

HEFFERNAN MEMORIAL



HEALTHCARE DISTRICT

President
Rodolfo Valdez
Vice-President
Sylvia Bernal
Treasurer
Paloma Sanchez
Secretary
Raul Urena
Trustee
Adriana Armendariz

**601 HEBER AVE.
CALEXICO, CALIFORNIA 92231**

Executive District
Manager
Tomas Virgen

**NOTICE OF REGULAR MEETING
ON
Wednesday, June 14, 2023**

General Counsel
Eduardo Rivera

Board Clerk
Brenda Ryan

**THE BOARD OF DIRECTORS OF HEFFERNAN MEMORIAL HEALTHCARE DISTRICT
WILL CONDUCT A
REGULAR MEETING**

**THE MEETING WILL BEGIN AT
5:30 P.M
A T
THE BOARD'S REGULAR MEETING PLACE
601 HEBER AVE.
CALEXICO, CA. 92231**

AGENDA

1. CALL TO ORDER
2. ROLL CALL-DETERMINATION OF QUORUM
3. PLEDGE OF ALLEGIANCE
4. CONSIDER APPROVAL OF AGENDA:
In the case of an emergency, item may be added to the agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage, a crippling disaster, or other activity that severely imperils public health, safety, or both. Also, items that arise after the posting of the agenda may be added by a 2/3 vote of the Board. Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. The Board may take action on any item appearing on the agenda.
5. CLOSED SESSION: (5:30 p.m. – 6:00 p.m.)
Potential litigation-confer with legal counsel. GC section 54956.9 (d) (4). (one case).

6. PUBLIC COMMENT TIME:

Public comment time on items not appearing on the agenda will be limited to 3 minutes per person and 15 minutes per subject. The Board may find it necessary to limit total time allowable for all public comment on items not appearing on the agenda at any one meeting to one hour. Persons desiring longer public comment time and/or action on specific items shall contact the Secretary and request that the item be placed on the agenda for the next regular meeting.

7. CONSENT CALENDAR:

Any member of the Board, staff or public may request that items for the Consent Calendar be removed for discussion. Items so removed shall be acted upon separately immediately following approval of items remaining on the Consent Calendar.

- a. Approve minutes for meetings of May 8, 2023, May 12, 2023 and May 17, 2023.
- b. Approve Treasurer Report.

8. REPORTS ON MEETING AND EVENTS ATTENDED BY DIRECTORS, AND AUTHORIZATION FOR DIRECTOR ATTENDANCE AT UPCOMING MEETINGS AND EVENTS/DIRECTORS COMMENTS:

- a. Brief reports by Directors on meetings and event attended. Schedule of upcoming Board meetings and events.

9. REPORTS BY ALL HMHD COMMITTEES

10. COMMENTS BY PROMOTION AND PUBLIC RELATIONS TONY PIMENTEL

11. COMMENTS BY EXECUTIVE DISTRICT MANAGER TOMAS VIRGEN

12. COMMENTS BY GENERAL COUNSEL EDUARDO RIVERA

13. DISCUSSION AND/OR ACTION ITEMS:

- a. Discussion and/or Action: Update on 400 Mary modernization project.
- b. Discussion and/or Action: Consideration and/or approval of CPA George Woo's proposal to conduct HMHD's financial audit for FY 2022/2023 in the amount of \$9500.00
- c. Discussion and/or Action: Approval of attendance by the Board of Directors to the annual ACHD conference September 2023. Conference costs per attending board member: registration, travel, lodging and per diem costs.
- d. Discussion and/or Action: HMHD's Service Area Plan preparation status.
- e. Discussion and/or Action: Consideration of HMHD health fair for November 2023. Location and other participants to be determined.
 - 1. Discussion and/or action: Authorize the expenditure and purchase of Health Fair material to be distributed to participants of the Health Fair.
- f. Discussion and/or Action: Status of HMHD's grants and Requests for Proposals.
- g. Discussion and/or Action: Review and consideration of costs for transmitting HMHD's board meeting via Facebook or other media outlets.
- h. Discussion and/or Action: Draft of Independent Contractor agreements for review.
- i. Discussion and/or Action: Surplus HMHD's property and notice of availability to local public entities/non-profits. Set dates for review of letters of interest in the surplus property after notice given by HMHD.

- j. Discussion and/or Action: Consideration of request for modification of commencement dates by Dr. Tyson of the April 4, 2022 lease between HMHD and Tyson Medical Inc. dba All Valley Urgent Care.

14. ITEMS FOR FUTURE AGENDAS:

This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming Board meetings and/or identify press release opportunities.

15. ADJOURNMENT:

- a. Regular Board meetings are held on the second Wednesday of each month.
- b. The next regular meeting of the Board will be held at 5:30 P.M., July 12, 2023.
- c. The agenda package and material related to an agenda item submitted after the packet's distribution to the Board are available for public review in the lobby of the district office during normal business hours

POSTING STATEMENT

A copy of the agenda was posted June 10, 2023, at 601 Heber Avenue, Calexico, California 92231 at 9:35 p.m. Pursuant to CA Government code 54957.5, disclosable public records and writings related to an agenda item distributed to all or a majority of the Board, including such records and written distributed less than 72 hours prior to this meeting are available for public inspection at the District Administrative Office, 601 Heber Avenue, Calexico, CA.

