



**Board of Directors
Regular Meeting Agenda**

Location: 120 Bristlecone Dr., Fort Collins, CO 80524 or [Zoom](#)

Date: Wednesday, April 22, 2026

Time: 6:00 PM

6:00 PM I. Call to Order Erin Hottenstein

- a. Roll Call Board of Directors
- b. Welcome Guests & Attendees
- c. Conflict of Interest Statement
- d. Approval of Agenda

6:05 PM II. Public Comment

6:15 PM III. Presentations

- a. Iris Center Presentation
 - b. Forensic Audit Presentation
- Stacie Johns, M.D.
Natalie Wells

6:50 PM IV. Consent Agenda Erin Hottenstein

- a. Approval of Regular Draft Meeting minutes from 2.18.2026 and Executive Sessions
- b. Public Policy-2026 Legislative Session and Bill Updates

6:55 PM V. Action Items Erin Hottenstein

- a. Approval of Signatory for Safety Deposit Boxes
 - i. Resolution(s) 2026-03-2026-08

7:00 PM VI. Reports and Discussions

- | | |
|---|--------------------------------|
| a. Q1 Financials | Jessica Holmes |
| b. HR1 Update | Dana Turner |
| c. HB26-1300 Discussion | BOD Public Policy
Committee |
| d. HD Public Policy Prioritization Discussion | Board |
| e. Board of Director Reports | Board |
| f. Liaison to PVHS/UCHealth Report | John McKay |
| g. Executive Director Report | Brian Ferrans |

8:00 PM VII. Adjourn

Erin Hottenstein

Announcements:

- Day of Service: April 23rd
- May 14, 2026, Open House 4pm-6:00pm
- Next Board Meeting at the Health District on May 20,2026,
6:00pm
 - Pre-Board Meeting Dinner at 5:00pm



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: Approval of draft minutes from: February 18,2026 Regular Meeting, Executive Sessions and Special Meetings

PRESENTER: Erin Hottenstein

OUTCOME REQUESTED: Decision Consent Report

PURPOSE/ BACKGROUND

To approve the draft minutes from: February 18,2026 regular meeting, Executive Sessions and Special Meetings.

Attachment(s): Draft meeting minutes.

FISCAL IMPACT: N/A

STAFF RECOMMENDATION: Approve Minutes.



**Board of Directors Meeting
2.18.26
MINUTES**

Location: 120 Bristlecone Dr., Fort Collins, CO 80524 or [Zoom](#)

Date: Wednesday February 18, 2026

Time: 6:00 PM

Board Members Present:	Also Present:
Erin Hottenstein, Board President	Elizabeth Lebuhn- Hoffman, Parker, Wilson & Carberry, P.C
Lee Thielen, Board Vice President	Courtney Green-Interim Executive Director
Julie Kunce Field, Treasurer	Misty Manchester -Director of People and Business Operations
Sarah Hathcock, Secretary	Jacque Ferrero-Executive Assistant/Board Clerk
John McKay, Liaison to UCHealth	Dana Turner- VP of Client Experience
	Alyson Williams-VP of Strategy and Impact
	Mike Lynch-Director of Infrastructure Operations
	Rosie Duran-Health Care Access Manager
	Janina Farinas-La Cocina
	Meredith Towle-Data and Analytic Manager
	Jessica Holmes-Controller/Finance Officer

I. Call to Order

The meeting was called to order at 6:02 PM by Board President Erin Hottenstein, with a quorum present. Guests and attendees were welcomed, and no conflicts of interest were reported.

The agenda was approved unanimously upon motion by Director Thielen, seconded by Director Hathcock.

II. Public Comment

No public comment was received, either online or in person.

III. Presentations

a. La Cocina — Janina Farinas, CEO & Founder

Janina Farinas, CEO and Founder of La Cocina, presented on the organization's ten-year history of serving the Latino/Latine community with mental health care services since 2016. La Cocina began in community kitchens as a way to have accessible conversations about mental health with Spanish-speaking families. The organization focuses on three core areas: clinician credentialing and supervision, multilingual tools available in up to eight languages, and building long-term sustainability within the community.

Farinas shared significant data on the mental health gap facing Colorado's growing Latine community. Only approximately 5.5% of providers in the state speak some Spanish, only 7 are fully fluent enough to provide clinical care in Spanish, and just 50% of Latine community members feel comfortable discussing mental health — a number that is declining. La Cocina operates as a training clinic to address this gap and grew its workforce model by 784% between 2021 and 2025, now exceeding state averages.

Growing need in the community is being driven by fear, immigration pressures, declining bilingual services, and discrimination within health systems. Waitlists exist, particularly in Fort Collins, where the organization triages clients by urgency. Despite significant investment in the community, La Cocina receives less philanthropic funding than comparable organizations. It took seven years to achieve Medicaid approval, and the organization is now seeking a two-year focus on child protection services. Farinas requested a formal partnership with the board. While referral relationships with other MHC providers exist, deeper collaboration has not yet been achieved due to a lack of integrated models and insufficient shared vision. Board members expressed enthusiasm and noted their hope to continue the conversation.

b. Larimer Health Connect (LHC) — Rosie Duran & Dana Turner

Duran and Turner presented on Open Enrollment trends and broader health insurance marketplace changes. The presentation highlighted a 2% decline in marketplace enrollment this year, alongside a 63% increase in premiums that is driving coverage losses and making it increasingly difficult for families to maintain insurance. High rates of plan cancellations, terminations, and declined enrollment appointments were reported. Personal client stories were shared to illustrate the human impact, including an 80-year-old who was unable to afford health insurance this year.

LHC responded to these trends by launching a community marketing campaign using personal stories to raise awareness. The board discussed potential responses, with Turner recommending going out into the community to educate people and leveraging existing organizational connections.

IV. Consent Agenda

The consent agenda was approved as presented, including the meeting minutes from January 21, 2026, and Board Public Policy Advocacy items.

The motion was made by Director Thielen and seconded by Director McKay.

V. Action Items

c. Approval of ED/CEO Contract — Resolution 2026-02

The board received a report on the ED/CEO search process: 124 resumes were submitted, three finalists were interviewed by the hiring committee, and the full board conducted a final round of interviews. Brian Ferrans was selected as the new Executive Director/CEO, with a start date of March 23, 2026. Board members shared positive feedback received from the community about the selection, and all finalists were recognized for their participation.

Director Field requested discussion on how the salary was determined before the vote was called. Green explained that HR used an established compensation matrix to arrive at the figure. A minor typo on page 15 of the contract was noted by Director Thielen and will be corrected.

The motion to approve the contract was made by Director Thielen, seconded by Director McKay, and passed unanimously.

VI. Reports & Discussions

d. Financial Report — Jessica Holmes (December 2025 Financials)

Holmes presented the December 2025 financial report, noting that projections were off by only 0.5%, which was considered very minimal. Savings in personnel compensation resulted from vacancies, but those positions are being filled and are not expected to negatively affect 2026. The biggest variance was a shortfall in Medicaid billing, which was offset by a retroactive Dental billing to Medicaid. Professional development funds were underspent, and staff are being encouraged to use those dollars in 2026. The organization is entering 2026 in a strong financial position, consistent with conservative budget projections. Current headcount stands at 77, with 73.1 FTEs and 19.3 FTE vacancies (including the ED position); 4 positions are currently posted with others in progress. The financials are unaudited, with only approximately \$2,000 in 2025 invoices remaining to close the books.

A discussion followed regarding Medicaid billing issues. The fee schedule contracted with Medicaid was not up to date, and the organization will not back-bill for 2025. Systems, including Open Minds, are being put in place to support proper billing going forward. Board members raised questions about credentialing and vacancy rates, which were addressed by staff.

e. HR1 Update — Dana Turner

Turner provided a brief update on HR1, noting continued waiting on guidance from the federal level. Discussion focused on the goal of centralizing the entry point for services in order to maximize community reach.

f. CHAS Survey Results — Alyson Williams

Williams presented results from the CHAS Survey, clarifying that this is not a behavioral health survey. Cost was identified as a primary barrier to care, with data covering oral health, mental health, and primary care access. Board members expressed interest in breaking down the data further by demographic subgroup and exploring where disconnects exist between attempts to seek care and actual access. Discussion connected the survey findings to the earlier La Cocina presentation, particularly around the pressures facing the Latine community. Limited PCP availability — with few providers taking new patients — was also raised as a concern. Future updates will be provided by Meredith Towle.

Board Member Reports

Director Hathcock reported attending continuing education with medical colleagues on supporting mental health and how providers are experiencing the current healthcare landscape.

Director Field had nothing to report.

Director McKay acknowledged Black History Month, Ash Wednesday, and Ramadan, expressed appreciation for the La Cocina and La Familia presentations, and voiced hope for a future partnership with La Cocina.

Director Hottenstein shared that she met with State Senator Janice M. regarding proposed cuts to dental funding and communicated the board's concerns directly.

Director Thielen reported attending several elected officials' meetings, where topics included cell phone policy, prepaid services for behavioral health, and equity legislation, and expressed excitement about the incoming ED.

ED Report

Courtney Green presented the Executive Director report with several upcoming activities and organizational updates. The second annual Health Equity Survey has been completed. Fire drills have been conducted and will continue on a quarterly basis. A communications campaign featuring artwork on barriers to healthcare access is being placed at bus stops throughout Northern Colorado. A partnership with a Fresno State basketball coach has been established to help spread mental health awareness messaging, with branded headbands available at the March 24 game.

The Day of Service is scheduled for April 23, 2026, with staff able to sign up for volunteer opportunities in partnership with community organizations, focused on building relationships and culture. A Town Hall was held on February 20, 2026. Stay interview results will be reported at a future meeting. Director Field requested that announcements and future meeting items be added to the end of the next board meeting agenda, which Ferrero will provide.

VII. Adjournment

A motion to adjourn was made by Director McKay. and seconded by Director Field. Passed Unanimously.

The meeting was adjourned at 8:15 PM.



Board of Directors Special Meeting

Location: 120 Bristlecone

Date: January 13, 2026

Time: Candidate Vanessa Fewell In-Person Interview 7:15-9:00 am and Candidate Brian Ferrans In-Person Interview 12:15-2:00 pm

7:15-9:00 AM Candidate Vanessa Fewell In-person Interview

12:15-2:00 PM Candidate Brian Ferrans In-person Interview



Board of Directors Special Meeting and Executive Session

Location: 120 Bristlecone

Date: January 14, 2026

Time: Special Meeting: 7:15-9:00 am and Executive Session: 9:00 – 10:00 am

7:15-9:00 am Candidate Kelsey Lyon: In-person Interview

9:00-10:00 am Executive Session

Motion: by Director Thielen, Seconded by Director Hathcock.

Roll Call Vote. Passed 5-0

Executive Session began at: 8:50am and concluded at: 9:46am

An Executive Session pursuant to C.R.S. § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, regarding the Executive Director hiring process.



Board of Directors Executive Session

Location: 120 Bristlecone

Date: January 21, 2026

Time: Executive Session: 5:00- –6:00 pm

5:00-6:00 pm Executive Session

Motion: by Director Thielen, Seconded by Director Hathcock.

Roll Call Vote. Passed 5-0

Executive Session began at: 7:19pm and concluded at: 8:39pm

An Executive Session pursuant to C.R.S. § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, regarding the Executive Director hiring process.



**Board of Directors Special Meeting and
Executive Session**

Location: 120 Bristlecone, Fort Collins CO 80524

Date: Tuesday, January 27, 2026

Time(s): Candidate Vanessa Fewell In-Person Interview 7:15-7:45 pm
Candidate Brian Ferrans In-Person Interview 8:00-8:30 pm
Candidate Kelsey Lyon In-Person Interview 8:45-9:15 pm
Executive Session 9:30 pm

Agenda:

7:15-7:45 pm Candidate Vanessa Fewell In-Person Interview

8:00-8:30 pm Candidate Brian Ferrans In-Person Interview

8:45-9:15 pm Candidate Kelsey Lyon In-Person Interview

9:30 pm Executive Session

Motion: by Director Thielen, Seconded by Director McKay.

Roll Call Vote. Passed 5-0

Executive Session began at: 9:30pm and concluded at: 10:29pm

An Executive Session pursuant to C.R.S. § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, regarding the Executive Director hiring process.



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: Board Public Policy Committee Advocacy Items

PRESENTER: Erin Hottenstein

OUTCOME REQUESTED: ___ Decision Consent ___ Report

PURPOSE/ BACKGROUND

The Board Public Policy Committee met on February 27th and March 11th, 2026. The Committee took the following positions:

- **Support:** HB 26-1139: Use of Artificial Intelligence in Health Care (*passed House, moving to Senate*)
- **Support:** HB 26-1195: Psychotherapy Artificial Intelligence Restrictions (*awaiting second reading on House floor*)
- **Support:** HB 26-1271: Alcohol Impact & Recovery Enterprises (*postponed indefinitely- dead*)
- **Monitor:** SB 26-107: Modify Colorado Open Records Act (*postponed indefinitely- dead*)
- **Monitor:** SB 26-119: Authorize Local Electronic Ballot Return (*postponed indefinitely- dead*)

Attachment(s): None.

FISCAL IMPACT: N/A

STAFF RECOMMENDATION: Ratify positions taken by the Board Public Policy Committee.



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: Signatories for Access to Safe Deposit Boxes

PRESENTER: Brian Ferrans

OUTCOME REQUESTED: Decision Consent Report

PURPOSE/ BACKGROUND

To update the signatories for the Health District safety deposit boxes to align with current Board of Director roles and organizational leadership, specifically to add the new Executive Director as signatory.

Attachment(s): Resolution 2026-03; Resolution 2026-04; Resolution 2026-05; Resolution 2026-06; Resolution 2026-07; Resolution 2026-08.

FISCAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends that the Board approve a change of the signatories for access to Health District safety deposit boxes.



**RESOLUTION TO APPROVE SIGNATORS
FOR ACCESS TO
SAFE DEPOSIT BOX 2219**

Resolution 2026-03

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that any one of the following signators are approved to have access to the Health District’s Safety Deposit Box 2219 at the First National Bank, 205 West Oak Street, Fort Collins, Colorado.

Approved for Signatures

- Brian Ferrans, Executive Director
- Courtney Green, Chief Administrative Officer
- Michele “Misty” Manchester, Director of People and Business Operations
- Erin Hottenstein, Board President
- Julie Field, Board Treasurer

ADOPTED, this 22nd day of April, A.D., 2026.

Attest:

Erin Hottenstein, President

Lee Thielen, Vice President

Sarah Hathcock, Secretary

Julie Kunce Field, Treasurer

John McKay, MD
UC Health /PVHS Board Liaison

Replaces the Following Resolution:
2012-5 Adopted September 6, 2012
2014-11 Adopted May 21, 2014
2016-15 Adopted July 21, 2016
2018-13 Adopted Sept. 25, 2018
2019-04 Adopted March 28, 2019

Resolution 2026-03



**RESOLUTION TO APPROVE SIGNATORS
FOR ACCESS TO
SAFE DEPOSIT BOX 3017**

Resolution 2026-04

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that any one of the following signators are approved to have access to the Health District’s Safety Deposit Box 3017 at the First National Bank, 205 West Oak Street, Fort Collins, Colorado.

Approved for Signatures

- Brian Ferrans, Executive Director
- Courtney Green, Chief Administrative Officer
- Michele “Misty” Manchester, Director of People and Business Operations
- Erin Hottenstein, Board President
- Julie Field, Board Treasurer

ADOPTED, this 22nd day of April, A.D., 2026.

Attest:

Erin Hottenstein, President

Lee Thielen, Vice President

Sarah Hathcock, Secretary

Julie Kunce Field, Treasurer

John McKay, MD
UC Health-North/PVHS Board Liaison

Replaces the Following Resolution:
2012-5 Adopted September 6, 2012
2014-11 Adopted May 21, 2014
2016-15 Adopted July 21, 2016
2018-13 Adopted Sept. 25, 2018
2019-04 Adopted March 28, 2019

Resolution 2026-04



**RESOLUTION TO APPROVE SIGNATORS
FOR ACCESS TO
SAFE DEPOSIT BOX 4919**

Resolution 2026-05

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that any one of the following signators are approved to have access to the Health District’s Safety Deposit Box 4919 at the First National Bank, 205 West Oak Street, Fort Collins, Colorado.

Approved for Signatures

- Brian Ferrans, Executive Director
- Courtney Green, Chief Administrative Officer
- Michele “Misty” Manchester, Director of People and Business Operations
- Erin Hottenstein, Board President
- Julie Field, Board Treasurer

ADOPTED, this 22nd day of April, A.D., 2026.

Attest:

Erin Hottenstein, President

Lee Thielen, Vice President

Sarah Hathcock, Secretary

Julie Kunce Field, Treasurer

John McKay, MD
UC Health-North/PVHS Board Liaison

Replaces the Following Resolution:
2012-5 Adopted September 6, 2012
2014-11 Adopted May 21, 2014
2016-15 Adopted July 21, 2016
2018-13 Adopted Sept. 25, 2018
2019-04 Adopted March 28, 2019

Resolution 2026-05



**RESOLUTION TO APPROVE SIGNATORS
FOR ACCESS TO
SAFE DEPOSIT BOX 5542**

Resolution 2026-06

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that any one of the following signators are approved to have access to the Health District’s Safety Deposit Box 5542 at the First National Bank, 205 West Oak Street, Fort Collins, Colorado.

Approved for Signatures

- Brian Ferrans, Executive Director
- Courtney Green, Chief Administrative Officer
- Michele “Misty” Manchester, Director of People and Business Operations
- Erin Hottenstein, Board President
- Julie Field, Board Treasurer

ADOPTED, this 22nd day of April, A.D., 2026.

Attest:

Erin Hottenstein, President

Lee Thielen, Vice President

Sarah Hathcock, Secretary

Julie Kunce Field, Treasurer

John McKay, MD
UC Health-North/PVHS Board Liaison

Replaces the Following Resolution:
2012-5 Adopted September 6, 2012
2014-11 Adopted May 21, 2014
2016-15 Adopted July 21, 2016
2018-13 Adopted Sept. 25, 2018
2019-04 Adopted March 28, 2019

Resolution 2026-06



**RESOLUTION TO APPROVE SIGNATORS
FOR ACCESS TO
SAFE DEPOSIT BOX 5546**

Resolution 2026-07

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that any one of the following signators are approved to have access to the Health District’s Safety Deposit Box 5546 at the First National Bank, 205 West Oak Street, Fort Collins, Colorado.

