



**DISTRICT CLINIC HOLDINGS, INC.
d.b.a. C.L. BRUMBACK PRIMARY CARE CLINICS
BOARD OF DIRECTORS FINANCE COMMITTEE
MEETING MINUTES
June 23, 2021
Zoom Webinar Meeting**

1. Call to Order

Mr. Mike Smith called the meeting to order at 12:18 p.m.

A. Roll Call

Committee members present: Joseph Gibbons, Tammy Jackson-Moore, Mike Smith

Staff present included: Darcy Davis; Belma Andric, Hyla Fritsch, Shannon Wynn, Mina Bayik, Patricia Lavelly; Donald Moniger; Glen Torcivia, Outside Legal Counsel; Martha Hyacinthe; Candice Abbott; Andrea Steele; Marisol Miranda; John Wright; Dominique Domond; Jessica Cafarelli

Recording/transcribing Secretary: Shannon Wynn

- B. Affirmation of Mission:** To provide compassionate, comprehensive health services to all Palm Beach County residents, through collaboration and partnership, in a culturally sensitive environment.

2. Agenda Approval

A. Additions/Deletions/Substitutions

None.

B. Motion to Approve Agenda

CONCLUSION/ACTION: Mr. Gibbons made a motion to approve the agenda as presented/amended. The motion was duly seconded by Mr. Smith. A vote was called, and the motion passed unanimously.

3. Awards and Presentations

None.

4. Disclosure of Voting Conflict

None.

5. Public Comment

None.

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6. Meeting Minutes

- 6A-1 **Staff recommends a MOTION TO APPROVE:**
Finance Committee Meeting Minutes of May 19, 2021.

CONCLUSION/ACTION: Mr. Gibbons made a motion to approve the May 19, 2021 minutes as presented/amended. The motion was duly seconded by Mr. Smith. A vote was called, and the motion passed unanimously.

7. Consent Agenda – Motion to Approve Consent Agenda Items

CONCLUSION/ACTION: Mr. Gibbons made a motion to approve the Consent Agenda as presented/amended. The motion was duly seconded by Mr. Smith. A vote was called, and the motion passed unanimously.

A. ADMINISTRATION

- 7A-1 **RECEIVE AND FILE:**
June 2021 Internet Posting of District Public Meeting.
<https://www.hcdpbc.org/resources/public-meetings>

- 7A-2 **RECEIVE AND FILE:**
Attendance Tracking

8. Regular Agenda

A. FINANCE

- 8A-1 **Staff recommends a MOTION TO APPROVE:**
C.L. Brumback Primary Care Clinics Financial Report April 2021.

Management Discussion and Analysis of April 2021 C.L. Brumback Primary Care Clinic Financial Statements. The April statements represent the financial performance through the seventh month of the 2021 fiscal year for C.L. Brumback Primary Care Clinics. Total YTD revenue was unfavorable to budget by (\$3.4M) due primarily to the timing of COVID-19 stimulus funds. Net patient revenue YTD was favorable to budget by \$921k. Expenses before depreciation were favorable to budget by \$468k, or 2.9%, primarily due to positive variances in medical supplies \$539k, other supplies \$108k, medical services \$127k, lease and rental \$125k, and additional expense \$83k. Total YTD net margin was (\$9.5M) compared to a budget of (\$6.9M) resulting in an unfavorable variance of (\$2.6M) or 38.3%. The Medical clinic's total YTD revenue was unfavorable to budget by (\$3.5M). This unfavorable variance resulted from the timing of

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COVID-19 related stimulus funding. Gross patient revenue was over budget by \$3.2M or 47.7%, which resulted from the Clinic's efforts to respond to the pandemic by offering telemedicine visits in addition to office visits. Clinic staff continues to provide county-wide COVID-19 testing and vaccination. Total operating expenses of \$13.6M were favorable to the budget of \$14.0M by \$422k or 3.0%. This positive variance is mainly related to medical supplies \$500k, medical services \$127k, lease and rental \$122k, and other expenses \$69k. These expenses are favorable to the budget due to usage timing and supplies purchases. Total YTD net margin was (\$8.5M) compared to budget of (\$5.7M) resulting in an unfavorable variance of (\$2.8M) or 48.9%. The Dental clinic's total YTD gross patient revenue was favorable to budget by \$333k or 17.4%. Total revenue of \$2.0M was over budget by \$75k due to increasing visits. Total operating expenses of \$2.3M were favorable to budget by \$46k or 2.0%. Total YTD net margin was (\$981k) compared to a budget loss of (\$1.1M) for a favorable variance of \$166k or (14.5%). The Comparative Statement of Net Position, due from other governments increased from \$967k to \$2.6M. This balance is due mainly from Health Resources and Service Administration (HRSA). The District subsidy YTD for the Medical and Dental clinics are \$4.9M and \$1.1M, respectively, for a combined subsidy of \$6.0M.

Mr. Smith noticed in the financial memo provided by Darcy that expenses from lease and rental were \$125k. What is the reasoning for this?

Ms. Bayik explained that this was due to the relocation of the Lantana Clinic to the Atlantis location. The rent is higher in Atlantis.

Mr. Smith noticed that the contractual allowances are up quite a bit compared to last year. He would like to know if the District is losing payors or gaining patients that are not covered?

Ms. Abbott explained that the District has written off a lot of balances sitting in the books. There have been some credentialing issues with providers and insurances. Other issues have included filing in a timely matter.

Mr. Smith noticed there is a category named "Other Financial Assistance." Last year it showed zero funds and this year it shows \$800k. He asked what this category is.

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Ms. Bayik answered by stating that the category is from the Covid-19 stimulus funding.

Ms. Jackson-Moore asked if funds were coming out of the reserve for non-budgeted items.

Ms. Bayik stated in this case, for the non-budgeted items, we did not have to pull from the reserve because of the \$13.8M in funding from The American Rescue Plan. Some of those funds will cover the Covid Vaccination Department.

Mr. Smith stated that depreciation doubled from last year. He would like an explanation of this.

Ms. Bayik explained that the District had purchased capital for the clinics, some through grants funding, which are non-cash expenses. It doesn't cause a significant impact on the cash dollars.

Mr. Smith commented the IT budget is high compared to last year.

Ms. Bayik explained that due to the integration of Epic, the budget has increased.

Mr. Gibbons asked if the migration of Epic caused the increase in budget.

Ms. Bayik stated that yes, it is partially due to the new Epic software program.

CONCLUSION/ACTION: Ms. Jackson-Moore motioned to approve the Financial Report for April 2021 as presented/amended. The motion was duly seconded by Mr. Gibbons. A vote was called, and the motion passed unanimously.

9. VP and Executive Director of Clinic Services Comments

None.

10. Board Member Comments

None.

11. Establishment of Upcoming Meetings

July 28, 2021 (HCD Board Room)

12:15 p.m. Finance Committee

August 25, 2021 (HCD Board Room)

12:15 p.m. Finance Committee

September 29, 2021 (HCD Board Room)

12:15 p.m. Finance Committee

October 27, 2021 (HCD Board Room)

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12:15 p.m. Finance Committee

November 30, 2021 (HCD Board Room)

12:15 p.m. Finance Committee

December 14, 2021 (HCD Board Room)

12:15 p.m. Finance Committee

12. Motion to Adjourn

Ms. Jackson-Moore made a motion to adjourn. The motion was duly seconded by Mr. Gibbons. A vote was called, and the motion passed unanimously.

There being no further business, the meeting was adjourned at 12:35 p.m.



DCHI Finance Committee Chair

9/29/21

Date