

August 24, 2026

**SOUTH CENTRAL COLFAX COUNTY SPECIAL HOSPITAL DISTRICT BOARD
REGULAR BOARD MEETING
6:00 PM**

PLACE:

**Colfax County Val Verde Fire Station, 27749 HWY 64, Angel Fire, NM 87710
6:00 PM**

<https://us02web.zoom.us/j/86522751832?pwd=5YaQ11i4RlbqRZCg6oMEZWiaBlfW3i.1>

Meeting ID: 865 2275 1832

Passcode: 126751

Agenda Items & Discussion

1. Call Meeting to order – 6:00 p.m.

1. Chairman Lopez called meeting to order at 6:00 PM.

2. Roll Call

2. Members present at time of Roll Call– Chairman Boe Lopez, Vice Chair Louise Portillos(Zoom), Treasurer/Secretary Kaycee Sandoval and, Trustee Debra Chris Campbell.

Members absent – Trustee Fred Martinez.

Additional staff present – Nursing Home Administrator Ashley DeHerrera, Clinics Administrator Annabelle Sillas-Graves, HR Generalist Teresa Ebell, and Business Officer Analy Tellez.

3. Approval of Agenda

3. Chairman Lopez entertains a motion to approve amended agenda as presented. Campbell made a motion to approve the agenda as presented. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

4. Review/Discuss/Approve Board Meeting Minutes

a. July 27, 2026 Regular Board Meeting Minutes

b. August 10, 2026 Special Board Meeting Minutes

4. A. The Board reviewed the July 27, 2026 Regular Board Meeting Minutes. No corrections were brought forward. Chairman Lopez entertained a motion to approve the July 27, 2026 Regular Board Meeting Minutes as presented. Campbell made a motion to approve the minutes as presented. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

B. The Board reviewed the August 10, 2026 Special Board Meeting Minutes.

Discussion was held regarding the contents of the minutes.

Chairman Lopez entertained a motion to approve the August 10, 2026 Special Board Meeting Minutes as presented. Campbell made a motion to approve the minutes as presented. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

5. Public Comments (Limited to 3 minutes per person) – *This item is for information purposes only and not for discussion or debate, to inform the Board of an issue or concern that would not be addressed on the agenda during business session of the meeting. Because of time constraints, the public comments from members of the public are limited to three minutes, unless approved by the presiding officer of the meeting.*

5. Steven O'Rourke, Environmental Services Supervisor, spoke regarding the importance of the PTO cash-out benefit to employees and expressed concerns that restricting or eliminating the benefit could negatively affect employee morale and retention. He also discussed the potential impact of employees taking additional time off on overtime and staffing costs and raised questions regarding potential cost-of-living increases.

William Sewell, Lead Housekeeping employee also spoke regarding staffing levels, the difficulty employees experience in taking vacation while maintaining adequate staffing, and concerns regarding changes to PTO cash-out provisions. He expressed concern that reducing the benefit could affect recruitment and retention, particularly as the District prepares to transition into the new Long Term Care facility. The Board acknowledged the comments and thanked the employees for providing their input.

6. Board Reports
a. Chairman/Vice Chair Report
b. Board Docket
c. Committee Reports

6. a. Nothing to report.
b. Nothing to report.
c. Sandoval reported for the Finance Committee. The Finance Committee

reported that it had reviewed several financial matters and discussed opportunities to reduce expenses and identify potential additional revenue.

Discussion included reviewing the District's contract with Tricor to determine whether charges could be reduced and whether additional revenue opportunities could be identified.

The Finance Committee also discussed the grant received for Colfax General Laboratory and the importance of strategically utilizing the funds and appropriately reporting the laboratory's financial activity. The Board discussed spreading the grant funding over the three-year period rather than utilizing the funds as a lump sum.

Discussion was also held regarding mill levy funds associated with the laboratory. It was clarified that approximately \$66,000 would remain in a separate line item as a reserve rather than being returned to the general District funds. The Board discussed maintaining the reserve for unforeseen laboratory expenses and future needs.

7. Review/Discuss/Approve July/August 2026 Nursing Home Administrator Report for Colfax General Long Term Care and Colfax General Laboratory

7. Ashley DeHerrera Ashley DeHerrera, Administration, presented the July/August 2026 Nursing Home Administrator Report for Colfax General Long Term Care and Colfax General Laboratory. DeHerrera reported that the District was completing the final day of the FY2026 audit and that the completed audit would be presented to the Board in September.

