

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

Tuesday, October 17, 2023 – 5:30 pm

El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040 | Sobrato Boardroom 2

THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION PORTION OF THE MEETING LIVE AT THE ADDRESS ABOVE
OR VIA TELECONFERENCE AT:

1-669-900-9128, MEETING CODE: 943 9406 8096#. No participant code. Just press #.

To watch the meeting, please visit:

[ECHD Meeting Link](#)

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.

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

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
1.	CALL TO ORDER/ROLL CALL	George Ting, M.D., Board Chair		5:30 – 5:31
2.	AB 2449 – REMOTE PARTICIPATION	George Ting, M.D., Board Chair	Possible Motion <i>public comment</i>	5:31 – 5:32
3.	SALUTE TO THE FLAG	Dan Woods, CEO	Information	5:32 – 5:34
4.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	George Ting, M.D., Board Chair	Information	5:34 – 5:36
5.	PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons desiring to address the Board on any matter within the subject matter jurisdiction of the Board that is not on this agenda. Speakers are limited to three (3) minutes each.</i> b. Written Public Comments <i>Comments may be submitted by mail to the El Camino Hospital District Board of Directors at 2500 Grant Road, Mountain View, CA 94040. Written comments will be distributed to the Board as quickly as possible. Please note it may take up to 24 hours for documents to be posted to the agenda.</i>	George Ting, M.D., Board Chair		5:36 – 5:39

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
6.	CONSENT CALENDAR <i>Items removed from the Consent Calendar will be considered at the end of the regular agenda,</i> Action Items <ol style="list-style-type: none"> Approve Minutes of the Open Session of the District Board Meeting (06/20/2023) Approve Minutes of the Closed Session of the District Board Meeting (06/20/2023) Approve Minutes of the Open Session of the Special Meeting of the District Board (08/30/2023) Approve Minutes of the Closed Session of the Special Meeting of the District Board (08/30/2023) Approve FY23 Year-End Community Benefit Report Approve ECHD Director Compensation Policy Receive Community Benefit Sponsor Report Receive report FY24 Pacing Plan Receive report FY2024 Period 2 Financials Receive report FY2023 Period 12 Stand Alone Financials Receive report FY2023 Period 12 Consolidated Financials Receive report FY22-FY23 Chair Accomplishments 	George Ting, M.D., Board Chair	Motion Required <i>public comment</i>	5:39 – 5:50
7.	COMMUNITY BENEFITS <ol style="list-style-type: none"> Adopt annual Community Benefit Grants Policy Adopt FY25 Community Benefit Board Policy Guidance and FY24 Update 	Jonathan Cowan, Senior Director, Relations and Community Partnerships	Motion Required <i>Public comment</i>	5:50 – 6:05
8.	<u>CONSIDER RECOMMENDATIONS FROM AD HOC COMMITTEE AND CONDUCT INTERVIEWS OF NOMINEES FOR THE EL CAMINO HOSPITAL BOARD.</u> <ol style="list-style-type: none"> CANDIDATE SCOTT BARCLAY CANDIDATE WAYNE DOIGUCHI CANDIDATE CHRISTINA LAI 	George Ting, MD, Ad Hoc Committee Chair	Discussion	6:05 – 6:55
9.	ELECT EL CAMINO HOSPITAL BOARD MEMBER	George Ting, M.D., Board Chair	Motion Required <i>Public comment</i>	6:55 – 7:00
10.	<u>APPROVE FORMATION OF FY24 ECHB REAPPOINTMENT/RECRUITMENT AD HOC COMMITTEE</u>	George Ting, M.D., Board Chair	Motion Required <i>Public comment</i>	7:00 – 7:05
11.	<u>RECEIVE REPORT FY23 AUDITED FINANCIAL REPORT</u>	Carlos Bohorquez, CFO Joelle Pulver, Moss Adams	Information	7:05 – 7:15

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
12.	RECESS TO CLOSED SESSION	George Ting, M.D., Board Chair	Motion Required <i>public comment</i>	7:15 – 7:18
13.	Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – Senior Management: FY23 AUDITED FINANCIAL REPORT	Carlos Bohorquez, CFO Joelle Pulver, Moss Adams	Discussion	7:18 – 7:28
14.	ADJOURN TO OPEN SESSION	George Ting, M.D., Board Chair	Motion Required	7:35 – 7:36
15.	RECONVENE OPEN SESSION/ REPORT OUT	George Ting, M.D., Board Chair	Information	7:36 – 7:40
	To report any required disclosures regarding permissible actions taken during Closed Session.			
16.	FY23 AUDITED FINANCIAL REPORT	George Ting, M.D., Board Chair	Motion Required <i>Public comment</i>	7:40 – 7:43
17.	BOARD COMMENTS ON AGENDA ITEMS	George Ting, M.D., Board Chair	Discussion	7:43– 7:45
18.	ADJOURNMENT	George Ting, M.D., Board Chair	Motion Required <i>Public comment</i>	7:45 – 7:45pm

Upcoming Meetings: February 13, 2024; March 19, 2024; May 21, 2024; June 18, 2024



Board Members Present

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

Board Members Absent

None

Others Present

Dan Woods, CEO
Carlos Bohorquez, CFO
Jon Cowan, Senior Director,
 Government Relations and
 Community Partnerships
Ken King, CAO
Priya Shah, Associate General
 Counsel

Others Present (cont.)

Tracy Fowler, Director, Governance
 Services
Stephanie Iljin, Manager,
 Administration
Brian Richards, Information
 Technology
Tanya Payapalli, Breathe California

**via teleconference*

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	Chair Fung called to order the open session of the Regular Meeting of the El Camino Healthcare District Board of Directors (the "Board") at 5:35 pm and reviewed the logistics for the meeting. A verbal roll call was taken; all Directors were present, constituting a quorum. Director Zoglin was noted as participating remotely with his address posted on the public agenda and his door open to the public.	<i>Call to Order at 5:30 pm.</i>
2. CONSIDER AB 2449 REQUESTS	Chair Fung asked the Board for declarations of AB2449 request for approval. None were noted. Director Miller stated her concerns about teleconferencing for the meeting and asked legal counsel to share whether Brown Act or AB2449 took precedence. Ms. Shah stated Brown Act teleconferencing rules take precedence.	
3. SALUTE TO THE FLAG	Chair Fung asked Dan Woods, CEO, to lead all present in the Pledge of Allegiance.	
4. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Fung asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
5. PUBLIC COMMUNICATION	Chair Fung asked if there were any members of the public with comments for any items not listed on the agenda. There were no members of the public with comments.	
6. CONSENT CALENDAR	Chair Fung inquired if any member of the Board or the public intended to remove any item from the consent calendar. The following items were removed: 6g - ECHD Board Policy for Director Compensation, 6e - FY24 Operating Budget – ECHD and ECH & Affiliates. Regarding item 6g, Director Miller asked that it be pulled to include medical, vision and dental benefits and come back for approval at next meeting. Regarding item 6e, Director Somersille asked for elaboration on the line item for supplies and expenses. Mr. Bohorquez explained the items and agreed to bring back more explanation on FY22 supplies line item.	<i>The consent calendar was approved except for the ECHD Board Policy for Director Compensation which is to be amended with benefits and brought back for</i>

	<p>Motion: To approve the consent calendar items except for item 6g:</p> <ul style="list-style-type: none"> a. Minutes of the Open Session of the District Board Meeting (05/16/2023) b. Minutes of the Open Session of the Special Meeting of the District Board (05/16/2023) c. FY24 Regular Meeting Dates: Resolution 2023-05 d. FY23 Period 9 Financials e. FY24 Operating Budget – ECHD and ECH & Affiliates f. FY24 Pacing Plan g. ECHD Board Policy for Director Compensation <p>Movant: Somersille Second: Miller Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p>approval at next meeting.</p>
<p>7. AGENDA ITEM 15: DISTRICT BOARD OFFICERS ELECTION</p>	<p>Director Zoglin motioned to suspend Robert’s Rules and take up Agenda Item 15 – District Board Officers Election at this time.</p> <p>Movant: Zoglin Second: Somersille Ayes: Somersille, Ting, Zoglin Noes: Miller Abstentions: Fung Absent: None Recused: None</p> <p>The motion carried and Chair Fung continued with agenda item 15 – District Board Officers Election.</p> <p>Chair Fung reviewed the logistics of the election process to include reporting declaration of interest, taking nominations from the floor, and paper ballot votes. He further clarified that the following Directors had declared their interest in advance of the meeting:</p> <ul style="list-style-type: none"> 1. District Board Chair: Current Chair George Ting, MD, and Director Peter Fung, MD 2. District Board Vice-Chair: Current Vice-Chair Peter Fung, MD, and Director John Zoglin 3. District Board Secretary/Treasurer: Current Secretary/Treasurer Carol Somersille, MD <p>Chair Fung called for a paper ballot vote regarding the selection of Board Chair for the upcoming term, and the Directors responded as follows:</p>	<p>The Board approved the election results for the ECHD District Board Officers:</p> <p>Board Chair: George Ting, MD Vice Chair: Carol Somersille, MD Secretary/Treasurer: John Zoglin</p> <p>Term Duration: July 1, 2023 to June 30, 2025.</p>

	<p> Fung: Fung Miller: Ting Somersille: Ting Ting: Ting Zoglin: Ting </p> <p> Motion: To elect George Ting, MD, ECHD Board Chair for a term of two years effective July 1, 2023. </p> <p> Movant: Miller Second: Somersille Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None </p> <p>Chair Fung called for a paper ballot vote regarding the selection of Vice Chair for the upcoming term. Director Miller nominated Director Somersille who accepted the nomination. The Directors responded as follows:</p> <p> Fung: Fung Miller: Somersille Somersille: Somersille Ting: Zoglin Zoglin: Somersille </p> <p> Motion: To elect Carol Somersille, MD, ECHD Vice Chair for a term of two years effective July 1, 2023. </p> <p> Movant: Ting Second: Miller Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None </p> <p>Chair Fung called for nominations regarding the selection of Secretary/Treasurer for the upcoming term since Director Somersille had been elected as Vice Chair. Director Ting nominated Director Zoglin and was seconded by Director Fung. The Directors responded as follows:</p> <p> Fung: Zoglin Miller: No Somersille: Zoglin Ting: Zoglin Zoglin: Zoglin </p> <p> Motion: To elect John Zoglin, ECHD Secretary/Treasurer for a term of two years effective July 1, 2023. </p>	
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	<p>Movant: Fung Second: Ting Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Director Zoglin left the meeting at 5:46 pm at the conclusion of this agenda item.</p>	
<p>8. AGENDA ITEM 7: COMMUNITY BENEFIT SPOTLIGHT: BREATHE CALIFORNIA</p>	<p>Mr. Cowan introduced Dr. Payapalli from Breathe California who gave an overview of their program. The program focuses on providing education, screenings, medical equipment, and assistance with smoking cessation to senior citizens at risk for lung diseases. They also provide services to youth through asthma programs and camps. During a question session after the presentation, it was shared that Breathe California also works on improving air quality in communities by promoting electric vehicles and implementing filters in restaurants where smoking occurs.</p> <p>Motion: To approve Resolution 2023-06 recognizing the work of Breathe California.</p> <p>Movant: Miller Second: Ting Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p>	<p><i>Resolution 2023-06 was approved recognizing the work of Breathe California.</i></p>
<p>9. AGENDA ITEM 8: APPOINTMENT OF LIAISON TO THE COMMUNITY BENEFIT ADVISORY COUNCIL</p>	<p>Chair Fung called for a motion to appoint Director Carol Somersille as Liaison to the Community Benefit Advisory Council.</p> <p>Motion: To approve the Appointment of Carol Somersille, MD, as Liaison to the Community Benefit Advisory Council</p> <p>Movant: Fung Second: Ting Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p>	<p><i>Appointment of Liaison to the Community Benefit Advisory Council was approved.</i></p>
<p>10. AGENDA ITEM 9: FY24 COMMUNITY BENEFIT PLAN</p>	<p>Mr. Cowan presented the FY24 Implementation Strategy Report and Community Benefit Plan to the Board for approval. Mr. Cowan shared feedback from the May study session and the action plan to address comments in questions. Discussion included, but was not limited to, summaries for new grant applications that were not recommended for funding, percentage by health need, dual funding clarification and health equity.</p>	<p><i>FY24 El Camino Healthcare District Implementation Strategy Report and Community Benefit Plan (Community Benefit Plan) was</i></p>

	<p>Motion: To approve the FY24 El Camino Healthcare District Implementation Strategy Report and Community Benefit Plan (Community Benefit Plan)</p> <p>Movant: Somersille Second: Miller Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p>	<p>approved as presented: total \$7,950,000 including grants (\$7,740,000), sponsorships (\$85,000), and placeholder (\$125,000)</p>																											
<p>11. AGENDA ITEM 10: ECH DISTRICT GOALS</p>	<p>Chair Fung opened the topic of ECH District goals with an overview of the timeline and previous work done and expressed his happiness with the progress. Mr. Woods and Mr. Cowan shared measurable proposed tactics and goals. It was noted that the community pillar had been addressed since the last iteration.</p> <p>Vision and Goal, Strategic Priorities, Tactics, Measurement</p> <table border="1"> <tr> <th colspan="3">Vision and Goal</th></tr> <tr> <td colspan="3">Improve the health & well-being of those in the healthcare district by supporting health promotion, disease prevention, and a healthy lifestyle</td></tr> <tr> <th colspan="3">Strategic Priorities</th></tr> <tr> <th>Access to Healthcare</th><th>Community Champion</th><th>Health promotion and disease prevention</th></tr> <tr> <td>Ensure access to high-quality healthcare at the hospital, outpatient clinics, schools, and other sites</td><td>Create connection opportunities for local organizations, community groups, and healthcare providers</td><td>Promote health and well-being in order to reduce the incidence of chronic illnesses in the community</td></tr> <tr> <th colspan="3">Tactics</th></tr> <tr> <td> <ul style="list-style-type: none"> Continue comprehensive grant funding, looking for opportunities to maximize impact, to be innovative, to reduce health disparities Remain open to new potential joint funding opportunities with other funders to address a large scale community health issue over multiple years </td><td> <ul style="list-style-type: none"> Alternate collaborative convenings to foster discussion and sharing of effective practices (Alternate 1 year of joint site visit of related grantees, 1 year of collaborative discussion focused on exchange of effective practices with related grantees) </td><td> <ul style="list-style-type: none"> Maintain large grant portfolio and network of community partnerships ECHD Population Health Program Manager position to develop foundation for identifying and intervening to improve health of "rising risk" patients who live, work, or go to school within the district </td></tr> <tr> <th colspan="3">Measurement</th></tr> <tr> <td> <ul style="list-style-type: none"> Volume, impact, and collective impact metrics. School metric standardization </td><td> <ul style="list-style-type: none"> Completion of joint site visits and collaborative discussions </td><td> <ul style="list-style-type: none"> Volume, impact, and collective impact metrics. ECHD Pop Health strategy development </td></tr> </table> <p>Motion: To approve the ECHD Vision and Goal, Strategic Priorities, Tactics, and Measurement Framework ("ECHD Strategic Framework")</p> <p>Movant: Ting Second: Somersille Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p>	Vision and Goal			Improve the health & well-being of those in the healthcare district by supporting health promotion, disease prevention, and a healthy lifestyle			Strategic Priorities			Access to Healthcare	Community Champion	Health promotion and disease prevention	Ensure access to high-quality healthcare at the hospital, outpatient clinics, schools, and other sites	Create connection opportunities for local organizations, community groups, and healthcare providers	Promote health and well-being in order to reduce the incidence of chronic illnesses in the community	Tactics			<ul style="list-style-type: none"> Continue comprehensive grant funding, looking for opportunities to maximize impact, to be innovative, to reduce health disparities Remain open to new potential joint funding opportunities with other funders to address a large scale community health issue over multiple years 	<ul style="list-style-type: none"> Alternate collaborative convenings to foster discussion and sharing of effective practices (Alternate 1 year of joint site visit of related grantees, 1 year of collaborative discussion focused on exchange of effective practices with related grantees) 	<ul style="list-style-type: none"> Maintain large grant portfolio and network of community partnerships ECHD Population Health Program Manager position to develop foundation for identifying and intervening to improve health of "rising risk" patients who live, work, or go to school within the district 	Measurement			<ul style="list-style-type: none"> Volume, impact, and collective impact metrics. School metric standardization 	<ul style="list-style-type: none"> Completion of joint site visits and collaborative discussions 	<ul style="list-style-type: none"> Volume, impact, and collective impact metrics. ECHD Pop Health strategy development 	<p>The ECHD Vision and Goal, Strategic Priorities, Tactics, and Measurement Framework ("ECHD Strategic Framework") was approved.</p>
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<p>12. AGENDA ITEM 11: EL CAMINO HEALTH DISTRICT AD HOC COMMITTEE UPDATE</p>	<p>Director Ting provided an update on the progress of the ECHD Ad Hoc Committee for ECHB Director Recruitment. Director Ting reported that after surveying board members and committee chairs, placing an ad in a local newspaper and posting on LinkedIn, there was a robust candidate pool of 18 people. The plan is to get down to 2 to 3 candidates for a board vote.</p>																												

13. AGENDA ITEM 12: FY23 YTD ECHD FINANCIAL REPORT	<p>Carlos Bohorquez, Chief Financial Officer, presented the FY23 YTD Financials. Financial reports show an increase in assets and overall fund balance due to strong operating performance but also challenges related to workforce shortages impacting expenses negatively compared to budget projections.</p> <p>Motion: To approve FY23 YTD Financial Report</p> <p>Movant: Miller Second: Ting Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p>	<p><i>FY23 YTD ECHD Financial Report approved</i></p>
14. AGENDA ITEM 13: ESTABLISHING TAX APPROPRIATION LIMIT FOR FY24 (GANN LIMIT)	<p>Michael Walsh, Controller, reported that annually, the District Board must set the Tax Appropriation Limit (Gann Limit) for the following fiscal year and asked for approval of Resolution 2023-07 to the following measurements:</p> <ol style="list-style-type: none"> For FY23, use the following measurement to calculate the District's change in the cost of living: <ul style="list-style-type: none"> The change in California's per capita personal income from the preceding year was a positive 4.44%. The percentage change in local assessment is due to nonresidential new construction from the previous year. This change is no longer provided. For FY23, use the following measurement to calculate the change in population in 2 primary areas: <ul style="list-style-type: none"> The population change within the District was a positive -0.0022%. The population change within the County was a negative -0.0025%. <p>Motion: To approve Resolution 2023-07, Establishing appropriation Limit for FY24 (Gann Limit).</p> <p>Movant: Ting Second: Miller Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p>	<p><i>Resolution 2023-07 was approved.</i></p>
15. AGENDA ITEM 14: DISTRICT CAPITAL OUTLAY FUNDS	<p>Mr. King reported that The El Camino Hospital District has \$11,128,800 of Capital Outlay Funds from the fiscal year 2021 that must be allocated for use within a two-year period, and asked to gain approval to reallocate the FY-21 District Capital Outlay Funds to support the Mountain View Campus Completion Project.</p>	<p><i>District Capital Outlay Funds were approved.</i></p>

	Motion: To approve use of District Capital Outlay Funds Movant: Miller Second: Ting Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None	
16. AGENDA ITEM 15: ADJOURN TO CLOSED TO SESSION	Motion: To adjourn to closed session at 7:07 pm. Movant: Somersille Second: Ting Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None	<i>Adjourned to closed session at 7:07 pm.</i>
17. AGENDA ITEM 19: RECONVENE TO OPEN SESSION	<p>The open session of the El Camino Healthcare District Board of Directors reconvened at 7:19 pm. Agenda items 17 was addressed in the closed session.</p> <p>During the Closed Session, the El Camino Healthcare District Board approved the closed session minutes of the May 16, 2023 meeting by a unanimous vote of all directors present</p>	<i>Open Session reconvened at 7:19 pm.</i>
18. AGENDA ITEM 20: BOARD COMMENTS	Director Miller shared a report on her activities since the last board meeting on May 16 th and handed out a document listing her accomplishments as chair. There was a request for legal counsel to confirm whether this would be included in the minutes. Ms. Shah confirmed the report could be mentioned but as it was not on the agenda, the document itself would not be included in the minutes.	
19. AGENDA ITEM 21: ADJOURNMENT	Motion: To adjourn at 7:25 pm. Movant: Somersille Second: Fung Ayes: Fung, Miller, Somersille, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None	<i>Adjourned at 7:25 pm.</i>

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

John Zoglin
Secretary/Treasurer, ECHD Board

Prepared by: Tracy Fowler, Director, Governance Services



Board Members Present

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

Others Present

Deanna Dudley, CHRO

Others Present (cont.)

Tracy Fowler, Director,
 Governance Services
Gabriel Fernandez, Governance
 Services Coordinator

**via teleconference*

Board Members Absent

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	Chair Ting called to order the open session of the Special Meeting of the El Camino Healthcare District Board of Directors (the "Board") at 12:00 pm and reviewed the logistics for the meeting. A verbal roll call was taken; Director Somersille was absent at the roll call, and a quorum was present. Director Somersille joined at 12:02 pm.	<i>Call to Order at 12:00 pm.</i>
2. CONSIDER AB 2449 REQUEST	There were no emergency requests for remote participation.	
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Ting 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. ADJOURN TO CLOSED TO SESSION	<p>Motion: To adjourn to closed session at 12:05 pm.</p> <p>Movant: Ting</p> <p>Second: Somersille</p> <p>Ayes: Fung, Miller, Somersille, Ting, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p> <p>It was noted that the closed session would have no action items and the meeting would adjourn from closed session.</p>	<i>Adjourned to closed session at 12:05 pm.</i>

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

 John Zoglin
 Secretary/Treasurer, ECHD Board

EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Senior Director, Government Relations and Community Partnerships
Date: October 17, 2023
Subject: FY23 Yearend Community Benefit (CB) Report

Purpose: To provide the FY23 Community Benefit Annual Report and the Yearend Grants Performance

Summary:

1. **Situation:** At the conclusion of each fiscal year, Community Partnerships staff review yearend grant reports to assess metric and budget performance against targets as well as review qualitative information on program successes, challenges and trends. Staff prepares an annual report and yearend dashboard (Attachments 1 and 2).
The report is also available online:
www.elcaminohealthcaredistrict.org/CommunityBenefit2023
2. **Authority:** The report is prepared by the Community Partnerships staff and approved by the Senior Director of Government Relations and Community Partnerships prior to presentation to the Board.
3. **Background:** In FY23, El Camino Healthcare District invested \$7,368,084 in Community Benefit grants and sponsorships to address unmet local health needs. The framework for the grant funding priorities is the most recent El Camino Hospital Community Health Needs Assessment (CHNA), which is conducted every three years, as required by state and federal regulations.
 - A. **Grants** = \$7,309,284 for 56 grants:
 - 15 Healthcare Access & Delivery grants at \$3,757,039
 - 20 Behavioral Health grants at \$1,697,550
 - 10 Diabetes & Obesity grants at \$1,089,500
 - 5 Chronic Conditions treatment and prevention (other than diabetes and obesity) grants at \$368,195
 - 6 Economic Stability grants at \$397,000
 - B. **Sponsorships** = \$58,800 for 13 sponsorships
 - C. **Grants Performance** is reflected in the yearend dashboard (Attachment 2):
 - Community Health Themes
 - Demand continued to be high for basic and preventive healthcare services, including dental services.
 - Many grant partners noted challenges including rising costs for basic supplies and staffing shortages.
 - Several agencies reported a shortage in availability of doctor appointments, especially for specialist care.

- Schools continued to struggle with staffing shortages, high acuity student needs for mental health services, and an increase in students who require routine care from the school nurses such as students with daily medication administration, diabetes, IV care, or other specialized care.
- Pandemic-era support for housing and food have been eliminated this fiscal year, and agencies are reporting an increase in community members who aren't able to secure these basic needs.
- The political climate of anti LGBTQ bills has instigated both stress and resilience factors in LGBTQ youth in our communities. More trans, non-binary and gender expansive youth are seeking clinical services and a third of them do not have parent support to seek LGBTQ specific services.
- All Programs:
 - 68% of grants met or exceeded 90% across all of their metrics (FY22 = 79%)
 - Over 45,000 community members served – 11% over target (FY22: 48,000 served)
- Largest grant programs (\$100k+):
 - 23 grants = \$5,808,284 (79% of total grant spend)
 - 70% of grants met or exceeded 90% across all of their metrics (FY22=81%)
 - Over 30,000 community members served (FY22: 31,000 served)
- Performance of the Top 5 Largest Grants:

Agency	Awarded Amount	Metric Performance	Performance Narrative
Ravenswood Family Health Network	\$1,250,000	96%	The program performed well, achieving its volume metrics, exceeding its impact metric related to breast cancer screening, and narrowly missing impact metrics related to HbA1c levels for diabetic patients and colon cancer screenings for patients aged 51-75. In FY24, the program will strengthen outreach efforts to achieve these metrics. In FY23, Ravenswood continued to support access to health services through fine-tuning its mobile clinic internet connectivity, expanding immunization services to synchronously offer child immunization at COVID-19 vaccine clinics, and initiating Expanded Case Management social services designed to connect patients to primary care and other resources to reduce avoidable Emergency Department visits.
Santa Clara Valley Medical Center Hospital & Clinics: Dental Services in Sunnyvale and Mountain View	\$440,000	93%	Santa Clara Valley Medical Center Hospital & Clinics Dental Services performed well this year. Addressing increased demand and patient need, the program exceeded targets for numbers of individuals served and services provided. The program also exceeded goals for providing prophylactic cleanings and reducing emergency dental visits. The program did experience higher-than-expected appointment failure rates, which they attribute to socio-economic barriers that affect patient ability to attend appointments (e.g., lack of funds

			for transportation) or patient anxiety resulting in last-minute cancellations. Bright spots for the year include the Mountain View dental clinic increasing their capacity and the number of available dental chairs, thereby offering more access to patients.
Agency	Awarded Amount	Metric Performance	Performance Narrative
South Asian Heart Center	\$300,000	100%	The South Asian Heart Center had a highly successful program year, achieving or exceeding all metrics. The program continued to offer comprehensive screening, culturally competent lifestyle coaching, science-based educational workshops, and personalized lifestyle interventions to improve risk markers and health behaviors. In addition to achieving strong participant outcomes, staff said highlights for the year included being able to return to in-person outreach and health screening and streamlining the process for participants to set up their onboarding appointments.
Momentum for Health	\$290,000	75%	Low volume metrics are attributed to post-COVID pressures affecting service uptake (e.g., people coping with financial insecurity and working multiple jobs are unable to find time to participate in services), lack of knowledge about the availability of services, and client preferences for counseling rather than psychiatric services. While the program successfully met its metric related to helping clients avoid psychiatric hospitalizations, staff believe clients' ability to make expected progress on anxiety and depression metrics is impeded by the lingering negative effects of the COVID-19 pandemic such as grief, caregiver fatigue, burnout, financial instability, food insecurity, and medical issues that contribute to mental health challenges. For FY24, Momentum is increasing outreach overall and adjusting services to address the small shifts in demand from psychiatric to counseling services and offering more extended counseling services.
Mountain View Whisman School District: SNP	\$290,000	83%	The Mountain View Whisman school nurse program performed well overall, providing more services than anticipated and exceeding target for immunization compliance. They did have some challenges with the number of health screenings and number of students receiving follow-up care metrics. This was mostly due to new regulations affecting their staff bandwidth and parent follow-up being slower than previous years. They believe parents may be struggling with increased wait times and impacted pediatric clinics in the community. Of note, they had an increase in students who require routine care from the school nurses such as students with daily medication administration, diabetes, IV care, or other specialized care.

- Underperforming Grants:

Agency	Awarded Amount	Metric Performance	Performance Narrative
Mountain View-Los Altos High School District: MH	\$210,000	38%	In FY23, it was discovered that MVLA's mental health program had been over-reporting metrics in prior years. The error arose as the actual costs associated with the ECHD-dedicated therapists continued to rise and the ECHD grant amount remained stable. The ECHD grant covered 43% of the costs associated with the program in FY23, which is the first year they re-calibrated their metrics to only report on services covered under the grant. Moving forward, they will be setting targets based on this new reporting methodology.
El Camino Health: Post Discharge Navigator	\$150,000	17%	Due to staffing challenges, this program was not able to be fully implemented until near the end of the fiscal year, causing them to miss their metric targets. We are currently discussing program adjustments for FY24 to ensure targets will be met.
Fresh Approach	\$73,500	53%	Fresh Approach struggles with target setting due to the nature of their program, especially as they continued to adjust to community needs during the pandemic and again once restrictions were lifted. One challenge with target setting is they can't predict the household size, so in the first part of FY23 they served a lot of participants with smaller than average household sizes. They have also struggled with survey administration, which we are working with them to improve in FY24.
Project Safety Net	\$35,000	38%	Had difficulty scaling their metrics to the amount awarded and needed to adjust their programming when a school district dropped out of their program. They adjusted the service delivery to focus on the broader communities served by the El Camino Healthcare District. They did not re-apply for funding of this program in FY24.
My Digital TAT2	\$30,000	63%	Lower volume metrics driven by the program's District-wide events having lower-than-typical parent attendance and school principals preferring smaller, individual school-based parent education activities. Program surveys indicate participants had higher quality interactions in these smaller settings. For FY24, the Director of Federal, State, and Strategic Programs at Mountain View Whisman School District requested the program continue the shift from larger assembly-style services to smaller, more-intensive, tailored programming at individual schools. In response to this request, the program has adjusted its FY24 approach and metric targets to align with these more-intensive education sessions.
WomenSV	\$30,000	60%	WomenSV faced challenges this year that forced them to close their doors to new clients for the safety of WomenSV as a program and also for the safety of the staff, thus causing them to miss their individuals served and services

			provided metrics. Due to these challenges and a re-evaluation of their program, WomenSV has begun to adapt and change their model to a more educational based format.
Agency	Awarded Amount	Metric Performance	Performance Narrative
City of Sunnyvale: Sunnyvale Senior Center	\$25,000	0%	They were unable to hire a care manager to implement this program and therefore it was never able to get going. They will send back the full amount awarded and did not re-apply for funding of this program in FY24.
Eating Disorders Resource Center	\$22,500	51%	Due to moving most of their services to a remote model they are having trouble capturing those that live and work in the El Camino Healthcare District. They do believe that they serve many more in the District than is represented here, but are still struggling with an effective way to capture this.
Via Services, Inc.	\$20,000	23%	The program was unable to maintain sufficient camp staff due to financial pressures, inflation, and COVID infections that reduced the number of available seasonal staff or reduced stamina of some staff recovering from COVID. In addition to difficulties fully staffing camps, some sessions of camp were shut down early or cancelled due to COVID infections. In July 2022, Via Services entered an affiliation agreement with AbilityPath, another local non-profit serving individuals with developmental disabilities. The two organizations are working together to address staffing challenges.

List of Attachments:

1. FY23 Community Benefit Annual Report Executive Summary for the Board with full online report at: <https://www.elcaminohealthcaredistrict.org/CommunityBenefit2023>
2. FY23 El Camino Healthcare District Community Benefit Grants Yearend Dashboard



Community Health Investment
El Camino Healthcare District
\$7.4M Grants & Sponsorships

El Camino Health
\$116.6M Community Benefit
\$3.3M Grants & Sponsorships

El Camino Healthcare District | El Camino Health Community Benefit Annual Report FY 2023 — Executive Summary

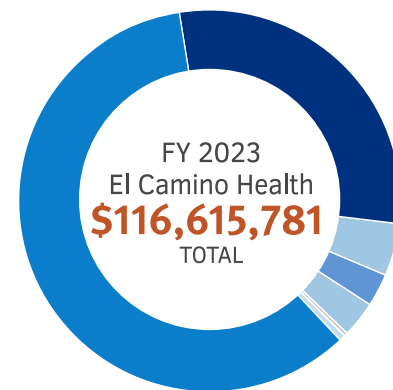
Our Community, Our Priority

During fiscal year 2023, we remained committed to partnering with organizations that demonstrate an ability to improve our community's health. Our grant partners help us continue to support community members when they experience vulnerability and health challenges. The [Community Benefit FY 2023 online report](#) highlights our investments, including:

- **El Camino Health's total Community Benefit:** \$116.6 million – serving more than 136,900 people including \$3.3 million for 70 grants and sponsorships. El Camino Health's total community benefit includes charity care and unpaid Medi-Cal costs for more than 15,800 people. [See the financial report.](#)
- **El Camino Healthcare District total Community Benefit:** \$7.4 million – serving more than 45,200 people with support for 69 grants and sponsorships. [See the financial report.](#)
- **\$124 million combined Community Benefit serving more than 182,100 people.** El Camino Health and El Camino Healthcare District worked with community partners to prevent disease, improve mental health, and make healthcare and healthy choices more accessible. [See our community partners.](#)

Financial Report

\$116.6M El Camino Health
TOTAL COMMUNITY BENEFIT



\$69,495,940	Government-Sponsored Healthcare (Unreimbursed Medi-Cal)
\$34,182,302	Subsidized Health Services
\$5,274,261	Financial Assistance (Charity Care)
\$3,301,590	Grants and Sponsorships
\$3,649,967	Health Professions Education
\$277,867	Clinical Research
\$301,928	Community Benefit Operations
\$131,926	Community Health Improvement Services

+\$117M in Uncompensated Medicare
(Not included in Community Benefit total)

To learn more about how we are addressing unmet health needs in our community, please take a moment to visit elcaminohealthcaredistrict.org/CommunityBenefit2023




EL CAMINO HEALTHCARE DISTRICT



Community Benefit FY23 Yearend Grant Metrics Dashboard

- This Dashboard reflects FY23 yearend and two prior years' grant performance
- Grants are organized by five health needs: Healthcare Access & Delivery, Behavioral Health, Diabetes & Obesity, Chronic Conditions, and Economic Stability; Support Grants (≤\$30k) are in the second section
- FY23 Metric Data: Columns X – AG
- Historical performance: Columns D – W
- See legend in footer for metric performance indicators
 - A dash “ – ” represents either 1) Program is new so no metrics from prior year(s), or 2) New metric, no historical data

Health Need Column A	Partner Column B	FY23 Metrics Column C	FY21 6-month Target Column D	FY21 6-month Actual Column E	<div><div></div><div></div><div></div></div> FY21 6-month Metrics Met Column G	<div><div></div><div></div><div></div></div>	FY21 Annual Target Column I	FY21 Annual Actual Column J	<div><div></div><div></div><div></div></div>	FY21 Annual Metrics Met Column L	<div><div></div><div></div><div></div></div>	FY22 6-month Target Column N	FY22 6-month Actual Column O	<div><div></div><div></div><div></div></div>	FY22 6-month Metrics Met Column Q	<div><div></div><div></div><div></div></div>	FY22 Annual Target Column S	FY22 Annual Actual Column T	<div><div></div><div></div><div></div></div>	FY22 Annual Metrics Met Column V	<div><div></div><div></div><div></div></div>	FY23 6-month Target Column X	FY23 6-month Actual Column Y	<div><div></div><div></div><div></div></div>	FY23 6-month Metrics Met Column AA	<div><div></div><div></div><div></div></div>	FY23 Annual Target Column AC	FY23 Annual Actual Column AD	<div><div></div><div></div><div></div></div>	FY23 Annual Metrics Met Column AF	<div><div></div><div></div><div></div></div>	
<div><div>Healthcare Access and Delivery (Including Oral Health)</div></div>	Cupertino Union School District - School Nurse Program FY24 Approved: \$105,000 FY23 Approved: \$100,000 FY23 Spent: \$100,000 FY22 Approved: \$100,000 FY22 Spent: \$100,000 FY21 Approved: \$100,000 FY21 Spent: \$100,000	Individuals served	800	746	<div><div></div></div>	94%	<div><div></div></div>	1,550	1,454	<div><div></div></div>	99%	<div><div></div></div>	350	386	<div><div></div></div>	100%	<div><div></div></div>	700	1,124	<div><div></div></div>	98%	<div><div></div></div>	115	223	<div><div></div></div>	53%	<div><div></div></div>	230	441	<div><div></div></div>	89%	<div><div></div></div>
		Services provided	-	-				-	-				-	-				210	223	<div><div></div></div>			425	494	<div><div></div></div>							
		Number of individuals receiving health screenings	-	-				-	-				-	-				115	0	<div><div></div></div>			230	441	<div><div></div></div>							
		Students out of compliance with required immunizations who become compliant	25%	57%	<div><div></div></div>			50%	87%	<div><div></div></div>			35%	79%	<div><div></div></div>			50%	82%	<div><div></div></div>			50%	33%	<div><div></div></div>			80%	95%	<div><div></div></div>		
		Students with a failed a health screening who saw a healthcare provider	-	-				-	-				25%	27%	<div><div></div></div>			35%	33%	<div><div></div></div>			50%	0%	<div><div></div></div>			80%	35%	<div><div></div></div>		
		El Camino Health - Post Discharge Navigation FY24 Approved: \$150,000 FY23 Approved: \$150,000 FY23 Spent: \$79,463	Individuals served	-	-			New Program in FY23		-		-		New Program in FY23			-	-		New Program in FY23			-	-			New Program in FY23		150	0		<div><div></div></div>
	Services provided		-	-			-		-			-	-				300	0	<div><div></div></div>			800	85	<div><div></div></div>								
	Number of patients enrolled in a clinical/community service based on needs identified by the navigator		-	-			-		-			-	-				75	0	<div><div></div></div>			200	37	<div><div></div></div>								
	Number of patients who report positive support from the clinical/community resource		-	-			-		-			-	-				50	0	<div><div></div></div>			150	33	<div><div></div></div>								
	Health Library Resource Center - Mountain View FY24 Approved: \$175,000 FY23 Approved: \$175,000 FY23 Spent: \$137,640 FY22 Approved: \$200,000 FY22 Spent: \$200,000 FY21 Approved: \$210,000 FY21 Spent: \$211,853	Individuals served	4,000	5,876	<div><div></div></div>	85%	<div><div></div></div>	8,000	10,321	<div><div></div></div>	87%	<div><div></div></div>	3,000	5,237	<div><div></div></div>	100%	<div><div></div></div>	6,000	9,710	<div><div></div></div>	100%	<div><div></div></div>	3,000	3,315	<div><div></div></div>	100%	<div><div></div></div>	6,000	11,095	<div><div></div></div>	100%	<div><div></div></div>
		Health consultations provided	43	17	<div><div></div></div>			86	41	<div><div></div></div>			25	37	<div><div></div></div>			50	75	<div><div></div></div>			3,000	3,315	<div><div></div></div>							
		Community members who strongly agree or agree that library services have been valuable in helping to manage their health or that of a friend or family member	65%	95%	<div><div></div></div>			65%	77%	<div><div></div></div>			65%	96%	<div><div></div></div>			65%	78%	<div><div></div></div>			65%	100%	<div><div></div></div>			65%	93%	<div><div></div></div>		
		Community members who strongly agree or agree that library information is appropriate for my needs	80%	98%	<div><div></div></div>			80%	97%	<div><div></div></div>			80%	96%	<div><div></div></div>			80%	97%	<div><div></div></div>			80%	100%	<div><div></div></div>			80%	100%	<div><div></div></div>		
	Law Foundation of Silicon Valley FY24 Approved: \$60,000 FY23 Approved: \$60,000 FY23 Spent: \$60,000 FY22 Approved: \$60,000 FY22 Spent: \$60,000 FY21 Approved: \$60,000 FY21 Spent: \$60,000	Individuals served	90	65	<div><div></div></div>	85%	<div><div></div></div>	140	123	<div><div></div></div>	89%	<div><div></div></div>	82	59	<div><div></div></div>	79%	<div><div></div></div>	165	284	<div><div></div></div>	100%	<div><div></div></div>	82	121	<div><div></div></div>	91%	<div><div></div></div>	165	140	<div><div></div></div>	84%	<div><div></div></div>
		Services provided	-	-				-	-				-	-				40	121	<div><div></div></div>			165	140	<div><div></div></div>							
		Patients referred to a clinical and/or community service based on needs identified by the navigator	-	-				-	-				-	-				55%	29%	<div><div></div></div>			55%	29%	<div><div></div></div>							
		Providers receiving training who increase their understanding of their patients' rights to medical benefits and other forms of public assistance	90%	100%	<div><div></div></div>			90%	100%	<div><div></div></div>			N/A	N/A				90%	90%	<div><div></div></div>			90%	90%	<div><div></div></div>							
		Clients receiving extensive representation services for benefits issues who successfully access or maintain health benefits or other safety-net benefits	85%	97%	<div><div></div></div>			85%	69%	<div><div></div></div>			90%	100%	<div><div></div></div>			90%	90%	<div><div></div></div>			90%	90%	<div><div></div></div>							
	LifeMoves FY24 Approved: \$160,000 FY23 Approved: \$160,000 FY23 Spent: \$160,000 FY22 Approved: \$160,000 FY22 Spent: \$160,000	Individuals served	-	-		New Program in FY22		-	-		New Program in FY22		75	82	<div><div></div></div>	98%	<div><div></div></div>	160	185	<div><div></div></div>	95%	<div><div></div></div>	125	99	<div><div></div></div>	82%	<div><div></div></div>	285	181	<div><div></div></div>	83%	<div><div></div></div>
		Services provided	-	-				-	-				365	346	<div><div></div></div>			820	862	<div><div></div></div>			365	323	<div><div></div></div>							
		Number of individuals receiving health screening(s)	-	-				-	-				-	-				-	-				125	99	<div><div></div></div>			285	181	<div><div></div></div>		
		BH clients report improved mood & function	-	-				-	-				N/A	N/A				85%	79%	<div><div></div></div>			N/A	N/A				85%	79%	<div><div></div></div>		
		LVN clients will report feeling improved health due to medication management and other support with health care services	-	-				-	-				N/A	N/A				75%	64%	<div><div></div></div>			N/A	N/A				75%	71%	<div><div></div></div>		
	Lucile Packard Foundation for Children's Health FY24 Approved: \$98,000 FY23 Approved: \$98,000 FY23 Spent: \$98,000 FY22 Approved: \$98,000 FY22 Spent: \$98,000 FY21 Approved: \$97,000 FY21 Spent: \$97,000	Individuals served	52	110	<div><div></div></div>	99%	<div><div></div></div>	104	106	<div><div></div></div>	97%	<div><div></div></div>	50	141	<div><div></div></div>	97%	<div><div></div></div>	100	153	<div><div></div></div>	100%	<div><div></div></div>	65	95	<div><div></div></div>	100%	<div><div></div></div>	140	151	<div><div></div></div>	76%	<div><div></div></div>
		Services provided	225	217	<div><div></div></div>			450	537	<div><div></div></div>			200	181	<div><div></div></div>			400	395	<div><div></div></div>			200	221	<div><div></div></div>							
		Number of health screenings	-	-				-	-				-	-				-	-				65	101	<div><div></div></div>			140	152	<div><div></div></div>		
		Patients receiving catch up vaccinations to be able to enroll in school	-	-				-	-				35%	33%	<div><div></div></div>			75%	77%	<div><div></div></div>			35%	36%	<div><div></div></div>			75%	22%	<div><div></div></div>		
		Patients who receive recommended vaccines (including influenza and HPV)	30%	32%	<div><div></div></div>			75%	75%	<div><div></div></div>			30%	30%	<div><div></div></div>			60%	61%	<div><div></div></div>			30%	38%	<div><div></div></div>			60%	26%	<div><div></div></div>		
		Patients who receive social worker consultation, treatment by the medical team, including a psychiatrist, and/or medications, after screening positive for depression	-	-				-	-				90%	90%	<div><div></div></div>			90%	90%	<div><div></div></div>			90%	91%	<div><div></div></div>			90%	80%	<div><div></div></div>		
	Mountain View Whisman School District - School Nurse Program FY24 Approved: \$305,500 FY23 Approved: \$290,000 FY23 Spent: \$290,000 FY22 Approved: \$280,000 FY22 Spent: \$280,000 FY21 Approved: \$275,000 FY21 Spent: \$275,000	Individuals served	1,985	1,811	<div><div></div></div>	97%	<div><div></div></div>	3,970	3,622	<div><div></div></div>	65%	<div><div></div></div>	1,800	1,762	<div><div></div></div>	98%	<div><div></div></div>	3,600	3,617	<div><div></div></div>	65%	<div><div></div></div>	1,950	1,905	<div><div></div></div>	99%	<div><div></div></div>	3,900	3,810	<div><div></div></div>	83%	<div><div></div></div>
		Services provided	-	-				-	-				-	-				-	-				5,500	8,349	<div><div></div></div>			8,000	9,705	<div><div></div></div>		
		Number of health screenings	-	-				-	-				-	-				-	-				4,000	4,094	<div><div></div></div>			5,000	4,094	<div><div></div></div>		
		Students out of compliance with required immunizations who become compliant	-	-				-	-				-	-				-	-				90%	95%	<div><div></div></div>			97%	99%	<div><div></div></div>		
		Students with a failed health screening who saw a healthcare provider	N/A	N/A				45%	0%	<div><div></div></div>			N/A	N/A				45%	22%	<div><div></div></div>			N/A	N/A				50%	18%	<div><div></div></div>		


Community Benefit Dashboard Notes

● A metric receives a "green" indicator if performance against target is 90% - 100%

● A metric receives a "purple" indicator if performance against target is 75% - 89%

