

**Foothills Health District  
District Board of Health OPEN SESSION  
Meeting Minutes  
Rutherford County Health Department  
July 1, 2019**

**Board of Health Members Present:**

<b>Rutherford County Representatives [9]</b>	<b>McDowell County Representatives [6]</b>
<b>Greg Lovelace, County Commissioner member Kim Warner Dr. Jerald DeLaGarza Sarah Bradley Dr. David Sutton Craig Sargent Amy Jenkins Dr. Christopher Buchanan</b>	<b>Dr. Ben Hall Carol Wolfenbarger Dr. James M. Gaskill Julie Harris</b>

**Board of Health Members Absent:**

<b>One Vacancy</b>	<b>Lynn Greene, County Commissioner member One Vacancy</b>
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**Foothills Health District Staff/Guests/Counsel Present:**

**HD Staff:**

**Karen Powell, Health Director  
Nancy Marshall, Finance Director  
Dottie Wilson, Assistant Finance Officer  
Cindy Snyder, Human Resource Director  
Renee Nolen, Administrative Assistant**

**Legal Counsel**

**Sharon Parker, Board Attorney**

AGENDA ITEM	BOARD ACTION	REFERENCE DOCUMENTS
<b>CALL TO ORDER:</b> Chairman, Dr. Ben Hall, called the meeting to order at 6:30 pm.	No Board action required	N/A
<b>PUBLIC COMMENT PERIOD:</b> No Public members were in attendance.  <b>Introductions of everyone present were made.</b>	No Board action required	N/A
<b><u>ACTION ITEMS</u></b>		
<b>SWEARING IN OF FOOTHILLS BOARD OF HEALTH MEMBERS</b> The District Board of Health is a creature of statute, with the Foothills Health District being comprised of Rutherford and McDowell County. The counties that comprise the district each appoints a County Commissioner to be on the Board of Health. All of the terms start on July 1 <sup>st</sup> and the terms will be staggered so some members will have a 1 year, 2-year, or 3-year term. All members are eligible for reappointment. BOH members can serve three, three year terms.  <b>There was a swearing in the following members of the Foothills Board of Health: Kim Warner, Dr. Jerald DeLaGarza, Sarah Bradley, Dr. David Sutton, Craig Sargent, Amy Jenkins, Dr. Christopher Buchanan, Dr. Ben Hall, Carol Wolfenbarger, and Dr. James M. Gaskill. Greg Lovelace and Lynn Greene were appointed and sworn in as the County Commissioner members from their counties.</b>	Sharon Parker, Legal Counsel	N/A
<b>ORGANIZATION OF THE FOOTHILLS BOARD OF HEALTH:</b> Ms. Sharon Parker, Board Legal Counsel, circulated an updated proposed <b>“RESOLUTION OF THE BOARD OF HEALTH OF THE FOOTHILLS HEALTH DISTRICT, Which Is Comprised Of McDowell And Rutherford Counties To Be Retroactive to One Minute past Midnight on the Early Morning of July 1, 2019 with Provisions Regarding The Governance And Membership of the Foothills District Board Of Health, the Continuation of Public Health Rules, Policies and other Matters”</b>		<b>“RESOLUTION OF THE BOARD OF HEALTH OF THE FOOTHILLS HEALTH DISTRICT, Which Is Comprised Of McDowell And Rutherford Counties To Be Retroactive to</b>

**as an earlier version had been circulated to the Board with the Agenda. Ms. Parker** reviewed the proposed Resolution, noting the addition of a few names from the version sent with the agenda.

The Rutherford, Polk, and McDowell counties have worked together since at least the mid 1970's. Polk County gave notice in April that they are going to withdraw from the district effective at midnight on June 30, 2019. Rutherford and McDowell wanted to continue as a district. The Rutherford and McDowell County Commissioners passed concurring resolutions to create the Foothills District, beginning right after midnight on the morning of July 1<sup>st</sup>, 2019. The Rutherford and McDowell County Commissioners chose the name "Foothills Health District" and decided to have a 15-member board, with 9 members from Rutherford and 6 from McDowell. North Carolina General Statutes require that the Board have members of the following professions: Physician, Registered Nurse, Professional Engineer, Dentist, Veterinarian, Pharmacist, and Optometrist. One vacancy still remains for McDowell.

