



AGENDA REGULAR MEETING OF THE EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS

Wednesday, February 08, 2023 – 5:30 pm

El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040

PURSUANT TO GOVERNMENT CODE SECTION 54953(e)(1), EL CAMINO HEALTH WILL NOT PROVIDE A PHYSICAL LOCATION TO THE PUBLIC FOR THIS MEETING. INSTEAD, THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION MEETING VIA TELECONFERENCE AT:

1-669-900-9128, MEETING CODE: 959-6588-0436#. No participant code. Just press #.

To watch the meeting livestream, please visit: <http://www.elcaminohealthcaredistrict.org/meetingstream>

Please note that the livestream is for **meeting viewing only** and, there is a slight delay; to provide public comment, please use the phone number listed above.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Julia E. Miller, Board Chair		5:30 – 5:31 pm
2. SALUTE TO THE FLAG	Dan Woods, Chief Executive Officer		information 5:31 – 5:33
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Julia E. Miller, Board Chair		information 5:33 – 5:34
4. PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Julia E. Miller, Board Chair		information 5:34 -5:37
5. CONSENT CALENDAR <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i> Approval a. Continuation of Resolution 2021-10; AB361 b. Minutes of the Open Session of the District Board Meeting (12/05/2022) Information c. Pacing Plan d. Article of Interest - Go Big or Go Home - A Board Framework for Strategic Planning of Big Ideas e. Community Benefit Sponsorship Report	Julia E. Miller, Board Chair	<i>public comment</i>	motion required 5:37 – 5:40
6. EL CAMINO HEALTHCARE DISTRICT BOARD MEMBER TRANSITION TO W-2 EMPLOYEES a. District Board Member's Healthcare Benefits	Deanna Dudley, CHRO	<i>public comment</i>	possible motion 5:40 - 6:00
7. REVIEW OF EL CAMINO HEALTHCARE DISTRICT GOALS	Dan Woods, Chief Executive Officer Jon Cowan, Senior Director, Government Relations & Community Partnerships		discussion 6:00 – 6:40

A copy of the agenda for the Regular Board Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at **(650) 988-8254** prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
8. <u>ECHD FY23 FINANCIALS</u> a. FY23 Period 06	Carlos Bohorquez, CFO	<i>public comment</i>	motion required 6:40– 6:50
9. <u>AD HOC COMMITTEE REPORT</u> FY23 ECHB Director Reappointment - Rebitzer	Julia E. Miller, Board Chair	<i>public comment</i>	motion required 6:50– 7:00
10. AD HOC COMMITTEE REPORT FY23 ECHB Director Reappointment - Kliger	Julia E. Miller, Board Chair	<i>public comment</i>	motion required 7:00 – 7:10
11. ADJOURN TO CLOSED SESSION	Julia Miller, Board Chair	<i>public comment</i>	motion required 7:10 – 7:11
12. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Julia Miller, Board Chair		information 7:11 – 7:12
13. CONSENT CALENDAR <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i> Approval <i>Gov't Code Section 54957.2:</i> Minutes of the Closed Session of the District Board Meeting (10/18/22)	Julia Miller, Board Chair		motion required 7:12 – 7:13
14. Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters: Executive Session	Julia Miller, Board Chair		discussion 7:13 - 7:24
15. ADJOURN TO OPEN SESSION	Julia Miller, Board Chair		motion required 7:24– 7:25
16. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Julia Miller, Board Chair		information 7:25 – 7:27
17. BOARD COMMENTS	Julia Miller, Board Chair		discussion 7:27 – 7:29
18. ADJOURNMENT	Julia Miller, Board Chair	<i>public comment</i>	motion required 7:29 – 7:30 pm

Upcoming Meetings: March 28, 2023; May 16, 2023; June 20, 2023

Presenters and speakers: Please remove your masks and enunciate when speaking; thank you.



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District (ECHD) Board of Directors
From: Mary Rotunno, General Counsel
Date: February 08, 2023
Subject: Continuation of Resolution 2021-10 of the Board of Directors Making Findings and Determinations Under AB 361 for Teleconference Meetings

Recommendation: To continue the determination made by the Board of Directors at its meeting on October 19, 2021 in Resolution 2021-10 acknowledging that there still exists a state of emergency due to the COVID-19 pandemic and to continue the findings by the Board of Directors to allow continued public participation by teleconference in Board and Advisory Committee meetings in accordance with the recommendation of the Santa Clara County Health Officer.

Summary:

1. **Situation:** At the October 19, 2021 Board Meeting, the Board of Directors adopted Resolution 2021-10, which made findings to continue holding virtual public meetings under the Ralph M. Brown Act based on the continued state of emergency due to the COVID-19 pandemic and that either (a) the state of emergency continues to directly impact the ability to meet safely in person, or (b) state or local officials continue to impose or recommend measures to promote social distancing.

This Resolution relies on the September 21, 2021 recommendation by the Health Officer of the County of Santa Clara that public bodies continue to meet remotely due to their unique characteristics, such as the increased mixing associated with bringing together people from across the community, the need to enable those who are immunocompromised or unvaccinated to be able to safely continue to fully participate in public governmental meetings, and the challenges with fully ascertaining and ensuring compliance with vaccination and other recommendations at such meetings.

2. **Authority:** On March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means.

On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which placed an end date of September 30, 2021, for agencies to meet remotely.

On September 16, 2021, Governor Newsom signed Assembly Bill 361 (2021) ("AB 361") which allows for local legislative and advisory bodies to continue to conduct meetings via teleconferencing if the Board of Directors, by majority vote, make the findings set forth in paragraph 1 above, not later than thirty (30) days after teleconferencing for the first time under the AB 361 rules, and every 30 days thereafter.

3. **Background:** ECH outside counsel at Best Best & Krieger, LLP ("BB&K"), reviewed the legislation and prepared Resolution 2021-10.

