



AGENDA

Finance Committee

October 7, 2025

11:00 AM

512 W. Aten Rd., Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Microsoft Teams

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Meeting ID: 265 712 356 749

Passcode: 9LJkjb

Committee Members	Representing	Present
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair, CEO of Innercare and CCIPA	
Lee Hindman	LHA Chair-Joint Chamber of Commerce representing the public	
Dr. Carlos Ramirez	Finance Committee Chair-CEO/Senior Consultant DCRC	
Pablo Velez <i>Alternate</i>	LHA Commissioner-ECRMC CEO	
Mayra Widmann	Deputy CEO-Budget Fiscal	

1. CALL TO ORDER

Dr. Carlos Ramirez, Chair

A. Roll Call

Donna Ponce, Commission Clerk

B. Approval of Agenda

1. Items to be pulled or added from the Information/Action/Closed Session Calendar
2. Approval of the order of the agenda

2. PUBLIC COMMENT

Dr. Carlos Ramirez, Chair

Public Comment is limited to items NOT listed on the agenda. This is an opportunity for members of the public to address the Commission on any matter within the Commission’s jurisdiction. Any action taken as a result of public comment shall be limited to the direction of staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the board.



3. CONSENT CALENDAR

All items appearing on the consent calendar are recommended for approval and will be acted upon by one motion, without discussion. Should any Commissioner or other person express their preference to consider an item separately, that item will be addressed at a time as determined by the Chair.

- A. Approval of Minutes from 9/3/2025 *pg. 5-7*

4. ACTION

- A. Motion to recommend to the full commission the acceptance of monthly financial reports as presented. *David Wilson, Chief Financial Officer*

- 1. Executive Summary.....*pg. 9-10*
- 2. Enrollment Report *pg. 11*
- 3. Statement of Revenues, Expenses, and Changes in Net Position..... *pg. 12*
- 4. Product Profit & Loss Statement..... *pg. 13*
- 5. Statement of Net Position *pg. 14*
- 6. Summarized TNE Calculation *pg. 15*
- 7. Cash Transaction Report *pg. 16-17*

5. INFORMATION

- A. 2025 Annual Audit Planning by Baker Tilly.... *pg. 19-38*

6. CLOSED SESSION

Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 10/2025)

- A. Budget Assumptions



7. RECONVENE OPEN SESSION

- A. Report on actions taken in closed session.

8. COMMISSIONER REMARKS

Dr. Carlos Ramirez, Chair

9. ADJOURNMENT

Next meeting: November 5, 2025



Consent Agenda



MINUTES

Finance Committee

September 3, 2025

11:00 AM

512 W. Aten Rd., Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Microsoft Teams

[Join the meeting now](#)

Meeting ID: 265 712 356 749

Passcode: 9LJkjb

Committee Members	Representing	Present
Lee Hindman	LHA Chair-Joint Chamber of Commerce representing the public	✓
Mayra Widmann	Deputy CEO-Budget Fiscal	✓
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair-CEO of Innercare and CCIPA	✓
Pablo Velez <i>Alternate</i>	LHA Commissioner-ECRMC CEO	--
Dr. Carlos Ramirez	Finance Committee Chair-CEO/Senior Consultant DCRC	✓

1. CALL TO ORDER

Dr. Carlos Ramirez, Chair

Meeting called to order at 11:01 a.m.

A. Roll Call

Donna Ponce, Commission Clerk

Roll call taken and quorum confirmed. Attendance is as shown.

B. Approval of Agenda

1. Items to be pulled or added from the Information/Action/Closed Session Calendar
2. Approval of the order of the agenda

(Hindman/Widmann) To approve the order of the agenda. Motion carried.

2. PUBLIC COMMENT

Dr. Carlos Ramirez, Chair

Public Comment is limited to items NOT listed on the agenda. This is an opportunity for members of the public to address the Commission on any matter within the Commission’s jurisdiction. Any action taken as a result of public comment shall be limited to the direction of staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the board. **No public comment.**



3. CONSENT CALENDAR

All items appearing on the consent calendar are recommended for approval and will be acted upon by one motion, without discussion. Should any Commissioner or other person express their preference to consider an item separately, that item will be addressed at a time as determined by the Chair.

- A. Approval of Minutes from 8/6/2025 pg. 4-6
 (Hindman/Widmann) To approve the consent calendar. Motion carried.

4. ACTION

- A. Motion to recommend to the full commission the acceptance of monthly financial reports as presented.
David Wilson, Chief Financial Officer
 (Hindman/Widmann) To recommend to the full commission acceptance of the monthly financial reports as presented. Motion carried.

- 1. Executive Summary.....pg. 7-8
- 2. Enrollment Report pg. 9
- 3. Statement of Revenues, Expenses, and Changes in Net Position..... pg. 10
- 4. Product Profit & Loss Statement..... pg. 11
- 5. Statement of Net Position pg. 12
- 6. Summarized TNE Calculation pg. 13
- 7. Cash Transaction Report pg. 14

5. CLOSED SESSION

Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 10/2025)
No closed session.

6. RECONVENE OPEN SESSION

- A. Report on actions taken in closed session.

7. INFORMATION

- A. Other new or old business *Dr. Carlos Ramirez, Chair*
 None.



8. COMMISSIONER REMARKS

None.

Dr. Carlos Ramirez, Chair

9. ADJOURNMENT

The meeting was adjourned at 11:51 a.m.

Next meeting: October 8, 2025



Action Items



Financial Result
August 2025

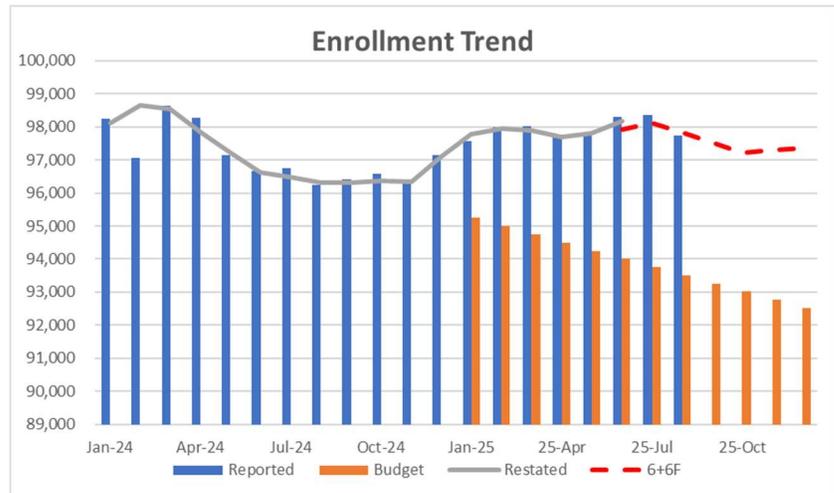
Executive Summary

Membership

August Medi-Cal reported membership was in-line with the 6+6 forecast expectations at 97.7K. On a restated basis, membership is underperforming by -0.3K.

Early reporting for September suggests membership will continue to decline slightly greater than the forecast.

Year-to-date, membership remains favorable to budget by 28.4K member months.



Gross Margin

Monthly revenue exceeded forecasts by \$5.5M, primarily due to retroactive 2024 Hospital Quality Incentive Pool (QIP) payments. Total QIP payments of \$4.5M were fully passed through to Health Net for distribution to area hospitals.

Membership Mix & Rate: Rate variance was favorable by \$1.1M due to retroactive Maternity kick payments, largely associated with 2025 service months.

Volume: Volume adjustments for the current period were slightly below forecast, resulting in a minor unfavorable revenue variance of \$14K.

