

**BOARD OF UNION COUNTY COMMISSION
REGULAR MEETING
January 9, 2018**

UNION COUNTY, NM
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1 of 10
BY Brenda Green

BOARD MEMBERS PRESENT:

Chairman Justin Bennett Commissioner Walter C. Hall Commissioner W. Carr Vincent

OTHERS PRESENT:

Clerk Mary Lou Harkins Treasurer Brandy Thompson Sheriff James Lobb
Mgr. Angie Gonzales Admin. Asst. Cheryl Garcia Superintendent Russell Kear

GUESTS:

Senator Pat Woods Sue Richardson, Reporter - Union County Leader
Keith Barrus, Interim President - Union County Community Development Corporation
Terri Martinez, CFO - Union County General Hospital
Tammi Stump, CEO - Union County General Hospital
Judy Steen

At 9:05 a.m., Chairman Bennett called the meeting to order, in the Union County Commissioner's Office, located in the Union County Courthouse. The Pledge of Allegiance was recited.

Commissioner Vincent moved to approve the agenda, the regular meeting minutes of December 12, 2017, and the special meeting minutes of December 20, 2017. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried. Minutes signed.

HOSPITAL REPORT

Tammie Stump, CEO, distributed copies of the "County Commissioner Monthly Report, Union County General Hospital, Tammie Stump, CEO, January 9, 2018", attached as an exhibit. Stump reported on the following: Dr. Van Wormer Update, Physician Recruitment, Rural Health Clinic Update, Chief Clinical Officer Update and Business Office/Revenue Cycle Update. Stump spoke regarding but not limited to the following: contacts made with county lobbyist Clint Harden, Congressman Pierce and Lujan-Grisham about Dr. Van Wormer's re-credentialing and re-certification; Rural Health Care Clinic final application has been sent in; and Stacye Bradley has been named as the new Chief Clinical Officer. Stump reported that Aiden M. O'Rourke, MD who specializes in Acute Care, Trauma, Endoscopy and General and Advanced Laparoscopic Surgery, will begin providing part-time service on January 10, 2018. A copy of Dr. Aiden's resume was provided to the board. Stump reported on the Enhanced Nurse Licensure Compact (eNLC) issue. Senator Woods briefly and positively spoke about the proposed legislation in regards to the Enhanced Nurse Licensure Compact.

Terri Martinez, CFO, supplied a copy of the "Clayton Health Systems, December 28, 2017, Notes to Financial Statements, Period Ending November 30, 2017", and "Clayton Health Systems, Inc., Union County General Consolidated, Executive Financial Summary - 4 Months FY 2018", attached as exhibits. Martinez spoke regarding but not limited to the following: income statement, balances, statistics, revenues and expenses, balances, cash on hand, and CD balances. Martinez reported that a request for distribution of mill/GRT monies in the amount of \$106,000.00 has been submitted to Mgr. Gonzales for board approval.

Martinez and Stump gave an update on billing issues. Martinez extended an invitation to the board to attend the hospital board meeting on January 31st at 3:00 p.m. for the exit audit meeting. Mgr. Gonzales requested a copy of the audit report for the county.

DISCUSSION/POSSIBLE ACTION ITEMS

RATIFICATION OF ACTION FOLLOWING THE CLOSED EXECUTIVE SESSION OF DECEMBER 20, 2017 CONCERNING SETTLEMENT OF REFUND CASES BROUGHT BY OXY USA, INC., OXY USA INC. VS NMTRD AND OXY USA INC. V FRANKIE J. ARAGON

Pursuant to the emergency meeting on December 20, 2017, Mgr. Gonzales was advised by county attorney Stephen Ross, that action taken during that meeting be ratified.

Commissioner Vincent moved to ratify the action following the closed executive session of December 20, 2017, concerning the settlement of refund cases brought by Oxy USA, Inc. (OXY USA Inc. vs NMTRD and OXY USA Inc. vs. Frankie J. Aragon) Commissioner Hall seconded. Vote: All YES. Motion carried.

CLAYTON SCHOOL DISTRICT PURCHASE AND SALE AGREEMENT

No discussion. No Action.

Commissioner Vincent moved to table the Clayton School District Purchase and Sale Agreement. Commissioner Hall seconded. Vote: All YES. Motion carried. Item tabled.

