



NOTICE OF REGULAR BOARD MEETING OF THE  
UPPER SAN JUAN HEALTH SERVICE DISTRICT d/b/a PAGOSA SPRINGS MEDICAL CENTER

**Tuesday, August 22, 2023 at 5:00 p.m. MST**

The Board Room (direct access – northeast entrance)  
95 South Pagosa Blvd., Pagosa Springs, CO 81147

The public may attend in person or via Zoom.  
To attend via Zoom, please use this link to join the meeting:

<https://us02web.zoom.us/j/83611276692>

or telephone (346)248-7799 or (669)900-6833

Meeting ID: 836 1127 6692

### AGENDA

#### 1) CALL TO ORDER; ADMINISTRATIVE MATTERS OF THE BOARD

- a) Confirmation of quorum
- b) Board Director self-disclosure of actual, potential or perceived conflicts of interest
- c) Approval of the Agenda (and changes, if any)

2) **PUBLIC COMMENT** This is an opportunity for the public to make comment and/or address USJHSD Board. Persons wishing to address the Board need to notify the Clerk to the Board, Laura DePiazza, prior to the start of the meeting. All public comments shall be limited to matters under the jurisdiction of the Board and shall be expressly limited to three (3) minutes per person. The Board is not required to respond to or discuss public comments. No action will be taken at this meeting on public comments.

#### 3) PRESENTATIONS

*Surgery Department by Jessica Meyers, RN (Director of Surgery)*

*Quality Assurance and Performance Improvement Plan by Crystal DeCola (Manager of Quality)*

#### 4) REPORTS

a) **Oral Reports** (may be accompanied by a written report)

- |  |  |
|--|--|
| i) <del>Chair Report</del>                   | <del>Chair Kate Alfred</del>                         |
| ii) CEO Report                               | Dr. Rhonda Webb                                      |
| iii) <a href="#">Foundation Board</a>        | Dir. Parada, Dir. Taylor and CEO R. Webb             |
| iv) <a href="#">Facilities Committee</a>     | Dir. Douglas and COO C. Mundt                        |
| v) <del>Strategic Planning Committee</del>   | <del>Vice Chair Rose, Dir. Cox and CEO R. Webb</del> |
| vi) <a href="#">Finance Committee Report</a> | Treas.-Sec. Zeigler and CFO C. Keplinger             |
| (a) <a href="#">July Financials</a>          |  |

*PSMC's Mission: To provide quality, compassionate healthcare and wellness for each person we serve.*

- b) **Written Reports** (*no oral report unless the Board has questions*)
  - i) [Medical Staff Report](#) Chief of Staff, Dr. John Wisneski

**5) DECISION AGENDA**

- a) Consideration of [Resolution 2023-17](#) regarding acceptance of the Quality Assurance and Performance Improvement Plan.
- b) Consideration of [Resolution 2023-18](#) regarding approval of revisions to the USJHSD Bylaws as described on the attached [summary sheet](#) and indicated on the attached [redline](#).
- c) Consideration of [Resolution 2023-19](#) regarding approval of revisions to the USJHSD Board Policies as such changes are reflected on the attached [redlines](#).

**6) CONSENT AGENDA** (The Consent Agenda is intended to allow Board approval, by a single motion, of matters that are considered routine. There will be no separate discussion of Consent Agenda matters unless requested.)

- a) Approval of Board Member absences:
  - i) Regular meeting of 08/22/2023
- b) Approval of Minutes for the following meeting(s):
  - i) [Regular meeting of: 07/24/2023](#)
- c) Approval of Medical Staff report recommendations for new or renewal of provider privileges.

**7) EXECUTIVE SESSION**

The Board reserves the right to meet in executive session for any purpose allowed and topic announced at open session of the meeting, in accordance with C.R.S. Section 24-6-402(4).

**8) OTHER BUSINESS**

**9) ADJOURN**



**Quality Assurance and Performance Improvement  
Plan – 2023**

### Mandated Programs (Regulatory)

The programs below are mandated by Medicare or Medicaid and consist of a variety of measures for which we submit data periodically and process improvement activities for which we must submit evidence of performance each year.

#### 1. Hospital Quality Incentive Payment Program (HQIP)

- Measures:
  - Reducing Racial and Ethnic Disparities in Healthcare
  - Management of Sepsis
  - Zero Suicide Program
  - Antibiotic Stewardship Program
  - Adverse Event Reporting
  - Culture of Safety Survey
  - Advance Care Planning
  - Hospital Acquired Infections

#### 2. Medicare Beneficiary Quality Improvement Program (MBQIP)

- Measures:
  - Antibiotic Annual Survey
  - Healthcare Workers vaccinated for influenza
  - CMS Measures:
    - ❖ ED-2 Time from decision to admit to actual departure
    - ❖ OP-2 Fibrinolytic therapy received within 30 minutes
    - ❖ OP-3 Median time to transfer for acute coronary intervention
    - ❖ OP-18 Median time from admit to departure for ED patients
    - ❖ OP-22 Patient left without being seen in the ED
    - ❖ Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS)
  - EMR Accuracy Improvement Project

#### 3. Electronic Clinical Quality Measure

- ❖ CMS 122 Diabetes: Hemoglobin A1c Poor Control
- ❖ CMS 127 Pneumococcal Vaccinations Status for Older Adults.
- ❖ CMS 146 Appropriate Testing for Pharyngitis
- ❖ CMS 2 Screening for Depression and Follow Up Plan
- ❖ CMS 156 Use of high Risk Medications in Older Adults
- ❖ CMS 5 Diabetes: Medical Attention for Nephropathy
- Promoting Interoperability Measures
  - ❖ Security Risk Assessment
  - ❖ e-Prescribing
  - ❖ Query Prescription Drug Monitoring Program (**PDMP**)

- ❖ Health Information Exchange Bi-directional Exchange
- ❖ Provide Patients Electronic Access to their Health Information
- ❖ Immunizations Registry (bi-directional)
- ❖ Electronic Case Reporting
- ❖ Improvement Activity - Implementation of Co-location PCP and Mental Health Services

#### 4. Hospital Transformation Program (HTP)

- Measures:
  - Increase follow-up appointments after discharge from inpatient care
  - Increase follow-up visits after discharge from emergency department
  - Begin social needs screening and referral
  - Reduce readmissions for adults with chronic conditions
  - Begin discharge planning and coordination with Medicaid's Regional Accountability Entity for patients with a diagnosis of mental illness or substance use disorder discharged from inpatient or the emergency department.
  - Initiation of Medication Assisted Treatment
  - Transmit a Summary of Care for all discharged patients to the primary care physician
  - Increase the number of patients who had a wellness visit within one year

#### 5. Eligible Hospital Medicare Promoting Interoperability

- Electronic Clinical Quality Measures
  - ED-2 Median Admit Decision Time to ED Departure Time for Admitted Patients
  - VTE-1 Venous Thromboembolism Prophylaxis
  - STK-2 Discharge on Antithrombotic Therapy
  - STK-5 Antithrombotic Therapy by End of Hospital Day 2
- Promoting Interoperability Measures
  - Security Risk Assessment
  - e-Prescribing
  - Query Prescription Drug Monitoring Program
  - Health Information Exchange Bidirectional Exchange
  - Provide Patients Electronic Access to their Health Information
  - Immunizations Registry (bi-directional)
  - Electronic Laboratory Reporting
  - Electronic Case Reporting

#### Departmental Performance Indicators

Department	KPI	GOAL
Compliance	<ul style="list-style-type: none"> <li>• Signed Code of Conduct Agreement/Total Staff</li> <li>• Staff with completed Compliance Training.</li> <li>• Staff with completed Diversity Training.</li> </ul>	95% of staff

Quality	<ul style="list-style-type: none"> <li>Percentage of Returned HCAPHS Surveys.</li> <li>Clarity Events-Days to Close</li> </ul>	40% of mailed surveys 20 days
EMS	<ul style="list-style-type: none"> <li>Charting Completed in less than 3 days</li> </ul>	100% of patients
Clinic	<ul style="list-style-type: none"> <li>Blood pressure control for clinic patients with a diagnosis of hypertension.</li> <li>Pneumococcal 20 vaccination for patients 65 years and older.</li> <li>Depression screening and established follow up plan for those with a positive screen.</li> </ul>	≥26% 56.83%
Patient Financial Services	<ul style="list-style-type: none"> <li>Collection of actual cash receipts will equal net cash goal.</li> </ul>	100%
Registration	<ul style="list-style-type: none"> <li>Point of Service Cash Collections will increase by 25% each month from previous year.</li> </ul>	25% increase in prior year.
Pre-Service	<ul style="list-style-type: none"> <li>Prior Authorizations Rate.</li> </ul>	100%
HIM	<ul style="list-style-type: none"> <li>Coding Completed.</li> </ul>	Less than, or equal to (1) AR day.
EVS	<ul style="list-style-type: none"> <li>Daily rounding by EVS staff on all patients located on the med-surg unit that are not on isolation precautions.</li> </ul>	100%
HR	<ul style="list-style-type: none"> <li>Reduce average days to (14) from offer acceptance to start date for new hires (excluding those relocating to Pagosa Springs).</li> </ul>	100%
Employee Health	<ul style="list-style-type: none"> <li>Mandatory Vaccinations (or accommodation) will be completed for all staff within 30 days of start date or Titer result or due date.</li> </ul>	100%
Dietary	<ul style="list-style-type: none"> <li>All food products will be properly labeled and dated.</li> <li>Daily rounding on all patients on the med-surg unit that are not on isolation precautions, to explain menu choices and assist with selections.</li> </ul>	100% 100%
Nursing Services	<ul style="list-style-type: none"> <li>ED: Saline locks insertion and removal charted.</li> <li>ED: Vital signs will be taken appropriately per policy.</li> <li>MS: Incentive spirometry completed and documented correctly.</li> <li>MS: .IV Stop times for OBS patients documented.</li> </ul>	100% 100% 100% 100%
Social Services	<ul style="list-style-type: none"> <li>MOON form provided to appropriate patients</li> </ul>	100%
Cardiopulmonary	<ul style="list-style-type: none"> <li>Stress ECHO tests will be scheduled within 7 business days.</li> <li>Cardiac Monitor and Stress Test reports will be sent to ordering providers within 124 hours of being read by Dr. Lambert.</li> </ul>	95% 100%
Infection Control	<ul style="list-style-type: none"> <li>IP will complete Environmental Rounds once each weekday</li> </ul>	100%

Diagnostic Imaging	<ul style="list-style-type: none"> <li>Completion with results available for all STAT CT scans within 60 minutes.</li> <li>Mammography image rejection rate is less than 3%.</li> </ul>	100% 100%
Laboratory	<ul style="list-style-type: none"> <li>Ratio of cross matched to RBC's transfused.</li> <li>Call back of critical results including all proper documentation.</li> <li>CBC turnaround times of &lt; 60 minutes.</li> <li>Patient call backs for re-draw.</li> <li>Reported concerns via Clarity event system or COLA related to the safety and quality of patient testing performed at PSMC reviewed, addressed and resolved.</li> <li>Corrected patient results.</li> <li>Timely provider notification and proper documentation of all critical results.</li> </ul>	<2 98% 98% 98% 100% <1% 100%
Physical Therapy	<ul style="list-style-type: none"> <li>Number of vacant hours on the outpatient PT schedule due to not filling appointment slot.</li> <li>% of PSMC surgical patient that begin outpatient PT within one week of recommended start date.</li> </ul>	< 3hrs. 100%
Pharmacy	<ul style="list-style-type: none"> <li>Medications/patients will be scanned prior to delivery.</li> </ul>	95%
Oncology	<ul style="list-style-type: none"> <li>Charge capture</li> </ul>	95%
Surgery	<ul style="list-style-type: none"> <li>Surgical Site Infections.</li> </ul>	0
PACU	<ul style="list-style-type: none"> <li>Medications will be documented at the time of administration.</li> </ul>	100%

### **PSMC Selected Quality/Performance Improvement Projects**

These are projects that have been selected based on issues identified through our on-going monitoring programs, occurrence reporting, staff suggestions, patient suggestions, state initiatives and strategic planning.

1. Provide Low Dose CT Screening for Lung ca.
2. Implement new payroll processing software and HR management software and training of staff.
3. Update Emergency Preparedness to include house-wide staff training for Active Shooter response.
4. Revise and update staff training and orientation programs- hospital and department-specific.
5. Successful implementation of PSMC's Hospital Transformation Program (HTP) measures and interventions.
6. Improve patient access and communication services at PSMC through utilization of consultative services and evaluation of available Cerner compatible patient engagement software upgrades.

**Foundation Board Report for the  
USJHSD Board Meeting on August 22, 2023**

The Board for the *Dr. Mary Fisher Medical Foundation* which does business as the *Pagosa Springs Medical Center Foundation* will meet on Tuesday August 22, 2023 at 4:00. The Foundation is a nonprofit entity that exists for the sole purpose of supporting the needs of Pagosa Springs Medical Center.

- The Foundation Board will receive the 2022 Foundation audit by Dingus, Zarecor, and Associates, PC which includes the following opinion: “In our opinion, the financial statements referred to [in the audit] present fairly, in all material respects, the financial position of the Foundation as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.”
- The Board will receive an update on fundraising activities.
- The Board will review the Foundation’s 1<sup>st</sup> and 2<sup>nd</sup> quarter financial statements.



**Facilities Committee Report for the  
USJHSD Board Meeting on August 17, 2023**

The Board's Facilities Committee met on August 17, 2023. The report below provides an overview of the discussions of the Facilities Committee. **New updates since the report last month are in blue.**

1) **Large Projects:**

a) **Medical Wellness Building Renovation (f/ka Pruitt Building):**

- i) In March 2023, the Board passed a resolution making the fundraising goal for 2023 funds to support the renovation of the Medical Wellness Building.
- ii) Fundraising efforts are ongoing.
- iii) In April 2023, PSMC staff applied for a grant of \$1,000,000 from the State of Colorado Division of Local Affairs (DOLA) as DOLA has been very generous to PSMC in the past (for the Clinic Building and our HVAC system). The application is for funding for the renovation. At the end of June, the CEO and staff presented the grant application to the DOLA review committee in Denver.
- iv) DOLA awarded PSMC the grant for \$1,000,000 and the acquisition of the MWB on August 1, 2022 qualifies for PSMC's matching fund obligations. PSMC has not yet received the grant contract from DOLA.**
- v) In May 2023, PSMC bid the project and selected the team of RTA Architects and Nunn Construction. Design work cannot commence until the DOLA grant contract is signed and DOLA issues approval to commence work.**

b) **Oxygen Generation Building:** PSMC bid this project and only received one bid that was higher than anticipated. PSMC will pursue additional grant funding and rebid the project in early 2024 with an anticipated timeline of construction in the late spring or summer of 2024. **No change reported at the August meeting other than PSMC was recently awarded a grant for \$224,000 to be used toward the construction of the building. PSMC has applied for additional grants to pay for the construction costs of the building and we do not anticipate decisions on the other grants until the end of 2023.**

c) **IT:** PSMC was recently awarded a grant for \$209,000 for I.T. infrastructure needs to improve I.T. security and functionality; in addition, this will support the costs of the I.T. structure for the MWB. **It may be several months before the grant is signed; once the grant award is signed, work will begin.**

d) **Roof Replacement:** As previously reported to the Board, other than the new outpatient clinic building, an inspection concluded that the roof areas over the hospital areas and Cancer Center need to be replaced. The roof replacement is anticipated to cost between \$500,000 and \$800,000. PSMC is looking for grant opportunities to help pay for this and remaining costs into the 2024 capital budget. **No change reported at the August meeting other than the Committee feels strongly this item needs to be included in the 2024 or, at the latest, the 2025 capital budget.**

2) **Other Ongoing Projects:**

- a) Staff reported on a series of operational projects of repair and maintenance (for example HVAC, parking asphalt, stucco, landscaping, security, EMS building maintenance, plumbing, electrical).
- b) PSMC staff will evaluate its emergency generation needs and at such time as the evaluation is complete, will report back on the same to the Facilities Committee.**
- c) PSMC staff will evaluate the wiring in the ceiling and at such time as the evaluation is complete, will report back on the same to the Facilities Committee.**

## **Finance Committee & CFO Report for the USJHSD Board Meeting on August 15, 2023**

The Board's Finance Committee met on August 15, 2023. The report below provides an overview of the financials and addresses any comments or questions made by members of the Finance Committee.

### 1) **July Financials:**

#### a) **Bottom line and Income Statement:**

- i) For July, we had a bottom line loss for the month of \$187,469 – while a loss, we did better than budget (we budgeted a monthly budgeted loss of \$473,896).
- ii) Year-to-date PSMC has a positive bottom line of \$449,464.
- iii) Discussion of specific line items on the Income Statement:
  - (1) Lines 7 and 17: Medicare trend is to place patients in observation (an outpatient status) rather than admit as an inpatient which means we will continue to show inpatient revenue (line 7 on the Income Statement) below budget and outpatient revenue (line 17) in excess of budget.
  - (2) Line 23: Bad debt deductions to revenue was extraordinary at \$633,968; the CFO's team takes a conservative approach to what appears to be uncollectable but it is still possible that some of this bad debt may be recovered.
  - (3) Line 30: Line 30 on the Income Statement is "other income" which includes 340b, café, medical records, or things like EMS training class. The 340b program has shrunk and consequently "other income" is down.
  - (4) Line 48: Investment income year-to-date now appears on line 48; interest income for the month of July was \$53,752. We are maintaining a minimum of \$3,000,000 in the operational account and when it hits \$3,500,000 we sweep \$500,000 into the investment account (we have done this once so far this year).

b) **Accounts Receivable:** Accounts Receivable looks good at 48.8 days.

c) **Cash on hand:** PSMC increased cash to 123.6 days on hand – this is due to cost report tentative settlement of \$383,759 for the hospital and RHC for 2022 and a strong month of collections.

d) **Balance Sheet:** As noted for cash on hand, in July total cash increased by \$1,058,907. GASB 87 leased assets includes lease-purchase equipment and in addition, due to change in rules now includes equipment we do not own but is on-site and the risk of loss is on PSMC (formally these were operational contracts).

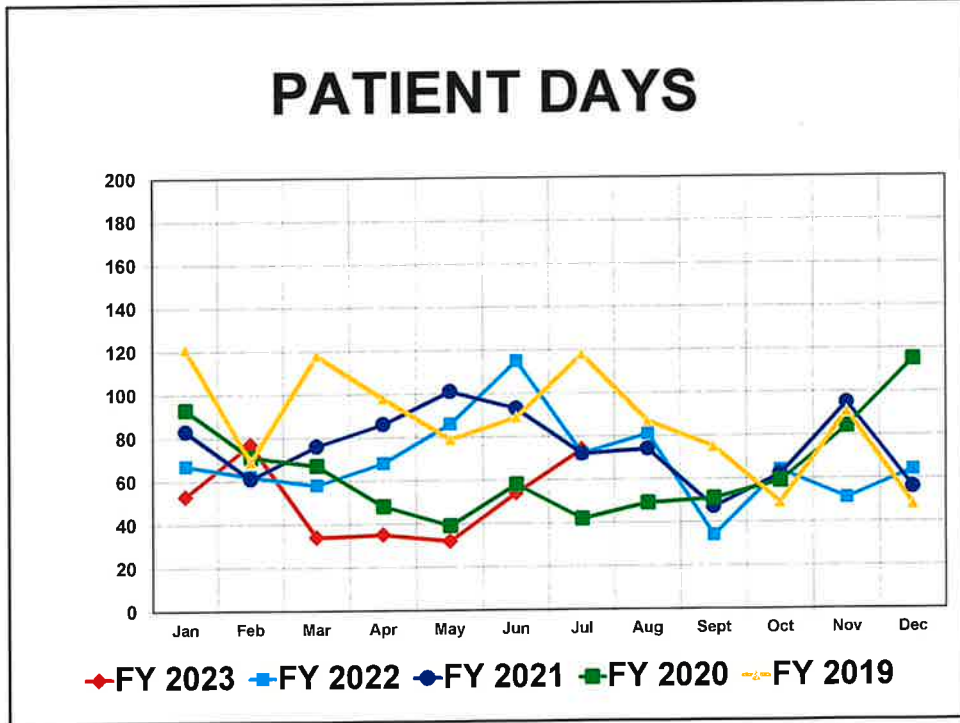
### 1) **Other Discussions:**

- a) EMS runs – Dispatch affirmed we had more than 200 calls in July.
- b) Inventory is still higher than pre-COVID of 1.5 months on hand. At points during COVID we had 6 months of inventory and initially reduced it to 3.5 months, and have now reduced it to 2.5 months.

