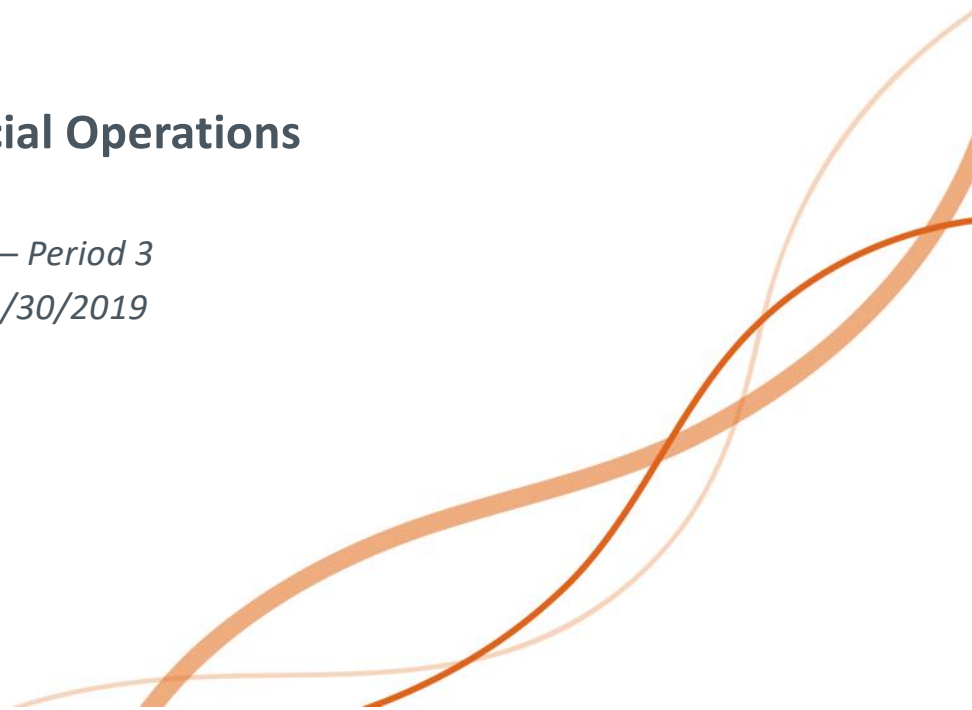




## Summary of Financial Operations

*Fiscal Year 2020 – Period 3  
7/1/2019 to 09/30/2019*





# Financial Overview

## Financial Performance

- Strong revenues is fueled by volume growth drove \$11.5M operating margin favorable variance. Despite the higher volumes, expenses continue to remained close to budgeted levels.
  - Operating Revenue favorable to budget by \$11.9M (4.7%)
  - Other operating revenue is favorable for the month due to Medi-Cal PRIME award and SVMD managed care payment catch-up.
  - Operating expense is at budget level
    - Supplies are higher than budget due to high procedural volume growth
    - Other Operating Expense favorable due to delay in activation costs for Sobrato & Taube Pavilions
- Revenue cycle operations remain strong with low days in AR and high payments.
- Non Operating Income unfavorable variance due to timing of community benefit grants and will normalize over the year

## Hospital Volume

- Adjusted Discharges (AD) continues to be favorable to budget 848 ADs (10%) and favorable to prior year by 13%
  - Mountain View: Favorable to budget by 540 ADs (7.7%) and favorable to prior year by 10.0%
    - Infusion Volumes (up 27%), extended hours, new Oncologist and increased productivity
    - Overall procedural volume favorable to budget by 317 cases (5%)
    - OP Emergency Room favorable to budget by 232 visits (3%)
  - Los Gatos: Favorable to budget by 308 ADs 20% and favorable to prior year by 26%
    - Surgeries (up 25%) – Orthopedics (program growth due to purchase of technology), Ophthalmology (program moved from Willow ASC while it is closed for licensing)
    - Overall procedural volume favorable to budget by 183 cases (13%)
    - Op Emergency Room favorable to budget by 290 visits (11%)

## Payor Mix

- Medicare mix increased in September due to high volume of general medicine cases from the ED

## Productivity

- Year to date FTEs are in line with targets.

## Dashboard - as of September 30, 2019

	Month				YTD			
	PY	CY	Bud/Target	Variance CY vs Bud	PY	CY	Bud/Target	Variance CY vs Bud
<b>Consolidated Financial Perf.</b>								
Total Operating Revenue	74,923	85,471	81,652	3,819	229,559	262,411	250,515	11,895
Operating Margin \$	7,585	6,877	3,349	3,528	23,374	23,426	11,958	11,468
Operating Margin %	10.1%	8.0%	4.1%	3.9%	10.2%	8.9%	4.8%	4.2%
EBIDA %	16.1%	13.4%	10.4%	3.0%	16.0%	14.3%	10.8%	3.5%
<b>Hospital Volume</b>								
Licensed Beds	443	443	443	-	443	443	443	-
ADC	228	227	228	(1)	223	227	227	(1)
Utilization MV	63%	63%	60%	2.6%	61%	62%	61%	0.9%
Utilization LG	28%	27%	33%	(6.1%)	28%	29%	31%	(2.4%)
Utilization Combined	52%	51%	51%	(0.3%)	50%	51%	51%	(0.1%)
Total Discharges (Excl NNB)	1,504	1,577	1,547	30	4,572	4,957	4,698	259
<b>Hospital Payor Mix</b>								
Medicare	45.2%	52.5%	48.2%	4.3%	46.0%	49.9%	47.9%	2.0%
Medi-Cal	7.5%	7.7%	7.9%	(0.2%)	8.1%	7.8%	8.0%	(0.2%)
Total Commercial	44.3%	37.6%	41.5%	(3.9%)	43.3%	40.1%	41.6%	(1.5%)
Other	3.0%	2.2%	2.4%	(0.2%)	2.7%	2.1%	2.4%	(0.3%)
<b>Hospital Cost</b>								
Total FTE	2,609.3	2,756.1	2,721.9	(34.2)	2,590.0	2,745.5	2,737.6	(7.9)
Productive Hrs/APD	31.2	32.1	33.2	1.1	31.2	31.6	32.9	1.3
<b>Consolidated Balance Sheet</b>								
Net Days in AR	49.6	48.8	49.0	0.2	47.6	47.8	49.0	1.2
Days Cash	519	471	435	36	519	471	435	36