RESOLUTION #106-19 NMFA GRENVILLE FIRESTATION ADDITION APPLICATION

A proposed resolution authorizing and approving submission of a completed application for financial assistance and project approval to the New Mexico Finance Authority was reviewed and discussed. Mgr. Gonzales reported that the Grenville Fire Department intends on adding two (2) bays to the station. The proposed resolution being a prerequisite to a loan with the New Mexico Finance Authority for the project's loan.

Commissioner Vincent moved to approve Resolution #106-19 NMFA Grenville Fire Station Addition application. Commissioner Hall seconded. Vote: All YES. Motion carried. Resolution signed.

RESOLUTION #106-22 OPEN MEETINGS/MARCH, JUNE & NOVEMBER DATES

A proposed resolution to conclude and determine in whatever manner reasonable notice shall be given to the public relative to the formulation of public policy, discussion of public business, or when formal action is taken by the Board of County Commissioners of Union County, New Mexico, or any of its agencies, authorities, commissioners, committees, or other policy-making bodies was reviewed and discussed. Additionally, the regular meeting dates of March, June, and November were discussed and new dates were discussed. Date change required to accommodate various election activities.

Commissioner Vincent moved to approve Resolution #106-22 Open Meetings Action Policy for Union County and to change the regular meeting days in March, June and November from the second Tuesday of these months to March 14th, June 8th, and November 9th. Commissioner Hall seconded. Vote: All YES. Motion carried. Resolution signed.

RESOLUTION #106-23 CHECKING ACCOUNT DEPOSITORY

A proposed resolution designating the county checking account depository was reviewed. By state law, the checking accounts of Union County must be deposited in one or more banks or savings and loan associations. After discussion, the board determined that all local banks and other banks were deemed qualified pursuant to state statute.

RESOLUTION #106-24 SHORT TERM INVESTMENT FUND

A proposed resolution whereby county officers, specifically Chairman Bennett, Members Hall and Vincent or their successors are to be authorized to order deposit or withdrawal of monies in the local short-term investment fund until authority is revoked by action of the board was reviewed and discussed.

RESOLUTION #106-25 INVESTMENT POLICY

Treasurer Thompson spoke about a proposed resolution by the Union County Board of Finance which establishes the Union County Investment Policy. The resolution includes an attached exhibit "A" establishing said policy. Resolution reviewed and discussed.

RESOLUTION #106-26 QUALIFIED DEPOSITORIES/INTEREST BEARING DEPOSIT

A proposed resolution listing qualified depositories and rules regarding the distribution of county interest bearing deposits was reviewed and discussed.

RESOLUTION #106-27 DWI APPLICATION FY 2019

A proposed resolution authorizing the county to submit an application to the Department of Finance and Administration, Local Government Division to participate in the local DWI grant and distribution program was reviewed and discussed.

Commissioner Vincent moved to approve Resolutions #106-23 Checking Account Depository, Resolution #106-24 Short Term Investment Fund, Resolution #106-25 Investment Policy, Resolution #106-26 Qualified Depositories/Interest Bearing Deposit, and Resolution #106-27 DWI Application FY 2019. Commissioner Hall seconded. Vote: All YES. Motion carried. Resolutions signed.

RESOLUTION #106-28 MILEAGE AND PER DIEM

A proposed resolution governing mileage and per diem compensation pursuant to section 10-8-4, et seq. NMSA 1978 was reviewed and discussed. Mgr. Gonzales explained the schedules for reimbursement.

Commissioner Vincent moved to approve Resolution #106-28 Mileage and Per Diem. Commissioner Hall seconded. Vote: All YES. Motion carried. Resolution signed.

COURTHOUSE ROOF REPAIR PROJECT

Mgr. Gonzales handed out a copy of a "Condition Report & Recommendations" to the board for review and consideration. Said report dated December 18, 2017, and prepared by j3 Systems. The report contained purpose, general observations, overall roof conditions, and recommendations. Gonzales explained that j3 Systems was the subcontractor for Colt Builders during the recent building repairs. Because of historic nature of the main

courthouse structure including the tin shingles, the existing coating is in poor condition and should be replaced. Discussion followed.

On another note, Commissioner Hall commented that the Rabbit Ear Fire Department roof needs repair as well.

