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Peninsula HEALTH CARE DISTRICT
Building a Healthier Community

PUBLIC MEETING OF THE
BOARD OF DIRECTORS
6:30 PM, Thursday, December 14, 2023
2600 S El Camino, San Mateo, 94403

AGENDA

1. **Call to Order and Roll Call**

2. **Public Comment on Non-Agenda Items**
At this time, any person in the audience may speak on any items not on the agenda and any other matter within the jurisdiction of the District. Speakers are customarily limited to three minutes. If you cannot attend the meeting, but would like to offer comments, please email your comments to Voula.theodoropoulos@peninsulahealthcaredistrict.org or visit our website https://www.peninsulahealthcaredistrict.org/public-comment-form *, and your comments will be read into the record.*

3. **Report Out From Closed Session: 12/7/2023 & 12/14/2023:** Chairman Cappel

4. **Consent Calendar: ACTION**
   - **a.** Board Meeting Minutes - October 26, 2023 **Pg. 1-5**
   - **b.** Finance Committee Minutes – July 11, 2023 **Pg. 6-8**
   - **c.** Strategic Direction Committee Minutes – August 2, 2023 **Pg. 9-17**
   - **d.** Community Health Investment Committee minutes – October 11, 2023 **Pg. 18-20**
   - **e.** Checking Account Transactions - October 2023 **Pg. 21-23**
   - **f.** Treasurer's Report – October 2023 **Pg. 24**
   - **g.** 2024 Board Meeting Calendar **Pg. 25**

5. **Old Business:**
   - **a.** **Presentation of FY 2023 Audit Report**: Vickie Yee, CFO & Rick Jackson, CPA, JWT & Associates, LLP **Pg. 26-69**
   - **b.** **Eskaton Contract Renewal:** Eskaton Management Team **Pg. 70-128**
   - **c.** **The Trousdale Emergency Generator for the Refrigerator and Freezer Units Proposal:** Sylvia Chu, Executive Director, The Trousdale **Pg. 129**

6. **New Business:**
   a. **Samaritan House R.I.S.E. Initiative: Guaranteed Income Program Pilot**: Alec Raffin, COO, Samaritan House **Pg. 130-138**
   b. **Community Health Investment Committee Grant Recommendations for FY' 2024**: Dr. Navarro, CHIC Chairman & Fátima Rodriguez, Strategic Initiatives Director **Pg. 139-151**

7. **Reports:**
   a. **Board Standing Committees:**
      Strategic Direction Oversight - November 1, 2023
      Community Health Investment - November 20, 2023
      Finance - November 20, 2023
   b. **Board Chair and Director Reports**
   c. **CEO Strategic Plan Quarterly Report** **Pg. 152-176**

8. **Adjourn:**

Any writings or documents provided to a majority of the Board of Directors regarding any item on this agenda will be made available for public inspection at the District office, 1819 Trousdale, Burlingame during normal business hours. Please call 650-697-6900 to arrange an appointment

A

BOARD OF DIRECTORS MEETING MINUTES 6:30 pm Thursday, October 26, 2023 1819 Trousdale Dr. Burlingame, Ca 94010 (Classroom)		
Directors Present Chairman Cappel Vice-Chairman Pagliaro Secretary Zell Director Navarro Director Sanchez	**Directors Absent**	**Also, Present** Legal Counsel Mark Hudak, Alexis Denton, Maria Mortati, Resilient Environment, LLC

1. Call to Order and Roll Call: Chairman Cappel called the meeting to order at 6:31 p.m. Roll call attendance was taken. A quorum was present.

2. Public Comment on Non-Agenda Items: No Public comments were offered

3. Report Out From Closed Session: 10/26/2023

Chairman Cappel stated that the Board held discussions reviewing the PWC development during the closed session meeting on 10/26/2023.

4. Consent Calendar:
a. Board Meeting Minutes – September 28, 2023
b. Community Health Investment Committee Minutes- August 7, 2023
c. Checking Account Transactions - September 2023
d. Treasurer's Report – September 2023
e. Q1 FY 2023-2024 Investment Report
f. Q1 FY 2023-2024 Unaudited Financials
g. SonrisasQ1 FY 2023-2024 Report
h. Approval of Resolution 2023-07 Authorizing Two-Year Grants

Motion to Approve the Consent Calendar as Presented
Motion: By Vice-Chairman Pagliaro; Seconded By Director Sanchez
Vote: Ayes – Cappel, Pagliaro, Zell, Navarro, Sanchez
Noes: 0
Abstain: 0
Motion Passed: 5/0/0

5. New Business:

a. Board of Directors Proposed Meeting Calendar for 2024:

Chair Cappel shared his thoughts on the proposed meeting calendar for 2024 and highlighted some of the advantages and possible drawbacks. The proposed calendar modifies the monthly board meeting schedule to bi-monthly meetings but still allows flexibility for special meetings when necessary. He emphasized the significance of the Board meetings but also acknowledged the importance of finding a balance between meetings and managing time effectively.

Counsel Hudak shared his insights into the operations of the Sequoia Healthcare District, pointing out that they operate on a bi-monthly meeting calendar. He also mentioned that the PHCD heavily relies on committee work, which can help reduce the time at a regular board meeting. In line with Chair Cappel's thoughts, Counsel Hudak agreed that adopting a bi-monthly meeting schedule could be feasible for the District but stressed the importance of finding the right balance. Given the unique scope of work at the PHCD, striking that balance would be crucial in order to maintain the effectiveness of both the meetings and the committee work.

Vice Chairman Pagliaro voiced his disagreement with implementing bi-monthly meetings. He emphasized the significance of maintaining the current schedule as an integral part of the Board's administrative responsibilities within the District. He believed that the existing frequency of meetings was crucial for effectively fulfilling their duties.

Director Zell expressed his openness to the idea of bi-monthly meetings. However, he proposed implementing them on a trial basis to assess their feasibility, acknowledging that the unique scope of work carried out at the PHCD could present some challenges.

Director Sanchez said that he was against having bi-monthly meetings, explaining that he felt the time between meetings would be too long. He also emphasized the importance of monthly meetings, considering the diverse range of initiatives at the PHCD and the upcoming opening of the allcove™ San Mateo center.

Director Navarro shared that he did not hold a firm stance on the matter. He suggested that if a decision were to be made regarding bi-monthly meetings, it should be approached on a trial basis. This way, the effectiveness of such meetings for the District could be assessed and evaluated.

Chairman Cappel proposed maintaining the current monthly meeting schedule until June 2024. The question of transitioning to bi-monthly Board meetings would be brought to a vote at that time.

CEO Pulido stated that the calendar would need to be approved by December.

Vice Chairman Pagliaro clarified **Chairman Cappel's** proposal regarding the calendar. It will remain unchanged and up for approval in December. The decision to transition to bi-monthly meetings would be put to a vote in June 2024.

Counsel Hudak asked **CEO Pulido** to draft the 2024 calendar with no changes for its approval in December.

Motion to Approve the continuation of the current Board of Directors Meeting Calendar for 2024 with no changes. A vote on transitioning to bi-monthly meetings will be revisited in June 2024.
Motion: By Vice-Chairman Pagliaro; Seconded By Director Sanchez
Vote: Ayes – Cappel, Pagliaro, Zell, Navarro, Sanchez
Noes: 0
Abstain: 0
Motion Passed: 5/0/0

6. **Old Business:**

a. PWC Hub Update: Alexis Denton and Maria Mortati, Resilient Environment, LLC

Alexis Denton and **Maria Mortati** presented on the progress of the PWC Hub development.
[PWC presentation attached and made part of the meeting minutes]

b. allcove™ Outreach Plan: Eddie Flores, PHCD Youth Behavioral Health Programs Director (YBHPD), and Jackie Almes, PHCD Youth Outreach Specialist (YOS)

Presentation Highlights

Pre-opening Outreach to Date

- Outreach to community groups, organizations, schools, colleges, athletic groups, after-school groups, and other civic and community youth-serving and focused organizations
- Attended community events, school volunteer fairs, and resource fairs
- Attended committee and alliance group meetings
- Social media and website promotion
- Presentations to schools and organizations
- Collaboration with other CBO's
- Tours of the future allcove™ facility
- Held Community Consortium meetings

Pre-Opening Outreach Plan

- Presentations at local School District Board meetings and City Council meetings.
- Outreach to local shops and businesses on 25th avenue and Hillsdale Mall, asking to display information about allcove™ San Mateo a week prior to opening
- Presentations to organizations and collaboratives
- Tours of allcove™ with organizations, school wellness counselors, parents, caregivers, and youth
- Press Conference for the soft opening, press release, etc..
- Holding community tours/open house at allcove™ the first week of December for community members, youth, organizations, etc..

Post-Opening Outreach Plan

- Creation of a formalized program with community colleges, universities, and high school as part of their health-required graduation curriculum.
- Evaluate data from demographics at allcove™ and outreach to communities not currently being served at allcove™.
- Solidify referral pathways from other organizations, non-profits, and schools.
- Conduct tours of allcove™ with schools, youth, CBO's, political officials, etc..
- Hold a press conference at a nearby high school
- Presenting at schools and school fairs
- Health fairs, health symposiums, and direct tabling outreach with student groups and student

organizations embedded in schools

Q & A with YBHPD Flores and YOS Almes

Has the allcove™ center made use of the resources offered by the San Mateo County Office of Education?

YBHPD Flores answered that he is part of the steering committee comprised of the San Mateo County Office of Education, along with various non-profit organizations and the San Mateo County Behavioral Health Department. He went on to explain that as part of their strategic plan, the committee introduced three specialized study groups focusing on elementary school, middle school, and a combined high school and transitional age youth group. These study groups have been designed to gather valuable feedback. All the feedback collected will be shared with the Youth Advisory Group, where they will collectively determine areas of strength and identify potential opportunities for improvement. The committee aims to publicly present a formal report by spring 2024 outlining the recommendations gathered from these study groups.

Is the allcove™ center planning to enlist the services of a medical billing professional to handle the billing process for the healthcare services provided?

During the initial six months of the center's opening, discussions will take place with the Health Plan of San Mateo to explore various options regarding the billing process. This will involve considering whether to hire an in-house billing professional or to outsource the billing services. The decisions regarding the billing process for the allcove™ center will be carefully aligned with the legal requirements and permissions of the healthcare district. CEO Pulido will meet with CEO Curran from Health Plan of San Mateo in the coming weeks to ask for guidance on the various billing options.

7. Reports:
a. Board Standing Committees:

CEO Pulido introduced the new Strategic Initiatives Director, Fátima Rodriguez. Ms. Rodriguez has a Doctorate from UC Berkeley School of Public Health, a Master's from UCLA School of Public Health, and a Bachelor's from Stanford University. She has over 20 years of experience in public health, working with organizations like Kaiser and LA Care.

SID Rodriguez introduced herself to the Board, expressing her enthusiasm for joining PHCD and making a positive impact on the lives of its residents.

Community Health Investment - October 11, 2023

Director Navarro shared that the committee has completed their review of the organizations that will be invited to submit a letter of intent. The selected organizations have been notified.

Strategic Direction Oversight - Next Meeting November 1, 2023

Chairman Cappel stated that there was no Strategic Direction Oversight Committee meeting in October. The next meeting will be held on November 1, 2023.

Finance - Next Meeting November 14, 2023

Director Zell stated that the next Finance Committee meeting will be held on November 14, 2023.

b. Board Chair and Director Reports

Chairman Cappel stated that there was no Board Chair report.

Director Zell stated that representatives from Warm Water Wellness were currently joining the Board meeting remotely. They were following up on the Board's involvement in facilitating the previously discussed ad hoc group. Their goal is to ensure that the reopening of the Mickelson pool aligns with the needs of the community. Director Zell asked both Chair Cappel and CEO Pulido to reach out to Mills-Peninsula Medical Center CEO Darian Harris to establish the ad hoc group.

8. Correspondence and Media:

a. 10/2 Thank You Letter from San Mateo County Health Foundation
b. 10/13 Thank You Letter from Mission Hospice & Home Care

9. Adjourn: 8:20 pm

FINANCE COMMITTEE MEETING
Minutes
July 11, 2023

1. **Call to Order:** Meeting was called to order by **Chair Zell** at 4:05 pm.

2. **Roll Call:** Present via Zoom: Chair Zell, Director Sanchez, Member Seto, Member Sun, Member Revelo, CEO Pulido, CFO Yee.

3. **Approval of Minutes** from May 17, 2023

   It was moved by Director Sanchez and seconded by Member Seto to approve the Minutes from May 17, 2023. The motion passed 6/0/1. Ayes: Chair Zell, Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee. Abstain: Member Sun.

4. **City National Bank Presentation:**

   Robert Meckstroth, Senior Portfolio Manager, provided an overview of the District's investment portfolio. He touched on the economic climate, interest rates, and bond strategy and position. Given the conservative nature of the District's investment, interest rate increases by the Federal Reserve benefit the District. Below are some highlights of Mr. Meckstroth's presentation.

   - Feds will maintain high-interest rates for the next 6-9 months due to inflation.
   - Interest rates are at an inverted yield curve, which means short-term interest rates are higher than long-term rates.
   - District's portfolio has an average maturity of 1.47 years and can take advantage of the higher short-term interest rates as the bonds mature.
   - Portfolio's annual estimated income is $335,691
   - Yield to maturity is 5.31%, one of the highest rates over the past few years due to the short-term bond rates.
   - The portfolio is 74% government treasuries, 23% corporate bonds, and 2% municipal bonds
   - Laddered maturity – reduces maturity/duration risk
   - Portfolio performance since inception is 1.02%
   - 65% chance of a mild recession

   The Committee noticed a significant realized loss to raise cash for the property purchase at 1764 Marco Polo Way and asked if there was a way to minimize the loss in the future, such as selling different bonds. **Mr. Meckstroth** replied that if there is some lead time, he can build up cash by not reinvesting. The bonds were sold to maintain the portfolio strategy, and there is no way to avoid a loss since the interest rate has increased. However, the bonds were generating interest income while the District held them, and the portfolio had an overall gain for the year. Overall, the portfolio is up 1.68% for the year and 1.02% since inception. **Director Sanchez** added that purchasing the property has a potential gain and should be noted.

5. **Potential WAB Paydown / Cashflow:**

CFO Yee provided a brief overview of the two outstanding Certificates of Participation and their balances. The current balance of the $40M is $32.8M, and the $10M is $8.7M. Currently, there is no option to paydown or payoff the $10M, so the consideration is for the $40M. **CFO Yee** provided a new termination fee number received a day before. The borrower will pay the bank $200K in fees for full termination. The bank did not provide paydown numbers for the $10M or the $20M, but can assume they will be less than the $200K in fees. The District currently has a cash balance of $27M after purchasing the 1764 Marco Polo Way property. The board-restricted reserve is $10M, which leaves $17M of unrestricted cash. There are several projects that may require a significant amount of funds - the PWC project, plans for the 1764 Marco Polo Way building, and the new allcove teen mental health center. New borrowing may cost the District 6% compared to the current rate of 3.91%. The recommendation from staff is not to move forward with early prepayment, as numerous upcoming projects are in the pipeline.

Chair Zell asked if the staff met with Derivative Logic. **CFO Yee** replied that CEO Pulido and herself met with Rex Evans and Jim Griffin from Derivative Logic. Their company helps government entities like the District get the best rates on swap paydowns. They will not know the exact savings until they have the paydown amount.

Chair Zell commented that it makes sense to have a liquidity balance with all the upcoming projects and potential cash needs.

It was moved by Chair Zell and seconded by Director Sanchez to not move forward with the paydown of the $40M debt service but will revisit the item if the Committee deems it necessary at a future date. The motion passed 7/0/0. Ayes: Chair Zell, Director Sanchez, Member Seto, Member Sun, Member Revelo, CEO Pulido, CFO Yee.

6. **CalPERS Pension – PROs/CONs to move out of CalPERS:**

CFO Yee provided some background on the past evaluation of Mr. Chang from Best, Best & Krieger in September 2020. At that time, given the relatively low employer's cost of CalPERS and a contract termination cost of approximately $470,000, the Committee tabled the consideration of leaving CalPERS until the plan no longer has CLASSIC participants, which the fees will likely be less expensive. Currently, the plan only consists of PEPRA participants and no longer has CLASSIC members.

At the May meeting, the Committee asked staff to revisit this item. Communications with CalPERS provided broad termination fee estimates as of June 30, 2022 (one year behind). The fees range from $150K to $750K per plan. **CFO Yee** spoke to Mr. Chang, who suggested waiting a couple of years for the higher yields to take effect. Over the past few years, interest rates have been very low, and CalPERS investments haven't been making their expected returns. He believes the termination fees will decrease in a few years due to the higher interest rates.

CFO Yee provided two options for the Committee to consider.

1. Wait two years for the higher yields to take effect, then revisit.
2. Hire consultants to perform analysis.

Chair Zell commented that many of the City's and School's budgets go to their pension funds each year for current and past employees. When CalPERS does not meet their investment returns, all the organizations in their program need to contribute to make up the difference. Most government agencies have financial issues because of the pension cost. The cost is much higher than private organizations. **Chair Zell** also mentioned that the current team is relatively lean and may be the best time to exit before the team expands. He believes leaving CalPERS is for the long-term sustainability of the District. Instead, he would like to offer current employees market-rate wages and quality health benefits. If the District does move out of CalPERS, the new retirement plan will be comparable so that staff do not lose benefits.

Director Sanchez commented that employee retention is vital, so the whole benefit package is important. It would be good to compare the PROs and CONs of CalPERS and the 457 plan.

Member Sun commented that the Board will need to decide if the timing is appropriate to move away from CalPERS given the low cost of the plan right now but agrees that for long-term purposes, it may not be a bad idea as long as employees are compensated or provided a comparable alternative.

Member Seto commented that it's important to take care of the employees and to consider a higher amount of employer contribution if the District chooses an alternative.

Member Revelo commented that CalPERS is a long-term liability, given his experience as a trustee at the Millbrae School District. He supports moving out of CalPERS since it's relatively inexpensive now than waiting. He agrees that a reasonable and competitive compensation benefit package can built to attract and retain employees.

The Committee decided this consideration should be at the Board level rather than the Committee.

Member Sun left the meeting at 5:30 pm.

7. <u>The Trousdale Earthquake Proposal/Risk Assessment Report:</u>

The Committee had a robust discussion and was not in favor of moving forward with the insurance coverage due to the cost and amount of coverage.

It was moved by Chair Zell and seconded by Director Sanchez not to purchase earthquake insurance. The motion passed 6/0/0. Ayes: Chair Zell, Director Sanchez, Member Seto, Member Revelo, CEO Pulido, CFO Yee.

8. Future agenda

- Year-End Consolidated Financials

Adjournment: Chair Zell Adjourned the meeting at 5:45 pm.

Written by Vickie Yee, CFO

Approved by:

____

Dennis Zell, Chair

Peninsula HEALTH CARE DISTRICT
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Strategic Direction Oversight Committee Meeting Minutes
August 2, 2023

1. Call to Order: Chair Cappel called the meeting to order at 4:57 p.m.

Roll Call: SDOC members present were Cappel, Jackson, Kraus, Emmott, McDevitt, Bandrapalli, Johnson
Absent: Pagliaro, Quigg, and Aubry

2. Approval of Minutes: SDOC May 3, 2023

Motion to approve as written by Johnson; seconded by Kraus
Roll Call Vote: Ayes-7; Noes-0; Abstain
Motion Passed:7/0/0

3. PWC Hub Update: Alexis Denton and Maria Mortati, Resilient Environment

Alexis Denton and **Maria Mortati** presented on the PWC Hub progress.

<u>**Presentation Highlights**</u>

Preview of Innovation Hub Survey - PHCD Innovation Hub l Blueprint Development

Real World Models

GenSpace by Wallis Annenberg, Los Angeles, CA
GenSpace, the community hub founded by Wallis Annenberg, challenges ageist narratives onscreen by advocating for stories centered around an older population. Membership costs $10 per month and offers state-of-the-art fitness, horticulture, art, technology, and financial security classes, along with hosting events. GenSpace fosters community, connection, and promotes a positive outlook.

Seniors' Community Hub, Alberta, Canada
Seniors' Community Hub (SCH) centralizes primary care to address health and social needs of older adults and their caregivers. It targets patients aged 65 and above with "mild to moderate" frailty. The program identifies, assesses, and manages frailty, promoting information sharing between patients, caregivers, and healthcare providers. It collaborates with agencies to provide services such as homecare.

Collaborating for Health (C3), UK
C3's community engagement program, using its unique CHESS approach, empowers local communities to identify and overcome health barriers. Community members become 'citizen scientists', using a mobile tool to record and map local health impediments. Evidence collected has led to significant funding and impactful interventions such as the development of playgrounds, provision of healthy meals, and revitalization of community centers.

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Solidifying PHCD Point of View

The Need to Craft a Shared Point of View

• Helps team stay on track
• Ensures the Hub is more than a list of services
• It's the heart and the energy of the organization
• Defining an approach points to an operational model
• It directly shapes how services are delivered

Next steps: determine mission, vision, and model

<u>Operational Models</u>

Empowering Health
This approach focuses on empowering individuals to take control of their health. It emphasizes the importance of supporting people in helping themselves and equipping them with the necessary resources to do so.

Community Wellness
This approach offers a framework, valuable information, and motivation to assist members in enhancing their overall well-being as a united community.

Concierge Health
Members are able to relax and receive assistance and support being provided to them.

Revisit Audience?

Current audience target: Concierge Health

Q & A with Alexis Denton and Maria Mortati

Chair Cappel emphasized the importance of curating a wide range of services that not only serve their intended purpose but also captivate the community, fueling their desire to actively engage in them.

Ms. Kraus recommended allocating a dedicated portion of the hub to focus on senior community outreach.

Ms. Bandrapalli suggested partnering up with the San Mateo Commission on Aging, who are already doing incredible work in promoting senior independence, self-sufficiency, and overall physical and mental health.

Chair Cappel commented that they need to determine whether the hub would cater to everyone or specifically focus on serving seniors. He agreed that partnering with the Commission on Aging would be a fantastic idea.

Ms. McDevitt expressed that the Empowering Health model resonated with her due to its inclusivity, as it encourages diverse members of the community to actively engage. She believes that this model will foster a sense of belonging and encourage regular participation. Furthermore, this individualized approach has the potential to promote community well-being through classes, workshops, and events if there is an identified demand for such offerings.

Ms. Jackson echoed Ms. McDevitt's sentiment that adopting an Empowering Health model with an individualized approach would be an excellent starting point. This approach allows for flexibility, ensuring that the hub can adapt and incorporate a community-based approach if the need arises. She also emphasized the importance of focusing on seniors, acknowledging that attempting to serve the community as a whole and addressing all their needs would be a significant undertaking.

Ms. Denton commented that since joining the project, the primary audience they had been focused on serving was seniors. However, she raised the question to the Board about whether they wanted to reconsider the target audience and potentially change it. This implies a willingness to reassess and potentially broaden the scope of the hub's intended beneficiaries and the services they would provide.

CEO Pulido stated that while Alexis and Maria's current focus of the hub is on seniors, during her research on the early development of the hub, it was intended to be inclusive of all ages and multi-generational. She believes that while seniors can remain a focus, it's crucial to integrate and serve other demographics as well. There may be other groups in the community that are in need of critical health-related services. By expanding the outreach and inclusivity, the hub can address the diverse needs of different age groups and create a more comprehensive and impactful experience for the entire community.

Chair Cappel expressed his belief that the primary focus should be on seniors since they make up a significant portion of the district's residents. He also mentioned that several programs tailored to their demographic have been discontinued. However, he sees a wonderful opportunity to include a younger population in the senior programs. To achieve this, he suggested partnering with the seven or eight local high schools in the area, as they would be a valuable resource.

Ms. Bandrapalli agreed with Chair Cappel and emphasized that collaborating with the career center at these high schools would be an excellent strategy for integrating a younger population into senior services. She highlighted the fact that high school students are mandated to fulfill community service hours as a graduation requirement, making them a perfect fit for this initiative.

Ms. Denton shared that their next course of action would involve providing greater clarity and detail to the three models, enabling them to make a well-informed decision regarding the direction to pursue. While they are currently leaning towards the Empowering model, they will approach it with the underlying theme of "Aging in Place." This approach ensures that the model is inclusive to everyone and allows for flexibility to incorporate different demographics if the need arises.

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4. Funding for Mammography at San Mateo Medical Center: John Jurow, CEO of San Mateo County Health Foundation

John Jurow, the CEO of the San Mateo County Health Foundation, presented on the importance of securing funding for Mammography at the San Mateo Medical Center.

Presentation Highlights

Breast Cancer in the U.S.

- About 264,000 women and 2,400 men are diagnosed annually
- About 42,000 women and 500 men die each year
- An estimated 300,590 people will be diagnosed in 2023
- 297,790 of which are women, making it the most common cancer in American women; every two minutes, a woman is diagnosed with the disease.
- About 1 out of every 100 breast cancers diagnosed in the U.S. is found in a man

About 1 in 5 new breast cancers will be ductal carcinoma in situ (DCIS). DCIS is a non-invasive or pre-invasive breast cancer. Nearly everyone with this early stage of breast cancer can be cured.
Sources: CDC, Breast Cancer Research Foundation, American Cancer Society

2D Mammography at SMMC

77,000+ patients come through the County hospital. Of those, roughly 35,000 reside in the boundaries of the Peninsula Healthcare District.

In 2020 and 2021 ...
- 9,556 patients had a mammogram done at the hospital.
- 1,348 patients were called back due to insufficient imaging.
- 264 patients received false-positive & false-negative results.

In 2023 ...
- There have been 6,128 mammography and 1,540 ultrasound follow-ups.
- Out of every 1,000 people who undergo screening, there are 4.1 cases of breast cancer detected.

The Type of Mammography Matters

An annual screening mammogram is proven to be the best way to detect breast cancer, but the type of mammogram is important!

3D Technology:

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- Uses multiple low-dose X-ray images, making it easier for radiologists to detect cancer because they can look at the breast from different angles
- Provides fewer false alarms because the improved technology decreases the call-back rate and can often prevent anxiety
- Can detect up to 40 percent more cancers than 2D mammograms

What They Hope to Accomplish

Raise Funding To:

1) Upgrade technology for two mammography machines from 2D to 3D technology ($700K)
2) Purchase a mobile van to reach patients at all SMMC clinics ($970K)

Total Goal: $1.67M

Any additional funds from the 3D mammography fundraiser will go towards the mobile van.

Funding Opportunities:

650K pledged as of July 25, 2023
- Stanford Medicine
- Sunlight Giving
- The Sobrato Organization
- Foundation Gala

Other organizations/foundations
- SAGA $50K
- San Mateo Medical Center $200K
- Sequoia Healthcare District $200K
- SMC Health Foundation $200K

<u>COUNTY SUPPORT</u>

Why is Funding Needed?

- The county is providing resources for over 77,000 patients to live a healthy life.
- The costs to run this are increasing, and they are higher than ever. Help is needed from organizations like PHCD if there is a chance for them to make a real difference.
- The County contributes $59M annually to the Medical Center for general operations.
- They have authorized the Medical Center to spend over $l00M over the next three years on Epic implementation and have contributed over $l0M to the effort.
- They also supported the new administrative wings of the Medical Center to meet seismic requirements, with a project cost of over $200M for the Admin and Link buildings.

- They support smaller initiatives such as the upcoming CT replacement project for $8M and $5M for MRI.

Chair Cappel thanked Mr. Jurow for the presentation and informed him that this matter would be discussed further in the upcoming Board meeting.

5. allcove™ Update: CEO Pulido and Director Flores, Peninsula Health Care District

Quick Background: What is allcove™, and how is this model unique?
- Prevention to early intervention focus
- Stigma free; normalizes mental health
- Youth-friendly, engaging, and upbeat staff
- Strong youth outreach and marketing
- Consortium of youth-serving agencies
- Integrated care
- Youth-centered and informed by Youth Advisory Group

Core services to be delivered at allcove™ (Long Term Plan)
- Mental Health
- Physical Health
- Family Support
- Peer Support
- Substance Abuse
- Education and Employment Support

Advantages of In-House Implementation Model
A potential alternative plan of implementation and operation to move forward with the successful execution for allcove™ San Mateo would be for PHCD to be the sole and lead agency. This alternative would have its benefits mostly in cost savings and financial recuperation of costs associated with the delivery of services as listed below:

Financial Savings: PHCD would avoid having to pay out and contract with an agency that is currently trying to recuperate administrative and overhead costs at 15-30% and bill PHCD for hiring staff that PHCD could directly hire (Per Diem or directly) instead of the excess cost incurred. Moreover, there is a possibility of saving on legal, contractor, and recruitment fees.

The facility at 2600 S. El Camino Real would provide additional staff as needed and be ready for the potential opening date of December 2023 – February 2024. Tenant improvements are on track and progressing.

Efficiency and Direct Accountability of Service Model

PHCD staff continues to work with Stanford University's Center for Youth Mental Health & Wellbeing as the technical state grant provider of allcove™. The Central allcove™ Team (CaT) has played a crucial role in providing guidance to maintain model integrity and alignment in various areas. This includes marketing, branding, and communications, as well as service delivery and integration. Additionally, they have been instrumental in fostering community partnerships and involving the youth advisory board. By implementing a model where PHCD provides direct oversight, staff members believe that there will be increased workflow efficiencies, which will open up opportunities for partnerships to thrive. This includes partnerships with county social service agencies, Sonrisas Dental Health, and other organizations. Similar to the approach taken by sister healthcare district Beach Cities, the allcove™ staffing model will be supported directly in-house. Instead of having one lead coordinating agency overseeing all aspects of implementation and services, the approach involves contracting with key agencies and service providers to deliver selected services. This ensures efficient implementation and delivery of services for allcove™.

Lessons Captured from allcove™ Beach Cities Site Visit

Focus on floorplan layout and facilities

- Plan to develop "the cove" as a designated space where youth can receive dedicated support and feel a sense of belonging among their peers.
- Plan to develop distinct areas within the facility to address specific service needs. These areas will include a parent waiting area, a quiet and sensory space, and a game room. In addition, measures will be taken to ensure the safety of the space and maintain the confidentiality of the youth seen, such as implementing appropriate signage, utilizing wave-finding techniques, and addressing the physical layout of the areas.

Staffing: Roles & Responsibilities of Staff

- Shared model of responsibilities among peers
- Culture is critical to the success and bringing in youth.
- Strong focus on centralizing the role of the center's Clinical Director to provide vital clinical support. This includes offering supervision for peer support specialists and creating ongoing professional development opportunities for all staff members.
- Opportunities to collaborate with other youth-focused employer partners, such as AmeriCorps and volunteers.
- Working with universities for recruitment

Overall flexibility, adaptability, and scalability of allcove™ model

- Model incorporates key elements that can be introduced gradually as the demand for services increases. Instead of implementing everything from the beginning, the model allows for scaling based on the scope and needs of the community.
- Consideration has been given to an improved operational schedule for the center, such as operating five days a week from 1 p.m. to 7 p.m. This schedule allows for flexibility and provides an opportunity to assess and adjust as the center grows and expands its services.

Recruitment/Outreach

- Increase # of tours
- Work with uninsured, middle schools, colleges, and hospitals for referral services

Youth Advisory Group Updates 2023-2024

- 20 total applicants; 18 were interviewed
- Ages 14-23
- 9 females, 4 nonbinary, 1 trans, 6 males
- Representation from public, private, and parochial high schools as well as one University student

Following interviews, there are a total of 19 YAG members

- 6 continuing on and 13 newly accepted members
- Ages 14-23
- 10 females, 5 males, 1 trans, 3 nonbinary
- Representation from public, private, and parochial high schools, as well as one Community College student and one University student.

Community Consortium Launching August 2023

Name	Organization
Maurice Goodman	Vice Mayor, Millbrae
Henry Sanchez	UCSD/PHCD Board Member
Andrea Vizenor	College of San Mateo; Executive Director of Partnership, Initiatives, and Workforce
Christine Z.	YAG - High School Senior
Jorge A.	YAG Member - Community College Student
Frieda Edgette	Private Youth Consultant/SMC BHRS Commissioner
Martha Bastarrachea	CASA San Mateo County Program Director

** Supervisor David Canepa (San Mateo County District 1) Advisory Board Member

What's coming up next?

- Hiring Clinical Director for allcove™
- Community Consortium kick-off
- Identifying and meeting key stakeholders and potential service providers
- General Contractor ongoing tenant improvement work
- Tenant improvements July-October 2023
- Soft opening November 2023
- Grand community ribbon cutting January 2024

Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

Q & A with Director Flores

What hours will the center be open? The center is actively exploring different options for its operating hours, with a preference leaning towards afternoon hours, potentially from 1 to 7. Additionally, they are considering the possibility of having Saturday hours of operation as well.

Has the center taken into account the presence of homeless youth in the area? Has that dynamic been considered? The center is placing significant emphasis on addressing the needs of the homeless youth population. There has been active engagement with various organizations and nonprofits that specialize in housing solutions. By collaborating with these partners, the center aims to work towards finding effective ways to support homeless youth and provide them with appropriate housing resources and assistance.

Will the center provide food? The center is currently exploring ways to address this issue and has plans to incorporate it in some manner, potentially with assistance from PHCD community partners.

6. Adjournment

Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

COMMUNITY HEALTH INVESTMENT COMMITTEE MEETING
Monday, October 11, 2023
Minutes

1. Call to Order

Meeting was called to order at 5:05 pm. Directors Navarro and Sanchez presided. Present: Bryan Neider, Marco Durazo, Susan Baker, Mary Lund, Kevin Martinez, and Linda Wolin.

2. Business

A. Minutes: Director Rick Navarro moved to approve the minutes from the August 7, 2023 meeting. Roll call was taken, and the minutes were approved.

B. Letters of Interest

As an update, Q2 reports were due in July, and 3 organizations did not complete their reports. A deep dive of mid-year and end-of-year reports will take place in February 2024 with the Directors, CEO Ana Pulido and Strategic Initiatives Director Fátima Rodríguez. If CHIC members are interested in attending, they will be invited. It is an optional meeting. Staff will send an invitation at a later time for this special session.