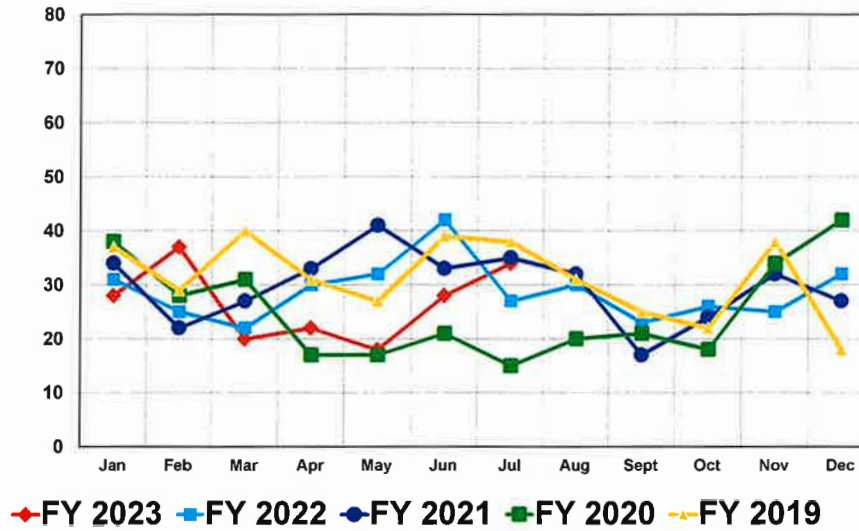


**PAGOSA SPRINGS**  
**Medical Center**  
 THE CARE YOU DESERVE, IN THE MOUNTAINS YOU LOVE

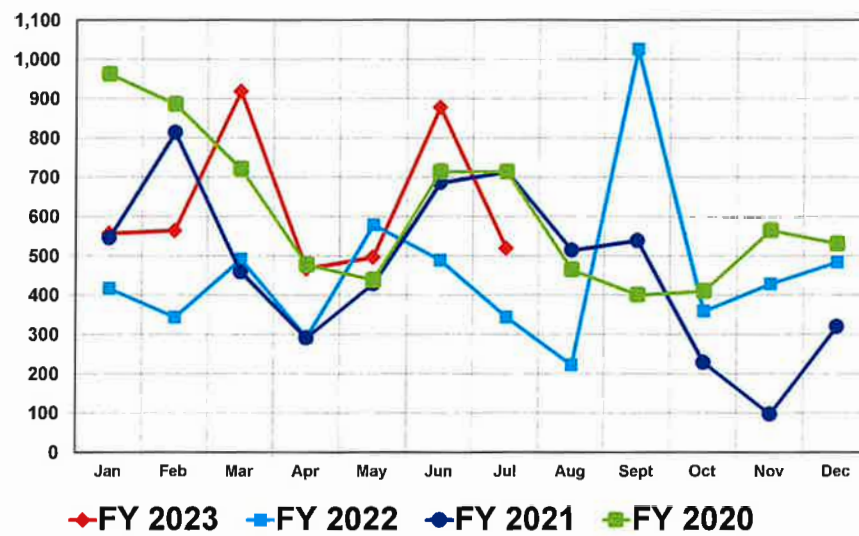
**FINANCIAL PRESENTATION**  
**YTD JULY 2023**

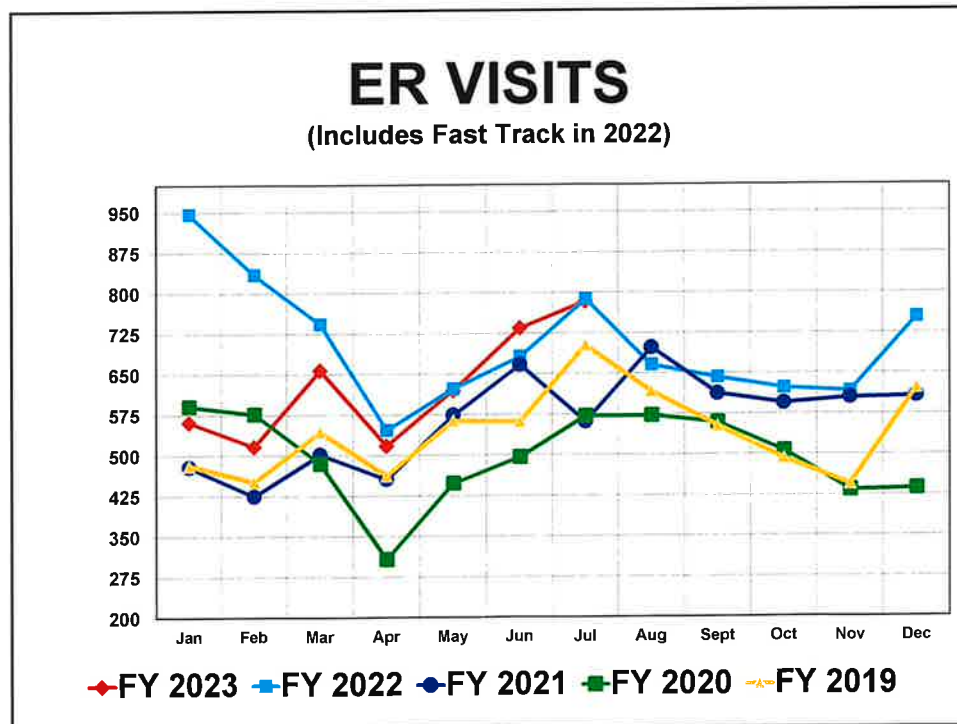
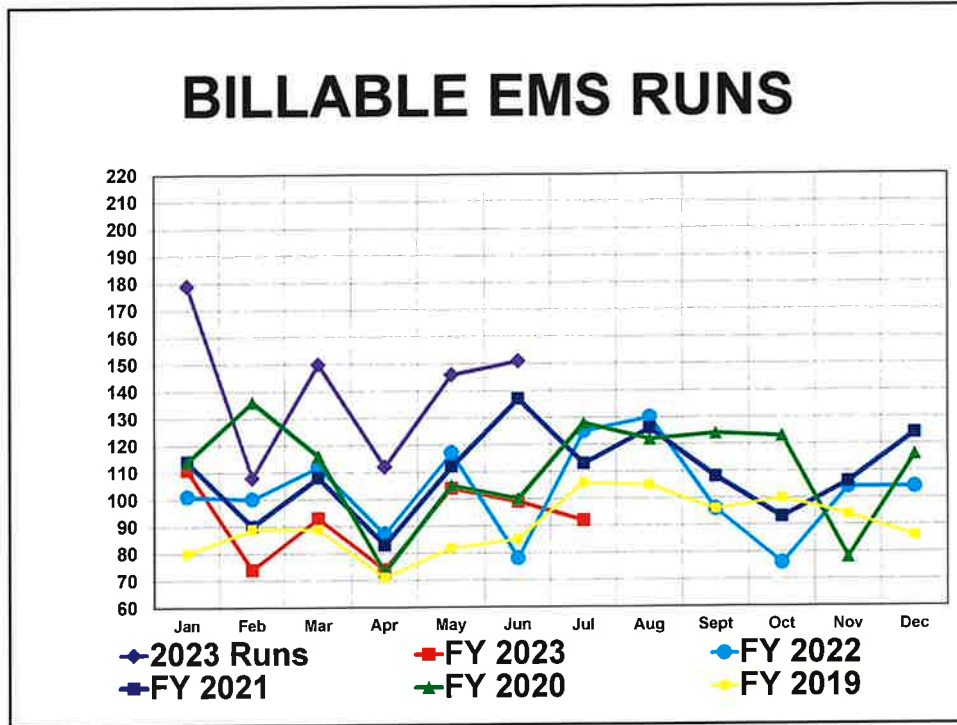


## INPATIENT DISCHARGES

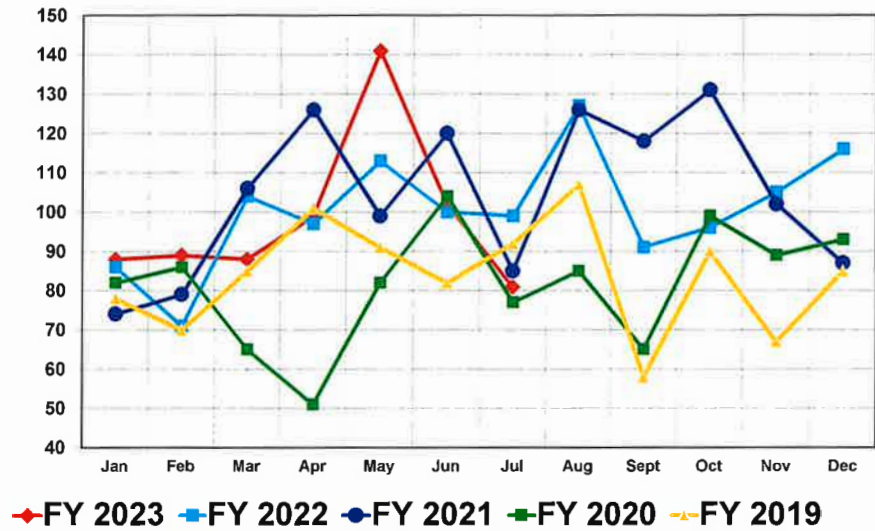


## OBSERVATION HOURS

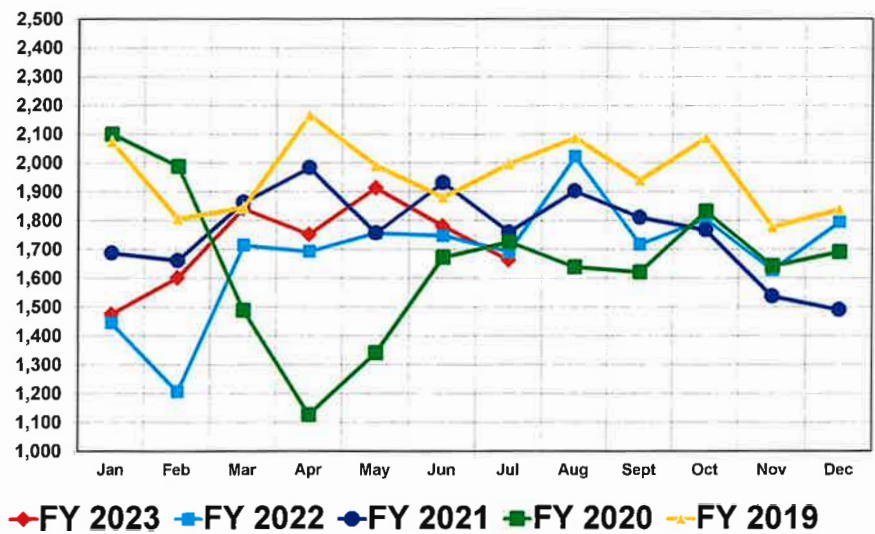




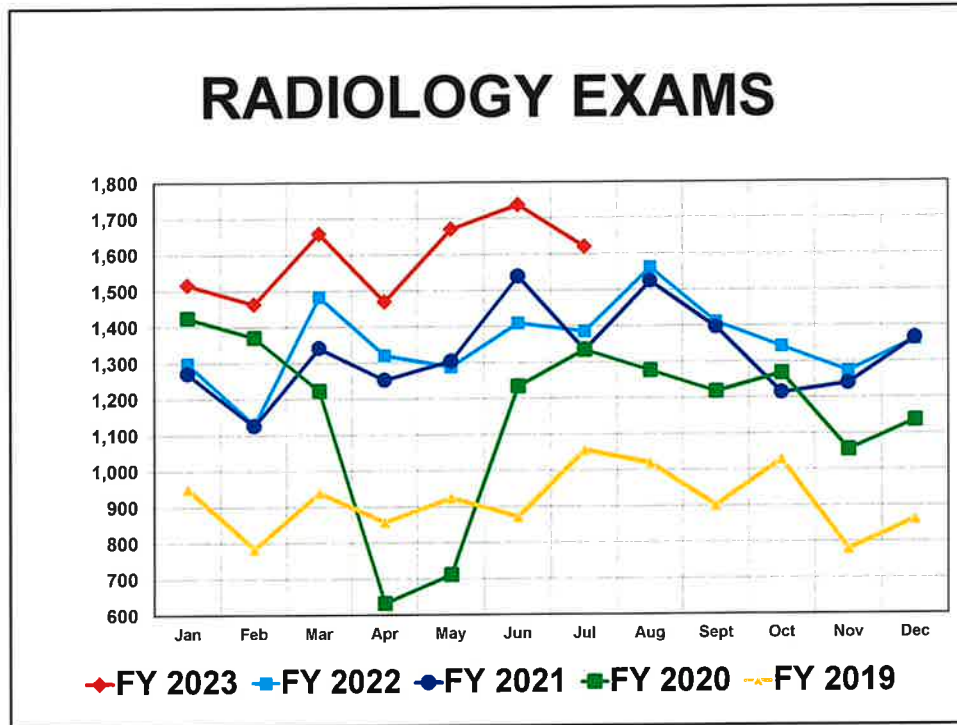
## OR and PAIN Procedures



## RURAL HEALTH CLINIC VISITS

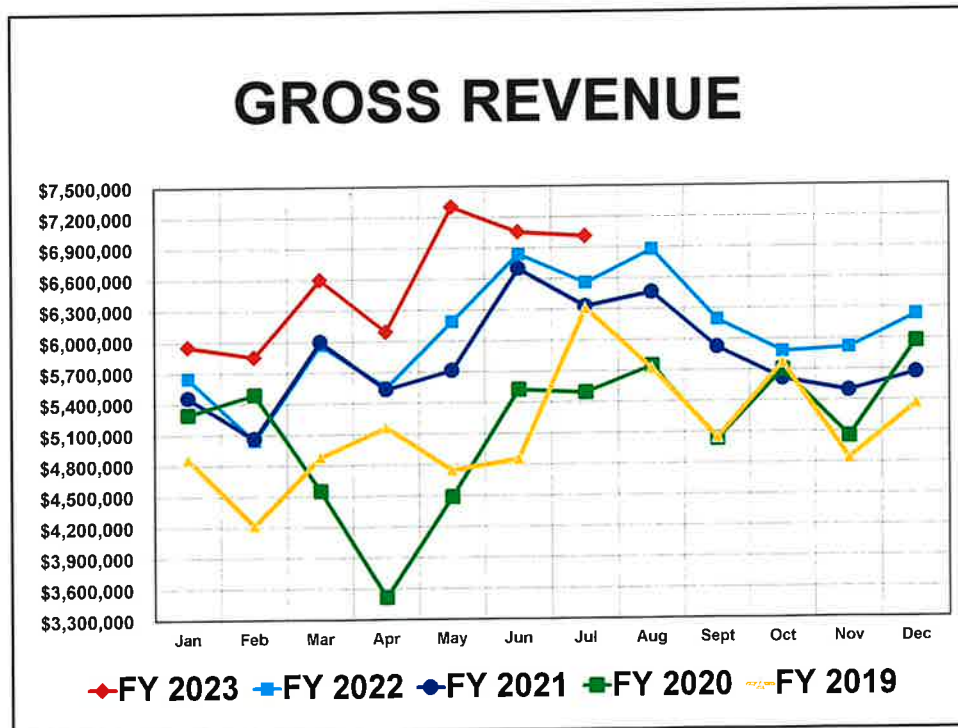
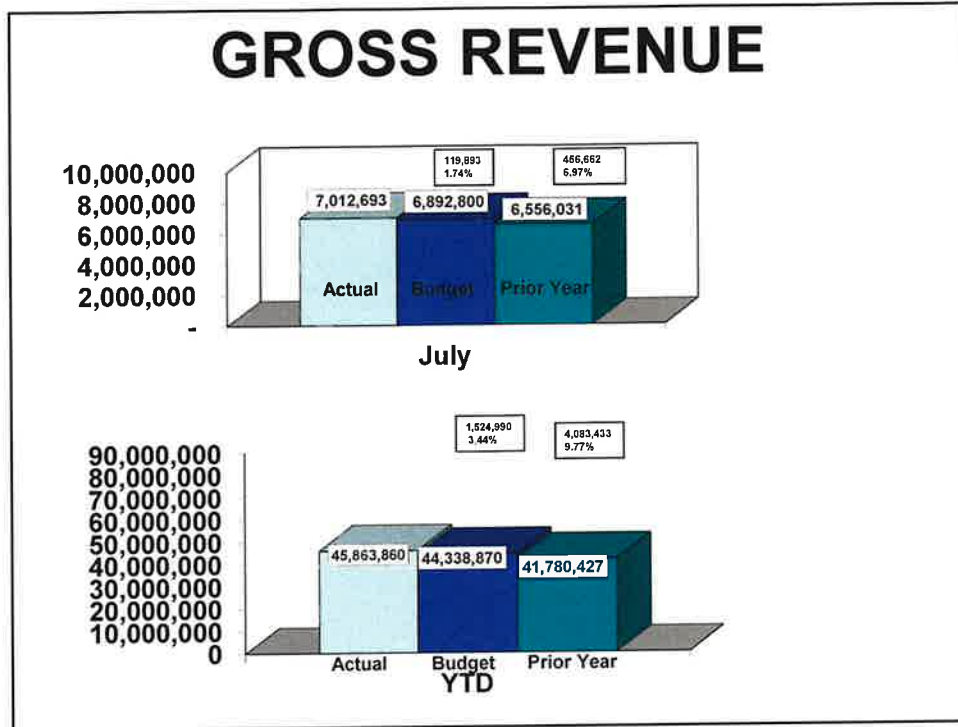




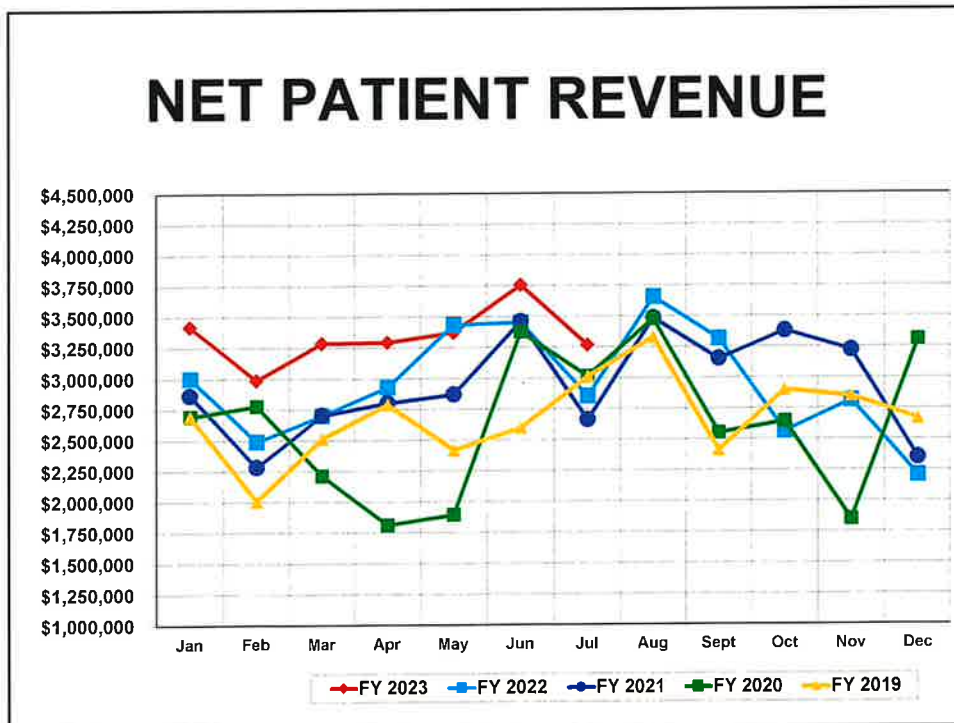
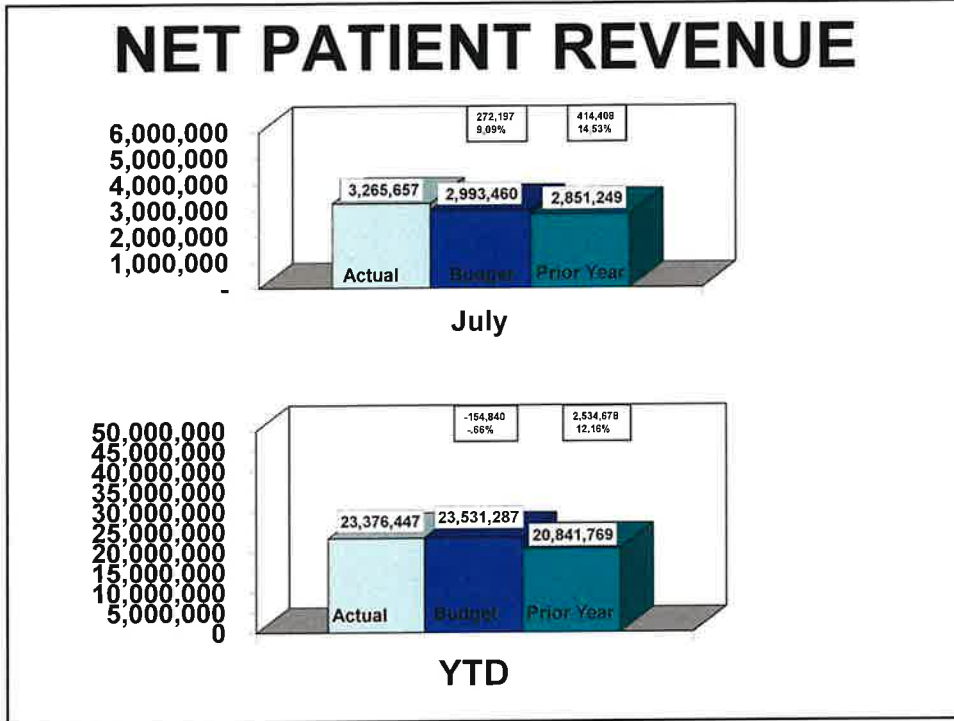