At 10:05 a.m., the meeting recessed for a short break. At 10:12 a.m., the meeting resumed.

Commissioner Vincent moved to direct Mgr. Gonzales to contact Colt Builders and architect Dave Little and ask that they compile a detailed estimate, the scope of work detailing the required work, and to identify the structural problems. A brief discussion about the deteriorating sandstone followed. Commissioner Hall seconded. Vote: All YES. Motion carried.

CITIZEN'S FORUM

Judy Steen gave an update the National Wreaths Across America Program. The program was a huge success with many volunteers and attendees.

Keith Barrus, Interim President - Union County Community Development Corporation gave an update on the Union County Community Development Corporation. The office has moved from 124 Main Street to 13 Main Street. The copy center for small businesses has also been moved to the new location. A board meeting will be held later on this month to re-establish the direction, project, and goals for the organization. The organization has been working with Tim Hagaman of the New Mexico Economic Development Department, New Mexico True and others on the Rural Pathway Project to assist local tourism with Northeast New Mexico's pathways and trails.

Senator Pat Woods spoke about various legislative issues including but not limited to the following: senior services, gun control bills, coyote hunting bill, home schooling, enhanced nurse licensure, SB 37 welfare cliff, senate and house sexual harassment policy, healthcare reform, vacancies in state government positions, vacancies within the Public Regulation Commission of the fire marshall and the marshall's assistant; and fire funds.

Chairman Bennett addressed Senator Woods with regards to New Mexico State University President appointment.

APPROVAL OF BILLS

The board reviewed and discussed bills in the amount of \$152,977.89 and considered the hospital's request for Mill Levy/GRT ditribution in the amount of \$106,964.00.

Commissioner Vincent moved to approve the payment of bills in the amount \$152,977.89 and distribution of Mill Levy/GRT monies in the amount of \$106,964.00 for a total of \$259,941.89. Commissioner Hall seconded. There being no further discussion. Vote: All YES. Motion carried.

ROAD CROSSING PERMITS

No permits presented for approval.

INVENTORY ITEMS DISPOSITION

No items presented for disposition.

HEALTH CARE ASSISTANCE PROGRAM - Approval of Claims

Claims for the Health Care Assistance Program were reviewed. A total of five (5) claims were considered in the amount of \$770.13. Discussion followed.

Commissioner Vincent moved to approve the payment of five (5) claims in the amount of \$770.13. Commissioner Hall seconded. Vote: All Yes. Motion carried.

COUNTY TRAVEL REQUESTS

The following employees reported/requested travel approval: Sheriff Lobb reported that **Undersheriff Mike Shumate** will travel to Artesia for Firearms Instructor training January 22nd through February 2nd and **Deputy Sheriff Luke Hall** attended Radar Certification Class in December and **Undersheriff Mike Shumate** and **Deputy Sheriff Curtis Skaggs** attended a Patrol Response Crisis Situation Training **December 11th – 15th**; **Sheriff Lobb, Treasurer Thompson, Chairman Bennett, Commissioners Hall and Vincent, Clerk Harkins and Deputy Clerk Green, GIS/Mapper Hollie Cruz and Deputy Assessor Louis Trujillo** will be attending the Mid-Winter Legislative Conference in Santa Fe during the week of January 14th as well as the Legislative Luncheon in Santa Fe on January 22nd. **Mgr. Gonzales** and **Assessor Aragon** will also be attending the luncheon on the 22nd. All travel approved.

UNION COUNTY STRATEGIC PLAN WITH NM ECONOMIC DEPARTMENT

Chairman Bennett reported that he will meet either before or after the legislative luncheon on January 22nd with Raymond Mondragon, the Economic Development Director - Eastern Plains Council of Governments, Tim Hagaman, Regional Representative - New Mexico Economic Development Department and possibly the town of Clayton's manager Ferron Lucero and/or Mayor Jack Chosvig to further discuss securing a grant for and the preparation of a strategic plan.

