MARIN HEALTHCARE DISTRICT

100-B Drake's Landing Road, Suite 250, Greenbrae, CA 94904 **Telephone: 415-464-2090** **Fax: 415-464-2094**
www.marinhealthcare.org info@marinhealthcare.org

TUESDAY, AUGUST 11, 2026
BOARD OF DIRECTORS
5:30 PM: REGULAR OPEN MEETING

Board of Directors:
Chair: Jennifer Rienks, PhD (Div. 4)
Vice Chair: Brian Su, MD (Div. 3)
Secretary:
Directors: Edward Alfrey, MD (Div. 5)
Ann Sparkman, RN/BSN, JD (Div. 2)

Staff:
David Klein, MD, MBA, CEO
Eric Brettner, CFO
Colin Leary, General Counsel
Tricia Lee, Executive Assistant

Location:
MarinHealth Medical Center
Conference Center
250 Bon Air Road, Greenbrae CA

Public option: Zoom video:
https://mymarinhealth.zoom.us/join
Meeting ID: 916 7438 2943
Passcode: 061704
Or via Zoom telephone: 1-669-900-9128

AGENDA

	Presenter	Tab #
5:30 PM: REGULAR OPEN MEETING		
1. Call to Order and Roll Call	*Rienks*	
2. General Public Comment *Any member of the audience may make statements regarding any items NOT on the agenda.* *Statements are limited to a maximum of three (3) minutes.* *Please state and spell your name if you wish it to be recorded in the minutes.*	*Rienks*	
3. Approve Agenda (action)	*Rienks*	
4. Approve Minutes of the Regular Meeting of July 14, 2026 (action)	*Rienks*	#1
5. Nomination and Election of Successor Marin Healthcare District Officer for 2026 A. Secretary (action)	*Rienks*	
6. Appointment of Successor District Board Committee Member 2026 A. Lease, Building, Education & Outreach Committee (action)	*Rienks*	
7. Approval of Q1 2026 Report of MHMC Performance Metrics and Core Services (action)	*Klein/ Seaver-Forsey*	#2
8. Review and Approve Marin Healthcare District FY 2027 Operating Budget As Recommended by the Finance & Audit Committee (action)	*Klein / Brettner*	#3
9. Healthcare Advocacy and Emerging Challenges and Trends	*Klein*	

The agenda for the meeting will be posted and distributed at least 72 hours prior to the meeting.
In compliance with the Americans with Disabilities Act, if you require accommodations to participate in a District meeting please contact the District office at 415-464-2090 (voice) or 415-464-2094 (fax) at least 48 hours prior to the meeting.
Meetings open to the public are recorded and the recordings are posted on the District web site.

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TUESDAY, AUGUST 11, 2026
BOARD OF DIRECTORS
5:30 PM: REGULAR OPEN MEETING

10. Committee Reports		
A. Finance & Audit Committee	*Su*	
1) Approve Marin Healthcare District 2025 Report of Independent Auditors & Financial Statements (action)	*Su*	#4
B. Lease, Building, Education & Outreach Committee	*Rienks*	
C. Primary Care Task Force Report	*Rienks/Sparkman*	
11. Reports		
A. District CEO's Report	*Klein*	
B. Hospital CEO's Report	*Klein*	
C. Chair's and Board Members' Reports	*All*	
12. Agenda Suggestions for Future Meetings	*All*	
13. Adjournment of Regular Meeting	*Rienks*	

Next Regular Meeting: Tuesday, September 8, 2026 @ 5:30 p.m.

Tab 1

MARIN HEALTHCARE DISTRICT
BOARD OF DIRECTORS

REGULAR MEETING

Tuesday, July 14, 2026
MarinHealth Medical Center
Conference Center

MINUTES

1. **Call to Order and Roll Call**
Chair Rienks called the Regular Meeting to order at 5:32 p.m.

Board members present: Chair, Jennifer Rienks, PhD; Vice Chair, Brian Su, MD; Secretary, Samantha Ramirez, BSW; Edward Alfrey, MD; Ann Sparkman, RN/BSN, JD
Staff present: David Klein, MD, CEO; Colin Leary, General Counsel; Eric Brettner, CFO; Tricia Lee, EA

2. **General Public Comment**
There was no public comment.

3. **Approve Agenda**
Director Alfrey moved to approve. Director Sparkman seconded.
Vote: all ayes.

4. **Approve Minutes of the Regular Meeting of June 9, 2026**
Approval of the Regular Meeting of June 9, 2026 Minutes. Director Alfrey moved to approve. Director Su seconded. **Vote: all ayes.**

5. **Consider Process to Fill Vacancy on the Board of Directors Resulting from Director Ramirez's Pending Resignation**
Mr. Leary reviewed the statutory process for filling the Board vacancy created by Director Ramirez's resignation, including the provisions of Government Code section 1780. The Board discussed the option of making an appointment versus allowing the November election process to fill the seat, the associated timelines, and the importance of encouraging qualified Division 1 residents to file for office.

Board members discussed outreach efforts, community representation, and the benefits of allowing the election process to proceed.

Public comment was received.

6. **Update on Age Friendly Health System Recognition**
Dr. Klein provided an update on MarinHealth's efforts toward Age-Friendly Health System recognition. He reviewed the Institute for Healthcare Improvement's "4Ms" framework—What Matters, Medication, Mentation, and Mobility—and reported that a multidisciplinary workgroup has begun a gap analysis comparing current practices with Age-Friendly standards.

The Board discussed opportunities to expand the initiative throughout the MarinHealth enterprise, medication safety, mobility, fall prevention, perioperative care for older adults, and improving outcomes for elderly patients. The Board expressed support for continuing the initiative.

7. Healthcare Advocacy and Emerging Challenges and Trends

Dr. Klein reported that there were no significant updates since the previous meeting regarding healthcare advocacy or legislative activity.

Director Alfrey briefly noted increasing national attention to electric bike safety and related legislation.

8. Update on ACHD Certification

Dr. Klein reported on progress toward Association of California Healthcare Districts (ACHD) certification. Staff continues compiling required documentation, including governance, transparency, financial reporting, ethics and harassment prevention training, and website compliance. Most certification requirements have already been completed, with remaining items primarily consisting of documentation and training verification.

9. Committee Reports

A. *Finance & Audit Committee*
Committee did not meet, no report given.

B. *Lease, Building, Education and Outreach Committee*
Committee did not meet, no report given.

C. *Primary Care Task Force*
Chair Rienks reported that the Task Force completed an interview with Katie Wicks and is coordinating additional interviews with community stakeholders regarding primary care access.

10. Reports

A. Hospital CEO's Report:
Dr. Klein reported on healthcare advocacy and legislative activity, annual bond rating reviews, safety and security initiatives, implementation of Assembly Bill 2975 weapon detection requirements, wildfire mitigation efforts, seismic compliance planning, parking expansion, employee transportation initiatives, EV charging infrastructure, construction projects, primary care recruitment, urgent care expansion, MRI upgrades, and other ongoing operational projects.

Mr. Brettner reviewed Moody's revised bond rating methodology and explained its potential impact on future District bond ratings.

B. Chair's and Board Members' Reports:
Chair Rienks recognized Director Samantha Ramirez for her nearly four years of service on the Board and thanked her for her leadership and commitment to the community.

Chair Rienks announced the opening of the candidate filing period for the November election and reported that annual CEO goals had been finalized.

Director Su requested Lease, Building, Education and Outreach Committee consideration of a community anti-gun violence sponsorship request.

Directors Alfrey and Sparkman thanked Director Ramirez for her service.

Director Ramirez reflected on her tenure, encouraged continued community outreach, leadership development, Latino community engagement, and intentional succession planning, and thanked the Board and staff for their support throughout her service.

11. Agenda Suggestions for Future Meetings

Marin County Commission on Aging presentation.

12. Adjournment of Regular Meeting

Chair Rienks adjourned the Regular Meeting at 6:45 p.m.

Tab 2

MarinHealth Medical Center

Performance Metrics
and
Core Services Report

Q1 2026

August 4, 2026

250 Bon Air Road, Greenbrae, CA 94904 | O 1-415-925-7000

www.mymarinhealth.org

MarinHealth Medical Center (Marin General Hospital)

Performance Metrics and Core Services Report: **Q1 2026**

TIER 1 PERFORMANCE METRICS

In accordance with Tier 1 Performance Metrics requirements, the MGH Board is required to meet each of the following minimum level requirements:

		Frequency	Status	Notes
(A) Quality, Safety and Compliance	1. MGH Board must maintain MGH's Joint Commission accreditation, or if deficiencies are found, correct them within six months.	Quarterly	In Compliance	Joint Commission granted MGH an "Accredited" decision with an effective date of October 25, 2025 for a duration of 36 months.
	2. MGH Board must maintain MGH's Medicare certification for quality of care and reimbursement eligibility.	Quarterly	In Compliance	MGH maintains its Medicare Certification.
	3. MGH Board must maintain MGH's California Department of Public Health Acute Care License	Quarterly	In Compliance	MGH maintains its license with the State of California.
	4. MGH Board must maintain MGH's plan for compliance with SB 1953.	Quarterly	In Compliance	MGH remains in compliance with SB 1953 (California Hospital Seismic Retrofit Program).
	5. MGH Board must report on all Tier 2 Metrics at least annually.	Annually	In Compliance	4Q 2025 (Annual Report) was presented to MGH Board and to MHD Board in June 2026.
	6. MGH Board must implement a Biennial Quality Performance Improvement Plan for MGH.	Annually	In Compliance	MGH Performance Improvement Plan for 2026 was presented for approval to the MGH Board in April 2026.
	7. MGH Board must include quality improvement metrics as part of the CEO and Senior Executive Bonus Structure for MGH.	Annually	In Compliance	CEO and Senior Executive Bonus Structure includes quality improvement metrics.
(B) Patient Satisfaction and Services	MGH Board will report on MGH's HCAHPS Results Quarterly.	Quarterly	In Compliance	**Schedule 1**
(C) Community Commitment	1. In coordination with the General Member, the MGH Board must publish the results of its biennial community assessment to assess MGH's performance at meeting community health care needs.	Annually	In Compliance	Reported in Q4 2025
	2. MGH Board must provide community care benefits at a sufficient level to maintain MGH's non-profit tax exempt status.	Quarterly	In Compliance	MGH continues to provide community care and has maintained its tax exempt status.
(D) Physicians and Employees	MGH Board must report on all Tier 1 "Physician and Employee" Metrics at least annually.	Annually	In Compliance	Reported in Q4 2025
(E) Volumes and Service Array	1. MGH Board must maintain MGH's Scope of Acute Care Services as reported to OSHPD.	Quarterly	In Compliance	All services have been maintained.
	2. MGH Board must maintain MGH's services required by Exhibit G to the Loan Agreement between the General Member and Marin County, dated October 2008, as long as the Exhibit commitments are in effect.	Quarterly	In Compliance	All services have been maintained.
(F) Finances	1. MGH Board must maintain a positive operating cash-flow (operating EBITDA) for MGH after an initial phase in period of two fiscal years, and then effective as a performance metric after July 1, 2012, with performance during the phase in period monitored as if a Tier 2 metric.	Quarterly	In Compliance	**Schedule 2**
	2. MGH Board must maintain revenue covenants related to any financing agreements or arrangements applicable to the financial operations of MGH.	Quarterly	In Compliance	**Schedule 2**

MarinHealth Medical Center (Marin General Hospital)

Performance Metrics and Core Services Report: **ANNUAL REPORT 2025**

TIER 2 PERFORMANCE METRICS

In accordance with Tier 2 Performance Metrics requirements, the General Member shall monitor and the MGH Board shall provide necessary reports to the General Member on the following metrics:

