

BOARD OF TRUSTEES:

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Emergence Health Network

El Paso Center for Mental Health/Intellectual Disabilities

EMERGENCE HEALTH NETWORK BOARD OF TRUSTEES

MINUTES

(Audio copy of the meeting is available upon request)

Emergence Health Network Board of Trustees (“EHNBOT”) Meeting

Monday, January 23, 2017 at 3:38 PM

Central Administration, Boardroom, 201 E. Main St. Ste. 600, El Paso, Texas 79901

PRESENT: CINTRON, STOUT (4:10 pm), PEYTON, MYER and THOMPSON

ABSENT: WILSON and DRISCOLL

1. INTRODUCTORY ITEMS

A. **Call to Order and Certification of a Quorum**

Quorum was certified.

B. **Public Comment**

No members of the public spoke during public comment.

2. CONSENT AGENDA

A. Approval of the minutes of the Board of Trustees meeting held December 7, 2016.

B. Pursuant to Texas Government Code Section 2258.022, adoption of the “El Paso Construction Trades Wage Survey- 2016 Prevailing Wage Rates Building” for the establishment of prevailing wages for construction projects involving EHN facilities.

C. Approve and authorize CEO to execute amendment to Mutual of America 403(b) Plan and adoption of resolution memorializing same regarding default investment alternative and allocation of forfeitures.

EHNBOT Action: Myer moved/Peyton seconded to approve Consent Agenda. Motion Carried (4/0)

3. REGULAR AGENDA

A. **Discuss and take appropriate action regarding the FY 2016 External Financial Audit.**

Ms. Dalia Garcia presented the following:

- The audit received an Unmodified Opinion which means that the firm does not have any reservations on the financial statements being presented fairly.
- Net position is \$2.3 million dollars if all debts are settled under net investments and capital assets.
- Long term assets at \$15m are made up of \$12m of investments; 87% of net total position.
- Working Capital current assets of \$20m can cover current liability almost five times over. This is very healthy for a non-profit organization.
- General fund – revenue sources of charges for services of \$54m; \$5.6m consists of the MAC Program which covers most of the operational costs.
- Other items are \$52k related to investment income.

- \$51m of expenses in FY 2016 include services for clients and administration.
- \$8.2m consists of administrative costs serving the organization's mission.
- EHN's single audit that also received an Unmodified Opinion.
- The firm performed a test on a minimum of 40% of all awards with no exceptions.
- No findings on the internal controls report of federal and state program.
- Timeline if the board approves today it will be submitted to the Federal Clearing House by Friday, January 27, 2017 which would have the final audit to the organization by January 27, 2017.

EHNBOT Action: Motion to approve the FY 2016 External Financial Audit. Myer moved/Peyton seconded. Motion Carried (4/0)

4. REPORTS and PRESENTATIONS

A. Planning and Network Advisory Committee (PNAC) report.

Mr. Rene Hurtado reported the following points for the meeting held January 10, 2017:

- Discussion on various community trainings that will be available to staff and members of the community.
- START Conference and The Road to Recovery Conference that specializes in providing training for individuals in trauma with IDD.
- Notified the committee on the 16.22 Contract entered into with the County of El Paso to provide 16.22 assessments. It is a comprehensive assessment to determine if the person has any mental health needs.
- Old business consisted of presenting the new MHFA Coordinator. PNAC members received a total of trainings that have been conducted due to the grant that was provided to EHN from Paso Del Norte Health Foundation.