The proposed Resolution recommended Board officers. It is recommended that one officer be from one county and one from the other county. The board can choose to elect other officers, if desired, in six months or a year.

The proposed Resolution creates an Executive Committee members to advise the Health Director and to carry out any duties delegated by the BOH. The Resolution sets for the charge and membership of the Executive Committee.

The proposed Resolution also provides that all existing health rules will continue and be in place. Foothills agrees to adopt and assume responsibility for a all local health ordinances or rules of the RPM Health District that were in effect the night of June 30<sup>th</sup> until repealed or replaced by the Foothills Board. Specifically, all rules, regulations, policies, procedures, fee schedules, application forms, pay scales, vendor numbers, contracts, DUNS numbers, SAM registration, Medicare provider numbers, and Medicaid provider numbers of the RPM Health District that are in effect in McDowell and

**A motion was made Dr. DeLaGarza for the board to adopted, in full, the "RESOLUTION OF THE BOARD OF HEALTH OF THE FOOTHILLS HEALTH DISTRICT, Which Is Comprised Of McDowell And Rutherford Counties To Be Retroactive to One Minute past Midnight on the Early Morning of July 1, 2019 with Provisions Regarding The Governance And Membership of the Foothills District Board Of Health, the Continuation of Public Health Rules, Policies and other Matters" as presented and to incorporate that Resolution into the board Minutes. This motion was seconded by Dr. Gaskill. The motion was unanimously approved.**

**One Minute past Midnight on the Early Morning of July 1, 2019 with Provisions Regarding The Governance And Membership of the Foothills District Board Of Health, the Continuation of Public Health Rules, Policies and other Matters" as presented and adopted by the BOH are attached and on file.**

<p>Rutherford counties prior to midnight on June 30, 2019 will continue in effect until repealed or replaced by the Foothills Board</p> <p>The Board discussed the proposed Resolution and then voted to approve it as presented.</p> <p><b>Julie Harris, a pharmacist from McDowell, joined the meeting and was sworn in as a Foothills BOH member.</b></p>		
<p><b>At 7:15, pm a CLOSED SESSION was called for</b> discussion of information that is privileged, confidential or not a public record under NC General Statute 143-318.11(a)(1) and NC Gen Stat 130A-42; To consult with the Board Attorney and Consultants retained by the Board Legal Counsel and the Board regarding legal matters pursuant to NC General Statute 143-318.11(a)(3); and To consider other matters relative to initial selection and appointment of the District Health Director and performance evaluation process and the terms of employment of certain other employees pursuant to NC General Statute 143-318.11(a)(6).</p> <p><b>The BOH went into Closed Session at 7:16 pm.</b></p> <p><b>Closed Session Minutes are maintained by the Board Attorney, Sharon Parker, at her office at Sharon L. Parker, PA at PO Box 983, Marion, NC 28752, Phone 828-652-2441.</b></p>	<p><b>At 7:15 pm, a motion was made by Kim Warner to go into closed session for discussion of information that is privileged, confidential or not a public record under NC General Statute 143-318.11(a)(1) and NC Gen Stat 130A-42; to consult with the Board Attorney and Consultants retained by the Board Legal Counsel and the Board regarding legal matters pursuant to NC General Statute 143-318.11(a)(3); and to consider other matters relative to initial selection and appointment of the District Health Director and performance evaluation process and the terms of employment of certain other employees pursuant to NC General Statute 143-318.11(a)(6). This motion was seconded by Carol Wolfenbarger. The motion unanimously approved and the board went into closed session.</b></p>	<p><b>Closed Session Minutes are maintained by the Board Attorney, Sharon Parker, at her office at Sharon L. Parker, PA at PO Box 983, Marion, NC 28752, Phone 828-652-2441.</b></p>