		Frequency	Status	Notes
(A) Quality, Safety and Compliance	MGH Board will report on efforts to advance clinical quality efforts, including performance metrics in areas of primary organizational focus in MGH's Performance Improvement Plan (including Clinical Quality Reporting metrics and Service Line Quality Improvement Goals as developed, e.g., readmission rates, patient falls, "never events," process of care measures, adverse drug effects, CLABSI, preventive care programs).	Quarterly	In Compliance	**Schedule 3**
(B) Patient Satisfaction and Services	1. MGH Board will report on ten HCAHPS survey rating metrics to the General Member, including overall rating, recommendation willingness, nurse and physician communication, responsiveness of staff, pain management, medication explanations, cleanliness, room quietness, post-discharge instruction.	Quarterly	In Compliance	**Schedule 1**
	2. MGH Board will report external awards and recognition.	Annually	In Compliance	Reported in Q4 2025
(C) Community Commitment	1. MGH Board will report all of MGH's cash and in-kind contributions to other organizations.	Quarterly	In Compliance	**Schedule 4**
	2. MGH Board will report on MGH's Charity Care.	Quarterly	In Compliance	**Schedule 4**
	3. MGH Board will maintain a Community Health Improvement Activities Summary to provide the General Member, providing a summary of programs and participation in community health and education activities.	Annually	In Compliance	Reported in Q4 2025
	4. MGH Board will report the level of reinvestment in MGH, covering investment in excess operating margin at MGH in community services, and covering funding of facility upgrades and seismic compliance.	Annually	In Compliance	Reported in Q4 2025
	5. MGH Board will report on the facility's "green building" status based on generally accepted industry environmental impact factors.	Annually	In Compliance	Reported in Q4 2025
(D) Physicians and Employees	1. MGH Board will provide a report on new recruited physicians by specialty and active number of physicians on staff at MGH.	Annually	In Compliance	Reported in Q4 2025
	2. MGH Board will provide a summary of the results of the Annual Physician and Employee Survey at MGH.	Annually	In Compliance	Reported in Q4 2025
	3. MGH Board will analyze and provide information regarding nursing turnover rate, nursing vacancy rate, and net nursing staff change at MGH.	Quarterly	In Compliance	**Schedule 5**
(E) Volumes and Service Array	1. MGH Board will develop a strategic plan for MGH and review the plan and its performance with the General Member.	Annually	In Compliance	The updated MGH Strategic Plan was presented to the MGH Board on November 1, 2025 and to the MHD Board on February 21, 2025.
	2. MGH Board will report on the status of MGH's market share and Management responses.	Annually	In Compliance	MGH's market share and management responses report was presented to the MGH Board on November 1, 2025 and the MHD Board on February 21, 2025.
	3. MGH Board will report on key patient and service volume metrics, including admissions, patient days, inpatient and outpatient surgeries, emergency visits.	Quarterly	In Compliance	**Schedule 2**
	4. MGH Board will report on current Emergency services diversion statistics.	Quarterly	In Compliance	**Schedule 6**
(F) Finances	1. MGH Board will provide the audited financial statements.	Annually	In Compliance	The MGH 2024 Independent Audit was completed on April 23, 2026.
	2. MGH Board will report on its performance with regard to industry standard bond rating metrics, e.g., current ratio, leverage ratios, days cash on hand, reserve funding.	Quarterly	In Compliance	**Schedule 2**
	3. MGH Board will provide copies of MGH's annual tax return (Form 990) upon completion to General Member.	Annually	In Compliance	The MGH 2024 Form 990 was filed on November 14, 2025.

MHMC Performance Metrics and Core Services Report
Q1 2026

Schedule 1: HCAHPS

(Hospital Consumer Assessment of Healthcare Providers & Systems)

- **Tier 1, Patient Satisfaction and Services**
  The MHMC Board will report on MHMC's HCAHPS Results Quarterly.
- **Tier 2, Patient Satisfaction and Services**
  The MHMC Board will report on ten HCAHPS survey rating metrics to the General Member, including overall rating, recommendation willingness, nurse and physician communication, responsiveness of staff, pain management, medication explanations, cleanliness, room quietness, post-discharge instruction.

MHMC Performance Metrics and Core Services Report
Q1 2026

EXECUTIVE SUMMARY
Q1 2026 HCAHPS

Time Period

Q1 2026 HCAHPS Survey with Press Ganey Benchmarks (n=297)

Accomplishments

Domains:

Overall Hospital Rating (Natl 62p) & Likelihood to Recommend (Natl 71p),

Responsiveness, MD Communications, Discharge Information => 50thp National

Improved: Hospital Environment

Areas for Improvement

Nurse Communication

Communication About Medications

Restful Hospital Environment

Coordination of Care

Information About Symptoms

Data Summary

Data is mode adjusted (phone vs mail-in survey)

Reporting HCAHPS Press Ganey percentile rank among all PG database (n=2,369 hospitals) and PG California Hospitals (n=128 hospitals)

Barriers or Limitations

Strike in Q1

True CMS comparison report not available.

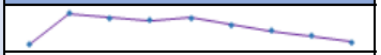
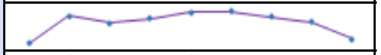
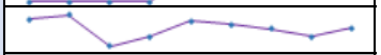
Next Steps

Patient Satisfaction and Experience initiatives; creation of Patient Experience governance structure with 4 workgroups (Inpatient/HCAHPS, Outpatient Radiology, Medical Network, Ambulatory Surgery/OAS CAHPS), focus on Rankings vs Top Box numbers, staff engagement/communications, Nurse/Physician rounding, Bedside Shift Report, Inpatient Unit Partnerships with Ancillary Units (See Patient Experience Report).

MHMC Performance Metrics and Core Services Report
Q1 2026

New HCAHPS Report (Q1)

PATIENT EXPERIENCE (HOUSEWIDE)
HCAHPS COMPOSITE **PERCENTILE RANKINGS**

Measure	2025 Baseline	Target Goal	12 Month Rolling	YTD	Last Month (March)	Quarterly Trend
Overall Rate the Hospital 0-10	75th	75th	73	63	75	
Recommend the Hospital	85th	75th	83	70	87	
Communication with Nurses	21st	50th	21	15	29	
Response of Hospital Staff	55th	75th	58	57	54	
Communication with Doctors	51st	75th	53	52	62	
Hospital Environment	27th	50th	36	50	43	
Communication About Medicines	50th	75th	51	25	25	
Discharge Information	57th	75th	63	53	79	
Restful Hospital Environment	37th	50th	42	40	59	
Coordination of Care	28th	50th	26	14	17	
Information about Symptoms	44th	50th	48	32	32	
"n"	1230		1209	304	97	

last updated 4-22-26

Q1 2026 Inpatient (HCAHPS) Patient Experience Dashboard

	Q1 2025			Q2 2025			Q3 2025			Q4 2025			Q1 2026		
	Top Box	Nat. Rank	CA Rank	Top Box	Nat. Rank	CA Rank	Top Box	Nat. Rank	CA Rank	Top Box	Nat. Rank	CA Rank	Top Box	Nat. Rank	CA Rank
Rate Hospital 0-10	**78.97%**	84	81	**77.36%**	78	74	**76.29%**	73	69	**75.52%**	68	59	**72.77%**	62	54
Recommend the Hospital	**82.04%**	87	78	**83.54%**	88	82	**81.63%**	84	73	**80.42%**	81	72	**76.92%**	71	61
Communication with Nurses	**76.65%**	31	40	**75.65%**	22	27	**74.90%**	18	19	**75.69%**	21	22	**73.86%**	15	13
Responsiveness of Hospital Staff**	**62.61%**	54	58	**63.63%**	57	53	**62.74%**	51	54	**64.60%**	61	67	**62.96%**	56	55
Communication with Doctors	**80.33%**	58	70	**79.89%**	55	56	**79.58%**	51	50	**78.78%**	44	46	**79.04%**	50	44
Hospital Environment ***	**70.22%**	41	35	**67.09%**	22	9	**70.44%**	35	20	**68.52%**	25	13	**72.66%**	49	39
Communication about Medications	**58.92%**	33	22	**64.83%**	71	57	**61.42%**	48	32	**60.27%**	40	23	**56.76%**	22	15
Discharge Information	**85.96%**	45	37	**87.03%**	53	46	**89.18%**	75	66	**88.95%**	69	58	**87.05%**	53	47
Restful Hospital Environment	**55.08%**	37	34	**53.58%**	28	23	**55.45%**	36	34	**57.89%**	53	49	**54.65%**	38	33
Coordination of Care	**68.68%**	30	27	**70.11%**	31	30	**72.39%**	45	45	**66.60%**	14	10	**65.42%**	12	11
Information About Symptoms (to family)	**68.20%**	35	32	**72.07%**	51	50	**73.01%**	57	49	**71.00%**	43	35	**69.00%**	33	28
"n"	*325*			*331*			*330*			*244*			*297*		

Data is Mode Adjusted (to account for use of phone vs. mail-in surveys)
National Benchmark = 2,369 hospitals in Q1 2026
CA Benchmark = 128 hospitals
Only includes CMS reportable/eligible surveys

Green = Above the 50th percentile
Red = Below the 50th percentile

* New (overarching) changes to the HCAHPS survey in 2025 include:
(1) Response window increased from 42 to 49 days
(2) Proxy/loved one can take the survey on behalf of a patient
(3) Limit on supplemental questions to 12 maximum
(4) Reduced language spoken at home to only 4 options – English, Spanish, Chinese, Another Language
(5) Replaced: "Were you admitted through the Emergency Department?" with "Was this hospital stay planning in advance?"
(6) Removed the "Care Transitions" Domain
(7) Added "Care Coordination" Domain:
(a) During this hospital stay, how often were doctors, nurses and other hospital staff informed and up-to date about your care?
(b) During this hospital stay, how often did doctors, nurses and other hospital staff work well together to care for you?
(c) Did doctors, nurses or other hospital staff work with you and your family or caregiver in making plans for your care after you left the hospital?
(8) Added "Restfulness Domain":
(a) During this hospital stay, how often was the area around your room quiet at night? (pre-existing question)
(b) During this hospital stay, how often were you able to get the rest you needed?
(c) During this hospital stay, did doctors, nurses and other hospital staff help you to rest and recover?
(9) Added "Info About Symptoms" question:
(a) Did doctors, nurses or other hospital staff give your family or caregiver enough information about what symptoms or health problems to watch for after you left the hospital?
(10) Total increase from 29 to 32 questions

** Wording change to 1 of the 2 Questions in the "Responsiveness" Domain in 2025 (Press Ganey is seeing lower domain scores across the nation)
*** Environment Domain now *only* includes the Cleanliness question. Quiet at Night moved out of Environment Domain into new "Restful" Domain in 2025.

MHMC Performance Metrics and Core Services Report
Q1 2026

Schedule 2: Finances

- **Tier 1, Finances**
  The MHMC Board must maintain a positive operating cash-flow (operating EBIDA) for MHMC after an initial phase in period of two fiscal years, and then effective as a performance metric after July 1, 2012, with performance during the phase in period monitored as if a Tier 2 metric. The MHMC Board must maintain revenue covenants related to any financing agreements or arrangements applicable to the financial operations of MHMC.
- **Tier 2, Volumes and Service Array**
  The MHMC Board will report on key patient and service volume metrics, including admissions, patient days, inpatient and outpatient surgeries, emergency visits.

Financial Measure	**Final 2025**	**Q1 2026**	**Q2 2026**	**Q3 2026**	**Q4 2026**	
EBIDA $ (in thousands)	$68,406	$3,139				
EBIDA %	9.60%	1.70%				
Loan Ratios						
Annual Debt Service Coverage	2.10	1.84				
Maximum Annual Debt Service Coverage	2.07	1.81				
Debt to Capitalization	47.9%	47.7%				
Key Service Volumes	**Total 2025**	**Q1 2026**	**Q2 2026**	**Q3 2026**	**Q4 2026**	**Total YTD 2026**
Acute discharges	11,091	2,825				
Acute patient days	53,942	13,867				
Average length of stay	4.86	4.91				
Emergency Department visits	43,663	11,062				
Inpatient surgeries	1,974	508				
Outpatient surgeries	6,074	1,638				
Newborns	1,352	302				

MHMC Performance Metrics and Core Services Report
Q1 2026

Schedule 3: Clinical Quality Reporting Metrics

- **Tier 2, Quality, Safety and Compliance**
  The MHMC Board will report on efforts to advance clinical quality efforts, including performance metrics in areas of primary organizational focus in MHMC's Performance Improvement Plan (including Clinical Quality Reporting metrics and Service Line Quality Improvement Goals as developed, e.g., readmission rates, patient falls, "never events," process of care measures, adverse drug effects, CLABSI, preventive care programs).