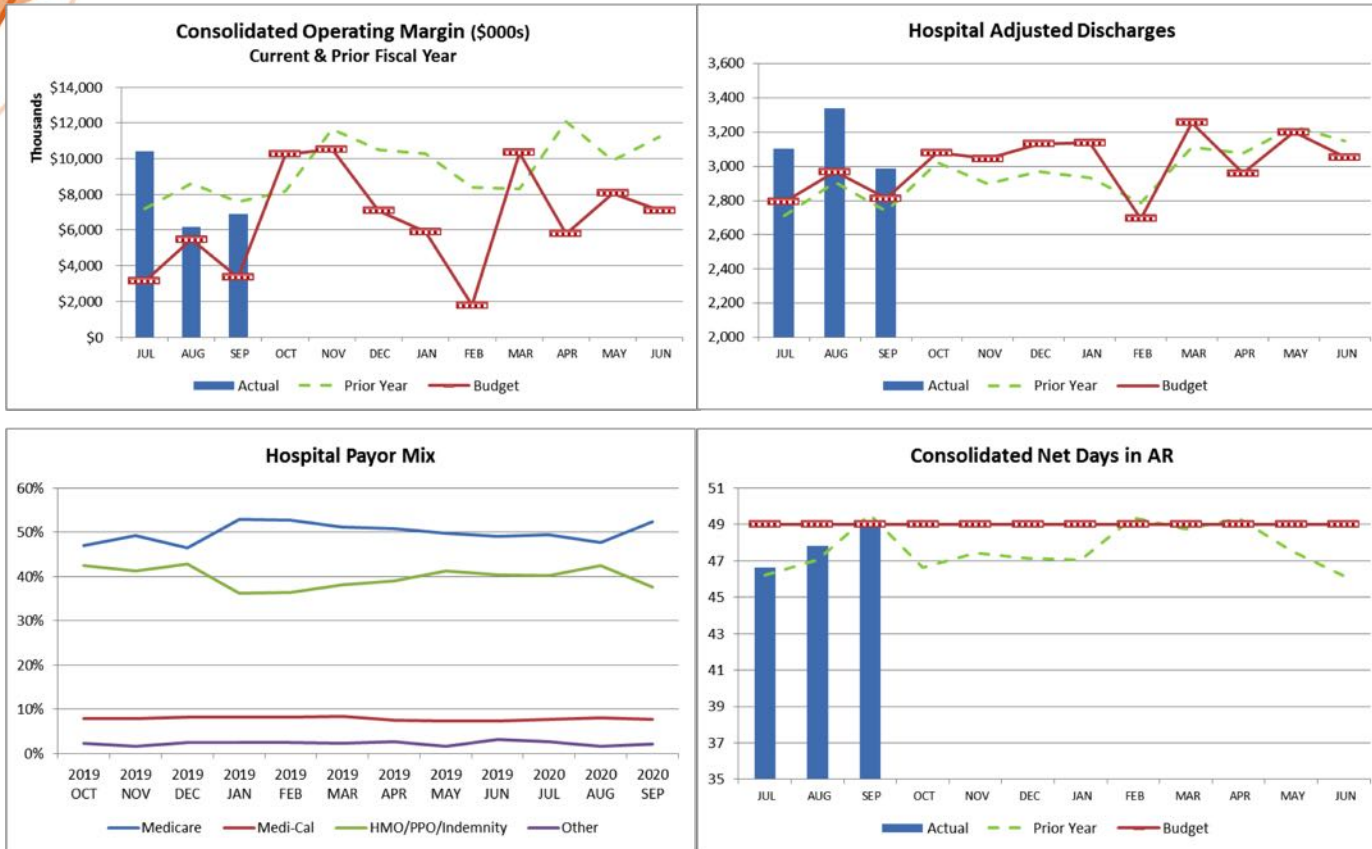
\*Beginning with the June FY 19 report, the Dashboard and the financial report has been updated to show the ECH consolidated results instead of just the Hospitals. The descriptions of the metrics indicate whether the data is hospital only.