Approved for Signatures

- Brian Ferrans, Executive Director
- Courtney Green, Chief Administrative Officer
- Michele “Misty” Manchester, Director of People and Business Operations
- Erin Hottenstein, Board President
- Julie Field, Board Treasurer

ADOPTED, this 22nd day of August, A.D., 2026.

Attest:

Erin Hottenstein, President

Lee Thielen, Vice President

Sarah Hathcock, Secretary

Julie Kunce Field, Treasurer

John McKay, MD
UC Health-North/PVHS Board Liaison

Replaces the Following Resolution:
2012-5 Adopted September 6, 2012
2014-11 Adopted May 21, 2014
2016-15 Adopted July 21, 2016
2018-13 Adopted Sept. 25, 2018
2019-04 Adopted March 28, 2019

Resolution 2026-07



**RESOLUTION TO APPROVE SIGNATORS
FOR ACCESS TO
SAFE DEPOSIT BOX 5742**

Resolution 2026-08

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that any one of the following signators are approved to have access to the Health District’s Safety Deposit Box 5742 at the First National Bank, 205 West Oak Street, Fort Collins, Colorado.

Approved for Signatures

- Brian Ferrans, Executive Director
- Courtney Green, Chief Administrative Officer
- Michele “Misty” Manchester, Director of People and Business Operations
- Erin Hottenstein, Board President
- Julie Field, Board Treasurer

ADOPTED, this 22nd day of April, A.D., 2026.

Attest:

Erin Hottenstein, President

Lee Thielen, Vice President

Sarah Hathcock, Secretary

Julie Kunce Field, Treasurer

John McKay, MD
UC Health-North/PVHS Board Liaison

Replaces the Following Resolution:
2012-5 Adopted September 6, 2012
2014-11 Adopted May 21, 2014
2016-15 Adopted July 21, 2016
2018-13 Adopted Sept. 25, 2018
2019-04 Adopted March 28, 2019

Resolution 2026-08



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: Q1 Financial Report

PRESENTER: Jessica Holmes

OUTCOME REQUESTED: ___ Decision __ Consent ___X_Report

PURPOSE/ BACKGROUND

Review the Q1 Financial Report

Attachment(s): Q1 Financial Report

FISCAL IMPACT: None.

STAFF RECOMMENDATION: None.



Financial Reporting Package

For the First Quarter Ended March 31, 2026

Prepared by: Jessica Holmes, Controller/Finance Officer

April 15th, 2026

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Financial Discussion & Analysis

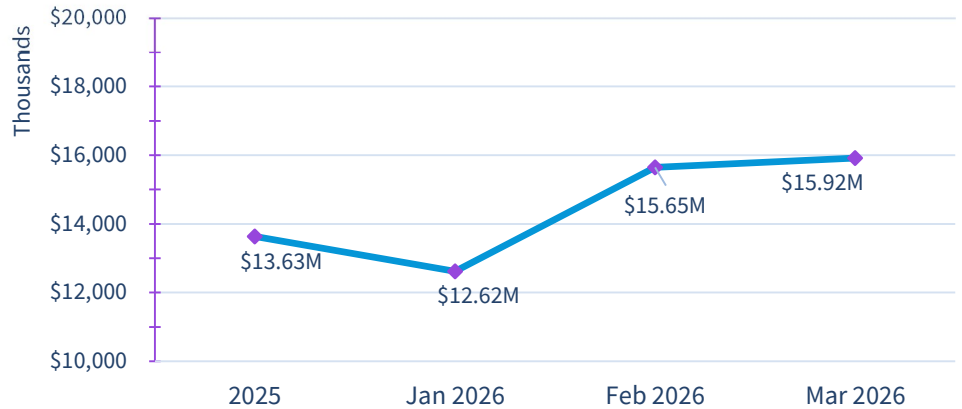
Executive Summary

Throughout the first quarter of 2026, the Health District of Northern Larimer County received \$5.87M in revenues and incurred \$3.58M of expenditures, resulting in a positive Change in Fund Balance of \$2.29M.

The chart to the right shows the Change in Fund Balance by month, and below you will find the key financial highlights.

2026 Fund Balance Change by Month

During the first quarter of 2026, 43% of property taxes levied were collected. This led to an increase of \$2.29M in the District's Governmental Fund Balance.



Balance Sheet

- **Cash & Investments:** Holding steady with an increase of \$648K.
- **Assets:** Overall decrease fueled by tax collection activity.
- **Liabilities & Deferred Inflows:** Overall decrease is a result of payment activity and recognition of tax revenues.

Fund Balance

- **Nonspendable:** \$156K, prepaid items.
- **Restricted:** \$469K, TABOR.
- **Operating:** \$5.99M, four months of budgeted expenditures.
- **Capital:** \$1.27M, inclusive of \$1.30M appropriated, less funds spent.
- **Unassigned:** \$8.04M, appropriation plus change in fund balance.

Revenues

- **Q1 Total:** \$5.87M
- \$145K behind budget
- **Largest Variances:**
Tax Revenues - \$112K behind budget, timing.
Contributions - \$50K behind budget, timing.
Investment Earnings - \$32K ahead of budget, projected to decline.

Expenditures

- **Q1 Total:** \$3.58M
- \$1.09M under budget
- **Largest Variances:**
Personnel Costs - \$721K under budget.
Prof. Development - \$104K under budget, timing.
Capital Outlay - \$85k under budget, timing.

Overall Financial Position

The Health District remains in a strong financial position.

The fund balance increased by \$2.29M, ending Q1 2026 at \$15.92M.

Year to date, the Health District outperformed budget by \$947,000, largely a result of underspending in Personnel Compensation due to vacancies.

Revenue Analysis

Revenue was behind budget in all categories except for investment earnings for the first quarter of 2026. While our primary source of funding (tax collections) is very reliable, and this slight shortage in revenue for the first three months of the year should not be a concern, some variances identified present an opportunity to identify and respond to community needs.

Oral Health Service Revenues were under budget for Self-Pay and Insurance (Medicaid) patients, however, those utilizing the Senior Dental Program (Grant Reimbursement) to cover their dental needs were almost double our budgeted amount. This may indicate a growing need for oral health care among the low-income aging population. Furthermore, we are aware that funding cuts are expected for the Senior Dental Program despite this increased community need.

Thanks to our healthy financial position, the Health District has a unique opportunity to supplement any lost grant funds with our own funds so that we can continue, or even expend, the care provided to our community's senior citizens.

Oral Health	YTD Budget	YTD Actual	Variance
Self Pay, Net	74,250	53,773	(20,477)
Grant Reimbursement	25,000	47,319	22,319
Insurance Reimbursement, Net	142,500	134,232	(8,268)
Total Service Revenue	241,750	235,324	(6,426)

Behavioral Health Service Revenues were also technically under budget, but there is an added layer of complexity we must uncover. The Health District's Behavioral Health programs are not currently billing insurance carriers

(Medicaid or private). We still provide care to those patients, but we only charge at their fee level and then write off the remaining balance of the services provided.

The data to the left is an analysis of the service revenue within ICANotes (Behavioral Health EHR). This shows that most patients visiting our CAYAC and Adult Connections offices for services do have insurance, as well as the revenue we could have received if we were able to bill the carriers.

The Client Experience department is engaged with a contractor to correct our service fees across programs to enable us to effectively begin billing. However, it is relevant to highlight this data even though it will not be billed, to show that the program is not under-performing and there is demand for the services provided.

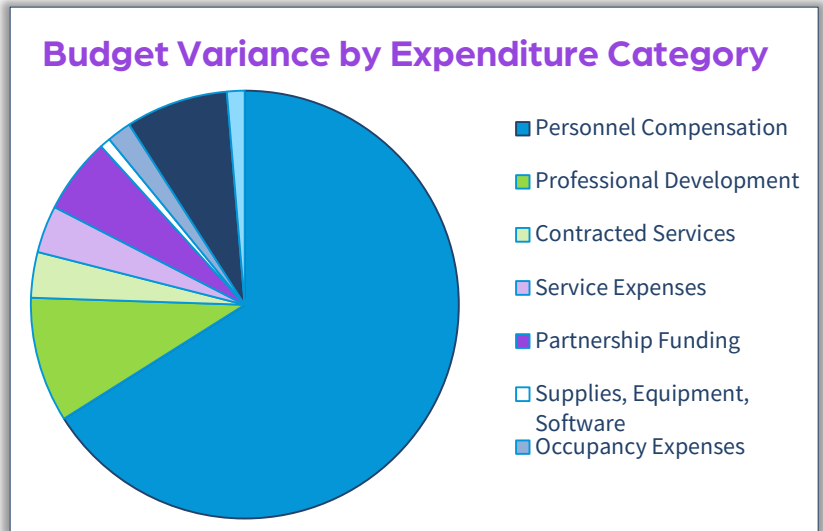
CAYAC	Possible Revenue	Service Count
Medicaid	4,341	39
Private Insurance	6,044	29
No Insurance	500	1
Total	10,885	69
Budget	5,000	
Variance	5,885	118%

Adult Connections	Possible Revenue	Service Count
Medicaid	4,275	42
Private Insurance	650	30
No Insurance	160	8
Total	5,084	80
Budget	1,117	
Variance	3,967	355%

Expense Analysis

Total Expenditures for the first quarter of 2026 were \$3.58 million, which was \$1.12 million less than the budgeted expenses of \$4.70 million. While the Health District was under budget in all categories, the largest variances were in Personnel Compensation (under budget by 27%), Professional Development (under budget by 77%), and Capital Outlay (under budget by 73%). While Capital Outlay is under budget due to timing, and Professional Development is expected to increase over the course of the year, the variance in Personnel Compensation will require more action to avoid a larger variance as the year continues.

Personnel Compensation is responsible for 66% of our budget variance, as highlighted by the pie chart to the right. As of March 2026, we had 72.1 filled FTE, and 20.3 vacant FTE. While vacancies are in the process of being filled, this will not make up for the first quarter's savings in this area. If this trend continues through the second quarter, I recommend reallocating those funds for another purpose. (This will not need to be a budget revision, just a forecast adjustment.)



Another item worth noting that relates to Personnel Compensation is that temporary help expenses for the first quarter were \$55,000. Temporary staffing services are being used to fill vacancies in Behavioral Health and Oral Health. While this expense is categorized as Contracted Services, it can also be considered an offset to the savings in our personnel costs.

A detailed look at some of the Health District's target areas:

During the creation of the 2026 budget, the Health District placed strategic emphasis on devoting more funding to client and community assistance, reaching out to the community we serve through education, outreach, and advertising, and investing in our employees through professional development and recognition. While most of these areas did come in under budget for the first quarter, it is still important to highlight the growth the organization has shown in comparison with prior years as well as areas that require additional focus.

The chart to the right shows us that Client Assistance and Community Outreach are showing a lot of improvement, especially considering 2024 and 2025 are full years' worth of expenditures, while 2026 is only three months. However, the organization needs to focus additional attention on meeting our budgets for community assistance and education, as well as encouraging our staff to use their professional development. While timing plays a significant role in many of these categories, keeping our goals in mind throughout the year is important to ensure success.

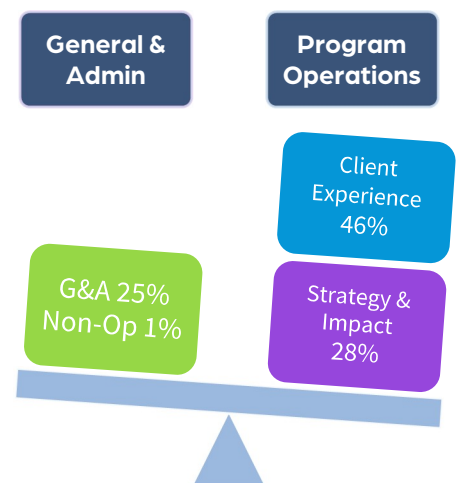
Expense Account	2024 Actual	2025 Actual	YTD Actuals
Client Assistance & Incentives	8,831	9,128	13,001
Community Assistance & Incentives	813	5,698	48
Community Education	21,262	30,187	1,443
Community Outreach	-	94	5,074
Community Advertising	112,692	130,259	48,993
Professional Development	241,316	223,903	31,036
Employee Recognition	13,801	20,201	5,016
	*Full Year	*Full Year	*Q1 Only

Program Operations vs General & Administration

The Program Expense Ratio provides us with a high-level view of where the Health District is spending its funds.

As of March 2026, the District has devoted almost 75% of its funds directly to program operations. For Special Districts, this is a healthy ratio as it shows mission focus and controlled administrative costs. (Especially since the organization no longer allocates any administrative department salaries to programs.)

Further details of costs by function and program can be found on the Functional Revenues & Expenditures statement and the Revenues & Expenditures by Program statements.



Health District of Northern Larimer County

Balance Sheets

Governmental Fund

As of March 31, 2026

	December 2025	March 2026	Variance	%
Assets				
Cash & Investments	14,400,363	15,048,036	647,673	4%
Receivables				
Property Taxes	11,473,579	7,476,447	(3,997,132)	-35%
Specific Ownership Taxes	58,538	66,976	8,438	14%
Patients	52,927	59,504	6,577	12%
Leases	59,358,495	59,620,868	262,373	0%
Grants & Other	54,722	33,832	(20,890)	-38%
Uncollectable Allowance	(26,055)	(11,641)	14,414	-55%
Prepaid Expenses	186,975	156,174	(30,801)	-16%
Total Assets	\$ 85,559,544	\$ 82,450,195	(3,109,348)	-4%
Liabilities, Deferred Inflows, & Fund Balance				
Liabilities				
Accounts Payable	583,435	149,526	(433,909)	-74%
Accrued Liabilities				
Property Tax Escrow	38,664	10,774	(27,890)	-72%
Accrued Expenses	77,515	110,046	32,531	42%
Security Deposits Held	19,157	19,157	-	0%
Payroll Liabilities	298,373	299,269	896	0%
Unearned Contributions	59,531	70,080	10,548	18%
Total Liabilities	1,076,675	658,851	(417,824)	-87%
Deferred Inflows				
Property Tax Resources	11,478,295	6,525,936	(4,952,359)	-43%
Lease Resources	59,358,495	59,329,426	(29,070)	0%
Service Resources	15,996	15,996	-	0%
Total Deferred Inflows	70,852,786	65,871,357	(4,981,428)	-7%
Fund Balance				
Nonspendable Funds	186,975	156,174	(30,801)	-16%
Restricted Funds	470,801	468,569	(2,232)	0%
Assigned Funds - Operating	7,472,610	5,985,930	(1,486,680)	-20%
Assigned Funds - Capital	581,237	1,269,393	688,156	118%
Unassigned Funds	2,678,441	5,750,018	3,071,577	115%
Change in Fund Balance	2,240,020	2,289,904	49,884	2%
Total Fund Balance	13,630,083	15,919,987	2,289,904	17%
Total Liabilities, Deferred Inflows, & Fund Balance	\$ 85,559,544	\$ 82,450,195	(3,109,348)	-4%

The financial statements presented herein are prepared using the modified accrual basis of accounting as required for governmental fund types under GAAP & GASB. These statements are unaudited and intended for management use only.

Health District of Northern Larimer County

Statements of Revenues, Expenditures, & Changes in Fund Balance

January 2026, February 2026, March 2026, & First Quarter Total

For the First Quarter Ended March 31, 2026

	January 2026	February 2026	March 2026	Q1 2026
Revenues				
Tax Revenues	291,035	3,824,371	1,017,486	5,132,893
Service Revenues, Net	95,318	70,527	73,653	239,497
Lease Revenues	119,284	116,243	118,041	353,568
Contributions	(5,868)	22,370	19,664	36,166
Investment Earnings	39,561	31,948	40,610	112,119
Other Operating Revenues	-	-	-	-
Total Revenues	\$ 539,330	\$ 4,065,458	\$ 1,269,454	\$ 5,874,242
Expenditures				
Personnel Compensation	670,583	661,885	660,783	1,993,251
Professional Development	12,024	9,072	9,939	31,036
Contracted Services	104,556	117,385	140,111	362,053
Service Expenses	54,979	50,986	61,313	167,277
Partnership Funding	590,563	-	-	590,563
Supplies, Equipment, & Software	50,663	40,347	43,054	134,063
Occupancy Expenses	33,421	50,212	32,928	116,561
Other Operating Expenses	13,432	105,217	40,278	158,927
Capital Outlay	18,208	3,263	9,137	30,607
Total Expenditures	\$ 1,548,428	\$ 1,038,367	\$ 997,543	\$ 3,584,338
Excess/(Deficiency) of Revenues Over Expenditures	\$ (1,009,098)	\$ 3,027,091	\$ 271,911	\$ 2,289,904
Change in Fund Balance	(1,009,098)	3,027,091	271,911	2,289,904
Beginning Fund Balance	13,630,083	12,620,986	15,648,077	13,630,083
Ending Fund Balance	\$ 12,620,986	\$ 15,648,077	\$ 15,919,987	\$ 15,919,987

The financial statements presented herein are prepared using the modified accrual basis of accounting as required for governmental fund types under GAAP & GASB. These statements are unaudited and intended for management use only.