● A metric receives a "blue" indicator if performance against target is 0% - 74%

N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Need Column A	Partner Column B	FY23 Metrics Column C	Performance against target: 🟢 = 90%+ 🟡 = 75% - 89% 🔴 = 0% - 74%																														
			FY21 6-month Target Column D	FY21 6-month Actual Column E	<div><div></div></div> FY21 6-month Metrics Met Column G	<div><div></div></div> FY21 Annual Target Column I	FY21 Annual Actual Column J	<div><div></div></div> FY21 Annual Metrics Met Column L	<div><div></div></div> FY22 6-month Target Column N	FY22 6-month Actual Column O	<div><div></div></div> FY22 6-month Metrics Met Column Q	<div><div></div></div> FY22 Annual Target Column S	FY22 Annual Actual Column T	<div><div></div></div> FY22 Annual Metrics Met Column V	<div><div></div></div> FY23 6-month Target Column X	FY23 6-month Actual Column Y	<div><div></div></div> FY23 6-month Metrics Met Column AA	<div><div></div></div> FY23 Annual Target Column AC	FY23 Annual Actual Column AD	<div><div></div></div> FY23 Annual Metrics Met Column AF	<div><div></div></div>	<div><div></div></div>											
<div><div>Healthcare Access and Delivery (Including Oral Health)</div></div>	On-Site Dental FY24 Approved: \$200,000 FY23 Approved: \$200,000 FY23 Spent: \$200,000 FY22 Approved: \$200,000 FY22 Spent: \$200,000 FY21 Approved: \$90,000 FY21 Spent: \$90,000	Individuals served	60	110	🟢	100%	🟢	120	190	🟢	100%	🟢	137	193	🟢	95%	🟢	275	298	🟢	97%	🟢	175	231	🟢	97%	🟢	285	315	🟢	93%	🟢	
		Services Provided	300	320	🟢		🟢	625	729	🟢		🟢	687	552	🟡		🟡	1,375	1,182	🟡		🟡	575	559	🟢		🟡	1,325	1,067	🟡			
		Number of patients reporting improved oral health after service	-	-			-	-		-	-	-		-	-		-	-		120	150	🟢	200	224	🟢								
		Patients who are retained in care and continue to come to regular checkups and cleanings	-	-			-	-		-	-	-		-	-		-	-		50%	57%	🟢	65%	69%	🟢								
		Treatment completion rate	-	-			-	-		-	-	-		-	-		-	-		50%	45%	🟢	85%	73%	🟡								
	Pathways FY24 Approved: \$60,000 FY23 Approved: \$60,000 FY23 Spent: \$60,000 FY22 Approved: \$60,000 FY22 Spent: \$60,000 FY21 Approved: \$60,000 FY21 Spent: \$60,000	Individuals served	30	35	🟢	98%	🟢	45	87	🟢	97%	🟢	30	43	🟢	100%	🟢	45	43	🟢	99%	🟢	30	33	🟢	95%	🟢	60	62	🟢	97%	🟢	
		Services provided	225	586	🟢		🟢	340	1,312	🟢		🟢	300	563	🟢		🟢	450	563	🟢		🟢	300	281	🟢		🟢	600	664	🟢			
		Home Health 60-day re-hospitalization rate* *Lower percentage desired	-	-			-	-		-	14% Lower percentage desired	14% Lower percentage desired	🟢	14% Lower percentage desired	11% Lower percentage desired	🟢	14% Lower percentage desired	17% Lower percentage desired	🟡	14% Lower percentage desired	13% Lower percentage desired	🟢	14% Lower percentage desired	13% Lower percentage desired	🟢								
		Hospice patients who got as much help with pain as needed	75%	82%	🟢		75%	83%	🟢	72%	85%	🟢	75%	84%	🟢	75%	86%	🟢	75%	86%	🟢	85%	78%	🟢									
		Hospice family caregivers likely to recommend this hospice to friends and family	-	-			-	-		-	-	-		-	-		-	-		85%	90%	🟢	85%	78%	🟢								
	Peninsula Healthcare Connection - New Directions FY24 Approved: \$220,000 FY23 Approved: \$220,000 FY23 Spent: \$220,000 FY22 Approved: \$220,000 FY22 Spent: \$220,000 FY21 Approved: \$220,000 FY21 Spent: \$220,000	Individuals served	30	24	🟡	88%	🟡	44	47	🟢	93%	🟢	50	95	🟢	94%	🟢	79	146	🟢	97%	🟢	72	87	🟢	100%	🟢	106	173	🟢	98%	🟢	
		Services provided	1,000	772	🟡		🟢	1,400	1,256	🟢		🟢	1,060	798	🟡		🟢	1,700	1,883	🟢		🟢	800	1,006	🟢		🟢	1,500	2,011	🟢			
		Patients referred to a clinical and/or community service based on needs identified by the navigator	60%	67%	🟢		75%	62%	🟡	70%	71%	🟢	75%	64%	🟡	60%	89%	🟢	60%	89%	🟢	70%	91%	🟢									
		Enrolled clients will be connected to and establish services with a minimum of one basic needs benefits program	75%	71%	🟢		90%	85%	🟢	75%	93%	🟢	95%	96%	🟢	80%	91%	🟢	80%	91%	🟢	95%	100%	🟢									
		Enrolled patients will be screened for depression utilizing the PHQ-9	-	-			-	-		-	-	-		-	-		-	-		60%	66%	🟢	70%	64%	🟢								
	Planned Parenthood Mar Monte - Mountain View Health Center FY24 Approved: \$225,000 FY23 Approved: \$225,000 FY23 Spent: \$225,000 FY22 Approved: \$225,000 FY22 Spent: \$225,000 FY21 Approved: \$225,000 FY21 Spent: \$225,000	Individuals served	150	198	🟢	96%	🟢	350	370	🟢	100%	🟢	175	158	🟢	79%	🟡	350	273	🟡	75%	🟡	160	158	🟢	89%	🟡	275	350	🟢	92%	🟢	
		Services provided	250	270	🟢		🟢	525	711	🟢		🟢	325	245	🟡		🟢	650	427	🔴		🟢	270	245	🟢		🟢	500	488	🟢			
		Number of individuals receiving health screening(s)	-	-			-	-		-	-	-		-	-		-	-		55	35	🔴	115	320	🟢								
		Hemoglobin A1c of less than 9 for diabetes patients	55%	66%	🟢		55%	99%	🟢	90%	55%	🔴	90%	86%	🟢	55%	50%	🟢	55%	50%	🟢	90%	78%	🟡									
		Annual colon cancer screening completed as appropriate for target age group	50%	47%	🟢		50%	52%	🟢	50%	57%	🟢	50%	88%	🟢	50%	57%	🟢	50%	57%	🟢	70%	54%	🟡									
	Ravenswood Family Health Center FY24 Approved: \$1,250,000 FY23 Approved: \$1,250,000 FY23 Spent: \$1,250,000 FY22 Approved: \$1,300,000 FY22 Spent: \$1,300,000 FY21 Approved: \$1,200,000 FY21 Spent: \$1,200,000	Individuals served	1,200	1,708	🟢	84%	🟡	1,575	1,652	🟢	93%	🟢	1,300	1,300	🟢	84%	🟡	1,900	1,900	🟢	92%	🟢	1,200	1,200	🟢	96%	🟢	1,800	1,800	🟢	96%	🟢	
		Services provided	1,560	1,953	🟢		🟢	3,420	3,800	🟢		🟢	2,020	2,160	🟢		🟢	5,650	5,850	🟢		🟢	2,020	2,163	🟢		🟢	5,600	5,740	🟢			
		Number of individuals receiving health screening(s)	-	-			-	-		-	-	-		-	-		-	-		600	600	🟢	990	990	🟢								
		Patients age 50-75 with appropriate breast cancer screening	45%	39%	🟡		45%	39%	🟡	45%	42%	🟢	45%	56%	🟢	45%	64%	🟢	45%	64%	🟢	50%	67%	🟢									
		Diabetic patients with HbA1c Levels less than 8 points	59%	54%	🟢		59%	63%	🟢	65%	81%	🟢	65%	50%	🟡	65%	59%	🟢	65%	59%	🟢	65%	55%	🟡									
		Patients aged 51-75 years with completed annual colon cancer screening	48%	42%	🟡		48%	51%	🟢	55%	47%	🟡	55%	51%	🟢	55%	51%	🟢	50%	44%	🟡	55%	51%	🟢									
	RoadRunners FY24 Approved: \$165,000 FY23 Approved: \$165,000 FY23 Spent: \$149,936 FY22 Approved: \$200,000 FY22 Spent: \$200,000 FY21 Approved: \$240,000 FY21 Spent: \$199,629	Individuals served	300	439	🟢	90%	🟢	600	543	🟢	94%	🟢	200	286	🟢	100%	🟢	450	512	🟢	100%	🟢	300	327	🟢	100%	🟢	600	532	🟡	97%	🟢	
		Services provided	3,500	2,549	🔴		🟡	7,000	5,898	🟡		🟢	1,600	4,061	🟢		🟢	5,300	7,902	🟢		🟢	3,500	3,743	🟢		🟢	5,500	7,867	🟢			
		Older adults who strongly agree or agree that services helped in maintaining their independence	91%	90%	🟢		91%	91%	🟢	91%	94%	🟢	91%	100%	🟢	91%	98%	🟢	91%	98%	🟢	91%	100%	🟢									
		Older adults who strongly agree or agree that services made it possible to get to their medical appointments	95%	84%	🟡		95%	95%	🟢	95%	100%	🟢	95%	95%	🟢	95%	98%	🟢	95%	98%	🟢	95%	94%	🟢									
	Santa Clara Valley Medical Center Hospital & Clinics - Dental Services in Sunnyvale and Mountain View FY24 Approved: \$440,000 FY23 Approved: \$440,000 FY23 Spent: \$440,000 FY22 Approved: \$530,000 FY22 Spent: \$530,000 FY21 Approved: \$750,000 FY21 Spent: \$750,000	Individuals served	740	818	🟢	88%	🟡	1,170	1,081	🟢	85%	🟡	468	530	🟢	96%	🟢	866	994	🟢	95%	🟢	400	459	🟢	91%	🟢	800	1,097	🟢	93%	🟢	
		Services provided	2,660	2,481	🟢		🟢	4,800	5,259	🟢		🟢	1,287	1,147	🟡		🟡	2,457	2,334	🟢		🟢	1,000	882	🟡		🟢	2,000	2,795	🟢			
		Dental patients who will receive prophylactic cleaning	35%	21%	🔴		40%	21%	🔴	20%	30%	🟢	25%	31%	🟢	25%	31%	🟢	20%	25%	🟢	25%	26%	🟢									
		Overall decrease in percentage of emergency dental visits* *Lower percentage desired	15% Lower percentage desired	21% Lower percentage desired	🔴		12% Lower percentage desired	23% Lower percentage desired	🔴	21% Lower percentage desired	16% Lower percentage desired	🟢	20% Lower percentage desired	17% Lower percentage desired	🟢	20% Lower percentage desired	19% Lower percentage desired	🟢	20% Lower percentage desired	19% Lower percentage desired	🟢	30% Lower percentage desired	16% Lower percentage desired	🟢									
		Reduce no show rate* *Lower percentage desired	-	-			-	-		8% Lower percentage desired	9% Lower percentage desired	🟡	8% Lower percentage desired	10% Lower percentage desired	🟡	8% Lower percentage desired	12% Lower percentage desired	🔴	8% Lower percentage desired	12% Lower percentage desired	🔴	7% Lower percentage desired	11% Lower percentage desired	🔴									

Community Benefit Dashboard Notes

🟢

A metric receives a "green" indicator if performance against target is 90% - 100%

🟡

A metric receives a "purple" indicator if performance against target is 75% - 89%

🔴

A metric receives a "blue" indicator if performance against target is 0% - 74%

N/A

There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Need Column A	Partner Column B	FY23 Metrics Column C	Performance against target: <div><div></div> = 90%+ <div></div> = 75% - 89% <div></div> = 0% - 74%</div>																													
			FY21 6-month Target Column D	FY21 6-month Actual Column E	<div><div></div><div></div><div></div></div> FY21 6-month Metrics Met Column G	<div><div></div><div></div><div></div></div> FY21 Annual Target Column I	FY21 Annual Actual Column J	<div><div></div><div></div><div></div></div> FY21 Annual Metrics Met Column L	<div><div></div><div></div><div></div></div> FY22 6-month Target Column N	FY22 6-month Actual Column O	<div><div></div><div></div><div></div></div> FY22 6-month Metrics Met Column Q	<div><div></div><div></div><div></div></div> FY22 Annual Target Column S	FY22 Annual Actual Column T	<div><div></div><div></div><div></div></div> FY22 Annual Metrics Met Column V	<div><div></div><div></div><div></div></div> FY23 6-month Target Column X	FY23 6-month Actual Column Y	<div><div></div><div></div><div></div></div> FY23 6-month Metrics Met Column AA	<div><div></div><div></div><div></div></div> FY23 Annual Target Column AC	FY23 Annual Actual Column AD	<div><div></div><div></div><div></div></div> FY23 Annual Metrics Met Column AF	<div><div></div><div></div><div></div></div>											
<div><div></div><div>Healthcare Access and Delivery (Including Oral Health)</div></div>	Sunnyvale School District FY24 Approved: \$287,000 FY23 Approved: \$287,000 FY23 Spent: \$287,000 FY22 Approved: \$287,000 FY22 Spent: \$287,000 FY21 Approved: \$285,000 FY21 Spent: \$285,000	Individuals served	2,006	2,079	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	4,002	3,979	<div><div></div><div></div><div></div></div>	99%	<div><div></div><div></div><div></div></div>	2,069	1,925	<div><div></div><div></div><div></div></div>	82%	<div><div></div><div></div><div></div></div>	4,139	4,067	<div><div></div><div></div><div></div></div>	95%	<div><div></div><div></div><div></div></div>	1,340	1,409	<div><div></div><div></div><div></div></div>	99%	<div><div></div><div></div><div></div></div>	2,680	2,462	<div><div></div><div></div><div></div></div>	98%	<div><div></div><div></div><div></div></div>
		Services provided	-	-	<div><div></div><div></div><div></div></div>		-	-	<div><div></div><div></div><div></div></div>	-		-	<div><div></div><div></div><div></div></div>	-	-		<div><div></div><div></div><div></div></div>	2,850	2,761	<div><div></div><div></div><div></div></div>		5,100	5,118	<div><div></div><div></div><div></div></div>								
		Number of individuals receiving health screening(s)	-	-	<div><div></div><div></div><div></div></div>		-	-	<div><div></div><div></div><div></div></div>	-		-	<div><div></div><div></div><div></div></div>	-	-		<div><div></div><div></div><div></div></div>	600	852	<div><div></div><div></div><div></div></div>		1,000	1,153	<div><div></div><div></div><div></div></div>								
		Students out of compliance with required immunizations become compliant	30%	82%	<div><div></div><div></div><div></div></div>		70%	96%	<div><div></div><div></div><div></div></div>	80%		95%	<div><div></div><div></div><div></div></div>	90%	98%		<div><div></div><div></div><div></div></div>	90%	96%	<div><div></div><div></div><div></div></div>		90%	97%	<div><div></div><div></div><div></div></div>								
		Students who failed vision or hearing screening and saw their healthcare provider	N/A	N/A			30%	75%	<div><div></div><div></div><div></div></div>	20%		20%	<div><div></div><div></div><div></div></div>	50%	48%		<div><div></div><div></div><div></div></div>	20%	26%	<div><div></div><div></div><div></div></div>		20%	57%	<div><div></div><div></div><div></div></div>								
<div><div></div><div>Behavioral Health (Including Domestic Violence & Trauma)</div></div>	Acknowledge Alliance FY24 Approved: \$55,000 FY23 Approved: \$50,000 FY23 Spent: \$50,000 FY22 Approved: \$50,000 FY22 Spent: \$50,000 FY21 Approved: \$50,000 FY21 Spent: \$50,000	Individuals served (students and educators)	300	448	<div><div></div><div></div><div></div></div>	79%	<div><div></div><div></div><div></div></div>	600	1,302	<div><div></div><div></div><div></div></div>	97%	<div><div></div><div></div><div></div></div>	300	386	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	600	433	<div><div></div><div></div><div></div></div>	90%	<div><div></div><div></div><div></div></div>	150	244	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	300	296	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>
		Services provided	75	43	<div><div></div><div></div><div></div></div>		125	396	<div><div></div><div></div><div></div></div>	81		116	<div><div></div><div></div><div></div></div>	162	433		<div><div></div><div></div><div></div></div>	350	537	<div><div></div><div></div><div></div></div>		700	1,483	<div><div></div><div></div><div></div></div>								
		Teachers will report an increase in positive educator/ student relationships	-	-			-	-		-		-		-	-			N/A	N/A			80%	84%	<div><div></div><div></div><div></div></div>								
		Teachers and administrators will increase their use of strategies to promote personal and professional resilience	N/A	N/A			75%	94%	<div><div></div><div></div><div></div></div>	N/A		N/A		80%	100%		<div><div></div><div></div><div></div></div>	N/A	N/A			75%	83%	<div><div></div><div></div><div></div></div>								
		Teachers and administrators will report that the Acknowledge Alliance Resilience Staff worked to promote a positive school climate	N/A	N/A			75%	65%	<div><div></div><div></div><div></div></div>	N/A		N/A		75%	66%		<div><div></div><div></div><div></div></div>	N/A	N/A			75%	81%	<div><div></div><div></div><div></div></div>								
	Avenidas FY24 Approved: \$70,000 FY23 Approved: \$60,000 FY23 Spent: \$60,000 FY22 Approved: \$60,000 FY22 Spent: \$60,000 FY21 Approved: \$55,000 FY21 Spent: \$55,000	Individuals served	f	82	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	92	94	<div><div></div><div></div><div></div></div>	99%	<div><div></div><div></div><div></div></div>	81	79	<div><div></div><div></div><div></div></div>	94%	<div><div></div><div></div><div></div></div>	100	102	<div><div></div><div></div><div></div></div>	97%	<div><div></div><div></div><div></div></div>	75	76	<div><div></div><div></div><div></div></div>	98%	<div><div></div><div></div><div></div></div>	100	98	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>
		Services provided	922	904	<div><div></div><div></div><div></div></div>		1,801	1,820	<div><div></div><div></div><div></div></div>	999		1,004	<div><div></div><div></div><div></div></div>	1,950	1,963		<div><div></div><div></div><div></div></div>	1,070	1,091	<div><div></div><div></div><div></div></div>		1,950	1,956	<div><div></div><div></div><div></div></div>								
		Number of behavioral health screenings	-	-			-	-		-		-		-	-			75	76	<div><div></div><div></div><div></div></div>		100	100	<div><div></div><div></div><div></div></div>								
		Older adults with a history of multiple ER visits do not experience any emergency room visits	82%	97%	<div><div></div><div></div><div></div></div>		82%	91%	<div><div></div><div></div><div></div></div>	85%		78%	<div><div></div><div></div><div></div></div>	85%	84%		<div><div></div><div></div><div></div></div>	85%	83%	<div><div></div><div></div><div></div></div>		85%	86%	<div><div></div><div></div><div></div></div>								
		Older adults who maintain at least 3 essential Activities of daily living	90%	92%	<div><div></div><div></div><div></div></div>		90%	85%	<div><div></div><div></div><div></div></div>	90%		81%	<div><div></div><div></div><div></div></div>	90%	82%		<div><div></div><div></div><div></div></div>	90%	86%	<div><div></div><div></div><div></div></div>		90%	91%	<div><div></div><div></div><div></div></div>								
		Family Caregivers agree or strongly agree that they experience an increase in their knowledge of effective caregiving techniques	-	-			-	-		-		-		-	-			-	-			95%	90%	<div><div></div><div></div><div></div></div>	95%		96%	<div><div></div><div></div><div></div></div>				
	Camarin - Domestic Violence Services FY24 Approved: \$80,000 FY23 Approved: \$80,000 FY23 Spent: \$80,000 FY22 Approved: \$60,000 FY22 Spent: \$60,000 FY21 Approved: \$50,000 FY21 Spent: \$50,000	Individuals served	25	47	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	50	57	<div><div></div><div></div><div></div></div>	97%	<div><div></div><div></div><div></div></div>	30	46	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	60	46	<div><div></div><div></div><div></div></div>	93%	<div><div></div><div></div><div></div></div>	35	31	<div><div></div><div></div><div></div></div>	93%	<div><div></div><div></div><div></div></div>	70	76	<div><div></div><div></div><div></div></div>	98%	<div><div></div><div></div><div></div></div>
		Services provided	200	377	<div><div></div><div></div><div></div></div>		453	586	<div><div></div><div></div><div></div></div>	350		516	<div><div></div><div></div><div></div></div>	700	616		<div><div></div><div></div><div></div></div>	400	352	<div><div></div><div></div><div></div></div>		840	806	<div><div></div><div></div><div></div></div>								
		Hours of case management services	-	-			-	-		-		-		-	-			200	176	<div><div></div><div></div><div></div></div>		500	481	<div><div></div><div></div><div></div></div>								
		Participants will maintain or improve their economic security	N/A	N/A			60%	54%	<div><div></div><div></div><div></div></div>	60%		75%	<div><div></div><div></div><div></div></div>	60%	72%		<div><div></div><div></div><div></div></div>	60%	74%	<div><div></div><div></div><div></div></div>		60%	88%	<div><div></div><div></div><div></div></div>								
		Participants in supportive services (case management, advocacy, counseling, and/or support group services) who report that services are helpful to their healing process	N/A	N/A			85%	82%	<div><div></div><div></div><div></div></div>	85%		95%	<div><div></div><div></div><div></div></div>	85%	95%		<div><div></div><div></div><div></div></div>	85%	91%	<div><div></div><div></div><div></div></div>		85%	92%	<div><div></div><div></div><div></div></div>								
	Camarin, inc. - LGBTQ+ Youth Space Awareness and Outreach Program FY24 Approved: \$75,000 FY23 Approved: \$75,000 FY23 Spent: \$75,000	Individuals served	-	-		New Program in FY23		-	-		New Program in FY23		-	-		New Program in FY23		-	-		New Program in FY23		300	606	<div><div></div><div></div><div></div></div>	84%	<div><div></div><div></div><div></div></div>	675	1206	<div><div></div><div></div><div></div></div>	98%	<div><div></div><div></div><div></div></div>
		Services provided (duplicated)	-	-			-	-		-		-		-	-			300	606	<div><div></div><div></div><div></div></div>		675	1206	<div><div></div><div></div><div></div></div>								
		Hours of training sessions	-	-			-	-		-		-		-	-			20	4	<div><div></div><div></div><div></div></div>		40	36	<div><div></div><div></div><div></div></div>								
		Hosts would recommend the panel to a friend	-	-			-	-		-		-		-	-			80%	100%	<div><div></div><div></div><div></div></div>		80%	100%	<div><div></div><div></div><div></div></div>								
		Speakers report feeling they have contributed positively to their community	-	-			-	-		-		-		-	-			85%	100%	<div><div></div><div></div><div></div></div>		85%	100%	<div><div></div><div></div><div></div></div>								
	Community Health Awareness Council (CHAC) FY24 Approved: \$304,000 FY23 Approved: \$280,000 FY23 Spent: \$280,000 FY22 Approved: \$280,000 FY22 Spent: \$280,000 FY21 Approved: \$280,000 FY21 Spent: \$280,000	Individuals served	-	-		91%	<div><div></div><div></div><div></div></div>	-	-		85%	<div><div></div><div></div><div></div></div>	-	-		100%	<div><div></div><div></div><div></div></div>	-	-		100%	<div><div></div><div></div><div></div></div>	275	289	<div><div></div><div></div><div></div></div>	98%	<div><div></div><div></div><div></div></div>	745	826	<div><div></div><div></div><div></div></div>	95%	<div><div></div><div></div><div></div></div>
		Individuals served through counseling	165	169	<div><div></div><div></div><div></div></div>		438	300	<div><div></div><div></div><div></div></div>	276		479	<div><div></div><div></div><div></div></div>	744	861		<div><div></div><div></div><div></div></div>	275	289	<div><div></div><div></div><div></div></div>		475	436	<div><div></div><div></div><div></div></div>								
		Services provided	2,000	1,630	<div><div></div><div></div><div></div></div>		6,000	4,379	<div><div></div><div></div><div></div></div>	2,480		4,980	<div><div></div><div></div><div></div></div>	7,500	10,330		<div><div></div><div></div><div></div></div>	2,500	2,313	<div><div></div><div></div><div></div></div>		7,500	8,548	<div><div></div><div></div><div></div></div>								
		Hours of counseling sessions	-	-			-	-		-		-		-	-			1,375	1,712	<div><div></div><div></div><div></div></div>		5,700	4574	<div><div></div><div></div><div></div></div>								
		Students who improve by at least 3 points from pre-test to post-test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on self-report for students age 11-17	N/A	N/A			40%	40%	<div><div></div><div></div><div></div></div>	N/A		N/A		40%	39%		<div><div></div><div></div><div></div></div>	N/A	N/A			40%	39%	<div><div></div><div></div><div></div></div>								
		Students who improve by at least 3 points from pre-test to post test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on teacher report for ages 10 and under	N/A	N/A			40%	50%	<div><div></div><div></div><div></div></div>	N/A		N/A		40%	41%		<div><div></div><div></div><div></div></div>	N/A	N/A			40%	45%	<div><div></div><div></div><div></div></div>								


Community Benefit Dashboard Notes

● A metric receives a "green" indicator if performance against target is 90% - 100%

● A metric receives a "purple" indicator if performance against target is 75% - 89%

● A metric receives a "blue" indicator if performance against target is 0% - 74%

N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Need Column A	Partner Column B	FY23 Metrics Column C	Performance against target: <div><div></div> = 90%+ <div></div> = 75% - 89% <div></div> = 0% - 74%</div>																													
			FY21 6-month Target Column D	FY21 6-month Actual Column E	<div><div></div></div> FY21 6-month Metrics Met Column G	<div><div></div></div> FY21 Annual Target Column I	FY21 Annual Actual Column J	<div><div></div></div> FY21 Annual Metrics Met Column L	<div><div></div></div> FY22 6-month Target Column N	FY22 6-month Actual Column O	<div><div></div></div> FY22 6-month Metrics Met Column Q	<div><div></div></div> FY22 Annual Target Column S	FY22 Annual Actual Column T	<div><div></div></div> FY22 Annual Metrics Met Column V	<div><div></div></div> FY23 6-month Target Column X	FY23 6-month Actual Column Y	<div><div></div></div> FY23 6-month Metrics Met Column AA	<div><div></div></div> FY23 Annual Target Column AC	FY23 Annual Actual Column AD	<div><div></div></div> FY23 Annual Metrics Met Column AF	<div><div></div></div>											
<div><div>Behavioral Health (Including Domestic Violence & Trauma)</div></div>	Cupertino Union School District - Mental Health Program FY24 Approved: \$102,500 FY23 Approved: \$93,000 FY23 Spent: \$93,000 FY22 Approved: \$90,000 FY22 Spent: \$90,000 FY21 Approved: \$90,000 FY21 Spent: \$90,000	Individuals served	50	61	<div><div></div></div>	100%	<div><div></div></div>	122	125	<div><div></div></div>	100%	<div><div></div></div>	45	37	<div><div></div></div>	87%	<div><div></div></div>	98	88	<div><div></div></div>	98%	<div><div></div></div>	30	125	<div><div></div></div>	100%	<div><div></div></div>	60	198	<div><div></div></div>	98%	<div><div></div></div>
		Individuals served through counseling	-	-				-	-				-	-				-	-				25	34	<div><div></div></div>			50	44	<div><div></div></div>		
		Services provided	-	-				-	-				-	-				-	-				30	34	<div><div></div></div>			725	741	<div><div></div></div>		
		Hours of counseling sessions	530	647	<div><div></div></div>			1,305	1,522	<div><div></div></div>			480	594	<div><div></div></div>			1,070	1,561	<div><div></div></div>			425	443	<div><div></div></div>			500	486	<div><div></div></div>		
		Students who improved by at least 3 points from pretest to post test on the Strengths and Difficulties Questionnaire and Impact Assessment	N/A	N/A				50%	50%	<div><div></div></div>			N/A	N/A				50%	50%	<div><div></div></div>			N/A	N/A				50%	53%	<div><div></div></div>		
		Improvement on treatment plan goals	60%	65%	<div><div></div></div>			80%	80%	<div><div></div></div>			60%	47%	<div><div></div></div>			80%	86%	<div><div></div></div>			60%	67%	<div><div></div></div>			80%	83%	<div><div></div></div>		
	Los Altos School District FY24 Approved: \$150,000 FY23 Approved: \$130,000 FY23 Spent: \$130,000 FY22 Approved: \$100,000 FY22 Spent: \$100,000 FY21 Approved: \$100,000 FY21 Spent: \$100,000	Individuals served	50	32	<div><div></div></div>	71%	<div><div></div></div>	100	56	<div><div></div></div>	60%	<div><div></div></div>	25	17	<div><div></div></div>	84%	<div><div></div></div>	65	63	<div><div></div></div>	74%	<div><div></div></div>	35	46	<div><div></div></div>	100%	<div><div></div></div>	90	90	<div><div></div></div>	75%	<div><div></div></div>
		Services provided	250	193	<div><div></div></div>			500	505	<div><div></div></div>			250	257	<div><div></div></div>			500	594	<div><div></div></div>			275	419	<div><div></div></div>			550	1,191	<div><div></div></div>		
		Students who improve by at least 3 points from pre-test to post-test on the Strength and Difficulties Questionnaire and Impact Assessment based on self-report for students age 11-17	N/A	N/A				50%	12%	<div><div></div></div>			N/A	N/A				50%	68%	<div><div></div></div>			N/A	N/A				50%	60%	<div><div></div></div>		
		Parents who reported improvement in their student by at least 3 points from pre-test to post-test on the 40 pt. scale Strengths and Difficulties Questionnaire based upon parent report	N/A	N/A				50%	N/A				N/A	N/A				50%	0%	<div><div></div></div>			N/A	N/A				50%	0%	<div><div></div></div>		
	Maitri FY24 Approved: \$50,000 FY23 Approved: \$50,000 FY23 Spent: \$50,000 FY22 Approved: \$50,000 FY22 Spent: \$50,000 FY21 Approved: \$50,000 FY21 Spent: \$50,000	Individuals served	22	24	<div><div></div></div>	96%	<div><div></div></div>	45	45	<div><div></div></div>	98%	<div><div></div></div>	22	35	<div><div></div></div>	98%	<div><div></div></div>	50	51	<div><div></div></div>	98%	<div><div></div></div>	25	25	<div><div></div></div>	100%	<div><div></div></div>	50	50	<div><div></div></div>	99%	<div><div></div></div>
		Services provided	48	53	<div><div></div></div>			95	100	<div><div></div></div>			45	45	<div><div></div></div>			95	98	<div><div></div></div>			35	34	<div><div></div></div>			80	76	<div><div></div></div>		
		Hours of case management sessions	-	-				-	-				-	-				-	-				35	35	<div><div></div></div>			75	82	<div><div></div></div>		
		Legal clients who report increased awareness of their legal rights	75%	80%	<div><div></div></div>			75%	80%	<div><div></div></div>			75%	92%	<div><div></div></div>			75%	92%	<div><div></div></div>			65%	97%	<div><div></div></div>			75%	97%	<div><div></div></div>		
		Crisis clients who will benefit from a safety plan to increase their safety and wellbeing	75%	74%	<div><div></div></div>			75%	74%	<div><div></div></div>			75%	69%	<div><div></div></div>			75%	69%	<div><div></div></div>			65%	83%	<div><div></div></div>			75%	83%	<div><div></div></div>		
		Clients who will achieve a key economic security goal, which may include finding a job, taking educational courses, or becoming more financially literate	70%	57%	<div><div></div></div>			70%	65%	<div><div></div></div>			70%	75%	<div><div></div></div>			70%	75%	<div><div></div></div>			60%	85%	<div><div></div></div>			70%	85%	<div><div></div></div>		
	Momentum for Mental Health FY24 Approved: \$290,000 FY23 Approved: \$290,000 FY23 Spent: \$290,000 FY22 Approved: \$290,000 FY22 Spent: \$290,000 FY21 Approved: \$270,000 FY21 Spent: \$270,000	Individuals served	70	71	<div><div></div></div>	99%	<div><div></div></div>	118	86	<div><div></div></div>	89%	<div><div></div></div>	71	67	<div><div></div></div>	91%	<div><div></div></div>	120	90	<div><div></div></div>	88%	<div><div></div></div>	70	62	<div><div></div></div>	88%	<div><div></div></div>	120	73	<div><div></div></div>	75%	<div><div></div></div>
		Services provided	858	817	<div><div></div></div>			1,735	1,524	<div><div></div></div>			870	550	<div><div></div></div>			1,764	1,276	<div><div></div></div>			800	529	<div><div></div></div>			1,500	1,204	<div><div></div></div>		
		Number of care management sessions	-	-				-	-				-	-				-	-				400	287	<div><div></div></div>			750	375	<div><div></div></div>		
		Patients who report a reduction of two points or more in PHQ-9 measure severity of depression	75%	80%	<div><div></div></div>			85%	70%	<div><div></div></div>			75%	100%	<div><div></div></div>			85%	77%	<div><div></div></div>			75%	80%	<div><div></div></div>			85%	66%	<div><div></div></div>		
		Patients who report a reduction of two points or more in Generalized Anxiety Disorder-7 (GAD-7) to measure severity of anxiety	70%	75%	<div><div></div></div>			80%	80%	<div><div></div></div>			70%	100%	<div><div></div></div>			80%	83%	<div><div></div></div>			75%	80%	<div><div></div></div>			85%	71%	<div><div></div></div>		
		Patients who avoid psychiatric hospitalization for 12 months after admission	97%	100%	<div><div></div></div>			97%	100%	<div><div></div></div>			97%	100%	<div><div></div></div>			97%	100%	<div><div></div></div>			98%	98%	<div><div></div></div>			98%	97%	<div><div></div></div>		
	Mountain View Los Altos High School District FY23 Approved: \$210,000 FY22 Approved: \$160,000 FY22 Spent: \$160,000 FY21 Approved: \$160,000 FY21 Spent: \$160,000	Individuals served	75	94	<div><div></div></div>	100%	<div><div></div></div>	150	169	<div><div></div></div>	100%	<div><div></div></div>	50	38	<div><div></div></div>	82%	<div><div></div></div>	100	72	<div><div></div></div>	93%	<div><div></div></div>	50	40	<div><div></div></div>	79%	<div><div></div></div>	100	40	<div><div></div></div>	38%	<div><div></div></div>
		Individuals served through counseling	-	-				-	-				-	-				-	-				50	40	<div><div></div></div>			100	40	<div><div></div></div>		
		Services provided	1,200	1,323	<div><div></div></div>			2,400	2,522	<div><div></div></div>			600	519	<div><div></div></div>			1,200	1,129	<div><div></div></div>			600	550	<div><div></div></div>			1,300	585	<div><div></div></div>		
		Hours of counseling sessions	-	-				-	-				-	-				-	-				400	250	<div><div></div></div>			900	315	<div><div></div></div>		
		Students who decrease high risk behavior by more than or equal to 25%, among students served who have high risk behavior	N/A	N/A				25%	33%	<div><div></div></div>			N/A	N/A				50%	47%	<div><div></div></div>			N/A	N/A				60%	40%	<div><div></div></div>		
		Decrease the interference of psychosis/impulsivity/ depression / anxiety / opposition / conduct / anger / substance abuse / or trauma on functioning by more than or equal to 25%	N/A	N/A				60%	66%	<div><div></div></div>			N/A	N/A				50%	68%	<div><div></div></div>			N/A	N/A				60%	0%	<div><div></div></div>		
	National Alliance on Mental Illness (NAMI) - Santa Clara County FY24 Approved: \$100,000 FY23 Approved: \$100,000 FY23 Spent: \$92,050 FY22 Approved: \$100,000 FY22 Spent: \$100,000 FY21 Approved: \$75,000 FY21 Spent: \$73,165	Individuals served	27	18	<div><div></div></div>	80%	<div><div></div></div>	55	60	<div><div></div></div>	100%	<div><div></div></div>	35	34	<div><div></div></div>	92%	<div><div></div></div>	70	71	<div><div></div></div>	96%	<div><div></div></div>	30	26	<div><div></div></div>	93%	<div><div></div></div>	60	55	<div><div></div></div>	97%	<div><div></div></div>
		Services provided	-	-				-	-				-	-				-	-				1500	1,326	<div><div></div></div>			3,000	2,805	<div><div></div></div>		
		Number of patients enrolled in a clinical and/or community service based on needs identified by the navigator/mentor	-	-				-	-				-	-				-	-				21	26	<div><div></div></div>			42	43	<div><div></div></div>		
		Participants report feel less isolated	-	-				-	-				-	-				-	-				80%	75%	<div><div></div></div>			80%	76%	<div><div></div></div>		
		Participants report feeling more hopeful about the future and recovery	75%	90%	<div><div></div></div>			75%	84%	<div><div></div></div>			75%	89%	<div><div></div></div>			75%	80%	<div><div></div></div>			75%	70%	<div><div></div></div>			75%	83%	<div><div></div></div>		
		Peers report feeling increased meaning/self-confidence	-	-				-	-				-	-				-	-				90%	85%	<div><div></div></div>			90%	91%	<div><div></div></div>		

Community Benefit Dashboard Notes

🟢

A metric receives a "green" indicator if performance against target is 90% - 100%

🟡

A metric receives a "purple" indicator if performance against target is 75% - 89%

🔴

A metric receives a "blue" indicator if performance against target is 0% - 74%

N/A

There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Need <i>Column A</i>	Partner <i>Column B</i>	FY23 Metrics <i>Column C</i>	Performance against target: <div><div></div> = 90%+ <div></div> = 75% - 89% <div></div> = 0% - 74%</div>																									
			FY21 6-month Target <i>Column D</i>	FY21 6-month Actual <i>Column E</i>	<div><div></div><div></div><div></div></div> FY21 6-month Metrics Met <i>Column G</i>	<div></div> <div></div> <div></div> <div></div>	FY21 Annual Target <i>Column I</i>	FY21 Annual Actual <i>Column J</i>	<div><div></div><div></div><div></div></div> FY21 Annual Metrics Met <i>Column L</i>	<div><div></div><div></div><div></div></div> FY22 6-month Target <i>Column N</i>	FY22 6-month Actual <i>Column O</i>	<div><div></div><div></div><div></div></div> FY22 6-month Metrics Met <i>Column Q</i>	<div></div> <div></div> <div></div> <div></div>	FY22 Annual Target <i>Column S</i>	FY22 Annual Actual <i>Column T</i>	<div><div></div><div></div><div></div></div> FY22 Annual Metrics Met <i>Column V</i>	<div></div> <div></div> <div></div> <div></div>	FY23 6-month Target <i>Column X</i>	FY23 6-month Actual <i>Column Y</i>	<div><div></div><div></div><div></div></div> FY23 6-month Metrics Met <i>Column AA</i>	<div></div> <div></div> <div></div> <div></div>	FY23 Annual Target <i>Column AC</i>	FY23 Annual Actual <i>Column AD</i>	<div><div></div><div></div><div></div></div> FY23 Annual Metrics Met <i>Column AF</i>	<div><div></div><div></div><div></div></div>			
<div><div></div><div>Behavioral Health (Including Domestic Violence & Trauma)</div></div>	Parents Helping Parents FY23 Approved: \$35,000 FY23 Spent: \$35,000 FY22 Approved: \$35,000 FY22 Spent: \$35,000	Individuals served	-	-		-	-		20	68		50	152		55	67		110	123		100%	100%	100%					
		Encounters provided	-	-		-	-		150	187		288	424		110	140		220	323									
		Participants report therapist was knowledgeable and communicated effectively	-	-		-	-		80%	94%		80%	96%		85%	98%		85%	98%									
		Participants who would recommend the workshop to a friend	-	-		-	-		80%	96%		80%	97%		85%	96%		85%	98%									
		Participants who learn anything useful that help them as a parent of a child with special needs	-	-		-	-		80%	95%		80%	93%		85%	93%		85%	97%									
	Project Safety Net FY23 Approved: \$35,000 FY23 Spent: \$35,000 FY22 Approved: \$20,000 FY22 Spent: \$20,000	Individuals served	-	-		-	-		N/A	N/A		25	45		25	12		60	40		22%	38%	38%					
		Services provided	-	-		-	-		-	-		-	-		140	3		570	320									
		Hours of training	-	-		-	-		-	-		-	-		100	20		400	102									
		Training participants report feeling comfortable asking a young person/friend if they are thinking of suicide	-	-		-	-		-	-		-	-		75%	4%		75%	4%									
		Training participants self-identify as a BAIPOC or LGBTQIA+	-	-		-	-		-	-		-	-		50%	18%		50%	18%									
	YWCA Golden Gate Silicon Valley FY24 Approved: \$90,000 FY23 Approved: \$85,000 FY23 Spent: \$85,000 FY22 Approved: \$75,000 FY22 Spent: \$75,000 FY21 Approved: \$75,000 FY21 Spent: \$75,000	Individuals served	10	21		33	28		15	15		15	13		20	14		35	22		88%	93%	93%					
		Services provided	40	157		132	266		75	103		75	183		100	69		200	332									
		Individuals who receive 3 or more counseling sessions increase their knowledge of trauma and the effects of trauma on their lives	80%	0%		80%	14%		80%	93%		80%	91%		80%	100%		80%	88%									
		Individuals who receive 3 or more counseling sessions experience a reduction of trauma symptoms	60%	0%		60%	12%		70%	87%		70%	91%		70%	100%		70%	88%									
		Individuals who receive 3 or more counseling sessions report they would be willing to seek counseling in the future	60%	0%		60%	15%		70%	100%		70%	100%		70%	100%		70%	100%									
<div><div></div><div>Diabetes & Obesity</div></div>	Chinese Health Initiative FY24 Approved: \$275,000 FY23 Approved: \$267,000 FY23 Spent: \$267,000 FY22 Approved: \$267,000 FY22 Spent: \$267,000 FY21 Approved: \$269,030 FY21 Spent: \$248,831	Individuals served	410	522		1,025	1,192		553	808		1,335	1,400		675	677		1,350	1,377		95%	94%	94%					
		Services provided	760	1,779		1,900	3,248		1,275	1,946		2,857	3,750		1,500	1,529		3,000	3,066									
		Number of individuals with one or more improved biometrics (BMI, weight, and/or A1c)	-	-		-	-		-	-		-	-		90	61		180	114									
		Healthy Lifestyle for Diabetes Prevention participants who report meeting at least two of the lifestyle recommendations upon program completion (exercise, health eating, sleep and stress reduction)	-	-		-	-		80%	95%		80%	93%		75%	78%		75%	81%									
		Participants who strongly agree or agree that dietitian consultations help them improve their eating habits	85%	98%		85%	96%		95%	96%		95%	97%		95%	96%		95%	95%									
		Participants who are very likely (9-10 rating) to recommend CHI to a friend or colleague													80%	85%		80%	85%									
	City of Sunnyvale - Columbia Neighborhood Center FY24 Approved: \$44,000 FY23 Approved: \$45,000 FY23 Spent: \$45,000 FY22 Approved: \$35,000 FY22 Spent: \$35,000 FY21 Approved: \$25,000 FY21 Spent: \$25,000	Individuals served	20	25		65	104		20	27		57	62		40	75		70	140		60%	86%	86%					
		Services provided	-	-		-	-		200	246		684	853		500	1,198		925	2,484									
		Number of individuals reporting increased physical activity	-	-		-	-		-	-		-	-		30	53		50	14									
		Participants who report learning at least two new recipes or tried at least two new healthy ingredients in their home cooked meals or snacks as assessed by pre/post survey	-	-		-	-		-	-		-	-		70%	0%		80%	82%									
		Participants who report increasing their home cooked meals/snacks by at least two per week for a month as assessed by pre/post survey	-	-		-	-		60%	89%		70%	95%		60%	0%		80%	82%									
	Fresh Approach FY24 Approved: \$74,000 FY23 Approved: \$73,500 FY23 Spent: \$73,500 FY22 Approved: \$93,000 FY22 Spent: \$93,000 FY21 Approved: \$93,000 FY21 Spent: \$93,000	Individuals served	451	558		1,602	1,917		1,100	301		2,401	1,013		85	33		350	146		32%	53%	53%					
		Services provided	-	-		-	-		-	-		-	-		210	86		500	403									
		Number of participants reporting increased consumption of fruits and vegetables	-	-		-	-		-	-		-	-		20	2		90	6									
		VeggieRx participants who attend 6 or more classes will report an increase in the median frequency of daily intake of fruits and vegetables at the end of the program than they did at the beginning of the program	N/A	N/A		70%	50%		N/A	N/A		70%	100%		85%	33%		85%	47%									
		VeggieRx recipients who receive VeggieRx vouchers for 10 weeks will report an increase of 1 additional serving of fruits and vegetables at the end of the program than they did at the beginning of the program	N/A	N/A		85%	93%		N/A	N/A		75%	73%		N/A	N/A		60%	47%									

Community Benefit Dashboard Notes



● A metric receives a "green" indicator if performance against target is 90% - 100%

● A metric receives a "purple" indicator if performance against target is 75% - 89%