# Consolidated Statement of Operations (\$000s)

Period ending 09/30/2019

Period 3 FY 2019	Period 3 FY 2020	Period 3 Budget 2020	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2019	YTD FY 2020	YTD Budget 2020	Variance Fav (Unfav)
269,177	312,105	299,217	12,888	4.3%	<b>OPERATING REVENUE</b>				
(197,390)	(232,266)	(221,523)	(10,743)	(4.8%)	<b>Gross Revenue</b>	826,094	943,255	918,611	24,644
<b>71,787</b>	<b>79,839</b>	<b>77,694</b>	<b>2,145</b>	<b>2.8%</b>	<b>Deductions</b>	(605,759)	(694,407)	(680,068)	(14,339)
3,136	5,632	3,958	1,674	42.3%	<b>Net Patient Revenue</b>	<b>220,336</b>	<b>248,847</b>	<b>238,543</b>	<b>10,304</b>
<b>74,923</b>	<b>85,471</b>	<b>81,652</b>	<b>3,819</b>	<b>4.7%</b>	<b>Other Operating Revenue</b>	9,224	13,563	11,972	1,591
					<b>Total Operating Revenue</b>	<b>229,559</b>	<b>262,411</b>	<b>250,515</b>	<b>11,895</b>
					<b>OPERATING EXPENSE</b>				
40,979	44,982	44,919	(63)	(0.1%)	<b>Salaries &amp; Wages</b>	123,259	136,086	137,070	984
10,271	12,369	11,380	(989)	(8.7%)	<b>Supplies</b>	32,690	38,598	34,846	(3,752)
9,337	13,161	12,949	(212)	(1.6%)	<b>Fees &amp; Purchased Services</b>	29,594	39,875	39,291	(584)
2,287	3,485	3,928	443	11.3%	<b>Other Operating Expense</b>	7,344	10,370	12,319	1,949
174	227	495	268	54.2%	<b>Interest</b>	452	696	1,485	789
4,290	4,368	4,631	263	5.7%	<b>Depreciation</b>	12,847	13,359	13,546	188
<b>67,338</b>	<b>78,593</b>	<b>78,303</b>	<b>(291)</b>	<b>(0.4%)</b>	<b>Total Operating Expense</b>	<b>206,185</b>	<b>238,985</b>	<b>238,557</b>	<b>(428)</b>
<b>7,585</b>	<b>6,877</b>	<b>3,349</b>	<b>3,528</b>	<b>105.3%</b>	<b>Net Operating Margin</b>	<b>23,374</b>	<b>23,426</b>	<b>11,958</b>	<b>11,468</b>
1,066	2,404	3,094	(690)	(22.3%)	<b>Non Operating Income</b>	21,160	7,338	9,176	(1,838)
<b>8,651</b>	<b>9,281</b>	<b>6,443</b>	<b>2,838</b>	<b>44.0%</b>	<b>Net Margin</b>	<b>44,535</b>	<b>30,764</b>	<b>21,134</b>	<b>9,630</b>
16.1%	13.4%	10.4%	3.0%		<b>EBITDA</b>	16.0%	14.3%	10.8%	3.5%
10.1%	8.0%	4.1%	3.9%		<b>Operating Margin</b>	10.2%	8.9%	4.8%	4.2%
11.5%	10.9%	7.9%	3.0%		<b>Net Margin</b>	19.4%	11.7%	8.4%	3.3%

# Monthly Financial Trends



- Operating margin ahead of budget due to strong volume
- YTD volume is still favorable but the gap to budget is narrowing
- Medicare mix increased in September due general medicine cases from the ED.
- Days in AR is at target but climbed from prior month use to insurance payment slowdown due to 5 weekends and the labor day holiday

## INVESTMENT SCORECARD AS OF SEPTEMBER 30, 2019

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY19 Year End Budget	Expectation Per Asset Allocation
<b>Investment Performance</b>									
		3Q 2019		Fiscal Year-to-date		6y 11m Since Inception (annualized)			2019
Surplus cash balance*		\$1,046.2	--	--	--	--	--	\$892.9	--
Surplus cash return	■	0.8%	0.6%	0.8%	0.6%	5.6%	5.4%	3.2%	5.6%
Cash balance plan balance (millions)		\$278.3	--	--	--	--	--	\$276.9	--
Cash balance plan return	■	0.2%	0.5%	0.2%	0.5%	7.5%	6.9%	6.0%	6.0%
403(b) plan balance (millions)		\$516.7	--	--	--	--	--	--	--
<b>Risk vs. Return</b>									
		3-year				6y 11m Since Inception (annualized)			2019
Surplus cash Sharpe ratio	■	0.92	0.88	--	--	1.01	0.99	--	0.34
Net of fee return	■	6.4%	6.0%	--	--	5.6%	5.4%	--	5.6%
Standard deviation	■	5.3%	5.1%	--	--	4.8%	4.7%	--	8.7%
Cash balance Sharpe ratio	■	0.91	0.87	--	--	1.08	1.04	--	0.32
Net of fee return	■	7.6%	6.9%	--	--	7.5%	6.9%	--	6.0%
Standard deviation	■	6.7%	6.1%	--	--	6.2%	5.9%	--	10.3%
<b>Asset Allocation</b>									
		3Q 2019							
Surplus cash absolute variances to target	■	10.2%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target	■	7.7%	< 10%	--	--	--	--	--	--
<b>Manager Compliance</b>									
		3Q 2019							
Surplus cash manager flags	■	15	< 24 Green < 30 Yellow	--	--	--	--	--	--
Cash balance plan manager flags	■	20	< 27 Green < 34 Yellow	--	--	--	--	--	--

\*Excludes debt reserve funds (~\$64 mm), District assets (~\$32 mm), and balance sheet cash not in investable portfolio (~\$109 mm). Includes Foundation (~\$35 mm) and Concern (~\$13 mm) assets. Budget adds back in current Foundation and Concern assets and backs out current debt reserve funds.

## FY 20 Capital Cash Flow Projections

### Reformatted to separate active and planned facility projects

Capital Spending (in 000's)	Actual FY2017	Actual FY2018	Actual FY2019	Budget Cash Flow 2020
ERP	-	-	5,830	-
IT Hardware / Software Equipment/EPIC	5,414	2,222	7,859	6,000
Medical / Non Medical Equipment	9,556	15,780	12,082	18,000
<b>Facilities Total</b>	<b>82,953</b>	<b>139,434</b>	<b>158,010</b>	<b>244,665</b>
Active				
Mountain View Campus Master Plan Projects	62,493	114,093	140,000	112,700
Mountain View Capital Projects	5,535	7,948	9,620	66,992
Los Gatos Capital Projects	14,780	12,306	6,901	12,773
Placeholder/Deferred				
Other Strategic Capital Facility Projects	145	5,088	1,489	19,200
Other Major Projects				33,000
<b>GRAND TOTAL</b>	<b>97,923</b>	<b>157,435</b>	<b>183,782</b>	<b>268,665</b>