ROAD SUPERINTENDENT'S REPORT

Kear reported on the following: Weatherly Road project update; routine road maintenance; cattle guard replacements; road repair is difficult because of the dry conditions; and routine equipment maintenance; Superintendent Kear spoke about a cattle guard request in Des Moines between Jinete Road and Weatherly Road on Hwy 64/87. This is a private road on a school bus route that needs maintenance and installation of a cattle guard. The entrance to the road is gated and school bus drivers are not required to open and close gates. Kear spoke with the NM Department of Transportation as was advised that the gate is not the State's because the gate is set back and out of the fence line. This road is considered a private road. Discussion followed and was addressed with Senator Woods. Woods agreed that change needs to be made so that private roads that are school bus routes may be maintained without risk of the anti-donation clause. Senator Woods will look into this issue.

EMERGENCY MANAGER REPORT

Manager Russell submitted a copy of his "Emergency Manager's Report – December 2017", updated on January 9, 2018, and a copy of proposed Road Closure Information. Russell reported on the following: **LEPC (Local Emergency Planning Committee)** the next meeting will be on January 17, 2018, at the Sheriff's Office; **SHSGP (State Homeland Security Grant Program)**; grant for the battery backups on Sierra Grande and the police department is complete and with money left over to be used possibly for communications; **EMPG (Emergency Management Performance Grant - Salary Grant)** nothing to report; **Hazard Mitigation** grant was submitted

on September 29th, no update; **Incident Command Classes (IC)** elected officials, county and town managers are encouraged to take the IS 402 classes; **Winter Weather Information** (Road Closure Information) flyers have been distributed to the 5 states group for consideration and have been approved; LEPC needs to approve of the flyer before distribution; a defensive driving class will be held on January 23rd at 9:30 a.m., at the Sheriff's Office; on January 24th, there will be a meeting with a Colorado Department of Public Safety regarding winter road closures; on Friday at 10:00 a.m., Russell, Fire Chief Justin Drum and Fire Coordinator Jim O'Bryant will be meeting with Mike Waring of FirstNet about emergency communications through AT&T, at the EMS building.

Chairman Bennett asked about recent dispatch issues. Russell commented that the issue is isolated to a single dispatcher and has been addressed.

FIRE COORDINATOR - N/A

ELECTED OFFICIALS REPORTS

Sheriff Lobb reported on the following: citations, warnings, civil services, offense incidents/crash/accident reports, various arrests, and transports.

Treasurer Thompson reported that taxes are 71% collected. Thompson will be meeting with Brenda from DFA while she is at the legislative conference about yield control and tax reform.


Clerk Harkins reported on the following; Municipal Election activities; and Primary Election candidate declaration day is on March 13th.

Commissioner Vincent reported that while in Santa Fe attending the legislative conference, he intends on speaking a designee about the military surplus program and their requirements. Vincent will also be speaking with a designee about the Game and Fish Department and the antelope hunt.

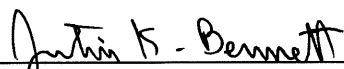
Chairman Bennett reported that Kate Ziegler, Zeigler Geologic Consulting/New Mexico State University, has recently been awarded a 1.2 -1.5 million dollar grant through USDA for a water study in northeastern New Mexico and southeast Colorado.

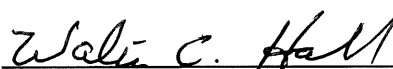
Meeting Announcements: The next regular meeting will be held on Tuesday, February 13, 2018, at 9:00 a.m.

ADJOURN: At 1:30 p.m., Commissioner Vincent moved to adjourn the meeting. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried. Meeting adjourned.

ATTEST
SEAL
SEAL

Mary Lou Harkins - Clerk

**Board of County Commission
Union County, New Mexico**


Justin K. Bennett - Chairman


Walter C. Hall - Vice Chairman


W. Carr Vincent - Member

County Commissioner Monthly Hospital Report
Union County General Hospital
Tammie Stump, CEO
January 9, 2018

Dr. Van Wormer Update:

- Two weeks ago, I was invited to lunch with Congressman Steve Pearce (He is running for Governor). I spoke to him about the difficulties we were having with getting Dr. Van Wormer CMS re-certified. He voiced a willingness to assist us if I would write him a letter with the necessary information to look into it for us.
- I wrote a letter for which I sent to Congressman Steve Pierce, Congresswoman Michelle Lujan Grisham (also running for Governor), Congressman Lujan, Senator Heinrich and Senator Udall.
- Since this time, I have had multiple phone conferences and email updates from Congressman Pierce's office and Congresswoman Grisham's office.
 - These offices have contacted CMS requesting time lines as to his approval or hold up.
 - They have also been calling CMS daily to assist us.
 - Friday, January 5th, I received an email from Joanne Lucas, Division of Enrollment Operations; which stated that they had been assigned to look into the application of Dr. Van Wormer and to ensure the case is marked high priority.
 - This morning I received an email from Congressman Pearce's office stating that they talked to Novitas-Solutions this morning and that Novitas has received multiple inquiries on this case from political leaders and that they believe it will be in their system approved shortly and will give the Congressman's office an update shortly.