NOTICE In compliance with the Americans with Disabilities Act, any individuals requesting special accommodations to attend and/or participate in District Board meetings may contact the District at (760)357-6522. Notifications 48 hours prior to the meeting will enable the District to make reasonable accommodations.

HEFFERNAN MEMORIAL HEALTHCARE DISTRICT

June 08, 2023.

BANKS BALANCE:

CHASE BANK # 7701 Operational Acct. 490,849.20

CHASE BANK Platinum # 8565 Checking Acct. 3,831,683.58

TOTAL CHECKING ACCTS: \$ 4,322,532.78

OTHER CURRENT ASSETS:

CALEXICO MEGAPARK,LLC (PURCHASE LAND-DEPOSIT) \$ 500,000.00

PREPARED By: Rosario Vizcarra.

06-08-2023.

Heffernan Memorial Healthcare District
Profit & Loss
July 01, 2022 Through June 08, 2023.

	TOTAL EXPENSES July 01,22-May 05,23	EXPENSES 5/6 - 6/8-2023	TOTAL EXPENSES July 01,22-June 08,23.
Income			
4000 · Rev Sharing - County Prop Tax	795,831.50	6,042.08	801,873.58
4010 · Rev Sharing - Pass Thru City	132,264.54	189,917.79	322,182.33
4200 · Other income	250.00	-	250.00
Total Income	928,346.04	195,959.87	1,124,305.91
Expense			0.00
6010 · Trustee remuneration	25,250.00	2,500.00	27,750.00
6200 · Rent	1,716.00	200.00	1,916.00
6300 ·Repairs and maintenance		1,081.19	1,081.19
6310 · Landscaping	2,915.00	240.00	3,155.00
6500 · Insurance	4,001.00	-	4,001.00
6600 · Legal and professional	25,336.61	2,200.00	27,536.61
6610 · Accounting - Audit	9,500.00	-	9,500.00
6615 · Accounting - Other	19,390.00	1,575.00	20,965.00
6650 · Administration services	90,963.91	9,887.00	100,850.91
7000 · Marketing	28,500.00	2,800.00	31,300.00
7200 · Office supplies	1,903.83	-	1,903.83
7201 · Leasing Offices Equipment	1,516.53	136.61	1,653.14
7210 · Janitorial supplies	61.53	-	61.53
7214 · Janitorial Services	4,680.00	600.00	5,280.00
7215 · Postage	77.33	-	77.33
7250 · Utilities	0.00	-	0.00
Electricity	1,474.61	132.88	1,607.49
Water	3,545.89	298.25	3,844.14
Total 7250 · Utilities			
7270 · Telephone	5,284.20	1,058.01	6,342.21
7285 · Grants - By HMHD	464,000.00	-	464,000.00
7400 · Travel	6,434.82	-	6,434.82
7410 · Training and education	7,050.00	-	7,050.00
7420 · Meals	4,783.49	427.00	5,310.49
7550 · Promotion	3,022.00	-	3,022.00
7560 · Elections fees	21,309.90	-	21,309.90
7610 · Dues and subscriptions	5,250.00	-	5,250.00
8030 · Property tax	9,157.76	-	9,157.76
8200 · Bank charges	284.90	25.00	309.90
Total Expense	747,409.31	23,160.94	770,570.25
Net Income	180,936.73	172,798.93	353,735.66

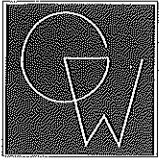
Rosario Vizcarra
06-08-2023.

Heffernan Memorial Healthcare District
Transactions by Account
As of June 8, 2023