CEO Pulido introduced Dr. Fátima M. Rodríguez, the recently hired Strategic Initiatives Director, who presented the context of the Community Grants Program (CGP) work, focus areas, portfolio overview, and Letters of Interest (LOIs) received. Director Navarro mentioned that next year, we will likely introduce another set of 2-year grants to alleviate the review process.

The preliminary review criteria were described. Summaries were reviewed listing the organizations proposed to advance to the application phase, organized in the following categories: 2-Year LOIs, 1-Year Returning LOIs, and 1-Year New LOIs.

Regarding the Summary of Recommended 2-Year LOI, there were 14 organizations requesting a total budget of $655,000. From this list, two organizations were noted as needing more discussion.

Regarding the Summary of Recommended 1-Year LOIs-Returning, ***there were 18 organizations requesting a total of $606,900.*** Two organizations required more discussion.

Committee member Durazo inquired about whether there was a target number of grants for 1-year versus 2-year funding. This year, there was not a target; instead, we put the LOIs through the screening criteria to make recommendations.

Some discussion ensued about ideas on how to diversify the portfolio for future grant cycles, including setting targets, holding application workshops, and establishing communication with Thrive Alliance for Non-Profits in San Mateo County and Leadership Council of San Mateo to expand messaging across their networks. In addition, there was mention of connecting with Mike Callagy's Office with San Mateo County that provides funding to many organizations. Committee Member Mary Lund also shared reaching out to the church community, such as the Tongan community, particularly for specific topics and communities. There was also a suggestion to asking cities to help us outreach and communicate about the Community Grants Program through their newsletters, social media, and other channels.

Also, a suggestion was made to reach out sooner to organizations who have never applied, and help them build on their capacity to apply.

Next, we reviewed the ***Summary of Recommended 1-Year LOIs for New Organizations***. In this category, ***five new organizations*** were recommended for this Committee's consideration, ***reflecting a total budget request of $135,962***. There was discussion about the importance of metrics and the value organizations bring in addressing our focus areas and creating impact. When discussing new organizations, there was some mention of the option of visiting or interviewing organizations if more information would be helpful as part of the review process.

CEO Pulido updated the Committee about the status of using Zengine for reviewing the applications online. If the platform is not ready, we will alert the Committee and use an alternate mechanism, like Google Docs or Survey Monkey. If we use Zengine, the Committee will receive instructions and a video clip tutorial.

In terms of the review process, CEO Pulido shared that each member will have between 5 and 7 applications, and Committee members can call applicant organizations if they have any additional questions. Initially, the applications were due on October 26; however, we propose extending it to October 31. To allow those organizations moving forward in the grant process adequate time to work on the application, they will receive the application questions in advance (by October 23, if not sooner) – as we finalize the details for receiving completed applications. The review process will start on November 1st and end on November 15th.

On November 20th, the Committee will reconvene, and each member will have the opportunity to present and discuss the reviewed applications.

The next meeting is on Monday, November 20, 2023. Meeting will be in person and start at 5:00 pm for an extended session.

CEO Pulido would like to bring back an award ceremony for grantees that did not happen during COVID. She proposed the week of January 16th – 19th in the evening. Voula will send a Doodle to check on the Committee's availability. It is not mandatory to attend for all Committee members. A prior location mentioned was Coyote Golf Course location.

3. Adjournment - Meeting adjourned at 6:34 pm.

Written by: Fátima M. Rodríguez, DrPH, MPH

Approved by: ____
Rick Navarro, MD, CHI Committee Chair

Peninsula Health Care District
Checking Transactions
October-23

Date	Description	Deposit	Withdraw
Admin			
10/2/2023	SC Property Management		31,121.00
10/3/2023	CalPERS Pension		6,221.77
10/5/2023	Ralls Gruber & Niece LLP		21,229.84
10/5/2023	Mark D. Hudak		2,700.00
10/5/2023	Avelar		21,464.65
10/5/2023	Parent Venture		11,000.00
10/5/2023	San Mateo Area Chamber of Commerce		1,000.00
10/5/2023	Peninsula Volunteers, Inc		2,160.00
10/5/2023	Voler Strategic Advisors Inc.		8,000.00
10/5/2023	Comcast		508.89
10/5/2023	Precision Digital Networks		5,546.33
10/5/2023	Iron Mountain		699.93
10/5/2023	Streamline		375.00
10/5/2023	List Engineering		200.00
10/5/2023	RCG Architecture		3,330.00
10/5/2023	Well Connected Office		7,374.59
10/5/2023	KBM-Hogue		548.13
10/5/2023	Fund TRF from Admin to PWC		50,000.00
10/10/2023	Paychex		372.31
10/11/2023	California Public Employees Retirement		17,193.43
10/12/2023	SA Payment		963.85
10/12/2023	Paychex Payroll 10/15/23		26,045.37
10/12/2023	Payroll Taxes 10/15/23		15,905.47
10/13/2023	Paychex		85.00
10/13/2023	Paychex - WC Refund	2,716.32	
10/13/2023	Workers Compensation Insurance Payroll		132.12
10/17/2023	Cardmember Service		5,632.31
10/17/2023	CalPERS Pension		5,226.62
10/19/2023	Lawrence Cappel		300.00
10/19/2023	TREI Capital LLC DBA ABusinessManager.com		4,983.75
10/19/2023	Best Best & Krieger, LLP		231.00
10/19/2023	Bay Alarm		299.94
10/19/2023	JWT & Associates, LLP		9,450.00
10/19/2023	Alhambra		235.90
10/19/2023	Ralls Gruber & Niece LLP		21,504.50
10/19/2023	California Public Employees Retirement		17,193.43
10/19/2023	PG&E		642.36
10/19/2023	Allied Administrators for Delta Dental		1,271.56
10/19/2023	PURCOR Pest Solutions		95.00
10/19/2023	KBA Document Solutions, LLC		251.35
10/19/2023	Zone 4 Construction Inc.		279,977.92
10/20/2023	EDD		2,099.74
10/20/2023	Paychex		115.50
10/24/2023	Heritage Bank Service Fee		161.52
10/26/2023	Mark D. Hudak		2,070.00
10/26/2023	J & E Pro Cleaning and Handy Services		825.00
10/26/2023	U. S. Bank Equipment Finance		293.20
10/26/2023	UNUM Life Insurance Company of America		369.70
10/26/2023	urvey Monkey		5,000.00
10/26/2023	Wizehive, Inc.		6,370.00
10/26/2023	Precision Digital Networks		5,319.24
10/26/2023	Bay Alarm		10,142.50
10/26/2023	KBM-Hogue		2,812.00
10/30/2023	Paychex Payroll 10/31/23		30,190.36

Date	Description	Deposit	Withdraw
10/30/2023	Payroll Taxes 10/31/23		18,555.24
10/31/2023	FSA Payment		50.00
10/31/2023	Anna Naufahu	150.00	
10/31/2023	Interest	23.41	
10/31/2023	Workers Compensation Insurance Payroll		145.38
		2,889.73	**665,992.70**
Health Fitness			
10/5/2023	Joan Sanchez		400.00
10/5/2023	Gym Doctors		544.76
10/5/2023	KBA Document Solutions, LLC		22.71
10/5/2023	Crothall Laundry Services Inc.		373.28
10/5/2023	Streamline		63.00
10/10/2023	Mindbody Merchant Processing		297.05
10/17/2023	Cardmember Service		536.76
10/19/2023	Bay Alarm		344.67
10/19/2023	AT&T		322.44
10/19/2023	PG&E		1,159.42
10/19/2023	Deanna Nielsen		55.00
10/26/2023	U. S. Bank Equipment Finance		83.71
10/26/2023	Recology		355.49
10/26/2023	J & E Pro Cleaning and Handy Services		1,150.00
10/26/2023	KBA Document Solutions, LLC		20.50
10/31/2023	Interest	25.65	
10/31/2023	Health and Fitness Member Deposits October 2023	9,261.27	
		9,286.92	**5,728.79**
Leasing			
10/5/2023	Angelo Cosentino		400.00
10/5/2023	Western Allied Mechanical, Inc.		1,178.92
10/5/2023	PG&E		3,283.14
10/5/2023	Ralph Barsi		2,000.00
10/5/2023	PG&E		2,546.84
10/5/2023	EaseBrite General Maintenance, Inc.		850.00
10/17/2023	Cardmember Service		59.00
10/19/2023	Risk Strategies Co.		1,833.16
10/19/2023	Service Master Building Maintenance		4,500.00
10/19/2023	Recology		819.29
10/19/2023	Cintas Fire Protection		987.00
10/19/2023	Pacific Coast Fire		1,550.00
10/19/2023	PURCOR Pest Solutions		645.00
10/25/2023	Mills-Peninsula Health Serv.	244,917.44	
10/26/2023	J & E Pro Cleaning and Handy Services		1,918.53
10/26/2023	Bay Alarm		271.11
10/26/2023	Sandie Arnott, San Mateo County Tax Collector		8,799.58
10/31/2023	Houn Young Kim, DDS	2,015.71	
10/31/2023	Patricia Dugoni, CPA	2,400.00	
10/31/2023	Ability Path	6,628.00	
10/31/2023	Burlingame Therapeutic Associates	2,729.90	
10/31/2023	Eugene Kita, DDS	1,609.89	
10/31/2023	Carol Tanzi & Associates	500.00	
10/31/2023	Ross Williams, DDS	2,083.19	
10/31/2023	Preferred Prosthetics Inc.	2,881.57	
10/31/2023	Dr. Chan Dental	4,043.79	
10/31/2023	April Lee, DDS	2,719.14	
10/31/2023	One Life Counseling Service	1,300.00	
10/31/2023	Zoya Galant, DDS	2,403.61	
10/31/2023	Bay Area Foot Care	3,224.00	
10/31/2023	Interest	502.64	

Date	Description	Deposit	Withdraw
		279,958.88	**31,641.57**
PWC			
10/5/2023	Mark D. Hudak		4,320.00
10/5/2023	Streamline		42.00
10/5/2023	Fund TRF from Admin to PWC	50,000.00	
10/19/2023	Resilient Environment, LLC		10,620.00
10/19/2023	Economic & Planning Systems, Inc.		937.50
10/26/2023	Perkins Coie LLP		17,989.20
10/26/2023	Economic & Planning Systems, Inc.		10,172.50
10/26/2023	Mark D. Hudak		1,395.00
10/26/2023	Sandie Arnott, San Mateo County Tax Collector		1,864.00
10/31/2023	Interest	21.41	
		50,021.41	**47,340.20**
Trousdale			
10/2/2023	Trousdale Tenant Deposit	50.13	
10/2/2023	Trousdale Tenant Deposit	5,000.00	
10/2/2023	Trousdale Tenant Deposit	16,756.00	
10/2/2023	Trousdale Tenant Deposit	15,000.00	
10/2/2023	Heartland Merchant Account		224.95
10/5/2023	Eskaton Properties Inc		369,804.83
10/13/2023	Trousdale Tenant Deposit	848.67	
10/13/2023	Trousdale Tenant Deposit	5,000.00	
10/13/2023	Trousdale Tenant Deposit	139,258.36	
10/16/2023	Trousdale Tenant Deposit	122,045.44	
10/16/2023	Trousdale Tenant Deposit	15,000.00	
10/16/2023	Trousdale Tenant Deposit	209,697.80	
10/16/2023	Trousdale Tenant Deposit	-209,697.80	
10/18/2023	Trousdale Tenant Deposit	611,019.21	
10/19/2023	Eskaton Properties Inc		342,498.54
10/20/2023	Trousdale Tenant Deposit	5,000.00	
10/20/2023	Trousdale Tenant Deposit	105,846.10	
10/26/2023	Eskaton Properties Inc		704,184.66
10/31/2023	Trousdale Tenant Deposit	61,168.73	
10/31/2023	Interest	369.95	
		1,102,362.59	**1,416,712.98**

Peninsula Health Care District
Treasurer's Report
October 31, 2023

Preliminary - subject to change

STATUS OF CURRENT YEAR TAX REVENUES

Total As Of 10/31/23	Estimated FY 23-24 Tax Revenue
$ 16,616	**$ 8,500,000**

Board Designated Invested Funds

		Rate Last QTR	Fees Paid Fiscal YTD	Cost Basis 9/30/23	Cost Basis 10/31/23	Market Value 10/31/23
Torrey Pines - 3yr CD (mature 1/31/24)		0.450%		3,155,549	3,155,549	3,155,549
Fiduciary Trust	*	5.040%	1,473	1,705,984	1,711,162	1,709,676
City National Bank	*	5.227%	8,611	15,188,219	15,212,992	14,911,055
Local Agency Investment Fund		3.424%		5,890,964	5,944,087	5,944,087
San Mateo County Pool Investment		3.250%		3,615,364	3,644,748	3,644,748
				29,556,079	**29,668,537**	**29,365,115**

* Yield to maturity

Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

2024 PHCD BOARD AND COMMITTEE MEETINGS

January

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Board Meetings 6:30 pm
Strategic Direction Committee 5:00 pm
Community Health Investment 5:30 pm
Finance Committee 4:00 pm

October

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

B

Audited Combined Financial Statements

PENINSULA HEALTH CARE DISTRICT

June 30, 2023 and 2022

Audited Combined Financial Statements

PENINSULA HEALTH CARE DISTRICT

June 30, 2023

Management's Discussion and Analysis

PENINSULA HEALTH CARE DISTRICT

June 30, 2023

Management of the Peninsula Health Care District (the District) has prepared this annual discussion and analysis in order to provide an overview of performance for the fiscal year ended June 30, 2023 in accordance with the Governmental Accounting Standards Board Statement No. 34, *Basic Financials Statements; Management's Discussion and Analysis for State and Local Governments.* The intent of this document is to provide additional information on the District's historical financial performance as a whole and a prospective look at revenue growth, operating expenses and capital development plans. This discussion should be reviewed in conjunction with the audited financial statements for the fiscal year ended June 30, 2023 and accompanying notes to the financial statements to enhance one's understanding of the District's financial performance.

Financial Summary

- Total assets and deferred outflows increased by $2.6 million over the prior fiscal year due mainly to capital asset purchases. Total cash, cash equivalents and investments decreased by $9.3 million (see the Statements of Cash Flows for changes). Accounts and leases receivable increased by $.4 million while capital assets increased by $12.6 million, again due mainly to capital asset purchases.

- Current assets decreased by $9.0 million and current liabilities also increased by approximately $2.2 million when compared to the prior fiscal year. The current ratios for current and prior years were 5.23 and 9.53, respectively.

- Operating revenues decreased only slightly while operating expenses increased by approximately $5.4 million for the year ended June 30, 2023.

- There was an operating loss of $8.2 million for the year ended June 30, 2023 as compared to an operating loss of $2.8 million in the prior year.

- Non-operating revenues (expenses) increased by $2.6 million due mainly to a $1.1 million increase in property taxes and a $1.4 million increase in investment income. Grants, contributions and other increased by approximately $333,000.

- The increase in net position was $4.0 million for the year ended June 30, 2023 as compared to an increase of $6.7 million in the prior year.

- The continued adoption of GASB 87 resulted in the recognition of lease receivables of $71.6 million and in the recognition of $68.3 million in lease liabilities for a net increase in assets of $3.3 million. Pension asset recognition resulted in an increase in asset of approximately $239,000.

A summary of the District's net assets for 2023, 2022 and 2021 is as follows:

	2023	2022	2021
Assets (000's)			
Current assets	$ 36,632	$ 45,603	$ 39,893
Capital assets	100,272	87,673	90,106
Other assets and deferred outflows	72,160	73,225	545
Total	$ 209,064	$ 206,501	$ 130,544
Liabilities (000's)			
Current liabilities	$ 7,009	$ 4,783	$ 4,038
Other liabilities and deferred inflows	108,456	112,106	43,670
Total liabilities	115,465	116,889	47,708
Net position (000's)			
Net investment in capital	58,672	44,526	45,468
Restricted	7,500	7,650	7,640
Unrestricted	27,427	37,436	29,728
Total net position	93,599	89,612	82,836
Total	$ 209,064	$ 206,501	$ 130,544

Cash and Investments

At fiscal year ended June 30, 2023, operating cash, cash equivalents and investments totaled $31.5 million compared to $40.7 million in fiscal year 2022. Days of cash on hand decreased to 554.57 as compared to 920.99 in the prior year. The District maintains sufficient cash and cash equivalents to pay all short-term liabilities.

Capital Assets

During the year, the District purchased approximately $15.6 million of capital assets, net of a minor amount of disposals, which increased the total historical costs of capital assets to $117.4 million with accumulated depreciation of $17.2 million to bring net capital assets to $100.3 million as of June 30, 2023.

The following shows the revenues, expenses and increase (decrease) in net position for the years ended June 30, 2023 through June 30, 2021.

	2023	2022	2021
Operating revenues (000's)			
Lease revenues	$ 2,180	$ 2,192	$ 2,965
Dental service - net patient revenues	2,928	2,725	2,091
Assisted living/memory care resident revenues	10,707	9,784	8,970
Fitness center revenues	134	114	23
Other operating revenues	4	1,166	202
Total operating revenues	15,953	15,981	14,251
Operating expenses (000's)			
Salaries and wages	9,107	7,783	7,214
Employee benefits	2,832	918	1,764
Community services and related programs	3,319	2,592	2,997
Professional fees and registry	1,586	1,045	667
Supplies	1,272	1,043	1,221
Purchased services	829	756	679
Utilities and phone	692	604	546
Building and equipment rent	599	285	321
Insurance	557	494	437
Depreciation and amortization	3,046	3,036	2,967
Other operating expenses	308	230	492
Total operating expenses	24,147	18,786	19,305
Operating income (loss)	(8,194)	(2,805)	(5,054)
Nonoperating revenues (expenses) (000's)			
District tax revenues	9,611	8,535	8,462
Investment income (loss)	2,752	1,359	81
Interest expense	(1,699)	(1,698)	(1,749)
Forgiveness of debt borrowings		201	596
Grants, contributions and other	1,517	1,184	1,243
Total nonoperating revenues (expenses)	12,181	9,581	8,633
Increase (decrease) in net position	$ 3,987	$ 6,776	$ 3,579

Dental Service - Net Patient Revenues and Assisted Living/Memory Care Resident Revenues

Net patient service revenues are the resulting difference between gross patient charges and the deductions from revenue. Net patient service revenues increased in 2023 by approximately $145,000 over 2022 due mainly to increased volumes. The assisted living/memory care resident revenues also increased by approximately $981,000 over the prior year. The increase, in part, is attributable to the continued recovery from the impact of COVID-19. In 2021, programs were greatly affected by various governmental restrictions and added protocols to minimize the spread of COVID during the height of the pandemic.

Operating Expenses

Total operating expenses in fiscal year 2023 were $24.1 million compared to $18.8 million in 2022. Significant changes occurred in the following areas:

- Total salaries and wages increased by approximately $1.3 million due to additional FTE's and market-rate adjustments to meet an increase in program utilization. Employee benefit increased by approximately $1.9 million mainly from a decrease in pension adjustment in the prior year and an increase in 2023.
- Community services and related programs increased by approximately $728,000 over the prior year. Professional fees and registry also increased by approximately $541,000 over the prior year, mainly due to the use of registry for staffing needs at the assisted living/memory care community. Hiring and staffing retention continues to be a challenge.
- Supplies increased by approximately $229,000 over the prior year due mainly to increased occupancy at the assisted living/memory care community.
- Depreciation increased only slightly.
- Other categories of expenses varied from the prior year only marginally.

Programs

Results of area changes in net position of District programs for the year ended June 30, 2023 and 2022 follows:

	2023	2022
Leasing fund	$ 2,531,367	$ 3,109,513
Sonrisas Dental Health services	(39,601)	(432,458)
The Trousdale assisted living/memory care	(1,215,089)	(2,203,838)
PHCD health & fitness center	39,033	(200,487)
General district operations	2,671,566	6,503,094
	$ 3,987,276	$ 6,775,824

Economic Factors and Next Fiscal Year's Budget

The District's Board approved the fiscal year ending June 30, 2024 capital and operating budgets at a recent board meeting. The budget includes the following key programs and community investments:

The Trousdale Assisted Living and Memory Care Community: The Trousdale assisted living and memory care community is a 124-unit facility located in Burlingame, California. The District opened the facility in December 2018 to help fill the Peninsula's need for more living options for the expanding senior population. The District also recognizes the high cost of living on the Peninsula and established a rent assistance fund for qualified individuals at The Trousdale.

Sonrisas Dental Health: Sonrisas Dental Health is a non-profit organization dedicated to providing access to quality dental care and oral health education by removing barriers for all regardless of age, mobility or cognitive limitations and/or ability to pay, and does so with dignity, respect and compassion. Sonrisas works to improve the health of the community members through culturally sensitive, integrated care, with a focus on disease prevention. The dental health centers are located in San Mateo and Half Moon Bay, California.

PHCD Health & Fitness Center: The Health & Fitness Center is a gym and educational facility that offers wellness programs in Burlingame, California. The program aligns with the District's strategy to promote healthy aging through physical activity, health education, socialization and connectivity. Unique to the Center is its focus on connection. The member lounge fosters socialization and provides health resources to complement the movement programs, exercise equipment, and educational topics regularly offered to improve overall well-being.

San Mateo allcove Teen Mental Health Center: The San Mateo allcove center is a standalone, integrated "one-stop-shop" youth center for ages 12-25 to access support for prevention and early intervention mental health services, physical health, social services, and alcohol and drug counseling. The center will provide a central point of access and will seek to improve the continuum of care in three ways: (1) increase access to early intervention and treatment through physical, mental, and early addiction services; (2) create a network of community partners and processes to achieve seamless transitions from referrals through different levels of care; and (3) engage the District's Youth Advisory Group to incorporate their voice in all aspects of developing and launching this impactful mental wellness program. The center accepts all youths (ages 12-25) regardless of insurance and/or ability to pay and is set to open towards the end of 2023.

Community Grants Program: The community grants program is one of the strategies the District employs to address the health needs of its residents. The District works with organizations that share the same vision through education, prevention and access to basic health services. Every year the District board identifies the most pressing community health needs and establishes funding priorities for the grant term. For the 2024 cycle, the focus areas are: (1) Health Equity, (2) Mental Health, (3) Preventive Health, and (4) Health Aging.

Cooperative Homes: In 2020, the District purchased two five-bedroom homes in San Mateo, California. With the partnership of AbilityPath and Parca, the District established the first cooperative living homes in San Mateo County for adults with development disabilities. The "Cooperative Living" model provides affordable residency tailored for individuals who are capable of living independently, with some additional support. It helps individuals develop independent living skills such as maintaining a budget, carrying out household chores, planning a shopping list, and commuting using public transportation.

In general, the consolidated budget for the fiscal year 2024 projects a slight decrease in net position with additions to both income and expense.

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Report of Independent Auditors

The Board of Directors
Peninsula Health Care District
Burlingame, California

Opinion

We have audited the accompanying financial statements of the Peninsula Health Care District, (the District) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's combined basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2023 and 2022, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern.

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

As discussed in Note A, the District adopted Governmental Accounting Standards Board (GASB) 87 for the year beginning July 1, 2021 and ending June 30, 2022. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the combined basic financial statements. Such information is the responsibility of management and, although not a part of the combined basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the combined basic 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 *Government Auditing Standards*, 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 combined basic financial statements, and other knowledge we obtained during our audit of the combined basic 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 an opinion on the combined financial statements as a whole. The supplementary schedules as listed in the table of contents are presented for purposes of additional analysis and is not a required part of the combined basic 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 combined basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined basic financial statements or to the combined basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In our opinion, the supplementary schedules as listed in the table of contents are fairly stated, in all material respects, in relation to the combined basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

JWT & Associates, LLP

Fresno, California
October 25, 2023

Combined Statements of Net Position

PENINSULA HEALTH CARE DISTRICT

	June 30 2023	June 30 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 6,560,582	$ 5,449,997
Investments	24,897,290	35,289,783
Restricted cash and cash equivalents for current purposes	3,151,974	3,287,394
Accounts and leases receivable- current portion	1,800,586	1,408,484
Inventories, prepaid expenses and other current assets	221,953	167,762
Total current assets	36,632,385	45,603,420
Noncurrent assets:		
Non depreciable capital assets	23,143,967	15,390,822
Depreciable capital assets, net of accumulated depreciation	77,128,196	72,282,334
Long term lease receivables and other assets	71,650,651	72,397,662
Total noncurrent assets	171,922,814	160,070,818
Deferred outflows of resources	509,525	826,692
Total assets and deferred outflows of resources	$209,064,724	$206,500,930
Liabilities		
Current liabilities:		
Current maturities of debt borrowings	$ 1,605,000	$ 1,545,000
Accounts payable and accrued expenses	2,809,769	2,098,455
Accrued payroll and related liabilities	625,112	684,683
Unearned revenues	1,968,952	455,180
Total current liabilities	7,008,833	4,783,318
Noncurrent liabilities:		
Debt borrowings, net of current maturities	39,995,603	41,602,408
Lease liabilities and tenant deposits	1,382,871	1,699,130
Total noncurrent liabilities	41,378,474	43,301,538
Deferred inflows of resources	67,078,531	68,804,464
Total liabilities and deferred inflows of resources	115,465,838	116,889,320
Net Position		
Net investment in capital assets	58,671,560	44,525,748
Restricted	7,500,000	7,649,565
Unrestricted	27,427,326	37,436,297
Total net position	93,598,886	89,611,610
Total liabilities, deferred inflows and net position	$209,064,724	$206,500,930

Combined Statements of Revenues and Expenses

PENINSULA HEALTH CARE DISTRICT

	Year Ended June 30	
Operating revenues	2023	2022
Lease revenues	$ 2,180,118	$ 2,191,784
Dental service - net patient revenues	2,921,728	2,724,850
Assisted living/memory care resident revenues	10,707,184	9,784,179
Fitness center revenues	134,049	113,583
Other operating revenues	9,657	1,165,847
Total operating revenues	15,952,736	15,980,243
Operating expenses		
Salaries and wages	9,106,766	7,782,392
Employee benefits	2,831,956	918,435
Community services and related programs	3,319,196	2,591,601
Professional fees and registry	1,586,049	1,044,925
Supplies	1,271,850	1,042,957
Purchased services	828,500	756,217
Utilities and phone	691,749	604,307
Lease expense	578,269	285,207
Insurance	556,900	493,608
Depreciation and amortization	3,046,554	3,036,037
Other operating expenses	308,290	230,264
Total operating expenses	24,146,595	18,785,950
Operating income (loss)	(8,193,859)	(2,805,707)
Nonoperating revenues (expenses)		
District tax revenues	9,611,604	8,535,437
Investment income	2,752,200	1,359,377
Interest expense	(1,699,376)	(1,698,539)
Forgiveness of debt borrowings		201,105
Grants and contributions	1,516,707	1,184,151
Total nonoperating revenues (expenses)	12,181,135	9,581,531
Increase in net position	3,987,276	6,775,824
Net position at beginning of the year	89,611,610	82,835,786
Net position at end of the year	$ 93,598,886	$ 89,611,610

See accompanying notes and auditor's report

Combined Statements of Cash Flows

PENINSULA HEALTH CARE DISTRICT

	Year Ended June 30	
	2023	2022
Cash flows from operating activities:		
Cash received from assisted living/memory care and other revenues	$ 12,420,999	$ 10,767,155
Cash received from dental service - net patient revenues	2,540,851	2,523,749
Cash received from tenants	525,110	448,318
Cash payments to suppliers and contractors	(8,593,336)	(6,717,202)
Cash payments to employees and benefit programs	(11,320,235)	(9,534,498)
Net cash (used in) operating activities	(4,426,611)	(2,512,478)
Cash flows from noncapital financing activities:		
District tax revenues	9,611,604	8,535,437
Forgiveness of debt borrowings		201,105
Grants and contributions	1,516,707	1,184,151
Net cash provided by noncapital financing activities	11,128,311	9,920,693
Cash flows from capital and related financing activities:		
Purchase of capital assets, disposals and other asset changes	(15,645,563)	(602,854)
Principal payments on debt borrowings	(1,546,805)	(1,692,418)
Interest on debt borrowings	(1,699,376)	(1,698,539)
Net cash (used in) capital financing activities	(18,891,744)	(3,993,811)
Cash flows from investing activities:		
Change in restricted cash and cash equivalents	135,420	(23,645)
Investment income	2,752,200	1,359,377
Net cash provided by (used in) investing activities	2,887,620	1,335,732
Net increase in cash, cash equivalents and investments	(9,281,908)	4,750,136
Cash, cash equivalents and investments at beginning of year	40,739,780	35,989,644
Cash, cash equivalents and investments at end of year	$ 31,457,872	$ 40,739,780

See accompanying notes and auditor's report

Combined Statements of Cash Flows (continued)

PENINSULA HEALTH CARE DISTRICT

	Year Ended June 30	
	2023	2022
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	$ (8,193,859)	$ (2,805,707)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	3,046,554	3,036,037
Changes in operating assets and liabilities:		
Patient accounts receivables	(380,877)	(201,101)
Rent receivables	77,012	(96,586)
Lease and other receivables	325,305	(316,398)
Inventories, prepaid expenses and other assets	(54,191)	17,896
Accounts payable and accrued expenses	622,174	281,792
Accrued payroll and related liabilities	(59,571)	152,889
Unearned revenues	1,513,772	19,944
Lease payables, net	(1,989,033)	(1,676,583)
Tenant deposits	(11,955)	61,898
Pension related accounts	678,058	(986,559)
Net cash (used in) operating activities	$ (4,426,611)	$ (2,512,478)

See accompanying notes and auditor's report

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Peninsula Health Care District (the District) is a public entity healthcare district organized under Local Hospital District Law as set forth in the Health and Safety Code of the State of California. The District is a political subdivision of the State of California and is generally not subject to federal or state income taxes. The District is governed by a five-member Board of Directors, elected from within the district to specified terms of office. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for financial reporting, in conjunction with the Financial Accounting Standards Board (FASB).

The District was formed in 1947, purchased land in Burlingame, and built and operated Peninsula Hospital. In 1985, the Board brought in a hospital operator to run the hospital. In 2006, with a 92% favorable vote of its residents, the Board entered into a 50-year master lease agreement with Sutter Health to build, own, and operate a new seismically compliant hospital on the District's Burlingame acreage. Sutter Health's new hospital opened on May 15, 2011, the 50-year lease started as of that day, and the District's Peninsula Hospital was demolished by the end of 2011.

The District's investments to address the health priorities of its residents transitioned from a hospital-focus to a community-based focus. The vision of the District is for all its residents to achieve their optimal health through education, prevention and access to basic health care services - medical, behavioral, and dental. The District's Strategic Values are: (1) "Stewardship" - ensuring that all District assets are used for the community's health benefit; (2) "Collaboration" - working in partnership with others committed to improving the health of their community; (3) "Inclusion" - ensuring that the health care needs of all District residents will be considered regardless of financial and health status; and (4) "Transparency" - conducting the District's business through processes that encourage public input, review, and comment.

Component Units: The Peninsula Health Care District Financing Corporation (the Corporation) was established during the fiscal year 2013-14 for the purpose of providing assistance to the District in financing the acquisition, construction and improvement of health care facility buildings, works and equipment for the District. Although legally separate from the District, the Corporation is reported as if it were part of the District because its sole purpose is to provide financing to the District under debt issuance agreements of the District.

In addition, the Sonrisas Dental, Inc. (Sonrisas) is included in the financial statements as a component unit due to the financial relationship between Sonrisas and the District as the District controls the voting majority of the governing board of Sonrisas. The operations of Sonrisas are included in the financial statements, however the Corporation had no transactions to report on during the years ended June 30, 2023 and 2022.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Preparation: The accounting policies and combined financial statements of the District generally conform with the recommendations of the audit and accounting guide, *Health Care Organizations*, published by the American Institute of Certified Public Accountants. The combined financial statements are presented in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB). For purposes of presentation, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as operational revenues and expenses.

The District uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. Based on GASB Statement Number 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, as amended, the District has elected to apply the provisions of all relevant pronouncements as the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Within the District's financial transactions are four funds utilized by the District designed to focus on the operations of selected areas of the District's overall financial well-being as follows:

Leasing Fund : The Leasing Fund of the District accounts for the financial transactions related to the property leasing operations of the District.

Dental Fund: The Dental Fund of the District accounts for the financial transactions related to the dental service operations provided by Sonrisas.

Trousdale Fund: The Trousdale Fund of the District accounts for the financial transactions related to the assisted living/memory care service operations of the District.

Health & Fitness Fund: The Health & Fitness Fund of the District accounts for the financial transactions related to the fitness center operations of the District.

The financial results of these four funds are presented as supplemental schedules within this report (see table of contents).

Use of Estimates: The preparation of the combined 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 combined financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash, Cash Equivalents and Investments: The District considers cash and cash equivalents to include cash on hand, demand deposits, and certain investments in highly liquid debt instruments, when present, with an original maturity of a short-term nature or subject to withdrawal upon request. Exceptions are for those investments which are intended to be continuously invested. Investments in debt securities are reported at market value. Interest, dividends and both unrealized and realized gains and losses on investments are included as investment income in nonoperating revenues when earned. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated value as represented by the external pool. The District has elected not to report investments at amortized cost. Cash and cash equivalents also include cash held with County treasuries and State funds.

Patient Accounts Receivable: Patient accounts receivable consist of amounts owed by various governmental agencies, insurance companies and private patients. The District manages its receivables by regularly reviewing the accounts, inquiring with respective payors as to collectability and providing for allowances on their accounting records for estimated contractual adjustments and uncollectible accounts. Significant concentrations of patient accounts receivable are discussed further in the footnotes.

Inventories: Inventories are consistently reported from year to year at cost determined on combination of first-in, first-out (FIFO) basis for certain types of inventory and replacement values, which are not in excess of market, for other types of inventory. Inventories as of June 30, 2023 and 2022 amount to $21,563 and $20,097, respectively.