● A metric receives a "blue" indicator if performance against target is 0% - 74%

N/A

There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Need Column A	Partner Column B	FY23 Metrics Column C	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																													
			FY21 6-month Target Column D	FY21 6-month Actual Column E	● ● ● FY21 6-month Metrics Met Column G	● ● ● FY21 Annual Target Column I	● ● ● FY21 Annual Actual Column J	● ● ● FY21 Annual Metrics Met Column L	● ● ● FY22 6-month Target Column N	● ● ● FY22 6-month Actual Column O	● ● ● FY22 6-month Metrics Met Column Q	● ● ● FY22 Annual Target Column S	● ● ● FY22 Annual Actual Column T	● ● ● FY22 Annual Metrics Met Column V	● ● ● FY23 6-month Target Column X	● ● ● FY23 6-month Actual Column Y	● ● ● FY23 6-month Metrics Met Column AA	● ● ● FY23 Annual Target Column AC	● ● ● FY23 Annual Actual Column AD	● ● ● FY23 Annual Metrics Met Column AF	● ● ●											
 <div>Diabetes & Obesity</div>	Living Classroom FY24 Approved: \$60,000 FY23 Approved: \$60,000 FY23 Spent: \$60,000 FY22 Approved: \$60,000 FY22 Spent: \$60,000 FY21 Approved: \$ 60,000 FY21 Spent: \$60,000	Individuals served	2,500	2,814	●	100%	●	3,600	3,176	●	47%	●	2,460	2,204	●	98%	●	3,000	2,937	●	66%	●	2,450	2,552	●	89%	●	3,400	3,335	●	99%	●
		Services provided	-	-				-	-				2460	3724	●			8750	11,970	●			7,350	4,927	●			10,200	11,521	●		
		Number of participants reporting increased consumption of fruits and vegetables	-	-				-	-				-	-				-	-				1,350	1,065	●			1,900	1,852	●		
		Teacher Evaluations that average a 4 or higher (on a 1-5 scale)	-	-				-	-				80%	98%	●			95%	95%	●			90%	100%	●			95%	100%	●		
		Students report increased knowledge of healthy habits (healthy eating, healthy living, and/or experiences	-	-				-	-				N/A	N/A				50%	0%	●			65%	71%	●			65%	87%	●		
	Playworks FY24 Approved: \$200,000 FY23 Approved: \$200,000 FY23 Spent: \$200,000 FY22 Approved: \$200,000 FY22 Spent: \$200,000 FY21 Approved: \$218,000 FY21 Spent: \$191,841	Individuals served	5,150	4,467	●	87%	●	5,150	4,204	●	95%	●	4,450	4,467	●	100%	●	4,450	4,890	●	100%	●	4,204	4,204	●	100%	●	4,204	4,204	●	100%	●
		Services provided	-	-				-	-				-	-				-	-				8,408	8,408	●			8,408	8,408	●		
		Teachers/administrators reporting that Playworks positively impacts classroom climate	N/A	N/A				95%	100%	●			N/A	N/A				95%	97%	●			N/A	N/A				95%	98%	●		
		Teachers reporting that overall engagement increased attentiveness and participation in class	N/A	N/A				97%	89%	●			N/A	N/A				97%	96%	●			N/A	N/A				91%	93%	●		
		Teachers/administrators surveyed who agree or strongly agree that Playworks helps increase physical movement	N/A	N/A				96%	100%	●			N/A	N/A				96%	96%	●			N/A	N/A				96%	97%	●		
	South Asian Heart Center FY24 Approved: \$310,000 FY23 Approved: \$300,000 FY23 Spent: \$300,000 FY22 Approved: \$300,000 FY22 Spent: \$300,000 FY21 Approved: \$210,000 FY21 Spent: \$210,001	Individuals served	125	136	●	98%	●	280	322	●	94%	●	180	208	●	98%	●	450	456	●	99%	●	225	241	●	83%	●	450	471	●	100%	●
		Services provided	680	738	●			1,450	1,639	●			975	1,086	●			2,075	2,099	●			1,000	1,087	●			2,100	2,166	●		
		Number of individuals with one or more improved biometrics (BMI, weight and/or A1c)	-	-				-	-				-	-				-	-				100	0	●			225	256	●		
		Change in levels of physical activity	21%	20%	●			21%	20%	●			21%	20%	●			21%	21%	●			21%	21%	●			21%	23%	●		
		Change in average levels of vegetable consumption	20%	19%	●			20%	20%	●			20%	18%	●			20%	19%	●			20%	19%	●			20%	21%	●		
		Change in average cholesterol ratio	6%	6%	●			7%	6%	●			6%	6%	●			6%	6%	●			6%	6%	●			6%	7%	●		
	YMCA FY24 Approved: \$80,000 FY23 Approved: \$67,000 FY23 Spent: \$67,000 FY22 Approved: \$65,000 FY22 Spent: \$65,000 FY21 Approved: \$65,000 FY21 Spent: \$65,000	Individuals served	275	227	●	94%	●	400	447	●	98%	●	275	259	●	96%	●	405	402	●	97%	●	280	241	●	94%	●	415	492	●	100%	●
		Services provided	-	-				-	-				-	-				-	-				6,628	6,394	●			12,028	13,073	●		
		Number of individuals reporting increased physical activity	-	-				-	-				-	-				-	-				200	200	●			300	337	●		
		Families who agree that their children were moderately, or significantly more physically active, after attending camp	85%	83%	●			85%	83%	●			85%	83%	●			85%	83%	●			88%	83%	●			88%	89%	●		
		Families who agree or strongly agree that their child eats at least an additional serving of fruits and vegetables, after attending camp	85%	81%	●			85%	81%	●			85%	81%	●			85%	81%	●			88%	80%	●			88%	87%	●		
 <div>Chronic Conditions (Other than Diabetes & Obesity)</div>	American Heart Association FY24 Approved: \$100,000 FY23 Approved: \$100,000 FY23 Spent: \$100,000 FY22 Approved: \$110,000 FY22 Spent: \$94,907 FY21 Approved: \$110,000 FY21 Spent: \$101,113	Individuals served	200	3,465	●	88%	●	900	4,498	●	77%	●	130	124	●	96%	●	730	412	●	91%	●	130	57	●	81%	●	730	738	●	95%	●
		Services provided	-	-				-	-				-	-				-	-				430	359	●			960	781	●		
		Check. Change.Control. Intervention Workshop Participants	200	138	●			400	299	●			120	124	●			210	239	●			100	64	●			190	171	●		
		Number of individuals who report improved self-management	-	-				-	-				-	-				-	-				60	47	●			115	109	●		
		CCC Participants will improve BP by 10mm	30%	25%	●			30%	26%	●			40%	34%	●			40%	36%	●			40%	42%	●			40%	94%	●		
		CCC Participants will measure 8 BP readings in 4 months	50%	43%	●			50%	66%	●			60%	70%	●			60%	60%	●			60%	80%	●			60%	94%	●		
		Prediabetes participants (A1c above 5.7) of the CCC program will improve an average A1c by 0.5% over 4 months	-	-				-	-				-	-				-	-				30%	30%	●			30%	50%	●		
	Community Services Agency - Mountain View FY24 Approved: \$240,000 FY23 Approved: \$228,000 FY23 Spent: \$203,195 FY22 Approved: \$228,000 FY22 Spent: \$228,000 FY21 Approved: \$210,000 FY21 Spent: \$210,000	Individuals served	50	69	●	100%	●	77	81	●	100%	●	54	85	●	100%	●	88	93	●	100%	●	55	66	●	99%	●	90	62	●	92%	●
		Services provided	2,250	4,194	●			4,500	9,853	●			2,400	5,191	●			4,800	9,280	●			2,550	2,468	●			5,100	4,658	●		
		Number of participants adhering to treatment plan	-	-				-	-				-	-				-	-				35	48	●			60	54	●		
		Clients who were not re-hospitalized within 90 days for reasons related to a chronic health condition	85%	100%	●			85%	100%	●			90%	96%	●			90%	98%	●			90%	92%	●			90%	92%	●		
		Clients who were able to maintain or improve their fall-risk score	-	-				-	-				-	-				-	-				70%	84%	●			70%	75%	●		
		Patients with hypertension who attained or maintained a blood pressure of <140/90	70%	74%	●			70%	76%	●			70%	80%	●			70%	74%	●			70%	82%	●			70%	76%	●		

Community Benefit Dashboard Notes



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N/A

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Health Need <i>Column A</i>	Partner <i>Column B</i>	FY23 Metrics <i>Column C</i>	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																									
			FY21 6-month Target <i>Column D</i>	FY21 6-month Actual <i>Column E</i>	● ● ● FY21 6-month Metrics Met <i>Column G</i>	● ● ● FY21 Annual Target <i>Column I</i>	FY21 Annual Actual <i>Column J</i>	● ● ● FY21 Annual Metrics Met <i>Column L</i>	● ● ● FY22 6-month Target <i>Column N</i>	FY22 6-month Actual <i>Column O</i>	● ● ● FY22 6-month Metrics Met <i>Column Q</i>	● ● ● FY22 Annual Target <i>Column S</i>	FY22 Annual Actual <i>Column T</i>	● ● ● FY22 Annual Metrics Met <i>Column V</i>	● ● ● FY23 6-month Target <i>Column X</i>	FY23 6-month Actual <i>Column Y</i>	● ● ● FY23 6-month Metrics Met <i>Column AA</i>	● ● ● FY23 Annual Target <i>Column AC</i>	FY23 Annual Actual <i>Column AD</i>	● ● ● FY23 Annual Metrics Met <i>Column AF</i>	● ● ●							
 Chronic Conditions (Other than Diabetes & Obesity)	Stanford Health Care - Falls Prevention Program Farewell to Falls and Matter of Balance programs combined into this single grant in FY22 FY23 Approved: \$20,000 FY23 Spent: \$20,000 FY22 Approved: \$46,100 FY22 Spent: \$42,033 Farewell to Falls FY21 Approved: \$35,000 FY21 Spent: \$23,076 Matter of Balance FY21 Approved: \$15,500 FY21 Spent: \$15,500	Individuals served	30	18	●		65	43	●		59	57	●		128	128	●		30	35	●		60	91	●			
		Services provided	-	-			-	-			424	411	●		1298	1,114	●		140	107	●		310	347	●			
		Older adults who do not have injurious falls	75%	85%	●	90%	75%	90%	●	92%	75%	55%	●	94%	75%	72%	●	97%	75%	62%	●	92%	75%	62%	●	97%	●	
		Older adults who report doing exercise at least 3 days/week	-	-			-	-			-	-			-	-			45%	46%	●		45%	46%	●			
		Older adults in Matter of Balance program who report talking to family member or friend about falling	-	-			-	-			75%	100%	●		75%	89%	●		75%	100%	●		75%	100%	●			
 Economic Stability (Including Food Insecurity, Housing & Homelessness)	Second Harvest Food Bank FY24 Approved: \$40,000 FY23 Approved: \$40,000 FY23 Spent: \$40,000 FY22 Approved: \$90,000 FY22 Spent: \$90,000	Individuals served	-	-			-	-			720	3,496	●		1,440	3,496	●		370	1,495	●		740	1,495	●			
		Services provided	-	-			-	-			256,500	597,287	●		513,000	597,287	●		124,000	205,018	●		248,000	205,018	●			
		Food insecure clients who will benefit from food distribution in Cupertino (zip code 95014)	-	-		New Program in FY22	-	-		New Program in FY22	-	-		100%	-	-		100%	9%	9%	●	97%	9%	9%	●	94%	●	
		Food insecure clients who will benefit from food distribution in Mountain View (zip codes 94040, 94041 and 94043)	-	-			-	-			-	-			-	-			23%	20%	●		23%	20%	●			
		Food insecure clients who will benefit from food distribution in Sunnyvale (zip codes 94085, 94086, 94087, 94089 and 95119)	-	-			-	-			-	-			-	-			68%	71%	●		68%	71%	●			
	Sunnyvale Community Services - Comprehensive Safety-Net Services FY24 Approved: \$75,000 FY23 Approved: \$75,000 FY23 Spent: \$75,000 FY22 Approved: \$75,000 FY22 Spent: \$75,000 FY21 Approved: \$65,000 FY21 Spent: \$65,000	Individuals served	60	38	●		100	90	●		60	31	●		100	109	●		60	29	●		100	102	●			
		Services provided	-	-			-	-			-	-			-	-			120	69	●		300	499	●			
		Number of housing-related case management sessions	-	-		82%	-	-		97%	-	-		84%	-	-		100%	120	69	●	70%	300	499	●	100%	●	
		Individuals receiving financial assistance for medically related bills who are still housed 60 days after assistance - if they are not homeless when assisted	80%	100%	●		80%	94%	●		80%	88%	●		80%	100%	●		90%	80%	●		90%	95%	●			
		Homebound recipients of financial aid who are able to continue living independently	N/A	N/A			85%	100%	●		85%	100%	●		85%	100%	●		90%	100%	●		90%	100%	●			
	Sunnyvale Community Services - Social Work Case Mgmt. & Homebound Client Services FY24 Approved: \$207,000 FY23 Approved: \$197,000 FY23 Spent: \$197,000 FY22 Approved: \$187,000 FY22 Spent: \$187,000 FY21 Approved: \$154,000 FY21 Spent: \$154,000	Individuals served	120	108	●		196	205	●		75	130	●		197	217	●		200	227	●		300	311	●			
		Services provided	410	303	●		824	843	●		348	577	●		846	923	●		1,580	1,654	●		3,000	3,363	●			
		Number of housing-related case management sessions	-	-		91%	-	-		100%	-	-		99%	-	-		98%	100	167	●	93%	210	204	●	93%	●	
		Participants whose scores on the Step Up Silicon Valley Self-Sufficiency Measure improve to an average of 3.0 or higher six months after entering Case Management	80%	N/A			80%	80%	●		80%	77%	●		80%	73%	●		80%	57%	●		80%	54%	●			
		Sheltered clients who maintain housing for 60 days after financial assistance and referrals	90%	100%	●		90%	96%	●		90%	97%	●		90%	99%	●		90%	86%	●		90%	92%	●			

Community Benefit Dashboard Notes

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N/A

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Health Need <i>Column A</i>	Partner <i>Column B</i>	FY23 Metrics <i>Column C</i>	Performance against target: <div><div></div> = 90%+ <div></div> = 75% - 89% <div></div> = 0% - 74%</div>																											
			FY21 6-month Target <i>Column D</i>	FY21 6-month Actual <i>Column E</i>	<div><div></div><div></div><div></div></div> FY21 6-month Metrics Met <i>Column G</i>	<div></div> FY21 Annual Target <i>Column I</i>	FY21 Annual Actual <i>Column J</i>	<div><div></div><div></div><div></div></div> FY21 Annual Metrics Met <i>Column L</i>	<div></div> FY22 6-month Target <i>Column N</i>	FY22 6-month Actual <i>Column O</i>	<div><div></div><div></div><div></div></div> FY22 6-month Metrics Met <i>Column Q</i>	<div></div> FY22 Annual Target <i>Column S</i>	FY22 Annual Actual <i>Column T</i>	<div><div></div><div></div><div></div></div> FY22 Annual Metrics Met <i>Column V</i>	<div></div> FY23 6-month Target <i>Column X</i>	FY23 6-month Actual <i>Column Y</i>	<div><div></div><div></div><div></div></div> FY23 6-month Metrics Met <i>Column AA</i>	<div></div> FY23 Annual Target <i>Column AC</i>	FY23 Annual Actual <i>Column AD</i>	<div><div></div><div></div><div></div></div> FY23 Annual Metrics Met <i>Column AF</i>	<div></div>									
Support Grants ≤ \$30,000																														
<div><div></div><div>Behavioral Health (Including Domestic Violence & Trauma)</div></div>	City of Sunnyvale - Sunnyvale Senior Center - <i>Care and Connect Program</i> FY23 Approved: \$25,000 FY23 Spent: \$0	Individuals served	-	-		New Program in FY23	-	-		New Program in FY23	-	-		New Program in FY23	-	-		0%		50	0		0%							
		Services provided	-	-		New Program in FY23	-	-		New Program in FY23	-	-		New Program in FY23	-	-		0%		150	0		0%							
	EDRC (Eating Disorders Resource Center) FY24 Approved: \$25,000 FY23 Approved: \$22,500 FY23 Spent: \$22,500 FY22 Approved: \$25,000 FY22 Spent: \$25,000 FY21 Approved: \$22,500 FY21 Spent: \$22,500	Individuals served	143	138		97%		286	167		58%		85	77		91%		75%		85	55		65%		170	87		51%		
		Services provided	-	-		97%		-	-		58%		-	-		91%		75%		85	55		65%		170	87		51%		
	Friends for Youth FY24 Approved: \$30,000 FY23 Approved: \$30,000 FY23 Spent: \$30,000	Individuals Served	-	-		New Program in FY23	-	-		New Program in FY23	-	-		New Program in FY23	-	-		90%		280	234		88%							
		Services provided	-	-		New Program in FY23	-	-		New Program in FY23	-	-		New Program in FY23	-	-		90%		2,000	1,840		88%							
	Kara FY24 Approved: \$30,000 FY23 Approved: \$20,000 FY23 Spent: \$20,000 FY22 Approved: \$20,000 FY22 Spent: \$20,000	Individuals served	-	-		New Program in FY22	-	-		New Program in FY22	45	35		78%		95	72		76%		40	32		90%		70	63		95%	
		Services provided	-	-		New Program in FY22	-	-		New Program in FY22	-	-		78%		-	-		76%		120	132		90%		210	296		95%	
	My Digital TAT2 FY24 Approved: \$29,000 FY23 Approved: \$30,000 FY23 Spent: \$30,000	Individuals served	-	-		New Program in FY23	-	-		New Program in FY23	-	-		New Program in FY23	-	-		100%		1,800	1,067		63%							
		Services provided	-	-		New Program in FY23	-	-		New Program in FY23	-	-		New Program in FY23	-	-		100%		2,400	1,625		63%							
	WomenSV FY24 Approved: \$30,000 FY23 Approved: \$30,000 FY23 Spent: \$30,000 FY22 Approved: \$30,000 FY22 Spent: \$30,000 FY21 Approved: \$30,000 FY21 Spent: \$30,000	Individuals served	20	29		100%		40	53		100%		20	20		100%		100%		20	23		100%		40	31		60%		
		Services provided	-	-		100%		-	-		100%		-	-		100%		100%		60	74		100%		120	50		60%		
<div><div></div><div>Diabetes & Obesity</div></div>	Bay Area Women's Sports Initiative (BAWSI) - BAWSI Girls in Sunnyvale FY24 Approved: \$26,000 FY23 Approved: \$26,000 FY23 Spent: \$26,000 FY22 Approved: \$17,000 FY22 Spent: \$17,000 FY21 Approved: \$19,500 FY21 Spent: \$19,500	Individuals served	45	8		18%		90	11		12%		40	52		100%		100%		50	51		79%		100	106		93%		
		Services provided	-	-		18%		-	-		12%		-	-		100%		100%		850	491		79%		1,750	1,493		93%		
	Bay Area Women's Sports Initiative (BAWSI) - BAWSI Rollers in Sunnyvale FY24 Approved: \$21,000 FY23 Approved: \$21,000 FY23 Spent: \$21,000 FY22 Approved: \$18,000 FY22 Spent: \$18,000 FY21 Approved: \$15,000 FY21 Spent: \$15,000	Individuals served	20	12		60%		20	12		60%		15	13		87%		87%		15	14		93%		15	16		100%		
		Services provided	-	-		60%		-	-		60%		-	-		87%		87%		120	112		93%		240	248		100%		
	Silicon Valley Bicycle Coalition FY24 Approved: \$20,000 FY23 Approved: \$30,000 FY23 Spent: \$30,000 FY22 Approved: \$25,000 FY22 Spent: \$25,000	Individuals served	-	-		New Program in FY22	-	-		New Program in FY22	75	48		64%		250	131		52%		150	162		100%						
		Services provided	-	-		New Program in FY22	-	-		New Program in FY22	-	-		64%		-	-		52%		150	162		100%						

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There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Need <i>Column A</i>	Partner <i>Column B</i>	FY23 Metrics <i>Column C</i>	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																														
			FY21 6-month Target <i>Column D</i>	FY21 6-month Actual <i>Column E</i>	<div><div></div><div></div><div></div></div> FY21 6-month Metrics Met <i>Column G</i>	<div><div></div><div></div><div></div></div> FY21 Annual Target <i>Column I</i>	FY21 Annual Actual <i>Column J</i>	<div><div></div><div></div><div></div></div> FY21 Annual Metrics Met <i>Column L</i>	<div><div></div><div></div><div></div></div> FY22 6-month Target <i>Column N</i>	FY22 6-month Actual <i>Column O</i>	<div><div></div><div></div><div></div></div> FY22 6-month Metrics Met <i>Column Q</i>	<div><div></div><div></div><div></div></div> FY22 Annual Target <i>Column S</i>	FY22 Annual Actual <i>Column T</i>	<div><div></div><div></div><div></div></div> FY22 Annual Metrics Met <i>Column V</i>	<div><div></div><div></div><div></div></div> FY23 6-month Target <i>Column X</i>	FY23 6-month Actual <i>Column Y</i>	<div><div></div><div></div><div></div></div> FY23 6-month Metrics Met <i>Column AA</i>	<div><div></div><div></div><div></div></div> FY23 Annual Target <i>Column AC</i>	FY23 Annual Actual <i>Column AD</i>	<div><div></div><div></div><div></div></div> FY23 Annual Metrics Met <i>Column AF</i>	<div><div></div><div></div><div></div></div>												
Support Grants ≤ \$30,000 (continued)																																	
<div></div> <div>Chronic Conditions (Other than Diabetes & Obesity)</div>	Breathe California of the Bay Area FY24 Approved: \$28,000 FY23 Approved: \$25,000 FY23 Spent: \$25,000 FY22 Approved: \$25,000 FY22 Spent: \$25,000 FY21 Approved: \$25,000 FY21 Spent: \$23,077	Individuals served	150	506	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	500	1,457	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	400	190	<div><div></div><div></div><div></div></div>	48%	<div><div></div><div></div><div></div></div>	1,000	1,271	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	400	267	<div><div></div><div></div><div></div></div>	83%	<div><div></div><div></div><div></div></div>	1,000	2,826	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	
		Services provided	-	-			-	-		-		-		-	-			400	618	<div><div></div><div></div><div></div></div>		1,000	2,826	<div><div></div><div></div><div></div></div>									
	Via Services - Healthy Living at Via West FY24 Approved: \$20,000 FY23 Approved: \$20,000 FY23 Spent: \$20,000	Individuals served	-	-	New Program in FY23	-	-	New Program in FY23	-	-	New Program in FY23	-	-	New Program in FY23	-	-	New Program in FY23	30	18	<div><div></div><div></div><div></div></div>	57%	<div><div></div><div></div><div></div></div>	80	21	<div><div></div><div></div><div></div></div>	23%	<div><div></div><div></div><div></div></div>						
		Services provided	-	-		-	-			-		-			230	123		<div><div></div><div></div><div></div></div>	780	156		<div><div></div><div></div><div></div></div>											
	<div></div> <div>Economic Stability (Including Food Insecurity, Housing & Homelessness)</div>	Day Worker Center FY24 Approved: \$30,000 FY23 Approved: \$30,000 FY23 Spent: \$30,000 FY22 Approved: \$30,000 FY22 Spent: \$30,000 FY21 Approved: \$30,000 FY21 Spent: \$30,000	Individuals served	147	183	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	221	205	<div><div></div><div></div><div></div></div>	93%	<div><div></div><div></div><div></div></div>	200	206	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	205	207	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	200	219	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	350	356	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>
			Services provided - Meals	-	-			-	-		-		-		1900	2,075		<div><div></div><div></div><div></div></div>	3,600	3,685	<div><div></div><div></div><div></div></div>												
Hope's Corner FY24 Approved: \$30,000 FY23 Approved: \$30,000 FY23 Spent: \$30,000 FY22 Approved: \$30,000 FY22 Spent: \$29,958 FY21 Approved: \$30,000 FY21 Spent: \$30,000		Individuals served	425	886	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	425	934	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	900	991	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	950	1,218	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	750	1,053	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	900	1,359	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	
		Services provided	-	-			-	-		-		-		10,000	16,491		<div><div></div><div></div><div></div></div>	17,500	34,398	<div><div></div><div></div><div></div></div>													
Mountain View Police Department - Youth Services Unit FY24 Approved \$25,000 FY23 Approved: \$25,000 FY23 Spent: \$25,000 FY22 Approved: \$25,000 FY22 Spent: \$17,981 FY21 Approved: \$25,000 FY21 Spent: \$7,676		Individuals served	40	83	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	85	83	<div><div></div><div></div><div></div></div>	98%	<div><div></div><div></div><div></div></div>	85	88	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	85	88	<div><div></div><div></div><div></div></div>	100%	<div><div></div><div></div><div></div></div>	85	88	<div><div></div><div></div><div></div></div>	95%	<div><div></div><div></div><div></div></div>	85	88	<div><div></div><div></div><div></div></div>	95%	<div><div></div><div></div><div></div></div>	
		Services provided	-	-			-	-		-		-		850	769		<div><div></div><div></div><div></div></div>	850	769	<div><div></div><div></div><div></div></div>													

Community Benefit Dashboard Notes

● A metric receives a "green" indicator if performance against target is 90% - 100%+

● A metric receives a "purple" indicator if performance against target is 75% - 89%

● A metric receives a "blue" indicator if performance against target is 0% - 74%

N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



ID #: 3.00
Adopted: 05/01/2013
Last Revised: 04/16/2205/17
/2022
Last Approved: 05/17/202206/10/2017/2023
Effective: 05/17/202206
10/2017/2023
Area: District Board
Category: Policy

EL CAMINO HEALTHCARE DISTRICT BOARD POLICY FOR DIRECTOR COMPENSATION AND REIMBURSEMENT

- I. COVERAGE: All Members of the El Camino Healthcare District Board of Directors
- II. POLICY STATEMENT:

The El Camino Healthcare District shall pay District Board members a stipend for attending meetings of the Board in the amount of One Hundred and ~~Five-Ten~~ Dollars (\$~~105~~110.00) per meeting (pre-tax), not to exceed six (6) meetings per month, in accordance with California Health and Safety Code Section 32103 and other applicable laws. Such stipend may be increased up to five percent (5%) per year in accordance with the procedures set forth in California Health and Safety Code Section 32103(b).

Board members who do not wish to receive such stipend may "Opt-Out" and may reverse this "Opt-Out" policy at any time in the future. The ~~Manager of Administration~~Director of Governance Services will be notified by the Board member.

The District shall also reimburse Board members from operational funds for business, educational and associated travel expenses, in accordance with this Policy.

Members of the District Board are eligible for health, dental, and vision benefits on an annual basis. During benefits enrollment each calendar year, board members will be provided the opportunity to elect or decline this coverage.

III. ELIGIBILITY FOR PAYMENT OR REIMBURSEMENT

1. Meetings: Staff will track Board members with a "Meeting Attendance Report Confirmation" form, on a monthly basis, for their signature and payment. Compensable meetings may not exceed more than six (6) meetings per month, regardless of the type of meeting attended. Compensable meetings for which Board members will receive stipends include:
 - 1.1. Meetings of the El Camino Healthcare District Board: Regular, Committee, Special, Emergency, and Ad Hoc meetings and others as approved by the District Board.
 - 1.2. Attendance at meetings of organizations that constitute the performance of official duties and include the following:

- 1.2.1. Meetings of organizations in which the District is a member (e.g., Santa Clara County, Chamber of Commerce within the District, and the California Special Districts Association).
 - 1.2.2. Meetings directly related to the conduct of District business.
 - 1.2.3. Meetings of non-political community or civic groups, that extend a specific invitation to attend and at which the Board member's participation is necessary in the performance of official duties.
 - 1.2.4. Attendance at symposia and conventions, the primary purpose of which is to discuss or demonstrate health care issues or matters relating to special districts.
 - 1.3. Attendance at training including ethics and sexual harassment training (in-person or online).
 - 1.4. Attendance at educational conference workshops which include curricula concerning district hospitals, special districts, or board administration.
2. Transportation:
 - 2.1. Personal Vehicle: Use of Personal Vehicle for attendance at educational or other events on behalf of the District.
 - 2.1.1. The District will pay the current IRS mileage rate for miles actually traveled, but not more than, from the Board member's home or usual place of business within California when traveling on behalf of the District. However, the District shall not reimburse Board members for miles traveled to meetings or events at El Camino Hospital.
 - 2.1.2. To be reimbursed, the Board member must complete the Mileage Reimbursement form provided by the Manager, Administration. The form must be signed by the Board Chair (or the Vice Chair in the case of the Chair's reimbursement) and returned to the Director of Administration.
 - 2.2. Air travel will be reimbursed at "coach" airfare rates. No reimbursement should be claimed for personal convenience fees such as those associated with priority boarding or seating upgrades.
 - 2.3. Ground travel to a seminar or other event, with the exception of events at El Camino Hospital, using the Board member's personal vehicle will be reimbursed at the current IRS mileage rate per mile, as noted in Section 2.1. above. Taxi, ride share, or rental car service, if required at the destination, may be reimbursed (with receipts) by the District if necessary for business purposes.

- 2.4. Reimbursement for car rental expenses will be for a standard “intermediate” car rate unless there is a business need for a larger vehicle (travelers with luggage, for example). If the requester requests a larger automobile than is necessary to meet the business need, the Board member is to request that the rental agency document the price difference between that and the standard “intermediate” vehicle. The owner rate will be reimbursed. If a larger vehicle is required to meet a business need, this need must be documented on the "Business-Education-Travel Reimbursement Authorization".
- 2.5. Non-Reimbursable Items include:
 - 2.5.1. Any expenses of a spouse or other individual who accompanies the Board member on travel.
 - 2.5.2. Any additional expenses for travel by business or first class, or any charges for special boarding privileges or seats.
- 3. Lodging:
 - 3.1. Lodging will be reimbursed at the standard room rate.
 - 3.2. Non-reimbursable items include lodging amenities such as subscription television, valet service, cleaning/pressing of clothes (if the function is greater than one week, this service is allowed), concierge, etc. In-room meal service is subject to the One Hundred and Thirty Dollars (\$130.00) per diem.
 - 3.3. If an offsite event is within a reasonable radius of the Board member’s home or usual place of business and the function is starting after 7:30 a.m. and/or will be ending before 11:30 p.m., the District will not pay for overnight accommodations, as it is expected that the Board member will commute that distance to and from the function within that business day.
- 4. Meals
 - 4.1. Meals will be reimbursed at actual cost plus tip (normally 15%). The maximum average reimbursement per day is One Hundred and Thirty Dollars (\$130.00). It is the responsibility of the Board member to decide how the per diem maximum allowable amount is allocated. Detailed receipts indicating the items purchased must be submitted.
 - 4.2. Alcohol will not be reimbursed unless approved by the Board Chair. The maximum average reimbursement of One Hundred and Thirty Dollars (\$130.00) per diem includes any approved expenses for alcohol.
 - 4.3. Internet service, during travel, required for necessary District business will be reimbursed at cost. These expenses should be itemized on the statement.

IV. REPORTING PROCEDURE

1. All expenses of Forty Dollars (\$40.00) or greater must be supported with receipts.
2. All Board members must complete the "Business-Education-Travel Reimbursement Authorization" form (Form 2085). Local business mileage reimbursement may be requested
3. Where receipts are given that include non-reimbursable expenses, these expenses must be marked as personal and deducted from the total for eligible expenses to be reimbursed.
4. When travel advances are provided, the Board member must submit a final accounting of their expenses on the Business, Education, and Travel Expense form no later than thirty (30) days from the date of the event. In addition, any undocumented advance will be considered additional income to the Board member and reported as a W-2 transaction.

V. Pursuant to Health and Safety Code section 32103, the Board finds there is substantial evidence that due to the complex regulatory and operational structure involved in maintaining and operating a health system, there is substantial evidence that more than five meetings per month are necessary for the effective operation of the district.

**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: October 17, 2023
Subject: Community Benefit Sponsorships

Purpose:

To provide the Board with FY24 ECHD Sponsorships July 2023 – September 2023.

Summary:

Community Partnerships staff was asked to keep the Board informed regarding Community Benefit Sponsorships YTD.

The Board reviewed and approved \$85,000 for Sponsorships in the FY24 Community Benefit Plan in June 2023.

- 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 Partnerships 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 **July 1, 2023- September 30, 2023** totaled **\$10,250** for the following agencies:
 - Sponsored at \$5,000 or less than \$10,000
 - Pink Ribbon Good
 - Sunnyvale Community Services
 - Sponsored at less than \$5,000

**EL CAMINO HEALTHCARE DISTRICT
FY2024 PACING PLAN / MASTER CALENDAR**

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	10/17	NOV	DEC	JAN	2/13	3/19	APR	5/21	6/15
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												✓
EXECUTIVE PERFORMANCE												
CEO Performance Review				✓								



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

**Board Finance Presentation
Fiscal Year 2024
7/1/2023-8/31/2023**

Carlos Bohorquez, CFO
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

Consolidated Comparative Balance Sheet (\$ Millions)

(Includes El Camino Hospital)

	Aug 31, 2023	June 30, 2023 Unaudited w/o Eliminations		Aug 31, 2023	June 30, 2023 Unaudited w/o Eliminations
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Current Assets			Current Liabilities		
Cash & Investments	\$401	\$384	Accounts Payable & Accrued Exp ⁽⁵⁾	\$142	\$137
Patient Accounts Receivable, net	222	219	Bonds Payable - Current	14	14
Other Accounts and Notes Receivable	39	36	Bond Interest Payable	2	13
Inventories and Prepaids	45	45	Other Liabilities	17	14
Total Current Assets	707	684	Total Current Liabilities	175	178
Board Designated Assets			Deferred Revenue	1	1
Foundation Reserves	21	21	Deferred Revenue Inflow of Resources	92	92
Community Benefit Fund	20	24	Long Term Liabilities		
Operational Reserve Fund ⁽¹⁾	209	209	Bond Payable	551	557
Workers Comp, Health & PTO Reserves	74	73	Benefit Obligations	38	38
Facilities Replacement Fund ⁽²⁾	482	467	Other Long-term Obligations	29	30
Catastrophic & Malpractice Reserve ⁽³⁾	31	30	Total Long Term Liabilities	618	624
Total Board Designated Assets	837	824	Fund Balance		
Non-Designated Assets			Unrestricted	2,495	2,466
Funds Held By Trustee ⁽⁴⁾	33	40	Board Designated & Restricted	205	206
Long Term Investments	461	475	Capital & Retained Earnings	0	0
Other Investments	35	34	Total Fund Balance	2,700	2,672
Net Property Plant & Equipment	1,251	1,250	TOTAL LIAB. & FUND BAL.	\$3,587	\$3,567
Deferred Outflows of Resources	53	53			
Other Assets	209	207			
Total Non-Designated Assets	2,042	2,060			
TOTAL ASSETS	\$3,587	\$3,567			



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 August 31, 2023

(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⁾	236	241	(5)	227
Other Operating Revenues	11	10	1	7
Total Operating Revenues	247	251	(4)	234
Wages and Benefits	130	132	(2)	123
Supplies	35	33	2	32
Purchased Services	35	37	(2)	28
Other	10	11	(1)	8
Depreciation	14	14	0	13
Interest	3	3	0	3
Total Operating Expense ⁽⁷⁾	226	229	(3)	207
Operating Income	20	22	(2)	28
Non-Operating Income ⁽⁸⁾	7	9	(2)	11
Net Income	27	31	(4)	38



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 FY2024 Actual to Budget (Includes El Camino Hospital)

- 1) A 60 day reserve of expenses based on this fiscal year's Hospital budget.
- 2) The current period Facilities Replacement Fund is comprised of (\$ Millions):

ECH Capital Replacement Fund (i.e. Funded Depr.)	\$409
ECH Women's Hospital Expansion	31
ECHD Appropriation Fund (fka: Capital Outlay)	23
ECH Campus Completion Project	<u>19</u>
	<u>\$482</u>

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

ECH Catastrophic Fund (aka: Earthquake Fund)	\$29
ECH Malpractice Reserve	<u>2</u>
	<u>\$31</u>

- 4) Funds Held by Trustee now only reflect the GO funds of the District.
- 5) The difference is not significant.
- 6) Decreased volumes in both I/P and O/P services caused a slight decrease in net Patient Revenues compared to budget.
- 7) Decrease in volumes drove less operating expense compared to budget.
- 8) Less investment incomes compared to projected budget.



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

	<u>Aug 31, 2023</u>	<u>June 30, 2023</u>		<u>Aug 31, 2023</u>	<u>June 30, 2023</u>
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Cash & cash equiv ⁽¹⁾	\$5,296	\$13,199	Accounts payable	\$0	\$5
Short term investments ⁽¹⁾	2,954	7,038	Current portion of bonds	3,398	3,293
Due fm Retiree Health Plan ⁽²⁾	0	0	Bond interest payable ⁽¹⁰⁾	893	4,671
S.C. M&O Taxes Receivable ⁽³⁾	4,322	0	Other Liabilities	276	276
Other current assets ^(3a)	55	121			
Total current assets	<u>\$12,627</u>	<u>\$20,358</u>	Total current liabilities	<u>\$4,566</u>	<u>\$8,245</u>
Operational Reserve Fund ⁽⁴⁾	1,500	1,500			
Capital Appropriation Fund ⁽⁵⁾	35,702	22,657			
Capital Replacement Fund ⁽⁶⁾	5,607	5,607	Deferred income	37	55
Community Partnership Fund ⁽⁷⁾	6,548	10,562	Bonds payable - long term	98,942	102,354
Total Board designated funds	<u>\$49,357</u>	<u>\$40,326</u>	Total liabilities	<u>\$103,545</u>	<u>\$110,654</u>
Funds held by trustee ⁽⁸⁾	<u>\$33,462</u>	<u>\$40,256</u>	Fund balance		
Capital assets, net ⁽⁹⁾	<u>\$10,648</u>	<u>\$10,649</u>	Unrestricted fund balance	\$72,247	\$70,912
			Restricted fund balance ⁽¹¹⁾	(69,698)	(69,977)
			Total fund balance	<u>\$2,549</u>	<u>\$935</u>
TOTAL ASSETS	<u>\$106,094</u>	<u>\$111,590</u>	TOTAL LIAB & FUND BALANCE	<u>\$106,094</u>	<u>\$111,590</u>



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 August 31, 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⁾	\$ 18	18	\$ -	\$ 108
(B) Redevelopment Taxes ⁽¹³⁾	-	-	-	528
(B) Unrestricted M&O Property Taxes ⁽¹³⁾	2,455	2,455	-	10,601
(B) Restricted M&O Property Taxes ⁽¹³⁾	1,975	1,975	-	13,045
(B) G.O. Taxes Levied for Debt Service ⁽¹³⁾	1,067	1,867	(800)	12,574
(B) IGT/PRIME Medi-Cal Program ⁽¹⁴⁾	-	(500)	500	(2,178)
(B) Investment Income (net)	960	141	819	(276)
(B) Other income	-	-	-	-
TOTAL NET REVENUE	6,475	5,956	520	34,402
EXPENSES				
(A) Wages & Benefits ⁽¹⁵⁾	1	1	-	5
(A) Professional Fees & Purchased Svcs ⁽¹⁶⁾	81	81	-	547
(A) Supplies & Other Expenses ⁽¹⁷⁾	30	5	(25)	110
(B) G.O. Bond Interest Expense (net) ⁽¹⁸⁾	787	1,118	331	5,191
(B) Community Partnership Expenditures ⁽¹⁹⁾	4,034	1,325	(2,709)	7,346
(A) Depreciation / Amortization	1	1	-	5
TOTAL EXPENSES	4,934	2,531	(2,403)	13,204
NET INCOME	\$ 1,541	\$ 3,425	\$ (1,883)	\$ 21,198
(A) Operating Revenues & Expenses				
(B) Non-operating Revenues & Expenses				
RECAP STATEMENT OF REVENUES & EXPENSE				
(A) Net Operating Revenues & Expenses	\$ (95)			
(B) Net Non-Operating Revenues & Expenses	1,636			
NET INCOME	\$ 1,541			



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

El Camino Healthcare District Board of Directors Meeting Packet PUBLIC October 17, 2023 Page 46 of 225

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>August 31, 2023</u>	<u>June 30, 2023</u>
Fiscal year beginning balance	\$ 935	\$ (22,367)
Net income year-to-date	\$ 1,541	\$ 21,198
Transfers (to)/from ECH:		
IGT/PRIME Funding ⁽²⁰⁾	\$ 73	\$ 2,104
Capital Appropriation projects ⁽²¹⁾		
Fiscal year ending balance	<u><u>\$ 2,549</u></u>	<u><u>\$ 935</u></u>



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 establishing the year-end FY23 Capital Appropriation amount of approximately \$13 million.
- (2) **Due from Retiree Health Plan** – The monies due from Trustee for District's Retiree Healthcare Plan.
- (3) **S.C. M&O Taxes Receivable** – The increase is due to accruing for M&O taxes to be received in subsequent months.
- (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** – The increase is due to the establishment of the year-end FY23 funding set aside for future capital projects. Note the transfer of approximately \$11 million in support of the Campus Completion Project approved at the June 20 board meeting will occur at the end of October.
- (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.
- (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 decrease is due to the semi-annual bond interest payment made on August 1.
- (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 Partnership Support from ECH	\$ 60
(54% of SW&B)	
• Legal Fees	5
• Other	16
	<u>\$ 81</u>

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

• Marketing / Advertising (via television)	\$ 30
• Dues & Subscriptions	—
	<u>\$ 30</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 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 & January of the fiscal year.

(20) IGT/PRIME Funding – Transfers from ECH for participation in the PRIME or IGT program thus far in FY 2024.

(21) Capital Appropriation Projects Transfer – No transfers at this point in time.



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>	08/31/23
(1) Maintenance and Operation and Government Obligation Taxes	\$5,497
(2) Redevelopment Agency Taxes	0
Total District Tax Receipts	\$5,497
<u>Uses Required Obligations / Operations</u>	
(3) Government Obligation Bond	1,067
Total Cash Available for Operations, CB Programs, & Capital Appropriations	4,430
(4) Capital Appropriation Fund – Excess Gann Initiative Restricted*	1,975
Subtotal	2,455
(5) Operating Expenses (Net)	95
Subtotal	2,360
(6) Capital Replacement Fund (Park Pavilion)	1
Funds Available for Community Partnership Programs	\$2,359

*Gann Limit Calculation for FY2024 \$11,048

(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





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**

Carlos Bohorquez, Chief Financial Officer
El Camino Healthcare District Board of Directors Meeting
October 17, 2023

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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 June 30, 2023	Audited June 30, 2022		Audited June 30, 2023	Audited June 30, 2022
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
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			



*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)
	<hr/>	<hr/>
Fiscal year ending balance	<u><u>\$ 935</u></u>	<u><u>\$ (22,367)</u></u>



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*



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	43
	<u>\$ 547</u>

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

• Marketing / Advertising	\$ 92
• Dues & Subscriptions	16
• Miscellaneous	2
	<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)





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

**Board Finance Presentation – Consolidated Statement
Fiscal Year 2023
7/1/2022-6/30/2023**

Carlos Bohorquez, Chief Financial Officer
El Camino Healthcare District Board of Directors Meeting
October 17, 2023

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ECHD Consolidated Financial Statements (Includes El Camino Hospital)

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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)

	June 30, 2023 Un-audited	June 30, 2023 Audited		June 30, 2023 Un-audited	June 30, 2023 Audited
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Current Assets			Current Liabilities		
Cash & Investments	\$384	\$343	Accounts Payable & Accrued Exp ⁽⁵⁾	\$137	\$163
Patient Accounts Receivable, net	227	210	Bonds Payable - Current	14	16
Other Accounts and Notes Receivable	36	37	Bond Interest Payable	13	9
Inventories and Prepaids	45	36	Other Liabilities	23	23
Total Current Assets	693	626	Total Current Liabilities	186	212
Board Designated Assets			Deferred Revenue	1	12
Foundation Reserves	21	19	Deferred Revenue Inflow of Resources	78	104
Community Benefit Fund	24	23	Long Term Liabilities		
Operational Reserve Fund ⁽¹⁾	209	184	Bond Payable	557	572
Workers Comp, Health & PTO Reserves	73	78	Benefit Obligations	38	44
Facilities Replacement Fund ⁽²⁾	467	356	Other Long-term Obligations	30	38
Catastrophic & Malpractice Reserve ⁽³⁾	30	27	Total Long Term Liabilities	624	654
Total Board Designated Assets	824	686	Fund Balance		
Non-Designated Assets			Unrestricted	2,426	2,150
Funds Held By Trustee ⁽⁴⁾	40	35	Board Designated & Restricted	206	181
Long Term Investments	473	496	Capital & Retained Earnings	0	0
Other Investments	34	31	Total Fund Balance	2,632	2,331
Net Property Plant & Equipment	1,250	1,201			
Deferred Outflows of Resources	53	15			
Other Assets	155	223			
Total Non-Designated Assets	2,006	2,002			
TOTAL ASSETS	\$3,522	\$3,314	TOTAL LIAB. & FUND BAL.	\$3,522	\$3,314



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

El Camino Healthcare District

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

Un-audited Year-to-Date through June 30, 2023

(Includes El Camino Hospital)

Year-To-Date though Jun 30, 2023

Current Fiscal Year

	<u>Actual</u>	<u>Budget</u>	<u>Fav (Unfav) Variance</u>	<u>Prior YTD FY Actual</u>
Net Patient Revenue ⁽⁶⁾	1,378	1,358	20	1,309
Other Operating Revenues	51	50	1	37
Total Operating Revenues	1,429	1,408	21	1,346
Wages and Benefits	732	715	(16)	655
Supplies	198	203	5	184
Purchased Services	190	201	11	174
Other	47	57	9	42
Depreciation	87	73	(14)	84
Total Operating Expense ⁽⁷⁾	1,254	1,248	(6)	1,137
Operating Income	175	160	15	209
Non-Operating Income ⁽⁸⁾	136	34	102	(150)
Net Income	311	194	117	59



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 current fiscal year's Hospital budget.
- 2) The current period Facilities Replacement Fund is comprised of (\$ Millions):

ECH Capital Replacement Fund (i.e. Funded Depr.)	\$413
ECHD Appropriation Fund (fka: Capital Outlay)	23
ECH Women's Hospital Expansion	<u>31</u>
	<u>\$467</u>

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

ECH Catastrophic Fund (aka: Earthquake Fund)	\$28
ECH Malpractice Reserve	<u>2</u>
	<u>\$30</u>

- 4) This amount now reflects the GO Funds only.
- 5) The decrease is due to a decrease in outstanding construction-in-progress projects in the current year.
- 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 increased investment returns.



