

## Regular Board Meeting Minutes (file 170420)

April 20, 2017 – Alpine Bank, Ridgway, Colorado

(Note: Items recorded in accordance with adopted agenda notwithstanding sequence of discussion)

Present: Board members: Michael Boland, Joey Huddleston, Vonnie Kuijvenhoven, Coleen McElroy and Richard Wojciechowski.; RSA administrator Karla Cline  
Mountain Medical Center: Dr. Joel Gates, Susie Blakney

1. **Call to Order** at 1231 by Michael Boland.
2. **Review of Agenda:**
  - Richard requested adding “social event” under New Business 8.f.
  - Mike requested adding sprinkler system under action items, and unemployment tax under New Business, 8.f.
3. **Minutes: MOTION** by Vonnie, second by Coleen, to accept the minutes from March 16 meeting. Motion passed.
4. **Public Input.** None.
5. **Discussion with medical provider:**
  - The end of the ninety day review period requested by UMC is approaching. Joel anticipates UMC will consider the planned merger in the context of budgeting, and the UMC budget will not be developed until September. In the meantime Joel is not doing anything on this.
  - Joel reported that Dr. David Sherwood’s practice has shifted to accepting only self-pay patients avoiding the morass of insurance processing. This results in an increase in patient workload at Mountain Medical Center as patients depending upon insurance shift over. Joel is concerned about potential impact on existing patients but is waiting to assess the impact before considering changing staffing or operations.
  - Hiring part time (summer) doesn’t make sense in a small practice due to the high expense involved. And UMC purchase is still out there as a possibility.
  - Discussion that the business model of direct primary care (patients pay monthly “subscription fee”) is not suitable for Ouray county or RSA as it would shut out non-participants, including the large transient/tourist population.
  - Susie requested MMC be reimbursed for the purchase of a replacement computer for Josie, \$770.60. The action was previously approved. Karla to write a check to MMC as reimbursement under account 72120. **MOTION** by Richard, second by Coleen, to reimburse MMC. Motion passed.
6. **Old Business:**
  - a. Ratification of **resolutions 2016-09, Certification of Tax Levies, and 2016-10, Appropriating Funds.** Both were approved in 2016 and scheduled for ratification in January, but that meeting was canceled. **MOTION** by Richard, second by Coleen, to ratify both resolutions. Motion passed.
  - b. Making **Resolution 2016-02, Ethics**, into a policy.
    - Pursuant to request at the March meeting, Richard presented a draft policy which essentially simply invokes the resolution. **MOTION** by Richard, second by Coleen, to adopt the policy. Motion passed.
    - Richard noted that the RSA ethics policy does not preclude board members talking with constituents, listening to people, etc.

- Board requested Karla check the files to ensure there is a file on each board member which includes a signed ethics acknowledgment, and that board member files all contain required documentation.
- c. MMC chair procurement. Chairs selected by MMC staff were identified.
- Richard had stopped by Office Depot and was assured the sale prices from the prior week would be honored and chairs would be shipped directly to MMC. RSA generally does not purchase extended warranties, so that cost does not apply.
  - Several board members with hand tools can assemble the chairs upon receipt without hiring Office Depot to do so. Price quoted is \$2,099.92, within the allocated budget. **MOTION** by Joey, second by Vonnie, to purchase the chairs. Motion passed. Mike offered to place the order in Montrose Friday.
  - Board requested Susie to notify board members when the chairs arrived so they could be assembled. Karla wrote check for Mike to take to Office Depot.
  - Discussion noted the charter of accounts doesn't break account 63,000, Furnishings down into subcategories. As unit costs are below \$1,000 these are not capital acquisitions, will be entered into inventory but are expensed, not capitalized and not depreciated. Should the RSA ever purchase items with individual cost of \$1,000 or over, the administrator can establish appropriate subcategories.
- d. Year-end requirements procedure. This had been suggested previously by Richard as a general reminder of what actions are required at year end, with more detailed guidance in separate documents. The last section on asset reporting to county assessor had been added that morning. **MOTION** by Richard to adopt this as a procedure, second by Vonnie. Motion passed. Comment that all procedures are "living documents" and as needed changes are identified they should be raised to improve procedures and keep them current. This will be filed under procedures in Drop Box. Mike said he would look at the budget process procedure to make sure that all resolution and similar requirements are noted.
- e. Review charter of accounts. No board comments received. The charter of accounts is in Drop Box in the financials folder.
- f. Electronic item disposal, **Resolution 2017-05, Ratification of Property Disposal**. Joey concurred with MMC recommended electronic items for disposal and has removed hard drives from the servers which will be destroyed in case they hold confidential information. The uninterruptible power supply (basically a battery) can be taken to ReclaMetal for recycling. Joey explained the dual items with the same inventory number. **MOTION** to adopt the resolution on property disposal by Coleen, second by Vonnie. Motion passed. Coleen volunteered to take the items to the electronic disposal Saturday.
- g. Action Item Review.
- Most action items from the March meeting had been accomplished.
  - 5.i and ii: No formal response from MMC but Susie reported that Joel had purchased a different cell phone which can be used to create a "hot spot" to allow MMC computers to connect to the internet should telephone lines fail.
  - 6.c: Mike contacted five potential sources for sprinkler operation.
    - One, Aquatech Lawn & Irrigation in Olathe, responded with a written proposal, which Mike passed around. Mike was positively impressed with the Aquatech representative. They proposed a cost of \$95 each at beginning and end of season.
    - **MOTION** by Coleen, second by Vonnie, to accept the proposal. Proposal states Aquatech will invoice for payment, so payment does not have to be sent now. Motion passed. Mike signed the proposal accepting it. Mike will call company after the meeting.