Restricted Assets: Restricted assets include contributor restricted funds, amounts designated by the Board of Directors for replacement or purchases of capital assets, and other specific purposes, and amounts held by trustees under specified agreements. Restricted assets consist primarily of deposits on hand with local banking and investment institutions, and bond trustees.

Capital Assets: Capital assets consist of property and equipment and are reported on the basis of cost, or in the case of donated items, on the basis of fair market value at the date of donation. Routine maintenance and repairs are charged to expense as incurred. Expenditures which increase values, change capacities, or extend useful lives are capitalized. During periods of asset construction, the District capitalizes interest cost net of any interest earned on temporary investments of the proceeds set aside for construction projects funded by tax-exempt debt borrowings. Interest expense is also capitalized for projects financed with operating funds.

Depreciation of property and equipment and amortization of property under capital leases are combined in the statements of revenues, expenses and changes in net position and are computed by the straight-line method for both financial reporting and cost reimbursement purposes over the estimated useful lives of the assets, which range from 10 to 40 years for buildings and improvements, and 3 to 10 years for equipment. The District periodically reviews its capital assets for value impairment. As of June 30, 2023 and 2022, the District has determined that no capital assets are significantly impaired.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Assets: As of June 30, 2023, other assets are comprised of long-term lease receivables of $71,101,950, pension assets of $398,044 and deposits of $150,657 for a total of $71,650,651 As of June 30, 2022, other assets are comprised of long-term lease receivables of $71,619,257, pension assets of $731,513 and deposits of $46,892 for a total of $72,397,662. The lease receivables are due to GASB 87 and the lease recording requirements as discussed further in footnote J.

Deferred Inflows and Outflows of Resources: The District records deferred inflows and outflows of resources which are associated with the District's retirement plan. For purposes of measuring net pension liability and deferred inflows/outflows of resources related to the District's pensions, and pension expense, information about the fiduciary net position of the District's California Public Employee's Retirement System (CalPERS) plan (the Plan) and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Compensated Absences: The District's employees earn paid-time-off (PTO) benefits at varying rates depending on years of service. PTO benefits can accumulate up to specified maximum levels. Employees are paid for PTO accumulated benefits if they leave either upon termination or separation. Accrued PTO liabilities as of June 30, 2023 and 2022 were $83,588 and $102,397, respectively.

Unearned Revenue: Unearned revenues arise when resources are received by the District before they are earned. In subsequent periods, when the revenue recognition criteria is met, or when the District has legal claim to these resources, the liability for unearned revenue is removed and the revenue is recognized. Unearned revenues are comprised mainly of prepaid rent.

Risk Management: The District 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 medical malpractice. Commercial insurance coverage is purchased for claims arising from such matters.

Net position: Net position is presented in three categories. The first category of net position is "net investment in capital assets". This category of net position consists of capital assets (both depreciable and non depreciable), net of accumulated depreciation and reduced by the outstanding principal balances of any debt borrowings that were attributable to the acquisition, construction, or improvement of those capital assets. The second category is "restricted" net position. This category consists of externally designated constraints placed on assets by creditors (such as through debt covenants), grantors, contributors, law or regulations of other governments or government agencies, or law or constitutional provisions or enabling legislation. The District is required to maintain liquid assets in the amount of $7,500,000 as required by debt covenants. The third category is "unrestricted" net position. This category consists of net position that does not meet the definition or criteria of the previous two categories

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Patient Service Revenues: Net patient service revenues related to the dental operations are reported in the period at the estimated net realized amounts from patients, third-party payors and others including estimated retroactive adjustments under reimbursement agreements with third-party programs. Normal estimation differences between final reimbursement and amounts accrued in previous years are reported as adjustments of current year's net patient service revenues.

Charity Care: The District accepts all dental patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the District. Essentially, these policies define charity services as those services for which no payment is anticipated. Because the District does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenues. Services provided are recorded as gross patient revenues and then written off entirely as an adjustment to net patient service revenues. Partial payments to which the District is entitled from public assistance programs on behalf of certain patients that meet the District's charity care criteria are reported under net patient service revenues. These supplemental programs are generally funded from governmental agencies and others. Total charity care was considered minimal for the years ended June 30, 2023 and 2022, respectively.

District Tax Revenues: The District receives approximately 32% of its financial support from property taxes. These funds are used to support operations of the District. They are classified as non-operating revenue as the revenue is not directly linked to the four basic services provided by the District. Property taxes are levied and collected by the San Mateo County (the County) on the District's behalf during the year, and are intended to help finance the District's activities during the same year. Amounts are levied on the basis of the most current property values on record with the County under the Teeter Plan, therefore taxes receivable, uncollectible, or deferred do not affect the distribution to the District. The County has established certain dates to levy, lien, mail bills, and receive payments from property owners during the year. Those dates are: (1) lien date of January 1; and (2) due dates of December 10 and April 10 Property taxes are considered delinquent on the day following each payment due date.

Operating and Nonoperating Revenues and Expenses: The District's statement of revenues, expenses and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing services related to the four basic funds as previously mentioned, which are the District's principal activities. Operating expenses are all expenses incurred to provide these services, other than financing costs. Nonoperating revenues and expenses are those transactions not considered directly linked to providing services within these four basic service areas.

Recently Adopted Accounting Pronouncement: In June 2017 the Governmental Accounting Standards Board released GASB 87 regarding changes in the way leases are accounted for. GASB 87 superseded GASB 13 and GASB 62 and more accurately portrays lease obligations by recognizing lease assets and lease liabilities on the statement of net position and disclosing key information about leasing arrangements. The District has adopted GASB 87 effective July 1, 2021 in accordance with the timetable established by GASB 87.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition: As previously stated, net patient service revenues are reported at amounts that reflect the consideration to which the District expects to be entitled in exchange for dental patient services. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of third-party payor audits, reviews, and investigations. Generally, the District bills the patients and third-party payors several days after the patient receives dental services at Sonrisas. Revenue is recognized as services are rendered.

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. Payment arrangements include prospectively determined rates per day, discharge or visit, reimbursed costs, discounted charges and per diem payments. 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.

Gifts of long-lived assets such as land, buildings, or equipment are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit donor restrictions that specify how the asset is to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived asset is placed in service. Cash received in excess of revenue recognized is deferred revenue.

Contributions are recognized as revenue when they are received or unconditionally pledged. Donor stipulations that limit the use of the donation are recognized as contributions with donor restrictions. When the purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from donor restrictions. Donor restricted contributions whose restriction expire during the same fiscal year are recognized as net assets without donor restrictions. Absent donor-imposed restrictions, the District records donated services, materials, and facilities as net assets without donor restrictions.

From time to time, the District receives grants from various governmental agencies and private organizations. Revenues from grants are recognized when all eligibility requirements, including time requirements are met. Grants may be restricted for either specific operating purposes or capital acquisitions. These amounts, when recognized upon meeting all requirements, are reported as components of the statement of revenues, expenses and changes in net position.

NOTE B - CASH, CASH EQUIVALENTS AND INVESTMENTS

As of June 30, 2023 and 2022, the District had deposits with various financial institutions in the form of operating cash and cash equivalents amounting to $6,560,384 and $5,599,363. All of these funds were held in deposits, which are collateralized in accordance with the California Government Code (CGC) and are federally insured.

The CGC requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless waived by the governmental unit). California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the District's total deposits. The pledged securities are held by the pledging financial institution's trust department in the name of the District. The market value of pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. As of June 30, 2023 and 2022, $6,060,380 and $4,183,321, respectively, of the District's deposits with financial institutions in excess of FDIC limits was held in collateralized accounts.

The District is authorized under the CGC to make deposits into a variety of investment types. Investments consist of several types authorized by the CGC including U.S. Government securities and state and local agency funds invested in U. S. Government securities. These investments are stated at quoted market values. Changes in market value between years are reflected as a component of investment income in the accompanying statement of revenues, expenses and changes in net position.

The State makes available the Local Agency Investment Fund (LAIF) through which local governments may pool investments. Investments are highly liquid and can be converted to cash within 24 hours. Participation in LAIF is voluntary and is limited to $40 million for each entity. The fair value of the District's investment in LAIF is reported based on the District's pro rata share of the fair value provided by LAIF for the entire portfolio.

NOTE C - CONCENTRATION OF CREDIT RISK

Financial Instruments: Financial instruments, potentially subjecting the District to concentrations of credit risk, consist primarily of bank deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limits of $250,000. Although deposits exceed the limit in certain bank accounts, management believes that the risk of loss is minimal due to the high financial quality of the bank with which the District does business. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the CGC. There are no investments in one issuer that represent 5% or more of the District's total investment portfolio, other than U.S. Treasury obligations and U.S. Securities. Management believes that there is no risk of material loss due to concentration of credit risk with regards to investments as of June 30, 2023 and 2022.

NOTE C - CONCENTRATION OF CREDIT RISK (continued)

Accounts Receivable: The District grants credit without collateral to its patients and third-party payors. Patient accounts receivable from government agencies represent the only concentrated group of credit risk for the District and management does not believe that there are any credit risks associated with these governmental agencies. Contracted and other accounts receivable consist of various payors including individuals involved in diverse activities, subject to differing economic conditions and do not represent any concentrated credit risks to the District. Concentration of accounts receivable at June 30, 2023 and 2022 were as follows:

	2023	2022
Interest receivable	$ 192,110	$ 115,632
Rent receivable	42,572	119,584
Patient accounts receivable, net of allowances	458,589	404,531
Grants and other agency receivables	503,610	382,103
Leases receivable - current portion	517,306	372,732
Other miscellaneous receivables	86,399	13,902
Total accounts receivable, net of allowances	$ 1,800,586	$ 1,408,484

NOTE D - RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash and cash equivalents as of June 30, 2023 and 2022 were comprised of the following:

Restricted for the following various purposes:	2023	2022
Sonrisas donor restricted cash and cash equivalents		$ 149,565
Certificate of deposits - restricted per loan covenant	$ 3,151,974	3,137,829
	3,151,974	3,287,394
Less restricted cash available for current purposes	(3,151,974)	(3,287,394)
	$	$

NOTE E -INVESTMENTS

The District's investment balances and average maturities were as follows at June 30, 2023 and 2022:

		Investment Maturities in Years		
As of June 30, 2023	Fair Value	Less than 1	1 to 5	Over 5
Local agency investment fund	$ 5,845,072	$ 5,845,072		
San Mateo County treasury	3,587,640	3,587,640		
Money market mutual funds	3,156,839	3,156,839		
U.S. Treasury obligations	8,666,159	3,412,160	$ 5,253,999	
Corporate bonds	3,329,547	832,729	2,496,818	
Certificates of deposit	3,151,974	3,151,974		
Municipal bonds	312,033	312,033		$
Total investments	$ 28,049,264	$ 20,298,447	$ 7,750,817	$

		Investment Maturities in Years		
As of June 30, 2022	Fair Value	Less than 1	1 to 5	Over 5
Local agency investment fund	$ 5,745,426	$ 5,745,426		
San Mateo County treasury	3,529,254	3,529,254		
Money market mutual funds	4,217,349	4,217,349		
U.S. Treasury obligations	14,723,137	1,884,887	$ 12,838,250	
U. S. Agency securities	685,766		685,766	
Corporate bonds	5,377,529	1,340,966	4,036,563	
Municipal bonds	309,306		309,306	
Certificates of deposit	3,839,834		3,839,834	$
Total investments	$ 38,427,601	$ 16,717,882	$ 21,709,719	$

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a position of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for District operations. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the preceding schedules that shows the distribution of the District's investments by maturity.

NOTE E -INVESTMENTS (continued)

Credit Risk: Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, such as Moody's Investor Service, Inc. The District adheres to the CGC's minimum rating requirements for their investment policy. Ratings range from AAA to BBB+ and some are either exempt from ratings or not rated.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer), the District would not be able to recover the value of its investment or collateral securities that are in the possession of another party. The CGC and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools such as LAIF or the San Mateo County investment pool.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The District's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the CGC. There are no investments in one issuer that represent 5% or more of total District investments (other than U.S. Treasury obligations and U.S. Agency securities).

Investment Hierarchy - The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant other unobservable inputs. The District's June 30, 2023 and 2022 investments at Level 1 were $15,464,578 and $19,935,558, respectively. The District's June 30, 2023 and 2022 investments at Level 2 were $-0- and $5,377,529, respectively. There were no investments at Level 3 for either year.

NOTE F - REGULATORY ENVIRONMENT

The District is subject to several laws and regulations. These laws and regulations include matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medi-Cal fraud and abuse. Government activity has increased with respect to possible violations of statues and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the District is in compliance with all applicable government laws and regulations and is not aware of any future actions or unasserted claims at this time.

NOTE G - CAPITAL ASSETS

Capital assets were comprised of the following:

	June 30, 2022	Additions	Retirements	June 30, 2023
Capital assets not being depreciated				
Land	$15,390,822	$ 7,508,558	$	$ 22,899,380
Construction-in-progress		244,587		244,587
Total	$15,390,822	$ 7,753,145	$	$ 23,143,967
Capital assets being depreciated				
Buildings and improvements	82,850,156	$ 7,661,580		90,511,736
Equipment	3,662,865	230,838	$ (115,127)	3,778,576
Total	86,513,021	7,892,418	(115,127)	94,290,312
Less accumulated depreciation for:				
Buildings and improvements	(9,682,709)	(1,838,235)		(11,520,944)
Equipment	(4,547,978)	(1,208,321)	115,127	(5,641,172)
Total accumulated depreciation	(14,230,687)	(3,046,556)	115,127	(17,162,116)
Total assets being depreciated	$ 72,282,334	$ 4,845,862	$	$ 77,128,196
Total capital assets, net	$ 87,673,156	$ 12,599,007	$	$100,272,163

	June 30, 2021	Additions	Retirements	June 30, 2022
Capital assets not being depreciated				
Land	$15,390,822	$	$	$15,390,822
Total	$15,390,822	$	$	$15,390,822
Capital assets being depreciated				
Buildings and improvements	82,485,693	$ 364,463		82,850,156
Equipment	3,424,472	238,393	$	3,662,865
Total	85,910,165	602,856		86,513,021
Less accumulated depreciation for:				
Buildings and improvements	(8,479,180)	(1,203,529)		(9,682,709)
Equipment	(2,715,470)	(1,832,508)		(4,547,978)
Total accumulated depreciation	(11,194,650)	(3,036,037)		(14,230,687)
Total assets being depreciated	$ 74,715,515	$ (2,433,181)	$	$ 72,282,334
Total capital assets, net	$ 90,106,337	$ (2,433,181)	$	$ 87,673,156

NOTE H - DEBT BORROWINGS

As of June 30, 2023 and 2022, debt borrowings were as follows:

	2023	2022
Peninsula Health Care District Certificate of Participation; principal due each February 1st at various amounts through 2038; interest due semi-annually on August 1st and February 1st (3.91%); collateralized by District assets and revenues:	$ 32,815,000	$ 34,040,000
Peninsula Health Care District Certificate of Participation; principal due each February 1st at various amounts through 2038; interest due semi-annually on August 1st and February 1st (3.47%); collateralized by District assets and revenues:	8,780,000	9,100,000
Minor capital leases	5,203	7,408
	41,600,603	43,147,408
Less current maturities of debt borrowings	(1,605,000)	(1,545,000)
	$ 39,995,603	$ 41,602,408

The first Certificate of Participation was issued during fiscal year ended June 30, 2014 in the amount of $40,000,000 for the purpose of financing the costs of construction and equipping of an assisted living/memory care facility in Burlingame, California. The second Certificate of Participation was issued during the fiscal year ended June 30, 2016 in the amount of $10,000,000, also for the purpose of continuing to finance the costs of construction and equipping the assisted living/memory care facility. Both were entered into with debt agreements with the Western Alliance Bank.

Future principal maturities for the Certificates of Participation for the next five succeeding years are: $1,605,000 in 2024; $1,670,000 in 2025; $1,735,000 in 2026; $1,805,000 in 2027 and $1,875,000 in 2028. Thereafter maturities are $32,905,000.

The Certificates of Participation are subject to certain loan covenants which are: (1) maintain liquid assets in an amount equal to at least $7,500,000; (2) maintain a debt service coverage ratio of 1.2 times; (3) the District will not issue any new obligations unless certain requirements are met; and (4) the District will maintain at least $3,000,000 in an affiliate bank of Western Alliance Bank

NOTE I - COMMITMENTS AND CONTINGENCIES

Construction-in-Progress: As of June 30, 2023, the District has recorded $244,587 as construction-in-progress representing cost capitalized for improvements at the teen mental health center. Estimated future costs to complete the projects as of June 30, 2023 is $802,194.

Litigation: The District may from time-to-time be involved in litigation and regulatory investigations which arise in the normal course of doing business. After consultation with legal counsel, management estimates that matters existing as of June 30, 2023 will be resolved without material adverse effect on the District's future financial position, results from operations or cash flows.

Medical Malpractice Insurance: The District maintains commercial malpractice liability insurance coverage under a claims made and reported policy covering losses up to $10 million per claim and $20 million in the annual aggregate, with a per claim deductible of $10,000. The District plans to maintain the insurance coverage by renewing its current policy, or by replacing it with equivalent insurance.

HIPAA: The Health Insurance Portability and Accountability Act (HIPAA) was enacted August 21, 1996, to ensure health insurance portability, reduce health care fraud and abuse, guarantee security and privacy of health information, and enforce standards for health information. Organizations are subject to significant fines and penalties if found not to be compliant with the provisions outlined in the regulations. Management believes the District is in compliance with HIPAA as of June 30, 2023 and 2022.

Definitive Agreement: The Definitive Agreements between the District and MPHS became effective on November 1, 2006. Under these agreements, MPHS was to construct and equip a new hospital on land leased from the District, and then demolish the old and existing hospital facility.

At the end of the ground lease, or upon the District's early termination of the Definitive Agreement with MPHS, the District is obligated to reimburse MPHS for certain items. Depending upon the circumstances and timing of the termination of the ground lease, these obligations could include the Net Book Value (NBV) of all post term assets and/or the Fair Market Value (FMV) of the use of certain hospital building improvements and equipment for whatever term of the ground lease remained as of the date of termination. Post term assets are defined as certain equipment and hospital building improvements either specifically approved by the District's Board in the 25-year period prior to the lease end, required by law, or necessitated by uninsured damage to the new hospital.

The early termination of the Definitive Agreement with MPHS is only allowed if MPHS commits a "Paramount Default" as defined in Section 5.01.B of the Master Agreement of the Definitive Agreement at any time after MPHS opens the new hospital.

NOTE J - LEASES

The District transitioned its prior hospital facilities and equipment lease into a Master Agreement with Mills-Peninsula Health Services (MPHS) effective November 1, 2006. This agreement included lease of the hospital facilities, a construction ground lease, and rental of additional District land upon which MPHS constructed the new Mills-Peninsula Medical Center and Palo Alto Foundation Clinic. On May 15, 2011, the new hospital was completed and available for use and the 50-year ground lease between the District and the MPHS became effective.

The lease rate for the District land was set on November 1, 2006 at $1,500,000 per year with a CPI adjustment every 3 years over the term of the ground lease. MPHS has the option to extend the ground lease for an additional 25 years with the written consent of the District.

The District is the lessor of three additional buildings to various tenants. The building at 1740 Marco Polo is being leased to nine separate parties with various agreement dates and terms. The building at 1720 Marco Polo is being leased to six separate parties with various agreement dates and terms. The homes at 111 and 113 16th Avenue are being leased to a community non-profit organization. These lease agreements either did not qualify for the GASB 87 adoption or were considered to not be material. Rental revenue for these properties were $426,762 and $435,332 for the years ended June 30, 2023 and 2022, respectively.

The District is the lessee for two other buildings - 2600 El Camino Real in San Mateo and 210 San Mateo Road, Suite 104, located in Half Moon Bay. Lease expense for these units for the years ended June 30, 2023 and 2022 were $66,873 and $66,873, respectively. It was determined that GASB 87 did not apply to these leases, except for the 2600 El Camino Real lease described below.

GASB 87 Adoption: As of July 1, 2021 the District adopted the Governmental Accounting Standards Board (GASB) 87 requiring certain changes in the way the District accounted for leases, both as a lessee and as a lessor.

Lessee: The District leases a building in San Mateo for the allcove teen mental health services under an operating lease located at 2600 El Camino Real. Lease commencement occurred on June 1, 2022. Remaining terms for the lease is 47 months with options to extend. The lease does not contain a readily determinable discount rate. The estimated borrowing rate of 3.5% was used to discount the remaining cash flows for this operating lease.

The District's lease agreement does not contain any material restrictions, covenants, or any material residual value guarantees.

NOTE J - LEASES (continued)

Lessee -lease related assets and liabilities as of June 30, 2023 and 2022 consist of the following:

	2023	2022
Assets:		
Operating lease asset - current receivable portion	$ 318,958	$ 308,595
Operating lease asset - noncurrent receivable portion	1,000,309	1,319,267
Total lease assets	$ 1,319,267	$ 1,627,862
Liabilities:		
Operating lease payable - current portion	$ 324,819	$ 235,679
Operating lease payable - noncurrent portion	1,102,407	1,406,710
Total lease liabilities	$ 1,427,226	$ 1,642,389

Total operating lease expense under this lease arrangement for the year ended June 30, 2023 was $334,784 and the related interest expense was $54,466.

The future minimum rental payments required under operating lease obligations as of June 30, 2023, having initial or remaining non-cancelable lease terms in excess of one year are summarized as follows:

Years ending June 30,

2024	$ 374,386
2025	385,622
2026	397,194
2027	374,077
Thereafter	-0-
Total	1,531,279
Less: interest	(104,053)
Present value of lease liabilities	$ 1,427,226

The weighted average for the remaining lease term of this operating lease is 3.9 years and the weighted average discount rate for this operating lease is 3.5%

NOTE J - LEASES (continued)

Lessor: As previously mentioned, there is a Master Agreement with MPHS under an operating lease. Original terms for the lease is 50 years. This lease contains an option to extend for another 25 years. The lease does not contain a readily determinable discount rate. The estimated borrowing rate of 3.0% was used to discount the remaining cash flows for this operating lease.

Total lease revenue under this lease agreement for the years ended June 30, 2023 and 2022 were $1,753,354 and $1,747,854, respectively. The related interest income for the years ended June 30, 2023 and 2022 were $2,110,047 and $2,105,220, respectively.

Lessor-lease related assets and liabilities as of June 30, 2023 and 2022 consist of the following:

	2023	2022
Assets:		
Lease receivable - current portion	$ 198,348	$ 64,137
Lease receivable - noncurrent portion	70,101,642	70,299,990
Total lease assets	$ 70,299,990	$ 70,364,127
Deferred inflows of resources:		
Deferred inflows of resources	66,919,662	68,673,018
Total lease liabilities	$ 66,919,662	$ 68,673,018

The future minimum rental payments required under operating lease obligations as of June 30, 2023, having initial or remaining non-cancelable lease terms in excess of one year are summarized as follows:

Years ending June 30,

2024	$ 2,304,635
2025	2,304,635
2026	2,304,635
2027	2,442,913
Thereafter	117,328,012
Total	126,684,830
Less: interest	(56,384,840)
Present value of lease receivable	$ 70,299,990

The weighted average for the remaining lease term of this operating lease is 38.1 years and the weighted average discount rate for this operating lease is 3.0%

NOTE K - RETIREMENT PLAN

Plan Description: All qualified employees are eligible to participate in the District's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan (the Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay for benefits for any employer rate plan of the miscellaneous plan. Accordingly, rate plans within the miscellaneous pool is not a separate plan. Individual employers may sponsor more than one rate plan in the miscellaneous pool. The District sponsors two rate miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District Board resolutions. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The rate plan provisions and benefits in effect at June 30, 2023 are as follows:

Hire Date	On or after January 1, 2013
Benefit formula	2.0% @ 62
Benefit vest after	5 years service
Benefit payments	monthly for life
Earliest retirement age	52
Required employee contribution rates	7.25%
Required employer contribution rates	7.65%

Contributions: Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by the employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

NOTE K - RETIREMENT PLAN (continued)

Pension Liabilities (Assets), Expenses, and Deferred Outflows/Inflows of Resources: As of June 30, 2023 and 2022, the District reported pension assets for its proportionate share of the net pension asset of the Plan in the amounts of $398,044 and $731,513, respectively.

The District's net pension asset for the Plan is measured as the proportionate share of the net pension asset/liability. The net pension asset of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension asset for the Plan as of June 30, 2021 and 2022 was as follows:

Proportion - June 30, 2021	-	0.03852%
Proportion - June 30, 2022	-	0.00851%
Change - increase (decrease)	-	(0.03002)%

For the fiscal years ended June 30, 2023 and 2022, the District recognized pension (credit) expense of $760,153 and $(986,559), respectively.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 82,095	
Change in assumptions		$ 40,788
Net differences between expected and actual experience		2,640
Net differences in actual contribution and proportionate share		42,529
Change in proportions	427,430	
Net differences between projected and actual plan investment earnings		72,911
Totals of deferred outflows of resources and inflows of resources	$ 509,525	$ 158,868

NOTE K - RETIREMENT PLAN (continued)

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 77,741	
Change in assumptions		
Net differences between expected and actual experience		82,031
Net differences in actual contribution and proportionate share		49,514
Change in proportions	110,379	
Net differences between projected and actual plan investment earnings	638,572	
Totals of deferred outflows of resources and inflows of resources	$ 826,692	$ 131,446

For June 30, 2023, $82,095 was reported as deferred outflows of resources related to contributions subsequent to the measurement date and was recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. For June 30, 2022, $77,741 was reported as deferred outflows of resources related to contributions subsequent to the measurement date and was recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (credit) as follows:

Years ending June 30,

2024	$ 119,938
2025	118,686
2026	74,532
2027	(44,595)
Total	$ 268,561

NOTE K - RETIREMENT PLAN (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability: The total pension liabilities in the most recent actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation Rate	2.30%
Projected Salary Increase	Varies by Entry-Age and Service
Investment Rate of Return	6.80%

Discount Rate: The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 6.90% discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed to be necessary.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10-years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

NOTE K - RETIREMENT PLAN (continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

	Strategic Allocation	Real Return Years 1-10
Global Equity	42.0%	4.28%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporations	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0%)	(0.59%)
Total	100.00%	

For the years 1-10, an expected inflation rate of 2.30% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Asset to Changes in the Discount Rate: The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1% point lower (5.90%) or 1% point higher (7.90%) than the current rate:

	1% Decrease	Current	1% Increase
	5.90%	6.90%	7.90%
Proportionate Share of Net Pension Asset	$177,282	$398,044	$579,677

Pension Plan Fiduciary Net Position: Detailed information about the Plan's fiduciary net positions are available in the separately issued CalPERS financial reports.

NOTE L - SUBSEQUENT EVENTS

Management evaluated the effect of subsequent events on the combined financial statements through October 25, 2023, the date the combined financial statements are issued, and determined that there are no material subsequent events that have not been disclosed.

SUPPLEMENTARY SCHEDULES

Combining Statements of Net Position

PENINSULA HEALTH CARE DISTRICT

June 30, 2023

	Leasing Fund	Dental Fund	Trousdale Fund
Assets			
Current assets:			
Cash and cash equivalents	$ 759,977	$ 598,017	$ 1,590,445
Investments		1,015,925	2,042
Restricted cash and cash equivalents			3,151,974
Accounts and leases receivable	200,643	785,408	43,713
Inventories, prepaid expenses and other	351	53,537	100,092
Total current assets	960,971	2,452,887	4,888,266
Noncurrent assets:			
Non depreciable capital assets	20,779,380		
Depreciable capital assets, net	11,595,680	905,793	63,988,733
Long-term lease receivable and other assets	70,101,641	16,297	
Total noncurrent assets	102,476,701	922,090	63,988,733
Deferred outflows of resources			
Total assets and deferred outflows of resources	$103,437,672	$ 3,374,977	$ 68,876,999
Liabilities			
Current liabilities:			
Current maturities of debt borrowings			$ 1,605,000
Accounts payable and accrued expenses	$ 556,277	$ 122,163	1,470,856
Accrued payroll and related liabilities	222	311,056	242,710
Unearned revenues	1,875,864	24,622	65,659
Total current liabilities	2,432,363	457,841	3,384,225
Noncurrent liabilities			
Debt borrowings, net of current maturities		5,603	39,990,000
Lease liabilities and tenant deposits			26,500
Total noncurrent liabilities		5,603	40,016,500
Deferred inflows of resources	66,919,663		
Total liabilities and deferred inflows of resources	69,352,026	463,444	43,400,725
Net Position			
Net investment capital assets	32,375,060	900,190	22,393,733
Restricted			7,500,000
Unrestricted (deficit)	1,710,586	2,011,343	(4,417,459)
Total net position	34,085,646	2,911,533	25,476,274
Total liabilities, deferred inflows and net position	$103,437,672	$ 3,374,977	$ 68,876,999

Combining Statements of Net Position (continued)

PENINSULA HEALTH CARE DISTRICT

June 30, 2023

	Health & Fitness	General District	Combining Total
Assets			
Current assets:			
Cash and cash equivalents	$ 85,151	$ 3,526,992	$ 6,560,582
Investments		23,879,323	24,897,290
Restricted cash and cash equivalents			3,151,974
Accounts and leases receivable	615	770,207	1,800,586
Inventories, prepaid expenses and other	3,090	64,883	221,953
Total current assets	88,856	28,241,405	36,632,385
Noncurrent assets:			
Non depreciable capital assets		2,364,587	23,143,967
Depreciable capital assets, net	22,994	614,996	77,128,196
Long-term lease receivable and other assets		1,532,713	71,650,651
Total noncurrent assets	22,994	4,512,296	171,922,814
Deferred outflows of resources		509,525	509,525
Total assets and deferred outflows of resources	$ 111,850	$ 33,263,226	$209,064,724
Liabilities			
Current liabilities:			
Current maturities of debt borrowings			$ 1,605,000
Accounts payable and accrued expenses	$ 5,893	$ 654,580	2,809,769
Accrued payroll and related liabilities	3,587	67,537	625,112
Unearned revenues	2,807		1,968,952
Total current liabilities	12,287	722,117	7,008,833
Noncurrent liabilities			
Debt borrowings, net of current maturities			39,995,603
Lease liabilities and tenant deposits		1,356,371	1,382,871
Total noncurrent liabilities		1,356,371	41,378,474
Deferred inflows of resources		158,868	67,078,531
Total liabilities and deferred inflows of resources	12,287	2,237,356	115,465,838
Net Position			
Net investment capital assets	22,994	2,979,583	58,671,560
Restricted			7,500,000
Unrestricted	76,569	28,046,287	27,427,326
Total net position	99,563	31,025,870	93,598,886
Total liabilities, deferred inflows and net position	$ 111,850	$ 33,263,226	$209,064,724

Combining Statement of Revenues, Expenses and Changes in Net Position

PENINSULA HEALTH CARE DISTRICT

Year Ended June 30, 2023

Operating revenues	Leasing Fund	Dental Fund	Trousdale Fund
Lease revenues	$ 2,180,118		
Dental service - net patients revenues		$ 2,921,728	
Assisted living/memory care resident revenues			$ 10,707,184
Fitness center revenues			
Other operating revenues		5,736	
Total operating revenues	2,180,118	2,927,464	10,707,184
Operating expenses			
Salaries and wages	93,523	3,188,833	4,712,263
Employee benefits	44,306	405,320	1,373,643
Community services and related programs	699,383	153,537	
Professional fees and registry	96,211	113,723	1,049,837
Supplies		353,610	884,691
Purchased services		207,472	518,434
Utilities and phone		139,101	539,346
Lease expense	226,960	41,808	
Insurance		29,515	453,785
Depreciation and amortization	153,704	288,027	2,564,792
Other operating expenses	588	107,172	
Total operating expenses	1,314,675	5,028,118	12,096,791
Operating income (loss)	865,443	(2,100,654)	(1,389,607)
Nonoperating revenues (expenses)			
District tax revenues			
Investment income	2,194,581	6,992	18,089
Interest expense		(22,759)	(1,622,150)
Interfund transfer	(528,657)	900,000	1,778,579
Grants and contributions		1,176,820	
Total nonoperating revenues (expenses)	1,665,924	2,061,053	174,518
Increase (decrease) in net position	2,531,367	(39,601)	(1,215,089)
Net position at beginning of the year	31,554,279	2,951,134	26,691,363
Net position at end of the year	$ 34,085,646	$ 2,911,533	$ 25,476,274

Combining Statement of Revenues, Expenses and Changes in Net Position (continued)

PENINSULA HEALTH CARE DISTRICT

Year Ended June 30, 2023

Operating revenues	Health & Fitness	General District	Combining Total
Lease revenues			$ 2,180,118
Dental service - net patient revenues			2,921,728
Assisted living/memory care resident revenues			10,707,184
Fitness center revenues	$ 134,049		134,049
Other operating revenues	3,183	$ 738	9,657
Total operating revenues	137,232	738	15,952,736
Operating expenses			
Salaries and wages	174,983	937,164	9,106,766
Employee benefits	74,589	934,098	2,831,956
Community services and related programs		2,466,276	3,319,196
Professional fees and registry	3,920	322,358	1,586,049
Supplies	7,429	26,120	1,271,850
Purchased services	43,033	59,561	828,500
Utilities and phone	13,302		691,749
Lease expense		330,017	598,785
Insurance	2,786	70,814	556,900
Depreciation and amortization	12,801	27,230	3,046,554
Other operating expenses	13,052	187,478	308,290
Total operating expenses	345,895	5,361,116	24,146,595
Operating income (loss)	(208,663)	(5,360,378)	(8,193,859)
Nonoperating revenues (expenses)			
District tax revenues		9,611,604	9,611,604
Investment income	78	532,460	2,752,200
Interest expense		(54,467)	(1,699,376)
Interfund transfer	247,618	(2,397,540)	-0-
Grants and contributions		339,887	1,516,707
Total nonoperating revenues (expenses)	247,696	8,031,944	12,181,135
Increase (decrease) in net position	39,033	2,671,566	3,987,276
Net position at beginning of the year	60,530	28,354,304	89,611,610
Net position at end of the year	$ 99,563	$ 31,025,870	$ 93,598,886

JWT & Associates, LLP
A Certified Public Accountancy Limited Liability Partnership
1111 East Herndon, Suite 211, Fresno, California 93720
Voice: (559) 431-7708 Fax:(559) 431-7685

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

The Board of Directors
Peninsula Health Care District
Burlingame, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of the Peninsula Health Care District (the District) as of and for the years ended June 30, 2023 and 2022, and the related notes to the combined financial statements, which collectively comprise the District's combined financial statements, and have issued our report thereon dated October 25, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined 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 combined financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

JWT & Associates, LLP

Fresno, California
October 25, 2023

THE TROUSDALE
Community Living for Seniors
Proud member of the ESKATON family

PHCD Board Meeting

December 14th, 2023

Owned by Peninsula Health Care District
Building a Healthier Community

1

Agenda

- Brief overview of Eskaton
- Occupancy (Year-To-Date Results)
- Sales & Marketing/Outreach Efforts (Ads, Tours, Community Events)
- Budget (Operating Budget, Eskaton Analysis, Expense Controls)
- Programming (Quality of Care, Resident Experience, Amenities & Services)

THE TROUSDALE

2

ESKATON

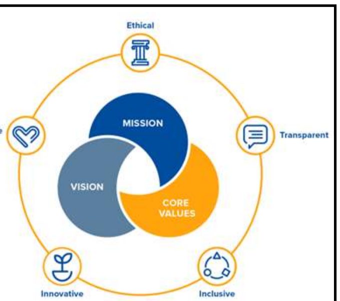
Vision

Transforming the aging experience

Mission

To enhance the quality of life of older adults through innovative health, housing and social services.

