

Board of County Commissioners of Lincoln County

Agenda for July 31, 2012

9:00 Call to order and Pledge of Allegiance

9:05 Damian Duran to request an exemption from Subdivision Regulations on a 20 acre parcel for a home site

9:30 Shawn Smith with Smith Construction to discuss roofs on county buildings damaged by hail

10:00 Human Services Director Colette Barksdale to give her monthly report

11:00 Public Health Director Sue Kelly to give her monthly report and to present for approval and signature the Scope of Work for the Immunization Contract

1:15 County Auditor Ronny Farmer to present the 2011 audit of the county's financial statements

1. Approve the minutes from the July 30, 2012 meeting
2. Review and act on the paperwork for the Lincoln Community Hospital Transport Service to provide advanced life support ambulance service
3. Review and act on the paperwork for Limon Ambulance Service to provide advanced life support ambulance service
4. County Commissioners reports
5. County Attorney's report
6. Old business
7. New business
8. Approve additional expense vouchers if necessary

The Board of Lincoln County Commissioners met at 9:00 a.m. on July 31, 2012. The following attended: Chairman Steve Burgess, Commissioners Gary Beedy and Ted Lyons, and Clerk to the Board Corinne M. Lengel. County Administrator Roxie Devers was absent and excused, and County Attorney Stan Kimble attended in the afternoon. Will Bublitz with The Limon Leader and Eastern Colorado Plainsman attended from 9:15 a.m. until 10:15 a.m.

Chairman Burgess called the meeting to order and led the Pledge of Allegiance, after which Damian Duran met with the Board to request an exemption from subdivision regulations on a 20-acre parcel for a home site. Mr. Duran stated that the property had already been developed for a home site, with a well and electricity, the original property owner had just never done anything with it.

Mr. Beedy made a motion to adopt a resolution granting an exemption of subdivision regulations to Damian Duran on a parcel of land in the Northwest Quarter of Section 16, Township 9 South, Range 52 West of the 6th Principal Meridian, Lincoln County, Colorado, for the purpose of a stick-built home. Mr. Lyons seconded the motion, which carried unanimously.

At a regular meeting of the Board of County Commissioners of Lincoln County, Colorado held in Hugo, Colorado on July 31, 2012 there were present:

Steve Burgess, Chairman	Present
Gary A. Beedy, Vice Chairman	Present
Ted Lyons, Commissioner	Present
Stan Kimble, County Attorney	Absent & Excused
Corinne Lengel, Clerk of the Board	Present
Roxie Devers, County Administrator	Absent & Excused

when the following proceedings, among others, were had and done, to-wit:

RESOLUTION #827 It was moved by Commissioner Beedy and seconded by Commissioner Lyons to adopt the following resolution:

WHEREAS, application has been made by Damian Duran for exemption from the Lincoln County Subdivision Regulations on a parcel of land in Lincoln County described as follows:

A parcel of land located in the Northwest Quarter of Section 16, Township 9 South, Range 52 West of the 6th Principal Meridian, Lincoln County, Colorado, being more particularly described as follows:

Commencing at the north 1/4-corner of Section 16, Township 9 South, Range 52 West of the 6th P.M., and considering the north line of said Section 16 to bear north 90° 00' 00" east; thence south 00° 42' 50" east along the east line of the northwest ¼ of said Section 16, a distance of 1,272.37 feet; thence south 90° 00' 00" west, a distance of 697.56 feet; thence north 00° 42' 50" west, a distance of 665.96 feet; thence north 04° 21' 14" east, a distance of

608.10 feet to a point on the north line of said Section 16; thence north 90° 00' 00" east along the north line of said Section 16, a distance of 643.84 feet to the point of beginning. Said parcel contains 20 acres, more or less.

Said parcel of land is subject to any rights-of-way or other easements as granted or reserved by instruments of record or as now existing on said tract of land; and

WHEREAS, the request for this exemption is for a single family residence; and

WHEREAS, under Section II-27-D-Subdivision, the Board of County Commissioners may exempt from this definition of the terms "subdivision" and "subdivided land" any division of land if the Board of County Commissioners determines such division is not within the purposes of this article;

NOW, THEREFORE BE IT RESOLVED by the Board of County Commissioners of Lincoln County that the parcel as described in the application be excluded from the provisions of the Lincoln County Subdivision Regulations so long as there is not a change in the present use of the property;

BE IT FURTHER RESOLVED that this exemption from the provisions of the Lincoln County Subdivision Regulations excludes any future division of the property without subsequent approval by the Board of County Commissioners.