- Board requested Karla file a copy of the proposal/contract, send signed proposal/contract to Aquatech with cover letter advising them of the RSA address to which the invoices should be sent and Susie's contact information for coordination of work.
  - 7.c.iii: Discussion held about different techniques for reconciling Quick Books with bank statements. While individuals have different preferences, it is up to the administrator to determine which works best for her.
  - Karla has successfully tackled the job of reconciling Quick Book accounts with bank statements, finding that a number of transactions going back over a year had not been entered into Quick Books, explaining the differences.
- 7. Report from Administrator.** Karla presented a comprehensive report.
- a. Calendar review.
    - The next several months were reviewed on the generic calendar. Susie will wait until May 1st to turn off the roof heat tape as snow is forecast.
    - Discussed publishing the fact that RSA has requested exemption from audit, but have not heard back from DoLA. Need to review the specific statutory language about publishing the results of an audit. Should probably publish something to meet the requirement.
  - b. Correspondence:
    - IRS 940 notice received that RSA as a government entity is not subject to unemployment taxes. This corresponds with e-mails received in the past several days that credits will be logged to our bank account for unemployment taxes recently paid. ASAP payroll has requested a letter stipulating RSA's tax exemption. Karla requested to draft letter advising ASAP RSA is a government entity formed under Service Authority Act of 1972, codified as 32-7 C.R.S. (Colorado Revised Statutes).
    - Continue receiving notices that subscription to Office 360 is expiring. Board has already decided not to renew the subscription. Joey noted that downloading Chrome and using g-mail account provides equivalent software if anyone wants to use them on the Surface tablets.
    - Continuing to receive e-mails from Division of Motor Vehicles addressed to stakeholders regarding motor vehicle regulations, but RSA does not own any motor vehicles so we can ignore those.
    - A request from the Census Bureau to fill out a report stated to take anywhere from ten minutes to fifteen hours to fill out. Karla provided that to Richard for review.
  - c. Financial statements:
    - Karla expended considerable effort researching accounts to reconcile Quick Books (QB) with all the bank statements. She found that in some accounts old transactions had not been entered or entered incorrectly as well as double entries. The majority of Karla's time expended for RSA has involved QB.
    - Karla had generated and posted to Drop Box two standard financial reports, a balance sheet and profit/loss report from QuickBooks.
    - Richard reported he had pulled down an actuals v. budget report that morning and noted an anomaly, i.e. a known expenditure was not shown. Further investigation revealed that although account category may be inserted when an invoice is entered into QB, that account is not automatically carried over to the entry when a check is issued, thus some expenditures are not reflected in an expenditure report, even though balances reconcile. Conclusion is that the settings in QB need to be reviewed, perhaps with advice from an experienced QB user so that account categories are carried over into payments.
    - RRL's annual contribution has been received and deposited. Board asked Karla to generate a thank you letter. Discussion that RSA as a governmental entity is not an IRS charitable organization under IRS Code 501(c)(3) but can accept donations.
  - d. Invoices/checks.
    - Karla presented a few checks including a check to Office Depot for the chairs for MMC.

- **MOTION** by Richard, second by Coleen, to approve and pay the invoices presented. Motion passed.