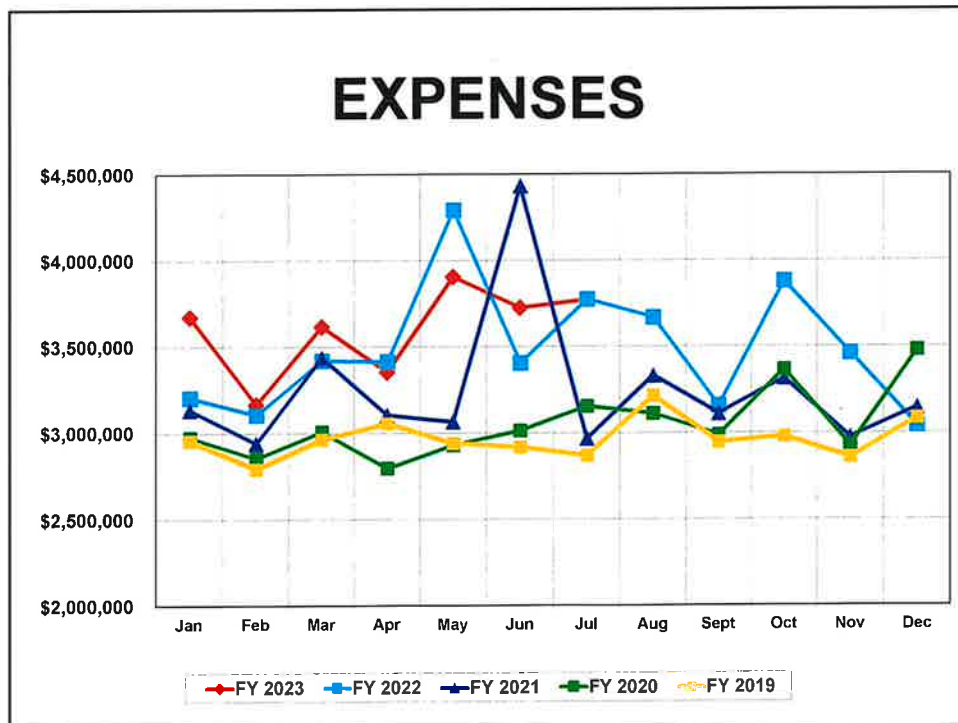
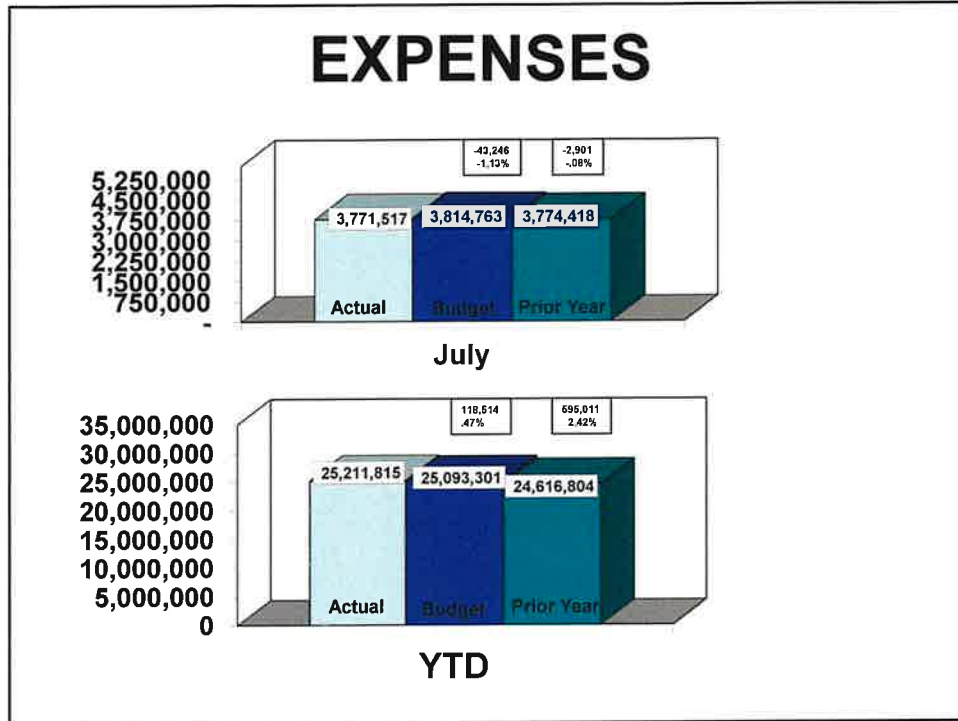
## Summary of Financials

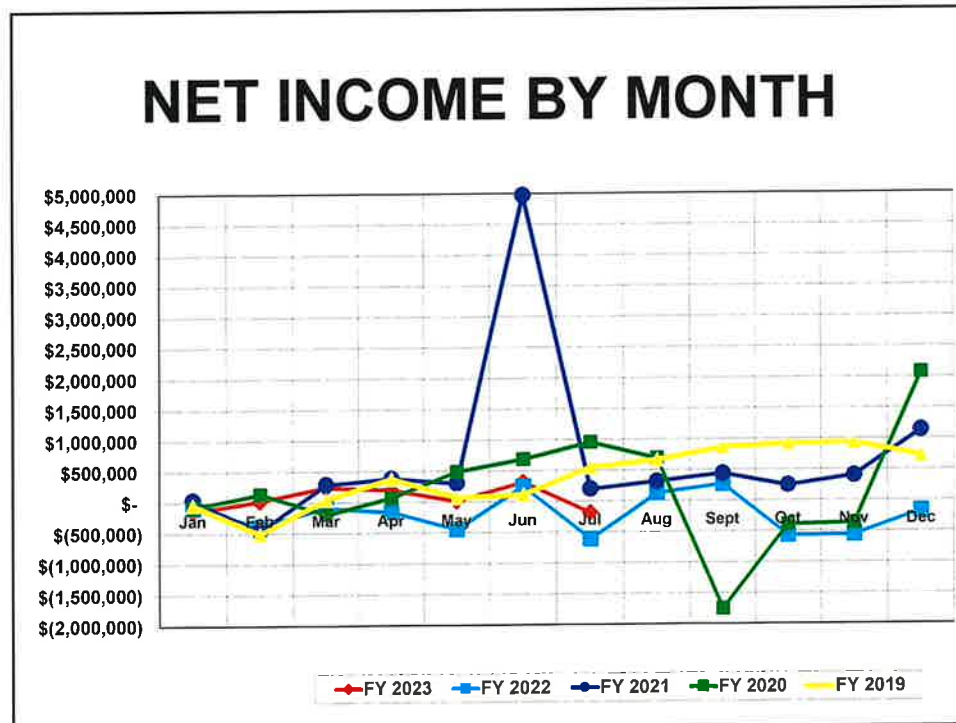
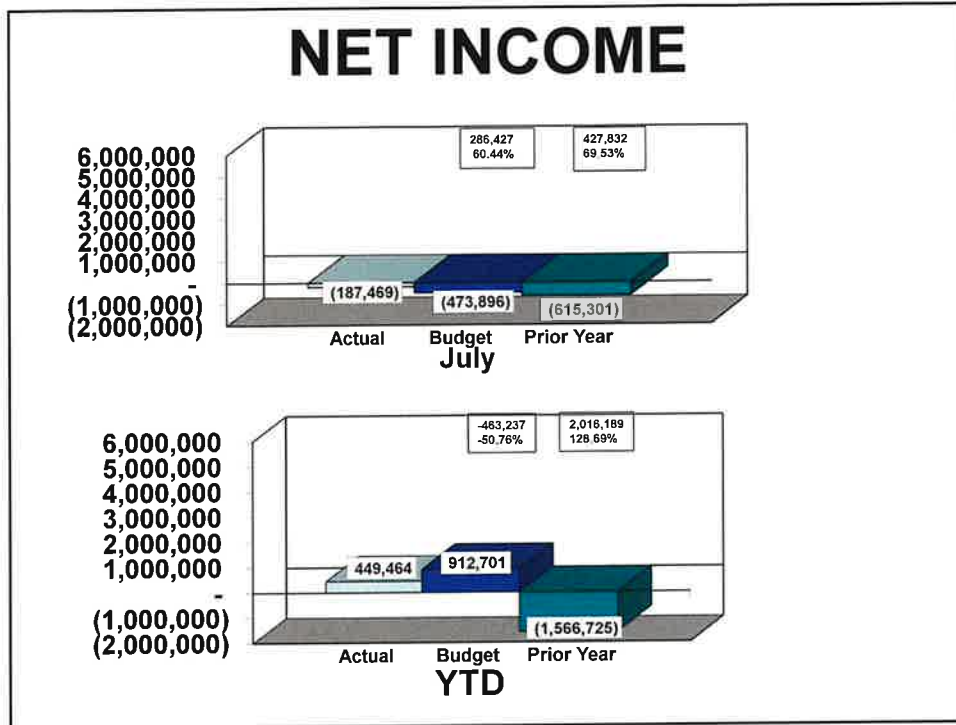
June	
Gross Revenue	\$ 7,054,999
Net Revenue	\$ 3,754,939
Expenses	\$ 3,725,247
Grants, 340B and Tax Revenue	\$ 282,849
Grants and 340B and Stimulus	\$ 135,521
Tax Revenue	\$ 147,328
Net Income	\$312,541







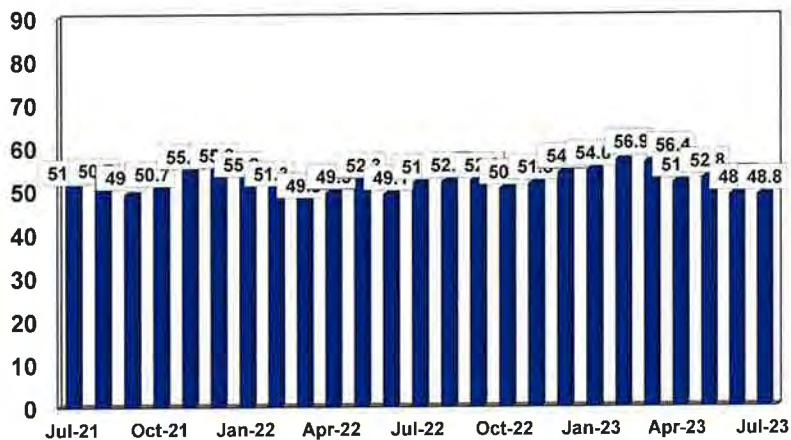




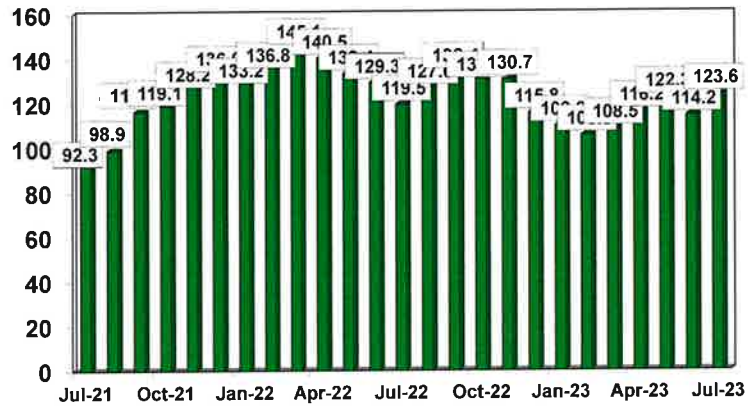
## Summary of Financials

	July	
Gross Revenue	\$ 7,012,693	
Net Revenue	\$ 3,265,657	
Expenses	\$ 3,771,517	
Grants, 340B and Tax Revenue	\$ 318,391	
Grants and 340B and Stimulus	\$ 53,752	
Tax Revenue	\$ 209,521	
Net Income	\$-187,469	

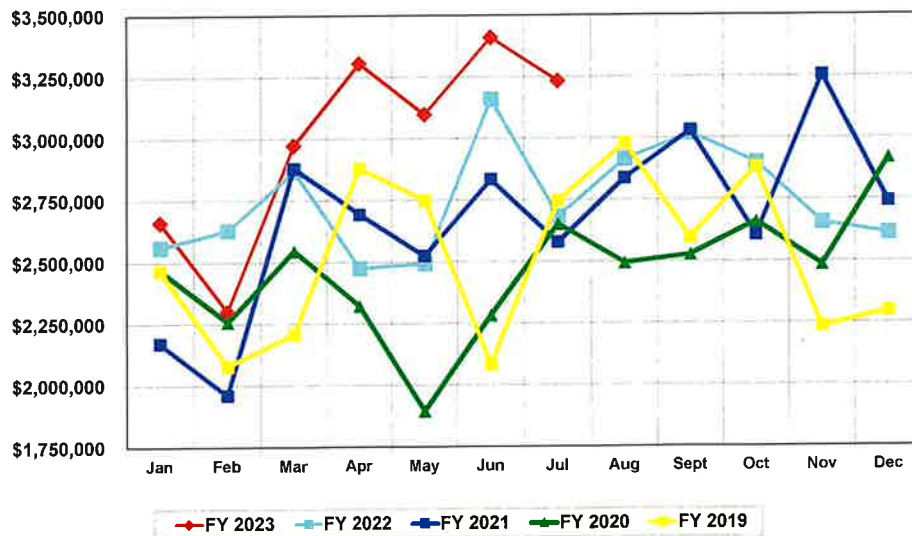
## GROSS DAYS IN ACCOUNTS RECEIVABLE



## DAYS CASH ON HAND



## CASH COLLECTIONS



# Pagosa Springs Medical Center

## Income Statement - - - July 31, 2023

	Current Month				Year-to-Date			
	2023	Budget	Difference	Variance	2023	Budget	Difference	Variance
<b>Revenue</b>								
7 Total In-patient Revenue	175,985	557,690	(381,705)	-68%	2,154,098	4,089,728	(1,935,630)	-47%
17 Total Out-patient Revenue	6,296,786	5,764,595	532,191	9%	40,007,751	36,509,098	3,498,653	10%
18 Professional Fees	539,922	570,515	(30,593)	-5%	3,702,011	3,740,044	(38,033)	-1%
19 <b>Total Patient Revenue</b>	<b>7,012,693</b>	<b>6,892,800</b>	<b>119,893</b>	<b>2%</b>	<b>45,863,860</b>	<b>44,338,870</b>	<b>1,524,990</b>	<b>3%</b>
<b>Revenue Deductions &amp; Bad Debt</b>								
21 Contractual Allowances	3,456,443	3,943,534	(487,091)	-12%	22,975,581	22,083,792	891,789	4%
22 Charity	11,802	-	11,802		194,362	-	194,362	
23 Bad Debt	633,968	286,475	347,493	121%	1,998,675	1,038,471	960,204	92%
24 Provider Fee & Other	(355,177)	(330,669)	(24,508)	7%	(2,681,205)	(2,314,680)	(366,525)	16%
25 Total Revenue Deductions & Bad Debt	3,747,036	3,899,340	(152,304)	-4%	22,487,413	20,807,583	1,679,830	8%
26 <b>Total Net Patient Revenue</b>	<b>3,265,657</b>	<b>2,993,460</b>	<b>272,197</b>	<b>9%</b>	<b>23,376,447</b>	<b>23,531,287</b>	<b>(154,840)</b>	<b>-1%</b>
27 Grants	-	19,336	(19,336)	-100%	87,145	167,186	(80,041)	-48%
28 HHS Stimulus Other Revenue	-	-	-		-	-	-	
29 COVID PPP Loan Forgiveness	-	-	-	0%	-	-	-	0%
30 Other Operating Income - Misc	55,118	125,985	(70,867)	-56%	456,295	973,121	(516,826)	-53%
31 <b>Total Net Revenues</b>	<b>3,320,775</b>	<b>3,138,781</b>	<b>181,994</b>	<b>6%</b>	<b>23,919,887</b>	<b>24,671,594</b>	<b>(751,707)</b>	<b>-3%</b>
<b>Operating Expenses</b>								
33 Salary & Wages	1,798,292	1,984,624	(186,332)	-9%	12,083,517	13,013,027	(929,510)	-7%
34 Benefits	423,386	272,662	150,724	55%	2,164,454	1,957,548	206,906	11%
35 Professional Fees/Contract Labor	179,497	120,279	59,218	49%	1,169,907	752,259	417,648	56%
36 Purchased Services	158,637	203,217	(44,580)	-22%	1,364,140	1,367,420	(3,280)	0%
37 Supplies	687,031	675,389	11,642	2%	4,469,227	4,337,755	131,472	3%
38 Rent & Leases	(80,133)	18,068	(98,201)	-544%	89,606	126,116	(36,510)	-29%
39 Repairs & Maintenance	49,027	48,638	389	1%	337,099	310,819	26,280	8%
40 Utilities	31,017	48,204	(17,187)	-36%	340,686	302,439	38,247	13%
41 Insurance	39,244	37,656	1,588	4%	279,733	263,590	16,143	6%
42 Depreciation & Amortization	267,248	166,077	101,171	61%	1,269,880	1,066,018	203,862	19%
43 Interest	99,021	80,695	18,326	23%	602,658	564,043	38,615	7%
44 Other	119,250	159,254	(40,004)	-25%	1,040,908	1,032,267	8,641	1%
45 <b>Total Operating Expenses</b>	<b>3,771,517</b>	<b>3,814,763</b>	<b>(43,246)</b>	<b>-1%</b>	<b>25,211,815</b>	<b>25,093,301</b>	<b>118,514</b>	<b>0%</b>
46 <b>Operating Revenue Less Expenses</b>	<b>(450,742)</b>	<b>(675,982)</b>	<b>225,240</b>	<b>-33%</b>	<b>(1,291,928)</b>	<b>(421,707)</b>	<b>(870,221)</b>	<b>206%</b>
<b>Non-Operating Income</b>								
48 Interest Income	53,752	10,404	43,348	417%	299,819	36,871	262,948	713%
49 Tax Revenue	209,521	191,882	17,839	9%	1,441,573	1,297,537	144,036	11%
50 Donations	-	-	-		-	-	-	
51 <b>Total Non-Operating Income</b>	<b>263,273</b>	<b>202,086</b>	<b>61,187</b>	<b>30%</b>	<b>1,741,392</b>	<b>1,334,408</b>	<b>406,984</b>	<b>30%</b>
52 <b>Total Revenue Less Total Expenses</b>	<b>\$ (187,469)</b>	<b>\$ (473,896)</b>	<b>\$ 286,427</b>	<b>-60%</b>	<b>\$ 449,464</b>	<b>\$ 912,701</b>	<b>\$ (463,237)</b>	<b>-51%</b>

Income Statement Comparison - - - July 31, 2023

	Current Month				Year-to-Date			
	2023	2022	Difference	Variance	2023	2022	Difference	Variance
<b>Revenue</b>								
2								
7 Total In-patient Revenue	175,985	443,237	(267,252)	-60%	2,154,098	3,347,393	(1,193,295)	-36%
17 Total Out-patient Revenue	6,296,786	5,588,704	708,082	13%	40,007,751	34,865,341	5,142,410	15%
18 Professional Fees	539,922	524,090	15,832	3%	\$ 3,702,011	3,567,693	134,318	4%
19 <b>Total Patient Revenue</b>	<b>7,012,693</b>	<b>6,556,031</b>	<b>456,662</b>	<b>7%</b>	<b>45,863,860</b>	<b>41,780,427</b>	<b>4,083,433</b>	<b>10%</b>
20 Revenue Deductions & Bad Debt								
21 Contractual Allowances	3,456,443	3,546,328	(89,885)	-3%	\$ 22,975,581	21,151,757	1,823,824	9%
22 Charity	11,802	3,873	7,929	205%	194,362	219,532	(25,170)	-11%
23 Bad Debt	633,968	740,616	(106,648)	-14%	1,998,675	1,595,978	402,697	25%
24 Provider Fee & Other	(355,177)	(586,035)	230,858	-39%	(2,681,205)	(2,028,609)	(652,596)	32%
25 Total Revenue Deductions & Bad Debt	3,747,036	3,704,782	42,254	1%	22,487,413	20,938,658	1,548,755	7%
26 <b>Total Net Patient Revenue</b>	<b>3,265,657</b>	<b>2,851,249</b>	<b>414,408</b>	<b>15%</b>	<b>23,376,447</b>	<b>20,841,769</b>	<b>2,534,678</b>	<b>12%</b>
27 Grants	-	26,308	(26,308)	-100%	87,145	103,596	(16,451)	-16%
28 HHS Stimulus Other Revenue	-	-	-	-	-	-	-	-
29 COVID PPP Loan Forgiveness	-	-	-	-	-	-	-	-
30 Other Operating Income - Misc	55,118	60,199	(5,081)	-8%	456,295	671,487	(215,192)	-32%
31 <b>Total Net Revenues</b>	<b>3,320,775</b>	<b>2,937,756</b>	<b>383,019</b>	<b>13%</b>	<b>23,919,887</b>	<b>21,616,852</b>	<b>2,303,035</b>	<b>11%</b>
32 <b>Operating Expenses</b>								
33 Salary & Wages	1,798,292	1,734,282	64,010	4%	12,083,517	11,842,616	240,901	2%
34 Benefits	423,386	229,874	193,512	84%	2,164,454	1,938,545	225,909	12%
35 Professional Fees/Contract Labor	179,497	279,302	(99,805)	-36%	1,169,907	1,871,910	(702,003)	-38%
36 Purchased Services	158,637	162,580	(3,943)	-2%	1,364,140	1,208,896	155,244	13%
37 Supplies	687,031	891,233	(204,202)	-23%	4,469,227	4,223,262	245,965	6%
38 Rent & Leases	(80,133)	36,382	(116,515)	-320%	89,606	133,097	(43,491)	-33%
39 Repairs & Maintenance	49,027	46,812	2,215	5%	337,099	334,484	2,615	1%
40 Utilities	31,017	35,426	(4,409)	-12%	340,686	297,008	43,678	15%
41 Insurance	39,244	37,062	2,182	6%	279,733	255,912	23,821	9%
42 Depreciation & Amortization	267,248	163,730	103,518	63%	1,269,880	1,115,218	154,662	14%
43 Interest	99,021	75,119	23,902	32%	602,658	503,271	99,387	20%
44 Other	119,250	82,616	36,634	44%	1,040,908	892,585	148,323	17%
45 <b>Total Operating Expenses</b>	<b>3,771,517</b>	<b>3,774,418</b>	<b>(2,901)</b>	<b>0%</b>	<b>25,211,815</b>	<b>24,616,804</b>	<b>595,011</b>	<b>2%</b>
46 <b>Operating Revenue Less Expenses</b>	<b>(450,742)</b>	<b>(836,662)</b>	<b>385,920</b>	<b>-46%</b>	<b>(1,291,928)</b>	<b>(2,999,952)</b>	<b>1,708,024</b>	<b>-57%</b>
47 <b>Non-Operating Income</b>								
48 Interest Income	53,752	12,459	41,293	331%	299,819	33,019	266,800	808%
49 Tax Revenue	209,521	208,902	619	0%	1,441,573	1,400,208	41,365	3%
50 Donations	-	-	-	-	-	-	-	-
51 <b>Total Non-Operating Income</b>	<b>263,273</b>	<b>221,361</b>	<b>41,912</b>	<b>19%</b>	<b>1,741,392</b>	<b>1,433,227</b>	<b>308,165</b>	<b>22%</b>
52 <b>Total Revenue Less Total Expenses</b>	<b>\$ (187,469)</b>	<b>\$ (615,301)</b>	<b>\$ 427,832</b>	<b>-70%</b>	<b>\$ 449,464</b>	<b>\$ (1,566,725)</b>	<b>2,016,189</b>	<b>-129%</b>