Upon roll call the vote was:

Commissioner Lyons, Yes; Commissioner Beedy, Yes; Commissioner Burgess, Yes.

The Chairman declared the motion carried and so ordered.

Board of County Commissioners
of Lincoln County

ATTEST:

Clerk of the Board

Mr. Burgess said he had sent Ms. Lengel an e-mail correction to the minutes, as it had not solely been his decision to arrange the parking at the fairgrounds. It had been discussed at a fair board meeting and it was the board that came up with the arrangement; it had just never been enforced. He wanted to clarify that he had been the one who was basically nominated to enforce the issue and wanted the minutes to reflect that. Mr. Lyons' only concern with the posts in the parking area was that the commissioners had better be prepared to pull people out if they get stuck in the event there is a heavy rain and mud to contend with. Mr. Beedy said he thought the idea of all of the signs was great, but again, his concern in the main parking area is the need to remove the posts in order to mow. Mr. Burgess also told Ms. Lengel that Chris Monks had spoken with Jim McCormick with McCormick Construction, so Ms. Lengel changed the minutes from "someone with McCormick Construction" to "Jim McCormick."

Mr. Beedy made a motion to approve the minutes from the meeting held on July 30, 2012, once the corrections were made. Mr. Lyons seconded the motion, which carried unanimously.

The Board reviewed the paperwork for the Limon Ambulance Service to provide advanced life support ambulance service. Mr. Beedy made a motion to adopt a resolution authorizing Limon Ambulance Service to provide advanced life support ambulance service. Mr. Lyons seconded the motion, which carried unanimously.

At a regular meeting of the Board of County Commissioners of Lincoln County, Colorado held in Hugo, Colorado on July 31, 2012 there were present:

Steve Burgess, Chairman	Present
Gary Beedy, Vice Chairman	Present
Ted Lyons, Commissioner	Present
Stan Kimble, County Attorney	Absent & Excused
Corinne Lengel, Clerk of the Board	Present
Roxie Devers, County Administrator	Absent & Excused

when the following proceedings, among others, were had and done, to-wit:

RESOLUTION #828 It was moved by Commissioner Beedy and seconded by Commissioner Lyons to adopt the following resolution:

WHEREAS, pursuant to the Colorado Emergency Medical Services Act, Section 25-315.101, et seq., C.R.S., the Board of County Commissioners has the authority to establish requirements for the inspection, licensure, and operation of ambulance services, ambulance personnel, and ambulance vehicles operating in the county; and

WHEREAS, the Lincoln County Commissioners adopted Resolution #651 and thereby established rules and regulations governing the licensure of ambulance services operating within Lincoln County; and

WHEREAS, the Limon Ambulance Service has presented the Board of County Commissioners with an application to license the ambulance service and to permit their ambulances as advanced life support; and

WHEREAS, upon review, the Board of County Commissioners determined that the documentation presented met the rules and regulations established under Resolution #651;

NOW, THEREFORE BE IT RESOLVED by the Board of County Commissioners of Lincoln County that the Limon Ambulance Service is hereby authorized to provide ambulance service in Lincoln County with permitted advanced life support ambulances.

Upon roll call the vote was:

Commissioner Beedy, Yes; Commissioner Lyons, Yes; Commissioner Burgess, Yes.

The Chairman declared the motion carried and so ordered.

Board of County Commissioners
of Lincoln County

ATTEST:

Clerk of the Board

Also reviewed was the paperwork for the Lincoln Community Hospital Transport Service to provide advanced life support ambulance service. Mr. Lyons made a motion to adopt a resolution authorizing Lincoln Community Hospital Transport Service to provide advanced life support ambulance service. Mr. Beedy seconded the motion, which carried unanimously.

