



Dedicated to improving the health and well being of the people in our community.

**Board Finance Presentation – ECHD – Stand Alone
Fiscal Year 2023
7/1/2022-6/30/2023**

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El Camino Healthcare District Board of Directors Meeting
October 17, 2023

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ECHD **Stand-Alone Financial Statements**

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NOTE: Accounting standards require that audited financial statements for El Camino Healthcare District be presented in consolidated format, including El Camino Hospital and its controlled affiliates. In an effort to help ensure public accountability and further ensure the transparency of the District’s operations, the District also prepares internal, “Stand-Alone” financial statements which present information for the District by itself.



El Camino Healthcare District

Stand-Alone Comparative Balance Sheet (\$ Thousands)

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

	Audited			Audited	
	June 30, 2023	June 30, 2022		June 30, 2023	June 30, 2022
ASSETS			LIABILITIES & FUND BALANCE		
Cash & cash equiv ⁽¹⁾	\$13,199	\$11,955	Accounts payable	\$5	\$77
Short term investments ⁽¹⁾	7,038	8,905	Current portion of bonds	3,293	5,760
Due fm Retiree Health Plan ⁽²⁾	0	36	Bond interest payable ⁽¹⁰⁾	4,671	1,314
S.C. M&O Taxes Receivable ⁽³⁾	0	0	Other Liabilities	276	349
Other current assets ^(3a)	121	2,258			
Total current assets	\$20,358	\$23,154	Total current liabilities	\$8,245	\$7,500
Operational Reserve Fund ⁽⁴⁾	1,500	1,500			
Capital Appropriation Fund ⁽⁵⁾	22,657	11,129			
Capital Replacement Fund ⁽⁶⁾	5,607	4,864	Deferred income	55	52
Community Partnership Fund ⁽⁷⁾	10,562	4,259	Bonds payable - long term	102,354	105,647
Total Board designated funds	\$40,326	\$21,752	Total liabilities	\$110,654	\$113,199
Funds held by trustee ⁽⁸⁾	\$40,256	\$35,272	Fund balance		
Capital assets, net ⁽⁹⁾	\$10,649	\$10,654	Unrestricted fund balance	\$70,912	\$55,013
			Restricted fund balance ⁽¹¹⁾	(69,977)	(77,380)
			Total fund balance	\$935	(\$22,367)
TOTAL ASSETS	\$111,590	\$90,832	TOTAL LIAB & FUND BALANCE	\$111,590	\$90,832



Note: Totals may not agree due to rounding. See page 9 for footnotes.

El Camino Healthcare District

YTD Stand-Alone Statement of Revenues and Expenses (\$ Thousands) Comparative Year-to-Date (as of June 30, 2023)

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

	Actual	Current Year Budget	Variance	Prior Full Year Actual
REVENUES				
(A) Ground Lease Revenue ⁽¹²⁾	\$ 108	106	\$ 2	\$ 104
(B) Redevelopment Taxes ⁽¹³⁾	528	300	228	417
(B) Unrestricted M&O Property Taxes ⁽¹³⁾	10,601	10,601	-	9,804
(B) Restricted M&O Property Taxes ⁽¹³⁾	13,045	9,833	3,212	11,528
(B) G.O. Taxes Levied for Debt Service ⁽¹³⁾	12,574	11,200	1,374	12,304
(B) IGT/PRIME Medi-Cal Program ⁽¹⁴⁾	(2,178)	(3,000)	822	(2,613)
(B) Investment Income (net)	(276)	882	(1,158)	(1,316)
(B) Other income	-	-	-	-
TOTAL NET REVENUE	34,402	29,922	4,481	30,228
EXPENSES				
(A) Wages & Benefits ⁽¹⁵⁾	5	-	(5)	2
(A) Professional Fees & Purchased Svcs ⁽¹⁶⁾	547	809	262	472
(A) Supplies & Other Expenses ⁽¹⁷⁾	110	32	(78)	339
(B) G.O. Bond Interest Expense (net) ⁽¹⁸⁾	5,191	6,428	1,237	2,943
(B) Community Partnership Expenditures ⁽¹⁹⁾	7,346	7,665	319	7,472
(A) Depreciation / Amortization	5	4	(1)	9
TOTAL EXPENSES	13,204	14,938	1,734	11,237
NET INCOME	\$ 21,198	\$ 14,985	\$ 6,212	\$ 18,992

(A) Operating Revenues & Expenses

(B) Non-operating Revenues & Expenses

RECAP STATEMENT OF REVENUES & EXPENSE

(A) Net Operating Revenues & Expenses	\$ (560)
(B) Net Non-Operating Revenues & Expenses	21,758
NET INCOME	\$ 21,198



Note: Totals may not agree due to rounding. See page 10 for footnotes.

El Camino Healthcare District

Comparative FY2023 / FY2022 (as of 6/30)

Stand-Alone Statement of Fund Balance Activity (\$ Thousands)

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Fiscal year beginning balance	\$ (22,367)	\$ (25,293)
Net income year-to-date	\$ 21,198	\$ 18,992
Transfers (to)/from ECH:		
IGT/PRIME Funding ⁽²⁰⁾	\$ 2,104	\$ 2,613
Capital Appropriation projects ⁽²¹⁾		(18,679)
Fiscal year ending balance	<u><u>\$ 935</u></u>	<u><u>\$ (22,367)</u></u>



Note: Totals may not agree due to rounding. See page 10 for footnotes.

