

ALAMEDA COUNTY BOARD OF SUPERVISORS MINUTE ORDER

The following action was taken by the Alameda County Board of Supervisors on 12/04/2018

Approved as Recommended ☒

Other ☐

Unanimous ☒ Chan: ☐ Haggerty: ☐ Miley: ☐ Valle: ☐ Carson: ☐ - 5

Vote Key: N=No; A=Abstain; X=Excused

Documents accompanying this matter:

Documents to be signed by Agency/Purchasing Agent:

File No. 30066

Item No. 45

Copies sent to:

Barbara Adranly, Eden Health District, 20400 Lake Chabot Road, Suite 303, Castro Valley, CA 94546

Special Notes:



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:

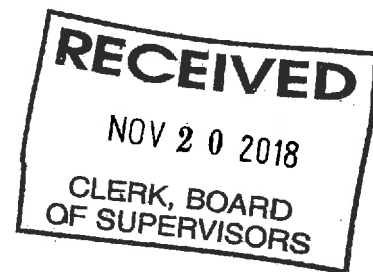
Clerk of the Board
Board of Supervisors

By: R. Bailey

Deputy



November 16, 2018



Alameda County Board of Supervisors
Attn: Clerk of the Board
1221 Oak Street, Suite 536
Oakland, CA 94612

Re: 2018 Conflict of Interest Code Biennial Review

Dear Board of Supervisors:

The Eden Township Healthcare District Board of Directors approved the enclosed Conflict of Interest Code at its October 17, 2018 Board meeting. Enclosed are the meeting minutes of the October 17, 2018 Eden Health District board meeting.

Also enclosed is a redline version of the Conflict of Interest Code showing the changes that were made. This policy should meet the requirements under the Political Reform Act.

Please place this on the agenda for the Board of Supervisors approval.

Also, please update your records with the Eden Township Healthcare District new office address. Our new office address is 20400 Lake Chabot Road, Suite 303, Castro Valley, California 94546.

Sincerely,

Barbara Adranly
District Clerk

encs.

SUBJECT: CONFLICT OF INTEREST CODE AND POLICY

I. POLICY:

1.01 Purpose of the Policy. Directors or public officials who manage the public investments ("Fiduciary" or "Fiduciaries") of Eden Township Healthcare District ("District") may find themselves in a situation where transactions for which they are responsible on behalf of the District affect their personal interests. The positions of the Fiduciaries are enumerated in Attachment B. Aside from the Fiduciaries, other persons hold positions at the District where they may find themselves in a situation where their responsibilities to the District affect their personal financial interests ("Designated Person" or "Designated Persons"). The positions of the Designated Persons are enumerated in Attachment B. Such situations may raise a potential or actual conflict of interest between the District and a Fiduciary or a Designated Person. The District Board of Directors has adopted this policy for the purpose of establishing a procedure by which Fiduciaries and Designated Persons can protect themselves and the District from any allegation of impropriety.

1.02 Structure and Application of the Policy.

A. Eden Township Healthcare District is a political subdivision of the State of California. As a governmental entity, it is subject to California laws regulating conflicts of interest.

B. If a conflict is identified involving a Fiduciary, the Fiduciary and the District shall follow those procedures that are applicable. For example, if a conflict is described in Section 2.02 and 2.03, then Section 2.02 shall apply. If a conflict is identified involving a Designated Person, the Designated Person and the District shall follow those procedures set forth in Section 7.

C. This policy is intended to comply in all respects with California law, and shall be interpreted accordingly.

II. CONFLICT OF INTEREST

2.01 Actions Absolutely Prohibited: Financial Interests in Contracts (Government Code Section 1090).

A. Definition of Conflict. Fiduciaries shall not be financially interested **in any contract** made by them in their official capacity, or by any body or board of which they are members, nor shall any fiduciary be a purchaser at any sale or a vendor at any purchase made by them in their official capacity.

B. Procedure for Resolution. If a Fiduciary would have a conflict described in Section 2.01(a), the Fiduciary must either:

1. resign his or her position at the District; or
2. not acquire or otherwise possess the financial interest which creates the conflict described in Section 2.01(a).

C. Limited Exceptions. Limited exceptions to the general rule of Section 2.01(a) governing contracts (remote interests and the like) are described in Attachment A of this policy. If such an exception is determined to apply, the Procedure for Resolution described in (b) above shall not apply and, instead:

1. the fact of such interest shall be disclosed to the body or board of which the Fiduciary is a member;
2. the disclosure shall be noted in the body or board's official records; and
3. the body or board may authorize, approve, or ratify the contract in good faith without counting the vote of the Fiduciary.

2.02 Conflicts Absolutely Prohibited: Interests and Activities in Hospitals in the Same Service Area (Health and Safety Code Section 32110).

A. Definition of Conflict. Fiduciaries may not be a director, policy making management employee or medical staff officer of any hospital serving the same area as the area served by the District. In addition, no Fiduciary may possess any ownership interest, in any such hospital serving the same area. For purposes of this section, a hospital shall be considered to serve the same area as the District when more than five percent (5%) of the other hospital's inpatient admissions are residents of the hospital district.

B. Procedure for resolution. If a Fiduciary would have a conflict described in Section 2.02(a), the Fiduciary must either: (i) resign his or her position at the District; or (ii) not acquire or otherwise incur the interest which creates a conflict described in Section 2.02(a).