Category of Aid (COA)*	Revenue (Current Month Reported)				Vol	Rate
	Current	Prior Period	Forecast	Variance		
Child	\$ 4,558,056	\$ 496,861	\$ 4,591,898	\$ (33,842)	\$ (28,706)	\$ (5,136)
Adult	\$ 3,875,013	\$ 1,746,034	\$ 3,982,608	\$ (107,595)	\$ 15,257	\$ (122,852)
Adult Expansion	\$ 7,411,814	\$ 1,981,839	\$ 7,453,173	\$ (41,359)	\$ (25,398)	\$ (15,961)
SPD	\$ 4,211,492	\$ 1,397,620	\$ 4,140,788	\$ 70,703	\$ 69,949	\$ 754
SPD Dual	\$ 6,364,516	\$ 48,371	\$ 6,409,973	\$ (45,457)	\$ (46,148)	\$ 691
LTC	\$ 15,657	\$ 6,499	\$ 13,710	\$ 1,947	\$ 1,966	\$ (20)
LTC Dual	\$ 36,904	\$ (769)	\$ 37,673	\$ (769)	\$ (769)	\$ 0
Total Medicaid	\$ 26,473,451	\$ 5,676,455	\$ 26,629,823	\$ (156,371)	\$ (13,849)	\$ (142,522)

Overall, Gross margin was generally in line with forecast, favorable by \$29K for the month of August; gross margin was favorable \$1.1M YTD.



Administrative Expenses

In aggregate, administrative expenses were slightly unfavorable to forecast, less than 1% unfavorable or (\$6K). Within the total, uncapitalized repairs and maintenance to the CHPIV facility were the largest unplanned variance at (\$24K). These costs are associated with meeting space demands for the company due to the DSNP expansion. Additional costs are expected in September and October as the work is completed. Excluding these remodel expenses, all other administrative costs were favorable by \$17K.

On a YTD basis, administrative costs are favorable by \$213K relative to the budget.

Other

Investment income was favorable by \$4K in August and is anticipated to run favorably for the remainder of the year. Year-to-date, investment income is \$151K above budget.

Tangible Net Equity (TNE)

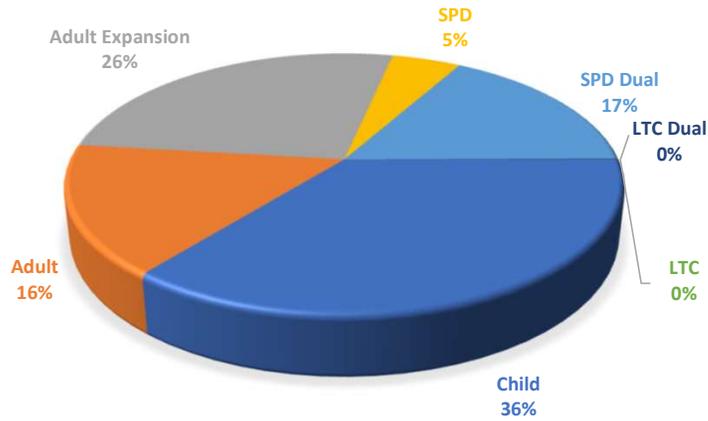
For the month of August, TNE was \$23M, representing 479% of the required \$4.8M. On a restated basis, TNE stands at 488% of the required levels.

**Imperial County Local Health Authority
DBA Community Health Plan of Imperial Valley
Reported Enrollment
For August 2025**

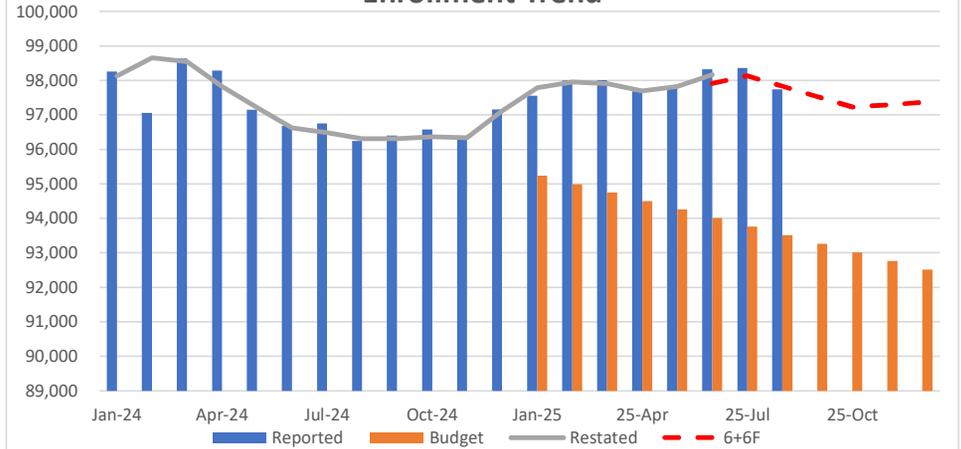
Category of Aid (COA)*	2024				2025									
	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	August		August (YTD)		Actual	Budget	B/(W)	
							Actual	6+6F	#	%			#	%
Child	34,607	34,589	34,424	34,551	35,139	35,129	34,826	35,032	(206)	-1%	280,568	267,144	13,424	5%
Adult	16,997	15,767	15,675	15,768	15,801	15,754	15,558	15,401	157	1%	125,833	120,479	5,355	4%
Adult Expansion	26,579	25,784	25,733	26,019	25,995	26,028	25,945	26,117	(172)	-1%	207,622	202,220	5,403	3%
SPD	5,007	5,041	5,085	5,139	4,671	4,784	4,647	4,499	148	3%	37,517	40,410	(2,893)	-7%
SPD Dual	14,433	14,760	15,007	15,288	16,283	16,514	16,659	16,668	(9)	0%	130,987	123,684	7,303	6%
LTC	12	15	19	22	22	6	15	14	1	7%	140	238	(98)	-41%
LTC Dual	79	87	92	104	98	100	94	98	(4)	-4%	772	838	(66)	-8%
Total Medicaid	97,714	96,043	96,035	96,891	98,009	98,315	97,744	97,829	(85)	0%	783,439	755,012	28,427	4%
<i>Monthly/Quarterly Change</i>		<i>-1.7%</i>	<i>0.0%</i>	<i>0.9%</i>	<i>1.2%</i>	<i>0.3%</i>	<i>0.9%</i>	<i>1.0%</i>						

* Source: DHCS 820 Remittance summary; includes retroactivity

Reported Enrollment by COA



Enrollment Trend



**Imperial County Local Health Authority
DBA Community Health Plan of Imperial Valley
Statement of Revenues, Expenses, and Changes in Net Position
For August 2025**