El Camino Healthcare District

Notes to **Stand-Alone** Financial Statements

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

- (1) **Cash & Short Term Investments** – The decrease is insignificant.
- (2) **Due from Retiree Health Plan** – The monies due from Trustee for District's Retiree Healthcare Plan.
- (3) **S.C. M&O Taxes Receivable** – No change.
- (3a) **Other Current Assets** – This decrease is due to Healthcare District paying for IGT refund to the State that was to be paid by the Hospital.
- (4) **Operational Reserve Fund** – Starting in FY 2014, the Board established an operational reserve for unanticipated operating expenses of the District.
- (5) **Capital Appropriation Fund** – Commitment to the MV Campus Completion Project or others.
- (6) **Capital Replacement Fund** – Formerly known as the Plant Facilities Fund (AKA - Funded Depreciation) which reserves monies for the major renovation or replacement of the portion of the YMCA (Park Pavilion) owned by the District.
- (7) **Community Benefit Fund** – This fund retains unrestricted (Gann Limit) funds to support the District's operations and primarily to support its Community Benefit Programs
- (8) **Funds Held by Trustee** – Funds from General Obligation tax monies, being held to make the debt payments when due.
- (9) **Capital Net Assets** - The land on which the Mountain View Hospital resides, a portion of the YMCA building, property at the end of South Drive (currently for the Road Runners operations), and a vacant lot located at El Camino Real and Phyllis.
- (10) **Bond Interest Payable** – The increase is due to both the 2006 Capital Appreciation Bonds and the 2017 Refunding Bonds accruing interest due 8/1/2023.
- (11) **Fund Balance** – The positive fund balance is a result of the General Obligation bonds which assisted in funding the replacement hospital facility in Mountain View. Accounting rules required the District to recognize the obligation in full at the time the bonds were issued ; receipts from taxpayers will be recognized in the year they are levied.



El Camino Healthcare District

Notes to **Stand-Alone** Financial Statements

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

- (12) Other Operating Revenue** – Lease income from El Camino Hospital for its ground lease with the District.
- (13) Taxes: Redevelopment, M&O, G.O.** – Tax receipts (either received or to be received) during the period. Note amount for the G.O. Taxed Levied for Debt will come in less than prior year mostly due to the March 2017 G.O. Refunding that the District did that reduced the previously \$12.90 of assessed property valuation per \$100,000 to a current \$10.00 per \$100,000.
- (14) IGT/PRIME Expense** – Payments in support of the PRIME or IGT programs.
- (15) Wages & Benefits** – Due to a new IRS reg that board stipends previously paid as reportable 1099 transactions are now considered to be W-2 reportable transactions, and reported in this section, where previously reported in the “Supplies & Other Expenses.” There will continue to be no other “employees” of the District. This change started in April 2022.
- (16) Professional Fees & Services** – Actual detailed below:
- | | |
|---|---------------|
| • Community Benefit Support from ECH
(54% of SW&B) | \$ 357 |
| • Legal Fees | 147 |
| • Miscellaneous | <u>43</u> |
| | <u>\$ 547</u> |
- (17) Supplies & Other Expenses** – Actual detailed below:
- | | |
|---------------------------|---------------|
| • Marketing / Advertising | \$ 92 |
| • Dues & Subscriptions | 16 |
| • Miscellaneous | <u>2</u> |
| | <u>\$ 110</u> |
- (18) G.O. Bond Interest Expense** – It is to be noted that on March 22, 2017 the District refunded \$99M of its remaining \$132M 2006 G.O. bond issue. Refunding of the 2006 G.O. debt, given current interest rates, caused a net present value savings of \$7M.
- (19) Community Benefit Expenditures** – Starting in FY2014, the District is directly operating its Community Benefit Program at the District level. This represents amounts expended to grantees and sponsorships thus far in this fiscal year. Note the major payments to recipients are made in August & January of the fiscal year.
- (20) IGT/PRIME Funding** – Transfers from ECH for participation in the PRIME or IGT program in FY 2023.
- (21) Capital Appropriation Projects Transfer** – This years transfer is in support of MV Hospital’s Campus Completion Project.



El Camino Healthcare District

Sources & Uses of Tax Receipts (\$ Thousands)

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

<u>Sources of District Taxes</u>	<u>06/30/23</u>
(1) Maintenance and Operation and Government Obligation Taxes	\$36,220
(2) Redevelopment Agency Taxes	528
Total District Tax Receipts	\$36,748
 <u>Uses Required Obligations / Operations</u>	
(3) Government Obligation Bond	12,574
Total Cash Available for Operations, CB Programs, & Capital Appropriations	24,174
(4) Capital Appropriation Fund – Excess Gann Initiative Restricted*	13,045
Subtotal	11,129
(5) Operating Expenses (Net)	560
Subtotal	10,569
(6) Capital Replacement Fund (Park Pavilion)	7
Funds Available for Community Benefit Programs	\$10,562
 *Gann Limit Calculation for FY2023	 \$10,601

- | | |
|---------------------------------------|--|
| (1) M&O and G.O. Taxes | • Cash receipts from the 1% ad valorem property taxes and Measure D taxes |
| (2) Redevelopment Agency Taxes | • Cash receipts from dissolution of redevelopment agencies |
| (3) Government Obligation Bond | • Levied for debt service |
| (4) Capital Appropriation Fund | • Excess amounts over the Gann Limit are restricted for use as capital |
| (5) Operating Expenses | • Expenses incurred in carrying out the District's day-to-day activities |
| (6) Capital Replacement Fund | • Fund to ensure that the District has adequate resources to fund repair and replacement of its capital assets (Park Pavilion) |