List of Attachments: Resolution 2021-10 - Resolution of the Board of Directors of El Camino Health District Making Findings and Determinations Under AB 361 for Teleconference Meetings

RESOLUTION 2021-10

**RESOLUTION OF THE BOARD OF DIRECTORS OF
EL CAMINO HEALTHCARE DISTRICT
MAKING FINDINGS AND DETERMINATIONS
UNDER AB 361 FOR TELECONFERENCE MEETINGS**

WHEREAS, all meetings of the El Camino Hospital's Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code §§ 54950 – 54963), so that any member of the public may attend, participate, and watch the Board of Directors conduct their business;

WHEREAS, such meetings ordinarily take place on the campus of El Camino Hospital, located at 2500 Grant Road, Mountain View, California, 94040, in the County of Santa Clara;

WHEREAS, ordinarily, the Ralph M. Brown Act imposes certain requirements on local agencies meeting via teleconference;

WHEREAS, the Legislature recently enacted Assembly Bill 361 (AB 361), which amended Government Code section 54953 to allow local agencies to use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) of section 54953 of the Government Code if the legislative body holds a meeting during a proclaimed state of emergency and determines by majority vote that, as a result of the emergency, either (a) meeting in person would present imminent risks to the health and safety of attendees, or (b) state or local official continue to impose or recommend measures to promote social distancing;

WHEREAS, the Governor issued a proclamation declaring a state of emergency on March 4, 2020 due to the COVID-19 pandemic, pursuant to section 8625 of the California Emergency Services Act, and this proclaimed state of emergency currently remains in effect;

WHEREAS, on August 2, 2021, in response to the Delta variant, the Health Officer of the County of Santa Clara ordered all individuals to wear face coverings when inside public spaces;

WHEREAS, on September 21, 2021, the Health Officer of the County of Santa Clara issued a recommendation that public bodies continue to meet remotely due to their unique characteristics, such as the increased mixing associated with bringing together people from across the community, the need to enable those who are immunocompromised or unvaccinated to be able to safely continue to fully participate in public governmental meetings, and the challenges with fully ascertaining and ensuring compliance with vaccination and other recommendations at such meetings;

WHEREAS, AB 361 requires compliance with separate procedures for teleconference meetings during a state of emergency, found in subdivision (e) of Government Code section 54953;

WHEREAS, AB 361 requires that the legislative body using the teleconferencing procedures of AB 361 make renewed findings by majority vote, not later than every thirty (30) days, that the legislative body has reconsidered the circumstances of the state of emergency, and that either (a) the state of emergency continues to directly impact the ability of the members to

meet safety in person, or (b) state or local officials continue to impose or recommend measures to promote social distancing;

WHEREAS, the Board of Directors of the District desires to make findings and determinations consistent with AB 361 to utilize the special procedures for teleconferencing provided by AB 361 due to imminent risks to the health and safety of attendees, as well as Hospital staff and patients;

WHEREAS, in response to the COVID-19 pandemic, District staff has set up hybrid in-person/teleconference public meetings, whereby members of the Board of Directors and certain staff that can attend the meeting in-person on the campus of the Hospital can do so, while members of the public have the full ability to observe and comment on the meetings off-campus through the District's virtual meeting platforms;

WHEREAS, the Board of Directors fully supports the public's right to participate in all Board meetings, but acknowledges that it cannot require members of the public who wish to attend meetings in-person to submit proof of vaccination or negative test results; and

WHEREAS, it is important that the Board of Directors ensure that Board members and District staff have a safe workplace and Hospital patients have a safe environment to receive care, to the maximum extent possible; and

WHEREAS, the Board of Directors desires to balance the rights of members of the public to participate in all Board meetings with the rights of the Board of Directors and District staff to conduct the meetings in a safe environment.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of El Camino Healthcare District, that:

1. The Board of Directors finds and determines that, as a result of the COVID-19 pandemic emergency, meetings in which the public attends in-person on the campus of the Hospital would present imminent risks to the health and safety of the Board of Directors, District staff, members of the public, Hospital staff and patients of the Hospital.
2. The Board of Directors finds and determines that conducting meetings in a hybrid in-person/teleconference model provides the safest environment for the Board of Directors and District staff to conduct business, while allowing for maximum public participation.
3. The Board of Directors finds and determines that the Health Officer of the County of Santa Clara has recommended measures to promote social distancing as one means to reduce the risk of COVID-19 transmission.
4. The Board of Directors shall conduct teleconference meetings under AB 361 in accordance with the requirements of AB 361, found in subdivision (e) of Government Code section 54953.

5. Through the duration of the state of emergency, if the Board of Directors desires to continue utilizing teleconferencing meetings under the special provisions of AB 361, the Board of Directors will make findings by majority vote not later than thirty (30) days after this meeting (or, if there is no meeting within thirty (30) days of this meeting, at the start of the next meeting), and not later than every thirty (30) days thereafter (or, if there is no meeting within thirty (30) days thereafter, at the start of the next meeting), that the Board of Directors has reconsidered the circumstances of the state of emergency and that either (a) the state of emergency continues to directly impact the ability of the public to meet safely in person, or (b) that state or local officials continue to impose or recommend measures to promote social distancing.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of El Camino Healthcare District held on October 19, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

DocuSigned by:
Julia Miller
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El Camino Healthcare District,
Chair

DocuSigned by:
Carol A. Somerville
A56D6F7947A140G...
El Camino Healthcare District,
Secretary



**Minutes of the Open Session of the
El Camino Healthcare District Board of Directors
Monday, December 5, 2022**

Pursuant to Government code section 54953(e)(1), El Camino Health will not be providing a physical location to the public for this meeting. Instead, the public is invited to join the open session meeting via teleconference at:

Board Members Present

Peter C. Fung, MD Vice-Chair
Julia E. Miller, Chair
Carol A. Somersille, MD
Secretary/Treasurer
George O. Ting, MD
John Zoglin

Board Members Absent

None

Others Present

Dan Woods, CEO
Carlos Bohorquez, CFO
Meenesh Bhimani, MD, COO
Cheryl Reinking, CNO
Deb Muro, CIO
Andreu Reall, VP Strategy
Shahab Dadjou, Interim President,
El Camino Health Medical Network

Others Present (cont.)

