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**HORIZON COMMUNITY HEALTH BOARD
Douglas County Public Works
Alexandria, MN 56308**

**Monday, August 13, 2018
9:00 a.m.
Minutes**

Present: Douglas: Charlie Meyer, Jim Stratton, Jerry Rapp
Grant: Doyle Sperr
Pope: Larry Lindor, Larry Kittelson
Stevens: Bob Kopitzke, Jeanne Ennen
Traverse: Dave Salberg, Todd Johnson
Community representatives: Dennis Thompson, Deb Hengel

Staff: Sandy Tubbs, Horizon Public Health Administrator
Kathy Werk, Horizon Public Health Assistant Administrator
Greta Siegel, Horizon Public Health Assistant Administrator
Dr. Susan Paulson, Medical Director
Amy Reineke, Horizon Public Health Community Health Strategist

Guests: Kristin Erickson, Minnesota Department of Health, Public Health Nurse Consultant
Doug Host, Clifton Larson Allen

Absent: Pete Hoff, Grant County Commissioner

The meeting was called to order at 9:00 a.m. by Board Chair, Larry Lindor and introductions were made.

Approve Agenda: Motion by Bob Kopitzke, second by Jerry Rapp to approve the agenda as printed. Motion carried.

Approve minutes of July 9, 2018 meeting: Motion by Dave Salberg, second by Dennis Thompson to approve the July 9, 2018 minutes as presented. Motion carried.

Presentation of 2017 Audit Final Report - Doug Host, Clifton Larson Allen (CLA):

Doug Host, Principal from Clifton Larson Allen, presented the 2017 audit exit report to the Horizon Community Health Board. In compliance with auditing standards, a letter containing required legal communications was distributed to all Board members at the meeting. Host reported that CLA has issued an unmodified opinion on the financial statements for year-end 2017. In accordance with Government Auditing Standards, CLA has issued a report dated August 6, 2018, regarding their consideration of Horizon Public Health's internal control over financial reporting and on tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. A material weakness (deficiency in internal control such that there is a reasonable possibility that a material misstatement would not be

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prevented or detected and corrected on a timely basis) was noted in the financial reporting process. This finding was listed in the report due to the fact that Clifton Larson Allen prepared the financial statements AND performed the audit on those same statements this year. A corrective action plan is now in place to have the Horizon Assistant Administrator of Finance and Grants perform the disclosure checklist on the financial reports for the 2018 audit, which should remove this finding from the 2018 audit.

Two significant deficiencies were also reported on internal control that are less severe than material weaknesses, yet important enough to merit attention by those charged with governance. Those deficiencies were Segregation of Duties and Accounting Policies and Procedures. Mr. Host informed the board that the Accounting Policies and Procedures finding has been already been resolved in 2018 and will not be a finding on the 2018 audit. The Segregation of Duties is a common deficiency for relatively small government entities with limited staff to adequately separate all aspects of the accounting process.

Under the Minnesota Legal Compliance and Federal Single Audit categories, there were no findings relative to MN Legal Compliance category. However, under the federal single audit category, Horizon Public Health must document all procurement-related items over the micro-purchase threshold to ensure compliance with Uniform Grant Guidance and Procurement Policy. Assistant Administrator Siegel will work with the financial staff to address and resolve this compliance issue by the end of 2018.

Mr. Host then discussed the financial results of the 2017 audit with the Board. Horizon Public Health ended 2017 with 2.2 months of expenses in unrestricted net position. Many questions and discussions focused on this statement due to the fact that HPH has assets in a Certificate of Deposit and Money Market account that, if accounted for in this figure, would significantly increase the number of months of expenses that could be covered by Horizon's net resources. Mr. Host explained that due to the large net pension liability that is required to be recorded on the financial statements, the net position is reported as being much lower than the actual figure. Reporting of the net pension liability is a federal requirement. Mr. Host stated that in future years, he will present the year-end financial statements both with and without the net pension liability. He assured the Board that Horizon Public Health is in a very stable financial position.