C. Limited Exceptions.

1. A Fiduciary may serve concurrently as a director of a district hospital and as a policy making management employee of any other hospital serving the same area as the district hospital if the boards of directors of each of the hospitals have determined that the situation will further joint planning, efficient delivery of health care services, and the best interest of the area served by the respective hospitals, or the hospitals are affiliated under common ownership, lease or any combination thereof.

2. A Fiduciary may serve concurrently as a policy making management employee of a district hospital and a director of any other hospital servicing the same area as the district hospital, if the boards of directors of each of the hospitals has determined that the situation will further joint planning, efficient delivery of health care services, and the best interest of the areas served by the respective hospitals, or the hospitals are affiliated under common ownership, lease or combination thereof.

2.03 Conflicts Requiring Disqualification: Financial Interests in Decisions (Government Code Section 87100).

A. Definition of Conflict. Fiduciaries shall not make, participate in making, or in any way attempt to use their official position to influence a decision of the District in which that Fiduciary knows, or has reason to know, that he or she has a financial interest. Such Fiduciary shall be deemed to have a financial interest if it is reasonably foreseeable that the Fiduciary's decision on behalf of the District would have a material financial effect on himself or herself, on a member of his or her immediate family, or on:

1. any business entity in which the Fiduciary has a direct or indirect investment worth \$2,000 or more;
2. any real property in which the Fiduciary has a direct or indirect interest worth \$2,000 or more;
3. any source of income, other than gifts and loans by a commercial lending institution in the regular course of business on terms available to the public without regard to the official status, aggregating \$500 or more in value provided to, received by or promised to the Fiduciary within twelve months prior to the time the decision is made;
4. any business entity or Organization (as defined in Section 2.03(c) below) in which the Fiduciary is a director, officer, partner, trustee, employee, consultant, contractor or holds any position of management, or also a volunteer in the case of an Organization;
5. any donor of, or any intermediary or agent for donor of, a gift or gifts aggregating \$440.00 (or as adjusted after 2012 pursuant to 2 Cal Code of Regs 18940.2) or more in value provided to, received by or promised to the Fiduciary within twelve months prior to the time when the decision is made.

An indirect investment or interest means any investment or interest owned by the spouse or independent child of a Fiduciary, or by an agent on behalf of the Fiduciary, or by a business entity or trust in which the Fiduciary, the Fiduciary's agents, spouse or any dependent children own directly, indirectly or beneficially a 10% interest or greater.

B. Procedure for Resolution. If a Fiduciary would have, or has, a conflict described in Section 2.03(a), then subject to Section 2.03(c), the Fiduciary must either:

1. identify the conflict to the Board (or any other body in which the Fiduciary participates) and cease to participate in making, or in any way attempting to influence or affect the decision of the Board or body regarding the conflict matter;
2. resign his or her position at the District; or
3. immediately divest himself or herself, and remain divested, of the financial interest which creates the conflict described in Section 2.03(a).

C. Limited Exceptions.

1. For purposes of this Section 2.03(c), the term "Organization" shall mean any entity receiving or seeking to receive or being considered to receive financial or other support from the District, and the term "Interested Party" shall mean a director, officer, employee, consultant, contractor, or volunteer with an Organization or a person otherwise holding a position of management in an Organization.

2. A Fiduciary may participate in making the decision of the Board regarding a conflict matter affecting an Organization notwithstanding being an Interested Party of the Organization if the Board, upon the advice of counsel, determines (without the participation of the conflicted Fiduciary), after considering competing needs of the District for the support at issue and any other entities competing for such support, that providing such support would further joint planning between the District and the Organization, efficient delivery of health care services, and the best interests of the area served by the District.

2.04 Prohibited Employment (Government Code Section 1126).

A. Definition of Conflict. No Fiduciary shall engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible or in conflict with his or her duties as a District officer or employee.

B. Procedure for Resolution. The Board may identify, by resolution, those positions or outside activities which it deems to be inconsistent with or incompatible to the duties of District officers and employees under this section. Absent such identification, each instance shall be examined by the Board on a case-by-case basis. In the event of a conflict, the Fiduciary will have the option of (i) discontinuing such outside employment, activity or enterprise or (ii) resigning as an officer or employee of the district.

2.05 Legally Required Participation. Except as otherwise required by law, no Fiduciary shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that an official's vote is needed to break a tie does not make his or her participation legally required for purposes of this section.

III. FIDUCIARIES' DUTY TO IDENTIFY CONFLICTS OF INTEREST

3.01 General Duty to Identify and Report. A Fiduciary has an affirmative and continuing duty to identify any and all potential or actual conflicts of interest between the Fiduciary and the District. In addition, a Fiduciary has a continuing responsibility to scrutinize any transaction in which he or she is involved for potential or actual conflicts. Fiduciaries shall make a full disclosure of any potential or actual conflict to the Board, or its designated representative for such purposes.

3.02 Uncertainty Regarding Conflicts. Situations may arise in which the Fiduciary is uncertain whether a potential or actual conflict exists or could exist. If a Fiduciary is uncertain whether a situation, transaction or action constitutes a conflict of interest, the Fiduciary shall, as soon as possible, report the matter to the Board for its determination. If the fiduciary (except the Chair) is, in good faith, uncertain regarding the existence of a conflict, the Fiduciary may seek the permission of the Chair to continue his or her participation in the matter, which may continue until the Board either completes its

determination of the conflict or removes, through a majority vote, such permission.

3.03 Apparent Conflicts. If the Fiduciary is involved in a situation or transaction in which there is no conflict, but there appears to be a conflict, the Fiduciary shall disclose such apparent conflict to the Board for its determination of whether any provision of this policy applies.