To: El Camino Healthcare District Board of Directors
From: Julia E. Miller, Director
Date: October 17, 2023
Subject: Outgoing El Camino Healthcare District Chair Statement

As the outgoing Chair of the El Camino Healthcare District Board of Directors, I would like to reflect on my contributions accomplished during my two-year term, even though there is no precedent for this document.

Policies and Bylaws:

- ECHD policies updated (except compensation policy)
- ECHD bylaws updated
- ECHD compliance with the Health & Safety code by increasing compensation by 5% each year

Fundraising Efforts:

- Raised \$1M for a naming donation Women's Health
- \$20K in donations from a grateful patient
- \$20K donated by a personal friend

Referrals and Mentoring:

- Referral of a Foundation Board member
- Referral of ECH executive to the Sunnyvale Chamber Board
- Mentored new Director resulting in leadership positions
- Expedited transfer of two new ECH nurses out-of-state licenses
- Promoted a staff nomination of an employee who successfully was chosen as a SVBJ "Woman of Influence" award.
- Referred many new patients to ECH Medical Network doctors
- Arranged tour of Lockheed Martin Solar Array Lab.
- Established appropriate CEO review process with both board chairs.

District Representation:

- Established healthcare benefits policy for board members
- Represented the District at all Community Benefit visits
- Attended ALL District/hospital-sponsored events
- Overturned denial of a city planning decision for our co-sponsored new facility on El Camino in Sunnyvale.
- Established first District Board Christmas dinner.

Military Liaison and Collaboration:

- Liaised with the 129th Military to set up a command center during the pandemic
- Created a connection between ECH medical leadership and the 129th military medical leadership to continue the mission of providing health care to our community.

I feel my contributions and progress as Chair of the El Camino Healthcare District Board of Directors were focused on improving ECH's policies, prioritizing employee welfare, and expanding our service capacity through fundraising efforts, are all worth documenting for the record.

Thank you,
Julia E. Miller
Director, El Camino Healthcare District Board

**EL CAMINO HEALTHCARE DISTRICT
BOARD MEETING MEMO**

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Senior Director Government Relations and Community Partnerships
Date: October 17, 2023
Subject: Annual Adoption of Community Benefit Grants Policy

Recommendation(s):

To approve the annual adoption of the Community Benefit Grants Policy

Summary:

1. Situation: California Assembly Bill 2019 ("AB 2019") was approved by Governor Brown on September 5, 2018. The Bill, among other things, amended California Health and Safety Code Section 32139 ("Section 32139"). The amendments expanded what Healthcare Districts were required to include in their community benefit policy by January 1, 2019. Pursuant to those requirements, this Board adopted a revised policy on December 5, 2018. AB 2019 also amended Section 32139 providing for additional requirements [See, Section 32139(c)(6)] that are effective January 1, 2020. The Community Benefit Policy was subsequently revised on December 11, 2019 to address these additional requirements. The amendments to the California Health and Safety Code Section 32139(c) also require an annual adoption of the Community Benefit Grants Policy. This annual adoption was last completed on October 18, 2022.
2. Authority: To comply with the amended law, ECHD must annually adopt the Community Benefit Grants Policy.
3. Background: As amended, Section 32139(c)(6)(A-H) provides that a Healthcare District's policy for providing assistance or grant funding, if the district provides assistance or grants pursuant to California Health and Safety Code Section 32126.5 or any other law, shall include guidelines for all of the following:
 - (A) Awarding grants to underserved individuals and communities, and to organizations that meet the needs of underserved individuals and communities.
 - (B) Considering the circumstances under which grants may be awarded to multiple or single recipients, and exceptions to these circumstances.
 - (C) Evaluating the financial need of grant applicants.
 - (D) Considering the types of programs eligible for grant funding, including direct patient care, preventive care, and wellness programs.
 - (E) Considering the circumstances under which grants may be provided to prior grant recipients, and exceptions to these circumstances.
 - (F) Considering sponsorships of charitable events.
 - (G) Funding other government agencies.

(H) Awarding grants to, and limiting funds for, foundations that are sponsored or controlled by, or associated with, a separate grant recipient.

4. Assessment:

- The earlier approved policies were reviewed by outside counsel to confirm that they met the requirements under Section 32139 (c)(6) for what must be contained in policy.
- There are no proposed changes at this time as this policy was updated last year to include:
 - o Correction of the name “Community Benefit Plan” to the formal name “Implementation Strategy Report and Community Benefit Plan.”
 - o The specification of the allowance of two year grants (previous policy allowed for “three year grants.”)
 - o The addition of the CHNA and priority health needs under 9. Grant Application Process.
 - o Describing how any awarded two year grants will be disbursed.

5. Outcomes:

- This policy will be brought back to the Board for review and approval on an annual basis as required by law.

List of Attachments:

1. Draft Community Benefit Grants Policy (redline)



EL CAMINO HEALTHCARE DISTRICT COMMUNITY BENEFIT GRANTS POLICY

2.00 EL CAMINO HEALTHCARE DISTRICT COMMUNITY BENEFIT GRANTS POLICY

A. Coverage:

Community Benefit Program

B. Adopted:

March 5, 2014; Revised May 15, 2018; December 5, 2018, December 11, 2019; October 20, 2020; October 19, 2021, October 18, 2022, October 17, 2023

C. Policy:

The El Camino Healthcare District (“ECHD” or “District”) recognizes that the health of the community is improved by the efforts of many different organizations, and the District has a history of supporting those organizations through grants that address specific health needs. The grant making process includes soliciting applications, evaluating the proposed use of the funds, and including the advice of a Community Benefit Advisory Council (“CBAC”). The District annually approves a plan, which includes a provisional list of organizations and the amount of the expected grants to each.

To ensure that the ECHD can be responsive to the changing health needs in the District during a fiscal year, the Community Benefit staff will follow the guidelines below:

1. The total annual Community Benefit expenditures, as authorized by the ECHD Board of Directors’ approval of the District’s annual Implementation Strategy Report and Community Benefit Plan, cannot exceed the total aggregate amount approved by the ECHD Board.
2. Approved individual grant amounts, as stated in the Implementation Strategy Report and Community Benefit Plan, may be increased after need is demonstrated. Grant metrics must be revised to reflect the additional resources. Any grant increases must be within the total aggregate amount of the annual Implementation Strategy Report and Community Benefit Plan approved by the ECHD Board. Increases to these previously awarded grants up to \$50,000 must be approved by the Senior Director of Government Relations and Community Partnerships and increases in excess of \$50,000 up to \$150,000 require the approval by the CEO. Increases to these previously awarded grants in excess of \$150,000 must be presented to the CBAC, receive their recommendation for support, and be approved by the ECHD Board.
3. New grants may be added during the fiscal year if need is demonstrated. Proposals with detailed budgets and metrics must be presented to the CBAC and receive their



recommendation for support. Any new grants must be within the total aggregate amount of the annual Implementation Strategy Report and Community Benefit Plan approved by the ECHD Board. New grants up to \$50,000 must be approved by the CEO, and new grants in excess of \$50,000 require the approval of the ECHD Board.

4. There are times when an individual grant award is not needed to the extent it was in the original plan. In these cases, the funds not needed may be used to fund the grant increases detailed in paragraphs 2 and 3 above.
5. The CBAC and the ECHD Board will receive a report identifying all grant funding changes at the end of the fiscal year.
6. Two year grant funding may be awarded to selected grantees. The total amount of funding within an individual fiscal year for two year grants may not exceed 30% of the total aggregate amount of annual Implementation Strategy Report and Community Benefit Plan approved by the ECHD Board. Grantees will be required to submit mid-term and annual reports and must demonstrate success meeting outcome metrics and budgetary goals.
7. ECHD-funded community benefit grants shall be allocated in support of ECHD's mission and purpose which is "to establish, maintain and operate, or provide assistance in the operation of, one or more health facilities or health services at any location within or without the territorial limits of the District, for the benefit of the District and the people served by the District and to do any and all other acts and things necessary to carry out the provisions of ECHD's Bylaws and the Local Health District Law." Applications that do not establish a nexus to ECHD's mission, purpose and healthcare will not be awarded funding.
8. To ensure that El Camino Healthcare District allocated grant funding is spent consistently with the grant application and ECHD's mission and purpose, all ECHD grantees must adhere to the following:
 - a. Grantees must submit a signed grant agreement and, if the actual requested amount differs from the awarded amount, grantees must submit a revised budget.
 - b. Community Benefit staff shall ensure that Grantees submit mid-year and annual reports which include actual and line item expenses against the budgeted expenses in the approved application.
 - c. Grantees may not adjust approved itemized spending without the approval of ECHD's Senior Director of Government Relations and Community Partnerships.
 - d. All unused funds must be returned to the District.
9. Grant Application Process
 - a. In December of the preceding fiscal year, the District will announce the open application period, post the application, and post a timeline and a grant guidebook on its website and via direct communication to current grantees. The timeline will include a specified due date in February.



- b. Applications must include an itemized budget and will be evaluated by staff and then reviewed for recommendation to the ECHD Board by CBAC.
 - c. To evaluate the financial need of applicants, agencies are required to provide the most recent audited financials and a line item budget for requested funding which includes other sources of support.
 - d. Grant proposals should focus on the underserved consistent with the definition from the Department of Health and Human Services, which characterizes the underserved, vulnerable, and special needs populations as communities that include members of minority populations or individuals who have experienced health disparities.
 - e. Grants must align with the Community Health Needs Assessment and the priority health needs: Healthcare Access & Delivery, Behavioral Health, Diabetes & Obesity, Chronic Conditions, and Economic Stability.
 - f. Grants must provide direct healthcare service, preventive care or wellness/health information oriented programs.
 - g. Grants will be awarded to multiple recipients. Individual grant recipients may apply for and be awarded more than one grant.
 - h. Prior or existing recipients may apply for funding. Significant attention will be given to prior program performance.
 - i. Other government agencies may be eligible for funding and are evaluated under the same process as all other applicants.
 - j. Awarding of grants to foundations that are sponsored by, or associated with, a separate grant recipient shall be considered on a case by case basis
 - k. CBAC's recommendations will be brought forward to the ECHD Board for review at a Study Session in May and then to the ECHD Board for approval in June. CB staff will notify applicants following ECHD Board approval.
 - l. Individual meetings regarding grant applications between a grant applicant and a district board member, officer, or staff are prohibited outside of this established process. Notwithstanding the above, individual meetings regarding grant applications between a staff member and a grant applicant are permissible, but only for the purpose of clarifying information submitted on the application documents.
10. The District will distribute grant funds as follows:
- a. Grants greater than or equal to \$100,000 will be disbursed in two installments. The first installment will be disbursed upon receipt of the signed grant agreement. The second installment will be disbursed upon receipt of mid-year reporting.



- b. Grants less than \$100,000 will be disbursed in one lump sum upon receipt of the signed grant agreement.
 - c. Two year grants will be disbursed in four installments. The first installment will be disbursed upon receipt of the signed grant agreement. The second installment will be disbursed upon receipt of mid-year reporting. The third installment will be disbursed when the next fiscal year's first installments are disbursed. The fourth installment will be disbursed upon receipt of mid-year reporting in the next fiscal year.
- 11. District funds may also provide sponsorships of charitable events. Requests must meet the following criteria:
 - a. Recipients must be a non-profit organization or government agency improving the health and well-being of individuals who live, work or go to school in the District.
 - b. The District will place emphasis on organizations that address the needs of the underserved or reduce or prevent adverse health related conditions or address health disparities.
 - c. Exclusions include but are not limited to:
 - i. Political campaigns
 - ii. Contributions for individual entry fees to charitable races, conferences, etc.
 - iii. Requests that benefit an individual family or group
 - iv. Religious activities
 - v. Travel expenses
 - vi. Athletic programs such as sports teams or leagues
 - vii. Research

EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Senior Director of Government Relations and Community Partnerships
Date: October 17, 2023
Subject: Community Benefit FY25 Board Policy Guidance and FY24 Update

Purpose: To endorse or to modify via a motion the proposed FY25 “Guiding Principles,” “Ranked & Prioritized Health Needs,” and discuss program updates.

Summary:

Situation: In FY23, management and staff presented the Board with “Guiding Principles” and “Ranked & Prioritized Health Needs” to provide policy direction. This policy direction will continue to be requested annually, in the October Board meeting.

Background:

A. Guiding Principles

- Required:
 1. Serve those who live, work or go to school in El Camino Healthcare District’s targeted geography
 2. Demonstrate a competence and capacity to address at least one of the identified health needs
 3. Focus primarily, but not exclusively, on the results of increasing access to healthcare services, behavioral health services, as well as the management of rising risk chronic health conditions (diabetes, obesity, cardiovascular disease, cancer, and respiratory conditions)
 4. Have an emphasis on populations that are underserved, experiencing health disparities, and/or facing health challenges
- Preferred:
 5. Aim to reflect the diversity of El Camino Healthcare District’s targeted geography
 6. Focus on operational programmatic costs for service delivery, over capital campaigns. Do not fund drives or political initiatives
 7. Emphasize locally focused vs. national organizations
 8. Emphasize the most effective and impactful programs while welcoming new and innovative applicants

B. Ranked & Prioritized Health Needs:

Health Need	FY23 Approved	FY24 Approved	FY25 Proposed
Healthcare Access & Delivery (including oral health)	51%	51%	~50%
Behavioral Health (including domestic violence and trauma)	25%	24%	~25%

Health Need	FY23 Approved	FY24 Approved	FY25 Proposed
Diabetes & Obesity	14%	15%	~15%
Chronic Conditions (other than diabetes and obesity)	5%	5%	~5%
Economic Stability (including food insecurity, housing & homelessness)	5%	5%	~5%

- C. The following changes were implemented during FY23 and will continue through FY24 and beyond.

1. Acknowledgement of funds

A formal acknowledgement of funds process is now built into the grant agreements. Most eligible agencies completed their acknowledgements in FY23, and staff continue to reinforce this request with new grant partners and those still in progress.

- 2. Metrics reporting:** An appendix is now included in midyear and yearend report memos, detailing the performance of the largest grants and the underperforming grants. Collective Impact Metrics were introduced in FY23 and will continue moving forward. The first Collective Impact Metric reporting is included in the FY23 annual report in the highlights section.

- 3. Two-year grants:** FY24 marks the first year the program funded two-year grants for schools and community services agencies. The feedback from agencies has been overwhelmingly positive, noting that the secured funding will improve staffing models and reduce grant administration time.

- 4. Staff Innovation Grants:** In FY23, this new grant category led to the development of the post-discharge navigator program. In FY24, we have added the role of Population Health Program Manager, which will help us to take a population health approach to community health improvement within ECHD.

- 5. Technical assistance to grant applicants who were not funded:** Technical assistance is now built into the annual notification process and applicants are invited to meet with the team in the Summer and early Fall, leading into the next application cycle.

- 6. Application improvements:** Based on survey feedback and reporting needs, some of the changes made in FY23 include: reduced the number of required attachments, added functionality to track data and ensure alignment with the Implementation Strategy and health inequities in the CHNA, and streamlined metrics.

- D. Grant Partner Convening:** In FY24, the Community Partnerships team will host the first ECHD collaborative convening, aimed at sharing best practices, as well as strengthening and standardizing clinical to community referral models.

Assessment: The “Guiding Principles” and “Ranked & Prioritized Health Needs” are helpful policy guidance for management and staff as they evaluate grant applications.

Outcomes: Management and staff will execute the FY25 grant cycle incorporating the “Guiding Principles” and the “Ranked & Prioritized Health Needs” with approximate grant funding percentages approved by the Board.

List of Attachments:

1. FY25 Community Benefit Board Policy Guidance and FY24 Update Presentation

Suggested Board Discussion Questions:

1. Does the Board have any modifications or changes to the “Guiding Principles?”
2. Does the Board have any modifications or changes to the El Camino Healthcare District “Ranked & Prioritized Health Needs,” including the approximate grant funding percentages for each of the five health needs?
3. Is there any other policy feedback that the Board wishes to provide?



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

ECHD Community Benefit: FY25 Board Policy Guidance and FY24 Update

Jon Cowan

Senior Director, Government Relations & Community Partnerships

October 17, 2023

Timeline for District Community Benefit

October 2023

January 2024

April 2024

July 2024

Deliverable

**Board
(Approve)**

- Guiding Principles
- Ranked Health Needs
- Process changes
- FY25 Grants

Oct. 17

Mar. 2024
(Update)

May 2024

(Plan & Impl.
Strategy)
June 2024

**CBAC
(Review)**

- Guiding Principles
- Ranked Health Needs
- Process changes
- FY25 Grants

Apr. 2024

**Management
& Staff
(Execute)**

- Guiding Principles
- Ranked Health Needs
- Process changes
- FY25 Grants



Guiding Principles: Definition

“Guiding Principles” are a list of 6-10 policy statements that set the parameters and guardrails which guide Community Benefit’s philosophy for health improvement. An example is “emphasize locally focused vs. national organizations.”



Guiding Principles for Evaluating and Prioritizing Appropriateness of Grant Proposals

Required

1. Serve those who live, work or go to school in El Camino Healthcare District's targeted geography
2. Demonstrate a competence and capacity to address at least one of the identified health needs
3. Focus primarily, but not exclusively, on the results of increasing access to healthcare services, behavioral health services, as well as the management of rising risk chronic health conditions (diabetes, obesity, cardiovascular disease, cancer, and respiratory conditions)
4. Have an emphasis on populations that are underserved, experiencing health disparities, and/or facing health challenges

Preferred

5. Aim to reflect the diversity of El Camino Healthcare District's targeted geography
6. Focus on operational programmatic costs for service delivery, over capital campaigns. Do not fund drives or political initiatives
7. Emphasize locally focused vs. national organizations
8. Emphasize the most effective and impactful programs while welcoming new and innovative applicants



ECHD Ranked & Prioritized Health Needs

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Economic Stability (including food insecurity, housing & homelessness)	5%	5%	~5%



Grant Program Progress Updates

Item	Update
Acknowledgement of funds	A formal acknowledgement of funds process is now built into the grant agreements. Most eligible agencies completed their acknowledgements in FY23, and staff continue to reinforce this request with new grant partners and those still in progress.
Metrics reporting	An appendix is now included in midyear and yearend report memos, detailing the performance of the largest grants and the underperforming grants. Collective Impact Metrics were introduced in FY23 and will continue moving forward. The first Collective Impact Metric reporting is included in the FY23 annual report in the highlights section.
Two-year grants	FY24 marks the first year the program funded two-year grants for schools and community services agencies. The feedback from agencies has been overwhelmingly positive, noting that the secured funding will improve staffing models and reduce grant administration time.



Grant Program Progress Updates (*continued*)

Item	Update
Staff Innovation Grants	In FY23, this new grant category led to the development of a post-discharge navigator program. In FY24, we have added the role of Population Health Program Manager, which will help us to take a population health approach to community health improvement within ECHD.
Technical assistance to grant applicants who were not funded	This is now built into the annual notification process and applicants are invited to meet with the team in the Summer and early Fall, leading into the next application cycle.
Application improvements	Based on survey feedback and reporting needs, some of the changes made in FY23 include: reduced the number of required attachments, added functionality to track data and ensure alignment with the Implementation Strategy and health inequities in the CHNA, and streamlined metrics.



Acknowledgement of Funds Update

Agency	Building Signage	Mobile Van Signage	Email Signatures
Caminar- LGBTQ+ Program			X
CHAC (at Sunnyvale School District)	X		
CSA Mountain View	X		X
Cupertino Union School District	X		X
LifeMoves			X
Los Altos School District	X		X
LPFCH Teen Health Van		X	
Momentum for Health	X		X
Mountain View Whisman School District	X		<i>declined</i>
MVLA High School District	X		
New Directions	not applicable		X
Onsite Dental		X	
Planned Parenthood Mar Monte- Mountain View Health Center	<i>in progress</i>		<i>declined</i>
Playworks	X		X
Ravenswood	X	X	X
Santa Clara Valley Medical Center	X		
Sunnyvale Community Services	X		X
Sunnyvale School District	X		X



Acknowledgement of Funds Update (continued)

- 100% of programs with mobile vans have implemented ECHD signs on vans (3 of 3 agencies)
- 85% of eligible agencies have implemented email signatures for positions funded at 0.75 FTE or more (11 of 13 agencies)
- 86% of eligible agencies have implemented building signs acknowledging ECHD (12 of 14 agencies with grants >\$200,000)
- 58% of agencies have listed ECHD as a funder on their website (28 of 48 agencies)
- 42% of agencies have tagged ECHD on social media (20 of 48 agencies)



Two-Year Grant Update

Based on CBAC recommendation in April 2022, the Community Partnerships team implemented a FY24 two-year grant cycle for a select group of grantees.

- Implemented with school nurse programs, school mental health programs and Community Service Agencies (CSAs)
- 7 schools grants: \$1,474,000
- 3 CSA grants: \$522,000
- Total: 10 grants, ~\$2 million, 26% of the portfolio



El Camino Healthcare District 1st Collaborative Convening

In 2024, the Community Partnerships team will host the first ECHD collaborative convening, aimed at sharing best practices, as well as strengthening and standardizing clinical to community referral models.



Vision and Goal, Strategic Priorities, Tactics, Measurement

Vision and Goal		
Improve the health & well-being of those in the healthcare district by supporting health promotion, disease prevention, and a healthy lifestyle		
Strategic Priorities		
Access to Healthcare	Community Champion	Health promotion and disease prevention
Ensure access to high-quality healthcare at the hospital, outpatient clinics, schools, and other sites	Create connection opportunities for local organizations, community groups, and healthcare providers	Promote health and well-being in order to reduce the incidence of chronic illnesses in the community
Tactics		
<ul style="list-style-type: none"> Continue comprehensive grant funding, looking for opportunities to maximize impact, to be innovative, to reduce health disparities Remain open to new potential joint funding opportunities with other funders to address a large scale community health issue over multiple years 	<ul style="list-style-type: none"> Alternate collaborative convenings to foster discussion and sharing of effective practices (Alternate 1 year of joint site visit of related grantees, 1 year of collaborative discussion focused on exchange of effective practices with related grantees) 	<ul style="list-style-type: none"> Maintain large grant portfolio and network of community partnerships ECHD Population Health Program Manager position to develop foundation for identifying and intervening to improve health of “rising risk” patients who live, work, or go to school within the district
Measurement		
<ul style="list-style-type: none"> Volume, impact, and collective impact metrics. School metric standardization 	<ul style="list-style-type: none"> Completion of joint site visits and collaborative discussions 	<ul style="list-style-type: none"> Volume, impact, and collective impact metrics. ECHD Pop Health strategy development



Potential ECHD Convening - Draft

Topic: Referring Clients/Patients to Other Agencies and Services

Why This Topic:

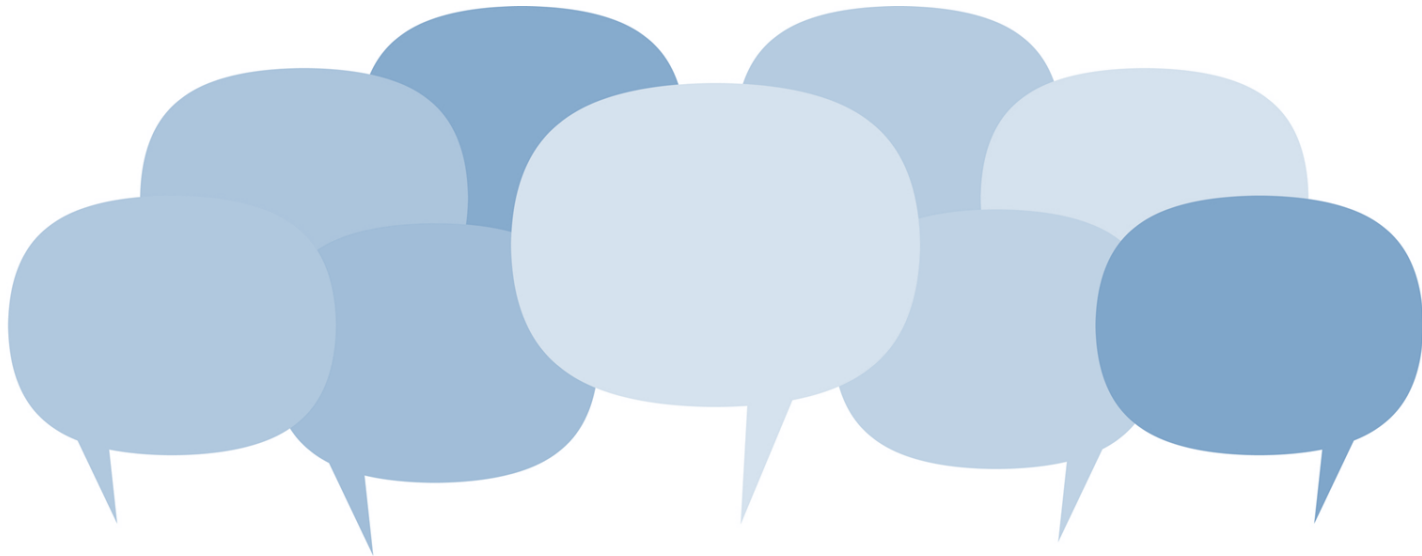
1. Document current best practices that other agencies can learn from
2. Identify which organizations have capacity and need help generating referrals
3. Learn pain points and gain input on helpful mechanisms to facilitate referrals within the boundaries of the healthcare district (technology, monthly huddles, etc.)

Potential Outcomes:

1. FY25 Grant Application to develop RFP for ECHD funded real-time HIE to facilitate referrals between grantees, between grantees and ECH
2. Communication cadence to support referrals
3. Targeted efforts to help send referrals to agencies with additional capacity



Board Discussion



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: George Ting, MD, Ad Hoc Committee Chair
Date: October 17, 2023
Subject: El Camino Hospital Board Member Election Ad Hoc Committee Chair Report

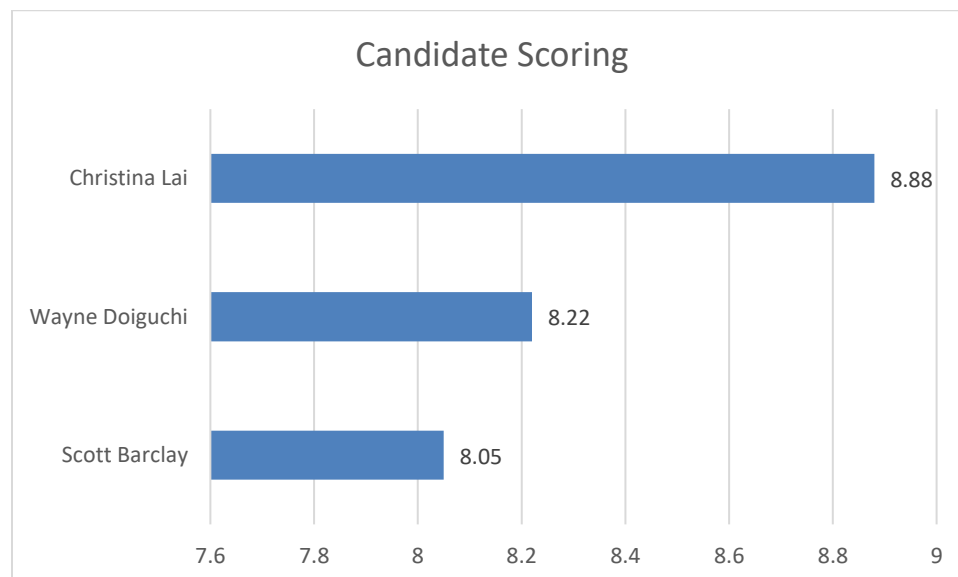
Purpose: To inform the Board of the work of the Committee to date and give final candidate overviews prior to election of candidate to fill board seat vacancy.

Summary:

1. **Situation:** There is currently one vacancy on the El Camino Hospital (“ECH”) Board of Directors with a term expiring on June 30, 2027.
2. **Authority:** The El Camino Healthcare District (“ECHD”) has the authority to elect Directors to the El Camino Hospital Board of Directors pursuant to the El Camino Hospital Bylaws, Article III Section 3.12.
3. **Background:** We advertised in local newspapers throughout the District and notified key stakeholders at El Camino Hospital (Board and Advisory Committees, ECH Foundation Board, Leadership Team) regarding this recruitment.

We did not find it necessary to retain a professional executive recruiter. Instead, we sourced high caliber candidates in the community and Director Zoglin also brought a candidate forward. We ultimately interviewed eight candidates, three of whom will be reviewed by the full District Board.

We used a rubric scale to rate each candidate on a scale of 1-10 in five categories: Candidate Profile, Board and/or Senior Leadership Experience, Soft Skills, Culture Fit, and Interview Performance. The top three candidates were Christina Lai, Wayne Doiguchi, and Scott Barclay.



We have asked each candidate to be prepared to answer the following questions:

- a. Why are you interested in serving on the El Camino Hospital Board?
- b. How does your background and experience match the competencies specified in the position description?

Following the candidate overviews, there will be time for Board members to pose questions to two of the candidates. We are including a brief video of one candidate interview as he is not able to participate in the October 17th meeting. At the conclusion of all interviews, the Board will have an opportunity to discuss the candidates and then vote during the following agenda item.

4. Outcomes: Election of one new ECH Board member.

List of Attachments:

1. Candidate A Profile: Scott Barclay
2. Candidate B Profile: Wayne Doiguchi
3. Candidate C Profile: Christina Lai

El Camino Hospital Board of Directors Candidate Questionnaire

Name: Scott Barclay

Address: [REDACTED]

Contact Phone: [REDACTED]

Occupation: Managing Director, Healthcare, Insight Partners

Email Address: [REDACTED]

1. To what extent are you familiar with El Camino Hospital and its affiliates (e.g., CONCERN: EAP and Silicon Valley Medical Development, LLC) and the regional services we provide?
 - a. 8/10 familiarity with El Camino and similar institutions in similar markets across the country

2. What experience with exposure to the roles and responsibilities of the El Camino Hospital Board of Directors and/or the ECH Advisory Committees have you had?
 - a. 3/10, directly. I have never served on a Board of a hospital, and while I think I know things, I sometimes delight in realizing I didn't know much at all. I am cautious to overstate my knowledge
 - b. 9/10 indirectly. I've been lucky and intentional to report to or serve on >30 Boards of Directors over the past 15 years as an entrepreneurial operator and investor in healthcare and artificial intelligence. I am very experienced on Boards of all stages, and in Board leadership, committee leadership, and standards and protocols that lead to alignment, risk mitigation, and coherency to support and advance the mission.

3. What stimulated your interest in serving on the El Camino Hospital Board of Directors?
 - a. I lead Healthcare Investing at Insight Partners, an ~\$100bn assets under management venture capital firm. Insight is one of the world's best software investing firms, and I joined ~18 months ago to initiate a five-year journey to establish Insight as the world's best *healthcare* software firm. This is an aspiration, with much work to be done. My interest in El Camino is not related to Insight or my day job to invest in and support companies- I seek no advantages or conflicts or information. But, my desire to serve El Camino is directly related to my same over-arching purpose: to work tirelessly to improve healthcare outcomes and access.

- I sense I have a lot to add to El Camino in service, but I am equally confident I have even more to learn
- b. I am a firm believer in the community hospital mission and deeply appreciative of El Camino's ability to maintain its values and patient-first spirit in this convoluted northern California payer / provider environment. I am firmly against the oligopolistic practices of regionally dominant health systems and payers that succeed economically only through oligopolistic pricing and anachronistic mechanisms of "the way things are done" in US healthcare. I am deeply and philosophically rooted in patient care, the moral injury of administrative and technological complexity imposed on providers, and the hope of a better future through alignment, brave innovation, and a calm, rational stewardship of an organization built to serve the local community with world-class excellence.

4. What skills and experience would you bring to such an appointment?

- a. As an investor, I run unique processes to remove ego to identify, invest in, and add value to emerging healthcare companies focused on solving hard problems. I work across almost all healthcare domains, with exposure to learning from some of America's greatest healthcare leaders, clinicians, technologists, entrepreneurs, and policymakers
- Not all investors can focus and be great at all things. Relative to other reputable investors, I over-index on the following attributes or perspectives:
 - I am very deep into the anthropology, design, culture, psychology, and systems of patient care, including the role of each stakeholder, and how "intelligence" can be augmented in each role, within workflow
 - I have significant experience in networks, operating systems, and other systemic frameworks that can create value and alignment, when done properly
 - I am a particularly deep student of regional payer / provider dynamics and the corresponding impact on price, quality and innovation
 - I pay significant attention to aging and the dynamics of frail elders and how they can be enabled with dignity and the best clinical and operational support for their goals
 - I am relatively familiar with all forms of provider payment and business models, from our historical fee for service mechanisms to 17 flavors of value-based arrangements, across governmental and commercial entities
 - I am a deep believer in teams; teams that are aligned, appropriately diverse and resourced, to focus and achieve
 - I believe in great institutional cultures and processes, and I believe in processes that remove expected negative externalities
 - I overindex in investments and explorations that understand "whole person" care, including across mental/behavioral dimensions

- I am deeply rooted in truly seeking validated evidence for claims of supposed innovation
 - I have strong views on our societal gaps to address health equity, in many forms
- b. As an operator, I helped create a few companies, and most notably created and scaled how our prescriptions move electronically. Starting ~ 2006, I helped create Surescripts and helped lead the company through late 2012; that platform transmitted 23bn electronic transactions in 2022 connecting providers, pharmacies, payers, and HIEs
 - c. Much of my early operational learnings and leadership occurred at CVS Health, where I was the youngest Vice President in history and worked across retail, pharmacy, MinuteClinic, the PBM, and ran our e-Prescribing and automation subsidiaries
 - d. Prior to being a healthcare operator and investor, I am a generalist who grew up working in my town's Styrofoam manufacturing plant in rural Martinsville, VA. I later worked in investment banking and capital markets in New York, San Francisco, and London, and I worked for a consultant for The Boston Consulting Group. I graduated BA from the University of Virginia and have an MBA from Insead in Fontainebleau France

5. Have you ever served on a Board of Directors? If so, which ones?

- a. Currently, at Insight, I lead the investment in or sit on the Board of the following companies
 - Bamboo- Emerging as “The Nation’s Crisis Care Network” connecting the dots between hospitals, open psychiatry beds, and the nation’s PDMP / Opioid network
 - Calm- the country’s best sleep and meditation app is quietly becoming a profoundly good enterprise health business focused on payers and employers to deploy mental health care, at scale, to modest and moderate levels of acuity
 - Rhyme- a two-sided network automating prior authorization for providers and payers
 - Forta- an empathetic highly scalable Autism care product that teaches and enables the family caregiver to provide supervised ABA therapy for families who otherwise can not reach care
 - Unobravo- a pan-european two-sided network with empathetic product for therapists and patients (like Betterhelp for Europe)
 - Viz.ai- deep AI built with workflow-thoughtful tools, first in stroke and now across numerous cardiology and neurology products, creating real-time clinical care coordination in life-saving moments
 - IDOVEN- a pre-FDA, pre-CE cleared deep learning company that can read any EKG, from any appropriate device, and assess for all known EKG readable cardiac conditions for near real-time diagnosis

- AiVF- a new machine-driven operating system for IVF clinics with the aim to radically improve cycle success rates
 - Orchestra- a scientifically-aware SaaS network to enable technical and clinical collaboration between research teams across silos
 - Leal- patient-facing clinical intelligence that builds a “patient locker” of helpfulness to early cancer patients, and aligns them with the “just right” clinical trial at the right time
 - Waterlily- a seed stage company focused on aging and the family caregiver and expected healthcare costs
- b. Because I lead healthcare across all of Insight, I take a leadership or light stewardship role across most of our healthcare companies, even if I wasn’t directly accountable (or at the firm) at the time of our original investment. We don’t post the above companies publicly or on my LinkedIn because we want all Insight healthcare companies, when I work with them, to feel they are equally valued in our portfolio. The following companies are critically important to us, and I play some material role at Insight in their trajectory, but I am not on their BOD.
- Clarify Health: data to drive provider and payer population health
 - Parachute: the nation’s electronic DME network
 - Alma: a network to improve mental health availability by working with payer networks and giving ambulatory providers better therapists tools
 - Element5: AI and process automation workflows for post-acute environments
 - LeanTaas: bringing advanced math and AI to specific hospital operations to improve throughput, increase safety, and increase appropriate revenue
 - Florence: the operating system for providers to organize and streamline on-site and virtual clinical trials
 - Skyflow: advanced data security software to enable any hipaa appropriate organization to innovate and share their data in a safe and auditable way
 - Unlearn: data science to create synthetic “twins” to accelerate trials in complex, usually neuro-degenerative trials
 - Theator: machine-learning driven surgery surveillance and training for continual improvement
 - Work-it: tech-enabled services to enable better access to high-quality substance abuse care
 - Iterative: machine learning in GI to better catch and identify polyps on video
 - Overjet: machine learning to identify and standardize excellence across all dental images
 - Covera: the nation’s radiology QA system, enabling providers and centers of excellence
 - Tyto: at-home software-driven devices to enable lower cost, higher quality

ambulatory and at-home care

c. Previous to joining Insight in November 2021, I have a long-history, from 2012 – 2021, of angel investing and institutional investing (mostly at DCVC) in my thesis of Computational Care. Below is a non-exhaustive sample of my significant commitments as an investor and adviser during that period:

- Carbon Health: informatics driven, well-designed urgent and primary care
- Doximity: the nation's top network of career and clinical consultation, by and for doctors
- NaviHealth: The first scalable post-acute intelligence company, bringing discipline to SNFs and intelligence to moments of discharge and post-acute coordination
- MIC: compute and workflow tools in the ICU to capture and streamline all data, reducing alarms by 75%, enabling remote ICU, and accelerating a drastic improvement in critical care algorithmic advances
- SafelyYou: computer vision in memory care to drastically reduce falls
- Curative: a SARS-COV-2 oral-liquid diagnostic that performed >\$2bn worth of Dx tests
- Subtle Medical: synthetic AI inside imaging machines to reduce scan time by up to 80%

6. In your opinion, what are the key issues facing El Camino Hospital today?

- a. I want to step closer to the institution and become more informed. I am confident I have much to learn and will improve my answer here
- b. That said, the following are surely top of mind:
 - Economic stewardship given the cost of living in silicon valley, inflation, and the moral industry on providers of all types though COVID but also with respect to technological, regulatory, and payer complexity and overreach
 - Strategic choices- from expansion of service lines, community touchpoints, and new investments- in the face of much larger competitors, well-financed academic medical centers, and powerful regulatory and payer regimes
 - Innovation in patient care at a time of rapid change and discontinuity, especially in a time of generative AI

7. Are you willing to commit to at least three years as a Board member?

- a. Yes, no problem. I am rooted here since 2008 and am thankful to be here in every way

8. What is your sense of the role of a board of directors, its responsibilities in governance, and how it is separate from the role of management?
- a. Great management leads the institution, its people, and its processes every day. Management reports to the Board, but also provides leadership, input, and information so that together, at the Board level, management and the Board can set the firm's strategic, financial, values, and operational vision. Management then sets upon executing that aligned vision, and the Board builds governance processes to ensure management execution and accountability
9. What one characteristic sets you apart from others and positions you to bring unique value to the El Camino Hospital Board of Directors?
- a. As a leader, my core focus is on how leaders and institutions can remove ego and build processes that enable diverse teams to do their best, and for the organization to achieve increasingly stellar outcomes. This focus- to remove ego so that people can best serve- is the single most consistent thread through any of my successes
10. If you were to join the El Camino Hospital Board of Directors, which of its Committees of the Board would you have the most interest in joining? The expectation is that Board members serve on two Committees and be willing to Chair one if asked.
- a. Corporate Compliance and Audit (6x/year)
 - b. Executive Compensation (4-5x/year)
 - c. Finance (6x/year)
 - d. Governance (5x/year)
 - e. Investment (4x/year)
 - f. Quality, Patient Care, and Patient Experience Committee (9x/year)

Answer: I might be most credentialed and experienced for "Investment" and "Finance," and I'm most interested and I think quite qualified in "Quality, Patient Care, and Patient Experience."

I'm likely suitable to be helpful for "Governance" and "Exec Comp".

I'm more hesitant re "Corporate Compliance and Audit," as I am both less interested and, more importantly, skeptical that I'm qualified.

All of that said, I am a team player, and if you join a Board to be helpful to the overall mission, and you are new, often the best place to join is where hands are needed.

11. The El Camino Hospital Board of Directors meets as follows:

- a. Regular Meetings – Typically the 2nd Wednesday of every month except January and July
- b. Joint Board and Committee Education Session – Typically the 4th Wednesday in August
- c. Annual Board Retreat – Typically in March

Board members are expected to prepare for and attend (in person) 2/3 of all assigned Committee and Board meetings. Are you able to commit to these rigorous expectations?

Answer: No problem

Contact

www.linkedin.com/in/scottbarclay
(LinkedIn)

Top Skills

Strategy Development
Product Strategy
Clinical innovation

Languages

Spanish

Scott Barclay

Managing Director, Healthcare, Insight Partners
Palo Alto, California, United States

Summary

My joy is to invest in and serve special founders rebuilding the future of health care

Experience

Insight Partners

Managing Director, Healthcare

November 2021 - Present (1 year 10 months)

Palo Alto, California, United States

Investing in and serving founders rebuilding healthcare, now as part of the world's best venture capital culture that is Insight Partners. Every stage, every time zone.

Clay VC

Founder and GP, Clay VC

May 2021 - January 2022 (9 months)

Palo Alto, California, United States

Clay VC is a new early-stage investing firm rebuilding the future of healthcare by finding and serving founders at the intersection of deep tech, data, and empathy. We call this next era Computational Care. Based in Palo Alto, CA and serving founders globally.

(This description is not a solicitation for investment or investment advice)

Point72 Ventures

Partner

August 2020 - May 2021 (10 months)

Palo Alto, California, United States

Building a special purpose diverse team to invest in and serve founders who themselves are technical, ambitious, and building the future of healthcare in the US and globally

Curative Inc.

Investor

March 2020 - August 2020 (6 months)

Los Angeles, California, United States

Jumped in to help catalyze & fund Fred Turner and a wonderful team to rapidly build a COVID19 Diagnostic oral-liquid diagnostic test

Freenome

Board Observer

July 2019 - August 2020 (1 year 2 months)

South San Francisco

Next-generation blood tests for early cancer detection powered by a machine-driven, multiomics platform. DCVC investor since 2015; Board Observer since July 2019

Carbon Health

Board Director

January 2019 - August 2020 (1 year 8 months)

San Francisco

Building the future of urgent care

Enzyme

Investor

May 2018 - August 2020 (2 years 4 months)

San Francisco

FDA compliance and submission offered as a machine-driven SaaS service

Primer AI

Board Observer

April 2018 - August 2020 (2 years 5 months)

San Francisco

"We build machines that read and write"

Swift Medical

Board Director

January 2018 - August 2020 (2 years 8 months)

Toronto, Canada Area

Computer vision at the bedside, on the smartphone, solving wound care

Subtle Medical

Investor

November 2017 - August 2020 (2 years 10 months)

Deep learning to drastically improve imaging infrastructure, in PET and MR

DCVC (Data Collective)

5 years 4 months

Partner

August 2017 - August 2020 (3 years 1 month)

Palo Alto, CA

Investor in early-stage, deep-tech companies with technical founders, special teams, and empathy; practice leader building DCVC's Computational Care portfolio, and an investor in industrial and enterprise AI

Operating Partner

May 2015 - August 2017 (2 years 4 months)

Palo Alto, CA

SafelyYou

Board Director

July 2017 - August 2020 (3 years 2 months)

San Francisco, CA

Computer vision as a service that is near magical in reducing falls and ER visits in assisted living & memory care

Medical Informatics Corp

Board Director

June 2017 - August 2020 (3 years 3 months)

Houston, Tx

Deep compute on top of the ICU, saving lives and advancing research

StartX Med

Founding Mentor

June 2012 - May 2020 (8 years)

Palo Alto, CA

Advise the leaders of Stanford's StartX incubation program for new entrepreneurs and companies focusing on changing the future of medicine

Karius, Inc.