Other key financial highlights for 2017 include the following:

- Horizon Public Health's government-wide net position decreased \$111,539 during 2017. This decrease is primarily attributed to a decrease in revenues from 2016.
- Overall fund-level revenues totaled \$9,785,079 and were \$1,253,584 more than expenditures resulting in an overall increase in fund balance.
- Horizon Public Health's income is from state and federal grants, licenses and permits, charges for services, interest and miscellaneous revenue. Miscellaneous income includes the Nurse-Family Partnership and smaller grants.
- Expenses in 2017 decreased by \$235,813, primarily in the salary and fringe category
- Long-term liabilities decreased due to payout for retirees in the Compensated Absences category

Mr. Host concluded his presentation indicating that for a first-year audit with his firm, the process went very well and all information that was requested of Horizon Public Health was provided to complete the audit.

2018 NACCHO Conference Highlights – Greta Siegel and Amy Reineke:

Amy Reineke (Community Health Strategist) and Greta Siegel (Assistant Administrator) attended the annual NACCHO (National Association of City and County Health Officials) Conference in New Orleans on July 10-12, 2018 and provided conference highlights to the Board. The theme for this year's conference was Unleashing the Power of the Public Health Workforce. The conference focused on three major themes: Public Health needs to be visible (invest in this), valuable (to the community) and validated (by measureable outcomes). Public Health needs to ensure that our workforce is well-trained, effective and prepared to take on the health challenges we currently face and those yet to come. Three calls to action were given to those in attendance at the national conference:

1. Be a part of the future
2. Commit to your development and the development of your staff
3. Pick something from the best practices list and try it out
 - a. Don't be afraid to fail: best learning happens in failure

b. Do something: short term projects to learn lessons/evaluation

Ms. Reineke discussed the health differences or disparities between rural and urban populations. One example of the differences in health outcomes for those that live in rural versus urban areas of the U.S. was the disparity in the rate of cigarette smoking for both adolescents and adults with rural populations having significantly higher tobacco use. This disparity could be identified as a health inequity and in order to reduce this type of health inequity, Horizon Public Health needs to increase education, especially among youth and young adults, provide cessation for users, and follow and adopt smoking policy trends.

There were also many sessions regarding the Opioid Epidemic across the United States. Similar to tobacco use, opioid use is more prevalent in rural communities as well. The opioid dispensing rate in rural MN is higher than the state average, and across the Midwestern United States, opioid use has been increasing. Intervention strategies focus on primary education and prevention such as providing education to the community about what an opioid is and education/support to those with an opioid addiction when prescriptions are being reduced or eliminated. Ms. Reineke and Ms. Tubbs informed the board of the local work that is currently being done regarding this issue. The Douglas County Opioid Abuse Prevention Task Force is a multi-organizational group working to reduce opioid misuse in the community. Strategies this group is working on include working with providers on dispensing education, addicted users pain management, and general opioid public education.

Ms. Siegel and Ms. Reineke indicated to the Board that they plan to bring the information they gained from the annual conference back to the entire HPH staff by conducting a training session to educate and discuss Public Health 3.0, the Social Determinants of Health and Health Equity. The goal of the work session will be to educate the staff on these three important areas impacting the future of Public Health and to identify how these 3 factors impact their daily work and the populations they serve.

Ms. Siegel and Ms. Reineke expressed their appreciation for the opportunity to attend the NACCHO annual conference and cited the many benefits they both gained and brought back to their co-workers and community partners.

Presentation of draft 2017-2021 Horizon Community Health Assessment – Call for input:

Ms. Tubbs presented a draft of the 2017-2021 Horizon Community Health Assessment. The Community Health Assessment is an effort to learn about the people and the communities within the 5-county Horizon Public Health service area which includes the counties of Douglas, Grant, Pope, Stevens and Traverse. The Community Health Assessment was a collaborative process involving the systematic collection and analysis of data and information to provide a sound basis for decision-making and action. The Community Partnership Team (CPT), representing hospitals, school districts, mental health providers, the Hispanic Community, child care, social services and early childhood initiatives, among others, met frequently to review and analyze data, hear the results of key informant interviews and community focus groups, and ultimately to consider the priority issues impacting our five counties. Learning and working together, the CPT reviewed demographic, socioeconomic, behavioral risk factor, environmental and quality of life indicators in order to gain a common understanding of the current state of health. Through the use of two prioritization processes, the community health issues determined to be of greatest significance and therefore, to be addressed in the Horizon Community Health Improvement Plan, were Adverse Childhood Experiences (ACEs) and Drug Use.

