



# AGENDA

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

**Tuesday, March 19, 2019 – 5:30pm**

El Camino Hospital | Conference Rooms EF&G (ground floor)  
2500 Grant Road Mountain View, CA 94040

**PURPOSE:** The purpose of the District shall be (i) to establish, maintain and operate, or provide assistance in the operation of, one or more health facilities (as that term is defined in 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; (ii) to acquire, maintain and operate ambulances or ambulance services within or without the District; (iii) to establish, maintain and operate, or provide assistance in the operation of free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare, and such other health care services provider, groups, and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the District; and (iv) to do any and all other acts and things necessary to carry out the provisions of the District's Bylaws and the Local Health District Law.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<b>1. CALL TO ORDER/ROLL CALL</b>	Julia Miller, Board Vice Chair		<b>5:30 – 5:32pm</b>
<b>2. SALUTE TO THE FLAG</b>	Julia Miller, Board Vice Chair		<b>5:32 – 5:34pm</b>
<b>3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Julia Miller, Board Vice Chair		<b>5:34 – 5:35</b>
<b>4. PUBLIC COMMUNICATION</b> a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Julia Miller, Board Vice Chair		<b>information</b> <b>5:35 – 5:38</b>
<b>5. COMMUNITY BENEFIT SPOTLIGHT: MAGICAL BRIDGE</b> <i>Resolution 2019-02</i> <a href="#">ATTACHMENT 5</a>	Barbara Avery, Director, Community Benefit; Olenka Willarreal, CEO, Magical Bridge	<i>public comment</i>	<b>motion required</b> <b>5:38 – 5:48</b>
<b>6. CONSENT CALENDAR</b> <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i>  <i>Approval</i> a. <a href="#">Minutes of the Open Session of the District Board Meeting (January 22, 2019)</a>	Julia Miller, Board Vice Chair	<i>public comment</i>	<b>motion required</b> <b>5:48 – 5:49</b>
<b>7. FY19 YTD ECHD FINANCIALS</b> <a href="#">ATTACHMENT 7</a>	Iftikhar Hussain, CFO	<i>public comment</i>	<b>possible motion</b> <b>5:49 – 5:59</b>
<b>8. ECH BOARD MEMBER ELECTION AD HOC COMMITTEE REPORT</b>	Julia Miller, ECH Member Election Ad Hoc Committee Chair	<i>public comment</i>	<b>possible motion</b> <b>5:59 – 6:09</b>
<b>9. BOARD COMPENSATION POLICY</b> <a href="#">ATTACHMENT 9</a>	Cindy Murphy, Director of Governance Services	<i>public comment</i>	<b>possible motion</b> <b>6:09 – 6:19</b>
<b>10. FY19 PACING PLAN</b> <a href="#">ATTACHMENT 10</a>	Julia Miller, Board Vice Chair		<b>discussion</b> <b>6:19 – 6:24</b>
<b>11. POSSIBLE REVISION TO MEETING STIPEND</b> <a href="#">ATTACHMENT 11</a>	Julia Miller, Board Vice Chair	<i>public comment</i>	<b>possible motion</b> <b>6:24 – 6:39</b>

A copy of the agenda for the Regular Board Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at (650) 988-7504 prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<b>12. ADJOURN TO CLOSED SESSION</b>	Julia Miller, Board Vice Chair	<i>public comment</i>	<b>motion required 6:39 – 6:40</b>
<b>13. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Julia Miller, Board Vice Chair		<b>information 6:40 – 6:41</b>
<b>14. CONSENT CALENDAR</b> <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i>  <b>Approval</b> <i>Gov't Code Section 54957.2:</i> a. Minutes of the Closed Session of the District Board Meeting (January 22, 2019)	Julia Miller, Board Vice Chair		<b>motion required 6:41 – 6:43</b>
<b>15. Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – Senior Management:</b> - Executive Session	Julia Miller, Board Vice Chair		<b>discussion 6:43 – 6:47</b>
<b>16. ADJOURN TO OPEN SESSION</b>	Julia Miller, Board Vice Chair		<b>motion required 6:47 – 6:48</b>
<b>17. RECONVENE OPEN SESSION/ REPORT OUT</b>	Julia Miller, Board Vice Chair		<b>6:48 – 6:49</b>
To report any required disclosures regarding permissible actions taken during Closed Session.			
<b>18. ADJOURNMENT</b>	Julia Miller, Board Vice Chair	<i>public comment</i>	<b>motion required 6:49 – 6:50pm</b>

**Upcoming Meetings:** May 21, 2019, June 18, 2019, October 22, 2019

# EL CAMINO HEALTHCARE DISTRICT

RESOLUTION 2019-02

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

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**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 Magical Bridge Foundation for partnering with the El Camino Healthcare District to create Magical Bridge Playgrounds in Mountain View and Sunnyvale.

The El Camino Healthcare District and Magical Bridge Foundation began a partnership in Fiscal Year 2019 to develop innovative, inclusive playgrounds in Mountain View and Sunnyvale to support physical activity and play experiences for those with special needs. Based on inclusive design research and the success of the original Magical Bridge Playground in Palo Alto, these playgrounds create a space where both children and adults with and without special needs can play alongside one another as peers. Without safe, fun places to play, people with disabilities are at greater risk for obesity and social isolation. The parks expect to see 150,000 visitors per year. For decades to come, thousands of community members, especially those with special needs, will have a place to play and gather.

**WHEREAS**, the Board would like to acknowledge Magical Bridge Foundation for its commitment to building innovative playgrounds and more inclusive communities.