Since 1968, providing nonprofit, community-based services



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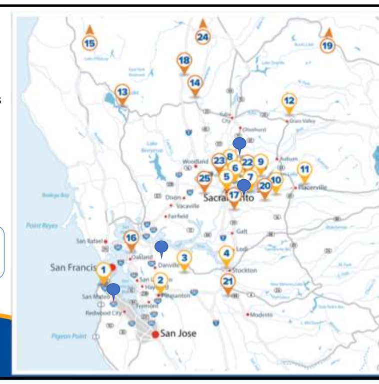
3

Eskaton Service Area- Northern CA

- **13 HUD Affordable Senior Communities**
- **12 Residential Living Communities**
- **Home & Community-based Services**

- ✓ Owned & Managed Communities
- ✓ 1700 Employees
- ✓ 3,800 Older Adults Served Each Day

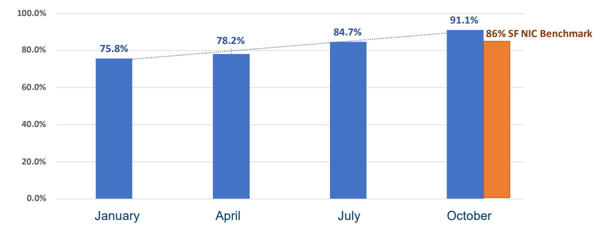


THE TROUSDALE

4

The Trousdale 2023 Year-To-Date Occupancy Results

Achieved over 90% beginning in September and growing!



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Benchmark Source: 3Q23 National Investment Center (NIC) Senior Housing Primary Market Data for Occupancy in the San Francisco Market

5

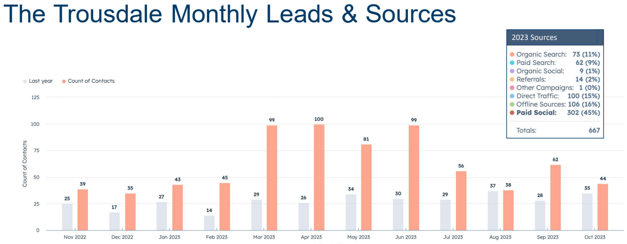
The Trousdale Advertising Samples & Call Activity

- Top 3 Phone Call Sources
  1. Google Advertising
  2. San Mateo Daily Journal Senior Showcase
  3. Trousdale Website & Landing Pages
- PHCD Collaboration
  - Social Media Posts
  - Newsletter Inclusion

THE TROUSDALE Community Living for Seniors

6

The Trousdale Monthly Leads & Sources



- Large increase in leads driven primarily by digital & social media advertising
- Working to more evenly distribute lead sources to generate a more balanced portfolio of leads (would like to see Paid Social around 25% vs 45%)
- More balanced lead source share = more balanced prospect "readiness"

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7

The Trousdale Tours & Move-Ins

Occupancy growth over the last 12-months has been driven by new move-ins, as move-outs were flat over the last 12-months

	Nov 2022 – Oct 2023	YOY Difference
Tours	268	+9%
Move-Ins	46.5	+39%
Tour/MI Rate	17%	+21%
Move-Outs	28.5	-

* .5 increments account for double-occupied rooms
**Goal tour/move-in rate is 25%

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8

Events & Outreach

Top 3 Events

- Lunch & Learn events
- Resident/Family events
- Senior Showcase events

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9

Events

National Centenarian Day Celebration

Resident Hisao "Moses" Yasukochi for his 2023 James Beard Foundation Award nomination for Outstanding Bakery!

THE TROUSDALE Community Living for Seniors

10

Fiscal YTD Financial Report (July – October)

Statement of Operations:	October YTD Actual 2023	Actual YTD Budget 2023	Variance
Revenue	$ 4,023,739	$ 3,965,308	$ 58,431
Expenses	3,551,022	3,305,372	(245,650)
Operating Margin	**472,717**	**659,936**	**(187,219)**
Depreciation/Financing/Other	1,391,732	1,381,092	(10,640)
Net Operating Income (Loss)	**$ (919,015)**	**$ (721,156)**	**$ (197,859)**

- PHCD Rent Assistance Program: YTD Discount $76,262 versus Budget $80,000
- Expense overruns driven by labor costs, both salaries and benefits ($119k), and temporary staffing ($118k).

THE TROUSDALE Community Living for Seniors

11

Financial Comparison- Bay Area Communities

January – September 2023

Location	The Trousdale – AL/MC Burlingame	AL/MC Pleasanton	AL/MC Gold River	AL/MC Roseville	SOSH Quartile Benchmarks
Owned/Managed	Managed	Managed	Owned	Owned	
Total Units	124	105	95	96	
Total Revenue Per Occupied Unit	$85K	$66K* includes 30% BMR	$75K	$76K	Low- $44K Median-$68K High-$121K
Total Labor Per Occupied Unit (Salaries, Benefits, Registry)	$52K	$44K	$43K	$41K	Low- $25K Median-$32K High-$48K
Total Operating Expenses Without Labor Per Occupied Unit	$22K	$19K	$20K	$20K	Low- $19K Median-$23K High-$34K
Food Expenses Per Occupied Unit	$3,826	$3,608	$3,560	$3,286	Low- $2,551 Median-$2,830 High-$1,703
Net Income Per Occupied Unit	$9,939	$3,116	$11,739	$14,440	Low- $202 Median-$13K High-$39K

Benchmark Source: 2022 State of Senior Housing (SOSH) Report

12

Expense Controls

- Establish **action plans** in areas of expense variance.
- **Frequent vendor pricing comparisons** – DH will maintain this process.
- Further leverage our **group purchasing** organization
- **Maintain compliance with the newly-established amendment** which stipulates the approval process for each level of expense.

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13

Life Enrichment




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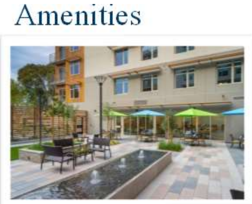
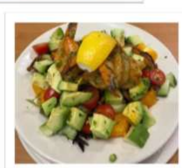
14

Amenities



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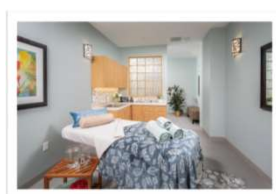
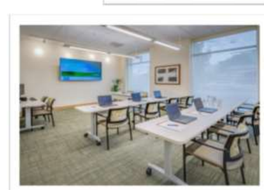
15

Amenities





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16


THE TROUSDALE
Community Living for Seniors
Proud member of the ESKATON family
Thank you!
Owned by
Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

17

FIRST AMENDMENT TO ASSISTED LIVING MANAGEMENT AGREEMENT

This First Amendment to Assisted Living Management Agreement (this "Amendment") is entered into by and between Eskaton Properties, Incorporated ("Manager") and Peninsula health Care District ("Owner") and is based on the following:

A. Manager and Owner entered into an Assisted Living Management Agreement dated as of January 1, 2013 (the "Management Agreement") for management services at Owner's assisted living facility known as The Trousdale (the "Facility").

B. Manager and Owner desire to extend the term of the Management Agreement and to modify certain provisions in it.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

AGREEMENT

1. Extended Term. The term of the Management Agreement is extended to December 31, 2026.

2. Option for Further Extension. Owner shall have the option to extend the Management Agreement for an additional two-year term, commencing January 1, 2027 and ending December 31, 2028. Owner shall give notice of the exercise of the option in accordance with Section 19 of the Management Agreement not later than September 1, 2028.

3. Approval of Expenses. Except in cases of emergency services, Manager shall obtain estimates and approval of expenses in accordance with the following schedule:

a. Expenses less than $5,000. Manager shall not be required to obtain bids. Approval of Owner's Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") required only for expenses not included in the approved budget.

b. Expenses $5,000-$10,000. For routine expenses within the approved budget, Manager shall obtain at least two bids and shall accept the lowest bid from a qualified, responsible bidder. For expenses not within the approved budget, Manager shall obtain two bids and the approval of the CFO or CEO.

c. Expenses $10,000-$25,000. Manager shall obtain at least three bids and approval of the CFO and CEO.

d. Expenses in excess of $25,000. Manager shall obtain three bids and the approval of Owner's Board of Directors.

Owner's CEO may waive or modify the bidding requirements on discrete items in Sections (a), (b), and (c) in writing.

For purposes of this Amendment, "expenses" shall include all costs of operating the facility, including vendors, supplies, services, repairs, and capital improvements, but shall not include salaries and benefits for employees of Manager or Manager's affiliates.

For purposes of this Amendment, "emergency services" shall include expenses necessary to protect the health and safety of residents of the Facility and repairs necessary to protect the structural integrity of the Facility under circumstances where obtaining bids and/or approvals is impractical. In such circumstances, Manager shall use best efforts to obtain cost-effective services and shall report such expenditures to the CEO and CFO as soon as practical.

4. Manager's Salaries. The approved operating budget shall include a salary range for all personnel of Manager and Manager's affiliates who provide services to the Facility, and are directly paid for or reimbursed by the Owner. Salaries in excess of the budgeted salary range shall be approved by Owner's Board of Directors; this includes unbudgeted wage scale or market adjustments.

5. Insurance Coverage. Section 9(a) of the Management Agreement is modified to provide that the following insurance policies maintained by Manager shall name Owner and Owner's directors, officers, employees, and volunteers as additional insureds for services provided under the agreement: (1) General and Professional Liability, (2) Excess General and Professional Liability, (3) Employment Practice Liability, and (4) Cyber Liability.

6. Dispute Resolution. Section 23 of the Management Agreement is modified to provide that the arbitration shall be conducted by the Judicial Arbitration and Mediation Service (JAMS) in accordance with the Expedited Arbitration Procedures for commercial arbitration.

7. Conflicts. In the event of a conflict, the terms of this Amendment shall control over the terms of the Management Agreement. Except as specifically modified by this Amendment, the terms of the Management Agreement shall remain in full force and effect.

8. Execution. This Amendment may be executed in counterparts and by electronic or facsimile signatures.

Date: __________ ESKATON PROPERTIES, INC.

By: ______________________________

Its: ______________________________

Date: ___________ PENINSULA HEALTH CARE DISTRICT

By: ______________________________

Its: ______________________________

ESKATON.
Transforming the Aging Experience

ASSISTED LIVING MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT ("Agreement") is made to be effective as of January 1, 2013 (the "Effective Date"), between ESKATON PROPERTIES, INCORPORATED, a California non-profit corporation ("MANAGER") and PENINSULA HEALTH CARE DISTRICT, a political subdivision of the State of California and a public district ("OWNER").

RECITALS

A. OWNER desires to engage MANAGER to (i) assist Owner in the planning, construction, and pre-opening preparation of an assisted living facility located in Burlingame, California and to be named (the "Facility") and (ii) to manage and supervise the operations of the Facility after it opens, and

B. MANAGER is skilled and experienced in the planning, management and supervision of the operations of assisted living facilities; and

C. MANAGER is willing to accept such engagement and to manage and supervise the operations of the Facility for and on behalf of OWNER, and as OWNER's agent, upon and subject to the terms and conditions hereof.

NOW, THEREFORE, the parties agree as follows:

AGREEMENTS

1. Appointment of MANAGER. Subject to the terms and conditions of this Agreement and as set forth in more detail herein, OWNER and MANAGER hereby agree that (a) MANAGER shall assist OWNER in the planning, construction, and pre-opening preparation of

the Facility (as set forth in more detail in Section 3(a) below, the "Pre-Opening Services"), and (ii) OWNER hereby appoints MANAGER as the manager and supervisor of the day-to-day operations of the Facility after it opens (as set forth in more detail in Section 3(b) below, the "Management Services"). As to the Management Services, OWNER, subject to specific terms and conditions set forth in this Agreement for the Management Services, grants to MANAGER the authority and discretion to manage and supervise the operations of the Facility for and on behalf of OWNER, and in OWNER's name, all subject to the ultimate control, and pursuant to the directions, orders, policies, regulations and standards, of OWNER; and MANAGER hereby accepts such appointment and assumes such responsibility. It is expressly understood and agreed that OWNER shall (i) retain ultimate control over the operation of the Facility, and (ii) with MANAGER's cooperation and support as set forth in Section 4(b)(vii) below, maintain, and retain full responsibility under, all licenses, certificates, permits and approvals necessary for the operation of the Facility issued by the State of California or any other governmental authority having jurisdiction over the Facility. It is further expressly understood and agreed that MANAGER shall act as OWNER's agent in the performance hereof. Except as otherwise set forth herein, OWNER shall honor, as its own, all contracts, agreements and commitments that MANAGER enters into properly within the scope of MANAGER's authority hereunder in connection with the management and supervision of the operations of the Facility and the performance of its obligations hereunder.

2. Term of Agreement.

(a) Term. The initial term hereof (the "Initial Term") shall commence on the Effective Date and, unless terminated earlier as set forth herein, shall include (i) the period before the Facility opens for business (the "Pre-Opening Period"), during which MANAGER shall perform the Pre-Opening Services, and (ii) a period of five (5) years after the Facility opens for business (the "Operations Period"), during which the MANAGER shall perform the Management Services. The Term shall automatically be extended for succeeding annual periods (collectively, the "Extension Periods"; the Initial Term and the Extension Periods being hereinafter referred to collectively as the "Term") unless OWNER or MANAGER gives the other written notice of termination at least one hundred twenty (120) days prior to the end of then-existing Term.

(b) Early Termination by OWNER Without Cause. OWNER shall have the right, in its sole discretion, to terminate this Agreement at any time, without cause, by giving MANAGER one hundred twenty (120) days prior written notice of such termination ("No-Cause Termination"). If, before the expiration of the Initial Term, OWNER exercises its No-Cause Termination right, or if OWNER sells the Facility or transfers ownership of the Facility to any third party (other than to a third party in which OWNER has a majority ownership interest or which OWNER otherwise controls) for any reason and this action results in the early termination of this Agreement, then OWNER shall pay to MANAGER the following early termination fees:

(1) If any early termination set forth in Section 2(b) above occurs during the first year of the Operations Period, OWNER will pay MANAGER an early termination fee equal to $100,000.

(2) If any early termination set forth in Section 2(b) above occurs during the second year of the Operations Period, OWNER will pay MANAGER an early termination fee of $75,000.

(3) If any early termination set forth in Section 2(b) above occurs during the third year of the Operations Period, OWNER will pay MANAGER an early termination fee equal to $50,000.

(4) If any early termination set forth in Section 2(b) above occurs during the fourth year of the Operations Period, OWNER will pay MANAGER an early termination fee equal to $25,000.

(5) If any early termination set forth in Section 2(b) above occurs during the fifth year of the Operations Period, OWNER shall have no obligation to pay MANAGER any early termination fee.

(c) MANAGER's Non-Compete Covenant. MANAGER agrees that, throughout the duration of this Agreement, it shall not participate in the ownership or management of, or otherwise plan, assist or be involved with, any other assisted living facility within a ten (10) mile radius of the Facility.

3. Compensation. As compensation for MANAGER's services under this Agreement, OWNER shall pay MANAGER the following amounts:

(a) Pre-Opening Services. Beginning of the Effective Date and continuing throughout the Pre-Opening Period, OWNER shall pay to MANAGER a fee of five thousand dollars ($5,000) per month (the "Pre-Opening Services Monthly Fee"); provided, however, that the total of Pre-Opening Services Monthly Fees payable to MANAGER pursuant to this sentence during the Pre-Opening Period shall not exceed Two Hundred Thousand Dollars ($200,000). In addition to the Pre-Opening Services Monthly Fee, OWNER shall reimburse MANAGER for those specific tasks/items set forth in Attachments B and C to this Agreement, in the amounts therefor approved by OWNER in the Pre-Opening Services Budget (as defined in Section

4(a)(iii) below). The parties will equally divide the cost of conducting a current marketing study to verify budgeted assumptions, depth of market, including penetration and demand assumptions. OWNER shall also reimburse MANAGER for certain other expenses incurred by MANAGER in the performance of the Pre-Opening Services, but only to the extent such expenses are included in the approved Pre-Opening Services Budget or otherwise pre-approved by OWNER in writing. Subject to OWNER's right to review and dispute any item, as set forth below, OWNER shall pay any monthly Pre-Opening Services Monthly Fee due to MANAGER by no later than the fifteenth (15th) day of the calendar month after the month in which MANAGER performed the Pre-Opening Services; and OWNER shall pay any reimbursement of the specific tasks/items in Attachments B and C, or any other reimbursable expenses due to MANAGER, within thirty (30) days after OWNER's receipt of MANAGER's invoice therefor. MANAGER may invoice OWNER for any of the specific tasks/items in Attachments B and C at any time after MANAGER has properly completed such task/item and may invoice OWNER for any other reimbursable expenses (whether under the Pre-Opening Services Budget or otherwise approved by OWNER) after MANAGER incurs and pays for same, provided that MANAGER shall not invoice OWNER for any such reimbursable expenses more often than once per calendar month. Each invoice that MANAGER submits to OWNER shall include such supporting documentation and information, including proof of payment by MANAGER of all claimed reimbursable expenses, such that OWNER can reasonably determine therefrom that the invoiced expenses are properly reimbursable hereunder. OWNER may, in good faith, dispute any invoiced item by giving MANAGER written notice of OWNER's objections thereto before the payment deadline therefor; provided, however, that OWNER's dispute of any invoiced item shall not relieve

OWNER of the obligation to timely pay MANAGER for any undisputed reimbursable expenses. The parties shall meet and confer in good faith to attempt to resolve any disputed amount.

(b) Management Services. At such time as the Facility receives permission to occupy the building, accept residents, and commence resident care activities at the Facility from the appropriate State and Local agencies, which shall include, without limitation, obtaining an RCFE Certificate of Occupancy from the State of California Department of Social Services and occupancy clearances from the local Fire Marshall and Building Department, the project will be deemed "open" and the MANAGER will transition from providing Pre-Opening Services to providing Management Services. MANAGER'S compensation for its Management Services is the following performance-based amounts:

- The base compensation throughout the Term of this Agreement shall be $10,000 per month or 4% of the Facility's collections of revenues in such month, whichever is greatest. Revenues collected in any month that are included in the basis for base compensation shall include rent revenues, ancillary revenues such as barber and beauty salon, and other operating revenues such as applicant fee revenue, guest meals, tray service, laundry and linen revenues.
- MANAGER will be paid a bonus payment at the end of each quarter equal to 20% of the difference between the Facility's actual EBITDA for such quarter, as reflected in the Facility's quarterly unaudited financial statements, and the OWNER approved budgeted EBITDA for such quarter. The Facility's actual EBITDA for any particular quarter used for this bonus payment calculation will be after payment of the base compensation, but before payment of the

bonus payment. OWNER shall pay MANAGER the base compensation for the Management Services for each calendar month (or portion thereof) during the Term within thirty (30) days after the end of the month during which MANAGER provided the Management Services, and shall pay any bonus due to MANAGER within thirty (30) days after the date that the Facility's quarterly financial statements are available to the parties. As soon as practical after the end of each of the Facility's fiscal years, MANAGER and OWNER will use audited financial statements to reconcile both the base compensation and bonus payments. If such reconciliation results in an amount owed to MANAGER (i.e., based on the audited Facility financial statements, the aggregate amount of base and bonus compensation paid to MANAGER was less than the amount to which MANAGER was entitled), OWNER shall pay MANAGER such amount within thirty (30) days after the parties complete the reconciliation. If such reconciliation results in an amount owed to OWNER (i.e., based on the audited Facility financial statements, the aggregate amount of base and bonus compensation paid to MANAGER exceeded the amount to which MANAGER was entitled), OWNER may withhold such amount from MANAGER's future base compensation and/or bonus until OWNER has recouped the amount owed in full.

(c) Reimbursement/Payment of Facility Operating Expenses. Subject to Section 4(b)(xvi) below, MANAGER, in accordance with the approved Operating Budgets, may pay the Facility's operating expenses as incurred out of the Operating Account (as defined in Section 4(b)(xvi) below). OWNER shall reimburse MANAGER for any proper Facility operating expenses incurred by MANAGER in the performance of the Management Services and not paid to MANAGER out of the Operating Account, but only to the extent such expenses are included in the approved Operating Budgets (as defined in Section 6 below) or otherwise pre-approved by OWNER in writing. Subject to OWNER's right to review and dispute any item, as set forth below, OWNER shall pay, or authorize MANAGER to pay itself out of the Operating Account, any reimbursement of the reimbursable expenses due to MANAGER under this Section 3(c) within thirty (30) days after OWNER's receipt of MANAGER's invoice therefor. MANAGER may invoice OWNER for any reimbursable expenses hereunder after MANAGER incurs and pays for same, provided that MANAGER shall not invoice OWNER for any such reimbursable expenses more often than once per calendar month, except for reimbursable salary and payroll tax costs which shall be invoiced when incurred by MANAGER on a bi-weekly basis. Each invoice that MANAGER submits to OWNER shall include such supporting documentation and information, including proof of payment by MANAGER of all claimed reimbursable expenses, such that OWNER can reasonably determine therefrom that the invoiced expenses are properly reimbursable hereunder. OWNER may, in good faith, dispute any invoiced item by giving MANAGER written notice of OWNER's objections thereto before the payment deadline therefor; provided, however, that OWNER's dispute of any invoiced item shall not relieve OWNER of the obligation to timely pay MANAGER for any undisputed reimbursable expenses. The parties shall meet and confer in good faith to attempt to resolve any disputed amount.

(d) Failure to Timely Pay Amounts Due MANAGER. Owner's failure to timely pay any amount due to MANAGER hereunder shall constitute cause for termination of this Agreement by MANAGER, but not unless MANAGER provides OWNER with written notice of nonpayment and OWNER fails to cure such nonpayment with a period of fifteen (15) days after OWNER's receipt of MANAGER's written notice.

4. Duties of MANAGER. Subject to the ultimate and sole control of OWNER and to OWNER's compliance with its obligations hereunder, and pursuant to the directions, orders, policies, regulations and standards of OWNER, which OWNER may make in its sole and absolute discretion, MANAGER shall, during the Term but not thereafter, and in addition to its duties and responsibilities set forth elsewhere herein:, provide the following services to and for the benefit of OWNER.

(a) Pre-Opening Services. During the Pre-Opening Period, MANAGER shall perform the following services as detailed in Attachment C. Specific pre-opening services are outlined for planning and construction phases with additional costs noted to be defined following programming meetings with the OWNER.

(i) Perform each of the tasks/items set forth in Attachment C;

(ii) Assist with the overall design of the assisted living and memory care accommodations, common areas and functional areas within the Facility, including operational program planning to support person-centered care, operational efficiency and integration of the Facility into the broader Burlingame area;

(iii) Prepare and submit to OWNER for OWNER's approval a comprehensive planning, predevelopment, development and construction budget for approval by OWNER, by no later than thirty (30) days after the Effective Date, which shall include budget amounts for each item in Attachment B and all other reimbursable expenses to MANAGER (the "Pre-Opening Services Budget"). OWNER shall have thirty (30) days to review and comment on the Pre-Opening Services Budget and the parties shall meet and confer in good faith to attempt to resolve any differences or disputes over same; provided, however, that OWNER shall have final authority for approval of the Pre-Opening Services Budget;

(iv) Provide comprehensive planning and recommendations for technology services infrastructure; including software, hardware and communication tools that support resident wellness and staff communications;

(v) Work in concert with OWNER to develop public relations strategy, marketing collateral and comprehensive outreach campaign for new project;

(vi) Compile, complete and submit to OWNER for its approval and signature RCFE Licensing materials, including without limitation an initial set of policies and procedures for the operation of the Facility, and then submit same for approval to Department of Social Services, Community Care Licensing Division;

(vii) Interface with local agencies to proactively plan and coordinate alignment of services and programs that benefit residents and local organizations;

(viii) Consult with OWNER to develop online messaging platform and compelling positioning statements;

(ix) Hire Executive Director, with OWNER's involvement and approval, upon commencement of construction to begin process of local community outreach, engagement, partnership development, program and facility supply planning and management;

(x) Hiring of other Key Staff, such as Sales Counselors and Department Directors, as detailed in Attachment B;

(b) Management Services. During the Operations Period, MANAGER shall perform the following services:

(i) Manage and supervise the operations of the Facility, in all respects, as more fully set forth herein;

(ii) Create and maintain congenial and attractive environment for all residents of the Facility, and supervise the care of such residents;

(iii) Use its best efforts to manage and supervise the operations of the Facility (A) in accordance with the regulatory standards of Residential Care for the Elderly (RCFE) assisted living regulations[1] (B) in a professional, competent, careful and proper manner, and (C) in compliance with all applicable statutes, ordinances, rules and regulations of all governmental authorities having jurisdiction over the Facility and all approvals, permits, licenses, certificates, and entitlements issued with respect to the Facility;

(iv) Manage and supervise the operations of the Facility in an efficient and businesslike manner having due regard for the well-being of the residents thereof;

(v) Prepare and submit to OWNER for review and approval annual Operating Budgets for the Facility in accordance with Section 6;

(vi) Develop, submit to OWNER for approval, and implement specific policies and procedures for the operation of the Facility; provided, however, that such policies and procedures shall be consistent with OWNER's general policies and subject to OWNER's prior approval, which approval shall not be unreasonably withheld or delayed.

(vii) At OWNER's request, and assist OWNER in obtaining and maintaining, at the expense of OWNER, all licenses, certificates, permits and approvals necessary for the operation of the Facility;

[1] California Code of Regulations, Title 22, Division 6, Chapter 8

(viii) Supply all personnel and services necessary for operation of the Facility, in accordance with the approved Operating Budgets, either through MANAGER and MANAGER's affiliates' employees or through the use of independent contractors. With respect to MANAGER's supplying of personnel through MANAGER's affiliates' employees, MANAGER represents and warrants that, by virtue of MANAGER's officers sitting on the Board of Directors of each MANAGER's affiliate that will supply personnel hereunder, MANAGER has adequate and sufficient control over each such affiliate and its employees so that MANAGER can satisfy its personnel obligations hereunder.

(ix) Make or cause to be made (A) such capital improvements as may be provided in the approved Operating Budgets (or such substitute capital improvements as OWNER may approve in writing), (B) such ordinary repairs and alterations as are provided for in the approved Operating Budgets, and (C) any unbudgeted repairs and alterations as MANAGER may deem advisable or necessary, not to exceed $5,000 in aggregate in any Facility fiscal year without prior approval from OWNER. MANAGER shall not make any unbudgeted expenditures for these items aggregating in excess of $5,000 in any Facility fiscal year without OWNER's prior approval, except for emergency capital improvements, repairs and alterations necessary to protect the Facility from damage, to maintain basic services such as food and dining options, activities, health care services and transportation to residents as provided in the Admission Agreement (as defined in the Sample Admission Agreement, see Exhibit A) or to maintain licensure.

(x) In accordance with the approved Operating Budgets, contract for those utilities and other operational and maintenance services (specifically including, but not limited to ancillary and pharmacy services) that are necessary for the operation of the Facility, and review and analyze the performance thereof; provided, however, that no service contract shall be for a term exceeding one (1) year without OWNER's prior written approval, which approval shall not be unreasonably withheld or delayed. The MANAGER's bidding methodology for contracts and/or FFE capital purchases exceeding $5,000 includes preparation of a proposal and at least two bids for OWNER's for review and approval. Efforts will be made to garner bids and award contracts to local and/or regional vendors, as appropriate.

(xi) In accordance with the Operating Budgets, purchase and keep the Facility furnished with all necessary furnishings, fixtures, equipment and supplies, utilizing MANAGER'S purchasing programs and systems of inventory control to assure the lowest cost for such items consistent with maintaining the operation of the Facility in a first-class manner; provided, however, that MANAGER shall not make any unbudgeted capital expenditures for furnishings, fixtures or equipment exceeding $5,000 in aggregate in any Facility fiscal year without OWNER's prior written approval, except emergency expenditures necessary to maintain services to residents as provided in the Admission Agreement, or to maintain licensure.

(xii) In accordance with the approved Pre-Opening Budget and Operating Budgets, provide a qualified full-time administrator at the Facility (the "Administrator"), beginning at the commencement of construction of the Facility. OWNER shall have the right to approve the Administrator selection after Manager has submitted to OWNER a compensation study for similar positions in the San Francisco Bay Area. The Administrator, in accordance with the approved Pre-Opening Budget and the approved Operating Budgets, shall have primary responsibility for the day-to-day administrative, management, and operational planning and implementation activities of the Facility, shall plan, recruit, hire, train, promote, direct and terminate the employment of all personnel necessary to open, ramp-up occupancy, stabilize the operation of, and operate and market the Facility. The Administrator, in accordance with the approved Pre-Opening Budget and the approved Operating Budgets, shall have primary responsibility for the day-to-day administrative, management, and operational planning and implementation activities of the Facility, shall plan, recruit, hire, train, promote, direct and terminate the employment of all personnel necessary to open, ramp-up occupancy, stabilize the operation of, and operate and market the Facility.

(xiii) At no cost to OWNER under the approved Operating Budgets (covered by the Management Services fees), provide complete, periodic and timely accounting, bookkeeping and record keeping services for the Facility, specifically including, but not limited to, resident billings, accounts payable, accounts receivable, payroll, general ledger and inventory records, including, without limitation, all of the reports and documentations set forth in Attachment A.

(xiv) At no additional cost to OWNER under the approved Operating Budgets (covered by the Management Services fees), supply necessary technical and management assistance, and professional consultation, to meet all local, state and federal regulatory requirements;

(xv) At no additional cost to OWNER under the approved Operating Budgets, except for reimbursement of reasonable transportation expenses, at OWNER's request, make available to the Facility for consultation and advice its staff of professional consultants, specifically including, but not limited to dietary consultants, nursing consultants and other management consultants, who are employees of MANAGER and its affiliates;

(xvi) Collect all revenues for the Facility and deposit all such funds received by MANAGER for or on behalf of OWNER in a bank account established by OWNER (the "Operating Account"). Provided that MANAGER is not in default of any of its obligations under this Agreement, MANAGER shall have access to the funds in the Operating Account for the purpose of paying the operating expenses~~,~~ of the Facility in accordance with the approved Operating Budgets and in compliance with OWNER's accounting controls as required for public agencies, including payment of all base/monthly compensation due to MANAGER for its Management Services, and any other sums properly due and payable by or behalf of OWNER pursuant to any of the provisions of this Agreement (all expenditures authorized hereby being considered operating expenses to be paid from OWNER's funds). Notwithstanding MANAGER's access to such funds, all funds in the Operating Account are OWNER's funds and OWNER shall at all times have ultimate control over the Operating Account and all funds therein and at any time may restrict or terminate MANAGER's access thereto or condition MANAGER's payment of funds out of the Operating Account on OWNER's prior approval.

(xvii) In accordance with the approved Operating Budgets, engage counsel satisfactory to OWNER and cause such legal proceedings to be instituted as may be necessary to enforce payment of charges or compliance with other terms of any Admission Agreement, or to dispossess or evict residents; provided, however, that MANAGER shall at all times keep OWNER reasonably informed about any such matters and shall not settle or compromise any such disputes with residents without OWNER's prior consent and further that no unbudgeted legal expense or settlement shall be incurred without OWNER's prior approval.

(xviii) In accordance with the approved Operating Budgets, MANAGER shall develop, implement, manage and supervise sales and marketing programs and collaterals and work collaboratively on the public relations campaigns on behalf of OWNER; provided, however, that the content and implementation of such programs shall be subject to OWNER's prior approval, which approval shall not be unreasonably withheld or delayed,

(xix) In accordance with the approved Operating Budgets, pay all taxes and assessments on the Facility, all premiums for insurance on the Facility, and such reserves as OWNER may direct.

5. Expenses and Rebates. OWNER is solely responsible for all properly incurred operating expenses for the Facility, and OWNER shall be the sole beneficiary/owner of all rebates, refunds, allowances and discounts from Facility vendors. Except as otherwise set forth in this Agreement, all capital expenditures for the Facility must be authorized in the approved Operating Budgets, and all capital expenditures in excess of $5,000 shall be made subject to the bid process set forth in Section 4(b)(x).