# FY20 Detail Facility Cash Flow Projections (\$000s)

	<b>FY 2020 Cash Flow</b>		<b>FY 2020 Cash Flow</b>
<b>Mountain View Campus Master Plan Projects</b>		<b>Los Gatos Capital Projects</b>	
BHS Replacement	8,143	LG IR Upgrades	1,250
Integrated Medical Office Building	57,557	LG Modular MRI & Awning	3,205
Women's Hosp Expansion	33,000	LG Nurse Call System Upgrade	1,000
Demo Old Main & Related Site Work	14,000	LG Security System	340
	<u>112,700</u>	LG Cancer Center	2,598
		LG MOB Upgrades FY 20	500
		LG Facilities Planning Allowance FY 20	500
		LG Equipment & Infrastructure Upgrades FY 20	600
		LG Rehab Finish Upgrades	400
		LG Campus Signage	500
		LG Wireless Infrastructure Upgrades	480
		LG Paving Upgrades	800
		LG Decontamination in OR	600
			<u>12,773</u>
<b>Mountain View Capital Projects</b>		<b>Other Strategic Capital Facility Projects</b>	
ED Remodel Triage / Psych Observation	6,106	Primary Care Clinic	4,000
Willow Pavilion FA Sys and Equip Upgrades	1,400	New MOB	12,200
Willow Surgery Center Improvements	2,000	SVMD - Facilities Future Years	3,000
Site Signage & Other Improvements	1,700		<u>19,200</u>
Patient Family Residence	6,150		
Nurse Call System Upgrade	2,200	<b>Other Major Projects &amp; Annual Forecasts</b>	
Imaging Equipment Replacement (Imaging Dept. Only)	11,700	LG Campus Redevelopment	12,000
IR / Cath Lab Equipment Replacement (5 or 6 Rooms)	9,500	Property Acquisitions	21,000
Various Relocation Projects	700		<u>33,000</u>
Flooring Replacement	1,180		
Emergency Sanitary & Water Storage	2,216		
CT Equipment Replacement @ Radiation Oncology	440		
Radiation Oncology Equipment Replacement	10,000		
MV MOB Upgrades FY 20	500		
MV Facilities Planning Allowance FY 20	600		
MV Equipment & Infrastructure Upgrades FY 20	900		
MV Cancer Center Expansion	1,200		
MV Wireless Infrastructure Upgrade	1,000		
Other Undefined	500		
MV Undefined Annual Forecast	7,000		
	<u>66,992</u>	<b>TOTAL</b>	<u>244,665</u>



# Consolidated Balance Sheet

(in thousands)

## ASSETS

	Unaudited	
	September 30, 2019	June 30, 2019
<b>CURRENT ASSETS</b>		
(1) Cash	107,779	124,912
(2) Short Term Investments	193,539	177,165
Patient Accounts Receivable, net	132,099	132,198
Other Accounts and Notes Receivable	6,004	5,058
Intercompany Receivables	4,978	8,549
Inventories and Prepays	65,671	64,093
<b>Total Current Assets</b>	<b>510,070</b>	<b>511,976</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	17,253	16,895
Plant & Equipment Fund	174,105	171,304
Women's Hospital Expansion	22,430	15,472
(3) Operational Reserve Fund	144,294	139,057
Community Benefit Fund	18,021	18,260
Workers Compensation Reserve Fund	21,232	20,732
Postretirement Health/Life Reserve Fund	29,522	29,480
PTO Liability Fund	26,397	26,149
Malpractice Reserve Fund	1,831	1,831
Catastrophic Reserves Fund	20,318	19,678
<b>Total Board Designated Assets</b>	<b>475,404</b>	<b>458,857</b>
(4) FUNDS HELD BY TRUSTEE	63,682	83,073
<b>LONG TERM INVESTMENTS</b>	<b>359,022</b>	<b>375,729</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>589</b>	<b>602</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>35,032</b>	<b>38,532</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	1,325,579	1,317,599
Less: Accumulated Depreciation	(636,233)	(622,877)
Construction in Progress	433,927	375,094
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,123,273</b>	<b>1,069,816</b>
<b>DEFERRED OUTFLOWS</b>	33,726	33,876
<b>RESTRICTED ASSETS</b>	24,986	24,279
<b>OTHER ASSETS</b>	1,021	1,036
<b>TOTAL ASSETS</b>	<b>2,626,806</b>	<b>2,597,775</b>

## LIABILITIES AND FUND BALANCE

	Unaudited	
	September 30, 2019	June 30, 2019
<b>CURRENT LIABILITIES</b>		
(5) Accounts Payable	43,961	38,390
Salaries and Related Liabilities	29,762	30,296
Accrued PTO	26,802	26,502
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	12,454	11,331
Intercompany Payables	4,907	8,464
Malpractice Reserves	1,800	1,800
Bonds Payable - Current	8,630	8,630
Bond Interest Payable	6,657	12,775
Other Liabilities	10,156	10,477
<b>Total Current Liabilities</b>	<b>147,429</b>	<b>150,966</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	29,522	29,480
Worker's Comp Reserve	18,932	18,432
Other L/T Obligation (Asbestos)	4,004	3,975
Other L/T Liabilities (IT/Medl Leases)	-	-
Bond Payable	508,645	507,531
<b>Total Long Term Liabilities</b>	<b>561,104</b>	<b>559,417</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	1,062	1,113
<b>DEFERRED INFLOW OF RESOURCES</b>	13,715	13,715
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	1,386,535	1,372,823
Board Designated	475,386	458,839
Restricted	24,984	24,215
Capital	100	100
Retained Earnings	16,490	16,587
<b>Total Fund Bal &amp; Capital Accts</b>	<b>1,903,496</b>	<b>1,872,563</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>2,626,806</b>	<b>2,597,775</b>



## September 2019 El Camino Hospital Comparative Balance Sheet Variances and Footnotes

- (1) The decrease is due to funding of our construction projects and a quarterly pension payment.
- (2) The increase is due to the shift from long term investment to short term investments. S-Term has increased by \$15M and L-Term has declined by \$19M
- (3) The increase is due to annual resetting of the 60 day Operational Reserve based on the new FY2019 budget that has started.
- (4) Decrease is due to draws from the 2015A/2017 Bond Project funds for the on-going IMOB and BHS construction and semi-annual 2015/2017 bond payment
- (5) The increase is due to the accrual of several large construction invoices.



