

MINUTES

**SOUTHERN NEVADA COMMUNITY HEALTH CENTER
FINANCE & AUDIT COMMITTEE MEETING
September 14, 2026 – 3:00 p.m.**

Meeting was conducted via Microsoft Teams Event

MEMBERS PRESENT: Jasmine Coca, Chair
Fr Rafael Pereira

ABSENT: Blanca Macias-Villa

ALSO PRESENT: Nate Higgs, Jeeves Thompson, Jean Thompson, Peter Saba

LEGAL COUNSEL: Edward Wynder, Associate General Counsel

CHIEF EXECUTIVE OFFICER: Randy Smith

STAFF: Emily Anelli, Tawana Bellamy, Todd Bleak, Andria Cordovez Mulet, David Kahananui, Ryan Kelsch, Cassius Lockett, Renee Trujillo, Wei Ren, Donnie (DJ) Whitaker, Lourdes Yapjoco

I. CALL TO ORDER and ROLL CALL

The Chair called the Southern Nevada Community Health Center Finance & Audit Committee Meeting to order at 3:02 p.m. Tawana Bellamy, Senior Administrative Specialist, administered the roll call and confirmed a quorum. Ms. Bellamy provided clear and complete instructions for members of the general public to call in to the meeting to provide public comment, including a telephone number and access code.

II. PLEDGE OF ALLEGIANCE

III. FIRST PUBLIC COMMENT: A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to two (2) minutes per speaker. Please clearly state your name and address and spell your last name for the record. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chair or the Board by majority vote.

Seeing no one, the Chair closed the First Public Comment portion.

IV. **ADOPTION OF THE SEPTEMBER 14, 2026 MEETING AGENDA** *(for possible action)*

Chair Coca requested a motion to adopt the agenda.

A motion was made by Father Rafael, seconded by Chair Coca, and carried unanimously to approve the September 14, 2026 agenda, as presented.

V. **CONSENT AGENDA:** Items for action to be considered by the Southern Nevada Community Health Center Finance and Audit Committee which may be enacted by one motion. Any item may be discussed separately per Board Member request before action. Any exceptions to the Consent Agenda must be stated prior to approval.

1. **Approve Finance & Audit Committee Meeting Minutes** – June 15, 2026 *(for possible action)*

Chair Coca requested a motion to approve Consent Agenda, which consists of the Finance and Audit Committee meeting minutes from June 15th, 2026.

A motion was made by Father Rafael, seconded by Chair Coca, and carried unanimously to approve the Consent Agenda, as presented.

VI. **REPORT / DISCUSSION / ACTION**

1. **Receive and Discuss the July 2026 Year to Date Financial Report and Approve Recommendations to the Southern Nevada Community Health Center Governing Board on September 15, 2026;** direct staff accordingly or take other action as deemed necessary *(for possible action)*

Donnie (DJ) Whitaker, Chief Financial Officer, presented the July 2026 Year to Date Financial Report, unaudited results as of July 31, 2026. Ms. Whitaker provided the following highlights:

Revenue

- General Fund revenue (Charges for Services & Other) is \$3.18M compared to a budget of \$3.22M, an unfavorable variance of \$44K.
- Special Revenue Funds (Grants) is \$394K compared to a budget of \$419K, an unfavorable variance of \$25K.
- Total Revenue is \$3.57M compared to a budget of \$3.64M, an unfavorable variance of \$70K.

Expenses

- Salary, Tax, and Benefits is \$1.31M compared to a budget of \$1.31M, a favorable variance of \$2K.
- Other Operating Expense is \$2.29M compared to a budget of \$2.29M, an unfavorable variance of \$4K.
- Indirect Cost/Cost Allocation is \$1.03M compared to a budget of \$915K, an unfavorable variance of 118K.
- Total Expense is \$4.64M compared to a budget of \$4.52M, an unfavorable variance of \$120K.