B. Chief Financial Officer's report on Emergence Health Network financials.

Ms. Roxie Samaniego reported the following points:

- November normalized without the 1115 Waiver we are at a decrease of \$276K compared to budgeted amount of \$431K with a favorable variance of \$155K.
- Higher net fee for service revenue is up by \$78K.
- Lower Grant Revenue decrease is a timing difference on expenditures in the year.
- Lower Salaries to benefits are for non-revenue generating salaries.
- Lower Medication Costs are due to in-kind contributions.
- Lower Travel Expenses with a decrease of \$89k compared to budget is largely attributed to lower out of town travel.
- Savings in occupancy cost and supply cost.
- Lower fleet cost of \$19k and higher Dayhab revenue.
- Lower capital expenditures that were budgeted this year but have not happen.
- Health Fund – net revenue over expenses is \$28k for FY17 EHN is still down \$71k.
- EHN's Balance Sheet is still close 2:1 with current assets vs. current liabilities.
- For December normalized without the 1115 Waiver we are at a decrease of \$366K compared to budgeted amount of \$476K with a favorable variance of \$110K.
- Actuals and net revenue show a decrease \$629K compared to what was budgeted as a decrease of \$675K.
- Higher net fee for service revenue up by \$55K.
- Lower Salaries to benefits are non-revenue generating salaries.
- Lower Medication Costs due to in-kind contributions.
- A savings in occupancy cost and supply cost.

- Lower Travel Expenses with a decrease of \$81k is largely attributed to lower out of town travel.
- Higher grant revenues due to the Veterans & OSAR Contract.
- Health Fund – for FY17, EHN is still down \$117K.
- EHN's Balance Sheet shows that current ratio at 1.78 with current assets vs. current liabilities.
- Cash and investments of \$9.2 million dollars; working ratio is 2:1
- EHN is expecting 1115 Waiver funds in the month of January.
- EHN's Salary & Benefits and Administrative Expense percentages should go down as the year goes on.

C. Chief Executive Officer's report regarding current EHN program operations.

Ms. Kristi Daugherty reported on the following:

- The show rate for the MH Outpatient Clinics was 75% reflecting consistency of patients engaged in treatment. Follow up calls are being conducted to remind them of their next appointment.
- Coordinated Holiday Depression Media Campaign resulting in coverage on all stations, El Paso Times and El Paso Inc.
- Chief Compliance Officer was named to Leadership El Paso Class XXXVIII educational program of the Greater El Paso Chamber of Commerce.
- Hosted Congressman O'Rourke's Veterans Town Halls at Veteran One Stop Shop.
- Chief Operating Officer of Addiction Services selected to participate in Medication Assisted Treatment (MAT) for Substance Use Disorder Mentorship program sponsored by the American Academy of Addiction Psychiatry.
- Challenges consist of continued issues with admission and discharge operations at El Paso Psychiatric Center resulting in delays in access to care.
- February 8, 2017 is a full day Open Minds Strategic Planning and the board's attendance will be required.
- The Crisis & Emergency Services Department received recognition this month as the department has undergone significant improvements and enhancements in an effort to streamline processes and improve customer service. Through the hard work of the Division leadership team, The Crisis & Emergency Services Department is now operating as one cohesive unit and as such we would like to recognize them for their efforts As the Department undertook several important steps to reach a point of true integration. The first step was to expand the role and responsibility of the liaison staff to better incorporate those individuals into the operations of the entire unit. Secondly, the team implemented new processes in the EOU that included increased communication with LPHAs on the unit with procedures in place that ensure that the counseling arm is playing an active role on all levels. Lastly, the division increased Inter-professional collaboration via staff "huddles". The team realized the importance of internal communication and has standardized their huddle concept. All this work has resulted in several key improvements such as stronger team cohesiveness, decreased wait times, and improved customer service both to internal and external customers. Ms. Tewiana Norris, Chief of Nursing oversees the Crisis Department and Mr. Victor Talavera is the Director of Crisis & Emergency Services.
- Members of the department introduced themselves individually and provided a few words.
- Ms. Norris graduated in December with her doctorate in Nurse Practitioner.

D. Receive U.S. Housing and Urban Development (HUD) Rapid Rehousing Grant presentation.

Ms. Chrystal Davis reported on the following:

- HUD Housing is realigning their strategies and the Homeless Outreach Program will be ending April 30th.
- In the absence of the Homeless Outreach Program, EHN has been awarded a Rapid Rehousing Program that will allow EHN to use the new funds for housing and homeless outreach.
- All staff will be transitioned to the new program.
- This program will provide intake services that link individuals to resources in the community and any other service that the individual needs.
- The new program adds approximately an additional \$100k.