DeHerrera reported that July's overall financial position was improved. The laboratory's financial results reflected a loss associated with the stabilization grant. The clinics and urgent care were catching up on billing from June and July, which resulted in higher reported activity that was not expected to be representative of a normal month. The final budget had been submitted to the Department of Finance and Administration (DFA) and was awaiting approval. DeHerrera also reported that the District had submitted its response and corrective action plan related to the DFA special conditions and that DFA was reviewing the materials.

DeHerrera reported that agency utilization at Colfax General Long Term Care remained high in July due in part to vacations and other staffing circumstances. Administration was working to reduce agency utilization. Colfax General Long Term Care remained at full capacity with 33 residents and maintained a waiting list. The new rate change became effective July 1, 2026, and the private-pay rate change became effective in August. DeHerrera reported that the laboratory qualified for the Rural Health Care Delivery Fund stabilization grant and would receive approximately \$390,000 over three years. Discussion was held regarding retaining the associated funds within the District rather than allocating additional mill levy funds to another District entity.

DeHerrera reported that the District had applied for a Rural Health Innovation Fund grant for Long Term Care and was awaiting a decision. DeHerrera also reported on the August 7 Family Fun Day, which was held as a

backyard campsite event and was well received by residents and staff. Discussion was held regarding the annual convention and continuing education opportunities for Long Term Care staff. DeHerrera explained the importance of the conference for survey preparation, compliance, fire safety, and other Long Term Care-specific education. She also expressed concern that reducing conference attendance could limit access to information that is not available online. The Board discussed the need to balance continuing education with the District's current financial position and discussed utilizing a smaller number of staff to attend and bring information back to the remaining staff. DeHerrera reported that the laboratory continued to perform well. Approximately 150 laboratory tests were reported for July, with laboratory activity increasing from January through July. Discussion was also held regarding the District's financial condition, agency utilization, staffing needs, employee expenses, and the importance of identifying cost reductions while maintaining necessary staffing and resident services. Chairman Lopez discussed the financial concerns underlying the Board's review of discretionary expenses, PTO cash-outs, conferences, and other expenditures. The Board discussed the importance of identifying reductions that would allow the District to maintain staffing and services while addressing its financial obligations. Additional discussion was held regarding the Rural Health Innovation Fund application and whether the proposed grant could result in an

expansion of the District's scope of services. The Board discussed the need to carefully evaluate any new service that would create additional ongoing staffing or operational obligations.

Chairman Lopez entertained a motion to approve the July/August 2026 Nursing Home Administrator Report for Colfax General Long Term Care and Colfax General Laboratory. Campbell made a motion to approve the report. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

8. Review/Discuss/Approve July/August 2026 Clinics Administrator Report for Cimarron Healthcare Clinic, Moreno Valley Healthcare Clinic, and Moreno Valley Urgent Care @ AF Resort

8. Annabelle Sillas-Graves The Clinics Administrator presented the July/August 2026 Clinics Administrator Report for Cimarron Healthcare Clinic, Moreno Valley Healthcare Clinic, and Moreno Valley Urgent Care at Angel Fire Resort. The Clinics Administrator reported that patient activity was relatively high for family practice and urgent care. Moreno Valley laboratory activity had increased, while Cimarron continued to maintain its normal patient volume. It was reported that pharmacy inspections had been completed at Moreno Valley Healthcare Clinic and Moreno Valley Urgent Care, with both facilities passing inspection. Regarding the new Moreno Valley Healthcare Clinic project, the survey had been filed with the County and the District was awaiting an appraiser to contact the District regarding valuation of the property. Discussion was held regarding the potential purchase of property on North Angel Fire Road. The resort was considering the District's offer, and the District's attorney had been provided

the available documents for review. The Board also discussed the existing property as a fallback option if the proposed purchase did not proceed. The Clinics Administrator reported that the District continued to work toward obtaining a PRN clinician for the clinics. Urgent care patient volume had improved during July, and August activity was expected to remain strong. Discussion was held regarding staffing changes at the clinics and urgent care. The Clinics Administrator also reported that the Rotary Club of Angel Fire was working toward a potential donation of approximately \$5,000 toward the purchase of a portable X-ray machine. Discussion was held regarding sports physicals being provided by the family practice clinic and urgent care. The Board also discussed credentialing and its effect on billing and collections for urgent care.