At a regular meeting of the Board of County Commissioners of Lincoln County, Colorado held in Hugo, Colorado on July 31, 2012 there were present:

Steve Burgess, Chairman	Present
Gary Beedy, Vice Chairman	Present
Ted Lyons, Commissioner	Present
Stan Kimble, County Attorney	Absent & Excused
Corinne Lengel, Clerk of the Board	Present
Roxie Devers, County Administrator	Absent & Excused

when the following proceedings, among others, were had and done, to-wit:

RESOLUTION #829

It was moved by Commissioner Lyons and seconded by Commissioner Beedy to adopt the following resolution:

WHEREAS, pursuant to the Colorado Emergency Medical Services Act, Section 25-315.101, et seq., C.R.S., the Board of County Commissioners has the authority to establish requirements for the inspection, licensure, and operation of ambulance services, ambulance personnel, and ambulance vehicles operating in the county; and

WHEREAS, the Lincoln County Commissioners adopted Resolution #651 and thereby established rules and regulations governing the licensure of ambulance services operating within Lincoln County; and

WHEREAS, the Lincoln Community Hospital Transport Service has presented the Board of County Commissioners with an application to license the ambulance service and to permit their ambulances as advanced life support; and

WHEREAS, upon review the Board of County Commissioners determined that the documentation presented met the rules and regulations established under Resolution #651;

NOW, THEREFORE BE IT RESOLVED by the Board of County Commissioners of Lincoln County that the Lincoln Community Hospital Transport Ambulance Service is hereby authorized to provide ambulance service in Lincoln County with permitted advanced life support ambulances.

Upon roll call the vote was:

Commissioner Lyons, Yes; Commissioner Beedy, Yes; Commissioner Burgess, Yes.

The Chairman declared the motion carried and so ordered.

Board of County Commissioners
of Lincoln County

ATTEST:

Clerk of the Board

Mr. Beedy reported attending the CKLECC (Cheyenne/Kiowa/ Lincoln Early Childhood Council) meeting on July 19, and stated they are advertising for a position. He also attended the LINCing Dads meeting that same day. On July 26, he attended the Eastern Colorado Services for the Developmentally Disabled meeting in Sterling, commenting that they qualified to get extra slots for funding. On July 27, he attended Ken Morrison’s retirement party.

Mr. Lyons reported participating in a Southeast Colorado Recycling conference call on July 19, and commented that they privatized everything. On July 20, he checked the oil fields, and on the Twenty-third he looked at the area where Larry Meier had put manure in the ditch, saying that there are things growing there, so it didn't appear that they would have the blowing issue anymore. He also spoke with John Valentine, who has been working with Paul Jenkins on his prairie dog issue. On July 25, Mr. Lyons again checked on the oil fields, commenting that they hit two and missed two of the last four holes they dug. On July 26, he attended the hospital board meeting where the 2011 Medicare Cost Report was reviewed, and the hospital will be getting a rather substantial amount of money back. On the Twenty-seventh, he attended Ken Morrison's retirement party, and on the Twenty-eighth, he spoke with Landfill Manager Mick Jaques, who told him that the air conditioning is still not working in the compactor. Mr. Lyons said that Mike Smithson is going to go out and check it again and then, if he can't find the problem, they will have someone from CAT come and fix it. Mick was also having problems with the car he uses, which has 250,000 miles on it. Mr. Lyons said there are two others at the shop, so they will just trade it out. On July 30, Mr. Lyons said he received a call from Kerry Halde about a soft spot in the road, so he spoke with Chris Monks about it earlier this morning. Mr. Halde told him there are twenty-seven wells out there now. They will dig five more, release the rig, and maybe come back again in the future.

At 9:30 a.m., Shawn Smith, with Smith Construction, met with the Board to discuss roofs on county buildings damaged by hail. County Treasurer Jim Covington and Travis Nall were also in attendance. Shawn introduced Bob Parlett, his roofing partner, and then said that he was certainly not an insurance adjuster, but he had definitely found some damage. His suggestion was that if the insurance company is going to pay off, the county should just as well take advantage of that and fix the roofs. Otherwise, they may never get paid for them again, and then the county will have to foot the entire bill when the time comes to replace them.

Mr. Burgess said he'd noticed water running down the brick face of the courthouse this morning and asked Travis Nall what he had found out. Travis said the gutter seams are leaking, as well as one of the roof jacks.