## Balance Sheet - - - July 31, 2023

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Assets	Current Month	Prior Month	Liabilities	Current Month	Prior Month
Current Assets			Current Liabilities		
Cash					
Operating (TBK/COLO Trust)	\$ 5,557,067	\$ 4,729,201	Accts Payable - System	\$ 793,527	\$ 761,056
Debt Svc. Res. 2016 Bonds (UMB)	878,731	878,731	Accrued Expenses	503,608	465,656
Bond Funds - 2016 Bonds (UMB)	115	115	Cost Report Settlement Res	(827,372)	(1,211,042)
Bond Funds - 2021 (UMB)	2,790,847	2,584,830	Wages & Benefits Payable	1,926,033	1,699,919
CSIP Investments	5,610,627	5,585,603	Deferred Revenue	45,420	254,940
Escrow - UMB	-	-	COVID PPP Short Term Loan	-	-
COVID PPP	-	-	Relief Fund Liability	-	-
Relief Fund Cash Restricted	-	-	Medicare Accelerated Pmt Liab	(258,617)	(258,617)
Medicare Accelerated Pmt	-	-	Current Portion of LT Debt-75 S Pagosa	120,000	120,000
Total Cash	14,837,387	13,778,480	Current Portion of LT Debt-2021	420,000	420,000
			Current Portion of LT Debt-2016	230,000	230,000
Accounts Receivable			Total Current Liabilities	2,952,599	2,481,912
Patient Revenue - Net	3,722,436	4,021,818	Long-Term Liabilities		
Other Receivables	128,311	376,492	Leases Payable - 75 S Pagosa	2,180,000	2,180,000
Total Accounts Receivable	3,850,747	4,398,310	GASB 87 Capital Leases	2,021,308	2,135,708
Inventory	1,830,086	1,838,075	Bond Premium (Net) - 2006 Def Outflows	184,619	185,731
			Bond Premium (Net) - 2016	115,975	116,400
Total Current Assets	20,518,220	20,014,865	Bond Premium (Net) - 2021	687,015	690,986
Fixed Assets			Bonds Payable - 2021	7,465,000	7,465,000
Property Plant & Equip (Net)	21,792,567	22,029,557	Bonds Payable - 2006	-	-
GASB 87 Leased Assets (Net)	1,504,406	1,540,189	Bonds Payable - 2016	8,795,000	8,795,000
Work In Progress	399,887	385,047	Total Long-Term Liabilities	21,448,917	21,568,825
Land	704,021	704,021	Net Assets		
Total Fixed Assets	24,400,881	24,658,814	Un-Restricted	20,431,783	20,431,783
Other Assets			Current Year Net Income/Loss	449,464	636,933
Prepays & Other Assets	363,662	445,774	Total Un-Restricted	20,881,247	21,068,716
Total Other Assets	363,662	445,774	Restricted	-	-
			Total Net Assets	20,881,247	21,068,716
<b>Total Assets</b>	<b>\$ 45,282,763</b>	<b>\$ 45,119,453</b>	<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 45,282,763</b>	<b>\$ 45,119,453</b>



Monthly Trends

	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	YTD Total
<b>Activity</b>	<b>31</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>31</b>	<b>28</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>212</b>
2 In-Patient Admissions	27	30	23	26	25	32	28	37	20	22	18	28	34	187
3 In-Patient Days	72	81	34	64	51	64	53	77	34	35	32	54	74	359
4 Avg Stay Days (In-patients)	2.7	2.7	1.5	2.5	2.0	2.0	1.9	2.1	1.7	1.6	1.8	1.9	2.2	1.9
5 Swing Bed Admissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0
6 Swing Bed Days	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0
7 Avg Length of Stay (Swing)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Average Daily Census	2.3	2.6	1.1	2.1	1.7	2.1	1.7	2.8	1.1	1.2	1.0	1.8	2.4	1.7
<b>Statistics</b>														
9 E/R visits	787	638	639	529	616	753	561	516	657	517	619	734	783	4,387
10 Observ Hours	343	221	1,025	358	428	483	557	564	918	467	496	878	519	4,399
11 Lab Tests	5,926	6,175	5,720	5,839	6,987	5,695	5,480	5,176	6,094	5,279	6,051	6,390	6,449	40,919
12 Radiology/CT/MRI Exams	1,386	1,563	1,411	1,342	1,274	1,361	1,517	1,464	1,659	1,470	1,671	1,738	1,621	11,140
14 OR Cases	99	127	91	95	105	116	88	89	88	99	112	102	81	659
15 Clinic Visits	1,692	2,021	1,717	1,804	1,627	1,794	1,475	1,602	1,842	1,752	1,913	1,781	1,663	12,028
16 Spec. Clinic Visits	10	33	33	27	30	37	41	42	28	38	53	40	20	262
17 Oncology Clinic Visits	135	139	120	126	111	93	109	106	106	110	133	139	106	809
18 Oncology/Infusion Patients	268	254	286	214	161	195	134	171	229	254	261	211	288	1,548
19 EMS Transports	125	130	96	76	104	104	111	74	93	74	104	99	92	647
20 Total Stats	10,771	11,301	11,138	10,410	11,443	10,631	10,073	9,804	11,714	10,060	11,413	12,112	11,622	76,798

Statistical Review

2023	July			July			July Prior Y-T-D			
	Current Month Actual	Current Month Budget	Variance	Y-T-D Actual	Y-T-D Budget	Variance	Y-T-D Actual	Prior Y-T-D Actual	Difference	Variance
<b>In-Patient</b>										
Admissions:										
Acute	34	30	4	187	219	(32)	187	209	(22)	-11%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	34	30	4	187	219	(32)	187	209	(22)	-11%
Patient Days:										
Acute	74	75	(1)	359	549	(190)	359	528	(169)	-32%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	74	75	(1)	359	549	(190)	359	528	(169)	-32%
Average Daily Census:										
# Of Days	31	31		212	212		212	212		
Acute	2.4	2.4	(0.0)	1.7	2.6	(0.9)	1.7	2.5	(0.8)	-32%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	2.4	2.4	(0.0)	1.7	2.6	(0.9)	1.7	2.5	(0.8)	-32%
Length of Stay:										
Acute	2.2	2.5	(0.3)	1.9	2.5	(0.6)	1.9	2.5	(0.6)	-24%
Swing Bed	-	-	-	-	-	-	-	-	-	0%
Total	2.2	2.5	(0.3)	1.9	2.5	(0.6)	1.9	2.5	(0.6)	-24%
<b>Out-Patient</b>										
Out-Patient Visits										
E/R Visits	783	772	11	4,387	4,893	(506)	4,387	5,158	(771)	-15%
Observ admissions	28	25	3	194	157	37	194	169	25	15%
Lab Tests	6,449	6,350	99	40,919	40,215	704	40,919	38,753	2,166	6%
Radiology/CT/MRI Exams/M	1,621	1,511	110	11,140	9,570	1,570	11,140	9,380	1,760	19%
OR Cases	81	111	(30)	659	704	(45)	659	651	8	1%
Clinic Visits	1,663	1,856	(193)	12,028	11,751	277	12,028	11,251	777	7%
Spec. Clinic Visits	20	34	(14)	262	215	47	262	221	41	19%
Oncology Clinic Visits	106	125	(19)	809	791	18	809	833	(24)	-3%
Oncology/Infusion Patients	288	288	-	1,548	1,824	(276)	1,548	1,942	(394)	-20%
EMS Transports	92	114	(22)	647	721	(74)	647	720	(73)	-10%
Total	11,131	11,186	(55)	72,593	70,841	1,752	72,593	69,078	3,515	5%

**Pagosa Springs Medical Center**

**Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of July 31, 2023**

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Total	Percent of Total	Accts sent to Collections
2 Medicare	\$ 2,583,401	\$ 793,060	\$ 300,884	\$ 91,219	\$ 68,661	\$ 60,730	\$ 320,753	\$ 4,218,708	38%	
3 Medicaid	724,881	113,068	41,865	24,640	24,581	14,208	253,573	1,196,816	11%	
4 Third Party	1,633,393	590,529	384,501	161,117	116,354	140,167	615,289	3,641,350	33%	
5 Self-Pay	254,180	254,170	195,561	207,298	207,100	123,484	691,748	1,933,541	18%	
<b>Current Month Total</b>	<b>\$ 5,195,855</b>	<b>\$ 1,750,827</b>	<b>\$ 922,811</b>	<b>\$ 484,274</b>	<b>\$ 416,696</b>	<b>\$ 338,589</b>	<b>\$ 1,881,363</b>	<b>\$ 10,990,415</b>	<b>100%</b>	<b>262,515</b>
<b>Pct of Total</b>	<b>47%</b>	<b>16%</b>	<b>8%</b>	<b>4%</b>	<b>4%</b>	<b>3%</b>	<b>17%</b>	<b>100%</b>		
Jun-23 Pct of Total	\$ 5,512,522 50%	\$ 1,195,087 11%	\$ 537,000 5%	\$ 531,450 5%	\$ 583,696 5%	\$ 409,956 4%	\$ 2,213,524 20%	\$ 10,983,235 100%		169,493
May-23 Pct of Total	\$ 5,727,512 50%	\$ 1,086,665 9%	\$ 730,974 6%	\$ 686,873 6%	\$ 574,251 5%	\$ 322,203 3%	\$ 2,335,486 20%	\$ 11,463,964 100%		149,612
Apr-23 Pct of Total	\$ 4,649,144 43%	\$ 1,340,245 12%	\$ 887,732 8%	\$ 744,066 7%	\$ 390,670 4%	\$ 383,149 4%	\$ 2,391,747 22%	\$ 10,786,753 100%		118,155
Mar-23 Pct of Total	\$ 5,487,671 48%	\$ 1,397,788 12%	\$ 1,008,260 9%	\$ 492,549 4%	\$ 442,994 4%	\$ 507,208 4%	\$ 2,182,723 19%	\$ 11,519,193 100%		146,612
Feb-23 Pct of Total	\$ 5,248,449 46%	\$ 1,682,584 15%	\$ 760,575 7%	\$ 468,388 4%	\$ 607,923 5%	\$ 437,374 4%	\$ 2,190,121 19%	\$ 11,395,414 100%		102,197
Jan-23 Pct of Total	\$ 5,123,357 48%	\$ 1,248,805 12%	\$ 614,514 6%	\$ 745,873 7%	\$ 482,283 4%	\$ 273,204 3%	\$ 2,257,741 21%	\$ 10,745,777 100%		141,264
Dec-22 Pct of Total	\$ 4,866,761 46%	\$ 1,268,334 12%	\$ 866,931 8%	\$ 548,451 5%	\$ 414,832 4%	\$ 408,064 4%	\$ 2,198,139 21%	\$ 10,571,512 100%		176,992
Nov-22 Pct of Total	\$ 4,628,883 45%	\$ 1,203,061 12%	\$ 741,822 7%	\$ 516,963 5%	\$ 509,027 5%	\$ 428,506 4%	\$ 2,149,446 21%	\$ 10,177,708 100%		226,765
Oct-22 Pct of Total	\$ 4,510,172 44%	\$ 1,414,025 14%	\$ 840,205 8%	\$ 678,170 7%	\$ 658,661 6%	\$ 439,855 4%	\$ 1,826,111 18%	\$ 10,367,199 100%		147,187
Sep-22 Pct of Total	\$ 5,163,652 46%	\$ 1,454,685 13%	\$ 829,159 7%	\$ 821,421 7%	\$ 525,214 5%	\$ 274,896 2%	\$ 2,073,259 19%	\$ 11,142,286 100%		176,296
Aug-22 Pct of Total	\$ 5,070,970 47%	\$ 1,423,538 13%	\$ 1,289,523 12%	\$ 637,852 6%	\$ 423,338 4%	\$ 370,971 3%	\$ 1,518,317 14%	\$ 10,734,509 100%		181,959
Jul-22 Pct of Total	\$ 5,195,855 47%	\$ 1,750,827 16%	\$ 922,811 8%	\$ 484,274 4%	\$ 416,696 4%	\$ 338,589 3%	\$ 1,881,363 17%	\$ 10,990,415 100%		262,515
Jun-22 Pct of Total	\$ 5,296,769 53%	\$ 1,257,194 13%	\$ 690,323 7%	\$ 660,956 7%	\$ 438,544 4%	\$ 356,021 4%	\$ 1,355,339 13%	\$ 10,055,146 100%		248,707
May-22 Pct of Total	\$ 4,976,841 49%	\$ 1,229,667 12%	\$ 763,335 8%	\$ 569,449 6%	\$ 554,337 6%	\$ 321,119 3%	\$ 1,643,977 16%	\$ 10,058,725 100%		150,992
Apr-22 Pct of Total	\$ 4,411,765 48%	\$ 1,085,976 12%	\$ 693,620 8%	\$ 609,943 7%	\$ 440,794 5%	\$ 289,902 3%	\$ 1,669,402 18%	\$ 9,201,402 100%		215,897

**Pagosa Springs Medical Center**

**Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of July 31, 2023**

		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Total	Percent of Total	Accts sent to Collections
Mar-22	\$	4,206,381	\$ 1,389,690	\$ 673,681	\$ 575,452	\$ 413,271	\$ 309,780	\$ 1,752,689	\$ 9,320,944		199,177
Pct of Total		45%	15%	7%	6%	4%	3%	19%	100%		
Feb-22	\$	4,206,381	\$ 1,389,690	\$ 673,681	\$ 575,452	\$ 413,271	\$ 309,780	\$ 1,752,689	\$ 9,320,944		199,177
Pct of Total		45%	15%	7%	6%	4%	3%	19%	100%		
Jan-22	\$	4,815,885	\$ 1,218,564	\$ 968,019	\$ 573,545	\$ 504,719	\$ 332,446	\$ 1,663,719	\$ 10,076,897		184,318
Pct of Total		48%	12%	10%	6%	5%	3%	17%	100%		
Dec-21	\$	4,411,483	\$ 1,771,146	\$ 897,483	\$ 629,416	\$ 471,528	\$ 299,814	\$ 1,716,882	\$ 10,197,752		246,249
Pct of Total		43%	17%	9%	6%	5%	3%	17%	100%		
Nov-21	\$	5,254,766	\$ 1,288,663	\$ 765,276	\$ 596,925	\$ 429,612	\$ 449,363	\$ 1,582,207	\$ 10,366,811		223,165
Pct of Total		51%	12%	7%	6%	4%	4%	15%	100%		
Oct-21	\$	4,591,197	\$ 1,412,195	\$ 784,524	\$ 573,095	\$ 661,916	\$ 330,409	\$ 1,562,788	\$ 9,916,124		372,288
Pct of Total		46%	14%	8%	6%	7%	3%	16%	100%		
Sep-21	\$	4,623,878	\$ 1,367,954	\$ 793,192	\$ 861,326	\$ 484,324	\$ 263,617	\$ 1,610,326	\$ 10,004,617		251,846
Pct of Total		46%	14%	8%	9%	5%	3%	16%	100%		
Aug-21	\$	5,070,970	\$ 1,423,538	\$ 1,289,523	\$ 637,852	\$ 423,338	\$ 370,971	\$ 1,518,317	\$ 10,734,509		181,959
Pct of Total		47%	13%	12%	6%	4%	3%	14%	100%		
Jul-21	\$	4,918,121	\$ 1,859,528	\$ 864,925	\$ 524,846	\$ 546,331	\$ 340,021	\$ 1,455,387	\$ 10,509,159		125,498
Pct of Total		47%	18%	8%	5%	5%	3%	14%	100%		
Jun-21	\$	4,450,225	\$ 991,357	\$ 492,319	\$ 470,912	\$ 586,430	\$ 386,858	\$ 1,658,314	\$ 9,036,415		248,707
Pct of Total		49%	11%	5%	5%	6%	4%	18%	100%		
May-21	\$	4,564,596	\$ 1,223,151	\$ 900,499	\$ 559,379	\$ 516,823	\$ 338,558	\$ 1,383,875	\$ 9,486,881		95,678
Pct of Total		48%	13%	9%	6%	5%	4%	15%	100%		
12		<b>Pct Settled (Current)</b>	68.2%	22.8%	9.8%	21.6%	42.0%	-358.9%			
13		<b>Pct Settled (June from May)</b>	79.1%	50.6%	27.3%	15.0%	28.6%	-587.0%			
14		<b>Pct Settled (May from Apr)</b>	76.6%	45.5%	22.6%	22.8%	17.5%	-509.6%			
15		<b>Pct Settled (Apr from Mar)</b>	75.6%	36.5%	26.2%	20.7%	13.5%	-371.6%			
16		<b>Pct Settled (Mar from Feb)</b>	73.4%	40.1%	35.2%	5.4%	16.6%	-399.1%			

Pagosa Springs Medical Center - - - Net Days in A/R 2023

	31	28	31	30	31	30
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
2 <b>Net Accounts Receivable</b>	\$ 3,937,851	\$ 4,304,267	\$ 4,578,027	\$ 5,065,484	\$ 4,312,936	\$ 4,021,818
3 <b>Net Patient Revenue</b>	\$ 3,421,097	\$ 2,987,220	\$ 3,534,110	\$ 3,291,664	\$ 3,372,760	\$ 3,754,939
4 <b>Net Patient Rev/Day (2 month Avg)</b>	\$ 90,700	\$ 108,522	\$ 110,345	\$ 111,863	\$ 109,260	\$ 116,982
5 <b>Net Days in A/R</b>	<b>43</b>	<b>40</b>	<b>41</b>	<b>45</b>	<b>39</b>	<b>34</b>

	31	31	30	31	30	31
	Jul-23	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
7 <b>Net Accounts Receivable</b>	\$ 3,722,436	\$ 4,332,364	\$ 4,146,319	\$ 3,566,483	\$ 3,353,545	\$ 3,573,432
8 <b>Net Patient Revenue</b>	\$ 3,265,657	\$ 3,654,608	\$ 3,390,296	\$ 2,562,908	\$ 2,810,896	\$ 2,202,304
9 <b>Net Patient Rev/Day (2 month Avg)</b>	\$ 115,254	\$ 104,933	\$ 230,900	\$ 195,684	\$ 88,185	\$ 82,369
10 <b>Net Days in A/R</b>	<b>32</b>	<b>41</b>	<b>18</b>	<b>18</b>	<b>38</b>	<b>43</b>

Pagosa Springs Medical Center - - - Gross Days Target

12 Medicare	33%	21	\$ 115,092	\$ 797,586
13 Medicaid	7%	35	\$ 115,092	\$ 281,975
14 Blue Cross	15%	48	\$ 115,092	\$ 828,661
15 Commercial	26%	65	\$ 115,092	\$ 1,945,050
16 Self Pay	19%	150	\$ 115,092	\$ 3,280,115
17 Total:	100%			\$ 7,133,386
18				\$ 115,092
19			<b>Gross Days in A/R Target</b>	<b>62</b>



**Pagosa Springs Medical Center**  
**Financial Forecast**  
**Statement of Cash Flows**

	Jul-23
<b>Cash Flows from operating activities</b>	
Change in net assets	(187,469)
Adjustments to reconcile net assets to net cash	
Depreciation and amortization	267,248
Patient accounts receivable	299,382
Accounts payable and wages payable	258,602
Accrued liabilities	37,952
Pre-paid assets	82,112
Deferred revenues	(209,520)
Other receivables	248,181
Reserve for third party settlement	383,670
Inventory	7,989
Net Cash Provided by (used in) operating activities	1,188,147
<b>Cash Flows from investing activities</b>	
Purchase of property and equipment	-
Work in progress	(14,840)
Proceeds from sale of equipment/(Loss)	-
Net Cash Provided by (used in) investing activities	(14,840)
<b>Cash Flows from financing activities</b>	
Principal payments on long-term debt	-
Proceeds from debt (funding from 2021 Bond)	-
Proceeds from PPP Short Term Loan	-
Recognize Amounts from Relief Fund	-
Payments/Proceeds from Medicare Accelerated Payment	-
Change in Prior Year Net Assets	-
Change in leases payable	(114,400)
Net Cash Provided by (used in) financing activities	(114,400)
<b>Net Increase(Decrease) in Cash</b>	1,058,907
<b>Cash Beginning of Month</b>	13,778,480
<b>Cash End of Month</b>	14,837,387

2023						
Month	Cash Goal	Actual Cash	Variance	% Collected	GL Non AR	Total
Jan-23	\$1,898,252.00	\$2,661,282.24	\$763,030.24	140.20%	\$ (94,934.27)	\$2,566,347.97
Feb-23	\$2,517,041.00	\$2,300,038.64	(\$217,002.36)	91.38%	\$ 33,865.39	\$2,333,904.03
Mar-23	\$2,681,584.00	\$2,973,397.69	\$291,813.69	110.88%	\$ 80,560.75	\$3,053,958.44
Apr-23	\$3,284,110.00	\$3,305,562.31	\$21,452.31	100.65%	\$ 123,435.41	\$3,428,997.72
May-23	\$2,963,309.00	\$3,097,724.96	\$134,415.96	104.54%	\$ 78,380.91	\$3,176,105.87
Jun-23	\$3,371,760.00	\$3,410,190.02	\$38,430.02	101.14%	\$ 348,856.56	\$3,759,046.58
Jul-23	\$3,221,285.00	\$3,232,565.25	\$11,280.25	100.35%	\$ 545,421.19	\$3,777,986.44
Aug-23						
Sep-23						
Oct-23						
Nov-23						
Dec-23						
	\$19,937,341.00	\$20,980,761.11	\$1,043,420.11	105.23%	\$ 1,115,585.94	\$22,096,347.05