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

### Magical Bridge Foundation

**IN WITNESS THEREOF**, I have here unto set my hand this **19TH DAY OF MARCH, 2019**.

**EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS:**

Peter C. Fung, MD • Gary Kalbach • Julia E. Miller • George O. Ting, MD • John Zoglin

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**JOHN ZOGLIN**  
**SECRETARY/TREASURER**  
**EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS**





**Minutes of the Open Session of the  
Meeting of the El Camino Healthcare District Board of Directors  
Tuesday, January 22, 2019**  
El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040  
Conference Rooms F&G (ground floor)

**Board Members Present**

**Peter C. Fung, MD**, Chair  
**Gary Kalbach**  
**Julia E. Miller**, Vice Chair  
**George O. Ting, MD**  
**John Zoglin**, Secretary/Treasurer

**Board Members Absent**

None

**Members Excused**

None

Agenda Item	Comments/Discussion	Approvals/ Action
<b>1. CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the El Camino Healthcare District Board of Directors (the “Board”) was called to order at 5:29pm by Chair Fung. A silent roll call was taken. All other Board members were present.	
<b>2. SALUTE TO THE FLAG</b>	Chair Fung led the Board members, staff, and members of the public present in the Pledge of Allegiance.	
<b>3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Chair Fung asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
<b>4. PUBLIC COMMUNICATION</b>	Director Miller described written correspondence received from a grateful El Camino Hospital patient.	
<b>5. COMMUNITY BENEFIT SPOTLIGHT: FRESH APPROACH</b>	<p><b>Motion:</b> To approve <i>Resolution 2019-01</i>.</p> <p><b>Movant:</b> Miller <b>Second:</b> Kalbach <b>Ayes:</b> Fung, Kalbach, Miller, Ting, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p> <p>Barbara Avery, Director, Community Benefit, introduced Laura deTar, Program Director of Fresh Approach.</p> <p>Ms. deTar provided an overview of Fresh Approach’s programming that addresses food insecurity through education (e.g., VeggieRx Nutrition and cooking workshops) and food access programs (e.g., mobile farmers’ markets, partnerships with food pantries on local college campuses). She noted that following the classes 33% of participants continue to lose weight and 75% report continuing to eat the same amount of fruits and vegetables – or more.</p> <p>In response to questions from the Board, Ms. deTar described Fresh Approach’s partnership work with the American Heart Association, the matching programming and collaboration with Sunnyvale Community Services, services at De Anza College, and typical attendance at cooking workshops (noting a 75-80% retention rate for a full class series).</p> <p>The Board thanked Ms. deTar for her work.</p>	<b>Resolution 2019-01 approved</b>
<b>6. CONSENT CALENDAR</b>	<p>Chair Fung asked if any member of the Board or the public wished to remove an item from the consent calendar. No items were removed.</p> <p><b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of</p>	<b>Consent calendar approved</b>

	<p>the District Board Meeting (December 5, 2018); Minutes of the Open Session of the District Board Meeting (December 7, 2018).</p> <p><b>Movant:</b> Miller  <b>Second:</b> Kalbach  <b>Ayes:</b> Fung, Kalbach, Miller, Ting, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	
<b>7. FY19 ECHD FINANCIALS</b>	<p>Iftikhar Hussain, CFO, provided an overview of the financials:</p> <ul style="list-style-type: none"> <li>- The consolidated balance sheet is healthy and the cash position is very strong; the organization is well-positioned for the completion of capital projects on the Mountain View campus.</li> <li>- The consolidated statement of operations shows that operating income is \$10 million ahead of budget for the first five months, equally from revenue and expenses.</li> <li>- Investment earnings are currently not as good as the prior year and below budget due to the market decline. Mr. Hussain noted that our market portfolio has an inception to date return of over 6%.</li> <li>- On the standalone balance sheet, there is a negative balance on the fund balance side due to the timing of tax levies used for debt service.</li> <li>- District revenue/expense variance is primarily due to outlays for Community Benefit programming, which are paid primarily in August and February.</li> </ul> <p>In response to Director Fung's questions, Mr. Hussain further described the investments, noting that the portfolio includes a mixture of equities and fixed income.</p> <p>In response to Director Ting's question, Mr. Hussain described the forecasted long-term rate of return used to develop the budgeted amount for non-operating income.</p> <p><b>Motion:</b> To approve the FY19 YTD ECHD Financials.</p> <p><b>Movant:</b> Kalbach  <b>Second:</b> Ting  <b>Ayes:</b> Fung, Kalbach, Miller, Ting, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<b><i>FY19 YTD ECHD Financials approved</i></b>
<b>8. BOARD GOVERNANCE ISSUES</b>	<p>Erica Osborne from Via Healthcare Consulting provided an overview of governance trends, challenges, and best practices. She noted that El Camino has been very proactive in the governance space.</p> <p>She described:</p> <ul style="list-style-type: none"> <li>- Industry changes in health care and the necessary changes in governance to respond to those changes, including many organizations shifting to multi-tiered governance</li> <li>- Governance challenges of system growth</li> <li>- Practices correlated with higher-performing boards: generative thinking, clearly defined roles and responsibilities, delegated authority, effective communication and reporting, monitoring</li> </ul>	

	<p>effectiveness of structure and processes</p> <p>She noted that delegated authority allows boards to do more work, faster, and smarter if there are proper mechanisms in place.</p> <p>Ms. Osborne outlined the reserved powers of the District Board, and the delegated responsibilities to the Hospital Board, and the role of Committees (work horses, conducting deep dives). She noted that the roles of the Hospital Board align with other organizations with multi-tiered governance.</p> <p>Ms. Osborne recommended that there be a formal Board policy to document the process for delegating authority to Committees and reporting back to the Hospital Board.</p> <p>The Board and Ms. Osborne discussed the service of non-Board members as Committee Chairs. Cindy Murphy, Director of Governance Services, explained that all of the Committee charters except the Governance Committee currently require that if a non-Board member is Chair of the Committee, a Board member must be a Vice Chair of the Committee; the Governance Committee charter requires that its Chair be a Board member. Board members commented that this structure satisfies any concerns.</p> <p>Ms. Osborne noted that the current delegations of authority to Committees are conservative, and the Hospital Board should continue to review this area for its effectiveness and other opportunities for delegation.</p> <p>In response to questions from the Board, Ms. Osborne noted that the more alignment between an organization's CEO the Board the better and this can be facilitated by the CEO serving on the Board.</p> <p>Ms. Osborne noted that the Board always reserves the right to pull back any delegated authority.</p>	
<p><b>9. ECH BOARD MEMBER ELECTION AD HOC COMMITTEE REPORT</b></p>	<p>Director Miller, Chair of the ECH Board Member Election Ad Hoc Committee, explained that she met briefly with Ad Hoc Committee member Zoglin and described the unique situation of the staggered availability of Hospital Board seats.</p> <p>Director Miller asked the Board for guidance for the Ad Hoc Committee on the timing of the appointments to fill the "two-year seat," which is currently vacant due to Neysa Fligor's departure, and the "three-year seat" currently held by Jeffrey Davis, MD, whose current term ends June 30, 2019. She also suggested that any interested members of the public contact Ms. Murphy to submit an application for consideration.</p> <p>The Board discussed the process and appointment timing, noting interested candidates could be considered simultaneously for both seats.</p> <p>Director Zoglin commented that there has been a recruiter identified to help with this work.</p> <p>Director Fung suggested that the District Board consider including Dan Woods, CEO, on the Hospital Board. Other Board members commented that this question should be agendized at a later date and considered by the full Board.</p> <p>In response to Director Kalbach's question regarding Dr. Davis, Director Miller commented that process is open to anyone who wishes to submit an application.</p> <p>The Board commented that the Ad Hoc Committee should conduct a search and review the whole pool of candidates at the same time for both seats.</p>	