Chairman Lopez entertained a motion to approve the July/August 2026 Clinics Administrator Report for Cimarron Healthcare Clinic, Moreno Valley Healthcare Clinic, and Moreno Valley Urgent Care at Angel Fire Resort. Campbell made a motion to approve the report. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

9. Review/Discuss/Approve July 2026 Compliance Report
- a. Nursing
 - b. Personnel/Staffing
 - c. Trainings
 - d. Grievances

9. The Board reviewed the July 2026 Compliance Report, including nursing, personnel/staffing, trainings, and grievances.

A question was raised regarding medication errors contained within the report. Because the compliance report contained confidential information, the

Board discussed addressing questions concerning the confidential portions of the report in Executive Session.

Chairman Lopez entertained a motion to approve the July 2026 Compliance Report and address the confidential questions during Executive Session. Campbell made a motion. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

10. Review/Discuss IPRA Requestor Report July 2026

10. The Board reviewed the July 2026 IPRA Requestor Report. Administration reported that the requests received during the reporting period had been completed within the required timeframe. No further discussion was held.

11. GO Bond Updates

11. Administration provided an update on the GO Bond. It was reported that the District had used the GO Bond proceeds to pay off the line of credit and that there was no outstanding balance on the line of credit associated with the referenced payment. No further action was taken.

12. Capital Outlay Project Updates
a. Notice of Obligations & Payment Statuses

12. a. Administration reported that the applicable expenditures had been reimbursed and that the District was awaiting a response from DFA before resuming certain capital project expenditures.

No further action was taken.

13. New Long Term Care Building – Project Updates

13. Administration provided an update on the new Long Term Care building. The

project was reported to be progressing quickly, with completion still anticipated around mid-October. Following completion, the District will work with the Health Care Authority to complete the required life-safety survey and obtain the license necessary for occupancy. No further action was taken.

14. New Moreno Valley Healthcare Clinic – Project Updates

14. The Board discussed the proposed new Moreno Valley Healthcare Clinic project. The Board discussed the status of the potential property purchase, including the appraisal of the District's current property and the offer submitted for the North Angel Fire Road property. The Board also discussed potential funding sources for property acquisition and the possibility of utilizing proceeds from the existing property should it be sold. No further action was taken.

15. Financial Review

a. Review/Discuss/Approve July 2026 Financial Reports

15. a. The Board reviewed the July 2026 financial reports. Administration explained that the Board had been provided with additional financial reports organized by District division, including Long Term Care, Laboratory, Moreno Valley, Cimarron, and Angel Fire. The reports included current-month actual versus budget, year-to-date actual versus budget, and a twelve-month rolling report. Administration explained that the new format was intended to provide the Board with greater clarity regarding the financial position and budget variances of each division. Discussion was held regarding July's financial activity, including the effect

of catching up on clinic billing from June.

The Board also discussed expenses, agency staffing costs, employee benefits, discretionary spending, and other potential areas for cost reduction. Further discussion was held regarding the District's financial position and the need for the Finance Committee to continue reviewing the employee benefit structure and other expenses.

Chairman Lopez entertained a motion to approve the July 2026 Financial Reports. Campbell made a motion to approve the July 2026 Financial Reports. Sandoval seconded the motion. There being no further discussion, all in favor, motion carries.

16. Review and Discussion – DFA Corrective Action Plan Compliance and Follow-Up

16. Administration reported that the District had not yet received a response from DFA regarding the submitted corrective action plan. Administration reported that agency staffing expenses had been identified as an area where the District was over budget and that a plan was in place to reduce agency utilization and associated costs. No further action was taken.

17. New Business

- a. Review/Discuss/Approve FY2027 BAR #1 – Budget Adjustment
- b. Review/Discuss/Approve Fiscal Year 2027 Budget Adjustment Resolution #2125
- c. Review/Discuss/Approve Updated Personal Time Off Policy
- d. Review/Discuss Remote Work/Work From Home Policy

17. A. Administration presented FY2027 BAR #1, explaining that the adjustment was an internal budget adjustment related to the laboratory's mill levy allocation. The adjustment would move the applicable amount to the District's newly created mill levy revenue line item and would not add or delete budgeted expenditures. Chairman Lopez entertained a motion to approve FY2027 BAR #1 – Budget Adjustment. Sandoval made a motion

to approve FY2027 BAR #1 – Budget Adjustment. Campbell seconded the motion. There being no further discussion, all in favor, motion carries.

B. Administration presented Fiscal Year 2027 Budget Adjustment Resolution #2125.

Chairman Lopez entertained a motion to approve Fiscal Year 2027 Budget Adjustment Resolution #2125.

Sandoval made a motion to approve Fiscal Year 2027 Budget Adjustment Resolution #2125. Campbell seconded the motion. There being no further discussion, all in favor, motion carries.