6. Reports and Operating Budgets. MANAGER shall, at no additional cost to OWNER under the approved Operating Budgets, by no later than the 20th day of each calendar month, prepare and deliver to OWNER complete and accurate monthly and fiscal year-to-date financial statements of Facility operations~~,~~ and management status reports, including without limitation all reports set forth in Attachment A to this Agreement. In addition, MANAGER shall prepare and submit to OWNER for OWNER's approval, at least ninety (90) days prior to the commencement of each fiscal year of the Facility (which shall run from July 1 through June 30), an annual plan and budget to cover all anticipated revenues and expenses of the Facility for such fiscal year, specifically including, but not limited to, capital improvements (each an "Operating Budget" and collectively the "Operating Budgets"); provided, however, that the Operating Budget for the partial year in which the Facility opens for occupancy shall be prepared by MANAGER, and submitted to OWNER for OWNER's approval, at least one hundred twenty

(120) days prior to the scheduled opening date. OWNER acknowledges the Annual Budget will only be an estimate of its respective anticipated revenues and expenses, representing MANAGER'S best judgment as a skilled and experienced manager and supervisor of the operations of assisted living facilities and healthcare facilities. OWNER recognizes that actual revenues and expenses for the Facility_may be affected by factors beyond MANAGER'S control. Accordingly, (i) MANAGER cannot and does not represent or warrant that the Facility's actual revenues and expenses will not vary from the Operating Budget; and (ii) although MANAGER will use its best efforts to conform Facility revenues and expenses to the Operating Budgets, MANAGER may make unbudgeted expenditures as provided in this Agreement and in good faith may request that OWNER authorize unbudgeted expenditures as MANAGER believes is necessary for the operation of the Facility; provided, however, that, except as expressly provided otherwise in this Agreement, MANAGER shall not make any unbudgeted expenditures exceeding its authority hereunder without OWNER's prior approval. Each Operating Budget shall include MANAGER'S recommendations and suggestions for the fees and other charges to residents of the Facility; the salaries and fringe benefits of all groups of employees; and major purchase contracts for consumable supplies. OWNER and MANAGER shall use commercially reasonable efforts to maintain levels of resident's fees and charges sufficient to assure that the Facility provides residents with quality service and a healthy, secure, and attractive living environment, and to provide for the payment of all costs of operation of the Facility, specifically including, but not limited to, the MANAGER's compensation. MANAGER shall, at all times, maintain full and complete documentation regarding all of its actions taken to fulfill its duties as manager and supervisor of the operations of the Facility. All books, records and reports maintained or prepared by MANAGER for or in connection with the operation of the Facility

shall be OWNER's sole property; provided, however, that MANAGER may make such copies thereof or extracts therefrom as MANAGER may require in order to perform its services under this Agreement, but for no other purpose. The parties shall calculate MANAGER's compensation hereunder based on the accrual basis of accounting and in accordance with generally accepted accounting principles (collectively, "GAAP"). During the Term, OWNER shall, at all times, have the right to inspect and audit all books, records and reports with respect to, and to inspect all parts of, the Facility. Until the expiration of seven (7) years after the furnishing of the services provided hereunder, MANAGER shall make available to the Secretary, U.S. Department of Health and Human Services (the "Secretary"), and the U.S. Comptroller General (the "Comptroller General"), and their representatives, this Agreement and all books, records and reports necessary to certify the nature and extent of the costs of such services.

7. Employees. All employees, with the exception of the Administrator, who will be an employee of Eskaton Properties, Inc., will be employees of a dedicated Eskaton subsidiary or affiliate controlled by MANAGER, as set forth in Section 4(b)(viii) ("NEWCO").

(a) The approved Operating Budgets shall include reimbursement to MANAGER or its affiliate the full cost of providing all Facility personnel, including without limitation all compensation or other amounts payable with respect to persons who are so employed by NEWCO in the operation of the Facility, health insurance, unemployment insurance, social security, and any other charges imposed by a government authority or provided for in a union agreements as well as all reasonable relocation expenses for any such personnel that are reasonable and approved by OWNER. The Administrator shall be an employee of MANAGER, and shall not be deemed or construed to be an employee of NEWCO or OWNER. The approved Operating Budgets shall include reimbursement to MANAGER for all compensation and other amounts payable with respect to the Administrator, specifically including, but not limited to, health insurance, unemployment insurance, social security, or other charges imposed by a government authority or provided for in a union agreement, as well as all reasonable relocation expenses for the Administrator.

(b) The Administrator and all other employees who handle or are responsible for OWNER's funds, shall be insured by fidelity insurance policies in amounts approved by OWNER in its sole discretion.

8. Responsibilities of OWNER.

In addition to its duties and responsibilities set forth elsewhere herein, OWNER shall, at all times during the Term, maintain a minimum cash balance in the Operating Account equal to the amount required to meet all cash and capital requirements for the Facility in the approved Operating Budget to become due and payable within the next thirty (30) days. Should the cash balance in such bank account fall below such minimum, at any time and for any reason, MANAGER shall so notify OWNER and, unless the reason for such deficiency is MANAGER's breach or default of its obligations under this Agreement, OWNER shall within ten (10) business days deposit into the Operating Account the funds required to bring such balance up to such minimum. Nothing contained herein shall be deemed or construed to obligate MANAGER to advance any funds to pay such liabilities and obligations ; provided, however, that in the event MANAGER elects to advance any of its own funds to pay any properly incurred Facility liability or obligation, then OWNER shall promptly reimburse MANAGER therefore.

9. Insurance.

(a) In accordance with the approved Operating Budgets, MANAGER shall procure and maintain property insurance (including building, personal property, boiler and machinery, business interruption, but excluding flood and earthquake), general and professional public liability, automobile liability, worker's compensation liability, and such other insurance as the parties agree upon for the Facility. The carrier and the amount of coverage of each policy of insurance shall be reasonably satisfactory to OWNER and MANAGER. The Property, General Liability, Professional Liability, Automobile Liability and Excess Liability policies will name the OWNER as Loss Payees, and the General Liability, Professional Liability, Automobile Liability and Excess Liability policies will name the OWNER as an additional insured. A minimum limit on the general liability and automobile liability policies of $1,000,000 and total limits of liability of at least $5,000,000. A total limit can be achieved through the purchase of an Excess Liability policy. Professional liability shall have a minimum limit of $1,000,000 and total Professional Liability limits of $3,000,000-$5,000,000. All policies shall be purchased from insurers with an AM Best Rating of AVIII or better. All policies shall provide for thirty (30) days' written notice to OWNER, MANAGER and any mortgagee designated by OWNER prior to cancellation or material modification.

(b) If available and approved in the Operating Budgets, MANAGER shall procure an appropriate clause in, or endorsement on, each of the policies of property insurance coverage, whereby the insurer waives subrogation or consents to a mutual waiver of subrogation for both parties the right of recovery against OWNER and/or MANAGER's negligence, but not its gross negligence or intentional omissions/misconduct; the extent that loss or damage is covered by each parties respective insurance coverage. Property insurance shall be written on an agreed amount basis and valued at replacement cost.

(c) MANAGER may provide employees of NEWCO medical, dental and vision benefits and worker's compensation benefits through self-insured programs or another offering of MANAGER. Costs related to the self-insured programs are allocated to each community and program owned or managed by MANAGER based on a percentage of payroll costs. Such costs are budgeted based on estimates and charged on a monthly basis based on actual payroll costs. From time-to-time the self-insured programs may incur additional costs or may be eligible for rebates which shall be charged or rebated based on the relative payroll costs of all communities and programs of MANAGER. MANAGER's right to self-insure under this Section 9(c) is subject to MANAGER satisfying the following conditions: (i) such self-insurance must generally fulfill all of the requirements for the insurance coverage set forth in this Agreement (except for the requirement that OWNER be named as an additional insured); and (ii) MANAGER must have provided OWNER with reasonably satisfactory evidence of an adequately funded self-insurance program. If MANAGER elects to so self-insure, then with respect to any claims which may result from incidents occurring during the Term of this Agreement, such self-insurance obligation shall survive the expiration or earlier termination of this Agreement to the same extent as the insurance required under this Agreement would survive.

10. Termination.

(a) If one party defaults in the performance of its obligations under the Agreement, then the other, non-defaulting may terminate this Agreement as set forth below, but not unless the non-defaulting party gives the defaulting party written notice of the default, and the defaulting party fails to cure such default with thirty (30) days after its receipt of the notice of default, or such longer period as may reasonably be required to cure such default. Should the defaulting party fail to timely cure its default, then the non-defaulting party shall have the right to terminate this Agreement via written notice to the defaulting party; provided, however, that the effective date of such termination shall be at least ninety (90) days after the date of the written termination notice. Neither party shall be deemed or construed to be in default hereunder if it is prevented from performing in accordance with the terms hereof for any reason beyond its control, specifically including, but not limited to, shortages, war, and acts of God.

(b) This Agreement may be terminated, by OWNER or MANAGER, immediately upon written notice, should a petition in bankruptcy be filed by or against the other and, in the case of an involuntary petition, not be dismissed within sixty (60) days, or should the other take a general assignment for the benefit of creditors or take advantage of any insolvency act.

(c) In the event of termination based on occurrence as described in Section 10(a) or (b) for any reason other than MANAGER's default or breach, OWNER shall pay MANAGER, within sixty (60) business days after the effective date of such termination, (i) any undisputed and unpaid base Management Services fee payable for periods prior to the date of termination, (ii) any undisputed reimbursements then due to MANAGER, and (iii) any working capital, plus interest accrued thereon, which MANAGER has properly provided to OWNER. If OWNER terminates this Agreement pursuant to Section 2(b), then in addition to the amounts payable to MANAGER under that Section, OWNER shall also pay MANAGER the amounts in sub-clauses (i)-(iii) above.

(d) Upon expiration or termination hereof, (i) MANAGER shall cooperate fully with OWNER in effecting an orderly transition to avoid any interruption in the rendition of services to Facility residents and, in that connection, shall surrender to OWNER all keys, and all books, records and reports maintained by MANAGER in connection with the management and supervision of OWNER's operations, and (ii) OWNER, or a designated third party operator, shall assume the obligations of all contracts, agreements and commitments properly entered into by MANAGER in connection with the management and supervision of OWNER's operations and the performance of its obligations hereunder related hereto, and in accordance with the terms and conditions hereof. Upon expiration or termination hereof for any reason, OWNER, or any successor manager operating the Facility for or on behalf of OWNER, shall have the right, but not the obligation, to hire any Facility personnel/staff, other than the Administrator, employed by MANAGER or by any affiliate of MANAGER. MANAGER shall cooperate, and shall cause any affiliate of MANAGER that employs any Facility staff/personnel to cooperate, with OWNER and/or its successor manager with respect to the transition/hiring of Facility staff/personnel.

11. Assignment. MANAGER shall not have the right to assign any of its rights or delegate any of its duties hereunder without OWNER's express prior written consent, which OWNER may withhold, condition or delay in its sole and absolute discretion. For purposes of this Section 11, any change in the ownership of MANAGER shall constitute an assignment of this Agreement.

12. No Waiver. No failure on the part of any party at any time to require the performance by any other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of any party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof.

13. Severability. The invalidity or unenforceability of any particular provision hereof shall not affect the other provisions, and this Agreement shall be construed in all respects as of such invalid or unenforceable provision had not been contained herein.

14. Benefit. This Agreement shall inure to the benefit of, and be binding upon, the parties and their respective legal representatives, successors and permitted assigns. The provisions hereof are solely for the benefit of the parties and their respective legal representatives, successors and permitted assigns, and shall not be deemed or construed to create any rights for the benefit of any other person.

15. Construction. Whenever a singular word is used herein, it shall also include the plural wherever required by the context, and vice versa. The terms and conditions hereof shall be interpreted and construed in accordance with their usual and customary meanings, and the parties hereby expressly waive and disclaim, in connection with the interpretation and construction hereof, any rule of law or procedure requiring otherwise, specifically including, but not limited to, any rule of law to the effect that ambiguous or conflicting terms or conditions contained herein shall be interpreted or construed against any party.

16. Entire Agreement; Written Modifications. This Agreement contains the entire understanding among the parties with respect to the subject matter hereof; all representations, promises, and prior or contemporaneous understandings, among the parties with respect to the subject matter hereof are merged hereinto and expressed herein; and any other understandings among the parties with respect to the subject matter hereof are hereby cancelled. This Agreement shall not be amended, modified or supplemented without the written agreement of the affected parties at the time of such amendment, modification or supplement.

17. Governing Law. This Agreement shall be governed by and subject to the laws of the State of California. The venue for any court action or proceeding between the parties arising out of or with respect to this Agreement shall be San Mateo County, California.

18. Captions. The captions herein are for convenience and identification purposes only, are not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

19. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if sent by certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

MANAGER:	OWNER:
Eskaton Properties, Incorporated 5105 Manzanita Avenue Carmichael, CA 95608 Attn.: Chief Executive Officer	The Peninsula Health Care District 1600 Trousdale Drive, Suite 1200 Burlingame, CA 94010 Attn.: Chief Executive Officer

or to such other address as shall be furnished in writing by any party to the other parties. All notices and other communications hereunder given in the manner provided above shall be deemed effective upon deposit with the United States Postal Service.

20. Communication. Each party shall, upon written request of any other party, make its officers, employees and agents available to such other party for the purpose of discussing the manner in which the parties are fulfilling their respective responsibilities hereunder.

21. Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be an original, but all of such counterparts shall together constitute but one and the same instrument.

22. Expiration of Time Periods. In the event that any date specified herein is, or that any period specified herein expires on, a Saturday, a Sunday or a holiday, then such date or the expiration date of such period, as the case may be, shall be extended to the next succeeding business day.

23. Arbitration Clause. By entering into this Agreement, all signatories agree that any claim or dispute arising from or related to this Agreement, including, without limitation, personal injury and property damage claims, shall be resolved by submission to neutral, binding arbitration. The parties give up their constitutional right to have any such dispute decided in a court of law before a jury, and instead accept the use of arbitration. The arbitration shall be conducted in San Mateo, California, by one or more neutral arbitrators selected from the American Arbitration Association ("AAA"), unless otherwise mutually agreed. In reaching a decision, the arbitrator(s) shall prepare findings of fact and conclusions of law. Each party shall bear its own costs and fees in connection with the arbitration. The arbitrator shall not have jurisdiction to consider evidence regarding or award punitive damages. This arbitration clause binds both parties' spouses, heirs, representatives, executors, administrators, successors and assigns, as applicable. After termination of the Agreement, this arbitration clause shall remain in effect for the resolution of all claims and disputes that are unresolved as of that date.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

MANAGER

ESKATON PROPERTIES, INC.,
A California Non-profit Corporation

By: Todd Murch
Its: Chief Executive Officer and President
Date: 1-10-13

OWNER

THE PENINSULA HEALTH CARE DISTRICT, a political subdivision of the State of California

By: Cheryl A. Fama
Its: Chief Executive Officer
Date: 1-11-13

ATTACHMENT A (with example included)

See Exhibit B for sample detailed reports.

MANAGEMENT CONTRACT – FINANCIAL and OPERATIONAL REPORTS

Balance sheet (summary and GL detail)	Monthly
Income statement (summary and GL detail)	Monthly
Manager's variance report	Monthly
Occupancy statistics	Monthly
Flash reports	Daily
Rent roll	Monthly
Accounts receivable aging report	Monthly
Bank statement/reconciliation	Monthly
Trial balance/detail GL report	Monthly
Notice of professional liability events	Upon occurrence

Attachment B

Pass-through Expenses during Planning and Pre-opening Phase:

As outlined in Section 4(a)(iii), the following items will be detailed and set forth in the Pre-Opening Services Budget.

1. Marketing Analysis will be split 50/50% between manager and owner and will be used to confirm unit mix and pricing assumptions during the conceptual design phase

2. While manager will be responsible for creation and planning of the Pre-Launch Sales and Marketing Campaign, implementing the Charter Member events in the form of marketing materials and advertising will be an added expense

3. 9-12 months prior to the scheduled construction completion, manager will hire an Administrator acceptable to Owner whose salary and benefits prior to facility operational initiation will be billable to the budget as a separate and distinct expense of the pre-operating budget

4. 12 weeks prior to scheduled opening and based on demonstrated operating need put forth by manager at the time, manager will hire departmental directors for Dining, Life Enrichment, Environmental Services, Business Office and Resident Care – with all these positions considered separate expense lines.

5. 8 weeks prior to scheduled opening, Manager will hire sufficient employees and conduct training for those employees – those associated costs billed separately by Manager as a Pre-Opening Service

Attachment C
Pre-opening Services and Deliverables
Including activities during planning and construction

Pre-Opening	
• In-depth marketing analysis to validate demographic need for AL/MC product, operating budget assumptions and consumer expectations	• Additional cost
• Following programming meetings with OWNER, Eskaton prepares comprehensive planning, predevelopment, development and construction budgets for OWNER's review and approval	• Included
• Participates in architectural design and planning meetings	• Included
• Provides comprehensive programming insights for Livable Design Criteria for residential and common areas (includes universal design and best practice information for materials selected)	• Included
• Provides comprehensive programming insights for Person-centered environments and programming for assisted living-best practices	• Included
• Provides Memory support programming and environmental insights to maximize person-centeredness, wayfinding, positive experiences and interventions: Eskaton's Dawn of a New Day program	• Included
• Evaluates programming needs for Information Technology Infrastructure, and provides consultation on successful integration of communication tools, WIFI and passive monitoring systems and video monitoring for common areas	• Included
• Provides programming insights on exceptional dining experiences and convenience dining features, as well as multiple dining venues, as needed.	• Included
• Participates and/or provides access to Eskaton's Livable Design standards for independent, assisted and memory care	• Included

FFE, including corporate savings to a broad variety of vendors,	
• Provides consultation on information systems, including but not limited to: electronic health records (and potential exchange with Mills Peninsula Hospital and others)	• Included
• Completes and submits Residential Care Facility for the Elderly (RCFE) licensing materials for approval, including without limitation an initial set of policies and procedures for the operation of the Facility—this can take 9-12 months; works in concert with local agencies to mitigate and plan for any concerns or issues	• Included
• Participates with OWNER in establishing aligned partnerships with local businesses and service providers to position AL/MC community as part of a delivery network of services	• Included
• Establishes affinity relationships with local schools for Kids Connection Program—intergenerational programming	• Included
• Organizes, with OWNER, appropriate constituent group engagement, education and focus groups	• Included
• Works with OWNER to develop compelling positioning statements and collateral marketing materials and public relations plan	• PR/Marketing consultation included • Design of materials/cost of collateral materials are additional expense
• Participates with OWNER to create an exciting online presence and digital media strategy	• Consultation included; additional cost for web design, hosting
• Design 6-month marketing and lease-up strategy to meet budgeted ramp-up expectation; implement all aspects of plan	• Additional Cost- Plan
• Hire two Sales Counselors to implement marketing/lease-up strategy (6 months before opening)	• Additional Cost- Salaries/benefits
• Execute marketing and lease-up plan which includes hosting charter member events, tours, marketing collateral design/development	• Included, additional cost for event and material expenses

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• Provide additional Marketing training, support by Eskaton's Executive Director of Sales and Marketing	• Included
• Develop proactive relationships with Licensed Programming Analyst (LPA) and Fire Marshall	• Included
• Recruit, organize and participate in panel interviews, with OWNER, in selection and hiring of Executive Director prior to construction	• Additional Cost- Salary/benefits
• Participate in selection of FFE and utilize cost-savings programs established through Eskaton's vendor program.	• Included
• Recruit, hire, orient and train Department Directors three months prior to opening	• Additional Cost- Salaries/benefits
• Human resource system setup and training provided by Eskaton HR Director	• Included
• Clinical Systems setup and training provided by Eskaton's Corporate Director of Quality & Compliance	• Included
• Workplace Safety Training and Compliance provided by Eskaton's Corporate Director of Workman's Compensation and Safety Director	• Included
• Customer Dining Experience and Food Safety Training provided by Eskaton's Executive Chef	• Included
• Training on TELS Preventative Maintenance Systems providing tracking of equipment and lifecycle of systems for Environment Services Director	• Included

Exhibit A Sample Admission Agreement

THE COMMUNITY
RESIDENTIAL CARE ADMISSION AGREEMENT

This Agreement is made and entered into this ____________________day of ____________________, 20___, between The Community, a licensed Residential Care Facility for the Elderly, hereinafter designated as "Facility" and ______________________________, hereinafter designated as "Resident." (If a husband and wife both sign this agreement, the term "Resident" refers to each of them.)

RESIDENT INFORMATION

Date of Admission: _____ Name: ____________________ DOB: _____

The Facility is located at 100 Valley Avenue, Pleasanton, CA 94566. The Facility telephone number is 925-461-3042. Any notices to Facility, legal or otherwise, shall be sent to the facility at the above address. Any notices to the resident will be sent the resident at the Facility address and apartment number or to the resident's responsible person.

If applicable, the Resident hereby designates ______________________ as his/her responsible party for the purpose of dealing with the conditions of the admission agreement as well as removing personal effects from the facility.

The Community, is a non-medical care facility, which does not routinely provide medical or skilled nursing care. In the event a medical emergency arises, emergency medical services will be summoned at the resident's expense.

It is the policy of this Facility to provide Assisted Living Services to Residents without regard to race, religion, color, national origin, ancestry, disability, marital status, sex, military status, gender, physical or mental status, and/or sexual orientation.

The attached exhibits, 1-23, some of which are the forms required by the Department of Social Services to be filled out are hereby incorporated into and made a part of this agreement. There is an exhibit list attached.

A blank copy of this agreement is posted in the facility [at reception desk] according to licensing regulations and/or you are entitled to a copy of the blank agreement.

BASIC SERVICES:

The services actually provided will be those the resident wants and those the resident needs, based on the resident's pre-admission assessment, subsequent reassessments, and appropriate service plan. The following basic services are available to all residents:

1. Lodging: Your residence is Unit #_________;

2. Basic Meal Services
    - three nutritious meals daily
    - between meal snacks
    - special diets as prescribed by physician;
3. Laundry Service (excluding dry cleaning charges);
4. Weekly Housekeeping Service;
5. Linen changes;
6. Assistance in planning and meeting necessary medical and dental appointments
7. Scheduled transportation
    - Facility will provide transportation to medical/dental appointments and assist in arranging for all transportation needs;
8. Planned activity program;
9. Assistance with bathing, dressing, grooming, toileting, dining, continence, transferring from bed to chair, and other personal needs;
10. Continuous care and supervision, and observation for changes in physical, mental, emotional, and social functioning. Notification to resident's family, physician, and other appropriate person/agency of resident's needs;
11. Assistance with taking prescribed and over-the counter medications as ordered by a physician and as allowed by the regulatory agency;
12. Bedside care and tray service for minor temporary illness or recovery from surgery;
13. Maintenance or supervision of resident cash resources (if resident is incapable of handling their own cash resources, as documented by the initial or subsequent appraisal); and
14. Hygiene items of general use such as soap and toilet paper; and
15. Emergency alert/response system and security and fire protection.
16. Third party services such as physician services, nursing services, medications, medical supplies, home health care, hospice, private duty personnel, and other supplies and services of this nature are <u>not included</u> in this basic fee.
17. Please see Resident Handbook for rules pertaining to the resident engaging home health, hospice, private duty personnel and other such services.

<u>RATES</u>

A. LEVELS OF CARE:

Rates are based on four levels of care. The amount of assistance required and the frequency of services provided determine which level of care is necessary to meet the Resident's needs. A pre-admission assessment and periodic post-admission assessments are conducted to determine the most appropriate level of care. A detailed description of each level of care and the schedule of fees is attached. (See exhibit 19) Following is a summary description of assistance provided at each level of care. Each level of care includes those services provided in lower levels of care.

1. **Level One - No Assistance**
   Residents require no assistance beyond basic services required by the State of California. Assistance with personal care, activities of daily living, medication

management, personal laundry, dining and housekeeping needs beyond the scheduled weekly visits would not be included.

2. **Level Two - Minimum Assistance**
   Resident requires minimal assistance in overall care. This may include special guidance during meals or reminders for events like activities. Minimal assistance may be needed for dressing and bathing. Residents may also need occasional assistance with bland and/or bowel management. Residents may need extra attention in order to accomplish effective communication. Housekeeping and laundry needs may be more frequent, and medication administrative is usually assisted by the staff. All services included in Level One would be required.
3. **Level Three - Moderate Assistance**
   Resident's needs are more intense and include moderate assistance in activities of daily living as well as constant supervision and moderate assistance for dressing and bathing. Medication administration assistance may be more complex, and health monitoring may be as often as daily (e.g. blood pressure checks). Physical assistance in preparation for and during transports outside the facility may be necessary. Physical assistance and escort to the dining room and constant cueing and assistance during meal times would most likely be needed. Tray services may be used frequently. Laundry and housekeeping services may be required daily. Resident may require regular assistance in bowel and bladder management. All services included in Levels One and Two would be required.
4. **Level Four - Extensive Assistance**
   Resident requires extensive assistance for personal care, bowel and bladder management, and health care monitoring. Behavior may be unpredictable and continual orientation and cueing may be needed for all basic functioning. Housekeeping and laundry needs may be more than daily. All services in Levels One, Two and Three would be required.
   Note: The level descriptions mentioned above are general guidelines. The actual level of care is determined by completion of a detailed health and services assessment.
5. The rate for each level of care and second person occupancy are set forth in exhibit 19.

B. OPTIONAL SERVICES:

The Facility will provide the following optional services at an extra charge to be billed on a monthly basis. Charges will vary depending on type and extent of service, but charges will be agreed to by the resident prior to the service being performed. The current fees for optional services are contained in the Resident Handbook.

- Guest meals and snacks;
- Tray service and guest tray service;
- Catering for private events...;
- Beauty/barber shop services, including pedicures and manicures;

- Additional laundry and housekeeping services beyond those provided as part of Basic Services;
- Repairs and maintenance of personal items;
- Any other services that the Facility elects to offer in the future.

TERMS

The monthly charge for the use of unit ________ and basic assisted living services at level ________ is currently ___________. Monthly charges will be billed in advance and are due and payable on the first day of each month. The monthly fee for the first month will be prorated if occupancy begins on a day other than the first of the month. Check, cash or money order may be used for payment. Should the facility receive a returned check from the bank, there will be a $25.00 charge to cover bank fees and special handling. All monthly fees are considered delinquent after the 15th of every month, and are subject to a late charge of $25.00 plus interest at the Prime Rate.

Resident(s)' source of income is: ________________.

Payment may be made in person of the Facility Business Office Manager or mailed to the facility at the Facility address listed above. Each resident or responsible family member will receive an itemized statement clearly indicating the basic fee and other charges, if any. Failure to make timely payment of the basic services may lead to eviction as set forth in this agreement. There may be credits for resident absences from the Facility. Please see Resident Handbook.

It is agreed that monthly optional charges will be billed in arrears and due no later than the 15th of the following month. Optional charges are subject to the same late charges and interest as the basic rate.

A Community Fee in the sum of $________ is required to reimburse the Facility for its costs, which may include pre-appraisal assessment, medical record transfer, establishing a pharmacy relationship, preparing Resident's account and file and similar expenses.

The preadmission fee is subject to the following refund policy:

100% refund if the resident has not had an assessment and does not move in.

100% refund if full written disclosure of the preadmission fee is not made.

Under the following circumstances the licensee keeps $500.00 and refunds the remainder according to the following schedule:

> 80% refund of the remainder if the resident has had an assessment and does not move in or moves out during the first month.
>
> 60% refund of the remainder if the resident moves out during the second month.

40% refund of the remainder if the resident moves out in month three.

Thereafter no refund will be made.

This rental agreement may not be assigned by the resident under any condition. Facility does remain capable of assigning the agreement for lenders or other business purposes.

A. Living Accommodations:

1. Residence . The Resident has chosen to live in Unit #______ ("the Unit") at the Facility. The Resident may live in the Unit on a month-to-month basis, subject to the terms of this Agreement and to the general policies of the Facility, contained in the House Rules and Resident Handbook, as it now exists and as it may later be amended. The apartments at this Facility may vary in size and floor plans.
2. Utilities . The Facility will furnish the Unit with basic cable television hook-up, water, electricity, heat and air conditioning. The Resident will be responsible for telephone service, which will be billed directly to the Resident by the responsible company or companies.
3. Furnishings. The Resident may furnish the Unit with his or her own furniture. The Resident is also free to use his or her appliances and special equipment, provided that the Facility's safety standards are met. The Resident or the Resident's estate will be responsible for removing all of his or her furnishings when the Unit is vacated.
4. Maintenance. The Facility will perform all necessary maintenance and repairs of the Unit at its own expense. However, the Resident will be responsible for reimbursing the Facility for any repairs not caused by normal wear and tear.
5. Common Facilities. The Resident will be entitled to share with all other residents of the Facility the use of the common areas, including the main dining room, a private dining room for special occasions (available by reservation), a living room, lounge areas, library, beauty/barber shop, multi-purpose room, craft and game room, garden terrace and other facilities. The Facility may change or reconfigure common spaces in the future in its discretion.
6. Alterations. The resident, and/or resident's responsible person, shall not make any alteration to the apartment without the express written consent of the Facility Administrator.

B. Laundry. The facility will launder all bed and bath linens that it provides to the Unit on a weekly basis.

C. Housekeeping. The Unit will be provided with housekeeping services described in the Resident Handbook. An annual cleaning of all windows, carpeting and drapery will be provided.

D. Personal Supplies. We assume that the Residents wish to provide their own supplies for personal care and hygiene. However, if the Resident is unable to provide such supplies or chooses not to provide them, the Facility shall provide the Resident with certain personal items, as listed in the Resident Handbook and as set forth in the California Code of Regulations, at an extra charge.

E. Meals. The Facility will make available to the Resident three (3) nutritionally balanced meals and three (3) snacks per day. These meals and snacks are included in the Resident's Monthly Fee. The Facility will also accommodate some special diets, if prescribed by the Resident's physician, for an extra charge. The Resident will be charged a fee for any special food services and products not prescribed by the Resident's physician that the Resident requests and that the Facility agrees to provide. As the facility approaches full occupancy, there may be two seatings for meals.

BILLING POLICIES AND PROCEDURES:

Each resident and/or responsible family member will receive a monthly statement itemizing the monthly fee and any separate charges. See Resident Handbook for these extra fees, if any. Payments to the facility may be made at the front reception area or they may be mailed to the facility. Payment is due as noted above and subject to late fees and penalties as noted above.

NOTICE OF RATE CHANGES:

The facility will provide 60 days notice to the resident and/or resident's responsible family member, of increases in rates of basic fees and extra service fees. The facility will also provide the reason for the increase, a general description of the additional cost, and the amount of the increase. This will not apply to a change in the "Level of Care" of a resident based on a revised assessment of the resident due to changes in conditions.

This subdivision shall not apply to changes in level of care, when residents are reassessed, from time to time, due to changes in condition.

This subdivision shall not apply to new services that were not previously offered by the facility.

This subdivision shall not apply to optional services that are provided by individuals, professionals, or organizations under a separate fee-for-service arrangement with residents and/or responsible family members.

FAMILY VISITS AND COMMUNICATION:

Please see Resident's Handbook and House Rules on facility's policies pertaining to family visits and communication.

CONDITION OF UNIT

The Resident agrees that the unit has been inspected and meets his/her approval and is in satisfactory condition. The Resident agrees to surrender the unit in as good condition as when it was initially occupied, except for normal wear and tear.

Necessary repairs, maintenance, and replacements of property and equipment owned by Facility will be performed and provided by Facility. However, the Resident will be responsible for reimbursing the Facility for any repairs not caused by normal wear and tear.

Structural and physical changes of any kind within the unit and to and within any other part of the Facility property must first be approved and subsequently performed under the direction of the Administrator of the Facility. If the Resident obtains such approval, the Resident will be responsible for restoring the original decor when the unit is vacated, unless the facility specifically exempts the Resident from this requirement in writing.

TERMINATION AND REFUND

A. NOTICE OF INTENT TO VACATE:

The Resident may terminate this Agreement, or the Facility may terminate the Agreement with cause, by serving the other party with thirty- (30) day's written notice in advance of termination. Upon termination of this Agreement, the Resident or the Resident's estate shall vacate the unit, remove all belongings from it, and return all keys to the Facility. Until the unit is vacated and all property is removed from the unit, the resident or his/her estate shall remain liable for the Basic Monthly Fees. In addition, any extra fees that were incurred will remain due and owing. Once the unit has been vacated, the Facility may remove any remaining belongings and store them at the expense of the resident or his/her estate. When the unit has been vacated and all property has been removed from the Facility, the Basic Monthly Fees will terminate. The facility shall refund any money the resident may have paid beyond that amount within twenty-one days.

In lieu of the 30-day notice, a 15-day notice may be given at the request of the Resident if they wish to transfer to another Eskaton facility. The Resident will be assessed a pro rata monthly charge up to and including the 30th day or 15th day respectively, following receipt by the Facility of Resident's written notice.

B. DEATH:

Chapter 1

Chapter 2 This Agreement shall terminate automatically upon the death of the Resident. The Basic Monthly Rates due and payable shall be and remain the property of the Facility, and the Resident's estate shall be charged for unpaid bills. The full Basic Monthly Rate will be charged until all of the Resident's belongings have been removed from the unit as described in paragraph **A** above.

C. CAUSE FOR EVICTION:

(a) The Facility may upon thirty (30) days written notice to the Resident, evict the resident for one or more of the following reasons:

(1) Nonpayment of the rate for basic services within ten days of the due date.

(2) Failure of the Resident to comply with state or local law after receiving written notice of the alleged violation.

(3) Failure of the resident to comply with general policies of the facility. Said general policies must be in writing, must be for the purpose of making it possible for residents to live together and must be made part of the admission agreement.

(4) If, after admission, it is determined that the resident has a need not previously identified and a reappraisal has been conducted pursuant to Section 87587, and the licensee and the person who performs the reappraisal believe that the facility is not appropriate for the resident.

(5) ***See Appendix A, provisions pertaining to termination based on closure or change of community.***

(b) The licensee may, upon obtaining prior written approval from the licensing agency, evict the resident upon three (3) days written notice to quit. The licensing agency may grant approval for the eviction upon a finding of good cause. Good cause exists if the resident is engaging in behavior which is a threat to the mental and/or physical health or safety of himself or to the mental and/or physical health or safety of others in the facility.

