



**El Camino Healthcare District Board of Directors
Open Session Meeting Minutes**

Tuesday, June 18, 2024

El Camino Hospital | Sobrato Boardroom 1 | 2500 Grant Road, Mountain View, CA

Board Members Present

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

Others Present

Dan Woods, CEO
Carlos Bohorquez, CFO
Theresa Fuentes, CLO
Jon Cowan, Senior Director, Government Relations and Community Partnerships
Ken King, CASO
AJ Reall, Vice President, Strategy

Others Present (cont.)

Michael Walsh, Controller
Tracy Fowler, Director, Governance Services
Gabriel Fernandez, Governance Services Coordinator

Board Members Absent

None

**Via teleconference*

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	Chair Ting called to order the open session of the Regular Meeting of the El Camino Healthcare District Board of Directors (the "Board") at 5:30 pm and reviewed the logistics for the meeting. A verbal roll call was taken; Directors Fung, Miller, Somersille, Ting, and Zoglin were present, constituting a quorum.	Call to Order at 5:30 pm.
2. CONSIDER AB 2449 REQUESTS	Chair Ting asked if any members of the Board are appearing remotely per AB 2449. None were noted.	
3. SALUTE TO THE FLAG	Chair Ting asked Director Peter Fung to lead all present in the Pledge of Allegiance.	
4. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Ting asked if any Board members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
5. PUBLIC COMMUNICATION	Chair Ting 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 present.	
6. CONSENT CALENDAR	<p>Chair Ting inquired if any member of the Board intended to remove any item from the consent calendar.</p> <p>Items A) Approve Minutes of the Open Session of the District Board Meeting (05/21/2024) and D) FY25 Pacing Plan were removed for further discussion. A robust discussion of the removed items ensued.</p> <p>Regarding Item A, Director Miller requested that the minutes of the May 21, 2024 District Board meeting be revised to reflect: (a) a more complete description of the items referenced in the board announcements (item 14), and (b) to include the request made at the May 21 meeting for an update on District property leases (item 11).</p> <p>For item D, the following FY25 Pacing Plan items were discussed:</p>	<p>The consent calendar was approved minus items A & D.</p> <p>Consent Calendar Items A & D approved.</p>

	<p>Director Somersille requested that the pacing plan include opportunity for the Board to discuss strategic plan and goals for the District. The Board agreed to include this discussion on the agenda for the next two meetings to establish a proper cadence for the review of the Healthcare District's strategic plan and goals.</p> <p>Director Somersille also requested that the May Community Benefit Spotlight be moved to the March meeting to evenly distribute the pacing of items covered across both meetings. The Board agreed with this request.</p> <p>Director Somersille further requested that the Board receive a Capital Outlay fund proposal for initial discussion at the May meeting prior to bringing it to the Board for approval at the June meeting. The Board agreed with this request.</p> <p>The Board also discussed whether to add a third real estate update in June in addition to the March and October updates. The Board decided that the two updates in March and October are sufficient for FY25.</p> <p>Director Zoglin asked for the Ad Hoc Committee formation to be moved up to October. Following discussion about whether to wait until after the election, the Board agreed it should be moved to October.</p> <p>Motion: To approve the consent calendar items minus items a) Approve Minutes of the Open Session of the District Board Meeting (05/21/2024) and d) FY25 Pacing Plan.</p> <p>Movant: Miller Second: Fung Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Motion: To approve consent calendar item d) FY25 Pacing Plan with the requested revisions</p> <p>Movant: Somersille Second: Zoglin Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
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	<p>Motion: To approve consent calendar item a) Approve Minutes of the Open Session of the District Board Meeting (05/21/2024) with the requested revisions</p> <p>Movant: Miller Second: Ting Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>7. PROPOSED RESOLUTION 2024-08: SETTING MEETING DATES FOR FY25</p>	<p>Motion: To approve Resolution 2024-08 setting the meeting dates for the El Camino Healthcare District Board for FY2025.</p> <p>Movant: Miller Second: Zoglin Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p>Resolution 2024-08 was approved.</p>
<p>8. APPOINTMENT OF LIASON TO THE COMMUNITY BENEFIT ADVISORY COUNCIL</p>	<p>Chair Ting asked for a motion to reappoint Director Somersille as the Liaison to the Community Benefit Advisory Council.</p> <p>Motion: To reappoint Director Carol Somersille as the Liaison to the Community Benefit Advisory Council.</p> <p>Movant: Miller Second: Zoglin Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p>Director Carol Somersille was reappointed as the CBAC Liaison</p>
<p>9. ECHD NEWSLETTER UPDATE</p>	<p>Chair Ting provided an update on the ECHD Newsletter and asked for any final recommendations from the Board before staff proceeds with the development and distribution of the newsletter.</p>	
<p>10. FY25 COMMUNITY BENEFIT PLAN</p>	<p>Mr. Cowan provided a final report on the FY25 Community Benefit Plan. The Board inquired regarding actions implemented from the May study session and the FY2025 recommended dual-funded programs summary. The Board praised the work of Mr. Cowan and his team. Director Fung suggested that one of the board's community spotlight items be for Mr. Cowan's program.</p> <p>Director Miller inquired about the fact that the recommended motions were not included on the agenda. Ms. Fuentes advised that since the item was listed on the</p>	<p>Actions:</p> <p><i>Staff to provide a statement of results report on newly funded programs at the end of the fiscal year.</i></p>