Tracy Fowler, Director,
Governance Services
Stephanie Iljin, Manager,
Administration
Brian Richards, Information
Technology
Susan Sievert, Videographer
Mike Ichikawa, Photographer
Cathy M. Wong, Notary Public

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	Chair Miller called to order the open session of the Regular Meeting of the El Camino Healthcare District Board of Directors (the "Board") at 5:30 pm and reviewed the logistics for the meeting. A verbal roll call was taken; Directors Fung and Zoglin were absent at the roll call, and a quorum was present pursuant to State of California Executive Orders N-25-20, dated March 12, 2020, and N-29-20, dated March 18, 2020. Director Zoglin joined at 5:35 pm and Director Fung joined at 5:38 pm.	Call to Order at 5:32 pm.
2. SALUTE TO THE FLAG	Chair Miller asked Dan Woods, CEO, to lead all present in the Pledge of Allegiance.	
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Miller asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
4. PUBLIC COMMUNICATION	There was no public communication.	
5. RESOLUTION TO ACCEPT THE SANTA CLARA COUNTY BOARD OF SUPERVISOR APPOINTMENTS OF SEPTEMBER 13, 2022	Chair Miller noted that the County Board of Supervisors appointed Directors Peter C. Fung, MD and George O. Ting, MD on September 13, 2022. Motion: To accept the Santa Clara County Board of Supervisor appointments of September 13, 2022. Movant: Somersille Second: Miller Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	Resolution was approved.
6. ADMINISTRATION OF OATH OF OFFICE	Director Ting took the oath of office administered by Director Somersille. Director Fung took the oath of office administered by Julia Fung.	

<p>7. STANDARDS OF CONDUCT</p>	<p>Chair Miller described the District Standards of Conduct, which is affirmed by the Board following each election. The Directors signed a copy of the District Standards of Conduct, which will be compiled and posted on the District's website.</p>	
<p>8. ELECTION OF DISTRICT BOARD MEMBERS TO THE EL CAMINO HOSPITAL BOARD OF DIRECTORS</p>	<p>Chair Miller noted that one of the duties of the El Camino Healthcare District Directors was to serve on the El Camino Hospital Board of Directors.</p> <p>Motion: Election of District Directors Peter C. Fung, MD, and George O. Ting, MD, to the El Camino Hospital Board of Directors.</p> <p>Movant: Miller Second: Somersille Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>The election was approved.</i></p>
<p>9. CONSENT CALENDAR</p>	<p>Chair Miller asked if any member of the Board or the public wished to remove an item from the consent calendar.</p> <p>Motion: To approve the consent calendar.</p> <p>a. Minutes of the Open Session of the District Board Meeting (10/18/22)</p> <p>Movant: Fung Second: Ting Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>The consent calendar was approved.</i></p>
<p>9. ADJOURNMENT</p>	<p>Motion: To adjourn at 5:46 pm.</p> <p>Movant: Somersille Second: Fung Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 5:46 pm.</i></p>

Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Healthcare District:

 Carol Somersille, MD
 Secretary/Treasurer, ECHD Board

Prepared by: Stephanie Ijtin, Manager, Administration
 Reviewed by: Tracy Fowler, Director, Governance Services



EL CAMINO HEALTHCARE DISTRICT PACING PLAN / MASTER CALENDAR

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	10/18	NOV	12/13	JAN	2/8	3/28	APR	5/16	6/20
STANDARD												
Public Communication				✓				✓	✓		✓	✓
Spotlight Recognition				✓					✓		✓	
FINANCE⁴												
Financials				✓				✓	✓			✓
Budget											✓	✓
Tax Appropriation												✓
COMPLIANCE												
Financial Audit – Consolidated ECH District Financials				✓								
Approve Hospital Audit				✓								
COMMUNITY BENEFIT												
CB Year-End Report				✓								
CBAC Policy – Annual Approval				✓								
CB Plan Study Session											✓	
CB Mid-Year Metrics											✓	
Approval of CB Plan												✓
GOVERNANCE												
Appointment of El Camino Hospital Board Member Election Ad Hoc Committee & Advisors				✓								
El Camino Hospital Board Member Election Ad Hoc Committee Update								✓	✓			
Possible Election of El Camino Hospital Board Member									✓			
Review Process for Board Officer Election											✓	
Appointment of Liaison to the Community Benefit Advisory Council												✓
Approval of Pacing Plan & Meeting Dates												✓
Acceptance of Election Results						✓						
Administration of Oath						✓						
EXECUTIVE PERFORMANCE												
CEO Performance Review				✓								

BoardRoom Press

A Bimonthly Journal of News, Resources, and Events for Today's Healthcare Boards

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Go Big or Go Home: A Board Framework for Strategic Planning of Big Ideas

Humanizing Price Transparency:
How Boards Can Turn the Corner
on a Major Patient Pain Point

SPECIAL SECTION

Maintaining Momentum:
Collaborative Public Health
on the Other Side of Crisis

Leveraging the Impact of Philanthropy
through Strategic Project Selection

ADVISORS' CORNER

Hospitals Employing Physicians:
Still a Sound Strategy If Done Right

Go Big or Go Home: A Board Framework for Strategic Planning of Big Ideas

By Ethan Feldmiller, M.H.A., and Maulik Joshi, Dr.P.H., Meritus Health

Not-for-profit hospitals and health systems have a duty to contribute in meaningful ways to the communities they serve. This greater purpose is highlighted directly within most organizational mission statements. The execution required to achieve the mission requires resources and those resources faced strain over the last two-plus years with COVID and its ramifications, which included profound staffing shortages and unprecedented burnout. Many healthcare organizations had sufficient funds built up for a rainy day, and that rainy day came in the form of the COVID-19 pandemic. In fact, there have been almost 1,000 rainy days since the pandemic started. Hesitancy to make significant financial investment is certainly understandable given the state of our world in recent years. However, despite these difficulties, many hospitals have the opportunity to make a huge impact for their community from their financial resources.

Considering the community health-oriented missions health systems have, the financial pressures that we have endured, and the greater need for health systems to not just tackle but lead community health, this begs the question: **what can we do now to drive a dramatic, meaningful impact within the communities we serve for better health?** Are there different ways and different magnitudes in which we should be utilizing our financial reserves to better achieve our missions in our communities? Carefully considering these questions is the first step for board members and leaders of healthcare organizations to reaffirm their commitments and prioritize initiatives that will serve the best interests of their communities.

Strategic Approaches to Community Investment

Big ideas do not grow on trees. Board members and healthcare leaders must take it upon themselves to aggressively pursue bold initiatives meant to improve the health of the communities we are intended to serve. In order to formulate large-scale initiatives backed by significant funds, board members and senior leaders must cohesively and strategically collaborate for the

sake of an effective output. Leadership opinions can vastly differ from each other; therefore, it becomes paramount for leaders and governance to implement an effective process that simultaneously considers differing opinions, community benefit, and financial implications.