CLINICAL QUALITY METRICS DASHBOARD

Metrics are publicly reported on

CalHospital Compare (www.calhospitalcompare.org)

and

Centers for Medicare & Medicaid Services (CMS)
Hospital Compare (www.medicare.gov/care-compare/)

MHMC Performance Metrics and Core Services Report
Q1 2026

EXECUTIVE SUMMARY

Q1 2026 Quality Management Dashboard
(Organization Targets Based on Natl Metrics)

Accomplishments

- Readmission Rates (12.05)
    - AMI (5.77)
    - Hip (7.69)
    - Knee (0.0)
    - Stroke (8.16)
- Catheter Assoc Urinary Tract Infection-CAUTI (0)
- SSI (Deep, Organ space)- improved
- Sepsis compliance (73%)
- Injury due to HAPI (pressure-related skin injury) (0)
- Falls with Injury rate (0)
- PSI -90 Surgical Complications (0.99)- fewer than expected
- Social Determinants of Health (SDOH) Screening Rate >90%

Areas for Monitoring

- All-Cause Mortality rate (0.81)
    - Sepsis (0.94)
    - Pneumonia (0.69)
- Readmission
    - Sepsis (22.0)
    - Pneumonia (17.14)
- Length Of Stay: All Cause (5.1)
    - Hrt Failure (5.74)
    - Stroke (6.75)
    - Sepsis (9.76)
- C-Difficile infection (2 cases)

Data Summary

- Social Determinants of Health Screening- pending APeX adjustment
- Benchmark: Midas Datavision™ benchmark reports for same size/type hospitals (n~400)
- Report contains: Mortality Observed to Expected Ratios, Readmission rates, Length of Stay means, and selected HAI (Healthcare Associated Infections) and Harm events.
- See core measures dashboard for specialty and process metrics.

Next Steps:

- Ongoing support for PI continues

Quality Managment Dashboard
Period: Q1 2026

Legend
Value > Target
Value > 2025 <Target
Value < Target <2024

Metrics: Adult Medical/Surgical High Volume DRGs	**Reporting**	**Target***	**2025**	**Q2 2025**	**Q3 2025**	**Q4 2025**	**Q1 2026**
Mortality-All Cause (Risk Adjusted O:E)	O:E Ratio	<1.0	0.74	0.74	0.75	0.84	0.81
Mortality-Acute Myocardial Infarction	O:E Ratio		1.08	0.00	2.26	1.86	0.00
Mortality-Heart Failure	O:E Ratio		0.72	0.74	1.67	0.00	0.56
Mortality- Hip	O:E Ratio		2.06	3.22	0.00	0.00	0.00
Mortality- Knee	O:E Ratio		0.00	0.00	0.00	0.00	0.00
Mortality- Stroke	O:E Ratio		0.89	1.03	0.90	0.00	0.88
Mortality- Sepsis	O:E Ratio		0.89	0.89	0.99	1.04	0.94
Mortality- Pneumonia	O:E Ratio		0.65	1.72	0.00	0.65	0.69
Readmission- All (Rate)	Rate	<15.5%	12.29	10.83	11.90	13.41	12.05
Readmission-Acute Myocardial Infarction	Rate		9.39	8.16	13.21	11.84	5.77
Readmission-Heart Failure	Rate		20.94	20.00	20.55	16.45	15.69
Readmission- Hip	Rate		7.41	0.00	20.00	0.00	7.69
Readmission- Knee	Rate		2.04	9.09	0.00	0.00	0.00
Readmission- Stroke	Rate		15.04	15.15	16.67	10.26	8.16
Readmission- Sepsis	Rate		20.00	16.20	20.00	27.50	22.00
Readmission- Pneumonia	Rate		12.81	7.14	12.50	11.45	17.14
LOS-All Cause	Mean	4.90	4.92	5.16	4.78	4.82	5.10
LOS-Acute Myocardial Infarction	Mean		4.62	4.29	4.72	4.84	4.33
LOS-Heart Failure	Mean		5.51	4.59	5.23	6.21	5.74
LOS- Hip	Mean		4.31	3.25	3.20	7.80	3.69
LOS- Knee	Mean		3.39	4.27	2.44	2.80	2.80
LOS- Stroke	Mean		5.21	5.84	4.32	3.95	6.75
LOS- Sepsis	Mean		8.63	10.16	8.44	7.65	9.76
LOS- Pneumonia	Mean		5.86	6.12	6.18	5.32	5.70

Metrics: HAIs, Sepsis, Harm Events	**Reporting**	**Target****		**Q2 2025**	**Q3 2025**	**Q4 2025**	**Q1 2026**
CAUTI (SIR)	SIR	<1.0	0	0.00	0.00	0.00	0.00
Hospital Acquired C-Diff (CDI)	SIR	<1.0	0.45	0.17	0.92	0.00	1.02
Surgical Site Infection (Superficial)	# Infections		15	2	6	6	5
Surgical Site Infection (Deep, Organ Space and Joint)	# Infections		30	8	10	12	7
SSI	SIR	<1.0 SIR	1.42	1.34	1.73	1.71	TBD
Sepsis Bundle Compliance	% Compliance	63%^	66%	69%	61%	68%	73%
Hospital Acquired Pressure Injury (HAPI)	# HAPI	<=1	2	1	1	0	0
Patient Falls with Injury	# Falls	<=1.0	1	0	0	0	0
PSI 90 / Healthcare Acquired Conditions	Ratio	<1.0	1.65	0.84	0.72	1.35	0.99
Serious Safety Events	# Events	<=1	4	1	0	2	0
Metrics: Health Equity	**Reporting**	**Target****	**2025**	**Q2 2025**	**Q3 2025**	**Q4 2025**	**Q1 2026**
Social Determinants of Health Screening Rates [%]	% Screened	TBD	77.60	92.50	92.00	[+]94.7	TBD
Domain Positive Rates							
Food Insecurity			6.40	6.40	7.40	7.30	TBD
Housing Insecurity			6.60	6.20	7.00	6.30	TBD
Transportation Risk			5.50	5.20	5.80	5.60	TBD
Utility Risk			2.70	2.80	3.00	[+]3.6	TBD
Interpersonal Safety			0.60	0.50	0.60	0.60	TBD

+ estimated rates pending APeX report correction.

* Targets are <1.0 for ratios or Midas Datavision Median

** Target <1.0 SIR (Ratio) or Number needed to achieve Natl Benchmark Ratio/Rate

^ Target = California Median rate

Quick Reference Guide	
Mortality	Death rates show how often patients die, for any reason, within 30 days of admission to a hospital
	Anyone readmitted within 30 days of discharge (except for elective procedures/admits).
Length of Stay(LOS)	The average number of days that patients spend in hospital
CAUTI (SIR)	Catheter Associated Urinary Tract Infection
Hospital Acquired C-Diff (CDI)	Clostridium difficile (bacteria) positive test ≥ 4 days after admission
Surgical Site Infections	An infection that occurs after surgery in the part of the body where the surgery took place
Sepsis Bundle Compliance	Compliance with a group of best-practice required measures to prevent sepsis
Hospital Aquired Pressure Injury	Stage III or IV pressure ulcers (not present on admission) in patients hospitalized 4 or more days
Patient Falls with Injury	A fall that resulted in harm that required intervention by medical staff (and reportable to CMS)
PSI 90 / Healthcare Aquired Conditions	PSI = Patient Safety Indicators. # of patients with avoidable Pressure Ulcer, Iatrogenic Pneumothorax, Hospital Fall,w/ Hip Fracture, Periop Hemorrahage or Hematoma, Post-op Acute Kidney Injury, Post-op Respiratory Failure, Periop Pulminary Embolism or DVT, Post-op Sepsis, Post-op Wound Dehiscense, Accidental Laceration/Puncture
MRSA Blood Stream Infections	A positive test for a bacteria blood stream infection ≥ 4 days after admission
Patient Falls with Injury	A fall that resulted in harm that required intervention by medical staff (and reportable to CMS)
Serious Safety Events (patients)	A gap in care that reached the patient, causing a significant level of harm
Social Determinants of Health Screening Rates	SDOH screening is a process where healthcare providers ask patients about their non-medical factors that affect their health and well-being
Other Abbreviations	
SIR	Standardize Infection Ratio (Observed/Expected)

MHMC Performance Metrics and Core Services Report
Q1 2026

EXECUTIVE SUMMARY
Q1 2026 Core Measures Dashboard
CMS Hospital IQR (Inpatient Quality Reporting) Program

Time Period

Q1 2026- publicly reported metrics (contributing to Star Rating)

Accomplishments

Stroke - 100% (3/3)
Sepsis - 73% (132/180)
PC-02 Cesarean (18%)
CLABSI – 0
CAUTI – 0.85 SIR
MRSA – 0
PSI-90 - 0.99 (fewer than expected)
All-Cause Readmissions 11.42%

Areas for Improvement or Monitoring

Influenza Immunization- 80% (first year <95%, 160/200) HCP
Influenza Immunization- 88% (Natl 80%)
OP-18b ED time (210.40 min), compared to 177 in 2025
CDI 1.02 (2 infections)

Data Summary

- Pg. 1 contains 2022 data by quarter with YTD sizes
- Pg. 2-4 publicly reported data published by CMS (dates vary by measure)

Barriers or Limitations: Competing Priorities

Next Steps: Continue PI Projects

MarinHealth Medical Center
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Hospital Inpatient Quality Reporting Program Measures

	METRIC	CMS**	2025	Q1 -2026	Q2 -2026	Q3 -2026	Q4-2026	Q1-2026 Num/Den	Rolling 2026 YTD	2026 YTD Num/Den
	◆ **Stroke Measures**									
STK-4	Thrombolytic Therapy[&]	100%	100%	100%				3/3	100%	3/3
	◆ **Sepsis Measure**									
SEP-01	Severe Sepsis and Septic Shock: Management Bundle (Composite Measure)	64%	66%	73%				132/180	73%	132/180
	◆ Perinatal Care Measure									
PC-01	Elective Delivery +	2%	1%	0%				0/30	0%	0/30
PC-02	Cesarean Section +	TJC	22%	18%				23/127	18%	23/127
PC-05	Exclusive Breast Milk Feeding	TJC	73%	71%				49/69	73%	49/69
	◆ **ED Inpatient Measures**									
ED-2	Admit Decision Time to ED Departure Time for Admitted Patients +	99	92.00	**112.90**				119--Cases	112.90	119--Cases
	♦ **Psychiatric (HBIPS) Measures**									
IPF-HBIPS-2	Hours of Physical Restraint Use +	0.32	0.00	0.02				0.00	0.00	102--Cases
IPF-HBIPS-3	Hours of Seclusion Use +	0.35	0.00	0.00				0.02	0.00	102--Cases
	◆ **Substance Use Measures**									
SUB-2	2-Alcohol Use Brief Intervention Provided or offered	60%	74%	100%				4/4	100%	4/4
SUB-2a	Alcohol Use Brief Intervention	77%	78%	100%				4/4	100%	4/4
SUB-3a	Alc/Oth Drug Use Tx Provide/Offer at Disch		50%	0%				0/1	0%	0/1
	◆ **Tobacco Use Measures**									
TOB-3	3-Tobacco Use Treatment Provided or Offered at Discharge	71%	21%	**0%**				0/2	**0%**	0/2
TOB-3a	3a-Tobacco Use Treatment at Discharge	40%	21%	**0%**				0/2	**0%**	0/2
	♦ **Metabolic Disorders Measure**									
SMD	Screening for Metabolic Disorders	Benchmark To Be Established	94%	98%				56/57	98%	56/57
	METRIC	CMS**		2021	2022	2023	2024	2025	2026	Rolling Num/Den
IPF-IMM-2	Influenza Immunization	77%		96%	96%	97%	97%	95%	80%	160/200

	METRIC	CMS**	2025	Q1 -2026	Q2 -2026	Q3 -2026	Q4-2026	Q1-2026 Num/Den	Rolling 2026 YTD	2026 YTD Num/Den
	♦ **ED Outpatient Measures**									
OP-18b	Average (median) time patients spent in the emergency department before leaving from the visit	208.00	177.00	**210.40**				102--Cases	**210.40**	102--Cases
	♦ **Outpatient Stroke Measure**									
OP-23	Head CT/MRI Results for STK Pts w/in 45 Min of Arrival	69%	77%	100%				5/5	100%	5/5
	♦ **Endoscopy Measures**									
OP-29	Endoscopy/Polyp Surveillance: Appropriate Follow-up Interval for Normal Colonoscopy in Average Risk Patients	95%	93%	95%				37/39	95%	37/39

****CMS National Average + Lower Number is better & Results Jan-Feb**

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♦ Healthcare Personnel Influenza Vaccination

	METRIC	CMS National Average	Oct 2021 - Mar 2022	Oct 2022 - Mar 2023	Oct 2023 - Mar 2024	Oct 2024 - Mar 2025
	COVID Healthcare Personnel Vaccination	88%	96%	99%		
IMM-3	Healthcare Personnel Influenza Vaccination	80%	96%	93%	80%	88%

♦ Surgical Site Infection +

	METRIC	National Standardized Infection Ratio (SIR)	July 2023 - June 2024	Oct 2023 - Sep 2024	Jan 2024 - Dec 2024	July 2024 - June 2025
HAI-SSI-Colon	Surgical Site Infection - Colon Surgery	1	0.53	0.83	0.86	0.92
HAI-SSI-Hyst	Surgical Site Infection - Abdominal Hysterectomy +	1	not published**	not published**	not published**	not published**