Health District of Northern Larimer County

Statements of Revenues, Expenditures, & Changes in Fund Balance

Budget to Actual Comparison
For the First Quarter Ended March 31, 2026

	<u>Budget to Date</u>	<u>Actual To Date</u>	<u>Variance</u>	<u>%</u>	<u>2026 Budget</u>	<u>Remaining</u>	<u>%</u>
Revenues							
Tax Revenues	5,244,864	5,132,893	(111,971)	-2%	12,186,295	7,053,402	58%
Service Revenues, Net	247,867	239,497	(8,370)	-3%	991,468	751,970	76%
Lease Revenues	360,021	353,568	(6,454)	-2%	1,657,525	1,303,957	79%
Contributions	86,497	36,166	(50,332)	-58%	345,988	309,823	90%
Investment Earnings	80,525	112,119	31,593	39%	437,705	325,586	74%
Other Operating Revenues	-	-	-	0%	-	-	0%
Total Revenues	\$ 6,019,775	\$ 5,874,242	(145,533)	-2%	\$ 15,618,980	9,744,738	62%
Expenditures							
Personnel Compensation	2,714,484	1,993,251	721,233	27%	10,857,931	8,864,680	82%
Professional Development	134,560	31,036	103,525	77%	538,243	507,207	94%
Contracted Services	399,680	362,053	37,627	9%	1,598,720	1,236,667	77%
Service Expenses	206,325	167,277	39,048	19%	825,301	658,024	80%
Partnership Funding	653,187	590,563	62,624	10%	1,542,241	951,679	62%
Supplies, Equipment, & Software	142,797	134,063	8,734	6%	571,188	437,125	77%
Occupancy Expenses	136,673	116,561	20,112	15%	546,690	430,129	79%
Other Operating Expenses	173,489	158,927	14,562	8%	516,474	357,547	69%
Capital Outlay	115,250	30,607	84,643	73%	461,000	430,393	93%
Total Expenditures	\$ 4,676,446	\$ 3,584,338	1,092,108	23%	\$ 17,457,789	13,873,451	79%
Excess/(Deficiency) of Revenues Over Expenditures	\$ 1,343,329	\$ 2,289,904	946,575	-70%	\$ (1,838,809)	(4,128,713)	225%
Change in Fund Balance	1,343,329	2,289,904					
Beginning Fund Balance	13,630,083	13,630,083					
Ending Fund Balance	\$ 14,973,412	\$ 15,919,987					

The financial statements presented herein are prepared using the modified accrual basis of accounting as required for governmental fund types under GAAP & GASB. These statements are unaudited and intended for management use only.

Health District of Northern Larimer County

Functional Revenues & Expenditures

Supplemental Financial Statement
For the First Quarter Ended March 31, 2026

	Program Operations			General & Administration	Total Operating	Non-Operating	Health District
	Client Experience	Strategy & Impact	Total				
Revenues							
Tax Revenues	-	-	-	5,132,893	5,132,893	-	5,132,893
Service Revenues, Net	239,497	-	239,497	-	239,497	-	239,497
Lease Revenues	-	-	-	291,443	291,443	62,125	353,568
Contributions	33,693	2,473	36,166	-	36,166	-	36,166
Investment Earnings	-	-	-	112,119	112,119	-	112,119
Other Operating Revenues	-	-	-	-	-	-	-
Total Revenues	\$ 273,190	\$ 2,473	\$ 275,663	\$ 5,536,454	\$ 5,812,117	\$ 62,125	\$ 5,874,242
Expenditures							
Personnel Compensation	1,123,896	293,404	1,417,300	575,951	1,993,251	-	1,993,251
Professional Development	16,953	2,454	19,408	11,628	31,036	-	31,036
Contracted Services	221,938	48,011	269,948	92,104	362,053	-	362,053
Service Expenses	110,997	21,966	132,963	34,314	167,277	-	167,277
Partnership Funding	-	590,563	590,563	-	590,563	-	590,563
Supplies, Equipment, & Software	71,906	28,360	100,267	33,796	134,063	-	134,063
Occupancy Expenses	67,028	13,410	80,438	23,420	103,859	12,703	116,561
Other Operating Expenses	34,380	6,489	40,869	107,285	148,154	10,774	158,927
Capital Outlay	17,552	4,228	21,779	8,828	30,607	-	30,607
Total Expenditures	\$ 1,664,651	\$ 1,008,885	\$ 2,673,535	\$ 887,326	\$ 3,560,862	\$ 23,476	\$ 3,584,338
Impact to Fund Balance	\$ (1,391,460)	\$ (1,006,412)	\$ (2,397,872)	\$ 4,649,128	\$ 2,251,256	\$ 38,649	\$ 2,289,904
% of Total Expenditures	46%	28%	75%	25%	99%	1%	

Client Experience

Revenues & Expenditures by Program

Supplemental Financial Statement

For the First Quarter Ended March 31, 2026

	General	Innovation & Quality	Oral Health	Behavioral Health	Access to Care	Client Experience
Revenues						
Self Pay, Net	-	-	53,773	2,140	-	55,913
Grant Reimbursement	-	-	47,319	-	-	47,319
Insurance Reimbursement, Net	-	-	134,232	2,034	-	136,266
Grants & Partnerships	-	-	3,487	19,642	-	23,130
Donations	-	-	5,515	5,048	-	10,563
Total Revenues	\$ -	\$ -	\$ 244,326	\$ 28,864	\$ -	\$ 273,190
Expenditures						
Personnel Compensation	52,818	90,617	585,130	210,373	184,958	1,123,896
Professional Development	2,916	2,676	9,961	936	464	16,953
Contracted Services	118,472	2,135	25,510	75,663	158	221,938
Service Expenses	25,372	-	73,252	5,117	7,257	110,997
Partnership Funding	-	-	-	-	-	-
Supplies, Equipment, & Software	52,351	4,626	8,347	5,366	1,216	71,906
Occupancy Expenses	55,711	-	11,317	-	-	67,028
Other Operating Expenses	24,764	-	4,319	5,297	-	34,380
Capital Outlay	17,552	-	-	-	-	17,552
Total Expenditures	\$ 349,955	\$ 100,054	\$ 717,836	\$ 302,752	\$ 194,053	\$ 1,664,650
Impact to Fund Balance	\$ (349,955)	\$ (100,054)	\$ (473,510)	\$ (273,888)	\$ (194,053)	\$ (1,391,460)
% of Expenditures	21%	6%	43%	18%	12%	

Strategy & Impact

Revenues & Expenditures by Program

Supplemental Financial Statement
For the First Quarter Ended March 31, 2026

	General	Policy	Data & Analytics	Community Assessment	Health Equity	Community Engagement	Partnerships	Strategy & Impact
Revenues								
Grants & Partnerships	-	-	-	-	-	-	-	-
Donations	0	-	-	-	-	2,473	-	2,473
Total Revenues	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ 2,473	\$ -	\$ 2,473
Expenditures								
Personnel Compensation	71,308	-	61,577	-	26,899	99,372	34,249	293,404
Professional Development	1,352	-	109	-	56	938	-	2,454
Contracted Services	34,396	12,000	615	-	-	1,000	-	48,011
Service Expenses	6,138	-	-	-	4,856	10,972	-	21,966
Partnership Funding	-	-	-	-	-	-	590,563	590,563
Supplies, Equipment, & Software	19,466	-	2,950	1,663	209	3,862	209	28,360
Occupancy Expenses	13,410	-	-	-	-	-	-	13,410
Other Operating Expenses	6,352	38	-	-	100	-	-	6,489
Capital Outlay	4,228	-	-	-	-	-	-	4,228
Total Expenditures	\$ 156,649	\$ 12,038	\$ 65,251	\$ 1,663	\$ 32,120	\$ 116,144	\$ 625,020	\$ 1,008,885
Impact to Fund Balance	\$ (156,648)	\$ (12,038)	\$ (65,251)	\$ (1,663)	\$ (32,120)	\$ (113,671)	\$ (625,020)	\$ (1,006,412)
% of Expenditures	16%	1%	6%	0%	3%	12%	62%	



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: HR1 Update

PRESENTER: Dana Turner

OUTCOME REQUESTED: Decision Consent Report

PURPOSE/ BACKGROUND

As H.R. 1- One Big Beautiful Bill Act (OBBA) is beginning to be implemented, there are significant systemic changes forthcoming that will have a substantial impact on our community. This report is centered on discussing the response to impacts on the community and develop possible tactics to reduce harm in a collaborative and intentional manner.

Attachment(s): None.

FISCAL IMPACT: N/A

STAFF RECOMMENDATION: None



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: Board Public Policy Committee-HB26-1300

PRESENTER: BOD Public Policy Committee

OUTCOME REQUESTED: Decision Consent Report

PURPOSE/ BACKGROUND

1. The Board Public Policy Committee would like to discuss the current process by which the Board takes positions on legislation. Current Board Policy 99-7 and the decision-making tree are background information.

2. The Committee also wants to make the full Board aware of and discuss HB26-1300 as it pertains to allowing health service districts the ability to add affordable housing initiatives/services to their approved service plans without formal approval from the County/Municipality having oversight of the service plan.

The Board Public Policy Committee took the following positions:

- **Monitor:** HB 26-1300: Health Service District Affordable Housing Service (*March 11,2026*)
- **Amend:** March 26, 2026
- **Monitor:** April 13, 2026

Attachment(s): Information on HB26-1300, Board Public Policy Decision Making Tree, 99-7 Pol(Establishing and Communicating a Position on Policy Issues)

FISCAL IMPACT: N/A

STAFF RECOMMENDATION: Discuss positions taken by the Board Public Policy Committee.



Information on HB26-1300

Overview of HB26-1300: The Health Service District Affordable Housing Service, which recently passed the Colorado House and is now moving to the Senate with local Senator Cathy Kipp as a primary sponsor. The bill aims to give health service districts the ability to support affordable housing initiatives.

Political and Local Context of HB26-1300

- In the House, the bill was carried by Representatives Steven Woodrow (D) and Matt Soper (R).
- Rep. Woodrow agreed to run the bill at the request of Jeni Arndt, former state legislature colleague and former Fort Collins Mayor. We believe Rep. Soper joined the bill as he is on the elected board of his local health services district.
- In the Senate, Sen. Cathy Kipp is carrying the bill.

Summary of HB26-1300

The bill allows a health service district to add or remove affordable housing services without a formal service plan modification, a departure from the standard process that normally involves county or municipal (or taxpayer) approval. In this bill:

- A district Board may approve these changes with a simple majority vote.
- Activities must be coordinated with local public housing authorities, local housing agencies, and local governments engaged in housing needs assessments.
- “Affordable housing services” include planning, financing, acquiring, constructing, rehabilitating, or providing supportive services related to affordable housing.

Update on Current Position

- At the Board Public Policy Committee (BPPC) meeting on March 11, 2026, the Committee adopted a Monitor position on HB26-1300
- After additional conversations and analysis, this position was updated to Amend. The reason for this change was:
 - The bill is explicit in authorizing a Board to add affordable housing services to a district's service plan without material modification. However, it is not

explicit about the District's authority to remove affordable housing services in the same manner. This could create operational or legal ambiguity in the future.

- Our proposed amendment on the bill was adopted into the bill during the second reading in the House
- HD staff met with the Special District Association on March 30th and learned at that time that the SDA was changing their Monitor position to Opposed.
- The BPPC changed our position on the bill back to Monitor on April 13th which is our current position on the bill.
 - The bill is explicit in authorizing a Board to add affordable housing services to a district's service plan without a material modification. However, it is not explicit about the district's authority to remove affordable housing services in the same manner. This could create operational or legal ambiguity in the future.

Stakeholder Landscape

The split among stakeholders reflects ongoing concerns about governance, clarity of roles, and district identity.

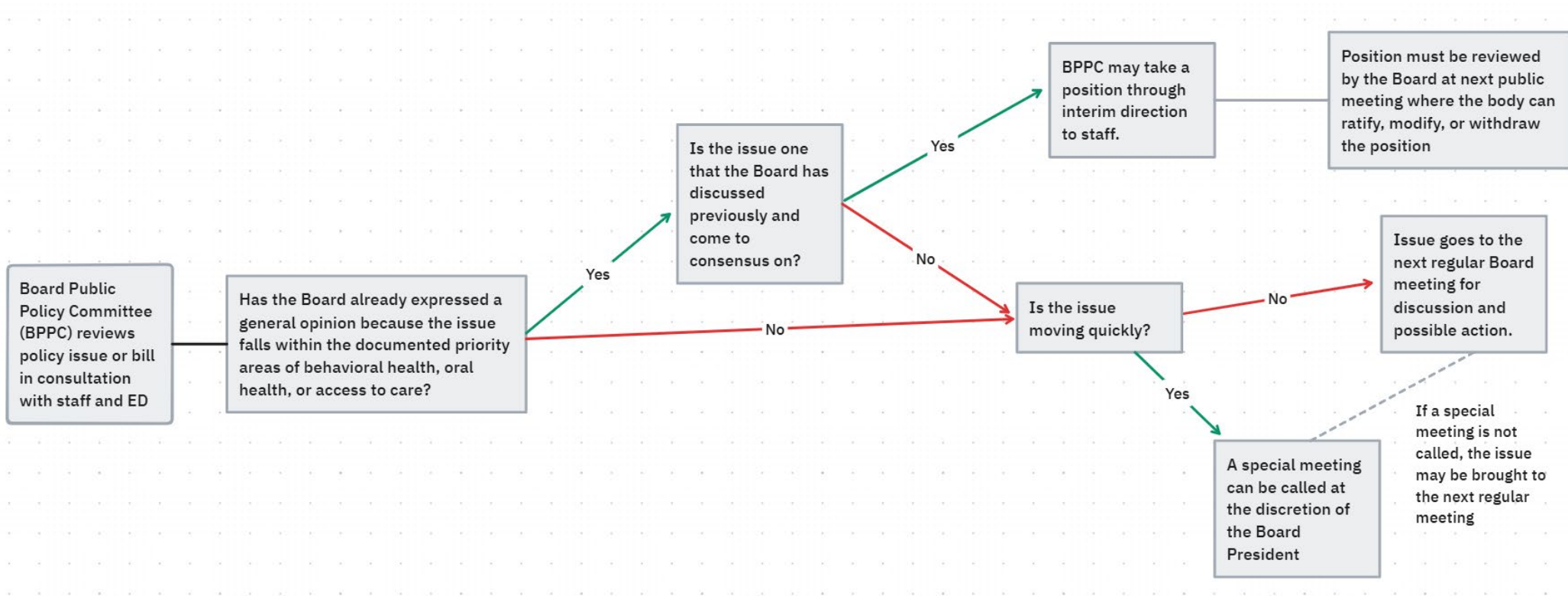
- Supporters include:
 - Colorado Coalition for the Homeless
 - Enterprise Community Partners
 - Housing Colorado
 - Northern Colorado Legislative Alliance
- Opponents include:
 - Colorado Counties, Inc.
 - Colorado Municipal League
 - Special District Association of Colorado (took an oppose position after it passed its House Committee)
 - City of Commerce City
- Monitoring/neutral stakeholders include:
 - Colorado Hospital Association
 - Numerous municipalities, professional associations, and chambers

Next Steps (For.Discussion.Only).

We will continue closely tracking the bill as it moves through the Senate and will keep the Board informed.



Board Public Policy Decision Making Tree





99-7 Pol: Establishing and Communicating a Position on Policy Issues

Adopted December 14, 1999

Amended January 25, 2022

Purpose of Policy: Outlines procedures by which the Health District of Northern Larimer County establishes and communicates positions related to policy issues as allowed under Internal Revenue Service (IRS) regulation and state law, as well as briefly discusses positions on ballot issues.

Introduction: The Health District of Northern Larimer County recognizes that the policies determined by legislatures and other governmental bodies can sometimes have a significant impact on the health status of our community or on the organization. The Board of Directors of the Health District have determined that it is part of their responsibility to review the implication of key policy proposals and determine whether the Health District will take an official position on all or part of proposal.

In general, the process will be that staff will review policies and legislation at the federal, state, or local level that are likely to have a significant impact on either the health status of our community or on the Health District, and present them to the Board for consideration. During the state legislative session, staff will be responsible for presenting to the Board a matrix of issues of potential importance, sorted by priority. For issues with the greatest potential impact, when time allows, staff will create a balanced, evidence-based policy document regarding the issue and its impact on the health of our community (or on our organization) for Board consideration. After careful deliberation of the possible health (or organizational) implications of any particular policy change, the Board will make the decision about whether to take a position, or not, and if so, what position to take. Staff will generally communicate any stances taken by the Board. The process is based on the procedures outlined below.

Prioritization Method for Legislation during Legislative Session

During a legislative session of the Colorado General Assembly, a staff policy committee, comprised of the Executive Director, the Director overseeing Policy, the Medical Director, and the Policy Coordinator, prioritize bills of interest to the Health District. Upon agreement of the committee, bills are prioritized as follows:

Priority 1: Issues with a potentially significant impact on the health status of the community (or a potentially significant impact on Health District operations).

Priority 2: Issues that will potentially have an impact, though less significant, on the health status of the community (or a less significant impact on Health District operations).

Priority 3: Other health or Health District operations issues.

Bills that are prioritized by the staff policy committee will be presented to the Board on a legislative matrix, which will include where the bill is in the legislative process, a simple description, the priority level, and the bill sponsors.

The Policy Strategy Team will determine for which bills staff will develop appropriate policy documents.

Board members may request, by consensus, to re-prioritize bills listed on the matrix (or not listed on the matrix).

POLICY

Process

When time allows for a quality, balanced analysis by staff on a particular policy issue for discussion and action at a regularly scheduled board meeting.

When policy issues of significant importance to the Health District are identified (Priority 1 bills or other important issues), the appropriate staff member, under the direction of the staff policy committee, will develop a thorough, balanced, written analysis (including readily available evidence) for presentation at a regularly scheduled board meeting. The analysis will include, at a minimum, background information on the issue, readily available evidence, and reason to support or oppose the policy. If requested by the current Board, staff will attach a memo with a recommended position and recommended actions for the Board to consider.

The appropriate staff member, at the direction of the Executive Director, will present the analysis to the Board and answer questions for discussion. Usually the analysis will be presented by the Policy Coordinator.

Following Board discussion, the Board, by motion, may decide to take one of the following positions: Strongly Support, Support, Oppose, Strongly Oppose, or No Position (Neutral). The Board may also decline to take a position or may decide to take a position on specific portions or particular concepts within a bill or issue rather than take position on a bill or issue.

When a position is taken by the Board, the Policy Coordinator or authorized designee will:

1. Share position with appropriate policymakers
2. Share policy documents with appropriate policymakers
3. Post policy document(s) and position on Health District website, per Board Policy 01-02.

When a position of Strongly Support or Strongly Oppose is taken, and occasionally when a position of Support or Oppose is taken, the Policy Coordinator or Director overseeing Policy, and/or other staff, as designated by the Executive Director, may also:

1. Testify at committee meetings on position and concerns
2. Make phone calls, send emails or visit personally with appropriate policymakers
3. Share analysis with other legislators
4. Coordinate efforts with other organizations and advocates working on the issue

The Board may also decide to specifically direct staff actions different from those listed above.

Staff will continue to track these policy issues until the policy has passed or been defeated and will present bill status and highlight changes for the Board as needed.

When time does not allow for full written analysis by staff on a particular policy issue, but time allows for discussion and action at a regularly scheduled board meeting.