	August			August (YTD)			Current Month Explanations
	Actual	Forecast (6+6)	Variance - B/(W)	Actual	Budget	Variance - B/(W)	
REVENUE							
Premium	\$ 27,317,750	\$ 26,337,582	\$ 980,169	\$ 219,763,157	\$ 182,513,381	\$ 37,249,776	- Premium Revenue was favorable by \$1M primarily driven by current year maternity rate adjustments
Pass-Through	\$ 4,832,156	\$ 292,241	\$ 4,539,915	\$ 8,082,340	\$ 2,757,455	\$ 5,324,884	- Pass-Through was favorable by \$4.5M due to QIP adjustments for H1-2024
HN Settlements			\$ -			\$ -	
TOTAL REVENUE	\$ 32,149,906	\$ 26,629,823	\$ 5,520,083	\$ 227,845,497	\$ 185,270,836	\$ 42,574,660	
HEALTH CARE COSTS	\$ 31,330,374	\$ 25,839,695	\$ (5,490,678)	\$ 221,252,602	\$ 179,795,435	\$ (41,457,167)	
Gross Margin	\$ 819,533	\$ 790,127	\$ 29,405	\$ 6,592,895	\$ 5,475,401	\$ 1,117,493	
ADMINISTRATIVE EXPENSE							
Salaries & Wages	\$ 401,225	\$ 416,879	\$ 15,654	\$ 2,798,769	\$ 2,915,028	\$ 116,260	- Salaries were favorable largely due to timing of new hires in IT and Member & Provider services departments
Benefits Expense	\$ 25,264	\$ 33,492	\$ 8,228	\$ 203,889	\$ 221,761	\$ 17,871	
Other Labor Expense	\$ 1,424	\$ 1,424	\$ -	\$ 12,061	\$ 10,179	\$ (1,882)	
Total Labor Costs	\$ 427,913	\$ 451,796	\$ 23,882	\$ 3,014,719	\$ 3,146,968	\$ 132,249	
Consulting, Legal, & Other Professional	\$ 60,325	\$ 84,000	\$ 23,675	\$ 552,100	\$ 693,171	\$ 141,071	- Favorable due to timing of consulting cost related to DSNP
Outside Services	\$ 32,022	\$ 30,450	\$ (1,572)	\$ 284,248	\$ 259,270	\$ (24,978)	
Advertising & Marketing	\$ 50	\$ 2,300	\$ 2,250	\$ 6,129	\$ 36,681	\$ 30,552	
Information Technology	\$ 12,115	\$ 1,500	\$ (10,615)	\$ 88,804	\$ 46,771	\$ (42,032)	- Unfavorable variance reflects the ramp in computers and hardware associated with new hires
Membership and Subscriptions	\$ 11,009	\$ 11,344	\$ 335	\$ 80,300	\$ 75,580	\$ (4,720)	
Regulatory Fees	\$ 25,339	\$ 25,339	\$ -	\$ 207,257	\$ 223,238	\$ 15,982	
Travel	\$ 7,121	\$ 5,558	\$ (1,562)	\$ 52,423	\$ 62,492	\$ 10,069	
Meals & Entertainment	\$ 1,271	\$ 1,550	\$ 279	\$ 15,554	\$ 6,300	\$ (9,254)	
Occupancy & Facility	\$ 28,582	\$ 4,691	\$ (23,890)	\$ 62,470	\$ 37,737	\$ (24,733)	- Occupancy costs exceeded forecast due to uncapitalized remodel costs of CHPIV facility
Office Expense	\$ 8,057	\$ 2,305	\$ (5,752)	\$ 39,389	\$ 53,079	\$ 13,690	
Other Admin	\$ 20,088	\$ 6,883	\$ (13,205)	\$ 111,523	\$ 86,798	\$ (24,724)	
Total Administrative Expense	\$ 633,893	\$ 627,717	\$ (6,176)	\$ 4,514,914	\$ 4,728,085	\$ 213,171	
Non-Operating Income							
Dividend, Interest & Investment Income	\$ 109,496	\$ 105,775	\$ 3,721	\$ 849,849	\$ 699,130	\$ 150,720	- Favorable investment income due to higher portfolio balance (i.e., Premium Revenue) relative to forecast.
Rental Income	\$ 1,494	\$ 1,494	\$ -	\$ 11,948	\$ 11,600	\$ (348)	
Total Non-Operating Income	\$ 110,990	\$ 107,269	\$ 3,721	\$ 861,797	\$ 710,730	\$ 151,068	
Depreciation & Amortization	\$ 10,656	\$ 11,000	\$ (344)	\$ 85,244	\$ 88,000	\$ (2,756)	
Change in Net Position	\$ 285,974	\$ 258,679	\$ 27,295	\$ 2,854,534	\$ 1,370,046	\$ 1,484,488	
Key Metrics							
Enrollment	97,744	97,835	(91)	783,439		#VALUE!	
Revenue PMPM	\$328.92	\$272.19	\$56.73	\$290.83	#VALUE!	#VALUE!	
MLR	97.45%	97.0%	(42) bps	97.1%	97.0%	(6) bps	
Admin Ratio	2.0%	2.3%	38 bps	2.0%	2.5%	57 bps	
FTEs	38	34	(4)	204	219	15	
Net Income PMPM	\$2.93	\$2.64	\$0.28	\$3.64	#VALUE!	#VALUE!	
Net Income %	0.9%	1.0%	(8) bps	1.2%	0.7%	51 bps	

**Imperial County Local Health Authority
DBA Community Health Plan of Imperial Valley
Product P&L
For August 2025**

	August								August (YTD)				
	Medi-Cal				Medicare				Medi-Cal	Medicare	Total	% of Total	
	Actual	6+6F	Variance B/(W)	% Var	Actual	6+6F	Variance B/(W)	% Var				Medi-Cal	Medicare
REVENUE													
Premium	\$ 27,317,750	\$ 26,337,582	\$ 980,169	4%	\$ -	\$ -	\$ -	N/A	\$ 219,763,157	\$ -	\$ 219,763,157	100%	0%
Pass-Through	\$ 4,832,156	\$ 292,241	\$ 4,539,915	1553%	\$ -	\$ -	\$ -	N/A	\$ 8,082,340	\$ -	\$ 8,082,340	100%	0%
TOTAL REVENUE	\$ 32,149,906	\$ 26,629,823	\$ 5,520,083	21%	\$ -	\$ -	\$ -	N/A	\$ 227,845,497	\$ -	\$ 227,845,497	100%	0%
HEALTH CARE COSTS	\$ 31,330,374	\$ 25,839,695	\$ (5,490,678)	-21%	\$ -	\$ -	\$ -	N/A	\$ 221,252,602	\$ -	\$ 221,252,602	100%	0%
Gross Margin	\$ 819,533	\$ 790,127	\$ 29,405	4%	\$ -	\$ -	\$ -	N/A	\$ 6,592,895	\$ -	\$ 6,592,895	100%	0%
ADMINISTRATIVE EXPENSE													
Healthcare Services	\$ 44,134	\$ 46,532	\$ 2,398	5.2%	\$ 49,769	\$ 52,473	\$ 2,704	5.2%	\$ 448,439	\$ 538,687	\$ 987,126	45.4%	54.6%
Care Management	\$ -	\$ -	\$ -	N/A	\$ 45,976	\$ 36,157	\$ (9,819)	-27.2%	\$ -	\$ 191,136	\$ 191,136	0.0%	100.0%
Compliance	\$ 104,890	\$ 98,219	\$ (6,672)	-6.8%	\$ 17,075	\$ 15,989	\$ (1,086)	-6.8%	\$ 541,996	\$ 88,232	\$ 630,227	86.0%	14.0%
Operations	\$ 6,859	\$ 4,878	\$ (1,981)	-40.6%	\$ 61,734	\$ 43,906	\$ (17,829)	-40.6%	\$ 41,473	\$ 373,259	\$ 414,733	10.0%	90.0%
Member & Provider Services	\$ 6,270	\$ 25,507	\$ 19,237	75.4%	\$ 6,270	\$ 25,507	\$ 19,237	75.4%	\$ 75,550	\$ 75,550	\$ 151,101	50.0%	50.0%
Sales & Marketing	\$ 1,753	\$ 1,775	\$ 22	1.2%	\$ 33,307	\$ 33,723	\$ 415	1.2%	\$ 6,256	\$ 118,873	\$ 125,129	5.0%	95.0%
Executive	\$ 49,211	\$ 50,122	\$ 911	1.8%	\$ 16,404	\$ 16,427	\$ 23	0.1%	\$ 391,728	\$ 130,576	\$ 522,304	75.0%	25.0%
Finance	\$ 55,635	\$ 67,412	\$ 11,778	17.5%	\$ 18,545	\$ 22,471	\$ 3,926	17.5%	\$ 508,403	\$ 300,595	\$ 808,998	62.8%	37.2%
Corporate	\$ 61,122	\$ 43,518	\$ (17,604)	-40.5%	\$ 26,037	\$ 7,448	\$ (18,589)	-249.6%	\$ 385,834	\$ 84,636	\$ 470,470	82.0%	18.0%
Information Technology	\$ 9,512	\$ 13,339	\$ 3,827	28.7%	\$ 10,060	\$ 14,164	\$ 4,104	29.0%	\$ 76,662	\$ 60,720	\$ 137,382	55.8%	44.2%
Human Resources	\$ 4,534	\$ 3,953	\$ (581)	-14.7%	\$ 4,795	\$ 4,197	\$ (598)	-14.2%	\$ 42,784	\$ 33,524	\$ 76,308	56.1%	43.9%
Total Administrative Expense	\$ 343,921	\$ 355,256	\$ 11,334	3%	\$ 289,972	\$ 272,462	\$ (17,510)	-6%	\$ 2,519,126	\$ 1,995,788	\$ 4,514,914	56%	44%
Non-Operating Income													
Dividend & Interest Income	\$ 109,496	\$ 105,775	\$ 3,721	4%	\$ -	\$ -	\$ -	N/A	\$ 849,849	\$ -	\$ 849,849	100%	0%
Rental Income	\$ 1,494	\$ 1,494	\$ -	0%	\$ -	\$ -	\$ -	N/A	\$ 11,948	\$ -	\$ 11,948	100%	0%
Total Non-Operating Income	\$ 110,990	\$ 107,269	\$ 3,721	3%	\$ -	\$ -	\$ -	N/A	\$ 861,797	\$ -	\$ 861,797	100%	0%
Depreciation & Amortization	\$ 5,179	\$ 11,000	\$ 5,821	53%	\$ 5,477	\$ -	\$ (5,477)	N/A	\$ 74,727	\$ 10,517	\$ 85,244	88%	12%
Change in Net Position	\$ 581,423	\$ 531,140	\$ 50,282	9%	\$ (295,449)	\$ (272,462)	\$ (22,987)	-8%	\$ 4,860,839	\$ (2,006,305)	\$ 2,854,534	170%	-70%
Key Metrics													
Enrollment	97,744	97,835	(91)		-	-	-		783,439	-	783,439	100%	0%
Revenue PMPM	\$328.92	\$272.19	\$56.73		N/A	N/A	N/A		\$290.83	N/A	\$290.83		
MLR	97.45%	97.03%	42 bps		N/A	N/A	N/A		97.11%	N/A	97.11%		
Admin Ratio	1.1%	1.3%	26 bps		N/A	N/A	N/A		1.1%	N/A	2.0%		
Net Income PMPM	\$5.95	\$5.43	\$0.52		N/A	N/A	N/A		\$6.20	N/A	\$3.64		
Net Income %	1.8%	2.0%	-18 bps		N/A	N/A	N/A		2.1%	N/A	1.2%		