<p><b>10. 2019 NEW LAWS AND PUBLIC POLICY UPDATE</b></p>	<p>Brenda Taussig, Director of Government &amp; Community Relations, provided an overview of new state laws relevant to District and Hospital operations:</p> <ul style="list-style-type: none"> <li>- AB 2019: District legislation focused on CB grant making policies and administration and how information is made public (requirements for District website); narrowly written language regarding housing</li> <li>- AB 2329: Establishes a single standard of compensation of special district board members. Staff noted that the current District Board compensation policy is in compliance with the law.</li> <li>- SB 115: Hospital Patient Discharge Process: Homeless patients</li> </ul> <p>Ms. Taussig noted that deadline for introduction of bills for 2019 is February 12, 2019. She also described Governor Newsom's focus on healthcare, including his appointments, executive orders, and establishment of the office of California Surgeon General.</p> <p>Directors Zoglin and Miller commended Ms. Taussig for her work.</p> <p>Director Miller suggested that the Board pursue an ordinance to increase Board member compensation. Directors Zoglin and Kalbach commented that such an ordinance would not be an effective use of resources. Chair Fung commented that he can discuss agendaizing this topic in the future.</p>	
<p><b>11. FY19 PACING PLAN</b></p>	<p>The Board discussed meeting in April or May to review ECH Board member candidates brought forward by the Ad Hoc Committee. Ms. Murphy explained that the Board currently has a meeting scheduled for May 15, 2019, and that staff can add meetings as needed if requested to do so.</p>	
<p><b>12. ADJOURN TO CLOSED SESSION</b></p>	<p><b>Motion:</b> To adjourn to closed session at 7:10pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of Minutes of the Closed Session of the District Board Meeting (June 19, 2018); pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – CFO: Annual Evaluation of ECHD CFO; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – CEO: Annual Evaluation of ECHD CEO; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: Executive Session.</p> <p><b>Movant:</b> Kalbach  <b>Second:</b> Ting  <b>Ayes:</b> Fligor, Fung, Miller, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<p><i>Adjourned to closed session at 7:10pm</i></p>
<p><b>13. AGENDA ITEM 18: RECONVENE OPEN SESSION/REPORT OUT</b></p>	<p>Open session was reconvened at 7:50pm. Agenda items 13-17 were addressed in closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the District Board Meeting (October 16, 2018) by a unanimous vote in favor of all members present (Directors Fung, Miller, Kalbach, Ting, and Zoglin).</p>	
<p><b>14. AGENDA ITEM 23: ADJOURNMENT</b></p>	<p><b>Motion:</b> To adjourn at 7:50pm.</p> <p><b>Movant:</b> Kalbach  <b>Second:</b> Ting  <b>Ayes:</b> Fligor, Fung, Miller, Reeder, Zoglin</p>	<p><i>Meeting adjourned at 7:51pm.</i></p>

	<b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	
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**Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Healthcare District:**

\_\_\_\_\_  
Peter C. Fung, MD  
Chair, ECHD Board

\_\_\_\_\_  
John Zoglin  
Secretary, ECHD Board

Prepared by: Cindy Murphy, Director of Governance Services  
Sarah Rosenberg, Contracts & Board Services Coordinator

DRAFT





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

**Board Finance Presentation**  
**Fiscal Year 2019**  
**7/1/2018- 01/31/2019**

Iftikhar Hussain, CFO

El Camino Healthcare District Board of Directors Meeting  
March 19, 2019

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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)

	Jan 31, 2019	June 30, 2018 Audited w/o Eliminations		Jan 31, 2019	June 30, 2018 Audited w/o Eliminations
<b><u>ASSETS</u></b>			<b><u>LIABILITIES &amp; FUND BALANCE</u></b>		
<b>Current Assets</b>			<b>Current Liabilities</b>		
Cash & Investments	\$292	\$296	Accounts Payable & Accrued Exp <sup>(5)</sup>	\$109	\$119
Patient Accounts Receivable, net	\$122	\$125	Bonds Payable - Current	8	7
Other Accounts and Notes Receivable	\$7	\$6	Bond Interest Payable	3	16
Inventories and Prepaids	\$81	\$76	Other Liabilities	8	9
<b>Total Current Assets</b>	<b>501</b>	<b>503</b>	<b>Total Current Liabilities</b>	<b>128</b>	<b>151</b>
<b>Board Designated Assets</b>			<b>Deferred Revenue</b>	<b>1</b>	<b>1</b>
Foundation Reserves	16	16	<b>Deferred Revenue Inflow of Resources</b>	<b>26</b>	<b>26</b>
Community Benefit Fund	23	21	<b>Long Term Liabilities</b>		
Operational Reserve Fund <sup>(1)</sup>	141	129	Bond Payable	636	643
Workers Comp, Health & PTO Reserves	75	74	Benefit Obligations	49	47
Facilities Replacement Fund <sup>(2)</sup>	198	189	Other Long-term Obligations	4	4
Catastrophic & Malpractice Reserve <sup>(3)</sup>	20	20	<b>Total Long Term Liabilities</b>	<b>689</b>	<b>695</b>
<b>Total Board Designated Assets</b>	<b>472</b>	<b>450</b>	<b>Fund Balance</b>		
<b>Non-Designated Assets</b>			Unrestricted	1,306	1,268
Funds Held By Trustee <sup>(4)</sup>	140	218	Board Designated & Restricted	387	359
Long Term Investments	336	346	Capital & Retained Earnings	17	16
Other Investments	34	35	<b>Total Fund Balance</b>	<b>1,709</b>	<b>1,643</b>
Net Property Plant & Equipment	1,022	920			
Deferred Outflows of Resources	21	21			
Other Assets	26	23			
<b>Total Non-Designated Assets</b>	<b>1,580</b>	<b>1,563</b>			
<b>TOTAL ASSETS</b>	<b>\$2,553</b>	<b>\$2,516</b>	<b>TOTAL LIAB. &amp; FUND BAL.</b>	<b>\$2,553</b>	<b>\$2,516</b>