Physician Recruitment Update:

- I have been working with CHC on recruitment of physicians. Pacific Companies was able to get us a few different candidates in to the facility for site interviews. For which we offered two of the candidates' positions and even had signed approved contracts for. However, both candidates failed to be able to obtain a New Mexico physician's license. Since so much time has elapsed, we have lost all momentum from the mailers that were sent. I approved the new mailers for Pacific to send out last week. My concern was the cost of the new mailers, approximately \$15K. I spoke with Pacific Companies and they allowed me to get 2017 prices for the mailers, but would not invoice us until the end of January. So, we are moving forward.
- In addition, we have started discussions with a rural health group that assist in placing J1 Visa providers. They only accept so many in the state of NM, and the deadline for our application is September 2018.

Rural Health Clinic Update:

- Since Dr. Adam's was not able to obtain a NM physician license, we are moving forward with the Rural Health Clinic. I sent the final application to the state a week and half ago. We are finalizing the policies yesterday and today and have scheduled in-service with all clinic staff this Wednesday afternoon on the policies and survey preparation.
- We are going with The Compliance Team for accreditation. The only missing pieces that are owed to the compliance team prior to survey is: 1) approval from NM state DOH and 2) a document that list all the staff, to include providers. We have waited on this, since Dr. Van Wormer cannot be this provider until he is re-certified with CMS. Dr. Foutch has approved of the hospital to use his name as the Medical Director of the RHC and for the Collaboration Agreement which is mandatory for CNPs.

- We do not have a director/manager in the clinic currently, so I am working with them daily.

Chief Clinical Officer Update:

- I have been working hard to provide service to the hospital in the CEO and CNO role, and it has been many long hours trying to do a good job at both. So, I am happy to announce that I am naming Stacye Bradley as the new Chief Clinical Officer. She will be taking over not only the nursing supervisor role, but also taking some other clinical departments as well.

Business Office/Revenue Cycle Update:

- We are almost half way through the 9 weeks of mandatory Business Office training and lots of good information and questions have been brought to light.
- Jackie Henderson, Business Office Consultant is on-site and working to assist us in the clean-up and education. She will also be putting in processes so that we don't end up back here in the future.
- We have hired a permanent Business Office director who should be starting mid-January.
- We are interviewing for a permanent HIM director, we have an on-site interview this week. One of our float nurse techs is filling in and doing a great job of what she can do.
- We started with the new coding company a couple of weeks ago. 3M (the terminated company), continues to have a backlog of cases we are working with them to clean up.
- We will continue the Revenue Cycle Corrective Action Plan until complete.

CLAYTON HEALTH SYSTEMS

DECEMBER 28, 2017

NOTES TO FINANCIAL STATEMENTS

Period Ending November 30, 2017

INCOME STATEMENT:

1. Gross Patient Revenues for November 2017 were \$1.047M.
2. Total Net patient revenue for the month, after deductions of \$306K, was \$741K.
3. Total MTD net revenues, after all other revenues were \$880K.
4. Operating expenses for November were \$914K.
5. Operating margin of (\$127K) before subsidies (Mill/GRT) and (\$34K) after subsidies. YTD, we have an operating margin of (\$396K).

YTD Budget to Actual Variances is as follows:

Gross Patient Revenues are under budget by \$2M.

Total Net Patient Revenues are under our projected YTD budget by \$505K.

Overall expenses are under budget by \$125K

Salary/Benefits are over budget YTD by \$204K. This includes but is not limited to Dr. Van Wormer's salary for ER because it falls here instead of Professional fees.

Professional fees/Purchased Services are under budget by \$275K. Partly due to VanWormer being salaried and included in that line item but budgeted in Pro-fees.