<p><b>The BOH came out of Closed Session at 7:31 pm.</b></p>	<p><b>Kim Warner made a motion at 7:30 pm to come out of Closed Session. The motion was seconded by Dr. Gaskill, passed and the BOH came out of closed session.</b></p> <p><b>In Open Session, Dr. DeLaGarza moved that the Foothills BOH appoint Karen Powell as the FootHills Health Department District Health Director, effective as of 12:01 am on July 1, 2019, at the same annual salary that she had as the Rutherford-Polk, McDowell District Health Director, which is the annual salary of \$71,761.08. This Motion was seconded by Greg Lovelace and passed unanimously.</b></p>	
<p><b>HEALTH DIRECTOR’S REPORT:</b></p> <p>Mrs. Powell discussed the process of Polk County withdrawing from the District and the staff’s preparation for the start of the Foothills Health District. Since Polk gave notice that it was withdrawing from the RPM HD and knowing that some Polk employees would come over to the Foothills HD, we have not filled vacant positions in Rutherford or McDowell so we could shift staff.</p> <p>One transition matter: Polk took back its June, 2019 appropriation of \$18,000. Polk County sent the check the first of June but then stopped payment on it. We were told they are holding the payment until a final walk through of the building. Mrs. Powell and Polk County representatives are meeting tomorrow so she will keep us advised. Our Dissolution Legal Counsel, Casey Wintz out of Raleigh, is handling this although these funds</p>	<p><b>Karen Powell, Health Director</b></p>	

<p>should not be a part of the dissolution discussion since the funds are a part of the RPM three county appropriation agreement that covered FY 2018-2019. The withholding of these funds left a hole in the bank account and for payroll. Ms. Powell will pursue this matter and update the Executive Committee.</p> <p>Mrs. Powell gave an update on maternity in Rutherford, which is still going very well. Patient load is starting to stabilize with fewer no shows. Patients are enjoying seeing Dr. Towle.</p>		
<p><b>FINANCE REPORT:</b></p> <p>Mrs. Powell discussed how the budget had been trending over the past few years and the factors influencing the budget. Mrs. Powell wanted the members to see where salaries are going and where they have been so she gave the BOH a handout on Wages Trend. In 2017-2018, the wage trend was lower due to loss of dental center, several retirements, and lots of turnover. The prior years wages are audited numbers. Salaries are the biggest part of the budget. It is hard to hire people unless you are offering competitive salaries. Going forward, salaries will continue to rise.</p> <p>Environmental Health is now stable and we are not using contract workers. The District receives little money from the state for EH and had projected a \$793,000 short fall for Environmental Health. Most of the county appropriation goes towards Environmental Health salaries.</p> <p>Kim Warner asked Management to evaluate EH fees and all other fees and to make recommendations for any changes at the next BOH Meeting.</p> <p>Mrs. Powell discussed revenue and a handout based on our audited numbers.</p> <p>Mrs. Marshall circulated a proposed FY2019-2020 Budget for the Foothills HD, which includes no raises in the budget.</p> <p>Mrs. Powell feels that we are coming out better on</p>	<p><b>Karen Powell, Health Director; Nancy Marshall, CFO</b></p>	<p><b>Documents on file</b></p>

Maternity now that we are paying the doctor a per hour service fee rather than for deliveries.

Mrs. Marshall discussed the Cash Position [funds in the bank]. The 5/31/2019 balances were reconciled to bank statements but the 6/30/2019 figures are tentative. She noted that the fund balance of \$1.36 million in May was decreased in June by over \$200,000 due to the 13-14 Medicaid Cost Settlement Payback, and the corrections of the missed Roth match and Roth earnings by Prudential.

In April, Mrs. Powell presented the County Appropriations Requests to the Rutherford and McDowell County Managers and asked for additional funding for CureMD billing, the FY 13-14 Medicaid Cost Settlement repayment, Roth payback, and for records scanning. The Rutherford and McDowell County Managers decided not to fund these items at that time.

Mrs. Marshall provided a review of the FY 2019-2020 budget compared to the prior year budget. The last column showed a YOY difference. Revenue is estimated at \$5.9 million. Most of the negative changes/expenses come from Polk pulling out of the District and the need to restructure positions. The FY 2019-2020 budget does not include any raises for the year and no Christmas bonuses for employees. Expenses outweigh revenue by \$303,000.

Mrs. Powell stated that we need to make about \$25,000 more a month in revenue to reduce the deficit.

