

EXECUTIVE OFFICER'S REPORT

To The
Local Agency Formation Commission

TO:

COMMISSIONERS

Michael W. Kelley, Chair [Supervisor]
David H. West, Vice-Chair [Public]
Ray Castillo [Supervisor]
Maria Nava-Froelich [City]

ALTERNATE

Jesus E. Escobar [Supervisor]
Robert Amparano [City]
Vacant [Public]

REPORT DATE: September 1, 2021
FROM: Jurg Heuberger, Executive Officer
Paula Graf, Sr. Analyst
PROJECT: Heffernan Memorial Healthcare District

HEARING DATE: September 23, 2021 **TIME:** 08:30 a.m.

AGENDA ITEM NO: 9

HEARING LOCATION: El Centro City Council Chambers, 1275 Main St., El Centro, CA 92243

RECOMMENDATION(S) BY THE EXECUTIVE OFFICER (In Summary & Order)

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- OPTION #1:** Approve the recommendations of the Executive Officer as set forth herein.
- OPTION #2:** Approve with modifications to the Executive Officers recommendations as set forth herein with the direction of the Commission.
- OPTION #3:** Continue the hearing for not to exceed 70 days.

Project Data:

Project ID: HMHD 1-21
Project Name: Business Plan Update
Population: Current population of about 40, 351
SOI/Boundaries: Within the City of Calexico

EXHIBIT A

About the District:

- Formed as a hospital district in 1947
- Filed for Bankruptcy in 1995
- Hospital closed in 1998
- Hospital was abandoned but the district was not dissolved
- Name was changed in 2009
- Staff include a Chief Executive, Board Secretary, Account, Legal Counsel, and Marketing Director
- \$975,000 in annual revenue from the allocation of the general 1% property tax

Contact:

Heffernan Memorial Healthcare District
601 Heber Avenue
Calexico, CA 92231

Website: www.heffernanmemorial.org
E-Mail: info@heffernanmemorial.org
Office: 760-357-6522

Office Hours:

Monday 9:00 am-12:00 pm
Tuesday-Thursday 9:00 am-3:00 pm
Fridays Closed

Governing Body:

5- Member Board of Directors elected by resident voters
Meetings are held on the 2nd and 4th Wednesday of each month at 5:30

REPORT

I: Summary of LAFCO Action/Direction

The Heffernan Memorial Healthcare District (HMHD) has been before your Commission several times and the Executive Officer has provided periodic information and updates.

The following is a summarized history of the Commissions direction/action:

- **05/24/18:** On May 24, 2018 the Commission directed the District provide a detailed 5-year plan.
- **12/13/18:** Received update on the preparation of a 5-year strategic plan.
- **03/2019:** Received March 2019 report update
- **05/2019:** Received May 2019 report update
- **08/2019:** Received August 2019 report update
- **01/15/20:** Received updated 5-Year Business Plan
- **04/2021:** Received updated Business Plan
- **09/2021** Business Plan Update to the Commission

II: District Compliance with LAFCO Resolution 2020-02

On April 23, 2020, your Commission adopted Resolution #2020-02 with the following direction:

EXHIBIT B

- a. **Direct that HMHD provide annual updates to their plan, for the next two years then every five years thereafter.**

EXHIBIT C

The most recent version of the Business Plan is April 2021 and is attached.

The next Business Plan update will be due in April 2022.

- b. **Direct that HMHD not to subsidize the City of Calexico in any fashion unless and until approval from LAFCO is first obtained.**

This direction is based on the City of Calexico's request for HMHD to fund its ambulance program. The Commission on May 24, 2018, directed HMHD not to subsidize the City of Calexico for several reasons including the fact that the city did not need to provide its own ambulance program as there was a countywide program that the city could have but chose not to participate in.

- c. **Direct that HMHD provide its audited financial report to LAFCO within 30 days of its completion.**

EXHIBIT D

The most recent audited financial report completed by George J. Woo for the year ending June 30, 2020, is attached.

- d. **Direct that HMHD provide its budget to LAFCO within 30 days of adoption.**

EXHIBIT E

The districts 2021-2022 budget is attached.

III. The Business/Strategic Plan as Submitted

The Heffernan Memorial Healthcare Districts Board of Directors approved a Strategic/Business Plan on April 14, 2021.

