



BOARD OF DIRECTORS: Peter C. Fung, MD | Julia E. Miller | Carol A. Somersille, MD | George O. Ting, MD | John L. Zoglin

AGENDA
MEETING OF THE
EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS
Tuesday, October 14, 2025 – 5:30 pm

El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040 | Sobrato Boardroom 1

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: 961 6103 4324#. 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.

NOTE: In the event that there are technical problems or disruptions that prevent remote public participation, the Chair has the discretion to continue the meeting without remote public participation options, provided that no Board member is participating in the meeting via teleconference.

TIME ESTIMATES: Except where noted as TIME CERTAIN, listed times are estimates only and are subject to change at any time, including while the meeting is in progress. The Board reserves the right to use more or less time on any item, to change the order of items and/or to continue items to another meeting. Particular items may be heard before or after the time estimated on the agenda. This may occur in order to best manage the time at a meeting.

A copy of the agenda for the Board Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at **(650) 988-3218** prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
1.	CALL TO ORDER/ROLL CALL	John Zoglin, Board Chair	Information	5:30
2.	CONSIDER APPROVAL FOR AB 2449 REQUESTS	John Zoglin, Board Chair	Possible Motion	5:30
3.	SALUTE TO THE FLAG	John Zoglin, Board Chair	Information	5:30
4.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Board Chair	Information	5:30
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 one (1) to three (3) minutes each based on number of speakers.</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>	John Zoglin, Board Chair	Information	5:30

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	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
6.	COMMUNITY BENEFIT SPOTLIGHT: Silicon Valley Bicycle Coalition Adopt Resolution 2025-09	Deanna Chevas, Deputy Director, Silicon Valley Bicycle Coalition John Zoglin, Board Chair Jon Cowan, Executive Director, Government Relations and Community Partnerships	Motion Required	5:30 – 5:45
7.	TIME CERTAIN – To Be Heard No Earlier Than 5:45 PM: Receive Santa Clara County Presentation: Impact of Federal Budget Cuts to District Residents and County's Response	Otto Lee, Santa Clara County Board of Supervisors President Brian Darrow, Special Assistant to the County Executive Paul Lorenz, CEO of Santa Clara Valley Healthcare	Discussion	5:45 – 6:30
8.	FY25 AUDITED FINANCIAL REPORT	Joelle Pulver, Moss Adams	Discussion	6:30 – 6:40
9.	RECESS TO CLOSED SESSION	John Zoglin, Board Chair	Motion Required	6:40 – 6:41
10	FY25 AUDITED FINANCIAL REPORT <i>Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – Senior Management.</i>	Joelle Pulver, Moss Adams	Discussion	6:41 – 6:50
11	FY25 CEO ASSESSMENT RESULTS AND EXECUTIVE SESSION <i>Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – CEO.</i>	John Zoglin, Board Chair	Discussion	6:50 – 7:10
12	DISTRICT REAL ESTATE STRATEGY <i>Health & Safety Code Section 32106(b) for a report and discussion involving healthcare facility trade secrets regarding new district services or programs.</i>	Tracey Lewis Taylor, COO Ken King, CASO Theresa Fuentes, CLO	Discussion	7:10 – 7:30
13	APPROVE MINUTES OF THE CLOSED SESSIONS OF THE DISTRICT BOARD MEETINGS a. Minutes of the Closed Session of the District Board Meeting (06/17/2025) <i>Report involving Gov't Code Section 54957.2 for closed session minutes.</i>	John Zoglin, Board Chair	Motion Required	7:30 – 7:32
14	ADJOURN TO OPEN SESSION	John Zoglin, Board Chair	Motion Required	7:32 – 7:33
15	RECONVENE OPEN SESSION	Board Chair	Information	7:33 – 7:34
16	CLOSED SESSION REPORT OUT	Gabe Fernandez, Governance Services Coordinator	Information	7:34– 7:35
17	APPROVE FY25 AUDITED FINANCIAL REPORT	John Zoglin, Board Chair	Motion Required	7:35 – 7:37
18	APPROVAL OF CAPITAL REQUEST: MOUNTAIN VIEW CAMPUS COMPLETION - WING J PROJECT	Ken King, CAO	Motion Required	7:37 – 7:39

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	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
19	COMMUNITY BENEFIT a. Adopt annual Community Benefit Grants Policy b. Adopt FY27 Community Benefit Board Policy Guidance and FY26 Update	Jon Cowan, Executive Director, Government Relations and Community Partnerships	Motion Required	7:39 – 8:00
20	CONSENT CALENDAR <i>Items removed from the Consent Calendar will be considered separately.</i> a. Approve Minutes of the Open Session of the District Board Meeting (06/17/2025) b. Approve Minutes of the Open Session of the District Board Special Meeting (08/13/2025) c. Approve ECH Competency Matrix d. Approve ECH Board of Directors Re-Appointment Questionnaire e. Receive FY2025 Yearend Community Benefit Report f. Receive ECHD Sponsorships FY2025 and FY2026 July-October g. Receive Period 2 Financials h. Receive FY26 Pacing Plan	John Zoglin, Board Chair	Motion Required	8:00 – 8:10
21	FY26 ECHB DIRECTOR REAPPOINTMENT AD HOC COMMITTEE UPDATE	Carol Somersille, M.D., Ad Hoc Committee Chair	Information	8:10 – 8:15
22	APPOINTMENT OF FY27 ECHB DIRECTOR REAPPOINTMENT/RECRUITMENT AD HOC COMMITTEE Adopt Resolution 2025-10	John Zoglin, Board Chair	Motion Required	8:15 – 8:17
23	ECHD NEWSLETTER a. Discuss General Guidance and Approval Process	John Zoglin, Board Chair Mark Klein, CCMO	Possible Motion	8:17 – 8:30
24	BOARD ANNOUNCEMENTS	John Zoglin, Board Chair	Information	8:30 – 8:40
25	ADJOURNMENT Appendix	John Zoglin, Board Chair	Motion Required	8:40 pm

Next Meetings: November 18, 2025; February 10, 2026; March 10, 2026; May 19, 2026; June 23, 2026

Next Site Visit Meetings: October 25, 2025; December 12, 2025; February 6, 2026; March 20, 2026

EL CAMINO HEALTHCARE DISTRICT

RESOLUTION 2025 - 09

RESOLUTION OF THE BOARD OF DIRECTORS OF EL CAMINO HEALTHCARE DISTRICT REGARDING RECOGNITION OF SERVICE TO THE COMMUNITY

WHEREAS, the Board of Directors of the El Camino Healthcare District values and wishes to recognize the contribution of individuals who serve the District's community as well as individuals who exemplify the El Camino Healthcare District's mission and values.

WHEREAS, the Board wishes to honor and recognize Silicon Valley Bicycle Coalition, for promoting physical activity and education for youth and adults.

WHEREAS, El Camino Healthcare District and Silicon Valley Bicycle Coalition began a partnership in 2019 and have had five years of successful grant programming to communities with health disparities through group bike rides.

WHEREAS, through Silicon Valley Bicycle Coalition's Bike to Health program, rides originate from transit-friendly, accessible locations and help to improve physical and mental health through a combination of monthly bike rides as well as providing peer bike champions for new rider education.

WHEREAS, the Board acknowledges Silicon Valley Bicycle Coalition for its commitment to providing access to physical activity and education to communities with health disparities in the El Camino Health District. Through this grant program, Silicon Valley Bicycle Coalition has served nearly 700 individuals in the community with 875 services.

NOW THEREFORE BE IT RESOLVED that the Board does formally and unanimously pay tribute to:

Silicon Valley Bicycle Coalition

IN WITNESS THEREOF, I have here unto set my hand this **14TH DAY OF OCTOBER, 2025**.

EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS:

Peter C. Fung, MD • Julia E. Miller • Carol A. Somersille, MD • George O. Ting, MD • John L. Zoglin

JULIA E. MILLER
SECRETARY/TREASURER
EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS



Impact of Federal Budget Cuts and the County's Response

El Camino Healthcare District

October 14, 2025



County of Santa Clara

H.R. 1 Overview



H.R. 1, or the “One Big Beautiful Bill Act,” is the federal budget reconciliation bill that was signed into law by President Trump on July 4, 2025.



Enacts the largest cuts in our nation’s history to Medicaid (known as Medi-Cal in CA) **and food assistance** (CalFresh in CA) to help fund tax cuts primarily benefitting the wealthiest Americans.



Medicaid is a critical social safety net program that provides healthcare coverage for nearly 1 in 5 Americans. Approximately half of all children in the United States are covered by Medicaid.

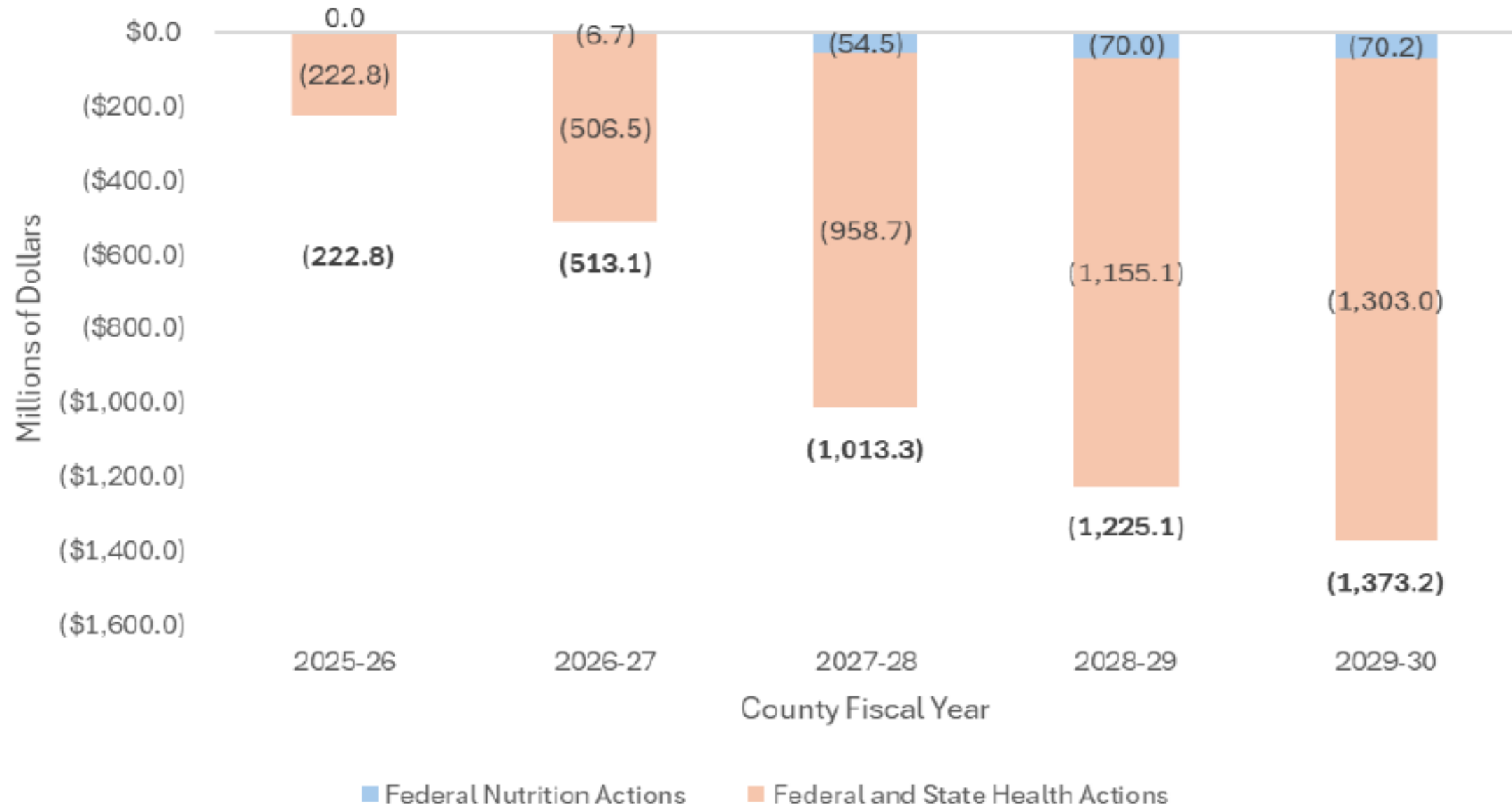
1 in 4 County residents rely on Medi-Cal
133,000 residents rely on CalFresh for food assistance

H.R. 1 Creates a County Fiscal Crisis

- ▶ Medicaid is the single largest source of federal funding for the County, totaling \$2.3 billion in FY25-26.
- ▶ Medi-Cal funding accounts for more than half of all revenue for Santa Clara Valley Healthcare (SCVH), the County's healthcare delivery system.
- ▶ **The County expects \$1 billion in lost revenue per year**, representing a significant portion of the \$4.6B total annual budget for Santa Clara Valley Healthcare
 - ▶ This is a devastating and destabilizing level of cuts that can only result in extraordinarily harmful service reductions if not addressed.



Projected Impact to County Revenues (Summary)



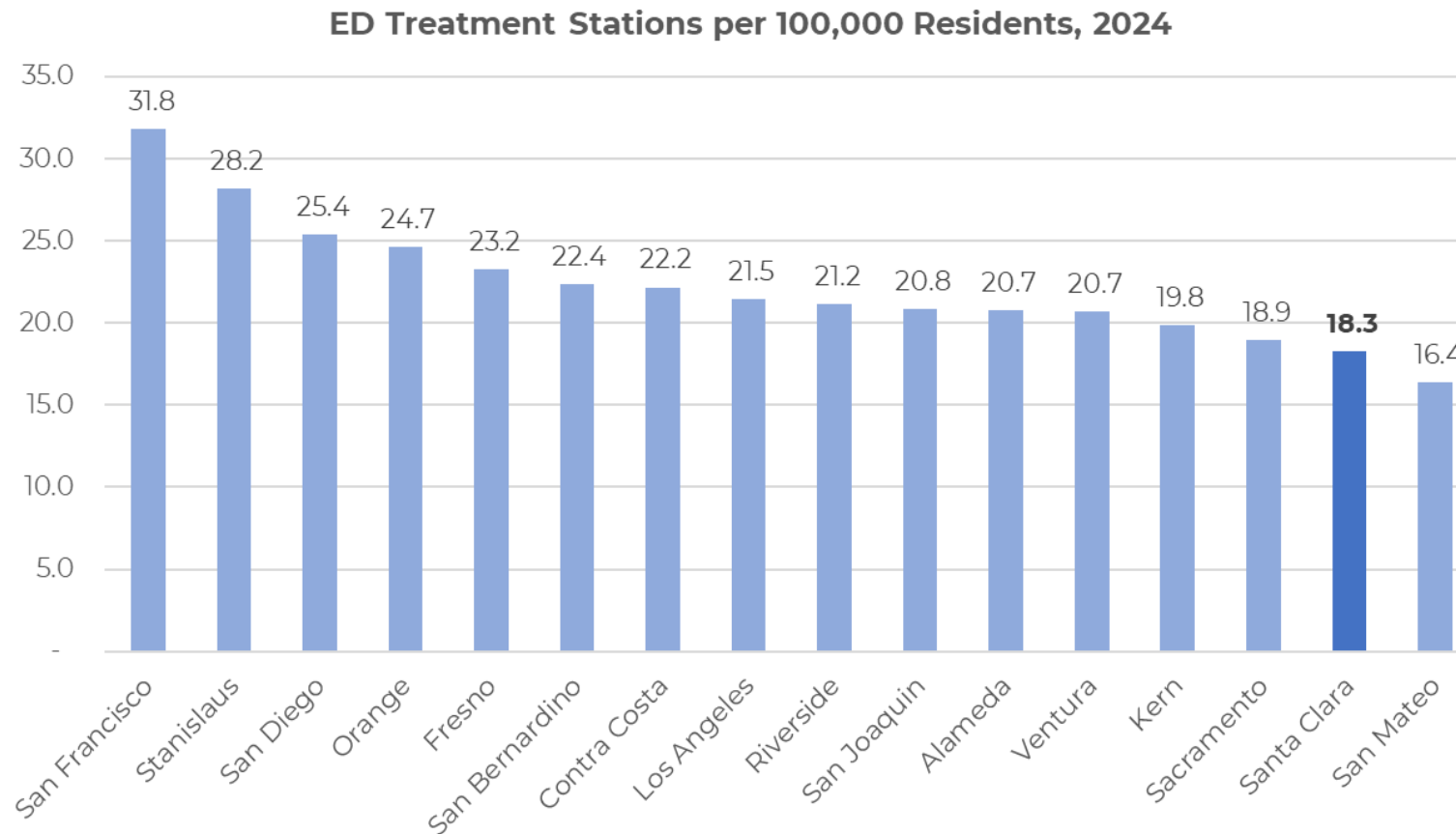
H.R. 1 Threatens Access to Healthcare and Local Hospitals

Santa Clara Valley Healthcare operates 4 hospitals and 15 major health centers in Santa Clara County and is the largest provider of many critical healthcare services to all residents:

- ▶ Provides care for **nearly 1 in 4** Santa Clara County residents.
- ▶ **Largest provider** of both Medi-Cal and Medicare hospital services to Santa Clara County residents.
- ▶ Operates **2 of only 3 trauma centers** in Santa Clara County
- ▶ **Only Burn Center** in Santa Clara County and 1 of only 3 regional centers of its kind between Los Angeles and the Oregon border.
- ▶ **Top ranked** Rehabilitation Center on the entire West Coast.

Local Emergency Room Capacity is at Risk

Santa Clara County has limited ER beds. Santa Clara Valley Healthcare provides critical capacity that is already stretched thin.



Only counties with population over 500,000 shown on graph

- ▶ **Every 11 minutes** a 911 call results in someone being transported to a County hospital.
- ▶ **Nearly half of all ER visits** in Santa Clara County are at County hospitals (750 visits per day).
- ▶ **80% of trauma cases** are taken to a County hospital.

If County emergency bed capacity is significantly reduced, other local hospitals will be overwhelmed.

H.R. 1 Puts County Services at Risk

Federal cuts of the magnitude we face present a major risk to *all* County services from public safety to homelessness.

A \$1 billion funding shortfall is too significant for Santa Clara Valley Healthcare to absorb on its own.



**Housing
support**



**Homelessness
prevention**



**Behavioral
health**



Public safety

El Camino Area Impacts: Mountain View, Los Altos, Los Altos Hills, Sunnyvale



HEALTHCARE

- ▶ **More than 1 in 7 El Camino area residents** rely on Medi-Cal (41,500 people)
- ▶ **32,000 residents** receive care from Santa Clara Valley Healthcare
 - ▶ 97,000 outpatient visits
 - ▶ 9,000 ER visits
 - ▶ 10,000 hospital days



FOOD ASSISTANCE

- ▶ **9,100 residents** rely on CalFresh to put food on the table



DISASTER RESPONSE

- ▶ **234,000 COVID vaccinations** provided to El Camino Area residents during height of the pandemic, regardless of health provider or insurance.
- ▶ **40.4% of residents** received their COVID vaccine from the County during this period.



HOMELESSNESS

- ▶ **686 households** served by permanent supportive housing programs
- ▶ **623 households** provided prevention services
- ▶ **894 households** provided shelter/temporary housing

County's Response to H.R. 1

To address the extraordinary fiscal emergency caused by H.R. 1, the County is taking swift, proactive steps in several areas.

Reducing Costs and Increasing Revenue

Seeking State Support

Pursuing Local Solutions



County's Response

Measure A

- On August 7, 2025, the Board of Supervisors unanimously voted to place an emergency, temporary general sales tax measure of 5/8 of a cent on the ballot. If approved, the tax would be in place for five years and generate \$330 million in revenue each year.
- The County has very limited options for raising local revenue for services. Unlike cities, counties can only enact taxes that have been affirmatively authorized by the State.
- SB 335 grants the County temporary authority to provide voters the option to raise local sales taxes by 5/8 of a cent for County services.
 - Measure A does not affect the ability of any city to propose a sales tax measure to their voters.
- Under state law, common household expenses (e.g. rent, groceries, utilities, childcare, etc.) are exempt from sales taxes.

Summary

- ▶ Our community is facing a true healthcare emergency caused by the federal government.
- ▶ The crisis will hit us soon and worsen in the next few years.
- ▶ The County's hospital and health clinics will be hit hardest, but other critical County services – such as mental health care and public safety – are also threatened.
- ▶ Everyone's care is at risk, as closure of trauma centers or emergency departments increase wait times and affect patient care regardless of what insurance you have or which hospital is nearest to you.
- ▶ Even if the temporary sales tax passes, the County will have to make hundreds of millions of dollars in service cuts to address a \$1 billion+ shortfall.
- ▶ Over the next several years, we need to come together as a community to chart a path forward that ensures the health and well-being of our residents, especially those most in need.



Thank You

Visit scc.info/federalfunding for more information





EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: Carlos A. Bohorquez, Chief Financial Officer
Date: October 14, 2025
Subject: FY2025 External Audit Report: Consolidated Financials

Recommendation(s): The Compliance and Audit Committee recommends District Board approval of the FY2025 Consolidated Financials.

Summary:

1. **Situation:** The El Camino Healthcare District engaged Baker Tilly (formerly Moss Adams) to conduct its annual Financial Audit for FY2025. The audit includes the Healthcare District, El Camino Hospital and its related entities (El Camino Hospital Foundation, CONCERN:EAP, and El Camino Health Medical Network).
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 auditor proposed adjustments to revenue, expenses, investments, assets or liabilities; 4) auditors identified an opportunity to strengthen internal controls which involves the need for ECHMN Finance to communicate one-time revenue journal entries to ECH Finance to ensure they are included in the revenue recognition model and 5) there were no material weakness identified.
4. **Assessment:** Baker Tilly provided an unmodified opinion that the consolidated financial statements were presented fairly and in accordance with US GAAP (Generally Accepted Accounting Principles).

Recommendation:

- District Board approval of the FY2025 Audit Report: Consolidated Financials

List of Attachments:

1. Fiscal Year 2025 Audit Results Exit Presentation
2. [Consolidated Financial Statements with Supplementary Information](#) (in Appendix)
3. [Communications with Those Charged with Governance](#) (in Appendix)
4. [Communication of Internal Control Related Matters](#) (In Appendix)



El Camino Healthcare District

2025 Audit Results

More than a Merger. A Multiplier.



Perspective

ELEVATED

100+
years in business

11,000+
team members

30+
industries served

100+
locations

140+
territories served

*Updrafts—
These rising air currents
support flight and the ability
to soar to greater heights.*

As of June 3, 2025, Baker Tilly and
Moss Adams have merged. Combined
statistics are based on data currently
available. Actual counts may vary slightly and
will be finalized during the integration process.

Agenda

1. Scope of Services
2. Auditor Opinions & Reports
3. Significant Risks Identified
4. Communication with Those Charged with Governance
5. Statements of Net Position
6. Operations

Scope of Services

- Relationships between Baker Tilly and El Camino Healthcare District:

Annual Audit



Annual consolidated financial statement audit as of and for the year ended June 30, 2025

Non-Attest Services



- Assist management with drafting the consolidated financial statements and footnotes as of and for the year ended June 30, 2025
- Tax return preparations

Auditor Opinion & Report

Auditor Report on the Financial Statements

Unmodified Opinion

Consolidated financial statements are presented fairly and in accordance with US generally accepted accounting principles (GAAP)

Emphasis of matter – GASB 101



Significant Risks Identified

During the audit, we identified the following:

Significant Risks	Procedures
Valuation of patient accounts receivable	- Tie out of reserving schedules - Zero Balance Accounts ("ZBA") analysis - Lookback analysis & subsequent collections analysis
Revenue recognition	- Hospital patient revenue analysis & cut-off analysis - Journal entry testing focusing on revenue reversals
Valuation of investments and related financial statement disclosures	- Third party confirmations - Independent price testing
Management override of controls	- Inquiries of accounting and operational personnel - Perform risk assessment procedure - Test of design and operational effectiveness of financial reporting controls - Testing of risk-based manual journal entry selections
Management incentive compensation program	- Review of management estimates for possible bias - Perform cut-off procedures for revenues and expenses - Review of accruals for executive bonus for compliance with policy

Communication with Those Charged with Governance

Our Responsibility Under US Generally Accepted Auditing Standards

1

To express our opinion on whether the consolidated financial statements prepared by management with your oversight are fairly presented, in all material respects, and in accordance with GAAP. However, our audit doesn't relieve you or management of your responsibilities.

2

To perform an audit in accordance with generally accepted auditing standards issued by the AICPA, and design the audit to obtain reasonable, rather than absolute, assurance about whether the consolidated financial statements are free of material misstatement.

3

To consider internal control over financial reporting as a basis for designing audit procedures but not for the purpose of expressing an opinion on its effectiveness or to provide assurance concerning such internal control.

4

To communicate findings that, in our judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we aren't required to design procedures for the purpose of identifying other matters to communicate to you.



COMMUNICATION WITH GOVERNING BODY

Significant Accounting Policies & Unusual Transactions

The auditor should determine that the audit committee is informed about the initial selection of and changes in significant accounting policies or their application. The auditor should also determine the audit committee is informed about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there's a lack of authoritative guidance or consensus.

OUR COMMENTS

Management has the responsibility for selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in the footnotes to the consolidated financial statements. Throughout the course of an audit, we review changes, if any, to significant accounting policies or their application, and the initial selection and implementation of new policies. During fiscal year 2025, the District adopted Governmental Accounting Standards Board Statement No. 101, Compensated Absences. See Note 18 for impact of adoption. No other new accounting policies were adopted and there were no changes in the application of existing policies during 2025.

We believe management has selected and applied significant accounting policies appropriately and consistent with those of the prior year.

COMMUNICATION WITH GOVERNING BODY

Management Judgments & Accounting Estimates

The audit 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.

OUR 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 don't materially misstate the consolidated financial statements.

Significant management estimates impacting the consolidated financial statements include the following: 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, probability of accumulated leave being used or settled and the timing of those payments related to calculation of employee sick leave accrual, subscription term of subscription assets, and discount rates used for subscription liabilities.

We deemed them to be reasonable.

COMMUNICATION WITH GOVERNING BODY

Management Judgments & Accounting Estimates

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

OUR 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; 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.



COMMUNICATION WITH GOVERNING BODY

Other Items

- 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

OUR COMMENTS

Uncorrected misstatements (passed adjustments):

- Decrease to patient accounts receivable, net and net patient service revenue of \$3.5 million

COMMUNICATION WITH GOVERNING BODY

Deficiencies in Internal Control

Any material weaknesses and significant deficiencies in the design or operation of internal control that came to the auditor's attention during the audit must be reported to the audit committee.

OUR COMMENTS

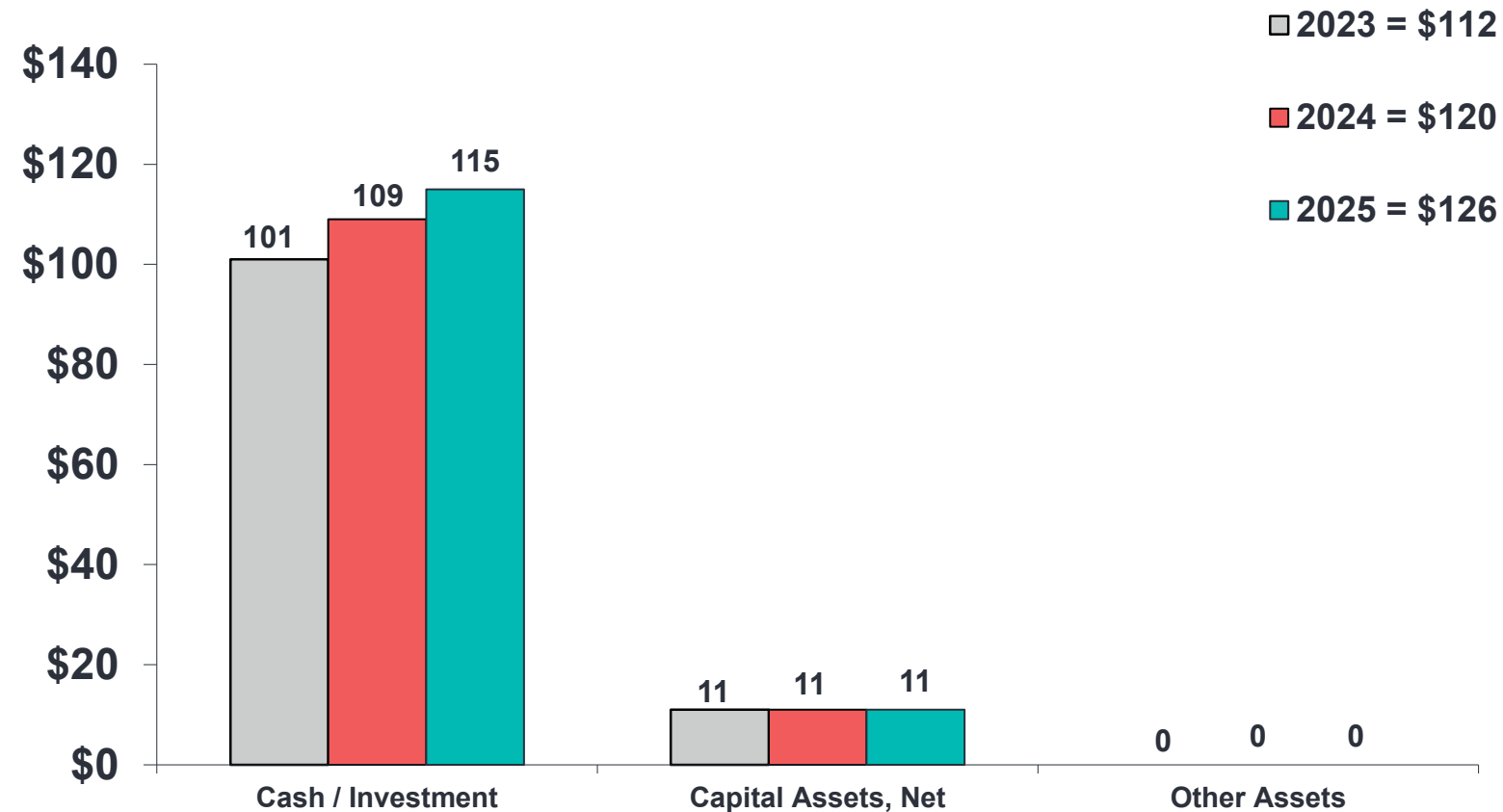
- Material weakness
 - None noted

- Significant deficiencies and non-compliance
 - Nothing to communicate

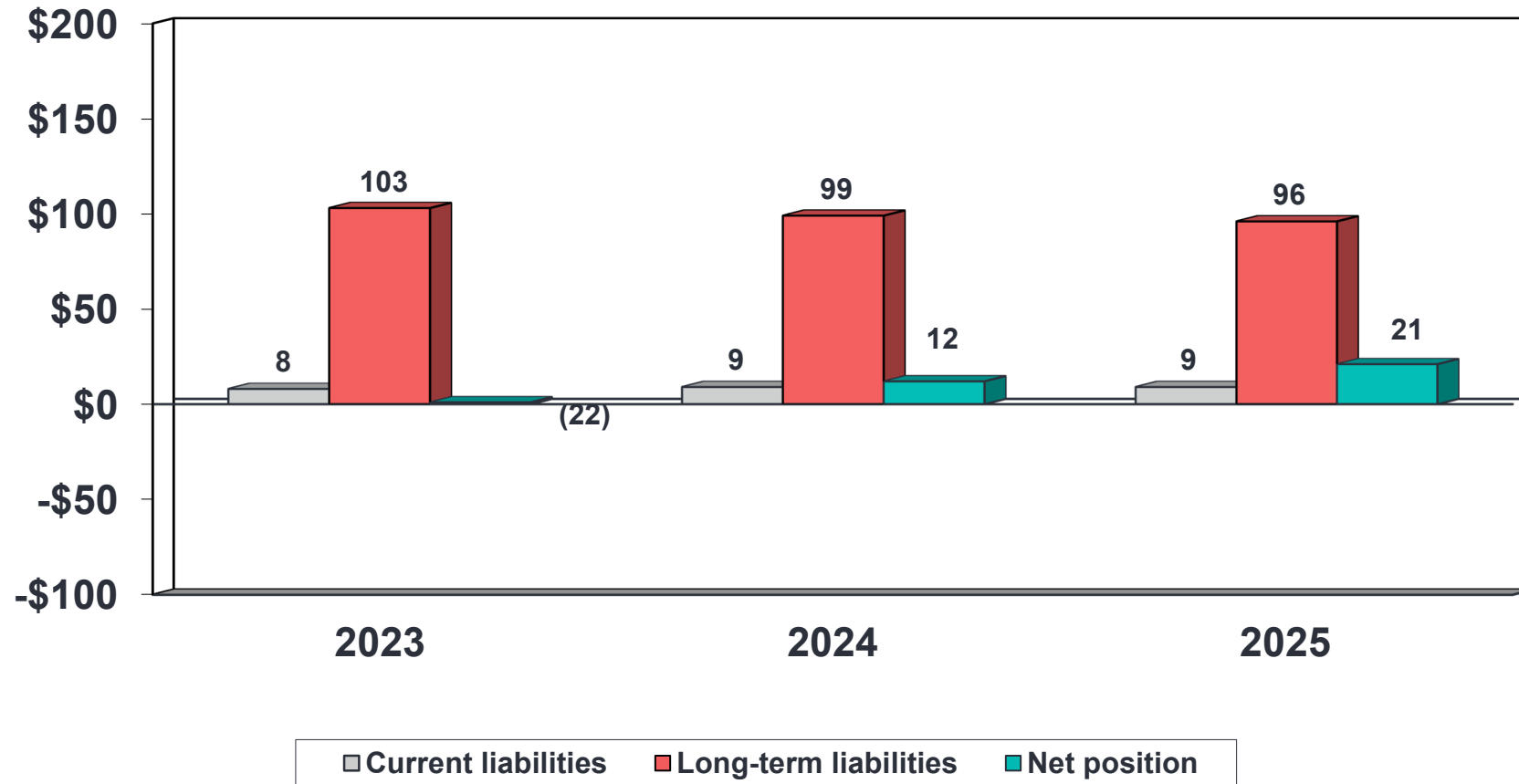
Consolidated Statements of Net Position



Assets and Deferred Outflows (in millions)



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

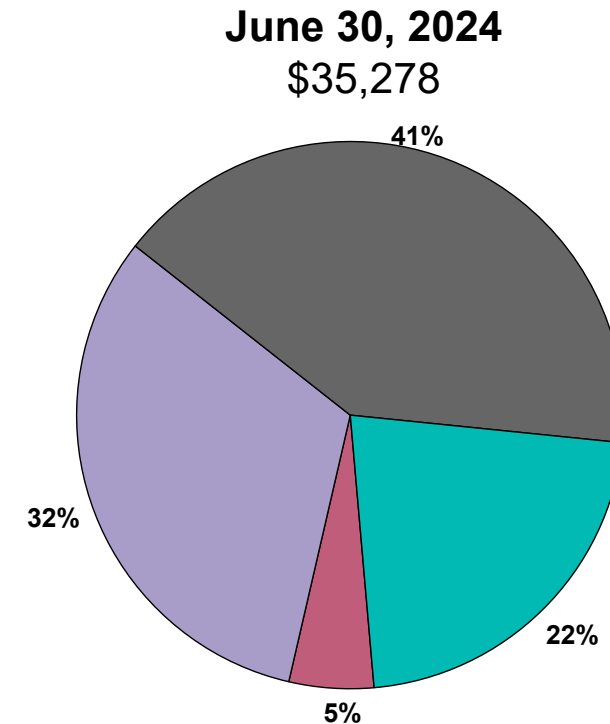
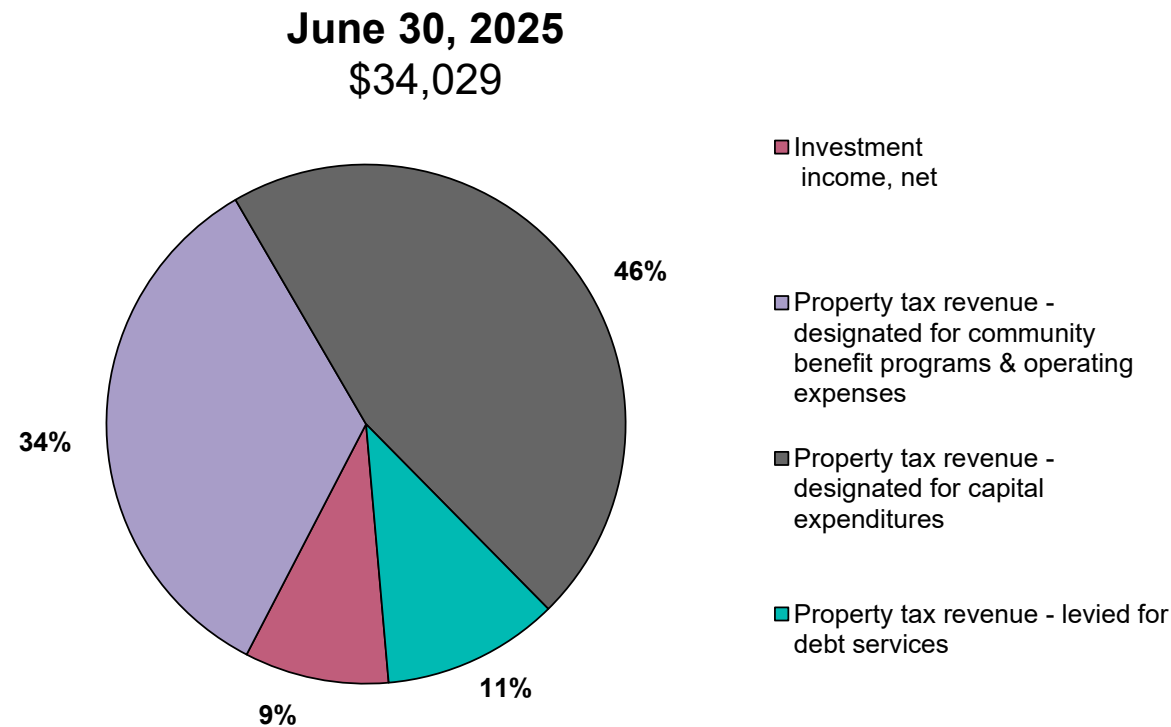


Consolidated Operations



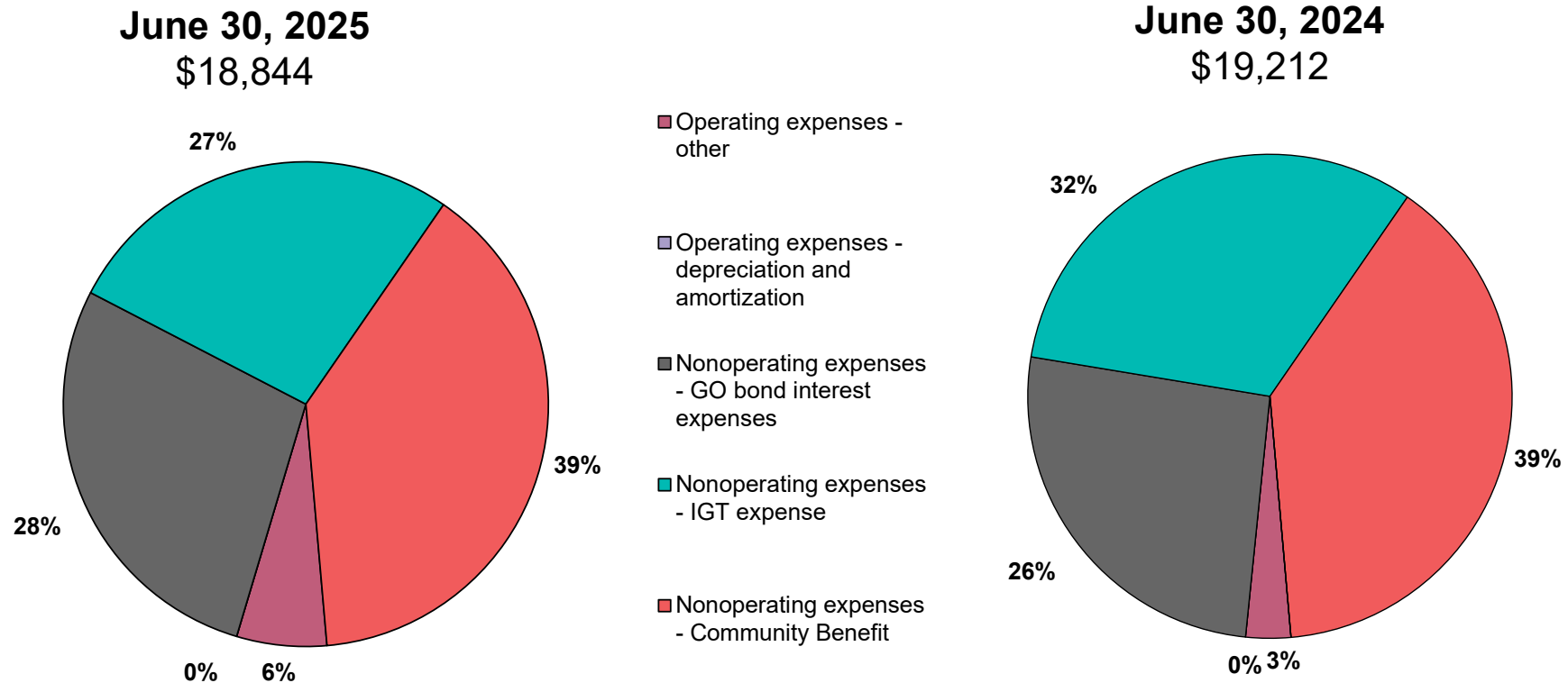
Income Statement Year to Year Comparison

Sources of Nonoperating Revenues (in thousands)



Income Statement Year to Year Comparison

Outflow of Expenses (in thousands)



GASB Accounting Updates

- GASB Statement No. 103, *Financial Reporting Model Improvements*. Effective for the District beginning July 1, 2026.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Effective for the District beginning July 1, 2026.