*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 January 31, 2019

(Includes El Camino Hospital)

	<u>Actual</u>	<u>Budget</u>	<u>Fav (Unfav) Variance</u>	<u>Prior YTD FY Actual</u>
Net Patient Revenue <sup>(6)</sup>	536	525	11	523
Other Operating Revenues <sup>(7)</sup>	24	28	-3	28
<b>Total Operating Revenues</b>	<b>560</b>	<b>553</b>	<b>7</b>	<b>551</b>
Wages and Benefits	295	297	2	279
Supplies	77	79	2	73
Purchased Services	73	76	4	64
Other	18	19	1	17
Depreciation	30	31	1	29
Interest	2	2	0	3
<b>Total Operating Expense <sup>(8)</sup></b>	<b>497</b>	<b>505</b>	<b>9</b>	<b>466</b>
<b>Operating Income</b>	<b>63</b>	<b>47</b>	<b>16</b>	<b>85</b>
Non-Operating Income <sup>(9)</sup>	2	26	(24)	72
<b>Net Income</b>	<b>65</b>	<b>73</b>	<b>(8)</b>	<b>158</b>



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 FY 2019 Actual to Budget**  
**(Includes El Camino Hospital)**

- 1) The increase is due to the annual resetting of a 60 day reserve of expenses based on the current fiscal year's Hospital budget.
- 2) The current period Facilities Replacement Fund is comprised of (\$ Millions):

ECH Capital Replacement Fund (i.e. Funded Depr.)	\$149
ECHD Appropriation Fund (fka: Capital Outlay)	15
ECH Women's Hospital Expansion	15
ECH BHS Replacement Building Fund	14
ECHD Capital Replacement Fund (i.e. Funded Depr.)	<u>5</u>
	<u>\$198</u>

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

ECH Catastrophic Fund (aka: Earthquake Fund)	\$18
ECH Malpractice Reserve	<u>2</u>
	<u>\$20</u>

- 4) The decrease is due to the Bond Project Fund disbursements for the IMOB and BHS construction.
- 5) The decrease is due to the significant construction and facilities accruals booked at year end and subsequently paid during July and August of the new fiscal year.
- 6) The increase in Net Patient Revenue was driven by outpatient volumes exceeding budgets in the O/P Operating Room, CT Imaging, the Emergency Department, and Pharmacy and a cost report settlement of \$3.4 million.
- 7) Primarily the negative variance is due to the slow start up of the OP Pharmacy program that just began in early fiscal 2019.
- 8) The positive variance in expenses was driven by productive salary expense being less than budget in both management and technical/specialist salaries offset by an increase in healthcare expense. As well in Purchased Services for SVMMD as it begins to increase activity.
- 9) The \$24M negative variance to budget is driven by the unrealized losses on investments thus far in the fiscal year.



# 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*

	Jan 31, 2019	June 30, 2018		Jan 31, 2019	June 30, 2018
<b><u>ASSETS</u></b>			<b><u>LIABILITIES &amp; FUND BALANCE</u></b>		
Cash & cash equiv	\$3,049	\$4,306	Accounts payable <sup>(8)</sup>	\$182	\$0
Short term investments	8,680	2,377	Current portion of bonds	3,800	3,310
Due fm Retiree Health Plan <sup>(1)</sup>	20	10	Bond interest payable <sup>(9)</sup>	587	2,603
S.C. M&O Taxes Receivable	990	0	Other Liabilities	107	106
Other current assets	0	21			
<b>Total current assets</b>	<b>\$12,739</b>	<b>\$6,714</b>	<b>Total current liabilities</b>	<b>\$4,676</b>	<b>\$6,019</b>
Operational Reserve Fund <sup>(2)</sup>	1,500	1,500			
Capital Appropriation Fund <sup>(3)</sup>	14,790	20,964			
Capital Replacement Fund <sup>(4)</sup>	5,473	5,298	Deferred income	90	47
Community Benefit Fund <sup>(5)</sup>	3,980	5,596	Bonds payable - long term	121,887	125,687
<b>Total Board designated funds</b>	<b>\$25,743</b>	<b>\$33,358</b>	<b>Total liabilities</b>	<b>\$126,653</b>	<b>\$131,753</b>
Funds held by trustee <sup>(6)</sup>	<b>\$21,709</b>	<b>\$20,837</b>	<b>Fund balance</b>		
<b>Capital assets, net <sup>(7)</sup></b>	<b>\$10,843</b>	<b>\$10,978</b>	Unrestricted fund balance	\$50,855	\$50,692
			Restricted fund balance <sup>(10)</sup>	(106,474)	(110,558)
			<b>Total fund balance</b>	<b>(\$55,619)</b>	<b>(\$59,866)</b>
<b>TOTAL ASSETS</b>	<b>\$71,034</b>	<b>\$71,888</b>	<b>TOTAL LIAB &amp; FUND BALANCE</b>	<b>\$71,034</b>	<b>\$71,888</b>