When issues of significant importance to the Health District are identified (Priority 1 bills or other important issues), but when there is not adequate time for a full analysis as described above before the next scheduled board meeting, staff may draft a short policy summary or brief. This document will include basic background information and issues that are known at the time of drafting. The summary may include or be a product developed by one or more outside organizations, if approved by the staff policy committee. The document will explicitly state that it is not a complete analysis of the issue.

The appropriate staff member, at the direction of the Executive Director, will present the document to the Board and answer questions for discussion. Usually the presenter will be the Policy Coordinator.

Following discussion, the Board may decide that further analysis is needed and may direct staff to complete a full analysis of the issue. That analysis may be presented at the following scheduled board meeting or action may be taken per the section, below: *When time does not allow for discussion at a regularly scheduled board meeting.*

The Board may decide that the short summary provided enough information for the Board to make an informed decision on the bill or policy issue. The Board may then, by motion, take a position as described in the previous section: *When time allows for a quality, balanced analysis by staff on a particular policy issue for discussion and action at a regularly scheduled board meeting.*

Staff will continue to track these policy issues until the policy has passed or been defeated and will present bill status and highlight changes for the Board as needed.

When time does not allow for discussion at a regularly scheduled board meeting.

There are occasions where the policy making process does not allow time for discussion at a regularly scheduled board meeting or where the Board may elect to defer a decision and action until a full analysis is developed but *before* the next board meeting. The Executive Director, or under the direction of the Executive Director, the Director overseeing Policy, or Policy Coordinator, will contact the President of the Board of Directors and inform them of the issue and proposed action.

The President may request that one of the following occurs:

1. No action will be taken.
2. If timeline allows, a special meeting may be called to discuss the issue (72 hours posted notice is required).
3. If the timeline does not allow for a special meeting, or a special meeting does not appear to be warranted in the opinion of the President of the Board, in consultation with the Executive Director, (for example, because the Board has previously considered the issue and issued its

general opinion, or because the issue has a clear and important health impact and the Board President anticipates full Board consensus, but the issue is moving too fast for full Board action), the President of the Board or, in the President's absence, the Vice President, may give direction to the Executive Director, which direction will be subject to ratification or withdrawal by the Board at its next public meeting.

Testifying before a government or regulatory body as an Official Representative of the Health District in support or opposition of specific policy

In the event that the Health District has the opportunity to provide testimony in support for or opposition to a specific policy in front of a governmental or regulatory body, Board members or designated staff will limit their testimony to the official Board position and relevant facts as described in the policy document. Designated staff members who are requested to answer questions from a policymaker may answer those questions in a manner that is consistent with the Board's position and the facts from the policy document. Per Colorado law, regular testimony (more than three appearances) before a Colorado General Assembly committee or other board or commission must be made by an individual registered with the State of Colorado as a lobbyist. Testimony will be coordinated by the Policy Coordinator, with Executive Director approval (or Board approval if appropriate). No staff representing the Health District's position is to testify before a governmental or regulatory body without Executive Director approval. Any person who testifies shall submit a report to the Policy Coordinator.

Grassroots Lobbying

Should the Board take a special interest in a particular issue, they may direct staff to engage in grassroots lobbying, as allowed under IRS and other regulations. Grassroots lobbying is defined by the IRS as attempting to influence any legislation through attempts to affect the opinions of the general public or any segment thereof. Communication is considered grassroots when:

1. It refers to a specific piece of legislation,
2. Reflects a position on this legislation, and
3. Encourages the recipient of the message to take a specific action.

All three requirements must be met for the communication to qualify as grassroots lobbying.

Grassroots lobbying will be undertaken only on issues where a position of strongly support or strongly oppose has been taken and only under the explicit direction of the Board. These activities will be handled by the Director overseeing Policy, the Policy Coordinator, and the Communications Director (as needed) under the supervision of the Executive Director.

The Board may direct staff as follows:

Grassroots I: Send or share advocacy action messages with constituents, specific groups or other interested individuals. These messages may originate with the Health District or may be messages created by others and forwarded. These may be communicated via email, fax, phone, or in-person.

Grassroots II: Actively organize individuals and groups to advocate for our position. This could include soliciting individuals or groups to offer testimony, organizing letter writing campaigns, demonstrations or other coordinated efforts.

Grassroots III: Create (and then lead) a coalition of interested individuals to advocate for our position.

If grassroots lobbying is undertaken, staff will keep careful track of all resources expended in the manner required by law, which may be different from regular lobbying reporting regulations.

Action on Ballot or Candidates

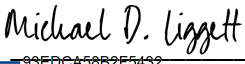
Special districts, like other government bodies, are greatly restricted from expending money (including staff time) on ballot issues by the Fair Campaign Practices Act (which should be reviewed carefully if ballot positions are considered) and are not allowed to become involved in candidates' elections. The Board may direct staff to prepare a balanced analysis on ballot issues of official concern (referring to the definition of "official concern" in current law) and may pass a non-binding resolution in support or opposition of a ballot measure, announcing the position in the same way that other decisions are announced. As with all resolutions concerning policy issues, it will be published electronically on the Health District website. No staff time or monies may be expended in promoting this position.


Monitoring and Reporting Time and Finances Spent on Legislative Issues

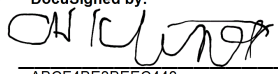
Per applicable IRS regulations, the Policy Coordinator will report all time spent and funds expended on direct lobbying and grassroots lobbying, if any, to the Health District Finance Director. IRS regulations dictate expenditure limits for both direct and grassroots lobbying, thus these figures must be tracked by appropriate Health District staff. Registered lobbyists will also report expenditures to the Colorado Secretary of State, as required by law.

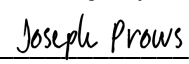
- Adopted, this 14th day of December, A.D., 1999
- Amended, this 22nd day of August, A.D., 2000
- Amended, this 22nd day of January, A.D., 2001
- Amended, this 30th day of September, A.D., 2003
- Amended, this 15th day of February, A.D., 2006
- Amended, this 13th day of December, A.D., 2013
- Amended, this 22nd day of January, A.D., 2019
- Amended, this DD day of Month, A.D., 2022**


Attested by:

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 Michael D. Liggett, Esq. President

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 Molly Gutilla, MS, DrPH, Vice President

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 Celeste Kling, JD, Liaison to PVHS Board

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 Joseph Prows, MD, Treasurer

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 Johanna Ulloa Giron, PsyM, MSW, Secretary



AGENDA DOCUMENTATION

Meeting Date: April 22, 2026

SUBJECT: Executive Director Report

PRESENTER: Brian Ferrans

OUTCOME REQUESTED: Decision Consent Report

Please find the Executive Director Staff Report attached with current program updates.

- **MEETINGS**

The Executive Director met with the following community partners and attended the following meetings/events since the February 18, 2026, board meeting:

- Board Member meetings – Erin (3/23), Julie (3/31), Lee (4/6), Sarah (4/8)
- Special District Association (SDA) – in reference to HB26-1300
- Integrated Computer Consulting (ICC) – quarterly cybersecurity review
- Colorado Health Institute (CHI) – 2025 Community Health Access Survey (CHAS) presentation
- Eide & Bailly – Forensic Audit report review and recommendations
- CLA – Annual Audit review
- MHSU Alliance – Steering Committee meeting
- La Familia – Gloria Kat
- Poudre School District – Board of Directors, Partnership Recognition
- UCHealth Community Benefit Meeting
- SummitStone – Cyndi Dodds
- Larimer County Behavioral Health Services – Amy Martonis
- Larimer County Public Health & Environment – Tom Gonzales

- **Key Updates**

- 1. Staff Meet n’ Greets**

- 1:1 opportunities for all staff members to meet w/ ED
- Completed 27 meet n’ greets with staff
- Key themes: Excitement, hopeful of what’s to come, strong commitment and purpose for the work and our clients, desire to look forward, eager for strategic vision for the organization

- 2. Annual all staff education**

- Compliancy Group training platform officially launched in March to all staff
- New annual training requirements for all staff on topics like: HIPAA, Cybersecurity, Ethics, Workplace Violence, Driving & Incident Reporting

- 3. Committees**

- Clinical Quality Committee – first meeting held on 3/31
- Compliance Committee – first meeting held on 3/31

- **Upcoming Work/Events**

- 4. HD Campus and Office Space Capacity Challenges**

- 120/202 Bristlecone buildings at 95% capacity for office space, Shields is at 90%

- capacity, Mulberry 90% leased
- Staff to begin preliminary exploratory assessment of real estate opportunities related to Client Campus to better understand options for future capacity expansion. This due diligence will help inform strategic planning and responsible stewardship of District assets
- Formal proposal to be presented to BOD for review and discussion at future BOD meeting

5. Mission/Vision Refresh proposal (Internal + BOD)

- HD's Mission/Vision/Values were last updated in 2016
- Significant changes in leadership, staffing, Board members, services and community needs in last decade
- Refresh offers opportunity to solidify/refresh core purpose of Health District's work with staff and BOD. Sets us up nicely moving into updated strategic planning in 2027.
- Formal proposal with details on process and timeline for this work planned to be presented at May BOD meeting.

6. Annual Day of Service (April 23rd)

- The Day of Service offers Health District staff and Board a chance to step beyond their daily roles and make a meaningful impact in the community, while strengthening connections with colleagues and partner organizations and bringing our cultural values to life through direct action. Research shows that workplace volunteer opportunities boost employees' sense of purpose, increase job satisfaction, foster social connection, and help reduce burnout, all of which contribute to a more engaged and resilient workforce. By participating in the Day of Service, staff not only support community well-being but also deepen their own sense of connection and belonging within the Health District.

Attachment(s): March 2026 Program Updates

Leadership report summary

Reporting department: Community Engagement
Reporting month: March 2026

What's new/key updates

- The Outreach and Education team successfully hosted the first 2026 Therapists' Network and Training (TNT) event in March. The presentation focused on strengthening behavioral health providers' skills in communicating with and supporting autistic and neurodivergent individuals—a topic specifically requested by local therapists. Three additional TNT sessions are planned for 2026.
- The 2nd Annual Day of Service is scheduled for Thursday, April 23. This year, the Health District is partnering with seven local organizations in need of support. Staff will engage in a variety of service activities, including environmental clean-ups, spring preparation and beautification, and operational support. Staff will come together across teams and programs to give back to the community in a meaningful way.
- The Changing Minds campaign continues to deliver supportive, stigma reduction education and programming to community members. A recent Spanish-language Changing Minds presentation was offered through La Familia, with additional presentations planned with UCHHealth's Zero Suicide Committee and Poudre Library.

Strategic relevance

- **Health Equity:** The Community Engagement program strives to be responsive to community needs and marginalized identities in our approach and offerings. Examples include offering Changing Minds in Spanish and providing educational opportunities that improve behavioral health providers' cultural competency with specific populations, such as autistic and neurodivergent individuals.
- **Partnerships:** Recent initiatives were driven by strong internal and external partnerships. The Community Engagement program collaborated with other Health District teams and continued to expand and deepen relationships with other community-based organizations to deliver outreach, education, and systems change projects.
- **Great Governance:** The Day of Service provides staff an inclusive, participatory opportunity to step outside their daily roles and make a meaningful contribution to the community. It brings cultural values to life through shared action. Workplace volunteering enhances purpose, boosts job satisfaction, fosters social connection, and helps reduce burnout—promoting a more engaged, resilient workforce. By participating, staff support community well-being while also deepening their own sense of connection and belonging within the Health District.

Issues/risks/challenges

- Partners and community members continue to report fear and uncertainty around federal and state legislative changes, particularly how funding and services will be impacted locally.

Key metrics/trends

Changing Minds (Substance Use Disorder Public Awareness) CAMPAIGN

Engagement Report: January - March 2026

Key Highlights

Website: 1.3K active users | 6.7K total events

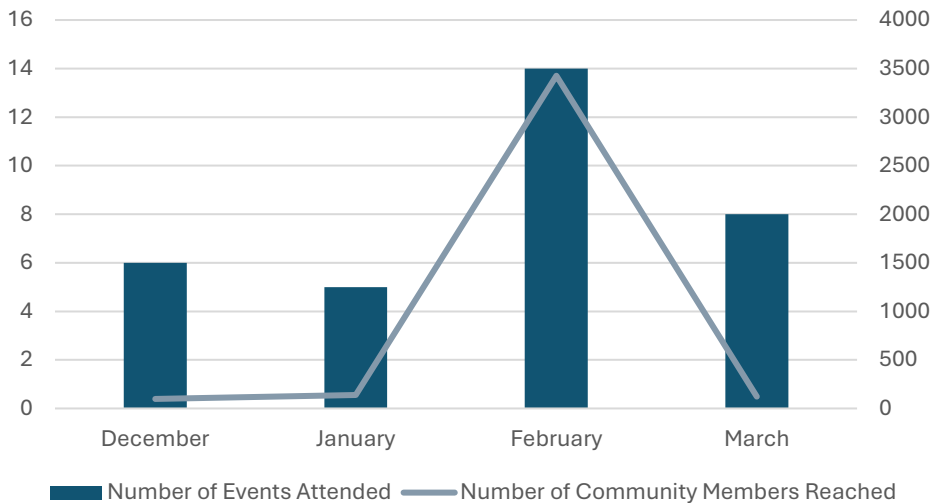
Traffic Sources: 612 direct sessions | 543 referral sessions

Facebook: 950 views | 170 viewers | 23 interactions | 21+ minutes watch time

Instagram: 950 views | 23 interactions

Audience Growth (Oct 2025–Mar 2026): Strong follower growth across platforms, with **Facebook adding 7 new followers (+133%)** and **Instagram gaining 35 new followers (+52%)**

Outreach Events



Leadership report summary

Reporting department: Data & Analytics
Reporting month: March 2026

What's new/key updates

- Key progress for data collection, reporting, and interpretation included:
 - Produced recurring, monthly Board of Directors reporting metrics for client-facing programs.
 - Developed new, recurring weekly report to track periodontal maintenance backlog for dental program planning.
 - Completed annual update to Federal Poverty Levels (FPL) within client database that benchmark program services.
 - Supported internal analysis of interpretation service utilization and client need.
- Began internal processes to select a new, vendor-supported data system that will replace our internally built and maintained client database, which operates with significantly outdated technology. Through internal meetings, building momentum among staff and programs to participate in the evaluation and selection of a new system.
- The Red Feather Lakes convenience sample survey on health care access project was conditionally approved by an external Institutional Review Board (IRB) pending minor project revisions. We plan to launch the survey by the first week of May 2026.
- Work continues on the utilization of data from the Colorado Health Access Survey (CHAS). Input currently is being collected from the Board, staff, and community. This information will inform analysis and public reporting of these data.

Strategic relevance

- **Organizational Excellence:** All updates relate to improving and expanding available data for decision-making.
- **Partnerships:** Our tailored health care access survey project with the Red Feather Lakes community is expanding community engagement. Our current and planned work with CHAS data is improving collaboration with partners to advance health equity.

Issues/risks/challenges

- No significant issues to report.

Key metrics/trends

- No metrics to report this month. Defining and developing metrics for this new program is part of the 2026 work plan. Anticipated areas of focus include data quality and data use.

Leadership report summary

Reporting department: Health Equity
Reporting month: March 2026

What's new/key updates

- Completed 2026 all-staff and management team health equity surveys, with improvements across the board compared to 2025. Key priorities emerging from all-staff results: tools to connect health equity to each team's work, and additional ways to address client barriers to care. The strongest management team improvements included neighborhood cleanup efforts (+58%), participation in community-based coalitions (+50%) and purchasing local (+50%). Staff and the Health Equity Action Team will use these findings to drive their work this year.
- Discovery sessions with all three direct service programs identified opportunities to improve interpreter services, which currently include over-the-phone interpretation, in-person ASL interpretation, and utilization of compensated bilingual Spanish-speaking staff. Recommendations have been developed and will be prioritized and implemented in partnership with the Client Experience team throughout 2026.

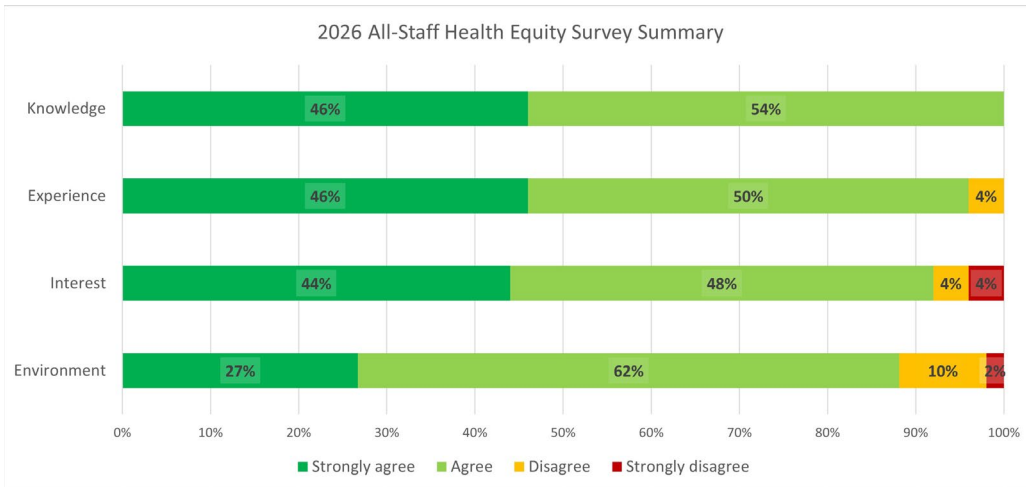
Strategic relevance

- **Health Equity:** Completed surveys invest in staff knowledge and commitment to equity, while surfacing priorities to better center community voices and remove barriers to care. Interpreter services recommendations advance culturally and linguistically appropriate services to help all community members achieve their best health.
- **Organizational Excellence:** Survey data strengthens our use of data collection and analysis for decision-making. Interpreter services discovery and recommendations strengthen program infrastructure and service delivery.

Issues/risks/challenges

- Select projects with Communications and Compliance have shifted from Q1 to Q2 completion due to capacity and reprioritization; some workforce Health Equity Strategic Plan components are also pending human resources information system timelines. *Mitigation:* Maintaining proactive communication with teams and preparing resources so work is ready to move quickly once timelines align.