Such a process could begin by collecting around three ideas per senior leader that would require a sizeable financial investment (in the range of \$100 million or one-third of your reserves) to dramatically impact both community health and the organization's goals. Additionally, each senior leader would need to submit a one-page proposal for each idea that highlights how they envision it impacting the mission, community health, and organizational finances. Each submitted idea would be presented amongst senior leadership and prioritized accordingly on a Financial and Community Benefit Matrix. Appropriate next steps and action plans are to be developed after thorough combined analysis by board members and senior leadership.

As senior leaders and board members, pose the question to your team: **what would you do with \$100 million to best impact community health and finances?** What seems like a massively oversimplified approach has the potential to ignite the thought process for initiatives that could aid in shaping the health and well-being of an entire community for years to come. Soliciting the input of leadership should be the first step in a collaborative effort to properly utilize rainy-day funds. The goal of healthcare organizations is to provide adequate benefit to their communities while also maintaining financial stability. In order to attain this goal, we must occasionally venture into unknown territory and step out of our comfort zones.

Case Study: Meritus Health

Meritus Health, western Maryland's largest healthcare provider, is located at the crossroads of western Maryland, southern Pennsylvania, and the eastern panhandle of West Virginia. Meritus Health's mission is to improve the health of its community of over

Key Board Takeaways

Board Strategic Planning of Big Ideas Process

- Leaders are to identify 10 to 15 *big ideas*. The big ideas must be in the magnitude of \$100 million (or about one-third of your total reserves) to be invested and with the goal to dramatically impact the organization's mission and community health.
- For each big idea, leaders develop a one-page proposal that highlights what the initiative is and how it impacts the mission, total cost, and financial benefit.
- Present each big idea among senior leaders.
- Senior leaders vote and prioritize.
- Plot the ideas on a Financial and Community Benefit Matrix.
- Share the big ideas grid at a board strategic planning meeting for discussion.
- Collectively decide on any next steps, as appropriate, to take to the next level.

200,000 people. With a team of over 4,000 people, Meritus Health includes 327-bed Meritus Medical Center, a 160-provider medical group, home health, and numerous other health and healthcare services.

Dave Lehr, the Chief Strategy Officer for Meritus Health in Hagerstown, Maryland, conducted an exercise among the organization's senior leadership to assess potential initiatives each individual felt could provide significant benefit to the Washington county community that Meritus Health serves. Each leader was given a hypothetical \$100 million and was asked to list three specific ideas for community investment. The ideas were all collected and the rationale behind each was explained.

Each senior leader was given a total allotment of 12 points that were to be split evenly between the categories of "improving finances" and "improving health of the region." Leaders were then instructed to assign their points to the ideas collected. Once the divvying of points was complete, each idea was arranged into a grid with financial improvement measured along the y-axis and health status improvement measured along the x-axis (see **Exhibit 1** on page 10). The Financial and Community Benefit Matrix findings would go on to be presented before the strategic planning committee for further discussion.

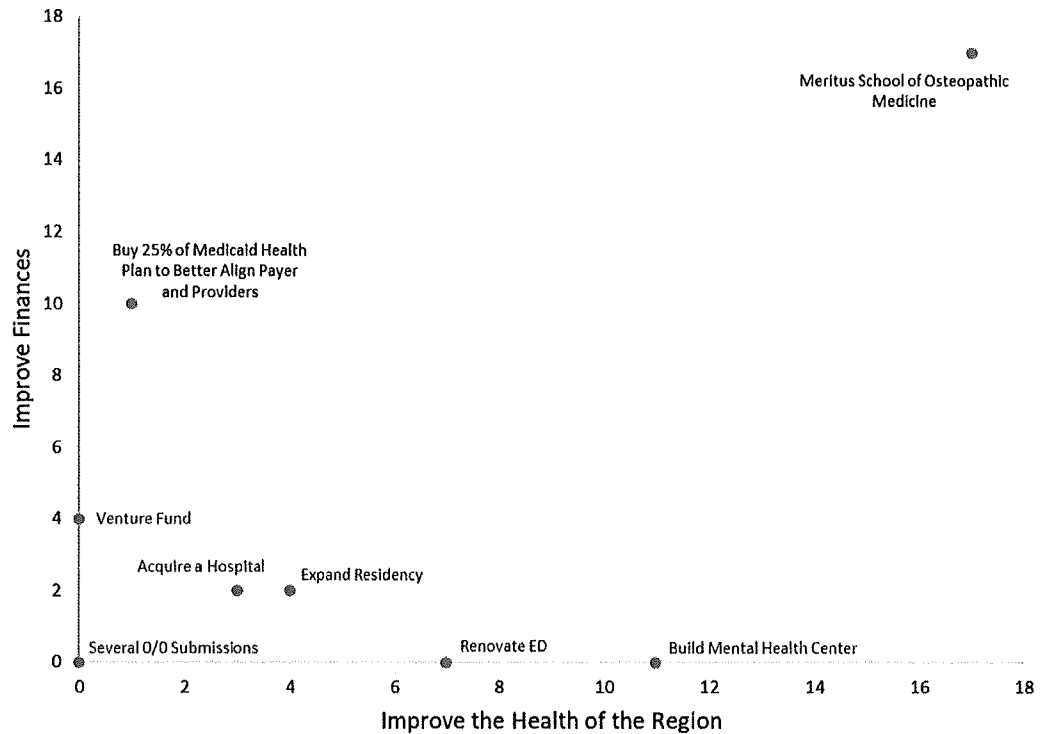
continued on page 10

Go Big or Go Home...
continued from page 3

The development of the Financial and Community Benefit Matrix provides a simple yet effective way for healthcare organizations to evaluate priorities and illustrate what leaders within the organization feel will bring the most prosperity to the community. Ideas, opinions, and economic factors are in constant flux; therefore, these types of exercises should be conducted on a regular basis (perhaps every two years) to emphasize forward, agile thinking. Each healthcare organization is driven by their mission and it is our responsibility to illustrate this drive to our communities.