**Imperial County Local Health Authority dba
Community Health Plan of Imperial Valley
Statement of Net Position**

	July 2025	August 2025	Change
ASSETS			
Current Assets			
Cash and Investments			
Chase - Checking	\$ 200,000	\$ 200,000	\$ -
Chase - Money Market	\$ 2,916,239	\$ 2,834,537	\$ (81,701)
JPMorgan Securities	\$ 15,409,556	\$ 16,044,176	\$ 634,620
First Foundation Bank	\$ 306,190	\$ 152,913	\$ (153,277)
Receivables			
Dividend Receivable	\$ 8,573	\$ 9,227	\$ 654
Interest Receivable	\$ 103,246	\$ 100,270	\$ (2,976)
Capitation Receivable	\$ 27,889,154	\$ 27,317,750	\$ (571,404)
Pass-Through Receivable	\$ 414,982	\$ 4,832,156	\$ 4,417,173
Pass-Through Receivable - Other	\$ 1,144	\$ 0	\$ (1,144)
Other Current Assets			
Prepaid Expenses	\$ 449,911	\$ 406,404	\$ (43,508)
Total Current Assets	\$ 47,698,995	\$ 51,897,433	\$ 4,198,437
Noncurrent Assets			
Restricted Deposit			
First Foundation Bank - Restricted	\$ 300,000	\$ 300,000	\$ -
Capital Assets			
Buildings - Net	\$ 2,892,041	\$ 2,883,212	\$ (8,829)
Computer Equipment / Software - Net	\$ 6,555	\$ 6,387	\$ (168)
Improvements - Net	\$ 43,138	\$ 42,730	\$ (408)
Intangible Assets	\$ 60,209	\$ 58,959	\$ (1,250)
Operating ROU Asset (Copier) - Net	\$ 10,134	\$ 10,134	\$ -
Total Noncurrent Assets	\$ 3,312,077	\$ 3,301,422	\$ (10,656)
Total Assets	\$ 51,011,073	\$ 55,198,854	\$ 4,187,782
LIABILITIES			
CURRENT LIABILITIES			
Payables			
Accounts Payable	\$ 364,468	\$ 368,277	\$ 3,809
Capitation Payable	\$ 27,052,479	\$ 26,498,218	\$ (554,261)
Pass-Through Payable	\$ 414,982	\$ 4,832,156	\$ 4,417,173
Pass-Through Payable - Other	\$ 1,144	\$ 0	\$ (1,144)
Credit Card Payable	\$ 28,778	\$ 3,711	\$ (25,066)
Other Current Liabilities			
Short Term Lease Liability - Copier	\$ 3,500	\$ 3,516	\$ 16
Bonus Accrual	\$ 123,325	\$ 140,943	\$ 17,618
Salaries Accrual	\$ 170,665	\$ 202,569	\$ 31,904
Vacation Accrual	\$ 175,618	\$ 187,678	\$ 12,061
Total Current Liabilities	\$ 28,334,960	\$ 32,237,069	\$ 3,902,108
NON-CURRENT LIABILITIES			
Long Term Lease Liability - Copier	\$ 1,210	\$ 910	\$ (300)
Total Noncurrent Liabilities	\$ 1,210	\$ 910	\$ (300)
Total Liabilities	\$ 28,336,170	\$ 32,237,978	\$ 3,901,808
NET POSITION			
Restricted by Legislative Authority	\$ 300,000	\$ 300,000	\$ -
Unrestricted	\$ 19,806,342	\$ 19,806,342	\$ -
YTD Net Revenue	\$ 2,568,560	\$ 2,854,534	\$ 285,974
Total Net Position	\$ 22,674,902	\$ 22,960,876	\$ 285,974
Total Liabilities and Net Position	\$ 51,011,073	\$ 55,198,854	\$ 4,187,782

**Imperial County Local Health Authority dba
Community Health Plan of Imperial Valley
Summarized Tangible Net Equity Calculation
As of August 2025**

Net Equity	\$	22,960,876
Add: Subordinated Debt and Accrued Subordinated Interest	\$	0
Less: Report 1, Column B, Line 27 including: Unsecured Receivables from officers, directors, and affiliates; Intangibles	\$	0
Tangible Net Equity (TNE)	\$	22,960,876
Required Tangible Net Equity *	\$	4,796,447
TNE Excess (Deficiency)	\$	18,164,428

Full Service Plan		
A. Minimum TNE Requirement	\$	1,000,000
B. REVENUES:		
2% of the first \$150 million of annualized premium revenues (lines 1, 2, 4, 5, 7, 9 from Income Statement)	\$	3,000,000
Plus		
1% of annualized premium revenues in excess of \$150 million	\$	1,796,447
Total	\$	4,796,447

* Calculated Required Tangible Net Equity		
\$ 329,644,736		- Q1
\$ 329,644,736		- Annualized
\$ 150,000,000		
x 2%		
\$ 3,000,000		
\$ 179,644,736		
x 1%		
\$ 1,796,447		
\$ 4,796,447		- Required TNE