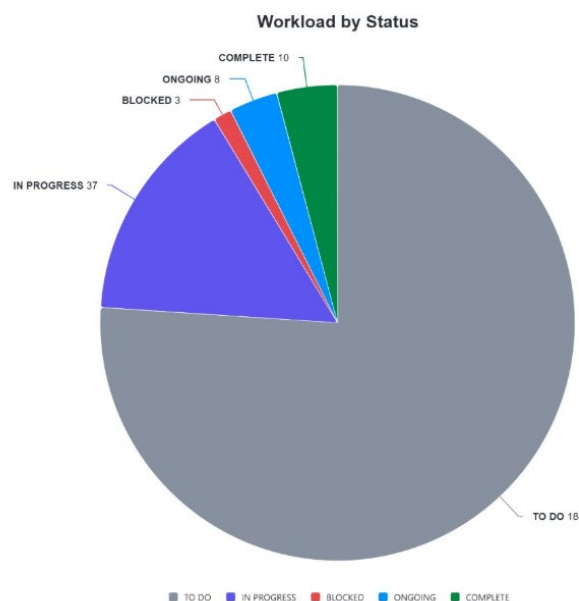
Key metrics/trends



Note: Percentages in parentheses indicate percentage of respondents that agreed or strongly agreed with each statement in 2025 vs 2026.

- **Knowledge:** Increase in agreement that staff have a strong understanding of how health equity applies to their roles (89% to 100%).
- **Experience:** Increase in agreement that staff have experience incorporating health equity principles into their work responsibilities (89% to 96%).
- **Interest:** Consistent levels of agreement that staff are interested in identifying challenges and solutions to support health equity at the Health District (92%).
- **Environment:** Increase in agreement that the Health District creates an environment where the challenges and solutions identified to better support our clients are valued and supported. (57% to 89%).

Health Equity Strategic Plan (2025-2027) Progress as of 3/31/2026



Productivity by ClickUp

Leadership report summary

Reporting department: Strategic Funding Partnerships
Reporting month: March 2026

What's new/key updates

- Findings from the Internal Partnership Assessment indicate that the organization has a rich partnership ecosystem, but it is largely relational rather than strategic. The data suggests we are strong at sharing information and building relationships, and we have opportunities to formalize, scale, and strategically leverage partnerships for systems change, resource growth, and long-term impact. Ongoing strategic conversations will be about shifting from partnership volume to partnership value.
- All funded partners have received fully updated communications and procedures for quarterly reporting on key activities, challenges, and emerging trends to accompany invoice payment requirements.
- Internal assessment results and learnings indicate the need to develop a comprehensive framework that outlines the principles and practices of the organization's partnership strategies. This framework will provide the necessary clarifications on scope, purpose, and outcomes for partnership management, growth, and opportunities.

Strategic relevance

- **Organizational Excellence:** Instituting processes for this new programmatic area build the infrastructure for this area to ensure clarity, transparency, and sustainability.
- **Partnerships:** Prioritizing relationship building with consistent feedback loops and mutual accountability mechanisms that strengthen identified service delivery outcomes.

Issues/risks/challenges

- No significant issues to report.

Key metrics/trends (quarterly)

FMC (July 2025-current)

- *Summary*
 - The Behavioral Health (BH) team at the Family Medicine Center (FMC) provides care to a complex patient population. Demand for behavioral health services remains

high. Of note, the acuity of patient social and behavioral health needs has increased as well. The team continues exploring expansion of group offerings and brief interventions to meet the growing needs.

- The team now operates with a total staffing structure of 5.6 FTE of Behavioral Health Providers (BHPs), a 0.8 FTE Behavioral Health Patient Access Service Specialist (PASS), a full-time Care Coordinator, and a 0.8 FTE Associate Director. Health District dollars support 2.8 FTE of Behavioral Health time, the .8 FTE of Behavioral Health PASS time and the psychiatric consultation providers.
- Contract psychiatry continues to be fully funded by the Health District, strengthening psychiatric access for high-need patients. Key psychiatric services include:
 - Youth psychiatry consultation clinic: Expanded to two half-days per month in January 2026
 - Autism evaluations: Three evaluations completed Oct–Dec 2025; services resume April 2026.
 - Adult psychiatry consultation clinic: Launched February 2026 with two half-days per week.
- *Key Deliverables*
 - Between July 2025 and February 2026, the Behavioral Health team provided 3,464 patient visits across a diverse range of services. Half (50%) of Behavioral Health attending shifts are supported with HD dollars.
 - 93-94% of patients who screened positive for clinical depression received some type of follow up from either a medical provider or a behavioral health provider.

SummitStone (2026 Q1)

- *Summary*
 - During Q1 2026, all supported positions remained filled and fully operational. The team delivered 239 billable encounters through Health District-supported services. Nursing staff provided direct clinical care, including wound care and patient education, to clients with complex needs.
 - A notable success this quarter involved successfully supporting a client with diabetic foot ulcerations who lost insurance coverage and was unable to continue care with a podiatrist. Nursing staff assumed responsibility for providing foot care, resulting in improved patient compliance.
 - Through consistent wound care and comprehensive education on foot care and diabetes management, the team achieved a measurable reduction in the size of the ulceration and improved the client's overall self-management.
- *Key Deliverables*
 - Health District Supported Encounters: 239 billable encounters
 - Staffing: 100% position fill rate maintained throughout Q1

Salud (2026 Q1)

- *Summary*
 - The ambulatory care pharmacist position has already demonstrated meaningful progress in expanding access to clinical pharmacy services within the practice.
 - A collaborative practice agreement has been finalized, supporting greater pharmacist involvement in direct patient care, and patient care activities have begun with a high concentration in diabetes management. This has included initiation of continuous glucose monitoring, follow-up review of glucose data after 2-4 weeks, and use of those data to support patient education and treatment optimization. Anticoagulation services for patients receiving warfarin have also been initiated, in addition to assistance with medication reconciliation and medication prior authorizations.
 - This role has the potential to make a significant impact on patient outcomes by increasing accessibility to care, enabling more frequent follow-up, and offering valuable clinical support at no additional cost to the patient.
- *Key Deliverables*
 - Collaborative Practice Agreement completed
 - Direct Patient Care in progress; started receiving referrals.
 - Quality quantitative data in progress; Quality Team will start gathering patient diabetes data.

Leadership report summary

Reporting department: Dental
Reporting month: March 2026

What's new/key updates

- Filled one full-time dental hygienist position to expand clinical capacity and improve patient access.
- Implemented utilization of dentist's schedules to help alleviate bottleneck for dental hygiene appointments.
- Created scope of practice, and anesthesia protocols to support clinical quality and compliance.
- Reviewed and updated the clinic's OSHA manual.
- Launched supply and inventory control improvements.
- Advanced discussions to establish a partnership with Laramie County Community College, positioning the practice as a clinical rotation site for dental hygiene students.

Strategic relevance

- **Organizational Excellence:** Strengthen infrastructure in all areas, including programs, services, finance, human resources, information technology, communications and facilities.
- **Great Governance:** Ensure the integrity of the Health District's financial position and provide fiscal stewardship and accountability.

Issues/risks/challenges

- No significant issues to report

Key metrics/trends

Dental Program - Ready to Report as of 4/6/26

	Jan 2026 Previously Reported	Jan 2026 Confirmed	Feb 2026 Confirmed	Mar 2026 Preliminary
Number of Appointments	466	466	494	605
Number of Unique Individuals Served	339	339	346	444
Community Screenings	n/a	n/a	n/a	n/a
<p>Data Source: Health District Dentrix EHR, Appointment & Procedure Tables Includes: Dentist and hygienist appointments combined Excludes: Eligibility appointments and eligibility-only clients (no resulting dentistry appointment) Limitations: These data reflect a point-in-time snapshot of a complex, evolving electronic health record. As patient records mature and undergo routine quality review, information may be revised and future summary reports may change. Note: The same individual may be counted as a unique client served in multiple Health District programs.</p>				

Leadership report summary

Reporting department: MHC
Reporting month: March 2026

What’s new/key updates

- The Behavioral Health Manager and Cx VP met with Crossroads staff in February to discuss their resource HUB and future partnership opportunities.
- Care Coordinators launched some in-person service.
- In direct response to recommendations from the 2025 *Comprehensive Analysis of Clinical Practices, Legal Practices and Risk Management Services* conducted by OPEN MINDS, the Clinical Quality Committee proposed Clinical Supervision recommendations which will assist MHC in assuring service quality and supporting future workforce efforts.

Strategic relevance

- **Organizational Excellence:** Support transparent and engaging internal communications so everyone in the organization feels seen, heard, and respected.
- **Partnerships:** Build and strengthen partnerships to maximize impact on community health.

Issues/risks/challenges

- No significant issues to report.

Key metrics/trends

Mental Health Connections Program – Ready to Report as of 4/7/26

	Jan 2026 Previously Reported	Jan 2026 Confirmed	Feb 2026 Confirmed	Mar 2026 Preliminary Data
Number of Appointments	59	59	35	34
Appointment Detail	20 Adult 39 CAYAC (Child)	20 Adult 39 CAYAC (Child)	26 Adult 9 CAYAC (Child)	28 Adult 6 CAYAC (Child)

Number of Unique Individuals Served	28	28	20	15
<p>Data Source: Health District ICA Notes EHR, Appointment Table</p> <p>Includes: Attended appointments (therapy, testing, psychiatric services)</p> <p>Excludes: Care coordination encounters; All other therapy, testing, psychiatric appointment status (cancelled, no-show, or otherwise not attended)</p> <p>Limitations: These data reflect a point-in-time snapshot of a complex, evolving electronic health record. As patient records mature and undergo routine quality review, information may be revised and future summary reports may change.</p> <p><i>Note: The same individual may be counted as a unique client served in multiple Health District programs.</i></p>				

Leadership report summary

Reporting department: Larimer Health Connect
Reporting month: March 2026

What’s new/key updates

- The Connect for Health Colorado grant application for continued funding is now open. We are actively working with cross-functional teams - including Strategy and Impact, Finance and Communications - to develop a competitive, high-quality submission that aligns with grant requirements and organizational priorities.
- We have been working with Crossroads Safehouse and will be partnering to provide on-site support once a month at The HIVE (Hub for Information Validation and Empowerment), serving domestic violence survivors in Northern Colorado. Our staff will assist clients with health insurance enrollment, questions and prescription access, complementing other existing services including medical, legal, counseling and financial support.

Strategic relevance

- **Partnerships:** Build and strengthen partnerships to maximize impact on community health.
- **Health Equity:** Center community voices and remove barriers to meet individual needs, helping all community members achieve their best health.

Issues/risks/challenges

- No significant issues to report.

Key metrics/trends Larimer Health Connect (LHC) – Ready to Report as of 4/9/26

	Jan 2026 Previously Reported	Jan 2026 Confirmed	Feb 2026 Confirmed	Mar 2026 Preliminary
Number of Appointments	227	230	193	208
Number of Unique Individuals Served	Not previously reported.	First Update to the Board: Methods for this metric have been developed but are still being validated. Multiple household members may be served during each appointment counted above.		
<small>Data Source: Health District Database Includes: In-person scheduled, In-person walk-in, Phone/virtual appointments for insurance navigation Excludes: Follow-up phone calls and emails (general communication encounters), Prescription assistance appointments Limitations: These data reflect a point-in-time snapshot of a complex, evolving client management system. As client records mature and undergo routine quality review, information may be revised and future summary reports may change. Note: The same individual may be counted as a unique client served in multiple Health District programs.</small>				

Leadership report summary

Reporting department: Human Resources
Date: March 2026

What's new/key updates

- Mental Health First Aide (MHFA) and Question, Persuade, Refer (QPR) training were provided for new staff.
- A newly revised Employee Handbook was completed and provided to All Staff. 100 % of staff attested to reading the updated version.
- HR is working with a new vendor for background check services.
- Preliminary training in ClickUp (project management software) continues with roll-out for the HR team is slotted for beginning of Q2.
- HR continues to partner with managers/VPs to cultivate and support a positive work environment which meets business needs.
- HR completed a summary of key themes from the Stay Interviews. This information will be shared with the Board at a future meeting.
- Team attended the FOCO Chamber Talent Summit on March 5th.
- HR is working on expanding resources available to supervisors/managers.
- Core values have been added to position descriptions and job ads.
- HR teams members are part of the Health Equity Action Plan (HEAT) and Culture in Action (CIA) committees.
- The March All-Staff meeting was rescheduled and held on April 2. Information was shared with staff regarding our Day of Service, and four of the seven partners/organizations were able to attend to share information about their organizations and what teams could expect that day.

Strategic relevance

- **Organizational Excellence**- Strengthen Infrastructure in all areas, including programs, services, finances, human resources, information technology communication and facilities.
 - **Health Equity**- Cultivate an environment that welcomes diverse thought and experience and invests in staff knowledge and a commitment to equity.
-

Issues/risks/challenges

- HR has initiated support from a UKG service team on reimplementation of the UKG recruiting module.

Key metrics/trends

Job Searches/Pending	Onboarding	Offboarding
Four (4) positions are currently open and advertised.	Four positions (4)	(0)
Three (3) positions closed in March and are in the interview process.	<ol style="list-style-type: none"> 1. Information Systems Specialist 2. Executive Assistant 3. Executive Director 4. Dental Assistant Lead (Internal) 	

Leadership report summary

Reporting department: Marketing and Communications
Reporting month: March 2026

What's new/key updates

- Marketing and Communications (Marcom) is seeing early success with our “Carrying More” campaign, which includes ads and marketing around the oversized burdens and confusion people can feel around getting dental, behavioral health and insurance help. On average, our media placements around Fort Collins, concentrated in north Fort Collins and around schools, are yielding between 70–90 organic searches to healthdistrict.org per day. Aside from billboards, benches, bus shelters and interior bus ads, we have HD services advertising in the PSD newsletter, Rocky Mountain Parent and geotargeted online ads.
- Our 2026 branding refreshes at 120 and 202 Bristlecone are completed or nearing completion before May 1. Projects include: interior and exterior signage; ADA signage; ribbon sculpture in both buildings; storyline content in the conference room of 120; front desk signage; stairwell graphics and 26 “embedded in the community” prints; and health equity messaging, among other improvements.
- We’re finalizing collateral for the HD Open House and general purposes, which includes a “parts of a whole” lead brochure, as well as program-specific brochures that nod to our other core services for a whole-person approach to health and well-being. Our brochures have a health equity thread throughout. English and Spanish invitations have been sent to current and prospective referring partners.
- We’re nearing the final stages of our website redesign, with much more focused content that highlights user journeys for our core services. The website will be live mid-Q2. The clarity we’ve incorporated into the web content will work in tandem with marketing and advertising efforts to make conversion easier.
- We’re in the process of conducting initial screens for a digital media specialist (first Board update)
- We’ll soon be working with HR to hire for a new position, a marketing coordinator (first Board update)

Strategic relevance

- **Great governance:** Reflect community needs in the Health District’s work
- **Organizational Excellence:** Support transparent and engaging communications so everyone in the organization feels seen, heard and respected.
- **Organizational Excellence:** Strengthen external communications strategy to promote visibility and transparency of programs and services

- **Health equity:** Center community voices and remove barriers to meet individual needs, helping all community members achieve their best health

Issues/risks/challenges

- Marcom staffing is a temporary challenge given the amount of communications needs across the organization

Leadership report summary

Reporting department: Compliance
Reporting month: March 2026

What's new/key updates

- Annual training for all employees began at the end of March. Employees are now required to take trainings on the following annually:
 - CORA
 - HIPAA
 - Violence in the Workplace
 - Ethics
 - Cybersecurity
 - Mobile Devices
 - Incident reporting
 - Safe Driving
- Risk assessment via Compliancy Group has began and the next step is to follow up on action items that need attention from the assessment.
- Record retention research in progress to determine retention/destruction of documents currently in storage.
- New version of employee handbook completed with HR and all employees have completed an attestation that they have received and reviewed the handbook.
- Compliance Committee had their first meeting in March and it is off to a great start. We identified several policies/issues that need to be developed/resolved and will be meeting quarterly.

Strategic relevance

- These updates most directly support goals related to Great Governance shaping Health District's policy to promote operational excellence. Additionally, it supports Organizational Excellence.

Issues/risks/challenges

- No significant issues to report

Key metrics/trends

- Compliancy Group Incident Reporting: 0 incidents reported for the month of February and March

Leadership report summary

Reporting department: Infrastructure Operations
Date: March 2026

What's new/key updates

- Hired Michael Oliver as our in-house IT Tech.
 - Completed the Family Room walls.
 - Developed a staff office move plan to better align our departments.
 - Working with the Data & Analytics team to replace the HD Database.
 - Completed new window tint at 2001 S. Shields to dramatically reduce temperature issues.
 - Continued to manage 3rd party tenant requests at 425 W. Mulberry.
-

Strategic relevance

- **Organizational Excellence** – Strengthen infrastructure in all areas, including programs, services, finance, human resources, information technology, communications and facilities..
 - **Great Governance** – Ensure the integrity of the Health District's financial position and provide fiscal stewardship and accountability.
 - **Health Equity** – Model inclusive excellence for health care partners and collaborators.
-

Issues/risks/challenges

- No significant issues to report.
-

Key metrics/trends

- Completed 48 / 50 Facility Workorders in past 30 days. 96% completion rate.
- 185 new Information Technology Workorder Tickets were created in past 30 days.

Leadership report summary

Reporting Department: Finance Department
 Date: March 2026

What's new/key updates

- The Forensic Audit is now complete. A summary of management’s initial decision regarding the recommended items can be found in the Key Metrics/Trends section.
- The annual Financial Audit is still in progress with an expected completion date of May 2026. No significant adjustments have been identified at this time.
- We have chosen Expensify expense management software as our solution to replace our current purchasing cards.

Strategic relevance

- **Great Governance:** Forensic Audit ensures the integrity of the Health District’s financial position and provide fiscal stewardship and accountability
- **Organizational Excellence:**
 1. Strengthening infrastructure in all areas, including programs, services, finance, human resources, information technology, communications and facilities.
 2. Use improved data collection analysis for decision making.

Issues/risks/challenges

- We have been experiencing challenges with some of the functionality in NetSuite ERP and NetSuite Planning & Budgeting. Corrections to these issues are underway with NetSuite Customer Support, though recent turnover on their side has delayed resolution.

