# FINANCE COMMITTEE MINUTES

**Joint San Francisco Health Authority &**
**San Francisco Community Health Authority**
**Finance Committee Minutes**

Wednesday, September 11, 2024
11:00 am to 12:00 pm

1. **Attendance**

   In attendance were Finance Committee members Eddie Chan, PharmD, Steven Fugaro, MD, Deneen Hadley, and Jian Zhang, DNP, MS, FNP-BC

2. **Welcome**

   Deneen Hadley, Chair, Finance Committee, opened the meeting and welcomed committee members and moved the meeting to Closed Session.

3. **Review and Approval of Payment to the University of California, San Francisco (UCSF), Clinical Practice Group (CPG), in the amount of $1,000,000 to support UCSF CPG financial hardship**

   This item was discussed in Closed Session.

4. **Review and Approval for SFHP to Move Forward with Dual Eligible Special Needs Plan (D-SNP) Information Technology (IT) Applications that were Included in the Fiscal Year (FY) 24-25 Budget**

   This item was discussed in Closed Session.

5. **Review and Approval of Office Lease Renewal for 550 Kearny Street**

   This item was discussed in Closed Session.

The Board resumed in Open Session

**Open Session:**

6. **Report on Closed Session Action Items**

   Ms. Hadley opened the meeting in the Open Session. Ms. Hadley stated the following actions were taken by the Finance Committee in Closed Session for forwarding to the full Governing Board for approval:

   a. Approved the cash advance payment of $1 million to UCSF CPG to support CPG's financial hardship. Deneen Hadley, Secretary/Treasurer, is employed by UCSF and recused herself from the vote.

b. Approved SFHP to move forward with D-SNP IT applications that were included in the FY 24-25 Budget.
c. Approved the renewal of the lease for office space located on 550 Kearny Street for the SFHP Service Center.

**5. Review and Approval of Minutes of June 26, 2024, Finance Committee meeting**

Motion to approve the minutes: Jian Zhang, DNP, MS, FNP-BC
Second: Steven Fugaro, MD
The motion passed unanimously.

**6. Review and Approval of Year-End 2023-2024 Unaudited Financial Statements and Investment Reports**

Anne Price, Chief Finance and Strategy Officer, presented the unaudited financial statements and investment income reports for the year-end 2023-2024.

Rand Takeuchi, Controller, presented the Tangible Net Equity (TNE) ratio compared to other health plans to illustrate SFHP's TNE is within a reasonable range. The Committee did not identify any issues or concerns.

Motion to approve the year-end unaudited financials: Eddie Chan, Pharm.D.
Second: Steven Fugaro, MD
The motion passed unanimously to forward to the Governing Board for approval.

**7. Review and Approval of July 2024 Year-to-Date Unaudited Financial Statements and Investment Reports**

Ms. Price presented the unaudited financial statements and investment income reports for the period ending July 31, 2024. The Committee accepted the Reports and did not identify any issues or concerns.

Motion to approve the July 2024 unaudited financials: Eddie Chan, Pharm.D.
Second: Eddie Chan, Pharm.D.
The motion passed unanimously to forward to the Governing Board for approval.

**8. Review and Approval of the Organization Score for the Board-Approved FY 23-24 Organizational Goals and FY 23-24 Year-End Staff Bonus**

Yolanda R. Richardson, Chief Executive Officer (CEO), presented the results of the FY 23-24 organizational goals, year-end financial position, and the total score of 95% for the organizational goals.

Ms. Richardson reported that the organization achieved a score of 95% and met the financial conditions necessary for payment of the FY 23-24 staff bonuses, with the FY ending with a positive margin of $61.96 million in operations.

Ms. Richardson requested the Finance Committee to approve that SFHP met the financial conditions necessary for the FY 23-24 staff year-end bonus. The Finance

Committee agreed SFHP met the financial conditions required to support the payment of the FY 23-24 staff bonuses.

Dr. Fugaro stated the Committee encourages the organization to set stretch goals for FY 24-25.

Motion to approve SFHP met the financial conditions necessary for payment of the FY 23-24 Year-End Staff Bonus: Steve Fugaro, MD
Second: Eddie Chan, Pharm.D.
The motion passed unanimously to forward to the Governing Board for approval.

**11. Adjourned.** Ms. Hadley adjourned the meeting.