	<p>Meeting was adjourned at 11:12 am</p>	

Submitted by: 
 Jeffery Nkansah, Clerk to the Commission

Dated: Oct. 15, 2015

Approved by Committee: 
 William Gregor, Committee Chairperson

Dated: Oct. 15, 2015