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## CEO Report Notes from June 30, 2021 Board Meeting

### *Ara Chakrabarti, CEO*

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The following is an outline of comments from the CEO at the recent Redwood Coast Medical Services (RCMS) Board Meeting. ***The CEO's presentation focused on the FY 21-22 budget, which was approved by the Board at the meeting.***

A complete recording of the board meeting is available at:

<https://www.rcms-healthcare.org/board-of-directors.html> (scroll down on the web page to Meetings – Recording and Documents)

### **FY 21-22 Budget High Level Guidelines**

1. Top down – we estimate our revenue first (patient revenue, grants, donation) and then derive expenses that matches the revenue. This results in a balanced budget with no deficit spending.
2. Perspective of a transition budget – we are putting together a budget that looks a little more towards the future.
  - a. Moving beyond the financial difficulties of last few years
  - b. Looking past the pandemic (while it may be with us for some period of time, we do not want it to be all consuming for our organization)
3. A budget that focuses on investment
  - a. Investing in people
  - b. Investing in processes and procedures
  - c. Investing in equipment
  - d. Investing in the facility
4. The budget is a financial plan – we have built in a review on a quarterly basis and will adjust and reforecast as needed based on reality.
5. Continue to build our cash/investment position so that we are better prepared to handle future financial difficulties.
6. Pay off our bank debts.

### **High Level Specifics**

- We are looking at 4 to 5 FTE (full time equivalent) increase in FY21/22
- Significant investment in the budget for employee related activities – compensation, training
- Reasonable expectation in increase visits per provider
- Comprehend that some of our recent grants (COVID-specific) are one time – our yearly expenses must be in line with that reality.