IV. REPORTING REQUIREMENTS AND DISCLOSURE STATEMENTS FOR FIDUCIARIES

4.01 General

A. Fiduciary. The designated positions for Fiduciaries are listed in Attachment B.

B. Reportable Investment. A reportable investment is any: (i) investment or business position in a business entity, (ii) interest in real property, or (iii) income or source of income which may foreseeably be affected materially by any decision made or participated in by the Fiduciary.

4.02 Initial Statement

A. Filing. Any Fiduciary who holds a designated position shall, upon assuming the designated position, disclose any reportable investments and interests in real property. Such statement shall be filed with the secretary of the District. The statement shall contain the relevant information as required on the "Fair Political Practices Commission Form 700, Statement of Economic Interests." A Fiduciary shall file an initial statement within thirty days of assuming such position with the District's Secretary.

B. Exception. A Fiduciary who resigns from the designated position within thirty days following his or her initial appointment is not deemed to assume or leave office, provided that during the period between appointment and resignation the individual does not make, participate in making, or use the position to influence any decision of the District, or to receive, or become entitled to receive any form of payment by virtue of being appointed to the designated position.

4.03 Annual Statement. In addition to the initial statement, a Fiduciary shall file an annual statement by the 1st day of April of each year with the District's Secretary. Such statement shall disclose the information required on the Fair Political Practices Commission Form 700, Statement of Economic Interest, as updated by the Fair Political Practices Commission each year, and shall provide complete information with respect to the preceding calendar year for each such Fiduciary.

4.04 Final Statement. In addition, a Fiduciary holding a designated position who resigns or otherwise leaves that position (exception for a set forth under Section 4.02 (b) above) shall file a final statement within thirty days of leaving the position with the District's Secretary. The statement shall contain the relevant information as required on the Fair Political Commission Form 700, Statement of Economic Interests, and shall provide complete information with respect to the period between the filing of the last statement and the time of leaving the position.

4.05 Secretary's Duty. The Secretary of the District, upon receiving the annual, final or initial statement, shall make and obtain a copy for the District's files, and shall then forward the original to the clerk of the Alameda County Board of Supervisors.

V. FIDUCIARIES

5.01 Related Persons. In assessing if a potential conflict of interest or reporting requirement exists under this policy, a Fiduciary shall consider the following persons as if they are the Fiduciary, and shall report any situation in which the interests of the following persons conflict with the interests of the District:

- A. Parents, brother, sister, spouse, and children, or other ancestor or descendant of the Fiduciary.
- B. Brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of the Fiduciary.
- C. Any corporation, partnership or other firm or organization in which the Fiduciary (or the related persons specified above) has a financial or equity interest.

VI. ADDITIONAL FIDUCIARY DUTIES TO THE DISTRICT

6.01 Duty to Act for the Interests of the District. Fiduciaries of the District shall be subject to a legal obligation to perform the duties of their positions honestly, in good faith, and in a manner which they believe to be in the best interests of the District. A Fiduciary must act in a manner which accomplishes the public purposes of the District. By accepting his or her position with the District, Fiduciaries agree to be subject to this Conflict of Interest Policy and all terms herein. In accomplishing their duties, Fiduciaries shall exercise that degree of skill and care as would an ordinarily prudent person in similar circumstances.

6.02 Duty to be Informed. All Fiduciaries have a duty to be generally and currently informed of the activities, business affairs, principal corporate policies, financial transactions and contracts of the District as any such matters relate to the Fiduciaries' position with the District. Fiduciaries shall have the duty to make reasonable inquiry if circumstances appear to warrant investigation. In performing the duties of their office, a Fiduciary is entitled to rely on the information, opinions, reports and statements (including financial statements and other financial data) of officers and employees of the District. Fiduciaries may also rely upon lawyers, accountants, and other experts, provided that the Fiduciary believes that such advisors are reliable and competent, and that the matters which they are presenting are within their professional expertise. Fiduciaries may also rely on the information or opinions of any committee of the Board with respect to matters within the committee's designated authority, provided that the Fiduciary believes that the committee merits such confidence. A Fiduciary may not, however, rely on the information, report or opinion of any person, firm or committee if the Fiduciary has knowledge that would cause such reliance to be unwarranted.

VII. CONFLICT OF INTEREST POLICY FOR DESIGNATED PERSONS

**EDEN TOWNSHIP HEALTHCARE DISTRICT
BOARD OF DIRECTORS'
GENERAL ADMINISTRATIVE POLICIES**

ETHD 102

7.01 Terms. The provisions of Title 2 Calif. Code of Regulations, Section 18730 and any amendments to it duly adopted by the Fair Practices Commission, are hereby incorporated by reference and constitute the Conflict of Interest Code of the District for its Designated Positions.

7.02 Designated Positions. Pursuant to Section 4 of Section 18730, Designated Persons, as set forth in Attachment A, shall file Statements of Economic Interest (Form 700) with the District's Secretary, who shall note the date of receipt thereon and make copies of said documents available for public inspection and reproduction, and who shall forward the originals thereof for filing purposes to the office of the Alameda County Board of Supervisors, all within five (5) days after the applicable filing deadline or within (5) days of receipt in the case of a statement filed late.

7.03 Disclosure Categories. A Designated Person's Statement of Economic Interest shall disclose all information consistent with the disclosure categories they have been assigned in Attachment B and in accordance with the definition provided to those disclosure categories in Attachment C.