	<p>agenda with a motion required the board can make a motion.</p> <p>Director Fung inquired about what it would mean to provide Mr. Cowan with delegation to sign the grant agreements. Ms. Fuentes explained that the current signature policy exceeds Mr. Cowan’s authority and with the Board’s approval Mr. Cowan could sign the grant agreements on behalf of the District consistent with the Community Benefit Plan.</p> <p>Motion: To approve the FY2025 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, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Motion: To approve authority for Jon Cowan, Executive Director of Government Relations & Community Partnerships, to execute all grant agreements specified in the Community Benefit Plan.</p> <p>Movant: Somersille Second: Miller Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Staff to provide a report on programs that receive dual funding.</i></p> <p><i>Staff to provide a report on programs that are district funded and if they should be hospital-funded.</i></p>
<p>11. ECHD FINANCIAL REPORT</p>	<p>Mr. Bohorquez provided two items for approval. First, Mr. Bohorquez presented the FY25 Operating budget for El Camino Hospital and Affiliates and the District. For the District alone, the anticipated total revenues of \$32.4 million and total expenses of \$16.2 million. For ECHD and affiliates, the consolidated FY2025 operating budget anticipates total operating revenues of \$1.65 billion and total operating expenses of \$1.52 billion.</p> <p>Mr. Bohorquez shared that activity remains consistent across the enterprise which has yielded stable financial results through the first nine months of FY2024. Mr. Bohorquez highlighted the following key financial KPIs:</p> <p>Net Patient Revenue (\$): \$1,229 million which is consistent with budget and \$84 million / 7.3% higher than the same period last year.</p>	<p><i>FY25 Operating Budget for ECHD, and ECH and Affiliates was approved</i></p> <p><i>FY24 Period 10 Financial Report was received.</i></p>