For Meritus Health, the Financial and Community Benefit Matrix yielded an initial discussion in the development of Meritus Medical School. The school received the most points among the senior leaders and, as evident in the matrix, was thought to have the most benefit on each axis—community benefit and finances. This process and framework facilitated by the utilization of the Financial and Community Benefit Matrix provided a tremendous accelerant to thinking big and different. One year after this strategic planning process, Meritus Health is investing \$160 million to build Meritus School of Osteopathic Medicine to train physicians to serve rural underserved areas like our community.

Exhibit 1: Subset of Meritus Health Financial and Community Benefit Matrix (November 2021)



Conclusion

Regularly evaluating the thought processes behind the implementation of bold community initiatives should remain at the forefront of board members' thinking as we steadily emerge from the trials and tribulations thrown at us over the past few years. In an effort to raise up the communities we serve, there must make haste to create positive momentum that dramatically impacts those we are intended to serve. Thomas Jefferson once said, "With great risk comes great reward." Taking a leap

of faith with significant organizational funds always presents undeniable risk. Understanding this risk brings about the necessity to look back on lessons learned throughout the pandemic, internalize them, and implement innovative exercises to strategically brainstorm, communicate, and initiate high-priority initiatives with the highest degree of benefit. Healthcare organizations must collectively emphasize our commitment to the communities we serve, just as they did to us amidst the COVID-19 pandemic. Again, what would you do with \$100 million? Rainy days do not last forever, and the time to act is now.



The Governance Institute thanks Ethan Feldmiller, M.H.A., Administrative Fellow, Meritus Health, and Maulik Joshi, Dr.P.H., President and CEO, Meritus Health, and Adjunct Faculty, University of Michigan School of Public Health, Department of Health Management and Policy, for contributing this article. They can be reached at ethan.feldmiller@meritushealth.com and maulik.joshi@meritushealth.com.



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Senior Director Government Relations & Community Partnerships
Date: February 8, 2023
Subject: Community Benefit Sponsorships

Purpose:

To provide the Board with FY23 ECHD Sponsorships October 2022 – January 2023.

Summary:

1. **Situation:** Community Benefit Staff was asked to keep the Board informed regarding Community Benefit Sponsorships YTD.
2. **Authority:** Board reviewed and approved \$85,000 for Sponsorships in the FY23 Community Benefit Plan in June 2022.
3. **Background:**
 - Sponsorship information and instructions are available on the District website.
 - Requests include sponsorship packets that outline event date, purpose, levels of sponsorship and requirements for sponsor acknowledgement. These requests are reviewed throughout the year as they come in by Community Benefit Staff and the other designated departments that provide community sponsorships (e.g., Marketing & Communications and Government Relations & Community Partnerships).
 - Community Benefit-funded Sponsorships provide general support for health-related agencies improving the well-being of the community.
 - Community Benefit Sponsorships from **October 1, 2022- January 31, 2023** totaled **\$31,500** for the following agencies:
 - o Sponsored at more than \$10,000
 - Pathways Home Health & Hospice
 - o Sponsored at \$5,000 or less than \$10,000
 - HomeFirst
 - YWCA
 - NAMI
 - o Sponsored at less than \$5,000
 - Sunnyvale Senior Center
4. **Assessment:** N/A
5. **Other Reviews:** N/A
6. **Outcomes:** N/A

List of Attachments: N/A

Suggested Board Discussion Questions: None. This is an informational consent item.



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board (“ECHD”) of Directors
From: Deanna Dudley, Chief Human Resource Officer
Date: February 8, 2023
Subject: El Camino Health District Board Member Group Benefits

Purpose: To further inform ECHD Board Members of their potential participation in certain group benefit programs sponsored by El Camino Health (“ECH”) and to provide information on certain California healthcare districts’ practices with regard to group benefits participation for publicly elected board members.

Summary:

1. **Situation:** Information was provided to the ECHD Board Members during the Board’s regular meeting on October 19, 2022 regarding the possibility of individual members of the ECHD Board being able to participate in certain benefits offered to eligible ECH employees. The Board provided further direction to staff at that meeting to provide more information for their consideration.
2. **Authorities:** California Government Code §53200(a)-(f) and §53201(a).
3. **Background:** In January 2022, El Camino Health District Board Members transitioned to El Camino Health W-2 employees for tax reporting purposes. At that time, the District Board raised the question as to whether or not Board members are eligible for employer-paid health benefits.
4. **Assessment:** It is permissible per the authorities cited above for ECHD Board Members to enact a resolution to provide for participation in certain health and welfare benefits (as specified later) in the same form and fashion as provided to eligible ECH employees.

Staff have confirmed that ECHD Board Member participation is permissible in the following ECH employee benefit programs:

- Aetna HMO medical plan
 - MetLife dental plan
 - VSP vision insurance
5. **Other Reviews:** Pursuant to a request of the ECHD Board, staff conducted research into other California healthcare districts’ bylaws and policies with regard to Board member compensation and benefits participation, the summary of which is attached hereto. This summary is limited to healthcare districts operating acute care hospitals.

List of Attachments:

1. Summary of CA Healthcare District Board Member Compensation and Benefits
2. Summary of ECH Employer/Participant Cost of Medical, Dental and Vision Benefits

Suggested Board Discussion Questions:

1. Does the ECHD Board of Directors wish to proceed with a resolution for members to participate in the medical, dental and vision benefit programs sponsored by El Camino Health (medical, dental and vision)?