7.04 Other Laws. The requirements of Section 18730 are in addition to other requirements of the Political Reform Act of 1974, as amended, and to any other state and local laws pertaining to conflicts of interest.

APPROVED BY THE BOARD OF DIRECTORS

Roxann Lewis
Chair, Board of Directors

Date

Charles Gilcrest
Secretary, Board of Directors

Date

Approved: 12/14/88
Amended: 11/14/12
Reviewed: 2/10/93
3/23/94
2/8/95
3/13/96
6/11/97
6/24/98
1/27/99
7/28/99
7/26/00
09/25/02
11/19/08
10/20/10
11/14/12
10/17/18

ATTACHMENT A

The California Government Code provides that certain interests do not constitute a conflict under Section 1090. A Fiduciary who has an interest which is not a violation of Government Code Section 1090 (such as an interest described in Sections 1091 and 1091.5 of the Government Code) shall not be in violation of Section 2.01(a) of this policy, provided that the procedures of Section 2.01(c)(1-3) are followed.

Even if an interest is not a violation of Section 2.01(a) of this policy, a Fiduciary must comply with the other sections of this policy, if applicable.

ATTACHMENT B

FIDUCIARIES & DESIGNATED PERSONS

Designated persons and any person who manages the District's investments shall file statements of economic interests (Form 700) with the District. Such officers covered by this Code who are also public officials specified in Section 87200 of the Government Code, including those who manage public investments, shall file Form 700s pursuant to that Code as long as the categories of disclosure are the same or broader than those under this Code. A person serving the District in any of the following positions is considered a Fiduciary:

Board of Directors

Chief Executive Officer

A person serving the District in any of the following positions is considered a Designated Person and has to abide by the disclosure categories so listed:

Position	Disclosure Categories
Member, Board of Directors	1 & 2
Chief Executive Officer	1 & 2

ATTACHMENT C

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, or real property that the Designated Person must disclose for each disclosure category to which he or she is assigned.

Category 1: All investments and business positions in, and sources of income from, business entities that do business or own real property within the geographical area that is served by the District, plan to do business or own real property within the geographical area that is served by the District within the next year, or have done business or owned real property within the geographical area that is served by the District within the past two (2) years.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the boundaries of the geographical area that is served by the District.

Category 3: All investments and business positions in, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the geographical area that is served by the District, plan to engage in such activities within the geographical area that is served by the District within the next year, or have engaged in such activities within the geographical area that is served by the District within the past two (2) years.

Category 4: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.

Category 5: All investments and business positions in, and sources of income from, business entities that provide services, supplies, equipment, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 6: All investments and business positions in, and sources of income from, business entities that provide services, supplies, equipment, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 7: All investments and business positions in, and sources of income from, business entities subject to the regulatory, permit, or licensing authority of the District, will be subject to such authority within the next year or have been subject to such authority within the past two (2) years.

EDEN TOWNSHIP HEALTHCARE DISTRICT
BOARD OF DIRECTORS'
GENERAL ADMINISTRATIVE POLICIES

ETHD 102

SUBJECT: CONFLICT OF INTEREST CODE AND POLICY

I. POLICY:

1.01 Purpose of the Policy. Directors or public officials who manage the public investments ("Fiduciary" or "Fiduciaries") of Eden Township Healthcare District ("District") may find themselves in a situation where transactions for which they are responsible on behalf of the District affect their personal interests. The positions of the Fiduciaries are enumerated in Attachment B. Aside from the Fiduciaries, other persons hold positions at the District where they may find themselves in a situation where their responsibilities to the District affect their personal financial interests ("Designated Person" or "Designated Persons"). The positions of the Designated Persons are enumerated in Attachment B. Such situations may raise a potential or actual conflict of interest between the District and a Fiduciary or a Designated Person. The District Board of Directors has adopted this policy for the purpose of establishing a procedure by which Fiduciaries and Designated Persons can protect themselves and the District from any allegation of impropriety.

1.02 Structure and Application of the Policy.

A. Eden Township Healthcare District is a political subdivision of the State of California. As a governmental entity, it is subject to California laws regulating conflicts of interest.

B. If a conflict is identified involving a Fiduciary, the Fiduciary and the District shall follow those procedures that are applicable. For example, if a conflict is described in Section 2.02 and 2.03, then Section 2.02 shall apply. If a conflict is identified involving a Designated Person, the Designated Person and the District shall follow those procedures set forth in Section 7.

C. This policy is intended to comply in all respects with California law, and shall be interpreted accordingly.

II. CONFLICT OF INTEREST

2.01 Actions Absolutely Prohibited: Financial Interests in Contracts (Government Code Section 1090).

A. Definition of Conflict. Fiduciaries shall not be financially interested **in any contract** made by them in their official capacity, or by any body or board of which they are members, nor shall any fiduciary be a purchaser at any sale or a vendor at any purchase made by them in their official capacity.

**EDEN TOWNSHIP HEALTHCARE DISTRICT
BOARD OF DIRECTORS'
GENERAL ADMINISTRATIVE POLICIES**

ETHD 102

B. Procedure for Resolution. If a Fiduciary would have a conflict described in Section 2.01(a), the Fiduciary must either:

1. resign his or her position at the District; or
2. not acquire or otherwise possess the financial interest which creates the conflict described in Section 2.01(a).

C. Limited Exceptions. Limited exceptions to the general rule of Section 2.01(a) governing contracts (remote interests and the like) are described in Attachment A of this policy. If such an exception is determined to apply, the Procedure for Resolution described in (b) above shall not apply and, instead:

1. the fact of such interest shall be disclosed to the body or board of which the Fiduciary is a member;
2. the disclosure shall be noted in the body or board's official records; and
3. the body or board may authorize, approve, or ratify the contract in good faith without counting the vote of the Fiduciary.