2023 Revenue				
Month	Revenue Goal	Actual Revenue	Variance	% Generated
Jan-23	\$ 6,252,289.00	\$ 5,954,092.00	\$ (298,197.00)	95.23%
Feb-23	\$ 5,361,067.00	\$ 5,853,763.00	\$ 492,696.00	109.19%
Mar-23	\$ 6,250,864.00	\$ 6,599,775.00	\$ 348,911.00	105.58%
Apr-23	\$ 6,188,899.00	\$ 6,090,739.00	\$ (98,160.00)	98.41%
May-23	\$ 6,188,899.00	\$ 7,299,799.00	\$ 1,110,900.00	117.95%
Jun-23	\$ 7,204,053.00	\$ 7,054,999.00	\$ (149,054.00)	97.93%
Jul-23	\$ 6,892,800.00	\$ 7,012,693.00	\$ 119,893.00	101.74%
Aug-23	\$ 7,016,731.00			
Sep-23	\$ 6,644,938.00			
Oct-23	\$ 5,877,646.00			
Nov-23	\$ 5,941,036.00			
Dec-23	\$ 6,767,444.00			
Totals	\$ 76,586,666.00	\$ 45,865,860.00	\$ 1,526,989.00	105.15%



**Pagosa Springs Medical Center**  
**Cash Forecast as of end of December 2023**  
**Forecast Months Based on Budget and Actual**

Prepared 8/11/2023  
 Cash balance 13,821,488  
 at 12/31/22

	(1) Net Asset Change	(2) Depreciation	(3) Receivables	(4) Payables & Other Liabilities	(5) Pre-Paid Assets	(6) Deferrred Revenue	(7) Third Party	(8) Inventory	(9) Equipment Purchase	(10) Lease Payables	(11) Other	Net Cash Change	Balance
January 2023 (Actual)	(141,450)	150,394	(465,836)	314,555	(273,391)	-	(157,058)	13,421	(65,961)	(27,154)	-	(652,480)	13,169,008
February 2023 (Actual)	21,315	183,912	(250,228)	(574,589)	4,756	(83,822)	(35,080)	(10,201)	11,428	(18,700)	(7,206)	(758,415)	12,410,593
March 2023 (Actual)	240,404	166,002	236,086	31,520	23,385	(468,304)	250,000	4,887	-	(11,993)	-	471,987	12,882,580
April 2023 (Actual)	191,566	166,630	503,328	108,970	34,976	(149,554)	(26,324)	13,244	(106,715)	(18,700)	(213)	717,208	13,599,788
May 2023 (Actual)	12,557	169,680	1,113,321	577,827	(25,264)	(371,169)	(531,380)	(4,905)	25,389	(18,700)	(2)	947,354	14,547,142
June 2023 (Actual)	311,541	166,013	376,470	(1,224,021)	45,260	(147,329)	2,701	33	(55,627)	(18,700)	(225,002)	(768,661)	13,778,481
July 2023 (Actual)	(187,469)	267,248	547,563	296,554	82,112	(209,520)	383,670	7,989	(14,840)	(114,400)	-	1,058,907	14,837,388
August 2023 (Budget)	159,701	171,708	(250,000)	200,000	(50,000)	-	(200,000)	15,000	(91,666)	(27,000)	100,000	27,743	14,865,131
September 2023 (Budget)	545,770	152,269	(150,000)	200,000	(50,000)	-	(100,000)	(15,000)	(91,666)	(27,000)	-	464,373	15,329,504
October 2023 (Budget)	(1,275,231)	171,472	(150,000)	200,000	(50,000)	-	150,000	(15,000)	(91,666)	(27,000)	100,000	(987,425)	14,342,079
November 2023 (Budget)	(342,205)	152,453	(150,000)	200,000	(50,000)	-	150,000	(15,000)	(91,666)	(27,000)	-	(173,418)	14,168,661
December 2023 (Budget)	114,258	151,841	(150,000)	200,000	(50,000)	-	150,000	(15,000)	(91,666)	(27,000)	100,000	382,433	14,551,094
Totals	(349,243)	2,069,622	1,210,704	530,816	(358,166)	(1,429,698)	36,529 981,635	(20,532)	(664,656)	(363,347)	67,577	729,606	14,551,094
													at 06/30/2023
													6,776,019
													Bond Requirements (60 days cash)
													Less Cares Act
													Less Medicare Accelerated
													Less Bond Reserve
													(878,731)
													Net Cash for Days Cash on Hand
													13,958,656
													AVG. Expense Per Day
													112,934
													Days Cash on Hand
													123.60

- Notes:
- (1) Forecast based on projected net income.
  - (2) Forecast is based on the budgeted depreciation expense.
  - (3) Based on projected changes in receivables.
  - (4) Based on projected changes in payables and liabilities.
  - (5) Based on projected changes in prepaids.
  - (6) Based on projected deferred revenues.
  - (7) Based on projected Due to Third Party Reserves.
  - (8) Based on projected Inventory changes.
  - (9) Based on projected equipment and capital project expenditures.
  - (10) Based on projected lease payments.
  - (11) Based on projected receivables and payables due to Covid.



**THE UPPER SAN JUAN HEALTH SERVICE DISTRICT  
DOING BUSINESS AS PAGOSA SPRINGS MEDICAL CENTER**

**MEDICAL STAFF REPORT BY VICE CHIEF OF STAFF, CORINNE REED  
August 22, 2023**

I. STATEMENT OF THE MEDICAL STAFF'S RECOMMENDATIONS FOR THE USJHSD BOARD ACCEPTANCE OF NEW POLICIES OR PROCEDURES ADOPTED BY THE MEDICAL STAFF:

RECOMMENDATION	DESCRIPTION
<b>Medical Staff Policy: Responding to Affiliation Verification Requests</b>	Revised Medical Staff Policy: revisions of the policy and procedure for providing affiliation verification responses to outside requestors.
<b>Medical Staff Policy: Locum Tenens Provider Credentialing and Privileging</b>	Revised Medical Staff Policy: revisions of the policy and procedure for credentialing and privileging non-employed locum tenens providers.

II. STATEMENT OF THE MEDICAL STAFF'S RECOMMENDATIONS FOR THE USJHSD BOARD ACCEPTANCE OF PROVIDER PRIVILEGES (ACCEPTANCE BY THE BOARD RESULTS IN THE GRANT OF PRIVILEGES):

NAME	INITIAL/REAPPOINT/CHANGE	TYPE OF PRIVILEGES	SPECIALTY
<b>Trevor Barton, DO</b>	Initial Appointment	Telemedicine/Teleneurology	Neurology
<b>Gina Carr, MD</b>	Initial Appointment	Courtesy/Hospitalist	Family Medicine
<b>Shane Morris, MD</b>	Initial Appointment	Telemedicine/ Teleradiology	Diagnostic Radiology
<b>Samuel Tesfalidet, MD</b>	Initial Appointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>John Yody Aucoin, CRNA</b>	Change in Privileges: addition of further Interventional Pain Management Privileges	Advanced Practice Provider/CRNA	Certified Registered Nurse Anesthetist

III. REPORT OF NUMBER OF PROVIDERS BY CATEGORY

Active: 18  
 Courtesy: 19  
 Telemedicine: 143  
 Advanced Practice Providers & Behavioral Health Providers: 12  
 Honorary: 2  
 Total: 194

**UPPER SAN JUAN HEALTH SERVICE DISTRICT  
D/B/A PAGOSA SPRINGS MEDICAL CENTER**

**Formal Written Resolution 2023-17**

**August 22, 2023**

WHEREAS, the Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center has received the *2023 Quality Assurance and Performance Improvement Plan* and a staff presentation about the *Quality Assurance and Performance Improvement Program* at PSMC.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UPPER SAN JUAN HEALTH SERVICE DISTRICT HEREBY RESOLVES** to accept PSMC's *2023 Quality Assurance and Performance Improvement Plan*.

ADOPTED and APPROVED by the Board of Directors this 22<sup>nd</sup> day of August, 2023.

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Kate Alfred, Chair of the Board of Directors

**UPPER SAN JUAN HEALTH SERVICE DISTRICT  
D/B/A PAGOSA SPRINGS MEDICAL CENTER**

**Formal Written Resolution 2023-18**

**August 22, 2023**

WHEREAS, the Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center Board of Directors (“Board”) has received the attached proposed redline revisions titled *Second Amended and Restated Bylaws of the Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center* as well as the attached memo summarizing the reasons for the proposed revisions; and

WHEREAS the Board has discussed such revisions at a duly noticed meeting of the Board.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UPPER SAN JUAN HEALTH SERVICE DISTRICT HEREBY RESOLVES** to approve the Second Amended and Restated Bylaws and incorporate the redline revisions attached hereto.

ADOPTED and APPROVED by the Board of Directors this 22<sup>nd</sup> day of August, 2023.

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Kate Alfred, Chair of the Board of Directors

TO: Board of Directors  
 FROM: Ann Bruzzese  
 DATE: August 22, 2023  
 RE: Updates to the Bylaws as requested by the Board Executive Committee

**BACKGROUND:** As a governmental special district, PSMC is subject to Colorado statutes (Title 32, Special Districts). No special district is required to have governing Bylaws; however, PSMC has had Bylaws for a period of time that is longer than I can identify. The existing Bylaws have two significant problems: (1) sections of the Bylaws are no longer consistent with Colorado statutes; and (2) the Bylaws include language for an operational, rather than governing, Board of Directors (the Bylaws appear to precede the opening of the hospital and may have been in place for EMS operations when there were few employees and the Board did operational work like prepare the budget, balance the checkbook and pay bills).

**SUMMARY OF REDLINE REVISIONS TO THE BYLAWS:**

- **Section 4:** Change phrasing from an operational board to a governing board.
- **Section 6:** Change phrasing to be consistent with applicable statutes.
- **Section 7:** Change consistent with practice of posting the entire board packet on the PSMC website; the Board does not strictly follow Robert’s Rules so suggest making it permissible rather than mandatory.
- **Section 8:** Change phrasing of Board officers from operational obligations to governing; included D&O insurance coverage that is maintained for the Board.
- **Section 9:** Change phrasing from an operational board to a governing board. The language has been adjusted to reflect that staff prepare the budget and submit it to the board for discussion and board vote.
- **Section 11:** Add a summary of the statutory code of ethics applicable to elected directors.
- **Section 12:** Colorado statutes set forth a long list of obligations for directors regarding conflicts of interest and added a summary of key terms. Deleted the reference to the District adopting a “county board of ethics” -- deletion because the “county ethics” have never adopted and more importantly, Colorado has adopted statutes that establish a code of ethics for public officials added as a new Section 11.
- **Section 13:** Revised the language about compensation to Board and prohibition of employees on the Board consistent with applicable statute.
- **Section 15:** The threshold for construction costs that require bidding has increased since the Bylaws were published and will continue to increase from time to time for inflation.
- **Section 16:** The legislature changed elections to odd-numbered years.
- **Section 18:** Deleted specifics about costs of copying documents and retention of documents and refer to staff obligations. Note: PSMC has a 31-page internal policy regarding the various laws and timelines governing record retention for each department. In addition, PSMC has specific internal policies to address other related compliance for such matters as Open Records.
- Spelling (including that “bylaws” was spelled 2 ways in the document)

**SECOND AMENDED AND RESTATED BYLAWS OF THE  
UPPER SAN JUAN HEALTH SERVICE ~~S~~-DISTRICT ~~BY LAWS~~D/B/A PAGOSA SPRINGS MEDICAL CENTER**

**~~AS AMENDED ON SEPTEMBER 23, 2014~~**

**Section 1 Authority**

Upper San Juan Health Service District ("District") doing business under the trade name Pagosa Springs Medical Center is a governmental subdivision of the state of Colorado and a body corporate with those powers of a public or quasi-municipal corporation which are specifically authorized by, and in compliance with, Section 32-1-101, et seq., C.R.S.

**Section 2 Purpose**

It is hereby declared that the ~~By-Laws~~ hereinafter set forth will serve a public purpose.

**Section 3 Policies of the Board**

It shall be the policy of the Board of Directors ("Board") of the District, consistent with the availability of revenues, personnel and equipment, to use its best efforts to provide the quality services as authorized under the District ~~S~~service Plan or by law. In addition to these Bylaws and state statutes, the Board of Directors may adopt policies as the Board sees fit to affirm delegations of duties and powers to committees of the Board as well as to the Chief Executive Officer.

**Section 4 Board of Directors**

All powers, privileges and duties vested in, or imposed upon, the District by law shall be exercised and performed by and through the Board, whether set forth specifically or impliedly in these ~~By-Laws~~. The Board is a governing Board and may delegate to officers, employees, and agents of the District any or all delegates to its selected Chief Executive Officer the duties, responsibilities and powers to conduct the operations of the District including, without limitation, the following administrative and ministerial powers.

~~Without restricting the general powers conferred by these By-Laws, it is hereby expressly declared that the Board shall have the following powers and duties:~~

- a. ~~To confer upon any appointed officer of the District~~ the power to choose, remove or suspend employees or agents (except for the Chief Executive Officer who serves at the pleasure of the Board) upon such terms and conditions as may seem fair and just and in the best interests of the District.
- b. To determine and designate, except as otherwise provided by law or these ~~By-Laws~~, who shall be authorized to make purchases, negotiate leases for office space, and sign receipts, endorsements, checks, releases and other documents.

~~c. To create standing or special committees and to delegate such power and authority thereto as the Board deems necessary and proper for the performance of such committee's functions and obligations.~~

cd. To prepare financial reports, other than the statutory audit, covering each year's fiscal activities, and such reports, if requested, shall be submitted to the Board and made available for inspection by the public.

de. The officers of the Board shall perform such other governing duties and functions as may, from time to time, be required by the Board, by the by-laws or rules and regulations of the District or special exigencies which shall later be ratified by the Board.

### Section 5. Office.

#### a. Business office

The principal business office of District shall be at the Pagosa Springs Medical Center, 95 S Pagosa Boulevard, Pagosa Springs, Colorado 81147, until otherwise designated by the Board.

#### b. Establishing other offices and Relocation.

The Board, by resolution, may from time to time, designate, locate and relocate its executive and business office and such other offices as, in its judgment, are necessary to conduct the business of the District.

### Section 6 Meetings

#### a. Regular Meetings

The Board shall designate and post the time and place for all Board meetings. The Board shall adopt a resolution, at the first regular meeting of the calendar year, designating the posting place(s) for the agenda notice. Further, the Board shall adopt a resolution, at the first regular meeting of each calendar year, designating the day, time and place for regular Board meetings; during the year, the Board may amend such day, time and place for regular Board meetings upon resolution by a majority of the Board at a noticed meeting.

#### b. Public Meetings

All meetings of the Board, other than the executive session portion shall be open to the public. Any meeting of 3 or more board members at which public business is to be discussed or board action taken shall be considered a public meeting.

#### c. Notice of meetings

Per CRS Section 24-6-402(2)(c), the District shall be deemed to have given full and timely notice of a public meeting if the District posts the notice, with specific agenda information if available on

~~the District's website, no less than 24 hours prior to holding the meeting. The resolution(s) described in Section 6.a shall constitute formal notice of regular meetings to Board members, and no other notice shall be required unless a meeting has been changed. If a meeting is changed each Board member shall be notified of the change.~~

~~(1) Notice to the public. Notice of the time and place of all regular and special meetings shall be posted in at least three public places within the boundaries of the District and in the office of the county clerk in Archuleta, Hinsdale and Mineral counties. The Notice of meeting shall be posted at least 72 hours (3 days) prior to the meeting. Any other meetings of a quorum of the board at which any public business is discussed must be posted at a designated public location within the District no less than 24 hours prior to said meeting and must include specific agenda information when possible.~~

#### d. Special meetings

Special meetings of the Board may be called as required. Special meetings shall be announced in accordance with Section 6.c~~(1)~~.

#### e. Executive Session

All official business shall be conducted at open regular or special meetings. Executive sessions may be called at the conclusion of regular or special meeting and conducted in accordance with the following guidelines:

##### (1) Calling the Executive Session

~~Per CRS Section 24-6-402(4), t~~The topic for discussion in the executive session shall be announced in a motion and the specific statute that authorizes the executive session shall be cited; ~~t~~The matter to be discussed shall be described in as much detail as possible without compromising the purpose of being in executive session. An affirmative vote of two-thirds (2/3) of the quorum present shall be required to go into executive session.

##### (2) Conducting the Executive session

No adoption of any proposed policy, position, resolution, rule, regulation, or ~~f~~ormal action shall take place in an executive session. The discussion in executive session shall be limited to the reasons for which the executive session was called. Discussions that occur in executive session shall be electronically recorded, to include the specific citation to the statute (C.R.S.) that authorized the executive session to be held except that discussions with the District's legal counsel may be documented in accordance with a process set forth in CRS Section 24-6-402(2)(d.5) and Colorado Rules of Professional Conduct, Rule 1.6. The District must retain the record of any executive session for 90 days as required by CRS Section 24-6-402(2),

Minutes of the executive session shall be created and shall contain a signed statement by the chair that the minutes substantially reflect the substance of the discussion during the executive session. No record is necessary to be kept .or any portions of the discussion



which the District's attorney reasonably believes constitute attorney-client privileged communication. If minutes of the executive session are otherwise electronically recorded, the attorney shall state on the record when any portion of the executive session is not recorded as an attorney-client privileged communication. If minutes of the executive session are otherwise recorded in writing, then the attorney shall sign a statement to the same effect when any portion of the written minutes is not recorded in writing as an attorney-client privileged communication.

(3) After Executive session

The record of any executive session shall be retained by the District for ninety days and then destroyed or erased. Minutes or recordings of the executive session shall not be released to the general public for review under any circumstances except as required by law. Board members may review the written minutes but may not remove them from the secure location or copy them.

f. Adjournment and continuance of meetings

When a regular or special meeting is for any reason continued to another time and place, notice need not be given of the continued meeting if the time and place of each meeting are announced at the meeting at which the continuance is taken, except as required by law. At the continued meeting, any business may be transacted which would have been transacted at the original meeting.

g. Emergency Meetings

Notwithstanding any other provisions in this Section 6, emergency meetings may be called by the chair or any two (2) Board members in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety and welfare of the property owners and electors of the District as well as legal vulnerabilities without notice if notice is not practicable. If possible, notice of such emergency meeting may be given to the Board by telephone or whatever means are reasonable to meet the circumstances of the emergency. At such emergency meetings, any action within the power of the board that is necessary for the immediate protection of the public health, safety and welfare of the property owners and electors as well as legal vulnerabilities may be taken; provided, however, that action taken at an emergency meeting shall be effective only until the first to occur of (a) the next regular meeting, or (b) the next special meeting of the Board at which the emergency issue is on the public notice of the meeting. At such subsequent meetings, the Board may ratify any emergency action taken. If any emergency action taken is not ratified, then it shall be deemed rescinded as of the date of such subsequent meeting.

h. ~~Em~~Mail Meetings

If elected officials use electronic mail to discuss pending legislation or other public business among themselves, the electronic mail shall be subject to the "public meeting" requirements of ~~this document.~~ the Open Meetings Act at CRS Section 24-6-402. Email discussion about a ministerial matter such as an acceptable meeting time is not considered a "meeting".

~~Notwithstanding any other provisions in this Section 6, emergency meetings may be called by the chair.~~

## Section 7 Conduct of Business

### a. Quorum

All official business of the Board shall be transacted at a regular or special meeting at which a quorum (i.e. four) of the Directors shall be present in person or telephonically, except as provided in Section 7.b.

### b. Vote Requirements.

Any action of the Board shall require the affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the affairs of the District and the health and safety of District residents so dictate, then those Directors available at the time may undertake whatever action is considered necessary and may so instruct the District's employees, agents and contractors. Such actions shall later be ratified by the Board.

### c. Order of Business.

The business of all regular meetings of the Board shall be transacted in accordance with the published agenda except as amended at the meeting by approval of a majority of the quorum present.

### d. Motions and Resolutions

Any and all action of the Board necessary for the governance ~~and management~~ of the affairs of District, for the execution of the powers vested in District, and for carrying into effect the provisions of Article 1 of Title 32, C.R.S., shall be taken by the passage of motions or resolutions.

### e. Minutes Book

Within a reasonable time after passage, all resolutions, motions and minutes of Board meetings shall be recorded ~~in a book kept for that purpose and shall be attested by the secretary and submitted for approval of the Board. The Board packet including agenda, minutes, and resolutions are timely posted for public access on the District's website. Minutes of regular sessions shall be available for public review as soon as practical following acceptance of the minutes by adoption of a motion therefor by the Board.~~

Minutes of executive sessions shall be kept separate from minutes of regular sessions ~~as described in Section 6(e) of these Bylaws and shall not be open to the public except as required by law.~~ in accordance with CRS Section 24-6-402(2).

### f. Meeting Decorum

The Board of Directors of the Upper San Juan Health Services District shall utilize procedures delineated in "Robert's Rules of Order" ~~as required~~ to effectively conduct ~~their~~ its business affairs.

g. Electronic Signatures

Electronic Signatures. In the event the signature(s) of one or more members of the Board or appointed signatories are required to execute a written document, contract, note, bond, deed, and/or other official papers of the District, and the appropriate individual(s) is unable to be physically present to sign said documentation, such individual or individuals are authorized to execute the documentation electronically via electronic signature, facsimile or email signature, unless said documentation provides otherwise. Any electronic signature so affixed to a document shall carry the full legal force and effect of any original, handwritten signature. Except as approved herein, this provision of these Bylaws shall not be interpreted as establishing District's consent or authorization to bind District to any transaction by the use of electronic records or electronic means.

**Section 8 Directors, Officers and Personnel**

a. Director Qualifications and Terms.