Board Director

June 2016 - April 2020 (3 years 11 months)

Menlo Park, CA

Revolutionizing the world of understanding infectious disease with genomics and machine learning

Health Gorilla

Board of Directors

October 2014 - January 2020 (5 years 4 months)

Sunnyvale, CA

Health Gorilla breaks healthcare data siloes by replacing the fax machine and creating a transactional marketplace for lab and radiology orders and results

Element AI

Board Observer

July 2017 - July 2019 (2 years 1 month)

Montreal, Canada Area

World's best horizontal deep learning platform, building AI products for enterprise. AI for good.

BlueTalon

Chairman, Board of Directors

November 2012 - July 2019 (6 years 9 months)

Menlo Park, CA

Acquired by Microsoft, July 2019. BlueTalon enables data collaboration, governance and granular access control on any data stack, including Hadoop. We are enabling health care, financial services, and big markets where data is complex, voluminous and sensitive.

Innovation Norway

StartUp Mentor

September 2013 - April 2019 (5 years 8 months)

Palo Alto, CA and Oslo

Innovation Norway is a premier accelerator for Norwegian technology and talent entering and growing in US technology markets. I like to help the teams visiting silicon valley

Safeguard Scientifics

Senior Adviser

November 2014 - August 2017 (2 years 10 months)

Palo Alto, CA

Safeguard is a world-class provider of growth capital to technology and healthcare companies

Propeller Health

Strategic Adviser & Shareholder

April 2014 - August 2017 (3 years 5 months)

Madison, San Francisco

Acquired by ResMed in January 2019. Propeller Health is an elegant digital mobile solution for enabling chronic Asthma and COPD patients. Device sensors + feedback loops + patient and physician engagement.

Elation EMR

Strategic Adviser & Shareholder

August 2013 - August 2017 (4 years 1 month)

San Francisco Bay Area

Elation is a SAS based, best-in-class next generation clinical platform for doctors, caregivers, and patients; where others are terrible, Elation is an EMR + Population Health for a delighted ambulatory staff

Syapse Inc.

Strategic Adviser & Shareholder

March 2013 - August 2017 (4 years 6 months)

Palo Alto, CA

Syapse combines the molecular with the clinical to overlay the EMR and enable providers to practice precision medicine

Lumiata

Part of the early team, then adviser, still shareholder

December 2012 - August 2017 (4 years 9 months)

Palo Alto, CA

Clinical analytics company with the vision to optimize and personalize care by providing a real-time, predictive, clinically validated medical-graph, available by API and profound new products.

Kestrel Health

Executive Chairman

November 2015 - March 2017 (1 year 5 months)

San Mateo, CA

Acquired by Pokitdok in March 2017. Kestrel, the pivot from Oration Health, was an innovative start-up pharmacy and real-time medication pricing API that helps unlock medication costs for employers and those they surround the member along the journey.

CarePort Health

Strategic Adviser & Shareholder

October 2014 - January 2017 (2 years 4 months)

Boston, MA

Acquired by Allscripts in 2017. CarePort Health brings innovation, tools, and data to the moment of hospital discharge, helping patients and their families better navigate post-acute setting, and helping hospitals improve post-acute outcomes as the world shifts to value.

Historical advisory boards or advisory roles

Strategic Adviser in early Digital Health

July 2012 - December 2014 (2 years 6 months)

Palo Alto

Some historical advisory boards and assignments or work with friends, executed in trust, and delivered with quality: Doximity, NaviHealth (acquired Cardinal Health), HealthTap, Act.md, QualcommLife, QPID (acquired ESI), GetMyRx (acquired Dr First), MedImpact, IQVIA, GE incubations, Accenture digital health labs, M-3, DrFirst, DermLink, Medivo

Surescripts

Chief Strategy Officer

July 2009 - July 2012 (3 years 1 month)

Palo Alto, CA

While at CVS, I helped create the NewCo Surescripts in 2007, then joined full-time in July 2009 as Chief Strategy Officer. For the CEO and board, I lead an amazing team against Strategy, Innovation, Business Intelligence, Product Management, and new market incubation. Surescripts is the nation's e-Prescription network. During my three years, we grew revenue 10x and scaled the business from ~1% of prescriptions to ~60% of US prescriptions while expanding into new businesses of interoperability, Labs, public health, medication reconciliation, and (appropriate) new uses of data

CVS Caremark

4 years 7 months

General Manager, Physician Connectivity + iScribe

June 2008 - July 2009 (1 year 2 months)

- General manager of iScribe, CVS Caremark's industry leading and wholly owned ePrescribing company
- General manager of Physician Connectivity, CVS Caremark's strategic group for growing and stewarding the e-prescribing and eHealth industry

Senior Portfolio Manager, Innovation

December 2006 - June 2008 (1 year 7 months)

- Oversee all e-Prescribing strategy, operations, and partnerships for CVS/pharmacy
- Own all in-store pharmacy automation strategy, relationships, capital, and operational returns for 6,300 chain pharmacy
- Founding member of Pharmacy IS innovation group, tasked with driving pharmacy-based healthcare innovation, from idea conception and capture through execution and implementation

Senior Manager, Store Ops, Special Projects

January 2005 - December 2006 (2 years)

Manager of strategic and operational projects for CVS/pharmacy from the platform of Store Operations

The Boston Consulting Group

Consultant

August 2004 - December 2004 (5 months)

Strategic and operational consulting in US consumer retail

SNL Financial

Wall Street Valuation & Research, Energy Group

December 2002 - August 2003 (9 months)

Montgomery Securities / Banc of America Securities

Investment Banking & Equity Capital Markets

July 1999 - July 2002 (3 years 1 month)

New York, San Francisco, London

New equity issuance (IPOs, follow-ons, PIPEs) in US and Europe across retail, technology, and health care sectors. Investment banking with specific focus on high-growth equity placements

Tri State Foam / Atlas EPS

Plant floor laborer, seasonal

June 1994 - December 1997 (3 years 7 months)

Martinsville, VA

Manual labor, styrofoam manufacturing plant- cutting, boxing, loading, shipping, molding, bagging

Education

INSEAD

MBA, Case-based strategy & general management · (2003 - 2004)

University of Virginia

BA, History · (1995 - 1999)

Martinsville High School

HS · (1993 - 1995)

Magna Vista High School

· (1991 - 1993)

El Camino Hospital Board of Directors Candidate Questionnaire

Name: Wayne Doiguchi

Address: [REDACTED]

Contact Phone: [REDACTED]

Occupation: Retired Banker

Email Address: [REDACTED]

1. To what extent are you familiar with El Camino Hospital and its affiliates (e.g., CONCERN: EAP and Silicon Valley Medical Development, LLC) and the regional services we provide?

Member of ECH Finance Committee

2. What experience with exposure to the roles and responsibilities of the El Camino Hospital Board of Directors and/or the ECH Advisory Committees have you had?

Former Chairman/CEO Pan Pacific Bank
Currently on Board of California Bank of Commerce

3. What stimulated your interest in serving on the El Camino Hospital Board of Directors?
I grew up in Los Altos and want to support the community.
ECH is very important to the community.

4. What skills and experience would you bring to such an appointment?

Understanding the role of Board of Directors

5. Have you ever served on a Board of Directors? If so, which ones?

Yes, see above. (Pan Pacific Bank and California Bank of Commerce)

6. In your opinion, what are the key issues facing El Camino Hospital today?

Competition, Industry changes, Technology impor

7. Are you willing to commit to at least three years as a Board member?

Yes

8. What is your sense of the role of a board of directors, its responsibilities in governance, and how it is separate from the role of management?

Board of Director role is governance and oversight not managing process

9. What one characteristic sets you apart from others and positions you to bring unique value to the El Camino Hospital Board of Directors?

Chairman of Bank and understanding the role of directors

10. If you were to join the El Camino Hospital Board of Directors, which of its Committees of the Board would you have the most interest in joining? The expectation is that Board members serve on two Committees and be willing to Chair one if asked.

- a. Corporate Compliance and Audit (6x/year)
- b. Executive Compensation (4-5x/year)
- c. Finance (6x/year)
- d. Governance (5x/year)
- e. Investment (4x/year)
- f. Quality, Patient Care, and Patient Experience Committee (9x/year)

11. The El Camino Hospital Board of Directors meets as follows:

- a. Regular Meetings – Typically the 2nd Wednesday of every month except January and July
- b. Joint Board and Committee Education Session – Typically the 4th Wednesday in August
- c. Annual Board Retreat – Typically in March

Board members are expected to prepare for and attend (in person) 2/3 of all assigned Committee and Board meetings. Are you able to commit to these rigorous expectations?

Yes

Contact

www.linkedin.com/in/wayne-doiguchi-29aa08a4 (LinkedIn)

Top Skills

Banking
Management
Strategic Planning

Wayne Doiguchi

Director at California Bank of Commerce
Fremont, California, United States

Summary

Wayne has over 40 years of experience as an operating executive and investor in the Bay Area banking industry. He is currently a Director with California Bank of Commerce and was a founding Board member of Pan Pacific Bank and became Chairman & CEO in 2010. He has a long, sustained track record of creating shareholder value, and under his leadership, Pan Pacific Bank has realized several years of consecutive profitable quarters.

Wayne remains active in the Chamber of Commerce and Rotary Clubs. In addition to these groups, he is also involved in other community and fundraising events such as The Washington Hospital Foundation, SAVE (Safe Alternatives to Violent Environment), Abode Tri-City Homeless Coalition. The Association for Corporate Growth Silicon Valley and the Serra Center.

Wayne received a Banking degree from the Pacific Coast Banking School at the University of Washington. He also received an M.B.A. from Santa Clara University and a B.A. from University of California, Los Angeles (UCLA).

He is a long time resident in the bay area.

Experience

California Bank of Commerce

Director

January 2016 - Present (7 years 10 months)

Pan Pacific Bank

Chairman and CEO

July 2005 - December 2015 (10 years 6 months)

Strataventure LLC

Founder and CEO

January 1995 - December 2005 (11 years)

San Jose

Venture firm that invested in Bay Area businesses. Particularly helped early stage Silicon Valley companies that wanted partnerships with companies in Japan, and helped Japanese companies find partners in Silicon Valley.

Union Bank

Head of Loan Administration

January 1972 - December 1990 (19 years)

As head of loan administration handled all loan administrative functions for the bank; also sat on the bank's loan committees for retail, construction and corporate lending.

Education

University of Washington Pacific Coast Banking School

· (1982 - 1985)

Santa Clara University

Master of Business Administration (MBA), Finance · (1978 - 1981)

University of California, Los Angeles

El Camino Hospital Board of Directors Candidate Questionnaire

Name: Christina Lai _____

Address: _____

Contact Phone: _____

Occupation: VP, Deputy General Counsel and Corporate Secretary, Robinhood Markets, Inc._

Email Address: _____

1. To what extent are you familiar with El Camino Hospital and its affiliates (e.g., CONCERN: EAP and Silicon Valley Medical Development, LLC) and the regional services we provide?

As a member of the Board Governance Advisory Committee and a resident of Los Altos Hills, I am generally familiar with El Camino Hospital and its key affiliates and services.

2. What experience with exposure to the roles and responsibilities of the El Camino Hospital Board of Directors have you had?

As a Governance Advisory Committee member, I am most well-acquainted with the role and function of the Governance Committee. Through the work of the Committee, I am familiar with the Committee structure of the Hospital Board, the charters and general responsibilities of the various Committees, their annual goals, priorities and accomplishments, as well as challenges and opportunities to improving their effectiveness. From the joint Board/Committee education sessions and the Board updates provided to the Governance Committee, I have similar knowledge regarding the Board and its function.

3. What stimulated your interest in serving on the El Camino Hospital Board of Directors?

Having served on the Governance Committee for almost a decade, I am acquainted with members of management and the Board, as well as the issues and challenges they face in managing and overseeing the strategy and affairs of the organization. El Camino Healthcare has an important role to play in the healthcare ecosystem in the region, and with my experience and background, I would like to step up my involvement to serve as a Hospital Board member to contribute to the effectiveness of the Board and the success of the organization.

My own personal experience with the Hospital, where both of my children were born, and which provided care for my father on his last day, also underlie my gratitude towards the organization and my commitment to its success.

4. At the beginning of FY23, the El Camino Hospital Board approved a Competency Matrix that identified the following top four competencies for its Board in the coming year:
- a. Understanding of Complex Market Partnerships,
 - b. Long Range Strategic Planning,
 - c. Experience leading a high-performing organization, healthcare-related or other industry, including Board level experience, and
 - d. Finance/Entrepreneurship

How do you meet one or more of these competencies?

I have over 25 years of experience as an attorney and more than 15 years as an executive at large, complex public companies, including within a highly regulated industry. I have built and led teams with responsibility over a broad and diverse set of legal areas, including corporate, securities, governance, employment, ethics, litigation, commercial and capital markets transactions, M&A, ESG and privacy.

In these roles, I have advised on M&A and other partnership models and transactions, including cross-border relationships and regulated transactions. I have led strategic planning efforts within my departments and teams, with a view towards building long-, medium- and short-term strategies and objectives. In my role as Corporate Secretary at Robinhood and at Applied Materials, I have worked with public company boards and executive teams on developing and overseeing enterprise-wide strategic planning within the financial services and semiconductor industries. Finally, in each of my roles, I have been a people leader with a focus on building and maintaining high performing teams within complex and/or rapidly growing environments.

5. What other skills and experience would you bring to such an appointment?

As an attorney with experience in complex organizations and in a highly regulated industry, I bring a risk-oriented perspective combined with a practical, problem-solving approach to challenges and obstacles. As a people leader, I understand the importance of active listening, as well as direct, respectful, and compassionate communication and collaboration. As someone committed to lifelong learning, I am driven to ask questions, examine problems from first principles and encourage others to do the same.

6. Have you ever served on a Board of Directors? If so, which ones?

I currently serve on the boards of 2 nonprofit organizations: [Breakthrough Silicon Valley](#), an organization which prepares and supports highly motivated students to become first generation college graduates, and [iSing Silicon Valley](#), an internationally recognized girls' choir in Palo Alto, where I am also Chair of the Board.

Additionally, as Corporate Secretary at Robinhood and Applied Materials, and as Deputy General Counsel, Corporate Governance, at Yahoo!, I have worked closely with the boards of directors of those public companies. In those roles, I have advised the boards and senior executives of those companies regarding governance, corporate, securities, executive compensation and other legal matters, and have had primary responsibility for ensuring the boards' satisfaction of their fiduciary duties and driving programs to enhance board effectiveness.

7. In your opinion, what are the key issues facing El Camino Hospital today?

I believe that El Camino Hospital faces challenges in the following key areas:

- Competition with larger healthcare networks/organizations (Sutter/PAMF, Kaiser, etc.) that have more resources and may be better positioned to leverage size/efficiencies in competing for patients, relationships with physicians' networks and contracts with payers
- Growth in an environment of inflation, rising costs, and payer restraint
- Evolving landscape of patients/consumers, where changing demographics and rising economic inequality may drive shifting healthcare concerns, expectations, utilization and risks
- Post-COVID shifts in the healthcare workforce driving supply down and costs up
- Keeping up with the increased pace of advances in technology

8. Are you willing to commit to at least three years as a Board member?

Yes, I have served for almost a decade as a member of the Governance Advisory Committee and am willing and enthusiastic about committing at least three years to service as a Board member.

9. What is your sense of the role of a board of directors, its responsibilities in governance, and how it is separate from the role of management?

Through many years of working with boards, I am a strong believer in a "noses in, fingers out" approach for board members. It is important for board members to understand and participate with management in the development of the organization's strategy. Then, it is management's role to develop specific objectives, key metrics to monitor performance, control mechanisms, risk identification and mitigation measures, and reporting and escalation plans that management employs in the execution of that strategy. Board members should seek to understand and explore those matters in an oversight role but should not seek to micromanage those day-to-day details.

As a Governance Committee member, I also know that this remains an area of opportunity for the Hospital Board to continue improving, and I believe that as a Board member, I could help to move the Board in the right direction on this point.

10. What one characteristic sets you apart from others and positions you to bring unique value to the El Camino Hospital Board of Directors?

As someone who has spent much of her career thinking about and working on Board governance and effectiveness, I believe that I can contribute significantly in that area, which continues to be an area of opportunity for the Board and can yield lasting value for the organization. Additionally, I bring a unique perspective based on a rigorous, risk-based approach to analyzing issues and problems—based on my legal training—coupled with my background in complex organizations and high growth environments outside of the healthcare industry. This outsider's perspective can be a valuable lens through which to view the challenges and opportunities facing the organization.

11. If you were to join the El Camino Hospital Board of Directors, which of its Committees of the Board would you have the most interest in joining? The expectation is that Board members serve on two Committees and be willing to Chair one if asked.

- a. Corporate Compliance and Audit (6x/year)
- b. Executive Compensation (4-5x/year)
- c. Finance (6x/year)
- d. Governance (5x/year)
- e. Investment (4x/year)

- f. Quality, Patient Care, and Patient Experience Committee (10x/year)

I believe I am currently most qualified to serve on the Governance Committee and the Executive Compensation Committee. Over time, with more exposure and fluency regarding the issues facing ECH, I would be interested in serving on the other Committees, including Compliance and Audit, and Finance.

12. The El Camino Hospital Board of Directors meets as follows:

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- b. Joint Board and Committee Education Session – Typically the 4th Wednesday in August
- c. Annual Board Retreat – Typically in March

Board members are expected to prepare for and attend (in person) 2/3 of all assigned Committee and Board meetings. Are you able to commit to these rigorous expectations?

Yes.

Contact

www.linkedin.com/in/christinaylai
(LinkedIn)

Top Skills

Acquisitions
Corporate Governance
Venture Capital

Honors-Awards

2017, 2018 Top 50 Most Powerful
Women in Technology by the
California Diversity Council

Christina Y. Lai

Corporate and Securities Executive | Board Governance | ESG and
Sustainability | Builder
San Francisco Bay Area

Experience

Robinhood

Vice President, Deputy General Counsel and Corporate Secretary
July 2020 - Present (3 years 3 months)

El Camino Hospital

Member, Governance Advisory Committee, Board of Directors
March 2014 - Present (9 years 7 months)
Mountain View, CA

Applied Materials

6 years 4 months

Vice President, Corporate Legal Affairs, and Corporate Secretary
March 2018 - June 2020 (2 years 4 months)

Vice President, Corporate Legal Affairs

March 2014 - June 2020 (6 years 4 months)

Yahoo

10 years 10 months

VP & Deputy General Counsel, Corporate Governance

January 2013 - March 2014 (1 year 3 months)
Sunnyvale, CA

VP & Associate General Counsel, Corporate and Securities

June 2003 - January 2013 (9 years 8 months)

Latham & Watkins

Associate

September 1997 - June 2003 (5 years 10 months)

Member of Recruiting Committee and Training and Career Enhancement
Committee

Education

Stanford University

AB, International Relations

University of California, Los Angeles - School of Law

JD

**EL CAMINO HEALTHCARE DISTRICT
BOARD MEETING MEMO**

To: El Camino Healthcare District Board of Directors
From: George Ting, M.D., Board Chair
Date: October 17, 2023
Subject: Appointment of FY25 El Camino Hospital Board Member Election Ad Hoc Committee

Purpose:

To inform the Board of the appointment of John Zoglin as the FY25 El Camino Hospital Board Member Election Ad Hoc Committee Chair and get approval on remaining members of the Ad Hoc Committee.

Summary:

As part of our established Process for Election and Re-Election of Non-District Board Members (NDBMs) to the El Camino Hospital (ECH) Board of Directors, we convene an Ad Hoc Committee every year, typically in June. The primary function of this committee is to review, evaluate, and make informed recommendations concerning the election and re-election of NDBMs to the ECH Board.

Please be advised that two NDBM seats are set to expire in June 2024. The forthcoming Ad Hoc Committee will initially ascertain the interest of the current Directors in continuing their service. Following this, the committee will convene to discuss and subsequently provide recommendations on whether reappointment should be pursued.

**EL CAMINO HEALTHCARE DISTRICT
RESOLUTION 2023-08
APPOINTMENT OF SPECIAL ADVISORY COMMITTEE FOR
LIMITED PURPOSE AND LIMITED DURATION**

WHEREAS, the Board of Directors has determined it is necessary to carefully consider and prepare for the reappointment or appointment of Directors to the El Camino Hospital Board,

WHEREAS, such work can be undertaken by a special advisory committee for presentation to and consideration by the Board of Directors at a future meeting; now, therefore, be it.

RESOLVED, that a temporary advisory special committee ("The El Camino Hospital Board Member Reappointment Ad Hoc Committee"), consisting of two members is hereby established pursuant to Article VII, Section 1 of the Bylaws of the El Camino Healthcare District, to carefully consider and prepare for the FY 2025 appointment or reappointment of one or more Directors to the El Camino Hospital Board.

RESOLVED, that the members of the temporary advisory special committee shall determine the time, place, date, and frequency of such committee meetings; be it further.

RESOLVED, that John Zoglin is appointed as Chair of the temporary advisory special committee; be it further

RESOLVED, that _____, shall also serve as a member of the committee having been appointed by the El Camino Healthcare District Board of Directors; be it further

DULY PASSED AND ADOPTED at a regular meeting held on October 17, 2023, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Zoglin, Secretary
ECHD Board of Directors

**EL CAMINO HEALTHCARE DISTRICT
BOARD MEETING COVER MEMO**

To: El Camino Healthcare District Board of Directors
From: Carlos Bohorquez, Chief Financial Officer
Date: October 17, 2023
Subject: FY2023 Annual Financial Audit, 403(b) Retirement and Cash Balance Plan Audit

Recommendation(s):

The Compliance and Audit Committee is recommending that Board approve the FY2023 Annual Consolidated Financial Audit, Annual 403(b) Retirement Plan and Annual Cash Balance Plan Audits.

Summary:

1. Situation: The El Camino Healthcare District engaged Moss Adams to conduct its annual Financial Audit for FY2023. The audit includes the Healthcare District, El Camino Hospital and its related entities (El Camino Hospital Foundation, CONCERN:EAP, and Silicon Valley Medical Development LLC). Moss Adams conducted the annual limited scope audits of ECH's 403(b) Retirement and Cash Balance Plans. The results are filed with the Plans' IRS Form 5500.
2. Authority: Policy requires Board approval once the Compliance and Audit Committee have reviewed the auditor reports and financial statements.
3. Background: Consolidated Financials - As noted in the report, the auditors found that; 1) management selected and applied significant accounting policies appropriately and consistent with those of the prior years and that management's judgments and accounting estimates were reasonable; 2) the disclosures in the consolidated financial statements were clear and consistent; 3) there were no material weakness or internal control deficiencies identified.

403(b) Retirement Plan and Cash Balance Plan – The financials statements for both plans are presented on the Governmental Accounting Standards Board (GASB) reporting basis of accounting. There were no known or likely misstatements identified.
4. Assessment: Moss Adams provided an unmodified opinion that the consolidated financial statements were presented fairly and in accordance with US GAAP (Generally Accepted Accounting Principles).

List of Attachments:

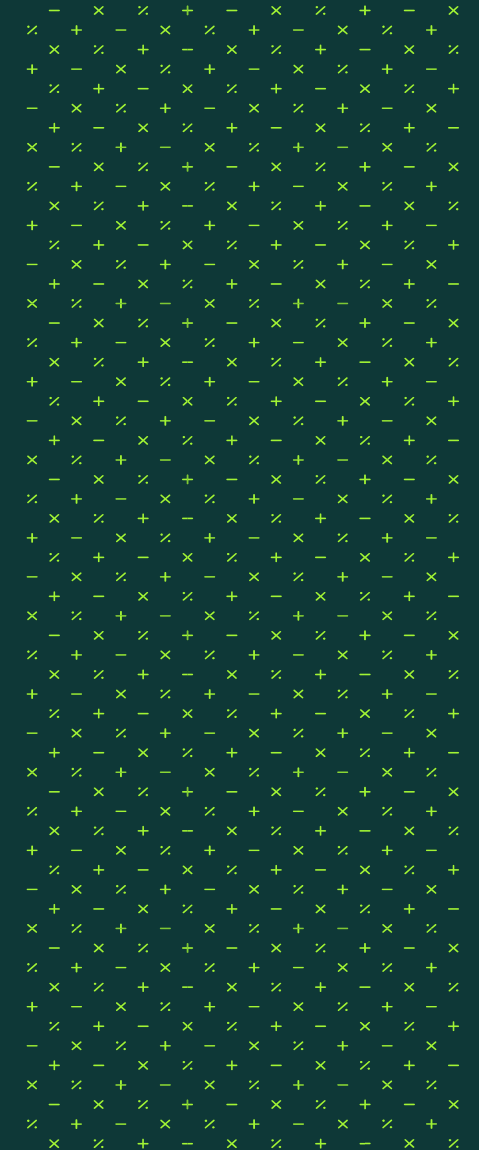
1. 2023 Audit Results Exit Presentation
2. Consolidated Financial Statements with Supplementary Information
3. Communication with Those Charged with Governance



MOSSADAMS

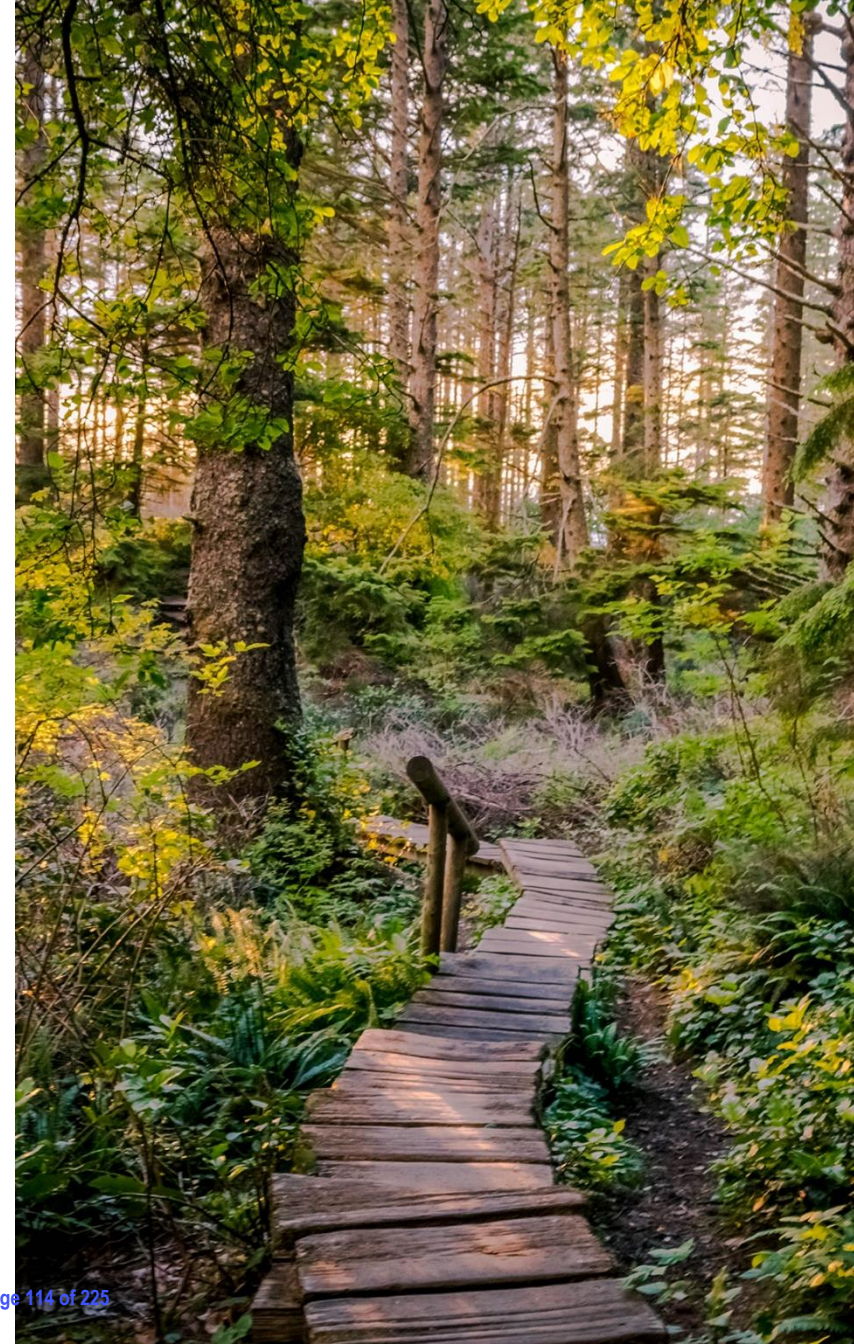
El Camino Healthcare District

2023 AUDIT RESULTS



Agenda

1. Scope of Services
2. Auditor Opinion and Report
3. Significant Risks Identified
4. Matters to Be Communicated to the Governing Body
5. Statements of Net Position
6. Operations



Scope of Services

We have performed the following services for El Camino Healthcare District:

Annual Audits



- Annual consolidated financial statement audit as of and for the year ended June 30, 2023

Non-Attest Services



- Assisted in drafting the consolidated financial statements and related footnotes as of and for the year ended June 30, 2023
- Assist management with drafting the auditee portion of the OMB data collection form



Auditor Report on the Consolidated Financial Statements

- Unmodified Opinion – The consolidated financial statements are presented fairly and in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”).
- Emphasis of matter – Adoption of new accounting standards



Other Auditor Reports

GAGAS Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

- No financial reporting findings
- No compliance findings

Report on Compliance with Requirements that could have a Direct and Material Effect on the Major Federal Programs and on Internal Control Over Compliance in accordance with the Uniform Guidance for Federal Awards
(2 CFR Part 200)

- No control findings
- No compliance findings



Significant Risks Identified

During the audit, we identified the following:

Significant Risks	Procedures
Valuation of patient accounts receivable	<ul style="list-style-type: none">- Tie out of reserving schedules- Zero Balance Accounts (“ZBA”) analysis- Lookback analysis & subsequent collections analysis
Revenue recognition	<ul style="list-style-type: none">- Hospital patient revenue analysis & cut-off analysis- Journal entry testing focusing on revenue reversals
Valuation of investments and related financial statement disclosures	<ul style="list-style-type: none">- Third party confirmations- Independent price testing



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) *Government Auditing Standards*, issued by the Comptroller General of the United States, as well as the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. As part of an audit conducted in accordance with these auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

Our audit of the financial statements included obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control or to identify deficiencies in the design or operation of internal control. Accordingly, we considered the entity's internal control solely for the purpose of determining our audit procedures and not to provide assurance concerning such internal control.



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We are also responsible for communicating significant matters related to the financial statement audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

- Significant Unusual Transactions
- Significant Difficulties Encountered During the Audit
- Disagreements With Management
- Circumstances that affect the form and content of the auditor's report
- Other findings or issues arising from the audit that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process
- Corrected and uncorrected misstatements
- Management's consultation with other accountants



MOSS ADAMS COMMENTS

No significant unusual transactions were identified during our audit of the entity's financial statements.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Accounting Practices:

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures.



MOSS ADAMS COMMENTS

The quality of the entity's accounting policies and underlying estimates are discussed throughout this presentation. There were no changes in the entity's approach to applying the critical accounting policies.

- Management has the responsibility for selection and use of appropriate accounting policies. The significant accounting policies used by El Camino Healthcare District are described in the footnotes to the consolidated financial statements. During the year, the District adopted GASB 96, *Subscription-Based Information Technology Arrangements*. There were no other changes to significant accounting policies for the year ended June 30, 2023.
- We believe management has selected and applied significant accounting policies appropriately and consistent with those of the prior year.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Management Judgments & Accounting Estimates:

The Compliance Committee should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates.



MOSS ADAMS COMMENTS

- Management's judgments and accounting estimates are based on knowledge and experience about past and current events and assumptions about future events. We apply audit procedures to management's estimates to ascertain whether the estimates are reasonable under the circumstances and do not materially misstate the consolidated financial statements.
- Significant management estimates impacted the consolidated financial statements including the following: net patient service revenue; provision for uncollectible accounts; fair market values of assets and liabilities; uninsured losses for professional liability, pension and post retirement benefit liability, liability for workers' compensation; discount rates used to value gift annuities and beneficial interest in charitable remainder trust, useful lives of capital assets, right of use assets and subscription assets, discount rates, terms, and other assumptions related to the District's operating lease right of use assets, lease liabilities, lease receivable, deferred inflows of resources – leases, subscription assets and subscription liabilities.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Management Judgments & Accounting Estimates:

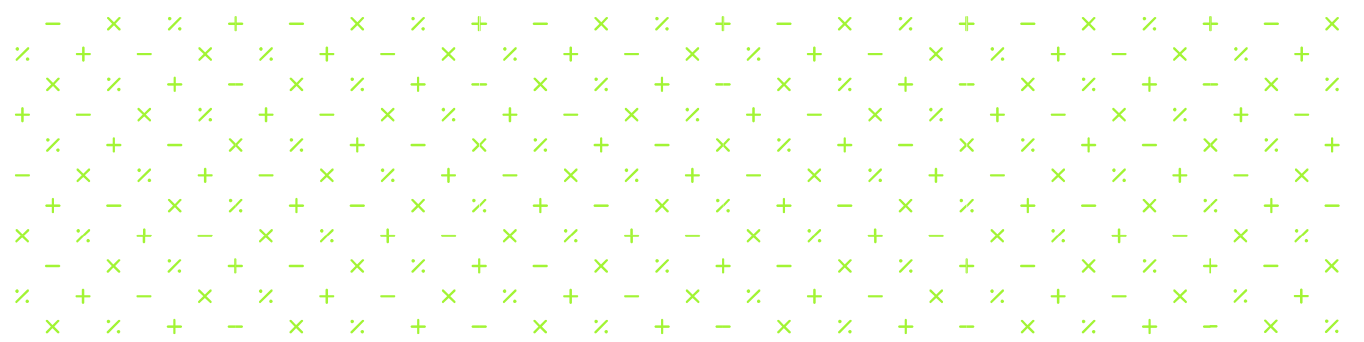
The Compliance Committee should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates.



MOSS ADAMS COMMENTS

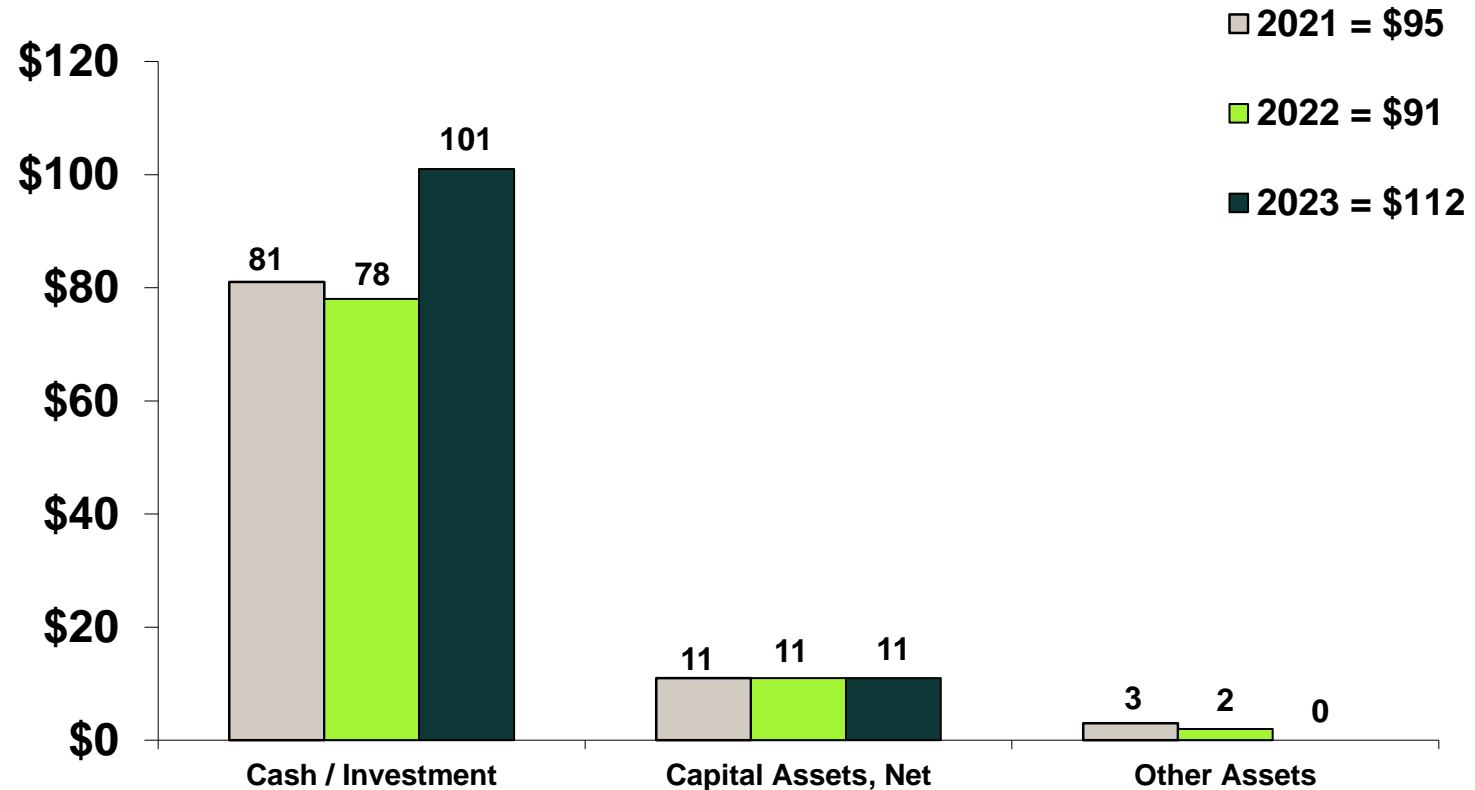
- The disclosures in the consolidated financial statements are clear and consistent. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We call your attention to the following notes: significant concentration of net patient accounts receivable, investments and fair value of investments, capital assets, employee benefit plans, post-retirement medical benefits, insurance plans, bonds payable, leases, and subscription-based information technology arrangements.



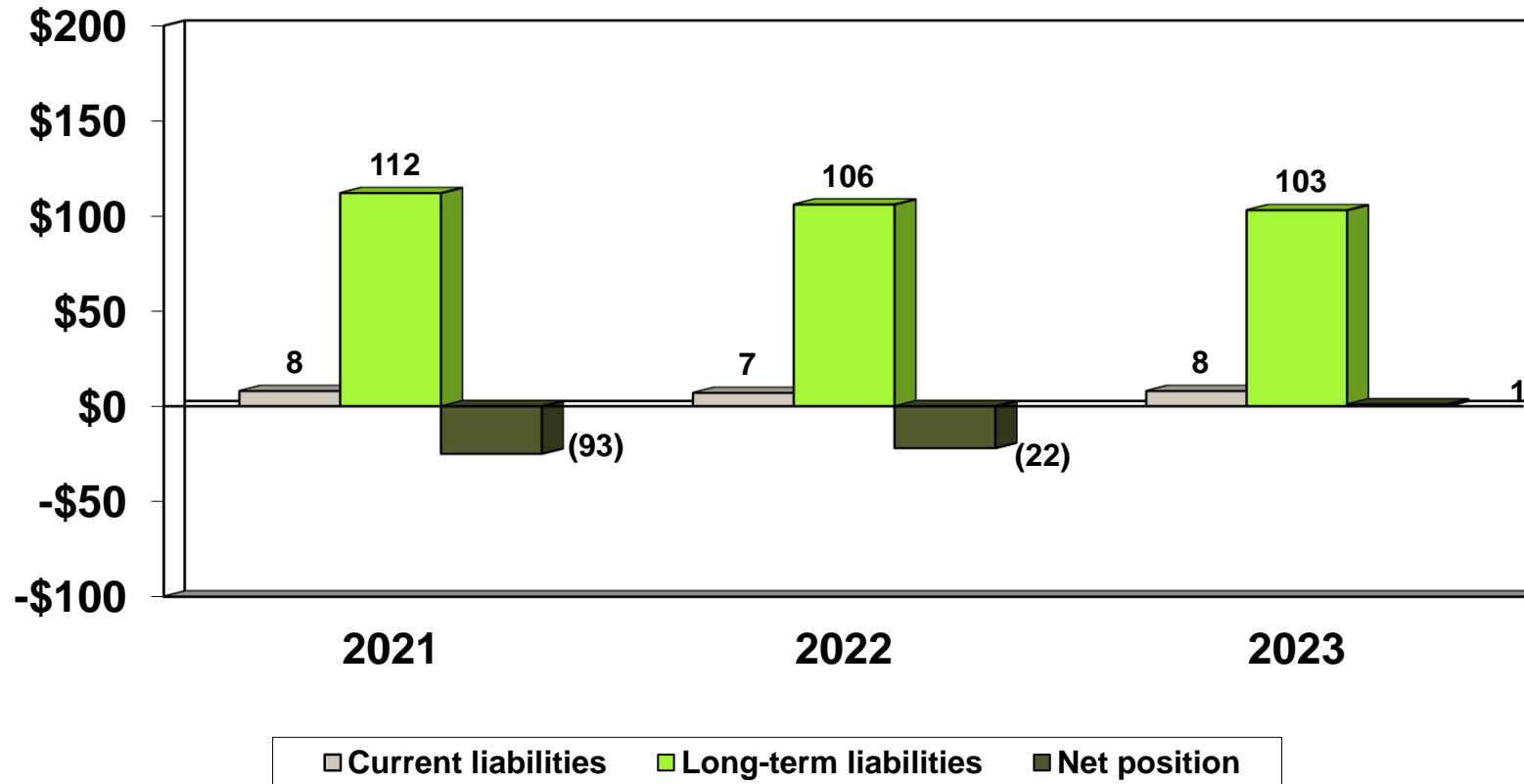


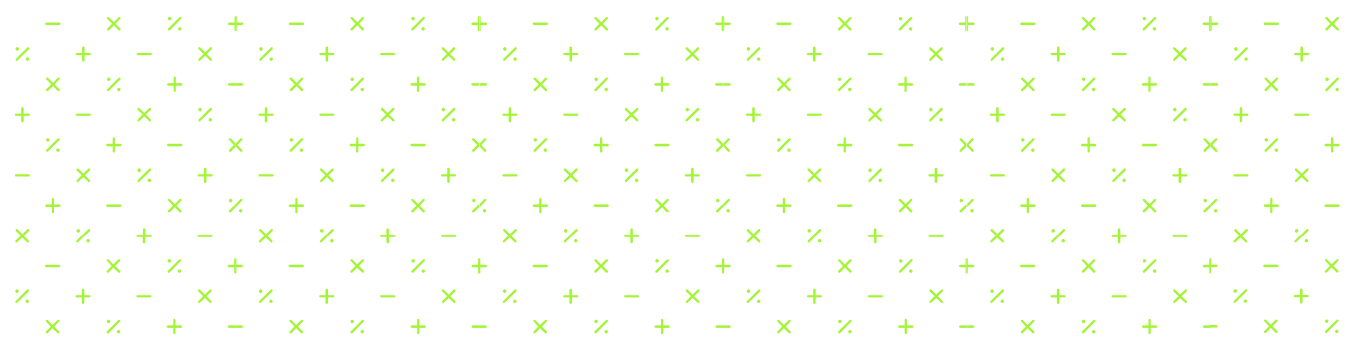
Statements of Net Position

Assets and Deferred Outflows (in millions)



Liabilities, Deferred Inflows, and Net Position (in millions)

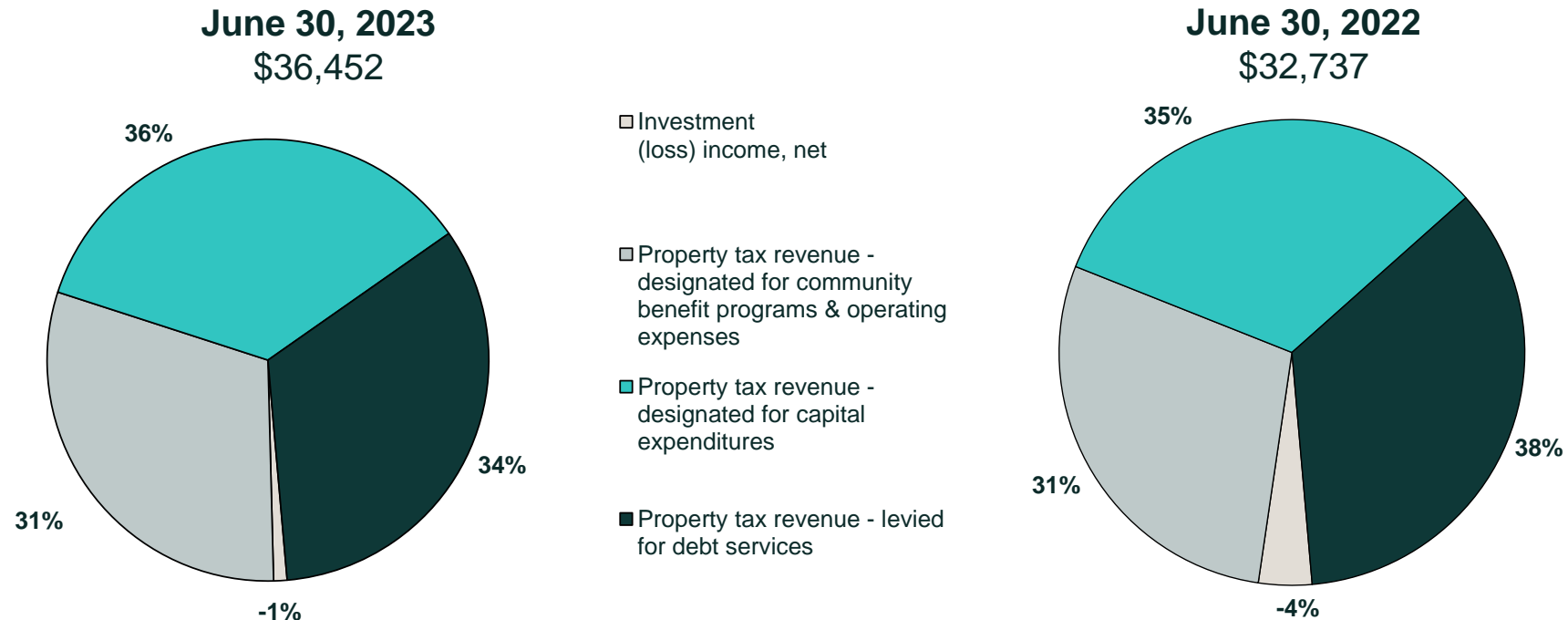




Operations

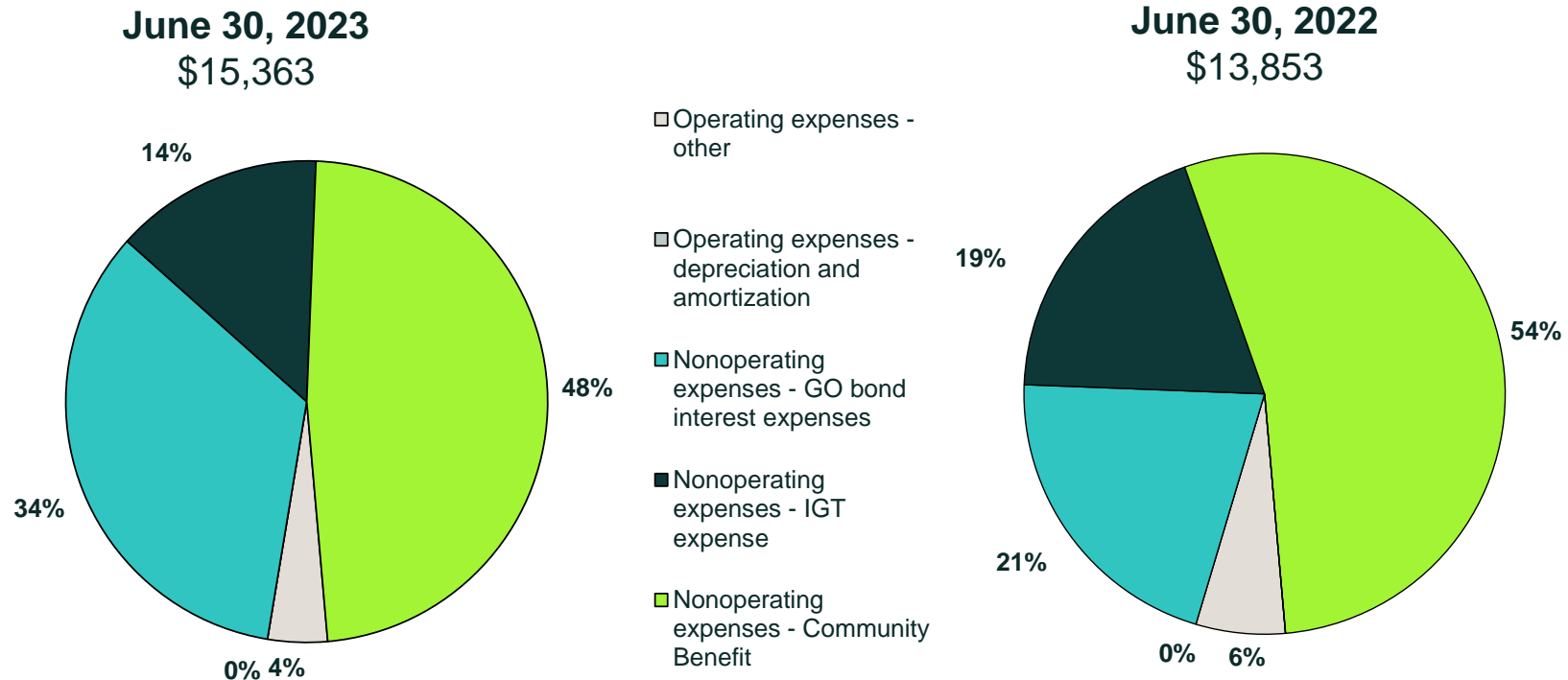
Income Statement Year to Year Comparison

Sources of Nonoperating Revenues (in thousands)



Income Statement Year to Year Comparison

Outflow of Expenses (in thousands)



GASB Accounting Updates

- GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62. Effective for the District beginning July 1, 2023.
- GASB Statement No. 101, Compensated Absences. Effective for the District beginning July 1, 2024.