2.02 Conflicts Absolutely Prohibited; Interests and Activities in Hospitals in the Same Service Area (Health and Safety Code Section 32110).

A. Definition of Conflict. Fiduciaries may not be a director, policy making management employee or medical staff officer of any hospital serving the same area as the area served by the District. In addition, no Fiduciary may possess any ownership interest, in any such hospital serving the same area. For purposes of this section, a hospital shall be considered to serve the same area as the District when more than five percent (5%) of the other hospital's inpatient admissions are residents of the hospital district.

B. Procedure for resolution. If a Fiduciary would have a conflict described in Section 2.02(a), the Fiduciary District must either: (i) resign his or her position at the District; or (ii) not acquire or otherwise incur the interest which creates a conflict described in Section 2.02(a).

C. Limited Exceptions.

1. A Fiduciary may serve concurrently as a director of a district hospital and as a policy making management employee of any other hospital serving the same area as the district hospital if the boards of directors of each of the hospitals have determined that the situation will further joint planning, efficient delivery of health care services, and the best interest of the area served by the respective hospitals, or the hospitals are affiliated under common ownership, lease or any combination thereof.

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A. Definition of Conflict. Fiduciaries shall not make, participate in making, or in any way attempt to use their official position to influence a decision of the District in which that Fiduciary knows, or has reason to know, that he or she has a financial interest. Such Fiduciary shall be deemed to have a financial interest if it is reasonably foreseeable that the Fiduciary's decision on behalf of the District would have a material financial effect on himself or herself, on a member of his or her immediate family, or on:

1. any business entity in which the Fiduciary has a direct or indirect investment worth \$2,000 or more;
2. any real property in which the Fiduciary has a direct or indirect interest worth \$2,000 or more;
3. any source of income, other than gifts and loans by a commercial lending institution in the regular course of business on terms available to the public without regard to the official status, aggregating \$500 or more in value provided to, received by or promised to the Fiduciary within twelve months prior to the time the decision is made;
4. any business entity or Organization (as defined in Section 2.03(c) below) in which the Fiduciary is a director, officer, partner, trustee, employee, consultant, contractor or holds any position of management, or also a volunteer in the case of an Organization;
5. any donor of, or any intermediary or agent for donor of, a gift or gifts aggregating \$440.00 (or as adjusted after 2012 pursuant to 2 Cal Code of Regs 18940.2) or more in value provided to, received by or promised to the Fiduciary within twelve months prior to the time when the decision is made.

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B. Procedure for Resolution. If a Fiduciary would have, or has, a conflict described in Section 2.03(a), then subject to Section 2.03(c), the Fiduciary must either:

1. identify the conflict to the Board (or any other body in which the Fiduciary participates) and cease to participate in making, or in any way attempting to influence or affect the decision of the Board or body regarding the conflict matter;
2. resign his or her position at the District; or
3. immediately divest himself or herself, and remain divested, of the financial interest which creates the conflict described in Section 2.03(a).

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1. For purposes of this Section 2.03(c), the term "Organization" shall mean any entity receiving or seeking to receive or being considered to receive financial or other support from the District, and the term "Interested Party" shall mean a director, officer, employee, consultant, contractor, or volunteer with an Organization or a person otherwise holding a position of management in an Organization.

2. A Fiduciary may participate in making the decision of the Board regarding a conflict matter affecting an Organization notwithstanding being an Interested Party of the Organization if the Board, upon the advice of counsel, determines (without the participation of the conflicted Fiduciary), after considering competing needs of the District for the support at issue and any other entities competing for such support, that providing such support would further joint planning between the District and the Organization, efficient delivery of health care services, and the best interests of the area served by the District.

2.04 Prohibited Employment (Government Code Section 1126).

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determination of the conflict or removes, through a majority vote, such permission.

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4.01 General

A. Fiduciary. The designated positions for Fiduciaries are listed in Attachment B.

B. Reportable Investment. A reportable investment is any: (i) investment or business position in a business entity, (ii) interest in real property, or (iii) income or source of income which may foreseeably be affected materially by any decision made or participated in by the Fiduciary.

4.02 Initial Statement

A. Filing. Any Fiduciary who holds a designated position shall, upon assuming the designated position, disclose any reportable investments and interests in real property. Such statement shall be filed with the secretary of the District. The statement shall contain the relevant information as required on the "Fair Political Practices Commission Form 700, Statement of Economic Interests." A Fiduciary shall file and initial statement within thirty days of assuming such position with the District's Secretary.

B. Exception. A Fiduciary who resigns from the designated position within thirty days following his or her initial appointment is not deemed to assume or leave office, provided that during the period between appointment and resignation the individual does not make, participate in making, or use the position to influence any decision of the District, or to receive, or become entitled to receive any form of payment by virtue of being appointed to the designated position.

4.03 Annual Statement. In addition to the initial statement, a Fiduciary shall file an annual statement by the 1st day of April of each year with the District's Secretary. Such statement shall disclose the information required on the Fair Political Practices Commission Form 700, Statement of Economic Interest, as updated by the Fair Political Practices Commission each year, and shall provide complete information with respect to the proceeding calendar year for each such Fiduciary.