(c) The licensee shall, in addition to either servicing thirty (30) days notice or seeking approval from the Department of Social Services and service three (3) days notice on the resident, notify or mail a copy of the notice to quit to the resident's responsible person.

(d) The licensee shall set forth in the notice to quit the reasons relied upon for the eviction with specific facts to permit determination of the date, place, witnesses, and circumstances concerning those reasons.

(e) See Appendix C for further rights under Title 22.

D. INVOLUNTARY TRANSFER OR EVICTION:

Each resident and/or resident's responsible person has a right to notice from the facility before an involuntary transfer or eviction. The resident and/or resident's responsible person may appeal this notice, in writing, to the facility administrator. The facility administrator will forward the appeal to the Department of Social Services for a ruling. If the involuntary transfer or eviction goes forward the facility and Eskaton's Senior Connection will help the resident and/or the resident's responsible person find a placement location.

RELOCATION AND APPEAL NOTICE:

Resident has a right to notice prior to an involuntary transfer, discharge, or eviction. Facility will notify resident and/or resident's responsible person with a minimum of three days notice (for and emergency transfer if approved by Community Care Licensing), however, unless there are special circumstances, with a thirty day notice.

Resident and/or resident's responsible party may appeal the relocation notice if given by the facility to the administrator or the facility and then to the Director of Operations at the Eskaton Corporate office. If Community Care Licensing issues the relocation order, it may be appealed to the licensing office. The Licensing office location and telephone number are written in this agreement.

Eskaton assists with relocation through Senior Connection, a free referral service offered from the Eskaton Corporate Office.

If Community Care Licensing orders relocation of a resident, due to a health condition that cannot be cared for within the limits of the license, the resident will not be held responsible for meeting any advance notice requirements imposed by the facility in this admission agreement. Facility will refund any money the resident would have been entitled to had notice been given as required by this admission agreement.

HOUSE RULES AND POLICIES:

The Resident and/or the Resident's Responsible Party has read and agrees to abide by such rules and policies as now exist, and as they may be revised in the future, in the operation and management of the Facility. The House Rules and Resident Handbook are attached as exhibit 18 and are hereby incorporated into this agreement. By signing this Admission Agreement, Resident and/or Resident's Responsible person hereby acknowledges receipt of a copy of the current Resident Handbook.

Residents, Resident's responsible person, family members and visitors to the facility have a responsibility to follow the facility's "House Rules" when at the facility. Recommendations for changes to the House Rules may be submitted in writing to the facility administrator.

All information and records obtained in the course of providing services to any person shall be maintained confidentially by the Facility.

Facility's visiting hours are open and residents are encouraged to receive visitors. Visitors to the Facility are asked to respect the rights and privacy of each resident. Visitors must follow sign-in/sign-out policy.

For each resident whose pre-admission appraisal or medical assessment indicates that he/she is deaf, hearing impaired, or otherwise disabled, a Telecommunications Device Notification form will be completed and maintained.

A. RESIDENT COMPLAINTS:

A copy of the facility "Grievance Procedure" for resident complaints is available to the Resident or Resident's responsible person. The policy is available from the facility administrator.

RESIDENT'S RIGHTS:

A copy of the Resident's Rights (Title 22) is attached to this agreement as exhibit 2.

XII. EXCLUDED SERVICES FOR RESIDENTIAL CARE FACILITIES FOR THE ELDERLY

Eskaton does not provide certain services, and shall not be responsible for furnishing or paying for any healthcare items or services not expressly included in this agreement, including (but not limited to) physician services, nursing services, surgery, hospital care, treatment or examination of eyes or teeth, medications, vitamins, eyeglasses, contact lenses, hearing aids, orthopedic appliances, prosthetic devices, laboratory tests and x-ray services. However, a resident or his/her responsible party (authorized agent) may obtain these services at his/her own expense. ______________________ (Initial and date).

Furthermore, it is the responsibility of the resident or the resident's responsible party to retain an attending, primary care physician and ensure that periodic medical evaluations are undertaken. ______________ (Initial and date).

Please be advised that a residential care facility for the elderly licensed by the California State Department of Social Services IS NOT ALLOWED TO PROVIDE 24-HOUR SKILLED NURSING CARE. ___________________ (Initial and date).

XIV. RESIDENT'S RIGHT TO CONTACT THE DEPARTMENT OF SOCIAL SERVICES OR LONG TERM CARE OMBUDSMAN:

Every resident has the right to contact the Department of Social Services or the Long Term Care Ombudsman that oversees this facility. The addresses and telephone numbers for the agencies are as follows:

Department of Social Services
Suzanne Roman-Clark
851 Traeger Avenue, Ste. 360, MS29-16
San Bruno, CA 94066
650-266-8800

Ombudsman Inc.
7700 Edgewater Dr., Ste. 333
Oakland, CA 94621
510-638-6878
Lawland Long

Licensing surveys for the past year are posted for review and the resident may obtain other licensing reports and documents from the Department of Social Services.

XV. REPRESENTATIONS BY RESIDENT:

The Resident or the Resident's Responsible Party hereby states and affirms that the Resident's age, application forms, statement of finances, and health history (including medical report) are true and correct and are a part of this agreement; any omission or false statement, whether intentional or negligent, made by the Resident or the Resident's Responsible Party in connection therewith shall render this agreement null and void at the option of the Facility.

It is further understood and agreed that the Resident will arrange for his or her own physician. The Facility will assist in making this arrangement on request by the Resident.

LIABILITIES FOR NEGLIGENCE:

The Resident or the Resident's Responsible Party hereby agrees to reimburse the Facility for any loss or damage suffered as a result of carelessness or negligence on the part of the Resident or the Resident's guests or invitees.

PROPERTY OF RESIDENT:

The Facility shall not be responsible for the loss of any property belonging to the Resident due to theft, fire, or any cause beyond the control of the Facility; it being understood that the Resident shall have the responsibility for providing any desired insurance protection for such property. An exception to this would be for loss or damage caused by the negligence of the Facility or its employees.

A copy of the Facility's Theft and Loss Prevention Policy is attached to this agreement as exhibit 17.

Residents have an obligation to maintain their apartment(s) in a clean and sanitary condition.

Upon the death of the Resident, all monies and valuables of the Resident which have been entrusted by the Facility, shall be surrendered upon request to person responsible for the Resident, or the executor or the administrator of the estate of the Resident, in exchange for a signed receipt.

ARBITRATION CLAUSE:

By entering into this Agreement, you agree that any and all claims and disputes arising from or related to this Agreement or to your residency care at The Community, including, without limitation, personal injury and property damage claims **except for matters involving eviction proceedings or matters that can be brought before Small Claims Court**, shall be resolved by submission to neutral, binding arbitration. Both parties give up their constitutional right to have any such dispute decided in a court of law before a jury, and instead accept the use of arbitration. The arbitration shall be conducted in San Bruno, California, by one or more neutral arbitrators pursuant to the California Code of Civil Procedure unless otherwise mutually agreed. In reaching a decision, the arbitrator(s) shall prepare findings of fact and conclusions of law. Each party shall bear its own costs and fees in connection with the arbitration. The arbitrator shall not have jurisdiction to consider evidence regarding or award punitive damages. This arbitration clause binds both parties' spouses, heirs, representatives, executors, administrators, successors and assigns, as applicable. After termination of the Agreement, this arbitration clause shall remain in effect for the resolution of all claims and disputes that are unresolved as of that date.

Matters that are not subject to Arbitration will be tried before a judge and not a jury.

ADVANCE DIRECTIVE:

The Facility recommends that each resident consider the use of an Advance Directive. Please see exhibit 16 for further information on this subject.

MISCELLANEOUS:

- The California Department of Social Services has the right to review any and all records kept by the facility, as well as to inspect Resident's unit during its visits, under the California Code of Regulations, Title 22, Section 87344.
- No medication, vitamins, or over-the-counter medication product will be brought into the Facility without staff knowledge.
- Resident will report any change in health status, which would affect the other residents or staff.
- The administrator or staff may enter Resident's unit, with or without previous notice, to check on the well being of the resident, to perform maintenance or check for any problem which may exist.
- Should a medical crisis occur, Resident gives permission for facility staff, at their discretion, to summon assistance at Resident's expense.
- Resident agrees to an immediate transfer to a higher level of care, should he or she require services beyond those provided in the assisted living facility.
- Resident agrees to give the Facility permission to contact another physician to handle any medical emergencies that might arise during the absence of Resident's attending physician.
- Special Provisions for Special Care Dementia Units or those residents with a primary diagnosis of Dementia are contained in exhibit 20, and are hereby incorporated into this Agreement. This provision is _________ applicable or _________ not applicable at the present time. This provision may be subject to change depending on the change in condition of the resident.

LAWS:

This Agreement shall be governed under the laws of California.

WAIVER OF BREACHES:

The waiver of any provision of this Agreement shall not constitute a waiver of the remainder of the Agreement.

MERGER:

This Agreement and the exhibit attached constitute the entire Agreement between the Facility and the resident or the resident's responsible person.

ACKNOWLEDGMENT:

My signature as "Resident" or "Resident's Responsible Party" below acknowledges that I have read, or had read and explained to me, and understand and agree to the provisions of the Agreement and the attached exhibits incorporated into this Agreement. Resident has been advised to consult with other advisors or legal counsel before acknowledging this Agreement.

______________________________ __________________
Resident Date

______________________________ __________________
Responsible Party (if applicable) Date

______________________________ __________________
Administrator, Date
The Community

APPENDIX A
RESIDENTIAL CARE ADMISSION AGREEMENT

A. TERMINATION BASED ON LICENSURE FORFEITURE OR FACILITY CLOSURE

1. Upon sixty (60) Days Written Notice. Provider may terminate this Agreement upon sixty (60) days' prior written notice to you or your responsible person, if any, if the following events occur:

a) Provider's license is forfeited because of a sale or transfer of the Community or it's property, surrender of the license, or abandonment of the Community in accordance with Health and Safety Code Sections 1569.19(a), (b), or (f); or

2. Notice. If Provider terminates this Agreement under this Section A, you and your responsible person, if any, shall receive a notice of the reason for the termination, with specific facts to permit a determination of the date, place, witnesses, and circumstances concerning the reasons. The notice will also include a copy of your current service plan, your relocation evaluation prepared by Provider (see Section 6 below), a list of referral agencies, and an explanation of your or your legal representative's right to contact the California Department of Social Services ("DSS") to investigate the reasons given for the termination. Provider will send to DSS a written report of the termination within five (5) days after issuing the termination notice.

3. Refund of Preadmission Fee.

a) If Provider terminates this Agreement under this Section, the first five hundred dollars ($500) or less of any preadmission fee that you paid to Provider is non-refundable. The remainder of any preadmission fee paid (that is, after deducting the $500 (thereinafter referred to as the "balance")) is refundable to you or your legal representative on the following basis:

i. a full refund of the balance if the preadmission fee was paid within six months of the notice of termination.

ii. a seventy five (75) percent refund of the balance if the preadmission fee was paid more than six months but not more than twelve months before the notice of termination.

iii. a fifty (50) percent refund of the balance if the preadmission fee was paid more than twelve months but not more than eighteen montl Appendix A ce of termination.

iv. a twenty-five (25) percent refund of the balance if the preadmission fee was paid more than eighteen months but less than twenty five months before the notice of termination.

b) You shall not be entitled to a refund of the preadmission fee, or any part thereof, if you paid it twenty five (25) months or more before the notice of termination.

4. Timing of Refund/Credit. Any refund due under Section 3 above shall be paid to you within fifteen (15) days of issuing the notice of termination. Instead of receiving a refund due under Section 3 above, Provider shall, at your request, give you a credit toward your Monthly Fee payment obligation in an amount equal to the refund due under Section 3 above.

5. Refund of Prepaid Monthly Fee. Following termination of this Agreement under this Section A, Provider will pay you or your legal representative a proportional per diem amount of any prepaid Monthly Fee. You or your legal representative shall receive the refund on the date you move out of the Community and vacate your Unit (see Section VIII)), provided you submit a written request to Provider to receive such a refund on that date at least five (5) days before your scheduled move-out date. Otherwise, you or your legal representative shall receive such refund within seven (7) days from the date you leave the Community and your Unit is vacated (see Section VIII)).

6. Relocation Evaluation. If Provider terminates Admission Agreements under this Section A, it will take all reasonable steps to transfer affected residents safely and to minimize possible transfer trauma. Before you receive a termination notice under Section 2 above, Provider will prepare a relocation evaluation of your needs. Your relocation evaluation shall include recommendations on the type of facility that would meet your present needs based on your current service plan and a list of those types of facilities that are located within a 60-mile radius of the Community. Provider shall discuss your relocation evaluation with you and your legal representative, if any, within thirty (30) days of issuing the notice of termination under Section 2.

7. Closure Plan. If Provider plans to terminate the residency of seven (7) or more residents under Section 1 above, Provider shall submit a proposed closure plan in accordance with Health and Safety Code Section 1569.682(b) to DSS for approval. Provider will not accept new residents or enter into new Admission Agreements after it submits the closure plan to DSS. Until such time that DSS approves the closure plan, Provider shall not issue a notice of termination to any resident under Section 2 above or require any resident to transfer. Upon approval by DSS, Provider shall send a copy of the closure plan to the local ombudsperson program and commence issuing termination notices under Section 2 above.

8. Notice to DSS and Ombudsperson. Provider shall submit a final list of names and new locations of all transferred residents to DSS and the local ombudsperson program within ten (10) days of the date that the final resident is transferred from the Community.

APPENDIX B
RESIDENTIAL CARE ADMISSION AGREEMENT
RELEASE OF LIABILITY RELATED TO ASSISTIVE DEVICES AND DURABLE MEDICAL EQUIPMENT PROCURED OR PURCHASED BY RESIDENTS OR THOSE ACTING ON THEIR BEHALF

I, ______________________________, am aware that I or those acting on my behalf may use or provide assistive devices and/or durable medical equipment to me to facilitate mobility and independence in activities of daily living. These devices may include (but are not limited to) wheelchairs, walkers, front wheel walkers, transfer poles and canes. I am aware that use of these devices involves certain inherent risks including (but not limited to) serious personal injury or death. I hereby agree to accept any and all costs and risks involved in the use, maintenance and repair of these devices, other than those purchased by Eskaton Properties or ______________________ (Facility).

I also unconditionally release and hold harmless Eskaton Properties, ______________________ (Facility) and the respective shareholders, directors, officers, employees, contractors, consultants, agents and any other representatives from and against any and all claims, causes of action or rights, known and unknown, that may arise from or relate to the use or maintenance of the aforementioned devices, including those claims arising from the alleged passive or active negligence of Eskaton Properties and ________________________ (Facility).

Furthermore, I also hereby unconditionally release and hold harmless Eskaton Properties and ____________________ (Facility) for claims including, but not limited to, design defect, products liability, failure to warn, negligent maintenance, negligent repair or premises liability.

I have carefully read this Release of Liability and fully understand its contents. I understand that it does not apply to assistive devises or durable medical equipment purchased by Eskaton Properties and/or _____________________ (Facility). I also understand that, by agreeing to this Release of Liability, I am giving up rights that I might otherwise have now or in the future to seek money damages or other remedies or relief from Eskaton Properties, _____________ (Facility) and other persons and entities identified in this Release of Liability.

Dated: _______________ ______________________________________
Resident or Responsible Party (Authorized Agent)

Date: _________________ ______________________________________
Eskaton Representative

APPENDIX C
RESIDENTIAL CARE ADMISSION AGREEMENT

INCLUDED WITH THIS NOTICE ARE YOUR RIGHTS
UNDER TITLE 22, CALIFORNIA CODES

(1) The effective date of the eviction will be thirty days after service of this notice.
(2) Resources available to assist in identifying alternative housing and care options, including public and private referral services and case management organizations are: Senior Connections, a Public Service of Eskaton, Adult Protective Services, Community Care Licensing and Ombudsman.
(3) You have the right to file a complaint with Community Care Licensing regarding the eviction. The name, address, and telephone number of the nearest office of community care licensing and the State Ombudsman are:

Community Care Licensing	Ombudsman
851 Traeger Avenue, Ste. 360	7700 Edgewater Dr., Ste. 333
San Bruno, CA 94066-3037	Oakland, CA 94621
950-266-8800	510-638-6878

(4) In order to evict a resident who remains in the facility after the effective date of the eviction, the residential care facility for the elderly must file an unlawful detainer action in superior court and receive a written judgment signed by a judge. If the facility pursues the unlawful detainer action, you must be served with a summons and complaint. You have the right to contest the eviction in writing and through a hearing.
(5) The licensee, in addition to either serving a 30-day notice, or seeking approval from the department and serving three days notice, on the resident, shall notify, or mail a copy of the notice to quit to, the resident's responsible person.

APPENDIX D
RESIDENTIAL CARE ADMISSION AGREEMENT, SECTION III
TERMS (A) COMPANIONSHIP LIVING ACCOMMODATIONS:

Resident understands and agrees that Unit # ____________ contains two Apartments and is designed for a "companionship" living arrangement. "Companionship living" is defined as two parties occupying the "Unit" and sharing common areas. Apt A / Apt B (circle one) of Unit # _______is designated and maintained as private space and includes a private bedroom, private bathroom and separate closet. Common, or shared areas include the living room, kitchenette and entryway closet. Common areas may be utilized and/or occupied by either tenant.

Resident further understands and agrees that at such time there is a vacancy in Apt A / Apt B (circle unit NOT being rented by this resident), The Community shall market the vacant apartment and may show it to prospective tenants. The Community will telephone resident as notification prior to showing or entering resident's apartment. The Community retains decision authority upon the suitability of all prospective residents.

If, at anytime during residency of Apt A / Apt B of Unit #______, resident places belongings in Apt A / Apt B (circle unit NOT being rented by this resident), or otherwise occupies the apartment of which they are not paying 'rent' resident assumes financial responsibility for the rent of the entire 'Unit' at current market rental rate, plus their current assessed level of care.

Exhibit B: Example Financial and Operational Reports

THE TROUSDALE
Community Living for Seniors

Date: December 14, 2023

Subject: Emergency Generator Project

To: PHCD Board

From: Sylvia M. Chu, Executive Director

Summary:

The Trousdale has emergency generators but they are not connected to any of the refrigeration or freezer units. The connection of the refrigeration units to the emergency generators was not scoped as part of the construction of the building, and it was not a requirement per State Licensing for the License of the facility.

During power outages, this is a strong concern as we are required to dispose of any perishable items (both refrigerated and frozen) past a certain time frame as per the Department of Public Health. The disposal of perishable items due to a power outage is both a health/safety and financial concern.

This issue was initially discussed with Cheryl Fama (former PHCD CEO) and we received initial approval from the PHCD Board to determine the feasibility and scope of this project.

An engineering survey to determine if the refrigeration units could be connected, and be supported by, the current emergency generators was completed this year. The survey cost $5,200 and was completed. The survey determined that the current generators could support the refrigeration units. No additional emergency generators would be needed.

Estimated Cost (Actual Bids are TBD):

Estimated cost for the project: up to $15,000 but Eskaton's Capital Projects Manager (Rose Miller) and Ralph Barsi are working on actual bids from several vendors. Bids will be provided to the District as soon as they become available. This would be an additional cost not covered by the approved budget.

C

SAMARITAN HOUSE

FIGHTING POVERTY. LIFTING LIVES.

RISE Program

December 14, 2023

Samaritan House's Mission

Fighting Poverty. Lifting Lives.

We mobilize the resources of our community to help those among us who are in need. Our dedicated professional staff and volunteers work together to provide food, access to shelter, healthcare, and a broad range of supportive services. We preserve dignity, promote self-sufficiency, and provide hope.

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R.I.S.E. Overview

The R.I.S.E. Initiative (Resources for Independence, Stability, and Empowerment) is a guaranteed income pilot program

- Born out of Samaritan House listening sessions and healing circles with clients
- Designed to help single parents achieve self-sufficiency through increased financial stability, personal agency, and self-determination
- 18-24 month pilot, scheduled to launch in Spring 2024
- A cohort of 10-20 San Mateo County single-mothers with low incomes will receive $1,000 per month (replacing income from a 2nd job).

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Tailored Support – Addressing Individual Challenges

R.I.S.E. participants will also receive intensive case management services, complemented by personal financial coaching through our Financial Empowerment Program.

- All participants will go through Samaritan House's needs assessment process and receive individualized support to reach their goals.
- An assessment tool will be administered to help each participant determine whether their current resources are meeting their needs, and what they need to reach their goals.
- Participants will meet with a dedicated case manager each month to assess progress and address any challenges.

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Tailored Support – Addressing Individual Challenges

Participants will receive financial coaching focused on financial literacy support that is designed to instill long-term healthy financial habits.

- Volunteer coaches offer deep financial expertise and conduct comprehensive financial health assessments.
- R.I.S.E. provides structured guidance for clients to be banked, manage their money, and build savings.
- Steps will also be taken to mitigate the potential loss of eligibility for essential public benefits that can result from the extra income provided by R.I.S.E.

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Tailored Support – Addressing Individual Challenges

Participants will have access to workforce development, certification, and degree programs through our key community partners, including:

- JobTrain
- San Mateo County Community College District
- San Mateo County Economic Development Association

Financial Empowerment Program plans may include the following activities in addition to regular coaching:

- The First Step: Self-Paced Online Financial Webinars
- Balance Pro Online Financial Resources – financial planning tools
- VITA (Volunteer Income Tax Assistance) - tax return preparation

Working with Learning for Action (LFA) evaluation impact specialists to track progress and report on true program impact, leveraging their expertise and research-backed evaluation approach.

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Participant Selection Process

The Cohort of pilot program participants will be selected from current Samaritan House clients.

- Single mothers with multiple children ages 16 or younger
- Need income from two jobs to maintain financial stability
- Want to engage in additional education, vocational training or workforce development opportunities
- R.I.S.E. participants will be carefully selected from a variety of backgounds, reflective of San Mateo County's diverse population

Consistent guaranteed monthly income will

- reduce income volatility
- provide participants the opportunity to pursue their individual empowerment plans with robust support from Samaritan House

SAMARITAN HOUSE

Project Budget: Other Funding Sources

Fundraising for the R.I.S.E. Pilot Program through January 2024

- Secured $100K in seed funding through a donor advised fund
- Secured $100K in funding from The Bohannon Foundation
- Currently in discussion with Valley National Bank
- Actively pitching the project to other new and long-time funding partners
- Support from PHCD will allow us to attract additional diverse funding sources so we can prepare to scale R.I.S.E. to serve a greater number of single-parent-led families struggling to maintain self-sufficiency in San Mateo County.
    - Requesting $75,000

We will continue to build strategic relationships with fellow nonprofits, individuals, and thought leaders who share our vision of a more just and equitable community through the implementation of R.I.S.E. and other regional guaranteed income projects.

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Project Alignment with PHCD

As the lead poverty fighting organization in San Mateo County, Samaritan House is uniquely positioned to incorporate all facets of our safety net services, **addressing critical social determinants of health**. This integrated, holistic approach, tailored to each participating family's unique circumstances, provides the foundation and support beyond supplementing a family's income.

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Questions?

Questions not covered by this presentation can be sent to **Alec Raffin** at **araffin@samaritanhousesanmateo.org**

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www.samaritanhousesanmateo.org • info@samaritanhousesanmateo.org • (650) 347-3648

SAMARITAN HOUSE

R.I.S.E. Initiative

Resources for Independence, Stability, and Empowerment

Mission Statement

Fighting Poverty. Lifting Lives. We mobilize the resources of our community to help those among us who are in need. Our dedicated professional staff and volunteers work together to provide food, access to shelter, healthcare, and a broad range of supportive services. We preserve dignity, promote selfsufficiency, and provide hope.

What is the R.I.S.E. Initiative?

This initiative will empower single parents to achieve self-sufficiency by increasing their financial stability, agency and self-determination through a Guaranteed Income Pilot Program.

Goals

Reduce income disparity and hardship; promote vocational education and training – reskilling and upskilling.

- Eliminate second job.
- Create opportunity for certifications, credentials, education.
- Increase income, achieve economic stability, foster financial freedom.
- Learning for Action (LFA) to measure program impact.
- Support scalability for future project expansion.

Recipients

A cohort of ten(10) extremely low-income, San Mateo County households headed by single mothers, ages 18+, who juggle a second job, which creates a significant barrier to educational and income advancement. This study will provide valuable insights into the challenges and obstacles faced by these families, as well as identify the key elements required to replicate the project’s success, ultimately expanding our reach to serve a greater number of single-parent-led families.

Amount + Frequency

Participants will receive $1,000 per month (supplementing income from 2nd job). At the end of the pilot, each family will receive a $1000 bonus.

"I work two jobs and I still can't make ends meet. Living in the Bay Area is just really expensive."

Christina, a single mother of 3

FOOD | SHELTER | CLOTHING | HEALTHCARE

Why Families?

San Mateo County, the fourth richest in America, harbors the largest income inequality in California. Among the most affected are single parent households, predominantly led by women, who suffer the highest poverty rates. More than 18,000 of these households struggle to meet basic needs; challenging choices between rent, food, and essentials for life become even more difficult when balancing the needs of their children. In a County that is home to 22 billionaires and 5,000 people with an annual income exceeding a million dollars, thousands of children still go to bed hungry at night. **By investing in the financial stability and well-being of these households, we will address income inequality, alleviate poverty, empower women, and create socio-economic impacts.**

Duration

Participants will receive the disbursements for 18 months (1.5 years).

Program

This pilot will be administered with the support of Samaritan House trained volunteer financial coaches, working together with Client Services to provide intensive case management. Coaches will work closely with the participants throughout the pilot. The integration of financial coaching is designed to go beyond the mere dissemination of information, focusing instead on instilling long-term healthy financial habits.

Volunteer coaches will provide structured guidance for clients to develop new or improved skills and behaviors, increase income, build savings, plan for retirement, and attain and sustain assets. Additionally, steps will be taken to mitigate reductions in participants' other public benefits as a result of having extra income from R.I .S.E. Services will be delivered in both English and Spanish, through a combination of interpreters and outsourced translation services.

Budget

The successful implementation of the pilot will require a budget of $275,000. Out of this budget, an estimated $190,000 will be designated for cash disbursements to the participating families, ensuring direct financial support. The remaining funds will be allocated towards the execution of a robust evaluation plan, ensuring comprehensive data collection and analysis, as well as to cover administrative expenses, guaranteeing the smooth functioning and effective monitoring of the pilot.

SAMARITAN HOUSE

RISE Initiative
Resources for Independence, Stability, and Empowerment

BACKGROUND

Samaritan House's Guaranteed Income Pilot, **Resources for Independence, Stability, and Empowerment Initiative** (**RISE)**, was **born out of the voice of listening/healing circles** with our clients. The purpose of this initiative is to empower single mothers in achieving self-sufficiency by increasing their financial stability, agency and self-determination. We intend to keep the pilot small, deep and research-based, specifically identifying single-mother-led families who are interested in augmenting their income and progress towards a more sustainable future. By strategically executing this pilot, we seek to secure funding for a subsequent cycle, ensuring the continuity and expansion of this vital initiative.

RATIONALE

San Mateo County, the fourth richest in America, harbors a distressing reality: the largest income inequality in California. The top 1% earns a staggering 50 times more than the bottom 99%. (First Five San Mateo County). Among the most affected are single parent households, predominantly led by women, who suffer the highest poverty rates. More than 18,000 of these households struggle to meet basic needs, with two out of five living in unyielding financial insecurity. (The Cost of Being Californian 2021: The Insight Center). Shockingly, 23,000 children live below the federal poverty line, with rates as high as 31% for Black children and 20% for Latino children. (Census 2020). Additionally, nearly 16,000 children live with food insecurity. (Feeding America 2020).

By investing in the financial stability and well-being of these households, Samaritan House's Guaranteed Income Pilot intends to address income inequality, alleviate poverty, empower women, and create socio-economic impacts. When we empower women, we increase the skilled workforce, local economies are strengthened, businesses do better, and families rise out of poverty and create generational wealth and self-sufficiency. We all benefit. (UN Women, 2018).

GUARANTEED INCOME PILOT INITIATIVES

THE BRIDGE PROJECT (TBP) was the first guaranteed income project in New York City that gives low-income mothers of infants and expecting mothers $500 or $1,000 total a month, paid in biweekly installments, for three years. Payments to 100 mothers began in July of 2021, and the program scaled up to add an additional 500 mothers in early 2022. The initial cohort of 100 mothers reside in Northern Manhattan's Washington Heights, Inwood, and Central Harlem neighborhoods. Roughly half the mothers were Latinx and half the mothers were Black. One in five were undocumented.

The project was based on data that shows the first thousand days of a baby's life are the most critical time to invest in their development for successful childhood and adulthood. Nearly one in four children in New York City under the age of 3 live in poverty. That rate is about ten percentage points above the national childhood poverty rate, and the numbers are even worse for Black and Latinx children. "The Bridge Project is built around the truth that poverty is not an individual failing, it is a systemic failing of our economic system and an insufficient social safety net," said TBP's Executive Director, Megha Agarwal. TBP was a randomized controlled trial, with research led by the Center for Guaranteed Income Research at the University of Pennsylvania. Project implementation and full funding of more than $16M was provided by The Monarch Foundation.

CITY OF SOUTH SAN FRANCISCO GUARANTEED INCOME PILOT PROGRAM (GIPP)

In October 2021, the City of South San Francisco Guaranteed Income Pilot Program (GIPP) launched, providing $500 per month to 160 South San Francisco residents over 12 months – one of the first in the nation to test the impact of providing unrestricted funds to extremely low-income residents.

During the pandemic, the City of South San Francisco supported small business owners that were drastically impacted by shelter-in-place and changing spending patterns, as well as unemployed residents, through the opening of an Economic Advancement Center. City administrators also knew that families generally were receiving federal and California state stimulus funds, but also that there were many residents living on the edge of cascading crises, less able to adapt quickly to societal and economic changes. Through the GIPP, the City of South San Francisco dedicated a portion of its American Rescue Plan Act (ARPA) funds to individuals who needed additional support to build resiliency during momentous change.

ABUNDANT BIRTH PROJECT (ABP)

The Abundant Birth Project (ABP) provides unconditional cash supplements to Black and Pacific Islander mothers as a strategy to reduce preterm birth and improve economic outcomes for our communities. ABP is an opportunity to transform San Francisco into a city where all children have a healthy start at life and serves as a model to address racial birth disparities throughout the region and state. Since the summer of 2021, the Abundant Birth Project has given $1,000 per month to nearly 150 pregnant and postpartum people residing in San Francisco. It was announced in December 2022, that the program will receive $6.5 million in city and state funding and will expand its services Alameda, Contra Costa, Los Angeles, and Riverside counties.

SAMARITAN HOUSE GUARANTEED INCOME PILOT FEATURES

GOALS: Reduce income disparity and hardship; promote vocational education and training – reskilling and upskilling

- Eliminate second job.
- Create opportunity to get certifications, credentials, and education.
- Increase income, achieve economic stability, and foster financial freedom.
- Employ Learning for Action (LFA) evaluation impact specialists to track progress and report on true program impact, leveraging their expertise and research-backed evaluation mechanisms.

RECIPIENTS

A cohort of ten (10) low-income, San Mateo County households. These families are headed by single mothers, ages 18 and up, currently juggling a second job, which creates a significant barrier to their educational and income advancement. By conducting a beta test of this scale, we prioritize depth over breadth, allowing us to implement a comprehensive, holistic approach tailored to each participating family's unique circumstances. This study will provide valuable insights into the challenges and obstacles faced by these families, as well as identify the key elements required to replicate the project's success, ultimately expanding our reach to serve a greater number of families.

This pilot will target current Samaritan House clients, who participated in our learning and healing circles, with potential inclusion of CORE clients. To ensure representation and inclusivity, pilot participants will be carefully selected drawn from a variety of backgrounds, reflective of San Mateo County's diverse makeup.

AMOUNT + FREQUENCY

Participants will receive $1,000 per month (supplementing income from 2nd job). At the end of the pilot, each family will receive a $1000 bonus.

DURATION
Participants will receive the disbursements for 18 months (1.5 years).

PROGRAM
Under Samaritan House's Financial Empowerment Program, this pilot will be administered with the support of volunteer financial coaches, working together with Client Services, to provide case management. Coaches will work closely with the participants, identifying their goals and objectives, and providing ongoing guidance throughout the project's duration. The integration of financial coaching is designed to go beyond the mere dissemination of information, focusing instead on instilling long-term healthy financial habits. Volunteer coaches will offer deep financial expertise and conduct comprehensive financial health assessments. They will provide structured guidance for clients to develop new or improved skills and behaviors, increase income, build savings, plan for retirement, and attain and sustain assets. Additionally, steps will be taken to mitigate reductions in participants' other public benefits as a result of having extra income from guaranteed income. Coaches will provide individualized benefits counseling during the onboarding process to explain the impacts of guaranteed income on each individual participant's current public benefits. Services will be delivered in both English and Spanish, through a combination of interpreters and outsourced translation services.

BUDGET
The successful implementation of the pilot will require a budget ranging from $250,000-$275,000. Out of this budget, an estimated $190,000 will be designated for cash disbursements to the participating families, ensuring direct financial support. The remaining funds will be allocated towards executing a robust evaluation plan, ensuring comprehensive data collection and analysis, as well as covering administrative expenses, guaranteeing the smooth functioning and effective monitoring of the pilot.

COMMUNITY PARTNERS
- Community Financial Resources (CFR) Focus Cards
- JobTrain – vocational and certification support
- Learning for Impact (LFA) – impact design
- Pacific Family Services
- Pacifica Resource Center – San Mateo County Core Service Agency serving Pacifica
- SAMCEDA (San Mateo County Economic Development Association)
- Self-Help Federal Credit Union, SF
- Stanford, David B. Grusky, Director of the Center on Poverty and Inequality – research

RESEARCH
Evaluation findings will play a pivotal role in the continuous review and refinement of our program delivery. Recommendations formulated from these evaluations will be incorporated into the program planning process. Services will be adapted to effectively meet the dynamic needs and expectations of our participants. Moreover, we will disseminate evaluation results and valuable insights with our executive team, board, and funders through regular program reports.