Key metrics/trends

Forensic Audit Recommendations

- Eide Bailly has concluded their forensic audit, which covered the periods of 2022, 2023, and 2024. They have provided 53 recommendations based on their observations.
- These recommendations cover a wide array of areas, from general operations, human resources, and finance to client experience and front desk processes and procedures. As such, adoption of the recommended items will be an organization wide effort.

Recommended Items	Accepted, Complete	Accepted, In Progress	Under Consideration	Declined
53	27	17	6	3
	51%	32%	11%	6%

Note: many recommendations relate to policy updates that were already slated for revision in 2026.

Months of Cash on Hand – Assigned Reserve & Unassigned Funds

- The 2026 Fund Balance Appropriation assigned a four-month reserve of our budgeted monthly expenditures, in the amount of \$5.99M.
- As of March 31st, 2026, the Health District had an Unassigned Fund Balance of \$8.04M.
- Our monthly operating expenditure budget for 2026 is \$1.45M.
- Combining the assigned reserve with our unassigned funds gives us 9.7 months of cash on hand.

Forensic Accounting Report

Health District of Northern Larimer County

Report Date: April 9, 2026

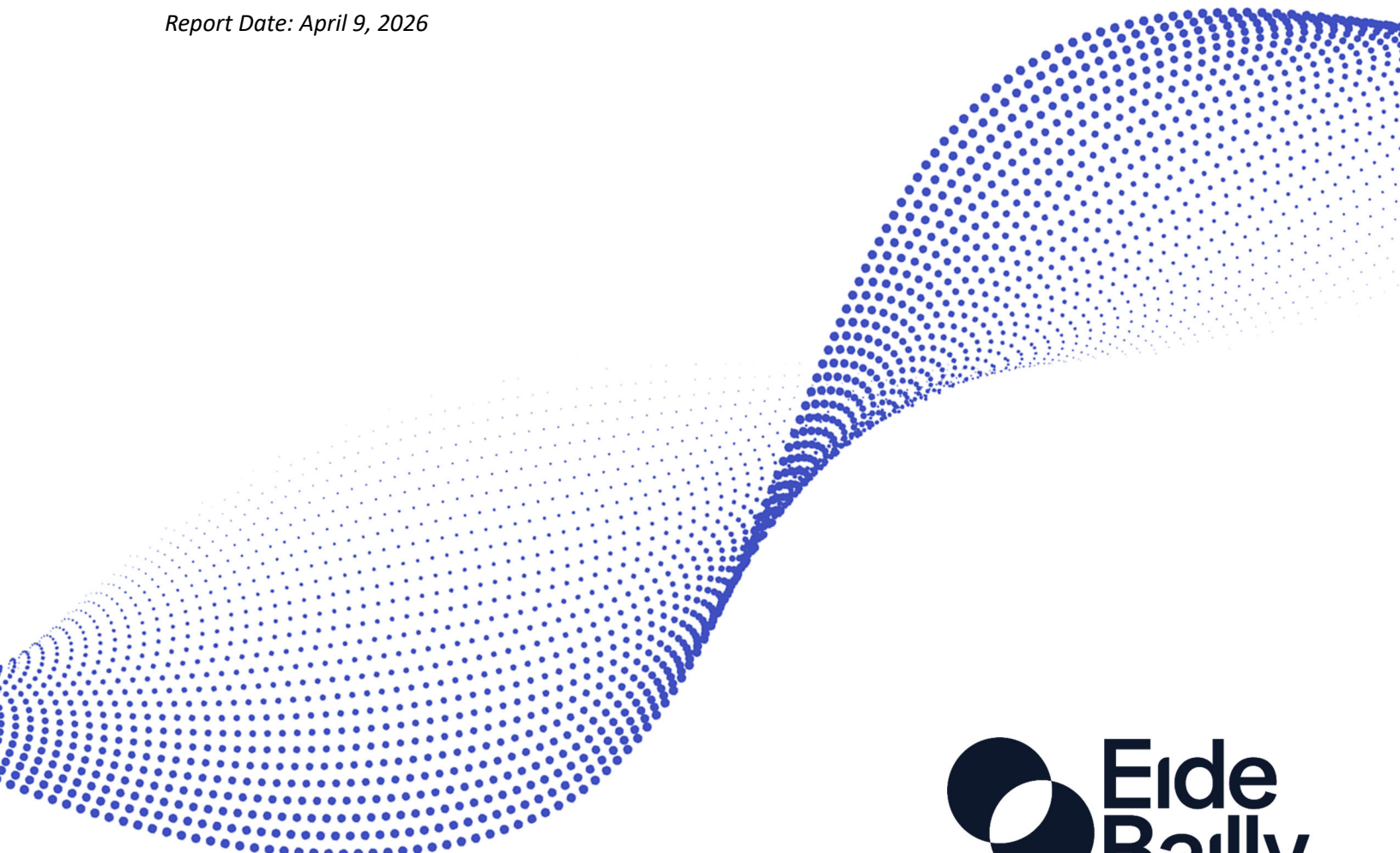


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I. Executive Summary

Eide Bailly LLP (hereinafter referred to as “we,” “our,” or “us”) performed forensic accounting consulting services for the Health District of Northern Larimer County (“HDNLC”) in response to Request for Proposal (“RFP”) 2025-1005, which called for a forensic audit from January 1, 2022 through December 31, 2024 (“scope period”).

The engagement encompassed a comprehensive review of financial records, accounting practices, and compliance with applicable standards. Our work included detailed testing of transactions and balances, evaluation of the design and effectiveness of internal controls, and the application of targeted risk assessment procedures to identify fraud risk factors, unusual transactions, related-party activity, and the potential for management override.

Through an extensive review of financial transactions, underlying supporting documentation, and discussions with **25** individuals, we did not observe patterns or indications of misuse or misappropriation of funds for the scope period. However, we did identify internal control weaknesses. These weaknesses primarily related to segregation of duties, documentation and approval practices, reconciliation timeliness, procurement oversight, accounting for petty cash and capital assets, accounts receivable management, payroll change review, and system access controls. As a result, we identified **53** recommendations aimed at strengthening internal controls and reducing fraud risk for the scope period. Management has implemented or is in the process of implementing most of these recommendations, with remaining items provided for consideration to further improve the control environment.

Our analyses and observations contained within this report are based upon information provided to us as of the date of this report. We reserve the right to amend, modify, and supplement this report if additional documentation is provided and we are requested by HDNLC to render additional services.

Certain names and related information have been included within this report and accompanying workpapers without being redacted for reporting purposes. HDNLC should consider redacting this information as deemed necessary prior to any disclosure to third parties.

II. Background

HDNLC is a tax-funded public entity created in 1960 that originally owned and operated Poudre Valley Hospital until transitioning hospital operations to a not-for-profit organization in 1994. Beginning in 1996, the District expanded its role by introducing health services based on community needs assessments. It now provides direct services to priority populations and collaborates with community partners across the northern two-thirds of Larimer County, including several cities and towns.

During the scope period, HDNLC experienced notable leadership and staffing changes. The organization had **3** Executive Directors, **3** Interim Executive Directors, and significant turnover occurred within the Finance department, particularly in 2024, when **7** finance personnel were employed and **6** departed within a **6**-month period. This level of turnover contributed to changes in processes, loss of institutional knowledge, and challenges related to documentation retention and consistency in financial practices.

Your Part-Time Controller, LLC (“YPTC”), a third-party consulting company, completed a Financial Systems Assessment, which was formally presented to the HDNLC board during their May 2025 meeting. YPTC’s assessment consisted of financial management and internal control issues, including but not limited to, improper access controls, lack of segregation of duties, missing documentation and approvals, system configuration weaknesses, inconsistent accounting and reporting practices, and significant data governance and compliance issues.

Due to YPTC’s internal control observations, HDNLC released RFP 2025-1005 seeking an independent third party to perform a forensic accounting analysis. The RFP called for a comprehensive review of financial records, accounting practices, and compliance with applicable standards, along with detailed testing of transactions and balances. The engagement also included an evaluation of the design and effectiveness of internal controls, including segregation of duties, authorization processes, documentation practices, information technology controls, and management oversight.

III. Information Considered

We considered the following information for the scope time period:

A. Documents Examined:

- ColoTrust bank statements and cancelled checks for investment account ending in no. 8001.
- First National Bank of Omaha (“FNBO”) bank statements and cancelled checks for checking account ending in no. 0218.
- FNBO bank statements and cancelled checks for checking account ending in no. 6405.
- FNBO bank statements for savings account ending in no. 7351.
- ColoTrust bank statements and cancelled checks for investment account ending in no. 4001.
- FNBO bank statements and cancelled checks for checking account ending in no. 4934.
- UMB credit card statements for account ending in no. 0007.
- General ledger detail.
- Check registers.
- Vendor listing.
- Employee listing.
- Aging Accounts Payable and Accounts Receivable detail.
- Payroll check register.
- Fixed Assets listing.
- Policies and Procedures listed in **Workpaper 1**.
- Employee Handbook.
- Board meeting minutes.
- CBIZ Compensation Analysis.
- Great Plains, Greenshades, and Dentrix access listing/log.
- Great Plains activity tracker.
- ICC Cybersecurity Risk Assessment Report.
- Various accounts payable and accounts receivable documentation.

B. Discussions with HDNLC Personnel:

- Front Office Associate

- Front Office Associate

- Application/Database Programmer
- Human Resources Specialist
- Healthcare Access Manager
- VP of Communications
- Board Treasurer
- Chief Administrative Officer/Interim Executive Director
- Health Coverage Specialist
- Board Member
- Human Resources Manager
- HR Specialist/Generalist
- Director of Infrastructure Operations
- Clinical Finance and Care Supervisor
- Director of People and Business Operations
- Accounts Receivable Accountant
- General Maintenance Specialist
- Dental Front Office Associate
- Payroll Accountant
- VP of Client Experience
- Dental Services Manager
- VP of Strategy and Impact

C. Discussions with Others:

- Customer Support at RSM US LLP
- Senior Technical Consultant at Integrated Computer Consulting (“ICC”)
- Former HDNLC Information Systems/Network Manager

IV. Observations

The following information reflects our observations to date based on the procedures performed by us with the available financial records.

A. Bank Records

We examined available bank records for HDNLC for the scope period. A total of **4,031** debit/disbursement transactions and **4,241** credit/deposit transactions were examined totaling **\$78,833,740.63** and **\$85,065,844.32**, respectively (**Workpaper 2**). A summary of all bank account activity can be viewed in **Figure 1**.

Figure 1 – Summary of Bank Activity

Institution	Account Number	No. of Debits	Debits	No. of Credits	Credits
FNBO	4934	3,762	\$34,772,334.60	3,898	\$34,904,746.44
ColoTrust	8001	77	29,175,000.00	80	35,259,463.46
FNBO	6405	188	14,716,406.03	152	14,716,406.03
FNBO	7351	4	170,000.00	39	183,168.17
FNBO	0218	0	0.00	37	1,894.48
ColoTrust	4001	0	0.00	35	165.74
Totals		4,031	\$78,833,740.63	4,241	\$85,065,844.32

Figure 2 summarizes the top 10 sources of funds based on available bank statement descriptions by year.

Figure 2 – Top 10 Sources of Funds by Year

Source of Funds	2022	2023	2024	Totals
Contribution	\$10,390,931.79	\$10,381,351.80	\$13,409,220.14	\$34,181,503.73
Deposit	1,241,800.93	1,089,915.73	616,541.64	2,948,258.30
DentaQuest USA	516,019.98	563,173.88	279,604.51	1,358,798.37
Income Dividend Reinvestment	114,778.79	407,493.88	555,852.80	1,078,125.47
State of CO Vendor Pay	205,863.80	146,312.12	228,054.27	580,230.19
Elavon Merch Svcs	126,131.56	129,040.21	185,768.59	440,940.36
Summitstone Vend		26,333.52	93,193.08	119,526.60
Interest Payment	3,702.88	15,886.23	19,345.62	38,934.73
Deposit Correction	2.00	31,000.00		31,002.00
UMB Bank N.A	6,596.12	7,688.95	7,936.73	22,221.80
Source of Funds <\$20,000.00 in the Aggregate	2,757.92	7,006.58	27,496.95	37,261.45
Totals	\$12,608,585.77	\$12,805,202.90	\$15,423,014.33	\$40,836,803.00

Figure 2 does not include transfers from known HDNLC accounts totaling **\$44,229,041.32**. A full summary of sources of funds and year can be viewed in **Workpaper 3**.

Figure 3 summarizes the top 10 uses of funds based on available bank statement, cancelled checks, and check register payee descriptions by year.

Figure 3 – Top 10 Uses of Funds by Year

Use of Funds	2022	2023	2024	Totals
Health District Payroll	4,745,835.17	4,570,452.42	5,247,303.78	14,563,591.37
IRS USA Tax Pymt	1,732,339.26	1,647,167.76	1,886,582.78	5,266,089.80
Health District Credits Sett-CB Health	1,158,905.80	1,179,170.96	1,383,119.53	3,721,196.29
NPS PA Contribution	607,143.90	511,960.83	23,692.04	1,142,796.77
CO Dept Revenue Taxpayment	260,376.00	244,482.00	272,044.00	776,902.00
Nationwide Insurance Payments	251,228.08	206,415.39	223,733.97	681,377.44
Nationwide Investment			573,778.57	573,778.57
Down Zankey Construction, Inc	62,286.00	191,481.00	1,400.00	255,167.00
Postmaster	88,005.62	59,955.49	44,022.41	191,983.52
City of Fort Collins	57,483.61	60,214.05	60,094.22	177,791.88
Disbursements <\$175,000.00 in the Aggregate	2,000,238.12	1,703,313.08	1,786,493.95	5,490,045.15
Totals	\$10,963,841.56	\$10,374,612.98	\$11,502,265.25	\$32,840,719.79

Figure 3 does not include transfers of **\$44,229,041.32** and P-Card payments of **\$1,763,979.52** to known HDNLC accounts. A full summary of uses of funds by vendor and year can be viewed in **Workpaper 4**.

1. Fraud Detection Analysis

We reviewed all bank transactions for the scope period for the purpose of identifying indicators of irregular financial activity, including transfers to unknown accounts, payments to unknown or unauthorized credit cards, fraudulent or fictitious vendor payments, and check payee discrepancies. As part of this analysis, we compared bank activity to the general ledger to assess consistency between recorded balances and underlying transactions. Differences identified were attributable to adjusting or reversing journal entries recorded during the period, as well as normal timing differences between when transactions cleared the bank and when they were recorded in the general ledger.

We compared the payees identified within the accounts payable and payroll check registers to the check images provided by the bank for checks issued and recorded in the general ledger during the scope period.

This comparison included **2,905** checks totaling **\$5,731,795.65**. Based on these procedures, we did not identify patterns or indicators of misuse or misappropriation of funds within the bank data reviewed.

2. Bank Reconciliation Review

We reviewed a sample of bank reconciliations. Our sample consisted of **18** bank reconciliations for accounts ending in 8001, 6405, and 4934. **Figure 4** summarizes our observations.

Figure 4 – Summary of Bank Reconciliation Observations

Description	% of Sample	
	Population	Count
Segregation of Duties Deficiency	56%	10
Lack of Review Documentation	22%	4
Missing Bank Reconciliations	22%	4
Prepared Over 30 Days	17%	3
Totals	117%	21

Our observations exceed the number of bank reconciliations and percentage tested because certain reconciliations appear into multiple categories.

- **Segregation of Duties Deficiency:** Ten (**10**) bank reconciliations were prepared by an employee who also had the ability to issue checks and add vendors within the financial system, resulting in a segregation-of-duties control deficiency.
- **Lack of Review Documentation:** Four (**4**) bank reconciliations lacked documented evidence of review by an individual.
- **Missing Bank Reconciliations:** HDNLC was unable to locate **4** bank reconciliations for FNBO account ending in 8001.
- **Prepared Over 30 Days:** Three (**3**) bank reconciliations were prepared **33 – 61** days after the bank statement ending period. It is important to carry out bank reconciliations every month so that any mistakes or potentially fraudulent activities can be detected within the bank's reporting period.

3. Debit/Disbursement Transaction Support Documentation Review

We selected bank debit/disbursement transactions to verify supporting documentation existed and to further understand the nature of the transaction. Our selection consisted of **159** debit/disbursement transactions totaling **\$662,580.90 (Workpaper 5)**.

Forty-four (**44**) of **159** debit/disbursement transactions totaling **\$182,598.52** were selected based on conducting a Benford's Law Analysis. Benford's Law is a high-level data analytic procedure used to identify potential anomalies within debit and disbursement transactions during the scope period. This analysis identified certain leading digits that occurred more frequently than statistically expected, which can be indicative of non-random transaction patterns. Upon further review, these deviations were largely attributable to recurring and routine payments rather than fictitious or irregular transactions. Transactions selected based on this analysis were subjected to additional review.

The remaining **115** of **159** debit/disbursement transactions selected for review totaling **\$480,444.88** were selected based on the following criteria:

1. Significant annual variability;
2. Potential related party transactions; and
3. Professional judgement.

Based on this criterion, **Figure 5** summarizes our observations.

Figure 5 – Summary of Debit/Disbursement Observations

Description	% of Sample		% of Sample Population Total	
	Count	Count	Amount	Amount
Lack of Documented Approvals	7%	11	40%	\$267,992.20
Lack of Supporting Documentation	3%	5	3%	20,561.18
Unknown Business Purpose	1%	2	0%	848.00
Totals	11%	18	44%	\$289,401.38

- **Lack of Documented Approvals:** According to HDNLC's 1-19: Purchasing policy purchases should be authorized as follows:
 - Program coordinators are authorized to approve purchases from **\$0.00** to **\$1,000.00**.

- Directors are authorized to approve purchases from **\$1,000.01** to **\$10,000.00**.
- Executive Director is authorized to approve purchases from **\$10,000.01** to **\$25,000.00**.
- Purchases in excess of **\$25,000.00** require Board approval.

Through our interviews with HDNLC personnel, we noted the thresholds outlined in 1-19 have been changed but the policy was not updated. Due to insufficient information regarding the specific changes in thresholds and their effective dates, we relied on the amounts stated in the policy for our review of debit/disbursement transactions.

We observed **11** transactions totaling **\$267,992.20** lacked documented approval or compliance with policy 1-19. Three (**3**) of **11** transactions totaling **\$9,638.25** did not have any documented approval and **8** of **11** transactions totaling **\$258,353.95** did not have the required Board approval.