4.04 Final Statement. In addition, a Fiduciary holding a designated position who resigns or otherwise leaves that position (exception for a set forth under Section 4.02 (b) above) shall file a final statement within thirty days of leaving the position with the District's Secretary. The statement shall contain the relevant information as required on the Fair Political Commission Form 700, Statement of Economic Interests, and shall provide complete information with respect to the period between the filing of the last statement and the time of leaving the position.

**EDEN TOWNSHIP HEALTHCARE DISTRICT
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ETHD 102

4.05 Secretary's Duty. The Secretary of the District, upon receiving the annual, final or initial statement, shall make and obtain a copy for the District's files, and shall then forward the original to the clerk of the Alameda County Board of Supervisors.

V. FIDUCIARIES

5.01 Related Persons. In assessing if a potential conflict of interest or reporting requirement exists under this policy, a Fiduciary shall consider the following persons as if they are the Fiduciary, and shall report any situation in which the interests of the following persons conflict with the interests of the District:

A. Parents, brother, sister, spouse, and children, or other ancestor or descendant of the Fiduciary.

B. Brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of the Fiduciary.

C. Any corporation, partnership or other firm or organization in which the Fiduciary (or the related persons specified above) has a financial or equity interest.

VI. ADDITIONAL FIDUCIARY DUTIES TO THE DISTRICT

6.01 Duty to Act for the Interests of the District. Fiduciaries of the District shall be subject to a legal obligation to perform the duties of their positions honestly, in good faith, and in a manner which they believe to be in the best interests of the District. A Fiduciary must act in a manner which accomplishes the public purposes of the District. By accepting his or her position with the District, Fiduciaries agree to be subject to this Conflict of Interest Policy and all terms herein. In accomplishing their duties, Fiduciaries shall exercise that degree of skill and care as would an ordinarily prudent person in similar circumstances.

6.02 Duty to be Informed. All Fiduciaries have a duty to be generally and currently informed of the activities, business affairs, principal corporate policies, financial transactions and contracts of the District as any such matters relate to the Fiduciaries' position with the District. Fiduciaries shall have the duty to make reasonable inquiry if circumstances appear to warrant investigation. In performing the duties of their office, a Fiduciary is entitled to rely on the information, opinions, reports and statements (including financial statements and other financial data) of officers and employees of the District. Fiduciaries may also rely upon lawyers, accountants, and other experts, provided that the Fiduciary believes that such advisors are reliable and competent, and that the matters which they are presenting are within their professional expertise. Fiduciaries may also rely on the information or opinions of any committee of the Board with respect to matters within the committee's designated authority, provided that the Fiduciary believes that the committee merits such confidence. A Fiduciary may not, however, rely on the information, report or opinion of any person, firm or committee if the Fiduciary has knowledge that would cause such reliance to be unwarranted.

EDEN TOWNSHIP HEALTHCARE DISTRICT
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VII. CONFLICT OF INTEREST POLICY FOR DESIGNATED PERSONS

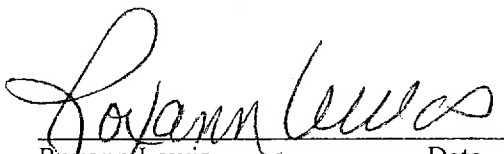
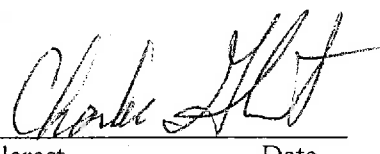
7.01 Terms. The provisions of Title 2 Calif. Code of Regulations, Section 18730 and any amendments to it duly adopted by the Fair Practices Commission, are hereby incorporated by reference and constitute the Conflict of Interest Code of the District for its Designated Positions.

7.02 Designated Positions. Pursuant to Section 4 of Section 18730, Designated Persons, as set forth in Attachment A, shall file Statements of Economic Interest (Form 700) with the District's Secretary, who shall note the date of receipt thereon and make copies of said documents available for public inspection and reproduction, and who shall forward the originals thereof for filing purposes to the office of the Alameda County Board of Supervisors, all within five (5) days after the applicable filing deadline or within (5) days of receipt in the case of a statement filed late.

7.03 Disclosure Categories. A Designated Person's Statement of Economic Interest shall disclose all information consistent with the disclosure categories they have been assigned in Attachment B and in accordance with the definition provided to those disclosure categories in Attachment C.

7.04 Other Laws. The requirements of Section 18730 are in addition to other requirements of the Political Reform Act of 1974, as amended, and to any other state and local laws pertaining to conflicts of interest.

APPROVED BY THE BOARD OF DIRECTORS

 10-17-18 
Roxann Lewis Date Charles Gilcrest Date
Chair, Board of Directors Secretary, Board of Directors

Approved: 12/14/88
Amended: 10/17/18
Reviewed: 2/10/93
3/23/94
2/8/95
3/13/96
6/11/97
6/24/98
1/27/99
7/28/99
7/26/00
09/25/02
11/19/08
10/20/10
11/14/12
10/17/18

**EDEN TOWNSHIP HEALTHCARE DISTRICT
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ATTACHMENT A

The California Government Code provides that certain interests do not constitute a conflict under Section 1090. A Fiduciary who has an interest which is not a violation of Government Code Section 1090 (such as an interest described in Sections 1091 and 1091.5 of the Government Code) shall not be in violation of Section 2.01(a) of this policy, provided that the procedures of Section 2.01(c)(1-3) are followed.

Even if an interest is not a violation of Section 2.01(a) of this policy, a Fiduciary must comply with the other sections of this policy, if applicable.