HEFFERNAN MEMORIAL HEALTHCARE DISTRICT			
STRATEGIC PLAN UPDATE (APRIL 2021)			
STRATEGIC GOALS	DEVELOP COMMUNITY HEALTH AWARENESS	ENHANCE ACCESS TO CARE	SUSTAIN FINANCIAL HEALTH
STRATEGIES	<ol style="list-style-type: none"> 1. Deliver 4 health fairs per year each focusing on high priority healthcare needs (i.e., COVID-19 Prevention and Treatment, Chronic Disease Management, Nutrition, Weight Management). 2. Collaborate with City of Calexico and local healthcare partners to improve healthcare communication. 3. Deliver a minimum of 2 townhall meetings per year to engage the public in District initiatives. 4. Continue to fund local health initiatives to promote health and health awareness. 	<ol style="list-style-type: none"> 1) Continue to fund local health initiatives to enhance access to care. 2) Collaborate with City, County, and local health partners to establish a full-service 24/7 Urgent Care. 3) Collaborate with healthcare partners to bring more healthcare services and providers to Calexico. 4) Collaborate with County and local health providers to increase COVID-19 testing and COVID-19 vaccination efforts. 5) Complete modernization of District Building to house community health programs, health fairs, and health education (2021). 6) In collaboration with payors and local health providers, develop call center to facilitate access to care (2023). 	<ol style="list-style-type: none"> 1) Collaborate with Foundations and healthcare partners to obtain grants to drive mission and vision. 2) Collaborate with local and state government to bring healthcare funds to Calexico. 3) Work with grant programs to run high quality and efficient programs. 4) Meet annual budget projections.
GRANT PROGRAMS	<ol style="list-style-type: none"> 1) AAA Meal program. 2) Rosa's Plan Food Inc. meal program. 	<ol style="list-style-type: none"> 3) Fit and Healthy Center. 4) Vo Neighborhood Medical Clinic. 	

Strategic Plan adopted by the Heffernan Board of Directors on April 14, 2021

a. GRANTS FOR THE 2021-2022 FISCAL YEAR

The districts 2021-2022 budget includes \$300,000 allocated to fund grants.

The Area Agency on Aging Senior Meal grant program and the Fit and Healthy Center grant program as shown in the Strategic Plan expired on June 30, 2021.

The district has two active grant programs listed below. These two agreements expire in June of 2022.

Vo Neighborhood Medical Clinic

EXHIBIT F

Term: July 1, 2021- June 30, 2022

Grant Total: \$150,000

Service: Medical care services to approximately 400 all age persons

Rosa's Plane Food

EXHIBIT G

Term: July 1, 2021- June 30, 2022

Grant Total: \$150,000

Service: Home Delivered meals to approximately 75 seniors five days per week

b. 400 MARY STREET., CALEXICO BUILDING PROJECT

The district developed an RFP during the fall of 2020 to modernize a building at 400 Mary Street., in Calexico. The building will be used to house community health programs, health fairs, health education, and house the district offices.

The demolition of the site was completed in 2021 and the district is in the process of obtaining permits to start construction.

c. URGENT CARE CENTER RFP

The district is in the process of developing an RFP to open an urgent care center in Calexico. The RFP is expected to be completed during the month of September. The 400 Mary Street site is a potential location for the center.

III: Summary/Determinations:

G.C. § 56430 (a) states; the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the sub region, or any other geographic area as its appropriate for an analysis of the service or service to be reviewed and shall prepare a written statement of its determination with respect to but not limited to the following:

1. Growth and population projections for the affected area	The estimated service area population is 40,351.
2. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, unincorporated communities within or contiguous to the sphere of influence.	<p>Building Project: 400 Mary Street</p> <p>The district developed an RFP during the fall of 2020 to modernize a building at 400 Mary Street, Calexico. The building will be used to house community health programs, health fairs, health education, and house the district offices.</p> <p>The demolition of the site was completed in 2021 and the district is in the process of obtaining permits to start construction.</p> <p>Urgent Care Center:</p> <p>The district is in the process of developing an RFP to open an urgent care in Calexico. The RFP is expected to be completed during the month of September. The district has identified 400 Mary Street as a potential location for the center.</p>
3. Financial ability of agencies to provide services.	<p>The 2021-2022 budget is attached to this report as Exhibit C.</p> <p>The most recent audited financial report completed by George J. Woo for the year ending June 30, 2020, is attached to this report as Exhibit E.</p>
4. Accountability for community service needs, including governmental structure and operational efficiencies.	<p>The district has a five-member Board of Directors accountable to its residents. The Board meets on the 2nd and 4th Wednesday of each month at 5:30pm.</p> <p>The meetings are broadcasted live, and public participation is encouraged.</p>

V. Analysis and Recommendation by the EO

Upon review of the districts business plan and financials it is the recommendation of the Executive Officer to continue to monitor the district and provide updates to the Commission as needed.

EXECUTIVE OFFICERS RECOMMENDATION

Given the review of the districts business and strategic plan, it is the recommendation of the Executive Officer to:

OPTION #1: APPROVE THE RECOMMENDATIONS OF THE EXECUTIVE OFFICER AS SET FORTH HEREIN.

- A.** Direct that HMHD provide the next annual update to their plan by April 2022 and then every five years thereafter.
- B.** Direct that HMHD not to subsidize the City of Calexico in any fashion unless and until approval from LAFCO is first obtained.
- C.** Direct that HMHD provide its audited financial report to LAFCO within 30 days of its completion.
- D.** Direct that HMHD provide its budget to LAFCO within 30 days of adoption.

Attachments:

EXHIBIT A: Sphere of Influence/Boundary Map
EXHIBIT B: LAFCO Resolution #2020-02
EXHIBIT C: Business Plan
EXHIBIT D: Audited Financial Statements ending June 30, 2020
EXHIBIT E: 2021-2022 Budget
EXHIBIT F: Grant with Vo Medical
EXHIBIT G: Grant with Rosas Plane Food

CC: HMHD