1021 - Chase Bank #7701 Operational

Type	Date	Num	Name	Memo	Amount	Balance
						632,350.97
Check	05/08/2023		CHASE CREDIT CARD	CHASE C/C EXPENSES APRIL-2023	(546.98)	631,803.99
Check	05/16/2023	1374	MANUEL RODRIGUEZ BEDOYA	REP'N. WATER LINE PVC- LEAKING	(360.00)	631,443.99
Check	05/16/2023	1375	GEORGE MITCHELL BUILDERS INC.	10th ADVANCE 400 MARY REMODELATION	(94,347.83)	537,096.16
Check	05/16/2023	1376	AT&T	(760)357-6522 066 PHONE SERVICE	(269.02)	536,827.14
Check	05/16/2023	1377	IMPERIAL LAFCO	INV.HMHD0323 ADMINISTRATIVE SERV. JAN.-MARCH-2023	(1,487.00)	535,340.14
Check	05/16/2023	1378	SIERRA MATERIAL TESTING & INSPECT	INV.1807 TESTING - 400 MARY PROJECT	(420.00)	534,920.14
Check	06/01/2023	1379	IMPERIAL IRRIGATION DISTRICT	ACCT. 50564831 ELECTRIC BILL 601 HEBER AVE OFFICE	(132.88)	534,787.26
Check	06/01/2023	1380	GEORGE MITCHELL BUILDERS INC.	11th ADVANCE 400 MARY REMODELATION	(23,598.00)	511,189.26
Check	06/01/2023	1381	ISRAEL PADILLA HERNANDEZ	MAY-2023 LANDSCAPING SERVICE	(240.00)	510,949.26
Check	06/01/2023	1382	RODOLFO VALDEZ	MAY-2023 BOARD MEETING ASSIST	(500.00)	510,449.26
Check	06/01/2023	1383	SYLVIA BERNAL	MAY-2023 BOARD MEETING ASSIST	(500.00)	509,949.26
Check	06/01/2023	1384	PALOMA SANCHEZ	MAY-023 BOARD MEETING ASSIST	(500.00)	509,449.26
Check	06/01/2023	1385	ADRIANA ARMENDARIZ	MAY-2023 BOARD MEETING ASSIST	(500.00)	508,949.26
Check	06/01/2023	1386	RAUL UREÑA	MAY-2023 BOARD MEETING ASSIST	(500.00)	508,449.26
Check	06/01/2023	1387	BORDERLINE MEDIA, LLC	MAY-2023 BORDERLINE SERVICE	(2,800.00)	505,649.26
Check	06/01/2023	1388	MEXUS HEALTHCARE SOLUTIONS, INC.	MAY-2023 DISTRICT.MANAGER SERVICE	(7,350.00)	498,299.26
Check	06/01/2023	1389	BRENDA RYAN	MAY-2023 BOARD CLERK SERVICES	(1,050.00)	497,249.26
Check	06/01/2023	1390	ROSARIO VIZCARRA	MAY-2023 BOOKKEEPING SERVICE	(1,575.00)	495,674.26
Check	06/01/2023	1391	GreatAmerica Financial Services	ACCT. 013-1228273-000 LEASING -RICOH COPIER MACHINE	(136.61)	495,537.65
Check	06/01/2023	1392	MARIA TAVERA SANTACRUZ	MAY-2023 CLEAN UP SERVICE 601 HEBER OFFICE	(600.00)	494,937.65
Check	06/01/2023	1393	StaxUP STORAGE	JUNE-2023 RENT UNIT 2214	(200.00)	494,737.65
Check	06/01/2023	1394	TOMAS VIRGEN	REIMB. EXPENSES MARCH,APRIL-MAY-2023	(321.90)	494,415.75
Check	06/01/2023	1395	VALLEY AUTO GLASS Co.	INV. # C124775 REPLACE GLASS WINDOW-601 HEBER OFF	(556.19)	493,859.56
Check	06/01/2023	1396	F/R AIRE MECHANICAL HEATING & AC	AC & MINI-SPLIT SERVICE 60 HEBER OFFICE	(165.00)	493,694.56
Check	06/05/2023	1397	EDUARDO A RIVERA	MAY-2023 LEGAL SERVICE	(2,200.00)	491,494.56
Check	06/05/2023	1398	CITY OF CALEXICO - Vendor	ACCT. 38078 & 63295 APRIL-2023 WATER BILL	(298.25)	491,196.31
Check	06/06/2023	1399	AT&T	(760)357-6522 066 PHONE SERVICE	(347.11)	490,849.20
Total 1021 - Chase Bank #7701 Operational					<u>(141,501.77)</u>	<u>490,849.20</u>

Rosario Vizcarra
6-08-2023.



George J. Woo
Certified Public Accountant

May 31, 2023

To the Board of Directors
Heffernan Memorial Healthcare District
601 Heber Ave.
Calexico, CA 92231

I am pleased to confirm my understanding of the services I am to provide Heffernan Memorial Healthcare District for the fiscal year ended June 30, 2023.

Audit Scope and Objectives

I will audit the financial statements of the governmental activities, the business-type activities, and the disclosures, which collectively comprise the basic financial statements of Heffernan Memorial Healthcare District as of and for the fiscal year ended June 30, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Heffernan Memorial Healthcare District basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to Heffernan Memorial Healthcare District RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

1) Management's Discussion and Analysis.

The objective of my audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes my opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not guarantee that an audit conducted in accordance with GAAS will always

detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Audit's Responsibilities for the Audit of the Financial Statements

I will conduct my audit in accordance with GAAS and I will include tests of your accounting records and other procedures I consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, I exercise professional judgement and maintain professional skepticism throughout the audit.

I will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. I will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. My responsibility as auditor is limited to the period covered by my audit and does not extend to any later periods for which I am not engaged as auditor.

I will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, and financial institutions. I will also request written representations from your attorneys as part of the engagements.

I may from time to time, and depending on the circumstances, use third-party service providers in serving your account. I may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and I will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that I am unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

My audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

My audit will include obtaining an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, I will express no such opinion. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of Heffernan Memorial Healthcare District compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of my audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Other services

I will also prepare the financial statements and the annual Special District's Financial Transactions Report to the State Controller of Heffernan Memorial Healthcare District in conformity with U.S. generally accepted accounting principles based on information provided by you.

I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services I provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

My audit will be conducted on the basis that you acknowledge and understand your responsibility designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is also responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters (2) additional information that I may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence. At the conclusion of my audit, I will require certain written presentations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and forming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

May 31, 2023

Page 5 of 7

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include my report on the supplementary information in any document that contains and indicates that I have reported on the supplementary information. You also agree to present the supplementary information with the audited financial statements or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with my report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees, and Other

I understand that your employees will prepare all cash, accounts receivable, or other confirmations letters I request and will locate any documents selected by me for testing.

The audit documentation for this engagement is the property of George J. Woo, CPA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request. If requested, access to such audit documentation will be provided under the supervision of George J. Woo, CPA personnel.

George J. Woo is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. I expect to begin my audit on approximately September 1, 2023 and to issue my reports no later than November 30, 2023.