Mr. Burgess also commented that he'd spoken to James Adams with CTSI, who told him that the county should get the entire amount on the roofs, not the depreciated amounts. Discussion turned to asphalt shingles for the resource center and the annex, Mr. Parlett stating that Malarky shingles, which are Class A fire rated and Class 4 impact rated, would be just as good as the steel, as they are made from rubber and asphalt rather than fiberglass and asphalt like other shingles. Shawn added that they can withstand 140-150 mph winds, as well as softball-sized hail. Mr. Beedy wanted to know the price on the shingles, but Mr. Parlett said he would have to check, as he didn't remember. He also told the Board that they should choose who they trust and will guarantee their work, as many contractors will cut corners if they don't bid what the insurance company will pay. He went on to say that contractors and insurance companies agree to the fair market price, so the commissioners should be careful of low bids. Lastly, Mr. Parlett said that if they were awarded the contract, they have a ten-year labor

warranty. Mr. Lyons asked if that would be included in their written contract for future boards of commissioners and was told that it would be.

Mr. Burgess asked Shawn if he had noticed any “tin-canning” on the roof, and Shawn replied that he had noticed some flexing in certain areas, but didn’t know if it was from wind or hail damage, or simply someone walking on it. Mr. Burgess said that the county had filed an insurance claim back in 2005, before the wind bars were put on, and there was metal fatigue even then, and felt that it is the duty of the commissioners to take care of the county’s assets.

Mr. Lyons asked how long it would take to replace the roof and was told possibly a month or a little less, and Shawn explained that it would be a roll-on, roll-off process for minimal exposure.

Mr. Beedy wanted to know the price for 24-gauge steel and Mr. Parlett told him it varied, based on how much was purchased, but he seemed to recall that it was around \$4.00 per linear foot. After some calculations, it was determined they would need enough for 57,795 square feet of roof, which was roughly 600 squares.

Mr. Burgess let the gentlemen know that they would be going through the bid process for the roof, and then Shawn clarified a couple of questions regarding the courthouse parking lot.

A call was then placed to James Adams with CTSI to determine if the county would truly get the entire amount shown on the estimate from the adjuster, or if the insurance company would only pay the depreciated portion. Mr. Adams was unavailable, so Mr. Beedy left a message. Since Mr. Bublitz had to return to the office, the commissioners told him they would call him later to let him know their decision on replacing the roofs.

Mr. Burgess reported receiving a call from Fairgrounds Manager Julie Joffe on July 23, letting him know that Perry White had suggested she get more hay for the livestock at the fair. Mr. Burgess contacted Hilferty’s and ordered eighty bales at \$11.50 per bale, as well as forty sacks of grain. On the Twenty-fifth, he spoke with the landowner requesting higher prices on gravel, and then on July 26, he went with Wayne Shade to spray weeds. On the Twenty-seventh, he attended Ken Morrison’s retirement party, and also received a report of a rough spot on County Road 3T at Walks Camp. When he checked it out, he discovered a sinkhole, so he placed barricades around it and contacted Chris Monks, who had it fixed yesterday. He also spoke with Julie Joffe again and let her know that she would need to meet with him and/or the Board after the fair to go over the remainder of the 2012 budget.

At 10:15 a.m., Human Services Director Colette Barksdale, and Robert Kraxberger, met with the Board to give the monthly department report. Ms. Barksdale said the commissioners may have noticed some late fees and interest charges on their credit card bills, and Mr. Burgess told her it was one of the things he had on his list to speak with her about. She explained that the check had never been received by the company, resulting in several charges. They had waived some of the late fees, but if there are late fees more than once on a particular individual within a year’s time, they will not waive those. Since the department’s practice is to include all

employees' payments on the same check, Ms. Barksdale said they have decided to change that strategy and pay the company as the Clerk's office does; cut individual checks to the company for each employee who has a credit card.

At that time, James Adams with CTSI called back, so the commissioners asked how much money the county would receive if they decided to fix the roofs. Mr. Adams confirmed that the entire amount would be allotted, not the depreciated costs. Mr. Lyons asked what would happen if the bid from the contractor came in higher than the allotment, and Mr. Adams told him they would have to review the situation and make sure the contractor was not adding something that they shouldn't be. Mr. Burgess asked if Mr. Adams would like to review the bid when they determine which they would like to accept, before the final approval, and he said he would appreciate it.

