



Minutes of the Open Session

Finance Committee

Monday, March 28, 2016

El Camino Hospital, 2500 Grant Road, Mountain View, California

Conference Room A&B

John Zoglin will attend via telepresence from 1005 Los Altos Avenue, Los Altos, CA

Members Present

Dennis Chiu

John Zoglin (via telepresence)

Bill Hobbs

Members Absent

Richard Juelis

Agenda Item	Comments/Discussion	Approvals/Action
1. Call to Order	The Open Session of the Finance Committee ("FC") of El Camino Hospital (the "Committee") was called to order by Chair Chiu at 5:33pm.	
2. Potential Conflict of Interest Disclosure	Chair Chiu asked if any Committee members had a conflict of interest with any of the agenda items. No conflicts were reported.	
3. Public Communication	Chair Chiu asked if there was any public communication. There was none.	
4. Consent Calendar	<p>There were no requests for removal of Open Session Consent Calendar items. Chair Chiu requested a motion to approve the Consent Calendar.</p> <p>Motion: To approve the Open Session Consent Calendar (Open Session Minutes of January 25, 2016 Finance Committee Meeting).</p> <p>Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None</p>	<i>Consent Calendar approved</i>
5. Report on Board Actions	In the interest of time, Board Actions were not reported because they had been reported at the previous week's Special Board meeting (which Committee members attended).	
6. February 2015 Financials	<p>Iftikhar Hussain reviewed the February Financials. Highlights included:</p> <ul style="list-style-type: none"> • \$4.7M behind target for the year • Operating margin is negative, creating a \$12M loss (in part due to continued adjustments around iCare) • Non-operating went negative, but has begun to rebound • Cash recovery continues • Receivables coming down - March looks good so far • Capital increased \$4.7M • Fluctuations continued in February due to iCare Go-Live • Productivity following Go-Live is increasing • Santa Teresa area land acquisition for \$24M • Investment return is 4.4%, above benchmark of 4.3% • \$6M MediCal quality assurance program payment is 	<i>Financial Report approved</i>

	<p>expected at year end</p> <p>Chair Chiu requested that questions regarding numbers/ causation and budgeting assumptions be deferred to Closed Session.</p> <p>Motion: To accept February 2016 Financials.</p> <p>Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None</p>	
<p>7. Update on Capital Projects that Exceed \$2.5M</p>	<p>Ken King presented a report on capital projects exceeding \$2.5M. Partially and fully funded projects approved by the Board were reviewed. Proposed Mountain View Master Site Plan and changes were presented:</p> <ul style="list-style-type: none"> • Behavioral Health Building • Garage expansion and impact on traffic • Solar panels, along with potential lease of a battery storage solution (state funded) allowing a significant reduction in demand charges from PG&E • Integrated Medical Office Building • Approximately 60K sq. ft. of work space, and 600 additional parking spaces will be added. • Estimated project cost is projected to be \$232M to \$246M • Leasing of IMOB space is in progress with projected occupancy of 100% 	
<p>8. Adjourn to Closed Session</p>	<p>Chair Chiu requested a motion to adjourn to Closed Session.</p> <p>Motion: To adjourn to closed session at 5:50 pm.</p> <p>Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None</p>	<p><i>Adjourned to Closed Session</i></p>
<p>9. Agenda Item 20: Reconvene Open Session/Report Out of Closed Session</p>	<p>Open Session was reconvened at 7:55pm. Items 10 through 19 were addressed in Closed Session. Chair Chiu reported that the Closed Session Minutes of the January 25, 2016 Finance Committee meeting were approved unanimously with one absent (Juelis). Chair Chiu also noted that Member Kathy Cain has resigned her position on the Committee following relocation out of the area.</p>	
<p>10. Agenda Item 21: Physician Contracts</p>	<p>Chair Chu called for a motion for recommendation of Board approval of Physician Contracts.</p> <p>Motion: To recommend the Board approve the following physician contracts:</p> <ol style="list-style-type: none"> 1. Cancer Center Medical Directorship 2. IP Fellowship Program Director Consulting Agreement 3. Medical Director of NICU 4. Medical Director of both the Cardiac Cath Lab and TAVR Interventional Program 	<p><i>Physician contracts recommended for approval</i></p>

	<p>Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None</p>	
<p>11. Agenda Item 22: Fund Requests</p>	<p>Chair Chiu called for a motion to recommend approval of Fund Request Agenda Items 22 a – c:</p> <ul style="list-style-type: none"> a. Property Planning Fund Request b. Mountain View Facilities Projects Fund Request c. Los Gatos Facilities Upgrade Fund Request <p>Motion: To approve fund requests for Property Planning, Mountain View Facilities Projects, and Los Gatos Facilities Upgrades.</p> <p>Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None</p>	<p><i>Fund requests recommended for approval</i></p>
<p>12. Agenda Item 23: Committee Planning</p>	<p>Discussion followed on Agenda Item 23:</p> <ul style="list-style-type: none"> a – Progress Against 2016 FC Committee Goals – Goals are on target. b – FY17 Draft Goals – Continued to May meeting. Member Hobbs requested that Volume, Strategic Planning, and Expense Control be included for discussion at the May meeting. c – Pacing plan and Meeting Frequency FY17 dates. Dates were agreed upon with the first FY17 meeting scheduled for August 1, 2016. d – Biennial Charter Review - Continued to May meeting. c – Recruitment to replace Member Kathy Cain – Board Liaison Cindy Murphy will work with appointed Ad Hoc Committee Members Zoglin and Chiu to begin a search for candidates. <p>Chair Chiu called for a motion to recommend approval of Committee Planning items 23c (FY17 Meeting Dates) and 23e (appointment of Committee Member Recruitment Ad Hoc Committee).</p> <p>Motion: To approve the Committee Planning items 23a, 23c and 23e.</p> <p>Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None</p>	<p><i>Ad Hoc Committee appointed; FY17 Meeting Dates recommended for approval.</i></p>

13. Agenda Item 24: Meeting Adjournment	Motion: To adjourn at 8:13 pm. Movant: Hobbs Second: Zoglin Ayes: Chiu, Hobbs, Zoglin Noes: None Abstentions: None Absent: Juelis Recused: None	<i>Meeting adjourned at 8:13 pm.</i>
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Attest to the approval of the foregoing minutes by the Finance Committee:



Dennis Chiu
Chair, ECH Finance Committee