

**Minutes of the Open Session
Of the El Camino Healthcare District Board of Directors
Tuesday, June 16, 2015
El Camino Hospital, 2500 Grant Road, Mountain View California
Conference Room F and G**

Members Present

Dennis Chiu
Peter Fung, MD
Julia Miller
David Reeder
John Zoglin

Members Absent

None

Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER	Board Chair Julia Miller called to order the Open Session meeting of the El Camino Healthcare District Board of Directors at 5:30 pm.	
2. SALUTE TO THE FLAG	Director Zoglin led the Board members, staff, and members of the public present in the Pledge Allegiance.	
3. ROLL CALL	Silent Roll call was taken. All Board members were present.	
4. RECOGNITION OF OFFICERS	Chair Miller introduced Director Fung and Director Chiu as the incoming Board Chair and Vice Chair, respectively, thanked the Board for her election as Secretary/Treasurer and for their support during her tenure as Chair.	
5. PUBLIC COMMUNICATION	Tomi Ryba, CEO, announced that El Camino Hospital received its re-designation as a Magnet Hospital, the only hospital in Northern California to receive a third designation.	
6. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Miller asked if any Board Member or any member of the public knew of any Board member conflict of interest with any of the items on the agenda. None were reported.	
7. SPECIAL ORDER OF THE DAY: COMMUNITY BENEFIT SPOTLIGHT: PLAYWORKS	Barbara Avery, Director of Community Benefit, introduced Patricia O'Brien, Executive Director of Playworks, and described the impact the program has had at the schools where it has been implemented. Ms. O'Brien thanked the Board for supporting the program which reaches 4000 school children in the District through the District's community benefit program. Motion: To approve Resolution 2015 - 04. Movant: Reeder Second: Fung	

	<p>Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>8. CONSENT CALENDAR</p>	<p>Motion: To approve the Consent Calendar (Minutes of the Special Meeting of the Board, May 19, 2015; Resolution 2015-03 Recognizing the El Camino Hospital Auxiliary and its Outgoing Officers; and Resolution 2015-05 To Establish Tax Appropriation Limit for FY 2016). Movant: Fung Second: Miller Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>9. FINANCIAL REPORT</p>	<p>a. Iftikhar Hussain, CFO, gave a report on the ECHD Consolidated and Stand-Alone Financials FY 15 YTD, noting that, on a consolidated basis, the District is ahead of budget by \$15 million, largely due to the sale of the Outpatient Dialysis Centers and receipt of a second payment through the Intergovernmental Transfer (“IGT”) Program. He explained that, on a Stand-Alone basis, the District is \$4 million behind budget because the second IGT payment had not yet been received at the April financial close. In response to Director Zoglin’s question, Matt Harris, Controller explained that there is \$4 million from FY14 and an expected \$4.6 million for this year in the capital outlay fund that he anticipates will be allocated to Hospital capital projects next year in compliance with the required two year time limit. Mr. Harris also explained depreciation expense on the YMCA building is funded at 130% the actual depreciation expense. Motion: To approve the ECHD Consolidated and Stand-Alone Financials FY 15 YTD. Movant: Chiu Second: Miller Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>b. Mr. Hussain presented the Proposed FY16 El Camino Hospital Operating and Capital Budget as approved by the Hospital’s Board of Directors on June 10, 2015. He described the various components of the budget and the capital spending. In response to questions, Mr. Hussain commented that if unanticipated expenses exceed the contingencies provided in the budget, management would seek further approval and Ms. Ryba</p>	

	<p>offered to provide the Board with additional information regarding budget vs. actual capital spend for FY 15. Motion: To approve the El Camino Hospital FY16 Operating and Capital Budget. Movant: Reeder Second: Fung Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>c. Mr. Hussain reported on the proposed ECHD Consolidated and Stand –Alone budget for FY 2016. The Directors did not have any questions. Motion: To approve the FY 16 ECHD Consolidated and Stand –Alone Budget. Movant: Chiu Second: Miller Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>10. ECHD FY16 COMMUNITY BENEFIT PLAN</p>	<p>Barbara Avery, Director of Community Benefit, reported that the staff increased its outreach to expand the number of grant applications received this year. She explained the proposed \$6.2 million FY 16 Community Benefit Plan provides for reduction in funding for hospital operated programs including a reduction for the Chinese Health Initiative, Library Resource Center and Roadrunners and a 10% reduction for the South Asian Heart Center.</p> <p>Director Reeder commented on the Board’s role in approving the budget for the plan and overseeing versus managing the program. In response to Director Chiu’s question regarding proposed decrease in funding for the Valley Health Center (“VHC”) Ms. Avery explained that VHC requested fewer funds this year. Director Zoglin asked if the Board could review the metrics for the past three years for those grantees that receive \$100,000 or more per year. Director Fung noted that he does not understand why tax dollars should not be spent on hospital operated programs as long as the programs benefit the community in the four areas identified in the needs assessment and that he would not support reduced funding for the Chinese Health Initiative, Library Resource Center and Roadrunners programs. The Directors also discussed whether funding should be provided for organizations that have advocacy as part of their mission and activity. Chair Miller thanked the staff for their fine work.</p>	

Public Comment: Kathleen King, CEO of Healthier Kids, noted her organization's grant application was denied and requested she be permitted to submit additional information and that the Board reconsider the request. Sunny Ochoa, Program Director of Healthier Kids Vision, Dental and Hearing Screening Program, described the program's services.

In response to Director Chiu's question, Ms. Ochoa stated that the Healthier Kids grant application was in the amount of \$71,000.

