

MORROW COUNTY HEALTH DISTRICT BYLAWS

ADOPTED JANUARY 30, 2023

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ARTICLE 1 NAME, AUTHORITY, AND PRINCIPAL OFFICE

Section 1. Name

The name of this District shall be "Morrow County Health District."

Section 2. Authority

- (a) This District, having been established September 2, 1994, by an order of creation from the Morrow County Court of the State of Oregon as a health district under the provisions of Oregon Revised Statutes Chapter 440, and since said time having been operated thereunder, these Bylaws are adopted in conformance therewith and subject to the provisions thereof.
- (b) In the event of any conflict between these Bylaws and the Oregon Revised Statutes, the latter shall prevail. These Bylaws shall comply with all applicable federal, state and local laws and regulations. If any portion thereof is found to conflict with any local, state, or federal law or regulation, only that portion of the Bylaws shall be deemed null and void.
- (c) These Bylaws shall be known as the "District Bylaws."

Section 3. Principal Office

The principal office for the transaction of the business of the District shall be located in the state of Oregon. The Board of Directors may, at any time, change the location of the registered office within Oregon. This District may also have offices at more than one location in Oregon.

ARTICLE 2 POWERS AND PURPOSE

Section 1. Powers

- (a) This District has all powers necessary to carry out the purposes of ORS 440.315 through 440.410, including, but not limited to, the power:
 - (i) To provide directly or indirectly any physical or mental health related service.
 - (ii) To make any contract or agreement, to purchase and lease real and personal property, to enter into business arrangements or relationships with public or private entities and to create and participate fully in the operation of any business structure, including the development of business structures and arrangements for health care delivery systems and managed care plans.
 - (iii) To participate in community sponsored health screening, prevention, wellness, improvement or other activities that address the physical or mental health needs of district residents. Such participation may include clinical, financial, administrative, volunteer, or other support considered appropriate by the Board.

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- (iv) To perform any other acts that in the judgment of the Board are necessary or appropriate to accomplish the purposes of ORS 440.315 through 440.410.

Section 2. Purpose

- (a) The purpose of this District shall be in accordance with ORS 440.320 and may include, but is not limited to:
 - (i) To establish, maintain, and operate one or more health facilities or health services at any location within or without the territorial limits of the District for the benefit of the District and the people served by the District.
 - (ii) To acquire, maintain, and operate ambulances or ambulance services.
 - (iii) To establish, maintain, and operate, or provide assistance in the operation of health education programs, wellness and prevention programs, rehabilitation, aftercare, and such other health care services and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the District.

ARTICLE 3 BOARD OF DIRECTORS

Section 1. Election

The election of Board members shall be conducted as provided by these District Bylaws and ORS Chapter 255.

Section 2. Positions

The Director positions shall be Position 1, Position 2, Position 3, Position 4, and Position 5.

Section 3. Qualifications

- (a) No person shall be elected or appointed to the Board unless such person meets the qualifications for office set forth in these Bylaws.
- (b) No person shall be eligible to be a Board member who is not at the time of election or appointment a legal resident of Morrow County and has been for at least one year.
- (c) Persons employed by Morrow County Health District are not eligible to serve on the Board during their employment.
- (d) If questions exist regarding the eligibility of any candidate, the Board shall obtain an opinion from legal counsel prior to swearing in such person.

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Section 4. Oath of Office

Each newly elected or appointed Board member shall take an oath of office at a Board meeting prior to assuming the duties of the position.

Section 5. Term

Except where the Board is filling a vacancy on the Board, terms of office shall begin on July 1 of years in which special district elections are permitted. Each Board member so elected shall serve for a term of four years.

Section 6. Vacancies

- (a) Vacancies on the Board shall be filled by appointment by a majority of the remaining members of the Board. If a majority of the membership of the Board is vacant, or if a majority cannot agree, the vacancies shall remain open until such a majority can be reached.
- (b) The period of service of a person appointed to fill a vacancy shall expire on the June 30 after the next regular District election at which a successor is elected. The successor shall be elected to serve the remainder, if any, of the term of the position for which the appointment was made. If the term for which the appointment was made expires June 30 after election of the successor, the successor shall be elected to a full term. In either case, the successor shall take office July 1 next following their election.