EL CAMINO HEALTHCARE DISTRICT
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El Camino Health 2023 Medical and Dental Rates (Monthly)

Aetna HMO – Includes OptumRx Prescription Plan

Self Only		Self + Spouse/DP		Self + Child(ren)		Family	
ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays
\$1,017.96	\$0.00	\$2,453.59	\$0.00	\$1,763.07	\$0.00	\$3,054.21	\$0.00

MetLife 1000 Dental (\$1,000 maximum annual benefit)

Self Only		Self + Spouse/DP		Self + Child(ren)		Family	
ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays
\$16.90	\$32.88	\$28.36	\$71.15	\$28.36	\$73.67	\$41.77	\$110.00

MetLife 1500 Dental (\$1,500 maximum annual benefit)

Self Only		Self + Spouse/DP		Self + Child(ren)		Family	
ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays
\$16.90	\$49.60	\$28.36	\$104.56	\$28.36	\$107.94	\$41.77	\$160.96

MetLife 2000 Dental (\$2,000 maximum annual benefit)

Self Only		Self + Spouse/DP		Self + Child(ren)		Family	
ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays
\$16.90	\$56.92	\$28.36	\$119.19	\$28.36	\$122.94	\$41.77	\$183.26



EL CAMINO HEALTHCARE DISTRICT
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El Camino Health 2023 Vision Rates (Monthly)

VSP Standard Vision Coverage							
Self Only		Self + Spouse/DP		Self + Child(ren)		Family	
ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays
\$7.81	\$0.00	\$12.40	\$0.00	\$12.66	\$0.00	\$21.38	\$0.00

VSP Enhanced Vision Coverage							
Self Only		Self + Spouse/DP		Self + Child(ren)		Family	
ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays	ECH Pays	Employee Pays
\$7.81	\$4.18	\$12.40	\$6.65	\$12.66	\$6.80	\$21.38	\$11.48

END



EL CAMINO HEALTHCARE DISTRICT

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Summary of CA Healthcare District Board Member Compensation and Benefits

District Name	City/County	Member Compensation	Member Benefits
Desert Healthcare District	Palm Springs/Riverside	Yes Meetings/Travel Reimb.	Yes \$10,000 annual allowance
John C. Fremont HCD	Mariposa/Mariposa	Yes Meetings/Travel Reimb.	Yes Medical Only (own expense)
Lompoc Healthcare District	Lompoc/Santa Barbara	Yes Meetings/Travel Reimb.	Yes Medical/Dental/Vision
Palomar Health	Escondido/San Diego	Yes Meetings/Travel Reimb.	Yes Health/Welfare Benefits
San Benito Healthcare Dist.	Hollister/San Benito	Yes Travel Reimb. Only	Yes Health and Life Ins.
City of Alameda HCD	Alameda/Alameda	Yes Expense Reimb. Only	No
Eden Township HCD	Castro Valley/Alameda	Yes Meetings/Travel Reimb.	No
Marin Healthcare District	Greenbrae/Marin	Yes Meetings/Travel Reimb.	No
Salinas Valley HCD	Salinas/Monterey	Yes Meetings/Travel Reimb.	No
Peninsula Healthcare District*	Burlingame/San Mateo	Yes Travel Reimb.	No
Sequoia Healthcare District*	Redwood City/San Mateo	Yes Travel Reimb.	Yes Medical up to \$1,500/month
Washington Township HCD	Fremont/Alameda	Yes Meetings/Travel Reimb.	No

*-Districts that do not operate acute hospital facilities.



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: Dan Woods, Chief Executive Officer
Jon Cowan, Senior Director Government Relations and Community Partnerships
Date: February 8, 2023
Subject: El Camino Healthcare District Goals Discussion

Purpose:

To have a discussion with the board members around their goals for the El Camino Healthcare District (ECHD). To dialogue in a free flow of ideas to understand individual board members' assumptions, ideas, opinions, and individual priorities.

Summary:

1. **Situation:** Board members requested a discussion around goals for ECHD.
2. **Background:**
 - A planning process for a robust Community Benefit Implementation Strategy Report and Plan (Grants Portfolio) concluded last fiscal year
 - For each health need, goals, initiatives, and anticipated impacts were identified
 - ECHD board members shared feedback and input throughout this process
 - Additional input is needed from the board members as to what else they wish to see in further developing goals beyond the current Grants Portfolio
3. **Assessment:**
 - Common goal themes from other healthcare districts are shared in the attachment to help stimulate discussion
 - Board members have expressed an interest in continuing to innovate and to raise awareness of the good work being done by ECHD to improve the community's health
 - Tonight's discussion is intended to allow each board member to take turns expressing their viewpoint on goals for ECHD
4. **Outcomes:**
 - Management and staff will execute actions to develop goals for review after tonight's feedback from the board members

List of Attachments:

1. ECHD Goals Discussion

Suggested Board Discussion Questions:

1. What are our broader aspirations for the El Camino Healthcare District and the concrete goals against which we can measure our process?
2. Across the potential landscape of community health improvement available to us, where will we choose to focus and to not focus?
3. What capabilities and systems are necessary to build and maintain our ability to succeed in our chosen manner?



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ECHD Goals Discussion

February 8, 2023

Dan Woods, Chief Executive Officer

Jon Cowan, Senior Director, Government Relations & Community Partnerships

Agenda

1. Level Setting
 - a. Common goal themes from other healthcare districts
 - b. Today's purpose
2. Dialogue



Common Goal Themes From Other Healthcare Districts

	Goal Themes
#1	Community health & wellness improvement (health promotion, disease prevention, healthy lifestyle)
#2	Community collaboration/partnership
#3	Measure and evaluate impact of funded programs, financial stewardship
#4	Non-hospital community and home-based services
#5	Transparency and integrity



Today's Purpose

1. Now that the health system goals are in place, to clarify where individual district board members are at in relation to setting separate goals for the El Camino Healthcare District
2. To dialogue in a free flow of ideas to contribute to a shared understanding where we can learn from each other's assumptions, ideas, opinions, and individual priorities



Dialogue

Objective: To clarify where individual board members are at in relation to wanting to further define the El Camino Healthcare District's goals. To allow each board member to take turns answering the following questions:

1. What are our broader aspirations for the El Camino Healthcare District and the concrete goals against which we can measure our progress?
2. Across the potential landscape of community health improvement available to us, where will we choose to focus and to not focus?
3. What capabilities and systems are necessary to build and maintain our ability to succeed in our chosen manner?