Community Health Plan of Imperial Valley
August 2025 Cash Transactions

Date	Account	Vendor	Memo/Description	Amount
Chase Checking				
8/1/2025	Chase Checking	Great America Financial Services	Inv 39696146-- bill.com Check Number: 79834538	\$ (306.01)
8/6/2025	Chase Checking	Epstein Becker & Green, P.C.	Multiple inv. (details on stub)-- bill.com Check Number: 79854811	(6,137.00)
8/6/2025	Chase Checking	Oracle America, Inc.	Multiple invoices	(13,569.99)
8/6/2025	Chase Checking	Lee Hindman	Commissioner Stipend - Check Number: 79854530	(700.00)
8/6/2025	Chase Checking	Carlos Ramirez	Commissioner Stipend - Check Number: 79852540	(700.00)
8/6/2025	Chase Checking	Bushra Ahmad	Commissioner Stipend - Check Number: 79854827	(300.00)
8/6/2025	Chase Checking	Pablo Velez	Commissioner Stipend - Check Number: 79854167	(200.00)
8/6/2025	Chase Checking	Economic Group Pension Services	Multiple invoices (details on stub)-- bill.com Check Number: 79852498	(1,108.25)
8/6/2025	Chase Checking	Bonde & Associates, LLC	Inv 1003	(9,000.00)
8/6/2025	Chase Checking	Ryan Kelley	Inv JUNE2025-- bill.com Check Number: 79852631	(100.00)
8/6/2025	Chase Checking	Law Office of William S. Smerdon	Inv 2798	(1,100.00)
8/6/2025	Chase Checking	Allan Wu	Inv JUNE2025-- bill.com Check Number: 79853757	(300.00)
8/6/2025	Chase Checking	Mayra Widmann	Inv JUNE2025-- bill.com Check Number: 79854933	(100.00)
8/6/2025	Chase Checking	Republic Services	Inv 0467-001753024	(146.82)
8/6/2025	Chase Checking	Employers Preferred Ins. Co.	Inv Invoice 1 PN: EIG 5696223 01-- bill.com Check Number: 79853816	(468.00)
8/6/2025	Chase Checking	Imperial Irrigation District	Inv JULY2025-- bill.com Check Number: 79853439	(2,012.95)
8/6/2025	Chase Checking	Vic's Air Conditioning & Electrical	Inv 102198-- bill.com Check Number: 79852717	(522.50)
8/6/2025	Chase Checking	Imperial Desert Landscape	Inv 25-291-- bill.com Check Number: 79854490	(250.00)
8/6/2025	Chase Checking	Quench USA	Inv INV09298742-- bill.com Check Number: 79853926	(129.30)
8/7/2025	Chase Checking	Zamosky Communication	Inv 0000044	(8,000.00)
8/7/2025	Chase Checking	City of Imperial	Acct 80683 - Inv 1455709-- bill.com Check Number: 79860322	(215.12)
8/7/2025	Chase Checking	360 Business Products	CashFlow 360 Payment - Duplicate	(242.44)
8/7/2025	Chase Checking	JPMorgan Chase	Dividend Income - July 2025	8,572.53
8/7/2025	Chase Checking	JPMorgan Chase	Service Charges Investment Sweep - August 2025	(564.28)
8/7/2025	Chase Checking	JPMorgan Chase	08/04/25 - Credit Card Payment	(28,777.71)
8/8/2025	Chase Checking	Kaz-Bros Design Shop	Inv 12727-- bill.com Check Number: 79869773	(326.22)
8/8/2025	Chase Checking	Liebert Cassidy Whitmore	Inv 293408-- bill.com Check Number: 79871785	(132.00)
8/8/2025	Chase Checking	Junior's Cafe	Inv 13-18579-- bill.com Check Number: 79872685	(487.16)
8/8/2025	Chase Checking	Shannon Long	Inv 17	(6,000.00)
8/8/2025	Chase Checking	Wakely consulting Group	Inv 211734 - 0000008-- bill.com Check Number: 79871729	(8,820.00)
8/14/2025	Chase Checking	Manifest MedEx	Inv INV-3253	(24,578.75)
8/14/2025	Chase Checking	Pillsbury Winthrop Shaw Pittman LLP	Inv 8667306-- bill.com Check Number: 79897987	(1,837.00)
8/14/2025	Chase Checking	Brawley Rotary Club	Inv July Statement-- bill.com Check Number: 79897221	(185.00)
8/14/2025	Chase Checking	America's Finest Fire Pro	Inv 26M 927253-- bill.com Check Number: 79898363	(860.30)
8/14/2025	Chase Checking	Brawley Rotary Club	Credit Return - Brawley Rotary Club	175.00
8/14/2025	Chase Checking	Department of Health Care Services	8/14/25 - Receipt - DHCS (July 2025 Revenue)	27,346,548.45
8/14/2025	Chase Checking	Department of Health Care Services	8/14/25 - Receipt - DHCS (July 2025 Revenue)	870,253.24
8/14/2025	Chase Checking	Department of Health Care Services	8/14/25 - Receipt - DHCS (July 2025 Revenue)	59,405.44
8/14/2025	Chase Checking	Department of Health Care Services	8/14/25 - Receipt - DHCS (July 2025 Revenue)	26,340.84
8/14/2025	Chase Checking	Department of Health Care Services	8/14/25 - Receipt - DHCS (July 2025 Revenue)	1,588.42
8/14/2025	Chase Checking	Department of Health Care Services	8/14/25 - Receipt - DHCS (July 2025 Revenue)	1,144.22
8/14/2025	Chase Checking	Mid Atlantic Trust Company	Mid Atlantic	(8,513.85)
8/14/2025	Chase Checking	JPMorgan Chase	8/14/25 - Interbank Transfer: Portfolio Funding	(28,000,000.00)
8/19/2025	Chase Checking	Health Management Associates, Inc.	Inv 206100 - 0000026	(1,712.50)
8/19/2025	Chase Checking	Sparkling Clean	Inv AUGUST2025	(900.00)
8/20/2025	Chase Checking	Kaz-Bros Design Shop	Multiple invoices (details on stub)-- bill.com Check Number: 79924782	(367.45)
8/20/2025	Chase Checking	I.V. Termite & Pest Control	Inv 0354308-- bill.com Check Number: 79924377	(120.00)
8/20/2025	Chase Checking	Total Carpet Care	Inv 962	(1,509.90)
8/21/2025	Chase Checking	AM Copiers Inc.	Inv IN8024	(480.38)
8/21/2025	Chase Checking	JPMorgan Chase	Account Analysis Settlement Charge	(8.18)
8/21/2025	Chase Checking	State Compensation Insurance Fund	Workers Compensation Payment	(1,424.41)
8/21/2025	Chase Checking	JPMorgan Chase	Chase Credit Card Payment	(14,208.88)
8/21/2025	Chase Checking	Health Net	Rental Income - June 2025	1,493.50
8/22/2025	Chase Checking	Inerglo Creative	Inv INV-00628	(3,000.00)
8/25/2025	Chase Checking	Great America Financial Services	Inv 39925060-- bill.com Check Number: 79948919	(306.01)
8/25/2025	Chase Checking	ECG Management Consultants	Inv 4211.001 - 73826-- bill.com Check Number: 79948111	(4,599.00)
8/25/2025	Chase Checking	Imperial Irrigation District	Inv 8011741107	(331.27)
8/25/2025	Chase Checking	Vic's Air Conditioning & Electrical	Inv 102407-- bill.com Check Number: 79947678	(285.00)
8/25/2025	Chase Checking	Rick's Roadrunner Lock & Safe	Inv 23664-- bill.com Check Number: 79947535	(94.71)
8/25/2025	Chase Checking	Imperial Painters, Inc.	Inv 25-064-- bill.com Check Number: 79948325	(18,950.00)
8/25/2025	Chase Checking	Imperial County Treasurer-Tax Collect	Inv Property Tax 2025-- bill.com Check Number: 79949155	(982.57)
8/26/2025	Chase Checking	Imperial Irrigation District	Void Of Bill Payment #P25082301 - 1513999	331.27
8/29/2025	Chase Checking	Stericycle, Inc.	Inv 8011741107-- bill.com Check Number: 79976034	(331.27)
8/29/2025	Chase Checking	Smartsheet, Inc.	Inv NV2495507	(5,200.00)
8/31/2025	Chase Checking	JPMorgan Chase	Chase Credit Card Payment	(6,634.99)
8/31/2025	Chase Checking	Mid Atlantic Trust Company	Payroll Date: 08/22/25 Retirement Contribution	(9,417.12)