Pharmacy, Medical, Office Supplies are under budget by \$63K.

Other operating expenses (postage, subscriptions, dues, licenses, taxes, maintenance, lease, utilities, travel and education) are over budget by \$71K. Includes physician recruiting and Audit Invoices.

Depreciation and Interest are under budget by \$63K. This is due to the corrections and updates to the Fixed Asset Schedule after the completion of the budget.

BALANCE SHEET:

6. Clayton Health Systems has total cash and equivalents of \$1M.
 - a) Bank account reconciled.
 - b) CD Balances: Total = \$1,869M
 1. F&S - \$126,089.56
 2. F&S - \$551,797.74
 3. F&S - \$503,014.24
 4. FNB - \$505,384.27
 5. FNB - \$182,554.64
7. Net Patient AR YTD is \$699K.
8. Accounts Payable total \$604K.
9. Estimated 3rd party settlements \$714K. Includes \$925K SNCP payable and \$210K receivable for the Medicare Cost Report Settlement.
10. Current Portion of Long Term Debt is \$226K.
11. Days Cash on Hand is 37.

STATS:

1. Total Admissions YTD are 72, we are under budget by 31.
2. Clinic Visits YTD are 1663 under budget YTD by 714.
3. Other OP visits/lab/x-rays are under budget by 292.
4. Surgeries/GI Procedures are under budget by 55 YTD.

5 Months FY 2018

Unaudited

KEY STATISTICS					
	11/30/17 ACTUAL	11/30/17 Budget	YTD ACTUAL	YTD BUDGET	YTD VARIANCE
Total Admissions	17	26	72	103	(31)
Total Patient Days	62	89	360	352	8
Average Length of Stay Total	3.65	3.41	5.00	3.40	(1.60)
Total Emergency Room Visits	324	298	1,654	1,490	164
Outpatient Visits (NOT CLINIC)	302	326	1,820	2,112	(292)
Total Surgeries	0	4	12	20	(8)
Total GI Procedures	4	11	18	65	(47)
STATEMENT OF REVENUE AND EXPENSES - YTD					
	11/30/17 ACTUAL	11/30/17 BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE
Revenue:					
Gross Patient Revenues	\$1,047,188	\$1,372,111	\$5,689,697	7,694,894	(2,005,197)
Deductions from Revenue	(306,302)	(628,788)	(2,109,997)	(3,609,986)	1,499,989
Net Patient Revenues	740,886	743,323	3,579,700	4,084,908	(505,208)
Other Revenue	138,990	150,984	690,312	754,920	(64,608)
Total Net Revenues	879,876	894,307	4,270,013	4,839,828	(569,815)
Expenses:					
Salaries, Benefits & Contract Labor	489,617	440,490	2,439,456	2,235,368	204,088
Professional Fees	39,700	106,740	240,033	515,820	(275,787)
Purchased Services	105,111	89,824	461,635	459,120	2,515
Supply Expenses (freight)	68,963	69,458	323,954	387,282	(63,328)
Other Operating Expenses	142,373	159,455	868,332	797,277	71,055
Depreciation & Interest Expense	68,567	79,348	333,378	396,740	(63,362)
Total Expenses	914,331	945,315	4,666,788	4,791,607	(124,819)
OPERATING MARGIN	(34,455)	(51,008)	(396,776)	48,221	(444,997)
NET MARGIN	(\$34,455)	(\$51,008)	(\$396,776)	\$48,221	(\$444,997)

BALANCE SHEET				
Unaudited		11/30/17	10/31/17	Audited 06/30/17
ASSETS				
Current Assets		\$4,386	\$4,034	\$4,612
Property, Plant & Equipment (Net)		10,072	10,125	10,310
Other Assets		21	21	21
Total Unrestricted Assets		14,479	14,180	14,943
Assets Whose Use is Limited		1,686	1,685	1,682
Total Assets		\$16,165	\$15,865	\$16,625
LIABILITIES AND NET ASSETS				
Current Liabilities		\$2,000	\$1,664	\$2,063
Debt Borrowings, net of current		4,875	4,875	4,875
Total Liabilities		6,875	6,539	6,938
Net Position		9,290	9,326	9,687
Total Liabilities and Net Position		\$16,165	\$15,865	\$16,625