ATTACHMENT B

FIDUCIARIES & DESIGNATED PERSONS

Designated persons and any person who manages the District's investments shall file statements of economic interests (Form 700) with the District. Such officers covered by this Code who are also public officials specified in Section 87200 of the Government Code, including those who manage public investments, shall file Form 700s pursuant to that Code as long as the categories of disclosure are the same or broader than those under this Code. A person serving the District in any of the following positions is considered a Fiduciary:

Board of Directors

Chief Executive Officer

A person serving the District in any of the following positions is considered a Designated Person and has to abide by the disclosure categories so listed:

Position	Disclosure Categories
Member, Board of Directors	1 & 2
Chief Executive Officer	1 & 2

ATTACHMENT C

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, or real property that the Designated Person must disclose for each disclosure category to which he or she is assigned.

Category 1: All investments and business positions in, and sources of income from, business entities that do business or own real property within the geographical area that is served by the District, plan to do business or own real property within the geographical area that is served by the District within the next year, or have done business or owned real property within the geographical area that is served by the District within the past two (2) years.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the boundaries of the geographical area that is served by the District.

Category 3: All investments and business positions in, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the geographical area that is served by the District, plan to engage in such activities within the geographical area that is served by the District within the next year, or have engaged in such activities within the geographical area that is served by the District within the past two (2) years.

Category 4: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.

Category 5: All investments and business positions in, and sources of income from, business entities that provide services, supplies, equipment, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 6: All investments and business positions in, and sources of income from, business entities that provide services, supplies, equipment, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 7: All investments and business positions in, and sources of income from, business entities subject to the regulatory, permit, or licensing authority of the District, will be subject to such authority within the next year or have been subject to such authority within the past two (2) years.

**Meeting of the
EDEN HEALTH DISTRICT
BOARD OF DIRECTORS
OPEN SESSION**

October 17, 2018

Eden Health District - Conference Room.

5:30 p.m.

APPROVED

I. CALL TO ORDER

Chair Lewis called the meeting to order at 5:32 p.m.

Directors Present:

Chair Lewis
Director Friedman
Director Lorentzen
Director Lynch

Directors Absent:

Director Gilcrest

Staff Present:

Barbara Adranly, District Clerk
Michelle Robles, District Accountant

Guests:

Jeffrey MacDonald, Managing Director, Head
of Fixed Income Strategies, Fiduciary
Trust International
Bruce Udelf, Executive Director, Baywood
Court
Rajendra Ratnesar, M.D., Interim Chief Medical
Director, Davis Street Family Resource
Center
Jerrel Tucker, Principal, JWT & Associates,
LLP
Colin Coffey, Attorney-at-Law, Best, Best &
Krieger
Two (2) members of the public

II. PLEDGE OF ALLEGIANCE

Pledge of allegiance was led by Director Friedman.

III. APPROVAL OF THE AGENDA

MOTION: Motion made by Director Lorentzen, seconded by Director Friedman, to approve the Agenda of the October 17, 2018 Board meeting as presented. The motion carried unanimously.

IV. APPROVAL OF MINUTES

The Open Session Minutes for the Board meeting of September 19, 2018 were reviewed.

Director Friedman reported that there needs to be an amendment and insertion to the Mia's Dream Project – Update and Naming Rights item on page 3, paragraph 5 regarding the payment terms being over a three year period as follows: first payment in the amount of \$50,000, second payment in the amount of \$50,000, and third payment upon completion of the project in the amount of \$100,000.

V. PUBLIC COMMENT

No public comment given.

VI. INVESTMENT REPORT:

Jeffrey MacDonald, Managing Director, Head of Fixed Income Strategies, Fiduciary Trust International, presented investment report dated October 17, 2018 and reported on Global Economic & Financial Markets Review – Trade Uncertainty Dominates Headlines While Markets Focus on Fundamentals, Fixed Income Markets Remained Supportive of Continued Expansion, U.S. Bond Market Review, Treasury Rates & Curves, and Credit Market. He also reported on Account Overview – Eden Township Healthcare Investment Guidelines, Top Down Investment Themes and Portfolio Strategies, Fixed Income Portfolio Analysis, and Fixed Income Account Performance.

Discussion held regarding investment report presented by Mr. MacDonald.

VII. BAYWOOD COURT ANNUAL REPORT – BRUCE UDELF:

Bruce Udelf, Executive Director, Baywood Court reported that Baywood Court continues to do very well. He reported that Baywood Court did extremely well financially this year, have over 400 days of cash on hand. He also reported on the occupancy rates in independent living, assisted living, skilled nursing, and labor

market and staffing levels. Mr. Udelf also reported that Baywood Court has a five-star rating from the Centers for Medicare and Medi-Cal. He reported on Baywood Court's outreach efforts, intern program, as well as the intern program they participate in with Eden Health District, Eden Area ROP, Eden Area Chamber of Commerce, and Castro Valley High School.

Discussion held regarding possible memory care unit at Baywood Court. Mr. Udelf reported that this is a possibility which is outlined in Baywood Court's strategic plan.

Discussion held regarding other trends in the industry.

VIII. DAVIS STREET FAMILY RESOURCES REPORT:

Rajendra Ratnesar, M.D., Interim Chief Medical Director, Davis Street Family Resource Center, reported on the Medical Clinic and Behavior Health programs at the Davis Street Family Resource Center for the month of September, 2018. He introduced Carol Alvarez, Head of Behavioral Health Department. He reported that of the 86 patients treated in September with diabetes, 37.4% had HbA1C higher than 9, 59.6% with HbA1C less than 9 and of this 59.6%, 44.7% were less than 7. He reported on nutrition program.