Directors shall be electors of the District. The term of each Director shall be determined by relevant statutory provisions with elections held in even-odd-numbered years and conducted in the manner prescribed by Articles 1 through 13, Title 1, and Part 8, Article 1, Title 32, C.R.S. Each Director shall sign an oath of office and, at the expense of the District, furnish a faithful performance surety bond in a sum of not less than \$1,000.

b. Director's Performance of Duties

A Director of the District shall perform all duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner which the Director reasonably believes to be in the best interests of District, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing the Director's duties, the Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in subparagraphs 1, 2 and 3 of this subsection b. The Director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs the Director's duties shall not have any liability by reason of being or having been a Director of the District. Those programs and groups upon whose information, opinions, reports, and statements a Director is entitled to rely are:

(1) One or more officers or employees of the District whom the Director reasonably believes to be reliable and competent in the matters presented;

(2) Counsel, public accountants, or other persons as to matters which the Director reasonably believes to be within such persons' professional knowledge or expertise; and

(3) A committee of the Board upon which the Director does not serve, duly designated in accordance with the provisions of the By-Laws, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

c. Oath of Office and D&O Insurance

Each member of the Board, before assuming the responsibilities of his office, shall take and subscribe an oath of office in the form prescribed by law within 30 days of the election or appointment. The Board shall maintain Directors and Officers insurance coverage for the benefit of the Board members in such amounts approved by the Board.

d. Election of Officers

The Board of Directors shall elect from its seated Directors membership a Chair, Vice-Chair, and Secretary and Treasurer, who shall be the officers of the Board of Directors ~~and of the District.~~ ~~The officers shall be elected by a majority of the Directors voting at such election.~~ The Board may, from time to time, appoint an acting officer in the absence of any individual officer. The Board election of the officers shall be conducted biennially by the seated Directors at the first regular meeting of the Board following the regular biennial election of the Directors held in May of ~~even~~ odd-numbered years; the officer positions shall be selected by a majority vote of Directors voting at this first regular meeting of the Board. Each officer so elected shall serve for a term of two years, which term shall expire upon the election of their successor or upon their reelection to that office. A Director may serve as chair for no more than four years.

e. Vacancies

The Board shall appoint an Ad Hoc search committee to advertise openings on the Board and request interested electors from the general public to submit resumes and statements. The committee shall review the resumes and statements to verify that the applicant meets the residency requirements. The committee shall also review the qualifications of the applicant and shall make recommendations to the Board. The vacancy shall be filled by popular vote of a majority of the Board. The vacancy must be filled within 60 days following the resignation or removal of a Director.

f. Resignation and Removal

Directors may be removed from office only by recall as prescribed by statute. Any Director may resign at any time by giving written notice to the Board, and acceptance of, such resignation shall not be necessary to make it effective, unless the notice so provides.

A Director's office shall be deemed vacant upon the occurrence of any one of the following:

1. Failure to meet the qualifications of Director;
  2. Failure to satisfy the oath and bond requirements;
  3. Written resignation;
  4. Failure to remain qualified for the office;
  5. Conviction of a felony;
  6. Removal from office or voidance of election by court (subject to appeal);
  7. Failure to attend three consecutive regular Board meetings, unless approval of absence is entered in the minutes, or absence is excused by temporary mental or physical disability or illness;
- or

## 8. Death

## g. Officers

## (1) Chair

The ~~C~~Chair shall preside at all meetings. The Chair has those duties set forth in Board policies and is authorized to sign all contracts, deeds, notes, debentures, warrants and other instruments on behalf of the District.

## (2) Vice-Chair

In the absence of the chair the vice-Chair shall assume all the duties, responsibilities and authority of the Chair. The vice-Chair shall assume ~~the temporary~~any responsibilities of the traditionally applicable to the Ssecretary during the absence of the Secretary such as affirming record of the minutes as well as custodian of the seal of the seal of the District and authority to affix such seal to, and attest instruments authorized to be executed by the Board.

~~(3) Secretary~~

~~The secretary shall be responsible for the records of the District, the minutes of regular and special meetings and record all votes; shall be responsible for composing a record of the proceedings of the Board in a minute book kept for that purpose, which shall be an official record of the Board; and shall perform all duties incident to that office. The secretary shall be the designated election official of the District, unless otherwise determined by the Board, and the custodian of the seal of District. The secretary shall have the authority to affix such seal to, and attest all contracts and instruments authorized to be executed by the Board.~~

~~(34) Treasurer~~

~~The Treasurer has those duties set forth in Board policies including, without limitation, serving as the Chair of the Finance Committee shall be authorized to invest all surplus funds or other available funds of the District in permitted investments authorized by law or as specified by the Board. The Treasurer shall be chairman of the Budget Committee and of the Audit Committee. The Treasurer shall keep or cause to be kept strict and accurate accounts of all money received by and disbursed for and on behalf of District in permanent records. The Treasurer shall file with the clerk of the court, at the expense of the District, a corporate fidelity bond in an amount determined by the Board of not less than \$5,000, conditioned on the faithful performance of the duties of the Treasurer's office. In the absence of the Treasurer, a member of the Budget Committee shall accept temporary responsibility for these duties.~~

## h. Personnel

(1) ~~Recording secretary~~Clerk to the Board

The CEO or his/her designee shall be responsible for designating a District staff member to serve as Clerk to the Board to coordinate meetings, issue notices of meetings, issue board packets and record the minutes of Board meetings and study sessions. ~~Board shall have the authority to appoint a recording secretary who need not be a member of the Board of Directors, and who will~~

~~be responsible for recording all votes and composing a record of the proceedings of the Board in the minute book. The recording secretary shall not be required to take an oath of office, nor shall the recording secretary be required to post a performance bond.~~

~~(2) Business Manager Chief Executive Officer~~

~~As a governing Board, the Board has one report, the Chief Executive Officer ("CEO"). The Board may appoint a Business manager or contract shall select and engage a CEO with an administrator to serve for such term and upon such conditions, including compensation, as the Board may establish. As set forth in these Bylaws, Board's policies and contractual agreement with the CEO, the Board delegates authority to the CEO for the administration and management of the District's operations. Such Business manager or administrator shall have general supervision over the administration of the affairs, employees and business of the District and shall be charged with the hiring and discharging of employees and the management of District properties. Such Business manager or administrator shall have the care and custody of the general funds of the District and shall deposit the same in the name of District in such banks or savings associations as the Board may select. Such Business manager or administrator will approve all vouchers, orders and checks for payment, and shall keep regular books of account of all District transactions and shall obtain, at the District's expense, such bond for the faithful performance of its duties as the Board may designate.~~

~~(3) Personnel selection and Tenure Consultants~~

~~The Board may retain agents and consultants as it deems necessary and appropriate to carry out the obligations of the Board and on such terms as may seem reasonable and proper to the Board. selection of agents, employees, engineers, accountants, special consultants a attorneys of the District by the Board will be based upon the relative qualifications and capabilities of the applicants and shall not be based on political services or affiliations.~~

~~Agents and employees shall hold their offices at the pleasure of the Board.~~

~~Contracts for professional services of engineers, accountants, special consultants and attorneys may be entered into on such terms and conditions as may seem reasonable and proper to the Board.~~

## Section 9 Financial Administration

a. Fiscal Year

The fiscal year of the District shall commence on January 1 of each year and end December 31.

b. Budget-Finance Committee

There shall be a permanent ~~Budget committee~~ Finance Committee; the Finance Committee shall be composed of the Treasurer, ~~the Chairman of the Finance, Audit and Budget standing committee and the Business manager,~~ senior administrative staff and such other persons appointed in accordance with Board policy. ~~which shall be responsible for preparation of the~~

~~annual budget of the District and such other matters as may be assigned to it by the President or the Board.~~

c. Budget

~~As required by CRS Section 29-1-105, o~~ On or before October 15th of each year, ~~the Budget committee~~ the CEO or his/her designee shall prepare and submit to the Board a proposed budget for the ensuing fiscal year. Such proposed budget shall be accompanied by a statement which shall describe the important features of the budget plan and by a general summary wherein shall be set forth the aggregate features of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year, as contrasted with the corresponding figures for the last completed fiscal year and the current fiscal year. It shall be supported by explanatory schedules or statements classifying the expenditures contained therein by services, subjects and funds. The anticipated income of the District shall be classified according to the nature of receipts.

d. Notice of Budget

Upon receipt of the proposed budget, the Board shall cause to be published a notice that the proposed budget is open for inspection by the public at ~~the business office of the District~~; that the Board will consider the ~~adoption of the~~ proposed budget at a public hearing on a certain date; and that any interested elector may inspect the proposed budget and file or register any objections thereto at any time prior to its final adoption. Notice shall be posted or published in substantial compliance with law.

e. Adoption of Budget

~~On the day set for~~ At a meeting of the Board noticed for consideration of ~~the~~ such proposed budget, the Board shall review the proposed budget and revise, alter, increase or decrease the items as it deems necessary in view of the needs of the District and the probable income of the District. The Board shall then adopt a budget setting forth the expenditures to be made in the ensuing fiscal year. The Board shall provide for sufficient revenues to finance expenditures in the budget with special consideration given to the proposed property tax levy.

f. Levy and Collection of Taxes

On or before December 15th of each year, unless an election for an increased operating tax levy is held, the Board shall certify to the Board of county Commissioners of the county in which the District was formed the mill levy established for the ensuing fiscal year, in order that, at the time and in the manner required by law for the levying of taxes, such commissioners will levy such tax upon the assessed valuation of all taxable property within District.

g. Filing of Budget

On or before January 30th of each year, the Board shall cause a certified copy of such budget to be filed with the Division of Local Government in the State Department of Local Affairs.

#### h. Appropriating Resolution

(1) At the time of adoption of the budget, the Board shall enact a resolution making appropriations for the ensuing fiscal year. The amounts appropriated thereunder shall not exceed the amounts fixed therefor in the adopted budget including contingency noted in Section 9(h)(3) hereof.

(2) The income of the District, as estimated in the budget and as provided for in the tax levy resolution and other revenue and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution.

(3) The Board may make an appropriation to and for a contingent fund to be used in cases of emergency or other unforeseen contingencies.

#### i. No ~~C~~ontract to Exceed Appropriation

The Board shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purposes, for which provision is not made in appropriation resolution, including any legally authorized amendment thereto, in excess of the amounts of such appropriation for that fiscal year. However, the amount of appropriated funds may be supplemented or adjusted during the year by adoption at a noticed public hearing of a Resolution amending the budget. ~~→~~Any contract, verbal or written, contrary to this Section shall be void ab initio, and no District funds shall be expended in payment of such contracts, except as follows:

#### i. Contingencies

(1) In cases of emergency caused by a natural disaster, public enemy, or other contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a two-thirds vote of the Board. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the minutes of such meeting.

(2) If so enacted, a copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government in the state Department of Local Affairs and shall be published in compliance with statutory requirements.



#### k. Payment of Contingencies

- (1) If there is unexpended or uncommitted money in funds other than those to which the emergency relates, the Board shall transfer such available money to the fund from which the emergency expenditure is to be paid.
- (2) To the extent that transferable funds are insufficient to meet the emergency appropriation, the Board may borrow money through available means which may include: (a) the issuance of tax anticipation warrants, to the extent that the mill levy authority of the District is available as provided by law, or (b) the issuance of bond anticipation notes payable from future bond proceeds or operating revenue, or (c) any other lawful and approved method.

#### l. Annual Audit

- (1) The Board shall cause an annual audit to be made at the end of each fiscal year of all financial affairs of the District through December 31st of such fiscal year. ~~In all events~~ Unless an extension has been filed, the audit report must be submitted to the Board within six months of the close of such fiscal year. Such audit shall be conducted in accordance with generally accepted auditing standards by a registered or certified public accountant, who has not maintained the books, records and accounts of District during the fiscal year. The auditor shall prepare, and certify as to its accuracy, an audit report, including a financial statement and balance sheet based on such audit, an unqualified opinion or qualified opinion with explanations, and a full disclosure of any violation of state law pursuant to statutory requirements.
- (2) A copy of the audit report shall be maintained by the District as a public record for public inspection at all reasonable times.
- (3) Per CRS Section 29-1-606, within 30 days of the Board's receipt of the auditor's report, the CEO or his/her designee shall cause a copy of the audit report ~~shall to~~ be forwarded to filed with the state Auditor or other appropriate state official pursuant to statutory requirements.

#### Section 10 Corporate Seal

The seal of the District shall be a circle containing the name of the District and shall be used on all documents and in such manner as seals generally are used by public and private corporations. The ~~secretary~~ CEO or his/her designee shall have custody of the seal and shall be responsible for its safe keeping and care.

#### Section 11 Code of Ethics

As elected public officials, all directors must abide by the Code of Ethics for Public Officials set forth in CRS Section 24-18-101 et seq. which obligations include, but are not limited to, the following:

- Holding public office is a position of public trust and officers are liable for breaches of fiduciary duties;
- The director/officer shall not disclose or use confidential information acquired in the course of duties to further personal financial interests;

- No director, officer or employee shall not accept a gift of substantial value or a benefit equal to a gift of substantial value which would improperly influence a reasonable person to depart from impartial discharge of duties; or which a reasonable person should know is primarily for the purpose of rewarding the official for action taken.

The following are guiding ethical principals set forth in CRS Section 24-18-105:

- A director or officer or an employee should not acquire/hold an interest in any undertaking which he/she has reason to believe may be directly and substantially affected to its economic benefit by official action to be taken by an agency over which he has substantive authority.
- A director or officer or an employee should not, within 6 months following termination of his/her office/employment, obtain employment in which he/she will take direct advantage, unavailable to others, of matters with which he/she was directly involved during his/her term of employment.
- A director or officer or an employee should not perform an official act directly and substantially affecting a business or other undertaking to its economic detriment when he/she has a financial interest in a competing business or undertaking.

As set forth in CRS Section 24-18-109, local government officials and employees shall not:

- Engage in a substantial financial transaction for his/her private business purposes with a person whom he supervises;
- Perform an official act directly and substantially affecting to its economic benefit a business or other undertaking in which he either has a substantial financial interest or is engaged as counsel, consultant, representative, or agent; or
- Accept goods or services for his/her own personal benefit offered by a person who is at the same time providing goods or services to the local government for which the official or employee serves except as set forth in the statute; and/or
- Fail to comply with conflict of interest obligations.

### **Section ~~121~~ Disclosure of Conflicts of Interest**

As set forth in CRS Section 32-1-902(3), any Director shall disqualify himself/herself from voting on any issue in which he/she has a conflict of interest, unless such Director has disclosed the conflict of interest as required by law to the Secretary of State and to the Board, and then, per CRS Section 24-18-109(3) only votes if his/her participation is necessary to obtain a quorum or otherwise enable the Board to act. As required by CRS Section 24-18-109(3), a Director with a conflict who does not vote shall also refrain from attempting to influence the decisions of other members of the Board in voting on the matter. Further, aA potential conflict of interest of any Director shall be disclosed in accordance with state law, particularly Article 18 of Title 24, C.R.S., and Sections 32-1-902(3) and 18-8-308, C.R.S. ~~The Upper San Juan Health Services District shall adopt the code of Ethics Principles as published by the National Association of Counties (NACO). Each Board member shall complete a Disclosure statement concerning conflict of interest as adopted by the District.~~

### **Section ~~132~~ Compensation**

Each Director ~~shall may~~ receive ~~the maximum~~ compensation ~~authorized by statute~~ not to exceed \$100 per meeting attended and not to exceed \$2,400 per annum (as set forth in CRS Section 32-1-902 and may be increased by the legislature from time to time), unless ~~otherwise deter~~ the Director ~~declines the same~~ mined by the Board. Per CRS Section 32-1-902(3)(b), no Director shall receive compensation as an employee of the District, ~~except as may be provided by statute.~~

### **Section 143 Indemnification of Directors and Employees**

The District shall defend, hold harmless and indemnify any Director, officer, agent, or employee, whether elective or appointive, against any tort or liability, claim or demand, without limitation, arising out of any alleged act or omission occurring during the performance of official duty, as more fully defined by law or by an indemnification resolution. The provisions of this Section shall be supplemental and subject to and, to the extent of any inconsistency therewith, shall be modified by the provisions of the Colorado Governmental Immunity Act, 24-10-101, et seq, C.R.S.

### **Section 154 Bidding and Contracting Procedures**

Except in cases in which the District will receive aid from a government agency, the District's CEO or her/his designee shall cause a notice shall be published for bids on all construction contracts for work or material, or both, involving an expense ~~of \$60,000 or more of District funds~~ in excess of the threshold limit set forth in C.R.S. Section 32-1-1001 which threshold the Colorado periodically increases for inflation. The CEO or her/his designee is responsible for assuring that PSMC complies with all internal policies and procedures addressing all statutory requirements for bids, bonds, retainage, and final payment. ~~The Board may reject any and all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may proceed to do so in accordance with law. All other statutory requirements relating to performance bonds, retainage, and similar matters shall also be complied with.~~

### **Section 165 General Elections**

The Board shall arrange for biennial elections of the officers in May ~~of even~~ in accordance with Colorado statute which is currently in odd-numbered years. All electors of the District shall be eligible to vote in the biennial election. The uniform Election Code (Articles 1 to 13 of Title 1, C.R.S.) shall apply to these elections. The code should be read in conjunction with Part 8, Article 1 of Title 32 C.R.S.

### **Section 176 Modification of By-Laws**

These By-Laws may be altered, amended or repealed at any regular or special meeting of the Board to become effective immediately or at a subsequent date.

### **Section 187 Records Management**

The District shall comply with, and adopt and maintain policies as necessary for compliance with, applicable records retention, destruction, and disclosure requirements, including the Colorado Open Records Act, State Archives and Public Records law, and various consumer privacy legislation. The District's ~~CEO manager~~ or his or her designee is responsible for internal policies and procedures to address all of the foregoing Records Management. ~~hereby designated as the Official Custodian of~~

~~Records pursuant to the Open Records Act. In the event there is any question as to whether the District is permitted to comply with an Open Records Act request, the Custodian of Records shall forward such request to the District's legal counsel. Copies of records shall be furnished at a cost of \$.25 per standard page. Where a request requires more than one hour of staff time for retrieval and/or review, the District may charge a nominal fee.~~

**Section 198 Severability**

If any part or provision of these Bylaws is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of these Bylaws, it being the Board's intention that the various provisions hereof are severable.

**UPPER SAN JUAN HEALTH SERVICE DISTRICT  
D/B/A PAGOSA SPRINGS MEDICAL CENTER**

**Formal Written Resolution 2023-19**

**August 22, 2023**

WHEREAS, the Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center Board of Directors (“Board”) has received the attached proposed redline revisions to Board Policies 1 through 13 (there being no changes to Board Policy No. 14 approved by the Board earlier in 2023); and

WHEREAS the Board has discussed such revisions at a duly noticed meeting of the Board.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UPPER SAN JUAN HEALTH SERVICE DISTRICT HEREBY RESOLVES** to approve the revisions to Board Policies 1-13 and incorporate the redline revisions attached hereto.

ADOPTED and APPROVED by the Board of Directors this 22<sup>nd</sup> day of August, 2023.

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Kate Alfred, Chair of the Board of Directors

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Protocol for Adoption of Director Policies  
Policy No.: 1**

I. OBJECTIVE

To establish the protocol for the adoption of policies by the Board of Directors (“Board”) of the Upper San Juan Health Services District d/b/a Pagosa Springs Medical Center (“USJHSD”).

II. POLICY

- A. Within the confines of the Bylaws and applicable laws, the Board may adopt such policies it determines to be beneficial to the effective functioning of USJHSD and its Board.
- B. The Board may, in its discretion, delegate drafting of policies to USJHSD’s CEO, legal counsel and/or other appropriate consultant.
- C. The Board may adopt policies by majority vote of the Board following the Board’s review at a duly noticed meeting of the Board.
- D. The Board intends to review all of its Director policies ~~not less than once every two years~~ from time to time as deemed appropriate by the Board.
- E. All policies of the Board are created by the Board to support best Board practices; in no instance shall a Board policy be intended or construed as creating a contractual right or recourse on the part of any USJHSD employee.

III. APPLICABILITY

In the event there is a conflict between any Board policy and any applicable law/regulation, USJHSD Bylaws, or lender agreement, the provision in any applicable law/regulation, USJHSD Bylaws, or lender agreement shall control over Board policy. Although the Board intends to follow its policies, the Board may make exceptions to its policies, without formal amendment thereto, upon majority vote of the Board to waive the policy in a given circumstance.

IV. RESPONSIBILITY

The Board shall be responsible for compliance with this policy.

| ~~April 22, 2014~~



**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Functions of the Board of Directors  
Policy No.: 2**

I. OBJECTIVE

To describe the major functions and responsibilities of the Board of Directors of USJHSD.

II. POLICY

A. The Board will respect the special district entity as follows:

1. Comply with all applicable federal, state, and local laws and regulations.
2. Establish and comply with Board of Director policies.
3. Elect the officers (Chair, Vice-Chair, Treasurer, ~~Secretary~~) of the Board consistent with PSMC Bylaws (Section 8(d)) which generally provide that officers shall be elected by a majority every two years at the first regular meeting of the Board following the regular biennial election of the directors in May of ~~oddeven~~-numbered years.
4. Comply with USJHSD's Bylaws and so long as the Board has such Bylaws, to regularly review and update the same.
5. Hold well-planned and effectively conducted Board meetings ~~monthly, or more often if required~~ on a regular schedule approved by the Board at the first meeting of every calendar year. The Board delegates the responsibility for preparing the preliminary agenda for Board meetings to the CEO; the CEO shall provide a draft of the agenda to the Chair of the Board for revision or approval. The CEO will cause the agenda, with supporting documentation, to be distributed typically at least three calendar days prior to the Board meeting. The CEO will cause the meeting to be noticed at least 24 hours prior to the meeting in accordance with C.R.S. Section 24-6-402(2)(c) and C.R.S. section 32-1-903(2)
6. Ensure that accurate minutes of the Board are prepared, approved and maintained. Minutes of the Board meetings will be taken by a person agreeable to the Board and the CEO to serve as liaison and coordinator to the Board who will prepare a draft for review by the Board.
7. Develop, individually and collectively, Board knowledge of USJHSD's business as well as Director duties and obligations.

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USJHSD Director Policy No. 2

Original Adoption: ~~April 22, 2014~~ August 11, 2023

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8. Regularly review and make recommendations to the Board regarding the Board's policies.
9. Fill vacancies of the Board as consistent with the law, USJHSD Bylaws, and Board policies.
10. Provide oversight and direction as described in Section B of this Director Policy No. 2.