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**THANK
YOU**



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Report of Independent Auditors and
Consolidated Financial Statements with
Supplementary Information

El Camino Healthcare District

June 30, 2023 and 2022



MOSSADAMS

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Management's Discussion and Analysis

El Camino Healthcare District

Management's Discussion and Analysis

Years Ended June 30, 2023, 2022, and 2021

El Camino Healthcare District (the "District") is comprised of five entities: the District, El Camino Hospital (the "Hospital"), El Camino Hospital Foundation (the "Foundation"), CONCERN: Employee Assistance Program ("CONCERN"), and Silicon Valley Medical Network d.b.a El Camino Health Medical Network ("ECHMN").

ECHMN was organized as a California Limited Liability Corporation ("LLC") that was formed in 2008. Starting in fiscal year 2019 and continuing into the current fiscal year, ECHMN has expanded to 14 clinic and urgent care sites.

Overview of the Consolidated Financial Statements

This annual report consists of the consolidated financial statements and notes to those statements. These statements are organized to present the District as a whole, including all the entities it controls. Financial information for each separate entity is shown in the supplemental schedules on the last pages of the report. In accordance with the Governmental Accounting Standards Board ("GASB") Codification Section 2200, *Comprehensive Annual Financial Report*, the District presents comparative financial highlights for the fiscal years ended June 30, 2023, 2022, and 2021. This discussion and analysis should be read in conjunction with the consolidated financial statements in this report.

The consolidated statements of net position, the consolidated statements of revenues, expenses, and changes in net position, and the consolidated statements of cash flows provide an indication of the District's financial health. The consolidated statements of net position include all the District's assets and liabilities, using the accrual basis of accounting. The consolidated statements of revenues, expenses, and changes in net position report all of the revenues and expenses during the time periods indicated. The consolidated statements of cash flows report the cash provided by the operating activities, as well as other cash sources such as investment income and cash payments for capital additions and improvements.

Consolidated Financial Highlights

Year Ended June 30, 2023

For fiscal year ended June 30, 2023, the District increased its net position by \$311 million. In 2023, operating revenues increased by \$83 million over 2022; this was the result of increased volume.

Year Ended June 30, 2022

For fiscal year ended June 30, 2022, the District increased its net position by \$59 million. In 2022, operating revenues increased by \$196 million over 2021; this was the result of increased volume.

Year Ended June 30, 2021

For fiscal year ended June 30, 2021, the District increased its net position by \$355 million. In 2021, operating revenues increased by \$119 million over 2020; this was the result of increased volume.

El Camino Healthcare District

Management's Discussion and Analysis

Years Ended June 30, 2023, 2022, and 2021

Summary of Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position As of June 30, 2023, 2022 and 2021

	(In Thousands)		
	2023	As restated 2022	2021
Assets:			
Current assets	\$ 715,606	\$ 641,921	\$ 687,412
Board designated and restricted funds, net of current portion	1,285,427	1,181,535	1,198,200
Funds held by trustee, net of current portion	40,256	35,272	36,939
Capital assets, net	1,250,440	1,201,330	1,160,286
Right of use ("ROU") assets, net of amortization	15,077	29,241	30,493
Subscription assets, net of amortization	13,505	18,691	-
Lease receivables, net of current portion	32,099	34,876	40,340
Other assets	114,974	174,247	151,294
Total assets	3,467,384	3,317,113	3,304,964
Deferred outflows:			
Loss on defeasance of bonds payable	10,560	11,160	11,761
Deferred outflows of resources	7,638	4,226	9,324
Deferred outflows - actuarial	37,339	792	1,005
Total deferred outflows	55,537	16,178	22,090
Total assets and deferred outflows	\$ 3,522,921	\$ 3,333,291	\$ 3,327,054
Liabilities:			
Current liabilities	\$ 168,703	\$ 212,626	\$ 252,584
Bonds payable, net of current portion	554,920	571,174	589,909
Operating lease liabilities, net of current portion	12,816	25,636	26,335
Subscription liabilities, net of current portion	10,926	14,090	-
Other long-term liabilities	39,979	51,318	58,740
Total liabilities	787,344	874,844	927,568
Deferred inflows:			
Deferred inflows of resources	4,015	4,522	4,522
Deferred inflows of resources - leases	42,923	46,369	51,180
Deferred inflows - actuarial	16,745	46,610	41,339
Total deferred inflows	63,683	97,501	97,041
Net position:			
Unrestricted and invested in capital assets, net	2,627,273	2,324,347	2,271,363
Restricted by donors - charity and other	33,278	27,438	22,960
Restricted - endowments	11,343	9,161	8,122
Total net position	2,671,894	2,360,946	2,302,445
Total liabilities, deferred inflows, and net position	\$ 3,522,921	\$ 3,333,291	\$ 3,327,054
Operating cash equivalents and short-term investments	\$ 408,955	\$ 361,340	\$ 456,605
Board designated, funds held by trustee, and restricted funds	1,348,340	1,227,936	1,253,796
Total available cash & investments	\$ 1,757,295	\$ 1,589,276	\$ 1,710,401

**El Camino Healthcare District
Management's Discussion and Analysis
Years Ended June 30, 2023, 2022, and 2021**

Investments

The District maintains sufficient cash balances to pay daily operational expenses and all short term liabilities. In late fiscal year 2012, the Hospital (exclusive of the District) selected an Investment Consultant to assist the Hospital and its subsidiaries in managing its investments, and both the investment policies for Surplus Cash and Cash Balance Plan were updated and approved by the Hospital Board of Directors (the "Board"). The policies allow for greater diversification in the investment portfolios to balance the need for liquidity with a long-term investment focus in order to improve investment returns and the organization's financial strength.

Capital Assets

Continuing on from the previous two fiscal years was the Women's Hospital Expansion project that was approved in February 2021 at a budget of \$149 million. At fiscal year end, the project was approximately 65% complete, expending \$93.6 million and the renovated Lobby/Gift Shop was put into service. It is expected that second and third floors, previously physician medical offices will open in late August, early September of 2023. The renovated second floor will now house the 20 bed Intensive Care Nursery, previously located on the first floor. The third floor will house a 26 bed Post-Partum, Mom/Baby Unit all in private rooms. Conversion of the existing Mom/Baby Unit on the first floor will be converted into larger rooms with cosmetic upgrades to the interiors later in the project. It is projected that the total project will be completed in February 2024.

Adoption of GASB No. 96

The District adopted GASB No. 96, *Subscription-Based Information Technology Arrangements*, (GASB 96) as of July 1, 2022. The adoption resulted in the recognition of a subscription assets of \$18.7 million and subscription liabilities of \$17.9 million as of July 1, 2022. The impact to beginning net position was not significant. See Note 15 in the notes to the consolidated financial statement.

El Camino Healthcare District

Management's Discussion and Analysis

Years Ended June 30, 2023, 2022, and 2021

Revenues and Expenses

The following table displays revenues and expenses for 2023, 2022, and 2021:

Revenues & Expenses Years Ended June 30, 2023, 2022, and 2021 (In Thousands)			
	2023	2022 (As restated)	2021
Operating revenues:			
Net patient service revenue net of bad debt of \$15,361, \$20,316, and \$26,730, in 2023, 2022, and 2021, respectively	\$ 1,378,050	\$ 1,309,152	\$ 1,107,912
Other revenue	51,212	37,031	42,221
Total operating revenues	1,429,262	1,346,183	1,150,133
Operating expenses:			
Salaries, wages and benefits	731,536	654,619	574,797
Professional fees and purchased services	190,962	173,568	177,981
Supplies	198,163	183,665	171,720
Depreciation and amortization	87,104	83,873	74,595
Rent and utilities	24,478	20,733	20,693
Other	22,117	20,915	15,140
Total operating expenses	1,254,360	1,137,373	1,034,926
Operating income	174,902	208,810	115,207
Nonoperating revenues (expenses) items:			
Bond interest expense, net	(22,797)	(19,831)	(20,031)
Intergovernmental transfer expense	(2,178)	(2,613)	(4,460)
Realized investment income	31,024	25,882	79,736
Unrealized investment gains (losses)	81,205	(197,886)	151,188
Property tax revenues	36,748	34,053	32,464
Restricted gifts, grants and other net of contributions to related parties	8,750	7,345	2,868
Unrealized gain on interest rate swap	1,328	3,049	1,883
Community benefit expense	(11,293)	(11,143)	(11,297)
Provider Relief Fund revenue	11,301	15,629	-
Other, net	1,958	(4,794)	7,167
Total nonoperating revenues and expenses	136,046	(150,309)	239,518
Increase in net position	310,948	58,501	354,725
Total net position, beginning of year	2,360,946	2,302,445	1,947,720
Total net position, end of year	\$ 2,671,894	\$ 2,360,946	\$ 2,302,445

Fiscal Year 2023 Consolidated Financial Analysis

Net Patient Service Revenues

Net patient service revenue in fiscal year 2023 increased by \$69 million, or 5.3% over fiscal year 2022. This increase was consistent with adjusted patient days increasing by 9%.

**El Camino Healthcare District
Management's Discussion and Analysis
Years Ended June 30, 2023, 2022, and 2021**

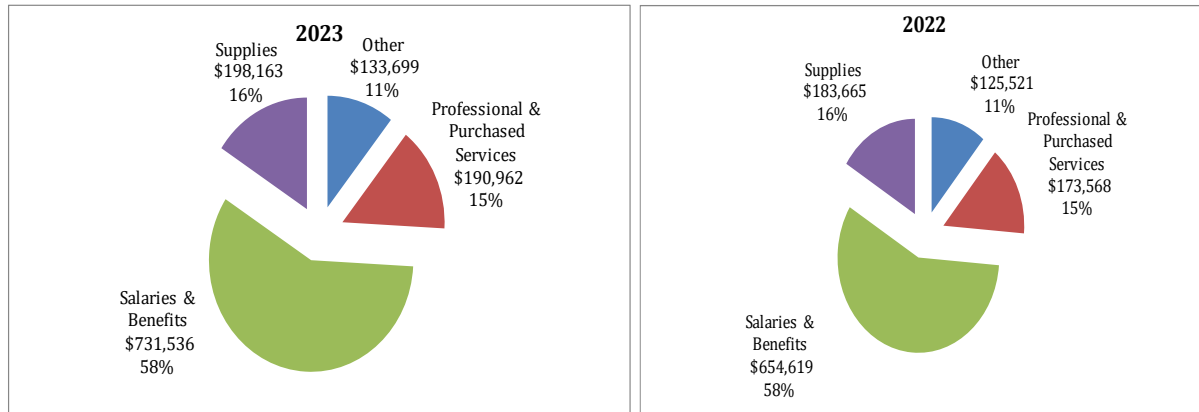
Specialty	2023 Days	2022 Days
Total days	121,703	111,538
Specialty	2023 LOS	2022 LOS
Average Length of Stay ("LOS")	4.6	4.3

The overall case mix index, which is an indicator of patient acuity, was 1.57 in fiscal year 2023, and 1.58 in fiscal year 2022.

Other Revenue

Other revenue increased by \$14 million in fiscal year 2023 over the prior 2022 fiscal year. The primary increase was due to a \$4.5 million in miscellaneous income, \$5.8 million in capitated revenue and a \$3.2 million increase in IGT receipts.

Operating Expenses



Salaries and Wages

It is to be noted that the District as a stand-alone entity has no employees. All employees are at the Hospital and its related corporations.

Total salaries and wages (including employee benefits) increased by \$77 million in fiscal year 2023 over 2022, which is 58% of total operating expenses. Full-time equivalents ("FTEs") increased by 221 along with the increase in labor due the high demand for healthcare workers.

Employee Benefits

Aggregate employee benefits, including accrued Paid Time Off ("PTO") and Extended Sick Leave, increased by \$32.0 million.

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2023, 2022, and 2021

Significant changes were as follows:

- PTO accrued expense increased by \$4.1 million over the 2022 fiscal year
- Healthcare (medical, dental, and vision) increased by \$6.0 million in fiscal year 2023
- Employer match of 403B increased \$1.2 million in 2023 over 2022.
- Pension expense increased by \$16.3 million, primarily due to the decline in the Plan Assets for FY2023. Plan Assets had increased in the prior year due to market performance.

Professional and Purchased Services

Total professional and purchased services increased by \$17.4 million. Professional services increased by \$7 million due to increases in professional services agreements with ECHMN and hospital-based service agreements. Purchased services increase of \$5 million was due to inflation and volume increases. Additionally, repairs and maintenance also increased by \$5 million.

Supplies

Total supplies increased by \$14.5 million or 8% in fiscal year 2023 over 2022. This was mainly due to the increase in volume and inflation factors.

Depreciation and amortization

Depreciation and amortization expense this fiscal year increased by \$3.2 million over fiscal year 2022. The increases were mostly related to building improvements, computer equipment and other routine capital purchases.

Rent and Utilities

Rent and utilities increased \$3.7 million, with the majority of the increases being inflationary, associated with electricity and gas.

Other Expense

Other expenses stayed relatively flat year over year with an increase of \$1.2 million.

Nonoperating Revenue (Expense) Items:

Bond Interest Expense, net

Bond interest increased over the prior year by \$3 million which was anticipated due to annual debt service requirements.

El Camino Healthcare District

Management's Discussion and Analysis

Years Ended June 30, 2023, 2022, and 2021

Change in Net Unrealized Gains and Losses on Investments

The Hospital experienced a change in net unrealized gains and losses on investments of \$81.2 million during fiscal year 2023 and the change in net unrealized gains and losses for fiscal year 2023 was a year-over-year increase of \$279.1 million. This change was driven primarily by the performance of U.S. equities, primarily U.S. growth equities which outperformed value stocks.

Economic Factors and Next Year's Budget

The Board approved the fiscal year 2024 budget at the June 2023 meeting. For the fiscal year 2024, budgeted patient days are projected to decrease by 1% when comparing to FY2023 actuals.

Fiscal Year 2022 Consolidated Financial Analysis

Net Patient Service Revenues

Net patient service revenue in fiscal year 2023 increased by \$201 million, or 18% over fiscal year 2022. This increase was consistent with adjusted patient days increasing by 13%.

<u>Specialty</u>	<u>2022 Days</u>	<u>2021 Days</u>
Total days	<u>111,538</u>	<u>98,386</u>
<u>Specialty</u>	<u>2022 LOS</u>	<u>2021 LOS</u>
Average LOS	<u>4.3</u>	<u>4.3</u>

The overall case mix index, which is an indicator of patient acuity, was 1.58 in fiscal year 2023, and 1.62 in fiscal year 2022.

Other Revenue

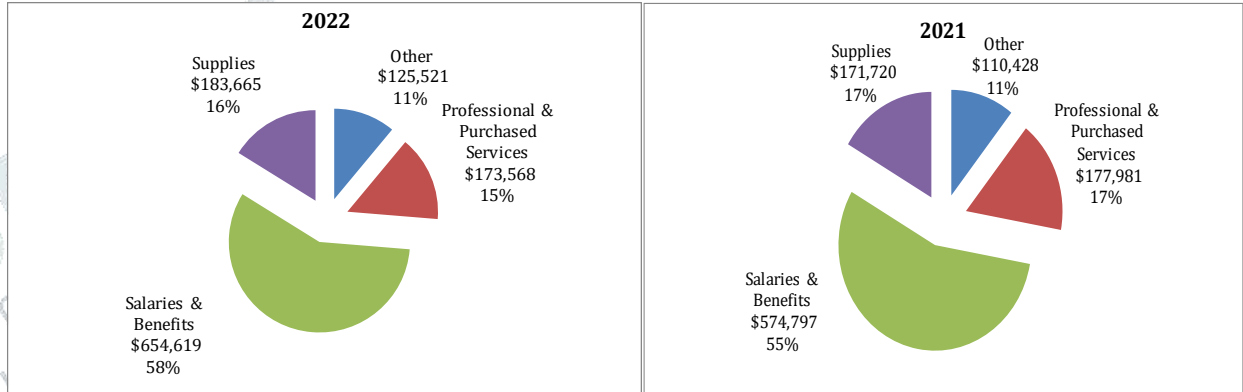
Other revenue decreased by \$5 million in fiscal year 2023 over the prior 2022 fiscal year. The primary decrease was due to a \$2.2 million reduction in IGT receipts and \$1.8 million decline in miscellaneous operating revenue.

El Camino Healthcare District

Management's Discussion and Analysis

Years Ended June 30, 2023, 2022, and 2021

Operating Expenses



Salaries and Wages

It is to be noted that the District as a stand-alone entity has no employees. All employees are at the Hospital and its related corporations.

Total salaries and wages (including employee benefits) increased by \$80 million in fiscal year 2022 over 2021, which is 58% of total operating expenses and 3% more than fiscal year 2021. Due to the increased demand for services, there was an increase of 241 full-time equivalents ("FTEs") along with the increase in labor due the high demand for healthcare workers.

Employee Benefits

Aggregate employee benefits, including accrued Paid Time Off ("PTO") and Extended Sick Leave, increased by \$14.1 million.

Significant changes were as follows:

- PTO accrued expense increased by \$8.3 million over the 2021 fiscal year.
- Healthcare (medical, dental, and vision) increased by \$9.3 million in fiscal year 2021.
- Employer match of 403B increased \$1.1 million in 2021 over 2021.
- Pension expense decreased by \$4.7 million, primarily by decreased investment returns on the Plan's investment in the past year.

Professional and Purchased Services

Total professional and purchased services decreased year over year by \$4.4 million primarily due to the impact of adoption of GASB 96 in the fiscal year 2022, which resulted in capitalization of certain costs related to SBITA.

**El Camino Healthcare District
Management's Discussion and Analysis
Years Ended June 30, 2023, 2022, and 2021**

Supplies

Total supplies increased by \$12 million or 7% in fiscal year 2022 over 2021. This was mainly due to the increase in volume.

Depreciation and amortization

Depreciation and amortization expense this fiscal year increased by \$9.3 million over fiscal year 2021. Increases were primarily due to completion of projects and the replacement of high dollar value equipment (Radiation Oncology, etc), as well as impact of adoption of GASB 96, which resulted in a full year amortization of subscription assets.

Rent and Utilities

Rent and utilities remained the same year over year.

Other Expense

Other expense increased in the current fiscal year by \$5.8 million over the prior year, due to the insurance rate increases, property tax and marketing and advertising.

Nonoperating Revenue (Expense) Items:

Bond Interest Expense, net

Bond interest was consistent year to year at \$20 million.

Change in Net Unrealized Gains and Losses on Investments

The Hospital experienced a change in net unrealized gains and losses on investments of \$195.3 million during fiscal year 2022 and the change in net unrealized gains and losses for fiscal year 2022 was a year-over-year decrease of \$478.6 million. This change was driven primarily by the change in net unrealized gains and loss of the Hospital's fixed income and mutual fund holdings. The fixed income change in net unrealized gains and losses was \$54.2 million and the mutual fund holdings change in unrealized gains and losses was \$132.8 million. The change in net unrealized gains and losses in 2022 was a result of a challenging environment in the capital markets due to rate tightening and rising inflation. These challenging conditions led to a rout in the fixed income market, as reflected in the Bloomberg U.S. Aggregate Index being down 10.3% and in equities, as reflected in the S&P Index being down 10.6%.

FIDUCIARY MD&A

Overview

The El Camino Hospital Cash Balance Plan (the "Cash Balance Plan") was established on July 1, 1963, by El Camino Hospital (the "Hospital") and has been amended from time to time since that date.

**El Camino Healthcare District
Management's Discussion and Analysis
Years Ended June 30, 2023, 2022, and 2021**

The Hospital also provides healthcare benefits and life insurance under the El Camino Hospital Postretirement Health and Life Insurance Benefit Plan (the "OPEB Plan"), a single-employer defined benefit Postretirement Benefits Plan, for retired employees who meet eligibility requirements as outlined in the plan document, as approved by the board of directors of the Hospital.

Financial Highlights – 2023

Cash Balance Plan – During the year ended June 30, 2023, the net position held in trust for pension benefits decreased by approximately 15.2%. Employer contributions were \$12 million in 2023 compared to \$6.5 million in 2022. Benefit payments were \$14.2 million in 2023 compared to \$14.8 million in 2022. Net investment loss was \$53.1 million in 2023 compared to net investment income of \$33.2 million in 2022, which was the primary reason for the overall 15% decrease in net position as of June 30, 2023.

OPEB Plan – Benefit payments were \$1 million in 2023 and \$0.9 million in 2022.

Financial Highlights – 2022

Cash Balance Plan – During the year ended June 30, 2022, the net position held in trust for pension benefits increased by approximately 7%. Employer contributions were \$6.5 million in 2022 compared to \$10.5 million in 2021. Benefit payments were \$14.8 million in 2022 compared to \$12.2 million in 2021. Net investment income was \$33.2 million in 2022 compared to \$43.8 million in 2021, which was the primary reason for the overall 7% increase in net position as of June 30, 2022.

Overview of the Fiduciary Financial Statements

The basic financial statements present information about the Cash Balance Plan and OPEB Plan's fiduciary net position and changes in fiduciary net position for the respective years. The basic financial statements also include notes to explain some of the information in the financial statements and to provide more details. The statement of fiduciary net position displays the assets and liabilities and resulting net position of the Plan as of the end of the year. All assets are valued at fair value.

El Camino Healthcare District
Management's Discussion and Analysis
Years Ended June 30, 2023, 2022, and 2021

The following is the abbreviated statement of fiduciary net position and statement of changes in fiduciary net position (in thousands):

CASH BALANCE PLAN			
	2023	2022	2021
ASSETS			
Investments, at fair value	\$ 305,344	\$ 363,419	\$ 336,548
Receivables	3,580	1,565	3,553
Noninterest-bearing cash	749	67	4
Net pending trades	-	(46)	-
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 309,673</u>	<u>\$ 365,005</u>	<u>\$ 340,105</u>
ADDITIONS			
Investments (loss) income	\$ (53,125)	\$ 33,161	\$ 43,836
Contributions	12,000	6,513	10,636
Total additions, net	<u>(41,125)</u>	<u>39,674</u>	<u>54,472</u>
DEDUCTIONS			
Deductions	14,207	14,774	12,222
(DECREASE) INCREASE IN NET POSITION RESTRICTED FOR PENSIONS	<u>\$ (55,332)</u>	<u>\$ 24,900</u>	<u>\$ 42,250</u>
OPEB PLAN			
	2023	2022	2021
ASSETS			
Investments, at fair value	\$ -	\$ -	\$ -
Receivables	-	-	-
NET POSITION RESTRICTED FOR OPEB	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ADDITIONS			
Contributions	\$ 1,001	\$ 943	\$ 881
Total additions	<u>1,001</u>	<u>943</u>	<u>881</u>
DEDUCTIONS			
Deductions	1,001	943	881
INCREASE IN NET POSITION RESTRICTED FOR OPEB	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Cash Balance Plan – During the year ended June 30, 2023, the Cash Balance Plan's fiduciary net position decreased by 15%. The Cash Balance Plan's policies allow investments consisting of fixed income and equity marketable securities, alternatives, and cash. During the year ended June 30, 2022, the Cash Balance Plan's fiduciary net position increased by 7%. The Cash Balance Plan's policies allow investments consisting of fixed income and equity marketable securities, alternatives, and cash.

**El Camino Healthcare District
Management's Discussion and Analysis
Years Ended June 30, 2023, 2022, and 2021**

The statement of changes in fiduciary net position reflects the employer contributions and investment return, net of investment expenses, less benefits paid.

The decrease in investment income during the year ended June 30, 2023, compared to 2022, is due to a net depreciation in fair value of investments. Benefit payments decreased from the prior year due to a decrease in the number of retirees and beneficiaries receiving benefits. The decrease in investment income during the year ended June 30, 2022, compared to 2021, is due to a decrease in the net appreciation of fair value of investments due to smaller returns in global security markets and on the Cash Balance Plan's investments during the year. Benefit payments increased from the prior year due to an increase in the number of retirees and beneficiaries receiving benefits.

Report of Independent Auditors

The Board of Directors
El Camino Healthcare District

Report on the Audit of the Financial Statements

Opinions

We have audited the consolidated financial statements of the business-type activities and the aggregate remaining fund information of El Camino Healthcare District (the "District") as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's consolidated financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of El Camino Healthcare District as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS); the California Code of Regulations, Title 2, Section 1131.2, State Controller's Minimum Audit Requirements for California Special Districts; and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter – New Accounting Standard

As discussed in Note 1 to the consolidated financial statements, the District adopted Government Accounting Standards Board ("GASB") Statement No. 96, *Subscription-Based Information Technology Arrangements*, as of July 1 2022. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 12 and the accompanying supplemental pension and post-retirement benefit information on pages 69 through 70 be presented to supplement the consolidated financial statements. Such information is the responsibility of management and, although not a part of the consolidated financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the consolidated financial statements, and other knowledge we obtained during our audit of the consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the consolidated financial statements that collectively comprise the District's consolidated financial statements. The consolidating statement of net position and consolidating statement of revenues, expenses, and changes in net position, on page XX through XX, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating statement of net position and consolidating statement of revenues, expenses, and changes in net position is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The accompanying supplemental schedule of community benefit on page 71 has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October XX, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

San Francisco, California

October XX, 2023

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Consolidated Financial Statements

El Camino Healthcare District
Consolidated Statements of Net Position
June 30, 2023 and 2022
(In Thousands)

	<u>2023</u>	<u>2022</u> (As restated)
ASSETS AND DEFERRED OUTFLOWS		
Current assets		
Cash and cash equivalents	\$ 260,818	\$ 207,923
Short-term investments	148,137	153,417
Current portion of board-designated funds	22,657	11,129
Patient accounts receivable, net of allowances for doubtful accounts of \$99,691 and \$77,016 in 2023 and 2022, respectively	217,982	209,274
Current portion of lease receivables	9,813	10,403
Prepaid expenses and other current assets	56,199	49,775
Total current assets	<u>715,606</u>	<u>641,921</u>
Non-current cash and investments		
Board-designated funds	1,285,277	1,180,885
Restricted funds	150	650
Funds held by trustee	40,256	35,272
	<u>1,325,683</u>	<u>1,216,807</u>
Capital assets		
Nondepreciable	286,002	207,618
Depreciable, net	964,438	993,712
Total capital assets	<u>1,250,440</u>	<u>1,201,330</u>
Right of use ("ROU") assets, net of amortization	15,077	29,241
Subscription assets, net of amortization	13,505	18,691
Lease receivables, net of current portion	32,099	34,876
Pledges receivable, net of current portion	2,592	2,200
Prepaid pension asset	75,105	137,149
Investments in healthcare affiliates	33,262	30,376
Beneficial interest in charitable remainder unitrusts	4,015	4,522
Total assets	<u>3,467,384</u>	<u>3,317,113</u>
Deferred outflows of resources		
Loss on defeasance of bonds payable	10,560	11,160
Deferred outflows of resources	7,638	4,226
Deferred outflows - actuarial	37,339	792
Total deferred outflows of resources	<u>55,537</u>	<u>16,178</u>
Total assets and deferred outflows of resources	<u>\$ 3,522,921</u>	<u>\$ 3,333,291</u>

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Net Position (Continued)
June 30, 2023 and 2022
(In Thousands)

	<u>2023</u>	<u>2022</u> (As restated)
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
Current liabilities		
Accounts payable and accrued expenses	\$ 50,735	\$ 51,365
Salaries, wages, and related liabilities	60,507	80,733
Other current liabilities	26,061	41,624
Estimated third-party payor settlements	11,295	14,942
Current portion of operating lease liabilities	3,248	4,502
Current portion of subscription liabilities	3,164	3,795
Current portion of bonds payable	<u>13,693</u>	<u>15,665</u>
Total current liabilities	168,703	212,626
Bonds payable, net of current portion	554,920	571,174
Operating lease liabilities, net of current portion	12,816	25,636
Subscription liabilities, net of current portion	10,926	14,090
Other long-term obligations	2,239	7,506
Workers' compensation, net of current portion	13,498	14,029
Post-retirement medical benefits	<u>24,242</u>	<u>29,783</u>
Total liabilities	<u>787,344</u>	<u>874,844</u>
Deferred inflows of resources		
Deferred inflows of resources	4,015	4,522
Deferred inflows of resources - leases	42,923	46,369
Deferred inflows of resources - actuarial	<u>16,745</u>	<u>46,610</u>
Total deferred inflows of resources	63,683	97,501
Net position		
Invested in capital assets, net of related debt	720,511	649,672
Restricted - expendable	33,278	27,438
Restricted - nonexpendable	11,343	9,161
Unrestricted	<u>1,906,762</u>	<u>1,674,675</u>
Total net position	<u>2,671,894</u>	<u>2,360,946</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 3,522,921</u>	<u>\$ 3,333,291</u>

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2023 and 2022
(In Thousands)

	2023	2022
		(As restated)
OPERATING REVENUES		
Net patient service revenue (net of provision for bad debts of \$15,361 and \$20,316 in 2023 and 2022, respectively)	\$ 1,378,050	\$ 1,309,152
Other revenue	51,212	37,031
Total operating revenues	1,429,262	1,346,183
OPERATING EXPENSES		
Salaries, wages, and benefits	731,536	654,619
Professional fees and purchased services	190,962	173,568
Supplies	198,163	183,665
Depreciation and amortization	87,104	83,873
Rent and utilities	24,478	20,733
Other	22,117	20,915
Total operating expenses	1,254,360	1,137,373
Income from operations	174,902	208,810
NONOPERATING REVENUES (EXPENSES)		
Investment income (losses), net	112,229	(172,004)
Property tax revenue		
Designated to support community benefit programs and operating expenses	11,129	10,221
Designated to support capital expenditures	13,045	11,528
Levied for debt service	12,574	12,304
Bond interest expense, net	(22,797)	(19,831)
Intergovernmental transfer expense	(2,178)	(2,613)
Restricted gifts, grants and bequests, and other, net of contributions to related parties	8,750	7,345
Unrealized gain on interest rate swap	1,328	3,049
Community benefit expense	(11,293)	(11,143)
Provider Relief Fund revenue	11,301	15,629
Other, net	1,958	(4,794)
Total nonoperating revenues (expenses)	136,046	(150,309)
Increase in net position	310,948	58,501
TOTAL NET POSITION, beginning of year	2,360,946	2,302,445
TOTAL NET POSITION, end of year	\$ 2,671,894	\$ 2,360,946

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Cash Flows
Years Ended June 30, 2023 and 2022
(In Thousands)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		(As restated)
Cash received from and on behalf of patients	\$ 1,363,517	\$ 1,202,871
Other cash receipts	39,636	37,031
Provider relief funds	-	26,930
Cash payments to employees	(768,500)	(654,369)
Cash payments to suppliers	(484,179)	(464,322)
Net cash provided by operating activities	150,474	148,141
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	24,174	21,749
Restricted contributions and investment income	8,750	7,345
Net cash provided by noncapital financing activities	32,924	29,094
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of property, plant, and equipment	(112,953)	(112,569)
Payments on lease liabilities	(2,924)	(7,128)
Payments on subscription liabilities	(4,471)	(3,281)
Proceeds from lease receivables	12,295	12,884
Interest paid on General Obligation bonds payable	(5,171)	(2,943)
Repayments of bonds payable	(15,665)	(14,480)
Tax revenue related to General Obligation bonds payable	12,574	12,304
Net cash used in capital and related financing activities	(116,315)	(115,213)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(1,540,874)	(1,859,468)
Sales of investments	1,430,734	2,024,934
Investment income (losses), net	112,229	(172,004)
Community benefit and other investing activities	(11,293)	(11,143)
Change in funds held by trustee, net	(4,984)	1,667
Net cash used in investing activities	(14,188)	(16,014)
Net increase in cash and cash equivalents	52,895	46,008
CASH AND CASH EQUIVALENTS at beginning of year	207,923	161,915
CASH AND CASH EQUIVALENTS at end of year	\$ 260,818	\$ 207,923

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Cash Flows (Continued)
Years Ended June 30, 2023 and 2022
(In Thousands)

	2023	2022
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		(As restated)
Income from operations	\$ 174,902	\$ 208,810
Adjustments to reconcile income from operations to net cash net cash from operating activities		
Loss on disposal of property, plant and equipment	118	2,271
Amortization of bond premium and bond issuance costs	(2,561)	(3,070)
Depreciation and amortization	87,104	83,873
Provision for bad debts	15,361	20,316
Changes in assets and liabilities		
Patient accounts receivable, net	(24,069)	(60,301)
Prepaid expenses and other current assets	49,530	(34,819)
Medicare accelerated payments	-	(65,635)
Current liabilities	(58,143)	4,825
Other long-term obligations	(8,117)	(2,015)
Deferred inflows/outflows of resources - actuarial	(66,412)	5,484
Deferred inflows - leases	(12,374)	(9,665)
Subscriptions liabilities/assets	676	(1,059)
Post-retirement medical benefits	(5,541)	(874)
Net cash provided by operating activities	<u>\$ 150,474</u>	<u>\$ 148,141</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES		
Noncash purchase of property, plant, and equipment	<u>\$ 14,553</u>	<u>\$ -</u>
Change in fair value of beneficial interest in charitable remainder unitrusts, and deferred inflow of resources, net	<u>\$ (507)</u>	<u>\$ -</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING ACTIVITIES		
Noncash (disposition) acquisition of ROU assets	<u>\$ (11,150)</u>	<u>\$ 4,543</u>
Acquisition of lease receivables	<u>\$ 8,928</u>	<u>\$ 4,854</u>
Noncash acquisition of subscription assets	<u>\$ -</u>	<u>\$ 13,126</u>

See accompanying notes.

El Camino Healthcare District
Statements of Fiduciary Net Position
June 30, 2023 and 2022
(In Thousands)

	CASH BALANCE PLAN		OPEB PLAN		TOTAL	
	2023	2022	2023	2022	2023	2022
ASSETS						
Investments						
Mutual funds	\$ 192,389	\$ 240,563	\$ -	\$ -	\$ 192,389	\$ 240,563
Limited liability companies	55,363	59,573	-	-	55,363	59,573
Common stock	30,500	30,285	-	-	30,500	30,285
Partnerships	9,642	11,490	-	-	9,642	11,490
Pooled, common and collective trusts	10,575	11,686	-	-	10,575	11,686
Corporate bonds	122	3,265	-	-	122	3,265
U.S. government securities	1,747	815	-	-	1,747	815
Cash and cash equivalents	5,006	5,742	-	-	5,006	5,742
Total investments, at fair value	305,344	363,419	-	-	305,344	363,419
Receivables						
Employer contributions	3,500	1,500	-	-	3,500	1,500
Interest and dividends	80	65	-	-	80	65
Total receivables	3,580	1,565	-	-	3,580	1,565
Noninterest-bearing cash	749	67	-	-	749	67
Net pending trades	-	(46)	-	-	-	(46)
NET POSITION RESTRICTED FOR PENSIONS	\$ 309,673	\$ 365,005	\$ -	\$ -	\$ 309,673	\$ 365,005

See accompanying notes.

El Camino Healthcare District
Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2023 and 2022
(In Thousands)

	CASH BALANCE PLAN		OPEB PLAN		TOTAL	
	2023	2022	2023	2022	2023	2022
ADDITIONS						
Investments income						
Net (depreciation) appreciation in fair value of investments	\$ (57,817)	\$ 29,452	\$ -	\$ -	\$ (57,817)	\$ 29,452
Dividends	4,538	3,525	-	-	4,538	3,525
Interest	154	184	-	-	154	184
Total investment (loss) income	(53,125)	33,161	-	-	(53,125)	33,161
Contributions						
Employer contributions	12,000	6,500	1,001	943	13,001	7,443
Pending investment settlements	-	13	-	-	-	13
Total contributions	12,000	6,513	1,001	943	13,001	7,456
Total additions, net	(41,125)	39,674	1,001	943	(40,124)	40,617
DEDUCTIONS						
Benefits paid to participants	14,207	14,774	1,001	943	15,208	15,717
Administrative expenses	-	-	-	-	-	-
Total deductions	14,207	14,774	1,001	943	15,208	15,717
(DECREASE) INCREASE IN NET POSITION	(55,332)	24,900	-	-	(55,332)	24,900
NET POSITION RESTRICTED FOR PENSIONS						
Beginning of year	365,005	340,105	-	-	365,005	340,105
End of year	\$ 309,673	\$ 365,005	\$ -	\$ -	\$ 309,673	\$ 365,005

See accompanying notes.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Note 1 – Organization and Summary of Significant Accounting Policies

Organization – The El Camino Healthcare District (the “District”) includes the following component units, which are included as blended component units of the District’s consolidated financial statements: El Camino Hospital (the “Hospital”), El Camino Hospital Foundation (the “Foundation”), CONCERN: Employee Assistance Program (“CONCERN”), and Silicon Valley Medical Network d.b.a El Camino Health Medical Network (“ECHMN”).

The District is organized as a political subdivision of the State of California and was created for the purpose of operating an acute care hospital and providing management services to certain related corporations. The District is the sole member of the Hospital, and the Hospital is the sole corporate member of the Foundation and CONCERN. As sole member, the District (with respect to the Hospital) and the Hospital (with respect to the Foundation and CONCERN) have certain powers, such as the appointment and removal of the boards of directors and approval of changes to the articles of incorporation and bylaws.

ECHMN was organized as a California Limited Liability Corporation (“LLC”) that was formed in 2008. Starting in fiscal year 2019 and continuing into the current fiscal year, ECHMN has expanded to 14 clinic and urgent care sites.

All significant inter-entity accounts and transactions have been eliminated in the consolidated financial statements.

The District utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis and consolidated financial statements are prepared using the economic resources measurement focus.

The District has fiduciary responsibility for the El Camino Hospital Cash Balance Plan and El Camino Hospital Postretirement Health and Life Insurance Benefit Plan. See Notes 7 and 8.

El Camino Hospital Cash Balance Plan (the Plan) – The Plan was originally adopted as a defined benefit plan and was amended and restated in its entirety to a cash-balance formula effective January 1, 1995. Effective January 1, 2014, the Plan was restated and amended. The Plan is administered by the sponsor, El Camino Hospital (the “Hospital”), and Plan assets are held by the custodian of the Plan, Wells Fargo Bank, N.A. (“Wells Fargo”). The Plan is a noncontributory defined benefit plan intended to qualify under Section 401(a) of the Internal Revenue Code (“IRC”). At December 31, 2022, there were 4,859 Plan participants consisting of 3,093 active participants and 1,766 inactive or separated participants, and at December 31, 2021, there were 4,588 Plan participants consisting of 2,946 active participants and 1,642 inactive or separated participants.

El Camino Hospital Postretirement Health and Life Insurance Benefit Plan – The Hospital also provides healthcare benefits and life insurance under the El Camino Hospital Postretirement Health and Life Insurance Benefit Plan (the “OPEB Plan”), a single-employer defined benefit Postretirement Benefits Plan, for retired employees who meet eligibility requirements as outlined in the plan document, as approved by the board of directors of the Hospital.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Accounting standards – Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the District’s proprietary fund accounting and financial reporting practices are based on all applicable GASB pronouncements as well as codified pronouncements issued on or before November 30, 1989, and the California Code of Regulations, Title 2, Section 1131, State Controller’s *Minimum Audit Requirements* for California Special Districts and the State Controller’s Office prescribed reporting guidelines.

Use of estimates – The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Estimates include contractual allowances related to net patient service revenue, provision for uncollectible accounts, fair market values of investments, uninsured losses for professional liability, minimum pension liability, workers’ compensation liability, post-retirement medical benefits liability, valuation of gift annuities and beneficial interest in charitable remainder unitrusts, useful lives of capital assets, discount rate for leases, useful lives of right of use assets, deferred inflows of resources, subscription term of subscription assets, and discount rates used for subscription liabilities. Actual results could differ from those estimates.

Cash and cash equivalents – Cash and cash equivalents include deposits with financial institutions, and investments in highly liquid debt instruments with an original maturity of three months or less. In addition, in fiscal years 2023 and 2022, cash and cash equivalents include repurchase agreements, which consist of highly liquid obligations of U.S. governmental agencies. Cash and cash equivalents exclude amounts whose use is limited by board designation or by legal restriction.

Investments – Investments consist primarily of highly liquid debt instruments and other short-term interest-bearing certificates of deposit, U.S. Treasury bills, U.S. government obligations, hedge funds, hedge fund of funds, and corporate debt, excluding amounts whose use is limited by board designation or other arrangements under trust agreements.