To maximize the benefits for our pilot participants, promote accessibility, and foster trust, every facet of the project will be intentionally designed with the community's needs in mind. We will actively seek direct community feedback to assess client satisfaction with our services and identify areas for program enhancements. This valuable feedback will be incorporated into the program design, ensuring its responsiveness and alignment with the expressed needs of our participants. Additionally, program staff will conduct annual reviews of client satisfaction surveys and regularly evaluate the implementation of internal evaluation protocols, including data collection, data analysis, follow-up interviews and impact reports. By following this approach, we will continuously refine and optimize our project, ensuring its efficiency and efficacy in meeting the evolving needs of our participants.

NEXT STEPS

FUNDRAISING

Fundraising is critical for guaranteed income pilots as it ensures financial stability, support evaluation and research, foster community engagement, and facilitate innovation and adaptation. Funding for this initiative will derive from two primary sources: philanthropic organizations and individual donors. Additional potential sources may include grant acquisition or the utilization of in-house general funds.

INFRASTRUCTURE

Establish the necessary infrastructure, both online and physical, to effectively handle cash disbursements, data management, communications, IT, training and support, and the multitude of various bureaucratic and administrative tasks. Careful consideration must also be made with respect to the research, reporting framework, marketing, and scalability components of the initiative to ensure its success and potential for future expansion.

TIMELINE

July 2023 – January 2024: Fundraise for pilot implementation
January 2024: Pilot launch
June 2025: Pilot completion

Peninsula HEALTH CARE DISTRICT
Building a Healthier Community

DATE: December 14, 2023

TO: PHCD Board of Directors

FROM: Dr. Rick Navarro, CHI Committee Chair and Fátima M. Rodríguez, Strategic Initiatives Director

SUBJECT: 2024 Community Grant Partners Recommendations

BACKGROUND: Through the Community Grants Program (CGP), Peninsula Health Care District partners with a diverse array of service providers to address our residents' health and mental health needs. Every year, there is a call for proposals seeking community-based organizations that share the District's vision to support our residents in achieving their optimal health and wellness through education, prevention and access to basic health services.

For the 2024 grant cycle, four focus areas were identified:

1. Healthy Aging, promoting socialization and connectivity
2. Mental Health, including prevention services and programs
3. Preventive Health, advancing education, nutrition, screenings, and physical activity
4. Health Equity, directed at increasing health care access

For the first time, a combination of two-year and one-year community grants will be awarded. Recognizing the important contributions of community partners over the years, the District invited 14 organizations to participate in the grant process to be considered for a two-year grant based on criteria identified in Resolution No. 2023-07. All other organizations would apply for a one-year grant.

A total of 64 Letters of Interest (LOI) were received, of which 22% were for 2-year grants (N=14) and 78% were for one-year grants (N=50). The following criteria were used to perform the initial screening of LOIs that would be presented to the Committee for discussion:

1. Is there alignment with PHCD Vision & Grant Program's Focus Area(s)?
2. Do they provide direct service in an area not currently met by District programs?
3. Do they present a strong rationale and significance for the proposed work?
4. How does the program approach existing funding or partnerships?
5. What is the proposed impact on District residents? Are metrics presented, such as clients to be served and/or expected health outcomes?
6. Does the budget make sense in terms of projected residents served in context of the requested amount? And, is the budget within the request parameters of $60,000 or less?

At the meeting on October 11th, the CHI Committee discussed and reached consensus about which organizations moved forward to the full application phase of the grant process.

- Thirteen organizations invited to the 2-year grant process were advanced. San Bruno Park School District was taken out of the 2-year pool, given that they received District funds which they are using in 2024 and requested a higher amount. Further follow-up would be required to determine how best to address the particulars of this organization's request, and the possible consideration of Impact Partners funding.
- Eighteen returning organizations and four new organizations progressed to the next stage of the application process.

Once the full applications were received, the Strategic Initiatives Director assigned between 4 and 5 grants to each Committee member to perform an in-depth review. Using the District's grant platform, they provided feedback and made recommendations for discussion at the next CHI Committee meeting.

On October 28th, the CHI Committee completed its work for the 2024 grant cycle after thorough review and discussion of the 35 full grant applications. The Committee's recommendations including the recipients, amounts of each grant, and use of the funding is provided for your review prior to the meeting.

The District would like to kindly acknowledge the leadership and support of Directors Navarro and Sanchez in promoting the mission of the District to ensure optimal health to District residents and elevating values of collaboration, stewardship, inclusion and transparency.

The District would like to thank the CHI Committee members - Mary Lund, Linda Wolin, Susan Baker, Marco Durazo, Kevin Martinez, and Bryan Neider - for bringing forward their experience, thoughtfulness, and commitment to public service as part of our collective effort to build a healthier community.

RECOMMENDATION:

1. Approval of 2024 two-year and one-year grant recipients and amounts as recommended
2. Approval of San Bruno Park School District as an Impact Partner

2024 Community Grants Program

Green= Invited, 2-year applicants
Black= 1-year, returning applicants
Orange= 1-year, new applicants

Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
Boys & Girls Club	2-year	$60,000	$35,000	Mental Health, Equity, Preventive	**Preventive mental health services and physical fitness activities for K-8.** Addresses critical health & wellness needs with daily hot meals, social & emotional learning, fitness & nutrition classes, & family engagement. Funding will support organization's direct service staff who will deliver athletics & mental health programs, while expanding BGCP's presence in San Mateo's underserved communities.
Caminar - Medication Assistance Program	2-year	$60,000	$55,000	Mental Health	**Medication assistance program. Provides in-home and remote medication guidance to those with mental illness and co-curring physical conditions.** Funds would maintain program and used to supplement the LVN & supervising nurse salaries and to purchase medi set supplies for clients.
Catholic Charities	2-year	$50,000	$50,000	Health Aging	**Licensed adult day program for frail seniors and adults with disabilities.** Program will address health disparities by providing respite care support, education & support to family caregivers in order to keep low-income seniors living in their homes and among their community. Funds would continue services and help support ongoing operating expenses associated with sustaining services at the necessary level to support Seniors with a hybrid model onsite programming & virtual caregiver supports. Funding would also allow program to continue making individual wellness calls to ensure mental & physical wellbeing of clients and to recognize and/or prevent health issues before they arise.
Edgewood - Kingship Family	2-year	$35,000	$35,000	Preventive, Healthy Aging	**Medical interventions for senior kinship caregivers and multi-generational mental health services.** Services are provided in-person and online. Funds would help maintain program & help expand client census back to pre-pandemic level. Funding would support salaries for key staff including Community Health Nurse, Director of Family Support Services, mental health clinicians, & Kinship Resource Specialist. 13% annually would support operating expenses - outreach & marketing, staff & client travel, food, and medical supplies.

2024 Community Grants Program

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Orange= 1-year, new applicants

Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
Jewish Family & Children Services	2-year	$30,000	$30,000	Health Aging	**Provides improved quality of life for older low-income adults living with dementia through early detection, intervention, and education.** Funding would maintain program and be used to help organization deliver an array of dementia care services to clients living in PHCD's geographic area. Funds will also support in-home respite for family caregivers.
Latino Commission	2-year	$20,000	$20,000	Mental Health/ Equity	**Substance use disorder outpatient program with a focus on mental health prevention and psycho-educational programming to prevent a relapse, improve health and stability.** Services are hybrid virtual and facility-based. Funding would be used to maintain current program and be used to pay for 120+ contracted hours of a professional mental health therapist (LCSW) who provides mental health assessments, individual mental health therapy sessions, & small group psycho-educational presentations. Funds would also be used for indirect costs (12%).
Peninsula Bridge	2-year	$35,000	$30,000	Mental Health	**Offers 1:1 counseling, parent/caregiver sessions to support student, and group parent mental health education workshops to 100% free and reduced lunch eligible students.** Funding would maintain and help expand program for the 204 students & 204 parents or caregivers who reside in the district. Program budget was increased to expand LMFT hours.
Peninsula Family Service	2-year	$45,000	$40,000	Healthy Aging	**Weekly 1:1 group support and companionship for members aged 55+ to help manage transitions and life changes such as health concerns, mobility issues, caregiver needs and grief.** Funding will maintain program and be used to help fill the gap in annual budget for critical expenses such as staff salaries and consultant fees.

2024 Community Grants Program

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Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
Peninsula Jewish Community Center - Pink Power	2-year	$15,000	$10,000	Preventive	**A 1:1 innovative exercise training program developed specifically to address the needs and enhance the recovery for post-operative breast cancer survivors.** Funding would maintain and expand program and be used to support PHCD residents with financial need. Funds will also help expand the program by hiring 2 additional breast cancer certified trainers - to extend evening/weekend training options; expand reach of complimentary virtual/in-person BC Fit classes; and pilot a hybrid 1:1 program option.
Peninsula Volunteers Inc (Rosener House, Meals on Wheels, Anniv Gala)	2-year	$60,000	$55,000	Healthy Aging	**Meals on Wheels increases food security and provides access to nutritious food through home delivered meals and nutritional education.** Funding will maintain program and expand to serve more clients. Funds will be used to fully subsidize 48 Meals on Wheels clients for one year - based on the cost of planning, preparing, and delivering the meal.
San Mateo Police Activities League	2-year	$60,000	$30,000	Mental Health, Equity, Preventive	**Family support, education, mental wellness program that emphasizes early intervention and developing students' social, emotional and behavioral skill sets.** Funding will maintain program and be used to pay for the cost of therapy and screening, which will be provided by an Associate Marriage and Family Therapist (AMFT).
Second Harvest of SV	2-year	$50,000	$50,000	Preventive	**Distributes over 9 million pounds of food so that residents can access nutritious foods and nutrition education.** Funding will maintain program and be used to purchase nutritious foods that will be distributed free of cost to low-income clients.
Starvista	2-year	$60,000	$50,000	Mental Health	**Provides a comprehensive mental health and substance use prevention and treatment for youth through its Insights and Crisis Intervention and Suicide Prevention Center programs.** Funding will maintain program and be used for personnel costs (salaries, benefits, etc.); operating costs (office & program supplies, rent mileage reimbursement, trainings, etc.; and a small portion for administrative costs.

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Orange= 1-year, new applicants

Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
AbilityPath - Adult Day Program	**1-year**	$60,000	$55,000	Preventive	**Adult Day program that serves individuals with intellectual and/or developmental disabilities**. Funding will expand program and be used to purchase program supplies , admission fees to utilize community kitchens and attend fitness classes, and cover a portion of the budgeted salary expenses for program management.
BACHAC - Community Mammogram Program	**1-year**	$35,000	$35,000	Preventive	**Education and free mammograms to individuals who are unable to access screenings due to lack of insurance or other barriers.** Funds would maintain program and be used to provide training and compensation for Community Health Outreach Professionals, educational & support materials (fliers, etc.), stipends for speaker workshops, digital marketing campaign, & sponsorships on culturally relevant educational opportunities (i.e. Breast Cancer & African Americans Conference & BACHAC's Wellness Where You Are Session).
Breathe CA - Seniors Breathe Easy	**1-year**	$20,000	$20,000	Preventive/ Healthy Aging	**Health education, nutrition, screenings, and physical activity for seniors. Funds will be used to maintain and expand the program and help support project-specific personnel costs for staff who outreach & coordinate with community organizations and senior centers**. Funds will also be used to implement activities, development/translation, printing, and/or purchase of community education materials travel expenses to provide presentations on-site and other program related expenses.
Call Primrose	**1-year**	$20,000	$20,000	Equity/ Preventive Health	**Year-round food pantry for low income individuals and families, using a choice based distribution model to empower families and reduce waste.** Funding would be used to maintain rapidly expanding grocery pantry program and specifically assist in purchasing the necessary items needed to supplement food donations received from partner organizations.

2024 Community Grants Program

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Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
Casa of San Mateo	**1-year**	$30,000	$30,000	Mental Health	**Mental health support of children in foster care and the juvenile justice system through mentorship, education, and resources.** Funds will maintain current program and help extend partnerships with organizations specializing in mental health training to offer more trainings, devoting staff hours to facilitate & evaluate trainings and discussion groups, create/disseminate/manage mental health resource guide, investment in software, training supplies, & mental health professional development.
Cora	**1-year**	$45,000	$45,000	Mental Health	**Family-centered mental health program provides free, trauma-informed evidence based counseling for domestic violence survivors and their children.** Funding will be used to maintain program and supplement the salaries of a Mental Health Clinician; 10% will be used towards program costs; and 7% for indirect admin.
First 5 - Help Me Grow	**1-year**	$60,000	$60,000	Preventive, Equity, Mental Health	**Provides information on child development, links families to community-based services, and empowers families to support their children's healthy development.** Funding would maintain existing program and be used to support families & providers of young children to access resources & support for their children's development. Specifically, funding will augment staffing for Core Components of program - Family & Community Outreach, Child Health Care Provider Outreach, & Centralized Access Point.
Foster City Village - We Care	**1-year**	$10,000	$10,000	Mental Health, Healthy Aging	**Offers seniors who are isolated or alone with home visits from volunteers. Activities include: cooking a meal, working on a project, going out to lunch, etc.** Any personal care concerns are shared with the director for follow-up. Funding will assist in maintaining and expanding program. Funds will be used to recruit volunteers for specialized services, vetting costs, compensation for an expert trainer, reimbursements to volunteers for gas, outing costs, recognition awards/rewards...
Fresh Approach	**1-year**	$35,000	$25,000	Preventive	**Group-setting nutrition classes, in-person food demonstrations, community outreach to raise awareness.** Funds will expand the program and used to coordinate & host VeggieRx classes, food demonstrations, and to support costs for VeggieRx Vouchers & outreach materials.

2024 Community Grants Program

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Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
Healthier Kids Foundation	**1-year**	$30,000	$30,000	Preventive	**Screenings to detect hearing issues in children and provide prevention early**. Funds would maintain services and be used to plan & send screeners to sites, utilize Salesforce & equipment to screen and store all data, allocate referral results to parent advocates & allow them to assist parents in accessing care for their children.
Justice at Last	**1-year**	$30,000	$20,000	Mental Health	**Mental health support to survivors of human trafficking to help prepare them over the course of their legal matter.** Funds would maintain organization's trauma-informed services to compliment program. Funds would be used to provide direct services, provide crisis stabilization, and increase access to professional services. Portion of funds would be used for training organization's Advocates & Attorneys in trauma informed support services.
Kara	**1-year**	$25,000	$25,000	Mental Health	**Bereavement support services through peer support therapy, crisis response, grief training, grief camp, and community support events.** Funding would maintain program and be used to fund staffing and program costs associated with key programs.
Life Moves	**1-year**	$30,000	$30,000	Mental Health	**Free behavioral health services to meet unique needs of homeless adults and children to eliminate disparities in access**. Funding would maintain existing program and used to support personnel expenses, program expenses, and allocated indirect costs. Staffing for program includes a Director of Behavioral Health and an Associate Director of Behavioral Health. Program expenses consist of practicum students (interns) who provide the direct client services and receive stipends of approximately $300/month. Program supplies also include materials for trainings and for specialized therapy services. Indirect costs cover administrative functions such as HR, Finance, and Development department costs.

2024 Community Grants Program

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Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
One Life Counseling (Mental Health, Music and Memory)	**1-year**	$60,000	$60,000	Mental Health/ Equity	**Free to low cost culturally and linguistically competent mental health counseling program for individuals who are economically challenged.** Therapists provide therapy in 8 different languages. Funding would expand program and be used to pay for additional therapy hours to meet the high demand. Funds will also serve Undocumented Unaccompanied Minors (UUM) seeking asylum. Some funding will also be used to advertise counseling services within low-income PHCD neighborhoods.
Peninsula Family YMCA	**1-year**	$60,000	$50,000	Preventive	**Offer health classes and workshops at no cost - Diabetes Prevention Program, Brain Health Program, Community Movement Classes, Health Eating Living Workshops**. Funding will maintain offsite community movement exercise class program, maintain the relevant cohorts of YMCA's Diabetes Prevention Program, and maintain HEAL workshop program. Funds will be used to compensate personnel.
Villages of San Mateo	**1-year**	$20,000	$15,000	Healthy Aging	**Enables aging adults to age better in a caring and engaged community with other seniors in the same stage of life with social activities and resources to allow members to continue living independently.** Funding will expand programs and be used to subsidize village membership dues of low-income village members; home safety improvements; excursions & enriching social expenses; subsidize PVI ride transportation when volunteer drivers are unavailable; office and administrative costs.
Vista Center - Vision Loss Rehabilitation Program	**1-year**	$42,069	$38,000	Healthy Aging	**Supports individuals who are losing or have lost their vision by teaching necessary skills to maintain or regain their independence.** Funding will maintain and expand the current program and be used to fund direct costs for program related personnel/staffing and non-personnel expenses.

2024 Community Grants Program

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Organization Name - Program Title	1 or 2 year Grant	Application Request	CHI Committee Recommended Amount	Focus Area	Program Description
Anew Vista Community Services - Building Tech Champions	1-year	$30,000	$15,000	Healthy Aging	**Provides seniors with equal access to tech. Serving over 150 in-person and online courses combined with hands-on coaching w/ in-home and remote support.** Funding would allow organization to hire more teachers, create more awareness materials, and target underserved populations that can benefit from its services. Would allow organization to maintain commitment to providing free access to most of its classes. Organization estimates it will serve at least 200 new families/individuals in PHCD. Organization has scalable model that allows it to grow services without increasing its labor costs proportionally.
Burlingame Park & Recreation Center - Let the Sunshine In	1-year	$50,000	$10,000	Healthy Aging	**Outdoor physical health activities, social interaction, and mental well-being for seniors.** Funds will launch and help the program grow over the next year. Plan to allocate 30% of grant for transportation, 5% for activity materials & equipment, 50% for expert guides & instructors, 10% for meals & refreshments, and 5% for marketing & promotional materials.
The HEAL Project	1-year	$25,462	$25,000	Preventive	**provide lessons focused on health literacy.** Funding will maintain program and be used to pay for education personnel ($18,786); program supplies - cooking ingredients & seeds ($480); tools & equipment - wheelbarrows & kitchen tools ($940); bus stipends for high need schools ($3,200); non-program staff time for reporting & outreach ($1,056); and administrative supplies - printer ink, stationary materials, & laminate sheets ($1,000).
		$1,297,531 Request Total	$1,108,000 Recommended Total		

Board Actions Requested:

1. **Approval of 2024 two-year and one-year grant recipients and amounts as recommended**
2. **Approval of San Bruno Park School District as an Impact Partner**

Peninsula HEALTH CARE DISTRICT
Building a Healthier Community

DATE: December 14, 2023

TO: PHCD Board of Directors

FROM: Dr. Rick Navarro, CHI Committee Chair and Fátima M. Rodríguez, Strategic Initiatives Director

SUBJECT: Consideration of San Bruno Park School District as Impact Partner

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BACKGROUND: Over the years, Peninsula Health Care District has consistently supported the San Bruno Park School District (SBPSD) by providing grant funding to cover the salary of a Wellness Coordinator, who serves as a much-needed system of support, including facilitating mental health and preventive health activities and programming for all SBPSD students, families, and staff.

For the 2024 grant cycle, SBPSD was invited to apply for a two-year grant; however, at the time of discussing their Letter of Interest (LOI), the Community Health Investment (CHI) Committee determined that it would be advisable to explore further their request and possible consideration for Impact Partners funding support.

As part of the discussion, the CHI Committee recognized the years-long partnership with SBPSD and the significant contributions to the health and well-being of District residents. There was an identified complication due to the school district's different budget calendar. SBPSD is on a fiscal/academic calendar that does not align with Peninsula Health Care District's calendar year. Moreover, the requested amount exceeds the maximum $60,000 allocation under the Community Grants Program (CGP).

At the request of the CHI Committee, the District CEO and Strategic Initiatives Director met with Anjelica Zermeño, SBPSD Assistant Superintendent of Educational Services and Student Services, and Marie Lukehart, Wellness Coordinator. They confirmed having grant funds for the 2024 calendar year but would not be covered for the following 2024-2025 school year. The amount requested is $75,000 per year. Additionally, it was mentioned that Peninsula Health Care District had provided three-year funding years ago.

Given the meeting conversation and Committee's guidance, San Bruno Park School District was invited to apply for Impact Partners funding to secure 2025 support, and to move them into the Impact Partners grant cycle.

The full application has been provided to the CHI Committee and a summary description of the Wellness Coordinator role is included for the Board's review and discussion.

RECOMMENDATION: To approve San Bruno Park School District as an Impact Partner

San Bruno Park School District: Wellness Coordinator*

**Summary is taken from Job Description and 2024 Application*

Under the supervision of the Director of Special Education and Student Services, the Wellness Coordinator serves as a child welfare advocate. The Wellness Coordinator facilitates mental and preventive health activities and programming for all SBPSD students, staff and families. Areas of support to schools and families include health screenings and resources, student attendance, homeless and foster youth, nursing services, and community agency coordination.

The Wellness Coordinator facilitates programming that address 3 of the 4 PHCD Focus Area(s):

1. Mental Health: Prevention Services and Programs
2. Preventive Health: Education, Nutrition, Screenings and Physical Activity
3. Health Equity: Increasing Health Care Access

How the SBPSD program aligns with PHCD's Vision and Focus Areas.

The program aligns with the PHCD vision by providing a dedicated Wellness Coordinator to serve the students, families, and staff of the San Bruno Park School District. The Wellness Coordinator daily assesses the education, preventative, and access-related needs of the 5,000 community members served and determines which basic services are required. The Wellness Coordinator is responsible for the implementation of the District's Wellness Plan and ensuring community members either receive medical, behavioral and dental services at school locations and/or through referrals to third-party service providers.

Key Responsibilities:

- Assist in the development of initiatives and efforts related to attendance improvement, creation of safe and welcoming school environments
- Implement training to school District staff District staff on California Education Code and District policies and procedures related to child welfare and attendance of students
- Monitor and track 504 academic accommodation plans for all school sites
- Coordinate, monitor and/or facilitate multidisciplinary intervention teams such as Student Success Team (SST), School Attendance Review Team (SART), and School Attendance Review Board (SARB) to provide coordinated support and intervention
- Serve as District Homeless and Foster Youth Liaison
- Facilitate collaborative partnerships to increase awareness, engagement, communication, and recognition of all stakeholders toward the goal of better outcomes for all students, including coordination of Parent Liaisons.
- Develop and implement training to school and District personnel on California Education Code and District policies and procedures related to child welfare and attendance of students.
- Serve as District Homeless and Foster Youth Liaison
- Facilitate collaborative partnerships to increase awareness, engagement, communication, and recognition of all stakeholders toward the goal of better outcomes for all students, including coordination of Parent Liaisons
- Coordinate Home Hospital Instruction programs
- Collaborate with community partners to provide parent workshops, promote parent engagement and empowerment in the educational process.
- Supervise and support District Health Services, including hearing, vision and dental screenings, as well as coordination of staff training on the implementation of student medical management plans
- Develop process for sending home exposure notices
- Oversee that all schools are compliant with Immunizations
- Coordinate hearing screening for the District

- Coordinate with the Public Relations consultant regarding website updates related to wellness information i.e. immunization requirements

Highlights:

The Wellness Coordinator will facilitate dental screenings, provided by Sonrisas Dental (Dr. Bonnie Jue) to an estimated 300 preschoolers and kindergarteners at Allen and Belle Air Elementary, as well as to any student in the District who has no access to dental services. The Wellness Coordinator will work with all District nurses to ensure that state-mandated hearing screenings will take place at school sites. The Wellness Coordinator will facilitate certain state-mandated vision screenings for the District. The San Bruno Lions Club will provide screenings to all state mandated grades SPED, K,2, 5 AND 8 for a total of 1050 students. Students receive either a passing score or a referral to a vision provider as part of the screening.

The Wellness Coordinator works with the appropriate staff to coordinate Care Solace. Staff will connect families to mental health resources using the Care Solace platform.

SBPSD partners with San Mateo County foster youth/homeless services and YMCA Youth Services Bureau, which provides mental health interventions. Together, these student care teams are committed to meeting health and wellness needs, combating low educational outcomes as identified by Get Healthy Strategic Plan, GHSM, 2015-2020.

A critical part of the Wellness Coordinator's role is ensuring District Wellness compliance practices are in order, serving as liaison between stakeholder groups. The Wellness Coordinator: assists in development of initiatives and efforts to attendance improvements, creation of safe and welcoming school environments; implements trainings to District staff on California Education Code and district policies and procedures related to child welfare and attendance of students; tracks 504 plans for all school sites; coordinates monitors and/or facilitates multidisciplinary intervention teams such as Student Success Teams (SST), School Attendance Review Team (SART), and School Attendance Review Board (SARB) to provide support and intervention; and serves as District Homeless and Foster Youth Liaison.

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Peninsula
HEALTH CARE DISTRICT
Building a Healthier Community

Quarterly Strategic Plan Board Report

September - November 2023

Table of Contents

Strategic Goals at a Glance

1 Preventive Health

Preventive Health One-Year Goals

1.1 Sponsor Community Health Events
1.2 Conduct Vaccination Programs Needs Assessment
1.3 Blue Zones Research & Integration
1.5 Conduct Substance Use Needs Assessment
1.6 Conduct Health Screenings Needs Assessment
1.7 Develop Programming & Increase Membership for the Health & Fitness Center

2 Mental Health

Mental Health One-Year Goals

2.1 Launch allcove™ San Mateo
2.2 Develop SMC Youth Mental Health Strategic Plan
2.3 Review Care Solace Program Impact
2.4 Participate in Mental Health Events
2.5 Diversify Youth Advisory Group
2.6 Conduct Senior Mental Health Needs Assessment

3 Dental Health

Dental Health One-Year Goals

3.1 Review Financial Model & Long-Term Sustainability
3.2 Provide Access to Oral Health Care & Education

4 Integrated Services

Intergrated Services One-Year Goals

4.1 Define Community Hub Programs, Services & Financial Sustainability Model
4.2 Review & Assess Grants Program
4.3 Increase Occupancy at The Trousdale Assisted Living Facility

Report Highlights

Preventive Health

- Community education provided on Dental Health and Mental Health in partnership with The ParentVenture
- As part of community needs assessment efforts, key stakeholder meetings continue with County partners, including Public Health, Policy & Planning and Aging and Adult Services, and exploration of County data reports and data tools
- Participation in Mental Health, Access to Health Services, and Social Determinants of Health work groups to inform County Community Health Improvement Plan

Mental Health

- allcove Facility Tenant Improvements were completed and furniture is installed
- Near finalizing contracts with the 6 organizations selected to provide service streams at allcove San Mateo
- allcove received an invitation to submit an application for SMC Measure K funding and a multi-county collaborative grant through MHSA
- The first draft of allcove Operations and Service Manual has been submitted for review and approval from the Stanford Central allcove team
- Projected allcove Soft Opening: January 8, 2024, Grand Opening: February 3, 2024

Dental Health

- PHCD/Sonrisas Team met with SMMC to present FQHC Proposal
- PHCD/Sonrisas Team exploring other FQHC partnerships with Ravenswood, Samaritan House and NEMS
- Sonrisas outreach in education and oral screenings reached more than 500 individuals in the months of September and October

Integrated Services

- PWC Masterplan Report was completed and presented to the Board of Directors at the October Board meeting
- CHI Commitee completed the 2024 grant cycle with a new 2-year category for grants
- The Trousdale is at 91% occupancy and provided 45 tours in last couple of months

1.1 Community Health Events

Partner and host community health resource events.

In the first strategic update report, it was noted that PHCD partnered with The ParentVenture to offer health-focused webinars on (1) Dental Health, (2) Mental Health, and (3) Substance Use. As part of outreach and promotion efforts, the District shared session information and registration links broadly, including the District's Facebook, Instagram, and e-newsletters. We will also make the Youtube recordings available to the public through our communications channels. A summary of events are listed below.

Dental Health

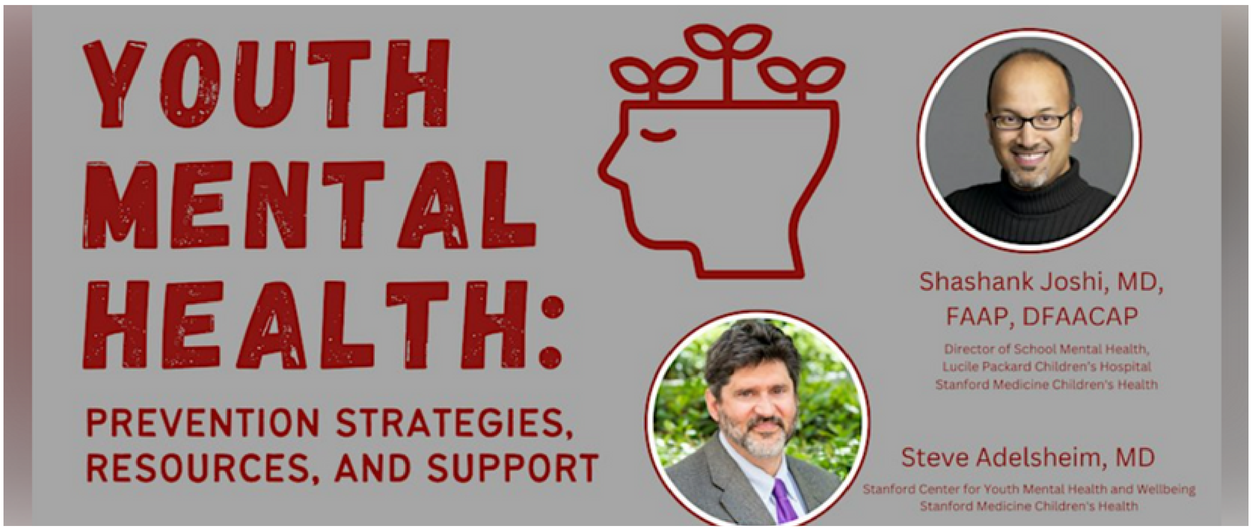
Clinicians from Sonrisas Dental Health provided two sessions on the importance of oral health. Dr. Bonnie Jue presented on November 16 and her colleague, Brenda Barrientos, presented on November 1 in Spanish.

Session with Sonrisas Dental Health	No. of Attendees	Link to Recording
Dr. Bonnie Jue, DDS	47	https://www.youtube.com/watch?v=GkzBo8dWo10&t=68s
Brenda Barrientos	21	https://www.youtube.com/watch?v=hHbBeAkJhVo&t=14s

Mental Health

As part of community education to raise youth mental health awareness and create connections to thought leaders and valuable resources, we partnered to offer a session on October 19. Our presenters were Steve Adelsheim, MD, Director of the Stanford Center for Youth Mental Health and Wellbeing in the Department of Psychiatry and Stanford Medicine Children's Health and Shashank V. Joshi, MD, FAAP, DFAACAP, Professor of Psychiatry, Pediatrics and Education at the Stanford University School of Medicine and Graduate School of Education.

Session	No. of Attendees	Link to Recording
Steve Adelsheim, MD, and Shashank V. Joshi, MD, FAAP, DFAACAP	67	https://www.youtube.com/watch?v=GkzBo8dWo10&t=68s



1.2, 1.5, 1.6 Vaccination Program, Health Screenings & Substance Use

Create a strategic framework by conducting research and an analysis of the District's health needs.

To guide the foundational work to identify needs, gaps in services and opportunities for collaboration and future programming, the Strategic Initiatives Director (SID) has been meeting with key stakeholders in the County.

Below are highlights from the meeting with **Public Health, Policy & Planning (PHPP)**, including Marc Meulman, Interim Deputy Chief and Tamarra Jones, Interim Director of PHPP and Public Health Equity Officer.

- The District can leverage various County reports and data sources, and participate in select workgroups to inform our needs assessment work.

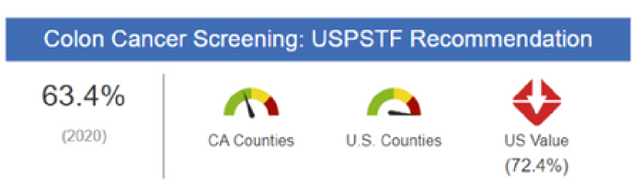
The recently released report, 2023 Community Health Needs Assessment Health & Quality of Life in San Mateo County, is a great resource that provides health risks and prevention services, and quality of life indicators, comparing County and State data.

Per our discussion, at the County level, we are doing better on many measures or indicators as compared to state and federal levels; however, when examining smaller geographic areas, such as zip codes, and stratifying on race/ethnicity, we may see a different picture. Further data exploration is required.

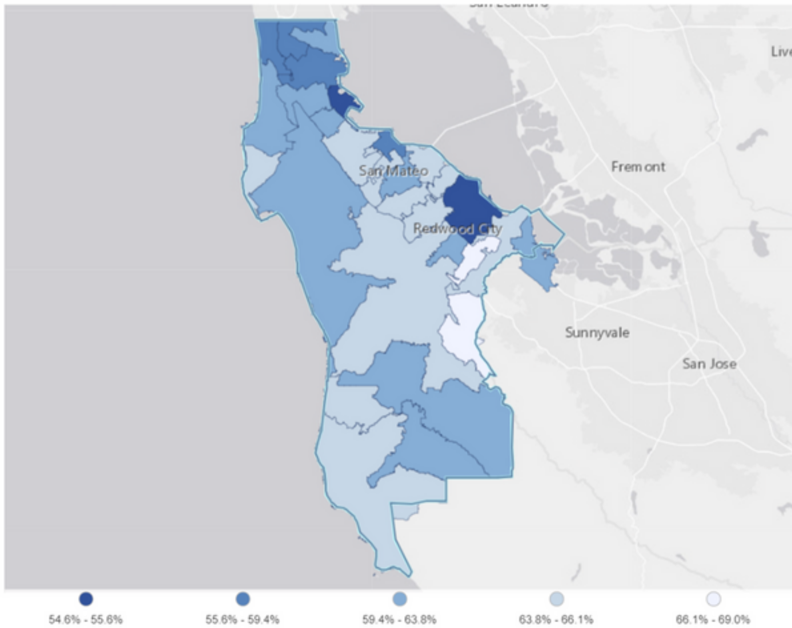
We also discussed other County sources, including Get Healthy SMC and the San Mateo County All Together Better health data portal that allows data analysis at the zip code level (for many measures), custom reports, and access to other resources.