The following options to fix the hole in the budget were discussed:

- 1) Release Funds in the Fund Balance that had been restricted by prior BOH for building improvements for Rutherford and McDowell [but this needs more research],  
or
- 2) Looking for allowable ways to increase revenue with new services, or

<p>3) Reduction in force which would be a significant impact on our agency.</p> <p>Mrs. Powell explained that the Nurse Practitioner runs the Family Planning Clinic and Child Health Clinic in all counties where we used to contract with physicians to do those services and that is saving us money.</p> <p>Mrs. Powell is looking at starting to do our own lab work instead of sending it out, esp. for employee labs, rapid strep, and rapid flu. She is also considering opening a potential sick care clinic like a minute clinic that has never been done here. We could start with county employees and families.</p> <p>Our Health Educator that goes out to schools, talks with groups, and on social media to get information to the public.</p> <p>Mrs. Powell is currently working on two grants, but grants are very specific to the project and do not typically cover overhead or administrative costs.</p> <p>The last increase in Environmental Health fees was this time last year.</p> <p>Mrs. Powell discussed that we have contracted with CureMD to scrub Clinic payments and do our billing, which went live today. She is hoping that Clinic money will start to come in faster.</p> <p>Food &amp; Lodging will increase the little bit of money that we get from the State based upon meeting certain inspection goals. She sees us hitting 100% of the goals this year since we do not have any staffing issues.</p> <p>Mrs. Powell said that something was cut out of every single item in the proposed FY 2019-2020 Foothills HD budget.</p> <p>Management will do an RFP for Audit services for the FootHills HD and for the last year [FY2018-2019] for RPM HD.</p>	<p><b>A motion was made by Carol Wolfenbarger that we accept the budget as presented with a the preliminary deficient but with further BOH evaluation in three months to include staff salaries and all fees charged. This motion was seconded by Kim Warner and then was unanimously approved.</b></p>	
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	<p><b>Kim Warner made a motion that Management research all EH fees to determine whether there could be incremental/sliding fees, or different fees charged for different size projects. This motion was seconded by Dr. James Gaskill. The motion unanimously approved.</b></p> <p><b>Dr. James Gaskill moved that staff will research a] when and how prior BOH's restricted some of the Fund Balance for building improvements in McDowell and Rutherford Counties, b] when and how this money was pulled down or spent for the building projects and c] what funds are remaining as of June 30, 2019 before deciding whether to release any of these funds. Seconded by Dr. DeLaGarza &amp; Greg Lovelace, The motion unanimously approved.</b></p> <p><b>Kim Warner made a motion that all RPM fee schedules [including Clinic and EH] and all policies carry over to Foothills Health District until revised by the Foothills Board. This motion was seconded by Greg Lovelace and Dr. DeLaGarza. The motion was unanimously approved.</b></p>	
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<p><b>POLICY APPROVAL</b></p> <p>Mrs. Powell will start bringing policies to each meeting so that the policy can be amended if needed. They must be reviewed and voted on for accreditation.</p>	<p><b>Karen Powell, Health Director, and Nancy Marshall, CFO</b></p> <p><b>Greg Lovelace made a motion that all RPM policies carry over to Foothills Health District until revised by the Foothills Board. Seconded by Kim Warner. The motion unanimously approved.</b></p>	<p><b>Documents on file</b></p>
<p><b>INFORMATIONAL ITEMS:</b></p>		
<p><b>SALARY PAY PLAN REPORT</b></p> <p>Ms. Cindy Snyder presented the Salary Pay Plan and explained the form.</p>	<p><b>Cindy Snyder, HR Director</b></p> <p><b>Dr. DeLaGarza made a motion to approve the Salary Plan Reporting Form. The motion was seconded by Kim Warner. The motion unanimously approved.</b></p>	<p><b>Documents on file</b></p>
<p>The next Foothills BOH meetings will be in August, October and December. Ms. Powell will circulate a calendar.</p> <p>There were no other items of new business or any other action items discussed.</p>	<p><b>Dr. Ben Hall, Chairman</b></p>	
<p><b>ADJOURNMENT: At 8:35 pm, Dr. Jerald DeLaGarza made a motion to adjourn, seconded by Julie Harris. The motion was unanimously approved and the meeting adjourned.</b></p>		
<p><b>SIGNATURES:</b> _____  <b>Dr. Ben Hall, Chair</b></p> <p>_____</p> <p><b>Karen Powell, District Health Director</b></p>		