Your Service Team



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EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Hospital Board of Directors
From: Ken King, CAO
 Tracey Lewis Taylor, COO
Date: October 14, 2025
Subject: MV Campus Completion Project

Purpose: To ask El Camino District Board for Approval for the funding not to exceed \$80.5 million for Phase 3B of the Mountain View Campus Completion Project as reviewed and recommended for approval by the El Camino Hospital Board on August 13, 2025.

Recommendation: Approve \$80.5M in funding to support Phase 3B of the Mountain View Campus Completion Project.

Summary: This is a review of the final funding request for the MV Campus Completion Project which, upon completion, will represent the completion of the Master Facilities Plan for the MV Campus approved by both the Hospital and District Boards in June 2016.

This final phase of the project has been designed as a 3-story addition to the Main Hospital building that will house a 12 Bed Outpatient Medical Observation Unit on the 1st Floor, a 16 bay Outpatient Post Procedure Unit on the 2nd Floor and Facilities Engineering and Emergency Supply Storage space on the Ground Floor. Additionally, a connecting corridor between the Main Hospital and the Taube Pavilion will provide a secure environment for the transport of patients and support functions between the main hospital and the Taube Pavilion. Key benefits to this project will be to provide **increased capacity** and **access** for patients in alignment with the hospital's strategic plan.

1. Situation:

Capacity Constraints – Current State

Current inpatient bed utilization on the Mountain View campus is at 91% with utilization projected to exceed 95% in FY2026¹. Without any interventions, by FY2027 unit capacity is anticipated to be at 100%.

On average, 20 beds per day are being used to monitor “outpatients” as well as being used as an overflow for post-op patients. “Outpatients” in this category refer to those patients whose stay is less than 24 hours and are often in an “observation” status.” These “outpatients” patients are “bedded” in inpatient beds throughout the medical / surgical units wherever a bed may be available and are not strategically or clinically cohorted with similar patient types.

Capacity Constraints – Proposed Future State

The Wing J (Phase 3B) project will support construction of two new outpatient care units on the Mountain View campus. These units are designed to house 28 (combined) observation and post-acute care beds. As noted above, patients appropriate for observation or post-acute care are being admitted into full inpatient beds across multiple hospital units, consuming valuable acute capacity.

As an Observation/Outpatient-focused addition, these new units will:

- Decant existing units, opening inpatient beds for higher-acuity patients.
- Cohort patients into dedicated units, thereby improving workflow efficiency.

Memo - MV Campus Completion Memo – Wing J
October 14, 2025

- Increase inpatient capacity by shifting resource allocation from inpatient beds to observation beds.
- Reduce inpatient utilization from 100% to 90%

Alternate Design Plans

The proposed building design reflects both clinical priorities and site constraints. The narrow footprint of the building—situated between the service yard and the Emergency Department entrance—limits the ability to create large, open floor plans and requires thoughtful placement of services. For this reason, the 12-Bed Outpatient Medical Observation Unit is positioned on the 1st Floor for proximity to the Emergency Department and ease of patient access. The 16-bay Outpatient Post-Procedure Unit is located on the 2nd Floor where the footprint allows for efficient, flexible bay configuration and adjacency to procedural areas. The Ground Floor, which is less suitable for patient care due to access and configuration, is dedicated to Facilities Engineering and Emergency Supply Storage, ensuring compliance with regulations and critical infrastructure is readily available while maximizing upper floors for patient care.

Strategic Growth

The project aligns with ongoing strategic growth initiatives as it will allow ECH to ensure both inpatient capacity as well as appropriate post-operative procedural capacity to support planned service line growth strategies. In addition to the activation of the beds in Wing J, the management team has identified additional actions that may be necessary to execute to support future growth strategies. These include, but may not be limited to:

- Supporting length of stay (LOS) improvements and patient throughput.
 - Preparing for the repatriation of the 4th floor Mountain View beds (currently leased to LPCH, with termination in 2029).
 - Identification and executing strategies to create additional inpatient capacity to respond to future growth opportunities across both ECH campuses
2. Authority: Capital Expenditures exceeding \$25 million require approval by the El Camino Healthcare District Board of Directors as recommended by the Hospital Board of Directors.
 3. Background: The Master Facilities Plan for the MV Campus was approved in June 2016 by the El Camino Health Board of Directors, the El Camino Healthcare District Board of Directors and the City of Mountain View. The Master Facilities Plan included the following elements:

Expansion of the North Garage
Construction of the IMOB (Sobrato Pavilion)
Construction of the BHS Building (Taube Pavilion)

STEP 1 COMPLETED

Expansion of the Women's Hospital (Orchard Pavilion)
Demolition of Old Main Hospital and **MV Campus Completion**

STEP 2 IN PROCESS

The plan for the **MV Campus Completion** project presented in October 2019 included the following elements:

- A. Retention or replacement of the 15,000 SF "Lab/Laundry Building Structure"
- B. Construction of a corridor link between the Main Hospital and the new Taube Pavilion
- C. A new service yard configuration with access to the new (Existing) loading dock
- D. New waste and recycle storage areas.
- E. Water storage tanks to meet 2030 seismic requirements. (Future Project)

Memo - MV Campus Completion Memo – Wing J
October 14, 2025

- F. Installation of Energy Cells that will provide on-site generated electricity.
- G. A landscaped courtyard adjacent to the Taube Pavilion as required by the Planned Community Permit.

Phase 3B (Wing J) includes elements “A) replacement of the Lab/Laundry Building Structure, (B) a corridor link between the Main Hospital and Taube Pavilion and (G) a courtyard adjacent to the Taube Pavilion.

4. Assessment: Phase 3B – has been a planned project for the MV Master Facilities Plan since 2019. The Board approved and funded \$24.9 million for Phases 1 & 2 and \$14.85 million for Phase 3A construction and \$5.15 million for Phase 3B design and plan development. The first three phases have been completed (see below). The final phase has received preliminary funding, but the request today will allow for completion of the project.

The **MV Campus Completion** Project consists of the following elements:

- | | | |
|--------------|-------------------------------------|---------------------------|
| 1. Phase 1. | Temporary Service Yard | Completed |
| 2. Phase 2. | Demolition of the Old Main Hospital | Completed |
| 3. Phase 3A. | New Service Yard Construction | Completed |
| 4. Phase 3B. | Wing J Expansion | Current Funding Requested |

This final funding request for Phase 3B is not to exceed \$80.5 million. This funding is needed to construct the units outlined above for a 42,838 square foot hospital building expansion on 3 floors, with a connecting corridor and all related site work. The funding breakdown is as follows:



	Approved October-19	Approved December-23		Current Request	Total Project
	Phases 1& 2	Phase 3A	Phase 3B Design Only	Phase 3B Final Funding	
Construction	\$16,796,773	\$11,831,289		\$69,095,843	\$97,723,905
Soft Costs	\$5,727,247	\$2,220,939	\$5,150,000	\$5,047,439	\$18,145,625
FF&E	\$100,000	\$220,000		\$2,470,000	\$2,790,000
Contingency	\$2,262,402	\$577,772		\$3,830,664	\$6,670,838
Totals	\$24,886,422	\$14,850,000	\$5,150,000	\$80,443,946	\$125,330,368
Rounded	\$24,900,000	\$14,850,000	\$5,150,000	\$80,500,000	\$125,400,000

Note that the El Camino Healthcare District has allocated \$29,823,598 in Capital Outlay funding to support this project. The General Contractor is Rudolph and Sletten, and all the trade work was competitively bid.

5. Other Reviews: The Financial Analysis shows a positive financial return due to growth and retention of approximately 10,000 emergency patients and 1,500 elective procedural patients in the 10-year period between FY 27 and FY37. The analysis shows a ROI of approximately 24% over ten years with an NPV between \$1.1M - \$3.4M with a 2.5% discount rate.
6. Outcomes: The 22-month construction schedule will begin in Mid-August, with a target date for substantial completion in June 2027.
7. List of Attachments:
1. See appendix: MV Campus Completion Presentation



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Executive Director Government Relations and Community Partnerships
Date: October 14, 2025
Subject: Annual Adoption of Community Benefit Grants Policy

Recommendation(s):

To approve the annual adoption of the Community Benefit Grants Policy including several proposed updates.

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 15, 2024.
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.

Annual Adoption of Community Benefit Grants Policy
October 14, 2025

- (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.
- The policy was updated last year to include:
 - o Allowance for grant recipients to change spending up to \$1500 total without the pre-approval from the Community Benefit staff and required approval for reallocation of itemized spending greater than \$1500 cumulatively from Director of Community Partnerships.
 - o Language codifying that funds not used in accordance with the grant agreement shall be returned.
- The policy has been updated this year with recommended changes to the following:
 - o Recommend naming to "Community Partnerships staff" in place of "staff" and "CB staff."
 - o Section 6 – recommendation to increase the policy to up to 60% of total annual Implementation Strategy Report and Community Benefit Plan funding in two-year grants. The operational plan is to maintain the ~30% of annual funding of the current two-year grants and introduce a second cohort of up to an additional 30% of annual funding in two-year grants, for a total of 60%. Staff intends to present alternating two-year grant cohorts for funding recommendation each fiscal year for Board approval.
 - o Section 8(c) - recommendation to allow for grant recipients the flexibility to adjust up to 10% of approved budget line items and a cumulative change of up to \$5,000 at their discretion and require approval for requests exceeding 10% of approved budget line items and/or a cumulative change exceeding \$5,000.
- 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, October 15, 2024, **October 14, 2025**

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~~**Partnerships** 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~~**may** 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 Executive 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.

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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 ~~3060%~~ 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 which is "to establish, maintain and operate, or provide assistance in the operation of one or more health facilities (as that term is defined in the California Health and Safety Code Section 1250) 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 undertake any and all other acts necessary to carry out the provisions of the District'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 Partnerships~~ 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 adjust up to ~~\$1,500 (cumulatively)~~ 10% of approved budget line items and a cumulative change of up to \$5,000, at their discretion. For budget line item variances exceeding ~~\$1,500-10% and/or a~~ cumulative change exceeding \$5,000 (cumulatively), grantees may not

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adjust the initially approved budget without the approval of ~~ECHD's~~ the Director of Community Partnerships.

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- 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 **Community Partnerships** 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



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in June. Community Partnerships staff will notify applicants following ECHD Board approval.

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- I. Individual meetings regarding grant applications between a grant applicant and a district board member, officer, or **Community Partnerships** staff are prohibited outside of this established process. Notwithstanding the above, individual meetings regarding grant applications between a **Community Partnerships** 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, Executive Director of Government Relations and Community Partnerships
Date: October 14, 2025
Subject: Community Benefit FY2027 Board Policy Guidance and FY2026 Update

Purpose: To endorse or to modify via a motion the proposed FY2027 “Guiding Principles,” “Ranked & Prioritized Health Needs,” and discuss program updates.

Summary:

In prior fiscal years, 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
 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	FY2025 Approved	FY2026 Approved	FY2027 Proposed
Healthcare Access & Delivery (including oral health)	51%	50%	~50%
Behavioral Health (including domestic violence and trauma)	24%	22%	~25%

Community Benefit FY2027 Board Policy Guidance and FY2026 Update
October 14, 2025

Diabetes & Obesity	15%	15%	~15%
Chronic Conditions (other than diabetes and obesity)	5%	6%	~5%
Economic Stability (including food insecurity, housing & homelessness)	6%	7%	~5%

B. The following updates will continue through FY 2026 and into FY 2027.

1. **Acknowledgement of funds** - 97% (31 out of 32 items for 20 eligible grants) have overall participation across mobile signage, email signature and building signage (only Mountain View Whisman is not participating in email signature due to school district policy).
2. **Two-year grants** - In FY26 the program has continued to fund two-year grants for school districts and community services agencies. Grantees stated the two-year grants offer more stability to programs and agencies to adequately plan programs, staffing and funding. The organizations with a long history of success appreciate the ability to streamline the application process and alleviate administrative burden as a proven partner.
3. **Staff Innovation Grants** - In FY26 the Health Care Navigator in the Care Coordination department continues to help connect patients with clinical and/or community services in the local community. Additionally, Care Coordination hosted four community convening events through FY25 to network and will continue to foster collaboration among community agencies for FY26. The Population Health Program Manager completed preliminary research and design and in FY26 is shifting focus to implementation of the 3–5-year Strategy. The role will be focused on further defining measurement & evaluation strategy, supporting operations, and leading key workstream development.
4. **Conducting continuous monitoring of emergent needs related to changing federal funding status** - Through FY25 staff has been engaged with agencies on the effects of federal funding changes through reviewing program reporting, site visits and implementing a survey regarding impacts of federal funding pauses or reductions. In FY26, staff will continue to keep up-to-date on impacts to agencies and community needs.
5. **Grant Application and Reporting Improvements** -The grant application and reporting transitioned to a new portal. Improvements for FY26 include streamlined grant expenditure reporting.
6. **General Approach to the use of Placeholder Funds** - The general approach for allocation of placeholder funds is to intentionally hold on adding funding mid-cycle FY26 due to continued widespread uncertainty on impacts to agencies' funding. We believe that agencies will be able to make a more informed application budget request in the FY27 application cycle as more clarity on major federal, state and local funding changes become available. Also, many known changes are only expected to go into effect in FY27 which supports that evaluation for additional funds is better aligned with the FY27 cycle.
7. **Updated FY27 Grant Application Guidance** - To ensure that community agencies can make their FY27 application request based on current needs and funding availability, staff shall provide grant application guidance so that applicants know

Community Benefit FY2027 Board Policy Guidance and FY2026 Update
October 14, 2025

they can make a request for additional funding to their current programming and also that funding is available for them to apply for innovative projects as well. Staff shall communicate that applicants should formulate their request based on their program needs.

8. **Explore Innovative Grant Concepts** - Staff has been researching potential innovative grant program ideas including: behavioral health (or other) needs for young adults (18-24 transitional age youth), workforce development stipend programming, school nurse program innovation, expansion of the current ECH economic opportunity internship program, after-hours Urgent Care for Medi-Cal / uninsured population, and a geriatric / senior rising risk innovation program.
9. **FY27 Health Need Allocation** - For FY27, the proposal includes keeping the recent historical target allocation for all health needs consistent, but allowing for a wider variance of up to +/- 5% from target. This will allow us to maintain the directional target allocations, while allowing flexibility in a period of broad uncertainty around federal, state and local funding impact. We anticipate FY27 will be something of a new baseline year, and we will further evaluate if changes to target allocations are warranted in future years.

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 FY2027 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. FY2027 Community Benefit Board Policy Guidance and FY2026 Update Presentation

Suggested Board Discussion Questions:

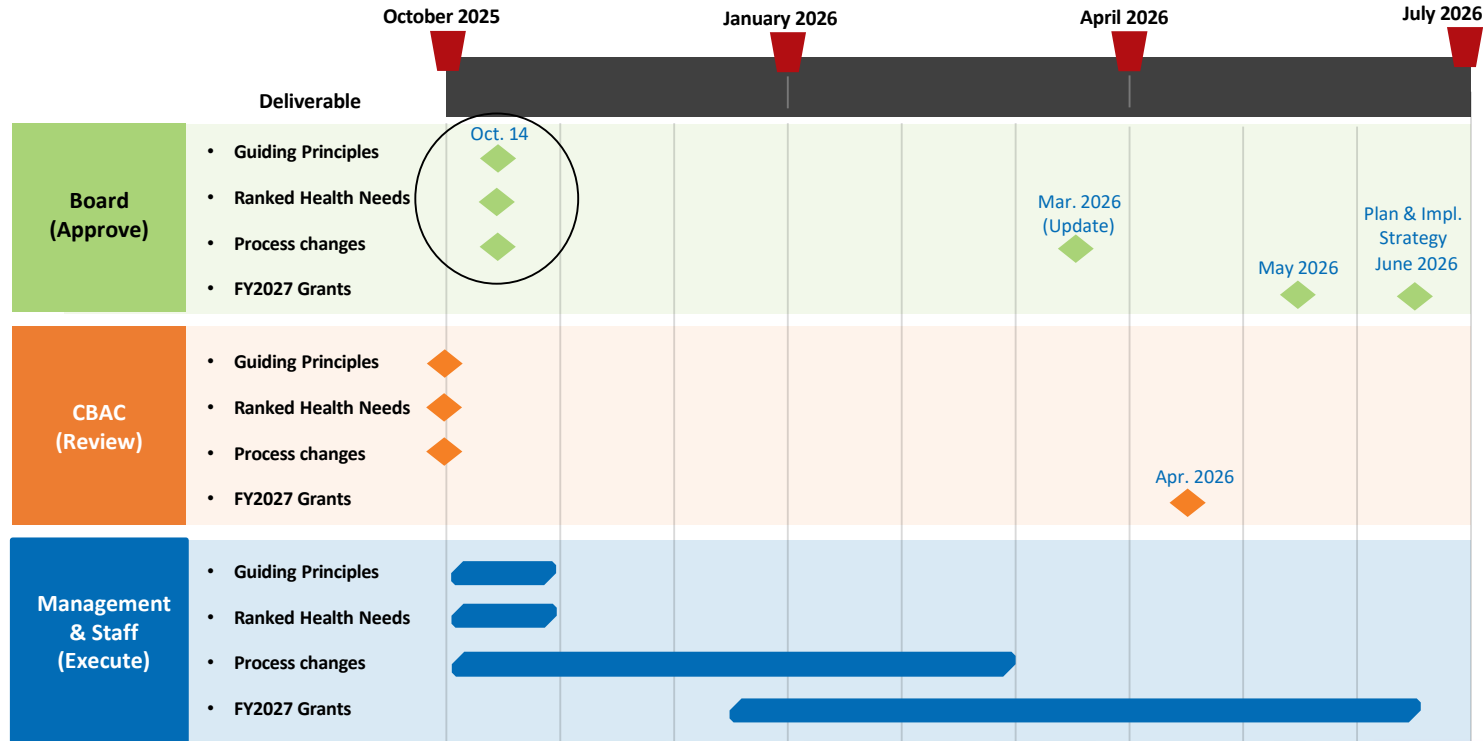
1. Does the Board have any modifications or changes to the “Guiding Principles?”
2. Does the Board have any modifications or changes to the El Camino Healthcare District “Ranked & Prioritized Health Needs,” including the approximate grant funding percentages for each of the five health needs?
3. Is there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



ECHD Community Benefit: FY2027 Board Policy Guidance and FY2026 Update

Jon Cowan,
Executive Director, Government
Relations & Community Partnerships
October 14, 2025

Timeline for District Community Benefit



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 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
7. Emphasize locally focused vs. national organizations
8. Emphasize the most effective and impactful programs while welcoming new and innovative applicants



FY26 Grant Program Progress Updates

Item	Update
Acknowledgement of funds	97% (31 out of 32 items for 20 eligible grants) have overall participation across mobile signage, email signature and building signage (only Mountain View Whisman is not participating in email signature due to school district policy).
Two-year grants	In FY26 the program has continued to fund two-year grants for school districts and community services agencies. Grantees stated the two-year grants offer more stability to programs and agencies to adequately plan programs, staffing and funding. The organizations with a long history of success appreciate the ability to streamline the application process and alleviate administrative burden as a proven partner.
Staff Innovation Grants	In FY26 the Health Care Navigator in the Care Coordination department continues to help connect patients with clinical and/or community services in the local community. Additionally, Care Coordination hosted four community convening events through FY25 to network and will continue to foster collaboration among community agencies for FY26. The Population Health Program Manager completed preliminary research and design and in FY26 is shifting focus to implementation of the 3–5 year Strategy. The role will be focused on further defining measurement & evaluation strategy, supporting operations, and leading key workstream development.



FY26 Grant Program Progress Updates (cont.)

Item	Update
Conducting continuous monitoring of emergent needs related to changing federal funding status	Through FY25 staff has been engaged with agencies on the effects of federal funding changes through reviewing program reporting, site visits and implementing a survey regarding impacts of federal funding pauses or reductions. In FY26, staff will continue to keep up-to-date on impacts to agencies and community needs.
Grant Application and Reporting Improvements	The grant application and reporting was transitioned to a new portal. Improvements for FY26 includes streamlined grant expenditure reporting.



Proposed Approach for Remainder of FY26 & FY27

Item	Update
General Approach to the use of Placeholder Funds	The general approach for allocation of placeholder funds is to intentionally hold on adding funding mid-cycle FY26 due to continued widespread uncertainty on impacts to agencies' funding. We believe that agencies will be able to make a more informed application budget request in the FY27 application cycle as more clarity on major federal, state and local funding changes become available. Also, many known changes are only expected to go into effect in FY27 which supports that evaluation for additional funds is better aligned with the FY27 cycle.
Updated FY27 Grant Application Guidance	To ensure that community agencies can make their FY27 application request based on current needs and funding availability, staff shall improve grant application guidance so that applicants know they can make a request for additional funding to their current programming and also that funding is available for them to apply for innovative projects as well. Staff shall communicate that applicants should formulate their request based on their program needs.
Explore Innovative Grant Concepts	Staff has been researching potential innovative grant program ideas including: behavioral health (or other) needs for young adults (18-24 transitional age youth), workforce development stipend programming, school nurse program innovation, expansion of the current ECH economic opportunity internship program, after-hours Urgent Care for Medi-Cal / uninsured population, and a geriatric / senior rising risk innovation program.
FY27 Health Need Allocation	For FY27, the proposal includes keeping the recent historical target allocation for all health needs consistent, but allowing for a wider variance of up to +/- 5% from target. This will allow us to maintain the directional target allocations, while allowing flexibility in a period of broad uncertainty around federal, state and local funding impact. We anticipate FY27 will be something of a new baseline year, and we will further evaluate if changes to target allocations are warranted in future years.



Approach to Use of Additional Funds in FY26 and FY27

Background

- The FY26 Community Benefit Plan included \$497k in placeholder funding; initially contemplated using this for additional “emergency funding” in the FY26 cycle
- Continued uncertainty for many orgs around actual impact as well as the timing of when funding impacts will be felt (H.R. 1 provisions for Medicaid / SNAP delayed; Santa Clara County ballot measure in November; CA Legislature & Newsom signaling budget revision delay until January 2026)

Approach

- **For FY26:** Intentionally hold on further FY26 mid-cycle “emergency” funding. Rationale:
 - Agencies still lack clarity on major federal funding changes that won’t go into effect until next year
 - Maintains a fairer & more even application evaluation process (no perception of choosing favorites)
- **For FY27:** Propose an **increase to ECHD grant budget for FY27** to make additional funds available, with guidance provided to grantees and applicants in FY27 application cycle



Updated Guidance to FY27 Grant Applicants

Background

- Historically, we have not signaled additional funds may be available, and if asked have suggested nominal increases in grant requested dollar amounts are more feasible

Proposed Changes to Guidance for FY27

- In response to a grant budget increase in FY26 and an anticipated (although TBD) increase in FY27, we see an opportunity to signal new guidance to FY27 ECHD grant applicants.
- Two concrete plans:
 - Communications to ECHD Grantees:** email ECHD grantees and prospective applicants with guidance that additional funding that is expected to be available
 - Promote Innovation:** encourage as an option to grantees to apply for a new program that complements their existing program if they wish to do so (vs. just asking for more funding for existing program)



Innovative / New Grant Ideas for Exploration for FY27

1. **Programming with Community Colleges**

- (a) Support workforce training / pipeline connected to El Camino Health
- (b) Behavioral health (or other) needs for community college aged population (“Transitional Age Youth” support)

2. **School Nurse Program Innovation (youth)**

- Exploring support for supplemental health services to support or enhance existing school nurse services

3. **ECH Economic Opportunity Internships Program (youth)**

- Increase (2x) the number of interns using an ECHD grant to fund additional internships

4. **Urgent Care Feasibility Study & Pilot (Medi-Cal / uninsured pop.)**

- Explore & pilot an after-hours urgent care offering
- Consider funding Feasibility Study to inform future model (e.g. possible partnership with Ravenswood)

5. **Senior Rising Risk ECH Primary Care Innovation Clinic in District (Medicare pop.)**

- Geriatrician to support Medicare-aged population, focusing on things like medication management (decreasing usage); initial phase: consultant validation → then fund portion of the clinic / role in future years



ECHD Ranked & Prioritized Health Needs

For FY2027, keep the historical targets, but propose up to a +/- 5% allowable variance due to uncertainty

Health Need	FY2025 Approved	FY2026 Approved	FY2027 Proposed
Healthcare Access & Delivery (including oral health)	51%	50%	~50%
Behavioral Health (including domestic violence and trauma)	24%	22%	~25%
Diabetes & Obesity	15%	15%	~15%
Chronic Conditions (other than diabetes and obesity)	5%	6%	~5%
Economic Stability (including food insecurity, housing & homelessness)	6%	7%	~5%

*Percentages may not sum to 100% due to rounding.



Proposed Policy Change for FY2027

Adjustments to language to provide additional funds in two-year grants, increasing from 30% to 60% of total annual funding in two-year grants. *(See following slides for details)*



Policy Change: Increase Allowable % of Two-Year Grants

Proposal: Increase the total allowable % of two-year grants from 30% to 60%. The rationale for this recommendation is based on the successful implementation of two-year grants starting in FY24, and CBAC guidance to consider flexibility for additional two-year grants based on eligibility criteria.

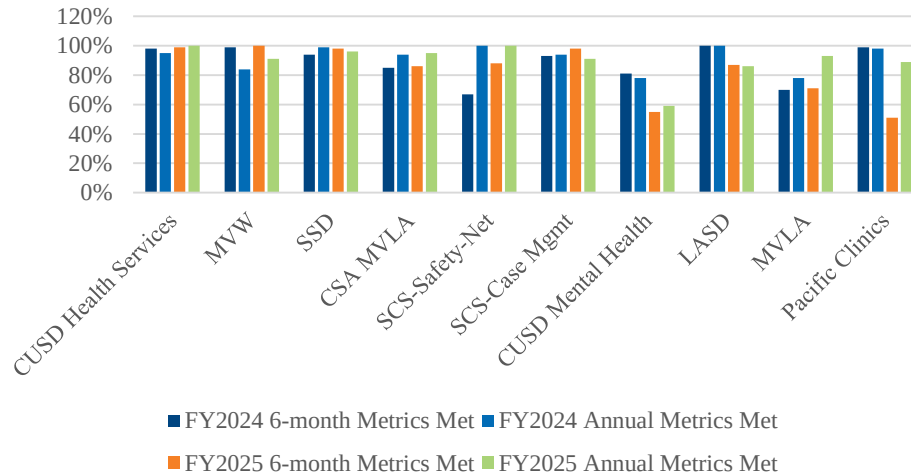
Assessment and Recommendation:

- Per CBAC feedback, staff evaluated the potential expansion of the two-year grant term to additional grants and increasing the total aggregate amount of annual Implementation Strategy Report and Community Benefit Plan approved by the ECHD Board.
- Adopting an increase for additional two-year grant funds aligns with the tactics in the ECHD Strategic Framework to show longer-term impact of grants to address large scale community health issue over multiple years.
- Staff found that the ECHD portfolio has had consistent grantees over the last ten years while supporting innovative funding opportunities. A vast majority of grantees have been funded for 3+ years.
- Staff evaluation found that the initial implementation of two-year grants was successful, and the recommendation to continue two-year grants was approved for FY26. (Further rationale details on following slides).



Successful Implementation of Two-Year Grants in FY24-25 Cycle

FY24-FY25 Two-Year Grants Metric Met



FY24-FY25 Total Two-Year Grant Metrics Met Results

- Two-year grants FY24-FY25 metric results show overall consistently high performance.
- In both FY24 and FY25 7/10 two-year grants performed at 90%+ metrics met.
- In year two, the only performance outliers (3 of the 4 school mental health programs) had justifiable rationale for the performance impact due to programmatic changes, and an agency transition that impacted their results



Multi-Year Grants are Widely Adopted by Peer Organizations

National, State and local funding organizations across the spectrum from the County, local municipalities, public districts and private foundations are implementing multi-year grants as a critical component of programming impact and sustainability.

Examples include:

- **Sequoia Healthcare District** adopted two-year grants effective FY19 and additionally expanded the eligible two-year grants effective FY22.
- **Peninsula Health Care District** has two-year or three-year grants based on specific criteria, including 5 or more years of Community Grants Program funding and program impact.
- U.S. Dept of Health and Human Services, Medi-Cal, CA Dept of Health & Human Services, Santa Clara County Office of Education, Santa Clara County Behavioral Health, Santa Clara County Public Health Dept, and others implement multi-year grant funding contracts.



The Benefits of ECHD Additional Two-year Grants Include:

- **Aligns with the tactics in the ECHD Strategic Framework** to show longer-term impact of grants to address large scale community health issue over multiple years.
- **Opportunity to show longer term volume, impact and collective impact** (Collective Impact metrics were adopted effective FY23).
- Emphasis on **financial stability to support program planning and execution**.
- Enhance **sustainability of organization to retain skilled staff**.
- Ensure more **streamlined administrative processes to focus on grant performance**.
- Accountability through **codified terms which ensure protections to terminate grants as needed and mitigate risk** through requiring return of funds not used in accordance with the grant agreement.



Proposed Implementation Process

- The operational plan is to maintain the ~30% of annual funding of the current two-year grants and introduce a second cohort of up to an additional 30% of annual funding in two-year grants, for a total of 60%.
- Staff intends to present alternating two-year grant cohorts for funding recommendation each fiscal year for Board approval.
- Staff evaluated the current portfolio and identified additional grant categories of high-performing, long-standing, and solely District focused agency grants to propose for the FY27-FY28 two-year grant cohort.

Current FY26-FY27 Cohort	Proposed FY27-FY28 Cohort	Rationale for new categories
Community Services Agency Case Management and Safety-Net Programs	District-Based Agency Programs Staff Innovation Grants	All are agencies and grants that have a longstanding history of high-performance and are focused and located in the District.
School Healthcare Programs	Hospital Operated Programs	Adding the three additional groups of grants provides more stability and support for the grants and agencies that are solely focused on the District.
School Behavioral Health Programs		



Board Discussion



Appendix: Additional Two-Year Grants Analysis



Grants that meet identified criteria for two-year grants (cont.)

The 10 current two-year grants meet the criteria, and 12 potential additional identified grants also meet the criteria.

- 10 Current Two-year Grants
 - 3 Community Service Agency Grants
 - 7 School Grants
- 12 Potential Additional Identified Grants
 - 2 Staff Innovation Grants (SIG)
 - 4 Hospital Operated Programs (HOP)
 - 6 District-Agency Grants



Grants that meet identified criteria for two-year grants

Grant Program Category	Board FY26 Approved	% Per Category	Current %	Identified %
CSA	\$725,200	9%	27%	46%
School	\$1,566,900	19%		
District Agency	\$293,400	3%	73%	54%
SIG/HOP	\$1,322,000	16%		
All other grants	\$4,505,500	54%		
Grand Total	\$8,413,000	100%	100%	100%

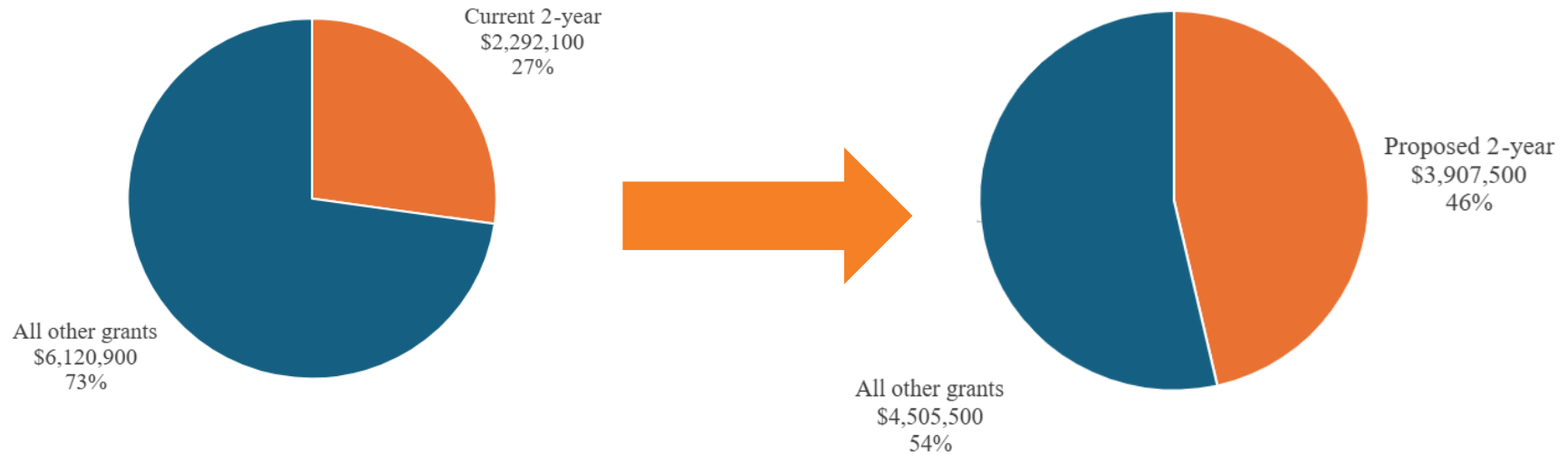


Grants that meet identified criteria for two-year grants and Clinic/FQHC's

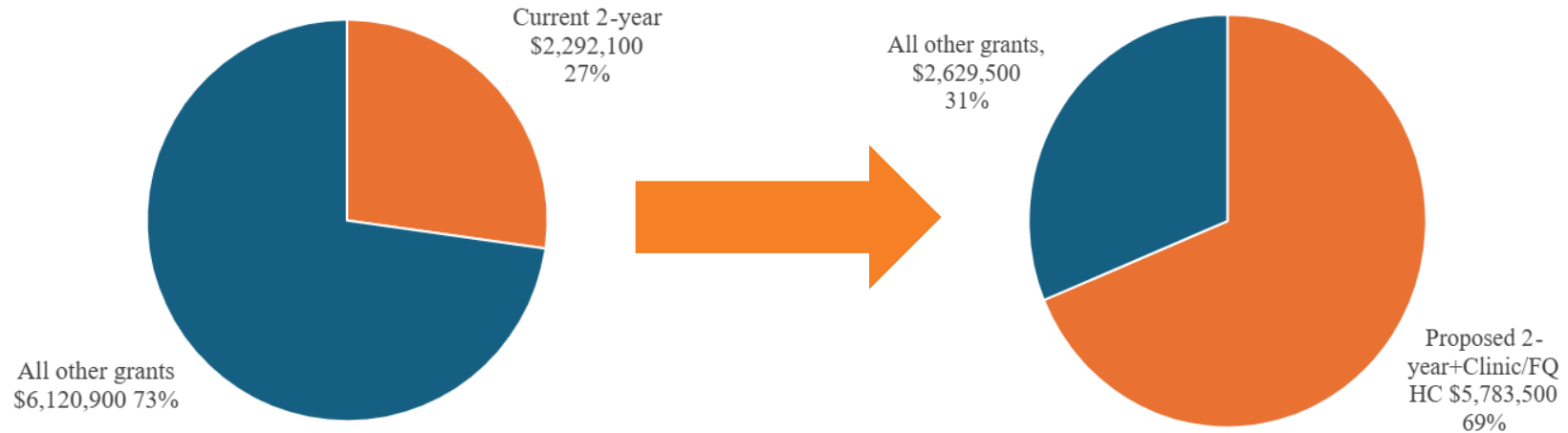
Grant Program Category	Board FY26 Approved	% Per Category	Current %	Identified %
CSA	\$725,200	9%	27%	69%
School	\$1,566,900	19%		
District Agency	\$293,400	3%	73%	
SIG/HOP	\$1,322,000	16%		
Clinic/FQHC	\$1,876,000	22%		
All other grants	\$2,629,500	31%	73%	31%
Grand Total	\$8,413,000	100%	100%	100%



Grants that meet identified criteria for two-year grants



Grants that meet identified criteria for two-year grants and Clinic/FQHC's



Appendix – FY2025 Acknowledgement of Funds



FY2025 Acknowledgement of Funds Update



100% of programs with mobile vans have implemented ECHD signs on vans (3 of 3 agencies)



92% of eligible agencies have implemented email signatures for positions funded at 0.75 FTE or more (12 of 13 grants)



100% of eligible agencies have implemented building signs acknowledging ECHD (16 of 16 grants)



67% of agencies have acknowledged ECHD as a funder on their website (45 of 53 grants)



62% of agencies have acknowledged ECHD through social media (33 of 53 agencies)

FY2025 Acknowledgement of Funds (continued)

Listed below are the 20 grants in which mobile signage, email signature and/or building signage acknowledgement is applicable and ✓ indicates completion. Unmarked grants are not applicable for one to two of the three attributions. Aggregate data for mobile signage, email signature and building signage, as well as acknowledgement of funds for website and social media was included on the previous slide.

Agency	Mobile Signage	Email Signature	Building Signage
Caminar–LGBTQ Speaker Bureau		✓	
Community Services Agency MV-LA		✓	✓
Cupertino Union School District Healthcare Program		✓	✓
Cupertino Union School District Mental Health Program		✓	✓
LifeMoves		✓	
Los Altos School District		✓	✓
LPFCH Teen Health Van	✓		



FY2025 Acknowledgement of Funds (continued)

Agency	Mobile Signage	Email Signature	Building Signage
Momentum for Health		✓	✓
Mountain View Los Altos High School District			✓
Mountain View Whisman School District		<i>Declined - due to School Board Policy</i>	✓
On-Site Dental Foundation	✓		✓
Pacific Clinics			✓
Peninsula Healthcare Connection		✓	✓
Planned Parenthood Mar Monte			✓



FY2025 Acknowledgement of Funds (continued)

Agency	Mobile Signage	Email Signature	Building Signage
Playworks		✓	✓
Ravenswood Family Health Network	✓	✓	✓
Santa Clara Valley Healthcare			✓
Sunnyvale Community Services-Social Work Case Management		✓	✓
Sunnyvale Community Services-Comprehensive Safety-Net			
Sunnyvale School District		✓	✓



Acknowledgement of Funds Examples



Acknowledgement of Funds Examples (continued)





NURSES OFFICE

A PORTION OF THE FUNDING FOR THE
RN AND LVN POSITIONS IS MADE POSSIBLE
BY THE EL CAMINO HEALTHCARE DISTRICT



Made possible
by funding
from El Camino
Healthcare District

Family Nurse Practitioner, Associate Medical Director of APPs at Mayview Clinics
Ravenswood Family Health Network
 85 Bay Road | East Palo Alto, CA 94303
 Office: ext. 1142
 Mobile: (650) 773-4138
 Fax: (650) 567-9787
 Email: dcoyne@ravenswoodfhn.org
 Website: www.ravenswoodfhn.org
 This position is fully funded by a generous grant from El Camino Healthcare District



Ravenswood
Family Health Network



MayView
COMMUNITY HEALTH
CENTERS



Funded by
El Camino
Healthcare
District



Appendix – Analysis of Funds by City



Grant Funding by El Camino Healthcare District (ECHD) City

ECHD City	Number of Programs	Amount Spent FY 25	Percentage of Grants Funding	Number of People Served	Number of Services Provided
Cupertino	29	\$479,219	6%	3,868	7,344
Los Altos	39	\$576,599	7%	3,279	10,249
Los Altos Hills	24	\$188,128	2%	2,095	3,366
Mountain View	50	\$3,362,754	43%	18,930	78,406
Sunnyvale	49	\$3,134,867	40%	15,866	54,288
Totals:	59	\$7,741,567	100%	44,037	153,653

* Percentages may not sum to 100% due to rounding



Grant Funding by El Camino Healthcare District (ECHD) for Mountain View and Sunnyvale

ECHD City	Number of Programs	Amount Approved FY 26	Percentage of Grants Funding	Number of People Served	City Population within ECHD	% Population within ECHD*
Mountain View	49	\$3,623,416	43%	29,742	87,454	32%
Sunnyvale	52	\$3,508,829	42%	28,131	82,576	30%

* District Population = ~276,000





**El Camino Healthcare District Board of Directors
Open Session Meeting Minutes
Tuesday, June 17, 2025**

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
Julia E. Miller

Board Members Absent

Peter C. Fung, MD

Others Present

Dan Woods, CEO
Carlos Bohorquez, CFO
Omar Chughtai, CGO **
Theresa Fuentes, CLO
Ken King, CAO
Shreyas Mallur, MD, CQO
Jon Cowan, Executive Director, Government Relations and Community Partnerships
Michael Walsh, Controller
Tim Daubert, Director Community Partnerships **

Others Present (cont.)