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Board Finance Presentation
Fiscal Year 2023
7/1/2022-12/31/2022

Carlos Bohorquez, CFO
El Camino Healthcare District Board of Directors Meeting
February 8, 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

Consolidated Comparative Balance Sheet (\$ Millions)

(Includes El Camino Hospital)

	Dec 31, 2022	June 30, 2022 Audited w/o Eliminations		Dec 31, 2022	June 30, 2022 Audited w/o Eliminations
ASSETS			LIABILITIES & FUND BALANCE		
Current Assets			Current Liabilities		
Cash & Investments	\$344	\$343	Accounts Payable & Accrued Exp ⁽⁵⁾	\$139	\$163
Patient Accounts Receivable, net	213	210	Bonds Payable - Current	13	16
Other Accounts and Notes Receivable	33	37	Bond Interest Payable	11	9
Inventories and Prepaids	37	36	Other Liabilities	15	23
Total Current Assets	627	626	Total Current Liabilities	178	212
Board Designated Assets			Deferred Revenue	12	12
Foundation Reserves	23	19	Deferred Revenue Inflow of Resources	104	104
Community Benefit Fund	25	23	Long Term Liabilities		
Operational Reserve Fund ⁽¹⁾	209	184	Bond Payable	568	572
Workers Comp, Health & PTO Reserves	79	78	Benefit Obligations	44	44
Facilities Replacement Fund ⁽²⁾	407	356	Other Long-term Obligations	38	38
Catastrophic & Malpractice Reserve ⁽³⁾	29	27	Total Long Term Liabilities	650	654
Total Board Designated Assets	772	686	Fund Balance		
Non-Designated Assets			Unrestricted	2,262	2,180
Funds Held By Trustee ⁽⁴⁾	34	35	Board Designated & Restricted	198	181
Long Term Investments	443	496	Capital & Retained Earnings	0	0
Other Investments	32	31	Total Fund Balance	2,460	2,361
Net Property Plant & Equipment	1,235	1,201	TOTAL LIAB. & FUND BAL.	\$3,405	\$3,343
Deferred Outflows of Resources	15	15			
Other Assets	247	253			
Total Non-Designated Assets	2,006	2,031			
TOTAL ASSETS	\$3,405	\$3,343			



Note: Totals may not agree due to rounding. See page 5 for footnotes.

El Camino Healthcare District

Consolidated Comparative Statement of Revenues & Expenses (\$ Millions)

Year-to-Date through December 31, 2022

(Includes El Camino Hospital)

	<u>Actual</u>	<u>Budget</u>	<u>Fav (Unfav) Variance</u>	<u>Prior YTD FY Actual</u>
Net Patient Revenue ⁽⁶⁾	684	669	15	638
Other Operating Revenues	23	25	(1)	22
Total Operating Revenues	707	694	14	660
Wages and Benefits	375	351	(25)	326
Supplies	97	100	3	90
Purchased Services	93	100	7	89
Other	26	29	3	22
Depreciation	38	37	(1)	36
Interest	9	8	(0)	9
Total Operating Expense ⁽⁷⁾	638	625	(14)	572
Operating Income	69	69	0	88
Non-Operating Income ⁽⁸⁾	25	27	(2)	21
Net Income	94	96	(2)	109



Note: Totals or variances may not agree due to rounding. See page 5 for footnotes.

El Camino Healthcare District

Notes to **Consolidated** Financial Statements

Current FY2023 Actual to Budget (Includes El Camino Hospital)

- 1) A 60 day reserve of expenses based on the last fiscal year’s Hospital budget, to be adjusted to current year next month.
- 2) The current period Facilities Replacement Fund is comprised of (\$ Millions):

ECH Capital Replacement Fund (i.e. Funded Depr.)	\$354
ECHD Appropriation Fund (fka: Capital Outlay)	23
ECH Women’s Hospital Expansion	<u>30</u>
	<u>\$407</u>

- 3) The current period Catastrophic & Malpractice Fund is comprised of (\$ Millions):

ECH Catastrophic Fund (aka: Earthquake Fund)	\$27
ECH Malpractice Reserve	<u>2</u>
	<u>\$29</u>

- 4) Funds Held by Trustee now only reflect the GO funds of the District. The decrease was due to the annual GO principal payment made on 8/1/22.
- 5) The decrease is primarily due to construction retentions accrued at fiscal year end for Women’s Hospital Renovation and the MV Campus Completion projects.
- 6) Strong volumes in both I/P and O/P services continue to be the primary driver to such a favorable performance to budget.
- 7) Higher operating expenses are due to the increased volumes and associated expenses.
- 8) The variance is due to decreased investment returns.



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	
	Dec 31, 2022	June 30, 2022		Dec 31, 2022	June 30, 2022
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Cash & cash equiv ⁽¹⁾	\$11,653	\$11,955	Accounts payable	\$0	\$77
Short term investments ⁽¹⁾	3,500	8,905	Current portion of bonds	3,293	5,760
Due fm Retiree Health Plan ⁽²⁾	66	36	Bond interest payable ⁽¹⁰⁾	3,053	1,314
S.C. M&O Taxes Receivable ⁽³⁾	1,987	0	Other Liabilities	307	349
Other current assets ^(3a)	74	2,258			
Total current assets	\$17,280	\$23,154	Total current liabilities	\$6,653	\$7,500
Operational Reserve Fund ⁽⁴⁾	1,500	1,500			
Capital Appropriation Fund ⁽⁵⁾	22,657	11,129			
Capital Replacement Fund ⁽⁶⁾	3,945	4,864	Deferred income	0	52
Community Partnership Fund ⁽⁷⁾	3,353	4,259	Bonds payable - long term	102,354	105,647
Total Board designated funds	\$31,455	\$21,752	Total liabilities	\$109,007	\$113,199
Funds held by trustee ⁽⁸⁾	\$33,979	\$35,272	Fund balance		
Capital assets, net ⁽⁹⁾	\$10,652	\$10,654	Unrestricted fund balance	\$59,003	\$55,013
			Restricted fund balance ⁽¹¹⁾	(74,644)	(77,380)
			Total fund balance	(\$15,640)	(\$22,367)
TOTAL ASSETS	\$93,366	\$90,832	TOTAL LIAB & FUND BALANCE	\$93,366	\$90,832



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

El Camino Healthcare District

YTD **Stand-Alone** Stmt of Revenue and Expenses (\$ Thousands)