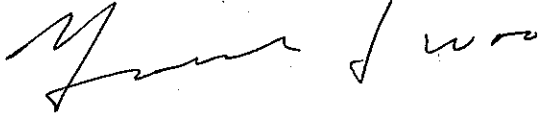
My fee for these services will be at my standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that I agree that my gross fee, including expenses will be **\$ 9,500**. My standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. My invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with my firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If I elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if I have not completed my report. You will be obligated to compensate me for all time expended and to reimburse me for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs.

I will issue a written report upon completion of my audit of Heffernan Memorial Healthcare District financial statements. My report will be addressed to Heffernan Memorial Healthcare District. Circumstances may arise in which my report may differ from its expected form and content based on the results of my audit. Depending on the nature of these circumstances, it may be necessary for us to modify my opinion, add a separate section, or add an emphasis of matter or other matter paragraph to the auditors report, or if necessary, withdraw from this engagement. If my opinion is other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or are unable to form or have not formed opinions, I may decline to express opinions or withdraw from this engagement.

I appreciate the opportunity to be of service to Heffernan Memorial Healthcare District and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copy and return it to me.

May 31, 2023
Page 7 of 7

Sincerely,



George J. Woo,
Certified Public Accountant

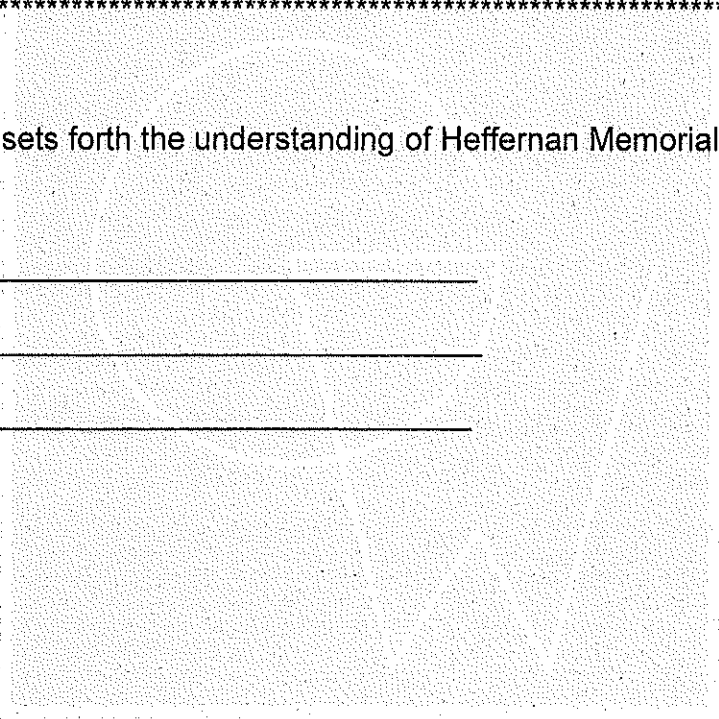
RESPONSE:

This letter correctly sets forth the understanding of Heffernan Memorial Healthcare District.

By: _____

Title: _____

Date: _____



The Brown Act in the Digital Age

Presented By: James Sanchez Kendra Leigh Carney Sacramento City Attorney Woodruff, Spradlin & Smart

The Proliferation of Technology

The Brown Act was created in an era where communication vehicles were much more limited and it was easier to hide from the public eye

In 1953, the only way the public interacted with their elected officials was through periodic in-person meetings

Today, the rapid speed with which people can now send e-mails and text messages and post comments online means a casual e-mail conversation between two city council members or an offhand comment on a newspaper website may quickly and inadvertently turn into a “meeting” under the Brown Act

Potential Brown Act Violation:

Blogs

If an elected official posts a comment on a blog site and the whole world can see it, is it still a violation? A single comment or interaction with the author or community is akin to a digital town hall or other meeting with the public

The risk is that other officials will also comment. While the discussion may be held publicly, it is outside of a meeting. If a majority comment, it may be a Brown Act violation

Facebook is a social networking website that allows users to create profiles, upload photos and video, send messages, and keep in touch with friends, family, and colleagues □ Each member has a “wall” similar to a virtual bulletin board where users can post text, video or photos. Facebook also allows a user to post status updates like a mini blog

What Does it Mean to “Like” Something on Facebook?

Clicking “like” below a post on Facebook is an easy way to communicate approval without leaving a comment

Clicking the “like” button on Facebook is speech.

Bland v. Roberts, 730 F. 3d 368 (4th Cir. 2013)

Can “Like” Create a Brown Act Violation?

A single “LIKE” click is speech, and on a post about a topic within an elected official’s subject matter jurisdiction could be found to form a part of the deliberative process . A single “LIKE” click by a few Facebook “friends” that constitute the majority of a legislative body could easily be found to be a Brown Act violation, and one that is well documented and broadly broadcast.