Mr. Lyons asked about putting the Malarky shingles on the annex roof instead of going back with steel, and Mr. Adams stated that the choice belongs to the county as long as the total price falls within the allotted insurance payment.

Ms. Barksdale then continued her report while the commissioners reviewed the monthly time sheets and financial reports. She showed the new time sheets from the Time Reporting System and then explained that delivery of Project School Supply is complete. There had been a request to begin the program earlier in the year, such as January, to give the suppliers more time to order, so Ms. Barksdale said that she and Mr. Kraxberger plan on visiting the schools next month to ask if they would be able to store the supplies if the program is instituted earlier in the year. Mr. Beedy said that the suppliers feel they will get a better deal if they order the school supplies earlier, and may be able to request a later delivery date rather than try to find a place to store them.

Ms. Barksdale asked about the storage shed steps and when they might be completed. Mr. Kraxberger stated that he knew Travis had purchased some of the supplies, so assumed that he was working on it.

CKLECC has been awarded \$25,000, but Ms. Barksdale said there is nothing in her budget that gives her spending authority. She asked if it would require a supplemental appropriation or Board action since Ms. Devers was not in attendance, but Mr. Beedy told her that supplemental appropriations are done when the entire department's budget is overspent.

Ms. Barksdale said they had advertised for the CKLECC position and put in the ad that the person would be working out of the Limon office.

Also, Ms. Barksdale said they do not even know if they have been selected, but she received a letter informing her that the Differential Response has been delayed. She added that, at one time, she had told the commissioners that members of her staff would be attending training in August for the program, but that has been put on hold.

After an update on recent LINCing Dads activities; the cardboard boat races and the Pigskin Prep, Ms. Barksdale explained that close-out for the state fiscal year is complete and county admin will be the only thing they are not closed out on. Child Welfare and Child Care were both closed out and no one requested TANF reserves, so it should go back to \$100,000.

Mr. Burgess said that in studying the hail damage report, he noticed that four of the vehicles Human Services uses have over, or close to, 100,000 miles on them, and he wanted to know if she had plans to replace any of them next year. Ms. Barksdale responded that she would prefer the vehicles get to 200,000 miles before she does anything, but Mr. Lyons said it has been the Board's experience with the sheriff's department that any time a vehicle gets around 140,000 miles on it, it starts falling apart.

Mr. Beedy told her it is actually better to use one vehicle and get higher mileage on it so that it can be rotated out, rather than having to replace three or four in the same year.

At 11:00 a.m., Public Health Director Sue Kelly met with the commissioners to give her monthly report, and to present the Scope of Work for the Immunization Contract for their approval and signature. Pat McHone and Mary Ann Hays have completed several of the modules with Vital Statistics training, Patricia Miller has completed some, and Ms. Kelly has not done any so far. They are expecting the state to come out mid-September to begin the transition from the Clerk's office. Both Ms. Miller and Ms. Kelly have completed the training to use the on-line Performance Measure Tool for their Community Resilience report that is due in September, and Ms. Kelly attended four days of very beneficial WIC training in Denver. While there, she met with Yonette Hintzen, the Regional EPR Coordinator, to discuss the regional deliverables, the PHEP report due in September, and the general state of EPR in Lincoln County. Ms. Kelly felt that Ms. Hintzen was very helpful and will provide to be an excellent resource in the future. Ms. Kelly and Ms. Miller attended the EMS Council meeting in Karval; however, Ms. Kelly missed the Child Protection Team meeting, the Interagency Oversight Group meeting, and the CKLECC meeting when she was in Denver at the WIC training. Mandatory reports were completed for the Immunization Core contract, as well as for the Reach Out and Read program. A total of \$12,287 was received in Public Health in the month of July from CHAPS, EPR, Immunization Amendment 35, Immunization Core, Nursing Core Services, and private pay. The results of the community health assessment have been tallied but not yet analyzed, the new system is in place to track books given/received for the Reach Out and Read program, and they are preparing for Medicare billing. Ms. Kelly said she will start with last year's flu shots for practice. They had several office visits in July, she has chosen "Prevention of Obesity in Children ages 0-5 years" as their MCH focus for 2012-2013, and there will be no dental grant money coming in for 2013. However, Ms. Kelly said she is attempting to negotiate with Plains Medical Center to continue the service, since they have the expertise and Public Health has the equipment and supplies.