First Foundation Bank				
8/8/2025	FFB Payroll	Rippling	Employee net pay for check date 08/08/2025	(103,414.00)
8/8/2025	FFB Payroll	Rippling	Payroll taxes paid via Rippling for check date 08/08/2025	(53,420.83)
8/15/2025	FFB Payroll	Blue Shield of California	Blue Shield Insurance	(22,353.83)
8/15/2025	FFB Payroll	Rippling	Employee Reimbursement - L. Lewis	(105.83)
8/15/2025	FFB Payroll	Rippling	People Center Bill	(298.00)
8/15/2025	FFB Payroll	Rippling	People Center Check	(58.22)
8/15/2025	FFB Payroll	Rippling	Employee Reimbursement - D. O'Campo & E. Montejano	(147.73)
8/15/2025	FFB Payroll	Rippling	Employee Reimbursement - D. Wilson & E. Montejano	(1,350.27)
8/15/2025	FFB Payroll	First Foundation Bank	Wire Fee	(10.00)
8/15/2025	FFB Payroll	UNUM	UNUM Invoice 08/01/25 - 08/31/25	(685.95)
8/22/2025	FFB Payroll	Rippling	Employee net pay for check date 08/22/2025	(112,158.42)
8/22/2025	FFB Payroll	Rippling	Payroll taxes paid via Rippling for check date 08/22/2025	(54,942.80)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - D. Wilson	(402.85)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - J. Hutchins	(1,130.91)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - C. Hardy & J. Garcia	(623.02)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - E. Tarabola & S. Long	(153.86)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - S. Long	(1,445.75)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - S. Long	(39.99)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - L. Lewis	(162.10)
8/31/2025	FFB Payroll	Rippling	Employee Reimbursement - C. hardy & J. Garcia	(373.02)
J.P. Morgan Securities				
8/31/2025	Chase Bond Portfolio	Health Net	May Health Net Payment	(27,468,605.99)
8/31/2025	Chase Bond Portfolio	JPMorgan Chase	Accrued Investment Income - July 2025	103,245.78
8/31/2025	Chase Bond Portfolio	JPMorgan Chase	Bank Fee - July 2025 (Portfolio)	\$ (20.00)



Information Items



Community Health Plan of Imperial Valley **2025 Audit Planning**

Discussion with Management
and the Audit Committee

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Agenda

1. Your Service Team
2. Scope of Services
3. Auditor's Responsibility in a Financial Statement Audit
4. Significant Risks Identified
5. Risks Discussion
6. Consideration of Fraud in a Financial Statement Audit
7. Audit Timeline
8. Audit Deliverables
9. Expectations
10. Recent Accounting Developments
11. Executive Health Care Conference
12. Executive Session



Your Service Team



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*Regional Industry
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Other team members:

Nick Scott, *Assurance Manager*

Renee Navarro, *Assurance Senior*

Javier Zamora, *Assurance Staff*

Nicole Martin, *Assurance Staff*



Scope of Services

Relationships between Baker Tilly and Community Health Plan of Imperial Valley:

Annual Audit

- Annual financial statement audit of Community Health Plan of Imperial Valley for the year ended December 31, 2025.

Non-Attest Services

- Assist in drafting the financial statements and related footnotes as of and for the year ended December 31, 2025.



Auditor's Responsibilities in a Financial Statement Audit

Auditor is responsible for:

- Forming and expressing an opinion on whether the financial statements are prepared, in all material respects, in conformity with U.S. generally accepted accounting principles;
- Performing an audit in accordance with generally accepted auditing standards issued by the American Institute of Certified Public Accountants;
- Communicating significant matters, as defined by professional standards, arising during the audit that are relevant to you; and
- When applicable, communicating particular matters required by law or regulation, by agreement with you, or by other requirements applicable to the engagement.

The audit of the financial statements doesn't relieve management or you of your responsibilities.

The auditor is not responsible for designing procedures for the purpose of identifying other matters to communicate to you.



Significant Risks Identified

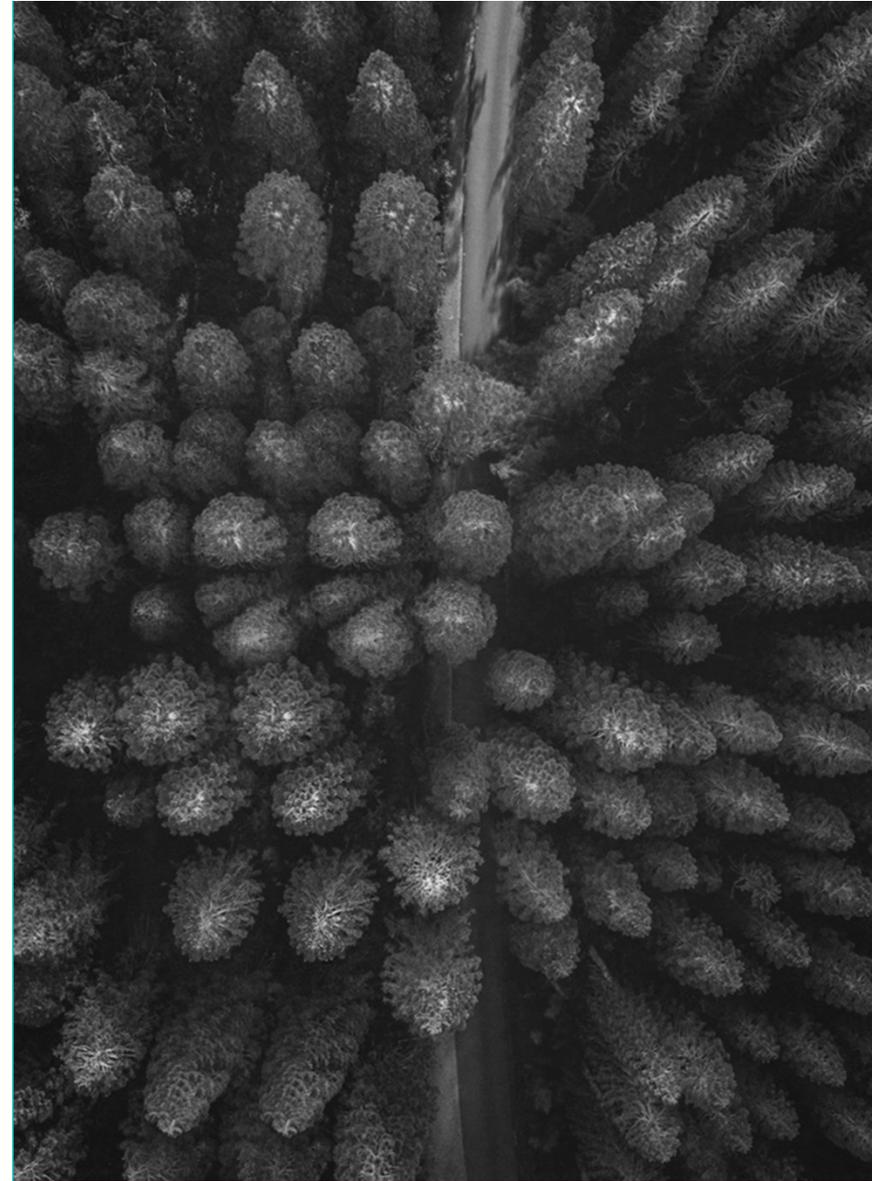
During the planning of the audit, we have identified the following significant risks:

Significant Risks	Procedures
Management Override of Controls	During journal entry testing, we will test the workflow of the users entering and posting journal entries to verify that manual adjustments are reviewed and approved. Additionally, we will perform required fraud inquiries with various levels of management and those charged with governance (TCWG).
Capitation Revenue	We will perform test of details of capitation revenue by comparing YTD capitation revenue recorded to cash receipts and investigating significant differences.