ARTICLE 4 BOARD POWERS AND RESPONSIBILITIES

Section 1. Powers

- (a) The Board of Directors shall be responsible for the oversight of all operations and affairs of the District and its facilities according to the best interests of the public health. The Board of Directors shall make and enforce all rules and regulations necessary for the administration, governance, protection, and maintenance of hospitals and other facilities under its jurisdiction.
- (b) Members of the Board of Directors shall and may exercise authority with respect to the District and its affairs only when acting as part of the Board of Directors and during Board of Directors' meetings or meetings of authorized committees of the Board of Directors, excepting the Chair of the Board of Directors, who is expected to confer with the District's Chief Executive Officer regarding Board of Directors' and committee agendas and other matters between scheduled meetings of the Board of Directors. As individuals, Directors may not commit the District to any agreement, act, or expenditure. Board Members do not have individual authority over hiring, discipline or other employee matters.
- (c) No individual Board member may speak for or act on behalf of the Board or District, except as authorized to do so by official Board action as recorded in the official minutes, guidelines or resolutions of the District.

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- (d) It is the policy of the Board of Directors to exercise those powers granted to it, and to carry out those duties assigned to it by law, in such a way as to best meet the needs of the District.
- (e) Board members act as representatives of the citizens of the District. Therefore, Board members shall adhere to the highest ethical standards in the conduct of District business.

Section 3. Subordinate Organizations

The Board shall, by resolution, create a Medical Staff and any other subordinate organizations or committees that it may deem necessary to carry out the purposes of the District. The Board may delegate certain powers to the Medical Staff and other subordinate organizations in accordance with their respective bylaws. All powers and functions not expressly delegated in the Medical Staff Bylaws are to be considered residual powers still vested in the Board of Directors. The District Bylaws shall override any provisions to the contrary in any bylaws, rules, regulations, or policies of any of the subordinate organizations. In case of conflict, the provisions of the District Bylaws shall prevail.

Section 4. Delineation of Board and CEO Responsibilities

- (a) The Board of Directors for the Morrow County Health District has direct responsibility only for the Chief Executive Officer (CEO). The CEO is delegated responsibility by the Board for the operation of the organization, the oversight of all staff, and for the oversight of the medical providers. In this role, the CEO will act within guidelines set by the Board.
- (b) The CEO shall not allow any organizational activity, circumstance, or decision that is unlawful, imprudent, or in violation of commonly accepted health care administration ethics and practices.
- (c) The CEO may not risk fiscal jeopardy or allow a material deviation of actual expenditures from the Board's priorities without prior discussion and approval from the Board.
- (d) All Board members will participate in a performance evaluation of the Chief Executive Officer (CEO) at least annually. The evaluation will take place during an executive session and will include the establishment of goals for the coming year that are mutually agreed upon between the Board and the CEO.

Section 5. Compliance Officer Direct Report

- (a) The District shall employ a Compliance Officer for the day-to-day administration and oversight of the District's Ethics and Compliance Program. The Compliance Officer shall make periodic reports directly to the Board regarding compliance matters and shall be authorized to report such matters to the Board at any time.
- (b) The Board will participate in the recruitment, hiring, and annual performance evaluation of the Compliance Officer.

**ARTICLE 5
BOARD FIDUCIARY DUTIES**

Section 1. Duty of Care

- (a) Board members must discharge their duties with the care an ordinary prudent person in a like position would exercise under similar circumstances in accordance with ORS 65.357. Board members must act with common sense and informed judgment.
 - (i) Active participation. Board members must actively participate in the management of the organization including attending periodic meetings of the Board, evaluating reports, reading minutes and reviewing the performance of the Chief Executive Officer.
 - (ii) Reasonable inquiry. Board members should request and receive sufficient information so that they may carry out their responsibilities as Directors.