5. REGULAR AGENDA

A. Discuss and take appropriate action regarding election of Chairperson, Vice Chairperson, and Secretary of the Emergence Health Network Board of Trustees.

Mr. Jacob Cintron would like to continue his role as Chairperson, Commissioner Stout as Vice Chairperson and David Driscoll as Secretary.

EHNBOT Action: Motion to continue with current election assignments. Peyton moved/Myer seconded. Motion Carried (5/0)

B. Board committee assignments by Board of Trustees Chairperson.

Combined Finance/Executive Committee consists of Jacob Cintron, Commissioner David Stout, David Driscoll and Joyce Wilson. In the event that only the Executive Committee meets it would only consist of Jacob Cintron, Commissioner David Stout and David Driscoll. Joyce Wilson has been added to the Finance Committee; this meeting would require posting the agenda. Human Resources Committee consists of Chair David Driscoll, Joyce Wilson and Dr. Peter Thompson. Public Relations Committee consists of Chair Commissioner David Stout, Kathleen Peyton and Rick Myer. Planning and Development Committee consists of Chair Rick Myer and Dr. Peter Thompson. PNAC Committee is Kathleen Peyton.

C. Discuss and take appropriate action regarding purchase of computer networking equipment for EHN facilities from Sigma Technology Solutions, Inc.

Mr. Juan Gonzalez provided the following information:

- This is to upgrade the network infrastructure for EHN. Current equipment is up to 8 year olds and suffers downtime and disconnects.
- The new equipment will provide the stability EHN needs as it continues to grow.
- The item went out for RFP and four vendors were contacted with one responding (Sigma Technology). This RFP only included equipment no installation. Vendor will buyout the existing equipment for \$11,800.

EHNBOT Action: Motion to allow CEO to enter into a purchase agreement for computer networking equipment for EHN facilities from Sigma Technology Solutions, Inc. Myer moved/Stout seconded. Motion Carried (5/0)

D. Receive presentation regarding EHN Annual Report, discuss and take appropriate action regarding adoption of Annual Report.

EHN Annual Report presentation was provided by Mr. Rene Hurtado. It is EHN's 4th year of a paperless annual report. A mass mailing of the link will be sent to stakeholders which includes comments from leadership. The trend is visual and colorful it is not long in text and with more links within report. Report is employee dedicated and includes a video of 50th anniversary. It also

includes mission/vision, sponsoring agencies, clinic locations, highlights, leadership, major milestones, revenues/expenditures, age/gender of consumers and employee fun facts.

EHNBOT Action: Motion to adopt the EHN Annual Report. Peyton moved/Myer seconded. Motion Carried (5/0)

6. EXECUTIVE SESSION

The Board of Trustees went into executive session at 4:45 PM on January 23, 2017 to discuss items 6A. Present at executive session was Jacob Cintron, Comm. David Stout, Kathleen Peyton, Dr. Rick Myer, Dr. Peter Thompson, Attorney Omar Villa, Attorney, Attorney Holly Lytle, Attorney Fred Green, Kristen Daugherty and Jessika Franco. The board concluded executive session at 5:01 p.m.

A. Consultation with attorney regarding legal claim of Aileen Cabral pursuant to Texas Gov't Code Sec. 551.071.

7. Open Session

The Board of Trustees returned to Open Session at 5:01 p.m. Mr. Cintron stated that no action was taken for items 7A.

**A. Discuss and take appropriate action regarding legal claim of Aileen Cabral.
EHNBOT Action: No action taken.**

8. ADJOURNMENT

THE MEETING ADJOURNED AT 5:02 P.M.

Approval Date: 2/24/2017

By: David M. Driscoll

David Driscoll, Board Secretary