Anne Yang, Executive Director, Governance Services **
Tracy Fowler, Director, Governance Services
Gabriel Fernandez, Governance Services Coordinator
Brian Richards, Audio Visual Services Program Manager

**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 5:29 p.m. and reviewed the logistics for the meeting. A verbal roll call was taken; Directors Miller, Somersille, Ting, and Zoglin were present, constituting a quorum. Director Fung was absent.	Call to Order at 5:29 p.m.
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 Zoglin to lead 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	Chair Ting asked if there were any items the Board wanted to remove for discussion. Director Zoglin removed item (b) FY26 Pacing Plan and Director Miller removed item (c) FY26 Meeting Dates. Motion: To approve the items on the consent calendar minus items b and c. Movant: Somersille Second: Miller Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None	Consent calendar approved. - Minutes of the Open Session of the District Board Meeting (05/20/2025) - FY26 Pacing Plan – moving Spotlight from

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	Absent: Fung Recused: None Discussion on item (b) FY26 Pacing Plan was opened by Director Zoglin. Director Zoglin raised a concern about timing of ad hoc committee work related to ECHB appointments and reappointments. It was agreed that the pacing plan should be revisited in September to potentially include a December 2025 meeting and to clarify the timing of ad hoc activities. Director Miller recommended moving the Spotlight Recognition from October to September, noting the September agenda was light and this would allow for better pacing. The Board agreed to this adjustment. Discussion on item (c) FY26 Meeting Dates was opened by Director Miller who shared that she would not be available for the September meeting date. Motion: To approve items b and c with Spotlight moved to September on FY26 pacing plan. Movant: Miller Second: Somersille Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	<i>September to October - Resolution 2025-07 FY26 Dates</i> Action: <i>Bring FY26 Pacing Plan back to next meeting for further discussion.</i>
7. COMMUNITY BENEFIT SPOTLIGHT: DAVID MINETA, CEO MOMENTUM FOR HEALTH	Chair Ting opened the discussion by providing a summary of David Mineta's accomplishments and leadership as President and CEO of Momentum for Health. Mr. Mineta then spoke briefly, expressing appreciation for the District's partnership and emphasizing the importance of sustained investment in behavioral health services. He specifically acknowledged the Board's site visit, the District's yearly support and Director Miller's family friendship. Board members shared their gratitude for Mr. Mineta's decade of service and acknowledged his deep commitment to the community. Director Somersille thanked Director Miller for proposing the spotlight recognition for Mr. Mineta. Director Miller highlighted the impact of long-term collaborations with trusted partners like Momentum for Health in addressing critical mental health needs. Motion: To adopt Resolution 2025-06 recognizing David K. Mineta, President and CEO of Momentum for Health. Movant: Miller Second: Somersille	Resolution 2025-06 was adopted.

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	Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	
8. APPOINTMENT OF LIAISON TO THE COMMUNITY BENEFIT ADVISORY COUNCIL	Chair Ting opened by thanking Director Somersille for her contributions and service as the previous liaison. He then recommended Director Zoglin for the role of liaison to the Community Benefit Advisory Council. Motion: To approve the appointment of Director Zoglin as liaison to the Community Benefit Advisory Council. Movant: Somersille Second: Zoglin Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	Director Zoglin appointed as liaison to the Community Benefit Advisory Council.
9. ECHD COMMUNITY BENEFIT – FY26 Community Benefit Plan (Avenidas)	Mr. Cowan presented background on the FY26 Community Benefit Plan recommendation for the Avenidas Rose Kleiner adult day health program. He explained that the program had been reviewed through the standard grant process and recommended for continued funding in the amount of \$70,000 based on strong performance and alignment with community health priorities. This item had been listed separately on the agenda due to a potential conflict; however, with Director Fung absent, the Board agreed that the recommendation could be rolled into the broader Community Benefit Plan vote under the next agenda item. Director Miller asked if a year end wrap up of sponsorships was available and Mr. Cowan advised that it would be shared in October.	Action: Staff to prepare a year end sponsorships report.

10. ECHD COMMUNITY BENEFIT – FY26 Community Benefit Plan	Mr. Cowan presented the FY26 Community Benefit Plan, explaining that it was developed based on the community health needs assessment and incorporated feedback received from the District Board. He described how the plan emphasized increased funding for high-performing grantees, sustained support for behavioral health and economic security initiatives, and the inclusion of a placeholder reserve to address urgent community needs that may arise due to potential federal funding cuts. The plan also introduced exploratory options for funding community college health profession stipends and supporting internal innovation initiatives aimed at frontline hospital staff. The Board discussed the intent and flexibility of the placeholder reserve. Director Zoglin encouraged staff to develop clear options for the use of the funds and return with recommendations in September. Director Somersille expressed support for maintaining flexibility while also pursuing strategies that respond to emerging community health challenges. Director Miller raised concern about the allocation of funds between Mountain View and Sunnyvale, specifically asking whether the funding was proportionate to community need. The Board confirmed that the previously discussed grant for Avenidas Rose Kleiner was included within the full plan, and due to Director Fung's absence, a separate vote on the grant was no longer required. Motion: To approve the FY2026 El Camino Healthcare District Implementation Strategy Report and Community Benefit Plan (Community Benefit Plan) Movant: Miller Second: Somersille Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None 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 Movant: Somersille Second: Zoglin Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	FY26 Community Benefit Plan approved. Authority for Mr. Cowan to execute all grant agreements as specified in the plan is approved. Staff to return with specific funding allocation options for the placeholder reserve.
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11. ECHD STRATEGIC FRAMEWORK – Population Health Update	Mr. Cowan provided an update on the District’s population health strategy. He noted that nearly 45% of adults in the District have prediabetes, affecting all socioeconomic and insurance groups. The presentation introduced the “Food as Medicine” initiative, which will launch in FY26 and includes a digital self-management tool, group-based community programming, and youth-targeted interventions. The team expects to enroll 300 participants in year one, with goals to expand over time and measure health outcomes longitudinally. Director Miller raised concern about whether current and planned initiatives are reaching residents in Sunnyvale, particularly given demographic and health disparities. She emphasized the need for equitable geographic distribution of funds and encouraged more outreach in that part of the District. In response, staff agreed to revisit the geographic allocation of community benefit resources and return to the Board with an updated analysis. Directors expressed broad support for the direction of the strategy. Director Zoglin highlighted the importance of tracking outcomes, and Director Somersille encouraged continued engagement with community partners serving vulnerable populations.	Actions: <i>Updates will include program outcomes and enrollment progress.</i> <i>Staff will review and report back on the geographic distribution of community benefit investments to ensure equitable reach across the District, including Sunnyvale.</i>
12. RECOMMENDATION FOR VACCINATION PROGRAM	Dr. Mallur provided an update on measles preparedness and the role El Camino Health would play in augmenting public health efforts. He described the County’s three-tier response framework: case detection, contact testing, and vaccination. He confirmed that El Camino is positioned to support all three components and shared that the hospital will conduct a tabletop exercise to prepare for possible exposure scenarios. Dr. Mallur also clarified clinical guidance on immunity, noting that individuals with two documented doses of the measles vaccine are considered immune for life. For those with only one dose, serology testing or revaccination may be recommended depending on the situation. Board members expressed support for the hospital’s preparedness efforts and emphasized the importance of proactive coordination with County health officials. There was no opposition to the direction of the program, and no concerns were raised about the hospital’s role in implementation.	
13. APPROVE FY26 OPERATING BUDGET – ECHD AND EL CAMINO HOSPITAL & AFFILIATES	Mr. Bohorquez presented the FY26 operating budget for both the El Camino Healthcare District and El Camino Health. For the District, projected revenues total \$28.4 million, primarily from property tax receipts, while operating expenses are expected to be approximately \$1 million. District expenses include salaries, benefits, and the administration of community benefit grants.	FY26 Operating Budget approved

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	For El Camino Hospital and its affiliates, the FY26 consolidated budget includes projected revenues of \$1.82 billion and operating expenses of \$1.67 billion. Mr. Bohorquez highlighted that the operating EBIDA is expected to be approximately \$250 million, which aligns with historical margins of 2–3%. He reviewed major capital investments and key assumptions used in the financial modeling, including payer mix, labor costs, and supply inflation. Board members acknowledged the strength of the Hospital's financial position and the continued stewardship of tax revenue. Director Zoglin asked about how tax revenue is allocated between capital, operations, and reserves. Carlos noted that a portion of Maintenance & Operations (M&O) tax funds is included in the budget and explained the process by which those funds are transferred and tracked. Director Miller complimented Mr. Bohorquez on presenting a great budget before moving for approval. Motion: To approve the Fiscal Year 2026 operating budget and allocation of M&O tax funds. Movant: Miller Second: Somersille Ayes: Miller, Somersille, Ting Noes: None Abstentions: Zoglin Absent: Fung Recused: None	
14. ESTABLISHING TAX APPROPRIATION LIMIT FOR FY26 (GANN LIMIT)	Mr. Walsh presented Resolution 2025-08 to establish the El Camino Healthcare District's appropriations limit for fiscal year 2026, as required by the California Constitution under the Gann Limit provisions. He explained that the annual limit is based on changes in population and per capita income and confirmed that the District remains well under the cap for allowable expenditures from tax proceeds. Director Zoglin asked whether adopting the resolution would result in a tax increase. Mr. Bohorquez clarified that the Gann Limit does not increase or authorize new taxes and explained that the Gann Limite establishes the max that an organization can spend on community benefit, operations, and other programs, any dollars above can be spent on capital projects. Motion: To approve Resolution 2025-08: Establishing Tax Appropriation Limit for FY2026 (Gann Limit). Movant: Miller Second: Somersille Ayes: Miller, Somersille, Ting, Zoglin Noes: None	Resolution 2025-08 Establishing Tax Appropriation Limit was approved.

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	Abstentions: None Absent: Fung Recused: None	
15. APPROVE DISTRICT CAPITAL OUTLAY FUNDS	Mr. King presented the request for District Capital Outlay Funds to support ongoing El Camino Health capital projects. He explained that the funding would be used for infrastructure upgrades, equipment replacement, and facility improvements that align with the District's mission to provide high-quality care to the community. Director Miller asked about the anticipated completion date for the current projects. Mr. King responded that the majority of the work is expected to be completed by the end of calendar year 2026, though some elements may extend into early 2027. He added that project timelines are being closely managed to minimize disruption to patient care and hospital operations and that staff continue to work closely with local agencies to ensure timely permitting and inspections. Director Somersille reminded staff to include a potential real estate option in next year's capital planning cycle for the District Board's consideration. Motion: To approve the use of the FY 2023 District Capital Outlay Funds to support the Mountain View Campus, Women's Hospital Expansion. Movant: Zoglin Second: Ting Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	Action: <i>Usage FY2023 District Capital Outlay Funds to support the MV Campus, Women's Hospital Expansion approved.</i> <i>Staff to include a real estate option in next year's planning cycle.</i>
16. DISTRICT BOARD OFFICERS ELECTION	Chair Ting 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: 1. District Board Chair: Current Chair George Ting, MD, and Director John Zoglin 2. District Board Vice-Chair: Current Vice-Chair Carol Somersille, MD 3. District Board Secretary/Treasurer: No declarations of interest were received for this role. Chair Ting called for a paper ballot vote regarding the selection of Board Chair for the upcoming term, and the Directors responded as follows:	Actions: <i>Board Chair election deferred to a future meeting.</i> <i>Carol Somersille, MD, was elected as Vice Chair for a two year term.</i> <i>Julia Miller was elected as Secretary/Treasurer.</i>

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	Miller: Ting Somersille: Zoglin Ting: Ting Zoglin: Zoglin Due to the tie vote, a second round of voting commenced, and the Directors responded as follows: Miller: Ting Somersille: Zoglin Ting: Ting Zoglin: Zoglin Due to another tie vote, a third round of voting commenced, and the Directors responded as follows: Miller: Ting Somersille: Zoglin Ting: Ting Zoglin: Zoglin Director Miller nominated Director Somersille as Board Chair and Director Somersille respectfully declined. As a result of three tie votes, the vote for ECHD Board Chair will be moved to the next meeting or a special meeting. Chair Ting noted that there were no other candidates for Vice Chair so he called for a vote. Motion: To elect Carol Somersille, MD, ECHD Vice Chair for a term of two years effective July 1, 2025. Movant: Miller Second: Zoglin Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None Chair Ting called for nominations regarding the selection of Secretary/Treasurer for the upcoming term since no Directors had submitted declarations of interest. Director Somersille nominated Director Miller. Director Zoglin suggested moving the vote for Secretary/Treasurer to the next meeting. Motion: To elect Julia Miller, ECHD Secretary/Treasurer for a term of two years effective July 1, 2025. Movant: Somersille Second: Ting Ayes: Miller, Somersille, Ting	urer for a two year term.
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	Noes: None Abstentions: Zoglin Absent: Fung Recused: None	
17. RECESS TO CLOSED SESSION	Motion: To recess to closed session at 7:20 p.m. Movant: Somersille Second: Miller Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	<i>Recessed to closed session at 7:20 p.m.</i>
18. AGENDA ITEM 21: CLOSED SESSION REPORT OUT	The open session was reconvened at 7:30 p.m. by Chair Ting. Agenda Items 18-19 were addressed in closed session. Mr. Fernandez reported that during the closed session, the ECHD board approved the closed session minutes of the prior meeting.	<i>Reconvened open session at 7:30 p.m.</i>
19. AGENDA ITEM 22: BOARD ANNOUNCEMENTS	Director Miller recognized and thanked Mark Klein and the marketing team for their recent participation in an Indian cultural festival. She noted that El Camino Health hosted a booth at the event, which provided health information and resources to community members and reflected the organization's commitment to outreach and inclusion	
20. AGENDA ITEM 23: ADJOURNMENT	Motion: To adjourn at 7:32 p.m. Movant: Zoglin Second: Miller Ayes: Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Fung Recused: None	<i>Meeting adjourned at 7:32 p.m.</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

Reviewed by: John Zoglin, Secretary/Treasurer, ECHD Board and Theresa Fuentes, Chief Legal Officer



**El Camino Healthcare District Board of Directors
Open Session Meeting Minutes
Wednesday, August 13, 2025**

El Camino Hospital | Sobrato Boardroom 2 | 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

ECH Management Present

Dan Woods, CEO
Theresa Fuentes, CLO

Staff Present

Tracy Fowler, Director,
Governance Services

***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 Regular Meeting of the El Camino Healthcare District Board of Directors (the "Board") at 5:00 p.m. and reviewed the logistics for the meeting. A verbal roll call was taken; all Directors were present, constituting a quorum.	<i>Call to Order at 5:00 p.m.</i>
2. 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.	
3. 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.	
4. DISTRICT BOARD CHAIR ELECTION	Chair Ting outlined the logistics of the election process, which included candidates declaring their interest, accepting nominations from the floor, and voting by paper ballot. He confirmed that the candidates for the position were Directors Ting and Zoglin. Director Miller nominated Director Fung for Board Chair. Director Fung accepted the nomination from the floor and delivered brief remarks emphasizing the importance of unity on the Board and referencing his prior experience serving as Chair during challenging times. Directors acknowledged the contributions of all candidates, noting their varied leadership styles and commitment to the District's mission. Ms. Fuentes reviewed the voting procedure, explaining that a candidate must receive a majority of three votes to be elected. If no candidate achieved this threshold in the first round, the candidate with the lowest number of votes would be removed from the ballot, and voting would continue until a majority was reached. In the first round of voting, the results were as follows: • Fung: Fung • Miller: Fung	<i>Actions:</i> <i>John Zoglin was elected as Board Chair for a two year term.</i>

ECHD Special Meeting Minutes
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DRAFT

	• Somersille: Zoglin • Ting: Ting • Zoglin: Zoglin As no candidate achieved a majority (2-2-1 vote), the lowest vote-getter, Director Ting, was removed from contention. In the second round, the results were: • Fung: Fung • Miller: Fung • Somersille: Zoglin • Ting: Zoglin • Zoglin: Zoglin With a vote of 3–2 in favor of Director Zoglin, Chair Ting called for a motion to formally elect him as Board Chair. Motion: To elect John Zoglin as Board Chair for a term of two years effectively upon adjournment of this meeting. Movant: Fung Second: Somersille Ayes: Fung, Somersille, Ting, Zoglin Noes: None Abstentions: Miller Absent: None Recused: None Director Zoglin was congratulated on his election and expressed appreciation for the Board’s confidence in his leadership.	
5. ADJOURNMENT	Motion: To adjourn at 5:10 p.m. Movant: Miller Second: Fung Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None	Meeting adjourned at 5:10 p.m.

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

 Julia Miller
 Secretary/Treasurer, ECHD Board

Prepared by: Tracy Fowler, Director, Governance Services
 Reviewed by: Julia Miller, Secretary/Treasurer, ECHD Board and Theresa Fuentes, Chief Legal Officer



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: Carol A. Somersille, MD, ECHD Board Vice Chair and Reappointment Ad Hoc Committee Chair
Date: October 14, 2025
Subject: Revised Board Competency Matrix and Hospital Board Director Reappointment Questionnaire

Purpose: To approve the revised Board Competency matrix and ECH Hospital Board of Directors Reappointment Questionnaire for District Ad Hoc Reappointment Committee use in the FY26 evaluation process.

Summary:

At the request of the ECHD Reappointment Ad Hoc Committee, the Governance Committee of the ECH Hospital Board of Directors convened on September 15, 2025 and revised the attached board competency matrix and Hospital Board of Directors Reappointment Candidate Questionnaire.

The board competency matrix was last used in 2023 when evaluating new appointed hospital board director candidates. The Governance Committee has proposed that the matrix also be used to support ongoing assessment of the aggregate competency and skills of the existing hospital board. This effort will support the ongoing hospital board reappointment process, as well as future recruitment processes. The aim is to ensure that the Board as an aggregate maintains a high level of expertise and effectiveness by regularly assessing and addressing any relevant skill or experience gaps.

The second document is the revised Hospital Board Director Reappointment Candidate Questionnaire. This questionnaire has been used for the reappointment process for existing hospital board members. There were minor revisions made to this document to streamline for relevance and nomenclature consistency.

Next Steps:

Following the District Board's approval of these documents, the board competency matrix will be distributed to all hospital board directors for a self-assessment exercise. The Ad Hoc Reappointment Committee will then proceed with using the aggregate board competency matrix and the Reappointment Candidate Questionnaire for evaluation in the reappointment process and for future new board member recruitment processes.

List of Attachments:

1. Revised Board Competency Matrix
2. Revised ECH Hospital Board of Directors Reappointment Candidate Questionnaire

FY26 Competency Matrix Rating Tool & Rating Scale

[illegible]

[illegible]

FY26 Competency Matrix Rating Tool & Rating Scale

Level of Knowledge/Experience (Self-Rate) 1 = None (no background/experience) 2 = Minimal 3 = Moderate/Broad 4 = Competent 5 = Expert		Lanhee Chen	Wayne Doiguchi	Peter Fung, MD	Julia Miller	Jack Po, MD	Bob Rebitzer	Carol Somersille, MD	George Ting, MD	Don Watters	John Zoglin
COLLECTIVE COMPETENCIES: Knowledge and skills that the board as a whole needs, and therefore, should be strong attributes of one or more but not necessarily all members.											
FUNCTIONAL EXPERTISE	1. Strategy										
	2. Governance										
	3. Accounting / Finance / Investment										
	4. Information Technology Technology Leadership										
	5. Human Resources Regulatory, Legal & Compliance										
	6. Marketing / Branding / Communications										
	7. M&A : understanding of complex market partnerships										
	8. Community Relations / Government (federal, state or local) Relations										
	9. Philanthropy										
	10. Large Company Corporate Executive Management (Public or Private CEO, CFO, CIO, COO, President, or Other Senior Executive Position)										
	11. Clinical / Partnerships with Clinicians Healthcare Policy										
	12. Patient Care (Healthcare Quality and Patient Safety)										
	13. Board or Corporate Governance Experience (outside ECH)										
	14. Commercial Real Estate / Healthcare Real Estate										

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***El Camino Hospital Board of Directors
Re-~~Election~~ Appointment Candidate
Questionnaire***

Name: _____

Address: _____

Contact Phone: _____

Occupation: _____

Email Address: _____

1. ~~Why~~ Are you interested in continuing to serve on the El Camino Hospital Board of Directors?

1.2. ~~How would you~~ Please summarize your contributions to the ~~ECH~~ El Camino Hospital Board and El Camino Health ~~Board?~~ —

2.3. ~~What other~~ skills and experience do you feel you bring to this appointment?

3.4. Have you ever served on any other Board of Directors? If so, which ones?

4.5. What are the key issues facing El Camino ~~Hospital~~ Health today?

5.6. Are you willing to commit to at least three years as a Board member, and are you able to continue to meet the Board's attendance requirements?

6.7. 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?~~

~~7. What one characteristic sets you apart from others and positions you to bring unique value to the El Camino Hospital Board of Directors?~~



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Executive Director, Government Relations & Community Partnerships
Date: October 14, 2025
Subject: FY2025 Yearend Community Benefit (CB) Report

Purpose: To provide the FY2025 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/CommunityBenefit2025
2. **Authority:** The report is prepared by the Community Partnerships staff and approved by the Executive Director of Government Relations and Community Partnerships prior to presentation to the Board.
3. **Background:** In FY2025 El Camino Healthcare District invested \$7,810,817 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.

Grants = \$7,741,567 for 59 grants:

- 15 Healthcare Access & Delivery grants at \$3,884,784
- 21 Behavioral Health grants at \$1,857,783
- 12 Diabetes & Obesity grants at \$1,169,000
- 4 Chronic Conditions treatment and prevention (other than diabetes and obesity) grants at \$388,000
- 7 Economic Stability grants at \$442,000

Sponsorships = \$69,250 for 12 sponsorships

Grants Performance is reflected in the yearend dashboard (Attachment 2):

- Community Health Themes
 - School healthcare grants – Schools continued to be impacted by an increase in students with Type 1 diabetes that require nurses to provide treatment and administer other daily medications. School districts are continuing to assess population needs and also partner with community organizations to provide identified services. For example, Cupertino Union School District is pursuing Vaccines for Children (VFC) program status to allow the school district to provide vaccines at no cost to eligible students. The programs are also

FY2025 Yearend Community Benefit (CB) Report

October 14, 2025

impacted by the transitional kindergarten added grade level for 4-year-olds vaccination needs.

- School mental health grants – Emerging program approaches include adjustments to Multi-Tiered System of Support for more prevention and early intervention strategies to addressing needs in the rising-risk area of the population served.
- Agencies are continuing to report high dental service needs and when possible, increasing capacity and target metrics to serve vulnerable populations such as veterans and those at risk of homelessness.
- Agencies are reporting a lack of available nutritious food distributions to adequately stock District food pantries, due in part to federal funding reductions.
- Concern regarding impacts of federal funding changes with current administration and impact of fear for those who are undocumented accessing services.
- All Programs:
 - 81% of grants met or exceeded 90% across all of their metrics (FY2024: 77%)
 - Over 44,000 community members served (FY2024: 47,000 served)
- Largest grant programs (\$100k+):
 - 26 grants = \$6,320,703 (82% of total grant spend)
 - 81% of grants met or exceeded 90% across all of their metrics (FY2024: 72%)
 - Over 28,000 community members served (FY2024: 28,000 served)

Performance of the Top 5 Largest Grants:

Agency	Awarded Amount	Metric Performance	Performance Narrative
Ravenswood Family Health Network	\$1,250,000	100%	<i>Primary Healthcare, Dental and Integrated Behavioral Health Services to Low-Income Residents of El Camino Healthcare District</i> -Ravenswood significantly exceeded the annual targets for the grant which include the number of individuals establishing care with PCP or specialist as a result of agency services as well as the target number of patients ages 50-75 with appropriate breast cancer screenings and diabetic patients with HbA1c less than 8%. -To help to address staffing shortages the organization has experienced, they worked with a consulting and training firm specializing in helping healthcare organizations to assess operational improvements, including mentoring and coaching managers and staff. -The team at the MayView Mountain View clinic has grown, with the addition of a Family Practice provider, a nurse, and a weekly OBGYN locum provider. These additions directly contribute to increasing access to care for the grant patients, ensuring broader availability of services at this site. -Additionally, staff has been focusing on improving outreach efforts, particularly around child well-checks and

FY2025 Yearend Community Benefit (CB) Report
October 14, 2025

			immunizations. Nurses are actively identifying patients with missing immunizations, and performing targeted outreach to schedule appointments. Dedicated time slots have been incorporated into their schedules specifically for immunizations. Similarly, providers have reserved appointment slots to accommodate patients in need of these preventive services, ensuring timely care and improved health outcomes for our community.
County of Santa Clara Health System, Santa Clara Valley Healthcare (SCVH)	\$326,000	100%	<i>Dental Services in Sunnyvale and Mountain View</i> -The program exceeded all metric targets, and the Mountain View dental clinic has increased their capacity and the number of available dental chairs as well as optimizing patient scheduling as an ongoing effort to improve patient access to care, thereby increasing the number of patients served from what was initially anticipated. The pediatric patient caseload from SCVH's mobile unit has shifted to the Mountain View site as well. -Individuals are referred by their provider(s) internal/ external to the County health system or patients call to request an appointment directly. Many patients are referred from North County homeless programs. The provider submits a referral form online through SCVH's electronic health record (EHR), or by fax. Additionally, outreach efforts have continued to target underserved populations. -SCVH continues to experience increased patient need and demand and service need among underserved populations, such as with people at risk of homelessness and veterans with complex medical histories and limited dental insurance coverage. -Many patients continue to face complex socioeconomic and structural barriers that impact their ability to access healthcare, in particular preventative care. Accordingly, the dental care team outreached to patients on the importance of maintaining oral hygiene and routine preventative maintenance, as well as provided appointment reminder calls and tracked all patients who missed or canceled their appointments for continued outreach.
South Asian Heart Center, El Camino Health	\$310,000.00	97%	<i>AIM to Prevent</i> -The program met, at 90% or above, or exceeded metrics by the end of the year, continuing strong performance from the previous year -Similar to last year's reporting, the program experienced a slightly better change in vegetable consumption among participants. They attribute some of the improvements to newer graphic visuals, education materials, and resources to seamlessly incorporate vegetables into the diet.

FY2025 Yearend Community Benefit (CB) Report

October 14, 2025

Mountain View Whisman School District	\$305,500	91%	<i>Health Services Grant</i> -The program saw an increase in the number of students requiring daily medical care such as diabetes or medication administration for various other chronic health conditions. Even though the number of services exceeded the expected goal, the program was still able to provide the same quality of care to students. -The school district stated the increased workload on program staff impacted the amount of outreach to follow up with parents for failed screenings. The program will address this shortcoming for the next grant term by starting outreach earlier to obtain health reports/waivers and conduct more direct communication next school year to increase compliance.
Pacific Clinics (Community Health Awareness Council-CHAC)	\$304,000	89%	<i>Integrated School Based Services</i> -In the second half of the year, the programs successfully expanded services to 9 out of the 10 schools within the Sunnyvale School District. This was accomplished through Individual Counseling, Psycho-Ed Groups, and Social Emotional Learning, which targeted entire classrooms. -The original grant was transitioned from CHAC effective FY2025, and with a change in the program staffing model and a reduction in FTEs, they reported enhancing services in the latter half of the year because of Pacific Clinics contributing additional in-kind support. -Pacific Clinics made significant improvements to the program metrics by yearend. Although they did not reach volume goals, and fell short of the hours of youth counseling, by yearend they did meet and exceed program outcomes showing student improvement of the Strengths and Difficulties Questionnaire.

FY2025 Yearend Community Benefit (CB) Report

October 14, 2025

Underperforming grants ($\leq 74\%$ of metrics met)

Agency	Awarded Amount	Metric Performance	Performance Narrative
Cupertino Union School District	\$102,500	59%	<i>Mental Health Counseling Program</i> -CUSD underperformed on program volume and although the collective impact metric, number of youth demonstrating improvement on treatment plan goals, was below the annual target of the total treatment plans, all of the students that were treated have reports of improvement. The program also significantly outperformed the metric tracking improvement of the Strengths and Difficulties Questionnaire (SDQ) and Impact Assessment. Many students required consistent intervention over the year, and their process is noted through the SDQ reports. - Some students with significant counseling needs transitioned from direct services to consult due to their improvement through participating in the program. - More student social emotional concerns have been brought to Multi-Tiered System of Supports (MTSS) which has allowed students to be monitored and matched for services at an earlier stage, including Social-Emotional Learning lessons, short-term counseling, group therapy, and social groups that were successful in reaching students with diverse needs. -The school district maintains that they originally overestimated the volume and collective impact metrics based on the program strategy structure. For example, several students participated in all 3 tiers of support in the MTSS. Most importantly, students who are receiving services are making progress and are finding school-based treatment successful.
Friendly Voices – Phone Buddies for Seniors	\$55,000	59%	<i>Seniors in El Camino Healthcare District</i> -The targets were not met by year-end. -When program metric targets were originally created, they did account for time to hire a coordinator for the grant and the time to ramp up the program after this hire. -Moving forward for FY2026, metrics have been more appropriately calculated taking into account current staffing and status of the program. -Effective October 2025, Friendly Voices has been acquired by Avenidas, and the FY2026 Friendly Voices grant program will be party to Avenidas.
Pacific Stroke Association	\$20,000	64%	<i>Pacific Stroke Association: Expansion to FQHCs in Mountain View & Sunnyvale</i> -They met individuals served and services provided metrics at 90% or above. -They were unable to complete their collective impact metric due to difficulties collecting the data. Staff challenges stalled the development and implementation of their survey. -Did not reapply for funding in FY2026.

FY2025 Yearend Community Benefit (CB) Report
October 14, 2025

List of Attachments:

1. FY2025 Community Benefit Annual Report Executive Summary for the Board (.pdf) with full online report at: www.elcaminohealthcaredistrict.org/CommunityBenefit2025
2. FY2025 El Camino Healthcare District Community Benefit Grants Year-end Dashboard (.pdf)
3. Community Benefit_FY2025 Strategic Framework and Impl Strategy Impact Report (.pptx presentation)



Strong Partnerships for a Healthy Community

Community Health Investment

El Camino Healthcare District

\$7.8M Grants & Sponsorships

El Camino Health

\$135.7M Total Community Benefit

\$3.3M Grants & Sponsorships

El Camino Healthcare District | El Camino Health

Community Benefit Annual Report FY 2025 — Executive Summary

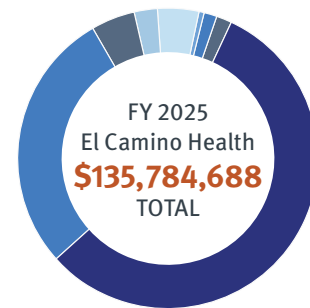
Investments for Our Community's Health

Our Community Benefit grants support partner organizations working to create a healthier community by funding impactful programs that address unmet health needs. We remain committed to partnerships that deliver effective programs and services aligned with our implementation strategy. The Community Benefit FY 2025 online report shows the results of these partnerships, including:

- **El Camino Health's Total Community Benefit:** \$135.7 million, serving more than 76,400 people; this includes \$3.3 million for 67 grants and sponsorships, as well as charity care and unpaid Medi-Cal costs for more than 17,400 people. [See the financial report.](#)
- **El Camino Healthcare District's Total Community Benefit:** \$7.8 million in 71 grants and sponsorships serving more than 44,000 people. [See the financial report.](#)
- **A combined total Community Benefit of \$143.5 million serving more than 120,500 people.** With our partners and these critical investments, El Camino Health and the El Camino Healthcare District increased access to care, addressed gaps in behavioral health services, promoted healthy lifestyles, supported individuals with chronic health conditions, and reduced financial barriers to essential resources like food and housing.

Financial Report

\$135.7M El Camino Health
TOTAL COMMUNITY BENEFIT



\$79,365,600	Government-sponsored healthcare (Unreimbursed Medi-Cal)
\$39,390,551	Subsidized health services
\$6,660,892	Financial assistance (charity care)
\$3,396,867	Grants and sponsorships
\$6,206,286	Health professions education
\$115,154	Clinical research
\$349,060	Community Benefit operations
\$300,278	Community health improvement services

+\$168M in Uncompensated Medicare
(Not included in Community Benefit total)

To learn more about how we are addressing unmet health needs in our community, please visit elcaminohealthcaredistrict.org/CommunityBenefit2025.



El Camino Healthcare District





**El Camino
Healthcare
District**

Community Benefit FY2025 Yearend Grant Metrics Dashboard

- This Dashboard reflects FY2025 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)
- FY2025 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 <i>Column A</i>	Partner <i>Column B</i>	FY2025 Metrics <i>Column C</i>	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																													
			FY2023 6-month Target Column D	FY2023 6-month Actual Column E	● ● ●	FY2023 6-month Metrics Met Column G	● ● ●	FY2023 Annual Target Column I	FY2023 Annual Actual Column J	● ● ●	FY2023 Annual Metrics Met Column L	● ● ●	FY2024 6-month Target Column N	FY2024 6-month Actual Column O	● ● ●	FY2024 6-month Metrics Met Column Q	● ● ●	FY2024 Annual Target Column S	FY2024 Annual Actual Column T	● ● ●	FY2024 Annual Metrics Met Column V	● ● ●	FY2025 6-month Target Column X	FY2025 6-month Actual Column Y	● ● ●	FY2025 6-month Metrics Met Column AA	● ● ●	FY2025 Annual Target Column AC	FY2025 Annual Actual Column AD	● ● ●	FY2025 Annual Metrics Met Column AF	● ● ●
 Healthcare Access and Delivery (Including Oral Health)	Cupertino Union School District - <i>School Nurse Program</i> FY2026 Approved: \$110,000 FY2025 Approved: \$105,000 FY2025 Spent: \$105,000 FY2024 Approved: \$105,000 FY2024 Spent: \$105,000 FY2023 Approved: \$100,000 FY2023 Spent: \$100,000	Individuals served	115	223	●	53%	●	230	441	●	89%	●	395	401	●	98%	●	790	811	●	95%	●	395	389	●	99%	●	790	791	●	100%	●
		Services provided	210	223	●			425	494	●			1,047	1,186	●			2,094	2,031	●			1,047	1,035	●			2,094	2,083	●		
		Number of individuals completing one or more health screenings (vision, hearing, and/or oral health)	115	0	●			230	441	●			204	423	●			408	396	●			204	206	●			408	424	●		
		Students out of compliance with required immunizations who become compliant	50%	33%	●			80%	95%	●			80%	73%	●			90%	100%	●			80%	100%	●			90%	100%	●		
		Students with a failed a health screening who saw a healthcare provider	50%	0%	●			80%	35%	●			10%	24%	●			60%	50%	●			10%	27%	●			60%	66%	●		
	El Camino Health - Care <i>Coordination</i> FY2026 Approved: \$150,000 FY2025 Approved: \$150,000 FY2025 Spent: \$133,580 FY2024 Approved: \$150,000 FY2024 Spent: \$19,719 FY2023 Approved: \$150,000 FY2023 Spent: \$79,463	Individuals served	150	0	●	0%	●	400	75	●	17%	●	150	0	●	0%	●	300	54	●	46%	●	250	300	●	100%	●	500	500	●	100%	●
		Services provided	300	0	●			800	85	●			200	0	●			600	124	●			250	300	●			500	500	●		
		Number of individuals enrolled in a clinical and/or community service based on needs identified by their navigator/care manager	-	-				-	-				30	0	●			80	14	●			250	250	●			500	500	●		
		Patients provided 2 outreach phone calls within 5 days of hospital discharge	50	0	●			150	33	●			70%	0	●			75%	54%	●			75%	75%	●			80%	80%	●		
		Patients connected with at least one community program within 2 weeks of hospital discharge to address SDOH	75	0	●			200	37	●			20%	0	●			25%	25%	●			75%	75%	●			80%	80%	●		
	El Camino Health - Integrated Care <i>Management</i> FY2026 Approved: \$247,000 FY2025 Approved: \$247,000 FY2025 Spent: \$228,930 FY2024 Approved: \$189,000 FY2024 Spent: \$80,665	Program manager will develop a crosswalk of available tools in Epic that explains how they are currently being used by ECH	-	-		New Program in FY2024		-	-		New Program in FY2024		0	0	●	0%	●	0%	0%	●	0%	●	1	1	●	100%	●	1	1	●	100%	●
		Using quantitative and qualitative data, program manager will identify target populations for population health intervention	-	-				-	-				0	0	●			0%	0%	●			1	1	●			1	1	●		
		Program manager will identify gaps and opportunities in the currently available tools in Epic, in order to facilitate optimal intervention with the target populations	-	-				-	-				0	0	●			0%	0%	●			N/A	N/A				1	1	●		
		Manager will contribute to the development of a comprehensive ECHD population health strategy for the next 1-3 years	-	-				-	-				0	0	●			0%	0%	●			N/A	N/A				1	1	●		
	Health Library Resource Center - <i>Mountain View</i> FY2026 Approved: \$175,000 FY2025 Approved: \$175,000 FY2025 Spent: \$150,190 FY2024 Approved: \$175,000 FY2024 Spent: \$149,352 FY2023 Approved: \$175,000 FY2023 Spent: \$137,640	Individuals served	3,000	3,315	●	100%	●	6,000	11,095	●	100%	●	4,000	4,519	●	100%	●	8,000	8,349	●	100%	●	4,000	4,056	●	100%	●	8,000	8,201	●	100%	●
		Services provided	3,000	3,315	●			6,000	11,095	●			4,000	4,519	●			8,000	8,349	●			4,000	4,056	●			8,000	8,201	●		
		Library services have been valuable in helping me manage my health or that of a friend or family member	65%	100%	●			65%	93%	●			75%	89%	●			75%	83%	●			80%	100%	●			80%	80%	●		
		Library information is appropriate to my needs	80%	100%	●			80%	100%	●			90%	100%	●			90%	100%	●			95%	100%	●			95%	100%	●		
	LifeMoves FY2025 Approved: \$160,000 FY2024 Approved: \$160,000 FY2024 Spent: \$160,000 FY2023 Approved: \$160,000 FY2023 Spent: \$160,000	Individuals served	125	99	●	82%	●	285	181	●	83%	●	100	93	●	98%	●	200	198	●	100%	●	100	175	●	90%	●	200	209	●	85%	●
		Services provided	365	323	●			820	885	●			325	369	●			820	860	●			350	344	●			850	879	●		
		Number of individuals receiving follow-up care after a health screening	125	99	●			285	181	●			50	93	●			100	101	●			50	49	●			100	117	●		
		Behavioral health clients report improved mood & function	N/A	N/A				85%	79%	●			N/A	N/A				85%	100%	●			85%	63%	●			95%	63%	●		
		LVN clients report improved health	N/A	N/A				75%	71%	●			N/A	N/A				75%	100%	●			75%	58%	●			95%	58%	●		
	Lucile Packard Foundation for <i>Children's Health</i> FY2026 Approved: \$103,000 FY2025 Approved: \$103,000 FY2025 Spent: \$103,000 FY2024 Approved: \$98,000 FY2024 Spent: \$98,000 FY2023 Approved: \$98,000 FY2023 Spent: \$98,000	Individuals served	65	95	●	100%	●	140	151	●	76%	●	50	64	●	100%	●	100	120	●	100%	●	60	63	●	95%	●	110	108	●	99%	●
		Services provided	200	221	●			420	386	●			150	148	●			300	303	●			200	160	●			350	339	●		
		Number of patients receiving follow-up care after a health screening	-	-	●			-	-	●			20	30	●			40	55	●			20	23	●			40	48	●		
		Unduplicated patients who undergo a social determinants of health assessment at least once annually	90%	91%	●			90%	80%	●			65%	98%	●			65%	97%	●			65%	84%	●			70%	83%	●		
	Mountain View Whisman School <i>District</i> FY2026 Approved: \$336,000 FY2025 Approved: \$305,500 FY2025 Spent: \$305,500 FY2024 Approved: \$305,500 FY2024 Spent: \$305,500 FY2023 Approved: \$290,000 FY2023 Spent: \$290,000	Individuals served	1,950	1,905	●	99%	●	3,900	3,810	●	83%	●	1,900	1,837	●	99%	●	3,800	3,852	●	84%	●	1,900	1,950	●	100%	●	3,800	3,900	●	91%	●
		Services provided	5,500	8,349	●			8,000	9,705	●			5,500	8,344	●			8,000	10,724	●			5,500	8,623	●			8,000	11,040	●		
		Number of patients reporting improved oral health after service	-	-				-	-				N/A	N/A				348	306	●			N/A	N/A				348	468	●		
		Students out of compliance with required immunizations who become compliant	90%	95%	●			97%	99%	●			90%	98%	●			97%	97%	●			90%	99%	●			97%	99%	●		
		Students with a failed health screening who saw a healthcare provider	N/A	N/A				50%	18%	●			N/A	N/A				50%	15%	●			N/A	N/A				50%	27%	●		
On-Site Dental FY2026 Approved: \$200,000 FY2025 Approved: \$200,000 FY2025 Spent: \$200,000 FY2024 Approved: \$200,000 FY2024 Spent: \$200,000 FY2023 Approved: \$200,000 FY2023 Spent: \$200,000	Individuals served	175	231	●	97%	●	285	315	●	93%	●	190	201	●	98%	●	300	300	●	99%	●	215	206	●	99%	●	325	270	●	94%	●	
	Services Provided	575	559	●			1,325	1,067	●			590	531	●			998	1,010	●			630	612	●			1,300	1,258	●			
	Number of patients reporting improved oral health after service	120	150	●			200	224	●			150	173	●			280	282	●			175	178	●			300	270	●			
	Patients who complete treatment plan	50%	45%	●			85%	73%	●			50%	65%	●			85%	82%	●			60%	84%	●			85%	87%	●			
	Patients who are retained in care and come for recall visits	50%	57%	●			65%	69%	●			55%	67%	●			75%	76%	●			60%	60%	●			75%	81%	●			
Pathways FY2026 Approved: \$60,000 FY2025 Approved: \$60,000 FY2025 Spent: \$60,000 FY2024 Approved: \$60,000 FY2024 Spent: \$60,000 FY2023 Approved: \$60,000 FY2023 Spent: \$60,000	Individuals served	30	33	●	95%	●	60	62	●	97%	●	35	28	●	87%	●	60	44	●	83%	●	35	24	●	85%	●	60	66	●	100%	●	
	Services provided	300	281	●			600	664	●			350	258	●			600	477	●			350	405	●			600	806	●			
	Number of individuals receiving follow-up care after a health screening	-	-				-	-				35	28	●			60	44	●			35	24	●			60	66	●			
	Home Health rehospitalization rate	14%	17%	●			14%	13%	●			16%	14%	●			14%	16%	●			16%	15%	●			14%	16%	●			
		Lower percentage desired	Lower percentage desired				Lower percentage desired	Lower percentage desired				Lower percentage desired	Lower percentage desired				Lower percentage desired	Lower percentage desired				Lower percentage desired	Lower percentage desired				Lower percentage desired	Lower percentage desired				
	Hospice family caregivers likely to recommend this hospice to friends and family	85%	90%	●			85%	78%	●			82%	83%	●			85%	87%	●			82%	76%	●			83%	88%	●			