Section 2. Duty of Loyalty

- (b) Board members have a duty to give their undivided loyalty to the District. Decisions regarding the District's funds and activities must promote the District's public purpose rather than private interest.
 - (i) Conflicts in general. While transactions between the District and individual Board members, their families, and businesses they own or operate should be avoided, they are not absolutely prohibited. Under certain circumstances, a contract or transaction between the District and a Board member in which the Board member has a material or financial interest is acceptable. However, if the transaction is challenged, the Board member will have the burden of establishing that the contract or transaction is fair and reasonable, that there was full disclosure of the conflict and that the contract or transaction was approved by the Board of Directors in good faith in accordance with ORS 65.361. The Board should only approve the transaction if it is clearly in the best interest of the District.
 - (ii) Written policy. The Board will observe the District's *Conflicts of Interest* policy. Board members will disclose financial interests and withdraw from discussion and voting when a conflict of interest arises. Any transactions benefiting a Board member may be approved only by a greater than majority vote. Board members will formally disclose any conflicts of interests or their business involvement with the District annually.
 - (iii) Loans. In general, the District may not lend money to an officer or director with one exception in which the law allows loans for executive relocation expenses under certain circumstances in accordance with ORS 65.364.
 - (iv) Corporate opportunity. Board members of the District are under a fiduciary obligation not to divert a corporate business opportunity for their personal gain. A Board

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member may not engage or benefit from a corporate opportunity that is available to and suitable for the District unless the District decides not to engage in the corporate opportunity and conflicts of interest procedures are followed.

Section 3. Duty of Obedience

Board members have a duty to follow the District's governing documents to carry out the District's mission and to ensure that funds are used for lawful purposes. Board members must comply with other state and federal laws that relate to the District and the way in which it conducts its business.

ARTICLE 6 BOARD OFFICERS

Section 1. Officers

- (a) The officers of this District shall be Chair, Vice Chair, Treasurer, and Secretary who shall be chosen by the Board of Directors.
- (b) There shall be a regular election of officers annually. Each officer so elected shall serve for a term of one year, provided that any officer may resign at any time or be removed by a majority vote of the Board at any regular or special meeting of the Board of Directors. In the event of a resignation or removal of an officer, the Board of Directors shall elect a successor to serve for the balance of that officer's unexpired term.
- (c) The Board of Directors may also establish additional officers if it desires, and prescribe their duties, qualifications and terms of service provided such terms may not extend past the next regular election of officers.

Section 2. Chair

- (a) The Board of Directors shall elect one of its members to act as Chair, as set forth in Section 1 of this Article, and if at any time the Chair shall be unable to act, the Vice Chair shall take the Chair's place and perform the Chair's duties. If the Vice Chair shall also be unable to act, the Board of Directors may appoint someone else to do so, in whom shall be vested, for the time being, all the functions and duties of the office of the Chair. The Chair, or officer acting as such, shall:
 - (i) Preside over all the meetings of the Board of Directors.
 - (ii) Call Special Meetings of the Board as described by the Oregon Public Meetings Law.
 - (iii) Consult with the CEO regarding the preparation of each Board meeting agenda.
 - (iv) Sign and execute in the name of the District all contracts and all other instruments in writing which have been authorized by the Board of Directors. The Board of Directors may, by resolution, designate any other person or persons to execute in the name of

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the District all contracts and all other instruments in writing which have been authorized by the Board of Directors.

- (v) Have the same right as other members of the Board to discuss and to vote on questions before the Board.

Section 3. Vice Chair

In the absence or inability of the Chair to serve, the Vice Chair shall perform the duties of the Chair. The Vice Chair shall have such titles, perform such other duties, and have such other powers as the Board of Directors shall designate from time to time.