Board-designated and restricted funds include assets set aside by the Board of Directors (the “Board”) for future capital improvements and other operational reserves, over which the Board retains control and may at its discretion use for other purposes; assets set aside for qualified capital outlay projects in compliance with state law; and assets restricted by donors or grantors.

Investment income, realized gains and losses, and unrealized gains and losses on investments are reflected as nonoperating revenue or expense.

Funds held by trustee – According to the terms of both indenture agreements (General Obligation and Revenue Bonds), these amounts are held by the bond trustee and paying agent and are maintained and managed by an investment manager or the trustee. These assets are available for the settlement of future current bond obligations and capital expenditures.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Lease receivables – The District’s lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee’s revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of each lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are amortized on an effective interest method basis over the term of each lease.

Capital assets – Capital asset acquisitions are recorded at cost. Donated property is recorded at its fair market value on the date of donation. All purchases over \$2,500 are capitalized. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the related assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Land improvements	16 years
Buildings and fixtures	25 to 47 years
Equipment	3 to 16 years

The District evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Impairment losses on capital assets are measured using the method that best reflects the diminished service utility of the capital asset.

Except for capital assets acquired through gifts, contributions, or capital grants, interest cost on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Right of use assets – The District has recorded right to use lease assets as a result of implementing Governmental Accounting Standards Board (“GASB”) No. 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

Subscription assets – The District has recorded subscription assets as a result of implementing GASB No. 96. The subscription assets are initially measured at an amount equal to the initial measurement of the related subscription liability plus any contract payments made to the SBITA vendor at the commencement of the subscription term, capitalizable initial implementation cost, less any incentive payments received from the SBITA vendor at the commencement of the subscription term. The subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying assets.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Prepaid expenses and other current assets – Prepaid expenses and other current assets consist primarily of premiums paid in advance, inventories, dues, and other receivables related to new capitation and hospitalist contracts associated with ECHMN. Prepaid expenses and other current assets consisted of the following at June 30:

	2023	2022
Inventory	\$ 21,215	\$ 19,546
Prepaid expense and other deposits	23,822	16,931
Other receivables	11,162	13,298
	<u>\$ 56,199</u>	<u>\$ 49,775</u>

Investments in healthcare affiliates – The Hospital holds an interest in Pathways Home Health & Hospice (“Pathways”), and five Satellite Dialysis Centers, which are reported using the equity method of accounting.

Affiliate	Percent interest
Pathways	50%
Satellite Dialysis	30%

Deferred outflows and inflows – The District records deferred outflows or inflows of resources in its consolidated financial statements for consumption or acquisition of its consolidated net position that is applicable to a future reporting period. These financial statement elements are distinct from assets and liabilities.

	2023	2022
Deferred outflows of resources as of June 30:		
Loss on defeasance of bonds payable	\$ 10,560	\$ 11,160
Deferred outflows of resources - employee benefit plan contribution	7,000	3,000
Deferred outflows of resources - goodwill	638	1,226
Deferred outflows - actuarial, employee benefit plan	37,339	588
Deferred outflows - actuarial, post-retirement medical benefit	-	204
Total	<u>\$ 55,537</u>	<u>\$ 16,178</u>
Deferred inflows of resources as of June 30:		
Deferred inflows of resources - charitable remainder unitrusts	\$ 4,015	\$ 4,522
Deferred inflows of resources - leases	42,923	46,369
Deferred inflows - actuarial, employee benefit plan	14,893	46,075
Deferred inflows - actuarial, post-retirement medical benefit	1,852	535
Total	<u>\$ 63,683</u>	<u>\$ 97,501</u>

El Camino Healthcare District **Notes to Consolidated Financial Statements**

Risk management – The Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Self-insurance plans – The Hospital maintains professional liability insurance on a claims-made basis, with liability limits of \$40,000,000 in aggregate, which is subject to a \$500,000 deductible. Additionally, the Hospital is self-insured for workers' compensation benefits. The Hospital purchases a Workers' Compensation Excess Policy that insures claims greater than \$1,000,000 with a limit of statutory and a \$1,000,000 deductible. Actuarial estimates of uninsured losses for professional liability and workers' compensation have been accrued as other current liabilities and workers' compensation, net of current portion, respectively, in the accompanying consolidated financial statements.

The following is a summary of changes in workers' compensation liabilities for the years ended June 30 (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2023	\$ 16,329	\$ 4,011	\$ 4,542	\$ 15,798	\$ 2,300
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2022	\$ 19,302	\$ -	\$ 2,973	\$ 16,329	\$ 2,300

Compensated absences – Vested or accumulated vacation and sick leave are recorded as an expense and liability of the Hospital as the benefits accrue to employees. For most employees, the maximum accumulated vacation is 400 hours. Sick leave is accumulated indefinitely at a maximum of 40 hours for a full-time employee per year, and is not vested with the employee upon termination. The following is a summary of changes in compensated absences transactions for the years ended June 30, (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2023	\$ 34,449	\$ 64,573	\$ 62,918	\$ 36,104	\$ 36,104
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2022	\$ 33,197	\$ 58,222	\$ 56,970	\$ 34,449	\$ 34,449

El Camino Healthcare District **Notes to Consolidated Financial Statements**

Lease liabilities – The District recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceeding \$12,000 that meet the definition of an other than short-term lease. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

The following is a summary of changes in lease liabilities, net for the years ended June 30 (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2023	\$ 30,138	\$ -	\$ 14,074	\$ 16,064	\$ 3,248
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2022	\$ 31,398	\$ 3,803	\$ 5,063	\$ 30,138	\$ 4,502

Subscription liabilities – The District entered into various agreements for IT subscriptions. These agreements range in terms up to year 2028. Total lease payments were \$4.5 million and \$3.3 million for fiscal years 2023 and 2022, respectively. Variable payments based upon the use of the underlying IT asset are not included in the subscription liability because they are not fixed in substance — therefore, these payments are not included in subscription assets or subscription liabilities. There were no variable lease expenses or payments in the fiscal years ended June 30, 2023 and 2022. The District did not enter into any additional subscription agreements that have yet to commence as of June 30, 2023.

The District recognizes contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceeding \$1 million that meet the definition of an other than short-term lease. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred

The following is a summary of changes in subscription liabilities, net for the years ended June 30 (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2023	\$ 17,885	\$ -	\$ 3,795	\$ 14,090	\$ 3,164
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2022	\$ 9,097	\$ 11,993	\$ 3,205	\$ 17,885	\$ 3,795

El Camino Healthcare District

Notes to Consolidated Financial Statements

Medicare accelerated payments and CARES Act grant – On March 11, 2020, the World Health Organization officially declared COVID-19, the disease caused by the novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect operations and the general population. Management has not yet determined the full financial impact of these events. Centers for Medicare & Medicaid Services (“CMS”) distributed \$50 billion of the \$100 billion in the form of grants to hospitals. For the year ended June 30, 2022, the Hospital received approximately \$26.9 million of provider relief funds. The Hospital did not receive additional funds in the fiscal year ended June 30, 2023. The Hospital recognized \$11.3 million and \$15.6 million included as “Provider Relief Fund revenue” (nonoperating revenue) in the consolidated statement of revenues, expenses, and changes in net position, for the year ended June 30, 2023 and 2022, respectively. The Hospital will have to submit reports documenting lost revenue and expenses incurred to support the grant funds, among other terms and conditions.

Interest rate swap agreements – During the fiscal year ended June 30, 2007, the Hospital entered into derivative instruments in the form of three swap agreements to hedge variable interest rate exposure. During the fiscal year ended June 30, 2008, the underlying variable rate debt was refunded for fixed rate debt, leaving the Hospital with speculative derivative instruments that largely offset the variable rate debt issued in 2009. Two of these swaps were terminated in the fiscal year ended June 30, 2010. Refer to Note 10 for a full description of the interest rate swap agreements.

Net position – Net position of the District is classified as invested in capital assets, restricted-expendable, restricted-nonexpendable, and unrestricted net position.

Invested in capital assets, net of related debt – Invested in capital assets of \$720,511,000 and \$649,672,000 at June 30, 2023 and 2022, respectively, represent investments in all capital assets (building and building improvements, furniture and fixtures, and information and technology equipment), net of depreciation and amortization less any debt issued to finance those capital assets.

Restricted-expendable – The restricted-expendable net position is restricted through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation and includes assets in self-insurance trust funds, revenue bond reserve fund assets, and net position restricted to use by donors.

Restricted-nonexpendable – The restricted-nonexpendable net position is equal to the principal portion of permanent endowments.

Unrestricted net position – Unrestricted net position consists of net position that does not meet the definition of invested in capital assets, net of related debt, or restricted.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Statements of revenues, expenses, and changes in net position – For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provisions of healthcare services are reported as revenues and expenses. Peripheral or incidental transactions are reported as gains and losses. These peripheral activities include investment income, property tax revenue, gifts, grants and bequests, change in net unrealized gains and losses on short-term investments, unrealized losses or gains on interest rate swap, and nonexchange contributions received from the Foundation's fundraising activities and are reported as nonoperating. Investments in Pathways Home Health & Hospice and Satellite Dialysis of Mountain View, LLC, are accounted for under the equity method. The Hospital's share of the operating income of these entities is included as other, net in the consolidated financial statements.

Net patient service revenue and patient accounts receivable – Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered, and adjusted in future periods as final settlements are determined. The distribution of net patient accounts receivable by payor is as follows:

	June 30,	
	2023	2022
Medicare	11%	12%
Medi-Cal	3%	2%
Commercial and other	85%	85%
Self pay	1%	1%
	100%	100%

Provision for uncollectible accounts – The Hospital provides care to patients without requiring collateral or other security. Patient charges not covered by a third-party payor are billed directly to the patient if it is determined that the patient has the ability to pay. A provision for uncollectible accounts is recognized based on management's estimate of amounts that ultimately may be uncollectible.

Charity care – The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The amount of estimated costs for services and supplies furnished under the Hospital's charity care policy aggregated approximately \$4,244,000 and \$4,106,000 for the years ended June 30, 2023 and 2022, respectively.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Property tax revenue – The District received approximately 12% in 2023 and 58% in 2022 of its total increase in net position from property taxes. These funds were designated as follows (in thousands):

	2023	2022
Designated to support community benefit programs and operating expenses	\$ 11,129	\$ 10,221
Designated to support capital expenditures	\$ 13,045	\$ 11,528
Levied for debt service	\$ 12,574	\$ 12,304

Property taxes are levied by the County of Santa Clara on the District's behalf on January 1 and are intended to finance the District's activities of the same calendar year. Amounts levied are based on assessed property values as of the preceding July 1. Property taxes are considered delinquent on the day following each payment due date. Property taxes are recorded as nonoperating revenue by the District when they are earned.

Grants and contributions – From time to time, the District receives grants as well as contributions from individuals and private organizations. Revenues from grants and contributions are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues.

Income taxes – The District operates under the purview of the Internal Revenue Code (the "Code"), Section 115, and corresponding California Revenue and Taxation Code provisions. As such, it is not subject to state or federal taxes on income. CONCERN has also been granted tax-exempt status. However, income from the unrelated business activities of the Hospital and the Foundation is subject to income taxes. ECHMN is a limited liability company and is treated as a pass-through entity for federal income tax purposes. Accordingly, no recognition has been given to federal income taxes in the accompanying consolidated financial statements.

New accounting pronouncements – The GASB issued GASB Statement No. 96, *Subscription Based IT Arrangements* ("GASB No. 96"). The statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The District adopted GASB No. 96 as of July 1, 2022, applied retrospectively. The District calculated and recognized subscription assets, net, of \$18.7 million and subscription liabilities of \$17.9 million as of July 1, 2022. The impact to beginning net position was not significant. See Notes 14 and Note 15.

El Camino Healthcare District

Notes to Consolidated Financial Statements

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. This Statement enhances accounting and financial reporting requirements for accounting changes and error corrections. It defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity. This statement requires that (1) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (2) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (3) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The statement is effective for fiscal years beginning after June 15, 2023. The District is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The Statement updates the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used, and (2) leave that has been used but not yet paid, provided the services have occurred, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or noncash means. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. The statement amends the existing requirements to disclose only the net change in the liability instead of the gross additions and deductions to the liability. This statement is effective for fiscal years beginning after December 15, 2023. The District is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

Reclassifications – Certain reclassifications of prior years' balances have been made to conform with the current year presentations. Such reclassifications did not affect the total increase in net position or total current or long-term assets or liabilities.

Note 2 – Operating Revenues

The Hospital and ECHMN have agreements with third-party payors that provide for payments to the Hospital and ECHMN at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, fee schedules, prepaid payments per member, and per diem payments or a combination of these methods. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated settlements under reimbursement agreements with third-party payors.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system based on clinical, diagnostic, and other factors. Inpatient services are paid at prospectively determined rates per discharge. Payments for outpatient services are based on a stipulated amount per procedure. The Hospital is reimbursed for cost reimbursable items at a tentative rate, with final settlements determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The effect of updating prior-year estimates for Medicare and other liabilities was to increase to 2023 income from operations by \$4,830,000, compared to 2022 which was a decrease to income from operations by \$5,305,000. The Hospital's cost reports have been audited by the Medicare fiscal intermediary through June 30, 2018.

Non-Designated Public Hospitals ("NDPHs"), including the Hospital, were authorized, in 2011's Assembly Bill ("AB") 113, to use intergovernmental transfers ("IGTs") to obtain federal supplemental funds for Medi-Cal inpatient fee-for-service. The IGTs are used to bring NDPHs, in the aggregate, up to their upper payment limit ("UPL"). The UPL is the federal maximum available under the Medicaid program, as calculated based on the actual costs of providing care. For the years ended June 30, 2023 and 2022, the Hospital recognized amounts under the IGT program of \$7,025,000 and \$8,283,000, respectively, which have been reported as net patient service revenue.

Medi-Cal and contracted rate payors are paid on a percentage of charges, per diem, per discharge, fee schedule, or a combination of these methods.

Laws and regulations governing the Medicare and Medi-Cal programs are complex and are subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change in the near term.

Other revenues for the years ended June 30, consisted of the following:

	2023	2022
Rental income	\$ 13,786	\$ 13,794
Prime IGT	4,719	1,441
ECHMN other revenue	1,758	1,074
CONCERN & ECHMN capitated revenue	17,229	11,464
Other operating revenue	13,720	9,258
	<u>\$ 51,212</u>	<u>\$ 37,031</u>

Note 3 – Cash Deposits

At June 30, 2023 and 2022, District cash deposits had carrying amounts of \$260,818,000 and \$207,923,000, respectively, and bank balances of \$265,830,000 and \$241,055,000, respectively. All of these funds were held in cash deposits, which are collateralized with the California Government Code ("CGC"), except for \$250,000 per account that is federally insured by the Federal Deposit Insurance Corporation ("FDIC").

El Camino Healthcare District

Notes to Consolidated Financial Statements

The District participated in a cash management program provided by its primary depository institution that allows cash in District concentration accounts to be swept daily and invested overnight in reverse agreements that are not exposed to custodial credit risk because the underlying securities are held by the buyer-lender.

Note 4 – Board-Designated Funds, Funds Held By Trustee, Restricted Funds, and Investments

Board-designated funds, funds held by trustee, restricted funds, and short-term investments, collectively, as of June 30, 2023 and 2022, comprised the following (in thousands):

	2023	2022
Included in the following consolidated statements of net position captions:		
Short-term investments	\$ 148,137	\$ 153,417
Current portion of board designated and funds held by trustee	22,657	11,129
Board designated, funds held by trustee, and restricted funds, less current portion	<u>1,325,683</u>	<u>1,216,807</u>
Total carrying amount of deposits and investments	<u>\$ 1,496,477</u>	<u>\$ 1,381,353</u>

At June 30, 2023, investment balances and average maturities were as follows:

Investment Type	Fair Value (in thousands)	Investment Maturities (in years)			
		Less than 1	1 to 5	6 to 10	More than 10
Short-term money market	\$ 97,563	\$ 97,563	\$ -	\$ -	\$ -
Government and agencies	304,649	25,957	101,184	17,803	159,705
Corporate bonds	201,791	17,677	100,146	36,533	47,435
Domestic fixed income	<u>16,687</u>	<u>2,949</u>	<u>5,550</u>	<u>4,596</u>	<u>3,592</u>
	620,690	<u>\$ 144,146</u>	<u>\$ 206,880</u>	<u>\$ 58,932</u>	<u>\$ 210,732</u>
Equities	88,095				
Mutual funds	470,242				
Real estate funds	50,233				
Hedge funds	<u>267,217</u>				
Total	<u>\$ 1,496,477</u>				

El Camino Healthcare District

Notes to Consolidated Financial Statements

At June 30, 2022, investment balances and average maturities were as follows:

Investment Type	Fair Value (in thousands)	Investment Maturities (in years)			
		Less than 1	1 to 5	6 to 10	More than 10
Short-term money market	\$ 79,616	\$ 79,616	\$ -	\$ -	\$ -
Government and agencies	301,655	-	153,810	17,217	130,628
Corporate bonds	206,714	17,978	107,634	38,596	42,506
Domestic fixed income	36,052	-	20,289	9,884	5,879
	624,037	<u>\$ 97,594</u>	<u>\$ 281,733</u>	<u>\$ 65,697</u>	<u>\$ 179,013</u>
Equities	75,612				
Mutual funds	375,620				
Real estate funds	51,341				
Hedge funds	254,743				
Total	<u>\$ 1,381,353</u>				

Interest rate risk – Through its investment policies, the District manages its exposure to fair value losses arising from increasing interest rates by limiting duration of fixed-income securities in its portfolio to no more than 30% of the designated benchmark.

Credit risk – District investment policies require fixed income investments to have a minimum of 85% of a money manager's assets in investment grade assets. The investment policy requires investment managers maintain an average of A- or higher ratings as issued by a nationally recognized rating organization. Additionally, the investment policy requires no more than 5% of a money manager's portfolio at the time of purchase shall be invested in the securities of any one issuer, with the exception of a United States government agency, agency MBS, or other Sovereign issues rated AAA or Aaa.

Foreign currency risk – The District's investment policy permits it to invest up to 30% of total investments in foreign currency denominated investments.

Alternative investments risk – The District's alternative investments include ownership interest in a wide variety of partnership and fund structures that may be domestic or offshore. Generally, there is little or no regulation of these investments by the Securities and Exchange Commission or U.S. state attorneys general. These investments employ a wide variety of strategies including absolute return, hedge, venture capital, private equity, and other strategies. Investments in this category may employ leverage to enhance the investment return. The District's holdings can include financial assets such as marketable securities, nonmarketable securities, derivatives, and synthetic and structured instruments; real assets; tangible and intangible assets; and other funds and partnerships. Generally, these investments do not have a ready market. Interest in these investments may not be traded without approval of the general partner or fund management.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Alternative investments are subject to all of the risks described previously relating to equities and fixed-income instruments. In addition, alternative strategies and their underlying assets and rights are subject to a broad array of economic and market vagaries that can limit or erode value. The underlying assets may not be held by a custodian either because they cannot be, or because the entity has chosen not to hold them in this form. Valuations determined by the investment manager, who has a conflict of interest in that he or she is compensated for performance, are considered and reviewed by the District's Investment Committee and the Board of Directors. Real assets may be subject to physical damage from a variety of means, loss from natural causes, theft of assets, lawsuits involving rights, and other loss and damage including mortgage foreclosure risk. These risks may not be insured or insurable. Tangible assets are subject to loss from theft and other criminal actions and from natural causes. Intangible assets are subject to legal challenge and other possible impairment.

The carrying amount of deposits and investments are included in the District's consolidated statements of net position as follows (in thousands):

	Amortized Cost	Gross Unrealized		Carrying Value
		Gains	Losses	
2023				
Cash and cash equivalents	\$ 97,561	\$ 3	\$ (3)	\$ 97,561
Mutual funds	347,840	133,117	(10,715)	470,242
Real estate funds	37,201	14,039	(1,007)	50,233
Hedge funds	217,564	51,595	(1,942)	267,217
Equities	74,349	17,679	(3,933)	88,095
Fixed income securities	555,971	1,098	(33,940)	523,129
	<u>\$ 1,330,486</u>	<u>\$ 217,531</u>	<u>\$ (51,540)</u>	<u>\$ 1,496,477</u>
2022				
Cash and cash equivalents	\$ 86,014	\$ 21	\$ (85)	\$ 85,950
Mutual funds	317,868	82,791	(25,039)	375,620
Real estate funds	36,512	16,371	(1,542)	51,341
Hedge funds	218,168	45,618	(9,043)	254,743
Equities	64,460	14,725	(3,573)	75,612
Fixed income securities	570,263	866	(33,042)	538,087
	<u>\$ 1,293,285</u>	<u>\$ 160,392</u>	<u>\$ (72,324)</u>	<u>\$ 1,381,353</u>

Note 5 – Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is also established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the consolidated statements of net position at June 30, 2023 and 2022, as well as the general classification of such instruments pursuant to the valuation hierarchy:

Mutual funds: Shares of mutual funds are valued at the net asset value (“NAV”) of shares held by the District and are valued at the closing price reported on the active market on which the individual securities are traded.

Common stock: Common stock is valued at the closing price reported on the active market on which the individual securities are traded.

Asset-backed securities: Asset-backed securities are valued via model using various inputs such as but not limited to daily cash flow, U.S. Treasury market, floating rate indices such as LIBOR and Prime as a benchmark yield, spread over index, periodic and life caps, next coupon adjustment date, and convertibility of the bond.

Corporate bonds, foreign bonds, and municipal bonds: Valued using pricing models maximizing the use of observable inputs for similar securities which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

U.S. government securities: Fixed income funds are valued at the NAV of shares held by the District and are valued at the closing price reported on the active market on which the individual securities are traded.

Pooled, common & collective trusts: Investments are valued using the NAV of the fund. The NAV of a pooled or collective investment fund is calculated based on a compilation of primarily observable market information. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and redemption activity in the fund.

Hedge funds: The fair value of the investments is recorded at the investment manager’s net asset values, as determined by the fund administrator and subsequently audited by an external third party. The administrator has the appropriate expertise to determine the NAV. The District assesses the NAV and takes into consideration events such as suspended redemptions, restructuring, secondary sales, and investor defaults to determine if an adjustment is necessary. Additionally, asset holdings are reviewed within investment managers’ audited financial statements.

Limited Liability Company and Limited Partnership Interests: The valuation of partnership interests may require significant management judgement. The District’s ownership is based upon their percentage of limited partnership interests divided by the total commitment of the fund. Specifically, inputs used to determine fair value include financial statements provided by the investment partnerships, which typically include fair market value capital account balances.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Interest rate swap: The fair value is estimated by a third party using inputs that are observable or that can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy.

Beneficial interest in charitable remainder unitrusts: The beneficial interest in charitable remainder unitrusts is measured at fair value, which is estimated as the present value of the expected future cash flows from trusts.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following table presents the fair value measurements of financial instruments for the consolidated District financials, recognized in the accompanying consolidated statements of net position measured at fair value on a recurring basis and the level within the GASB No. 72 fair value hierarchy in which the fair value measurements fall at June 30 (in thousands):

Description	Level 1	Level 2	Level 3	2023
Investments by fair value level				
Asset backed securities				
Asset backed obligations	\$ -	\$ 32,751	\$ -	\$ 32,751
Mortgage backed obligations	-	37,535	-	37,535
U.S. Government Mortgage Pool	-	92,358	-	92,358
Common stock				
ADR & U.S. foreign stock	-	-	9,996	9,996
Consumer discretionary	12,867	-	-	12,867
Energy	14,553	-	-	14,553
Financial services industry	13,865	-	-	13,865
Healthcare industry	13,171	-	-	13,171
Industrials	4,259	-	-	4,259
Information Technology	12,875	-	-	12,875
Materials	4,431	-	-	4,431
Other	2,078	-	-	2,078
Corporate, municipal and foreign bonds				
Corporate bonds	-	168,661	-	168,661
Foreign corporate bonds	-	14,582	-	14,582
Private placements	33,673	-	-	33,673
Municipal taxable	-	4,150	-	4,150
Municipal - tax-exempt	92	-	-	92
Preferred stocks	1,406	-	-	1,406
Mutual funds				
Mutual funds - equity	452,290	-	-	452,290
Mutual funds - taxable	-	18,109	-	18,109
U.S. Government securities				
Government agencies	3,981	-	-	3,981
U.S. treasury notes and bonds	133,782	-	-	133,782
Limited partnership interests	-	-	46,409	46,409
Total investments by fair value level	<u>\$ 703,323</u>	<u>\$ 368,146</u>	<u>\$ 56,405</u>	<u>1,127,874</u>
Cash equivalents				<u>98,053</u>
Investments measured at NAV				
Pooled, common & collective trusts				37,407
Equity hedge funds				71,708
Credit hedge funds				36,197
Macro hedge funds				27,151
Relative value hedge funds				96,337
Fixed income limited partnership				<u>1,750</u>
Total investments measured at NAV				<u>270,550</u>
Total investments				<u>\$ 1,496,477</u>
Beneficial interest in charitable remainder unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,015</u>	<u>\$ 4,015</u>
Interest rate swap	<u>\$ -</u>	<u>\$ (2,239)</u>	<u>\$ -</u>	<u>\$ (2,239)</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Description	Level 1	Level 2	Level 3	2022
Investments by fair value level				
Asset backed securities				
Corporate backed obligations	\$ -	\$ 29,079	\$ -	\$ 29,079
Mortgage backed obligations	-	31,891	-	31,891
U.S. Government Mortgage Pool	-	69,721	-	69,721
Common stock				
ADR & U.S. foreign stock	-	6,412	-	6,412
Consumer discretionary	12,381	-	-	12,381
Consumer staples	2,235	-	-	2,235
Energy	10,127	-	-	10,127
Financial services industry	13,855	-	-	13,855
Healthcare industry	7,974	-	-	7,974
Industrials	6,548	-	-	6,548
Information Technology	7,635	-	-	7,635
Materials	5,239	-	-	5,239
Other	3,013	-	-	3,013
Corporate, municipal and foreign bonds				
Corporate bonds	-	179,806	-	179,806
Foreign corporate bonds	-	5,959	-	5,959
Private placements	36,052	-	-	36,052
Municipal taxable	-	4,301	-	4,301
Municipal - tax-exempt	192	-	-	192
Preferred stocks	1,324	-	-	1,324
Mutual funds				
Mutual funds - equity	375,619	-	-	375,619
Mutual funds - taxable	-	17,978	-	17,978
U.S. Government securities				
Government agencies	4,738	-	-	4,738
U.S. treasury notes and bonds	158,813	-	-	158,813
Limited partnership interests	-	-	46,067	46,067
Total investments by fair value level	<u>\$ 645,745</u>	<u>\$ 345,147</u>	<u>\$ 46,067</u>	<u>1,036,959</u>
Cash equivalents				<u>84,500</u>
Investments measured at NAV				
Pooled, common & collective trusts				34,918
Equity hedge funds				67,583
Credit hedge funds				34,966
Macro hedge funds				27,487
Relative value hedge funds				92,580
Fixed income limited partnership				<u>2,360</u>
Total investments measured at NAV				<u>259,894</u>
Total investments				<u>\$ 1,381,353</u>
Beneficial interest in charitable remainder unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,522</u>	<u>\$ 4,522</u>
Interest rate swap	<u>\$ -</u>	<u>\$ (3,872)</u>	<u>\$ -</u>	<u>\$ (3,872)</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following table provides the fair value and redemption terms and restrictions for investments redeemable NAV at June 30 (in thousands):

	2023 Fair Value	2022 Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Pooled, common & collective trusts	\$ 37,407	\$ 34,918	\$ -	Monthly	30 days
Equity hedge funds	71,708	67,583	-	Quarterly	90 days
Credit hedge funds	36,197	34,966	-	Monthly, Quarterly	15 - 60 days
Macro hedge funds	27,151	27,487	-	Monthly, Quarterly	5 - 90 days
Relative value hedge funds	96,337	92,580	-	Quarterly, Annually	45 days
Fixed income limited partnership	1,750	2,360	-	Monthly	1 day
Total investments measured at NAV	<u>\$ 270,550</u>	<u>\$ 259,894</u>	<u>\$ -</u>		
Limited partnership interests	<u>\$ 46,409</u>	<u>\$ 46,067</u>	<u>\$ 19,021</u>	n/a	n/a

Pooled, common & collective trusts – includes investments that invest in domestic equity. Investments are valued using the NAV per share of the fund. The NAV per share is based on the value of the underlying assets owned by the fund, minus its liabilities, divided by the number of shares outstanding.

Equity hedge funds – includes investments that employ both long and short strategies primarily in common stocks. Equity hedge strategies typically have a directional bias (long or short) and trade in equities and equity related derivatives. The fair values of the investments in this type have been determined using the NAV per share of the investments. Investments representing approximately 20% of the value of the investments in this type include restrictions such as certain classes with side pocket investments which may only be redeemed upon realization of the underlying investments.

Credit hedge funds – includes investments that are comprised of distressed securities, credit long/short, emerging market debt and credit event driven. Credit hedge strategies typically have a directional bias and involve the purchase of various types of debt, equity, trade claims and fixed income securities. The fair values of the investments in this type have been determined using the NAV per share of the investments. All of the investments in this type include restrictions that do not allow for redemptions in the first year after acquisition and other imposed gates.

Macro hedge funds – includes investments that invests in global macro, managed futures, commodities and currencies. Macro hedge strategies typically have a directional bias and involve the purchase of a variety of securities and/or derivatives related to major markets. Managed future strategies trade similar instruments but are typically implemented by computerized system. The fair values of the investments in this type have been determined using the NAV per share of the investments. Investments representing approximately 36% of the value of the investments in this type include restrictions such as certain classes with side pocket investments which may only be redeemed upon realization of the underlying investments.

Relative value hedge funds – includes investments that typically does not display a distinct directional bias. Relative value encompasses a range of strategies covering different asset classes. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. Less than 1% of the value of the investments may include lock up, imposed gates, and other restrictions that preclude them from redeeming their share or ownership interest for an uncertain or extended period of time from the measurement date.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Fixed-income limited partnership – includes investments in a limited partnership fund of funds that invest primarily in investment grade non-U.S. dollar denominated fixed income securities. The fund may enter into swap agreements, forward settlement agreements, futures, contracts, and options on future contracts as well as purchase and sell covered put and call options. Investments are valued using the NAV per share of the fund. There is a provision in the limited partnership agreement that allows the general partner to limit redemption under certain circumstances.

Limited partnership interests – investments in closed-end, commitment based private equity real estate partnerships. The valuation of partnership interests in these funds may require significant management judgement. The District's ownership is based upon their percentage of limited partnership interests divided by the total commitment of the fund. Inputs used to determine fair value include financial statements provided by the investment partnerships, which typically include fair market value capital account balances. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund.

The following table presents the fair value measurements of financial instruments recognized in the accompanying fiduciary statements of net position measured at fair value on a recurring basis and the level within the GASB No. 72 fair value hierarchy in which the fair value measurements fall at June 30 (in thousands):

	2023			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 5,005	\$ -	\$ -	\$ 5,005
Common stock	30,500	-	-	30,500
Corporate bonds	-	122	-	122
Mutual funds	192,389	-	-	192,389
U.S. government securities	1,747	-	-	1,747
Total assets in the fair value hierarchy	<u>\$ 229,641</u>	<u>\$ 122</u>	<u>\$ -</u>	229,763
Investments measured at NAV practical expedient				<u>75,581</u>
Total assets, at fair value				<u>\$ 305,344</u>

	2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 5,742	\$ -	\$ -	\$ 5,742
Common stock	30,285	-	-	30,285
Corporate bonds	-	3,265	-	3,265
Mutual funds	240,563	-	-	240,563
U.S. government securities	815	-	-	815
Total assets in the fair value hierarchy	<u>\$ 277,405</u>	<u>\$ 3,265</u>	<u>\$ -</u>	280,670
Investments measured at NAV practical expedient				<u>82,749</u>
Total assets, at fair value				<u>\$ 363,419</u>

The following table provides the fair value and redemption terms and restrictions for investments redeemable NAV at June 30 (in thousands), for the fiduciary funds investments:

	Fair Value June 30, 2023	Fair Value June 30, 2022	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Liability Company	\$ 55,363	\$ 59,573	\$ -	Monthly/Semi-Annual	90 days
Common Collective Trust	10,575	11,686	-	Daily	Daily
Partnerships	9,643	11,490	7,439	No redemptions	N/A
	<u>\$ 75,581</u>	<u>\$ 82,749</u>			

Note 6 – Capital Assets

Capital assets activity for the year ended June 30, 2023, was as follows (in thousands):

	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated				
Land	\$ 103,515	\$ 22,461	\$ -	\$ 125,976
Construction in progress	104,103	55,923	-	160,026
	<u>207,618</u>	<u>78,384</u>	<u>-</u>	<u>286,002</u>
Capital assets being depreciated				
Land improvement	21,635	-	2,035	19,600
Buildings	1,304,961	19,772	63,057	1,261,676
Capital equipment	451,677	29,350	197	480,830
	<u>1,778,273</u>	<u>49,122</u>	<u>65,289</u>	<u>1,762,106</u>
Less accumulated depreciation for				
Land improvement	13,334	910	2,035	12,209
Buildings	410,000	42,479	63,056	389,423
Capital equipment	361,227	34,889	80	396,036
	<u>784,561</u>	<u>78,278</u>	<u>65,171</u>	<u>797,668</u>
Total capital assets being depreciated, net	<u>993,712</u>	<u>(29,156)</u>	<u>118</u>	<u>964,438</u>
Total capital assets, net	<u>\$ 1,201,330</u>	<u>\$ 49,228</u>	<u>\$ 118</u>	<u>\$ 1,250,440</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Capital assets activity for the year ended June 30, 2022, was as follows (in thousands):

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets not being depreciated				
Land	\$ 94,725	\$ 8,790	\$ -	\$ 103,515
Construction in progress	69,501	34,602	-	104,103
	164,226	43,392	-	207,618
Capital assets being depreciated				
Land improvement	19,201	2,434	-	21,635
Buildings	1,300,481	35,580	31,100	1,304,961
Capital equipment	426,511	35,985	10,819	451,677
	1,746,193	73,999	41,919	1,778,273
Less accumulated depreciation for				
Land improvement	12,561	773	-	13,334
Buildings	398,063	40,714	28,777	410,000
Capital equipment	339,509	32,589	10,871	361,227
	750,133	74,076	39,648	784,561
Total capital assets being depreciated, net	996,060	(77)	2,271	993,712
Total capital assets, net	\$ 1,160,286	\$ 43,315	\$ 2,271	\$ 1,201,330

Construction contracts of approximately \$691,000,000 were approved for various projects, including the Women's Hospital Expansion, Demolition of the "Old Main" hospital and site work as well as replacement of the Diagnostic Imaging equipment at the Mountain Views campus. At June 30, 2023, the remaining commitment on these contracts is approximated \$95,000,000.

There was no capitalized interest for the years ended June 30, 2023 and 2022, respectively.

Note 7 – Employee Benefit Plans

The Hospital sponsors a cash-balance pension plan (the "Cash Balance Plan"), which has been in effect since January 1, 1995. The Plan covers employees who are 21 years of age and have completed one year of credited service. Participants are entitled to a lump-sum distribution or monthly benefits at age 65 based on a predetermined formula that considers years of service and compensation. Effective July 1, 1999, employer benefits are calculated as 5% of a participant's annual plan compensation, and the annual interest is an indexed rate based on the return on 10-year U.S. Treasury securities. Participants are fully vested in their account balances after five pension years.

Participant accounts – The Cash Balance Plan maintains "participant account balances" equal to a participant's account balance established as of January 1, 1995, upon the conversion to the cash-balance formula, plus subsequent contribution credits and interest credits related to the participant's accumulated cash balance, participant match contribution credits, and participant match interest credits.

Contribution credits of 5% of eligible compensation for the year are credited to a participant's account as of the last day of the Cash Balance Plan year. Each year, interest credits related to a participant's cash balance are credited to the participant's account in an amount that is equal to a percentage of a participant's account balance at the beginning of the Cash Balance Plan year. The percentage rate used is the annual rate of return on 10-year treasury securities in effect for the third month (October) immediately preceding the first day of the applicable Cash Balance Plan year. The rates credited were 0.79% and 1.71% for the years beginning January 1, 2022 and 2021, respectively.

Employee contributions – Contributions by participants are not required or permitted by the Cash Balance Plan.

Employer contributions – The Hospital's funding policy is to contribute amounts to the Cash Balance Plan necessary to meet minimum funding requirements. The Hospital's contributions for 2023 and 2022 exceeded the minimum funding requirements of the Employee Retirement Income Security Act of 1974 ("ERISA").

Although it has not expressed any intention to do so, the Hospital has the right under the Cash Balance Plan to discontinue its contributions at any time and to terminate the Cash Balance Plan subject to the provisions set forth in ERISA.

Eligibility – Hospital employees are eligible to participate on the first day of the month succeeding the later of the date on which they complete one year of service, which is defined as working 12 months for a minimum of 1,000 hours, and they reach age 21.

Funding policy – The amount of employer contributions is determined based on actuarial valuations and recommendations as to the amounts required to fund benefits. Contributions are made by the Hospital based on the results of the actuarial recommendations. The Hospital intends to make contributions in amounts not less than the minimum required by the funding standards of ERISA and is required to keep the Cash Balance Plan qualified under Section 401(a) of the Internal Revenue Code ("IRC"). Participants are not permitted to contribute to the Cash Balance Plan.

Vesting – Participants are fully vested with their third year of service.

Pension benefits – Monthly benefit payments, based upon a formula described in the Cash Balance Plan document, commence within 30 days of the normal retirement date, early retirement date, or deferred retirement date. A participant may elect to defer retirement past the normal retirement age, which will result in benefits greater than 100%, based on a published scale. The eligibility requirement for early retirement is age 55. Early retirement benefits are calculated by multiplying the accrued benefit as of the early retirement date by a percentage defined in the Cash Balance Plan document.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustments are 2.00% compounded annually.

On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's account balance or annuity payments based upon formulas described in the Cash Balance Plan document.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Death benefits – The Cash Balance Plan provides death benefits in the form of a qualified pre-retirement survivor annuity for life equal to the annuity that would have been payable to the spouse if the participant had retired on the day preceding the participant's death. At the option of the beneficiary, the benefit may be paid in a lump-sum.

Basis of accounting – The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units, using the accrual method of accounting. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein; disclosure of contingent assets and liabilities; and the actuarial present value of accumulated Cash Balance Plan benefits, at the date of the financial statements. Actual results could differ from those estimates.

Investment valuation – The Cash Balance Plan's investments are stated at fair value, as certified by the Cash Balance Plan's custodian, based generally on quoted market prices.

Fair value is the price that would be received to sell an asset or paid to transfer a liability (the "exit price") in an orderly transaction between market participants at the measurement date. See Note 6 for discussion of fair value measurements.

Income recognition – Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The net appreciation or depreciation in fair value of investments consists of both the realized gains or losses and unrealized appreciation (depreciation) of those investments.

Benefits paid to participants – Benefit payments to participants are recorded upon distribution.

Administrative expenses – Administrative fees, such as custodian, actuarial, and certain other administrative expenses, may be paid by the Cash Balance Plan or the Hospital.

The Hospital's net pension asset was measured as of June 30, 2023 and 2022, as determined by an actuarial valuation as of December 31, 2022 and 2021, rolled forward to June 30, 2023 and 2022, respectively.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Certain retired and terminated employees and certain participants covered by a collective bargaining agreement continue to participate under provisions of a defined-benefit retirement plan in effect prior to January 1, 1995. Participant data for the Plan, as of the measurement date January 1 for the indicated years is as follows:

	2023	2022
Active	3,292	2,946
Retirees and beneficiaries	651	619
Vested terminated	1,115	1,059
Total participants	<u>5,058</u>	<u>4,624</u>

Components of pension cost and deferred outflows and inflows of resources as calculated under the requirements of GASB No. 68 are as follows (in thousands):

	2023	2022
Service cost	\$ 10,460	\$ 10,784
Interest	13,789	13,737
Differences between expected and actual experience	2,100	(6,571)
Changes of assumptions	(7,429)	(2,263)
Benefit payments	<u>(14,208)</u>	<u>(14,774)</u>
Net change in total pension liability	4,712	913
Total pension liability beginning of fiscal year	<u>226,356</u>	<u>225,443</u>
Total pension liability end of fiscal year	<u>\$ 231,068</u>	<u>\$ 226,356</u>
Deferred outflows of resources as of June 30:	2023	2022
Difference between expected and actual experience	\$ 2,036	\$ 588
Difference between projected and actual investment earnings	35,303	-
Total	<u>\$ 37,339</u>	<u>\$ 588</u>
Deferred inflows of resources as of June 30:		
Difference between expected and actual experience	\$ (6,016)	\$ (7,759)
Changes in assumptions	(8,877)	(4,295)
Difference between projected and actual investment earnings	<u>-</u>	<u>(34,021)</u>
Total	<u>\$ (14,893)</u>	<u>\$ (46,075)</u>
Contributions between the measurement date and fiscal year end recognized as a deferred outflows of resources	<u>\$ 7,000</u>	<u>\$ 3,000</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Amounts reported as deferred outflows and inflows of resources to pensions will be recognized in pension expense are as follows (in thousands):

2024	\$ (1,869)
2025	4,447
2026	9,794
2027	12,666
2028	(2,070)
Thereafter	<u>(522)</u>
	<u><u>\$ 22,446</u></u>

The following table summarizes changes in pension liability for fiscal years ended June 30, 2023 and 2022, with a measurement date of December 31, 2022 and 2021, respectively, (in thousands):

	<u>2023</u>	<u>2022</u>
Contributions	\$ 10,000	\$ 8,500
Net investment (loss) income	(53,124)	33,174
Benefit payments, including refunds of member contributions	<u>(14,208)</u>	<u>(14,774)</u>
Net change in Plan fiduciary net position	(57,332)	26,900
Plan fiduciary net position beginning of fiscal year	<u>363,505</u>	<u>336,605</u>
Plan fiduciary net position end of fiscal year	<u>306,173</u>	<u>363,505</u>
Plan's net pension asset end of the fiscal year	<u><u>\$ (75,105)</u></u>	<u><u>\$ (137,149)</u></u>
Covered payroll	\$ 427,689	\$ 389,552
Net pension asset as a percentage of covered payroll	-17.56%	-35.21%
Contributions	\$ 7,000	\$ 3,000

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following table summarizes the actuarial assumptions used to determine net pension asset and plan fiduciary net position as of June 30, 2023 and 2022:

Valuation Date	January 1, 2023 Actuarially determined contribution rates are calculated as of January 1.
Actuarial Cost Method	Entry Age Normal Method as a level percent of pay in accordance with GASB.
Asset Valuation Method	Market Value
Actuarial Assumptions	
Projected Salary Increases	2.00%
	Based on the Pri-2012 Total Employee and Retiree Mortality Tables (base year 2012) and projected with Mortality Improvement Scale MP-2021, except for current and future beneficiaries of deceased participants. For current and future beneficiaries of deceased participants, mortality is based on the Pri-2012 Contingent Survivor Mortality Tables and projected with Mortality Improvement Scale MP-2021.
Mortality	
Discount Rate	6.70%

Sensitivity of net pension asset (in thousands):

	1% Decrease 5.7%	Current Discount Rate 6.7%	1% Increase 7.7%
Net pension asset as of June 30, 2023	\$ 53,648	\$ 75,105	\$ 93,690
Net pension asset as of June 30, 2022	\$ 115,891	\$ 137,149	\$ 155,615

The following table summarizes target asset class for the plan fiduciary net position as of June 30, 2023 and 2022:

Asset Class	Neutral	Asset Rebalancing Range	Expected Long- Term Real Rate of Return
Domestic Equities	32%	27% - 37%	7.80%
International Equities	18%	15% - 21%	8.00%
Alternatives	20%	17% - 23%	6.50%
Broad Fixed Income	25%	20% - 30%	4.40%
Cash	5%	0% - 8%	3.20%
Total	100%		6.70%

El Camino Healthcare District

Notes to Consolidated Financial Statements

Eligible employees of the Hospital may also elect to participate in a separate deferred compensation plan (the 403(b) plan) pursuant to Section 403(b) of the Code. The Hospital acts as the administrator and sponsor, and the 403(b) plan's assets are held by trustees designated by the Hospital's management. Employees are eligible to participate upon employment, and participants are immediately vested in their elective contributions plus actual earnings thereon. The Hospital will match employee contributions to the 403(b) plan, subject to a maximum of 4% of each participant's annual plan compensation. Participants are eligible for employer match in the second plan year in which they work at least 1,000 hours, and they must be on the payroll at the end of the plan year (December 31). Employer matching contributions under the 403(b) plan are made to the cash-balance pension plan and earn interest as defined by that plan. Employer matching contributions to the 403(b) plan of \$15,765,000 and \$14,698,000 in 2023 and 2022, respectively, are included in benefits expense. Participants are immediately vested in the employer contributions included in the cash-balance pension plan.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the consolidated financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Note 8 – Post-Retirement Medical Benefits

The Hospital provides healthcare benefits and life insurance for retired employees who meet eligibility requirements as outlined in the plan document, as approved by the board of directors of the Hospital. All employees who attain age 55 with a minimum of 20 years of enrollment in the Hospital's healthcare program and are enrolled in one of the plans upon retirement, and who were hired prior to July 1, 1994, are eligible. Under the plan, employees are credited with employment history accumulated under a prior Hospital plan.