## EL CAMINO HOSPITAL - BOARD DESIGNATED FUND DESCRIPTIONS/HISTORY ( 1 OF 2)

- **Plant & Equipment Fund** – original established by the District Board in the early 1960’s to fund new capital expansion projects of building facilities or equipment (new or replacements). The funds came from the M&O property taxes being received and the funding depreciation expense at 100%. When at the end of 1992, the 501(c)(3) Hospital was performed by the District, the property tax receipts remained with the District. The newly formed Hospital entity continued on with funding depreciation expense, but did that funding at 130% of the depreciation expense to account for an expected replacement cost of current plant and property assets. It is to be noted that within this fund is an itemized amount of \$14 million for the Behavioral Health Service building replacement project. This amount came from the District’s Capital Appropriation Fund (excess Gann Limit property taxes) of the fiscal years of 2010 thru 2013 by various District board actions.
- **Women’s Hospital Expansion** – established June 2016 by the District authorizing the amounts accumulated in its Capital Appropriation Fund (excess Gann Limit property taxes) for the fiscal years of 2014 and 2015 to be allocated for the renovation of the Women’s Hospital upon the completion of Integrated Medical Office Building currently under construction. At the end of fiscal year 2019 another \$7.2 million was added to this fund bringing it to \$22.5 million.
- **Operational Reserve Fund** – originally established by the District in May 1992 to establish a fund equal to sixty (60) days of operational expenses (based on the current projected budget) and only be used in the event of a major business interruption event and/or cash flow.
- **Community Benefit Fund** – following in the footsteps of the District in 2008 of forming its Community Benefit Fund using Gann Limit tax receipts, the Hospital in 2010 after opening its campus outside of District boundaries in Los Gatos formed its own Community Benefit Fund to provide grants/sponsorships in Los Gatos and surrounding areas. The funds come from the Hospital reserving \$1.5M a year from its operations, the entity of CONCERN contributing 40% of its annual income each year (an amount it would have paid in corporate taxes if it wasn’t granted tax exempt status), that generates an amount of \$500,000 or more a year. \$15 million within this fund is a board designated endowment fund formed in 2015 with a \$10 million contribution, and added to at the end of the 2017 fiscal year end with another \$5 million contribution, to generate investment income to be used for grants and sponsorships, in fiscal year 2019 it generated over \$872 thousand of investment income for the program.



## EL CAMINO HOSPITAL - BOARD DESIGNATED FUND DESCRIPTIONS/HISTORY ( 2 OF 2)

- **Workers Compensation Reserve Fund** – as the Hospital is self-insured for its workers compensation program (since 1978) this fund was originally formed in early 2000's by management to reserve cash equal to the yearly actuarially determined Workers Compensation amount. The thought being if the business was to terminate for some reason this is the amount in cash that would be needed to pay out claims over the next few years.
- **Postretirement Health/Life Reserve Fund** – following the same formula as the Workers Compensation Reserve Fund this fund was formed in the early 2000's by management to reserve cash equal to the yearly actuarially determined amount to fund the Hospital's postretirement health and life insurance program. Note this program was frozen in 1995 for all new hires after that date. At the end of fiscal year 2018, GASB #75 was implemented that now represents the full actuarially determined liability.
- **PTO (Paid Time Off) Liability Fund** – originally formed in 1993 as the new 501(c)(3) Hospital began operations, management thought as a business requirement of this vested benefit program that monies should be set aside to extinguish this employee liability should such a circumstance arise. This balance is equal to the PTO Liability on the Balance Sheet.
- **Malpractice Reserve Fund** – originally established in 1989 by the then District's Finance Committee and continued by the Hospital. The amount is actuarially determined each year as part of the annual audit to fund potential claims less than \$50,000. Above \$50,000 our policy with the BETA Healthcare Group kicks in to a \$30 million limit per claim/\$40 million in the aggregate.
- **Catastrophic Loss Fund** – was established in 1999 by the Hospital Board to be a "self-insurance" reserve fund for potential non-major earthquake repairs. Initially funded by the District transferring \$5 million and has been added to by the last major payment from FEMA for the damage caused the Hospital by the October 1989 earthquake. It is to be noted that it took 10 years to receive final settlement from FEMA grants that totaled \$6.8 million that did mostly cover all the necessary repairs.



# APPENDIX

## Non Operating Items and Net Margin by Affiliate

\$ in thousands

	Period 3- Month			Period 3- FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>El Camino Hospital Operating Margin</b>						
Mountain View	10,646	5,304	5,342	30,798	17,869	12,929
Los Gatos	(13)	938	(952)	3,222	3,174	48
<b>Sub Total - El Camino Hospital, excl. Affiliates</b>	<b>10,633</b>	<b>6,243</b>	<b>4,390</b>	<b>34,020</b>	<b>21,043</b>	<b>12,977</b>
<b>Operating Margin %</b>	<b>13.2%</b>	<b>8.2%</b>		<b>13.6%</b>	<b>9.0%</b>	
<b>El Camino Hospital Non Operating Income</b>						
Investments	5,097	3,335	1,762	8,910	9,690	(781)
Swap Adjustments	2,104	0	2,104	2,490	0	2,490
Community Benefit <sup>1</sup>	(57)	(309)	252	(2,516)	(927)	(1,589)
Satellite Dialysis	122	42	81	122	83	39
Other	(5,257)	(306)	(4,951)	(3,457)	(877)	(2,581)
<b>Sub Total - Non Operating Income</b>	<b>2,009</b>	<b>2,761</b>	<b>(753)</b>	<b>5,549</b>	<b>7,970</b>	<b>(2,420)</b>
<b>El Camino Hospital Net Margin</b>	<b>12,641</b>	<b>9,004</b>	<b>3,637</b>	<b>39,569</b>	<b>29,013</b>	<b>10,556</b>
<b>ECH Net Margin %</b>	<b>15.6%</b>	<b>11.8%</b>		<b>15.8%</b>	<b>12.4%</b>	
Concern	148	(38)	186	544	123	421
ECSC	(1)	0	(1)	(27)	1	(28)
Foundation	258	113	145	992	426	566
Silicon Valley Medical Development	(3,765)	(2,636)	(1,129)	(10,314)	(8,428)	(1,886)
<b>Net Margin Hospital Affiliates</b>	<b>(3,360)</b>	<b>(2,561)</b>	<b>(799)</b>	<b>(8,805)</b>	<b>(7,879)</b>	<b>(926)</b>
<b>Total Net Margin Hospital &amp; Affiliates</b>	<b>9,281</b>	<b>6,443</b>	<b>2,838</b>	<b>30,764</b>	<b>21,134</b>	<b>9,630</b>