*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 January 31, 2019

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

	Actual	Current Year Budget	Variance	Prior Full Year Actual
<b><u>REVENUES</u></b>				
(A) Ground Lease Revenue <sup>(11)</sup>	\$ 55	\$ 56	\$ (1)	\$ 92
(B) Redevelopment Taxes <sup>(12)</sup>	164	91	73	256
(B) Unrestricted M&O Property Taxes <sup>(12)</sup>	6,297	6,556	(259)	8,025
(B) Restricted M&O Property Taxes <sup>(12)</sup>	4,842	4,842	-	7,831
(B) G.O. Taxes Levied for Debt Service <sup>(12)</sup>	5,950	5,950	-	9,266
(B) IGT/PRIME Medi-Cal Program <sup>(13)</sup>	(1,336)	(1,175)	(161)	(6,469)
(B) Investment Income (net)	531	-	531	29
(B) Other income	-	-	-	0
<b>TOTAL NET REVENUE</b>	<b>16,503</b>	<b>16,320</b>	<b>183</b>	<b>19,030</b>
<b><u>EXPENSES</u></b>				
(A) Wages & Benefits <sup>(14)</sup>	-	-	-	0
(A) Professional Fees & Purchased Svcs <sup>(15)</sup>	439	370	(69)	439
(A) Supplies & Other Expenses	41		(41)	153
(B) G.O. Bond Interest Expense (net) <sup>(16)</sup>	1,672	1,804	132	3,037
(B) Donations to Outside Organizations <sup>(17)</sup>	5,129	3,570	(1,559)	6,847
(A) Depreciation / Amortization	135	135	-	231
<b>TOTAL EXPENSES</b>	<b>7,416</b>	<b>5,879</b>	<b>(1,537)</b>	<b>10,707</b>
<b>NET INCOME</b>	<b>\$ 9,087</b>	<b>\$ 10,441</b>	<b>\$ (1,354)</b>	<b>\$ 8,323</b>
 (A) Operating Revenues & Expenses (B) Non-operating Revenues & Expenses				
<b><u>RECAP STATEMENT OF REVENUES &amp; EXPENSE</u></b>				
(A) Net Operating Revenues & Expenses	\$ (560)			
(B) Net Non-Operating Revenues & Expenses	9,647			
<b>NET INCOME</b>	<b>\$ 9,087</b>			



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

	<b>Jan 31, 2019</b>	<b>June 30, 2018</b>
<b>Fiscal year beginning balance</b>	<b>\$ (59,866)</b>	<b>\$ (74,657)</b>
Net income year-to-date	\$ 9,087	\$ 8,323
Transfers (to)/from ECH:		
IGT/PRIME Funding <sup>(18)</sup>	\$ 1,336	\$ 6,469
Capital Appropriation projects <sup>(19)</sup>	\$ (6,176)	-
<b>Fiscal year ending balance</b>	<b>\$ (55,619)</b>	<b>\$ (59,866)</b>



*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) **Due from Retiree Health Plan** – The monies due from Trustee for District's Retiree Healthcare Plan.
- (2) **Operational Reserve Fund** – Starting in FY 2014, the Board established an operational reserve for unanticipated operating expenses of the District.
- (3) **Capital Appropriation Fund** – Decrease is due to funding of the committed \$6.2M of the Women's Hospital renovation project to commence after the IMOB is completed.
- (4) **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.
- (5) **Community Benefit Fund** – Newly established fund at the District in FY 2014, as the District retains its unrestricted M&O property taxes to pay for its operations and support its Community Benefit Program.
- (6) **Funds Held by Trustee** – Funds from General Obligation tax monies, being held to make the debt payments when due.
- (7) **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.
- (8) **Accounts Payable and Accrued Expenses** – Expenses due which have not yet been paid.
- (9) **Bond Interest Payable** – The decrease is due to the semi-annual payment to G.O. bondholders made in August & January.
- (10) **Fund Balance** – The negative fund balance is a result of the General Obligation bonds which assisted in funding the replacement hospital facility in Mountain View. Accounting rules required the District to recognize the obligation in full at the time the bonds were issued ; receipts from taxpayers will be recognized in the year they are levied, slowly reducing the negative fund balance over the next 18 years.



# El Camino Healthcare District

## Notes to Stand-Alone Financial Statements

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

(11) **Other Operating Revenue** – Lease income from El Camino Hospital for its ground lease with the District.

(12) **Taxes: Redevelopment, M&O, G.O.** – Tax receipts (either received or to be received) during the period. Note amount for the G.O. Taxed Levied for Debt will come in less than prior year mostly due to the March 2017 G.O. Refunding that the District did that reduced the previously \$12.90 of assessed property valuation per \$100,000 to a current \$10.00 per \$100,000.

(13) **IGT/PRIME Expense** – A payment in support of the PRIME program, will provide a return at two (2) times this amount.

(14) **Wages & Benefits** – The District employs no employees. Employees are based at the Hospital, CONCERN, or SVMD entities. The District does contract with the Hospital and outside professional and general services organizations (see item 15).

(15) **Professional Fees & Services** – Detailed below:

• Community Benefit Support from ECH	\$ 232
• Registrar of Voters	177
• Legal	17
• Other	<u>13</u>
	<u>\$ 439</u>

(16) **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.

(17) **Donations to Outside Organizations** – Starting in FY 2014, the District is directly operating its Community Benefit Program at the District level. This represents amounts expended to grantees and sponsorships thus far in this fiscal year . Note the major payments to recipients are made in August and February of the fiscal year.

(18) **IGT/PRIME Funding** – Transfers from ECH for participation in the PRIME program thus far in FY 2019.

(19) **Capital Appropriation Projects Transfer** – This amount for FY2019 was the approved amount at the Board's June 2018 meeting to be transferred to the Hospital during FY2019 for the future renovation of the Women's Hospital after the IMOB is completed in the Summer 2019.



# 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

01/31/2019

(1) Maintenance and Operation and Government Obligation Taxes \$17,089

(2) Redevelopment Agency Taxes 164

**Total District Tax Receipts \$17,253**

### Uses Required Obligations / Operations

(3) Government Obligation Bond 5,950

**Total Cash Available for Operations, CB Programs, & Capital Appropriations 11,303**

(4) Capital Appropriation Fund – Excess Gann Initiative Restricted\* 4,842

**Subtotal 6,461**

(5) Operating Expenses 480

**Subtotal 5,981**

(6) Capital Replacement Fund (Park Pavilion) 176

**Funds Available for Community Benefit Programs \$5,805**

\*Gann Limit Calculation for FY2019 \$8,429

(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)





## EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

**To:** El Camino Healthcare District Board of Directors  
**From:** Cindy Murphy, Director of Governance Services  
**Date:** March 19, 2019  
**Subject:** Draft Revised District Director Compensation and Reimbursement (1) Policy and (2) Procedure