Carol Alvarez, Head of Behavioral Health Department and Head of Clinic Operations, reported on the Davis Street nutrition program. She also reported on the Behavioral Health program. Ms. Alvarez reported on the number of patients seen on a monthly basis. She reported on additional funding they have secured. She also reported on types of behavioral health issues that they are seeing.

Dr. Ratnesar thanked the District for their contribution to the Davis Street clinic. He reported that he has seen tremendous progress at the clinic, but that they currently do not have enough providers at the clinic. He asked for continued funding from the District.

Discussion held regarding Davis Street Family Resources report.

IX. SPONSORSHIP REQUEST – SAN LEANDRO ROTARY LOBSTERS FOR LEARNING:

Chair Lewis reported on sponsorship request from the San Leandro Rotary for their Lobsters for Learning event.

Discussion held regarding possible sponsorship and whether there is a direct correlation to health care for sponsorship of this event.

Sponsorship was not approved.

X. PUBLIC RELATIONS REPORT:

Chair Lewis reported that the Public Relations report is in the board packet and asked whether there were any questions. She also reported on District press release dated October 3, 2018 regarding the previous Alameda LAFCo meeting.

XI. DRAFT AUDIT REPORT – FISCAL YEAR 2018:

Jerrell Tucker, Principal, JWT & Associates, LLC, reported on the draft audit for the fiscal year ending June 30, 2018. He reported that an unmodified opinion is being given. He also reported that during testing in the audit no errors or omissions were found and that no illegal issues were found. Mr. Tucker also reported that no audit adjustments were necessary. He reported that there were no issues in working with management and staff.

Discussion held regarding draft audit report.

Discussion held regarding how the District is unique for a healthcare district in California as it does not receive any tax revenue, but rather earns income from its real estate assets and investments.

MOTION: Motion made by Director Friedman, seconded by Director Lorentzen, to accept the Draft Audit Report for Fiscal Year 2018, as presented. The motion carried unanimously.

XII. FINANCIAL STATEMENTS – SEPTEMBER, 2018:

Michelle Robles, District Accountant, presented the financial statements for the period ending September 30, 2018.

On a cash basis, the District had a cash gain of \$125,726 for the month of September, 2018. For the medical office buildings the District owns, Dublin Gateway had a cash gain of \$137,253, San Leandro Medical Arts Building had a cash gain of \$19,153, and the Eden Medical Building had a cash gain of \$34,842. Community Services expenses were \$73,227. The District Office/Overhead expenses were better than budget by \$9,597.

The District had a net loss of \$88,061. The Net Assets of the District were lower on September 30, 2018 by \$280,116 compared to June 30, 2018. This was primarily the difference between the depreciation and amortization expense of \$620,352 and the positive cash flow of \$339,392 for the three months ending September 30, 2018.

MOTION: Motion made by Director Friedman, seconded by Director Lynch, to accept the Financial Statements for September, 2018, as presented. The motion carried unanimously.

XIII. COMMUNITY HEALTH ADVISORY COMMITTEE REPORT:

Director Lynch reported that the Community Health Advisory Committee will meet on November 6, 2018 to review the 2018 grant applications.

XIV. CONFLICT OF INTEREST POLICY NO. 102 – BIENNIAL REVIEW:

Chair Lewis reported that the District's Conflict of Interest Policy must be reviewed biennially. She reported that some changes were made from the previous draft version and that the current changes are shown in blue.

Discussion held regarding section 1090 requirements.

MOTION: Motion made by Director Friedman, seconded by Director Lynch, to approve Conflict of Interest Policy No. 102, as presented. The motion carried unanimously.

XV. RECENTLY ENACTED LEGISLATION:

A. AB 2019

Colin Coffey, Attorney-at-Law, Best, Best & Krieger, reported on summary of AB 2019.

B. AB 2329

Barbara Adranly reported on summary of AB 2329.

XVI. CHIEF EXECUTIVE OFFICER MONTHLY REPORT

Michael Mahoney reported on the Dublin Gateway property, Eden Medical Building, San Leandro Medical Arts Building, Community Grants, and Baywood Court.

XVII. CHAIRMAN'S REPORT:

Chair Lewis reported that the District will have its next community health education program, which will be regarding nutrition, and which will be in March, 2019 at St. Rose Hospital.

XVII. CORRESPONDENCE:

No correspondence reported on.

XVIII. OTHER BUSINESS:

Due to the proximity to the Thanksgiving Holiday, the November meeting will be held on Thursday, November 15, 2018 at the Eden Health District, Conference Room.

XIX. ADJOURN TO EXECUTIVE SESSION:

Meeting was adjourned to Executive Session at 7:10 p.m.

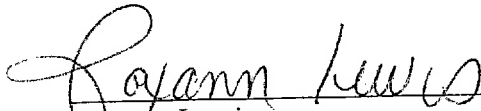
XX. REPORT, IF ANY, FROM EXECUTIVE SESSION:

No report from Executive Session.

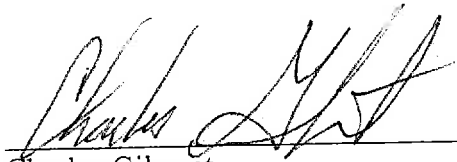
XXI. ADJOURNMENT:

There being no further business, the meeting was adjourned at 7:30 p.m.

Attest:



Roxann Lewis
Chair, Board of Directors
Eden Health District



Charles Gilcrest
Secretary, Board of Directors
Eden Health District