B. To provide oversight and strategic direction to USJHSD as set forth below.

1. Interview candidates, and select and employ a competent leader (the Chief Executive Officer ("CEO")). Provide a high-level of direction and advice to the CEO while refraining from involvement in operational matters that are within the scope and authority of the CEO. Facilitate Board review of the performance of the CEO on (approximately) an annual basis.
2. Delegate to the CEO the powers and duties described in Policy No. 4 (Delegation of Authority from the Board of Directors to the CEO); additional powers and duties may be delegated by resolution of the Board.
3. Establish, with support from the CEO, a vision and strategic plan (with specific goals and objectives) for USJHSD.
- ~~4. Consider for approval, the goals and objectives of USJHSD as developed and recommended by the CEO in consultation with the Board.~~
- ~~5.4.~~ Provide financial oversight through the review and adoption of an annual budget, a capital expenditure plan, and a strategic plan.
- ~~6.5.~~ Consider and approve financial policies and financial plans appropriate to maintain sound financial management of USJHSD.
- ~~7. Consider and approve employee policies applying to all personnel, including the CEO.~~
- ~~8.6.~~ Consider and approve policies regarding As part of the annual budget approval, approve the costs for personnel and benefits.
- ~~9.7.~~ Consider and approve loans, real estate transactions, and/or any matters that require (pursuant to any law, approved plan, policy, or resolution) Board approval.
- ~~10.8.~~ Review periodic reports from the CEO to ensure conformity to the Board's approved goals, objectives, policies, and plans. These reports should be of sufficient scope to enable the Board of Directors to:
  - a. Prevent unauthorized action;

- b. Predict trends and forecast results;
- c. Determine where remedial or corrective action may be required; and
- d. Measure performance and results against plans, policies, goals and objectives.

~~11.9.~~ Approve depositories/banks for funds and designate those authorized to sign on behalf of USJHSD.

~~12.10.~~ As part of the annual budget approval, approve the costs for insurances coverages. ~~Typically on an annual basis, review the insurance coverages of USJHSD including, without limitation, insurance/bond coverage for Directors. As set forth in Policy No. 4, the Board delegates to the CEO the obligation to determine insurance coverage required for effective risk management subject to disapproval by the Board.~~

~~13.11.~~ Select and engage legal counsel following consultation of the CEO.

~~14.12.~~ Select and appoint independent financial auditors based on a recommendation of the Audit and Finance Committee.

~~15.13.~~ Review with the auditor, the annual financial audit and the management letter and ensure that any necessary action is taken. The auditor is to provide the audit and the management letter to the Audit and Finance Committee except if one or more Directors requests that the auditor provide its report directly to the Board, then the auditor will directly provide the same to the Board. The auditor is to provide the audit and the management letter prior to the meeting when the audit is presented.

~~16.14.~~ Review any independent management audit (if such an audit is undertaken) and ensure the Board approved recommendations are carried out by receiving and reviewing regular progress reports from the CEO.

### III. RESPONSIBILITY

The Board shall be responsible for ensuring compliance with this policy.

~~April 22, 2014~~

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**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Director Conduct  
Policy No.: 3**

I. OBJECTIVE

To establish standards of conduct for Directors of USJHSD and clarify Director duties owed to USJHSD.

II. POLICY

A. Conduct of a Fiduciary. Each Director is a fiduciary USJHSD and obligated to USJHSD and as such shall, at all times with respect to USJHSD, act:

1. in good faith;
2. with the same care as a reasonable prudent person would act in a similar position under similar circumstances;
3. in a manner the Director reasonably believes to be in the best interest of USJHSD; and
4. in a manner that disregards the Director's personal interests in favor of actions in the best interest of USJHSD.

B. Fiduciary Duties. Each Director owes the following fiduciary duties to USJHSD as summarized below.

1. Duty of Loyalty. The duty of loyalty includes, but is not limited to, the following: (a) the Director will put the best interests of USJHSD above the personal/other interests of the Director and/or the personal/other interests of others as consistent with applicable laws; (b) the Director will disclose to USJHSD information he/she knows that is materially relevant to the business of USJHSD.
2. Duty of Due Care. The duty of due care includes, but is not limited to, the following: (a) the Director shall keep himself/herself reasonably informed with respect to USJHSD matters upon which he/she may be called upon to act; (b) the Director shall prepare for, attend and participate in meetings of the Board and committees to which he/she is appointed; (c) the Director shall diligently discharge Board work in good faith as would a reasonably prudent person in conducting his/her own affairs; and (d) in discharging the Duty of Due Care, the Director may rely reasonably on information, opinions, reports or statements of USJHSD's advisors (a Director has not met this duty if he/she has knowledge of USJHSD matters that would make such reliance unreasonable or unwarranted).
3. Duties Regarding Conflicting Interest Transactions.

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USJHSD Director Policy No. 3

Original Adoption: ~~April 22, 2014~~ August 11, 2023

Page 1 of 4

- A Director will not participate in, authorize, approve or ratify a “Conflicting Interest Transaction” unless: (a) the Director’s vote is necessary to obtain a quorum or otherwise enable the Board to act; and (b) the Director discloses all material facts of the Director’s interest as required by C.R.S. § 32-1-902(b), C.R.S. § 24-18-110 and criminal code C.R.S. § 18-8-308; and (c) the Director refrains from attempting to influence the decisions of the other Directors voting on the matter.
- A “Conflicting Interest Transaction” includes, without limitation, a transaction proposed or pending before the Board in which a Director has a personal or private interest (including through a related family member or entity in which the Director holds an interest).
- Board members shall disclose conflicts of interest or potential conflicts of interest to the Board at the Board meeting and, as an elected official, to the Colorado Secretary of State at <https://www.sos.state.co.us/pubs/elections/ConflictOfInterest/conflictOfInterestHome.html>
- Consistent with the guidance of the Special District Association Board Member Manual, a Director with a conflict of interest will step out of the Board meeting during the report, discussion, and/or vote on the topic for which the Director has a conflict,

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4. Prohibited Transactions. Directors shall not participate in prohibited transactions including, without limitation, the following: (a) engage in a substantial financial transaction for the Director’s private business purposes with a person whom the Director inspects or supervises in the course of the Director’s official duties; (b) perform an official act directly and substantially affecting the economic benefit of a business in which the Director either has a substantial financial interest or is engaged as counsel, consultant, representative, or agent; (c) accept goods or services for the Director’s own personal benefit offered by a person who is at the same time providing goods or services to USJHSD for compensation, unless the totality of the transaction is deemed legitimate per C.R.S. § 24-18-109(c); (d) accept gifts related to or resulting from Director’s position on the Board if such gift is in excess of the statutory cap applicable to a ~~county official (in 2014 public employee (this limit is evaluated every 4 years and in 2019- the gift cap was \$65 such amount was \$53)~~; or (e) contracts prohibited by C.R.S. § 24-18-201.

C. Compliance with Laws. All Directors shall comply with the letter, intent and spirit of all applicable federal, state, and local laws and regulations.

D. Candor; Honesty and Integrity. In carrying out the Director responsibilities, each Director shall be candid with the Board, shall be honest and forthright in his/her communications, and shall act with integrity that reflects positively on USJHSD. No Director shall accept a gift, benefit, enticement or an unlawful payment from any other person/entity in exchange for action by the Director. Any acceptance by a Director of

a gift or benefit must immediately (delaying not more than two weeks) be disclosed by the Director to the entire Board. No Director will misuse any USJHSD asset.

E. Communication.

1. No Director shall have verbal or written communications in violation of the Colorado Open Meetings laws.
2. With respect to all matters and discussions that are not subject to Open Records disclosure (including without limitation, attorney advice, personnel matters, HIPAA protected information, or other matter confidential by law) each Director shall hold such matters and discussions strictly confidential.

F. Behavior at USJHSD Meetings of Board members. At all Board meetings, committee meetings, meetings with staff, or other places/events of USJHSD business, each Director shall:

1. Be in compliance with the Open Meetings laws. Specifically, *three or more* directors shall not communicate (in person, by phone or by email – including a series of such communications) to address USJHSD business unless: (a) such meeting is duly noticed; or (b) such meeting/communications are to address ministerial tasks (such as to schedule a meeting time) or to receive (but not respond to) a communication such as a board packet;
- ~~2.~~ 2. Timely provide responses to communications and requests;
- ~~3.~~ 3. Speak-Communicate and act in a courteous and professional manner;
- ~~4.~~ 4. Be respectful of the time of others, including other Directors and staff, and not engage in excessive commentary on a matter;
- ~~5.~~ 5. Not raise issues at Board meetings that have not been noticed and added to the agenda (Board members seeking to discuss a topic need to make a request of the Chair who addresses the request as part of agenda preparation);
- ~~6.~~ 6. Consider making a request for an executive session before discussion about matters where confidential discussion is permissible and prudent;
- ~~7.~~ 7. Unless in a USJHSD Board or committee meeting, not impose upon the CEO unless such communications are part of work contemplated by a Board or a committee or are obligations of the Chair~~man~~ of the Directors; ~~and~~
- ~~8.~~ 8. Unless in a USJHSD Board or committee meeting, not impose upon and/or have communications directly with staff unless: (a) such communications are part of work contemplated by a Board or a committee or are obligations of the Chair~~man~~ of the Board; and (b) the ~~-~~CEO has advanced knowledge of such direct communication with a staff member~~;~~;
9. Board members will support the legitimacy and authority of final Board actions regardless of the Board member's personal position on the issue~~;~~;
- ~~8.~~ 10. Board members shall act and function as a Board and shall not take independent actions that are not clearly sanctioned by the Board.

### III. RESPONSIBILITY

Each Director shall be responsible for compliance with this policy.

April 22, 2014

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Delegations of Authority from the Board of Directors to the CEO  
Policy No.: 4**

I. OBJECTIVE

To define the delegations of authority from the Board to the CEO to enable the CEO to adequately direct the business of USJHSD and to report to the Board on the results achieved.

II. POLICY

A. Planning.

1. ~~Policies for approval of the Board;~~ Procedures consistent with policy.

To formulate, with staff as appropriate, policies appropriate for the business operations of USJHSD and to comply with applicable laws and regulations, without limitation, Medicare and Medicaid; ~~such policies shall be presented to the Board for its review and approval. To create internal procedures to carry out Board policies.~~

2. Objectives.

To develop, and have approved by the Board, goals and objectives and plans and programs designed to meet those goals and objectives. To review annually these objectives and goals, as well as the results achieved, with the Board or a committee of the Board.

3. Long and Short Range Plans.

As and if necessary, to conduct studies with the staff and outside consultants, and to recommend to the Board short-range plans and long-range plans, and to report to the Board on results compared to the plans. Such plans may be, without limitation, in the areas as healthcare industry changes/developments, political matters, development strategies, staffing, construction, equipment, facilities, financial forecasts, public relations, marketing, etc.

4. Work Plans and Budgets

To formulate with the consultants and staff, annual work plans and budgets for USJHSD to recommend such plans and budgets to the Board or a committee of the



Board for its consideration, and to provide detailed reports on revenue, expenses, and other results compared to such plans.

5. Elections

To assist/facilitate, through consultants and staff, with the administration and organization matters for periodic Board elections.

B. ORGANIZATION

1. Organization Structure

- a. To periodically review activities of USJHSD and to determine, with staff as appropriate, the operational organization structure best suited to carry out the overall objectives of USJHSD within the limitations of the budget.
- b. To determine, with staff as appropriate, the need for additional positions, the transfer, reassignment, or elimination of present positions, and to effect such changes, provided they are within the limitations of the personnel costs of the approved budget.

2. Selection of Personnel

- a. To develop or approve standards and qualifications for use in recruitment, assignment, and promotion of personnel. Such standards and qualifications will meet all federal and state legal requirements.
- b. To select, assign, transfer, promote, and terminate personnel.

3. Training

- a. To ensure that the staff members and volunteers are trained in accordance with the qualifications and requirements of their position.
- b. To initiate and promote, through appropriate staff, training programs for all personnel within limitations of the approved budget.

4. Performance Appraisals

- a. To appraise, on approximately an annual basis, the performance of management staff members.

5. Position Descriptions

- a. To ensure that written position descriptions and job specifications are prepared, in a manner compliant with applicable laws, for all personnel.

6. Benefits

- a. To administer and to approve activities and actions with respect to leave (whether paid time off, holiday, and/or sick leave, and other benefit programs for the personnel within the scope of policies established by the Board and within the limitations of the budget.

#### 7. Consultants

- a. To recommend to the Board the employment of principal consultants (other than the firm performing the independent financial audit which decision the Board shall not delegate) in areas that impact the functions of the Board.
- b. To select and appoint other outside specialized consultants, and to negotiate contracts or agreements for services of such specialized consultants, within the limitations of the work plan and budget; and, to advise the Board of actions taken.
- c. To report, at least annually, to the Board on services provided and the fees received by the principal consultants.

#### 8. Compensation Management

- a. To ensure that a compensation plan is updated annually.
- b. To determine all staff compensation adjustments (except the CEO's salary) in accordance with policy and within the limitations of the budget.

### C. OPERATIONS

#### 1. Overall Administration

- a. To direct the day-to-day operations and activities of USJHSD except as specified otherwise by the Bylaws of the Board; to delegate authority to staff with full recognition that the CEO cannot be relieved of overall responsibility or accountability to the Board of Directors.
- b. To manage operations of USJHSD in accordance with policies and procedures of the Board as well as applicable federal, state and local laws.
- c. To ensure that staff advice and assistance is provided to the Board and its committees, and to participate in the deliberation of these committees if requested by the Board.
- d. To accept invitations to participate in or designate other staff members to participate in national, regional, state, and local meetings with the best interests of USJHSD within the limitations of Board policy and the approved budget. Participation by the CEO in activities which requires considerable time (beyond the CEO's customary involvement in such activities) over a substantial period requires the approval of the Board.
- e. Subject to the Board's Communication policy, to serve as the authorized spokesperson for USJHSD for regional, state and local matters and to keep the Board up to date and well informed on such matters.

## 2. Financial

- a. To make expenditures in accordance with the approved budget.
- b. To invest or reinvest USJHSD funds in accordance with the directives of the Board and financial policies.
- c. To authorize and approve the travel expenses of personnel, except the CEO, on USJHSD business within the limitations of the budget and within the requirements of established policy. Expenses of the CEO will be reviewed and approved by the Chair~~man~~ of the Board.
- d. To approve accounting systems, procedures, statistics, and types of reports necessary for sound financial management and to meet the requirements of lenders and regulatory agencies and for necessary control information required by the Board.
- e. Except for capital expenditures of a type or amount that must be approved as part of a capital plan/budget, to purchase or lease all equipment, hardware, furniture, materials, and supplies within the guidelines of the budget.
- f. Subject to Board approved policies and plans, negotiate and execute contracts for the effective management of USJHSD.
- g. To determine insurance coverage required for effective risk management, ~~subject to disapproval of the Board,~~ and to negotiate purchase of such coverage.
- h. To perform all acts necessary or incidental to the management of the operations of USJHSD, unless such acts are specifically reserved to the Board pursuant to law, the Bylaws (if any), or policies.
- i. Subject to the CEO's reporting obligations to the Board regarding any known or potential claims against USJHSD, to settle claims and suits resulting from operations (but not involving the claims/suits involving or against the CEO) if such settlement is deemed by the CEO to be in the best interests of USJHSD and for a total value not exceeding ~~ten thousand dollars (\$10,000.00).~~ the CEO's expenditure authority and to report the same to the Board.

## 3. Controls

- a. Reports. The CEO will make reports to, on intervals established by the Board on: operations, finances, development, marketing, industry matters, applicable legislative changes, and construction facilities.

## III. RESPONSIBILITY

- A. The CEO shall report to the Board periodically on how these delegations are being carried out. The CEO may make further delegations to her/his staff as required.
- B. The Board is responsible for approving ~~policies, plans and~~ any changes in the delegations to the CEO.

April 22, 2014

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Board of Directors – Chief Executive Officer (CEO) Relationship  
Policy No.: 5**

I. OBJECTIVE

To establish the policy governing the relationship between the Board of Directors and the CEO, including the principles involving the delegation of authority.

II. POLICY

- A. The Board of Directors reserves its authority to approve the budget and the strategic direction and plan for USJHSD. ~~establish policy, approve plans and programs and delegate authority to establish policy, approve plans and programs to its CEO.~~
- B. Consistent with direction of the Board ~~and policies adopted by the Board~~, the CEO will have the authority to manage the operations of USJHSD.
- C. Directors shall act *collectively*, as the Board of Directors of USJHSD, under an approved order of business.
- D. Each Director shall have no authority outside of the Board meeting, except and unless she/he is specifically authorized to act or speak for the Board. No Director, individually, shall cause USJHSD to make any commitment or obligation.
- E. Each Director shall not speak publically on behalf of USJHSD unless authorized to do so pursuant to the Board’s Communication policy or by specific direction or resolution of the Board.
- F. If an individual Board member receives a complaint about the CEO, the Board member will not engage in formulating a response/resolution but will promptly refer the matter to USJHSD’s legal counsel and the Board’s Executive Committee.
- G. The Board of Directors shall refrain from discussing operational management issues with any personnel of USJHSD other than the CEO. Subject to II(F) immediately above, if an individual Board member receives a complaint from an employee other than the CEO, the Board member will not engage in communication but shall immediately refer the complaint to USJHSD’s legal counsel and or the CEO.
- H. It shall be distinctly understood that the “flow” of authority for the management of USJHSD shall pass through the CEO and the CEO shall be the connecting link between the Board of Directors and USJHSD personnel.

- I. Generally, the Board will collectively or through a committee provide direction to the CEO, and no Director acting independently is to provide direction to any USJHSD employee.
- J. When an individual Board member receives a complaint from a patient or member of the community, the Board member will refer the complaint to the CEO and may request a full report to the Board of the action taken.
- K. The Board of Directors is responsible for the employment of a CEO, and further the additional responsibility for a systematic appraisal of the CEO's performance in order that growth, development and effective improvements are encouraged.
  1. On or about the month of February each year the CEO will provide a report to the Board ~~on goals accomplished of accomplishments in the past of the prior~~ year. This report, along with any appraisal process established by the Board will be discussed by the Board prior to communicating the performance review with USJHSD's CEO.
  2. On or about the month of March each year, the Board will meet with the CEO to discuss her/his appraisal and to discuss ~~and set goals plans~~ for the following year.

### III. RESPONSIBILITY

Each Director shall be responsible for compliance with this policy.

~~April 22, 2014~~

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Compensation of Directors; Qualifications  
Policy No.: 6**

I. OBJECTIVE

To address compensation to the Directors.

II. POLICY

- A. If the Board agrees to compensate its Directors, such compensation shall be in accordance with C.R.S. § 32-1-902(3)(a). As of 201~~8~~<sup>4</sup>, said statute provides that compensation to each Director shall not exceed more than One Hundred Dollars (\$100.00) per meeting and not more than ~~One Thousand Six~~ Two Thousand Four Hundred Dollars (~~\$1,600~~2,400.00) per year.
- B. Per C.R.S. § 32-1-902(3)(b), n~~n~~o person shall simultaneously be an employee of USJHSD while serving as a Board member of USJHSD.

III. RESPONSIBILITY

- C. It shall be the responsibility of the Board of Directors to ensure that the provisions of this policy are carried out.

~~April 22, 2014~~ \_\_\_\_\_

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Duties of the Chair~~man~~/woman of the Board of Directors  
Policy No.: 7**

**I. OBJECTIVES**

To clarify the additional duties of the Chair~~man~~ of the Board.

**II. POLICY**

A. The following provides a broad summary of the additional duties delegated by the USJHSD Board of Directors to the Chair~~man~~ of the Board:

- i. Presides over meetings of the Board.
- ii. Facilitates communications with the other Directors and the CEO for the coordination of Board meeting times, agendas and reports.
- iii. Serves as the main point of contact between the CEO and the Board except where a committee serves as the primary contact on a matter; shall respond to matters raised by the CEO and shall report the same to the Board.
- iv. Responsible for external communications on behalf of the Board consistent with the Board's Communication policy.
- v. Facilitates (or delegates to another Director) the performance review(s) of the CEO.
- ~~v~~.vi. Determines Board committee assignments.
- ~~v~~.vii. Such other duties as agreed upon from time to time by the Board and the Chair~~man~~.

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III. RESPONSIBILITY

The Board shall be responsible for ensuring compliance with this policy.

~~April 22, 2014~~

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**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Committees of the Board of Directors  
Policy No.: 8**

I. OBJECTIVE

To provide for the establishment of committees to ensure that committee functions are clearly defined and reviewed periodically.

II. POLICY

- A. The Board of Directors may establish or abolish such standing or special committees as it deems desirable.
- B. Each committee shall have such powers and duties as may be delegated to it by the Board of Directors. Functions of the committee shall be defined in additional policies adopted by the Board.
- C. The CEO or other staff may be invited by a committee to some/all committee meeting(s) to provide staff advice and assistance.

D. The standing committees and general responsibilities of each committee shall be:

- 1. **Executive Committee:** See Policy 10
- 2. **Finance and Audit Committee:** See Policy 9
- 3. **Strategic Planning Committee:** The Strategic Planning Committee meets to evaluate proposed plans for USJHSD’s future direction and report the same to the Board. The Strategic Planning Committee is generally comprised of two directors and management’s senior leaders. The Strategic Planning Committee generally meets at least three times per calendar year.
- 4. **Facilities Committee:** The Facilities Committee meets to discuss, review or evaluate significant projects related to the facility. Facility projects “of significance” include, for example, projects that could impede operations or projects of significant consequence strategically or financially. The Facilities Committee generally meets at least six times per calendar year.
- 2-5. **Foundation Board:** The Foundation Board meets to receive reports of fundraising activities, to review Foundation financials, and to receive the audit of the Foundation. The Foundation Board meets at least three times per calendar year.