<sup>1</sup>Donations to outside organizations for FY20

# El Camino Hospital – Mountain View (\$000s)

Period ending 09/30/2019

Period 3 FY 2019	Period 3 FY 2020	Period 3 Budget 2020	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2019	YTD FY 2020	YTD Budget 2020	Variance Fav (Unfav)	Var%
					<b>OPERATING REVENUE</b>					
219,350	255,454	236,938	18,515	7.8%	<b>Gross Revenue</b>	676,032	757,910	727,409	30,501	4.2%
(161,337)	(189,393)	(176,420)	(12,973)	(7.4%)	<b>Deductions</b>	(495,105)	(555,749)	(541,583)	(14,166)	(2.6%)
<b>58,012</b>	<b>66,061</b>	<b>60,518</b>	<b>5,543</b>	<b>9.2%</b>	<b>Net Patient Revenue</b>	<b>180,927</b>	<b>202,161</b>	<b>185,826</b>	<b>16,336</b>	<b>8.8%</b>
1,816	2,274	1,678	596	35.5%	<b>Other Operating Revenue</b>	4,949	5,169	5,098	72	1.4%
<b>59,829</b>	<b>68,335</b>	<b>62,196</b>	<b>6,139</b>	<b>9.9%</b>	<b>Total Operating Revenue</b>	<b>185,877</b>	<b>207,331</b>	<b>190,923</b>	<b>16,407</b>	<b>8.6%</b>
					<b>OPERATING EXPENSE</b>					
33,579	35,747	35,343	(403)	(1.1%)	<b>Salaries &amp; Wages</b>	100,899	107,732	107,967	235	0.2%
8,298	10,170	8,977	(1,193)	(13.3%)	<b>Supplies</b>	26,218	31,081	27,198	(3,883)	(14.3%)
5,601	5,678	5,885	207	3.5%	<b>Fees &amp; Purchased Services</b>	18,560	18,931	17,759	(1,172)	(6.6%)
1,910	2,362	2,602	241	9.2%	<b>Other Operating Expense</b>	6,095	7,326	8,113	787	9.7%
174	227	495	268	54.2%	<b>Interest</b>	452	696	1,485	789	53.1%
3,509	3,506	3,589	83	2.3%	<b>Depreciation</b>	10,503	10,767	10,532	(234)	(2.2%)
<b>53,071</b>	<b>57,689</b>	<b>56,892</b>	<b>(797)</b>	<b>(1.4%)</b>	<b>Total Operating Expense</b>	<b>162,728</b>	<b>176,533</b>	<b>173,055</b>	<b>(3,478)</b>	<b>(2.0%)</b>
<b>6,757</b>	<b>10,646</b>	<b>5,304</b>	<b>5,342</b>	<b>100.7%</b>	<b>Net Operating Margin</b>	<b>23,149</b>	<b>30,798</b>	<b>17,869</b>	<b>12,929</b>	<b>72.4%</b>
(90)	2,009	2,761	(753)	(27.3%)	<b>Non Operating Income</b>	16,320	5,549	7,970	(2,420)	(30.4%)
<b>6,667</b>	<b>12,655</b>	<b>8,066</b>	<b>4,589</b>	<b>56.9%</b>	<b>Net Margin</b>	<b>39,468</b>	<b>36,347</b>	<b>25,839</b>	<b>10,508</b>	<b>40.7%</b>
17.5%	21.0%	15.1%	5.9%		<b>EBITDA</b>	18.3%	20.4%	15.7%	4.7%	
11.3%	15.6%	8.5%	7.1%		<b>Operating Margin</b>	12.5%	14.9%	9.4%	5.5%	
11.1%	18.5%	13.0%	5.5%		<b>Net Margin</b>	21.2%	17.5%	13.5%	4.0%	