Health Need Column A	Partner Column B	FY2025 Metrics Column C	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																																
			FY2023 6-month Target Column D	FY2023 6-month Actual Column E	● ● ●	FY2023 6-month Metrics Met Column G	● ● ●	FY2023 Annual Target Column I	FY2023 Annual Actual Column J	● ● ●	FY2023 Annual Metrics Met Column L	● ● ●	FY2024 6-month Target Column N	FY2024 6-month Actual Column O	● ● ●	FY2024 6-month Metrics Met Column Q	● ● ●	FY2024 Annual Target Column S	FY2024 Annual Actual Column T	● ● ●	FY2024 Annual Metrics Met Column V	● ● ●	FY2025 6-month Target Column X	FY2025 6-month Actual Column Y	● ● ●	FY2025 6-month Metrics Met Column AA	● ● ●	FY2025 Annual Target Column AC	FY2025 Annual Actual Column AD	● ● ●	FY2025 Annual Metrics Met Column AF	● ● ●			
 Healthcare Access and Delivery (Including Oral Health)	Peninsula Healthcare Connection - New Directions FY2026 Approved: \$220,000 FY2025 Approved: \$220,000 FY2025 Spent: \$220,000 FY2024 Approved: \$220,000 FY2024 Spent: \$220,000 FY2023 Approved: \$220,000 FY2023 Spent: \$220,000	Individuals served	72	87	●	100%	●	106	173	●	98%	●	72	115	●	95%	●	106	171	●	95%	●	91%	●	63	113	●	92	125	●	98%	●			
		Services provided	800	1,006	●			1,500	2,011	●			800	655	●			1,500	1,312	●					600	444	●						1,200	1,187	●
		Number of patients enrolled in a clinical and/or community service based on needs identified by their navigator	-	-				-	-				25	28	●			35	34	●					22	20	●						31	29	●
		Patients will be connected to and establish services with a minimum of one basic needs benefits program	80%	91%	●			95%	100%	●			80%	96%	●			95%	92%	●					80%	85%	●						95%	94%	●
	Planned Parenthood Mar Monte - Mountain View Health Center FY2026 Approved: \$250,000 FY2025 Approved: \$225,000 FY2025 Spent: \$225,000 FY2024 Approved: \$225,000 FY2024 Spent: \$225,000 FY2023 Approved: \$225,000 FY2023 Spent: \$225,000	Individuals served	160	158	●	89%	●	275	350	●	92%	●	135	128	●	97%	●	270	340	●	100%	●	100%	●	300	568	●	700	965	●	90%	●			
		Services provided	270	245	●			500	488	●			245	233	●			490	514	●					500	819	●						1000	1659	●
		Number of patients establishing care with a PCP or specialist as a result of agency services	-	-				-	-				18	17				28	36	●					14	19	●						24	18	●
		Hemoglobin A1c of less than 9 for diabetes patients	55%	50%	●			90%	78%	●			55%	55%	●			65%	67%	●					55%	59%	●						65%	56%	●
	Ravenswood Family Health Center FY2026 Approved: \$1,300,000 FY2025 Approved: \$1,250,000 FY2025 Spent: \$1,250,000 FY2024 Approved: \$1,250,000 FY2024 Spent: \$1,250,000 FY2023 Approved: \$1,250,000 FY2023 Spent: \$1,250,000	Individuals served	1,200	1,200	●	96%	●	1,800	1,800	●	96%	●	1,050	1,050	●	97%	●	2,100	2,100	●	100%	●	100%	●	1,100	1,100	●	2,200	2,200	●	100%	●			
		Services provided	2,020	2,163	●			5,600	5,740	●			2,950	2,950	●			5,910	5,910	●					3,100	3,100	●						6,200	6,200	●
		Number of patients establishing care with a PCP or specialist as a result of agency services	-	-				-	-				400	400	●			900	900	●					415	415	●						930	930	●
		Patients age 50-75 with appropriate breast cancer screening	45%	64%	●			50%	67%	●			55%	78%	●			60%	73%	●					60%	67%	●						65%	74%	●
		Diabetic patients with HbA1c less than 8%	65%	59%	●			65%	55%	●			50%	42%	●			50%	65%	●					50%	72%	●						50%	67%	●
	RoadRunners FY2026 Approved: \$165,000 FY2025 Approved: \$165,000 FY2025 Spent: \$130,584 FY2024 Approved: \$165,000 FY2024 Spent: \$161,500 FY2023 Approved: \$165,000 FY2023 Spent: \$149,936	Individuals served	300	327	●	100%	●	600	532	●	97%	●	300	255	●	92%	●	600	397	●	89%	●	97%	●	200	439	●	400	766	●	99%	●			
		Services provided	3,500	3,743	●			5,500	7,867	●			3,500	3,737	●			7,000	6,650	●					2,250	3,325	●						4,500	5,951	●
		Number of patients receiving follow-up care after a patient is screened	-	-				-	-				75	55	●			150	128	●					50	76	●						100	96	●
		Older adults who strongly agree or agree that services helped in maintaining their independence	91%	98%	●			91%	100%	●			91%	97%	●			91%	95%	●					91%	87%	●						91%	96%	●
		Older adults who strongly agree or agree that services made it possible to get to their medical appointments	95%	98%	●			95%	94%	●			95%	100%	●			95%	100%	●					95%	85%	●						95%	100%	●
	Santa Clara Valley Medical Center Hospital & Clinics - Dental Services in Sunnyvale and Mountain View FY2026 Approved: \$326,000 FY2025 Approved: \$326,000 FY2025 Spent: \$326,000 FY2024 Approved: \$355,000 FY2024 Spent: \$355,000 FY2023 Approved: \$440,000 FY2023 Spent: \$440,000	Individuals served	400	459	●	91%	●	800	1,097	●	93%	●	324	564	●	100%	●	648	870	●	100%	●	100%	●	297	597	●	594	990	●	100%	●			
		Services provided	1,000	882	●			2,000	2,795	●			810	1,355	●			1,620	2,698	●					743	1,161	●						1,486	2,549	●
		Number of patients establishing care with a PCP or specialist as a result of agency services	-	-				-	-				275	516	●			583	809	●					252	534	●						534	904	●
		Dental patients who will receive prophylactic cleaning	20%	25%	●			25%	26%	●			20%	30%	●			25%	37%	●					20%	25%	●						25%	41%	●
Sunnyvale School District FY2026 Approved: \$344,400 FY2025 Approved: \$287,000 FY2025 Spent: \$287,000 FY2024 Approved: \$287,000 FY2024 Spent: \$287,000 FY2023 Approved: \$287,000 FY2023 Spent: \$287,000	Individuals served	1,340	1,409	●	99%	●	2,680	2,462	●	98%	●	1,364	1,247	●	94%	●	2,729	2,526	●	99%	●	98%	●	1,364	1,276	●	2,729	2,371	●	96%	●				
	Services provided	2,850	2,761	●			5,100	5,118	●			3,272	2,753	●			5,137	5,341	●					3,272	3,538	●						5,137	8,705	●	
	Number of students establishing care with a PCP or specialist as a result of agency services	-	-				-	-				N/A	N/A				250	279	●					N/A	N/A							150	235	●	
	Students with a failed health screening who saw a healthcare provider	20%	26%	●			20%	57%	●			25%	31%	●			55%	62%	●					25%	26%	●						55%	50%	●	
	Students out of compliance with required immunizations become compliant	90%	96%	●			90%	97%	●			90%	96%	●			90%	98%	●					90%	97%	●						90%	99%	●	
 Behavioral Health (Including Domestic	Acknowledge Alliance FY2026 Approved: \$55,000 FY2025 Approved: \$55,000 FY2025 Spent: \$55,000 FY2024 Approved: \$55,000 FY2024 Spent: \$55,000 FY2023 Approved: \$50,000 FY2023 Spent: \$50,000	Individuals served	150	244	●	100%	●	300	296	●	100%	●	300	402	●	90%	●	600	691	●	99%	●	100%	●	400	397	●	800	644	●	96%	●			
		Services provided	350	537	●			700	1,483	●			2,000	1,592	●			4,000	4,101	●					2,000	2,077	●						4,000	5,129	●
		Number of hours of counseling/care management sessions provided to adults	-	-				-	-				1,000	1,016	●			2,000	2,429	●					1,200	1,319	●						2,400	3,089	●
		Teachers will report an increase in positive educator/student relationships	N/A	N/A				75%	81%	●			N/A	N/A				80%	76%	●					N/A	N/A							80%	80%	●
	Avenidas FY2026 Approved: \$74,200 FY2025 Approved: \$70,000 FY2025 Spent: \$70,000 FY2024 Approved: \$70,000 FY2024 Spent: \$70,000 FY2023 Approved: \$60,000 FY2023 Spent: \$60,000	Individuals served	75	76	●	98%	●	100	98	●	100%	●	75	78	●	98%	●	110	127	●	100%	●	99%	●	76	75	●	110	120	●	100%	●			
		Services provided	1,070	1,091	●			1,950	1,956	●			2,195	2,182	●			3,228	4,061	●					2,195	2,189	●						3,228	3,437	●
		Number of adults demonstrating improvement on treatment plan goals	-	-	●			-	-	●			66	61	●			96	96	●					66	67	●						96	103	●
		Participants with history of ER visits do not experience any emergency room visits during program year	85%	83%	●			85%	86%	●			85%	83%	●			85%	87%	●					85%	88%	●						85%	89%	●
	Caminar - Domestic Violence Services FY2026 Approved: \$95,000 FY2025 Approved: \$85,000 FY2025 Spent: \$85,000 FY2024 Approved: \$80,000 FY2024 Spent: \$80,000 FY2023 Approved: \$80,000 FY2023 Spent: \$80,000	Individuals served	35	31	●	93%	●	70	76	●	98%	●	35	34	●	99%	●	70	76	●	100%	●	100%	●	35	35	●	70	76	●	100%	●			
		Services provided	400	352	●			840	806	●			300	340	●			700	747	●					350	350	●						700	750	●
		Number of hours of counseling/care management sessions provided to adults	200	176	●			500	481	●			350	340	●			700	712	●					350	350	●						700	750	●
		Participants in supportive services (case management, advocacy, counseling, and/or support group services) who report feeling more hopeful about their futures	-	-				-	-				85%	86%																					



Health Need Column A	Partner Column B	FY2025 Metrics Column C	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																													
			FY2023 6-month Target Column D	FY2023 6-month Actual Column E		FY2023 6-month Metrics Met Column G		FY2023 Annual Target Column I	FY2023 Annual Actual Column J		FY2023 Annual Metrics Met Column L		FY2024 6-month Target Column N	FY2024 6-month Actual Column O		FY2024 6-month Metrics Met Column Q		FY2024 Annual Target Column S	FY2024 Annual Actual Column T		FY2024 Annual Metrics Met Column V		FY2025 6-month Target Column X	FY2025 6-month Actual Column Y		FY2025 6-month Metrics Met Column AA		FY2025 Annual Target Column AC	FY2025 Annual Actual Column AD		FY2025 Annual Metrics Met Column AF	
 Behavioral Health (Including Domestic Violence)	Caminar, inc. - LGBTQ+ Youth Space Awareness and Outreach Program FY2026 Approved: \$78,700 FY2025 Approved: \$75,000 FY2025 Spent: \$75,000 FY2024 Approved: \$75,000 FY2024 Spent: \$75,000 FY2023 Approved: \$75,000 FY2023 Spent: \$75,000	Individuals served	300	606		84%		675	1206		98%		550	499		95%		1,100	960		93%		450	450		100%		900	811		96%	
		Services provided	300	606				675	1206				550	499				1,100	960				450	450				900	811			
		Number of hours of training provided to program participants	20	4				40	36				90	83				180	166				50	50				100	102			
		Hosts would recommend the panel to a friend	80%	100%				80%	100%				95%	98%				95%	100%				100%	100%				100%	100%			
		Speakers report feeling they have contributed positively to their community	85%	100%				85%	100%				95%	98%				95%	100%				100%	100%				100%	100%			
	Cupertino Union School District - Mental Health Program FY2026 Approved: \$102,500 FY2025 Approved: \$102,500 FY2025 Spent: \$102,500 FY2024 Approved: \$102,500 FY2024 Spent: \$102,500 FY2023 Approved: \$93,000 FY2023 Spent: \$93,000	Individuals served	30	125		100%		60	198		98%		125	108		81%		250	388		78%		125	76		55%		250	115		59%	
		Services provided	30	34				725	741				360	225				700	392				360	130				700	328			
		Number of youth demonstrating improvement on treatment plan goals	-	-				-	-				18	17				37	20				18	12				37	16			
		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%	53%				N/A	N/A				50%	66%				N/A	N/A				50%	62%			
	Law Foundation of Silicon Valley FY2026 Approved: \$70,000 FY2025 Approved: \$70,000 FY2025 Spent: \$70,000 FY2024 Approved: \$60,000 FY2024 Spent: \$60,000 FY2023 Approved: \$60,000 FY2023 Spent: \$60,000	Individuals served	82	121		91%		165	140		84%		25	23		98%		50	41		96%		168	118		84%		280	230		90%	
		Services provided	40	121				165	140				55	160				110	287				180	118				300	231			
		Number of hours of training provided to program participants	-	-				-	-				50	160				100	244				54	98				108	281			
		Clients receiving services for benefits issues who successfully access or maintain health benefits or other safety-net benefits	90%	90%				90%	90%				75%	80%				90%	90%				75%	90%				90%	95%			
	Los Altos School District FY2026 Approved: \$150,000 FY2025 Approved: \$150,000 FY2025 Spent: \$150,000 FY2024 Approved: \$150,000 FY2024 Spent: \$150,000 FY2023 Approved: \$130,000 FY2023 Spent: \$130,000	Individuals served	35	46		100%		90	90		75%		45	110		100%		95	134		100%		45	42		87%		95	126		86%	
		Services provided	275	419				550	1,191				720	880				1,710	1,876				720	490				1,710	862			
		Hours of youth counseling/care management sessions	-	-				-	-				200	475				450	632				200	267				450	418			
		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%	60%				N/A	N/A				50%	62%				N/A	N/A				50%	62%			
	Maitri FY2026 Approved: \$50,000 FY2025 Approved: \$50,000 FY2025 Spent: \$50,000 FY2024 Approved: \$50,000 FY2024 Spent: \$50,000 FY2023 Approved: \$50,000 FY2023 Spent: \$50,000	Individuals served	25	25		100%		50	50		99%		20	20		100%		45	45		99%		20	20		100%		48	48		99%	
		Services provided	35	34				80	76				35	35				70	75				35	36				70	71			
		Number of hours of counseling / care management sessions provided to adults	35	35				75	82				35	37				75	80				35	37				70	72			
		Legal clients will report increased awareness of legal rights in their situations	65%	97%				75%	97%				70%	80%				85%	80%				70%	82%				85%	82%			
		Crisis clients will report increased safety and wellbeing from their case management and safety planning services	65%	83%				75%	83%				65%	92%				75%	96%				65%	94%				75%	94%			
	Momentum for Mental Health FY2026 Approved: \$290,000 FY2025 Approved: \$290,000 FY2025 Spent: \$287,419 FY2024 Approved: \$290,000 FY2024 Spent: \$290,000 FY2023 Approved: \$290,000 FY2023 Spent: \$290,000	Individuals served	70	62		88%		120	73		75%		58	55		96%		115	70		89%		58	43		84%		115	72		83%	
		Services provided	800	529				1,500	1,204				712	674				1,425	1,444				712	573				1,425	1,171			
		Hours of adult counseling/care management sessions	400	287				750	375				280	252				560	549				280	181				560	404			
		Patients who report a reduction of two points or more in PHQ-9 measure severity of depression	75%	80%				85%	66%				75%	91%				85%	87%				75%	100%				85%	86%			
		Patients who report a reduction of two points or more in Generalized Anxiety Disorder-7 (GAD-7) to measure severity of anxiety	75%	80%				85%	71%				75%	81%				85%	73%				75%	80%				85%	90%			
	Mountain View Los Altos High School District FY2026 Approved: \$220,000 FY2025 Approved: \$220,000 FY2025 Spent: \$220,000 FY2024 Approved: \$220,000 FY2024 Spent: \$220,000 FY2023 Approved: \$210,000 FY2023 Spent: \$210,000	Individuals served	50	40		79%		100	40		38%		250	146		70%		500	275		78%		250	144		71%		500	383		93%	
		Services provided	600	550				1,300	585				275	185				550	345				275	185				550	527			
		Hours of youth counseling/care management sessions	400	250				900	315				160	134				320	300				160	140				320	532			
		Patients enrolled in a clinical and/or community service	-	-				-	-				N/A	N/A				75%	82%				N/A	N/A				75%	79%			
	National Alliance on Mental Illness (NAMI) - Santa Clara County FY2026 Approved: \$120,000 FY2025 Approved: \$100,000 FY2025 Spent: \$100,000 FY2024 Approved: \$100,000 FY2024 Spent: \$100,000 FY2023 Approved: \$100,000 FY2023 Spent: \$92,050	Individuals served	30	26		93%		60	55		97%		30	21		82%		60	58		98%		30	21		82%		60	50		90%	
		Services provided	1500	1,326				3,000	2,805				1,530	1,071				3,060	2,958				1,530	1,071				3,060	2,550			
		Hours of adult counseling/care management sessions	-	-				-	-				1,530	1,071				3,060	2,958				1,530	1,071				3,060	2,550			
		Participants report cooperating with their treatment plan	-	-				-	-				90%	95%				90%	94%				85%	89%				85%	90%			
		Participants report feeling more hopeful about the future and recovery	75%	70%				75%	83%				80%	85%				80%	88%				80%	97%				80%	90%			



Health Need Column A	Partner Column B	FY2025 Metrics Column C	FY2023 6-month Target Column D	FY2023 6-month Actual Column E	FY2023 6-month Metrics Met Column G	FY2023 Annual Target Column I	FY2023 Annual Actual Column J	FY2023 Annual Metrics Met Column L	FY2023 6-month Target Column N	FY2023 6-month Actual Column O	FY2023 6-month Metrics Met Column Q	FY2024 Annual Target Column S	FY2024 Annual Actual Column T	FY2024 Annual Metrics Met Column V	FY2025 6-month Target Column X	FY2025 6-month Actual Column Y	FY2025 6-month Metrics Met Column AA	FY2025 Annual Target Column AC	FY2025 Annual Actual Column AD	FY2025 Annual Metrics Met Column AF													
Behavioral Health (Including Domestic Violence & Trauma)	Pacific Clinics Took over from Community Health Awareness Council (CHAC) in FY2025 FY2026 Approved: \$304,000 FY2025 Approved: \$304,000 FY2025 Spent: \$304,000 FY2024 Approved: \$304,000 FY2024 Spent: \$304,000 FY2023 Approved: \$280,000 FY2023 Spent: \$280,000	Individuals served	275	289		98%		95%		375	589		99%		800	929		98%		375	190		40%	39%		89%							
		Services provided	2,500	2,313						7,500	8,548				3,500	4,527				7,750	10,133							3,500	1,694		7,750	6,651	
		Hours of youth counseling/care management sessions	1,375	1,712						5,700	4574				2,000	1,943				5,500	5433							2,000	1,062		5,500	4,727	
		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, parent/guardian, self and/or other report (for students age 11-17).	N/A	N/A						40%	39%				N/A	N/A				40%	37%							N/A	N/A		40%	39%	
		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, parent/guardian, self and/or other report (for students 10 and under).	N/A	N/A						40%	45%				N/A	N/A				40%	39%							N/A	N/A		40%	44%	
	YWCA Golden Gate Silicon Valley FY2026 Approved: \$105,000 FY2025 Approved: \$90,000 FY2025 Spent: \$90,000 FY2024 Approved: \$90,000 FY2024 Spent: \$90,000 FY2023 Approved: \$85,000 FY2023 Spent: \$85,000	Individuals served	20	14		88%		93%		12	17		94%		28	29		98%		12	16		93%		25	24		99%					
		Services provided	100	69						200	332				150	137				350	366				160	108				320	470		
		Hours of adult counseling/care management sessions	-	-						-	-				150	121				350	315				160	156				310	439		
		Individuals who receive 3 or more counseling sessions increase their knowledge of trauma and the effects of trauma on their lives	80%	100%						80%	88%				80%	100%				85%	92%				80%	87%				85%	85%		
		Individuals who receive 3 or more counseling sessions experience a reduction of trauma symptoms	70%	100%						70%	88%				75%	100%				80%	91%				75%	100%				80%	85%		
Diabetes & Obesity	Bay Area Women's Sports Initiative (BAWSI) - BAWSI Girls in Sunnyvale FY2026 Approved: \$39,000 FY2025 Approved: \$39,000 FY2025 Spent: \$39,000 FY2024 Approved: \$26,000 FY2024 Spent: \$26,000 FY2023 Approved: \$26,000 FY2023 Spent: \$26,000	Individuals served	50	51		79%		93%		50	64		96%		100	108		95%		27	35		100%		30	38		100%					
		Services provided	850	491						1,750	1,493				610	632				1,245	1,099				283	388				624	872		
		Number of participants who report 150 minutes or more of physical activity per week.	-	-						-	-				50	64				100	108				27	27				30	38		
		Average weekly attendance percentage	-	-						-	-				80%	83%				80%	83%				80%	81%				80%	86%		
		Percentage of participants who respond positively (4's and 5's) to the statement, "I like to exercise".	-	-						-	-				60%	47%				60%	53%				60%	70%				60%	69%		
	Chinese Health Initiative FY2026 Approved: \$275,000 FY2025 Approved: \$275,000 FY2025 Spent: \$275,000 FY2024 Approved: \$275,000 FY2024 Spent: \$268,972 FY2023 Approved: \$267,000 FY2023 Spent: \$267,000	Individuals served	675	677		95%		94%		728	738		76%		1,456	1,487		97%		730	743		92%		1,500	1,410		98%					
		Services provided	1,500	1,529						3,000	3,066				1,600	1,570				3,226	3,520				1,500	1,647				3,500	3,913		
		Number of individuals with one or more improved biometrics (BMI, weight, and/or A1c)	90	61						180	114				90	50				180	149				50	34				150	165		
		Participants who are very likely (9-10 rating) to recommend CHI to a friend or colleague	80%	85%						80%	85%				80%	90%				80%	90%				85%	90%				85%	84%		
City of Sunnyvale - Columbia Neighborhood Center FY2026 Approved: \$57,200 FY2025 Approved: \$49,000 FY2025 Spent: \$49,000 FY2024 Approved: \$44,000 FY2024 Spent: \$44,000 FY2023 Approved: \$45,000 FY2023 Spent: \$45,000	Individuals served	40	75		60%		86%		50	53		94%		140	176		98%		50	117		100%		155	162		100%						
	Services provided	500	1,198						925	2,484				700	614				2200	1,984				500	877				1,595	2,031			
	Number of participants who report consuming at least 3 servings of fruits and vegetables per day	-	-						-	14				20	19				43	69				20	20				56	59			
	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%				N/A	N/A				80%	100%				80%	100%				80%	100%			
	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%	0%						80%	82%				N/A	N/A				80%	100%				80%	100%				80%	100%			
Community Health Partnership FY2025 Approved: \$45,000 FY2025 Spent: \$45,000	Individuals served	-	-		New Program in FY2025		New Program in FY2025		-	-		New Program in FY2025		-	-		New Program in FY2025		9	7		88%		31	64		95%						
	Services provided	-	-						-	-				-	-				-	-				27	34				93	76			
	Number of participants who report consuming at least 3 servings of fruit and vegetables per day	-	-						-	-				-	-				-	-				3	3				6	22			
	District residents reached by education and/or outreach efforts who report increased knowledge of and confidence in using nutrition incentive programs at farmers' markets (including CalFresh/SNAP) after the outreach intervention as assessed by pre/post surveys after classes series and surveys at farmers' markets	-	-						-	-				-	-				-	-				70%	52%				70%	68%			
Fresh Approach FY2026 Approved: \$50,000 FY2025 Approved: \$40,000 FY2025 Spent: \$40,000 FY2024 Approved: \$74,000 FY2024 Spent: \$74,000 FY2023 Approved: \$73,500 FY2023 Spent: \$73,500	Individuals served	85	33		32%		53%		112	25		45%		245	242		83%		36	84		40%		71	133		80%						
	Services provided	210	86						500	403				163	50				370	368				210	480				419	1,243			
	Number of participants who report consuming at least 3 servings of fruit and vegetables per day	20	2						90	6				7	2				25	8				11	0				24	5			
	Participants who report at least a 1 point increase on a 1-5 scale that 'I have enough education and peer support that provides me knowledge and resources to improve my health and prevent some disease'	-	-						-	-				-	-				-	-				65%	0%				75%	97%			
	District residents reached by education and/or outreach efforts who report increased knowledge of and confidence in using nutrition incentive programs at farmers' markets (including CalFresh/SNAP) after the outreach intervention as assessed by pre/post surveys after classes series and surveys at farmers' markets	-	-						-	-				65%	100%				70%	75%				65%	0%				70%	56%			
Living Classroom FY2026 Approved: \$67,000 FY2025 Approved: \$60,000 FY2025 Spent: \$60,000 FY2024 Approved: \$60,000 FY2024 Spent: \$60,000 FY2023 Approved: \$60,000 FY2023 Spent: \$60,000	Individuals served	2,450	2,552		89%		99%		2,450	3,192		80%		3,400	3,900		86%		2,650	3,446		80%		3,450	4,356		88%						
	Services provided	7,350	4,927						10,200	11,521				4,900	4,848				10,200	12,403				4,900	6,094				10,400	15,200			
	Number of participants who report consuming at least 3 servings of fruits and vegetables per day	1,350	1,065						1,900	1,852				1,100	0				1,900	527				750	5				1,330	520			
	Teacher Evaluations that average a 4 or higher (on a 1-5 scale)	90%	100%						95%	100%				90%	97%				95%	97%				70%	82%				80%	84%			
	Students report increased knowledge of healthy habits (healthy eating, healthy living, and/or experiences	65%	71%						65%	87%				70%	73%				80%	82%				90%	97%				95%	99%			



Health Need <i>Column A</i>	Partner <i>Column B</i>	FY2025 Metrics <i>Column C</i>	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																															
			FY2023 6-month Target <i>Column D</i>	FY2023 6-month Actual <i>Column E</i>	● ● ●	FY2023 6-month Metrics Met <i>Column G</i>	● ● ●	FY2023 Annual Target <i>Column I</i>	FY2023 Annual Actual <i>Column J</i>	● ● ●	FY2023 Annual Metrics Met <i>Column L</i>	● ● ●	FY2024 6-month Target <i>Column N</i>	FY2024 6-month Actual <i>Column O</i>	● ● ●	FY2024 6-month Metrics Met <i>Column Q</i>	● ● ●	FY2024 Annual Target <i>Column S</i>	FY2024 Annual Actual <i>Column T</i>	● ● ●	FY2024 Annual Metrics Met <i>Column V</i>	● ● ●	FY2025 6-month Target <i>Column X</i>	FY2025 6-month Actual <i>Column Y</i>	● ● ●	FY2025 6-month Metrics Met <i>Column AA</i>	● ● ●	FY2025 Annual Target <i>Column AC</i>	FY2025 Annual Actual <i>Column AD</i>	● ● ●	FY2025 Annual Metrics Met <i>Column AF</i>	● ● ●		
 Diabetes & Obesity	Playworks FY2026 Approved: \$228,800 FY2025 Approved: \$200,000 FY2025 Spent: \$200,000 FY2024 Approved: \$200,000 FY2024 Spent: \$200,000 FY2023 Approved: \$200,000 FY2023 Spent: \$200,000	Individuals served	4,204	4,204	●	100%	●	4,204	4,204	●	100%	●	3,894	3,907	●	100%	●	3,894	3,905	●	100%	●	100%	●	3,890	3,850	●	99%	●	3,890	3,850	●	99%	●
		Services provided	8,408	8,408	●			8,408	8,408	●			7,788	7,814	●			7,788	7,802	●					7,780	7,700	●			7,780	7,700	●		
		Number of participants who report 150 minutes or more of physical activity per week	-	-				-	-				N/A	N/A				3,894	3,905	●					N/A	N/A				3,890	3,850	●		
		Educators reporting that Playworks increases the number of students that are physically active during recess	N/A	N/A				96%	97%	●			N/A	N/A				95%	100%	●					N/A	N/A				95%	99%	●		
		Educators reporting that Playworks helps the school create supportive learning environments	N/A	N/A				95%	98%	●			N/A	N/A				94%	99%	●					N/A	N/A				94%	98%	●		
	South Asian Heart Center FY2026 Approved: \$310,000 FY2025 Approved: \$310,000 FY2025 Spent: \$310,000 FY2024 Approved: \$310,000 FY2024 Spent: \$310,000 FY2023 Approved: \$300,000 FY2023 Spent: \$300,000	Individuals served	225	241	●	83%	●	450	471	●	100%	●	240	224	●	86%	●	484	477	●	94%	●	94%	●	238	227	●	96%	●	495	486	●	97%	●
		Services provided	1,000	1,087	●			2,100	2,166	●			1,080	1,030	●			2,169	2,250	●					1,102	1,130	●			2,193	2,165	●		
		Number of participants who report 150 minutes or more of physical activity per week	-	-				-	-				60	65	●			125	135	●					65	61	●			135	148	●		
		Change in levels of physical activity	21%	21%	●			21%	23%	●			21%	9%	●			21%	15%	●					10%	9%	●			10%	9%	●		
		Change in average levels of vegetable consumption	20%	19%	●			20%	21%	●			20%	23%	●			20%	23%	●					20%	22%	●			20%	22%	●		
	YMCA FY2025 Approved: \$82,600 FY2025 Approved: \$80,000 FY2025 Spent: \$80,000 FY2024 Approved: \$80,000 FY2024 Spent: \$80,000 FY2023 Approved: \$67,000 FY2023 Spent: \$67,000	Individuals served	280	241	●	94%	●	415	492	●	100%	●	241	266	●	100%	●	492	534	●	100%	●	100%	●	270	285	●	100%	●	500	479	●	98%	●
		Services provided	6,628	6,394	●			12,028	13,073	●			6,394	6,368	●			13,037	13,320	●					6,400	6,890	●			13,400	13,686	●		
		Number of participants who report 150 minutes or more of physical activity per week	200	200	●			300	337	●			200	212	●			320	329	●					216	223	●			400	404	●		
Individuals reporting their child increased physical activity by 30 minutes this week as compared to the prior week		88%	83%	●	88%			89%	●	80%			100%	●	80%			92%	●	90%					91%	●	90%			87%	●			
 Chronic Conditions (Other than Diabetes & Obesity)	American Heart Association FY2026 Approved: \$119,200 FY2025 Approved: \$100,000 FY2025 Spent: \$100,000 FY2024 Approved: \$100,000 FY2024 Spent: \$100,000 FY2023 Approved: \$100,000 FY2023 Spent: \$100,000	Individuals served	130	57	●	81%	●	730	738	●	95%	●	340	119	●	67%	●	620	628	●	100%	●	100%	●	81	84	●	99%	●	156	149	●	95%	●
		Services provided	430	359	●			960	781	●			440	192	●			720	836	●					324	309	●			648	520	●		
		Number of individuals completing one or more health screenings	-	-				-	-				340	192	●			620	836	●					7,500	7,500	●			30,000	35,136	●		
		Check.Change.Control participants who improve blood pressure by an average of 10 mm Hg over the 4 month program	40%	42%	●			40%	94%	●			40%	48%	●			40%	52%	●					35%	42%	●			25%	25%	●		
		Percentage of individuals who screen positive for food insecurity and therefore receive referral to food assistance resources	-	-				-	-				-	-				-	-						25%	27%	●			35%	56%	●		
	Community Services Agency - Mountain View FY2026 Approved: \$326,600 FY2025 Approved: \$240,000 FY2025 Spent: \$240,000 FY2024 Approved: \$240,000 FY2024 Spent: \$240,000 FY2023 Approved: \$228,000 FY2023 Spent: \$203,195	Individuals served	55	66	●	99%	●	90	62	●	92%	●	56	61	●	85%	●	88	86	●	94%	●	94%	●	56	67	●	86%	●	88	80	●	95%	●
		Services provided	2,550	2,468	●			5,100	4,658	●			2,550	2,388	●			5,100	5,162	●					2,550	1,498	●			5,100	5,568	●		
		Number of individuals who demonstrate improved self-management through self-report or biometric indicators	-	-				-	-				35	22	●			60	57	●					35	60	●			88	75	●		
		Clients who were not re-hospitalized within 90 days for reasons related to a chronic health condition	90%	92%	●			90%	92%	●			90%	93%	●			90%	96%	●					90%	94%	●			90%	98%	●		
	Patients with hypertension who attained or maintained a blood pressure of <140/90	70%	82%	●			70%	76%	●			70%	49%	●			70%	55%	●			70%	49%	●			70%	94%	●					
 Economic Stability (Including Food Insecurity, Housing & Homelessness)	Day Worker Center FY2026 Approved: \$35,000 FY2025 Approved: \$35,000 FY2025 Spent: \$35,000 FY2024 Approved: \$30,000 FY2024 Spent: \$30,000 FY2023 Approved: \$30,000 FY2023 Spent: \$30,000	Individuals served	200	219	●	100%	●	350	356	●	100%	●	200	217	●	100%	●	350	374	●	100%	●	100%	●	200	218	●	100%	●	350	374	●	100%	●
		Services provided - Meals	1900	2,075	●			3,600	3,685	●			2,100	2,158	●			4,200	4,536	●					2,450	2,575	●			4,900	5,358	●		
		Number of individuals connected to a sustainable source of healthy food (CalFresh/SNAP, food banks, etc.)	-	-				-	-				200	217	●			350	374	●					200	218	●			350	374	●		
		Individuals served that report having increased number of healthy meals per day	-	-				-	-				-	-				-	-						75%	77%	●			75%	81%	●		
	Second Harvest Food Bank FY2025 Approved: \$40,000 FY2025 Spent: \$40,000 FY2024 Approved: \$40,000 FY2024 Spent: \$40,000 FY2023 Approved: \$40,000 FY2023 Spent: \$40,000	Individuals served	370	1,495	●	97%	●	740	1,495	●	94%	●	348	2,178	●	99%	●	696	2,178	●	99%	●	99%	●	400	2,301	●	99%	●	800	2,301	●	99%	●
		Services provided	124,000	205,018	●			248,000	205,018	●			116,000	330,141	●			232,000	330,141	●					125,000	344,157	●			250,000	344,157	●		
		Number of individuals connected to a sustainable source of healthy food (CalFresh/SNAP, food banks, etc.)	-	-				-	-				100	100	●			100	100	●					400	2,301	●			800	2,301	●		
		Food insecure clients who will benefit from food distribution in Cupertino (Zip code 95014) and in Mountain View (Zip codes 94040, 94041, and 94043)	23%	20%	●			23%	20%	●			30%	29%	●			30%	29%	●					27%	31%	●			27%	31%	●		
		Food insecure clients who will benefit from food distribution in Sunnyvale (zip codes 94085, 94086, 94087, 94089 and 95119)	68%	71%	●			68%	71%	●			70%	71%	●			70%	71%	●					73%	69%	●			73%	69%	●		
	Sunnyvale Community Services - Comprehensive Safety-Net Services FY2026 Approved: \$131,700 FY2025 Approved: \$75,000 FY2025 Spent: \$75,000 FY2024 Approved: \$75,000 FY2024 Spent: \$75,000 FY2023 Approved: \$75,000 FY2023 Spent: \$75,000	Individuals served	60	29	●	70%	●	100	102	●	100%	●	60	23	●	67%	●	100	106	●	100%	●	100%	●	60	45	●	88%	●	100	109	●	100%	●
		Services provided	120	69	●			300	499	●			120	70	●			300	325	●					120	106	●			300	322	●		
		Number of individuals with improved living conditions as a result of services provided	120	69	●			300	499	●			60	23	●			100	106	●					60	45	●			100	109	●		
		Individuals receiving financial assistance for medically related bills who are still housed 60 days after assistance - if they are not homeless when assisted	90%	80%	●			90%	95%	●			90%	100%	●			90%	100%	●					90%	100%	●			90%	100%	●		
		Homebound recipients of financial aid who are able to continue living independently	90%	100%	●			90%	-	●			90%	100%	●			90%	100%	●					90%	100%	●			90%	100%	●		
Sunnyvale Community Services - Social Work Case Mgmt. & Homebound Client Services FY2026 Approved: \$266,900 FY2025 Approved: \$207,000 FY2025 Spent: \$207,000 FY2024 Approved: \$207,000 FY2024 Spent: \$207,000 FY2023 Approved: \$197,000 FY2023 Spent: \$197,000	Individuals served	200	227	●	93%	●	300	311	●	93%	●	200	208	●	93%	●	300	329	●	94%	●	94%	●	200	239	●	98%	●	300	278	●	91%	●	
	Services provided	1,580	1,654	●			3,000	3,363	●			1,632	1,679	●			3,256	3,294	●					1,632	1,598	●			3,256	3,036	●			
	Number of individuals with improved living conditions as a result of services provided	100	167	●			210	204	●			200	208	●			300	329	●					200	260	●			300	278	●			
	Case management clients whose scores on the Step Up Silicon Valley Self-Sufficiency Measure or comparable tool reach or maintain a score of 3.0 or higher six months after entering program	80%	57%	●			80%	54%	●			70%	45%	●			70%	50%	●					70%	65%	●			70%	53%	●			
	Homebound case management clients referred to benefits and services they are entitled to receive	-	-				-	-				70%	75%	●			70%	100%	●					70%	74%	●			70%	100%	●			