Ms. Tubbs particularly highlighted the county level data dashboards for adults and youth, and encouraged Board members to review their county level data. The draft Community Health Assessment will now be distributed to community partners and published on the Horizon Public Health website along with a call for public input. Ms. Tubbs encouraged the Board members to share the electronic version they received with other individuals and organizations within their respective counties in order to gather broad input on the assessment. Following the public comment period, the Horizon Community Health Assessment will be brought back to the Board for approval at the September 2018 meeting.

Personnel/Staffing Update:

Intake Nurse Position – request authorization to hire at step greater than Step 3:

The Intake Nurse position was advertised both externally and internally and an internal applicant (who is currently a Public Health Nurse with Horizon Public Health) applied for the position. After the interview process, it was determined that the internal applicant (who is currently being paid on the RN wage scale) was clearly best qualified for the position.

The internal applicant is fully aware that the Intake Nurse position is 4 grades lower in terms of job classification and is willing to accept the salary reduction. However, with her experience and qualifications, Ms. Tubbs requested preliminary authorization from the Personnel Committee to hire this individual at step 10 of pay grade 9 and is now requesting similar formal action from the Horizon Board. Tubbs stated that although this individual will start at the top of the Intake Nurse scale, there will be no request to fill the position vacated by the RN resulting in an overall reduction in salary and benefit costs.

Motion by Jeanne Ennen, second by Bob Kopitzke to approve hiring Karleen Tichy for the Intake Nurse position at step 10 of pay grade 9. Motion carried.

Request authorization to hire part-time hospice aide position:

Ms. Tubbs requested authorization from the Board to hire an additional part-time hospice aide position. Due to an increase in client case load and personal issues with some of the current hospice aide staff that has limited their availability, the need to hire an additional part-time hospice aide has become evident. This position will not be benefit-eligible and will have no guarantee of weekly hours. Discussion ensued about whether it would be prudent to hire up to two individuals to fill this part-time aide position if two qualified candidates are identified through the recruitment process. Board members expressed support for authorizing up to two part-time (not benefit-eligible) hospice aides.

Motion by Charlie Meyer, second by Dennis Thompson to authorize hiring up to two part-time, non-benefit earning hospice aide positions. Motion carried.

Accept letter of retirement effective September 7, 2018 – Jane Denardo:

Jane Denardo, who works in the Elbow Lake office as a Program Support Specialist with the WIC, CTC, ECS and FAP programs, has provided her letter of retirement with an effective date of September 7, 2018.

Motion by Doyle Sperr, second by Larry Kittelson to accept the letter of retirement from Jane Denardo effective September 7, 2018. Motion carried.

Tubbs then stated that due to a reduction in both the WIC and Childhood Screening caseloads, she will not be requesting authorization to fill this position. Instead, the current responsibilities of this position will be distributed among other existing staff. Kathy Werk did note that the Office Support Specialist position in the Morris office, is willing to increase her time from 3.5 to 4.0 days per week in order to assume some of the responsibilities.

Request authorization for out-of-state travel – Tracie Crouse to attend National Summit on Smokeless Tobacco Prevention in Sacramento, CA on October 16-18, 2018 (Clearway grant funded):

At the July 2018 Horizon CHB meeting, it was suggested that it might be advantageous for Tracie Crouse, the recently hired Health Educator that is assuming the Clearway MN grant coordinator position with Horizon Public Health, to attend the National Summit on Smokeless Tobacco Prevention in Sacramento, CA on October 16-18, 2018. Tracie is able and extremely excited about the opportunity to attend and Clearway MN has agreed to cover expenses for both Amy and Tracie. Amy Reineke, former grant coordinator, will be presenting at the Conference.

Motion by Larry Kittelson, second by Dave Salberg to authorize out-of-state travel for Tracie Crouse to attend the National Summit on Smokeless Tobacco Prevention conference in Sacramento, CA on October 16-18, 2018. Motion carried.

Financial Issues:

Approve payment of warrants for July 2018:

The July 2018 warrants in the amount of \$443,475.52 were approved on a motion by Charlie Meyer, a second by Jerry Rapp, and all voting aye. Motion carried.

Resolution 18-11 accepting July 2018 Hospice donations:

Ms. Tubbs presented Resolution 18-11 accepting July 2018 Hospice donations.

RESOLUTION 18-11

BE IT RESOLVED, that the Horizon Community Health Board hereby accepts the July 2018 donations to Hospice of Douglas County in the amount of \$22,108.50.

Dated this 13th day of August, 2018.