Social Media Legal Issues Relating to the Brown Act

The speed at which a comment or post on a blog, Facebook, Snapchat, Instagram or other online forum or platform can travel, the number of people the content can reach, and the interactivity among users creates potential danger when considering the application of the Brown Act

Online discussion of city business by a quorum of the legislative body is a meeting with the mere click of a button

What happens if a council member posts a blog entry about an upcoming agenda item, which is then commented on or retweeted, liked, photographed and/or posted by other council members? A very public discussion occurs among those elected officials via digital and social media

Whether this constitutes a Brown Act violation remains to be determined

The forums are public and allow the public to also comment on statements by the councilmembers so these are not “secret” meetings – but they are not noticed meetings either

Transparency alone is not the critical factor under the Brown Act

New technology offers great communication potential with little effort, but public officials may inadvertently find themselves in the midst of an e-mail conversation or conversation thread with other members without any such intent, or much thought or effort

While it may seem behind the times or even counter to the concept of enhanced public transparency, such communications nonetheless present significant risks of Brown Act violations

Open Meeting Issues

The potential to inadvertently hold a “meeting” is concerning

Meetings must be open to the public, in a public location, with no restrictions on who may attend and where open discussion is allowed

Fair notice must be given to the public of what will be discussed at a public meeting so the individual citizen can make an informed decision on whether or not he or she wants to attend that particular meeting

With so much access to digital and social media, platforms that are significantly more open, transparent and accessible than city hall, it is ironic that such communication may be a violation

Yet, the potential Brown Act pitfalls are real

Local officials should be wary of commenting on any other official’s social media content to avoid unintentionally creating a serial meeting

Not all social media discussions are public and not everyone may be heard either. Posting their own comment may be safest, but liking, retweeting, and commenting on other official’s sites and posts may be a violation of the Brown Act

Other Issues

First Amendment: Interactivity provides the public and members means to respond which may be both critical of officials and trigger a “meeting” according to the Brown Act

There may be technological ways to limit how much conversation occurs on a user’s page but it would be ill advised for an elected official to delete any posts other than their own from a site they or the City host

Public Resources:

Another consequence is the lack of control an official or agency may have over distribution of information. And, officials should be mindful of their use of public resources to maintain social media connections

Public Records Retention:

It is difficult to identify what data should be saved, but technology changes so rapidly it makes it difficult to anticipate how to save it. And, comments and conversations on these platforms only enhance the likelihood that a digital Brown Act violation may come back to haunt an elected official when captured and disclosed in a PRA request

Advising Agency Officials and Staff

It may seem that clicking a key or tapping a button is not the same communication as the written or spoken word

Instead, the reach of communication through social media and the ability to converse in seconds, in public, from anywhere exposes the limitations of the Act

Since even clicking “like” on Facebook is considered a statement of expression, officials must think twice before participating in social media platforms

Courts have barely dipped into the technology pool by addressing emails

It is best for public officials to take a conservative approach with other social media

A social media presence is ok and may even be expected for a successful campaign

But, officials should avoid commenting, liking, tweeting, retweeting, or posting regarding topics within the jurisdiction of the governing body on which they sit

Posting general city information without personal comment or opinion is acceptable as it is likely posted publicly elsewhere. Posting a picture of the official at a city event without comment on any other city affairs is a safe bet too. But a seemingly innocent engagement in public or private social media discussion online may find the official charged with a Brown Act violation

The Brown Act Meets Social Media

California Special Districts association CSDA

What Public Officials Can and Cannot Post on Social Media Under the Recently Enacted AB 992 By Hong Dao Nguyen and Albert Maldonado, Attorneys, Best Best & Krieger LLP

Public officials must continue to be vigilant if they post on social media sites about agency-related matters. However, recently enacted legislation, AB 992, aimed at updating the Brown Act to meet today's social media environment, provides greater guidance for public officials.

Prior to AB 992, public officials across the state received mixed messages and conflicting guidance from their various counsels on what could be posted, "liked," or shared on Facebook and other social media websites. These conflicting messages sometimes led to paralysis and some public officials avoiding communication on social media. While the public is increasingly receiving their news and community information from social media, some public agency officials have been noticeably absent from that communication medium. AB 992 was drafted and passed in the hopes of providing greater clarity on the actions public officials can and cannot take on social media, thereby encouraging greater communication and transparency with the public.

The Brown Act, a transparency law, generally provides that legislative bodies must have noticed and open meetings to discuss and transact agency business. Until AB 992 was signed into law in September, the Brown Act was silent regarding communications on social media.

AB 992 amends Government Code section 54952.2 and clarifies that a public official may communicate on social media platforms to answer questions, provide information to the public or to solicit information from the public regarding a matter within the legislative body's subject matter jurisdiction. But those communications are only allowed if members of the same legislative body do not use a social media platform to discuss official business among themselves. "Discuss among themselves" means making posts, commenting, and even using digital icons that express reactions to communications (i.e., emojis) made by other members of the legislative body.

Notably, AB 992 is stricter about social media contacts between public officials than in-person contacts. For example, under the Brown Act, two public officials of the same agency could talk face-to-face about a public agency matter without running afoul of the law. However, AB 992 prohibits a member of a legislative body from responding "directly to any communication on an Internet-based social media platform" regarding an agency matter if the communication is "made, posted, or shared by any other member of the legislative body."

Questions are already arising regarding what social media communications are now allowed under the law. The following includes some questions and answers to unpack AB 992:

Question: To what kinds of social media platforms does AB 992 apply?

Answer: AB 992 applies to Internet-based social media platforms that are "open and accessible to the public." "Open and accessible to the public" means "that members of the general public have the ability to access and participate, free of charge, in the social media platform without the approval by the social media platform or a person or entity other than the social media platform, including any forum and chatroom, and cannot be blocked from doing so, except when the Internet-based social media platform determines that an individual violated its protocols or rules."

Practically, those platforms include, but are not limited to, Snapchat, Instagram, Facebook, Twitter, blogs, TikTok and Reddit. That means AB 992 could affect social media commenting, retweeting, liking, disliking, responding with positive or negative emojis and/or screenshotting (photographing) and reposting.