Health Need <i>Column A</i>	Partner <i>Column B</i>	FY2025 Metrics <i>Column C</i>	Performance against target: ● = 90%+ ● = 75% - 89% ● = 0% - 74%																																		
			FY2023 6-month Target <i>Column D</i>	FY2023 6-month Actual <i>Column E</i>	● ● ● FY2023 6-month Metrics Met <i>Column G</i>	● ● ● FY2023 Annual Target <i>Column I</i>	FY2023 Annual Actual <i>Column J</i>	● ● ● FY2023 Annual Metrics Met <i>Column L</i>	● ● ● FY2024 6-month Target <i>Column N</i>	FY2024 6-month Actual <i>Column O</i>	● ● ● FY2024 6-month Metrics Met <i>Column Q</i>	● ● ● FY2024 Annual Target <i>Column S</i>	FY2024 Annual Actual <i>Column T</i>	● ● ● FY2024 Annual Metrics Met <i>Column V</i>	● ● ● FY2025 6-month Target <i>Column X</i>	FY2025 6-month Actual <i>Column Y</i>	● ● ● FY2025 6-month Metrics Met <i>Column AA</i>	● ● ● FY2025 Annual Target <i>Column AC</i>	FY2025 Annual Actual <i>Column AD</i>	● ● ● FY2025 Annual Metrics Met <i>Column AF</i>	● ● ●																
Support Grants ≤ \$30,000																																					
 Behavioral Health (Including Domestic Violence)	AnewVista FY2026 Approved: \$30,000 FY2025 Approved: \$20,000 FY2025 Spent: \$20,000	Individuals served	-	-		New Program in FY2025	-	-		New Program in FY2025	-	-		New Program in FY2025	-	-		New Program in FY2025	100	175	●	96%	●	350	375	●	100%	●									
		Services provided	-	-			-	-			-	-			-	-			400	375	●		●	1,150	1,200	●		●									
		Number of hours of training provided to program participants	-	-			-	-			-	-			-	-			400	375	●		●	1,150	1,200	●		●									
	EDRC (Eating Disorders Resource Center) FY2026 Approved: \$25,000 FY2025 Approved: \$25,000 FY2025 Spent: \$25,000 FY2024 Approved: \$25,000 FY2024 Spent: \$25,000 FY2023 Approved: \$22,500 FY2023 Spent: \$22,500	Individuals served	85	55	●	65%	●	170	87	●	51%	●	50	50	●	99%	●	100	108	●	98%	●	50	69	●	100%	●	100	110	●	99%	●					
		Services provided	85	55	●		●	170	87	●		●	80	78	●		●	160	158	●		●	78	77	●		●	156	151	●		●					
		Number of patients enrolled in a clinical and/or community service based on needs identified by their navigator	-	-				-	-				30	50	●			60	58	●			30	69	●			58	1,132	●							
	Friendly Voices Phone Buddies for Seniors FY2026 Approved: \$14,500 FY2025 Approved: \$11,000 FY2025 Spent: \$8,864	Individuals Served	-	-		New Program in FY2025	-	-		New Program in FY2025	-	-		New Program in FY2025	-	-		New Program in FY2025	20	21	●	82%	●	40	31	●	59%	●									
		Services provided	-	-			-	-			-	-			-	-			1,040	466	●		●	2,080	1,077	●		●									
		Number of individuals enrolled in a clinical and/or community service based on needs identified by their navigator/case manager	-	-			-	-			-	-			-	-			20	21	●		●	40	19	●		●									
	Friends for Youth FY2026 Approved: \$30,000 FY2025 Approved: \$30,000 FY2025 Spent: \$30,000 FY2024 Approved: \$30,000 FY2024 Spent: \$30,000 FY2023 Approved: \$30,000 FY2023 Spent: \$30,000	Individuals Served	240	214	●	90%	●	280	234	●	88%	●	220	248	●	90%	●	250	282	●	90%	●	200	269	●	72%	●	220	285	●	90%	●					
		Services provided	1,000	900	●		●	2,000	1,840	●		●	800	1,000	●		●	1,600	2,000	●		●	800	720	●		●	1,600	1,500	●		●					
		Hours of youth counseling/care management sessions	-	-				-	-				200	138	●			400	276	●			125	123	●		●	250	166	●		●					
		Youth who report being “satisfied” or “highly satisfied” with their mentorship experience as assessed by post-evaluation surveys	-	-				-	-				-	-				-	-				90%	0%	●		●	90%	91%	●		●					
	Kara FY2026 Approved: \$30,000 FY2025 Approved: \$30,000 FY2025 Spent: \$30,000 FY2024 Approved: \$30,000 FY2024 Spent: \$30,000 FY2023 Approved: \$20,000 FY2023 Spent: \$20,000	Individuals served	40	32	●	90%	●	70	63	●	95%	●	40	64	●	95%	●	85	106	●	90%	●	40	72	●	67%	●	85	141	●	80%	●					
		Services provided	120	132	●		●	210	296	●		●	130	195	●		●	300	451	●		●	130	321	●		●	300	600	●		●					
		Hours of training sessions	-	-				-	-				20	17	●			50	35	●			15	0	●		●	40	16	●		●					
	Lighthouse of Hope Counseling Center FY2026 Approved: \$30,000 FY2025 Approved: \$30,000 FY2025 Spent: \$30,000 FY2024 Approved: \$20,000 FY2024 Spent: \$20,000	Individuals served	-	-		New Program in FY2024	-	-		New Program in FY2024	-	-	105	121	●	100%	●	210	210	●	100%	●	32	32	●	100%	●	64	64	●	100%	●					
		Services provided	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-
		Number of adults demonstrating improvement on treatment plan goals	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-
		Participants report their intention to follow their therapeutic plan	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-
		Participants report feeling more hopeful about the future and recovery	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-
	Mission Be, Inc. FY2025 Approved: \$26,000 FY2025 Spent: \$26,000 FY2024 Approved: \$20,000 FY2024 Spent: \$20,000	Individuals served	-	-		New Program in FY2024	-	-		New Program in FY2024	-	-	650	17	●	5%	●	2,480	2,841	●	100%	●	N/A	N/A		N/A	●	120	116	●	99%	●					
		Services provided	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-
		Number of hours of training provided to program participants	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-
My Digital TAT2 FY2026 Approved: \$28,900 FY2025 Approved: \$29,000 FY2025 Spent: \$29,000 FY2024 Approved: \$29,000 FY2024 Spent: \$29,000 FY2023 Approved: \$30,000 FY2023 Spent: \$30,000	Individuals served	600	673	●	100%	●	1,800	1,067	●	63%	●	550	398	●	68%	●	850	523	●	61%	●	400	165	●	40%	●	700	512	●	81%	●						
	Services provided	800	1,260	●		●	2,400	1,625	●		●	750	482	●		●	1,250	713	●		●	600	176	●		●	850	512	●		●						
	Hours of training sessions	-	-				-	-				625	415	●			950	625	●			600	176	●		●	850	512	●		●						
	Students who respond "yes" or "working on it" to the question: "I will keep my mind and body healthy by taking breaks from devices."	-	-				-	-				-	-				-	-				70	92	●		●	80%	96%	●		●						
	Counselors who respond "strongly agree" or "agree" to the question: "The workshop taught me some practical strategies to support young people in developing a balanced, healthy relationship with technology."	-	-				-	-				-	-				-	-				70	0	●		●	80%	80%	●		●						
American Diabetes Association FY2026 Approved: \$30,000 FY2025 Approved: \$30,000 FY2025 Spent: \$30,000 FY2024 Approved: \$30,000 FY2024 Spent: \$30,000 FY2023 Approved: \$25,000 FY2023 Spent: \$25,000	Individuals served (unduplicated)	-	-		New Program in FY2024	-	-		New Program in FY2024	-	-	80	0	●	0%	●	160	152	●	98%	●	40	48	●	99%	●	160	168	●	99%	●						
	Services provided	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-	
	Number of participants who report 150 minutes or more of physical activity per week	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-	
	Youth survey respondents that demonstrate confidence to engage in regular physical activity and healthy eating behaviors as assessed by pre/post survey	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-	
	Youth survey respondents are knowledgeable about healthy physical activity behaviors as assessed by pre/post survey.	-	-			-	-			-	-		-	-			-	-			-	-		-		-		-	-			-	-		-	-	
	Bay Area Women's Sports Initiative (BAWSI) - BAWSI Rollers in Sunnyvale FY2026 Approved: \$21,000 FY2025 Approved: \$21,000 FY2025 Spent: \$21,000 FY2024 Approved: \$21,000 FY2024 Spent: \$21,000 FY2023 Approved: \$21,000 FY2023 Spent: \$21,000	Individuals served	15	14		●	93%	●	15	16	●	100%	●	15		16	●	99%	●		15	16	●	100%		●	5	7	●		100%	●	5	7	●	100%	●
		Services provided	120	112		●		●	240	248	●		●	120		128	●		●		240	248	●			●	40	56	●			●	80	112	●		●
		Number of participants who report 150 minutes or more of physical activity per week	-	-					-	-				15		16	●		●		15	16	●			●	5	7	●			●	5	7	●		●
		Average weekly attendance	-	-					-	-				80%		77%	●		●		80%	79%	●			●	80%	81%	●			●	80%	81%	●		●



Health Need <i>Column A</i>	Partner <i>Column B</i>	FY2025 Metrics <i>Column C</i>	Performance against target: 🟢 = 90%+ 🟡 = 75% - 89% 🔴 = 0% - 74%																													
			FY2023 6-month Target <i>Column D</i>	FY2023 6-month Actual <i>Column E</i>	 FY2023 6-month Metrics Met <i>Column G</i>	 FY2023 Annual Target <i>Column I</i>	FY2023 Annual Actual <i>Column J</i>	 FY2023 Annual Metrics Met <i>Column L</i>	 FY2024 6-month Target <i>Column N</i>	FY2024 6-month Actual <i>Column O</i>	 FY2024 6-month Metrics Met <i>Column Q</i>	 FY2024 Annual Target <i>Column S</i>	FY2024 Annual Actual <i>Column T</i>	 FY2024 Annual Metrics Met <i>Column V</i>	 FY2025 6-month Target <i>Column X</i>	FY2025 6-month Actual <i>Column Y</i>	 FY2025 6-month Metrics Met <i>Column AA</i>	 FY2025 Annual Target <i>Column AC</i>	FY2025 Annual Actual <i>Column AD</i>	 FY2025 Annual Metrics Met <i>Column AF</i>												
Support Grants ≤ \$30,000 <i>(continued)</i>																																
 Diabetes & Obesity	Silicon Valley Bicycle Coalition FY2026 Approved: \$30,000 FY2025 Approved: \$20,000 FY2025 Spent: \$20,000 FY2024 Approved: \$20,000 FY2024 Spent: \$20,000 FY2023 Approved: \$30,000 FY2023 Spent: \$30,000	Individuals served	75	40	🔴	53%	🔴	150	162	🟢	100%	🟢	90	42	🔴	42%	🔴	180	167	🟢	74%	🔴	60	113	🟢	100%	🟢	160	182	🟢	100%	🟢
		Services provided	75	40	🔴			150	162	🟢			90	42	🔴			180	167	🟢			60	147	🟢			160	273	🟢		
		Number of participants who report 150 minutes or more of physical activity per week	-	-				-	-				60	20	🔴			120	43	🔴			30	78	🟢			80	123	🟢		
		 Chronic Conditions (Other than Diabetes & Obesity)	Breathe California of the Bay Area FY2026 Approved: \$28,800 FY2025 Approved: \$28,000 FY2025 Spent: \$28,000 FY2024 Approved: \$28,000 FY2024 Spent: \$28,000 FY2023 Approved: \$25,000 FY2023 Spent: \$25,000	Individuals served	400	267	🔴	83%	🟡	1,000	2,826	🟢	100%	🟢	400	1,070	🟢	75%	🟡	1,100	3,155	🟢	94%	🟢	150	1,255	🟢	100%	🟢	350	2,767	🟢
Services provided	400			618	🟢	1,000	2,826			🟢	400	1,102			🟢	1,100	3,203			🟢	400	1,503			🟢	1,100	2,935			🟢		
Number of individuals completing one or more health screenings	-			-		-	-				50	13			🔴	100	81			🟡	50	58			🟢	125	143			🟢		
 Chronic Conditions (Other than Diabetes & Obesity)	Pacific Stroke Association FY2025 Approved: \$20,000 FY2025 Spent: \$20,000			Individuals served	-	-				-	-				-	-				-	-				29	14	🔴	49%	🔴	37	34	🟢
		Services provided	-	-		-	-				-	-				-	-				652	896			🟢	1,677	1,752			🟢		
		Number of individuals who demonstrate improved self-management through self-report or biometric indicators (e.g., blood pressure, A1C, etc.)	-	-		-	-				-	-				-	-				10	0			🔴	13	0			🔴		
		 Economic Stability (Including Food Insecurity, Housing & Homelessness)	Hope's Corner FY2026 Approved: \$30,000 FY2025 Approved: \$30,000 FY2025 Spent: \$30,000 FY2024 Approved: \$30,000 FY2024 Spent: \$30,000 FY2023 Approved: \$30,000 FY2023 Spent: \$30,000	Individuals served	750	1,053	🟢	100%	🟢	900	1,359	🟢	100%	🟢	900	956	🟢	100%	🟢	1,200	1,144	🟢	97%	🟢	75	80	🟢	99%	🟢	95	130	🟢
Services provided	10,000			16,491	🟢	17,500	34,398			🟢	15,000	20,832			🟢	30,000	39,098			🟢	2,310	2,228			🟢	4,620	5,097			🟢		
Number of individuals connected to a sustainable sour of healthy food (CalFresh/SNAP, food banks, etc.)	-			-		-	-				900	956			🟢	1,200	1,144			🟢	75	80			🟢	95	130			🟢		
Mountain View Police Department - Youth Services Unit FY2026 Approved: \$30,000 FY2025 Approved: \$30,000 FY2025 Spent: \$30,000 FY2024 Approved: \$25,000 FY2024 Spent: \$25,000 FY2023 Approved: \$25,000 FY2023 Spent: \$25,000	Individuals served			85	88	🟢	95%	🟢	85	88	🟢	95%	🟢	85	100	🟢	97%	🟢	85	100	🟢	97%	🟢	54	52	🟢	94%	🟢	54	52	🟢	94%
	Services provided		850	769	🟢	850			769	🟢	800			736	🟢	800			736	🟢	486			436	🟢	486			436	🟢		
	Number of individuals with improved living conditions as a result of services provided		-	-		-			-		85			100	🟢	85			100	🟢	54			52	🟢	54			52	🟢		
	The United Effort Organization FY2026 Approved: \$30,000 FY2025 Approved: \$25,000 FY2025 Spent: \$25,000		Individuals served	-	-				-	-				-	-				-	-				15	25	🟢	100%	🟢	40	39	🟢	99%
Services provided			-	-		-			-		-			-		-			-		90			159	🟢	360			400	🟢		
Number of individuals with improved living conditions as a result of services provided			-	-		-			-		-			-		-			-		10			10	🟢	30			30	🟢		

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



ECHD Community Benefit: Strategic Framework and Implementation Strategy Impact Report

Jon Cowan
Executive Director, Government
Relations & Community Partnerships
October 14, 2025

ECHD Strategic Framework



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 <u>in order to</u> reduce the incidence of chronic illnesses in the community
Tactics		
- 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 <u>large scale</u> community health issue over multiple years	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)	- 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		
Volume, impact, and collective impact metrics. School metric standardization	Completion of joint site visits and collaborative discussions	Volume, impact, and collective impact metrics. ECHD Pop Health strategy development



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 <u>in order to</u> reduce the incidence of chronic illnesses in the community
Tactics		
- 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	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)	- 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		
Volume, impact, and collective impact metrics. School metric standardization	Completion of joint site visits and collaborative discussions	Volume, impact, and collective impact metrics. ECHD Pop Health strategy development



FY2025 Yearend Status Report: Access to Healthcare

Strategic Priority	
Access to Healthcare Ensure access to high-quality healthcare at the hospital, outpatient clinics, schools, and other sites	- Financed primary care services at Mountain View and Sunnyvale Ravenswood Family Health Network's MayView clinics, Planned Parenthood Mountain View Health Center - Supported seven school nurse and mental health counseling programs - Funded mobile van and office-based dental services through On-Site Dental, Ravenswood Family Health Network's MayView clinics, and Santa Clara Valley Healthcare
Tactics	
- 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	- Connected residents discharged from Mountain View hospital to community partner agencies by utilizing healthcare navigation specialist - Created collaboration between Mountain View Whisman School District and Ravenswood MayView clinics to offer summer vaccination clinics for students - Secured approval of innovative digital access for seniors and youth digital media literacy grants - Continued grants to address health disparities (e.g. Caminar LGBTQ+, Chinese Health Initiative)
Measurement	
Volume, impact, and collective impact metrics. School metric standardization	80,205 total services provided by grantees aligned with the ECHD strategic priority of Access to Healthcare and Mental Health Services - Improved Healthcare Access and Navigation Collective Impact Metrics 2,087 individuals established care with a PCP or specialist as a result of agency services 327 individuals receiving follow-up care after a patient is screened 738 individuals reporting improved oral health after service - Increased Access to the Demand for Mental Health Services Collective Impact Metrics 7,439 / 5,843 hours of counseling sessions provided to adults / youth



FY2025 Yearend Status Report: Access to Healthcare

Strategic Priority	Aligned Grants by Health Need	
Access to Healthcare Ensure access to high-quality healthcare at the hospital, outpatient clinics, schools, and other sites	Healthcare Access & Delivery ▪ Cupertino Union School District ▪ ECH Roadrunners ▪ ECH Post Discharge Care Navigator ▪ ECH Pop Health Manager ▪ ECH Health Library and Resource Ctr MV ▪ LifeMoves ▪ LPFCH Teen Health Van ▪ Mountain View Whisman School District ▪ On-Site Dental Care Foundation ▪ Pathways Home Health and Hospice ▪ Peninsula Healthcare Connection ▪ Planned Parenthood Mar Monte ▪ Ravenswood Family Health Network ▪ County of Santa Clara Health System ▪ Sunnyvale School District	Behavioral Health ▪ Acknowledge Alliance ▪ AnewVista Community Services (new for FY25) ▪ Avenidas ▪ Caminar LGBTQ Speaker Bureau ▪ Caminar DV Survivor Services ▪ Cupertino Union School District ▪ Eating Disorders Resource Center ▪ Friendly Voices (new for FY25) ▪ Friends for Youth ▪ Kara ▪ Law Foundation ▪ Lighthouse of Hope Counseling Center ▪ Los Altos School District ▪ Maitri ▪ Mission Be Inc. ▪ Momentum for Health ▪ Mountain View Los Altos High School District ▪ Health Connected (previously MyDigitalTAT2) ▪ NAMI Santa Clara County ▪ Pacific Clinics ▪ YWCA Golden Gate Silicon Valley
Tactics ▪ 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		
Measurement ▪ Volume, impact, and collective impact metrics. School metric standardization		



FY2025 Yearend Status Report: Community Champion

Strategic Priority		FY2025 Status Report	
Community Champion Create connection opportunities for local organizations, community groups, and healthcare providers			
Tactics			
▪ 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)		▪ Held comprehensive site visits with all 59 FY25 grant partners with 100% participation ▪ 26 Community Partnership Staff and Grantee In-Person Site Visits ▪ 4 ECHD Board Meeting and Grantee Site Visits ▪ 6 Group Site Visits of related grantees conducted virtually (average 5 grants per group – total 29 grants)	
Measurement			
▪ Completion of joint site visits and collaborative discussions		▪ Collaborative convening planned for FY26 to potentially discuss population health prediabetes work with diabetes and obesity health need grant partners	



FY2025 Yearend Status Report: Health Promotion

Strategic Priority		FY2025 Status Report	
Health Promotion and Disease Prevention Promote health and well-being in order to reduce the incidence of chronic illnesses in the community			
Tactics			
- 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		- Funded large grant portfolio to prevent and manage diabetes and obesity across diverse demographic populations. Supported grants to prevent and manage other chronic conditions - Pop. Health Program Manager completed preliminary research and design for the 3-5 year Pop. Health Strategy for the initial primary focus area to combat rising risk for prediabetes. - The Program Manager also completed a comprehensive review of Pop. Health activities across El Camino Health Service lines, created a “data inventory” of 70+ data sources to inform pop. health efforts, and supported the Community Health Needs Assessment and Implementation Strategy Report & Community Benefit Plan.	
Measurement			
Volume, impact, and collective impact metrics. ECHD Pop Health strategy development		58,801 total services provided in FY25 by grantees aligned with the ECHD strategic priority of Health Promotion and Disease Prevention - Promoted Healthy Lifestyle Habits Collective Impact Metrics 4,752 individuals reported 150 minutes of physical activity per week 35,279 individuals completed one or more health screening 525 individuals reported consuming at least 3 servings of fruits and vegetables per day 165 individuals reported an improvement of one or more biometrics (BMI, weight, and/or A1c), or demonstrated improved self-management	



FY2025 Yearend Status Report: Health Promotion

Strategic Priority	Aligned Grantees by Health Need
Health Promotion and Disease Prevention Promote health and well-being in order to reduce the incidence of chronic illnesses in the community Tactics ▪ 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 ▪ Volume, impact, and collective impact metrics. ECHD Pop Health strategy development	Diabetes & Obesity ▪ American Diabetes Association ▪ BAWSI Rollers & BAWSI Girls ▪ Chinese Health Initiative ▪ City of Sunnyvale – Columbia Neighborhood Center ▪ Community Health Partnership ▪ Fresh Approach ▪ Living Classroom ▪ Playworks ▪ Silicon Valley Bicycle Coalition ▪ South Asian Heart Center ▪ YMCA of Silicon Valley Chronic Conditions ▪ American Heart Association ▪ Breathe California of the Bay Area ▪ Community Services Agency of MV and LA ▪ Pacific Stroke Association



ECHD Implementation Strategy & FY25 Impact Report



ECHD Allocation by Health Need

Health Need	FY2025 Spent	# of Grants
 Healthcare Access & Delivery (including oral health)	\$3,884,784 (50%)	15
 Behavioral Health (including domestic violence and trauma)	\$1,857,783 (24%)	21
 Diabetes & Obesity	\$1,169,000 (15%)	12
 Chronic Conditions (other than diabetes and obesity)	\$388,000 (5%)	4
 Economic Stability (including food insecurity, housing & homelessness)	\$442,000 (6%)	7
TOTAL	\$7,741,567 (100%)	59



FY25 Health Needs Summary – Healthcare Access & Delivery



Healthcare Access & Delivery (Including Oral Health)

Item	Details
Key Themes	•Total Funded: \$3.9M in ECHD Grants •Largest area of funding in portfolio, with 15 grants •Collective Impact metrics focused on establishing care, and receiving follow-up care
Performance Highlights	•25,631 Total Individuals Served •83,090 Total Services Provided •3,362 Individuals established care with a PCP or specialist as a result of services •327 Patients received follow-up care after screening •738 Patients reported improved oral health after service
Opportunities	•No grants addressing Implementation Strategy areas of: (i) Maternal / Infant Health (ii) Workforce training in culturally competent / compassionate care (iii) Telehealth / other tech adoption

Implementation Strategy – Healthcare Access & Delivery

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
1. Reduce disparities in access to high quality care	A. Support increased access to primary care and specialty care services for vulnerable individuals	i. Individuals experience better access to health care ii. Improved utilization iii. Reduced unnecessary ED visits and hospitalizations	•ECHD Pop Health Program Manager •El Camino Health Roadrunners •LifeMoves •Pathways Home Health & Hospice •Peninsula Healthcare Connection: New Directions •Planned Parenthood Mar Monte •Ravenswood Family Health Network	•8,499 Individuals Served •48,414 Services provided •279 received follow-up care after screening •2,223 established care with PCP or specialist
	B. Support greater access to healthcare in schools	i. Improved access to healthcare for school-aged children and youth	•LPFCH: Teen Health Van •Cupertino Union School District •Mountain View Whisman School District •Sunnyvale School District	•7,170 Individuals Served •22,167 Services provided •472 patients completed health screenings
	C. Support clinical and community health navigator programs	i. Community members access clinical and community resources that support their plan of care	•ECH: Post Discharge Care Navigator •Health Library & Resource Center Mountain View	•8,701 Individuals Served •8,701 Services provided <i>Note: majority of counted services were from Health Library</i>
	D. Support increased use of telehealth and other technology solutions		•None	N/A



Implementation Strategy – Healthcare Access & Delivery (cont.)

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
2. Increase access to oral health care for underserved community members	A. Support school- and community-based programs that offer dental screenings and care, including tele-dentistry	i. Improved oral health among community members	•County of Santa Clara Health System •On-Site Dental Care	•1,260 Individuals Served •1,174 patients established care or improved oral health
3. Reduce disparities and inequitable access to maternal/ infant health care for community members	A. Support effective teen pregnancy prevention programs	i. Reduced disparities in the proportion of teens who are pregnant ii. Reduced proportions of teens who are pregnant	•None	•N/A
	B. Increase access to and utilization of adequate prenatal care	i. Reduced disparities in: • Proportions of women with healthy pregnancies • Rates of low birth weight • Rates of infant mortality	•None	•N/A



Implementation Strategy – Healthcare Access & Delivery (cont.)

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
4. Provide/ expand workforce training in cultural competence and compassionate/ respectful care delivery	A. Support workforce training in cultural competence, and compassionate and respectful care delivery	i. Increased access to culturally competent health care services among underserved community members, including LGBTQ+ and community members with limited English proficiency ii. Increased access to compassionate and respectful health care among underserved community members, including LGBTQ+ and community members with limited English proficiency	•None	•N/A



FY25 Health Needs Summary – Behavioral Health



Behavioral Health (Including Domestic Violence Trauma)

Item	Details
Key Themes	•Total Funded: \$1.8M in ECHD Grants •While 2nd largest in terms of total dollars, this health need had the most grantees (21) – reflects more, smaller grants. •Collective Impact metrics largely focused on hours of adult and youth counseling and care management session
Performance Highlights	•4,927 Total Individuals Served •28,847 Total Services Provided •4,754 hours of counseling sessions provided to adults •5,843 hours of counseling sessions provided to youth
Opportunities	•No FY25 grants addressing (i) Youth-focused substance abuse, sexual assault / healthy relationships, or suicide prevention support and programs •Possibly explore fewer, but larger grants in future (informed by factors such as grantee performance, reach, etc.)

Implementation Strategy – Behavioral Health

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
1. Improve mental/ behavioral health care access for community members	A. Support in-person and virtual expanded access to evidence-based counseling, addiction treatment, behavioral health care management, etc.	i. Improved access to mental/ behavioral health programs and services ii. More community members receiving effective mental/ behavioral health services	•Avenidas •Law Foundation of Silicon Valley	• 350 Individuals Served • 103 adults demonstrated improvement on treatment plan goals • 281 hours of training sessions provided
	B. Care management to support community members' self-management and mental health	i. Improved coordination of mental/ behavioral health services ii. Improved mental/ behavioral health among those served	•Momentum for Health	• 404 hours of adult counseling/care management sessions



Implementation Strategy – Behavioral Health (cont.)

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees		Metrics / Results
2. Improve mental / behavioral health of youth in the community	A. In-person and virtual programs for assisting youth in self-management techniques to reduce depression and anxiety, and for stress, coping and resilience	i. Increased knowledge among those served about methods of coping with stress and depression	• Acknowledge Alliance • Caminar: LGBTQ+ • Cupertino Union School District • Friends for Youth	• Los Altos School District • Mission Be • MVLA Union High School District • Health Connected • Pacific Clinics	• 3,662 Individuals Served • 17,259 Services provided • 3,839 hours of adult counseling/care management sessions
	B. Support for substance abuse initiatives with evidence of effectiveness	i. Improved mental health among those served, including reduced substance use ii. Increased knowledge among youth served about substance use prevention and management strategies	•None		•NA
	C. Programs that prevent or reduce youth and young adult intimate partner and sexual violence and promote healthier relationships	i. Improved mental health among those served, including healthier relationships	•None		•NA
	D. Programs that reduce or prevent suicide with evidence of effectiveness	i. Improved mental health among those served, including improved coping skills	•None		•NA



Implementation Strategy – Behavioral Health (cont.)

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
3. Improve mental / behavioral health of adults in the community	A. In-person and virtual programs for assisting community members in self-management techniques to reduce depression and anxiety, and for stress, coping and resilience	i. Increased knowledge among those served about methods of coping with stress and depression	•AnewVista Community Services •Friendly Voices •Kara •Lighthouse of Hope Counseling Center	•611 Individuals Served •3,507 Services provided •1,216 hours of training provided to program participants
	B. Support for screening, accurate diagnosis, effective treatment, and follow-up for mental/ behavioral health and substance use/ addiction treatment services	i. Improved access to mental and behavioral health services among those served	•Eating Disorder Resource Center •NAMI Santa Clara	•160 Individuals Served •2,701 Services provided •2,550 hours of adult counseling/care management sessions
	C. Programs that support targeted unmet needs such as supporting individuals experiencing or at risk of homelessness or intimate partner violence	i. Improved mental health among those served ii. Improved utilization of clinical and community resources among those served	•Caminar: Domestic Violence •Maitri •YWCA Golden Gate Silicon Valley	•959 Individuals Served •2,102 Services provided •1,261 hours of adult counseling/care management sessions



FY25 Health Needs Summary – Diabetes & Obesity



Diabetes & Obesity

Item	Details
Key Themes	•Total Funded: \$1.2 in ECHD Grants •Majority of programs focused on increasing physical activity and healthy eating/nutrition
Performance Highlights	•11,335 Total Individuals Served •48,026 Total Services Provided •4,752 individuals reported 150 minutes of physical activity per week •525 individuals reported consuming at least 3 servings of fruits and vegetables per day
Opportunities	•No FY25 grants addressing area of (i) Screening / early-identification •Possible opportunity to move programs in more clinical direction if targeting individuals with existing condition(s)

Implementation Strategy – Diabetes & Obesity

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
1. Increase physical activity among community members	A. Support physical activity interventions shown to contribute to weight loss and reduced screen time among youth and adults	i. Increase in physical activity among youth and adults at elevated risk of chronic health conditions ii. Reduced screen time & time on sedentary activities among youth served iii. Increased access to and utilization of free/low-cost opportunities for physical activity	•City of Sunnyvale: Columbia Neighborhood Center •Silicon Valley Bicycle Coalition •YMCA of Silicon Valley	•823 Individuals Served •15,990 Services provided •586 Participants reporting >150 minutes of exercise
	B. Support implementation of school wellness policies for promoting physical activity	i. Improved physical fitness among students in schools served	•American Diabetes Association •BAWSI Girls •BAWSI Rollers •Playworks	•4,063 Individuals Served •9,439 Services provided •3,996 Participants reporting >150 minutes of exercise



Implementation Strategy – Diabetes & Obesity (cont.)

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
2. Prevent/ reduce obesity& diabetes among community members	A. Support obesity/ diabetes prevention and obesity treatment programs with evidence of effectiveness	i. Improved weight status in youth and adults served ii. Long-term reduction in the number of community members with diabetes	•Chinese Health Initiative •South Asian Heart Center	•1,896 Individuals Served •6,078 Services provided •148 Participants reporting >150 minutes of exercise •165 Participants with one or more improve biometric
	B. Support diabetes treatment/self-management programs with evidence of effectiveness	i. Improved diabetes management in participants served	•Community Health Partnership	•22 Participants reporting >150 minutes of exercise
	C. Expand screening and referral for abnormal blood glucose/pre-diabetes and type 2 diabetes	i. Identification of more individuals with diabetes and pre-diabetes ii. Improved healthcare utilization for individuals with diabetes and pre-diabetes	•None	•N/A
	D. Support community and school-based nutrition education and healthy food access interventions	i. Increased knowledge and understanding about healthy eating among people served ii. Healthier eating among community members receiving interventions	•Fresh Approach •Living Classroom	•4,489 Individuals Served •16,443 Services provided •525 Participants reporting >3 servings fruits and vegetables/day



FY25 Health Needs Summary – Chronic Conditions



Chronic Conditions (Other than Diabetes & Obesity)

Item	Details
Key Themes	•Total Funded: \$0.39M in ECHD Grants •Only 4 programs funded, but relatively high total number of individuals served and services provided – combo of high-reach and high-touch programs
Performance Highlights	• 3,030 Total Individuals Served • 10,775 Total Services Provided
Opportunities	•No FY25 grants addressing area (i) Education and improved access to screening •No cohesive condition area focus; could consider more coordinated effort on specific targeted condition(s) in future

Implementation Strategy – Chronic Conditions

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
1. Increase prevention and early intervention of chronic diseases in the community	A. Provide education and improve access to screenings	i. Increased knowledge of chronic disease among community members ii. Increased rates of screening for chronic disease iii. Reduced disparities in chronic disease screening rates	•None	•N/A
	B. Support evidence-based chronic disease prevention and early intervention programs	i. Reduced rates of chronic diseases ii. Reduced rates of drivers of chronic diseases, such as physical inactivity, poor nutrition, tobacco and excessive alcohol use, etc.	•American Heart Association •Breathe California of the Bay Area	• 2,916 Individuals Served • 3,455 Services provided • 35,279 Individuals completed one or more health screenings
2. Improve chronic disease management among community members	A. Support evidence-based chronic disease treatment and self-management programs	i. Reduced rates of ER/ED visits for chronic diseases ii. Improved medication and treatment adherence iii. Reduced rates of uncontrolled chronic disease	•Community Services Agency of Mountain View and Los Altos •Pacific Stroke Association	• 114 Individuals Served • 7,320 Services provided • 75 Individuals demonstrated improved self-management through self-report or biometrics



FY25 Health Needs Summary – Economic Stability



Economic Stability
(Including Food Insecurity,
Housing & Homelessness)

Item	Details
Key Themes	•Total Funded: \$0.4M in ECHD Grants •Focus on improved housing / living conditions, as well as access to sustainable source of healthy food
Performance Highlights	•3,283 Total Individuals Served •14,649 Total Services Provided
Opportunities	•All Implementation Strategy categories covered by at least one grantee, however, opportunity to improve focus / alignment in strategic initiative area of workforce training and employment opportunities

Implementation Strategy – Economic Stability

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
1. Reduce housing instability among community members	A. Support independent living and efforts to improve substandard living conditions	i. More community members remain independent longer ii. Reduced number of sub-standard dwellings iii. Improved health outcomes for those at-risk of and/or experiencing homelessness	•Sunnyvale Community Services: Social Work and Homebound Client Case Management	•278 Individuals Served (and with improved living conditions as a result of services) •3,036 Services provided
	B. Support efforts to improve access to social services that address income and housing security	i. Increase in social services utilization ii. Improved health outcomes for those at-risk of and/or experiencing homelessness	•Sunnyvale Community Services: Comprehensive Safety-Net Services	•109 Individuals Served (and with improved living conditions as a result of services) •322 Services provided
2. Reduce barriers to employment/ careers that provide community members with a living wage	A. Create workforce training and employment opportunities for underrepresented populations	i. More community members employed in positions that support economic stability	•Mountain View Police Department	•52 Individuals Served (and with improved living conditions as a result of services) •436 Services provided <i>Note: program focused on summer enrichment for youth; not directly related to employment / careers</i>



Implementation Strategy – Economic Stability (cont.)

Goal	Initiative	Anticipated Impact	FY25 ECHD Grantees	Metrics / Results
3. Reduce food insecurity and increase healthy food access for low-income community members	A. Support increased utilization of health/ culturally appropriate food through CalFresh/SNAP enrollment, existing food banks, and other sites	i. Improved access to healthy food options ii. Reduced food insecurity	•Day Worker Center of Mountain View •Hope's Corner •Second Harvest of Silicon Valley	•2,805 Individuals Served •2,805 Individuals connected to a sustainable source of healthy food (CalFresh, SNAP, food banks, etc.)





EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Executive Director Government Relations & Community Partnerships
Date: October 14, 2025
Subject: FY2025 Yearend Community Benefit Sponsorships Report

Purpose: To provide the Board with FY2025 ECHD Sponsorships.

Summary:

1. **Situation:** Community Partnerships Staff was asked to provide a FY2025 yearend sponsorships report.
2. **Authority:** Board reviewed and approved \$90,000 for Sponsorships in the FY2025 Community Benefit Plan in June 2024.
3. **Background:**
 - Sponsorship information and instructions are available on the District website.
 - Requests include sponsorship packets that outline event date, purpose, levels of sponsorship and requirements for sponsor acknowledgement. These requests are reviewed throughout the year as they come in by Community Benefit Staff and the other designated departments that provide community sponsorships (e.g., Marketing & Communications and Government Relations & Community Partnerships).
 - Community Benefit-funded Sponsorships provide general support for health-related agencies improving the well-being of the community.
 - Community Benefit Sponsorships from July 1, 2024 - June 30, 2025 totaled **\$69,250** to the following agencies ranging from \$1,000 to \$15,000:
 - Sponsored at \$10,000 or more
 - Pathways – Breakfast event
 - Sponsored at \$5,000 or less than \$10,000
 - Animal Assisted Happiness – Afternoon event
 - BAWSI – Dinner event
 - CSA-MVLA – Afternoon event
 - Healthier Kids Foundation – Dinner event
 - NAMI - Walk
 - Pacific Stroke Association - Conference
 - Pink Ribbon Good – Dinner event
 - Sunnyvale Community Services – Dinner event
 - YWCA – Lunch event
 - Sponsored at less than \$5,000
 - CSA-MVLA – Evening event
 - Sunnyvale Community Services – Health fair



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Jon Cowan, Executive Director Government Relations & Community Partnerships
Date: October 14, 2025
Subject: Community Benefit Sponsorships – July - October

Purpose:

To provide the Board with FY2026 ECHD Sponsorships for the July through October 2025 time period.

Summary:

1. **Situation:** Community Partnerships Staff was asked to keep the Board informed regarding Community Benefit Sponsorships YTD.
2. **Authority:** Board reviewed and approved \$90,000 for Sponsorships in the FY2026 Community Benefit Plan in June 2025.
3. **Background:**
 - Sponsorship information and instructions are available on the District website.
 - Requests include sponsorship packets that outline the event date, purpose, levels of sponsorship and requirements for sponsor acknowledgement. These requests are reviewed throughout the year on a rolling basis by Community Benefit Staff and the other designated departments that provide community sponsorships (e.g., Marketing & Communications and Government Relations & Community Partnerships).
 - Community Benefit-funded Sponsorships provide general support for health-related agencies improving the well-being of the community.
 - Community Benefit Sponsorships from July 1, 2025 – October 31, 2025, totaled **\$40,000** (Sponsorships occur at different times throughout the year.)
 - Sponsored at \$10,000 or more
 - Pathways Home Health & Hospice – Breakfast event
 - Sponsored at \$5,000 or less than \$10,000
 - Alzheimer's Association - Walk
 - Animal Assisted Happiness – Afternoon event
 - NAMI – Walk
 - Pink Ribbon Good – Dinner event
 - YWCA – Lunch event
 - Sponsored at less than \$5,000 – N/A



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Carlos A. Bohorquez, Chief Financial Officer
Date: October 14, 2025
Subject: FY2026 – Period 2 - Financial Update (as of 8/31/2025)

Purpose: To approve the Consolidated and Stand-Alone (District) Financials for FY2026 – Period 2.

Executive Summary – Consolidated Enterprise Financials:

Patient activity / volumes remain consistent across the enterprise which has yielded stable financial results through the first two months of FY2026. The following are the key financial metrics:

Net Patient Revenue:	\$286 million which is consistent with budget and \$24 million / 9.2% higher than the same period last year.
Total Operating Revenue (\$):	\$299 million is favorable to budget by \$1 million / 0.3% and \$26 million / 9.5% higher than the same period last year.
Operating Income (\$):	\$24 million is favorable to budget by \$1 million / 4.3% and \$2 million / 9.0% higher than the same period last year.
Net Income (\$):	\$48 million is favorable to budget by \$17 million / 54.8%. Favorable net income is primarily attributed to unrealized gains on the investment portfolio.
Balance Sheet (\$):	In the first two months of FY2026 the net position increased by \$48 million.

Executive Summary – Stand-Alone (District) Financials:

Total Operating Revenue (\$):	\$3.6 million is unfavorable to budget by \$1.6 million / 30.3%
Net Income (\$):	(\$1.9) million is unfavorable to budget by \$0.4 million / 25.0%.

Recommendation:

- Recommend the District Board of Directors approve the Consolidated and Stand-Alone (District) FY2026 – Period 2 financials.

List of Attachments:

- Consolidated and Stand-Alone (District) Financials – FY2026 – Period 2.



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

El Camino Healthcare District Board of Directors Meeting

Board Finance Presentation

Fiscal Year 2026 (7/1/2025 - 8/31/2025)

Carlos A. Bohorquez
Chief Financial Officer

October 14, 2025

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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, 2025	June 30, 2025 Unaudited w/o Eliminations
ASSETS		
Current Assets		
Cash & Investments	\$544	\$539
Patient Accounts Receivable, net	249	241
Other Accounts and Notes Receivable	55	47
Inventories and Prepays	52	54
Total Current Assets	900	881
Board Designated Assets		
Foundation Reserves	18	18
Community Benefit Fund	25	30
Operational Reserve Fund ⁽¹⁾	212	212
Workers Comp, Health & PTO Reserves	78	78
Facilities Replacement Fund ⁽²⁾	637	620
Catastrophic & Malpractice Reserve ⁽³⁾	46	43
Total Board Designated Assets	1,016	1,001
Non-Designated Assets		
Funds Held By Trustee ⁽⁴⁾	27	35
Long Term Investments	769	754
Other Investments	53	53
Net Property Plant & Equipment	1,363	1,347
Deferred Outflows of Resources	41	41
Other Assets	246	255
Total Non-Designated Assets	2,499	2,484
TOTAL ASSETS	\$4,415	\$4,366

	Aug 31, 2025	June 30, 2025 Unaudited w/o Eliminations
LIABILITIES & FUND BALANCE		
Current Liabilities		
Accounts Payable & Accrued Exp ⁽⁵⁾	\$230	\$218
Bonds Payable - Current	16	19
Bond Interest Payable	3	11
Other Liabilities	23	20
Total Current Liabilities	271	268
Deferred Revenue	2	2
Deferred Revenue Inflow of Resources	88	88
Long Term Liabilities		
Bond Payable	621	622
Benefit Obligations	34	34
Other Long-term Obligations	26	26
Total Long Term Liabilities	681	683
Fund Balance		
Unrestricted	3,113	3,079
Minority Interest	0	0
Board Designated & Restricted	259	246
Capital & Retained Earnings	0	0
Total Fund Balance	3,373	3,325
TOTAL LIAB. & FUND BAL.	\$4,415	\$4,366



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, 2025

(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⁾	286	286	(0)	262
Other Operating Revenues	13	11	2	11
Total Operating Revenues	299	297	1	273
Wages and Benefits	162	154	(6)	146
Supplies	38	42	4	37
Purchased Services	48	50	2	43
Other	10	10	(0)	9
Depreciation	14	14	0	14
Interest	3	3	0	3
Total Operating Expense ⁽⁷⁾	274	274	(0)	251
Operating Income	24	23	1	22
Non-Operating Income ⁽⁸⁾	24	8	16	48
Net Income	48	31	17	69



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 FY2026 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.)	\$517
ECH Women's Hospital Expansion	59
ECHD Appropriation Fund (aka: Capital Outlay)	29
ECH Campus Completion Project	<u>32</u>
TOTAL	<u>\$637</u>

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

ECH Catastrophic Fund (aka: Earthquake Fund)	\$44
ECH Malpractice Reserve	<u>2</u>
TOTAL	<u>\$46</u>

- 4) Funds Held by Trustee now only reflect the GO funds of the District.
- 5) The difference is not significant.
- 6) No difference from budget.
- 7) No difference from budget.
- 8) The significant increase in non-operating income was due to strong investment returns.