- **Lack of Supporting Documentation:** Supporting documentation for **5** transactions totaling **\$20,561.18** could not be located by HDNLC or was insufficient as reflected in **Workpaper 6**.
- **Unknown Business Purpose:** We were unable to determine the business purpose and HDNLC was unable to provide further explanations for **2** transactions totaling **\$848.00**.

4. Credit/Deposit Transaction Support Documentation Review

Through review of the bank activity, we selected credit/deposit transactions to verify supporting documentation existed and to further understand the nature of the transaction. Our selection consisted of **37** credit/deposit transactions totaling **\$12,721,907.54** (**Workpaper 6**). The selection was based on the following criteria:

1. Significant annual variability; and
2. Potential related party transactions.

Based on this criterion, we identified **9** transactions totaling **\$69,218.21** that contained insufficient support or HDNLC was unable to locate the supporting documentation as reflected in **Workpaper 6**.

B. P-Card Records

We examined P-Card activity for the scope period. A total of **4,947** purchase/charge transactions and **205** payment/refund transactions were examined totaling **\$1,761,215.60** and **\$1,795,328.20**, respectively (**Workpaper 7**). A summary of the top 10 P-Card users can be viewed in **Figure 6**.

Figure 6 – Top 10 P-Card Users

P-Card User	2022	2023	2024	Total
HD Dental	\$169,345.57	\$195,553.30	\$164,311.77	\$529,210.64
HD Administration	105,910.18	139,416.20	69,497.27	314,823.65
Information Systems Manger (Fmr)	65,627.43	29,458.75	13,374.41	108,460.59
HD Technology		21,142.00	70,529.87	91,671.87
Health Promotion	30,107.20	34,867.67	15,018.02	79,992.89
Human Resources Specialist	26,321.60	28,244.39	16,958.10	71,524.09
Communications Director (Fmr)	19,885.71	13,681.07	5,440.05	39,006.83
Dir of People and Business Ops		8,802.61	30,008.57	38,811.18
HD Connections	4,860.63	4,211.87	20,904.15	29,976.65
EA/Board Clerk (Fmr)		7,865.32	17,461.51	25,326.83
P-Card Users <\$25,300.00 in the Aggregate	139,413.43	107,800.50	185,196.45	432,410.38
Totals	\$561,471.75	\$591,043.68	\$608,700.17	\$1,761,215.60

A full summary of all P-Card users can be viewed in **Workpaper 8**. **Figure 7** provides an overview of P-Card transactions by category, including both purchases/charges net of refunds.

Figure 7 – Summary of P-Card Activity by Category

Category	2022	2023	2024	Total
Health/Dental Supplies	\$206,042.98	\$215,665.18	\$172,146.37	\$593,854.53
Software/Subscriptions & Marketing/Media	133,436.80	124,028.56	147,102.23	404,567.59
Associations, Memberships, & Training	77,699.91	57,416.65	103,957.49	239,074.05
Travel & Travel Services	25,940.56	59,712.26	25,877.87	111,530.69
Restaurant & Catering	10,870.83	25,887.80	37,516.45	74,275.08
Grocery & Retail	36,872.19	17,923.68	16,827.15	71,623.02
Office/Print & Promotional	16,494.51	27,919.02	22,349.00	66,762.53
Facilities & Maintenance	11,827.35	11,701.66	31,157.30	54,686.31
Government & Fees	10,870.36	18,662.28	10,597.87	40,130.51
Other	10,081.26	7,799.38	21,560.03	39,440.67
Banking/Postage & Admin	6,084.17	8,461.78	10,468.54	25,014.49
Transportation & Vehicle Maintenance	403.27	4,204.13	2,245.06	6,852.46
Gifts & Recognition	655.26	741.94	657.79	2,054.99
Totals	\$547,279.45	\$580,124.32	\$602,463.15	\$1,729,866.92

Figure 7 does not include P-Card payments of **\$1,763,979.52**.

Figure 8 summarizes the top 10 P-Card purchases/charges.

Figure 8 – Top 10 P-Card Purchases/Charges

Purchase/Charges	2022	2023	2024	Total
Henry Schein	\$123,236.33	\$127,962.23	\$91,650.01	\$342,848.57
Dental Health Products	53,039.38	41,757.52	30,253.32	125,050.22
Total MD	13,923.00	13,923.00	13,923.00	41,769.00
Linkedin	5,650.96	21,306.03	11,521.02	38,478.01
Provantage	9,996.99	16,737.28	11,496.89	38,231.16
Newegg	17,619.64	10,716.49	4,522.06	32,858.19
Brasseler Usa Dental	7,905.54	9,698.00	13,443.16	31,046.70
Loveland Embassy		28,353.86		28,353.86
Walmart	13,163.91	8,008.29	5,834.91	27,007.11
Amazon	16,112.75	3,359.14	5,166.14	24,638.03
Purchase/Charges <\$24,500.00 in the Aggregate	300,823.25	309,221.84	420,889.66	1,030,934.75
Totals	\$561,471.75	\$591,043.68	\$608,700.17	\$1,761,215.60

A full summary of P-Card purchases/charges by vendor and year can be viewed in **Workpaper 9**.

Figure 9 summarizes the top 10 P-Card payments/refunds.

Figure 9 – Top 10 P-Card Payments/Refunds

Payments/Refunds	2022	2023	2024	Total
Henry Schein	3,025.27			3,025.27
Benco Dental Co		2,980.98		2,980.98
Amazon	2,657.84	163.97	135.47	2,957.28
Newegg	1,729.94	177.59		1,907.53
SurveyMonkey.Com	1,831.23			1,831.23
Loveland Embassy		1,765.86		1,765.86
Provantage	1,685.90			1,685.90
NNOHA		849.00		849.00
Insight Timer		605.20	167.38	772.58
Expopass.Com	750.00			750.00
Payments/Refunds <\$700.00 in the Aggregate	2,512.12	4,376.76	5,934.17	12,823.05
Totals	\$14,192.30	\$10,919.36	\$6,237.02	\$31,348.68

Figure 9 does not include payments from HDNLC’s FNB bank account ending in No. 4934 of \$1,763,979.52.

A full summary of P-Card payments/refunds by vendor and year can be viewed in **Workpaper 10**.

1. P-Card Review and Approval Process

We sampled P-Card statements to confirm they were reviewed and approved. Our sample consisted of **84** P-Card statements. **Figure 10** summarizes our observations.

Figure 10 – Summary of P-Card Statement Observations

Description	% of Sample Population	Count
Not Reviewed/Approved	57%	48
Self-Approved	2%	2
Missing Supervisor Review/Approval	1%	1
Totals	61%	51

- **Not Reviewed/Approved:** Forty-eight (**48**) P-Card statements tested were not reviewed/approved during the period of January 1, 2022 through April 30, 2024. Based on interviews conducted with HDNLC personnel, we verified monthly P-Card statements were not reviewed during this time period.
- **Self-Approved:** Two (**2**) of **36** statements were the Executive Director’s P-Card statements, which had been self-approved.
- **Missing Supervisor Review/Approval:** One (**1**) of **36** statements were not approved by the personnel’s supervisor.

2. P-Card Transaction Support Documentation Review

Through review of the P-Card activity, we selected transactions to verify supporting documentation existed and to further understand the nature of the transaction. Our selection consisted of **99** transactions totaling **\$65,078.38** (**Workpaper 11**).

Thirty-one (31) of 99 transactions totaling \$45,781.55 were selected based on conducting a Benford’s Law Analysis. The remaining 68 of 99 transactions selected for review totaling \$19,296.83 were selected based on the following criteria:

1. Significant annual variability;
2. Potential related party transactions; and
3. Professional judgement.

Based on this criterion, **Figure 11** summarizes our observations.

Figure 11 – Summary of P-Card Observations

Description	% of Sample	Count	% of Sample Population	Amount
	Count		Total Amount	
Lack of Documented Approvals	83%	82	58%	\$37,528.90
Lack of Itemized Receipts	5%	5	4%	2,631.08
Lack of Supporting Documentation	5%	5	2%	1,084.91
Unknown Business Purpose	9%	9	3%	1,667.32
Totals	102%	101	66%	\$42,912.21

Our observations exceed the number of P-Card transactions and percentage tested as certain transactions appear in multiple categories.

- **Lack of Documented Approvals:** There were **82** transactions totaling **\$37,528.90** that lacked documented evidence of approval on the receipts.
- **Lack of Itemized Receipts:** We did not receive itemized receipts for **5** transactions totaling **\$2,631.08**. We noted the following regarding the supporting documentation we did receive:
 - Missing descriptions with handwritten amounts on the receipts;
 - No dates or location for hotel stays and flights; and
 - Payment confirmation received with no details.

- **Lack of Supporting Documentation:** Supporting documentation for 5 transactions totaling \$1,084.91 could not be located by HDNLC or contained insufficient support as reflected in **Workpaper 11**.
- **Unknown Business Purpose:** Based on the supporting documentation received, we were unable to determine the business purpose and HDNLC was unable to provide further explanations for 9 transactions totaling \$1,667.32.

C. General Ledger

1. Petty Cash

According to the American Institute of Certified Public Accountants, petty cash and change fund is defined as follows:

- **Petty Cash:** A small amount of currency kept on hand to pay for minor incidental expenses that are impractical to pay by check or electronic transfer. It is typically managed by a designated custodian and replenished as needed to maintain a set balance.
- **Change Fund:** An amount that is established to make change for customers or clients during transactions and is typically maintained at a fixed amount.

During our review of the general ledger for the scope period, we found no recorded activity in any petty cash accounts indicating expenses paid or replenishments made. When we asked HDNLC staff for petty cash reconciliations, they were unable to provide documentation demonstrating that these accounts were being monitored or reconciled. We ran a key word search for “petty cash” in the reference section of the general ledger and located the transactions listed in **Figure 12** to replenish petty cash.

Figure 12 – List of Petty Cash Transactions

Date	Journal Entry	Source Document	Account Number	Account Description	Originating Master ID	Amount	Reference	User Who Posted
2/24/2022	351921	PMTRX	59-7960-000	Client Assistance/Incentives	FIR05	\$10.00	2/24/22 Replenish Petty Cash	YDAUER
2/24/2022	351921	PMTRX	50-7600-000	Office Supplies	FIR05	63.96	2/24/22 Replenish Petty Cash	YDAUER
2/24/2022	351921	PMTRX	56-7630-000	Postage	FIR05	2.40	2/24/22 Replenish Petty Cash	YDAUER
8/15/2023	367289	PMTRX	51-7370-000	Meetings	FIR05	75.00	8/15/23 Replenish Petty Cash	YDAUER
Total						\$151.36		

We reviewed the above transactions during our debit/disbursement transaction testing and noted the following:

- A use of petty cash form would be filled out stating the purpose and approval of the transaction.
- A petty cash reconciliation is completed for every transaction, and funds are replenished after each use.
- The transactions were coded to accounts payable rather than petty cash.

During our debit/disbursement testing, **Figure 13** illustrates a transaction that appears to involve the establishment of two change funds.

Figure 13 – Change Fund Transaction

Date	Institution	Account No.	Check No.	Business Name	Amount	Description
6/8/2023	FNBO	4934	65831	First National Bank	\$210.00	Cash for Front Desk

The transaction in **Figure 13** was coded to office supplies when the amounts should have been coded to petty cash or a change fund account.

Due to petty cash transactions not being properly allocated to the corresponding petty cash account, we were unable to review additional petty cash transactions.

Based on interviews with HDNLC personnel, we determined several petty cash accounts primarily function as change funds rather than traditional petty cash. The accounts should be updated to indicate "change fund" or a comparable term that accurately represents their purpose. The general ledger should accurately record the expenses incurred from all petty cash accounts as reflected on the petty cash reconciliations.

2. Asset Verification and Inventory

Through interviews conducted we identified the following capital asset thresholds:

- Between July 1, 2023 and May 19, 2024, during the employment of Liane Jollan as Executive Director, the amount was **\$2,500.00**.
- Since May 20, 2024, while Michael Lynch has served as Facilities Manager, Interim Support Services Director, and Senior Manager of Facilities, the amount is **\$5,000.00**.

According to Policy 1-18 on Accounting for Fixed Assets, the threshold applies to items valued above **\$500.00** and states, “Once a year the accounting department will review the fixed asset list and physically determine that all the items remain in the possession of the Health District.”

We verified a physical capital asset inventory count was completed in 2023 for 2022. No physical capital asset inventory counts have taken place since 2023. We compared the physical capital asset inventory count to the fixed assets inventory listing report from Great Plains for all capital assets acquired by HDNLC up to December 31, 2022 (**Workpaper 12**). **Figure 14** provides a summary of our observations.

Figure 14 – Summary of Capital Asset Comparison Observations

Description	Count	Cost/Difference
Not Listed	181	\$7,685,129.39
Cost Differences	15	63,220.85
Totals	196	\$7,748,350.24

- Not Listed:** We were unable to locate **181** capital assets totaling **\$7,685,129.39** on the physical capital asset inventory count sheet compared to the fixed asset listing report. Three (**3**) capital assets are designated as building improvements totaling **\$14,319.94**, and **4** capital assets are listed as construction in progress totaling **\$1,939,103.17**. These classifications may account for their absence from the physical capital asset inventory count sheet.
- Cost Differences:** The costs of **15** capital assets documented in the physical capital asset inventory count sheet did not correspond with those reported in the fixed asset listing, resulting in a difference of **\$63,220.85**.

a. Capital Asset Transaction Support Documentation Review

A sample of **15** capital assets acquired during the scope period totaling **\$352,444.00** was selected from the fixed asset listing report generated by Great Plains to verify that these assets were accurately recorded and appropriately capitalized. All supporting documentation reviewed indicated that the capital assets were accurately recorded and capitalized.

During our review of debit/disbursement transaction support documentation, we identified **43** transactions totaling **\$241,443.93** that may represent capitalizable expenses based on vendor names and

threshold amounts listed above. **Figure 15** identifies **9** transactions totaling **\$73,384.35** that appear to meet the defined capitalization thresholds and criteria for services rendered or assets acquired but were not capitalized as reflected in the general ledger account.

Figure 15 – List of Transactions to be Capitalized

Date	Institution	Account No.	Check No.	Business Name	Amount	Description	General Ledger Account
5/9/2022	FNBO	4934	64648	Commercial Interiors by JOF	\$1,796.00	Desks	Reserve Expenditures
9/2/2022	FNBO	4934	65039	Rocky Mountain Fence and Decks	8,600.87	Removal of existing fencing and installation of new 6' high iron fence at 120 Bristlecone Drive	Reserve Expenditures
1/30/2023	FNBO	4934	65459	Schwartz Electric	1,700.00	Installation of outlets at 120 and 202 Bristlecone	Repair & Maintenance
9/7/2023	FNBO	4934	66043	Hahn Plumbing & Heating, Inc	6,068.95	Plumbing repairs new backflow	Repair & Maintenance
10/25/2023	FNBO	4934	66152	Bone Dry Roofing Colorado Inc	2,745.00	Gutters and leaking chimney cap	Reserve Expenditures
12/11/2023	FNBO	4934	66248	Advanced Roofing Technologies	35,680.00	Re-roofing & Gutters 2001 South Shields Bldg G Fort Collins	Reserve Expenditures
12/13/2023	FNBO	4934	66269	Hahn Plumbing & Heating, Inc	8,197.83	New backflow	Reserve Expenditures
1/2/2024	FNBO	4934	66305	Hahn Plumbing & Heating, Inc	4,395.70	Raise Sewer line Mulberry	Reserve Expenditures
1/16/2024	FNBO	4934	66334	Schwartz Electric	4,200.00	Outlet installation \$200 and retrofit sign \$4,000	Repair & Maintenance
Totals					<u>\$73,384.35</u>		

HDNLC should review these transactions to determine if these should be capitalized and if so, update each transaction to the appropriate general ledger account.

3. Journal Entries

A total of **14** journal entries were examined during our review. We used data analytic software to test journal entries by running targeted analytic tests designed to identify higher-risk activity for the scope period. These tests included filtering entries posted on specific dates and days of the week, such as weekends and holidays, which may indicate non-routine processing. We also searched for journal entries containing certain words and phrases in the description field that could signal management override or unusual transactions. In addition, we independently reviewed journal entry descriptions to gain an understanding of the nature and types of journal entries recorded during the period. **Figure 16** lists **10** journal entries that were properly approved by reviewing Great Plains' Workflow Transaction History Detail.

Figure 16 – List of Journal Entries

Dates	Journal Entry No.
Multiple	261752
1/31/2022	352220
3/31/2022	354094
6/30/2022	356486
9/1/2022	358740
9/30/2022	359075
3/1/2023	363705
10/31/2023	369595
12/31/2023	371710
10/31/2024	379990

HDNLC could not locate supporting documentation for these journal entries. All remaining journal entries had proper supporting documentation and approvals.

4. Accounts Payable and Receivable

Historical Aged Trial Balance reports for accounts payable and receivable from Great Plains were examined for the scope period. All transactions outstanding for 91 days or more were selected for further review. We reviewed supporting documentation for **7** accounts payable transactions totaling **\$1,521.52** and **5** accounts receivable transactions totaling **\$46,996.68**. An accounts payable transaction for Aesthetic Oral Designs totaling **\$128.99** was incorrectly recorded in 2024 when it should have been recorded in 2025. All remaining items were properly approved and included adequate supporting documentation.

Write-offs

According to HDNLC’s 1-30: Billing Procedures policy, accounts that are delinquent for more than 90 days will be sent to collections and if the collection agency notifies HDNLC that an account is uncollectible, the Financial Manager will write-off the account to bad debt.

Upon evaluating the ageing reports generated by the Dentrix system, which HDNLC uses for client billing, we found multiple client accounts that have been outstanding for more than 90 days during the scope period. **Figure 17** summarizes the number of clients and amounts with accounts that have outstanding balances over 90 days by year.

Figure 17 – Year-Over-Year Summary Comparison of Client Balances Over 90 days

Year	Count	Amount
2022	5,285	\$381,779.61
2023	5,235	370,520.45
2024	5,256	372,546.45

Clients may appear in multiple years with identical outstanding balances, as balances that remain unpaid continue to be reported in subsequent periods until resolved or written off.