Tubbs clarified that the July donations are unusually high due to the inclusion of a \$21,000 donation by the Norma Longfellow Foundation. Motion by Jim Stratton, second by Jeanne Ennen to adopt Resolution 18-11 as presented. Motion carried.

YTD Cash Summary Financial Report: The year-to-date cash summary report was presented and reviewed. During the month of July 2018, Horizon Public Health recorded \$203,522.22 of expenditures in excess of revenues. This was partially due to the fact that the annual settlement payment to Douglas County for 2017 Hospice revenue over expenditures of \$236,530.43 was made in July 2018. The year-to-date total expenditures exceed revenues by \$83,416.49. Horizon Public Health's total assets as of July 31, 2018 total \$5,505,277.12.

Motion by Bob Kopitzke, second by Charlie Meyer to approve the YTD Cash Summary report. Motion carried.

Authorize a one year re-investment of \$3,040,705.49 in a Certificate of Deposit at Glenwood State Bank:

In July 2017, a one-year Certificate of Deposit (CD) in the amount of \$3,000,000.00 was originally authorized by the Horizon Board and issued at Glenwood State Bank on July 25, 2017. The CD matured on 7/25/18 with earned interest of \$40,705.49. After some discussion, the Board agreed to add the interest amount of \$40,705.49 to the initial CD of \$3,000,000.00 for a total CD re-issue of \$3,040,705.49 on 7/25/18. This Certificate of Deposit, now held at Glenwood State Bank and earning a quarterly interest rate of 2.51%, will mature on July 25, 2019.

Motion by Charlie Meyer, second by Larry Kittelson approving a one year re-investment of \$3,040,705.49 in a Certificate of Deposit at Glenwood State Bank at an interest rate of 2.51% and a maturity date of 07/25/19. Motion carried.

Consider revision to Horizon Public Health (Hospice of Douglas County) and Douglas County Memorandum of Agreement for annual financial settle up:

Ms. Tubbs presented a revision to the memorandum of agreement between Horizon Public Health (Hospice of Douglas County) and Douglas County relative to the annual settle up of hospice funds. The revised memorandum of agreement was presented as follows:

**MEMORANDUM OF AGREEMENT between
HORIZON PUBLIC HEALTH and DOUGLAS COUNTY related to the
FINANCIAL RESPONSIBILITY for HOSPICE OF DOUGLAS COUNTY**

This Memorandum of Agreement is hereby established between Horizon Public Health and Douglas County and shall be effective beginning in calendar year 2015 and continuing without interruption unless terminated in writing by mutual agreement of both parties.

Effective January 1, 2015, Horizon Public Health shall assume responsibility for the administration, management and day-to-day service delivery and operations of Hospice of Douglas County as a division of Horizon Public Health. The primary service area for Hospice of Douglas County shall be limited to Douglas County and the immediate surrounding area. Given this and for as long as the primary service area remains primarily restricted to Douglas County, the primary beneficiaries of the services offered by Hospice of Douglas County shall be the residents of Douglas County. Likewise, the financial responsibility for Hospice of Douglas County shall be limited to Douglas County.

This Memorandum of Agreement (MOA) establishes the understanding between the parties as follows:

1. Hospice of Douglas County, a division of Horizon Public Health, shall primarily serve residents of Douglas County and the immediate surrounding area
2. Horizon Public Health shall assume responsibility for the administration, management and day-to-day operations of Hospice of Douglas County
3. In July following the end of each calendar year, Horizon Public Health shall provide a year-end statistical and modified accrual financial report for Hospice of Douglas County to both the Horizon Community Health Board and the Douglas County Board of Commissioners for the previous calendar year.
4. In July of each year, following formal acceptance of the year-end modified accrual financial report by the Horizon Community Health Board for the previous calendar year, Horizon Public Health agrees to make payment to Douglas County for any revenue collected that exceeds the year-end expenditures on a modified accrual basis. Effective with the 2017 modified accrual financial report and ongoing thereafter, all

donations, memorials and Longfellow Fund donations shall be excluded from the total revenue when determining total hospice revenue collected for the previous fiscal year. Similarly, following mutual acceptance of the year-end modified accrual financial report by the Horizon Community Health Board, Douglas County agrees to make payment to Horizon Public Health for any expenses incurred during the previous calendar year that exceed the year-end revenue collected.