Questions, Practical Concerns Remain

By Best Best & Krieger LLP

AB 992 directly amends the Brown Act but touches on other public transparency laws as well.

A few years ago, the California Supreme Court held that the public could have the right to access emails and text messages sent and received by public officials that pertain to public business. The court's ruling in [*City of San Jose v. Superior Court*](#) noted that electronic communications on both an official's personal and government email accounts and devices could be subject to the California Public Records Act.

Given the court's ruling, if a public official, in their official capacity, posts and communicates about public business through social media, those posts could also be subject to the CPRA.

Moreover, as we've discussed in a [previous article](#), platforms like Facebook, Instagram, Twitter and the like are the modern-day public square where vital public information is disseminated and discussed.

If a public official is using social media to communicate with constituents and share critical public information, they may have turned their social media space into a public forum that is subject to the First Amendment. If this happens, officials should be wary of blocking individuals from their pages when they don't like or agree with the poster's viewpoint. Such a move could violate a poster's constitutional rights.

Finally, in regard to an official's digital communications, issues arise regarding document retention.

To resolve potential issues with the Brown Act, CPRA and even constitutional concerns, an official's posts may need to be reviewed and their agency may want to consider retaining social media posts.

California Code, Government Code - GOV § 54952.2

Section operative until Jan. 1, 2026. See, also, [§ 54952.2](#) operative Jan. 1, 2026.

(ii) “Internet-based social media platform” means an online service that is open and accessible to the public.

(iii) “Open and accessible to the public” means that members of the general public have the ability to access and participate, free of charge, in the social media platform without the approval by the social media platform or a person or entity other than the social media platform, including any forum and chatroom, and cannot be blocked from doing so, except when the internet-based social media platform determines that an individual violated its protocols or rules.

THE RALPH M. BROWN ACT AND RELATED STATUTES (AS OF MARCH 2023)

Section 54953.5 Recording meetings permitted unless disruptive

(b) Any audio or video recording of an open and public meeting made for whatever purpose by or at the direction of the local agency shall be subject to inspection pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), but, notwithstanding Section 34090, may be erased or destroyed 30 days after the recording.

Any inspection of an audio or video recording shall be provided without charge on equipment made available by the local agency.

No legislative body of a local agency shall prohibit or otherwise restrict the broadcast of its open and public meetings in the absence of a reasonable finding that the broadcast cannot be accomplished without noise, illumination, or obstruction of view that would constitute a persistent disruption of the proceedings.

A member of the legislative body shall not respond directly to any communication on an internet-based social media platform regarding a matter that is within the subject matter jurisdiction of the legislative body that is made, posted, or shared by any other member of the legislative body.

Section 54953 Meetings to be open and public; attendance (as operative until January 1, 2024)

(B) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency’s control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

Assembly Bill (AB) 992

On Sept.18, 2020, Governor Newsom signed [Assembly Bill \(AB\) 992](#) into law. AB 992 modernizes the Brown Act's provisions concerning serial meetings by addressing, for the first time, the use of social media by members of a legislative body. While it does not change the basic understanding of the Brown Act, AB 992 provides helpful clarification for public officials who use social media platforms yet need to avoid participating in a serial meeting.

The Brown Act prohibits a majority of members of a legislative body from meeting outside a properly noticed public meeting to “discuss, deliberate, or take action on an item” that is within the legislative body’s subject matter jurisdiction. (Government Code section 54952.2) This restriction includes "serial" meetings in which members of a legislative body communicate indirectly through the use of intermediaries or through a chain of communications, ultimately involving a majority of a legislative body.

It has long been a question of the extent to which technology impacts the Brown Act's restrictions. In particular, the rise of social media has increased the ways in which members of a legislative body could, unintentionally, engage in a prohibited serial meeting – posting a councilmember's tweet on a Facebook page, which is then commented on by another councilmember. A serial meeting can happen in seconds with a push of a few buttons. The Brown Act has mostly been silent on this technological reality, until now.

AB 992 addresses the reality of social media's pervasive role in our society. It amends Government Code section 54952.2 to clarify that most communications on social media are permissible.

AB 992 defines an "internet based social media platform" and allows communication on such platforms without constituting a serial meeting. AB 992's definitional scheme includes the following new key terms:

- An "internet-based social media platform" is any online service that is open and accessible to the public.
- "Open and accessible to the public" means that "members of the general public have the ability to access and participate, free of charge, in the social media platform without the approval by the social media platform or a person or entity other than the social media platform, including any forum and chatroom, and cannot be blocked from doing so, except when the internet-based social media platform determines that an individual violated its protocols or rules."

AB 992 clarifies that it ordinarily does not violate the Brown Act to participate in social media. Interestingly, AB 992 specifically allows the use of "digital icons," i.e., emojis, in discussions on social media.

However, AB 992 also creates a bright-line rule that members of a legislative body may not respond *directly* to any communications posted on the internet *by other members of the same legislative body* regarding a matter within the jurisdiction of the legislative body.

In sum, under AB 992, a member of a legislative body may participate freely in open and public social media platforms so long as they do not respond directly to a fellow member of their legislative body. Presumably, given the definitional scheme of AB 992, this means that a member of a legislative body may post a "smiley face" emoji in response to a constituent's Facebook post, but may not post a "thumbs up" emoji if the post is from a fellow member of the legislative body.