Section 4. Treasurer

The Treasurer shall ensure that the CEO has assigned staff to keep correct and accurate accounts of the property and financial records and transactions of the District, and in general, supervise or perform all duties incident to the office of Treasurer and such other duties as may be prescribed by the Board of Directors or as required by law. All duties of the Treasurer will be delegated to the Chief Financial Officer.

Section 5. Secretary

The Secretary shall ensure that the CEO has assigned staff to keep the minutes of all meetings of the Board of Directors, send or cause to be sent appropriate notices and agendas for all meetings of the Board of Directors, and exercise such other powers and perform such other duties as may be prescribed by the Board of Directors or as required by law. All duties of the Secretary will be delegated to the CEO.

ARTICLE 7 BOARD MEETINGS

Section 1. Preparation for Board Meetings

- (a) The Agenda and any supplemental documents to be considered shall be given to each member at least twenty-four hours prior to any regularly scheduled Board meeting.
- (b) The proposed Agenda will simultaneously be distributed to local news media and posted at one or more locations convenient for review by District personnel and the public.

Section 2. Board Meeting Agenda

- (a) The CEO shall draft the Agenda after conferring with the Board Chair. The following general order shall be observed:
 - (i) Call to Order
 - (ii) Public Comments

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- (iii) Approval of Meeting Minutes
- (iv) CEO Report and Executive Team Dashboard
- (v) Consent Agenda
- (vi) New Business
- (vii) Old Business
- (viii) Executive Session
- (ix) Adjourn

Section 3. Notice of Meetings

- (b) Public notice shall be provided, reasonably calculated to give actual notice to interested persons including news media which have requested notice, of the time and place for all regular meetings in accordance with ORS 192.640. The notice shall include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.
- (c) If an executive session only will be held, the notice shall be given to the general public and to news media which have requested notice, stating the specific provision of law authorizing the executive session.
- (d) No special meeting shall be held without at least twenty-four hours' notice to the general public and to news media which have requested notice.
- (e) In case of an actual emergency, a meeting may be held upon such notice as is appropriate to the circumstances, but the minutes for such a meeting shall describe the emergency justifying less than twenty-four hours' notice.

Section 4. Location of Meetings

All meetings shall be held in accordance with ORS 192.630 and within the geographic boundaries of the District, except for training sessions held without any deliberative action. No meeting shall be held in any place where discrimination on the basis of race, creed, color, sex, age, national origin, or disability is practiced.

Section 5. Electronic Communications

- (a) Notice and opportunity for public access shall be provided when meetings are conducted by electronic means in accordance with ORS 192.670.

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- (i) For nonexecutive session meetings held by telephone or other electronic means of communication, the public shall be provided at least one place where individuals may listen to the meeting by speakers or other devices upon request. In the alternative, the public may be provided with the access code or other means to attend the meeting using electronic means.
- (ii) The media shall be provided access to a listening location whenever executive sessions are conducted electronically upon request, unless such executive sessions are exempt from media attendance pursuant to the Public Meetings Law. In the alternative, the media may be provided with the access code or other means to attend the meeting using electronic means.

Section 6. Accommodations for the Hearing Impaired

- (a) The District shall provide interpreters for the hearing impaired at Board meetings, in accordance with the following rules:
 - (i) The District shall make a good faith effort to have an interpreter for hearing impaired persons provided at any regularly scheduled meeting if the person requesting the interpreter has given the District at least forty-eight hours' notice of the request, provided the name of the requester, the requester's sign language preference, and any other relevant information which the District may require.
 - (ii) If a meeting is held upon less than forty-eight hours' notice, the District shall make reasonable efforts to have an interpreter present.
 - (iii) The requirement for an interpreter does not apply to emergency meetings.
 - (iv) The Chief Executive Officer shall have the responsibility for making the required good faith effort to arrange for attendance of an interpreter at any meeting for which an interpreter is requested.