**Recommendation(s):** To approved certain proposed changes as presented in Attachments 1 and 2 below to (1) the El Camino Healthcare District Board Director Compensation and Reimbursement Policy and (2) the El Camino Healthcare District Board Director Compensation and Reimbursement Procedure

### **Summary:**

1. **Situation:** Staff recommends the following revisions:
  - A. Revise to allow for a \$130 average daily meal allowance for Board members traveling for District business or District related educational events.
  - B. Correcting a staff title that appears in the Policy and Procedure documents.
  - C. Substituting the words "Board member" for the word "employee" for accuracy.
2. **Authority:** Revisions to Board Policies require Board approval.
3. **Background:** These are primarily "clean up" changes. The increased meal allowance accounts for increasing costs since the Policy and Procedure were last approved in 2014.
4. **Assessment:** N/A
5. **Other Reviews:** None.
6. **Outcomes:** N/A

### **List of Attachments:**

1. Draft Revised El Camino Healthcare District Board Director Compensation and Reimbursement Policy
2. Draft Revised El Camino Healthcare District Board Director Compensation and Reimbursement Procedure

**Suggested Board Discussion Questions:** None



EL CAMINO HEALTHCARE DISTRICT  
DIRECTOR COMPENSATION POLICY

**1.00 EL CAMINO HEALTHCARE DISTRICT BOARD DIRECTOR  
COMPENSATION AND REIMBURSEMENT POLICY**

A. Coverage:

Members of El Camino Healthcare District Board

B. Adopted:

May 1, 2013 (Revised Effective 3/6/14)(Draft Revised 3/11/19)

C. Policy:

1. The El Camino Healthcare District shall pay, in compliance with California Health and Safety Code Section 32103 and other applicable laws, members of its Board of Directors the amount of \$100 per meeting not to exceed five meetings per month. Members of the Board of Directors who do not wish to receive such payments may notify the Director of Governance Services~~Board Liaison~~ and the CEO by submitting a "Board of Directors' Compensation Opt-Out" form. Any member not receiving compensation may request to receive such compensation for attendance at future events by notifying the Director of Governance Services~~Board Liaison~~ and the CEO. Such meetings shall include:

a. Regular, Special, and Emergency Meetings of the El Camino Healthcare District Board of Directors.

b. Meetings of the El Camino Healthcare District Board Committees if any.

2. The El Camino Healthcare District shall also pay, in compliance with California Health and Safety Code Section 32103 and other applicable laws, members of its Board of Directors who request such payment, reimbursement for his or her actual necessary traveling and incidental expenses, including but not limited to travel, lodging, and meals incurred on behalf of the El Camino Healthcare District. However, Board members will not be reimbursed for travel to meetings or other events at El Camino Hospital.

3. This policy shall be implemented in accordance with El Camino Healthcare District Procedure 1.00.



**EL CAMINO HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
COMPENSATION AND REIMBURSEMENT PROCEDURE**

**1.00 PAYMENT OF BOARD MEMBER STIPEND AND REIMBURSEMENT OF BUSINESS, EDUCATION AND TRAVEL EXPENSES**

**A. Coverage**

Stipends and expense reimbursement to members of the El Camino Healthcare District Board of Directors

**B. Adopted**

May 1, 2013 (Revised 3/5/14; effective 3/6/14) (Draft Revised 3/11/19)

**C. Policy Summary**

It is the policy of the El Camino Healthcare District (the "District") to pay Board members stipends in accordance with Policy 1.00 and to reimburse Board members from operational funds for business, educational and associated travel expenses. The District will also pay Board members for attendance at meetings, as defined in Policy 1.00 as follows: \$100.00 per event up to 5 events per month.

Board members must submit a completed request (form #2085) for educational seminars and conferences, or necessary off-site business expenses incurred on behalf of the District.

Board members are expected to use prudent judgment in selecting their travel accommodations and otherwise incurring expenses which will be reimbursed by the District.

**D. Eligibility for Payment or Reimbursement**

**1. Stipends -**

a. In accordance with Policy 1.00, staff will track Board members' attendance at meetings and, on a monthly basis, provide Board members who have not opted out of the policy with a "Meeting Attendance Report Confirmation" form for signature.

b. Upon receipt of the signed Meeting Attendance Report Confirmation and following approval of the Board Chair, (or the Vice Chair, in the case of the Chair's compensation) staff will forward the document to accounting.

c. Stipends paid to Directors are IRS Form 1099 – Miscellaneous reportable. Directors who have not opted out of participation in Policy 1.00 and are accepting stipend payments must submit IRS FORM W-9 to ECH Accounting before receiving payment. Annually, ECH will provide IRS Form 1099-Miscellaneous to Directors receiving stipend compensation in excess of \$600.00 in a calendar year.

2. Use of Personal Vehicle for attendance at educational or other events on behalf of the District.

a. The District will pay the current IRS mileage rate for miles actually traveled, but not more than, from the Board member's home or usual place of business within California when traveling on behalf of the District. However, the District shall not reimburse Directors for miles traveled to meetings or events at El Camino Hospital.

b. To be reimbursed, the Board member must complete the Mileage Reimbursement form provided by the Director of Governance Services~~Board Liaison~~. The form must be signed by the Board Chair (or the Vice Chair in the case of the Chair's reimbursement) and sent to accounting (OAK200) for processing.

2. Educational seminars, conferences, events, etc. attended for the benefit of the District.

a. **Seminar/conference fees** will be reimbursed in full or at a pro-rated amount.

b. **Air travel** will be reimbursed at "coach" airfare rates. No reimbursement should be claimed for personal convenience fees such as those associated with priority boarding or seating upgrades.

c. **Ground travel** to a seminar or other event, with the exception of events at El Camino Hospital, using the Board member's personal vehicle will be reimbursed as noted in item D.1., at the current IRS mileage rate per mile. Board members should consider use of a rental car in cases where the expenses are expected to be less than the reimbursement for a personal vehicle.

d. **Taxi, bus, rail, limo or rental car service**, if required at the destination, may be reimbursed by the District if necessary for business purposes, as follows:

i) Reimbursement for car rental expenses incurred by the Board member will be limited to the amount charged for a standard "intermediate" car unless there is a business need for a larger vehicle (multiple travelers with luggage, for example). If the requester requests a larger automobile than is necessary to meet the

business need, he/she is to have the rental agency document what the price would have been for a standard “intermediate” vehicle and seek reimbursement for only the lower amount. If a larger vehicle is required to meet a business need, this need must be documented on the "Business-Education-Travel Reimbursement Authorization" form.