AB 992 provides some much needed clarity to the Brown Act, but some questions remain. First, under AB 992, Director A's single "thumbs up" in response to Director B's post may be prohibited. But such a communication would not previously have constituted a serial meeting as it did not involve a majority of the board. Second, the same director's "thumbs up" emoji in direct response to Board Member B's tweet is prohibited. But it is less clear under what circumstances a more attenuated response—for instance posting a "thumbs up" to a retweeted

communication—is a direct communication implicating the Brown Act under AB 992. Finally, AB 992 may raise the complicated question of whether social media posts by public officials are public records under the California Public Records Act

Public Meetings – CALIFORNIA LAW

If you attend a public meeting (i.e., a meeting of a governmental body required to be open to the public by law) in California, you may make an audio or video recording unless the state or local body holding the meeting determines that the recording disrupts the proceedings by noise, illumination, or obstruction of view. [Cal. Gov't Code § 11124.1\(a\)](#); [Cal Gov't Code §§ 54953.5\(a\),-.6](#).

YOU TUBE VIDEOS:

For content to be considered for removal, **an individual must be uniquely identifiable and that individual, or their legal representative, must submit the complaint.** If you want to use the privacy complaint process, make sure that you're uniquely identifiable within the content when using the privacy complaint process.

The trend of streaming government meetings on YouTube is growing thanks to the platform's popularity and accessibility. It's an easy way for government organizations to broadcast their meetings to a wider audience, and above all, it's free!

However, streaming meetings on YouTube also comes with significant risks, especially for government organizations. In this article, we'll break down the potential risks and all you need to consider before streaming on the platform.

Potential Risks of posting Government Meetings on YouTube

It's no question that YouTube can help grow your reach and engagement for meetings. But it shouldn't be your only platform due to the risks of storing video on YouTube. Here's what you need to look out for:

1. You Don't Own Your Content

As with any third-party platform, once you've uploaded your video content to YouTube, it's controlled by the platform. This means if you're using YouTube as the sole platform to store all your meetings, there's a significant risk of losing your records without the chance to recover them. This can happen for a number of reasons. One of the most common ways meetings are removed from YouTube is because of copyrighted music, even if it's just someone's ringtone or an intermission playlist.

By using YouTube as a video archive, you run the risk of losing all your meeting recordings and jeopardizing the public's access to important information based on the private company's guidelines.

2. YouTube isn't ADA-Compliant

While you might think that the popular video platform is optimized for accessibility, it's [not compliant](#) with the Americans with Disabilities Act. Accessibility and inclusivity are key parts of democracy and the government, which is why it's crucial that meeting recordings can be accessible to all citizens.

3. Conflicts with YouTube's Terms of Service

The most common issue with YouTube is the potential for conflicts between the platform's [terms of service](#) and the requirements of government meetings. YouTube may remove certain content if it violates the platform's community guidelines, even if that content is part of a government meeting. This could lead to conflicts with the principles of transparency and accountability that are central to government meetings.

Recently, the regular meeting of the Bellingham City Council was removed by YouTube for spreading "medical misinformation." As the platform doesn't allow content that contradicts the Local Health Authorities (LHA) or World Health Organization, there's a significant risk of government discussions being removed.

To avoid violating YouTube's terms of service, local governments are suspending their Public Comment period in council meetings. This was the case with Bellingham City Council and several others as well.

"Public comment is an instrumental part of an effective democracy, though not required by law," [Council President Hannah Stone](#) explained in a statement Friday, July 23. "Furthermore, the First Amendment protects freedom of speech, and these protections extend to the council's public comment period."

While posting government meetings on YouTube can be a useful tool for promoting transparency and engagement, you must also consider these risks and take appropriate measures to mitigate them.

Copyright issues with live streams

All live streams are scanned for matches to third-party content, including copyrighted content in the form of another live broadcast.

When third-party content is identified, a placeholder image may replace your live stream. You'll be warned to stop streaming the third-party content. If you comply with this warning and address the issues, your stream can continue.

If the third-party content remains in your stream, your live stream will be temporarily interrupted or terminated. Your stream can also be terminated if you get a [copyright](#) or [Community Guidelines](#) strike.

Restore live streaming access

If your live stream stops, check your [YouTube Studio dashboard](#) for strikes. If you fix the issues listed, your access to live streaming can be restored. Learn more about resolving [restrictions on live streaming](#).

Live stream licensed third-party content

If you've licensed third-party content to use in your stream, ask the owner of the content to add your channel to their [allowlist](#) through Content ID.

If your channel isn't added to their allowlist, your live stream can be interrupted even if you've licensed the third-party content. Your live stream can also be interrupted even if you've restricted it to territories where you own all the necessary rights to the content if your channel isn't added to the content owner's allow list.

DRAFT

FOR BOARD REVIEW AND CONSIDERATION

INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT (the "Agreement") dated this 1st day of July 2023

BETWEEN:

CLIENT Heffernan Memorial Healthcare District 601 Heber Ave, Calexico, CA 92231, USA (the "Client")	CONTRACTOR (the "Contractor")
---	---

BACKGROUND

- A.** The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide services to the Client.
- B.** The Contractor is agreeable to providing such services to the Client on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

SERVICES PROVIDED

1. The Client hereby agrees to engage the Contractor to provide the Client with the following services (the "Services"):

SERVICES TO BE DESCRIBED

2. The Services will also include any other tasks which the Parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

TERM OF AGREEMENT

3. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect indefinitely until June 30, 2024 or terminated as provided in this Agreement.
4. In the event that either Party wishes to terminate this Agreement, that Party will be required to provide 30 days' written notice to the other Party.
5. In the event that either Party breaches a material provision under this Agreement, the non-defaulting Party may terminate this Agreement immediately and require the defaulting Party to indemnify the non-defaulting Party against all reasonable damages.
6. This Agreement may be terminated at any time by mutual agreement of the Parties.
7. Except as otherwise provided in this Agreement, the obligations of the Contractor will end upon the termination of this Agreement.