Chair Miller suggested that the Board vote separately on the proposed plan and Healthier Kid's request for reconsideration.

Motion: To approve the proposed FY 16 ECHD Community Benefit Plan as written, but to eliminate the 5% reduction for the Chinese Health Initiative, Library Resource Center and Roadrunners programs.

Movant: Miller - Director Miller did not accept Director Reeder's request to amend the motion to also eliminate the 10% reduction for the South Asian Heart Center

Second: Fung

In response to Director Zoglin's question, Ms. Avery explained that there are adequate funds in reserve to eliminate the reductions without impacting grants to other programs. Director Chiu noted that, at some point, the Board should have a policy discussion as to whether tax dollars should support hospital operated community benefit programs. Director Reeder noted he would vote against the motion because he believes all of the reductions should be eliminated.

Ayes: Fung, Miller, Zoglin

Noes: Chiu, Reeder

Abstentions: None

Absent: None

Recused: None

The Directors discussed whether staff should reconsider the recommendation to deny funding to some grant applicants, or whether that would inappropriately disrupt the process of CBAC review and Board approval.

Motion: To permit grant applicants denied funding to correct or amend their applications and that a staff recommendation to hold a Special Meeting of the Board to consider approval of the application(s) be brought to the Chair if staff supports approval of the grant applications

Movant: Chiu

Second: Miller

Ayes: Chiu, Miller, Zoglin

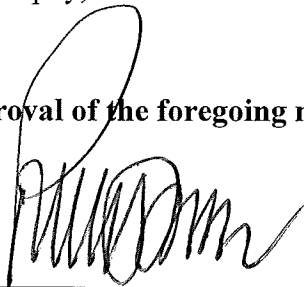
Noes: Fung, Reeder

	<p>Abstentions: None Absent: None Recused: None</p>	
<p>11. ECH BOARD MEMBER ELECTION AD HOC COMMITTEE REPORT AND CANDIDATE INTERVIEWS</p>	<p>The Board interviewed three candidates: Meg Kellogg, John McCreedy and Lanhee Chen for a position on the El Camino Hospital Board of Directors. Each candidate gave a 10 minute presentation. Following each presentation, each Board member had an opportunity to ask the candidate one question, and the candidate was given one minute to answer each question.</p>	
<p>12. ELECTION OF ECH BOARD MEMBER</p>	<p>a. Following discussion, the Board members reached a consensus to elect a new member of the El Camino Hospital Board by written ballot the results of which would be announced during the meeting, be made publicly available and recorded in the Minutes.</p> <p>The Board members discussed the candidates and their qualifications.</p> <p>Cindy Murphy, Board Liaison, collected the written ballots cast by each Director and reported that there were three votes in favor of Lanhee Chen and two votes in favor of Meg Kellogg. The written ballots cast were as follows: Chiu: Meg Kellog Fung: Lanhee Chen Miller: Meg Kellogg Reeder: Lanhee Chen Zoglin: Lanhee Chen</p> <p>Motion: To approve Resolution 2015 - 06 electing Lanhee Chen to the El Camino Hospital Board of Directors for a three year term effective July 1, 2015. Movant: Reeder Second: Zoglin Ayes: Fung, Miller, Reeder, Zoglin Noes: None Abstentions: Chiu Absent: None Recused: None</p>	
<p>13. RESOLUTION 2015 - 07: APPOINTMENT OF ECH BOARD MEMBER ELECTION AD HOC COMMITTEE FOR FY 16</p>	<p>Chair Miller commented that it is recommended that the Election Ad Hoc Committee for the next year be appointed now to be ready to report at the October 2015 District Board Meeting.</p> <p>Motion: To approve Resolution 2015 - 07 appointing Directors Miller and Zoglin to the ECH Board Election Ad Hoc Committee for FY 2016. Movant: Miller Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin</p>	

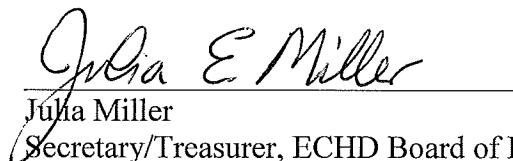
	<p>Noes: None Abstentions: None Absent: None Recused: None</p>	
14. FY 16 PACING PLAN	<p>Director Reeder suggested that the Board allow Chair-Elect Fung an opportunity to work through and develop the Pacing Plan for the next Fiscal Year.</p> <p>No Action Taken.</p>	
15. BOARD COMMENTS	<p>Chair Miller commented that it has been her privilege to serve temporarily as Chair. Director Chiu thanked Director Miller for her service as Chair and commented that he looks forward to serving on the Hospital Board with newly elected Director Lanhee Chen.</p>	
16. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 7:50 pm Movant: Miller Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
17. ADGENDA ITEM 21 – RECONVENE OPEN SESSION	<p>Open Session was reconvened at 8:04 pm. The minutes of the closed session of May 19, 2015 were approved as amended by a unanimous vote of four Directors present in favor (Chiu, Fung, Reeder and Zoglin) one Director (Miller) recused.</p>	
18. AGENDA ITEM 22- ADJOURNMENT	<p>Motion: To adjourn the meeting at 8:05 pm. Movant: Fung Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>The meeting was adjourned at 8:05 pm.</p>	

Prepared by Cindy Murphy, Board Liaison

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



Peter Fung, MD
Chair, ECHD Board of Directors



Julia Miller
Secretary/Treasurer, ECHD Board of Directors