Risks Discussion

1. What are your views regarding:
 - Community Health Plan of Imperial Valley's objectives, strategies, and business risks that may result in material misstatements
 - Significant communications between the entity and regulators
 - Attitudes, awareness, and actions concerning:
 - Community Health Plan of Imperial Valley's internal control and importance
 - How those charged with governance oversee the effectiveness of internal control
 - Detection or the possibility of fraud
 - Other matters relevant to the audit
2. Do you have any areas of concern?



Consideration of Fraud in a Financial Statement Audit

Auditor's responsibility: Obtain reasonable assurance the financial statements as a whole are free from material misstatement – whether caused by fraud or error

To identify fraud-related risks of material misstatement, we:

- Brainstorm with team
- Conduct personnel interviews
- Document understanding of internal control
- Consider unusual or unexpected relationships identified in planning and performing the audit

Procedures we perform:

- Examine general journal entries for nonstandard transactions
- Evaluate policies and accounting for revenue recognition
- Test and analyze significant accounting estimates for biases
- Evaluate rationale for significant unusual transactions



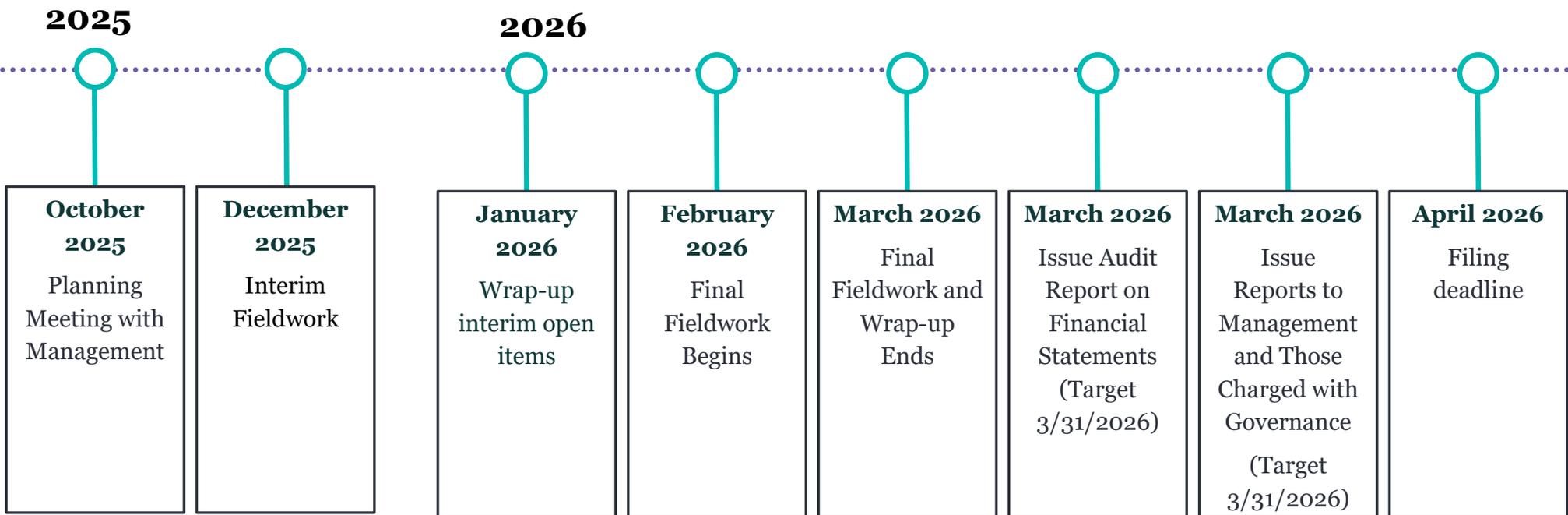
Prior Year Report to Management

During the prior year audit we noted the following material weaknesses:

Financial Close and Reporting	Lack of timely reconciliations on various major accounts.
Formal documentation of policies, procedures, and accounting conclusions	Lack formal documentation of various policies and procedures for the full year-ended December 31, 2024.
QuickBooks	Quickbook users are able to re-open and adjust previous accounting periods; the software does not maintain robust documentation trails (for management review); and there is a lack of segregation of duties.
Segregation of duties	Employees with access to cash receipts and disbursement areas of the general ledger should not have the authority to sign checks or have access to the check stock. Implement controls to review and approve posted journal entries.



Audit Timeline



Audit Deliverables



Report of Independent Auditors

on financial statements for Community Health Plan of Imperial Valley for the year ended December 31, 2024



Report to Management

(communicating internal control related matters identified in an audit)



Report to Those Charged With Governance

(communicating required matters and other matters of interest)



Expectations

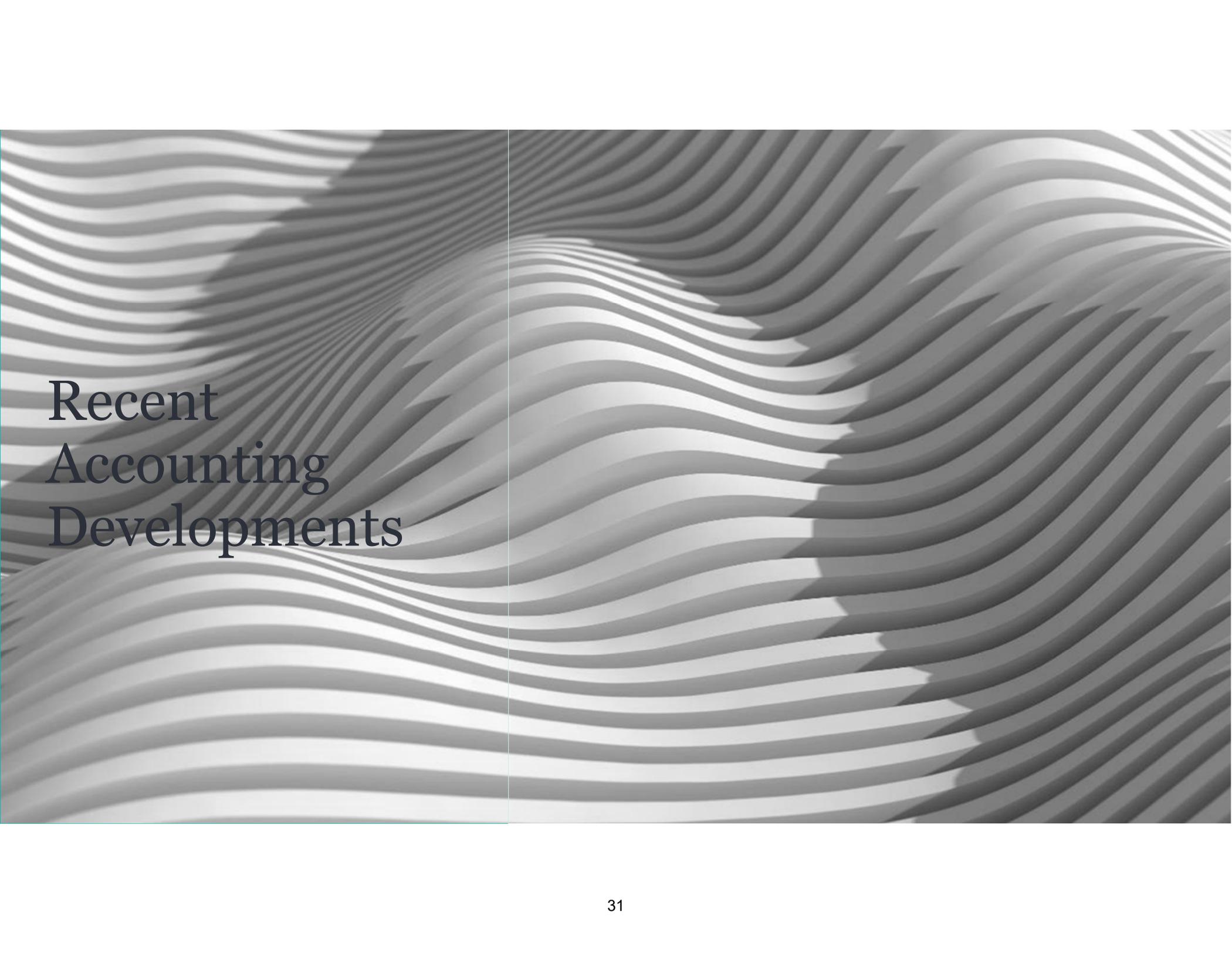
CHPIV will:

- Have no adjusting journal entries after beginning of field work.
- Close books and records before beginning of field work.
- Provide auditor requested information in request portal one week prior to the beginning of fieldwork.