♦ Healthcare Associated Device Related Infections

	METRIC	National Standardized Infection Ratio (SIR)	July 2023 - June 2024	Oct 2023 - Sep 2024	Jan 2024 - Dec 2024	July 2024 - June 2025
HAI-CLABSI	Central Line Associated Blood Stream Infection (CLABSI)	1	0.50	0.53	0.73	0.97
HAI-CAUTI	Catheter Associated Urinary Tract Infection (CAUTI)	1	0.70	0.73	0.92	0.55
	METRIC	**2025**	**Q2 2025**	**Q3 2025**	**Q4 2025**	**Q1 2026**
	Central Line Associated Blood Stream Infection (CLABSI)	0.58	0.00	0.00	1.44	0.00
	Catheter Associated Urinary Tract Infection (CAUTI)	0	0.00	0.00	0.00	0.85

♦ Healthcare Associated Infections

	METRIC	National Standardized Infection Ratio (SIR)	July 2023 - June 2024	Oct 2023 - Sep 2024	Jan 2024 - Dec 2024	July 2024 - June 2025
HAI-C-Diff	Clostridium Difficile	1	0.38	0.39	0.30	0.33
HAI-MRSA	Methicillin Resistant Staph Aureus Bacteremia	1	0.41	0.44	0.00	0.00
	METRIC	**2025**	**Q2 2025**	**Q3 2025**	**Q4 2025**	**Q1 2026**
HAI-C-Diff	Clostridium Difficile	0.45	0.17	0.92	0.00	1.02
HAI-MRSA	Methicillin Resistant Staph Aureus Bacteremia	0.00	0.00	0.00	0.00	0.00

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♦ Agency for Healthcare Research and Quality Measures (AHRQ-Patient Safety Indicators) +

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2019 - June 2021	July 2020 - June 2022	July 2021 - June 2023	July 2022 - June 2024
PSI-90 (Composite)	Complication / Patient Safety Indicators PSI 90 (Composite)	1	No different than the National Rate	No different than the National Rate	No different than the National Rate	No different than the National Rate
	METRIC		**2023**	**2024**	**2025**	**2026**
PSI-90 (Composite)	Complication / Patient safety Indicators PSI 90 (Composite)		1.85	1.65	0.87	0.99
PSI-3	Pressure Ulcer		1.52	0.17	0.31	0.00
PSI-6	Iatrogenic Pneumothorax		0.57	0.52	0.36	0.00
PSI-8	Inhospital Fall with Hip Fracture		0.28	0.00	0.24	0.00
PSI-9	Perioperative Hemorrhage or Hematoma		3.42	3.54	0.00	2.46
PSI-10	Postop Acute Kidney Injury Requiring Dialysis		0.00	0.00	4.44	0.00
PSI-11	Postoperative Respiratory Failure		12..01	4.41	5.33	10.70
PSI-12	Peri Operative Pulmonary Embolism (PE) or Deep Vein Thrombosis (DVT)		7.97	7.91	2.82	4.59
PSI-13	Postoperative Sepsis		1.57	0.00	1.40	0.00
PSI-14	Post operative Wound Dehiscence		0.00	0.00	0.00	0.00
PSI-15	Unrecognized Abdominopelvic Accidental Laceration/Puncture Rate		1.52	0.00	0.00	
	METRIC	**Centers for Medicare & Medicaid Services (CMS) National Average**	**July 2019 June 2021**	**July 2020 June 2022**	**July 2021 June 2023**	**July 2022 June 2024**
PSI-4	Death Among Surgical Patients with Serious Complications +	185.37 per 1,000 patient discharges	not published**	No different then National Average	No different then National Average	No different then National Average

♦ Surgical Complications +

		Centers for Medicare & Medicaid Services (CMS) National Average	April 2018 - March 2021	April 2019 - March 2022	April 2019 - March 2022	April 2022 - March 2024
Surgical Complication	Hip/Knee Complication: Hospital-level Risk- Standardized Complication Rate (RSCR) following Elective Primary Total Hip/Knee Arthroplasty +	3.6%	2.5%	3.6%	**4.3%**	**4.0%**

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♦ Mortality Measures - 30 Day +

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2017 - Dec 2019	July 2019 - June 2021	July 2020 - June 2023	July 2021 - June 2024
MORT-30-AMI	Acute Myocardial Infarction Mortality Rate	12.2%	10.70%	**10.00%**	10.00%	9.80%
MORT-30-HF	Heart Failure Mortality Rate	11.6%	8.60%	10.30%	9.30%	8.30%
MORT-30-PN	Pneumonia Mortality Rate	16.2%	13.90%	not published**	13.80%	11.60%
MORT-30-COPD	COPD Mortality Rate	8.80%	**8.60%**	**10.00%**	7.30%	8.00%
MORT-30-STK	Stroke Mortality Rate	13.30%	13.40%	13.50%	12.50%	10.60%
CABG MORT-30	CABG 30-day Mortality Rate	2.60%	2.50%	**3.00%**	2.30%	2.20%

♦ Mortality Measures - 30 Day (Medicare Only - Midas DataVision) +

	METRIC		2023	2024	2025	2026
MORT-30-AMI	Acute Myocardial Infarction Mortality Rate		2.13%	4.81%	4.55%	6.25%
MORT-30-HF	Heart Failure Mortality Rate		3.05%	4.69%	3.82%	3.33%
MORT-30-PN	Pneumonia Mortality Rate		4.46%	2.21%	6.70%	4.88%
MORT-30-COPD	COPD Mortality Rate		3.13%	7.84%	0.00%	0.00%
MORT-30-STK	Stroke Mortality Rate		3.64%	5.50%	3.90%	5.88%
CABG MORT-30	CABG Mortality Rate		0.00%	0.00%	0.00%	0.00%

♦ Acute Care Readmissions - 30 Day Risk Standardized +

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2018 - June 2021	July 2019 - June 2022	July 2020 - June 2023	July 2021 - June 2024
READM-30-AMI	Acute Myocardial Infarction Readmission Rate	13.60%	14.70%	13.40%	13.90%	12.50%
READM-30-HF	Heart Failure Readmission Rate	19.70%	19.50%	18.40%	17.80%	18.70%
READM-30-PN	Pneumonia Readmission Rate	16.00%	not published**	14.70%	13.90%	14.90%
READM-30-COPD	COPD Readmission Rate	18.20%	19.50%		**19.10%**	18.10%
READM-30-THA/TKA	Total Hip Arthroplasty and Total Knee Arthroplasty Readmission Rate	4.80%	**4.90%**	4.20%	4.10%	4.50%
READM-30-CABG	Coronary Artery Bypass Graft Surgery (CABG)	10.70%	11.60%	10.80%	10.50%	10.60%

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2018- June 2021	July 2019- June 2022	July 2020- June 2023	July 2021- June 2024
HWR Readmission	Hospital-Wide All-Cause Unplanned Readmission (HWR) +	15.0%	14.0%	13.2%	13.9%	13.7%

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♦ Acute Care Readmissions 30 Day (Medicare Only - Midas DataVision) +

	METRIC		2023	2024	2025	2026
	Hospital-Wide All-Cause Unplanned Readmission		9.83%	10.93%	12.75%	11.42%
	Acute Myocardial Infarction Readmission Rate		7.60%	8.80%	10.53%	4.35%
	Heart Failure Readmission Rate		18.18%	16.50%	20.77%	15.52%
	Pneumonia (PN) 30 Day Readmission Rate		11.84%	13.22%	10.04%	13.79%
	Chronic Obstructive Pulmonary Disease (COPD) 30 Day Readmission Rate		9.09%	20.00%	22.73%	11.11%
	Total Hip Arthroplasty and Total Knee Arthroplasty 30 Day Readmission Rate		0.00%	8.33%	4.65%	8.33%
	30-day Risk Standardized Readmission following Coronary Artery Bypass Graft		7.69%	7.14%	11.43%	12.50%

♦ Cost Efficiency +

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	Jan 2020 - Dec 2020	Jan 2021 - Dec 2021	Jan 2022 - Dec 2022	Jan 2023 - Dec 2023
MSPB-1	Medicare Spending Per Beneficiary (All)	0.99	0.98	0.98	0.98	0.99
			July 2017- Dec 2019	July 2018- June 2021	July 2019- June 2022	July 2012- June 2023
PAY-AMI	Acute Myocardial Infarction (AMI) Payment Per Episode of Care	$28,355	**$28,746**	**$27,962**	$26,768	$27,013
PAY-HF	Heart Failure (HF) Payment Per Episode of Care	$19,602	$18,180	$17,734	$18,109	$19,654
PAY-PN	Pneumonia (PN) Payment Per Episode of Care	$20,362	$17,517	$18,236	$19,640	$19,640
	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	April 2017 - Oct 2019	April 2018 - Mar 2021	April 2019 - Mar 2022	July 2020 June 2023
PAY-Knee	Hip and Knee Replacement	$22,530	$19,869	$19,578	$20,848	$20,848

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♦ Outpatient Measures (Claims Data) +

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2018 - June 2019	July 2019 - Dec 2019	July 2020- June 2021	July 2022- June 2023
OP-10	Outpatient CT Scans of the Abdomen that were "Combination" (Double) Scans	5.80%	6.10%	2.70%	**7.00%**	**7.60%**
OP-13	Outpatients who got Cardiac Imaging Stress Tests Before Low-Risk Outpatient Surgery	2.90%	3.20%	3.70%	3.00%	**3.70%**
	METRIC	**Centers for Medicare & Medicaid Services (CMS) National Average**	**Jan 2015 - Dec 2015**	**Jan 2016 - Dec 2016**	**Jan 2018 - Dec 2018**	**Jan 2022 - Dec 2022**
OP-22	Patient Left Emergency Department before Being Seen	3.00%	1.00%	2.00%	3.00%	1.00%

+ Lower Number is better

MHMC Performance Metrics and Core Services Report
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Schedule 4: Community Benefit Summary

- **Tier 2, Community Commitment**
  The Board will report all of MHMC's cash and in-kind contributions to other organizations.
  The Board will report on MHMC's Charity Care.

Cash & In-Kind Donations (these figures are not final and are subject to change)					
	Q1 2026	**Q2 2026**	**Q3 2026**	**Q4 2026**	**Total 2026**
Buckelew	$ 28,750				$ 28,750
Canal Alliance	$ 17,250				$ 17,250
Ceres Community Project	$ 11,500				$ 11,500
Center for Domestic Peace	$ 11,500				$ 11,500
Community Institute for Psychotherapy	$ 23,000				$ 23,000
Homeward Bound	$ 172,500				$ 172,500
Huckleberry Youth Programs	$ 11,500				$ 11,500
Jewish Family and Children's Services	$ 10,000				$ 10,000
Kids Cooking for Life	$ 5,750				$ 5,750
Marin Center for Independent Living	$ 25,000				$ 25,000
Marin Community Clinics	$ 57,500				$ 57,500
Marin Housing Authority	$ 11,500				$ 11,500
MHD 1206B Clincs	$ 10,010,230				$ 10,010,230
NAMI Marin	$ 11,500				$ 11,500
North Marin Community Services	$ 11,500				$ 11,500
Planned Parenthood NoCal	$ 11,500				$ 11,500
Ritter Center	$ 23,000				$ 23,000
RotaCare Bay Area Inc.	$ 17,250				$ 17,250
San Geronimo Valley Community Center	$ 11,500				$ 11,500
St. Vincent de Paul Society of Marin	$ 11,500				$ 11,500
West Marin Senior Services	$ 11,500				$ 11,500
Vivalon (Whistlestop)	$ 11,500				$ 11,500
Total Cash Donations	**$ 10,516,730**	**$ -**	**$ -**	**$ -**	**$ 10,516,730**
Clothes Closet					$ -
Compassionate discharge medications					$ -
Meeting room use by community based organizations for community-health related purposes.					$ -
Charity Housing					$ -
Healthy Marin Partnership					$ -
Food donations	$ 19,267				$ 19,267
Community Engagement					$ -
Total In-Kind Donations	**$ 19,267**	**$ -**	**$ -**	**$ -**	**$ 19,267**
Total Cash & In-Kind Donations	**$ 10,535,997**	**$ -**	**$ -**	**$ -**	**$ 10,535,997**

MHMC Performance Metrics and Core Services Report
Q1 2026

Schedule 4, continued

Community Benefit Summary (These numbers are subject to change.)					
	Q1 2026	**Q2 2026**	**Q3 2026**	**Q4 2026**	**Total 2026**
Community Health Improvement Services	$ 55,616				$ 55,616
Health Professions Education	$ 118,034				$ 118,034
Cash and In-Kind Contributions	$ 10,535,997	$ -	$ -	$ -	$ 10,535,997
Community Benefit Operations	$ 1,946				$ 1,946
Community Building Activities	$ 13,944				$ 13,944
Traditional Charity Care **Operation Access total is included in Charity Care*	$ 97,297				$ 97,297
Government Sponsored Health Care *(includes Medi-Cal & Means-Tested Government Programs)*	$ 13,817,032				$ 13,817,032
Community Benefit Subtotal (amount reported annually to state & IRS)	**$ 24,639,866**	**$ -**	**$ -**	**$ -**	**$ 24,639,866**
Unpaid Cost of Medicare	$ 44,205,672				$ 44,205,672
Bad Debt	$ 352,771				$ 352,771
Community Benefit, Community Building, Unpaid Cost of Medicare and Bad Debt Total	**$ 69,198,309**	**$ -**	**$ -**	**$ -**	**$ 69,198,309**

Operation Access

Though not a Community Benefit requirement, MHMC has been participating with Operation Access since 2000. Operation Access brings together medical professionals and hospitals to provide donated outpatient surgical and specialty care for the uninsured and underserved.