	<p>Total Operating Revenue (\$): \$1,294 million is favorable to budget by \$8 million / 0.6% and \$102 million / 8.6% higher than the same period last year.</p> <p>Operating Income (\$): \$122 is favorable to budget by \$9 million / 7.9% and \$10 million / 8.9% higher than the same period last year.</p> <p>Net Income (\$): \$248 million is favorable to the budget. Favorable net income is primarily attributed to unrealized gains in the investment portfolio.</p> <p>Director Zoglin requested that the full Hospital Board is involved in the strategic discussions on how allocations are being made to the lines of business and other areas. Director Zoglin added that the content of this proposed discussion then be shared with the District Board of Directors.</p> <p>Motion: To approve the FY2025 Operating Budget for ECHD and ECH and Affiliates</p> <p>Movant: Miller Second: Fung Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Motion: To receive the ECHD FY24 Period 10 Financial report.</p> <p>Movant: Zoglin Second: Fung Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>12. ESTABLISHING TAX APPROPRIATION LIMIT FOR FY24 (GANN LIMIT)</p>	<p>Michael Walsh, Controller, reported on recommendations regarding the Gann Limit. Mr. Walsh noted an error in the memo and resolution submitted to the Board in support of the recommendations. Specifically, for population change multiplier, the Board has the option of choosing a multiplier for the change in healthcare district population, which is 0.0085% or a multiplier for a change in Santa Clara County population, which is 0.0002%. Administration recommends using the county multiplier.</p>	<p>Resolution 2024-09 was approved with change to county population multiplier of 0.0002%.</p>

	<p>After discussion, a motion was made by Director Zoglin to approve the resolution with the county population multiplier, which was seconded by Director Ting. A motion was made by Director Somersille to amend the motion to approve the resolution with the district population multiplier, but there was no second and the motion to amend failed. The motion to approve the resolution with the county population change of 0.0002% was then passed.</p> <p>Motion: To approve resolution 2024-09 establishing the Tax Appropriation (Gann) Limit with the county population multiplier of 0.0002%.</p> <p>Movant: Zoglin Second: Ting</p> <p>Motion to Amend: To approve resolution 2024-09 establishing the Tax Appropriation (Gann) Limit with the district population multiplier of 0.0085%.</p> <p>Movant: Somersille Second: None</p> <p>Motion: To approve resolution 2024-09 establishing the Tax Appropriation (Gann) Limit with the county population multiplier of 0.0002%.</p> <p>Movant: Zoglin Second: Ting Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>13. DISTRICT CAPITAL OUTLAY FUNDS</p>	<p>Mr. King presented the FY2022 District Capital Outlay fund request. Mr. King shared that the El Camino Healthcare District has \$11,528,369 of Capital Outlay Funds from fiscal year 2022 that must be allocated for use within two years.</p> <p>Motion: To approve the use of the FY-2022 District Capital Outlay Funds to support the Mountain View Campus, Women’s Hospital Expansion.</p> <p>Movant: Fung Second: Zoglin Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	

<p>14. RECESS TO CLOSED SESSION</p>	<p>Motion: To recess to closed session at 7:24 pm</p> <p>Movant: Second: Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Recessed to closed session at 7:24 pm</i></p>
<p>15. AGENDA ITEM 19: RECONVENE OPEN SESSION / REPORT OUT</p>	<p>The open session was reconvened at 7:50 p.m. by Chair Ting. Agenda Items 15-18 were addressed in closed session.</p> <p>Mr. Fernandez reported that during the closed session, the El Camino Healthcare District Board approved the closed session minutes of the March 19th, 2024 meeting and the closed session minutes of the May 21st, 2024 meeting by a unanimous vote of all Directors present.</p>	<p><i>Reconvened open session at 7:50 pm</i></p>
<p>16. AGENDA ITEM 20: BOARD ANNOUNCEMENTS</p>	<p>Director Zoglin shared his experience from attending the Men’s Health Fair in Los Gatos, noting the large attendance and turnout and positive conversations he had with urologists at the event.</p>	
<p>17. AGENDA ITEM 21: ADJOURNMENT</p>	<p>Motion: To adjourn at 7:52 pm.</p> <p>Movant: Fung Second: Miller Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 7:52 pm</i></p>

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



 John Zoglin
 Secretary, El Camino Healthcare District

Prepared by: Gabriel Fernandez, Governance Services Coordinator
 Reviewed by: Tracy Fowler, Director, Governance Services, and Theresa Fuentes, Chief Legal Officer