# El Camino Hospital – Los Gatos (\$000s)

Period ending 08/31/2019

Period 3 FY 2019	Period 3 FY 2020	Period 3 Budget 2020	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2019	YTD FY 2020	YTD Budget 2020	Variance Fav (Unfav)	Var%
48,537	50,374	53,644	(3,270)	(6.1%)	<b>OPERATING REVENUE</b>					
(35,096)	(38,291)	(39,842)	1,551	3.9%	<b>Gross Revenue</b>	148,379	167,946	165,050	2,896	1.8%
<b>13,441</b>	<b>12,083</b>	<b>13,801</b>	<b>(1,718)</b>	<b>(12.5%)</b>	<b>Deductions</b>	(109,451)	(126,333)	(122,534)	(3,799)	(3.1%)
254	410	271	140	51.6%	<b>Net Patient Revenue</b>	<b>38,928</b>	<b>41,612</b>	<b>42,516</b>	<b>(904)</b>	<b>(2.1%)</b>
<b>13,695</b>	<b>12,493</b>	<b>14,072</b>	<b>(1,579)</b>	<b>(11.2%)</b>	<b>Other Operating Revenue</b>	773	1,175	811	364	44.9%
					<b>Total Operating Revenue</b>	<b>39,701</b>	<b>42,788</b>	<b>43,327</b>	<b>(539)</b>	<b>(1.2%)</b>
					<b>OPERATING EXPENSE</b>					
6,780	7,001	7,191	190	2.6%	<b>Salaries &amp; Wages</b>	20,615	21,788	21,700	(87)	(0.4%)
1,953	1,785	2,018	233	11.6%	<b>Supplies</b>	6,341	6,331	6,451	120	1.9%
2,575	2,526	2,731	204	7.5%	<b>Fees &amp; Purchased Services</b>	7,747	8,064	8,209	145	1.8%
217	386	346	(40)	(11.5%)	<b>Other Operating Expense</b>	793	953	1,327	374	28.2%
0	0	0	0	0.0%	<b>Interest</b>	0	0	0	0	0.0%
741	808	847	39	4.6%	<b>Depreciation</b>	2,222	2,430	2,466	36	1.5%
<b>12,265</b>	<b>12,507</b>	<b>13,134</b>	<b>627</b>	<b>4.8%</b>	<b>Total Operating Expense</b>	<b>37,718</b>	<b>39,565</b>	<b>40,153</b>	<b>587</b>	<b>1.5%</b>
<b>1,429</b>	<b>(13)</b>	<b>938</b>	<b>(952)</b>	<b>(101.4%)</b>	<b>Net Operating Margin</b>	<b>1,983</b>	<b>3,222</b>	<b>3,174</b>	<b>48</b>	<b>1.5%</b>
0	0	0	0	0.0%	<b>Non Operating Income</b>	0	0	0	0	0.0%
<b>1,429</b>	<b>(13)</b>	<b>938</b>	<b>(952)</b>	<b>(101.4%)</b>	<b>Net Margin</b>	<b>1,983</b>	<b>3,222</b>	<b>3,174</b>	<b>48</b>	<b>1.5%</b>
15.8%	6.4%	12.7%	(6.3%)		<b>EBITDA</b>	10.6%	13.2%	13.0%	0.2%	
10.4%	-0.1%	6.7%	(6.8%)		<b>Operating Margin</b>	5.0%	7.5%	7.3%	0.2%	
10.4%	-0.1%	6.7%	(6.8%)		<b>Net Margin</b>	5.0%	7.5%	7.3%	0.2%	



## El Camino Hospital Capital Spending (in thousands) FY 2014 – FY 2019

Category	2014	2015	2016	2017	2018	2019
<b>EPIC/ERP (as of FY19)</b>	<b>6,838</b>	<b>29,849</b>	<b>20,798</b>	<b>2,755</b>	<b>1,114</b>	<b>5,830</b>
<b>IT Hardware/Software Equipment</b>	<b>2,788</b>	<b>4,660</b>	<b>6,483</b>	<b>2,659</b>	<b>1,108</b>	<b>7,859</b>
<b>Medical/Non Medical Equipment</b>	<b>12,891</b>	<b>13,340</b>	<b>17,133</b>	<b>9,556</b>	<b>15,780</b>	<b>12,082</b>
<b>Non CIP Land, Land I, BLDG, Additions</b>	<b>22,292</b>	<b>-</b>	<b>4,189</b>	<b>-</b>	<b>2,070</b>	<b>-</b>
<b>Facilities Projects CIP</b>						
<b>Mountain View Campus Master Plan Projects</b>						
1245 - Behavioral Health Bldg Replace	1,257	3,775	1,389	10,323	28,676	30,003
1413 - North Drive Parking Structure Exp	-	167	1,266	18,120	4,670	222
1414 - Integrated MOB	-	2,009	8,875	32,805	75,319	108,951
1422 - CUP Upgrade	-	-	896	1,245	5,428	824
<b>Sub-Total Mountain View Campus Master Plan</b>	<b>1,257</b>	<b>5,950</b>	<b>12,426</b>	<b>62,493</b>	<b>114,093</b>	<b>140,000</b>
<b>Mountain View Capital Projects</b>						
9900 - Unassigned Costs	470	3,717	-	-	-	-
0906 - Slot Build-Out	1,576	15,101	1,251	294	-	-
1109 - New Main Upgrades	393	2	-	-	-	-
1111 - Mom/Baby Overflow	29	-	-	-	-	-
1204 - Elevator Upgrades	30	-	-	-	-	-
0800 - Womens L&D Expansion	1,531	269	-	-	-	-
1225 - Rehab BLDG Roofing	241	4	-	-	-	-
1227 - New Main eICU	21	-	-	-	-	-
1230 - Fog Shop	80	-	-	-	-	-
1315 - 205 So. Drive TI's	500	2	-	-	-	-
0908 - NPCR3 Seismic Upgrds	1,224	1,328	240	342	961	150
1125 - Will Pav Fire Sprinkler	39	-	-	-	-	-
1216 - New Main Process Imp Office	1	16	-	-	-	-
1217 - MV Campus MEP Upgrades FY13	181	274	28	-	-	-
1224 - Rehab Bldg HVAC Upgrades	202	81	14	6	-	-
1301 - Desktop Virtual	13	-	-	-	-	-
1304 - Rehab Wander Mgmt	87	-	-	-	-	-
1310 - Melchor Cancer Center Expansion	44	13	-	-	-	-
1318 - Women's Hospital TI	48	48	29	2	-	-
1327 - Rehab Building Upgrades	-	15	20	-	22	-
1320 - 2500 Hosp Dr Roofing	75	81	-	-	-	-
1340 - New Main ED Exam Room TVs	8	193	-	-	-	-
1341 - New Main Admin	32	103	-	-	-	-
1344 - New Main AV Upgrd	243	-	-	-	-	-
1400 - Oak Pav Cancer Center	-	5,208	666	52	156	-
1403 - Hosp Drive BLDG 11 TI's	86	103	-	-	-	-
1404 - Park Pav HVAC	64	7	-	-	-	-
1405 - 1 - South Accessibility Upgrades	-	-	168	95	-	-
1408 - New Main Accessibility Upgrades	-	7	46	501	12	-
1415 - Signage & Wayfinding	-	-	106	58	136	27
1416 - MV Campus Digital Directories	-	-	34	23	95	-
1423 - MV MOB TI Allowance	-	-	588	369	-	-
1425 - IMOB Preparation Project - Old Main	-	-	711	1,860	215	-
1429 - 2500 Hospital Dr Bldg 8 TI	-	101	-	-	-	-
1430 - Women's Hospital Expansion	-	-	-	464	2,763	3,447
1432 - 205 South Dr BHS TI	-	8	15	52	-	-
1501 - Women's Hospital NPC Comp	-	4	-	223	320	49
1502 - Cabling & Wireless Upgrades	-	-	1,261	367	984	-
1503 - Willow Pavilion Tomosynthesis	-	-	53	257	31	-
1504 - Equipment Support Infrastructure	-	61	311	-	60	-
1523 - Melchor Pavilion Suite 309 TI	-	-	10	59	392	-
1525 - New Main Lab Upgrades	-	-	-	464	1,739	495
1526 - CONCERN TI	-	-	37	99	10	-