	Q1 2026	**Q2 2026**	**Q3 2026**	**Q4 2026**	**Total 2026**
*Operation Access charity care provided by MGH (waived hospital charges)	$30,805				

MHMC Performance Metrics and Core Services Report
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Schedule 5: Nursing Turnover, Vacancies, Net Changes

- **Tier 2, Physicians and Employees**
  The MHMC Board will analyze and provide information regarding nursing turnover rate, nursing vacancy rate, and net nursing staff change at MHMC.

Turnover Rate				
Period	Number of Clinical RNs	Separated		Rate
		Voluntary	Involuntary	
Q1 2025	662	14	1	2.27%
Q2 2025	677	17	1	2.66%
Q3 2025	686	14	2	2.33%
Q4 2025	689	13	3	2.32%
Q1 2026	**699**	**13**	**1**	**2.00%**

Vacancy Rate							
Period	Open Per Diem Positions	Open Benefitted Positions	Filled Positions	Total Positions	Total Vacancy Rate	Benefitted Vacancy Rate of Total Positions	Per Diem Vacancy Rate of Total Positions
Q1 2025	7	49	662	718	7.80%	6.82%	0.97%
Q2 2025	1	48	677	726	6.75%	6.61%	0.14%
Q3 2025	6	41	686	733	6.41%	5.59%	0.82%
Q4 2025	0	48	689	737	6.51%	6.51%	0.00%
Q1 2026	**1**	**48**	**699**	**748**	**6.55%**	**6.42%**	**0.13%**

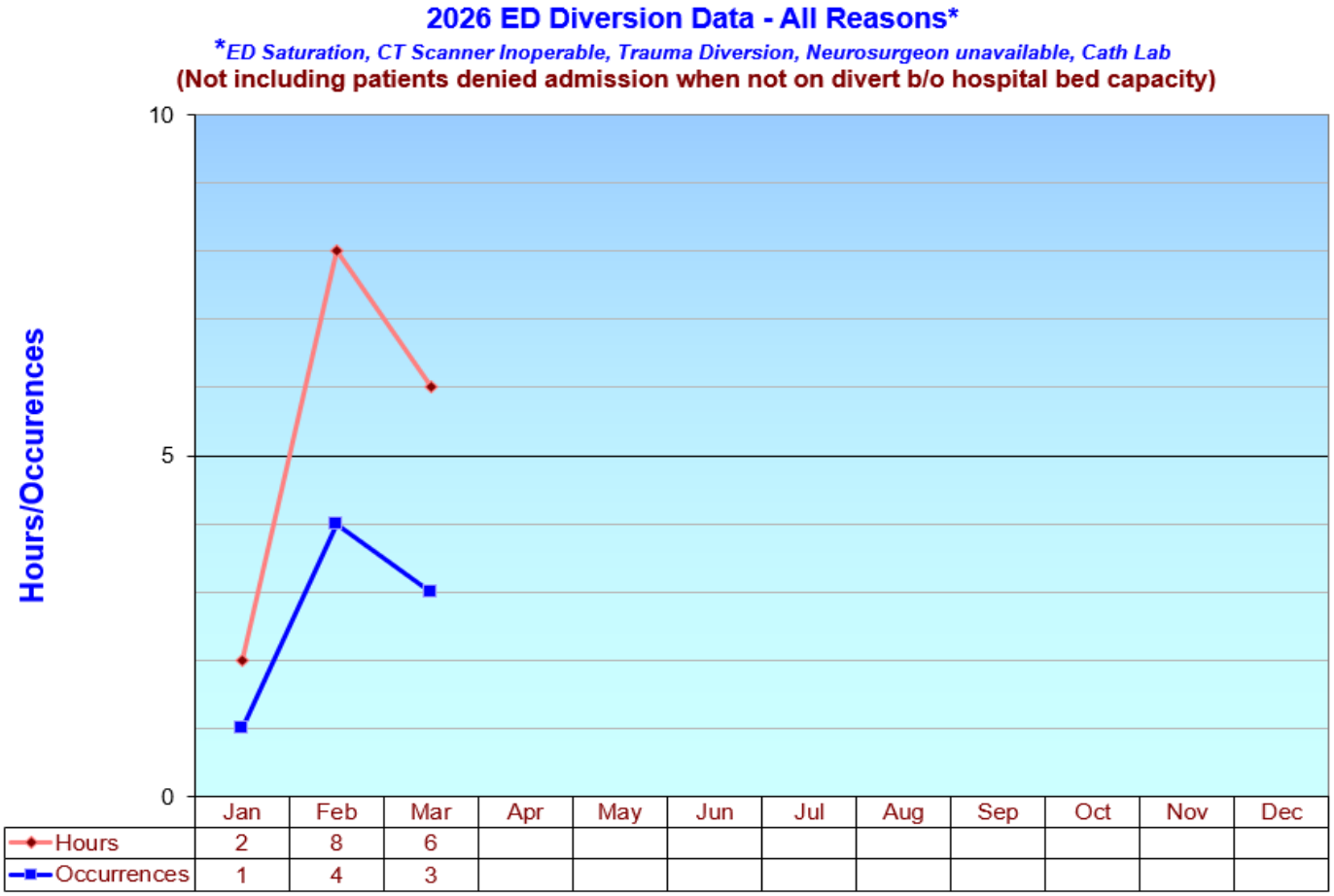
Hired, Termed, Net Change			
Period	Hired	Termed	Net Change
Q1 2025	25	15	10
Q2 2025	31	18	13
Q3 2025	28	16	12
Q4 2025	17	16	1
Q1 2026	**22**	**14**	**8**

MHMC Performance Metrics and Core Services Report
Q1 2026

Schedule 6: Ambulance Diversion

- **Tier 2, Volumes and Service Array**
  The MHMC Board will report on current Emergency services diversion statistics.

Quarter	Date	Time	Diversion Duration	Reason	Waiting Room Census	ED Admitted Patient Census
Q1 2026	01/13/26	21:31	2'00"	ED	17	7
	02/13/26	18:55	2'00"	ED	17	7
	02/20/26	20:11	2'00"	ED	14	7
	02/21/26	02:38	2'00"	ED	10	6
	02/21/26	17:03	1'55"	ED	25	5
	03/20/26	05:31	2'00"	ED	5	2
	03/20/26	22:13	2'00"	ED	17	4
	03/21/26	13:03	2'00"	ED	12	4



Tab 3

marin healthcare district

2027 Operating Budget

Board of Directors – Regular Meeting

8/11/2026

FY 2027 Budget Assumptions - Receipts

- Rental Income
  - Increased 3.6% based on estimated 2026 CPI as of May. Actual 2027 will be based on CPI at December, 2026.
- Investment Earnings
  - Based on conservative expected return from investment advisor, adjusted downward by 1% to account for continued market volatility and uncertainty.
- Tax Revenue
  - In working with the County of Marin, we have calculated the amount to be $18.4M in total for the 2015 and 2017 Bond Funds.

FY 2027 Budget Assumptions - Expenses

- Legal Fees
  - $40K routine expected expenses in 2027 based on 3 years of historical data and input from internal legal counsel.
  - $150K potential expense if parcel tax measure passes and District issues bonds. Outside legal counsel to provide further guidance in upcoming months.
- Audit Fees
  - 3% increase to FY2026 actuals. Fees are split 50/50 with Hospital.
- Board Comp and Board Expenses
  - Compensation based on number of meetings and members.
    - In anticipation of the parcel tax measure passage, 6 additional meetings were included for both the Lease & Building Committee and the Board.
  - $5K for conferences.
- Election Expense
  - 2027 is not an election year.

FY 2027 Budget Assumptions – Expenses (continued)

- Charitable Contributions
  - $16K to be used at District Board's discretion.
- Community Communications & Education
  - $93.7K for events, $8.5K for reports, and $1.2K for Website for a total of $103.4K– see slide 5 for detail.
- Depreciation
  - Based on current fixed assets related depreciation expenses.
- Mental Health Program Support
  - $200K continued support to Medical Center pending District Board approval.

FY 2027 Budget Assumptions – Community Communications & Education

Description	Topic	2027 Budget
Seminar 1	Careers in Medicine	$7,000
Seminar 2	Careers in Medicine	$7,000
Seminar 3	TBD	$24,900
Seminar 4	TBD	$24,900
Seminar 5	TBD	$25,400
Pop-Up 1	TBD	$1,800
Pop-Up 2	TBD	$900
Pop-Up 3	TBD	$900
Pop-Up 4	TBD	$900
General Eblasts/Newsletter	3x	$4,500
Website Maintenance	Ongoing	$1,200
Annual Report	1x	$4,000
Total		$103,400
Provided by Jill Kinney, VP Marketing Communications		

FY 2027 Income Statement Budget

	GASB 87 Accounting Change	*1/1/26 through 5/31/26 (5 months)*			GASB 87 Accounting Change
	FY2026 Budget	**To Date - Actual**	**Actual Projected**	**Annual Variance**	**FY2027 Budget**
Rent per Lease Agreement					
Rental Revenue	$ 664,701	$ 285,383	$ 684,919	$ 20,218	$709,022
Amortization of Deferred Lease Inflows		-	239,756	239,756	$ 206,007
Investment Earnings	224,491	143,578	294,078	69,587	207,305
Total Income	**889,192**	**428,961**	**1,218,753**	**329,561**	**1,122,335**
Legal Fees	40,000	29,509	70,821	(30,821)	190,000
Accounting Fees	27,550	11,480	27,552	(2)	27,850
Board Compensation	12,000	2,520	6,048	5,952	20,000
Election Fees	200,000	83,333	200,000	(0)	-
Charitable Contributions	16,500	-	16,500	-	16,000
Community Education	55,400	(23,905)	31,495	23,905	61,500
Dues	16,500	6,576	15,782	717	12,000
Advertising	42,500	-	42,500	-	40,700
Other Expenses	11,130	200	11,130	-	8,200
MGH Program Support	200,000	83,333	200,000	0	200,000
Total Expense	621,580	193,046	621,828	(248)	576,250
Net Operating Income/(Loss) before Depr & Bond-Related	**267,612**	**235,915**	**596,925**	**124,410**	**546,085**
Depreciation Expense	11,824,659	4,926,941	11,824,659	0	11,824,659
Net Operating Income/(Loss) before Bond-Related	**(11,557,047)**	**(4,691,026)**	**(11,227,734)**	**124,410**	**(11,278,575)**
Bond-Related Revenue (Expense)					
Tax Revenue	17,357,558	7,232,315	17,357,556	(2)	18,540,728
Bond Revenue	183,190	81,905	196,572	13,382	181,797
Bond Interest	(14,084,092)	(5,876,064)	(14,102,554)	18,462	(13,969,346)
Net Income/(Loss)	**$ (8,100,391)**	**$ (3,252,871)**	**$ (7,776,160)**	**$ 156,252**	**$ (6,525,395)**

FY 2027 Balance Sheet Budget

	12/31/2025	Expected 12/31/2026	Expected 12/31/2027
Current Assets			
Cash	409,458	153,266	142,089
Investment	5,666,603	6,168,479	6,364,475
Other Receivable	55,527		
Tax Revenues Receivable	6,376,579	8,062,609	8,865,872
Prepaid Expenses	1,748	-	6,000
Total Current Assets	**12,509,914**	**14,384,355**	**15,378,435**
Property, plant, and equipment, net	382,371,754	370,547,095	358,722,436
Assets Limited To Use - Sinking Funds	10,037,401	8,998,027	9,674,857
Lease Receivable	10,634,863	10,424,751	10,191,011
Deposits & Retainers	36,000	36,000	36,000
Total Non-Current Assets	**403,080,019**	**390,005,873**	**378,624,304**
Total Assets	**415,589,933**	**404,390,229**	**394,002,739**
Current Liabilities			
Accounts Payable	3,205	234,855	449,015
Interest Payable	6,303,842	6,249,792	5,895,661
Accrued Expenses	131,366	167,137	167,137
Other Current Liabilities	9,013,946	8,563,248	8,112,550
Current Bond Maturities	2,210,000	2,295,000	2,710,000
Total Current Liabilities	**17,662,358**	**17,510,031**	**17,334,363**
Bonds Payable	358,760,000	356,465,000	353,755,000
Bond Premium	19,677,936	18,701,510	17,725,083
Total Liabilities	**396,100,295**	**392,676,541**	**388,814,446**
Net Assets	19,489,848	16,227,602	11,713,688
Net (Loss)/Income	-	(4,513,914)	(6,525,395)
Total Net Assets	**19,489,848**	**11,713,688**	**5,188,293**
Total Liabilities and Net Assets	**415,590,143**	**404,390,229**	**394,002,739**

Questions?