Net Position: is negative \$1.06M compared to a budget of negative \$874K, an unfavorable variance of \$190K.

Father Rafael stated that the financial results appeared reasonable for the first month of the fiscal year and requested additional clarification regarding the cost allocation process and the cost allocation rate referenced in the report. Father Rafael asked how the allocation affected the variance and why the rate was expected to decrease.

Ms. Whitaker explained that cost allocation is the process used to distribute administrative expenses, including the costs of Finance, Human Resources, Information Technology, Facilities, and other support services, across the programs and divisions that benefit from those services.

Ms. Whitaker further stated that:

- Administrative costs are accumulated within the support departments.
- An independent third party assists in developing the annual cost allocation rate and methodology.
- The allocation distributes administrative expenses among receiving divisions, including the Federally Qualified Health Center (FQHC) and other Southern Nevada Health District programs.
- Factors such as departmental expenses and facility usage are considered when calculating the allocation.
- The FY 2027 allocation rate is based on the prior fiscal year's financial information.
- The organization is currently finalizing the allocation methodology and expects to receive the final rate within the next several days.
- Preliminary information indicates the final rate will likely be lower than the estimate currently reflected in the financial statements, which should reduce the reported variance once adjustments are made.

Father Rafael thanked Ms. Whitaker for the explanation and noted that understanding the allocation methodology would be helpful when discussing the financial report during the board meeting. Father Rafael also commented that it was encouraging to hear the final allocation rate is expected to be lower.

Ms. Whitaker acknowledged the comment and agreed that providing context about the cost allocation process is beneficial for board discussions and financial oversight.

Ms. Whitaker briefly reviewed the following:

- All Funds/Divisions by Type (budget to actuals)
- Percentage of Revenues and Expenses by Department
- Revenues by Department (budget to actuals)
- Expenses by Department (budget to actuals)

Ms. Whitaker presented the Patient Encounters Report by department, comparing July 2026 activity to July 2025 and providing a year-over-year analysis of patient volume trends.

Ms. Whitaker reported that total patient encounters for July 2026 decreased compared to July 2025, representing an overall 7% decline year over year. Despite the overall decrease, several programs experienced growth during the reporting period, including:

- Behavioral Health
- Family Planning
- Refugee Health

Ms. Whitaker noted that decreases in patient encounters were observed in:

- Ryan White Services
- Sexual Health Services
- Primary and Preventive Care Services

In reviewing the underlying factors contributing to the decline, Ms. Whitaker explained that the Federally Qualified Health Center (FQHC) experienced staffing vacancies during the month, along with scheduled employee leave that occurred during the reporting period. These factors reduced provider availability and, consequently, patient encounter volumes for July.

Ms. Whitaker further noted that while the month-to-month comparison reflects a decrease, patient encounter trends throughout the prior fiscal year generally demonstrated growth. Management anticipates that, as additional months are accumulated and evaluated on a year-to-date basis, the impact of a single month's staffing and scheduling challenges will be less pronounced.

Ms. Whitaker advised that going forward, they would continue to monitor patient encounter trends and provide the board with cumulative year-to-date data and year-over-year comparisons.

Ms. Whitaker presented a breakdown of patient encounters by clinic location and highlighted the areas contributing to the overall change in patient volume. Ms. Whitaker reported that while the overall patient encounter volume decreased year over year, the decline was not uniform across all clinic locations. Specifically:

- Fremont experienced a 16% increase in patient encounters compared to the same period in the prior year.
- The overall reduction in patient encounters was primarily attributable to decreased activity at the Decatur location.

Ms. Whitaker explained that separating the Fremont location data from other locations provides greater visibility into where patient activity is increasing and where challenges exist. The clinic-specific analysis demonstrated that patient demand remains strong in certain service locations, despite the overall decline in total encounters.