Category	2014	2015	2016	2017	2018	2019
<b>Facilities Projects CIP cont.</b>						
1602 - JW House (Patient Family Residence)	-	-	-	-	-	132
1707 - Imaging Equipment Replacement	-	-	-	-	-	185
1708 - IR / Cath Lab Equipment Replacement	-	-	-	-	-	1,058
1709 - ED Remodel / CT Triage - Other	-	-	-	-	-	213
1711 - MV Emergency Sanitary & Water	-	-	-	-	-	264
1713 - MV Flooring Replacement	-	-	-	-	-	478
1715 - 125 South Dr CT Replacement	-	-	-	-	-	80
1716 - Melchor Suite 102 SVMD	-	-	-	-	-	142
1800 - MV Pneumatic Tube Upgrades	-	-	-	-	-	109
1801 - Demo Old Main & Related Site Work	-	-	-	-	-	120
1803 - SVMD Melchor Suite 212	-	-	-	-	-	68
1805 - MV SPD Ultrasonic Cleaner	-	-	-	-	-	144
1900 - MV Infrastructure Upgrades	-	-	-	-	-	98
1902 - Site Signage and Other Improvements	-	-	-	-	-	187
1904 - HM FY19 Furniture Inventory	-	-	-	-	-	21
1906 - SVMD 2024 Grant Suite 202 OB/GYN Clinic	-	-	-	-	-	74
1917 - Willow SC Upgrades	-	-	-	-	-	60
<b>Sub-Total Mountain View Projects</b>	<b>7,219</b>	<b>26,744</b>	<b>5,588</b>	<b>5,535</b>	<b>7,948</b>	<b>9,620</b>
<b>Los Gatos Capital Projects</b>						
0907 - LG Imaging Masterplan	774	1,402	17	-	-	-
1210 - Los Gatos VOIP	89	-	-	-	-	-
1116 - LG Ortho Pavillion	24	21	-	-	-	-
1124 - LG Rehab BLDG	458	-	-	-	-	-
1307 - LG Upgrades	2,979	3,282	3,511	3,081	4,551	1,426
1308 - LG Infrastructure	114	-	-	-	-	-
1313 - LG Rehab HVAC System/Structural	-	-	1,597	1,904	550	-
1219 - LG Spine OR	214	323	633	2,163	447	191
1221 - LG Kitchen Refrig	85	-	-	-	-	-
1248 - LG - CT Upgrades	26	345	197	6,669	1,673	106
1249 - LG Mobile Imaging	146	-	-	-	-	-
1328 - LG Ortho Canopy FY14	255	209	-	-	-	-
1345 - LG Lab HVAC	112	-	-	-	-	-
1346 - LG OR 5, 6, and 7 Lights Replace	-	285	53	22	127	-
1347 - LG Central Sterile Upgrades	-	181	43	66	-	-
1421 - LG MOB Improvements	-	198	65	303	356	-
1508 - LG NICU 4 Bed Expansion	-	-	-	207	-	-
1600 - 825 Pollard - Aspire Phase II	-	-	-	80	10	-
1603 - LG MOB Improvements	-	-	-	285	4,593	37
1702 - LG Modular MRI & Awning	-	-	-	-	-	426
1712 - LG Cancer Center	-	-	-	-	-	3,594
1714 - 825 Pollard Men's Health Clinic	-	-	-	-	-	499
1717 - LG Mammography Replacement	-	-	-	-	-	228
1802 - MOB Upgrades (LG Campus)	-	-	-	-	-	233
1901 - LG Infrastructure Upgrades	-	-	-	-	-	73
1909 - LG Campus Planning	-	-	-	-	-	88
<b>Sub-Total Los Gatos Projects</b>	<b>5,276</b>	<b>6,246</b>	<b>6,116</b>	<b>14,780</b>	<b>12,306</b>	<b>6,901</b>
1550 - Land Acquisition	-	-	24,007	-	-	-
1701 - 828 S Winchester Clinic TI	-	-	-	145	3,018	214
1804 - SVMD Clinic @ North First Street	-	-	-	-	-	824
1903 - SVMD Administrative Offices	-	-	-	-	-	291
1910 - SVMD SIMG at McKee	-	-	-	-	-	135
1920 - SVMD Infrastructure Support & Equipment	-	-	-	-	-	25
<b>Sub-Total Other Strategic Projects</b>	<b>-</b>	<b>-</b>	<b>24,007</b>	<b>145</b>	<b>3,018</b>	<b>1,489</b>
<b>Subtotal Facilities Projects CIP</b>	<b>13,753</b>	<b>38,940</b>	<b>48,137</b>	<b>82,953</b>	<b>137,364</b>	<b>158,010</b>
<b>Grand Total</b>	<b>58,561</b>	<b>86,789</b>	<b>96,740</b>	<b>97,923</b>	<b>157,435</b>	<b>183,782</b>