Baker Tilly will:

- Communicate proposed adjustments with management when identified.
- Communicate control deficiencies with management when identified.
- Discuss any additional fees over the estimate in engagement letter with management.



The background of the slide features a complex, grayscale pattern of wavy, overlapping lines that create a sense of depth and movement. A thin, vertical white line runs down the center of the image, dividing it into two halves. The text is positioned on the left side of the slide, overlapping the wavy pattern.

Recent Accounting Developments

RECENT ACCOUNTING DEVELOPMENTS

Accounting Standards Update – GASB

Statement	Title	Effective
No. 102	<p><i>Certain Risk Disclosures</i> - The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints.</p> <p>This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority.</p>	Fiscal years beginning after June 15, 2024 (Effective for FY25).
No. 103	<p><i>Financial Reporting Model Improvements</i> – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues.</p>	Fiscal years beginning after June 15, 2025 (Effective for FY26).
No. 104	<p><i>Disclosure of Certain Capital Assets</i> – State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, requires certain information regarding capital assets to be presented by major class.</p>	Fiscal years beginning after June 15, 2025 (Effective for FY26).

Insights and Resources

In today's fast-paced world, we know how precious your time is. We also know that knowledge is key. These resources offer what you need to know, when you need to know it, and are presented in the format that fits your life.

We'll keep you informed to help you stay abreast of critical industry issues.

Baker Tilly closely monitors regulatory agencies, participates in industry and technical forums, and writes about a wide range of relevant accounting, tax, and business issues to keep you informed.

We also offer CPE webinars and events, which are archived and available on demand, allowing you to watch them on your schedule.

The information provided here is of a general nature and is not intended to address the specific circumstances of any individual or entity. In specific circumstances, the services of a professional should be sought. Tax information, if any, contained in this communication was not intended or written to be used by any person for the purpose of avoiding penalties, nor should such information be construed as an opinion upon which any person may rely. The intended recipients of this communication and any attachments are not subject to any limitation on the disclosure of the tax treatment or tax structure of any transaction or matter that is the subject of this communication and any attachments. Baker Tilly US, LLP, trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2024 Baker Tilly US, LLP





2025 Executive Health Care Conference

30th Anniversary Event – November 12-14, 2025



2025 Executive Health Care Conference

Join C-suite professionals from across the health care ecosystem to discuss the state of the industry and prepare leaders for 2026.

HIGHLIGHTS

Nov 12: Women's Executive Healthcare Leadership Forum

Nov 13: State of the Union Political Point-Counterpoints Reception with Keynotes

Nov 14: Economic Forecast

November 12-14, 2025

Red Rock Casino
Resort & Spa
Las Vegas, NV

REGISTRATION OPENS
APRIL 2025



What 2024 attendees said:

“

Caliber of presenters phenomenal.

“

The whole conference for a board member was interesting. I wish it were something I had done early on.

“

Hearing from experts who have intimate knowledge on what the payer landscape looks like, their challenges and goals, helps us help our physicians.

“

Great speakers and very engaging discussion topics.

“

Extremely beneficial to blend in the political perspective to the session and how it may impact the industry and our work overall.

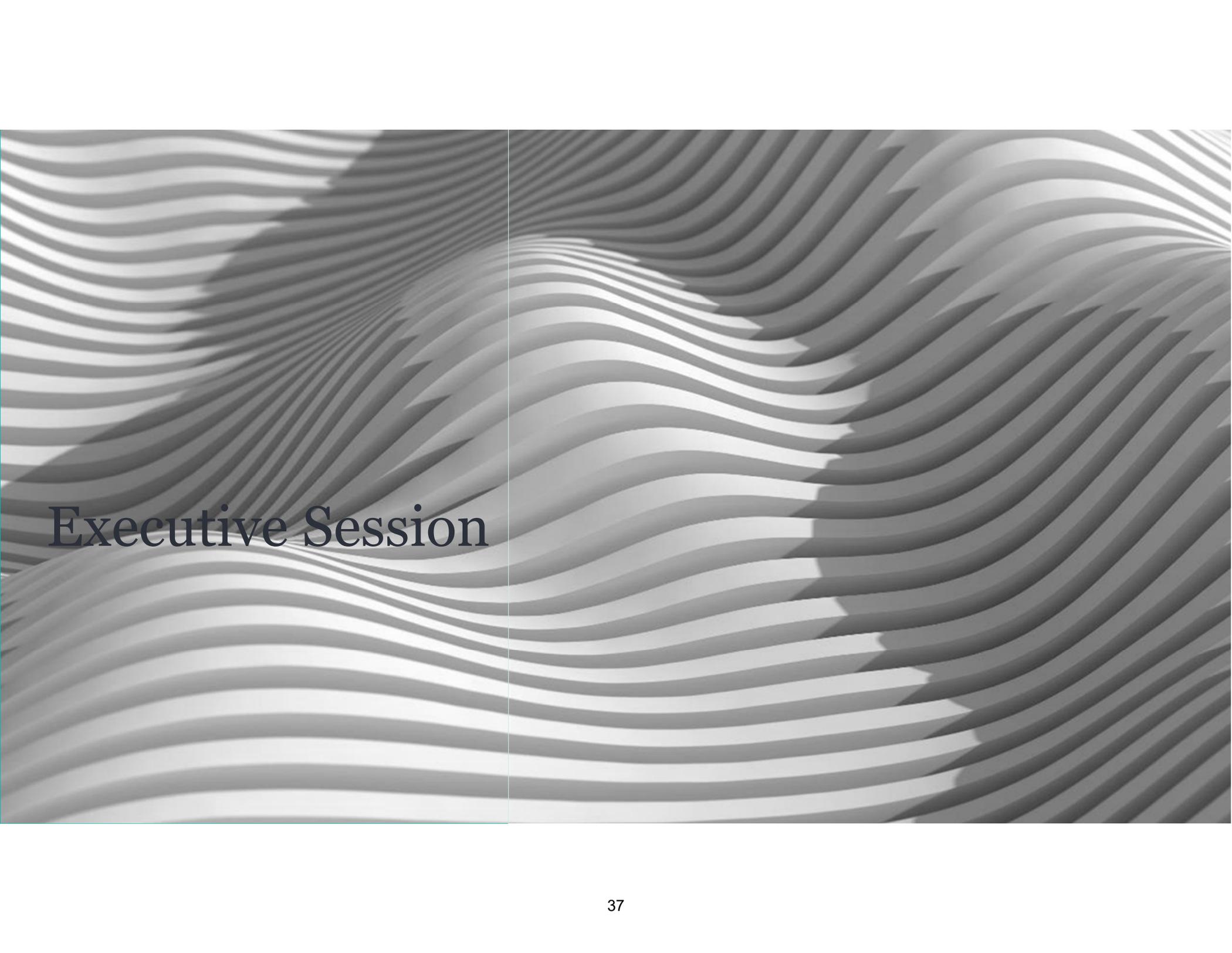
“

It was great to get a broader perspective of the healthcare ecosystem beyond my region.

“

Attending the Women's Executive Leadership Forum prior to the conference was most valuable. The industry, economic, and political presentations/panels were the most intriguing and engaging.





Executive Session

**THANK
YOU**