Section 8. Board Meeting Conduct

- (a) All meetings shall be conducted in accordance with the Oregon Public Meetings Law.
- (b) Presiding officer. The Chair shall preside at Board meetings. In the Chair's absence, the Vice Chair shall preside. If both the Chair and Vice Chair are absent, the Board shall select one of the attending Board members to preside.
- (c) Authority to conduct meetings. The Chair or other presiding officer at any Board meeting shall have full authority to conduct the meeting. Meetings shall be conducted in such a manner as to provide a full and fair opportunity for discussion of the issues in an efficient and timely manner. Any decision of the Chair or other presiding officer at the meeting may be overridden by a majority vote of the Board.

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- (d) Public participation. If public participation is to be a part of the meeting, the presiding officer may regulate the order and length of appearances, and limit appearances to presentations of relevant points. Persons failing to comply with the reasonable rules of conduct outlined by the presiding officer, or causing any disturbance, may be asked or required to leave. Failure to do so, such persons becomes trespassers.
- (e) Electronic equipment. The authority to control the meetings of the Board extends to control over equipment such as cameras, tape recorders, and microphones. The presiding officer shall inform persons attending any meeting of the Board of reasonable rules necessary to assure an orderly and safe meeting. The physical comfort and safety of members of the Board and the public attending the meeting shall be of primary concern in formulating such rules.
- (f) Recording of votes. Votes shall be recorded. Any member may request that their vote be changed, if such request is made prior to consideration of the next order of business.
- (g) Quorum requisites. Three Board members shall constitute a quorum. If only a quorum is present, a unanimous vote shall be required to take final action.
- (h) Vote explanations. Members of the Board may append to the record, at the time of voting, a statement indicating either the reason for their vote or abstention.
- (i) Conflicts of interest. In the event of a conflict of interest, a member of the Board shall declare such conflict and abstain from voting. In the event any member of the Board has had any ex parte contact regarding a matter, the member shall declare such contact prior to participating in any vote on the matter. An ex parte communication occurs when a Board member in a quasi-judicial proceeding communicates, directly or indirectly, with any person or party in connection with a matter before the Board, absent of notice and opportunity for all parties to participate. The term ex parte literally means "one-sided."

Section 9. Executive Sessions

- (a) Executive sessions shall be held only for the purposes described in ORS 192.660.
- (b) The Board shall not take any votes during any executive session, nor make any final decisions during any executive session. This policy, however, shall not prohibit full discussion of Board members views during executive sessions.
- (c) The Chair or other presiding officer shall announce the statutory authority for the executive session before going into closed session. Once the executive session has been convened, the Chair shall direct any representatives of the news media who are present not to report certain specified information from the executive session.
- (d) Board members, staff and other persons present shall not discuss or disclose executive session proceedings outside of the executive session without prior authorization of the Board as a whole.

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Section 10. Meeting Minutes

- (a) The Board shall keep written minutes of all of its meetings in accordance with the requirements of ORS 192.650. Minutes of public meetings shall include at least the following information:
 - (i) All members of the Board present.
 - (ii) All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition.
 - (iii) Results of all votes.
 - (iv) The substance of any discussion on any matter.
 - (v) Subject to ORS 192.445 - 192.502 relating to public records, a reference to any document discussed at the meeting.
- (b) Minutes of executive sessions shall be kept separately from minutes of public meetings. Minutes of executive sessions may be kept in writing, in the same manner as minutes of public sessions.

ARTICLE 8 DISCLOSURE AND RETENTION OF MINUTES

Section 1. Disclosure

- (a) Written minutes of public sessions shall be made available to the public within a reasonable time after the meeting in accordance with ORS 192.650.
- (b) If disclosure of material in the executive session minutes would be inconsistent with the purpose for which the executive session was held, the material may be withheld from disclosure. No executive session minutes may be disclosed without prior authorization of the Board and in accordance with ORS 192.650.

Section 2. Retention

Any written minutes of public Board meetings or executive sessions shall be retained by the District until such time as their disposal is authorized by the State Archivist pursuant to ORS 192.105.