C. Administration presented two proposed versions of the updated Personnel Time Off Policy for Board discussion.

Discussion focused on the PTO cash-out provisions. One proposal would retain a cash-out provision subject to future review and Board approval based upon the District's financial condition, while the other proposal would remove the cash-out provision. The Board discussed the appropriate amount of PTO that could potentially be cashed out, the timing of any cash-out, whether employees would receive the current value of accrued PTO, and the financial impact of the provision. The Board also discussed the importance of obtaining legal clarification regarding the PTO policy and applicable payment requirements. No action was taken on the updated Personnel Time Off Policy. The matter will remain for further discussion and consideration at a future meeting following additional information and legal review.

D. The Board reviewed and discussed the District's existing Remote Work/Work From Home Policy. Administration explained that the policy had originally been implemented for limited circumstances and that the Board could review the policy for potential revisions. The Board discussed whether remote work should continue to be available and the circumstances under which employees may be permitted to work remotely. The Board agreed that the matter should be reviewed further and discussed with legal counsel. No action was taken.

18. Old business

1. Review/Discuss/Approve Purchase of X-Ray Machine Upgrade with additional cost

18. a. The Board discussed the proposed purchase of an X-ray machine upgrade and the additional cost associated with the purchase. Discussion was held regarding a potential donation from the Rotary Club of Angel Fire and the possibility of obtaining additional funding before committing District funds. The Board also discussed the possibility of financing the purchase. Chairman Lopez entertained a motion to table the purchase of the X-ray machine upgrade with additional cost pending further information regarding potential donations and funding.

Sandoval made a motion to table the purchase of the X-ray machine upgrade with additional cost. Campbell seconded the motion. There being no further discussion, all in favor, motion carries.

19. Executive session pursuant to NMSA 1978, Section 10-15-1(H)(7) because discussions may include issues subject to the attorney client

19. Chairman Lopez entertained a motion to close the meeting to the general public and adjourn to Executive

privilege pertaining to threatened litigation in which the District may become a participant.

Session pursuant to NMSA 1978, Section 10-15-1(H)(7), because discussions may include issues subject to the attorney-client privilege pertaining to threatened litigation in which the District may become a participant.

Sandoval made a motion to enter Executive Session. Campbell seconded the motion.

Roll Call Vote: Boe Lopez – Yes. Louise Portillos – Yes. Kaycee Sandoval – Yes. Chris Campbell – Yes. Fred Martinez – Absent.

The Board entered Executive Session at 7:38 PM.

20. Reconvene in Open Session – Take Necessary Action, if any, on matters discussed in Executive Session.

20. The Board reconvened in Open Session at 8:44 p.m.

Campbell made a motion to return to Open Session. Sandoval seconded the motion.

Roll Call Vote: Boe Lopez – Yes. Louise Portillos – Yes. Kaycee Sandoval – Yes. Chris Campbell – Yes. Fred Martinez – Absent.

No action was taken following Executive Session.

21. Board Concerns

21. The Board discussed matters to be forwarded to legal counsel for review.

The Board discussed providing legal counsel with the current Personnel Time Off Policy, proposed PTO policy versions, and the Remote Work/Work From Home Policy.

The Board also discussed providing legal counsel with information regarding the process for removal of a Board member, including the District's existing bylaws and policies. Administration will consult with legal counsel regarding the appropriate process.

The Board requested that information regarding employees classified as FLSA-exempt, including the number of exempt employees and applicable documentation, be provided to legal counsel for review.

The Board also discussed providing legal counsel with policies regarding employee terminations, resignations, and rehires.

The Finance Committee will continue reviewing the employee benefit breakdown and will bring additional information and recommendations to the Board as appropriate.

22. Set Day & Time of Next Regular Meeting – September 28, 2026

22. The next regular Board meeting was set for September 28, 2026, at 6:00 p.m. in Springer, New Mexico.

The Board also discussed the possibility of amending the regular meeting time reflected in the District's Open Meetings Act Resolution to reflect the 6:00 p.m. meeting time.

23. Adjournment

23. There being no further business before the Board, Chairman Lopez entertained a motion to adjourn the meeting at 8:49 p.m. Sandoval made a motion to adjourn. Campbell seconded the motion. All in favor, motion carries.

The meeting adjourned at 7:26 PM.

Respectfully submitted,

Ashley DeHerrera
Nursing Home Administrator

Annabelle Sillas-Graves
Clinics Administrator

Boe Lopez, Chairman
Louise Portillos, Vice Chair