5. Effective for hospice services provided in Calendar Year 2017 and thereafter, Hospice of Douglas County shall designate the revenue received from donations and memorials for specific "value-added" hospice services. On an ongoing basis, Hospice of Douglas County shall maintain tracking and monitoring documentation for those "value-added" hospice services in order to assure donors that donations and memorials are being reinvested in services for Hospice of Douglas County patients. Longfellow Fund expenditures shall be tracked and monitored in accordance with the direction provided by the Longfellow Fund Board of Directors.
6. In the event that the service area for Hospice of Douglas County is expanded to include one or more of the other 4 counties that comprise Horizon Public Health, this MOA shall be subject to re-negotiation of the fiscal accountability provisions.

This Memorandum of Agreement, as revised, is entered into this _____ day of August 2018 and shall be effective retroactive for services provided beginning January 1, 2017.

Approved by: _____
Chair, Douglas County Board

Approved by: _____
Chair, Horizon Community Health Board

Date:

Date: August 13, 2018

Motion by Jeanne Ennen, second by Larry Kittelson to approve the revised memorandum of agreement between Horizon Public Health (Hospice of Douglas County) and Douglas County for annual financial settlement. Motion carried. The Memorandum of Agreement will now be presented to the Douglas County Board of Commissioners for consideration and approval.

MCIT Dividend notification:

Ms. Tubbs informed the Board that Horizon Public Health has been notified by Minnesota Counties Intergovernmental Trust (MCIT) that HPH will be paid \$24,584 for the 2018 dividend, with the payment expected in mid-November 2018.

Administrator Report:

Update Administrator recruitment process and timeline:

The application deadline for the Administrator position has been moved to Friday, August 17th with the approval from the Personnel Committee. The first interview dates have been established for August 27 and 29. There will be second interviews scheduled for the beginning of September with approval of the candidate at the October 8th board meeting. Three applications have been received to date.

Consideration/discussion of Horizon Public Health office relocation in Alexandria:

Douglas County has approached Horizon Public Health about a possible office relocation to allow for additional space for Douglas County Social Services and License Bureau staff. Douglas County has been looking at the former PrimeWest office space for potential relocation, and has made an offer to the PrimeWest Health Board for the purchase the office location. Although the office space provides good professional office space, it will not be adequate space for all Horizon staff, particularly with the incorporation of the clinic space that is needed. Therefore, some Horizon Public Health staff will need to remain housed at the current location in the Douglas County Service Center. Ms. Tubbs recommended that some HPH staff meet with Douglas County Commissioner representatives to discuss plans and options. Commissioner Meyer and Commissioner Rapp are the representatives from Douglas County assigned to this project and will meet with HPH staff soon. Ms. Tubbs also stated that some HPH reserve funds may need to be invested to share expenses associated with office remodeling and/or office furniture. The Finance Committee will be convened discuss this when more details become available.

Annual Community Health Conference October 11-12, 2018 at Cragun's:

To date, HPH has registered Larry Kittelson, Larry Lindor, Dennis Thompson, and Bob Kopitzke for the conference. However, due to a conflict with an AMC meeting, Commissioners Larry Lindor and Bob Kopitzke may not be able to

attend. Both Commissioners agreed to let Horizon staff know of their final decision in order that their conference registrations get canceled if necessary.

Purchase of Services Agreement Family Planning Special Project Sub-Grantee Contract with Mahube-Otwa:

Ms. Tubbs presented a purchase of services agreement for the Family Planning Special Project grant between Mahube-Otwa Community Action Partnership, Inc. and Horizon Public Health. Beginning on 7/1/18, Mahube-Otwa Community Action Partnership became the fiscal host of the Family Planning Special Project grant funds. As part of their grant application, they included \$10,000 to be paid to Horizon Public Health for services provided as specified in the grant contract. The grant awards and dates are as follows:

7/1/18-6/30/19: \$5,000

7/1/19-6/30/20: \$5,000

Motion by Bob Kopitzke, second by Dennis Thompson to approve the purchase of services agreement for the Family Planning Special Project (FPSP) sub-grantee contract with Mahube-Otwa Community Action Partnership, Inc. Motion carried.

Adjourn: With no further business, the meeting was adjourned at 10:45 a.m. by Chair Larry Lindor. The next meeting is scheduled for Monday, September 10th, 2018 at 9:00 a.m. at Douglas County Public Works in Alexandria.