Tab 4

Report of Independent Auditors and
Financial Statements

Marin Healthcare District

December 31, 2025 and 2024

Table of Contents

Management's Discussion and Analysis

Marin Healthcare District
Management's Discussion and Analysis
Years Ended December 31, 2025 and 2024

This section of the financial statements for Marin Healthcare District (the District) presents management's discussion and analysis of the financial activities of the District for fiscal years ended December 31, 2025 and 2024. We encourage the reader to consider the information presented here in conjunction with the financial statements as a whole.

Introduction to the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's audited financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

The required financial statements include the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows. The notes to financial statements, and this summary, provide support to these statements. All information must be considered together to obtain a complete understanding of the financial picture of the District.

Statement of Net Position

This statement includes all assets and liabilities using the accrual basis of accounting as of the statement date. The difference between the two classifications is represented as "net position." This section of the statement identifies major categories of restrictions on these assets and reflects the overall financial position of the District as a whole.

Statement of Revenues, Expenses, and Changes in Net Position

This statement presents the revenues earned and the expenses incurred during the year using the accrual basis of accounting. Under the accrual basis, all increases or decreases in net position are reported as soon as the underlying event occurs, regardless of the timing of the cash flow. Consequently, revenues and/or expenses reported during this fiscal year may result in changes to cash flows in a future period.

Statement of Cash Flows

This statement reflects inflows and outflows of cash, summarized by operating, capital and noncapital and related financing, and investing activities. The direct method was used to prepare this information, which means gross rather than net amounts were presented for the year's activities.

Notes to Financial Statements

This additional information is essential to a full understanding of the data reported in the financial statements. The District is a political subdivision of the State of California. It is the sole member of Marin General Hospital, dba MarinHealth Medical Center (MHMC), and is governed by a publicly elected Board of Directors.

Analytical Review

The statement of net position and statement of revenues, expenses, and changes in net position present a summary of the District's activities.

Condensed Statements of Net Position

	December 31,		
	2025	2024	2023
Assets			
Current and other assets	$ 32,513,955	$ 34,040,063	$ 33,619,274
Capital assets, net of accumulated depreciation	382,371,755	394,196,414	406,075,171
Total assets	$ 414,885,710	$ 428,236,477	$ 439,694,445
Liabilities			
Current portion of bond payable	$ 2,210,000	$ 1,570,000	$ 1,250,000
Other current liabilities	6,438,412	6,404,853	6,368,592
Bonds payable, net of current portion	378,437,936	381,624,363	384,170,790
Total liabilities	387,086,348	389,599,216	391,789,382
Deferred inflows of resources			
Deferred inflows related to leases	9,013,946	9,464,643	9,915,340
Net position			
Net investment in capital assets	1,723,820	11,002,051	20,654,381
Restricted	10,037,400	11,075,587	11,946,664
Unrestricted	7,024,196	7,094,980	5,388,678
Total net position	18,785,416	29,172,618	37,989,723
Total liabilities, deferred inflows of resources, and net position	$ 414,885,710	$ 428,236,477	$ 439,694,445

Total assets decreased by 3.1% or $13,350,767 as of December 31, 2025, compared to December 31, 2024, primarily due to a decrease in capital assets as a result of depreciation expense. Total assets decreased by 2.6% or $11,457,968 as of December 31, 2024, compared to December 31, 2023, primarily due to a decrease in capital assets.

Liabilities decreased by 0.6% or $2,512,868 as of December 31, 2025, compared to December 31, 2024, primarily due to a reduction in bonds payable. Liabilities decreased by 0.6% or $2,190,166 as of December 31, 2024, compared to December 31, 2023, primarily due to a reduction in bonds payable.

The overall change to net position is a decrease of $10,387,202 resulting in a December 31, 2025, balance of $18,785,416. An unrestricted net position of $7,024,196 exists for the year ended December 31, 2025, as a result of resources in excess of net investments in capital assets.

Condensed Statement of Revenue, Expenses, and Changes in Net Position

	Years Ended December 31,		
	2025	2024	2023
Operating revenues	$ 932,403	$ 930,958	$ 929,596
Operating expenses	12,323,326	12,322,871	12,295,086
Operating loss	(11,390,923)	(11,391,913)	(11,365,490)
Tax revenue	14,348,646	15,935,063	17,233,224
Interest and investment income (loss)	829,849	542,291	524,677
Grant revenue	-	317,094	-
Bond interest expense	(14,174,774)	(14,219,640)	(14,262,757)
Total nonoperating revenues, net	1,003,721	2,574,808	3,495,144
Decrease in net position	$ (10,387,202)	$ (8,817,105)	$ (7,870,346)

Operating Revenues and Expenses

For the years ended December 31, 2025, 2024, and 2023, operating losses were primarily due to the depreciation incurred by the District.

Nonoperating Revenues and Expenses

Tax revenue represents property tax assessments by Marin County on District property owners, which will be used to make bond interest and principal payments in the future. Property tax assessments are based upon expected debt service for the following year and vary depending on scheduled bond principal and interest payment amounts.

Economic Outlook and Major Initiatives

The Hospital Facilities Seismic Upgrade Act

The District has assumed responsibility for compliance with the Hospital Facilities Seismic Upgrade Act ("SB 1953"), classification SPC2, and through Hazus 2010. The District has received an extension to 2030.

Measure F

On November 5, 2013, the voters of the District passed Measure F, which authorized the District to issue $394,000,000 in bonds to improve the MHMC facility and related facilities with new construction, acquisitions, and renovations.

In November 2015, the District issued $170,000,000 of bonds, at a premium, resulting in total proceeds of $178,687,120. A portion of those proceeds were used to reimburse MHMC for the construction of a parking structure and for design and site improvements preparatory to the commencement of construction of the new Hospital Facility.

In September 2017, the District issued $224,000,000 of bonds, at a premium, resulting in total proceeds of $243,612,033. The proceeds continue to be used for the construction of the new Hospital Facility.

Budget Results

The Board of Directors approves the operating budget of the District. The budget remains in effect the entire period but is updated as needed for internal management use to reflect changes in activity and approved variances. A budget comparison and analysis for the year ended December 31, 2025, is presented below.

	Actual	Budget	$ Variance
Operating revenues	$ 932,403	$ 666,919	$ 265,484
Operating expenses	12,323,326	12,398,871	(75,545)
Operating loss	(11,390,923)	(11,731,952)	341,029
Tax revenue	14,348,646	14,280,222	68,424
Interest and investment income	829,849	262,047	567,802
Bond interest expense	(14,174,774)	(14,164,308)	(10,466)
Nonoperating revenues	1,003,721	377,961	625,760
Decrease in net position	$ (10,387,202)	$ (11,353,991)	$ 966,789

The budget above is for the operations of the District, which includes bond-related revenue and expenses.

Operating revenues

The majority of the District's operating revenues are comprised of rental revenue earned from MHMC, and were $265,484 in excess of budget.

Operating expenses

The District conducts programs such as community healthcare education and support for hospital programs. The District's operating expenses were $75,545 under budget, due to lower other expenses.

Tax revenue

The District earned tax revenue, which represents property tax assessments by Marin County on District property owners, which will be used to make bond interest and principal payments in the future.

Interest and investment income (loss)

The District earned interest and dividend income and incurred investment losses from the accounts in which the investment loss is held.

Capital Assets

As of December 31, 2025, the District had $382,371,755 invested in a variety of capital assets, as reflected in the following schedule, which represent a net decrease of $11,824,659 from December 31, 2024. The decrease as of December 31, 2025, is the result of an increase in accumulated depreciation due to annual depreciation expense.

	Balance at December 31,	
	2025	2024
Land	$ 865,701	$ 865,701
Hospital buildings and leasehold improvements	471,688,684	471,688,684
Equipment	18,784,416	18,784,416
Less: accumulated depreciation	(108,967,046)	(97,142,387)
Capital assets, net of accumulated depreciation	$ 382,371,755	$ 394,196,414

Bonds Payable

During the year, the District's long-term debt activity continued to reflect the outstanding General Obligation Bonds authorized under Measure F, approved by voters on November 5, 2013. The bonds were issued in multiple series, including Series 2015A, Series 2015B, and Series 2017A, with total authorized principal of up to $394,000,000.

The Series 2015A Bonds, issued on November 10, 2015, totaled $157,385,000 and bear interest rates ranging from 2.00% to 5.00%. The Series 2015B Bonds, issued concurrently, totaled $12,615,000 with an interest rate of 0.40%. Interest on these bonds accrues from the date of delivery and is payable semiannually on February 1 and August 1. Principal payments are due annually on August 1. The Series 2015A Bonds maturing on or after August 1, 2026, are subject to optional redemption beginning August 1, 2025, while the Series 2015B Bonds are not subject to redemption prior to maturity.

On September 7, 2017, the District issued $224,000,000 of Series 2017A Bonds with interest rates between 2.00% and 5.00%. Similar to prior series, interest is payable semiannually with principal due on August 1 annually. The Series 2017A Bonds maturing on or after August 1, 2028, are subject to optional redemption beginning August 1, 2027.

Proceeds from these bonds are designated for seismic upgrades to meet California earthquake standards, expansion and enhancement of emergency and other medical facilities, acquisition and renovation of facilities, and to cover associated legal, financial, and engineering costs.

The District incurred interest costs of approximately $14,174,774 and $14,219,640 for the years ended December 31, 2025 and 2024, respectively.

During the fiscal year ended December 31, 2025, there were no changes to the District's credit ratings. The District continues to maintain its current credit rating status, which supports its ability to access capital markets on favorable terms for financing planned facilities and services.

The bonds represent a general obligation of the District, with the County Board of Supervisors authorized and obligated to levy annual ad valorem taxes on all taxable property within the District to pay principal and interest when due.

Contacting the District's Financial Management

This financial report is intended to provide citizens, taxpayers, and creditors with a general overview of the District's finances. Questions about this report should be directed to Marin Healthcare District, attention: Chief Financial Officer or the Chair of the Finance and Audit Committee, at (415) 464-2090.