ii) Limousine service is permitted if it is no more expensive than available alternatives.

iii) Board members should choose the least expensive available alternative suitable for the purpose and situation.

e. **Lodging** will be reimbursed at the standard private room rate at the selected motel/hotel.

f. **Meals** will be reimbursed at actual cost plus tip (normally 15%). The maximum average reimbursement per day is \$~~13095~~.00. It is the responsibility of the Board member to decide how he/she spends the per day maximum allowable amount for meals. Detailed receipts indicating the items purchased must be submitted.

g. **Alcohol** will not be reimbursed unless approved by the Board Chair. Because approval will only be granted in unusual circumstances, it is recommended that Board members request approval in advance of the expenditure. The maximum average reimbursement of \$~~13095~~.00 per day includes any approved expenses for alcohol.

h. **Telephone calls and Internet Service**, during travel, required for necessary District business will be reimbursed at cost. These expenses should be itemized on the statement. The District will also reimburse expenses for a personal telephone call home each day while on District business. The conversation should be kept to a reasonable length and will be reimbursed at cost.

3. The District will not advance or reimburse for the following:

- a. Any expenses of a spouse or other individual who accompanies the Board member on travel.
- b. Any additional expenses for travel by business or first class, or any charges for special boarding privileges or seats.
- c. Lodging amenities such as subscription television, valet service, cleaning/pressing of clothes (if the function is greater than one week,



this service is allowed), concierge, etc. In-room meal service is subject to the normal meal reimbursement rates detailed in D.2.f above.

- d. If an offsite event is within a reasonable radius of the Board member's home or usual place of business and the function is starting after 7:30 a.m. and/or will be ending before 11:30 p.m., the Hospital will not pay for overnight accommodations, as it is expected that the Board member will commute that distance to and from the function within that business day.
- e. Car rental fees on an individual basis where there is the opportunity to share a rental car for a group of participants.
- f. Additional per mileage charge or gasoline expense by a car rental agency for personal pleasure driving.
- g. Any entertainment such as theater, tours, nightclubs, etc.
- h. Discretionary expenses for another Board member or staff, such as a birthday, holiday (e.g. Christmas), weddings, child birth, special days (i.e. Administrative Day, or some life event.
- i. Professional memberships are generally not reimbursable.

E. **Travel Reservations**

When booking accommodations and/or air travel, the following points should be noted:

- 1. If a deposit is required to be made by the District, prior approval of the travel request must be received in sufficient time for Accounting to process the request and ensure that the payment reaches its destination by the required date.
- 2. When booking air travel utilizing a travel agency, the District's current travel agency must be used. Board members may book airfares over the Internet using the employee's personal credit card. The Board member must then seek reimbursement from the District.
- 3. In most cases, air travel should be booked as a non-refundable fare. The much-lower cost of these non-refundable fares is normally so great that the extra cost, should a trip be re-scheduled, is still much less than paying a full-price fare.

F. **Expense Reporting**

Expense reporting must be in conformity with minimum IRS standards and all expenses of \$25.00 or greater must be supported by detailed receipts. Expense reports must indicate as a minimum all of the following:

- Business purpose
- Date and location
- Name and position of Board memberemployee

Noncompliance with the above requirements could cause the reimbursement to be considered as additional compensation to the Board member and thus would become taxable (via a W-2 or Form 1099). To avoid this potential problem, the Board memberemployee must complete the "Business-Education-Travel Reimbursement Authorization" form and attach all supporting documentation.

G. **Procedure for Completing Form**

1. All Board members must complete the "Business-Education-Travel Reimbursement Authorization" form (Form 2085). Local business mileage reimbursement may be requested via the use of the Mileage Reimbursement form ([form #54.00a](#)).
2. Form #2085 is self-explanatory, but listed below are key points to remember.

All supporting documents must be attached to the request form. Examples of supporting documents include:

- Copy of registration form
  - Lodging receipts
  - *Detailed* meal receipts
  - Car rental receipts
  - Parking fee receipts
- a. In circumstances where a receipt is not obtainable (or lost), the Board member must attach a statement detailing the expense as to date, place, reason for expense, and amount. All reports with missing receipts require approval by the Board Chair.
  - b. Where receipts are given that include non-reimbursable expenses, these expenses must be marked in some fashion and deducted from the total so that only eligible expenses are reimbursed.
3. When travel advances are provided, the recipient must submit a final accounting of his/her expenses on the Business, Education, and Travel Expense form and return any excess advance, no later than

120 days from the date of the event. If this is not done, disciplinary action may be taken. In addition, any undocumented advance will be considered additional income to the recipient and reported as a W-2 or Form 1099 transaction.

- The CEO shall have signature Authority (approval) for the completed form, as well as travel agency invoices.

H. **Exceptions**

Because it is impossible to foresee every possible situation, it is recognized that exceptions may sometimes be appropriate. As a result, expenses which are not generally reimbursed under this policy may be reimbursed by the District upon determination of the appropriateness and reasonableness of the expenses by the Board Chair (or the Vice Chair in the case of the board Chair's expenses). Any such exception, including the justification for the exception, shall be attached to the request for reimbursement.