El Camino Healthcare District

Stand-Alone Comparative Balance Sheet (\$ Thousands)

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

	Unaudited			Unaudited	
	Aug 31, 2025	June 30, 2025		Aug 31, 2025	June 30, 2025
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Cash & cash equiv ⁽¹⁾	\$14,349	\$27,374	Accounts payable	\$0	\$8
Short term investments ⁽¹⁾	1,849	5,638	Current portion of bonds	0	3,411
Due fm Retiree Health Plan ⁽²⁾	0	0	Bond interest payable ⁽¹⁰⁾	642	5,116
S.C. M&O Taxes Receivable ⁽³⁾	3,854	0	Other Liabilities	351	404
Other current assets ^(3a)	134	68			
Total current assets	\$20,186	\$33,080	Total current liabilities	\$993	\$8,939
Operational Reserve Fund ⁽⁴⁾	1,500	1,500			
Capital Appropriation Fund ⁽⁵⁾	29,924	27,324			
Capital Replacement Fund ⁽⁶⁾	5,607	5,607	Deferred income	39	68
Community Partnership Fund ⁽⁷⁾	7,732	12,089	Bonds payable - long term	95,504	95,517
Total Board designated funds	\$44,763	\$46,519	Total liabilities	\$96,536	\$104,524
Funds held by trustee ⁽⁸⁾	\$27,085	\$35,333	Fund balance		
Capital assets, net ⁽⁹⁾	\$10,638	\$10,638	Unrestricted fund balance	\$77,254	\$91,804
			Restricted fund balance	(71,118)	(70,758)
			Total fund balance ⁽¹¹⁾	\$6,136	\$21,046
TOTAL ASSETS	\$102,672	\$125,570	TOTAL LIAB & FUND BALANCE	\$102,672	\$125,570



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, 2025

*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⁾	\$ 29	20	\$ 9	\$ 105
(B) Redevelopment Taxes ⁽¹³⁾	-	-	-	-
(B) Unrestricted M&O Property Taxes ⁽¹³⁾	2,716	2,544	172	11,450
(B) Restricted M&O Property Taxes ⁽¹³⁾	1,237	2,625	(1,388)	15,646
(B) G.O. Taxes Levied for Debt Service ⁽¹³⁾	624	450	174	3,746
(B) IGT/PRIME Medi-Cal Program ⁽¹⁴⁾	(1,544)	(814)	(730)	(5,193)
(B) Investment Income (net)	533	333	200	3,187
(B) Other income	-	-	-	-
TOTAL NET REVENUE	3,595	5,158	(1,563)	28,941
EXPENSES				
(A) Wages & Benefits ⁽¹⁵⁾	7	10	3	29
(A) Professional Fees & Purchased Svcs ⁽¹⁶⁾	86	137	51	986
(A) Supplies & Other Expenses ⁽¹⁷⁾	25	9	(16)	29
(B) G.O. Bond Interest Expense (net) ⁽¹⁸⁾	984	1,071	87	5,242
(B) Community Partnership Expenditures ⁽¹⁹⁾	4,357	5,422	1,065	7,358
(A) Depreciation / Amortization	1	1	-	5
TOTAL EXPENSES	5,460	6,650	1,190	13,649
NET INCOME	\$ (1,865)	\$ (1,492)	\$ (373)	\$ 15,291

(A) Operating Revenues & Expenses

(B) Non-operating Revenues & Expenses

RECAP STATEMENT OF REVENUES & EXPENSE

(A) Net Operating Revenues & Expenses	\$ (90)
(B) Net Non-Operating Revenues & Expenses	(1,775)
NET INCOME	\$ (1,865)



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

El Camino Healthcare District

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

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

	<u>August 31, 2025</u>	<u>June 30, 2025</u>
Fiscal year beginning balance	\$ 21,046	\$ 12,150
Net income year-to-date	\$ (1,865)	\$ 15,291
Transfers (to)/from ECH:		
IGT/PRIME Funding ⁽²⁰⁾		\$ 5,134
Capital Appropriation projects ⁽²¹⁾	\$ (13,045)	(11,528)
Fiscal year ending balance	<u><u>\$ 6,136</u></u>	<u><u>\$ 21,046</u></u>



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

El Camino Healthcare District

Notes to **Stand-Alone** Financial Statements

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

- (1) **Cash & Short Term Investments** – The decrease from June 30 is due to the timing of M&O receipts being received in the current year.
- (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** – Inter-company liability with affiliates.
- (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 FY24 funding set aside for the completion of the MV Campus.
- (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 a timing issue and will increase in subsequent months to be comparable to the June 30 amount.
- (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 during the period. G.O. Taxed Levied for Debt will catch up in January as the semi-annual disbursement will occur from the County.

(14) IGT/PRIME Expense – Payments in support of the PRIME or IGT programs.

(15) Wages & Benefits – IRS regulations require that board of directors be compensated as employees.

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

• Community Partnership Support from ECH	\$ 72
• Communications Support for District.	12
• Other – bond annual filing cost	2
TOTAL	<u>\$ 86</u>

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

• LAFCO	22
• Other	3
TOTAL	<u>\$ 25</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 FY2026.

(21) Capital Appropriation Projects Transfer – Net increase of last year transferred out and establishing current year.



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*

Sources of District Taxes	8/31/25
(1) Maintenance and Operation and Government Obligation Taxes	\$4,577
(2) Redevelopment Agency Taxes	-
Total District Tax Receipts	\$4,577
Uses Required Obligations / Operations	
(3) Government Obligation Bond	1,771
Total Cash Available for Operations, CB Programs, & Capital Appropriations	2,806
(4) Capital Appropriation Fund – Excess Gann Initiative Restricted*	1,237
Subtotal	1,569
(5) Operating Expenses (Net)	90
Subtotal	1,479
(6) Capital Replacement Fund (Park Pavilion)	1
Funds Available for Community Partnership Programs	\$1,478

*Gann Limit Calculation for FY2026

\$12,221

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



Q & A





EL CAMINO HEALTHCARE DISTRICT FY2026 PACING PLAN / MASTER CALENDAR

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
COMMUNITY BENEFIT												
Spotlight Recognition				✓				✓	✓			
CB Year-End Report				✓								
CBAC Policy – Annual Approval				✓								
CB Plan Study Session											✓	
CB Mid-Year Metrics					✓						✓	
Approval of CB Plan												✓
Grant Partner Site Visit				✓		✓		✓	✓			
COMPLIANCE												
Financial Audit – Consolidated ECH District Financials				✓								
Approve Hospital Audit				✓								
DISTRICT REAL ESTATE												
Real Estate Update				✓					✓			
District Capital Outlay											✓	✓
EXECUTIVE PERFORMANCE												
CEO Performance Review				✓								
FINANCE												
Financials				✓				✓	✓			✓
Budget											✓	✓
Tax Appropriation (Gann limit)												✓
GOVERNANCE												
Appoint FY27 Ad Hoc Committee & Advisors for ECHB Director Election				✓ FY27								
ECHB Director Ad Hoc Committee Update				✓ FY26	✓ FY26			✓ FY27	✓ FY27		✓ FY27	
Appointment/Re-appointment of El Camino Hospital Board Director								✓ Incumbent FY26			✓ New FY26	
Review Process for ECHD Board Officer Election (Odd Years)												
ECHD Board Officer Election (Odd Years)												
Appointment of Liaison to the Community Benefit Advisory Council												✓
Pacing Plan & Meeting Dates											✓	✓
Oath of Office for Newly Elected/Re-elected Directors (Even Years)												
Possible Appointment to ECHB Board for Newly Elected Directors (Even Years)												
ECHD Board Self-Evaluation												
ECHD Bylaws Review								✓				
STRATEGY												
Population Health Strategy Update				✓					✓			

FY26 ECHB Appointment: Doiguchi/Rebitzer **FY27 ECHB Appointment/Recruitment:** Watters/Chen



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: John Zoglin, Board Chair
Date: October 14, 2025
Subject: Appointment of FY27 El Camino Hospital Board Member Reappointment and Recruitment Ad Hoc Committee

Purpose:

To request Board adoption of **Resolution 2025-10**, appointing the Chair and members of the FY27 El Camino Hospital Board Member Reappointment and Recruitment Ad Hoc Committee.

Summary:

In accordance with the established *Process for Election and Re-Election of Non-District Board Members (NDBMs)* to the El Camino Hospital Board of Directors, the Board convenes an Ad Hoc Committee annually, typically in the first quarter. The committee's primary responsibilities are to review, evaluate, and make recommendations regarding the reappointment of current NDBMs and the recruitment of new members as needed.

For this cycle, one NDBM seat is scheduled to expire in **June 2027**, and another seat will become vacant at that time due to **term limits**. The Ad Hoc Committee will first determine the incumbent director's interest in continuing service and, based on that assessment, make a recommendation on reappointment. The committee will also oversee the recruitment process for the seat that will become vacant. Adoption of Resolution 2025-10 will formally establish the Ad Hoc Committee and appoint its members.

Attachment:

1. Resolution 2025-10 – Appointment of FY27 El Camino Hospital Board Member Reappointment and Recruitment Ad Hoc Committee

**EL CAMINO HEALTHCARE DISTRICT
RESOLUTION 2025-10
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 2027 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 _____ 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 14, 2025, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Julia Miller, Secretary
ECHD Board of Directors



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: Mark Klein, Chief Communications & Marketing Officer
Date: October 14, 2025
Subject: Strategic Communications Initiative: Governance Process for *El Camino Healthcare District Connect*

Purpose: The purpose of this item is to seek Board input on the governance structure and process for the development and distribution of *El Camino Healthcare District Connect*, the District's new publication launching Fall 2025.

Summary:

Situation: The District is launching El Camino Healthcare District Connect, a new, magazine-style publication designed to strengthen the District's reputation, amplify its impact, and provide meaningful value to the community. The inaugural issue will be released in Fall 2025.

Authority: The Board provides governance oversight of District communications by approving overall content categories and strategic direction to ensure alignment with District priorities and community relevance. Final editorial and production responsibilities rest with District staff and management.

Background: The Board approved the concept of El Camino Healthcare District Connect in May 2025 as a cornerstone initiative to enhance transparency, accountability, and public engagement. The publication is designed to be more than a routine newsletter — it is a high-quality, magazine-style resource that empowers residents with actionable health information and timely insights from El Camino Health experts, demonstrates how District investments benefit taxpayers and support public health, and reinforces the District's leadership in excellence, innovation, and community connection. Our aim is for El Camino Healthcare District Connect to become a valued, trusted resource—one that residents anticipate and share, and that further distinguishes El Camino Health and the District as leaders in public health and community care.

Assessment:

Governance Structure and Board Role: Based on best practices among peer public entities and healthcare districts, the following structure is recommended:

- The Board approves overall content categories and guidelines to ensure alignment with District priorities.
- Board members may submit input and suggestions on content topics for each publication cycle.
- Content development, writing, and production remain the responsibility of staff and contracted professionals.
- Final sign-off on content topics and expert contributors rests with the CEO, CCMO, and, at the Chair's discretion, the Chair or designee.

This model ensures appropriate governance and transparency while maintaining editorial quality and operational efficiency.

Memo - Strategic Communications Initiative: Governance Process for *El Camino Healthcare District Connect*
October 14, 2025

Peer Benchmarking: To inform this recommendation, staff conducted research with other California healthcare districts and consulted with the California Association of Healthcare Districts. Findings confirm that publication production is a staff- and management-led function, with Boards approving strategy and general guidelines — not specific content. Board input is typically limited to policy-level direction and feedback on major themes or priorities, while editorial responsibility, topic selection, writing, and production are managed by communications professionals.

Feedback and Revisions to the Inaugural Issue: Board input on the draft summer publication informed several key revisions, including:

- **Cover Design & Branding:** Masthead adjusted to highlight District name; logo placement enhanced on back and added to inside cover; issue date amended to “Fall 2025.”
- **Page Numbers & Footers:** Page numbers added to all pages; footers updated to include publication name and issue date; outdated working title removed.
- **Imagery:** Collage-style graphics limited and balanced with high-quality photography; custom illustrations used as needed for complex topics.
- **Welcome Section:** Heading updated for clarity and consistency.
- **Board Member Information:** Per legal guidance, MD designations, bios, photos, and term lengths will not be included.
- **Medical Writer Acknowledgment:** Medical writer credited once per article, with a single byline for background.
- **Physician Names:** Physician names highlighted in callout quotes, maintaining consistent editorial style.
- **Back Cover White Space:** White space retained for USPS mailing compliance.
- **Physician Quotes:** Physician contributors selected by El Camino Health communications team, in conjunction with clinical leadership, for expertise and relevance; all are identified as members of the El Camino Health Medical Network.

All agreed-upon changes will be implemented before print. Any items requiring further legal review will be addressed promptly. The District communications and executive leadership teams support the proposed governance structure and recommend Board input on this process at the October 2025 meeting.

Outcomes:

Clarifying the governance structure for El Camino Healthcare District Connect will ensure the publication remains aligned with District priorities, supports strategic communication goals, and serves as a trusted resource for residents.

Action Requested:

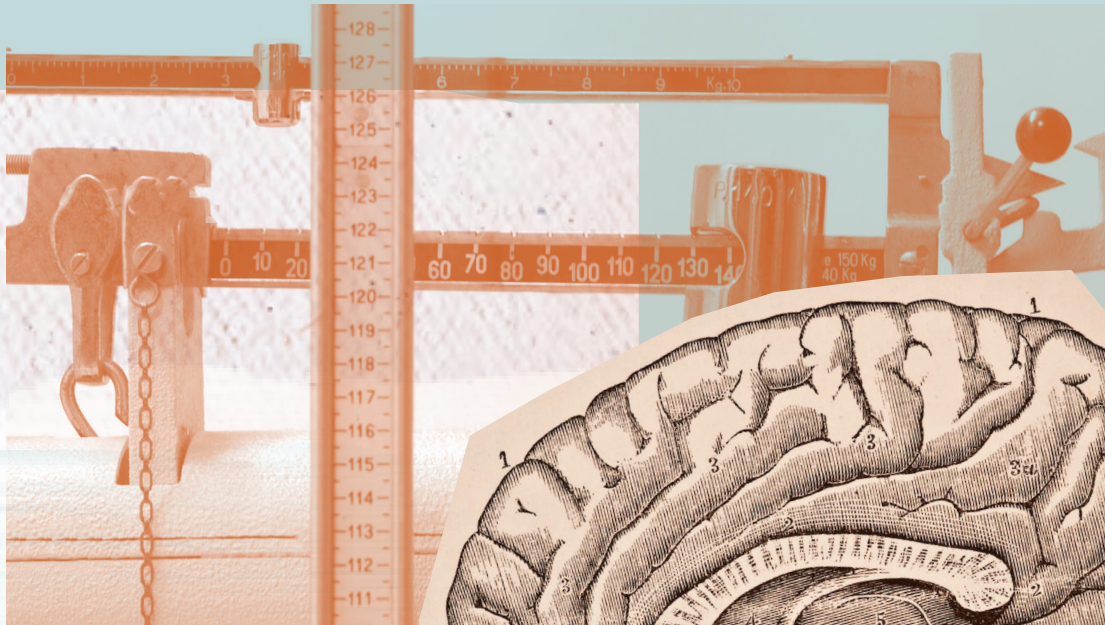
Provide input and feedback on the proposed governance process for El Camino Healthcare District Connect to guide implementation and distribution of the inaugural Fall 2025 issue.

Attachments:

1. El Camino Healthcare District Connect
2. ECHD Communications Strategy Concept Memo (May 20, 2025)

EL CAMINO HEALTHCARE DISTRICT CONNECT

FALL 2025



Beyond the Scale

NEW FRONTIERS FOR
GLP-1 MEDICATIONS

PLUS: LONELINESS IN OLDER ADULTS | ADDRESSING PREDIABETES AND CHRONIC CONDITIONS | DISTRICT GRANT AWARDS

Welcome to El Camino Healthcare District Connect



This publication — *El Camino Healthcare District Connect* — is a new way for the District to share important information directly with you, the residents it serves.

Each issue will highlight timely health topics, programs, and community partnerships, along with trusted guidance from local clinicians. It's designed to help you stay informed, support healthy decisions, and understand how public resources are improving lives across the District.

El Camino Health, a nonprofit organization that serves as the District's operational partner in delivering health programs and services, is honored to collaborate with the District in many of these efforts. Our shared commitment to community health goes back decades — and continues today through programs that reach far beyond the walls of our hospitals and clinics. From preventive care and mental health to chronic disease management and access to services, these initiatives reflect what's possible when a

public healthcare district and a community-based health system work together.

We hope this publication becomes a valuable resource and a trusted guide. Please take a moment to provide your ideas, and feedback, and check out some of the perspectives and research highlighted in this issue by scanning the QR code on Page 11, or by visiting elcaminohealthcaredistrict.org/connect.

Thank you for being an engaged part of this community — we're here for you and to support your health journey — today and always.

Warmly,

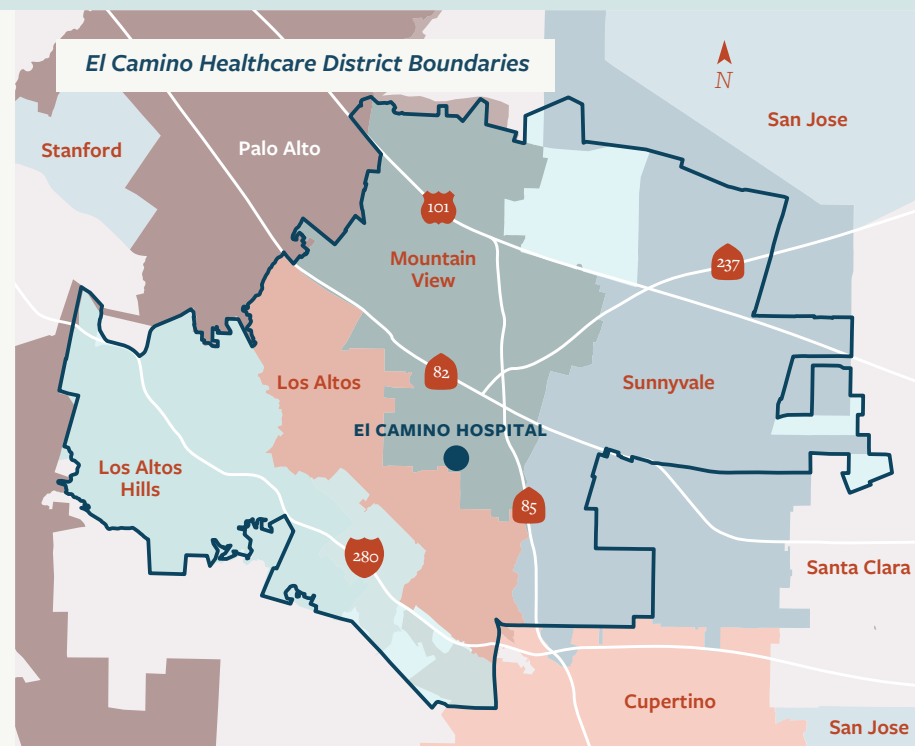
Dan Woods
Chief Executive Officer
El Camino Healthcare District

EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS

- John L. Zoglin
- Carol A. Somersille
- Julia E. Miller
- Peter C. Fung
- George O. Ting

About the District

Created by voters, in 1956, the role of the District is to establish, operate, and support health facilities and health services — whether within or outside the District's boundaries — for the benefit of District residents and the broader community.



In This Issue

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Blockbuster Diabetes and Weight Loss Drugs: An Even Broader Future May Be on the Horizon

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News and Updates

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Community Organizations Receive \$8.4 Million in Support

Beyond The Scale

Blockbuster Diabetes and Weight Loss Drugs: An Even Broader Future May Be on the Horizon

BY JESSICA M. SCULLY

A group of medications now used for type 2 diabetes, obesity, and health issues linked to obesity could one day treat or prevent many other health conditions, from alcohol and opioid use disorders to Alzheimer's disease.

Initially developed through research on Gila monster venom, the medications mimic a hormone made in the small intestine, glucagon-like peptide-1 (GLP-1), and are called GLP-1 receptor agonists (GLP-1 RAs). They trigger insulin release, prevent blood sugar increases, slow stomach emptying, and increase feelings of fullness.

The well-known medications include semaglutide (Wegovy/Ozempic), lixisenatide (Adlyxin), and liraglutide (Victoza/Saxenda). A newer medication, tirzepatide (Mounjaro), also mimics a second hormone.

"These medications have become a key treatment option for type 2 diabetes," said Dr. Archana Bindra, an endocrinologist with El Camino Health Medical Network. The medications lower blood sugar and help protect kidney function, she noted. "After metformin, they are now considered first-line agents for managing type 2 diabetes," she said.

"Type 2 diabetes patients who have cardiovascular disease with plaque buildup or chronic kidney disease, or those at high risk for these conditions, benefit the most from the slowing of disease progression that the drugs provide," she said.

In recent years, the medications have become popular for obesity management because they can promote significant weight loss. For example, a June 2022 article in the New England Journal of Medicine found people lost up to 21% of their total body weight with tirzepatide.

GLP-1 drugs are FDA-approved to treat type 2 diabetes. The FDA has also approved some of the drugs to treat obesity, and one, Wegovy, to prevent heart attack and stroke in adults who are overweight or obese.

But physicians can prescribe these medications for other conditions in a practice called off-label use. Current off-label uses for GLP-1 drugs at El Camino Health include treating and preventing obesity-associated conditions.

Uses for the medications could eventually be much broader. A January 2025 study in the scientific journal Nature analyzed data from two million people served by the Veterans Affairs Administration. It found GLP-1 RAs were linked with a reduced risk of substance use and psychotic disorders, seizures, Alzheimer's disease and dementia, and some infectious diseases. Results from initial research, including clinical trials, on whether, how, and why the medications might be effective for these and other conditions are promising. But much more research remains to be done.

Current Off-Label Uses: Preventing and Treating Obesity-Associated Conditions

Part of why the medications are so effective for weight loss is that they change how the brain reacts to food, said Dr. Patricia Sitnitsky, an internal medicine physician and obesity medicine specialist at El Camino Health Medical Network. Just as people who are addicted to narcotics have changed brain chemistry that makes them crave the drugs, the brains of people with obesity can signal them to eat more and to crave higher-calorie and less nutritious foods, Dr. Sitnitsky said.

"People describe it as 'food noise': a feeling of needing food and not noticing how much food they're eating," she said. GLP-1 medications quiet that noise and make other changes in the brain that make weight loss possible.

A primary reason that obesity is a health risk is that it increases fat surrounding internal organs, called visceral fat. Much research has found that visceral fat leads to inflammation and insulin resistance, Dr. Sitnitsky noted. She and other physicians at El Camino Health prescribe GLP-1 medications for women with polycystic ovary syndrome who have high levels of visceral fat to improve their fertility and reduce their symptoms.

"That reduction in visceral fat and reduction in inflammation improves quality of life for folks," Dr. Sitnitsky said.

Dr. Sitnitsky also uses the medications for preventing and treating nonalcoholic fatty liver disease. Asian Americans can be at particularly high risk for the disease because they can have high levels of visceral fat at what's considered a "normal" BMI, she said.

Dr. Sitnitsky notes that research shows the medications may help reduce the risk for cancers associated with being overweight or obese. These 13 cancers, which include breast, colon and rectal, and uterine cancers, make up 40% of all cancers diagnosed in the US, according to the Centers for Disease Control and Prevention.

A study published in July 2024 in the journal JAMA Network Open of 1.6 million patients with type 2 diabetes found those treated with GLP-1 medications had less risk of developing 10 of the 13 cancers compared with those treated with insulin.

Because cancer development and progression are strongly associated with inflammation, Dr. Sitnitsky prescribes GLP-1 medications for some patients who've had colon cancer or breast cancer.

"Surviving cancer is about anti-inflammation," she said, "and we should be thinking more about off-label uses of these medications for cancer survivorship."

“Type 2 diabetes patients who have cardiovascular disease with plaque buildup or chronic kidney disease, or those at high risk for these conditions, benefit the most from the slowing of disease progression that the drugs provide.

ARCHANA BINDRA, MD
El Camino Health Medical Network Endocrinologist

Research on Future Uses

Alcohol and Substance Use Disorders

Addiction researchers have wondered whether the drugs’ effect on satiety and food cravings could mean they’d also reduce cravings for addictive substances. Small studies seem to support this. One with about 50 people with alcohol use disorder found those given a low dose of semaglutide drank less than those given a placebo. The research was published in JAMA Psychiatry in February 2025. Another trial with 20 people with opioid use disorder found those who got liraglutide had a 40% reduction in cravings compared with those who received a placebo. The trial was presented at the 2025 annual American Association for the Advancement of Science meeting.

Neurological Conditions, Including Alzheimer’s Disease

GLP-1 drugs’ influence on brain function, their ability to reduce inflammation, and the links between type 2 diabetes and neurological diseases have led researchers to wonder whether the medications could be useful to prevent and treat neurological conditions. This includes Alzheimer’s disease, the most common cause of dementia.

People with Alzheimer’s have memory loss, trouble with daily, familiar tasks, and often changes in mood or behavior. For reasons not entirely understood, proteins in their brains don’t work correctly, and disrupt and injure brain cells. The cells eventually die, leading many parts of the brain to shrink. Studies have shown that people with type 2 diabetes are about 50% more likely to develop Alzheimer’s disease.

GLP-1 drugs could prove to be helpful medications for the condition. A December 2024 study in the journal Alzheimer’s and Dementia found a 40 to 70% reduction in the likelihood of an Alzheimer’s diagnosis in people with type 2 diabetes taking GLP-1 drugs compared with other diabetes medications. And a study with 204 people with mild Alzheimer’s disease found liraglutide seemed

to reduce shrinkage in parts of the brain affected by the disease and to reduce cognitive decline by up to 18%. The research was presented at the International Alzheimer’s Association 2025 meeting.

Side Effects and Other Cautions

While this early research is promising, much work remains: results must be replicated in larger studies, and research will be needed to determine doses and other issues. Although the drugs have a strong safety profile, nausea, constipation, vomiting, and heartburn are common side effects and can be hard for some people to tolerate.

The drugs are also not safe for everyone, including people who have gastroparesis, a condition in which the stomach doesn’t empty properly, or other forms of stomach dysfunction, Dr. Sitnitsky noted. Dialysis patients and people who have had recurrent pancreatitis or worsening retinopathy, an eye complication of diabetes, shouldn’t take the medications, Dr. Bindra cautioned.

And not everyone has access to GLP-1 drugs, which can be very expensive.

“Socioeconomic status, including higher income and education, is strongly associated with increased use, while lower socioeconomic status and public or no insurance are linked to lower use,” Dr. Bindra said.

ABOUT THE AUTHOR

Jessica M. Scully is an Oakland-based medical and public health writer. She has written for Yale School of Medicine and Yale School of Public Health, JAMA and the JAMA Network, and the Johns Hopkins Bloomberg School of Public Health.

Building a Healthier Future

District Launches Multi-year Strategy to Address Chronic Conditions

El Camino Healthcare District has set an ambitious goal: to become the healthiest healthcare District in America. At the heart of this vision is the Population Health Strategy, designed to address chronic illness among district residents, with an initial focus on prediabetes.

This widespread condition affects nearly 100,000 adults, or 45% of the adult population, within the district. The numbers among youth are also concerning, with about 14,000 (26%) affected. Alarmingly, most people don’t even know they have the condition. But there’s good news: prediabetes is both manageable and reversible with timely intervention.

That’s why the District is stepping in with a Population Health Strategy to improve the health of those who live, work, or go to school within its boundaries.

A Focus on Preventive Care

Rather than waiting for individuals to require acute care, the District is shifting its focus upstream — toward prevention, early intervention, and long-term well-being. Guided by comprehensive data analysis, the District has developed a detailed Population Health Profile that outlines community needs, identifies at-risk groups, and highlights key factors such as age, ethnicity, income, insurance coverage, and access to healthy food sources.

This profile confirms that prediabetes is the top chronic condition among adults in the District, outpacing high cholesterol, high blood pressure, and obesity. It’s also sub-clinical, which means people often don’t need medication or physician-led protocols, making it an ideal candidate for earlier, community-based intervention.

A Phased Approach

The District’s newly developed Strategic Roadmap, approved by the Board on June 17, 2025, outlines a multi-pronged plan to improve community health outcomes through education, self-management tools, and community support. These include adult self-management programs, group and social programming, and youth education initiatives.

To ensure transparency and effectiveness, the District has embedded measurement and evaluation directly into its plan. Year one will serve as a baseline to define key performance indicators (KPIs) and success metrics. Years two and three will track progress,

with a major evaluation point at the end of year three to determine whether to scale or transition specific programs. Semi-annual updates will be delivered to the District Board, ensuring ongoing oversight.

Tackling Barriers with Innovation and Partnerships

The challenges to managing chronic disease are significant. Lifestyle changes are difficult, and even evidence-based programs like the CDC’s Diabetes Prevention Program (DPP) often struggle with low engagement. Many digital health tools see participation rates in single digits.

To overcome this, the District is building out an integrated approach to engagement and education, combining digital tools with in-person support, creative outreach campaigns, and strategic partnerships with local governments, schools, employers, and faith organizations. These partnerships will serve as key channels for education, enrollment, and sustained support.

All who live, work, or go to school in El Camino Healthcare District will soon have access to a new food-as-medicine program designed to make healthy eating more accessible and impactful. Participants will be able to meet virtually with dietitians, set personalized health goals, and use practical tools that support nutrition-focused behavior change.

By focusing on healthy eating as a single, high-impact behavior, this program gives District community members new ways to take charge of their health and reduce their risk for prediabetes.

Stewardship and Long-Term Vision

This work represents a direct investment in the health of 222,000 adults and 54,000 youth who live, work, or go to school in the District. It’s aimed at creating a long-term “return on health” that improves quality of life and prevents chronic disease.

While the near-term goal is to launch targeted programs that can move the needle on prediabetes, the long-term vision is much bigger: a comprehensive suite of community health programs that can prevent and manage a wide range of chronic diseases. The District will keep residents informed on progress, and opportunities to engage and participate in this important work.



Alone Together

Older Adults, Loneliness, and Social Isolation: Solutions for a Serious Local Issue

BY JESSICA M. SCULLY



Loneliness and social isolation are big problems across the country. Both conditions can contribute to mental health issues, including anxiety and depression, and both are linked with serious physical health harms.

The problem is especially serious for older adults, who can have more challenges connecting with others. Those challenges, and the problem itself, may be larger in Silicon Valley than in other parts of the country. Thankfully, many local resources are available to help older adults find social connections and, if necessary, medical treatment.

Research has found high rates of loneliness and social isolation for American older adults. A national poll in 2023 found 37% of older adults (ages 50 to 80) felt lonely, and 34% felt socially isolated, according to a patient page from the journal JAMA.

Local Data, Local Perspective

Local data shows the problem may be particularly acute in the District. National polls have found loneliness among adults overall increased during the COVID-19 pandemic and decreased after it. But participants in El Camino Health's 2025 community health needs assessment said loneliness and social isolation had become bigger problems since the pandemic for the older adults living here.

Older adults can face specific circumstances that make loneliness and social isolation more likely, according to Edna Wallace, a licensed marriage and family therapist and licensed professional clinical counselor with El Camino Health Medical Network. Wallace leads Older Adults Transition Services (OATS), an outpatient

therapy and support program for those suffering from anxiety or depression or who are navigating life transitions. Wallace has worked with OATS since 2007.

"Many of those specific circumstances that make loneliness and social isolation more likely are connected to loss," Wallace noted.

"As we grow older, our losses increase, and can lead to a sorrow-filled isolative cycle," she said.

"Older adults may have been laid off from work, or had to quit because of their own or their partner's health and thus lost their work community. Friends may have moved away or died or their partner may have died. As they continue to age, they may have a health crisis that makes them unable to participate in activities they previously enjoyed," she noted.

With her extensive local experience, Wallace observes that District residents can face another issue: lack of preparation for the aging cycle. With the District's cost of living and the pressure in many communities to be high achieving, older adults here may have spent most of their time striving for financial success and little time cultivating skills and hobbies.

"Loneliness and social isolation and anxiety and depression can contribute to each other," Wallace said.

"Loneliness and lack of outside stimulation lead to depression, and depression makes it harder to reach out," she said. "The smaller the person's world gets, the less connection that person has, and the more anxious that person becomes about the efforts needed to re-engage in life."

Loneliness and social isolation are linked with serious physical health problems, including heart disease and stroke, type 2 diabetes, and dementia, according to the Centers for Disease Control and Prevention. And research analyzing 90 studies found that people suffering from social isolation were 32% more likely to die prematurely of any cause than those who weren't, while those experiencing loneliness were 14% more likely. The paper was published in the journal Nature Human Behavior in 2023.

Solutions Tied to Community Resources and Support

"There's a solution to both loneliness and social isolation Wallace said, "and that is community." Many resources are available to help older adults in the District find theirs. Options she recommends include:

- Friendly Voices, a telephone service supported by El Camino Healthcare District that matches older adults with volunteers for a weekly check-in and chat. <https://friendlyvoices.org>, laura@friendlyvoices.org, (650) 395-8017
- AnewVista, funded partly through a grant from El Camino Healthcare District, which offers free classes on navigating online technology for older adults. <https://www.anvcs.org/>, info@anvcs.org, (650) 300-0688
- Local senior centers. Many offer community through classes, lunches, movies, and drop-in games.

“

There's a solution to both loneliness and social isolation, and that is community

EDNA WALLACE, LMFT
El Camino Health Medical Network

- Clubs, like SIR, which provides social activities for men over 50 and their partners, and the Rotary Club or Lions Club. <https://sirinc.org>, <https://www.rotary.org/en>, <https://www.lionsclubs.org/en>
- Volunteer opportunities at food banks, libraries, local hospitals, or other places that need help.
- Meetup for hiking groups, games, and other social events in specific neighborhoods. <https://www.meetup.com/>

"If older adults feel anxious about trying in-person resources it can be beneficial to go initially with a neighbor or friend," Wallace observed.

"If older adults think they are becoming withdrawn or ruminating excessively, if they feel like it would be better if they weren't around, or feel too anxious for activities they usually enjoy then professional help is indicated," Wallace said. "Older adults can start the process by reaching out to their primary care physician," she added.

Family members and caregivers may need to seek professional medical help for an older adult who isn't willing to reach out, Wallace said. Signs that help could be needed include being withdrawn, having less interaction with family, and declining invitations to activities, or dropping hobbies and friends. Family members and caregivers can bring the older adult for a visit with a primary care physician to discuss symptoms.

"Many older adults in our valley are living lives of quiet desperation, and they or their families don't realize they need help," Wallace said. "But people are wired to connect, and no one needs to go through the pain of loneliness and apathy."

Around the District

NEWS AND UPDATES

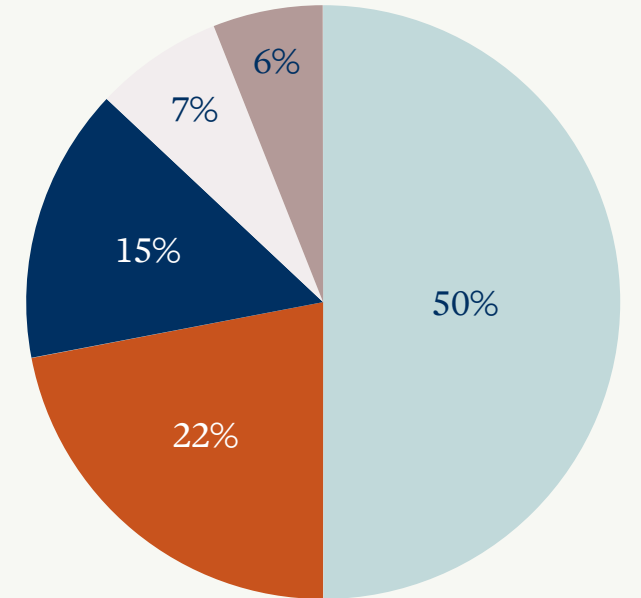
New Inpatient Rehab Facility Breaks Ground in Sunnyvale

Construction is now underway on a state-of-the-art inpatient rehabilitation facility at El Camino Health's Sunnyvale campus. The 56-bed El Camino Health Rehabilitation Hospital — set to open in 2027 — will offer advanced care for patients recovering from strokes, brain and spinal cord injuries, and other serious conditions. Funded in part by District resources, the facility will provide private rooms, cutting-edge therapy spaces, and an environment designed to help patients regain independence close to home.



Community Organizations Receive \$8.4 Million in Grants

In June, the board of directors of El Camino Healthcare District approved \$8.4 million in grant awards for 59 community organizations with funding allocated to the following areas in fiscal year 2026:



- **HEALTHCARE ACCESS AND DELIVERY** (Including Oral Health)
- **BEHAVIORAL HEALTH** (Including Domestic Violence and Trauma)
- **DIABETES AND OBESITY**
- **ECONOMIC STABILITY** (Including Food Insecurity, Housing, and Homelessness)
- **CHRONIC CONDITIONS** (Other than Diabetes and Obesity)



El Camino Health Receives Top Grade for Patient Safety

El Camino Health has earned an “A” Hospital Safety Grade from The Leapfrog Group, a national nonprofit that evaluates hospitals on over 30 safety measures. This top rating reflects El Camino Health's commitment to reducing medical errors, protecting patients, and delivering consistent, high-quality care. The recognition places the hospital among the safest in the country — and affirms the community's trust in its care and the District's goal of ensuring each resident attains optimal and achievable health.

Coming Soon: FY25 Community Benefit Report

In fiscal year 2025, El Camino Healthcare District invested \$7.8 million in grants and scholarships supporting community programs. These efforts helped 2,069 individuals establish care with a primary care provider or specialist, enabled more than 26,000 hours of mental health counseling and training, connected more than 4,000 people to healthy food, and supported thousands in improving their physical activity, chronic disease management, and overall well-being.

The FY25 Community Benefit Report will be available on the District website in December 2025.



Your Input Helps Shape Our Work

We'd love to hear from you. What topics matter most to you? What would you like to see in future issues?

Scan the QR code to:

- Take a quick 2-minute survey
- Read this publication online
- Access research cited in this issue

Or visit: elcaminohealthcaredistrict.org/connect

Thank you for helping us build a healthier community.



*QR link not active in this draft; to be activated prior to publication.





EL CAMINO HEALTHCARE DISTRICT BOARD MEETING MEMO

To: El Camino Healthcare District Board of Directors
From: George Ting, MD, Board Chair
 Mark Klein, CCMO
Date: May 20, 2025
Subject: ECHD Communications Strategy Concept

Recommendation(s): Motion to approve the proposed ECHD communications strategy concept and allow staff to move forward on plans for the first edition.

Purpose: To elevate the District's communications from a basic newsletter to a more meaningful and community-centered platform. The proposed concept emphasizes education, trust, and storytelling—designed to re-engage our residents with El Camino Health District's mission and impact.

Summary:

After the publication of the last newsletter, management was asked to reevaluate District communications. Management, in collaboration with Makenzie Communications, recently shared an overview with me to define a new approach to District communications. The objective focused on moving away from the current marketing-focused newsletter format and introducing a biannual, magazine-style publication that offers editorial depth, visual storytelling, and stronger alignment with the District's mission. This new format is intended to better inform and inspire our community through content that is accessible, evidence-based, and reflective of the values and expertise of El Camino Health.

The proposed publication would be organized around key areas of focus, including informative feature articles, highlights of community benefit and impact, organizational news, and thoughtful perspectives from El Camino Health. Topics currently in development include the evolving use of GLP-1 medications and pre-diabetes and prevention strategies. These stories are designed to be engaging and informative, connecting healthcare topics with the lived experiences of our community.

We have alignment on the importance of tone and accessibility—ensuring the content feels relevant and relatable, not elitist or overly technical. The recommended format includes two print editions each year, supplemented by digital companion pieces and quarterly postcards to maintain regular engagement with residents. Metrics for success will include QR code tracking, resident feedback, and anecdotal insights to evaluate community reach and resonance.

This shift represents a more effective and meaningful way to communicate the District's value and deepen our connection with the public. The concept reflects a strategic investment in transparency, trust-building, and education.

Management recommends that the Board approve the communications strategy concept as presented. No additional funding is requested currently; this recommendation is for approval of the strategic direction only. Upon approval, staff will move forward with initial edition development and report back with progress on content planning, design, and engagement metrics.