Report of Independent Auditors

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Financial Statements

Marin Healthcare District
Statements of Net Position
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 409,458	$ 1,198,857
Investments	5,666,604	3,849,775
Current portion of bond assets held in trust	8,208,375	7,889,542
Tax revenue receivable	5,672,357	6,795,179
Grant receivable	-	256,221
Other receivable	55,526	-
Current portion of lease receivable	210,114	187,787
Prepaid expenses	1,747	5,794
Total current assets	20,224,181	20,183,155
NONCURRENT ASSETS		
Deposits	36,000	36,000
Capital assets, net of accumulated depreciation	382,371,755	394,196,414
Bond assets held in trust, net of current portion	1,829,025	3,186,045
Lease receivable, net of current portion	10,424,749	10,634,863
Total noncurrent assets	394,661,529	408,053,322
Total assets	$ 414,885,710	$ 428,236,477
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Accrued expenses	$ 134,570	$ 85,311
Accrued interest expense	6,303,842	6,319,542
Current portion of bonds payable	2,210,000	1,570,000
Total current liabilities	8,648,412	7,974,853
NONCURRENT LIABILITIES		
Bonds payable, net of current portion	378,437,936	381,624,363
Total noncurrent liabilities	378,437,936	381,624,363
Total liabilities	387,086,348	389,599,216
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - lease	9,013,946	9,464,643
NET POSITION		
Net investment in capital assets	1,723,820	11,002,051
Restricted	10,037,400	11,075,587
Unrestricted	7,024,196	7,094,980
Total net position	18,785,416	29,172,618
Total liabilities, deferred inflows of resources, and net position	$ 414,885,710	$ 428,236,477

See accompanying notes

Marin Healthcare District
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended December 31, 2025 and 2024

	2025	2024
OPERATING REVENUES		
Lease income	$ 448,149	$ 439,848
Interest income related to lease	484,254	491,110
Total operating revenues	932,403	930,958
OPERATING EXPENSES		
Purchased services	370,845	333,923
Depreciation and amortization	11,824,659	11,878,757
Other	127,822	110,191
Total operating expenses	12,323,326	12,322,871
Operating loss	(11,390,923)	(11,391,913)
NONOPERATING REVENUES (EXPENSES)		
Tax revenue	14,348,646	15,935,063
Grant revenue	-	317,094
Interest and investment income	829,849	542,291
Bond interest expense	(14,174,774)	(14,219,640)
Total nonoperating revenues, net	1,003,721	2,574,808
DECREASE IN NET POSITION	(10,387,202)	(8,817,105)
NET POSITION, beginning of year	29,172,618	37,989,723
NET POSITION, end of year	$ 18,785,416	$ 29,172,618

See accompanying notes

Marin Healthcare District
Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tenants	$ 613,967	$ 646,961
Payments to suppliers and others	(445,362)	(389,141)
Net cash provided by operating activities	168,605	257,820
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from grants for COVID-19 pandemic	256,221	60,873
Net cash provided by noncapital financing activities	256,221	60,873
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	-	(3,673)
Principal payments on bonds payable	(1,570,000)	(1,250,000)
Interest payments on bonds payable	(15,166,900)	(15,216,900)
Tax revenue related to general obligation bonds	15,471,468	15,229,444
Net cash used in capital and related financing activities	(1,265,432)	(1,241,129)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,635,000)	-
Proceeds from sales and maturities of investments	290,000	-
Purchases of bond assets held in trust	(15,839,807)	(15,229,445)
Proceeds from sales and maturities of bond assets held in trust	16,736,900	16,466,900
Earnings on investments	499,114	16,181
Net cash from provided by investing activities	51,207	1,253,636
NET CHANGES IN CASH AND CASH EQUIVALENTS	(789,399)	331,200
CASH AND CASH EQUIVALENTS, beginning of year	1,198,857	867,657
CASH AND CASH EQUIVALENTS, end of year	$ 409,458	$ 1,198,857
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating loss	$ (11,390,923)	$ (11,391,913)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	11,824,659	11,878,757
Changes in certain assets and liabilities:		
Prepaid expenses	4,046	(5,794)
Lease receivable	187,787	166,700
Other receivables	(55,526)	-
Accrued expenses	49,259	60,767
Deferred inflows of resources - lease	(450,697)	(450,697)
Net cash provided by operating activities	$ 168,605	$ 257,820

See accompanying notes

Note 1 – Basis of Presentation and Accounting Policies

Reporting entity – Marin Healthcare District (the District) is a political subdivision of the State of California. District directors are elected officials whose sole mission is to promote the health and welfare of the residents of the communities served by the District. The District operated the Marin General Hospital Facility (the Hospital Facility) until 1985, when it reorganized in compliance with local hospital district law of the State of California.

The District's principal asset is hospital property and equipment. The Hospital Facility is a general acute-care facility located in Marin County, California, and provides inpatient and outpatient healthcare services. Inpatient facilities consist of medical-surgical, pediatrics, maternity, nursery, intensive care, coronary, psychology, radiology, and laboratory services. The Hospital Facility is leased to Marin General Hospital, dba MarinHealth Medical Center ("MHMC"). The financial information of MHMC is not included in these financial statements.

Effective June 30, 2010, the District became the sole member of MHMC and appointed its initial Board of Directors. The MHMC Board is responsible for oversight of the operations of MHMC and the District has certain ongoing reserve powers and governance oversight responsibilities.

The District is also a forum for discussion of local healthcare issues, promotes healthcare services within the community, and acts on behalf of the public as an advocate of high-quality, reasonably priced healthcare services.

Proprietary fund accounting – The activities of the District are accounted for as an Enterprise Fund. Enterprise Funds are accounted for on the flow-of-economic-resources measurement focus and use the accrual basis of accounting. Under the method, revenues are recorded when earned, and expenses are recorded at the time obligations are incurred. Tax revenue is recognized in the period in which the property tax is levied. Tax revenue is collected by the County for payment, when due, of the principal and interest on the bonds.

Accounting standards – Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989*, the Financial Accounting Standards Board (FASB), and the American Institute of Certified Public Accountants (AICPA) Pronouncements, the District's proprietary fund accounting and financial reporting practices are based on all applicable GASB pronouncements as well as codified pronouncements issued on or before November 30, 1989, and the California Code of Regulations, Title 2, Section 1131.2*, State Controller's Minimum Audit Requirements for California Special Districts,* and the State Controller's Office prescribed reporting guidelines.

Recently adopted accounting pronouncements – As of January 1, 2025, the District adopted GASB Statement No. 102, *Certain Risk Disclosures*. This statement requires disclosures when certain concentrations or constraints make a government vulnerable to the risk of a substantial impact. The implementation of this standard did not have a material impact on the District's statement of net position, results of operations, or cash flows. Management evaluated concentrations and constraints under GASB Statement No. 102 and determined that no concentration or constraint met the criteria requiring disclosure as of December 31, 2025.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, property tax revenue, and investment earnings, result from nonexchange transactions or ancillary activities.

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net positions may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary.

Use of estimates – The financial statements have been prepared in conformity with accounting principles generally accepted in the United States and, as such, include amounts based on informed estimates and judgments of management, with consideration given to materiality. Actual results could differ from those estimates.

Net position – Net position is the excess of all the District's assets over all its liabilities, regardless of fund. Net position is divided into three components. These captions apply only to net position, which is determined only at the government-wide level and are described below:

Net investment in capital assets – The portion of the net position that is represented by the current net book value of the District's capital less the outstanding balance of any debt issued to finance these assets.

Restricted – The portion of net position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions, which the District cannot unilaterally alter.

Unrestricted – The portion of net position that is not restricted to use.

Cash and cash equivalents – Cash and cash equivalents include cash in bank checking, money market funds, and investments in highly liquid debt instruments with a maturity of three months or less when purchased.

Investments – Investments consist of mutual funds and are stated at fair value. Realized gains and losses, unrealized gains and losses, and interest are included in the statements of revenues, expenses, and changes in net position as other revenue. Interest of $222,513 and $191,057 and realized and unrealized gains (losses) of $380,090 and ($15,145) for the years ended December 31, 2025 and 2024, respectively, are included in interest and investment income on the statements of revenues, expenses, and changes in net position.

Bond assets held in trust – The District reports all investments at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers. Interest of $227,246 and $366,379, and realized and unrealized losses of $0 are included in interest and investment income on the statements of revenues, expenses, and changes in net position for the years ended December 31, 2025 and 2024, respectively.

Lease receivable – Lease receivable is recognized at the net present value of the leased assets at a borrowing rate determined by the District, reduced by principal payments received.

Capital assets – Capital assets are recorded at cost. Depreciation is provided for on the straight-line basis over the estimated useful lives of the assets. The capitalization threshold is $5,000.

The estimated useful lives by major category are as follows:

Capital Asset Category	Useful Life (Years)
Hospital buildings	40
Equipment	3 - 20
Leasehold improvements	40

Capital assets are considered impaired when their service utility declines significantly and unexpectedly. An impairment loss is recognized for the difference between the carrying value of the asset and its fair value or adjusted depreciated value, depending on the nature of the impairment. There was no impairment recorded for the years ended December 31, 2025 and 2024.

Deferred inflows of resources – In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. Included in deferred inflows of resources of the District are deferred lease resources related to lessor arrangements.

Risk management – The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance.

Lease income – The District recognizes lease income and reimbursement of operating expenses when earned. The District derives all of its lease income from MHMC (see Note 5).

Operating revenues and expenses – The District's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from leasing the Hospital Facility to MHMC. Nonexchange revenues, including taxes, grants, and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred in order to lease the Hospital Facility, including loss on impairment of capital assets.

Grants and contributions – The District may periodically receive grants and contributions from other governmental entities, individuals, or private organizations; revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses.

The COVID-19 pandemic marked the first time the Disaster Relief Fund (DRF) was used to respond to a nationwide public health emergency. The Federal Emergency Management Agency (FEMA), which manages the DRF, used the fund to provide pandemic assistance for COVID-19 related costs not funded by other sources. The disaster incident period is January 20, 2020 through May 11, 2023. For the years ended December 31, 2025 and 2024, the District recognized $0 and $317,094, respectively, which was reported as grant nonoperating revenue in the statements of revenues, expenses, and changes in net position.

Amortization of bond premiums – Premiums arising from the issuance of bonds are capitalized and amortized using the straight-line amortization method, which approximates the effective interest method.

Note 2 – Cash, Cash Equivalents, Investments, and Bond Assets Held in Trust

The District's cash, cash equivalents, investments, and bond assets held in trust as of December 31 were as follows:

	2025	2024
Cash in bank	$ 38,540	$ 843,636
State of California's Local Agency Investment Fund (LAIF)	370,918	355,221
Total cash and cash equivalents	409,458	1,198,857
Investments		
Mutual funds	4,311,164	2,770,406
U.S. fixed income commingled funds	1,355,440	1,079,369
Total investments	5,666,604	3,849,775
Bond assets held in trust		
Money market funds	10,037,400	11,075,587
Total bond assets held in trust	10,037,400	11,075,587
Total	$ 16,113,462	$ 16,124,219

Cash balances from all funds are combined and invested, to the extent possible, pursuant to the District Board's approved Investment Policy and Guidelines and Statement Government Code. The District's investments are carried at fair value.

Cash in bank – Cash in the bank represents amounts held in the District's general operating accounts.

Local Agency Investment Fund – The District places certain funds with the Local Agency Investment Fund (LAIF). The District is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The state Treasurer's office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the District's investment in this pool is reported in the accompanying financial statements based upon the District's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. Funds are accessible and transferable to the master account with 24 hours' notice. Financial statements for LAIF can be obtained from the California State Treasurer's Office, 915 Capitol Mall, Suite 110, Sacramento, California, 95814.

The management of the State of California Pooled Money Investment Account has indicated to the District that as of December 31, 2025 and 2024, the estimated market value of the pool (including accrued interest) was $33,711,845 and $32,247,035, respectively. The District's proportionate share of that value is $370,918 and $355,221 as of December 31, 2025 and 2024, respectively.

Mutual funds and money market funds – The District's mutual funds and money market funds are primarily invested in government and corporate debt, asset-backed securities, U.S. Treasury securities, and global debt. The objective of these funds is to provide steady cash flow to investors.

U.S. fixed income commingled funds – This class includes investments in commingled funds that invest primarily in domestic equity or debt securities. The objective of these investments is to capture similar market returns in their respective indices. The funds' underlying positions are all marketable and priced regularly, but the majority of the funds themselves are priced monthly on a net asset value basis. U.S. fixed income commingled funds are accessible for full liquidity on a daily basis.

Bond assets held in trust – Investments from proceeds of bond issuances are restricted by applicable California law and the various bond resolutions associated with each issuance, generally, to certain types of investments. These investments include obligations of the United States of America, Federal Housing Administration debentures, obligations of government-sponsored agencies, unsecured certificates of deposits, demand deposits, time deposits and bankers' acceptances, deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation in banks, commercial paper, money market funds, state obligations, the Marin County Investment Pool, and LAIF.

The District's investments include amounts held in trust by the paying agent. The District currently invests in money market funds and U.S. Treasury obligations, and management regularly monitors the credit rating of the investment companies issuing the investments as part of monitoring the District's exposure to credit risk.

Investment risk factors – Many factors can affect the value of investments, such as credit risk, custodial credit risk, and concentration of credit risk.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the Chief Executive Officer and Chief Financial Officer of the District shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, to safeguard the principal and maintain the liquidity needs of the District.

Custodial credit risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

California law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California law, this collateral is held in the District's name and places the District ahead of general creditors of the institution.

Concentration of credit risk – Concentration of credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the District to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments. The securities the District is invested in as of December 31, 2025 and 2024, are subject to the quality, diversification, and other requirements of Rule 2a-7 under the Investment Company Act of 1940, as amended, and other rules of the Securities and Exchange Commission. The District will only purchase securities that present minimal credit risk.