Benefits are funded by the Hospital on a pay-as-you go basis. If a participant terminates from the Hospital after 20 years of enrollment but before reaching age 62, he or she can choose to contribute to the plan between ages 55 and 61 to retain the plan's benefits. At age 62, eligible retirees are given an annual credit based on years of service to pay for health benefits.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Employees covered – At June 30, the following employees were covered by the Hospital:

	2023	2022
Active	208	208
Inactive plan members or beneficiaries currently receiving benefits	341	341
Total participants	<u>549</u>	<u>549</u>

Components of post-retirement medical benefits expense and deferred inflows and outflows of resources as calculated under the requirements of GASB No. 75 are as follows (in thousands) as of June 30:

	2023	2022
Service cost	\$ 230	\$ 226
Interest	643	809
Differences between expected and actual experience	(272)	(1,029)
Changes of assumptions	(3,289)	393
Current period recognition of prior years' deferred inflows and outflows of resources	<u>(331)</u>	<u>(108)</u>
Total post-retirement medical benefits expense	<u>\$ (3,019)</u>	<u>\$ 291</u>

	2023	2022
Deferred outflows of resources as of June 30:		
Changes in benefit terms	\$ -	\$ -
Difference between expected and actual experience	-	-
Changes in assumptions	<u>-</u>	<u>204</u>
Total	<u>\$ -</u>	<u>\$ 204</u>

	2023	2022
Deferred inflows of resources as of June 30:		
Changes in benefit terms	\$ -	\$ -
Difference between expected and actual experience	(142)	(535)
Changes in assumptions	<u>(1,710)</u>	<u>-</u>
Total	<u>\$ (1,852)</u>	<u>\$ (535)</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Amounts reported as deferred outflows and inflows of resources to post-retirement medical benefits will be recognized in post-retirement medical benefits expense are as follows (in thousands):

2024	\$ (1,852)
2025	-
2026	-
2027	-
2028	-
Thereafter	-
	<u>\$ (1,852)</u>

The following table summarizes changes in post-retirement medical benefits liability for fiscal year ended June 30, 2023 and 2022, with a measurement date of July 1, 2022 and 2021, respectively (in thousands):

	2023	2022
Service cost	\$ 230	\$ 226
Interest	643	809
Differences between expected and actual experience	(414)	(1,565)
Changes in assumptions or other input	(4,999)	599
Benefit payments	(1,001)	(943)
Net changes	(5,541)	(874)
Net post-retirement medical benefits liability at beginning of year	29,783	30,657
Net post-retirement medical benefits liability at end of year	<u>\$ 24,242</u>	<u>\$ 29,783</u>

The following table summarizes the actuarial assumptions used to determine net post-retirement medical benefits as of June 30, 2023 and 2022:

Valuation Date	June 30, 2021; measurement date of June 30, 2022
Actuarial Cost Method	Entry Age Normal, level percent of pay
Asset Valuation Method	Not applicable
Actuarial Assumptions	
Projected Salary Increases	4.00%
Mortality	Mortality Tables projected generationally using projection scale MP-2021.
Discount Rate	4.09%
Healthcare cost trend rates:	7% for 2022, graded to 4.5% for years 2032 for ages pre-65; and 5.5% for 2022, graded to 4.50% for year 2032 for ages post-65.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Sensitivity of post-retirement medical benefits liability (in thousands) due to change in discount rates as of June 30:

	2023		
	1% Decrease 3.09%	Current Discount Rate 4.09%	1% Increase 5.09%
Net post-retirement medical benefits liability	\$ 26,779	\$ 24,242	\$ 22,073

	2022		
	1% Decrease 1.18%	Current Discount Rate 2.18%	1% Increase 3.18%
Net post-retirement medical benefits liability	\$ 33,378	\$ 29,783	\$ 26,746

Sensitivity of post-retirement medical benefits liability (in thousands) due to change in healthcare cost trend:

	1% Decrease	Current Trend rate	1% Increase
June 30, 2023	\$ 23,928	\$ 24,242	\$ 24,606
June 30, 2022	\$ 29,378	\$ 29,783	\$ 30,259

Note 9 – Insurance Plans

The Hospital purchases professional, general, automobile, and directors and officers liability insurance from BETA Healthcare Group ("BHG"), and also purchases all-risk property insurance (including limited flood), fiduciary, crime, cyber, and excess workers' compensation coverage needs from Alliant Insurance Services ("Alliant"). The Hospital's coverage is under a claims-made policy with limits of \$30 million per occurrence, \$40 million in the annual aggregate, and with a self-insured retention level of \$500,000 per claim.

There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted from services provided to patients. The Hospital has actuarial estimates performed annually on its self-insurance plans of professional liability and workers' compensation benefits. Estimated liabilities (which have not been discounted) have been actuarially determined at an expected 75% confidence level and include an estimate of incurred, but not reported, claims. The balances are included in salaries and wages payable, workers' compensation, and other long-term liabilities in the accompanying consolidated statements of net position.

El Camino Healthcare District **Notes to Consolidated Financial Statements**

Note 10 – Bonds Payable

Bonds payable consists of the following obligations (in thousands):

	June 30,	
	2023	2022
El Camino Hospital District		
2006 General Obligation Bonds		
Principal	\$ 32,335	\$ 32,335
2017 General Obligation Bonds		
Principal	73,145	78,905
Unamortized premium	168	182
El Camino Hospital Revenue Bonds		
Series 2009		
Principal	50,000	50,000
Series 2015A		
Principal	126,880	131,380
Unamortized premium	5,779	6,849
Series 2017A		
Principal	272,330	277,735
Unamortized premium	7,976	9,453
Total long-term debt	568,613	586,839
Less current maturities	13,693	15,665
Maturities due after one year	\$ 554,920	\$ 571,174

	2023			
	Balance at June 30, 2022	Increases	Decreases	Balance at June 30, 2023
General obligation bonds	\$ 111,423	\$ -	\$ 5,775	\$ 105,648
Revenue bonds	475,416	-	12,451	462,965
	<u>\$ 586,839</u>	<u>\$ -</u>	<u>\$ 18,226</u>	<u>\$ 568,613</u>
	2022			
	Balance at June 30, 2021	Increases	Decreases	Balance at June 30, 2022
General obligation bonds	\$ 116,651	\$ -	\$ 5,228	\$ 111,423
Revenue bonds	487,738	-	12,322	475,416
	<u>\$ 604,389</u>	<u>\$ -</u>	<u>\$ 17,550</u>	<u>\$ 586,839</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

2006 General Obligation Bonds – Upon voter approval, in November 2003, the District issued in 2006, \$148,000,000 principal amount of 2006 General Obligation Bonds, which consists of \$115,665,000 of Current Interest Bonds. Interest on the Current Interest Bonds is payable semiannually at rates ranging from 4% to 5% and principal maturities ranging from \$2,065,000 in 2016 to \$18,050,000 in 2036 are due annually on August 1. Interest at rates ranging from 4.38% to 4.48% and principal of the Capital Appreciation Bonds are payable only at maturity. In March 2017, the District advanced refunded a portion of the 2006 General Obligation Bonds, through the issuance of the 2017 General Obligation Refunding Bonds.

The Current Interest Bonds maturing on or after August 1, 2017, may be redeemed prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after February 1, 2017, at a redemption price equal to the principal amount of the Current Interest Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

2017 General Obligation Bonds – Upon voter approval, in March 2017, the District advanced refunded a portion of the 2006 General Obligation Bonds, through the issuance of the \$99,035,000 2017 General Obligation Refunding Bonds, which consists of \$115,665,000 of Current Interest Bonds, and \$32,335,000 of Capital Appreciation Bonds. Interest on the 2017 General Obligation Refunding Bonds is payable semiannually at rates ranging from 2% to 5% and principal maturities ranging from \$3,570,000 in 2017 to \$17,480,000 in 2036 are due annually on August 1. This refinancing resulted in a reduction of future interest payments with a present value of approximately \$7,000,000.

Both the 2006 and 2017 G.O. Bonds are general obligations of the District payable from ad valorem taxes. Payment of principal, interest and maturity value of the Bonds, when due, is insured by a municipal bond insurance policy.

Revenue Bonds, Series 2009 – In April 2009, the Hospital issued \$50,000,000 of Santa Clara County Financing Authority Insured Revenue Bonds, Series 2009A, to fund completion of the Hospital replacement construction project. Interest on the bonds is payable on the business day immediately following the applicable remarketing period. Principal maturities on the bonds range from \$100,000 in 2025 to \$10,920,000 in 2044, and are due annually on February 1.

The 2009 Series Revenue bond agreement contains various restrictive covenants which include, among other things, minimum debt service coverage, maintenance of minimum liquidity, and requirement to maintain certain financial ratios.

The bonds are secured by a pledge of gross revenues to an Indenture of Trust (“Indenture”) dated March 16, 2007. The Indenture contains certain covenants that, among other things, require the District to deposit all gross revenues of the Hospital as soon as practicable upon receipt. The Indenture also requires the Hospital to maintain a long-term debt service coverage ratio of 1.15 to 1.00. Failure to comply with the restrictive covenants of the Indenture could result in all of the unpaid principal and accrued interest of the bonds becoming due immediately, at the option of the trustee.

Revenue Bonds, Series 2015A – In May 2015, the Hospital advance refunded its Series 2007 Santa Clara County Financing Authority Insured Revenue Bonds (“Series 2007”) through the issuance of the \$160,455,000 of Santa Clara County Financing Authority Insured Revenue Bonds (“Series 2015A”). The issuance of the Series 2015A is to (i) finance and refinance certain capital expenditures owned by the Hospital (the Project – \$40,300,000), (ii) advance refund (\$120,100,000) the Santa Clara County Financing Authority Insured Revenue Bonds of the Hospital Series 2007A, 2007B, and 2007C, and (iii) pay costs incurred in the connection of the issuance of the Bonds.

Revenue Bonds, Series 2017A – In February 2017, the Hospital issued \$292,435,000 of California Health Facilities Financing Authority Revenue Bonds (“Series 2017”) to finance certain capital expenditures at facilities owned or operated by the Hospital, to finance a portion of the interest payable of the Series 2017 through January 31, 2019, and to pay costs incurred in connection with the issuance of the Series 2017. The Series 2017 consists of \$130,660,000 Serial Bonds and \$161,775,000 Term Bonds. Principal maturities for the Serial Bonds range from \$4,665,000 in 2020 to \$10,565,000 in 2037, and are due annually on February 1. Principal maturities for the Term Bonds range from \$60,710,000 in 2042 to \$101,065,000 in 2047, and are due annually on February 1.

Letter of credit – In March 2009, in connection with the issuance of the 2009 Series Revenue bonds, the Hospital obtained an irrevocable Letter of Credit issued by a bank for \$50,000,000. This Letter of Credit expires in October of 2024 and requires the Hospital to maintain a long-term debt service coverage ratio of 1.20 to 1.00.

Management believes all financial debt covenants were met for the years ended June 30, 2023 and 2022.

Debt service requirements for bonds payable are as follows (in thousands):

Year Ending June 30,	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2024	\$ 3,293	\$ 6,343	\$ 10,400	\$ 18,935
2025	3,398	6,788	10,920	18,415
2026	3,411	7,144	11,460	17,874
2027	3,552	7,709	12,035	17,306
2028	3,598	8,172	12,630	16,714
2029-2033	40,273	40,821	73,045	73,914
2034-2038	47,955	3,595	81,180	55,471
2039-2043	-	-	112,900	33,847
2044-2048	-	-	124,640	12,564
	<u>\$ 105,480</u>	<u>\$ 80,572</u>	<u>\$ 449,210</u>	<u>\$ 265,040</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Interest rate swap – On March 7, 2007, the Hospital entered into three interest rate swap agreements in connection with the issuance of the Series 2007 Revenue Bonds. The intention of the swap is to create debt with a synthetic, fixed interest rate on the variable-rate Revenue Bonds. The swaps were effective March 23, 2007, with a termination date of February 1, 2041, and notional amounts of \$50 million each; these terms match the terms of the underlying Series 2007 Revenue Bonds. Under each swap transaction, the Hospital pays a fixed rate of interest of 3.204% and the counterparty pays a variable rate of interest equal to the sum of (i) 56% of USD-LIBOR-BBA plus (ii) 0.23%. In March 2008, the Hospital Board directed management to terminate the floating to fixed interest rate swap when economically prudent in connection with the refunding of their Series 2007 Revenue Bonds. In December 2009, two of the three swaps were terminated. The fair value of the remaining swap is a liability of \$2,239,000 at June 30, 2023, and \$3,872,000 at June 30, 2022, included in other long-term obligations in the consolidated statements of net position.

Risks associated with the swap agreement – From the Hospital's perspective, the following risks are generally associated with swap agreements:

Credit risk – The counterparty becomes insolvent or is otherwise not able to perform its financial obligations. In the event the counterparty becomes insolvent or their credit rating falls below BBB-/Baa2, the Hospital has the right to terminate the swap. Upon exercise of early termination, the amounts due from or to the counterparty will be determined by the market pricing of the swap at the time of termination.

Termination risk – The Hospital or counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If, at the time of the termination, the swap has a negative fair value, the Hospital would be liable to the counterparty for that payment.

Note 11 – Restricted Net Position

Restricted net position consists of donor-restricted contributions and grants and cash restricted for regulatory requirements, which are to be used as follows (in thousands):

	2023	2022
Charity and other	\$ 33,278	\$ 27,438
Endowments	11,193	8,511
Restricted by donor for specific uses	44,471	35,949
Restricted by Department of Managed Health Care	150	650
Total restricted net position	<u>\$ 44,621</u>	<u>\$ 36,599</u>

Permanently restricted contributions ("endowments") remain intact, with the earnings on such funds providing an ongoing source of revenue to be used primarily for education.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Note 12 – Charitable Remainder Unitrusts

The Foundation is the beneficiary of several irrevocable charitable remainder unitrusts in which the gift assets are held by trustees and administered for the benefit of the Foundation and other beneficiaries. The assets are held under trust agreements with an outside trustee. The donors maintain the right to income earned on the assets during their lifetime and, in some cases, during the lifetime of their survivors.

Pursuant to GASB No. 81, the Foundation recognizes an asset and a deferred inflow of resources when it becomes aware of the agreements and has sufficient information to measure the beneficial interest, in accordance with the asset recognition criteria in GASB No. 81. The beneficial interest asset is measured at fair value, which is estimated as the present value of the expected future cash flows from trusts. The applicable federal discount rate for June 2023 and June 2022 of 2.5% and 0.25% per annum, respectively, and The Standard Ordinary Mortality Rate Table were used to arrive at the present value. Change in the fair value of the beneficial interest asset is recognized as an increase or decrease in the related deferred inflow of resources. As the remainder interest beneficiary, the Foundation recognizes revenue for the beneficial interest at the termination of the agreement, as stipulated in the agreements.

Note 13 – Leases

The District is a lessee for noncancellable lease of office space and equipment with lease terms through 2039. There are no residual value guarantees included in the measurement of District's lease liability nor recognized as an expense for the years ended June 30, 2023 and 2022. The District does not have any commitments that were incurred at the commencement of the leases. The District is subject to variable equipment usage payments that are expensed when incurred. There were no amounts recognized as variable lease payments as lease expense on the statement of changes of net position for the years ended June 30, 2023 and 2022. No termination penalties were incurred during the fiscal year.

El Camino Healthcare District
Notes to Consolidated Financial Statements

The District has the following right to use activities as of June 30:

2023	Beginning Balance	Increases	Decreases	Ending Balance
Right of use assets	\$ 41,943	\$ -	\$ 14,741	\$ 27,202
Less accumulated amortization	12,702	3,014	3,591	12,125
Right to use assets, net	<u>\$ 29,241</u>	<u>\$ (3,014)</u>	<u>\$ 11,150</u>	<u>\$ 15,077</u>
2022	Beginning Balance	Increases	Decreases	Ending Balance
Right of use assets	\$ 37,400	\$ 4,543	\$ -	\$ 41,943
Less accumulated amortization	6,907	5,795	-	12,702
Right to use assets, net	<u>\$ 30,493</u>	<u>\$ (1,252)</u>	<u>\$ -</u>	<u>\$ 29,241</u>

For the years ended June 30, 2023 and 2022, the District recognized \$3,014,000 and \$5,795,000, respectively, in amortization expense included in depreciation and amortization expense on the consolidated statements of activities and changes in net position.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2024	\$ 2,714	\$ 619	\$ 3,333
2025	2,653	503	3,156
2026	1,839	405	2,244
2027	1,371	344	1,715
2028	690	298	988
Thereafter	6,797	1,764	8,561
	<u>\$ 16,064</u>	<u>\$ 3,933</u>	<u>\$ 19,997</u>

The District evaluated the right to use assets for impairment and determined there was no impairment for the years ended June 30, 2023 and 2022.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The District is also a lessor for noncancellable leases of office space with lease terms through 2033. For the years ended June 30, 2023 and 2022, the District recognized \$10,347,000 and \$9,665,000 in lease revenue released from the deferred inflows of resources related to the office lease included in other revenue on the statements of changes in net position. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during fiscal years ended June 30, 2023 and 2022.

Note 14 – Subscription Based Information Technology Arrangements

The District has the following subscription asset activities as of June 30:

2023	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Subscription assets	\$ 22,693	\$ -	\$ -	\$ 22,693
Less accumulated amortization	<u>4,002</u>	<u>5,186</u>	<u>-</u>	<u>9,188</u>
Subscription assets, net	<u>\$ 18,691</u>	<u>\$ (5,186)</u>	<u>\$ -</u>	<u>\$ 13,505</u>
2022	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Subscription assets	\$ 9,567	\$ 13,126	\$ -	\$ 22,693
Less accumulated amortization	<u>-</u>	<u>4,002</u>	<u>-</u>	<u>4,002</u>
Subscription assets, net	<u>\$ 9,567</u>	<u>\$ 9,124</u>	<u>\$ -</u>	<u>\$ 18,691</u>

For the years ended June 30, 2023 and 2022, the District recognized \$5,186,000 and \$4,002,000, respectively, in amortization expense included in depreciation and amortization expense on the consolidated statements of activities and changes in net position.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The future subscription payments as of June 30, 2023, were as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2024	\$ 3,164	\$ 530	\$ 3,694
2025	3,408	411	3,819
2026	4,354	301	4,655
2027	1,835	123	1,958
2028	1,329	54	1,383
Thereafter	-	-	-
	<u>\$ 14,090</u>	<u>\$ 1,419</u>	<u>\$ 15,509</u>

The District evaluated the subscription assets for impairment and determined there was no impairment for the years ended June 30, 2023 and 2022.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Note 15 – Restatement

The adoption of GASB 96 resulted in adjustments to the prior period financial statements as follows at June 30, 2022:

	<u>As previously presented</u>	<u>Adjustment</u>	<u>As restated</u>
Statement of net position			
Assets and deferred outflows:			
Subscription assets, net of amortization	\$ -	\$ 18,691	\$ 18,691
Liabilities, deferred inflows and net position:			
Current portion of subscription liabilities	\$ -	\$ 3,795	\$ 3,795
Subscription liabilities, net of current portion	\$ -	\$ 14,090	\$ 14,090
Other long-term obligations	\$ 6,700	\$ 806	\$ 7,506
Net position, end of year	\$ 2,360,946	\$ -	\$ 2,360,946
Statements of revenues, expenses and changes in net position:			
Depreciation and amortization expense	\$ 79,871	\$ 4,002	\$ 83,873
Professional fees and purchased services	\$ 177,570	\$ (4,002)	\$ 173,568
Income from operations	\$ 208,810	\$ -	\$ 208,810
Total nonoperating revenues, net	\$ (150,309)	\$ -	\$ (150,309)
Increase in net position	\$ 58,501	\$ -	\$ 58,501
Statements of cash flows:			
Cash flows from operating activities			
Cash payments to suppliers	\$ (467,603)	\$ 3,281	\$ (464,322)
Net cash provided by operating activities	\$ 144,860	\$ 3,281	\$ 148,141
Cash flows from financing activities			
Payments on subscription liabilities	\$ -	\$ (3,281)	\$ (3,281)
Net cash used in capital and related financing activities	\$ (111,932)	\$ (3,281)	\$ (115,213)
Net increase in cash and cash equivalents	\$ 46,008	\$ -	\$ 46,008

Note 16 – Related-Party Transactions

The Hospital pays vendor-related expenses on behalf of the Foundation and is reimbursed for these costs incurred. The Hospital also pays employee-related expenses, which are reimbursed by the Foundation. The Foundation's employees also participate in the cash-balance pension plan, sponsored by the Hospital. Full footnote disclosures relating to the cash-balance pension plan is included in the consolidated financial statements. The Hospital performs certain administrative functions on behalf of the Foundation for which no amounts are charged to the Foundation. As of June 30, 2023 and 2022, the Foundation has a payable to the Hospital in the amount of \$299,000 and \$498,000, respectively. During the fiscal years 2023 and 2022, the Foundation paid the Hospital \$3,062,000 and \$2,830,000 for such expenses, respectively, which included amounts for operations, but also disbursements from Donor Restricted Funds in support of Hospital operations and capital acquisitions.

El Camino Healthcare District

Notes to Consolidated Financial Statements

In June 2012, the Hospital Board approved the funding of the Foundation's salaries, wages, benefits, and rent for a maximum of \$1,783,000 annually on an ongoing basis. All related-party transactions are eliminated upon consolidation.

As of June 30, 2023 and 2022, CONCERN has a payable to the Hospital in the amount of \$2,949,000 and \$2,604,000, respectively. During the fiscal years ended June 30, 2023 and 2022, CONCERN paid the Hospital \$6,681,000 and \$6,667,000 for its expenses, respectively. All related party transactions are eliminated upon consolidation.

As of June 30, 2023 and 2022, ECHMN has a payable to the Hospital of \$8,610,000 and \$7,775,000, respectively. During fiscal years ended June 30, 2023 and 2022, ECHMN paid the Hospital \$29,023,000 and \$27,757,000 for its expenses, respectively. All related-party transactions are eliminated upon consolidation.

Note 17 – Commitments and Contingencies

Litigation – The District is a defendant in various legal proceedings arising out of the normal conduct of its business. In the opinion of management and its legal representatives, the District has valid and substantial defenses, and settlements or awards arising from legal proceedings, if any, will not exceed existing insurance coverage, nor will they have a material adverse effect on the financial position, results of operations, or liquidity of the District.

Regulatory environment – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medi-Cal fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. The District is subject to routine surveys and reviews by federal, state and local regulatory authorities. The District has also received inquiries from healthcare regulatory authorities regarding its compliance with laws and regulations. Although the District management is not aware of any violations of laws and regulations, it has received corrective action requests as a result of completed and ongoing surveys from applicable regulatory authorities. Management continually works in a timely manner to implement operational changes and procedures to address all corrective action requests from regulatory authorities. Breaches of these laws and regulations and noncompliance with survey corrective action requests could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Hospital Seismic Safety Act – In the 2010 fiscal year, the Mountain View campus completed its three-year construction of the Hospital Replacement Project with the opening of its new five story, 450,000-square-foot, state-of-the-art hospital facility on November 15, 2009. This completion made the Mountain View hospital campus in compliance with the State of California's Senate Bill ("SB") 1953 in meeting all requirements of the Hospital Seismic Safety Act of 1994.

El Camino Healthcare District

Notes to Consolidated Financial Statements

At the Los Gatos campus, where most of the buildings were constructed in the 1960s, the campus has been going through a seismic compliance review. During 2015, all required seismic upgrades were made to the Los Gatos site for seismic compliance up to 2030.

Collective bargaining agreement – Approximately 79.2% of the Hospital's employees are covered by collective bargaining agreements. These employees are members of three unions.

Note 18 – Subsequent Events

Subsequent events are events or transactions that occur after the consolidated statement of net position date but before the consolidated financial statements are available to be issued. The District recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the consolidated statement of net position date, including the estimates inherent in the process of preparing the consolidated financial statements. The District's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the consolidated statement of net position date but arose after the consolidated statement of net position date and before consolidated financial statements are issued.

The Hospital is in the process of extending its irrevocable Letter of Credit related to the Series 2009 Series Revenue Bonds.

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Supplementary Information

El Camino Healthcare District
Consolidating Statement of Net Position
June 30, 2023
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	Silicon Valley Medical Network	Eliminations	El Camino Healthcare District and Affiliates
ASSETS AND DEFERRED OUTFLOWS							
Current assets							
Cash and cash equivalents	\$ 30,278	\$ 201,782	\$ 7,981	\$ 3,495	\$ 17,282	\$ -	\$ 260,818
Short-term investments	-	133,033	2,417	12,687	-	-	148,137
Current portion of board-designated funds	22,657	-	-	-	-	-	22,657
Patient accounts receivable, net of allowances for doubtful accounts of \$99,691	-	214,246	-	-	3,736	-	217,982
Current portion of lease receivables	-	12,578	-	-	-	(2,765)	9,813
Prepaid expenses and other current assets	121	61,500	256	740	6,452	(12,870)	56,199
Total current assets	53,056	623,139	10,654	16,922	27,470	(15,635)	715,606
Non-current cash and investments							
Board-designated funds	7,628	1,222,598	55,051	-	-	-	1,285,277
Restricted funds	-	-	-	150	-	-	150
Funds held by trustee	40,256	-	-	-	-	-	40,256
	47,884	1,222,598	55,051	150	-	-	1,325,683
Capital assets							
Nondepreciable	10,649	275,353	-	-	-	-	286,002
Depreciable, net	-	952,188	-	1,244	11,006	-	964,438
Total capital assets	10,649	1,227,541	-	1,244	11,006	-	1,250,440
Right of use assets, net of amortization	-	9,939	-	-	20,946	(15,808)	15,077
Subscription assets, net of amortization	-	13,505	-	-	-	-	13,505
Lease receivables, net of current portion	-	46,153	-	-	-	(14,054)	32,099
Pledges receivable, net of current portion	-	-	2,592	-	-	-	2,592
Prepaid pension asset	-	75,105	-	-	-	-	75,105
Investments in healthcare affiliates	-	33,262	-	-	-	-	33,262
Beneficial interest in charitable remainder unitrusts	-	-	4,015	-	-	-	4,015
Total assets	111,589	3,251,242	72,312	18,316	59,422	(45,497)	3,467,384
Deferred outflows of resources							
Loss on defeasance of bonds payable	-	10,560	-	-	-	-	10,560
Deferred outflows of resources	-	7,638	-	-	-	-	7,638
Deferred outflows - actuarial	-	37,339	-	-	-	-	37,339
Total deferred outflows of resources	-	55,537	-	-	-	-	55,537
Total assets and deferred outflows of resources	\$ 111,589	\$ 3,306,779	\$ 72,312	\$ 18,316	\$ 59,422	\$ (45,497)	\$ 3,522,921

El Camino Healthcare District
Consolidating Statement of Net Position (continued)
June 30, 2023
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	Silicon Valley Medical Network	Eliminations	El Camino Healthcare District and Affiliates
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION							
Current liabilities							
Accounts payable and accrued expenses	\$ 281	\$ 48,192	\$ 765	\$ 2,961	\$ 11,406	\$ (12,870)	\$ 50,735
Salaries, wages, and related liabilities	-	59,090	-	342	1,075	-	60,507
Other current liabilities	4,726	17,194	299	358	3,484	-	26,061
Estimated third-party payor settlements	-	11,295	-	-	-	-	11,295
Current portion of operating lease liabilities	-	1,161	-	-	4,852	(2,765)	3,248
Current portion of subscription liabilities	-	3,164	-	-	-	-	3,164
Current portion of bonds payable	3,293	10,400	-	-	-	-	13,693
Total current liabilities	8,300	150,496	1,064	3,661	20,817	(15,635)	168,703
Bonds payable, net of current portion	102,354	452,566	-	-	-	-	554,920
Operating lease liabilities, net of current portion	-	9,212	-	-	17,658	(14,054)	12,816
Subscription liabilities, net of current portion	-	10,926	-	-	-	-	10,926
Other long-term obligations	-	2,239	-	-	-	-	2,239
Workers' compensation, net of current portion	-	13,498	-	-	-	-	13,498
Post-retirement medical benefits	-	24,242	-	-	-	-	24,242
Total liabilities	110,654	663,179	1,064	3,661	38,475	(29,689)	787,344
Deferred inflows of resources							
Deferred inflows of resources	-	-	4,015	-	-	-	4,015
Deferred inflows of resources - leases	-	58,731	-	-	-	(15,808)	42,923
Deferred inflows of resources - actuarial	-	16,745	-	-	-	-	16,745
Total deferred inflows of resources	-	75,476	4,015	-	-	(15,808)	63,683
Net position							
Invested in capital assets, net of related debt	(54,742)	763,556	-	1,244	9,442	1,011	720,511
Restricted - expendable	-	-	33,278	-	-	-	33,278
Restricted - nonexpendable	-	-	11,193	150	-	-	11,343
Unrestricted	55,677	1,804,568	22,762	13,261	11,505	(1,011)	1,906,762
Total net position	935	2,568,124	67,233	14,655	20,947	-	2,671,894
Total liabilities, deferred inflows of resources, and net position	\$ 111,589	\$ 3,306,779	\$ 72,312	\$ 18,316	\$ 59,422	\$ (45,497)	\$ 3,522,921

El Camino Healthcare District
Consolidating Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	Silicon Valley Medical Network	Eliminations	El Camino Healthcare District and Affiliates
Operating revenues							
Net patient service revenue (net of provision for bad debts of \$15,361)	\$ -	\$ 1,339,219	\$ -	\$ -	\$ 38,831	\$ -	\$ 1,378,050
Other revenue	108	35,136	-	9,841	16,313	(10,186)	51,212
Total operating revenues	108	1,374,355	-	9,841	55,144	(10,186)	1,429,262
Operating expenses							
Salaries, wages and benefits	5	703,695	2,146	2,362	23,328	-	731,536
Professional fees and purchased services	658	140,332	559	4,164	50,565	(5,316)	190,962
Supplies	-	194,374	42	-	3,747	-	198,163
Depreciation and amortization	5	81,140	-	252	5,707	-	87,104
Rent and utilities	-	22,549	134	6	4,021	(2,232)	24,478
Other	-	21,481	161	476	1,712	(1,713)	22,117
Total operating expenses	668	1,163,571	3,042	7,260	89,080	(9,261)	1,254,360
(Loss) income from operations	(560)	210,784	(3,042)	2,581	(33,936)	(925)	174,902
Nonoperating revenues (expenses):							
Investment (losses) income, net	(276)	110,218	2,458	(171)	-	-	112,229
Property tax revenue							
Designated to support community benefit programs and operating expenses	11,129	-	-	-	-	-	11,129
Designated to support capital expenditures	13,045	-	-	-	-	-	13,045
Levied for debt service	12,574	-	-	-	-	-	12,574
Bond interest expense, net	(5,171)	(17,626)	-	-	-	-	(22,797)
Intergovernmental transfer expense	(2,178)	-	-	-	-	-	(2,178)
Restricted gifts, grants and bequests, and other, net of contributions to related parties	-	-	10,533	-	-	(1,783)	8,750
Unrealized gain on interest rate swap	-	1,328	-	-	-	-	1,328
Community benefit expense	(7,346)	(3,180)	-	(1,692)	-	925	(11,293)
Provider Relief Fund revenue	-	11,301	-	-	-	-	11,301
Other, net	(20)	970	(27)	45	(793)	1,783	1,958
Total nonoperating revenues (expenses)	21,757	103,011	12,964	(1,818)	(793)	925	136,046
Excess (deficit) of revenues over expenses before capital transfers	21,197	313,795	9,922	763	(34,729)	-	310,948
Capital transfers	2,105	(43,090)	-	(454)	41,439	-	-
Increase in net position	23,302	270,705	9,922	309	6,710	-	310,948
Total net (deficit) position, beginning of year	(22,367)	2,297,419	57,311	14,346	14,237	-	2,360,946
Total net position, end of year	\$ 935	\$ 2,568,124	\$ 67,233	\$ 14,655	\$ 20,947	\$ -	\$ 2,671,894

El Camino Healthcare District
Supplemental Pension and Post-Retirement Benefit Information
For the Years Ended June 30, 2023 and 2022

Supplemental pension information – The following tables summarize changes in net pension asset (in thousands):

	2023	2022
Service cost	\$ 10,460	\$ 10,784
Interest	13,789	13,737
Differences between expected and actual experience	2,100	(6,571)
Changes of assumptions	(7,429)	(2,263)
Benefit payments	(14,208)	(14,774)
Net change in total pension liability	4,712	913
Total pension liability beginning of fiscal year	226,356	225,443
Total pension liability end of fiscal year	<u>\$ 231,068</u>	<u>\$ 226,356</u>
	2023	2022
Contributions	\$ 10,000	\$ 8,500
Net investment (loss) income	(53,124)	33,174
Benefit payments, including refunds of member contributions	(14,208)	(14,774)
Net change in Plan fiduciary net position	(57,332)	26,900
Plan fiduciary net position beginning of fiscal year	363,505	336,605
Plan fiduciary net position end of fiscal year	306,173	363,505
Plan's net pension asset end of the fiscal year	<u>\$ (75,105)</u>	<u>\$ (137,149)</u>
Covered payroll	\$ 427,689	\$ 389,552
Net pension asset as a percentage of covered payroll	-17.56%	-35.21%
Contributions	\$ 7,000	\$ 3,000

El Camino Healthcare District
Supplemental Pension and Post-Retirement Benefit Information (Continued)
For the Years Ended June 30, 2023 and 2022

The following table summarizes the contribution status of the Hospital's cash-balance pension plan (in thousands) over the last 10 years:

	FY2023	FY2022	FY2021	FY2020	FY2019
Actuarially determined contribution	TBD	\$ -	\$ -	\$ 7,801	\$ 10,888
Contributions related to actuarially determined contribution	TBD	\$ 10,000	\$ 8,500	\$ 10,300	\$ 12,900
Contribution deficiency (excess)	TBD	(10,000)	(8,500)	(2,499)	(2,012)
Covered payroll	\$ 427,689	\$ 389,552	\$ 359,322	\$ 335,696	\$ 315,317
Contribution as % of covered payroll	TBD	2.57%	2.37%	3.07%	4.09%
Contributions made during the fiscal year	\$ 14,000	\$ 4,500	\$ 14,000	\$ 9,800	\$ 12,800
	FY2018	FY2017	FY2016	FY2015	FY2014
Actuarially determined contribution	\$ 10,155	\$ 8,445	\$ 2,736	\$ -	\$ 8,463
Contributions related to actuarially determined contribution	\$ 11,600	\$ 10,900	\$ 10,500	\$ 10,800	\$ 14,400
Contribution deficiency (excess)	(1,445)	(2,455)	(7,764)	(10,800)	(5,937)
Covered payroll	\$ 297,737	\$ 283,435	\$ 283,776	\$ 266,844	\$ 242,343
Contribution as % of covered payroll	3.90%	3.85%	3.70%	4.05%	5.94%
Contributions made during the fiscal year	\$ 10,400	\$ 10,900	\$ 9,900	\$ 14,400	\$ 12,600

Actuarially determined contributions are calculated as of January 1 and are based on the IRS minimum funding requirement. The contributions related to the actuarially determined contributions are amounts made for the plan year January 1 to December 31. Contributions made during the fiscal year are contribution amounts made during July 1 and June 30.

Supplemental post-retirement benefit information – As of June 30, 2023 and 2022, post-retirement medical benefits plan's fiduciary net position as a percentage of the total OPEB liability is 0% for both years.

The 2023 and 2022 covered payroll for the active population eligible to participate in the post-retirement medical benefits plan is \$29,920,100 for both 2023 and 2022. The net post-retirement medical benefits liability for the fiscal year ended June 30, 2023 and 2022, is \$22,242,400 and \$29,783,200, respectively. The net post-retirement medical benefits liability as a percentage of covered-employee payroll, as of the same time period, was 81.02% and 99.54%, respectively.

El Camino Healthcare District
Supplemental Schedule of Community Benefit (unaudited)
For the Years Ended June 30, 2023 and 2022

The District and the Hospital maintain records to identify and monitor the level of direct community benefit it provides. These records include the charges foregone for providing the patient care furnished under its charity care policy. For the years ended June 30, 2023 and 2022, the estimated costs of providing community benefit in excess of reimbursement from governmental programs were as follows (in thousands):

	<u>2023</u>	<u>2022</u>
Unpaid costs of Medi-Cal & Indigent programs	\$ 69,496	\$ 54,255
Other community-based programs		
Psychiatric	13,376	12,459
Clinical trial	278	273
Ambulatory care	16,933	12,732
Psychiatric outpatient	<u>3,874</u>	<u>3,516</u>
Total other community-based programs	<u>34,461</u>	<u>28,980</u>
Total community benefits	<u>\$ 103,957</u>	<u>\$ 83,235</u>

In furtherance of its purpose to benefit the community, the Hospital provides numerous other services to the community for which charges are not generated and revenues have not been accounted for in the accompanying consolidated financial statements. These services include providing access to healthcare through interpreters, referral and transport services, healthcare screening, community support groups and health educational programs, and certain home care and hospice programs. The estimated costs of Medicare programs in excess of reimbursement from Medicare were \$117,070,000 and \$112,217,000 for the years ended June 30, 2023 and 2022, respectively.

The Hospital also provides services to the community through the operations of the El Camino Hospital Auxiliary, Inc. (the "Auxiliary"). Services provided by volunteers of the Auxiliary, free of charge to the community, include assistance and counseling to patients and visitors, provision of scholarship awards to qualifying paramedical students, and daily personal contact with members of the community who are living alone.

El Camino Healthcare District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass - Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<i>U.S. Department of Health and Human Services</i>			
Direct Programs			
COVID-19 Provider Relief Fund and American Rescue Plan Rural Distribution	93.498	N/A	\$ 26,929,590
<i>Total U.S. Department of Health and Human Services</i>			<u>26,929,590</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 26,929,590</u>

El Camino Healthcare District
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of El Camino Healthcare District (the "District"), under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of the Office of Management and Budget ("OMB") Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of El Camino Healthcare District, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of El Camino Healthcare District. El Camino Healthcare District received Provider Relief Funds from the Department of Health and Human Services during the year ended June 30, 2022; however, in accordance with the *2023 OMB Compliance Supplement*, Period 4 (received between July 1, 2021 and December 31, 2021) and Period 5 (received between January 1, 2022 to June 30, 2022) Provider Relief Fund payments are reflected in the attached Schedule for the year ended June 30, 2023.

El Camino Healthcare District expended \$26,929,590 in federal awards which is included in El Camino Healthcare District's schedule of expenditures of federal awards during the year ended June 30, 2023.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. El Camino Healthcare District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 – SUBRECIPIENTS

El Camino Healthcare District did not provide federal awards to any subrecipients during the year ended June 30, 2023.

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
El Camino Healthcare District

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the California Code of Regulations, Title 2, Section 1131.2, State Controller's Minimum Audit Requirements for California Special Districts; and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of El Camino Healthcare District (the "District"), which comprise the consolidated statements of the business-type activities and the aggregate remaining fund information of El Camino Healthcare District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise El Camino Healthcare District's consolidated financial statements as listed in the table of contents, and the related notes to the consolidated financial statements, and have issued our report thereon dated **October XX, 2023**.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Francisco, California

October XX, 2023

Report of Independent Auditors on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Board of Directors
El Camino Healthcare District

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited El Camino Healthcare District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on El Camino Healthcare District's major federal program for the year ended June 30, 2023. El Camino Healthcare District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, El Camino Healthcare District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of El Camino Healthcare District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for its major federal program. Our audit does not provide a legal determination of El Camino Healthcare District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to El Camino Healthcare District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on El Camino Healthcare District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about El Camino Healthcare District's compliance with the requirements of its major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding El Camino Healthcare District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of El Camino Healthcare District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of El Camino Healthcare District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of the District as of and for the year ended June 30, 2023, and have issued our report thereon dated **October XX, 2023**, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

San Francisco, California
October XX, 2023

El Camino Healthcare District
Schedule of Finding and Questioned Costs
Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of Major Federal Program and Type of Auditor's Report Issued on Compliance for the Major Federal Program

<i>Federal Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for the Major Federal Program</i>
93.498	COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

Section II - Financial Statement Findings

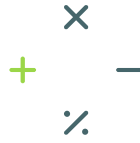
No findings noted.

Section III – Federal Award Findings and Questioned Costs

No findings noted.



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*Communications with Those
Charged with Governance*

El Camino Healthcare District

June 30, 2023



MOSSADAMS

Communications with Those Charged with Governance

The Board of Directors
El Camino Healthcare District

We have audited the consolidated financial statements of El Camino Healthcare District (the “District”) its aggregate discretely presented component units, the El Camino Hospital Cash Balance Plan, and the El Camino Hospital Postretirement Health and Life Insurance Benefit Plan, as of and for the year ended June 30, 2023 and have issued our report thereon dated **October __, 2023**. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated February 22, 2023, we are responsible for forming and expressing an opinion about whether the consolidated financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. We will also report on whether the consolidating statement of net position, consolidating statement of revenues, expenses, and changes in net position, and supplemental pension and postretirement benefit information, presented as supplementary information, are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole. Our audit of the consolidated financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), and the California Code of Regulations, Title 2 Section 1131.2, State Controller’s *Minimum Audit Requirements* for California Special Districts. As part of an audit conducted in accordance with the standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over financial reporting. Accordingly, we considered the District’s internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the consolidated financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated February 22, 2023, and in our presentation to the Audit & Compliance Committee.

Significant Audit Findings and issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the consolidated financial statements. In 2023, the District adopted Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. See Note 15 for impact of adoption. No other new accounting policies were adopted and there were no changes in the application of existing policies during 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the consolidated financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the consolidated financial statements were:

- Management's estimate of net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. We evaluated the key factors and assumptions used to develop the estimated net realizable amounts. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of the provision for uncollectible accounts is recognized based on management's estimate of amounts that ultimately may be uncollectible. El Camino Hospital provides care to patients without requiring collateral or other security. Patient charges not covered by a third-party payor are billed directly to the patient if it is determined that the patient has the ability to pay. We evaluated the key factors and assumptions used to develop the provision for uncollectible accounts. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.

- Management's estimate of the fair market values of investments in the absence of readily-determinable fair values is based on information provided by the fund managers. We have gained an understanding of management's estimate methodology and examined the documentation supporting this methodology. We evaluated the key factors and assumptions used to develop the fair market value of investments. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of uninsured losses for professional liability is recognized based on management's estimate of historical claims experience. We evaluated the key factors and assumptions used to develop the actuarial estimates of uninsured losses for professional liabilities and workers' compensation. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of the minimum pension liability is actuarially determined using assumptions on the long-term rate of return on pension plan assets, the discount rate used to determine the present value of benefit obligations, and the rate of compensation increases. These assumptions are provided by management. We have evaluated the key factors and assumptions used to develop the estimate. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimated liability for workers' compensation claims is recognized based on management's estimate of historical claims experience and known activity subsequent to year-end. We evaluated the key factors and assumptions used to develop the actuarial estimates of uninsured losses for professional liabilities and workers' compensation. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimated liability for post-retirement medical benefits is actuarially determined using assumptions on the long-term rate of return on plan assets, the discount rate used to determine the present value of benefit obligations, and the rate of compensation increases. These assumptions are provided by management. We have evaluated the key factors and assumptions used to develop the estimate. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimates of useful lives of capital assets are based on the intended use and are within accounting principles generally accepted in the United States of America. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of the discount rate used to value the gift annuities and beneficial interest in charitable remainder unitrusts have been estimated based on certain variables related to specific donor information. We evaluated key factors and assumptions used to develop the discount rate used to value the gift annuities and beneficial interest in charitable remainder unitrusts in determining that they are reasonable in relation to the consolidated financial statements taken as a whole.

- Management's estimates of the discount rate, useful lives, lease terms related to the District's operating lease right of use assets, lease liabilities, lease receivable, and deferred inflows of resources - leases. We have gained an understanding of management's key factors and assumptions and examined the documentation supporting the estimates. We found management's basis to be reasonable in relation to the District's consolidated financial statements taken as a whole.
- Management's estimates of the discount rate, subscription terms, and other assumptions related to the District's subscription assets and subscription liabilities. We have gained an understanding of management's key factors and assumptions and examined the documentation supporting the estimates. We found management's basis to be reasonable in relation to the District's consolidated financial statements taken as a whole.

Actual results could differ from these estimates. In accordance with accounting principles generally accepted in the United States of America, any change in these estimates is reflected in the consolidated financial statements in the year of change.

Financial Statement Disclosures

The disclosures in the consolidated financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the consolidated financial statements were disclosures relating to significant concentration of net patient accounts receivable, investments and fair value of investments, capital assets, employee benefit plans, post-retirement medical benefits, insurance plans, bonds payable, leases, and subscription-based IT arrangements.

Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of the District's consolidated financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of the District's consolidated financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with auditing standards generally accepted in the United States of America (GAAS) and the California Code of Regulations, Title 2 Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. There were no circumstances that affected the form and content of the auditor's report.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no uncorrected financial statement misstatements whose effects, as determined by management, are material, either individually or in the aggregate, to the financial statements taken as a whole.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October __, 2023.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s consolidated financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Board of Directors and management of the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

San Francisco, California

October __, 2023