Ms. Kelly presented the Scope of Work and Mr. Beedy made a motion to sign the Scope of Work for Amendment 35 Core Services in the amount of \$5,356 for the period of August 1, 2012 through June 30, 2013. Mr. Lyons seconded the motion, which carried unanimously. Mr.

Beedy questioned the time frame, as generally the contract would run through July 31, 2013, not June 30.

Ms. Kelly said she is still trying to speak with Mark Morrison about the EPR position, but she has been unable to get in touch with him. She commented that she had an idea of what they could do, but wanted to run it by Mark first.

She has found an RN who may be willing to work full time, as she is working on her Bachelor's degree and would possibly enter into an agreement in which the county could pay for part of her schooling in exchange for hours worked. Ms. Kelly said she is not totally committed to it yet, but she is working on convincing her.

Mr. Burgess said he wasn't sure they could add another full time position to the office, but Ms. Kelly said she would still like to cut her own schedule back to fewer hours, plus the fact that Patricia Miller still wants to retire. Hiring another RN would be beneficial in that there would then be someone in the office every day, and that person could eventually handle more of the EPR workload. Mr. Beedy asked how long Ms. Kelly plans to work, as it may also help with a smoother transition when she decides to fully retire.

When asked what the RN would expect for pay, Ms. Kelly said she had been told that she would need \$25 per hour and hoped to work a 40-hour week. Mr. Burgess said that with full benefits, that was quite a lot to add to the budget.

Mr. Lyons asked for a list of how many people they see, and Ms. Kelly said that WIC is where they see the most. She will speak with Herman Schreivogel about how the hospital handles paying for education in exchange for hours worked, and will put together a full proposal complete with budget figures. She stated that if the person she is hoping to hire decides she doesn't want the job, she may have to advertise, adding that she has determined there is enough money in this year's budget if the person were to start September 1.

When Ms. Kelly left, discussion returned to the insurance claims on the roofs of county buildings and whether or not the commissioners wanted to replace them. The amount received for the courthouse would be \$731,714.97, the annex would be \$28,196.28, the resource center would be \$8,413.96, Road & Bridge building(s) would be \$5,138.51, and the fairgrounds building would be \$1,624.39. Mr. Burgess felt that they have to go ahead and get it done and asked the others if they wanted him to try to put together a bid packet to have ready for review on August 7. He suggested they bid the projects separately and Mr. Beedy said he would recommend they not even bid the fairgrounds building, but that they just get it fixed. They will also do further checking into how bad the Road & Bridge building roof really is.

Mr. Lyons made a motion to proceed with obtaining bids for roof repair of the courthouse, annex building, and resource center. Mr. Beedy seconded the motion, which carried unanimously.

Mr. Burgess asked if there was any old business, and Ms. Lengel reminded them that they had not made a decision on revisions to the county's Economic Development Incentive Policy. Mr. Beedy said he had not looked up the statute regarding personal property tax increase, but would ask Mr. Kimble about it when he arrived.

The other item Ms. Lengel reminded them of was that they were going to call Zane Nestor, but at that time, Mr. Nestor stopped by to discuss the approved grant application for partial funding of repeaters and radios for EMS and dispatch, stating that they had requested \$70,000, which would pay for four repeaters and several mobile radios, but \$24,717 was all that was approved. He added that they need \$32,000 for all four repeaters and since the funds are earmarked as to use, it appears they are only receiving funding for two. He went on to say that by January 1, 2013, they will be required to have everything replaced or they will not be able to page out whoever hasn't been changed over. All of the fire departments and ambulance services applied for the same grant, but they received full funding, according to Mr. Nestor. Approximately \$46,000 is what is needed to cover the remaining cost of the repeaters for Road & Bridge, but would not cover the cost of new radios, if they are needed. Mr. Burgess said they would have to have all new radios for Road & Bridge if the current ones are not compatible, and Mr. Lyons asked if a portion of the funding could be taken from the E911 fund. The commissioners all voiced their opinion that Road & Bridge is called upon to help when there is a fire or other weather-related emergency, so felt that E911 funds should be used to pay the entire amount. Mr. Nestor will put together a list of needed equipment, including the amount of money required, and meet with the Board again on August 7. Mr. Burgess said he would contact the town of Arriba to see if they would allow a repeater to be placed on their new water tower.