## 8. New Business

- a. Publishing results of audit. Discussion as above.
- b. Water heater/A&B Mechanical invoice. Richard's research and discussion with A&B revealed A&B had invoiced an initial service/diagnostic call, the prior administrator had not yet paid that invoice when A&B added the cost of the actual repair to the same invoice, but RSA had paid the invoice as first issued late, and the additional costs had not been paid. Richard requested and obtained an invoice for the difference, which has been paid. This issue is resolved.
- c. Next provider contract.
  - Discussion that neither RSA nor MMC should be caught in the position of not knowing whether there will be agreement on revised contract terms for 2018 when the 180 deadline for termination notification arrives in the fall of 2017, so it behooves RSA and MMC to start discussions so agreement in principle is reached prior to the 180 day notification point. RSA needs to have an agreement in principal prior to its September meeting. Richard noted it is to Dr. Gates' benefit so that, in the event UMC does propose an agreement later this year, he has a basis for sound comparison of alternatives.
  - Mike suggested the board formally appoint the same negotiating team as for the UMC stalled negotiations to negotiate a renewal contract with Dr. Joel Gates. **MOTION** by Coleen, second by Vonnie, appointing Joey and Richard as the RSA authorized negotiators for a follow-on provider/lease contract. Motion passed.
  - No dates set. Susie requested to query Dr. Gates as to convenient schedule, potentially at the planned workshop date as the time is after business hours and a venue is already reserved, to open discussions.
- d. Training opportunity. Richard brought the current issue of Special District Association magazine which offers one day seminars on managing special districts, noting he attended such a seminar last year and it was well worth it, suggesting the RSA should make that available to Karla. Offerings in Durango and Grand Junction are available in June (as well as elsewhere). Board agreed RSA would pay (\$50 registration plus time and travel) for Karla to attend if she is able to do so. Karla is to review.
- e. Signatory authority for CD's. Richard noted that in discussion with Citizens' Bank only the officers have signatory authority over certificates of deposit. While certificates of deposit are not involved in daily operations, and thus having all board members with signatory authority isn't truly necessary, Resolution 2017-02 authorized all board members to be signatories. Mike suggested that with this small a board and the occasional unavailability of a signatory, all board members should be authorized to sign CD's. Discussion at the next time that a change is made, all board members be placed on the signature cards at Citizens' Bank.
- f. Social event: Richard noted that not all board members know the MMC staff well, and vice versa, and it would be beneficial to have a social event, such as a picnic open to family members for MMC and RSA personnel to get to know each other, at RSA expense. Supportive discussion resulted in Coleen volunteered to put together a plan with an MMC staff member to be identified by Susie. While no specific budget was identified board noted the 2017 budget includes some funds for board dinners and travel.
- g. Unemployment tax. Covered under correspondence, above.
- h. Sprinkler system maintenance. Covered under action items, above.

**9. Next meetings:**

- a. May 11, 2017, 1730, had been set aside from a workshop at Land Use. At this time it appears a workshop or special meeting is not required. That time and location shall be reserved for potential use by the negotiating team to meet with Dr. Gates.
- b. May 18, 2017, 1230, regular meeting at Alpine bank.

**13. Adjourned** at 1425 pursuant to **MOTION** by Joey, second by Coleen; motion passed.

Submitted by:

Approved by the Board on May 18, 2017

*Richard Wojciechowski*

*Michael Boland*

Secretary

President

Enclosures:

Agenda

Action items

**Ouray County Regional Service Authority**  
**Regular Board Meeting April 20, 2017**  
12:30 PM – Alpine Bank Conference Room, Ridgway

**AGENDA**

1. Call to Order
2. Review of Agenda
3. Approval of Minutes from March 16, 2017
4. Public Input
5. Discussions with Medical Provider (Dr. Gates)
6. Old Business
  - a. Ratify Resolutions 2016-09, Certification of Tax Levies, and 2016-10, Appropriating Funds
  - b. Make Resolution 2016-02, Ethics, into a policy
  - c. MMC chair procurement
  - d. Year end requirements procedure (proposed 3/9/17)
  - e. Review charter of accounts (financial)
  - f. Electronic item disposal, Resolution 2017-05, Ratification of Property Disposal
  - g. Action item review
7. Report from Administrator
  - a. Calendar review
  - b. Correspondence
  - c. Financial statements
  - d. Invoices/checks
8. New Business
  - a. Publish results of (or availability of) audit exemption request
  - b. Water heater/A&B Mechanical invoice
  - c. Next provider contract
  - d. Training opportunity
  - e. Signatory authority for CD's
  - f. Other
9. Next meetings
  - a. Regular meeting May 18, 2017, 1230
  - b. Workshop? May 11, 2017, 1730
10. Adjourn

**Action Items from April 20, 2017 board meeting**

- 6.b. Verify that each board member's file contains a signed ethics acknowledgement. [Karla]
- 6.c. Place order for chairs. [Mike]
- 6.d. Verify budget procedure includes necessary resolution requirements. [Mike]
- 6.f. Place ratification of Resolution 2017-05 on May agenda. [Richard/Karla]
- 6.g. Letter to Aquatech accepting proposal with instructions on invoice address and coordinator. [Karla]
- 7.a. Determine whether there is anything to publish regarding audit exemption. [Karla]
- 7.b.i. Letter or e-mail to ASAP advising them of RSA governmental status. [Karla]
- 7.b.ii. Review Census Bureau request. [Richard]
- 7.c.i. Research issue with category not showing up in expenditures reports [Karla with any available help]
- 7.c.ii. Thank you letter to RRL. [Karla]
- 8.c. Tentatively set up meeting with Dr. Gates re: successor contract. [Susie for MMC; Joey; Richard]
- 8.d. Ascertain Karla's desire/availability to attend Special District training workshop. [Karla]
- 8.f.i. Identify MMC coordinator for social event. [Susie]
- 8.f.ii. Scope social event for RSA/MMC. [Coleen & MMC designee]