DRAFT
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Report of Independent Auditors and
Consolidated Financial Statements with
Supplementary Information

El Camino Healthcare District

June 30, 2025 and 2024

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Management's Discussion and Analysis

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

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, 2025, 2024, and 2023. 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, 2025

For fiscal year ended June 30, 2025, the District increased its net position by \$355 million. In 2025, operating revenues increased by \$153 million over 2024; this was the result of increased volume and growth of the El Camino Health Medical Network

Year Ended June 30, 2024

For fiscal year ended June 30, 2024, the District increased its net position by \$332 million. In 2024, operating revenues increased by \$111 million over 2023; this was the result of increased volume.

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.

El Camino Healthcare District **Management's Discussion and Analysis** **Years Ended June 30, 2025, 2024, and 2023**

Summary of Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position As of June 30, 2025, 2024 and 2023

(In Thousands)

	2025	2024 (as restated)	2023
Assets:			
Current assets	\$ 924,580	\$ 681,612	\$ 715,606
Board designated and restricted funds, net of current portion	1,744,190	1,576,890	1,285,427
Funds held by trustee, net of current portion	35,333	40,234	40,256
Capital assets, net	1,347,026	1,327,296	1,250,440
Right-of-use ("ROU") assets, net of amortization	10,877	15,246	15,077
Subscription assets, net of amortization	7,554	12,436	13,505
Lease receivables, net of current portion	36,439	32,541	32,099
Other assets	168,635	147,005	114,974
Total assets	4,274,634	3,833,260	3,467,384
Deferred outflows:			
Deferred outflows of resources	15,937	11,627	7,638
Deferred outflows of resources - loss on bond defeasance	9,359	9,959	10,560
Deferred outflows of resources - actuarial	15,720	21,340	37,339
Total deferred outflows	41,016	42,926	55,537
Total assets and deferred outflows	\$ 4,315,650	\$ 3,876,186	\$ 3,522,921
Liabilities:			
Current liabilities	\$ 251,077	\$ 233,880	\$ 168,169
Bonds payable, net of current portion	620,593	538,362	554,920
Lease liabilities, net of current portion	10,354	13,405	13,350
Subscription liabilities, net of current portion	2,609	8,674	10,926
Other long-term liabilities	34,402	37,137	39,979
Total liabilities	919,035	831,458	787,344
Deferred inflows:			
Deferred inflows of resources	274	4,067	4,015
Deferred inflows of resources - leases	46,870	47,538	42,923
Deferred inflows of resources - gain on bond defeasance	4,051	-	-
Deferred inflows of resources - actuarial	8,672	11,654	16,745
Total deferred inflows	59,867	63,259	63,683
Net position:			
Unrestricted and invested in capital assets, net	3,272,455	2,936,936	2,627,273
Restricted by donors - charity and other	36,572	33,851	33,278
Restricted - endowments	27,721	10,682	11,343
Total net position	3,336,748	2,981,469	2,671,894
Total liabilities, deferred inflows, and net position	\$ 4,315,650	\$ 3,876,186	\$ 3,522,921
Operating cash equivalents and short-term investments	\$ 571,125	\$ 361,857	\$ 408,955
Board designated, funds held by trustee, and restricted funds	1,806,846	1,641,698	1,348,340
Total available cash & investments	\$ 2,377,971	\$ 2,003,555	\$ 1,757,295

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

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 fiscal year end, the project was approximately 87% complete, expending \$150 million. The renovated Lobby/Gift Shop was put into service, along with the completion of the 2nd and 3rd floors. 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 late December 2025.

El Camino Healthcare District **Management's Discussion and Analysis** **Years Ended June 30, 2025, 2024, and 2023**

Revenues and Expenses

The following table displays revenues and expenses for 2025, 2024, and 2023:

Revenues & Expenses Years Ended June 30, 2025, 2024 and 2023 (In Thousands)			
	2025	2024 (as restated)	2023
Operating revenues:			
Patient service revenue, net of provision for bad debt of \$9,993, \$7,085, and \$15,361 in 2025, 2024, and 2023, respectively	\$ 1,637,497	\$ 1,477,847	\$ 1,378,050
Other revenue	55,726	62,881	51,212
Total operating revenues	1,693,223	1,540,728	1,429,262
Operating expenses:			
Salaries, wages and benefits	866,557	783,917	731,536
Professional fees and purchased services	272,493	234,755	190,962
Supplies	237,550	205,326	198,163
Depreciation and amortization	92,080	90,567	87,104
Rent and utilities	26,080	23,653	24,478
Other	22,885	36,202	22,117
Total operating expenses	1,517,645	1,374,420	1,254,360
Operating income	175,578	166,308	174,902
Nonoperating revenues (expenses) items:			
Bond interest expense, net	(25,495)	(22,772)	(22,797)
Intergovernmental transfer expense	(5,193)	(6,093)	(2,178)
Realized investment income	77,753	19,978	31,024
Unrealized investment gains	74,618	142,591	81,205
Property tax revenues	30,842	33,492	36,748
Restricted gifts, grants and other net of contributions to related parties	17,967	5,367	8,750
Unrealized gain on interest rate swaps	13,151	693	1,328
Community benefit expense	(11,368)	(11,307)	(11,293)
Provider Relief Fund revenue	-	-	11,301
Other, net	7,426	3,916	1,958
Total nonoperating revenues and expenses	179,701	165,865	136,046
Increase in net position	355,279	332,173	310,948
Total net position, beginning of year	2,981,469	2,671,894	2,360,946
CUMULATIVE EFFECT OF RESTATEMENT	-	(22,598)	-
Total net position, beginning of year, as restated	2,981,469	2,649,296	2,360,946
Total net position, end of year	\$ 3,336,748	\$ 2,981,469	\$ 2,671,894

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

Fiscal Year 2025 Consolidated Financial Analysis

Net Patient Service Revenues

Net patient service revenue in fiscal year 2025 increased by \$160 million, or 10.8% over fiscal year 2024.

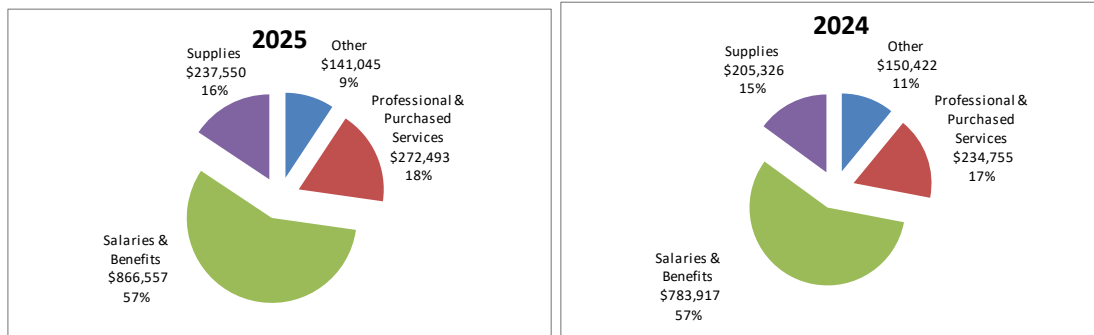
Specialty	2025 Days	2024 Days
Total days	123,417	122,233
Specialty	2025 LOS	2024 LOS
Average Length of Stay ("LOS")	4.6	4.6

The overall case mix index, which is an indicator of patient acuity, was 1.56 in fiscal year 2025, and 1.60 in fiscal year 2024.

Other Revenue

Other operating revenue decreased by \$7.2 million in fiscal year 2025 compared to fiscal year 2024. This decrease was primarily driven by the absence of a one-time settlement received in fiscal year 2024, partially offset by an increase of \$3.7 million in rental income during fiscal year 2025.

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 \$83 million in fiscal year 2025 over 2024, which is 57% of total operating expenses. Full-time equivalents ("FTEs") increased by 165 along with the increase in labor due the high demand for healthcare workers.

EI Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

Employee Benefits

Aggregate employee benefits, including accrued Paid Time Off ("PTO") and Extended Sick Leave, increased by \$42.5 million.

Significant changes were as follows:

- PTO and extended sick leave increased by \$11.2 million compared to 2024.
- Healthcare (medical, dental, and vision) increased by \$15.0 million compared to 2024.
- Pension and retirement cost increase by \$7.8 million in 2025 compared to 2024.

Professional and Purchased Services

Total professional and purchased services increased by \$37.7 million. Professional services increased by \$23.6 million, with \$23.6 million due to increases in professional services agreements with ECHMN and hospital-based service agreements. Additionally, repairs and maintenance increased by \$10.1 million.

Supplies

Total supplies increased by \$32.2 million or 15.7% in fiscal year 2025 over 2024. This was mainly due to the increase in volume and inflation factors.

Depreciation and amortization

Depreciation and amortization expense this fiscal year increased by \$1.5 million over fiscal year 2024. The increases were mostly related to building improvements, computer equipment and other routine capital purchases, being offset by the retirement of large capital items purchased 15 years now being fully depreciated in 2025.

Rent and Utilities

Rent and utilities increased \$2.4 million over fiscal year 2024. Most of the increase was due to the growth of the ECHMN medical clinics in 2025.

Other Expense

Other expenses decreased by \$13.3 million over fiscal year 2024. Other expenses decreased by \$13.3 million in fiscal year 2024 compared to the prior year. This decrease was mainly associated with legal reserves, which contributed approximately \$10.6 million to the overall reduction. The remainder reflected a decrease in insurance and dues and subscriptions. These fluctuations reflect changes in cost structures and risk management strategies during the fiscal year.

EI Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

Nonoperating Revenue (Expense) Items:

Bond Interest Expense, net

Bond interest increased \$2.7 million compared to 2024. This increase was primarily due to associated costs of the refinancing transaction (Series 2025), which were expensed in accordance with applicable GASB standard.

Change in Net Unrealized Gains and Losses on Investments

The Hospital's net unrealized gains on investments were \$75 million in fiscal year 2025, compared to \$143 million in fiscal year 2024. The decrease of \$68 million in fiscal year 2025 was primarily due to portfolio rebalancing and shifts in market conditions. Conversely, the increase of \$62 million in fiscal year 2024 reflected favorable market performance and investment strategy adjustments.

Change in Unrealized Gain on Interest Rate Swaps

Unrealized gain on interest rate swaps increased \$12.5 million compared to 2024. This increase was primarily due to the recognition of an unrealized gain on a newly effective interest rate swap associated with the Series 2025B Bonds.

Economic Factors and Next Year's Budget

The Board approved the fiscal year 2026 budget at the June 2025 meeting. For the fiscal year 2026, budgeted patient days are projected to be flat when comparing to FY2025 actuals.

Fiscal Year 2024 Consolidated Financial Analysis

Net Patient Service Revenues

Net patient service revenue in fiscal year 2024 increased by \$100 million, or 7.2% over fiscal year 2023. This increase was consistent with adjusted patient days increasing by 9%.

<u>Specialty</u>	<u>2024 Days</u>	<u>2023 Days</u>
Total days	<u>122,233</u>	<u>121,703</u>
<u>Specialty</u>	<u>2024 LOS</u>	<u>2023 LOS</u>
Average LOS	<u>4.6</u>	<u>4.6</u>

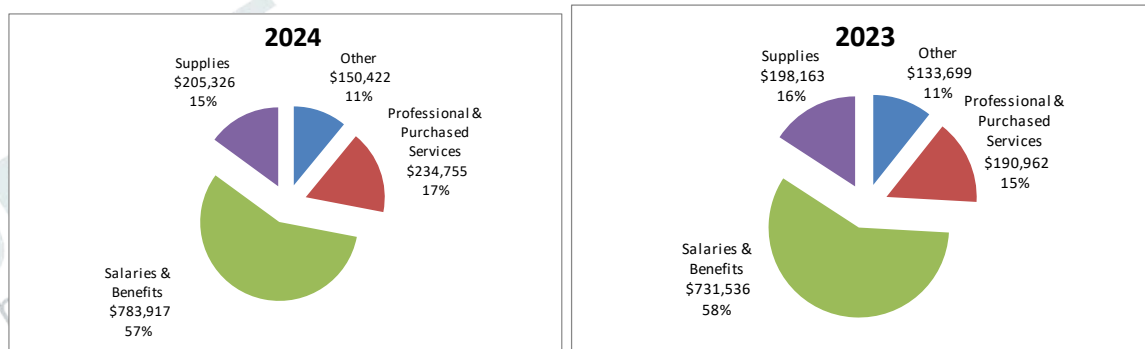
The overall case mix index, which is an indicator of patient acuity, was 1.6 in fiscal year 2024, and 1.57 in fiscal year 2023.

Other Revenue

Other revenue increased by \$12 million in fiscal year 2024 over the prior 2023 fiscal year. The primary increase was due to a \$9.3 million in miscellaneous income and \$1.7 million in capitated revenue.

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

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 \$52.4 million in fiscal year 2024 over 2023, which is 57% of total operating expenses. Full-time equivalents ("FTEs") increased by 133 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 \$25.1 million.

Significant changes were as follows:

- PTO accrued expense increased by \$6.2 million over the 2023 fiscal year.
- Healthcare (medical, dental, and vision) increased by \$12.1 million in fiscal year 2023.
- Employer match of 403B increased \$2.6 million in 2024 over 2023.
- Adoption of GASB 101 resulting in a \$3.0 million impact in fiscal year 2024.

Professional and Purchased Services

Total professional and purchased services increased by \$43.8 million. Professional services increased by \$21.1 million, with \$12.5 million due to increases in professional services agreements with ECHMN and hospital-based service agreements. Purchased services increase of \$14.7 million was due to inflation and increase in additional support services. Additionally, repairs and maintenance also increased by \$5.8 million.

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

Supplies

Total supplies increased by \$7.2 million or 4% in fiscal year 2024 over 2023. This was mainly due to the increase in volume and inflation factors.

Depreciation and amortization

Depreciation and amortization expense this fiscal year increased by \$3.5 million over fiscal year 2023. The increases were mostly related to building improvements, computer equipment and other routine capital purchases.

Rent and Utilities

Rent and utilities stayed relatively flat year over year.

Other Expense

Other expenses increased by \$14 million over 2023. This was mainly due to \$1.6 million for annual dues, taxes and insurance and the remaining was legal reserves.

Nonoperating Revenue (Expense) Items:

Bond Interest Expense, net

Bond interest stayed relatively flat year over year.

Change in Net Unrealized Gains and Losses on Investments

The Hospital's net unrealized gains on investments were \$143 million in fiscal year 2024, compared to \$81 million in fiscal year 2024. The the increase of \$62 million in fiscal year 2024 was driven primarily by the performance of U.S. equities, primarily U.S. growth equities which outperformed value stocks.

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.

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 **Management's Discussion and Analysis** **Years Ended June 30, 2025, 2024, and 2023**

Financial Highlights – 2025

Cash Balance Plan – During the year ended June 30, 2025, the net position held in trust for pension benefits increased by approximately 10.6%. Employer contributions were \$17 million in 2025 compared to \$14 million in 2024. Benefit payments were \$15.0 million in 2024 compared to \$13.0 million in 2024. Net investment income was \$35.3 million in 2025 compared to net investment income of \$43.4 million in 2024, which was the primary reason for the overall 10.6% increase in net position as of June 30, 2025.

Financial Highlights – 2024

Cash Balance Plan – During the year ended June 30, 2024, the net position held in trust for pension benefits increased by approximately 14.4%. Employer contributions were \$14 million in 2024 compared to \$12 million in 2023. Benefit payments were \$13.0 million in 2024 compared to \$14.2 million in 2023. Net investment income was \$43.4 million in 2024 compared to net investment loss of \$53.1 million in 2023, which was the primary reason for the overall 14% increase in net position as of June 30, 2024.

OPEB Plan – Benefit payments were \$1 million in 2025 and 2024.

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, 2025, 2024, and 2023

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

CASH BALANCE PLAN			
	2025	2024	2023
ASSETS			
Investments, at fair value	\$ 386,507	\$ 350,717	\$ 305,344
Receivables	5,100	3,405	3,580
Noninterest-bearing cash	-	-	749
Net pending trades	(112)	-	-
NET POSITION RESTRICTED FOR PENSIONS	\$ 391,495	\$ 354,122	\$ 309,673
ADDITIONS			
Investments income (loss)	\$ 35,332	\$ 43,427	\$ (53,125)
Contributions	17,000	14,035	12,000
Total additions, net	52,332	57,462	(41,125)
DEDUCTIONS			
Deductions	14,959	13,013	14,207
INCREASE (DECREASE) IN NET POSITION RESTRICTED FOR PENSIONS	\$ 37,373	\$ 44,449	\$ (55,332)
OPEB PLAN			
	2025	2024	2023
ASSETS			
Investments, at fair value	\$ -	\$ -	\$ -
Receivables	-	-	-
NET POSITION RESTRICTED FOR OPEB	\$ -	\$ -	\$ -
ADDITIONS			
Contributions	\$ 1,071	\$ 1,024	\$ 1,001
Total additions	1,071	1,024	1,001
DEDUCTIONS			
Deductions	1,071	1,024	1,001
INCREASE IN NET POSITION RESTRICTED FOR OPEB	\$ -	\$ -	\$ -

El Camino Healthcare District Management's Discussion and Analysis Years Ended June 30, 2025, 2024, and 2023

Cash Balance Plan – During the year ended June 30, 2025, the Cash Balance Plan's fiduciary net position increased by 10.6%. 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, 2024, the Cash Balance Plan's fiduciary net position decreased by 14%. The Cash Balance Plan's policies allow investments consisting of fixed income and equity marketable securities, alternatives, and cash.

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

The increase in investment income during the year ended June 30, 2025, compared to 2024, is due to a net appreciation in fair value of investments due to positive returns in global security markets and increased returns on the Plan's investments. Benefit payments increased from the prior year due to an increase in the number of retirees and beneficiaries receiving benefits. The increase in investment income during the year ended June 30, 2024, compared to 2023, is due to a net appreciation in fair value of investments due to positive returns in global security markets and increased returns on the Plan's investments. Benefit payments decreased from the prior year due to a decrease 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, 2025 and 2024, 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, 2025 and 2024, 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), and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. 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 consolidated 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 within one year beyond the consolidated 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 consolidated 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 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, 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 – Change in Accounting Principle

As discussed in Note 18 to the consolidated financial statements, effective July 1, 2024, the District adopted GASB Statement No. 101, *Compensated Absences*, requiring retroactive application. Accordingly, the fiscal year 2024 consolidated financial statements have been restated to apply this new accounting standard. Our opinion on the consolidated financial statements 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 66 through 67 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 64 through 66, 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 68 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.

San Francisco, California

October XX, 2025

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Consolidated Financial Statements

El Camino Healthcare District
Consolidated Statements of Net Position
June 30, 2025 and 2024
(In Thousands)

	2025	2024 (as restated)
ASSETS AND DEFERRED OUTFLOWS		
Current assets		
Cash and cash equivalents	\$ 434,491	\$ 232,205
Short-term investments	136,634	129,652
Current portion of board-designated funds	27,323	24,574
Patient accounts receivable, net of allowance for doubtful accounts of \$11,407 and \$12,901 in 2025 and 2024, respectively	240,346	212,990
Current portion of lease receivables	8,229	13,672
Prepaid expenses and other current assets	77,557	68,519
Total current assets	924,580	681,612
Non-current cash and investments		
Board-designated funds	1,744,040	1,576,740
Restricted funds	150	150
Funds held by trustee	35,333	40,234
	1,779,523	1,617,124
Capital assets		
Nondepreciable	345,748	289,495
Depreciable, net	1,001,278	1,037,801
Total capital assets	1,347,026	1,327,296
Right-of-use ("ROU") assets, net of amortization	10,877	15,246
Subscription assets, net of amortization	7,554	12,436
Lease receivables, net of current portion	36,439	32,541
Pledges receivable, net of current portion	2,068	4,349
Prepaid pension asset	115,330	101,925
Investments in healthcare affiliates	39,645	36,664
Interest rate swaps	11,318	-
Beneficial interest in charitable remainder unitrusts	274	4,067
Total assets	4,274,634	3,833,260
Deferred outflows of resources		
Deferred outflows of resources	15,937	11,627
Deferred outflows of resources - loss on bond defeasance	9,359	9,959
Deferred outflows of resources - actuarial	15,720	21,340
Total deferred outflows of resources	41,016	42,926
Total assets and deferred outflows of resources	\$ 4,315,650	\$ 3,876,186

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Net Position (Continued)
June 30, 2025 and 2024
(In Thousands)

	<u>2025</u>	<u>2024</u> (as restated)
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
Current liabilities		
Accounts payable and accrued expenses	\$ 78,327	\$ 71,918
Salaries, wages, and related liabilities	111,448	99,942
Other current liabilities	26,284	26,410
Estimated third-party payor settlements	8,509	13,419
Current portion of lease liabilities	1,418	2,973
Current portion of subscription liabilities	6,065	4,900
Current portion of bonds payable	<u>19,026</u>	<u>14,318</u>
Total current liabilities	251,077	233,880
Bonds payable, net of current portion	620,593	538,362
Lease liabilities, net of current portion	10,354	13,405
Subscription liabilities, net of current portion	2,609	8,674
Other long-term obligations	-	1,589
Workers' compensation, net of current portion	12,374	12,811
Post-retirement medical benefits	<u>22,028</u>	<u>22,737</u>
Total liabilities	<u>919,035</u>	<u>831,458</u>
Deferred inflows of resources		
Deferred inflows of resources	274	4,067
Deferred inflows of resources - leases	46,870	47,538
Deferred inflows of resources - gain on bond defeasance	4,051	-
Deferred inflows of resources - actuarial	<u>8,672</u>	<u>11,654</u>
Total deferred inflows of resources	<u>59,867</u>	<u>63,259</u>
Net position		
Invested in capital assets, net of related debt	738,524	812,580
Restricted - expendable	36,572	33,851
Restricted - nonexpendable	27,721	10,682
Unrestricted	<u>2,533,931</u>	<u>2,124,356</u>
Total net position	<u>3,336,748</u>	<u>2,981,469</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 4,315,650</u></u>	<u><u>\$ 3,876,186</u></u>

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2025 and 2024
(In Thousands)

	2025	2024 (as restated)
OPERATING REVENUES		
Net patient service revenue (net of provision for bad debts of \$9,993 and \$7,085 in 2025 and 2024, respectively)	\$ 1,637,497	\$ 1,477,847
Other revenue	55,726	62,881
Total operating revenues	1,693,223	1,540,728
OPERATING EXPENSES		
Salaries, wages, and benefits	866,557	783,917
Professional fees and purchased services	272,493	234,755
Supplies	237,550	205,326
Depreciation and amortization	92,080	90,567
Rent and utilities	26,080	23,653
Other	22,885	36,202
Total operating expenses	1,517,645	1,374,420
Income from operations	175,578	166,308
NONOPERATING REVENUES (EXPENSES)		
Investment income, net	152,371	162,569
Property tax revenue		
Designated to support community benefit programs and operating expenses	11,450	11,294
Designated to support capital expenditures	15,646	14,278
Levied for debt service	3,746	7,920
Bond interest expense, net	(25,495)	(22,772)
Intergovernmental transfer expense	(5,193)	(6,093)
Restricted gifts, grants and bequests, and other, net of contributions to related parties	17,967	5,367
Unrealized gain on interest rate swaps	13,151	693
Community benefit expense	(11,368)	(11,307)
Other, net	7,426	3,916
Total nonoperating revenues (expenses)	179,701	165,865
Increase in net position	355,279	332,173
TOTAL NET POSITION, beginning of year	2,981,469	2,671,894
CUMULATIVE EFFECT OF RESTATEMENT (note 18)	-	(22,598)
TOTAL NET POSITION, beginning of year, as restated	2,981,469	2,649,296
TOTAL NET POSITION, end of year	\$ 3,336,748	\$ 2,981,469

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Cash Flows
Years Ended June 30, 2025 and 2024
(In Thousands)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		(as restated)
Cash received from and on behalf of patients	\$ 1,600,038	\$ 1,478,870
Other cash receipts	58,007	63,158
Cash payments to employees	(873,073)	(792,575)
Cash payments to suppliers	(600,348)	(524,682)
Net cash provided by operating activities	184,624	224,771
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	27,096	25,572
Restricted contributions and investment income	13,967	5,367
Net cash provided by noncapital financing activities	41,063	30,939
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of property, plant, and equipment	(87,050)	(147,558)
Payments on lease liabilities	(2,779)	(2,818)
Payments on subscription liabilities	(4,900)	(4,501)
Proceeds from lease receivables	14,594	13,016
Interest paid on General Obligation ("GO") bonds payable	(5,218)	(5,098)
Proceeds from issuance of bonds payable	274,446	-
Repayments of bonds payable	(185,578)	(13,693)
Proceeds from tax revenue related to GO bonds payable	3,746	7,920
Net cash provided by (used in) capital and related financing activities	7,261	(152,732)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(1,749,668)	(2,829,458)
Sales of investments	1,572,637	2,554,563
Proceeds from investment income, net	152,371	162,569
Community benefit and other investing activities	(11,368)	(11,307)
Proceeds from maturity of beneficial interest in trust	4,000	-
Payments to acquire healthcare affiliates	(3,535)	(7,980)
Proceeds from funds held by trustee, net	4,901	22
Net cash used in investing activities	(30,662)	(131,591)
Net increase (decrease) in cash and cash equivalents	202,286	(28,613)
CASH AND CASH EQUIVALENTS at beginning of year	232,205	260,818
CASH AND CASH EQUIVALENTS at end of year	\$ 434,491	\$ 232,205

See accompanying notes.

El Camino Healthcare District
Consolidated Statements of Cash Flows (Continued)
Years Ended June 30, 2025 and 2024
(In Thousands)

	2025	2024
		(as restated)
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 188,729	\$ 166,308
Adjustments to reconcile income from operations to net cash from operating activities		
Gain on disposal of property, plant and equipment	-	(208)
Amortization of bond premium	(1,929)	(2,240)
Depreciation and amortization	92,080	90,567
Amortization of deferred inflows - leases	(13,717)	(12,702)
Deferred inflows/outflows of resources - actuarial	2,638	10,908
Provision for bad debts	9,993	7,085
Deferred inflows of resources - gain on bond defeasance	4,051	-
Unrealized gain on interest rate swaps	(13,151)	(693)
Changes in assets and liabilities		
Patient accounts receivable, net	(37,349)	(2,093)
Prepaid pension asset	(13,405)	(26,820)
Prepaid expenses and other current assets	(9,913)	(12,887)
Current liabilities	(17,591)	6,180
Other long-term obligations	(5,103)	2,173
Subscription liabilities/assets	-	698
Post-retirement medical benefits	(709)	(1,505)
Net cash provided by operating activities	<u>\$ 184,624</u>	<u>\$ 224,771</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES		
Noncash purchase of property, plant, and equipment	<u>\$ 17,688</u>	<u>\$ 12,338</u>
Change in fair value of beneficial interest in charitable remainder unitrusts, and deferred inflow of resources, net	<u>\$ (3,793)</u>	<u>\$ 52</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING ACTIVITIES		
Noncash acquisition of ROU assets	<u>\$ 453</u>	<u>\$ 3,132</u>
Acquisition of lease receivables	<u>\$ 13,049</u>	<u>\$ 17,317</u>
Noncash acquisition of subscription assets	<u>\$ -</u>	<u>\$ 3,435</u>

See accompanying notes.

El Camino Healthcare District **Statements of Fiduciary Net Position** **June 30, 2025 and 2024** **(In Thousands)**

	CASH BALANCE PLAN		OPEB PLAN		TOTAL	
	2025	2024	2025	2024	2025	2024
ASSETS						
Investments						
Mutual funds	\$ 246,528	\$ 226,517	\$ -	\$ -	\$ 246,528	\$ 226,517
Limited liability companies	67,317	59,591	-	-	67,317	59,591
Common stock	40,187	34,075	-	-	40,187	34,075
Partnerships	6,010	7,693	-	-	6,010	7,693
Pooled, common and collective trusts	13,023	12,168	-	-	13,023	12,168
Corporate bonds	66	123	-	-	66	123
U.S. government securities	3,468	2,487	-	-	3,468	2,487
Cash and cash equivalents	9,908	8,063	-	-	9,908	8,063
Total investments, at fair value	386,507	350,717	-	-	386,507	350,717
Receivables						
Employer contributions	5,000	3,303	-	-	5,000	3,303
Interest and dividends	100	102	-	-	100	102
Total receivables	5,100	3,405	-	-	5,100	3,405
Net pending trades	(112)	-	-	-	(112)	-
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 391,495</u>	<u>\$ 354,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,495</u>	<u>\$ 354,122</u>

See accompanying notes.

El Camino Healthcare District
Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2025 and 2024
(In Thousands)

	CASH BALANCE PLAN		OPEB PLAN		TOTAL	
	2025	2024	2025	2024	2025	2024
ADDITIONS						
Investments income						
Net appreciation in fair value of investments	\$ 27,697	\$ 36,831	\$ -	\$ -	\$ 27,697	\$ 36,831
Dividends	6,535	5,852	-	-	6,535	5,852
Interest	1,100	744	-	-	1,100	744
Total investment income	35,332	43,427	-	-	35,332	43,427
Contributions						
Employer contributions	17,000	14,035	1,071	1,024	18,071	15,059
Pending investment settlements	-	-	-	-	-	-
Total contributions	17,000	14,035	1,071	1,024	18,071	15,059
Total additions, net	52,332	57,462	1,071	1,024	53,403	58,486
DEDUCTIONS						
Benefits paid to participants	15,125	12,975	1,071	1,024	16,196	13,999
Administrative expenses	(166)	38	-	-	(166)	38
Total deductions	14,959	13,013	1,071	1,024	16,030	14,037
INCREASE IN NET POSITION	37,373	44,449	-	-	37,373	44,449
NET POSITION RESTRICTED FOR PENSIONS						
Beginning of year	354,122	309,673	-	-	354,122	309,673
End of year	\$ 391,495	\$ 354,122	\$ -	\$ -	\$ 391,495	\$ 354,122

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 19 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, 2024, there were 5,610 Plan participants consisting of 3,797 active participants and 1,813 inactive or separated participants, and at December 31, 2023, there were 5,148 Plan participants consisting of 3,360 active participants and 1,788 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, fair value of interest rate swaps, 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, probability of accumulated leave being used or settled and the timing of those payments related to calculation of employee sick leave accrual, 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 2025 and 2024, 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 receivables are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreements, 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 \$7,500 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	15 years
Buildings and fixtures	25 to 40 years
Equipment	5 to 10 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 liabilities 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 liabilities 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:

	2025	2024
Inventory	\$ 23,815	\$ 27,826
Prepaid expense and other deposits	40,233	27,607
Other receivables	13,509	13,086
	<u>\$ 77,557</u>	<u>\$ 68,519</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.

	2025	2024
Deferred outflows of resources as of June 30:		
Deferred outflows of resources - loss on bond defeasance	\$ 9,359	\$ 9,959
Deferred outflows of resources - goodwill	4,437	4,627
Deferred outflows of resources - employee benefit plan contributions	11,500	7,000
Deferred outflows - actuarial, employee benefit plan	15,720	21,340
Total	<u>\$ 41,016</u>	<u>\$ 42,926</u>
Deferred inflows of resources as of June 30:		
Deferred inflows of resources - charitable remainder unitrusts	\$ 274	\$ 4,067
Deferred inflows of resources - leases	46,870	47,538
Deferred inflows of resources - gain on bond defeasance	4,051	-
Deferred inflows - actuarial, employee benefit plan	8,624	11,539
Deferred inflows - actuarial, post-retirement medical benefits	48	115
Total	<u>\$ 59,867</u>	<u>\$ 63,259</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 up to \$1,000,000 per occurrence. The Hospital also maintains excess workers' compensation insurance for claims greater than the \$1,000,000 per occurrence limit. 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):

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
2025	\$ 15,111	\$ 2,196	\$ 2,633	\$ 14,674	\$ 2,300
	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
2024	\$ 15,798	\$ 1,146	\$ 1,833	\$ 15,111	\$ 2,300

Compensated absences – Effective July 1, 2024, the District retroactively adopted GASB Statement No. 101, *Compensated Absences*, to establish a unified model for recognizing and measuring the liability for employee leave, such as vacation and sick leave, that is attributable to services rendered, accumulates, and is more likely than not to be used or settled. The liability is generally measured using the employee's pay rate as of the financial statement date and includes directly and incrementally associated salary-related payments. This change in accounting policy resulted in a restatement of beginning net position as of July 1, 2023, of \$22.6 million and an increase to benefit expense for the fiscal year ended June 30, 2024, of \$3.0 million. For most employees, the maximum accumulated vacation is 400 hours. The disclosure of the compensated absences liability in the footnotes shows the net change during the period, with the District no longer disclosing gross changes or the funds typically used for liquidation. See Note 18 for restatement footnote.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following is a summary of changes in compensated absences transactions, as included in salaries, wages, and related liabilities in the consolidated statements of net position, for the years ended June 30 (in thousands):

	<u>Beginning Balance</u>	<u>Net change</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2025	\$ 64,228	\$ 7,383	\$ 71,611	\$ 71,611
	<u>Beginning Balance</u>	<u>Net change</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2024	\$ 58,702	\$ 5,526	\$ 64,228	\$ 64,228

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>
2025	\$ 16,378	\$ 453	\$ 5,059	\$ 11,772	\$ 1,418
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2024	\$ 16,064	\$ 3,100	\$ 2,786	\$ 16,378	\$ 2,973

El Camino Healthcare District

Notes to Consolidated Financial Statements

Subscription liabilities – The District entered into various agreements for IT subscriptions. These agreements range in terms up to year 2028. Total lease payments were \$5.3 million and \$4.5 million for fiscal years 2025 and 2024, respectively. Some SBITAs include one or more options to renew and may also include options to terminate the subscription. SBITAs do not contain any material incentive paid, material restrictive covenants or material termination penalties. The District measures the SBITA liability at the present value of payments expected to be made during the subscription term. SBITAs with a term of 12 months or less, or arrangements that have a term exceeding one year and the cumulative future payments on the contract are less than \$1 million, are recognized as operating expense on a straight-line basis over the subscription term. If the interest rate implicit in the SBITA cannot be readily determined, the District uses an incremental borrowing rate to discount the SBITA payments, which is an estimate of the interest rate that would be charged for borrowing the SBITA payment amounts during the subscription term.

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>
2025	\$ 13,574	\$ -	\$ 4,900	\$ 8,674	\$ 6,065
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2024	\$ 14,090	\$ 3,128	\$ 3,644	\$ 13,574	\$ 4,900

Interest rate swap agreements – During the prior fiscal year, the Hospital held interest rate swap agreements related to variable rate debt issued in 2009 (Series 2009), which were intended to mitigate exposure to interest rate variability but were not designated as hedging derivative instruments under GASB Statement No. 53. In the current fiscal year, the Series 2009 debt was refunded with the issuance of Series 2025 Bonds, and the related swaps were effectively replaced with new derivative instruments. A forward-starting fixed payor swap executed in 2020 became effective in February 2025 in connection with the Series 2025B Bonds. An additional swap, also not designated as a hedge, is associated with the Series 2025C Bonds and economically offsets a portion of the Hospital's variable rate exposure. Refer to Note 10 for a full description of the interest rate swap agreements and their accounting treatment.

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 \$738,524,000 and \$812,850,000 at June 30, 2025 and 2024, 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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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.

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,	
	2025	2024
Medicare	11%	13%
Medi-Cal	3%	3%
Commercial and other	83%	81%
Self pay	3%	3%
	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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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 \$4,275,000 and \$5,262,000 for the years ended June 30, 2025 and 2024, respectively.

Property tax revenue – The District received approximately 9% in 2025 and 10% in 2024 of its total increase in net position from property taxes. These funds were designated as follows (in thousands):

	2025	2024
Designated to support community benefit programs and operating expenses	\$ 11,450	\$ 11,294
Designated to support capital expenditures	\$ 15,646	\$ 14,278
Levied for debt service	\$ 3,746	\$ 7,920

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 – In May 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement modifies the basic financial statements and MD&A to enhance governmental financial reports. Changes include revisions to MD&A, modifications to proprietary fund statements, elimination of separate extraordinary and special item presentations, and changes to budgetary comparison information. This Statement is effective for fiscal years beginning after June 15, 2025. The District is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

El Camino Healthcare District

Notes to Consolidated Financial Statements

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement requires separate disclosure of certain capital assets in the notes, such as lease, intangible right-to-use, and subscription assets, each by major class. It also establishes new disclosure requirements for capital assets that a government has decided to sell and for which a sale is probable within one year. This Statement is effective for fiscal years beginning after June 15, 2025, with retroactive application required upon adoption. 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 and disclosures have been made to conform with the current year presentations. These reclassifications did not affect the total increase in net position or total current or long-term assets or liabilities. The restatement related to the adoption of GASB Statement No. 101, which resulted in adjustments to beginning net position and expense, is separately disclosed in Note 18.

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.

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 2025 income from operations by \$4,910,000, compared to 2024 which was a decrease to income from operations by \$2,125,000. 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, 2025 and 2024, the Hospital recognized amounts under the IGT program of \$14,016,000 and \$14,886,000, 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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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 revenue for the years ended June 30, consisted of the following:

	2025	2024
Rental income	\$ 14,062	\$ 12,990
Prime IGT	5,520	4,526
ECHMN other revenue	4,603	2,267
CONCERN & ECHMN capitated revenue	17,790	18,975
Other operating revenue	13,751	24,123
	<u>\$ 55,726</u>	<u>\$ 62,881</u>

Note 3 – Cash Deposits

The District has deposits held by various financial institutions in the form of operating cash and cash equivalents. At June 30, 2025 and 2024, District cash deposits had carrying amounts of \$434,491,000 and \$232,205,000, respectively, and bank balances of \$441,211,000 and \$236,352,000, 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”). Under the provision of the CGC, California banks and savings and loan associations are required to secure the District’s deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the District’s deposits. California law also allows financial institutions to secure the District’s deposits by pledging first trust deed mortgage having a value of 150% of the District’s deposits. The pledged securities are held by the pledging financial institution’s trust department in the name of the District.

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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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, comprised the following (in thousands) as of June 30:

	2025	2024
Included in the following consolidated statements of net position captions:		
Short-term investments	\$ 136,634	\$ 129,652
Current portion of board designated and funds held by trustee	27,323	24,574
Board designated, funds held by trustee, and restricted funds, less current portion	<u>1,779,523</u>	<u>1,617,124</u>
Total carrying amount of deposits and investments	<u>\$ 1,943,480</u>	<u>\$ 1,771,350</u>

At June 30, 2025, 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	\$ 145,621	\$ 145,621	\$ -	\$ -	\$ -
Government and agencies	400,894	101,098	95,588	35,746	168,462
Corporate bonds	180,999	11,563	122,868	30,945	15,623
Domestic fixed income	<u>1,453</u>	<u>1,453</u>	<u>-</u>	<u>-</u>	<u>-</u>
	728,967	<u>\$ 259,735</u>	<u>\$ 218,456</u>	<u>\$ 66,691</u>	<u>\$ 184,085</u>
Equities	112,814				
Mutual funds	442,364				
Real estate funds	185,669				
Hedge funds	<u>473,666</u>				
Total	<u>\$ 1,943,480</u>				

At June 30, 2024, 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	\$ 103,087	\$ 103,087	\$ -	\$ -	\$ -
Government and agencies	334,321	21,220	121,890	5,094	186,117
Corporate bonds	189,850	18,209	105,123	32,961	33,557
Domestic fixed income	<u>42,418</u>	<u>42,418</u>	<u>-</u>	<u>-</u>	<u>-</u>
	669,676	<u>\$ 184,934</u>	<u>\$ 227,013</u>	<u>\$ 38,055</u>	<u>\$ 219,674</u>
Equities	101,706				
Mutual funds	392,895				
Real estate funds	171,059				
Hedge funds	<u>436,014</u>				
Total	<u>\$ 1,771,350</u>				

El Camino Healthcare District

Notes to Consolidated Financial Statements

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.

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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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	
2025				
Cash and cash equivalents	\$ 145,621	\$ -	\$ -	\$ 145,621
Mutual funds	237,362	207,223	(2,221)	442,364
Real estate funds	138,932	46,737	-	185,669
Hedge funds	358,075	118,475	(2,884)	473,666
Equities	94,576	23,053	(4,815)	112,814
Fixed income securities	582,984	8,083	(7,721)	583,346
	<u>\$ 1,557,550</u>	<u>\$ 403,571</u>	<u>\$ (17,641)</u>	<u>\$ 1,943,480</u>
	Amortized Cost	Gross Unrealized		Carrying Value
		Gains	Losses	
2024				
Cash and cash equivalents	\$ 104,091	\$ -	\$ -	\$ 104,091
Mutual funds	222,216	173,150	(2,471)	392,895
Real estate funds	138,055	33,004	-	171,059
Hedge funds	345,540	92,045	(1,571)	436,014
Equities	79,546	25,294	(3,134)	101,706
Fixed income securities	572,593	4,970	(11,978)	565,585
	<u>\$ 1,462,041</u>	<u>\$ 328,463</u>	<u>\$ (19,154)</u>	<u>\$ 1,771,350</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.

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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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, 2025 and 2024, 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.

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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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.