At 1:15 p.m., County Auditor Ronny Farmer met with the Board to present the 2011 audit of the county's financial statements. County Treasurer Jim Covington was in attendance as well.

Mr. Farmer informed the commissioners that the county actually showed a loss of \$1.2 million in 2011, mostly because of the hospital, but that they should consider that the depreciation cost of \$781,528 should be deducted from that. As a component unit of the county, Mr. Farmer felt that the hospital cannot continue to operate at a loss. Mr. Lyons said that the 2011 Medicare Cost Report had been discussed at the last hospital board meeting and it was his understanding that the hospital would be reimbursed roughly \$644,000, and Mr. Farmer said that would be extremely helpful in looking at the overall balances. He added that GASB 34 changed the presentation of fund balances, splitting them out into five categories, and the commissioners should strive to keep the fund balance at 25% to 30% of the expenditures. He went on to say that all funds seem to be pretty healthy; however, Human Services could be \$20,000 or \$30,000 higher. Mr. Farmer also advised paying off any lease purchases this year in order to save the interest, as it is not likely that any institution will show a return of 3.75% on investments.

Mr. Farmer said that no county budgets were overspent in 2011, and then commented that if the county spends over \$500,000 in federal funds, it will be subject to a single audit. Legislation

may change that amount to \$1 million, but it would not be effective until January 1, 2013, if it is even adjusted. Mr. Farmer said that the CDBG pass-through puts the county into that \$500,000 category, and suggested that the commissioners may want to look into weighing the benefits and/or detriments of continuing the practice of the pass-through account.

All compliance matters were correct to meet the state requirements on major programs tested, the county is basically in excellent financial shape, and the policies and procedures in place that create control in the Clerk's office and Treasurer's office are good. Mr. Farmer commented that it works quite well having two employees in the Clerk's office know how to perform the general ledger duties, as it may make for an easier transition if one or the other of them should leave employment. Mr. Farmer produced a letter of his responsibilities to the county, stating that the opinions are his and everything else belongs to the county, so the commissioners should take some time to review his findings, especially the footnotes. He finished by saying that the scope was as planned, he found no issues or material weaknesses, and there are adequate compensating controls.

After Mr. Farmer left, Mr. Covington made the comment that since the Board has made the decision to cut into the reserves with the 14 mill tax credit, they should seriously consider paying off the leases on equipment this year.

Mr. Covington also asked if the stock contractor has been paid for this year's rodeo, as he had some issues with the way payments were handled last year. No one was sure, so he said he would check in the Clerk's office.

Mr. Burgess asked for Mr. Kimble's report and Mr. Kimble said that Mr. Beedy had asked him to look up the statute that increased incentives on personal property tax up to ten years and 100%, but he wasn't able to find anything yet. He did find that it was HB10-29, but said he would continue to look for the statute.

Mr. Kimble also stated that he had received some information regarding the Court of Appeals indicating that a string of e-mails could be construed as an open meeting if those involved institute public policy-making.

The town of Limon is continuing with their attempt to incorporate all of the municipally-owned property around Limon into the city limits, such as they did last year with the golf course. They are currently working on the Limon Municipal Airport, and Mr. Kimble said that one of the benefits of incorporating is that they may be eligible for more grant funding.

Mr. Lyons asked about someone from Flagler serving on the hospital board since they are not a county resident. He also thought it might be a conflict of interest since the hospital has now taken over the medical clinic in Flagler. He wasn't sure if the request was for the person to have actual voting power as a board member, or if the town just wanted representation. There is currently a vacancy on the board and Mr. Lyons said he was sure it had been discussed before, but he didn't remember what Mr. Kimble had told them about non-county residents

being board members. Mr. Kimble looked up 25-3-302 C.R.S., which read that board members must be county residents, cannot be an elective or appointive state, county, or city official, and that there cannot be more than four members from the jurisdiction where the hospital is located. He added that they are currently working on a protective agreement between the hospital and the town of Flagler.

With no further business to come before the Board, the meeting was adjourned until 9:00 a.m. on August 7, 2012.

Corinne M. Lengel, Clerk to the Board

Steve Burgess, Chairman