PERFORMANCE

8. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

COMPENSATION AND HOLIDAYS

9. The Contractor will charge the Client for the Services at the rate of \$____.00 per month (the "Compensation").
10. The Client will be invoiced every month.
11. Invoices submitted by the Contractor to the Client are due within seven days of receipt.
12. The Contractor will not be reimbursed for any expenses incurred in connection with providing the Services of this Agreement.
13. The following holidays will be observed by the Client and the Contractor:

New Year's Day, Martin Luther King, Jr., President's Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Thanksgiving Friday and Christmas.

CONFIDENTIALITY

- 14.** Confidential information (the "Confidential Information") refers to any data or information relating to the Client, whether business or personal, which would reasonably be considered to be private or proprietary to the Client and that is not generally known and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.
- 15.** The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Client or as required by law. The obligations of confidentiality will apply during the Term and will survive indefinitely upon termination of this Agreement.

OWNERSHIP OF INTELLECTUAL PROPERTY

- 16.** All intellectual property and related material, including any trade secrets, moral rights, goodwill, relevant registrations or applications for registration, and rights in any patent, copyright, trademark, trade dress, industrial design and trade name (the "Intellectual Property") that is developed or produced under this Agreement, is a "work made for hire" and will be the sole property of the Client. The use of the Intellectual Property by the Client will not be restricted in any manner.
- 17.** The Contractor may not use the Intellectual Property for any purpose other than that contracted for in this Agreement except with the written consent of the Client. The Contractor will be responsible for any and all damages resulting from the unauthorized use of the Intellectual Property.

RETURN OF PROPERTY

- 18.** Upon the expiration or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.

CAPACITY/INDEPENDENT CONTRACTOR

- 19.** In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service. The Client is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible

for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

NOTICE

20. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:

a. Heffernan Memorial Healthcare District
601 Heber Ave, Calexico, CA 92231, USA

b. _____
Calexico, CA 92231, USA

or to such other address as either Party may from time to time notify the other, and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

INDEMNIFICATION

21. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

CONFLICT OF INTEREST

22. The Contractor affirms that neither the Contractor, nor its affiliates or their employees, has, shall have, or shall acquire any contractual, financial, business or other interest, direct or indirect that would conflict in any manner with the Contractor's performance of its obligations under this Agreement or otherwise create the appearance of impropriety with respect to this Agreement.

The Contractor shall not contract, do business or otherwise have any other contractual, financial, business or other interest with any individual, business entity, organization that does business with the Client or is a recipient of any grant funding from the Client. Any such

involvement is deemed a conflict of interest and is grounds for termination of the Independent Contractor agreement by the Client.

MODIFICATION OF AGREEMENT

22. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

TIME OF THE ESSENCE

23. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

ASSIGNMENT

24. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.

ENTIRE AGREEMENT

25. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

TITLES/HEADINGS

26. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

GENDER

27. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

GOVERNING LAW

28. This Agreement will be governed by and construed in accordance with the laws of the State of California.

SEVERABILITY

29. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

WAIVER

30. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

IN WITNESS WHEREOF the Parties have duly affixed their signatures under hand and seal on this 1st day of July, 2019.

Heffernan Memorial Healthcare District

_____, Board President

_____, Independent Contractor

**HEFFERNAN MEMORIAL HEALTHCARE DISTRICT
DISPOSITION OF SURPLUS PERSONAL PROPERTY POLICY**

Disposition of Property: When District assets/inventory such as equipment, furniture, supplies or other personal property of the District are obsolete, damaged, worn out or no longer needed by the District, the property shall be deemed surplus property ("Surplus Property"), and the Executive District Manager or designee shall be authorized to dispose of Surplus Property. Prior to designating property as Surplus Property, reasonable efforts shall be made to redistribute the property for use within the District. Disposition of Surplus Property should focus on stewardship of public property, support the mission of the District, promote sustainability, fairness and transparency, and be conducted in compliance with all applicable laws and regulations. The District's Board of Directors shall by an affirmative vote of at least three members declare the District personal property surplus.

Surplus Property may be disposed of in any of the following manners:

1. Trade-in;
2. Advertised public sale (by fixed price, negotiated price, sealed bid or public auction);
3. Donation to educational institutions or non-profit organizations;
4. Recycling or salvage; and
5. Trash.

In determining the method of disposal, the Executive District Manager or designee shall use best efforts to maximize the value and benefit to the District considering all circumstances, including anticipated proceeds as well as costs associated with each method of disposition.

If the estimated sale value of a piece or lot of Surplus Property exceeds \$1,000, the Executive District Manager or designee shall report same to the Board Finance Committee for discussion and submittal of the full Board for authorization and/or action.

For clarification purposes, Surplus Property does not include real property. Disposition of District real property shall be effective only when authorized by an affirmative vote of at least three members of the Board of Directors.