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	2025
Investments by fair value level				
Asset backed securities				
Asset backed obligations	\$ -	\$ 10,752	\$ -	\$ 10,752
Mortgage backed obligations	-	66,994	-	66,994
U.S. Government Mortgage Pool	-	102,118	-	102,118
Common stock				
ADR & U.S. foreign stock	19,436	-	-	19,436
Consumer discretionary	10,012	-	-	10,012
Energy	22,638	-	-	22,638
Financial services industry	20,059	-	-	20,059
Healthcare industry	8,152	-	-	8,152
Industrials	3,562	-	-	3,562
Information Technology	18,034	-	-	18,034
Materials	10,921	-	-	10,921
Corporate, municipal and foreign bonds				
Corporate bonds	-	134,969	-	134,969
Foreign corporate bonds	-	21,889	-	21,889
Foreign government bonds	-	3,246	-	3,246
Municipal taxable	-	3,950	-	3,950
Preferred stocks	1,453	-	-	1,453
Private placement - factored	-	1,853	-	1,853
Private placements	-	19,043	-	19,043
Mutual funds				
Mutual funds - equity	428,551	-	-	428,551
Mutual funds - taxable	13,814	-	-	13,814
U.S. Government securities				
U.S. treasury notes and bonds	217,078	-	-	217,078
Limited partnership interests	-	-	32,868	32,868
Total investments by fair value level	<u>\$ 773,710</u>	<u>\$ 364,814</u>	<u>\$ 32,868</u>	<u>1,171,392</u>
Cash equivalents				<u>145,718</u>
Investments measured at NAV				
Pooled, common & collective trusts				172,422
Equity hedge funds				203,687
Credit hedge funds				29,588
Macro hedge funds				14,591
Relative value hedge funds				161,614
Fixed income limited partnership				<u>44,468</u>
Total investments measured at NAV				<u>626,370</u>
Total investments				<u>\$ 1,943,480</u>
Beneficial interest in charitable remainder unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 274</u>	<u>\$ 274</u>
Interest rate swaps	<u>\$ -</u>	<u>\$ 11,318</u>	<u>\$ -</u>	<u>\$ 11,318</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Description	Level 1	Level 2	Level 3	2024
Investments by fair value level				
Asset backed securities				
Corporate backed obligations	\$ -	\$ 20,330	\$ -	\$ 20,330
Mortgage backed obligations	-	55,056	-	55,056
U.S. Government Mortgage Pool	-	88,029	-	88,029
Common stock				
ADR & U.S. foreign stock	13,790	-	-	13,790
Consumer discretionary	20,270	-	-	20,270
Energy	18,659	-	-	18,659
Financial services industry	10,255	-	-	10,255
Healthcare industry	10,235	-	-	10,235
Information Technology	17,314	-	-	17,314
Materials	11,183	-	-	11,183
Corporate, municipal and foreign bonds				
Corporate bonds	-	133,189	-	133,189
Foreign corporate bonds	-	22,542	-	22,542
Foreign government bonds	-	2,349	-	2,349
Municipal taxable	-	2,919	-	2,919
Preferred stocks	1,446	-	-	1,446
Private placement - factored	-	2,069	-	2,069
Private placements	-	29,702	-	29,702
Mutual funds				
Mutual funds - equity	379,923	-	-	379,923
Mutual funds - taxable	12,972	-	-	12,972
U.S. Government securities				
U.S. treasury notes and bonds	167,987	-	-	167,987
Limited partnership interests	-	-	43,720	43,720
Total investments by fair value level	<u>\$ 664,034</u>	<u>\$ 356,185</u>	<u>\$ 43,720</u>	<u>1,063,939</u>
Cash equivalents				<u>104,091</u>
Investments measured at NAV				
Pooled, common & collective trusts				156,686
Equity hedge funds				189,087
Credit hedge funds				38,297
Macro hedge funds				19,018
Relative value hedge funds				159,260
Fixed income limited partnership				<u>40,972</u>
Total investments measured at NAV				<u>603,320</u>
Total investments				<u>\$ 1,771,350</u>
Beneficial interest in charitable remainder unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,067</u>	<u>\$ 4,067</u>
Interest rate swaps	<u>\$ -</u>	<u>\$ (1,585)</u>	<u>\$ -</u>	<u>\$ (1,585)</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):

	2025 Fair Value	2024 Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Pooled, common & collective trusts	\$ 172,422	\$ 41,774	\$ -	Monthly	30 days
Equity hedge funds	203,687	189,087	-	Quarterly	90 days
Credit hedge funds	29,588	38,297	-	Monthly, Quarterly	15 - 60 days
Macro hedge funds	14,591	133,930	-	Monthly, Quarterly	5 - 90 days
Relative value hedge funds	161,614	159,260	-	Quarterly, Annually	45 days
Fixed income limited partnership	44,468	40,972	-	Monthly	1 day
Total investments measured at NAV	<u>\$ 626,370</u>	<u>\$ 603,320</u>	<u>\$ -</u>		
Limited partnership interests	<u>\$ 32,868</u>	<u>\$ 43,720</u>	<u>\$ 13,585</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.

Approximately 76% and 73% as of June 30, 2025, and 2024, respectively, 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.

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 8% 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.

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. Approximately 35% and 33% as of June 30, 2025, and 2024, respectively, 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):

2025				
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 9,908	\$ -	\$ -	\$ 9,908
Common stock	40,187	-	-	40,187
Corporate bonds	-	66	-	66
Mutual funds	246,528	-	-	246,528
U.S. government securities	3,468	-	-	3,468
Total assets in the fair value hierarchy	<u>\$ 300,091</u>	<u>\$ 66</u>	<u>\$ -</u>	300,157
Investments measured at NAV practical expedient				<u>86,350</u>
Total assets, at fair value				<u>\$ 386,507</u>

2024				
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 8,063	\$ -	\$ -	\$ 8,063
Common stock	34,075	-	-	34,075
Corporate bonds	-	123	-	123
Mutual funds	226,517	-	-	226,517
U.S. government securities	2,487	-	-	2,487
Total assets in the fair value hierarchy	<u>\$ 271,142</u>	<u>\$ 123</u>	<u>\$ -</u>	271,265
Investments measured at NAV practical expedient				<u>79,452</u>
Total assets, at fair value				<u>\$ 350,717</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), for the fiduciary funds investments:

	Fair Value June 30, 2025	Fair Value June 30, 2024	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Liability Company	\$ 67,317	\$ 59,591	\$ -	Monthly/Semi-Annual	90 days
Common Collective Trust	13,023	12,168	-	Daily	Daily
Partnerships	6,010	7,693	6,257	No redemptions	N/A
	<u>\$ 86,350</u>	<u>\$ 79,452</u>			

Note 6 – Capital Assets

Capital assets activity for the year ended June 30, 2025, was as follows (in thousands):

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated				
Land	\$ 116,444	\$ 596	\$ -	\$ 117,040
Construction in progress	173,051	55,657	-	228,708
	<u>289,495</u>	<u>56,253</u>	<u>-</u>	<u>345,748</u>
Capital assets being depreciated				
Land improvement	19,600	942	-	20,542
Buildings	1,383,259	15,114	-	1,398,373
Capital equipment	515,644	32,429	-	548,073
	<u>1,918,503</u>	<u>48,485</u>	<u>-</u>	<u>1,966,988</u>
Less accumulated depreciation for				
Land improvement	13,152	255	-	13,407
Buildings	436,123	42,614	-	478,737
Capital equipment	431,427	42,139	-	473,566
	<u>880,702</u>	<u>85,008</u>	<u>-</u>	<u>965,710</u>
Total capital assets being depreciated, net	<u>1,037,801</u>	<u>(36,523)</u>	<u>-</u>	<u>1,001,278</u>
Total capital assets, net	<u>\$ 1,327,296</u>	<u>\$ 19,730</u>	<u>\$ -</u>	<u>\$ 1,347,026</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Capital assets activity for the year ended June 30, 2024, was as follows (in thousands):

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets not being depreciated				
Land	\$ 115,327	\$ 1,117	\$ -	\$ 116,444
Construction in progress	170,675	2,376	-	173,051
	<u>286,002</u>	<u>3,493</u>	<u>-</u>	<u>289,495</u>
Capital assets being depreciated				
Land improvement	19,600	-	-	19,600
Buildings	1,261,676	121,583	-	1,383,259
Capital equipment	480,830	34,820	6	515,644
	<u>1,762,106</u>	<u>156,403</u>	<u>6</u>	<u>1,918,503</u>
Less accumulated depreciation for				
Land improvement	12,209	943	-	13,152
Buildings	389,423	46,700	-	436,123
Capital equipment	396,036	35,605	214	431,427
	<u>797,668</u>	<u>83,248</u>	<u>214</u>	<u>880,702</u>
Total capital assets being depreciated, net	<u>964,438</u>	<u>73,155</u>	<u>(208)</u>	<u>1,037,801</u>
Total capital assets, net	<u>\$ 1,250,440</u>	<u>\$ 76,648</u>	<u>\$ (208)</u>	<u>\$ 1,327,296</u>

Construction contracts of approximately \$345.0 million 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, 2025, the remaining commitment on these contracts is approximately \$40.5 million. There was no capitalized interest for the years ended June 30, 2025 and 2024, 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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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 4.58% and 1.58% for the years beginning January 1, 2024 and 2023, 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 2025 and 2024 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, 2025 and 2024, as determined by an actuarial valuation as of December 31, 2024 and 2023, rolled forward to June 30, 2025 and 2024, 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:

	2025	2024
Active	3,797	3,360
Retirees and beneficiaries	700	677
Vested terminated	1,113	1,111
Total participants	<u>5,610</u>	<u>5,148</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):

	2025	2024
Service cost	\$ 11,933	\$ 10,406
Interest	16,977	15,747
Differences between expected and actual experience	6,106	2,041
Changes of assumptions	2,379	2,585
Benefit payments	<u>(15,125)</u>	<u>(12,953)</u>
Net change in total pension liability	22,270	17,826
Total pension liability beginning of fiscal year	<u>248,894</u>	<u>231,068</u>
Total pension liability end of fiscal year	<u>\$ 271,164</u>	<u>\$ 248,894</u>
Deferred outflows of resources as of June 30:	2025	2024
Difference between expected and actual experience	\$ 7,830	\$ 3,218
Changes in assumptions	3,856	2,202
Difference between projected and actual investment earnings	<u>4,034</u>	<u>15,920</u>
Total	<u>\$ 15,720</u>	<u>\$ 21,340</u>
Deferred inflows of resources as of June 30:		
Difference between expected and actual experience	\$ (3,311)	\$ (4,621)
Changes in assumptions	<u>(5,313)</u>	<u>(6,918)</u>
Total	<u>\$ (8,624)</u>	<u>\$ (11,539)</u>
Contributions between the measurement date and fiscal year end recognized as a deferred outflows of resources	<u>\$ 11,500</u>	<u>\$ 7,000</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):

2026	\$ 4,760
2027	7,631
2028	(7,105)
2029	(1,097)
2030	1,743
Thereafter	<u>1,159</u>
	<u><u>\$ 7,091</u></u>

The following table summarizes changes in pension liability for fiscal years ended June 30, 2025 and 2024, with a measurement date of December 31, 2024 and 2023, respectively, (in thousands):

	<u>2025</u>	<u>2024</u>
Contributions	\$ 15,500	\$ 14,000
Net investment income	35,313	43,599
Benefit payments, including refunds of member contributions	<u>(15,125)</u>	<u>(12,953)</u>
Net change in Plan fiduciary net position	35,688	44,646
Plan fiduciary net position beginning of fiscal year	<u>350,819</u>	<u>306,173</u>
Plan fiduciary net position end of fiscal year	<u>386,507</u>	<u>350,819</u>
Plan's net pension asset end of the fiscal year	<u><u>\$ (115,343)</u></u>	<u><u>\$ (101,925)</u></u>
Covered payroll	\$ 541,258	\$ 457,580
Net pension asset as a percentage of covered payroll	-21.31%	-22.27%
Contributions	\$ 11,500	\$ 7,000

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, 2025 and 2024:

Valuation Date	January 1, 2025 and 2024 for reporting date June 30, 2025 and 2024, respectively. 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	4% for reporting date June 30, 2025 and 2024, respectively
Mortality	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.
Discount Rate	6.7% for both reporting dates June 30, 2025 and 2024

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, 2025	\$ 89,485	\$ 115,330	\$ 137,650
	1% Decrease 5.7%	Current Discount Rate 6.7%	1% Increase 7.7%
Net pension asset as of June 30, 2024	\$ 78,609	\$ 101,925	\$ 122,094

The following table summarizes target asset class for the plan fiduciary net position as of June 30, 2025 and 2024:

Asset Class	Neutral	Asset Rebalancing Range	Expected Long- Term Real Rate of Return
Domestic Equities	32%	27% - 37%	6.40%
International Equities	18%	15% - 21%	8.20%
Alternatives	20%	17% - 23%	8.00%
Broad Fixed Income	25%	20% - 30%	4.40%
Cash	5%	0% - 8%	3.00%
Total	100%		6.70%

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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 \$19,079,000 and \$17,247,000 in 2025 and 2024, 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.

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Notes to Consolidated Financial Statements

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

	2025	2024
Active	375	375
Inactive plan members or beneficiaries currently receiving benefits	155	155
Total participants	<u>530</u>	<u>530</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:

	2025	2024
Service cost	\$ 89	\$ 100
Interest	921	975
Changes of benefit terms	-	-
Differences between expected and actual experience	(458)	(86)
Changes of assumptions	(143)	(1,354)
Current period recognition of prior years' deferred inflows and outflows of resources	<u>(115)</u>	<u>(1,852)</u>
Total post-retirement medical benefits expense	<u>\$ 294</u>	<u>\$ (2,217)</u>

	2025	2024
Deferred outflows of resources as of June 30:		
Changes in benefit terms	\$ -	\$ -
Difference between expected and actual experience	-	-
Changes in assumptions	<u>-</u>	<u>-</u>
Total	<u>\$ -</u>	<u>\$ -</u>

Deferred inflows of resources as of June 30:		
Changes in benefit terms	\$ -	\$ -
Difference between expected and actual experience	(11)	(7)
Changes in assumptions	<u>(37)</u>	<u>(108)</u>
Total	<u>\$ (48)</u>	<u>\$ (115)</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):

2026	\$ (48)
2027	-
2028	-
2029	-
2030	-
Thereafter	-
	<u>\$ (48)</u>

The following table summarizes changes in post-retirement medical benefits liability for fiscal year ended June 30, 2025 and 2024, with a measurement date of July 1, 2024 and 2023, respectively (in thousands):

	<u>2025</u>	<u>2024</u>
Service cost	\$ 89	\$ 100
Interest	921	975
Differences between expected and actual experience	(494)	(93)
Changes in assumptions or other input	(154)	(1,463)
Benefit payments	<u>(1,071)</u>	<u>(1,024)</u>
Net changes	(709)	(1,505)
Net post-retirement medical benefits liability at beginning of year	<u>22,737</u>	<u>24,242</u>
Net post-retirement medical benefits liability at end of year	<u>\$ 22,028</u>	<u>\$ 22,737</u>

The following table summarizes the actuarial assumptions used to determine net post-retirement medical benefits as of June 30, 2025 and 2024:

Valuation Date	June 30, 2025; measurement date of June 30, 2024
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	4.21% for 2025; 4.13% for 2024
Healthcare cost trend rates:	7% for 2023, graded to 4.5% for years 2032 for ages pre-65; and 5.4% for 2023, 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:

	2025		
	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Net post-retirement medical benefits liability	\$ 24,094	\$ 22,028	\$ 20,242

	2024		
	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
Net post-retirement medical benefits liability	\$ 24,946	\$ 22,737	\$ 20,835

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, 2025	\$ 21,933	\$ 22,028	\$ 22,126
June 30, 2024	\$ 22,646	\$ 22,737	\$ 22,832

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,	
	2025	2024
El Camino Hospital District		
2006 General Obligation Bonds		
Principal	\$ 25,642	\$ 29,042
2017 General Obligation Bonds		
Principal	73,145	73,145
Unamortized premium	140	154
El Camino Hospital Revenue Bonds		
Series 2009		
Principal	-	50,000
Series 2015A		
Principal	-	122,155
Unamortized premium	-	4,850
Series 2017A		
Principal	260,700	266,655
Unamortized premium	5,546	6,679
Series 2025A		
Principal	155,055	-
Unamortized premium	10,151	-
Series 2025B/C		
Principal	109,240	-
Total long-term debt	639,619	552,680
Less current maturities	19,026	14,318
Maturities due after one year	<u>\$ 620,593</u>	<u>\$ 538,362</u>

	2025			
	Balance at June 30, 2024	Increases	Decreases	Balance at June 30, 2025
General obligation bonds	\$ 102,341	\$ -	\$ 3,425	\$ 98,916
Revenue bonds	450,339	274,447	184,083	540,703
	<u>\$ 552,680</u>	<u>\$ 274,447</u>	<u>\$ 187,508</u>	<u>\$ 639,619</u>

	2024			
	Balance at June 30, 2023	Increases	Decreases	Balance at June 30, 2024
General obligation bonds	\$ 105,648	\$ -	\$ 3,307	\$ 102,341
Revenue bonds	462,965	-	12,626	450,339
	<u>\$ 568,613</u>	<u>\$ -</u>	<u>\$ 15,933</u>	<u>\$ 552,680</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 were 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.

The outstanding balance of Series 2009 bonds was refunded as part of issuance of Series 2025 Revenue Bonds.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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. The outstanding balance of Series 2015A bonds was refunded as part of issuance of Series 2025 Revenue 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.

Revenue Bonds, Series 2025 - On June 10, 2025, the Hospital issued Series 2025A (Fixed Rate), 2025B/C (Variable Rate) Revenue Bonds totaling \$264,295,000 to currently refund the outstanding Series 2009A and 2015A Bonds and finance the Women’s Hospital Expansion project. This refunding resulted in a deferred gain on refunding of approximately \$4,051,000, which is reported as a deferred inflow of resources and will be amortized over the life of the remaining Series 2025 bonds. The refunded bonds were paid in full, and the liability has been removed from the consolidated financial statements.

Letter of credit – On June 1, 2025, in connection with the issuance of the 2009 Series Revenue bonds, the Hospital obtained an irrevocable Letter of Credit issued by a bank for \$109,240,000 (combined), with initial maturity date(s) of June 10, 2030. The letter of credit requires the Hospital to maintain a long-term debt service coverage ratio of 1.10 to 1.00.

Management believes all financial debt covenants were met for the years ended June 30, 2025 and 2024.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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

Year Ending June 30,	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 3,398	\$ 7,144	\$ 15,628	\$ 18,770
2027	3,552	7,709	12,730	21,654
2028	3,598	8,172	13,355	21,030
2029	3,674	8,712	14,010	20,376
2030	3,742	9,279	14,695	19,689
2031-2035	47,382	27,614	84,695	87,219
2036-2040	33,441	2,036	69,735	67,366
2041-2045	-	-	117,550	45,860
2046-2050	-	-	145,795	16,862
2051-2055	-	-	36,802	3,613
	<u>\$ 98,787</u>	<u>\$ 70,666</u>	<u>\$ 524,995</u>	<u>\$ 322,439</u>

Interest rate swaps – The Hospital holds a fixed payor interest rate swap originally executed in connection with variable rate debt issued in 2009 (Series 2009), which was refunded during fiscal year 2025 with the issuance of the Series 2025 Revenue Bonds. The swap is now associated with the Series 2025C Bonds and is used to synthetically fix the interest rate on the related variable rate debt. The swap has an original notional amount of \$50 million, amortized to \$30.38 million at June 30, 2025. Under the terms of the agreement, the Hospital pays a fixed rate of 3.204% and receives a variable rate equal to 56% of USD-LIBOR-BBA plus 0.23%. Following the discontinuation of LIBOR, the variable leg transitioned to SOFR in accordance with industry protocols. The swap became effective March 23, 2007, and terminates on February 1, 2041. This swap is not designated as a hedging derivative instrument under GASB Statement No. 53. The fair value of the swap was a liability of \$1.8 million at June 30, 2025.

In 2020, the Hospital executed a forward-starting fixed payor swap, which became effective in February 2025 in connection with the issuance of the Series 2025B Revenue Bonds. The swap has a notional amount of \$59,240,000, requires the Hospital to pay a fixed rate of 1.297%, and receive a variable rate based on the SIFMA index. The swap matures on February 1, 2045. This instrument is not designated as a hedging derivative under GASB 53 and is classified as an investment derivative instrument. As such, changes in fair value are recognized in nonoperating revenues (expenses). The fair value of the swap was an asset of \$13.1 million at June 30, 2025, and is reported as interest rate swap asset in the consolidated statement of net position.

The Hospital is exposed to credit risk in the event of nonperformance by the counterparties to the swap agreements. The Hospital actively monitors counterparty creditworthiness and maintains collateral posting requirements, where applicable, under the terms of its International Swaps and Derivatives Association (ISDA) agreements. The Hospital is also subject to termination risk, which could result in a requirement to make or receive a payment if a swap is terminated prior to its stated maturity.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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):

	2025	2024
Charity and other	\$ 36,572	\$ 33,851
Endowments	27,571	10,532
Restricted by donor for specific uses	64,143	44,383
Restricted by Department of Managed Health Care	150	150
Total restricted net position	<u>\$ 64,293</u>	<u>\$ 44,533</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.

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 2025 and June 2024 of 5.0% and 5.6% 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 liabilities nor recognized as an expense for the years ended June 30, 2025 and 2024. 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, 2025 and 2024. 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 assets as of June 30:

2025	Beginning Balance	Increases	Decreases	Ending Balance
Right-of-use assets	\$ 30,334	\$ 453	\$ 2,280	\$ 28,507
Less accumulated amortization	15,088	2,542	-	17,630
Right-of-use assets, net	<u>\$ 15,246</u>	<u>\$ (2,089)</u>	<u>\$ 2,280</u>	<u>\$ 10,877</u>

2024	Beginning Balance	Increases	Decreases	Ending Balance
Right-of-use assets	\$ 27,202	\$ 3,132	\$ -	\$ 30,334
Less accumulated amortization	12,125	2,963	-	15,088
Right-of-use assets, net	<u>\$ 15,077</u>	<u>\$ 169</u>	<u>\$ -</u>	<u>\$ 15,246</u>

For the years ended June 30, 2025 and 2024, the District recognized \$2,542,000 and \$2,963,000, 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, 2025, were as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2026	\$ 1,418	\$ 607	\$ 2,025
2027	946	539	1,485
2028	1,034	470	1,504
2029	1,072	394	1,466
2030	1,072	318	1,390
Thereafter	6,230	1,241	7,471
	<u>\$ 11,772</u>	<u>\$ 3,569</u>	<u>\$ 15,341</u>

The District evaluated the right-to-use assets for impairment and determined there was no impairment for the years ended June 30, 2025 and 2024.

The District is also a lessor for noncancellable leases of office space with lease terms through 2034. For the years ended June 30, 2025 and 2024, the District recognized \$11,483,000 and \$10,672,000 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 2025 and 2024.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Note 14 – Subscription Based Information Technology Arrangements

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

2025	Beginning Balance	Increases	Decreases	Ending Balance
Subscription assets	\$ 22,815	\$ -	\$ -	\$ 22,815
Less accumulated amortization	10,379	4,882	-	15,261
Subscription assets, net	<u>\$ 12,436</u>	<u>\$ (4,882)</u>	<u>\$ -</u>	<u>\$ 7,554</u>

2024	Beginning Balance	Increases	Decreases	Ending Balance
Subscription assets	\$ 22,693	\$ 3,435	\$ 3,313	\$ 22,815
Less accumulated amortization	9,188	4,356	3,165	10,379
Subscription assets, net	<u>\$ 13,505</u>	<u>\$ (921)</u>	<u>\$ 148</u>	<u>\$ 12,436</u>

For the years ended June 30, 2025 and 2024, the District recognized \$4,882,000 and \$4,356,000, respectively, in amortization expense included in depreciation and amortization expense on the consolidated statements of activities and changes in net position.

The future subscription payments as of June 30, 2025 were as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2026	\$ 6,065	\$ 377	\$ 6,442
2027	1,279	106	1,385
2028	1,330	54	1,384
2029	-	-	-
	<u>\$ 8,674</u>	<u>\$ 537</u>	<u>\$ 9,211</u>

The District evaluated the subscription assets for impairment and determined there was no impairment for the years ended June 30, 2025 and 2024.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Note 15 – 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, 2025 and 2024, the Foundation has a payable to the Hospital in the amount of \$2,946,000 and \$578,000, respectively. During the fiscal years 2025 and 2024, the Foundation paid the Hospital \$4,765,000 and \$2,596,000 for such expenses, respectively, which included amounts for operations, but also disbursements from Donor Restricted Funds in support of Hospital operations and capital acquisitions.

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, 2025 and 2024, CONCERN has a payable to the Hospital in the amount of \$2,999,000 and \$3,087,000, respectively. During the fiscal years ended June 30, 2025 and 2024, CONCERN paid the Hospital \$9,995,000 and \$9,198,000 for its expenses, respectively. All related party transactions are eliminated upon consolidation.

As of June 30, 2025 and 2024, ECHMN has a payable to the Hospital of \$10,011,000 and \$9,665,000, respectively. During fiscal years ended June 30, 2025 and 2024, ECHMN paid the Hospital \$43,812,000 and \$31,857,000 for its expenses, respectively. All related-party transactions are eliminated upon consolidation.

Note 16 – 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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

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.

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 17 – 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.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Note 18 – Restatement

The adoption of GASB 101 resulted in adjustments to the prior period financial statements as follows at June 30, 2024:

	<u>As previously</u> <u>presented</u>	<u>Adjustment</u>	<u>As restated</u>
Statement of net position			
Liabilities, deferred inflows, and net position:			
Salaries, wages, and related liabilities	\$ 74,348	\$ 25,594	\$ 99,942
Net position, end of year	\$ 3,007,063	\$ (25,594)	\$ 2,981,469
Statements of revenues, expenses and changes in net position:			
Salaries, wages, and benefits	\$ 780,921	\$ 2,996	\$ 783,917
Income from operations	\$ 169,304	\$ (2,996)	\$ 166,308
Increase in net position	\$ 335,169	\$ (2,996)	\$ 332,173

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Supplementary Information

El Camino Healthcare District
Consolidating Statement of Net Position
June 30, 2025
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	ECHMN	Eliminations	El Camino Healthcare District and Affiliates
ASSETS AND DEFERRED OUTFLOWS							
Current assets							
Cash and cash equivalents	\$ 27,374	\$ 368,914	\$ 18,842	\$ 4,574	\$ 14,787	\$ -	\$ 434,491
Short-term investments	5,638	112,757	4,341	13,898	-	-	136,634
Current portion of board-designated funds	27,323	-	-	-	-	-	27,323
Patient accounts receivable, net of allowance for doubtful accounts of \$11,407	-	225,541	-	-	14,805	-	240,346
Current portion of lease receivables	-	16,130	-	-	-	(7,901)	8,229
Prepaid expenses and other current assets	68	85,550	751	1,867	7,153	(17,832)	77,557
Total current assets	60,403	808,892	23,934	20,339	36,745	(25,733)	924,580
Non-current cash and investments							
Board-designated funds	19,196	1,657,305	67,539	-	-	-	1,744,040
Restricted funds	-	-	-	150	-	-	150
Funds held by trustee	35,333	-	-	-	-	-	35,333
	54,529	1,657,305	67,539	150	-	-	1,779,523
Capital assets							
Nondepreciable	10,638	335,110	-	-	-	-	345,748
Depreciable, net	-	992,512	986	735	7,045	-	1,001,278
Total capital assets	10,638	1,327,622	986	735	7,045	-	1,347,026
Right-of-use assets, net of amortization	-	7,616	-	-	22,160	(18,899)	10,877
Subscription assets, net of amortization	-	7,554	-	-	-	-	7,554
Lease receivables, net of current portion	-	49,638	-	-	-	(13,199)	36,439
Pledges receivable, net of current portion	-	-	2,068	-	-	-	2,068
Prepaid pension asset	-	115,330	-	-	-	-	115,330
Investments in healthcare affiliates	-	39,645	-	-	-	-	39,645
Interest rate swaps	-	11,318	-	-	-	-	11,318
Beneficial interest in charitable remainder unitrusts	-	-	274	-	-	-	274
Total assets	125,570	4,024,920	94,801	21,224	65,950	(57,831)	4,274,634
Deferred outflows of resources							
Deferred outflows of resources	-	15,937	-	-	-	-	15,937
Deferred outflows of resources - loss on bond defeasance	-	9,359	-	-	-	-	9,359
Deferred outflows of resources - actuarial	-	15,720	-	-	-	-	15,720
Total deferred outflows of resources	-	41,016	-	-	-	-	41,016
Total assets and deferred outflows of resources	\$ 125,570	\$ 4,065,936	\$ 94,801	\$ 21,224	\$ 65,950	\$ (57,831)	\$ 4,315,650

El Camino Healthcare District
Consolidating Statement of Net Position (continued)
June 30, 2025
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	ECHMN	Eliminations	El Camino Healthcare District and Affiliates
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION							
Current liabilities							
Accounts payable and accrued expenses	\$ 479	\$ 75,463	\$ 3,630	\$ 3,230	\$ 13,357	\$ (17,832)	\$ 78,327
Salaries, wages, and related liabilities	-	109,103	4	430	1,911	-	111,448
Other current liabilities	5,116	12,583	62	384	8,139	-	26,284
Estimated third-party payor settlements	-	8,509	-	-	-	-	8,509
Current portion of lease liabilities	-	546	-	-	8,773	(7,901)	1,418
Current portion of subscription liabilities	-	6,065	-	-	-	-	6,065
Current portion of bonds payable	3,411	15,615	-	-	-	-	19,026
Total current liabilities	9,006	227,884	3,696	4,044	32,180	(25,733)	251,077
Bonds payable, net of current portion	95,517	525,076	-	-	-	-	620,593
Lease liabilities, net of current portion	-	7,685	-	-	15,868	(13,199)	10,354
Subscription liabilities, net of current portion	-	2,609	-	-	-	-	2,609
Other long-term obligations	-	-	-	-	-	-	-
Workers' compensation, net of current portion	-	12,374	-	-	-	-	12,374
Post-retirement medical benefits	-	22,028	-	-	-	-	22,028
Total liabilities	104,523	797,656	3,696	4,044	48,048	(38,932)	919,035
Deferred inflows of resources							
Deferred inflows of resources	-	-	274	-	-	-	274
Deferred inflows of resources - leases	-	65,769	-	-	-	(18,899)	46,870
Deferred inflows of resources - gain on bond defeasance	-	4,051	-	-	-	-	4,051
Deferred inflows of resources - actuarial	-	8,672	-	-	-	-	8,672
Total deferred inflows of resources	-	78,492	274	-	-	(18,899)	59,867
Net position							
Invested in capital assets, net of related debt	(52,957)	785,196	986	735	4,564	-	738,524
Restricted - expendable	-	-	36,572	-	-	-	36,572
Restricted - nonexpendable	-	-	27,571	150	-	-	27,721
Unrestricted	74,004	2,404,592	25,702	16,295	13,338	-	2,533,931
Total net position	21,047	3,189,788	90,831	17,180	17,902	-	3,336,748
Total liabilities, deferred inflows of resources, and net position	\$ 125,570	\$ 4,065,936	\$ 94,801	\$ 21,224	\$ 65,950	\$ (57,831)	\$ 4,315,650

El Camino Healthcare District
Consolidating Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2025
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	ECHMN	Eliminations	El Camino Healthcare District and Affiliates
Operating revenues							
Net patient service revenue (net of provision for bad debts of \$9,993)	\$ -	\$ 1,551,978	\$ -	\$ -	\$ 85,519	\$ -	\$ 1,637,497
Other revenue	105	44,596	-	12,824	20,578	(22,377)	55,726
Total operating revenues	105	1,596,574	-	12,824	106,097	(22,377)	1,693,223
Operating expenses							
Salaries, wages and benefits	29	823,820	2,592	2,314	37,802	-	866,557
Professional fees and purchased services	986	183,728	1,133	6,926	89,410	(9,690)	272,493
Supplies	1	228,623	26	-	8,900	-	237,550
Depreciation and amortization	5	88,756	292	254	2,773	-	92,080
Rent and utilities	-	22,425	134	6	9,793	(6,278)	26,080
Other	28	26,010	113	741	1,446	(5,453)	22,885
Total operating expenses	1,049	1,373,362	4,290	10,241	150,124	(21,421)	1,517,645
(Loss) income from operations	(944)	223,212	(4,290)	2,583	(44,027)	(956)	175,578
Nonoperating revenues (expenses):							
Investment income, net	3,187	143,184	4,924	860	216	-	152,371
Property tax revenue							
Designated to support community benefit programs and operating expenses	11,450	-	-	-	-	-	11,450
Designated to support capital expenditures	15,646	-	-	-	-	-	15,646
Levied for debt service	3,746	-	-	-	-	-	3,746
Bond interest expense, net	(5,218)	(20,277)	-	-	-	-	(25,495)
Intergovernmental transfer expense	(5,193)	-	-	-	-	-	(5,193)
Restricted gifts, grants and bequests, and other, net of contributions to related parties	-	-	19,750	-	-	(1,783)	17,967
Unrealized gain on interest rate swaps	-	13,151	-	-	-	-	13,151
Community benefit expense	(7,358)	(3,349)	-	(1,614)	(3)	956	(11,368)
Other, net	(26)	5,511	46	75	37	1,783	7,426
Total nonoperating revenues (expenses)	16,234	138,220	24,720	(679)	250	956	179,701
Excess (deficit) of revenues over expenses before capital transfers	15,290	361,432	20,430	1,904	(43,777)	-	355,279
Capital transfers	(6,394)	(35,323)	(400)	(631)	42,748	-	-
Increase (decrease) in net position	8,896	326,109	20,030	1,273	(1,029)	-	355,279
Total net position, beginning of year, as previously reported	12,151	2,889,273	70,801	15,907	18,931	-	3,007,063
Cumulative effect of restatement	-	(25,594)	-	-	-	-	(25,594)
Total net position, beginning of year, as restated	12,151	2,863,679	70,801	15,907	18,931	-	2,981,469
Total net position, end of year	\$ 21,047	\$ 3,189,788	\$ 90,831	\$ 17,180	\$ 17,902	\$ -	\$ 3,336,748

El Camino Healthcare District
Supplemental Pension and Post-Retirement Benefit Information
For the Years Ended June 30, 2025 and 2024

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

	2025	2024
Service cost	\$ 11,933	\$ 10,406
Interest	16,977	15,747
Differences between expected and actual experience	6,106	2,041
Changes of assumptions	2,379	2,585
Benefit payments	<u>(15,125)</u>	<u>(12,953)</u>
Net change in total pension liability	22,270	17,826
Total pension liability beginning of fiscal year	<u>248,894</u>	<u>231,068</u>
Total pension liability end of fiscal year	<u><u>\$ 271,164</u></u>	<u><u>\$ 248,894</u></u>
	2025	2024
Contributions	\$ 15,500	\$ 14,000
Net investment income	35,313	43,599
Benefit payments, including refunds of member contributions	<u>(15,125)</u>	<u>(12,953)</u>
Net change in Plan fiduciary net position	35,688	44,646
Plan fiduciary net position beginning of fiscal year	<u>350,819</u>	<u>306,173</u>
Plan fiduciary net position end of fiscal year	<u>386,507</u>	<u>350,819</u>
Plan's net pension asset end of the fiscal year	<u><u>\$ (115,343)</u></u>	<u><u>\$ (101,925)</u></u>
Covered payroll	\$ 541,258	\$ 457,580
Net pension asset as a percentage of covered payroll	-21.31%	-22.27%
Contributions	\$ 11,500	\$ 7,000

El Camino Healthcare District
Supplemental Pension and Post-Retirement Benefit Information (Continued)
For the Years Ended June 30, 2025 and 2024

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

	FY2025	FY2024	FY2023	FY2022	FY2021
Actuarially determined contribution	TBD	\$ 4,872	\$ -	\$ -	\$ -
Contributions related to actuarially determined contribution	TBD	\$ 14,000	\$ 14,000	\$ 10,000	\$ 8,500
Contribution deficiency (excess)	TBD	(9,128)	(14,000)	(10,000)	(8,500)
Covered payroll	\$ 541,258	\$ 457,580	\$ 409,092	\$ 389,552	\$ 359,322
Contribution as % of covered payroll	TBD	3.06%	3.42%	2.57%	2.37%
Contributions made during the fiscal year	\$ 20,000	\$ 14,000	\$ 14,000	\$ 4,500	\$ 14,000
	FY2020	FY2019	FY2018	FY2017	FY2016
Actuarially determined contribution	\$ 7,801	\$ 10,888	\$ 10,155	\$ 8,445	\$ 2,736
Contributions related to actuarially determined contribution	\$ 10,300	\$ 12,900	\$ 11,600	\$ 10,900	\$ 10,500
Contribution deficiency (excess)	(2,499)	(2,012)	(1,445)	(2,455)	(7,764)
Covered payroll	\$ 335,696	\$ 315,317	\$ 297,737	\$ 283,435	\$ 283,776
Contribution as % of covered payroll	3.07%	4.09%	3.90%	3.85%	3.70%
Contributions made during the fiscal year	\$ 9,800	\$ 12,800	\$ 10,400	\$ 10,900	\$ 9,900

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, 2025 and 2024, post-retirement medical benefits plan's fiduciary net position as a percentage of the total OPEB liability is 0% for both years.

The 2025 and 2024 covered payroll for the active population eligible to participate in the post-retirement medical benefits plan is \$22,558,900 and \$22,558,900 for 2025 and 2024, respectively. The net post-retirement medical benefits liability for the fiscal year ended June 30, 2025 and 2024, is \$22,027,500 and \$22,737,800, respectively. The net post-retirement medical benefits liability as a percentage of covered-employee payroll, as of the same time period, was 97.64% and 100.79%, respectively.

Supplemental Schedule of Community Benefit (unaudited)
For the Years Ended June 30, 2025 and 2024

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, 2025 and 2024, the estimated costs of providing community benefit in excess of reimbursement from governmental programs were as follows (in thousands):

	2025	2024
Unpaid costs of Medi-Cal & Indigent programs	\$ 86,026	\$ 78,306
Other community-based programs		
Psychiatric	19,492	12,892
Clinical trial	115	82
Ambulatory care	17,168	18,612
Psychiatric outpatient	2,730	2,615
Total other community-based programs	39,505	34,201
Total community benefits	<u>\$ 125,531</u>	<u>\$ 112,507</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 \$168,056,000 and \$143,509,000 for the years ended June 30, 2025 and 2024, 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.

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Communications with Those
Charged with Governance

El Camino Healthcare District

June 30, 2025

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, 2025, and have issued our report thereon dated **October 16**, 2025. 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 January 24, 2025, 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 January 24, 2025, 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. During fiscal year 2025, the District adopted Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. No other new accounting policies were adopted and there were no changes in the application of existing policies during 2025. 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 the fair value of interest rate swap agreements is based on third-party valuations that incorporate observable market inputs and, where applicable, assumptions regarding counterparty credit risk and the likelihood of early termination. We obtained an understanding of the valuation methodology used by management. We evaluated the key inputs and assumptions used in the fair value measurements. 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.

- Management's estimates of the probability of accumulated leave being used or settled and the timing of those payments for the sick leave accrual. We have gained an understanding of management's key factors and assumptions and have 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.

Uncorrected Misstatements: Below table summarizes uncorrected misstatements of the consolidated financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the consolidated financial statements as a whole. Uncorrected misstatements, or matters underlying those uncorrected misstatements, as of and for the year ended June 30, 2025 could potentially cause future-period financial statements to be materially misstated, even though we have concluded that the uncorrected misstatements are immaterial to the consolidated financial statements under audit:

	<u>DR</u>	<u>CR</u>
Net patient service revenue	\$ 3,500,000	
Patient accounts receivable, net		\$ 3,500,000

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October XX, 2025.

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 XX, 2025

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COMMUNICATION OF INTERNAL
CONTROL RELATED MATTERS

El Camino Healthcare District

June 30, 2025

Communications of Internal Control Related Matters

The Board of Directors
El Camino Healthcare District

In planning and performing our audit of the consolidated financial statements of El Camino Healthcare District (the District) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, 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 opinion on the consolidated 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

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

We did identify certain matters related to internal control that we deemed to be a control deficiency:

ECHMN's Patient accounts receivable (AR)

The reserving model serves as the basis for estimating allowances related to accounts receivable; however, some balances included in the trial balance are not captured within the model and require separate reconciliation.

We recommend updating the AR reserve model to incorporate the full gross AR balance and all relevant components, applying a balance sheet approach to ensure reserves accurately reflect collectability. Additionally, a formal monthly reconciliation process should be established between the reserve model, trial balance, and subsidiary ledgers, including manual accruals and journal entries, to promptly identify and address discrepancies.

Management's response: Given the significant growth of ECHMN and terms in the Professional Services Agreement (PSA) with USNC, the ECHMN Finance Team recorded a number journal entries during the fiscal year which were not incorporated in the revenue recognition model.

Management recognizes this is an area of opportunity and has established a process by which all journal entries made by the ECHMN Finance Team will be tracked and communicated in writing to the ECH Finance Team on a monthly basis. The intent of this new process is to ensure that moving forward all journal entries are captured in the revenue recognition model in a timely and accurate manner. In addition to this process, the ECH Finance Team will prepare a quarterly reconciliation

report to be reviewed by the ECH Assistant Controller prior to submission for review by the System Chief Financial Officer.

El Camino Healthcare District's written response to the deficiencies identified in our audit was not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on it.

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

San Francisco, California

October XX, 2025