Figure 18 provides an overview of the number of clients who maintained identical account balances in the Over 180 Days category from 2022 to 2024.

Figure 18 – Summary of Clients with Balances Over 180 Days

Description	Count	Amount
Over 180 Days	5,102	\$362,204.70

According to HDNLC’s general ledger, the organization did not use the Allowance for Bad Debt account until December 31, 2024. Prior to this date the account had minimal or no activity. It appears that HDNLC was using the direct write-off method for accounting for bad debt. This method is not accepted under generally accepted accounting principles (“GAAP”) as it does not follow the matching principle.

As of December 31, 2024, HDNLC's Allowance for Bad Debt account totaled **\$78,976.18**, representing **22%** of client balances over 180 days (**\$362,204.70**). Based on these observations, HDNLC should update its accounting policies to formally document a clear allowance for bad debts methodology in accordance with GAAP. The policy should incorporate escalating reserve percentages based on historical data and industry standards for older accounts receivable, reflecting the increased collectability risk associated with balances outstanding for extended periods.

According to interviews with HDNLC personnel, in 2025, HDNLC is actively engaged in reconciling and updating write-offs as well as the Allowance for Bad Debt accounts.

5. Employee Reimbursements

We reviewed a check register reflecting employee reimbursements for the scope period. We selected **61** reimbursement transactions totaling **\$75,755.07 (Workpaper 13)**. Our selection criteria was based on the following:

- HDNLC personnel who possessed a P-Card and frequently submitted reimbursement claims;
- Reimbursement claims of identical amounts; and
- Significant annual variability.

Based on this criterion, **Figure 19** summarizes our observations.

Figure 19 – Summary of Reimbursement Observations

Description	% of Sample Count	Count	% of Sample Population Total	Amount
Lack of Supporting Documentation	30%	18	14%	\$10,825.51
Self-Approved	3%	2	2%	1,777.31
Total	33%	38	17%	\$12,602.82

- **Lack of Supporting Documentation:** Supporting documentation for **18** transactions totaling **\$10,825.51** could not be located by HDNLC or was not included in the information provided as reflected in **Workpaper 13**.
- **Self-Approval:** The same individual who submitted the reimbursement also reviewed and approved **2** transactions totaling **\$1,777.31**.

Additional Information

Based on our review, we noted **3** transactions totaling **\$10,863.64** that were reimbursements for relocation expenses. While these transactions were reviewed and approved, we noted HDNLC lacks a relocation expenses policy; therefore, we could not confirm whether these costs were permitted.

D. Procurement Processes

According to HDNLC’s 1-19: Purchasing policy the procurement process is as follows:

- Three telephone quotations shall be obtained with the results analyzed and tabulated by the requestor for approval and signature by the approving authority for **\$500.00 - \$2,500.00** purchases

of goods and/or services. Results of the quotations shall be noted in the comments section of the Purchase Requisition form or attached to the form.

- Three quotations or bids shall be obtained by any method with the results analyzed and tabulated by the requestor for approval and signature by the approving authority for **\$2,500.00 - \$25,000.00** purchases of goods and/or services. Results of three written quotations shall be attached to the Purchase Requisition form.
- A formal Request for Proposals or Request for Bids process must be utilized for purchases of goods and/or services greater than **\$25,000.00** and require Board approval.

Through discussions with HDNLC staff, we learned the formal Request for Proposals or Request for Bids threshold was raised to **\$50,000.00**. However, the official policy has not yet been updated to reflect this change. We were unable to determine when the new threshold took effect. Therefore, our testing is based on the thresholds outlined in HDNLC’s 1-19: Purchasing policy.

We selected **8** vendors for review based on bank activity during the scope period. **Figure 20** shows a comparison between the proposed or contracted amounts and the actual payments made to the vendors chosen for review.

Figure 20 – Proposal/Contract vs. Actual Comparison

Vendor Name	Proposal/Contract		
	Amount Paid	Amounts	Difference
Down Zankey Construction Inc	\$255,167.00	\$259,734.00	(\$4,567.00)
Jet Marketing LLC	155,074.44	155,200.00	(125.56)
AB Consulting LLC	81,752.32	97,800.00	(16,047.68)
Press America, Inc	81,220.65	79,854.50	1,366.15
ResultsLab, LLC	44,500.00	68,470.00	(23,970.00)
Aspyn Grading & Excavating, Inc	28,630.00	28,630.00	0.00
AEI Consultants	15,800.00	15,800.00	0.00
McCord Consulting Group	14,500.00	14,500.00	0.00
Totals	\$676,644.41	\$719,988.50	(\$43,344.09)

We noted the following through a review of the available supporting documents:

- We noted no board approvals in the meeting minutes for proposal/contract amounts above **\$25,000.00**, except for Down Zankey Construction Inc. According to interviews with HDNLC personnel, most contracts or proposals exceeding **\$25,000.00** were approved by the board during the annual budget approval process. The budgets that are approved do not have a detail of what

comprises each expense category. Due to the lack of detail, the board cannot reasonably know which vendors are being engaged, the size/nature of the specific contract, and whether contract exceeds approval thresholds.

- During the August 22, 2023 board meeting, approval was granted for the general concept of the Health Coverage Outreach Project RFP with a budget of up to **\$150,000.00**, related to Jet Marketing LLC. However, this approval pertained solely to the project itself and not vendor approval.
- Press America, Inc exceeded the contract amount by **\$1,366.15**. This overage resulted from reminder postcards as well as extra printing and freight charges that were not included in the original contract.
- Supporting documentation could not be located to substantiate that three quotes were obtained and tabulated regarding the services/good provided by Aspyn Grading & Excavating, Inc. and McCord Consulting Group.

E. Payroll

We examined payroll registers and identified **15** employees with substantial salary changes. We then reviewed all their Personnel Action Forms (PAF). We noted the following through our review of the PAFs:

- During the November 14, 2022 board meeting, the board approved the 2023 budget which included a 4% increase for all employees. All employees we reviewed who were employed during the time had an approved PAF form for the increase.
- On June 27, 2023, HDNLC engaged with CBIZ Compensation Consulting to conduct a classification and compensation study and analysis. On December 19, 2023, the compensation analysis was presented. CBIZ recommended increasing compensation of all employees to the minimum of their respective proposed salary ranges and consider compression-based pay adjustments to improve overall competitive position to the market. On August 27, 2024, HDNLC adopted policy 24-01: Compensation Policy which utilizes salary grades reflected by the value of each position where Human Resources is responsible for the administration and maintenance of the salary grades. All employees reviewed who were still employed in 2024 received a salary or title change due to the CBIZ compensation analysis.
- Based on interviews with HDNLC personnel, we noted a payroll change report is not being reviewed. A payroll change report should be used to review all changes in employee pay, including

rate adjustments, additions, and/or other payroll modifications for a designated period to ensure all PAF forms are completed and approved.

- Appropriate supporting documentation was obtained and reviewed for all other adjustments or position changes involving the employees we reviewed.

F. Information Technology

1. Audit Trail

HDNLC discovered the audit trail in Great Plains was turned off as a result of the assessment conducted by YPTC. As a result, we conducted an interview with the former HDNLC Information Systems/Network Manager. Based on the interview, we learned that it was not the audit trail that was turned off, but the workflow within Great Plains. The workflow is a built-in, electronic approval system used to automate and track processes like accounts payable, purchases, and journal entries. The former HDNLC Information Systems/Network Manager reported that the Executive Director at that time requested the workflows be deactivated, attributing the decision to significant turnover within the Finance department, which was impacting the continuity of daily operations. He notified us that this workflow change may have occurred in July or August 2024.

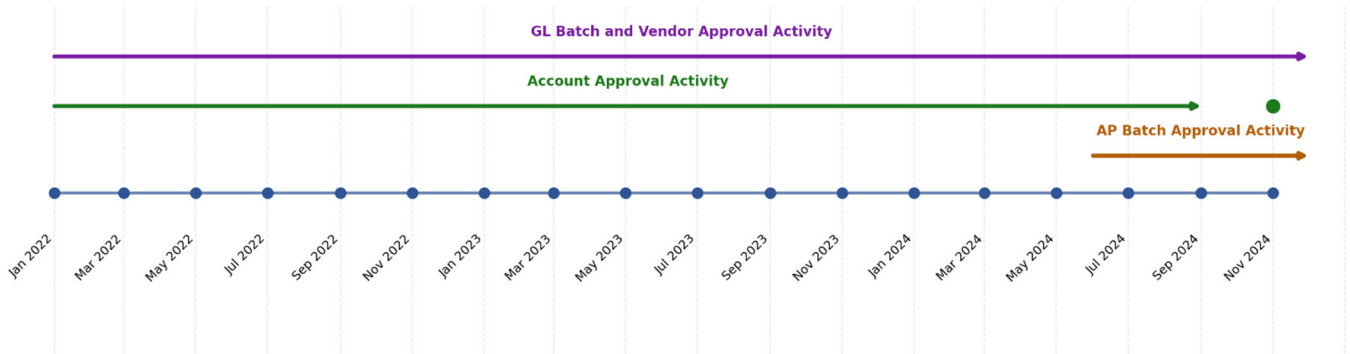
We interviewed the Customer Support Representative for Great Plains at RSM US LLP (“Customer Support”), who informed us that HDNLC never had an audit trail. Companies using Great Plains must rely on third-party tools for an audit trail. RSM US LLP suggests FastPath as an optimal solution for clients seeking comprehensive audit trail capabilities. HDNLC did not use any third-party tools.

Customer Support informed us that Great Plains has an activity tracker. The activity tracker monitors and logs user activity, such as logins/logouts, form access, file changes, and posting actions. This activity tracker does not specify the exact changes made in a file or the precise posting action. While reviewing the activity tracker for the specified period, we observed that it was not turned off, as there were no gaps in the recorded activity dates.

We did request a report from Customer Support to show when the workflow was turned off. Great Plains did not have a report that showed this information. We were provided a workflow history report for the scope period. We noted the following based on our review of the report:

- Workflows were turned on for account approvals, AP batch approvals, GL batch, and vendor approvals.
- **Figure 21** shows the timeline for activated workflows.

Figure 21 – Activated Workflow Timeline



- GL batch activity and vendor approval did not have any gaps in activity.
- Account approvals did not have any activity after September 12, 2024 until 1 approval on November 1, 2024.
- AP batch approval did not have any activity until June 27, 2024.

It does not appear that workflows were completely turned off rather workflows may have been switched to other individuals or not turned on.

2. Access

HDNLC engaged with ICC to provide a Cybersecurity Risk Assessment Report and to provide IT support and consulting services. On December 3, 2024, ICC issued their Cybersecurity Risk Assessment Report with issues and recommendations for improvement. We conducted interviews with ICC personnel to determine whether ICC’s recommendations have been implemented and to assess the status of those recommendations. **Workpaper 14** provides a list of all the issues and recommendations identified by ICC and the status of each as communicated through these interviews.

During interviews conducted with HDNLC personnel, we noted that username and passwords for Brent Lamb (“Lamb”), the Accountant - Payroll and Benefits / Budget Analyst / PRN Accountant - Payroll and Benefits, was being used to access Great Plains and other programs by more than one HDNLC employee. The employee listing provided for 2024 did not list a term date for Lamb. According to Lamb’s PAF, his last day of employment was November 14, 2024. We reviewed Great Plains’ Activity tracker from January 1, 2022 through December 31, 2025 and identified several instances where his credentials were used to log

in to the system after his last day of employment. **Figure 22** lists all instances where files were modified using Lamb’s credentials on May 1, 2025.

Figure 22 – List of Activities Using Lamb’s Credentials

Activity
The ABRA01 record in the Payroll Master file was modified.
The ABRA01 record in the Payroll Master file was modified.
The NAVA02 record in the Payroll Master file was modified.
The WHEE01 record in the Payroll Master file was modified.

We reviewed Greenshades, HDNLC’s payroll software, access log for the period of January 1, 2022 through October 31, 2025 and identified **97** instances where Lamb’s credentials were used after his last day and loaded **9,383** pages. Pages loaded represent individual system screens or records accessed while logged into Greenshades, such as employee records, reports, or other application pages, and do not indicate that changes were made to the underlying data. The access log did not specify the exact modifications or items that were accessed.

Based on the above we conducted the following procedures:

- We compared all users listed on the Great Plains activity tracker to the employees on the employee listings for the scope period to ensure all terminated employees were no longer active in the system. If any employee was terminated and active in Great Plains we reviewed the activity tracker.

Based on our review, we noted the following:

- We were unable to identify Janelle Koldos, Budget Analyst, on the employee listing for 2024. According to her PAF, her last day of employment was September 16, 2024. According to Great Plains access listing she is still active. We reviewed the Great Plains activity tracker and verified that there was no activity listed.
- We identified failed login attempts for Michelle Valenti from December 6, 2024 through March 10, 2025 on the Great Plains activity tracker. We were unable to locate the employee on the employee listing for 2024.
- We compared all users listed on the Greenshades access log to the employees on the employee listings for the scope period to ensure all terminated employees did not log in after their termination date. According to the employee listing Laura Mai’s, Finance Director, last day was June 15, 2024. According to the Greenshades access log, someone using her credentials logged in on July 3, 2024 and loaded **1** page.

Based on discussions with HDNLC personnel, this practice is no longer occurring and has been addressed through the implementation of the NetSuite ERP system and UKG in 2025.

3. IT Recommendations

Based on interviews with HDNLC personnel we gained an understanding of the in-house Electronic Health Record (“EHR”) system. Recommendations related to the EHR system were developed based on information obtained through these interviews and are detailed in **Workpaper 15**.

V. Process Improvements and Fraud Risk Assessment

During the scope period, job responsibilities, supporting documentation, and written policies were analyzed and evaluated to identify opportunities to strengthen control activities related to fraud risk, specifically asset misappropriation. This assessment considered the control environment, as well as existing preventative and detective controls, and resulted in recommendations applicable to the conditions in place at that time. Subsequent to our review, management has updated a number of policies and procedures. Management's responses and the current status of applicable observations and recommendations are included.

A. Control Environment

Based on our assessment for the scope period, HDNLC's fraud risk as it relates to the control environment is **moderate**. A moderate fraud risk indicates internal controls need improvement.

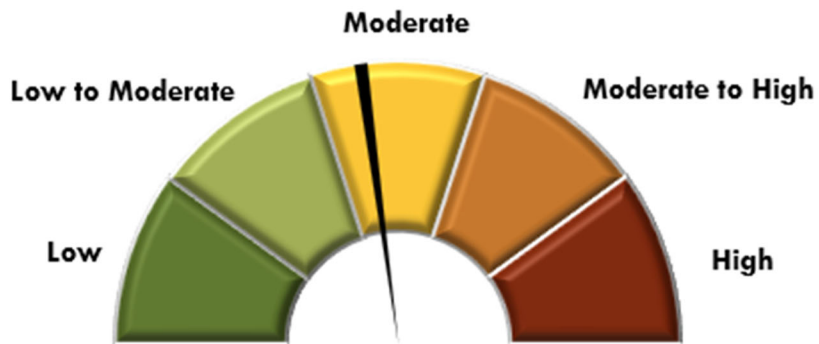


Workpaper 16 contains a list of control environment areas for improvement and HDNLC's response to each.

B. Preventative Controls

Based on our assessment for the scope period, HDNLC's fraud risk as it relates to preventative controls is **moderate**. A moderate fraud risk indicates internal controls need improvement.

Fraud Risk - Preventative Controls

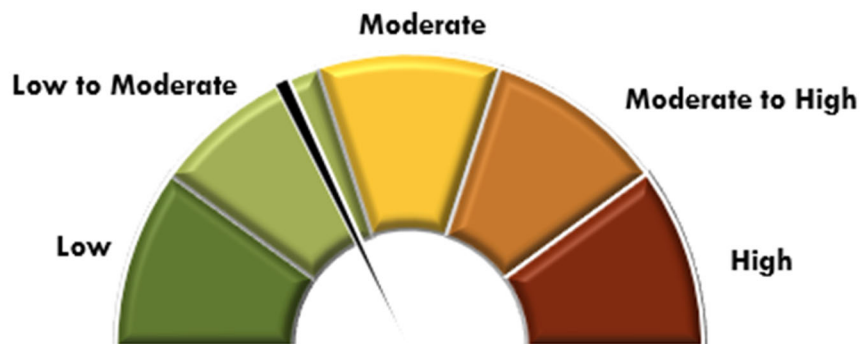


Workpaper 17 contains a list of preventative control areas for improvement and HDNLC’s response to each.

C. Detective Controls

Based on our assessment for the scope period, HDNLC’s fraud risk as it relates to detective controls is **low to Moderate**. A low fraud risk indicates controls are in place to help prevent fraud, while a moderate fraud risk indicates internal controls need improvement.

Fraud Risk - Detective Controls



Workpaper 18 contains a list of detective control areas for improvement and HDNLC’s response to each.

D. Overall Fraud Risk

Based on our assessment, GLMHC’s overall fraud risk related to asset misappropriation is **moderate**. A moderate fraud risk indicates internal controls need some improvement.



VI. Conclusion

This forensic accounting report, inclusive of a narrative and workpapers, reflects the information considered, procedures performed, and related observations to date. We did not identify patterns or indicators of misuse or misappropriation of funds related to our analysis for the scope period. While no misappropriation was identified, we observed multiple internal control deficiencies and process weaknesses across several operational areas. These deficiencies primarily related to segregation of duties, documentation and approval practices, reconciliation timeliness, procurement oversight, accounting for petty cash and capital assets, accounts receivable management, payroll change review, and system access controls. The observations and control deficiencies identified occurred during a period of significant leadership and finance staff turnover, which appears to have affected process continuity and the consistent execution of internal controls.

We have provided **53** recommendations aimed at strengthening internal controls and reducing fraud risk for the scope period. Management has implemented or is in the process of implementing most of these recommendations, with remaining items provided for consideration to further improve the control environment.

We have not provided an opinion in this report related to any person or party violating applicable laws and regulations. The determination as to whether a person or party has violated applicable laws and regulations is not a decision for us; it is decision for a governing body, judge or jury.

We were not engaged to perform a financial audit, which the objective would be to express an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Our analyses and observations are based upon information provided to us as of the date of this report. It is possible that if additional information is forthcoming, our analyses and observations could be materially different. We reserve the right to amend, modify, and or supplement this report if deemed necessary.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Fraud & Forensic Advisory Services