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.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures—an Amendment of GASB Statement No. 3*, requires the District to disclose the maturities of its investments (other than U.S. government obligations or obligations guaranteed by the U.S. government). A summary of scheduled maturities by investment type as of December 31 follows:

	2025			
		Investment Maturities (in years)		
	Fair Value	Less than 1	1 to 5	More than 5
Money market funds	$ 10,037,400	$ 10,037,400	$ -	$ -
Mutual funds	4,311,164			
U.S. fixed income commingled funds	1,355,440			
Total maturities	$ 15,704,004			

	2024			
		Investment Maturities (in years)		
	Fair Value	Less than 1	1 to 5	More than 5
Money market funds	$ 11,075,587	$ 11,075,587	$ -	$ -
Mutual funds	2,770,406			
U.S. fixed income commingled funds	1,079,369			
Total maturities	$ 14,925,362			

Note 3 – Fair Value Measurements

GASB 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB 72 also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices in active markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets.

The following tables present information about the District's assets measured at fair value on a recurring basis as of December 31:

	2025				
	Fair Value at Reporting Date Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)	Total
Money market funds	$ 10,037,400	$ -	$ -	$ -	$ 10,037,400
Mutual funds					
Corp/Pref-high yield	4,311,164	-	-	-	4,311,164
U.S. fixed income commingled funds*	-	-	-	1,355,440	1,355,440
Total investments	$ 14,348,564	$ -	$ -	$ 1,355,440	$ 15,704,004

	2024				
	Fair Value at Reporting Date Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)	Total
Money market funds	$ 11,075,587	$ -	$ -	$ -	$ 11,075,587
Mutual funds					
Corp/Pref-high yield	2,770,406	-	-	-	2,770,406
U.S. fixed income commingled funds*	-	-	-	1,079,369	1,079,369
Total investments	$ 13,845,993	$ -	$ -	$ 1,079,369	$ 14,925,362

*The amounts of marketable securities measured at net asset value (NAV) presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

During 2025 and 2024, there was no activity in Level 2 or 3 investments.

Commingled funds are reported at fair value as reported by the fund managers based on discounted cash flows, estimated market values, and other unobservable inputs. The commingled funds report fair value using a calculated NAV. There are no redemption limitations, except as noted below, or unfunded commitments at December 31, 2025 and 2024.

Commingled Fund	Redemption	Redemption Notice Period	Redemption Availability
U.S. fixed income commingled funds	Any business day of each month	2 business days prior to trade date	Within 2 business days after trade date (subject to liquidity limitations)

Note 4 – Capital Assets

The following is a summary of changes in capital assets during the years ended December 31, 2025 and 2024:

	Life (Years)	Balance January 1, 2025	Additions	Deletions	Transfers	Balance December 31, 2025
Non-depreciable						
Land	N/A	$ 865,701	$ -	$ -	$ -	$ 865,701
Total non-depreciable		865,701	-	-	-	865,701
Depreciable						
Hospital buildings	40	470,310,789	-	-	-	470,310,789
Equipment	3 to 20	18,784,416	-	-	-	18,784,416
Leasehold improvements	40	1,377,895	-	-	-	1,377,895
Total depreciable		490,473,100	-	-	-	490,473,100
Accumulated depreciation						
Hospital buildings	N/A	(76,980,076)	(11,824,659)	-	-	(88,804,735)
Equipment	N/A	(18,784,416)	-	-	-	(18,784,416)
Leasehold improvements	N/A	(1,377,895)	-	-	-	(1,377,895)
Total accumulated depreciation		(97,142,387)	(11,824,659)	-	-	(108,967,046)
Total depreciable, net		393,330,713	(11,824,659)	-	-	381,506,054
Total capital assets, net		$ 394,196,414	$ (11,824,659)	$ -	$ -	$ 382,371,755

	Life (Years)	Balance January 1, 2024	Additions	Deletions	Transfers	Balance December 31, 2024
Non-depreciable						
Land	N/A	$ 865,701	$ -	$ -	$ -	$ 865,701
Total non-depreciable		865,701	-	-	-	865,701
Depreciable						
Hospital buildings	40	470,310,789	-	-	-	470,310,789
Equipment	3 to 20	18,784,416	-	-	-	18,784,416
Leasehold improvements	40	1,377,895	-	-	-	1,377,895
Total depreciable		490,473,100	-	-	-	490,473,100
Accumulated depreciation						
Hospital buildings	N/A	(65,101,319)	(11,878,757)	-	-	(76,980,076)
Equipment	N/A	(18,784,416)	-	-	-	(18,784,416)
Leasehold improvements	N/A	(1,377,895)	-	-	-	(1,377,895)
Total accumulated depreciation		(85,263,630)	(11,878,757)	-	-	(97,142,387)
Total depreciable, net		405,209,470	(11,878,757)	-	-	393,330,713
Total capital assets, net		$ 406,075,171	$ (11,878,757)	$ -	$ -	$ 394,196,414

Depreciation expense of capital assets was $11,824,659 and $11,878,757 for the years ended December 31, 2025 and 2024, respectively.

Note 5 – Lease of Marin Healthcare District Facility

The District is a lessor for a noncancellable lease. Effective December 1, 1985, the District leased the Hospital Facility to MHMC for a term of 30 years pursuant to Section 32126 of the Local Hospital District Law. The lease matured on December 1, 2015, and a new lease was executed in August 2014 with an effective date of December 2, 2015, for a term of 30 years. The base rent is $500,000 annually, plus an annual Consumer Price Index ("CPI") increase. Additional rent is conditional on MHMC achieving certain financial benchmarks.

Lease receivable – The District's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon changes in CPI. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are amortized on an effective interest method basis over the term of the lease.

The future principal and interest lease receipts as of December 31, 2025, are as follows:

Years Ending December 31	Lease Payments	Interest Payments	Total
2026	$ 210,114	$ 474,270	$ 684,384
2027	233,740	464,332	698,072
2028	258,731	453,302	712,033
2029	285,155	441,119	726,274
2030	313,082	427,716	740,798
Thereafter	9,334,041	3,733,128	13,067,169
Total future receipts	$ 10,634,863	$ 5,993,867	$ 16,628,730

Note 6 – Bonds Payable

On November 10, 2015, the District issued $157,385,000 of Marin Healthcare District General Obligation Bonds, Election of 2013, Series 2015A, and $12,615,000 of Marin Healthcare District General Obligation Bonds, Election of 2013, Series 2015B. The 2015A and 2015B bonds bear interest at rates of 2.00% to 5.00% and 0.40%, respectively. Interest on the bonds will accrue from the date of delivery and is payable semiannually on February 1 and August 1 each year, commencing on February 1, 2016. Principal amounts will be paid on August 1.

On September 7, 2017, the District issued $224,000,000 of Marin Healthcare District General Obligation Bonds, Election of 2013, Series 2017A. The 2017A bonds bear interest at rates of 2.00% to 5.00%. Interest on the bonds will accrue from the date of delivery and is payable semiannually on February 1 and August 1 each year, commencing on February 1, 2018. Principal amounts will be paid on August 1.

The bonds were authorized at an election held in the District on November 5, 2013, at which more than two-thirds of the qualified electors voting on the proposition voted to authorize the issuance and sale of up to $394,000,000 principal amount of general obligation bonds of the District (Measure F). The bond proceeds are authorized to be used to make seismic upgrades to MHMC to meet stricter California earthquake standards; to expand and enhance emergency and other medical facilities; to provide the latest lifesaving medical facilities for treatment of heart, stroke, and other diseases; to reduce emergency room wait times; to improve MHMC and related facilities with new construction, acquisitions, and renovations; and to pay all necessary legal, financial, engineering, and contingent costs in connection therewith.

The Series 2015A Bonds maturing on or before August 1, 2025, are not subject to redemption prior to their respective stated maturity dates. The Series 2015A Bonds maturing on or after August 1, 2026, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of funds, in whole or in part, on August 1, 2025, or on any date thereafter at par amount thereof, without premium, together with interest accrued thereon to the date of redemption. The Series 2015A Bonds maturing on August 1, 2040, and on August 1, 2045, shall be subject to redemption prior to maturity, without a redemption premium, in part by lot, from mandatory sinking fund payments, beginning August 1, 2036, and August 1, 2041, respectively. The Series 2015B Bonds are not subject to redemption prior to maturity.

The Series 2017A Bonds maturing on or before August 1, 2027, are not subject to redemption prior to their respective stated maturity dates. The Series 2017A Bonds maturing on or after August 1, 2028, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of funds, in whole or in part, on August 1, 2027, or on any date thereafter at par amount thereof, without premium, together with interest accrued thereon to the date of redemption. The 2017A Bonds maturing on August 1, 2037, August 1, 2041, and August 1, 2047, shall be subject to redemption prior to maturity, without a redemption premium, in part by lot, from mandatory sinking fund payments, beginning August 1, 2035, August 1, 2038, and August 1, 2042, respectively.

The District incurred interest costs related to the General Obligation Bonds of $14,174,774 and $14,219,640 for the years ended December 31, 2025 and 2024, respectively.

The general obligation bonds represent the general obligation of the District. The Board of Supervisors of the County has the power and is obligated to cause annual ad valorem taxes to be levied upon all property within the District, subject to taxation by the District, and collected by the County for payment, when due, of the principal and interest on the bonds.

The activity for bonds payable for the years ended December 31, 2025 and 2024, was as follows:

	Outstanding January 1, 2025	Issued	Matured / Redeemed During Year	Outstanding December 31, 2025	Due Within One Year
General obligation bonds					
Series 2015 bonds	$ 151,235,000	$ -	$ (1,570,000)	$ 149,665,000	$ 1,915,000
Series 2017 bonds	211,305,000	-	-	211,305,000	295,000
Plus					
Series 2015 premium	5,980,887	-	(296,575)	5,684,312	-
Series 2017 premium	14,673,476	-	(679,852)	13,993,624	-
Total	$ 383,194,363	$ -	$ (2,546,427)	$ 380,647,936	$ 2,210,000

	Outstanding January 1, 2024	Issued	Matured / Redeemed During Year	Outstanding December 31, 2024	Due Within One Year
General obligation bonds					
Series 2015 bonds	$ 152,485,000	$ -	$ (1,250,000)	$ 151,235,000	$ 1,570,000
Series 2017 bonds	211,305,000	-	-	211,305,000	-
Plus					
Series 2015 premium	6,277,462	-	(296,575)	5,980,887	-
Series 2017 premium	15,353,328	-	(679,852)	14,673,476	-
Total	$ 385,420,790	$ -	$ (2,226,427)	$ 383,194,363	$ 1,570,000

A summary of debt service requirements for the next five years and to maturity as of December 31, 2025, is as follows:

Years Ending December 31,	Principal	Interest
2026	$ 2,210,000	$ 15,104,100
2027	3,005,000	14,999,500
2028	3,855,000	14,870,550
2029	4,760,000	14,712,150
2030	5,760,000	14,490,200
2031-2035	47,115,000	66,964,750
2036-2040	84,525,000	54,271,300
2041-2045	136,790,000	32,076,450
2046-2047	72,950,000	4,435,400
Total debt service requirements	$ 360,970,000	$ 231,924,400

Note 7 – Commitments and Contingencies

Compliance with the Hospital Facilities Seismic Upgrade Act – The District has assumed responsibility for compliance with the Hospital Facilities Seismic Upgrade Act (SB 1953) classification SPC2 and through Hazus 2010. The District has received an extension to 2030.

Regulatory environment – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to periodic government review, interpretation, and audits, as well as regulatory actions unknown and unasserted at this time.

Litigation – The District is party to various claims and legal actions in the normal course of business. In the opinion of management, the District has substantial meritorious defenses to pending or threatened litigation and, based upon current facts and circumstances, the resolution of these matters is not expected to have a material adverse effect on the District's financial statements.

Note 8 – Property Taxes

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied annually on approximately October 1 based upon assessed property values as of January 1 of the preceding year. Assessed values are established by the county assessor at 100% of fair market value. Taxes are due in two equal installments on December 10 and April 10. Collections are distributed as collected to the District by the County Treasurer.

The District is permitted by law to levy up to 1% of assessed property values for general district purposes. The District may also levy taxes at a lower rate. Further amounts of tax need to be authorized by the vote of the people.

For 2025 and 2024, the District did not have a regular tax levy. There is a voter-approved tax levy for service of the general obligation bonds. For 2025 and 2024, the tax levy for bond service was $14,348,646 and $15,935,063, respectively.

Property taxes are recorded as receivables when levied. Because state law allows for sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.