Here are some examples of how the District will be able to use San Mateo County All Together Better to analyze key data. For **Colorectal Cancer Screening using the U.S. Preventive Services Task Force recommendation**, one can see that SMC is doing worse on this indicator than U.S. counties and U.S. (see image below). However, SMC is doing better than other CA counties. When you look at the CRC screening data using geo-mapping, there are areas with lower than county values, such as San Bruno (61.4%) and South San Francisco (59.0%), indicating a need for strategies to improve screening rates in the community.

County: San Mateo



Colon Cancer Screening: USPSTF Recommendation

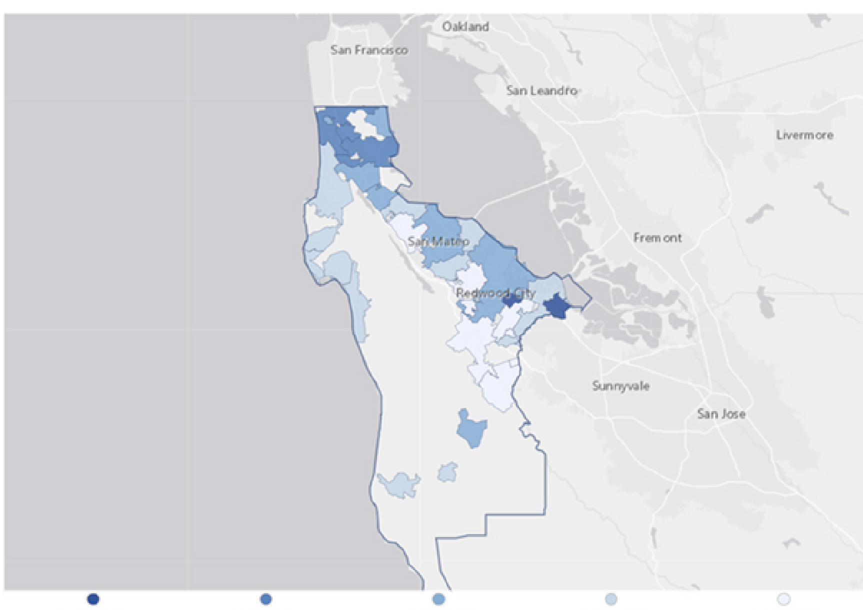


Below is the measure for “Sigmoidoscopy in the past 5 years and FOBT (fecal occult blood test) in the past 3 years, Colonoscopy in the Past 10 years, or FOBT in the past year”. In this case, SMC is doing better than the U.S.; however, the map shows a more complex story with variations based on geographic location.

Colon Cancer Screening: Sigmoidoscopy Past 5 Years and FOBT Past 3 Years, Colonoscopy Past 10 Years, or FOBT Past Year

71.3%

(2018)



- The District was invited to participate in focused workgroups aligned with the District's focus areas and contribute to SMC's Community Health Improvement Plan (CHIP).

For 2024-2026, the County has identified 3 priority areas: (1) Mental Health, (2) Access to Health Care Services, and (3) Social Determinants of Health (SDOH). The District will have representation in each of the workgroups:

  - Mental Health: Eddie Flores, Youth Behavioral Services Director
  - Access to Health Services: Fátima Rodríguez, Strategic Initiatives Director
  - Social Determinants of Health: Ana M. Pulido, CEO

The **post-pandemic reality requires vaccine efforts** to be focused on encouraging COVID vaccination to be administered simultaneously with the flu vaccine. Both are recommended on a regular, yearly basis. As such, there is an opportunity to raise awareness of the continued benefit of the COVID vaccine and encourage flu and COVID vaccinations to achieve dual benefits.

The stakeholder meeting with **Aging and Adult Services** provided an overview of their work addressing food insecurity, vaccinations, and referrals to a myriad of County and community resources. In attendance were Lisa Mancini, Director; Nina Rhee, Deputy Director; Anna Sawamura, Manager; and Gwyn Luong, Manager. Key highlights of the meeting include:

- **Food insecurity** affects a large segment of the older adult population in SMC, not only persons considered lower income, but also individuals who may not qualify for support based on government income eligibility guidelines.

During the pandemic, many older adults who received meals through County programs (i.e., Great Plates Delivered) did not think they needed help. It was suggested that the District, through its partnerships with CBOs, can help reach this particular audience, who has not relied on County or government resources.

- Reaching vulnerable populations requiring vaccinations has been a priority for the County, and it has continued to offer **In-Home vaccinations** to "homebound" individuals. They have identified 100 people needing vaccination access and have contracted with a health provider with a staff physician to review and address standing orders. The Aging and Adult Services team stated they would share data with the District's SID.

- Aging and Adult Services operates a 24-hour information and emergency response line for "older adults, people with disabilities, dependent adults, and caregivers". The Hotline line is the main entry point for services the Aging and Adult Services Division provides. It offers adult protective services referrals, in-home support referrals, and community resources.

The District's Strategic Initiatives Director inquired about the calls, and whether we can learn more about the issues raised. Some calls relate to food needs, evictions, hoarding, home safety, homeless prevention, and referrals to Behavioral Health.

- Work is being done to establish an **Aging Disability Resource Connect Program (ADRC)** that helps connect people with disabilities to various types of support. Aging and Adult Services is partnering with Center for Independence for Individuals with Disabilities and plans to be designated as an ADRC in July 2024.

During the meeting, there was an ask for help finding caregivers to support residents connected to the **In-Home Support Services program**. Finding individuals who can serve in a caregiver role is very challenging.

The SID will meet with the **County's Behavioral Health and Recovery Services Director** in January 2024.

1.3 Blue Zones

Identify and implement opportunities for carrying out key components of the Blue Zone program across the District.

allcove™ San Mateo
The Youth Advisory Group had a discussion on Blue Zones and implementing Blue Zones nutrition into allcove. The YAG suggested that there be an educational piece along with samples at allcove for youth to learn more. They want other youth to be educated on the benefits and suggested having a QR code that will take them to a website to learn more. They were very interested to learn about Blue Zones and are wanting to implement aspects into allcove.

The Trousdale
After exploring a salad bar option for The Trousdale at every meal, it was determined the salad bar option doesn't work well at The Trousdale, due to resident mobility (& physical/cognitive) issues and health/safety concerns over open food. However, The Trousdale offers a variety of salad options with every meal. Residents are always able to customize, according to their personal preference.

Community
The CEO and SID are exploring the possibility of working with school districts and/or San Mateo County Office of Education to host Blue Zones related cooking classes at school sites with existing gardens. The District would partner with an existing grantee to offer the educational class, and will be meeting in the new year to discuss the partnership.

Another initiative that we would like to launch in the Spring are video series campaigns on nutrition and exercise.

1.7 Health & Fitness Center

Increase visibility and membership to serve more of the community.

Staff attended the SMDJ Senior Showcase hosted in Burlingame on September 22nd as part of its strategic efforts to increase visibility and increase membership. After that event, strategic efforts were momentarily paused as the District searched for a new Fitness Center Director. In November, the District was fortunate to identify an ideal candidate to lead the FC to its new chapter, and recruited Richard Bergstrom to join the team.

Richard Bergstrom is a recognized fitness professional with experience in personal training and center management. In his previous role, he oversaw the UC Davis Diabetes and Dementia Prevention Program research study at Rossmoor's Tice Creek Fitness Center. He provided exercise, nutrition, and cooking classes to preserve retention in the program and educate participants to make healthy lifestyle choices. He has experience developing custom fitness programs and overseeing marketing for several fitness centers.

Read the Fitness Center's FY 2023-24 Quarter 1 report, by *clicking here.*

District team member, Jackie Almes, at the SMDJ Senior Showcase

2.1	**allcove™** Launch allcove San Mateo Youth Drop-In Center by Fall of 2023. Focus on attracting clients, quality care, service integration, and a financial sustainability model.

Facilities Update
During the months of September and November, significant progress was made on allcove's tenant improvements. Additional accent walls were added, the tile flooring in the kitchen and staff breakroom was replaced, and the ADA access ramp to the balcony space was completed and passed the CASp inspection. allcove's tenant improvements were completed in October.

After the final walk-through for our tenant improvement work, the furniture was installed as shown in the photos below.

Vendor Procurement and Mobilization
As part of the efforts to ensure the allcove facility is ready for opening, the team procured quotes for various vendors including I.T., wiring, signage, and safety (cameras, badge access, and alarms). For each of these items, two to three quotes were acquired. Following the procurement of all quotes, we met internally with our CFO and CEO to go through each proposal and make our final decision.

The team met onsite multiple times to walk through the space to make sure the facility signage aligns with the allcove model. The vendor, The Sign Works, comes with experience from allcove Palo Alto and is a local business located in San Carlos. We completed the installation of the interior signage in November and are looking forward to installing the exterior signage by the end of the calendar year.

Tours for Community Organizations/Elected Officials
During the month of November, the allcove team conducted over 16 tours, averaging 12 people per tour, with community-based organizations, nonprofit service organizations, community groups, and elected officials of San Mateo County. Over 90 individuals and 15 local organizations visited our location in San Mateo. Some of the organizations we hosted included:

- San Mateo Union High School District
- Fusion Academy
- San Mateo Mayor, Amourence Lee
- San Mateo Deputy Mayor, Lisa Diaz-Nash
- Office of San Mateo County Supervisor David Canepa
- Office of San Mateo County Supervisor Noelia Corzo
- NAMI San Mateo
- CASA of San Mateo County
- FlyWorks San Mateo County
- San Mateo County Office of Education
- allcove Palo Alto
- One Life Counseling Servies
- NovaWorks
- Alumn Rock Counseling Services
- StarVista
- Edgewood Center for Children and Families
- County of Santa Clara
- HealthRight 360

Additional private tours with a few other organizations are expected which include the offices of Assemblymember Diane Papan and State Senator Josh Becker.

Service Partner Outreach and Discussions
As we prepare for the opening of allcove San Mateo, District staff conducted informational discussions with PHCD's selected service partners that will deliver the service streams for allcove San Mateo. Discussions included scope, alignment of core components of the allcove fidelity model, and services to be provided. These meetings were extremely productive, and we have moved on to finalizing service contract agreements. Some of the agencies we have identified and are working with are:

1. **One Life Counseling** – To Provide Counseling/Therapy services at allcove with trained and bilingual certified therapists.

2. **Stanford Medicine Children's Health** – Adolescent primary physician within the Stanford Health Care team to serve 1 day/week at allcove San Mateo to provide the physical/medical services and provide consultation on electronic medical records, medication disbursement and laboratory pathways with hospitals.

3. **Daly City Youth Health Center** – Provide substance use counseling services at allcove and support recruitment efforts at schools.

4. **NovaWorks** – Employment Education Specialist for young adults. allcove will partner with them to offer a breadth of resources, tools, job training and workforce development and education preparation that will enhance and support youths' experience at allcove. Services will be at no cost to the District.

5. **Friends for Youth** – Peer support group programming for youth.

6. **Edgewood Center for Children and Families** – Provide training and support to our Peer Support Specialists at allcove, as well as the potential for evening workshops including families, parents and youth.

Please note not all formal agreements have been finalized with all of the listed agencies. The Board will be made aware once contracts are executed.

Financial Sustainability
PHCD continues to actively pursue various funding streams to support the financial sustainability of allcove San Mateo. The District plans to submit an application for the San Mateo County Measure K funding grant, due on January 5, 2024. If successful, PHCD would receive $250,000 per year for a period of three years. The team will also be applying for a multi-county collaborative grant opportunity through MHSA – San Mateo County BHRS. Our partners at allcove Sacramento, in collaboration with the Sacramento Department of Health, submitted and moved forward on identifying allcove (as it has been a pre-vetted funding program of interest) and have submitted a request for $10 million over a span of 5 years. We are committed to pursuing this grant opportunity at the beginning of the upcoming year.

The District is still eagerly awaiting the notification for the MHSOAC continuation grant, which, if awarded, would provide us with a substantial amount of $1 million for a period of two years.

CEO Pulido met with Health Plan of San Mateo CEO Pat Curran in October to request their support in helping allcove's team navigate the medical billing reimbursement component for allcove San Mateo. CEO Curran immediately responded to the request and connected the Youth Behavioral Health Program Director, Eddie Flores, with his team and they are meeting on December 11.

Operations & Service Manual
In order for allcove San Mateo to open for a soft opening, the District must submit a first draft of the allcove San Mateo Clinical and Operations Manual. The team submitted the draft on November 30th to the Stanford Central allcove team. We expect to receive feedback and comments by December 21st.

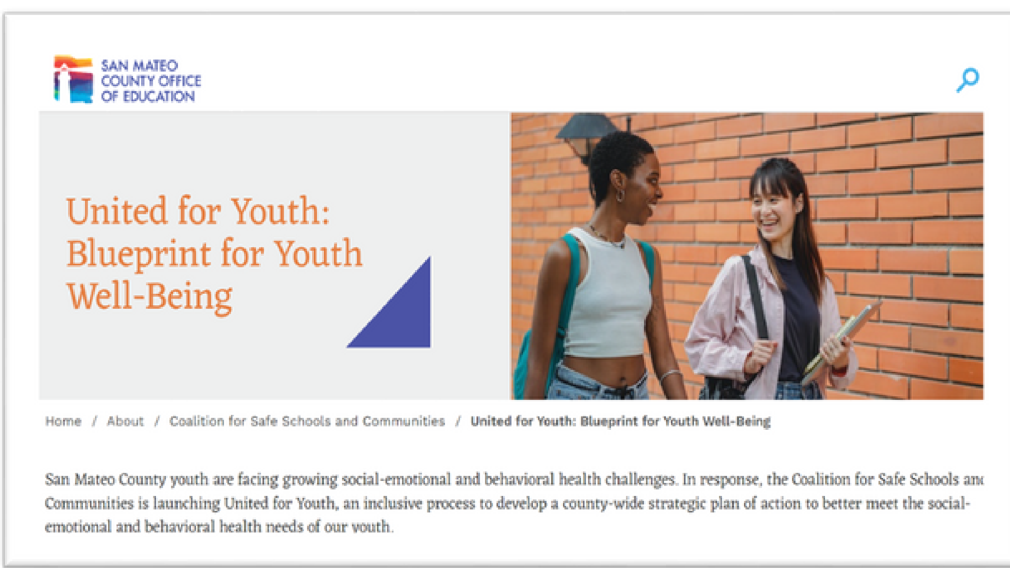
Projected Timeline of Opening

- Soft Opening: Monday, January 8, 2024
- Grand Opening/Ribbon-Cutting: Saturday, February 3, 2024

2.2 Youth Mental Health Program

Collaborate with the County Office of Education, County Health, and others to develop a countywide Youth Mental Health Strategic Plan.

United For Youth: Blueprint for School and Transition Age Youth Well-Being



PHCD has continued to be a working member of the Blueprint for School and Transition Age Youth Well Being Steering Committee (Mental Health Strategic Plan) in partnership with various stakeholders, including SMCBHRS and SMCOE.

Most recently, the collaborative issued guidance on creating the structure of the various work groups that will enhance the strategic plan. The purpose of the work groups is to assess the current landscape, identify gaps, and propose priorities for a plan of action to improve behavioral health and wellbeing for school-aged and transition-aged youth.

As of September 2023, four work groups meet up to six times (90 min each meeting). Work groups will meet twice monthly (except for holidays) and conclude by Spring 2024. Following the completion of informational interviews and work group sessions, a final workplan will be developed in the Spring of 2024. The process to develop a plan of action will be as follows:

1. Continuous updates and input discussion with Steering Committee as work groups progress
2. Compile priorities and potential strategies across work groups as they unfold
3. Consider recommendations from existing reports and efforts
4. Discussion of draft priorities and strategies with Steering Committee
5. Develop initial Plan of Action and discuss with Steering Committee
6. Discuss Plan of Action with Coalition for Safe Schools and Communities
7. Steering Committee recommends Plan of Action to Coalition
8. Coalition for Safe Schools and Communities adopts Plan of Action

In addition, our own Youth Advisory Group (YAG) has been invited to participate in several of the work groups to make this an inclusive process that will enhance and strengthen the youth voice in the county-wide strategic plan of action to better meet the social-emotional and behavioral health needs of our youth. The group also seeks to gather varied input from families/guardians and other youth across the County.

2.3 Care Solace

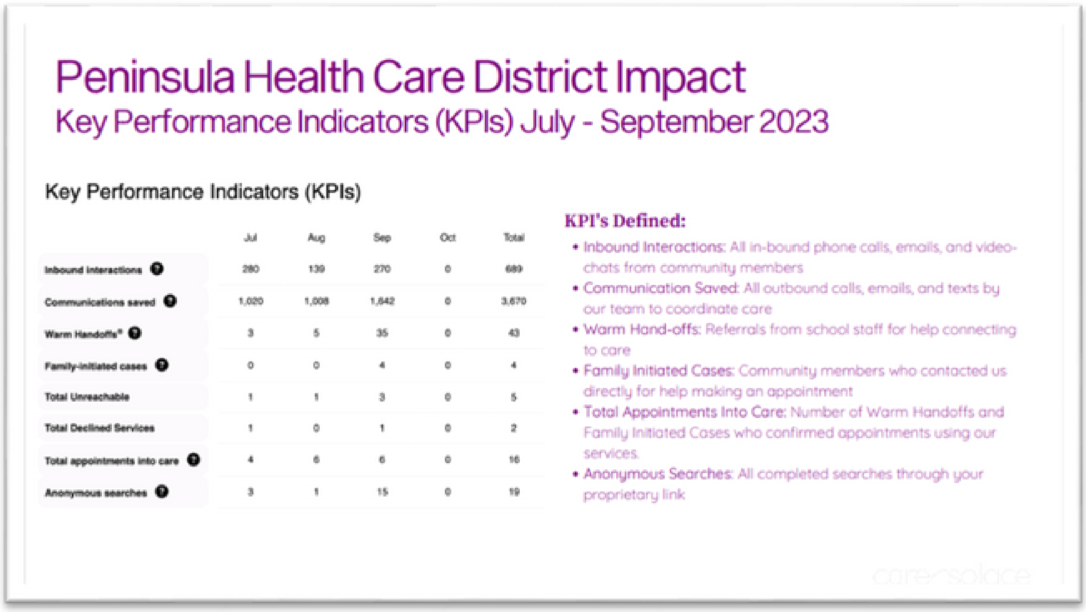
Effectively promote and review the impact of the Care Solace Program.

As school staff settled into the new school year, the District joined our partners at Care Solace to outreach with school wellness counselors and health coordinators in the five school districts that PHCD is supporting to train new staff members and refresh returning users as well.

We are sharing the attached year to date (YTD) 2023-2024 school year utilization report for the months of July, August, and September on Care Solace's real-time tracking and referral submission services. The attached report contains key performance indicators (KPIs) from July to September 2023 that demonstrate the impact of Care Solace on the PHCD's sponsored and supported five school districts within the District's jurisdiction.

The KPIs include inbound interactions, communication saved, warm hand-offs, family-initiated cases, total appointments into care, and anonymous searches. Inbound interactions refer to all in-bound phone calls, emails, and video-chats from community members.

- Communication saved refers to all outbound calls, emails, and texts by the Care Solace team to coordinate care.
- Warm hand-offs are referrals from school staff for help connecting to care, while family-initiated cases are community members who contacted Care Solace directly for help making an appointment.
- Total appointments into care refer to the number of warm hand-offs and family-initiated cases who confirmed appointments using Care Solace's services.
- Finally, anonymous searches refer to all completed searches through Care Solace's proprietary link.



Peninsula Health Care District Impact

Key Performance Indicators (KPIs) July - September 2023

Key Performance Indicators (KPIs)

	Jul	Aug	Sep	Oct	Total
Inbound interactions	280	139	270	0	689
Communications saved	1,020	1,008	1,642	0	3,670
Warm Handoffs*	3	5	35	0	43
Family-initiated cases	0	0	4	0	4
Total Unreachable	1	1	3	0	5
Total Declined Services	1	0	1	0	2
Total appointments into care	4	6	6	0	16
Anonymous searches	3	1	15	0	19

KPI's Defined:

- Inbound Interactions: All in-bound phone calls, emails, and video-chats from community members
- Communication Saved: All outbound calls, emails, and texts by our team to coordinate care
- Warm Hand-offs: Referrals from school staff for help connecting to care
- Family Initiated Cases: Community members who contacted us directly for help making an appointment
- Total Appointments Into Care: Number of Warm Handoffs and Family Initiated Cases who confirmed appointments using our services.
- Anonymous Searches: All completed searches through your proprietary link

Care Solace handles inbound interactions from community members through all in-bound phone calls, emails, and video-chats. And as you will see "warm hand-offs" in Care Solace's KPIs refer to referrals from school staff for help connecting to care. Lastly, anonymous searches on Care Solace's platform refer to all completed searches through their proprietary link. The platform offers an anonymous self-service search tool that allows community members to search for care options without providing any personal information.

The report contains a few comments from parents who have used Care Solace's services. One parent from San Mateo-Foster City praised Care Solace for being a good partner in trying to find the right provider and for providing a helpful service that eased the way in navigating the overstretched mental health system.

Another parent from Burlingame appreciated the patience and engagement of Care Solace's team, who always followed up promptly and didn't give up on them when they hit a dead end. Finally, a school counselor from San Bruno Park thanked Care Solace for the care and time they take to reach out to families in need.

Overall, Care Solace's platform has had a positive impact on the Peninsula Health Care District, and the KPIs demonstrate the effectiveness of the platform in connecting community members with the care they need.

2.4 Mental Health Events

Attend youth-related community events representing allcove PHCD, and host a youth engagement event per fiscal quarter at allcove San Mateo (once opened)

The San Mateo County Behavioral Health Youth Committee piloted its first-ever Youth Mental Wellness Pathways Workshop guided by the vision of creating clear, culturally sensitive and empathy-based access – "pathways" – to mental and behavioral health care for youth and their families no matter the point-of-entry.

Our own, Jackie Almes, Youth Outreach Specialist, represented Peninsula Health Care District as a collaborator and partner supporting the work of this committee. With the goal of creating a simple yet effective navigational tool with heart, the pilot was designed for participants to:

- Share their lived experiences (both positive and negative — i.e., barriers encountered) in navigating the system;
- Exchange insight on how to effectively navigate the process;
- Gather early data for an MVP pathways map that: (1) defines what questions to ask; (2) empowers with rights and sets expectations; (3) directs where to go; and (4) connects with supportive tips and networks.

In small groups, parents, caregivers, educators, youth and mental health and behavioral health practitioners shared a unique mental wellness experience; identifying the feelings, thoughts, and actions that occurred before, during, and after attempting to access care. They mapped their pathway, then as a group, participants discussed their responses and then assessed the trends on their pathway. This was followed by a gallery tour, where each participant looked at each group's pathway to better understand the thoughts, feelings, and obstacles that arise when attempting to access behavioral health care, as well as to define needs at each stage.

Through this event, participants were able to share their lived experiences to understand the realities associated with seeking behavioral health care. Whether that be fear, linguistic barriers, or the difference between therapy and youth therapy, this event created a space for identifying these real-life experiences from San Mateo County staff and families – and, importantly, co-created practical steps to support youth and families in moments of greatest need.

For future sessions, the Youth Committee plans to meet different communities within San Mateo County to host similar sessions among more youth, parents and caregivers, and educators of diverse cultural and linguistic backgrounds. PHCD is a significant and committed partner in this work supporting youth behavioral health around our county.

Amongst those present at this event were: BHC Commissioner and Youth Committee Chair Frieda Edgette, BHC Commissioner, Commission on Disabilities Commissioner and County of Education Board Trustee Chelsea Bonini, BHRS Deputy Director of Youth and Family Services Ziomara Ochoa, Commission on Disabilities Commissioner and San Mateo Union School District Board Trustee Ligia Andrade Zuniga, volunteer William Elting, OFCA Consumer & Family Affairs Yolanda Ramirez and Parent Project Program Coordinator Nicoletta Kelleher.

NAMI Walks

During October, Jackie Almes our Youth Outreach Specialist, and two of our Youth Advisors attended and tabled at NAMI Walks. The event consisted of resource tables and a 1k and 5k for mental health. They had over 500+ attendees and we were able to give out flyers on allcove, a webinar for Parent Ventures, The Trousdale and the Fitness Center. Overall, we gave out 200+ flyers.

Post Pandemic Mental Health Cohort

After the pandemic San Mateo Union High School District launched a collaborative called the Post Pandemic Mental Health Cohort. This collaborative meets on a quarterly basis and shares resources in the community for schools to share with their students. We were invited to come and share our newest resource, allcove. Jackie Almes presented to a group of 30 wellness counselors on allcove and the services we will be offering. They were very interested to hear about a drop-in center coming to San Mateo. Many of them came to tour allcove throughout the month of November.

Sana Sana Colita de Rana

On November 3rd, the District participated in the 10th Annual Sana Sana, Colita de Rana event which was co-sponsored by BHRS' Latino/a/x Collaborative, ALAS, Spirituality Initiative, Native Indigenous People's Initiative, and BHRS' Office of Diversity & Equity. The event was held at South San Francisco High School and along with County staff, it had over 400 participants. San Mateo County Supervisors David Canepa and Noelia Corzo were also in attendance.

What is Sana Sana Colita de Rana? This endearing phrase is based on a common children's rhyme in Spanish about a little frog's tail healing to offer comfort and to build resilience, especially when a child has been wounded or hurt. When translated literally it means "heal, heal, little frog's tail." This expression is commonly used in many Latino/a/x communities to offer consolation when one, specifically a child, has fallen or gotten hurt. The phrase continues with "if you don't heal today, you will heal tomorrow." At its core, this message is meant to offer relentless encouragement, that while we may be suffering today, things will get better tomorrow.

The purpose of the event was to be a family-friendly event to promote health and wellness among our Latino/a/x community in SMC. This year's theme is "10 Años Sanando Juntos / Ten Years of Healing Together" to recognize the tenth year of holding this event and to reflect on how far we have come as a Latino/a/x Collaborative community. Additionally, there were on-site health screenings, food, music, resource booths, and so much more. The District was able to promote all of our services and programs as well as get interest, sign up for allcove San Mateo and promote our Open House and Community Tours happening in December.

2.6 Senior Mental Health

Research and assess senior mental health needs.

Upon further consideration, rather than conducting a survey as the first course of action to assess senior mental health needs, the SID and CEO determined the first step should be to meet with grantee organizations that are working with seniors to start collecting existing data and also schedule listening sessions to help frame a potential survey.

As mentioned in 1.2, 1.5, and 1.6, the Strategic Initiatives Director met with SMC's Aging and Adult Services and learned about the 24-hour information and emergency response line for "older adults, people with disabilities, dependent adults, and caregivers". The Hotline line is the main entry point for services the Aging and Adult Services Division provides. It offers adult protective services referrals, in-home support referrals, and community resources. Some calls relate to food needs, evictions, hoarding, home safety, homeless prevention, and referrals to Behavioral Health. The SID will continue the conversation on senior mental health with the Director of Behavioral Health and Recovery Services in January 2024.

3.1 Dental Health

Review and revise the District's financial model and financial commitment to and with Sonrisas Dental Health.

In November, CEO Pulido met with SMCH Chief Rogers and SMMC CEO Kunnappilly to consider the idea of adding Sonrisas as a subrecipient of their FQHC. Later that month, Pulido and the Sonrisas' team met with the San Mateo Medical Center team to present Sonrisas' proposal and discuss the possibility in length. Unfortunately, SMMC made it clear it is not a position to add a subrecipient to their FQHC at this time, but did note there is an opportunity to potentially expand their existing subcontract.

Sonrisas is also pursuing other organizations for potential partnerships, which include Samaritan House, NEMS, and Ravenswood Family Health. An initial meeting Samaritan House occurred in October and with NEMS in June. Sonrisas is waiting to hear back from the Samaritan CEO about the proposal, and a follow-up meeting will be scheduled with NEMS in the new year. An initial meeting is scheduled for December 4th with Ravenswood Family Health.

3.2 Dental Health

Provide access to oral health care and education for PHCD residents.

Oral Health Screenings

In the months of September and October, Sonrisas held several community outreach events for screenings and education. The outreach team served 395 children, 70 adults and 42 seniors for a total of 507 community members in the Peninsula Helth Care District.

- **September**
  - Self Help for the Elderly (San Mateo site) – Senior/Older Adult Screenings– 19 seniors
  - Belle Air Elementary – School Screenings – 51 children
  - Fiesta Gardens Elementary – Health Education/Resources Fair – 30 parents and 100 children
  - Turnbull Child Development Center – School Screenings – 129 children
  - Self Help for the Elderly Resource Fair/Fundraiser – 40 adults and 10 children
  - The Trousdale – Oral Health Education Presentation – 15 seniors
  - Laurel Elementary – School Screenings – 105 children
- **October**
  - The Trousdale – Senior/Older Adult Screenings– 4 seniors
  - Burlingame Community Center – Seniors/Older Adults Screenings – 4 seniors and adults

Pediatric Unit
In November, the dentist unit at 1720 Trousdale became available. CEO Pulido met with CEO Fecher to consider an expansion of Sonrisas at that site. Fecher was open to the idea and considered opening a pediatric unit, but ultimately determined her team doesn’t currently have the bandwidth for an expansion. She asked that we revisit the topic at a later time.

Oral Health Coalition of San Mateo
CEO Pulido was added to the meeting schedule for the Oral Health Coalition of San Mateo County. The Coalition exists to improve the oral health status of the underserved and vulnerable. The efforts of the Coalition are directed toward increasing the capacity of the public and private primary care safety net system to deliver preventive and restorative oral health services while identifying the systemic impediments to adequate oral health care and developing strategies for addressing those impediments.

Read Sonrisas FY 2023-24 Quarter 1, by clicking here.

4.1 Peninsula Wellness Community

Define the community hub's programs, services, and financial sustainability models.

The PWC's master plan report was completed in October and the plan was presented to the Board during their October 26th board meeting.

PWC Report Executive Summary:
"The Peninsula Healthcare District has undertaken a transformative initiative, the Peninsula Wellness Community Hub project, with the goal of enhancing residents' health and well-being. This comprehensive effort involves demographic analysis, health needs assessment, evaluation of existing services, and stakeholder engagement to inform the development of a dynamic wellness hub that transcends traditional community centers. The project emphasizes intergenerational services and engagement, aiming to address the specific needs of older adults in the first phase, while involving secondary audiences to create a holistic, interconnected approach to community health and wellness. With an evidence-based process/focus on Experience and Service Design, holistic and user-centered approaches to crafting and improving services to shape service delivery, the project aims to design and prototype tailored services and programs, optimize operational models, and develop physical infrastructure to create a thriving, intergenerational wellness ecosystem that supports residents' well-being throughout their lives. This document is a summation of the collaborative work of the project's foundational phase."

To read the full report, click here.

4.2 Grants Program

Review and analyze the entire grants program and its alignment to our strategy, and provide a recommendation for the program's future.

Since the last update, the Community Health Investment (CHI) Committee has met twice for the 2024 grants cycle of the Community Grants Program (CGP). On October 2, they reviewed the Letter of Interest (LOI) recommendations and advanced 36 organizations to the full application phase. Thirty-five applications were submitted, and 4 to 5 applications were assigned to each Committee member.

At the November 20 meeting, the Committee discussed the reviews, and determined grant awardees and amounts to be within the allocated $1,108,000 million budget. The recommendations will be presented to the full Board on December 14 for final approval.

Concurrently with the application process, the Strategic Initiatives Director has been working to adapt the WizeHive grant platform to accommodate one- and two-year Community grants and the Impact Partners grant program.

The intensive on-boarding, training and deployment are part of process improvement efforts, all of which have yielded changes to the application and reviewer forms and enabled a real-time reporting dashboard. Ongoing consultation with WizeHive will focus on using the platform more thoroughly and efficiently, such as leveraging the tool for communications with grantees regarding awards and agreement letters and serving as the centralized space for receiving regular grant reports.

During the application and review process, the District's SID has collected individual feedback from grant applicants and Committee members. Additional listening sessions and opportunities to gather input will be integrated into the evaluation of the Community Grants Program.

In addition to the Community Grants Program, the Strategic Initiatives Director has been working on a centralized platform to receive Sponsorship requests through Survey Monkey Apply. A customized online portal has been established with application and reviewer portals and workflows for an initial screening phase with embedded criteria and a full review phase with a survey form that will help the District determine strategic alignments and consistent collection of projected event outcomes and impact.

4.3 The Trousdale Assisted Living

Serve as many residents as possible in need of assisted living care by maximizing occupancy.

The Trousdale guided 45 tours from September to November and received 20 leads from our marketing ads. Those efforts in combination with the monthly social events helped increase our occupancy rate from 87% to 91%.

CEO Pulido and Executive Director Sylvia Chu met to review the existing community outreach plan and will expand upon those outreach efforts in the new year. A resident satisfaction survey is also being developed for the Spring.

Read the Trousdale's FY2023-24 Quarter 1 report, by clicking here.

Events, Announcements & Recommended Reading

Events & Announcements

The Trousdale 5th Year Anniversary
December 13, 2023, 6:00 pm - 8:00 pm
1600 Trousdale Drive, Burlingame, CA 94010

CHI Committee Grantee Check Cutting Ceremony
January 17, 2024, 5:30pm - 7:30pm
Location: TBA

Senior Showcase - Millbrae Recreation Center
January 26, 2024, 10:00am - 2:00pm
477 Lincoln Circle, Millbrae, CA 94030

Recommended Reading

Please note that any of the documents provided via the links below can be made available to the Board via hardcopy. Please request from staff.