Chair Coca inquired whether the decrease in patient encounters at the Decatur location may have been the result of patients seeking services at other clinic locations. Chair Coca asked whether the Health Center has the ability to track patient movement between clinic sites and expressed hope that the decline reflected a shift in service location rather than a loss of patients.

Mr. Smith explained that the decrease in patient encounters during July was specific to circumstances affecting that particular month. Mr. Smith noted that several providers at the Decatur location were on scheduled paid time off (PTO), which reduced appointment availability and limited the number of patients who could be seen during the reporting period.

Mr. Smith stated that he does not believe the organization is experiencing a loss of patients. Rather, the decline was primarily attributable to reduced provider access and clinic capacity during July. Mr. Smith emphasized that patient volume is closely tied to provider scheduling and appointment availability.

Mr. Smith further reported that preliminary August data had already shown significant improvement, with the year-over-year decline narrowing from approximately 7% in July to about 1% in August. This trend suggests that patient volumes are returning to expected levels as provider schedules normalize.

Mr. Smith explained that the difference in performance between the Decatur and Fremont sites was largely due to the providers who were absent being assigned to the Decatur location rather than Fremont. As a result, Fremont continued to experience growth while the Decatur encounters temporarily declined.

Chair Coca indicated that the explanation answered her question and stated that the circumstances described made sense.

Father Rafael expressed concern about the potential increase in uninsured patients as open enrollment approaches and insurance coverage changes take effect. Father Rafael noted that community organizations, insurance agents, and Nevada Health Link representatives are anticipating that many immigrants and individuals in the process of obtaining legal status may lose insurance coverage or subsidies. Father Rafael asked whether the Health Center is prepared to handle an increase in uninsured patients seeking care.

Mr. Smith stated the Health Center is tracking the issue as well. Mr. Smith explained that the primary concern is not access to care, but rather the impact on the Health Center's payer mix, which is already heavily weighted toward uninsured and underinsured patients.

Mr. Smith reported that provider productivity in primary care is currently aligned with state and national benchmarks, and he feels confident in the Health Center's ability to continue serving additional patients. Mr. Smith noted that management is also working to improve efficiency in Ryan White, Family Planning, and Sexual Health services.

Mr. Smith further reported that staffing capacity has recently increased with the addition of two new physicians, including one who started on the day of the meeting, and a physician assistant who joined in July and has focused on same-day and walk-in services.

Mr. Smith added that management is reviewing the Health Center's sliding fee schedule to ensure it remains accessible for patients while also appropriately capturing revenue. As part of that process, he plans to meet with leaders from other Nevada FQHCs to compare approaches and better understand how other organizations are providing access to uninsured patients.

Mr. Smith noted that some FQHCs have already begun modifying services for uninsured patients. Mr. Smith expressed concern that if the Health Center remains the most accessible option, it may continue to experience a disproportionate increase in demand. Mr. Smith stated that greater awareness and possible alignment among FQHCs could help ensure services remain sustainable while continuing to serve vulnerable populations.

Chair Coca stated that she shares the same concern and noted that community members have already begun receiving notices indicating changes to their benefits. She agreed that the issue should continue to be monitored and said she looks forward to future updates regarding management discussions with other FQHC leaders and any next steps the Health Center may take.

Mr. Smith agreed and reaffirmed management's commitment to monitoring the situation and keeping the Board informed.

There were no further questions.

A motion was made by Father Rafael, seconded by Chair Coca, and carried unanimously to accept the July 2026 Year to Date Financial Report, as presented, and Approve Recommendations to the Southern Nevada Community Health Center Governing Board on September 15, 2026.

- VII. SECOND PUBLIC COMMENT:** A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board's jurisdiction will be held. Comments will be limited to two (2) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chair or the Board by majority vote.

Seeing no one, the Chair closed the Second Public Comment portion.

XIII. ADJOURNMENT

The Chair adjourned the meeting at 3:29 p.m.

Randy Smith, MPA
Chief Executive Officer - FQHC

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