**EL CAMINO HEALTHCARE DISTRICT BOARD**  
**FY2019 PACING PLAN**  
**Updated 3/6/19**

FY19 Q1		
JULY 2018	AUGUST 2018	SEPTEMBER 2018
No Meeting	No Meeting	No Meeting
FY19 Q2		
OCTOBER 16, 2018	NOVEMBER 2018	DECEMBER 2018
<ul style="list-style-type: none"> <li>▪ FY19 YTD ECHD Financials</li> <li>▪ Community Benefit Spotlight (BAWSI)</li> <li>▪ FY18 Community Benefit Year End Report</li> <li>▪ FY18 Stand-Alone Financials</li> <li>▪ FY18 Financial Audit Presentation – Consolidated ECH District Financials</li> <li>▪ Approve FY18 Hospital Audit</li> <li>▪ Adopt Resolution Setting Calendar Year 2019 Meeting Dates</li> <li>▪ Hospital Board Member Election Ad Hoc Committee Report</li> <li>▪ Pacing Plan</li> <li>▪ Approval of Minutes</li> <li>▪ FY18 CEO and CFO Performance Review</li> </ul>	No Meeting	<p>December 5th</p> <ul style="list-style-type: none"> <li>▪ Hospital Board Member Election Ad Hoc Committee Report</li> <li>▪ Re- Election of Non-District Board Member to the El Camino Hospital Board of Directors</li> <li>▪ Draft Revised Community Benefit Grants Policy</li> <li>▪ Recognition of Outgoing District Board Members</li> <li>▪ Approval of Minutes</li> <li>▪ Appoint of Members to the Ad hoc Committee and to the CBAC</li> <li>▪ Pacing Plan</li> </ul> <p>December 7th</p> <ul style="list-style-type: none"> <li>▪ Administration of Oath of Office</li> <li>▪ Affirm/Sign Standards of Conduct</li> <li>▪ Election of Board Members to the El Camino Hospital Board of Directors</li> <li>▪ Pacing Plan</li> </ul>

FY19 Q3		
JANUARY 22, 2019	FEBRUARY 2019	MARCH 19, 2019
<ul style="list-style-type: none"> <li>Recognition (As Needed)</li> <li>Community Benefit Spotlight (If Time Allows)</li> <li>FY19 YTD ECHD Financials</li> <li>Hospital Board Member Election Ad Hoc Committee Report (if necessary)</li> <li>Process for Election and Re-Election of NDBM's</li> <li>Pacing Plan</li> <li>Approval of Minutes (12/5 and 12/11)</li> <li>Delegation of Authority to El Camino Hospital Board Advisory Committees and El Camino Hospital Board Advisory Committee Structure</li> <li><del>District Board Compensation Policy</del></li> <li>Real Estate Update</li> </ul>	No Meeting	<ul style="list-style-type: none"> <li>Recognition (As Needed)</li> <li>Community Benefit Spotlight (If Time Allows)</li> <li>FY19 YTD ECHD Financials</li> <li>Hospital Board Member Election Ad Hoc Committee Report (if necessary)</li> <li>Pacing Plan</li> <li>Approval of Minutes</li> <li><u>District Board Compensation Policy</u></li> </ul>
FY19 Q4		
APRIL 2019	MAY 21, 2019	JUNE 18, 2019
No Meeting	<ul style="list-style-type: none"> <li>FY 20 Community Benefit Plan Study Session</li> <li>Community Benefit Mid-Year Metrics</li> <li>Appoint FY 20 Hospital Board Member Election Ad Hoc Committee and Advisors</li> <li><u>Possible Revision to El Camino Hospital Bylaws</u></li> <li>Approval of Minutes</li> </ul>	<ul style="list-style-type: none"> <li>Recognition (As Needed)</li> <li>Community Benefit Spotlight (If Time Allows)</li> <li>FY19 YTD ECHD Financials</li> <li>Tax Appropriation for FY20</li> <li>District Capital Outlay Fund</li> <li>Hospital Board Member Election Ad Hoc Committee Report (if necessary)</li> <li>Review and Approve FY20 Pacing Plan</li> <li>Approval of FY20 Community Benefit Plan</li> <li>Approve ECH FY20 Budget</li> <li>Approve ECHD FY20 Budget</li> <li>CEO and CFO Review</li> <li>ECH Board and Board Chair Assessment</li> <li>Appointment of Liaison to the Community Benefit Advisory Council</li> <li>Approval of Minutes and FY 20 Pacing Plan</li> <li>Election of Board Officers</li> </ul>



## EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

**To:** El Camino Healthcare District Board of Directors  
**From:** Julia Miller, Vice Chair  
**Date:** March 19, 2019  
**Subject:** Possible Revision to Meeting Stipend

### **Purpose:**

To discuss increasing the El Camino Healthcare District Director Meeting Stipend up to 5%.

### **Possible Motion:**

To direct staff to (1) work with other Districts to obtain a draft ordinance, (2) post public notice of the ordinance and (3) set a date for the Board to conduct a public hearing to adopt an ordinance in accordance with the procedure for increasing the meeting stipend 5% pursuant to California Health & Safety Code Section 32103(b).

### **Summary:**

1. **Situation:** Effective January 1, 2019 California Health and Safety Codes Section 32103 was amended to permit, but not require, Hospital Districts to increase the amount of compensation received for attending meetings of the board by no more than 5% annually.
2. **Authority:** Any increase in the meeting stipend requires Board action.
3. **Background:** In accordance with our Policy, El Camino Health Care District Board members are currently eligible to receive a stipend in the amount of \$100 for attendance at District Board and District Board Committee meetings up to 5 meeting per month. The January 1, 2019 amendment to the Health and Safety Code allows the Board, by ordinance adopted pursuant to the Water Code, to increase the stipend by up to 5% annually. The Water Code ordinance procedure requires the board to authorize staff to circulate notice of a public hearing in a newspaper once a week for two successive weeks, with at least five days intervening between publication dates. The ordinance can be adopted following the newspaper notice and a public hearing and will become effective 60 days after it passes, assuming that the voters have not petitioned for referendum. Over the last two years, stipends were paid (ore will be paid) to those Board members who opt to receive it for the following meetings:

#### **FY18**

Regular Board Meetings: **6**

Special Board Meetings: **1**

**Board Committee Meetings: 5**

Total = 12

#### **FY19 FYTD Held (+ additional planned or likely to occur)**

Regular Board Meetings: **4** FYTD (+**3**) – Total = 7

Special Board Meetings: **1** FYTD (+ **0**) – Total = 1

**Board Committee Meetings: 5** FYTD (+**2 - 3**) – Total = 8

Total = 16

Possible Revision to Meeting Stipend  
March 19, 2019

4.     Assessment: N/A
5.     Other Reviews: None.
6.     Outcomes: If an ordinance increasing the meeting stipend is adopted and becomes effective as described above, we will ask staff to bring further revisions to the El Camino Healthcare District Board Director Compensation and Reimbursement (1) Policy and (2) Procedure to a future meeting.

**List of Attachments**: None.

**Suggested Board Discussion Questions**: Should the Board direct staff as described above?