Comparative Year-to-Date December 31, 2022

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⁾	\$ 52	53	\$ (1)	\$ 104
(B) Redevelopment Taxes ⁽¹³⁾	3	150	(147)	417
(B) Unrestricted M&O Property Taxes ⁽¹³⁾	7,068	7,068	-	9,804
(B) Restricted M&O Property Taxes ⁽¹³⁾	4,917	4,917	-	11,528
(B) G.O. Taxes Levied for Debt Service ⁽¹³⁾	5,600	5,600	-	12,304
(B) IGT/PRIME Medi-Cal Program ⁽¹⁴⁾	-	(1,500)	1,500	(2,613)
(B) Investment Income (net)	(819)	441	(1,260)	(1,316)
(B) Other income	-	-	-	-
TOTAL NET REVENUE	16,821	16,728	93	30,228
EXPENSES				
(A) Wages & Benefits ⁽¹⁵⁾	2	-	-	2
(A) Professional Fees & Purchased Svcs ⁽¹⁶⁾	194	405	211	472
(A) Supplies & Other Expenses ⁽¹⁷⁾	108	16	(92)	339
(B) G.O. Bond Interest Expense (net) ⁽¹⁸⁾	2,883	3,214	331	2,943
(B) Community Partnership Expenditures ⁽¹⁹⁾	6,904	3,832	(3,072)	7,472
(A) Depreciation / Amortization	2	2	-	9
TOTAL EXPENSES	10,093	7,469	(2,622)	11,237
NET INCOME	\$ 6,727	\$ 9,259	\$ (2,529)	\$ 18,992
<p>(A) Operating Revenues & Expenses</p> <p>(B) Non-operating Revenues & Expenses</p>				
RECAP STATEMENT OF REVENUES & EXPENSE				
(A) Net Operating Revenues & Expenses	\$ (254)			
(B) Net Non-Operating Revenues & Expenses	6,981			
NET INCOME	\$ 6,727			



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

El Camino Healthcare District

Comparative YTD **Stand-Alone** Stmt of Fund Balance Activity (\$ Thousands)

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

	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Fiscal year beginning balance	\$ (22,367)	\$ (25,293)
Net income year-to-date	\$ 6,727	\$ 18,992
Transfers (to)/from ECH:		
IGT/PRIME Funding ⁽²⁰⁾		\$ 2,613
Capital Appropriation projects ⁽²¹⁾		(18,679)
Fiscal year ending balance	<u><u>\$ (15,640)</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 due to transfer to Community Partnership and Capital Appropriation Funds for 2023.
- (2) **Due from Retiree Health Plan** – The monies due from Trustee for District's Retiree Healthcare Plan.
- (3) **S.C. M&O Taxes Receivable** – Increase reflects property tax accruals for FY 2023, receipts will begin in November into December.
- (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 Women's Hospital renovation and Campus Completion projects.
- (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 Partnership Fund** – This fund retains unrestricted (Gann Limit) funds to support the District's operations and primarily to support its Community Partnership Programs.
- (8) **Funds Held by Trustee** – Funds from General Obligation tax monies, being held to make the debt payments when due. The 8/1/22 payment was paid.
- (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 the accruals for the upcoming 2/1/23 payment.
- (11) **Fund Balance** – The negative 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, slowly reducing the negative fund balance over the next 14 years.



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, none at this point.

(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.

(16) Professional Fees & Services – Actual detailed below:

• Community Partnership Support from ECH	\$ 179
(54% of SW&B)	
• Legal Fees	10
• Other	<u>5</u>
	<u>\$ 194</u>

(17) Supplies & Other Expenses – Actual detailed below:

• Marketing / Advertising	\$ 92
• Dues & Subscriptions	16
	<u>\$ 108</u>

(18) G.O. Bond Interest Expense – Starting in FY2023 the 2006 Capital Appreciation Bonds begin to be repaid, thus additional interest expense of \$3.4M is now occurring.

(19) Community Partnership Expenditures – Starting in FY2014, the District is directly operating its Community Partnership 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 & December of the fiscal year.

(20) IGT/PRIME Funding – Transfers from ECH for participation in the PRIME or IGT program thus far in FY 2023.

(21) Capital Appropriation Projects Transfer – This years net 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>12/31/22</u>
(1) Maintenance and Operation and Government Obligation Taxes	\$17,585
(2) Redevelopment Agency Taxes	3
Total District Tax Receipts	\$17,588
 <u>Uses Required Obligations / Operations</u>	
(3) Government Obligation Bond	5,600
Total Cash Available for Operations, CB Programs, & Capital Appropriations	11,988
(4) Capital Appropriation Fund – Excess Gann Initiative Restricted*	4,917
Subtotal	7,071
(5) Operating Expenses (Net)	254
Subtotal	6,817
(6) Capital Replacement Fund (Park Pavilion)	3
Funds Available for Community Partnership Programs	\$6,814

*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) |



Q & A





EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District (ECHD) Ad Hoc Committee on Appointment and Re-appointment of Non-Elected/Appointed Board Members to the El Camino Hospital (ECH) Board

From: Julia Miller, Board Chair

Date: February 8, 2023

Subject: Consideration of Re-Appointment of Robert S. Rebitzer and Julie A. Kliger to the El Camino Hospital Board of Directors, FY24.

Purpose:

Ad Hoc Committee members – Julia Miller (Chair), Peter Fung, Lanhee Chen, and Jack Po - were asked to consider the re-appointment of Robert S. Rebitzer and Julie A. Kliger to the El Camino Hospital (“ECH”) Board of Directors, FY24, in alignment with the ECHD process to appoint and re-appoint non-elected/appointed board members to the ECH Board.

Summary:

1. **Situation:** Two of the current ECH Board Members (Robert Rebitzer and Julie Kliger) have terms expiring on June 30, 2023 and both are interested in being re-appointed to the ECH Board for another 3-year term.
2. **Authority:** Pursuant to the established ECHD appointment and re-appointment process, each year the ECHD Board has appointed an Ad Hoc Committee to consider the re-appointment of ECH Board members whose terms are set to expire at the end of the fiscal year.
3. **Background:** Board members up for re-appointment are evaluated based on current competencies, attendance at Board and committee meetings, their ability to provide a complementary skill set to other board members and the demonstration of productive working relationships with both ECH Hospital Board and ECHD Board members.

Ad Hoc Committee members reviewed competencies, attendance and questionnaires; and conducted interviews with the candidates. The Ad Hoc Committee met on December 5th and 19th, 2022.

4. **Outcomes:** Recommendation of the Ad Hoc Committee regarding the re-appointment Robert S. Rebitzer and Julie A. Kliger to the El Camino Hospital (“ECH”) Board of Directors. The Chair of the Ad Hoc Committee will share the Committee’s recommendations regarding each candidate with the ECHD Board of Directors at this February 8, 2023 meeting.