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~~E. Standing committee appointments shall be for a duration set by Director policy numbers 9 and 10. Nothing herein shall be construed as precluding renewal of a committee appointment or early resignation from a committee.~~

### III. RESPONSIBILITY

- A. It shall be the responsibility of the Board of Directors to establish or abolish committees, approve changes in committee functions and receive and act upon committee reports or recommendations.
- B. The Chairman of the Board will appoint Directors to committees taking into consideration the best interest of USJHSD, Director expertise and Director preference.
- ~~C. The Chairman of the Board shall be on the Executive Committee. The Treasurer shall be on the Audit Committee.~~
- ~~D. The chair of such committees shall be appointed by the Chairman of the Board of Directors.~~
- E.C. Board committees shall meet as ~~required~~needed to conduct the work of the committee. The ~~Chairman~~ of the Board of Directors may convene a committee meeting. To the extent a committee needs staff support or input, the committee will work with/through the CEO to coordinate a workable meeting schedule.
- ~~F.D.~~ Each committee member will be notified at least ~~three-twenty-four hours~~ days in advance of the committee meeting. This requirement may be waived in an emergency or in an urgent situation.
- ~~G.E.~~ A committee report shall be made ~~by the committee chair~~ to the Board at the next Board meeting.
- ~~H.F.~~ All directors will be notified at Board meetings of each committee meeting that took place. ~~Non-committee members may attend but shall refrain from interfering in the committee's business and if such committee meeting is compensated in accordance with Director Policy No. 6, non-committee members will not be paid for attendance unless their attendance is specifically requested by the Chair of the Board.~~

~~April 22, 2014~~

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Statement of Functions of the ~~Audit and~~ Finance Committee  
Policy No.: 9**

I. BASIC FUNCTION

To facilitate and provide oversight to the annual audit process as well as financial and cash management and controls; ~~the Audit and Finance Committee will make recommendations to the Board regarding the same.~~ The Finance Committee shall consist of two Directors and the CEO and his/her designees as set forth in this Policy. The Board may invite other persons to sit on the ~~Audit and~~ Finance Committee; however, such participation by non-Directors shall be subject to the invitation and pleasure of the Board.

II. DUTIES AND RESPONSIBILITIES

- A. Reviews the annual financial audit and the management letter to determine if any action is required and discusses, as appropriate, such action with the CEO and/or the Board.
- B. Studies staff/consultant recommendations on cash management policies. Reviews periodically the investment of USJHSD funds ~~to make sure the principal is safe and the rate of return is reasonable and for compliance with the Board's Investment Policy and~~ discusses with the CEO any action required.
- C. Periodically reviews with the CEO, the firms available to conduct financial audit. ~~Recommends to the~~The Board of Directors ~~the selection of~~ selects the auditor. ~~May recommend, and may request,~~ on an annual basis, any special emphasis desired in the audit.
- D. Annually reviews with independent financial auditors, ~~corporate~~ accounting and internal control programs and ~~makes appropriate recommendations~~ highlights questions or concerns to the Board of Directors and/or CEO.
- E. ~~Annually~~ Periodically reviews the Strategic Plan's objectives and goals in areas ~~assigned to the Audit~~ related to the Finance Committee.
- F. Reviews compliance with IRS requirements in conjunction with the annual audit.
- G. Reviews proposed policies and revisions to policies as recommended by the Board of Directors or CEO in areas assigned to this committee.
- H. Reviews recommendations of the CEO on the selection of principal consultants within areas of this committee's responsibility. ~~Reviews proposed contracts or agreements with such principal consultants. Reviews results, compared to such contracts or~~

~~agreements, discusses with the CEO any remedial action required,~~ and makes periodic reports to the Board on the results being achieved.

- I. Serves the Board in such other areas as may be specifically assigned to it by the Board of Directors.

### III. FINANCE

- A. Meet on not less than a quarterly basis with the CEO (or, if delegated by the CEO, to USJHSD's senior finance position) to review the status of the operating budget, capital budget and forecasts.
- B. Review major revisions to the operating budget, forecasts and/or significant nonbudgeted needs or expenditures and is prepared to ~~make recommendations~~report to the Board regarding the same.

### IV. ORGANIZATIONAL RELATIONSHIPS

- A. The committee reports to the Board of Directors.
- B. ~~In addition to non-Directors, t~~The committee shall be comprised of two Directors: the Treasurer and one other Director.
- C. The committee shall meet as appropriate each year generally prior to regular meetings of the Board. ~~—~~The committee ~~chair-Treasurer~~ and/or the Chair of the Board of Directors may convene a meeting of the committee.
- D. The CEO or his/her designees will support the committee as requested by the committee.

### V. TERMS OF OFFICE

- A. The committee is a continuing one.
- B. The term of ~~the Treasurer shall coincide with the officer (Treasurer) term and the other each Director sitting on the committee shall be for one (1) year (which may, per Director Policy No. 8, be renewed).~~ Director shall serve at the pleasure of the Chair of the Board.

~~April 22, 2014~~

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Statement of Functions of the Executive Committee  
Policy No.: 10**

I. BASIC FUNCTION

To serve as a committee which can be called together on short notice to address unique or urgent matters necessitating consult, review or approval of the Board. Further, the Executive Committee will serve to address any matter that would not logically be assigned to any other existing committee.

II. DUTIES AND RESPONSIBILITIES

- A. Reviews matters presented by any Director or the CEO, which are perceived to need ~~advice~~ evaluation or action on short notice.
- B. Reviews any unique or urgent matter necessitating consult, review or ~~approval~~ evaluation, which matter is not logically assignable to another committee.
- C. Reviews Board operations and ~~makes recommendations~~ reports (unless such reports are provided to the Board by the CEO) to the full board.
- D. Unless a separate committee is formed for personnel matters, the Executive Committee facilitates any personnel matters with the CEO or raised by the CEO.

III. ORGANIZATIONAL RELATIONSHIPS

- A. The committee reports to the Board of Directors.
- B. The committee shall be comprised of two persons: the Board's Chair ~~man/woman~~ and the Vice-Chair ~~man/woman~~. ~~If either are unable to attend, the Secretary may serve as a substitute.~~
- C. The committee shall generally meet monthly but only upon a call by the ~~committee chair~~ Chair of the Board.
- D. The CEO will support the committee as requested by the committee.

IV. TERM OF OFFICE

A. The committee is a continuing one.

B. The term of each Director ~~sitting on the committee shall be for one (1) year (which may, per Director Policy No. 8, be renewed).~~ shall coincide with officer (Chair and Vice-Chair) terms.

~~April 22, 2014~~

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Board Communications  
Policy No.: 11**

I. OBJECTIVES

To provide protocols regarding confidential matters and regarding any communication by any Director about USJHSD matters.

II. POLICY

A. With respect to all matters and discussions that are not subject to Open Records disclosure (including without limitation, attorney advice, personnel matters, HIPPA protected information, or other matter confidential by law) each Director shall hold such matters and discussions strictly confidential.

Nothing herein contained is intended to supersede the disclosure of information required by law or compelled by court order.

B. All communications between the Board and the media shall be made by the Chair~~man~~ of the Board. Any Director, other than the Chair~~man~~, who is contacted by the media shall decline comment and shall refer the matter to the Chair~~man~~. Unless the Board approves a specific resolution to the contrary, in the absence of the Chair~~man~~, only the Vice-Chair~~man~~ shall be authorized to make such communications, and in the absence of both the Chair and Vice-Chair, only the Treasurer.:-

C. When a Director is identified as a USJHSD Director in a community setting the Director shall use good judgment in answering questions concerning USJHSD and assure that it is understood that a Director cannot disclose confidential information or speak on behalf of the entire Board (unless authorized to do so). If appropriate, the matter will be referred to USJHSD staff.

III. RESPONSIBILITY

Each Director shall be responsible to strictly comply with this Policy.

~~April 22, 2014~~



**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policies Governing the Directors of USJHSD**

**Subject: Services of Consultants  
Policy No.: 12**

I. OBJECTIVES

- A. To establish the policy governing the engagement, selection and use of consultants.
- B. To define the relationships existing between engaged consultants, the Board of Directors and the CEO.

II. POLICY

A. Engagement and Use of Consultants

- 1. To best manage USJHSD, the Board of Directors and/or the CEO may utilize consultants for advice.
- 2. The CEO will provide for the estimated cost of using consulting services in preparing USJHSD's estimated annual operating budget.

B. Selection of Consultants

- 1. The Board shall select the auditor and may consider ~~advice of the Audit and reporting of the~~ Finance Committee in making its selection.
- 2. The Board will work with the CEO with respect to selection of consultants who advise both the Board and the CEO.

C. Relationships

- 1. USJHSD's general ~~outside~~-legal counsel represents the entity, USJHSD, and as such, may advise the Board on Board-level matters and the CEO on operational matters.
- 2. The auditor will conduct the audit on behalf of the USJHSD Board and shall have an obligation to report directly to the USJHSD Board unless the Board requests otherwise.
- 3. Any other consultant will report to USJHSD's CEO unless the Board requests otherwise.

III. RESPONSIBILITY

- A. The CEO shall be responsible to the Board for recommendations to provide for inclusions of consultant appearance and reports on the agenda for Board meetings. The CEO shall have a further responsibility to furnish advice to the Board on selection and use of consultants; this responsibility includes adequate provision in the annual operating budget. The Board shall be responsible for ensuring compliance with this policy.

| ~~April 22, 2014~~

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policy of the Board of Directors of USJHSD**

**Subject: First Amended and Restated Financial Internal Controls  
Policy No.: 13**

**I. OBJECTIVES**

The purpose of this policy is to provide for internal controls for authorizing USJHSD payments (checks, wire transfers, ACH transactions, credit or otherwise) and contracts.

**II. POLICY**

**A. Payment Transactions of \$99,999 or less.**

1. The CEO has authority (consistent with PSMC's enterprise status and the approved budget or other specific approval) to authorize payments of \$99,999 or less.
2. The authorized signors for payments of \$99,999 or less are: (a) the sole signature of the CEO; or (b) a combination of two (2) signatures of the following persons acting within the scope of CEO approval: the CFO (or the Controller in the absence of the CFO), the COO/~~CNO~~, or the CAO ~~and/or the Controller~~.

**B. Payment Transactions of \$100,000 or more.**

1. Board approval (consistent with PSMC's enterprise status and the approved budget or other specific approval) is required to authorize payments of \$100,000.00 or more.
2. The signatures required for payment transactions of \$100,000.00 or more are a combination of two signatures of the following persons: a USJHSD Board officer and the CEO, CFO (or Controller in the absence of the CFO), ~~CNO/COO~~, or CAO ~~or Controller~~.
3. The foregoing requirement of Board approval for payments is not to be construed as a limitation on the authority of certain employees to enter contracts as set forth in Section C of this policy.

**C. Authority To Execute Contracts.** The CEO, CFO, COO/~~CNO~~ and CAO are authorized to enter into contract agreements on behalf of USJHSD as follows:

1. All physician/provider employment contracts and independent contractor agreements so long as: (a) such contracts are within the material terms of the standard form agreement reviewed from time to time by the Board's ~~Contract~~ Executive Committee; and (b) within the parameters for compensation (fair market

value up to the 90<sup>th</sup> percentile of MGMA as such fair market valuations are issued by MGMA approximately every 3-4 years) and such valuations are presented to the Board's ~~Contract-Executive~~ Committee from time to time; and

2. Contracts (including, without limitation, operational contracts) reasonably anticipated by and flowing from the budget approved by the Board; and
3. Contracts resulting from specific approval of the Board and/or otherwise reasonably anticipated by and flowing from a specific approval from the Board.
4. With respect to this Section C, the following are limitations on the authority of the CEO, CFO, COO/~~CNO~~ and CAO to execute contracts described in this Section C:
  - Subparagraph 1 regarding physician/provider:
    - Any physician/provider contract not meeting the criteria set forth in Section C(1) of this policy shall always be presented to the Board's ~~Contract-Executive~~ Committee, and ~~the Contracts-Executive~~ Committee ~~will make recommendations regarding approval/denial of the contract by reports to~~ the Board of Directors.
    - From time to time, generally nNot less than one time per year ~~(and more often if material provider contract activity warrants)~~, PSMC leadership will present to the Board ~~Contract-Executive~~ Committee a complete spreadsheet of all physician and provider contracts which includes MGMA percentile of pay and any previously approved deviations from the material terms of PSMC's form contract. The Board ~~Contract-Executive~~ Committee will report ~~on the same~~ to the Board of Directors.
  - Subparagraph 2 and Subparagraph 3:
    - The following contracts (including amendments and extensions) shall require specific approval and as such shall be presented to the ~~Board's Finance Committee. The Finance Committee will make recommendations regarding approval/denial of the contract by the~~ Board of Directors:
      - The contract for the Board's auditor.
      - Contracts to buy/sell/convey real property.
      - Contracts to take out a loan or bond financing.
      - Contracts to increase employee retirement or health coverage benefits at a cost/coverage in excess what is currently in place.
      - Contracts with a term in excess of five years except that there is authority to proceed with execution if such contract

- includes a “no cause / no penalty” provision to terminate the contract with notice of one year or less.
- Contracts that are not included/anticipated by the budget (i.e. would be in excess of the budget) and are an expenditure in excess of \$100,000 in the budget year.
    - This limitation does not preclude decisions made by the CEO (or CEO’s designee) together with the Board’s representative (the Board Chair -- or, if unavailable, the Vice-Chair or Treasurer) to enter into a contract for something to address an emergency for an amount in excess of \$100,000 and not anticipated by the budget. In such instance, the contract would be presented to the full Board for ratification at the next practical time.
    - This limitation is not intended to limit, for example, new or changes in vendors for patient care such as infusion medications when infusion medications are anticipated by the budget even where expenditures for such patient medications may be in excess of budget.
  - The CEO employment contract (except this contract is negotiated ~~and recommended to the Board~~ by the Board’s Executive Committee within the scope of authority from the Board of Directors ~~and does not go to Finance Committee~~).
  - Not less than two times per year (and more often if material contract activity warrants), PSMC leadership will present to the Board’s Finance Committee ~~a complete spreadsheet of all~~ information regarding PSMC contracts (but not physician/provider contracts that are addressed by Contract Committee). The Board Finance Committee will report on the same to the Board of Directors.

D. **Review of Check Registers.** The check registers for all USJHSD accounts will be reviewed (together with supporting documentation as reasonable and prudent) and accepted, on a monthly basis (no more than two months in arrears), by the Controller as well as the Chief Financial Officer or the Chief Executive Officer.

- E. **Electronic Signatures.** Nothing precludes an electronic signature on a check so long as such electronic signatures are subject to a written process ~~specifically approved-reviewed~~ by the Board's Finance Committee and there was no objection.
- F. **Termination of authority to sign is automatic without need for further action.**
1. The signing authority of an employee (by virtue of this policy, a signature card or otherwise) shall *automatically* terminate immediately and concurrently with the employee's termination of employment.
  2. The signing authority of a USJHSD Board Member (by virtue of this policy, a signature card~~e~~ or otherwise) shall *automatically* terminate immediately and concurrently with the termination of the Board Member's board membership.
- G. **Supersedes Previously Approved Policies/Procedures or Previously Implemented Policies/Procedures.** Upon the USJHSD Board's approval of this policy, this policy shall supersede any other policy/procedure *previously* approved or implemented that is inconsistent with this policy.

**UPPER SAN JUAN HEALTH SERVICES DISTRICT d/b/a  
PAGOSA SPRINGS MEDICAL CENTER  
Policy of the Board of Directors**

**Subject: INVESTMENT POLICY  
Board Policy No.: 14**

1) **POLICY.**

- a) This is the investment policy of the Upper San Juan Health Service District, which does business under the trade name Pagosa Springs Medical Center (“PSMC”), and may not be modified without the approval of the Board of Directors.
- b) It is the policy of PSMC to invest its funds with the goal of obtaining a competitive investment return consistent with preserving principal, maintaining the liquidity necessary for operational cash flow demands, and compliance with applicable laws including, without limitation, Colorado’s Public Deposit Protection Act (“PDPA”).

2) **INVESTMENT OBJECTIVES.**

- a) PSMC’s funds shall be invested in a manner designed to accomplish the following objectives which are listed in order of priority:
  - i) **SAFETY:** Safety of principal is the foremost objective of this Investment Policy. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal.
  - ii) **LIQUIDITY:** Investments will remain sufficiently liquid to enable PSMC to meet all needs for cash which might reasonably be anticipated; adequate, but not excessive, liquidity shall be the objective. To the extent possible, investment maturity will be matched with anticipated cash flow requirements of PSMC.
  - iii) **YIELD:** Investments shall be managed with the objective of attaining a competitive rate of return given the constraints of safety and liquidity.

3) **COLLATERALIZATION.**

- a) The Colorado Public Deposit Protection Act requires at least 102% collateralization for any uninsured deposits in bank accounts, money market accounts, or certificates of deposits; per the PDPA, the 102% collateralization is based upon the highest daily amount of public funds on deposit in the prior month. PSMC may only invest in certificates of deposit with institutions who are certified as “PDPA Public Depository” by the State of Colorado Division of Banking.

4) **PSMC’S AUTHORIZED INVESTMENTS.**

- a) Insured or collateralized as required by the PDPA:
  - i) bank account deposits including a deposit placement network in which funds are deposited in increments to take advantage of FDIC insurance coverage;
  - ii) money market deposits; or
  - iii) certificates of deposit.
- b) Any security issued by, fully guaranteed by, or for which the full credit of the United States treasury is pledged for payment so long as the period from the date of settlement of this type of security to its maturity date is no more than five years unless the Board of Directors of PSMC specifically authorizes a period in excess of five years.
- c) Local Government Investment Pools (e.g., ColoTrust).

5) **BANKS, INVESTMENT FIRMS, BROKERS OR DEALERS.**

- a) **SELECTION:**
  - i) Banks, investment firms, brokers or dealers shall be selected by a due diligence review process.
  - ii) All investment firms, brokers or dealers shall complete the broker/dealer questionnaire attached hereto as Appendix A.
  - iii) The bank, investment firm, broker or dealer shall maintain an office in the State of Colorado as so designated in the annual audited financial report for the institution.
- b) **FEES:** PSMC shall not incur or pay fees for the administration, management and investment of PSMC’s funds in an amount that is higher than the fee commonly charged by private investment advisors.
- c) **REPORT:** The institution shall provide regular transaction, monthly, quarterly and annual reporting to PSMC regarding the Authorized Investments. PSMC shall maintain report information including PSMC’s investment fees (whether such fees are paid to a firm, broker and/or for a transactions).

6) **INVESTMENT OFFICIALS.**

- a) “PSMC’s Investment Officials” include the following:
  - i) PSMC’s Board who is responsible for setting policy via this Investment Policy as such policy may be updated from time to time by approval of the Board.
  - ii) PSMC’s Chief Executive Officer (“CEO”) to whom the Board delegates responsibilities.
  - iii) PSMC’s Chief Financial Officer (“CFO”) and PSMC’s Controller to whom the CEO delegates the responsibilities for operationalizing the investments and reporting on the same to the CEO and Board.

7) **PRUDENCE.**

- a) PSMC Investment Officials shall invest PSMC funds with judgment and care, under prevailing circumstances, which a person of prudence, discretion and intelligence



exercises in the management of their own affairs, not for speculation, but for investment, considering the safety of principal as well as the income to be derived.

- b) “PSMC Investment Officials” shall use the “prudent investor” standard applied in the context of managing PSMC’s overall portfolio of funds.
- c) PSMC Investment Officials acting in accordance with this Investment Policy and exercising due diligence shall be relieved of personal responsibility for market price changes and/or specific credit risks.

8) **IMPARTIAL DECISIONS WITHOUT CONFLICTS OF INTEREST.**

- a) No PSMC Investment Official or other PSMC employee involved in the investment process shall conduct any personal business activity that could conflict with PSMC’s proper management of PSMC’s portfolio and/or interfere with impartial investment judgment or decisions. Investment Officials or employees involved in the investment process must disclose any financial interests that could be related to the performance of PSMC’s portfolio.

9) **DELEGATION OF AUTHORITY.**

- a) The Board of Directors delegates to the Chief Executive Officer the authority to deposit and invest, consistent with this Investment Policy, public monies of the Upper San Juan Health Service District that does business under the trade name Pagosa Springs Medical Center.
- b) The Chief Executive Officer may delegate to PSMC’s Chief Financial Officer and/or PSMC’s Controller the authority to deposit and invest, consistent with this Investment Policy, public monies of the Upper San Juan Health Service District that does business under the trade name Pagosa Springs Medical Center.
- c) Other than the Investment Officials named herein, no other person is authorized to invest on behalf of PSMC.

**APPENDIX A****PSMC'S INVESTMENT FIRM, BROKER OR DEALER QUESTIONNAIRE**

- A. Current firm name:
- B. Home office address:
- C. Colorado office address:
- D. Persons and office location who would provide service to PSMC:
- E. Approximately how many clients does your Colorado office represent and how many are public sector clients?
- F. Of the PSMC's Authorized Investments, what does your firm regularly offer?
- G. Describe fees that will be charged to PSMC for your services or the Authorized Investments:
- H. Has your firm or any of its employees ever been subject to a regulatory or state/federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities relating to PSMC's Authorized Investments or the sale of securities?
- I. What is your firm's total capital as of the last audited financial period?
- J. Describe how investments are secured. In addition, for savings, money market or certificates of deposit, how are such funds secured in compliance with the PDPA?
- K. Describe precautions of your firm to protect the interest of the public when dealing with government sector clients. In addition describe the procedures and controls that are in place to assure that PSMC investments are made consistent with PSMC's Investment Policy and authorized by PSMC.
- L. Please describe the regular transaction, monthly, quarterly and annual reports you issue and provide samples:



**MINUTES OF REGULAR BOARD MEETING**  
**July 24, 2023, at 5:00 PM**  
**The Board Room**  
**95 South Pagosa Blvd., Pagosa Springs, CO 81147**

The Board of Directors (the “Board”) of the Upper San Juan Health Service District doing business as Pagosa Springs Medical Center (“PSMC”) held its regular board meeting on July 24, 2023, at PSMC, The Board Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado as well as via Zoom video communications.

Directors Present: Chair Kate Alfred, Vice-Chair Martin Rose, Director Jason Cox, Director Barbara Parada, Director Gwen Taylor

Present via Zoom: Director Kathee Douglas

Present via telephone: none

Absent: Treasurer/Director Mark Zeigler

**1) CALL TO ORDER**

- a) Call for quorum: Chair Alfred called the meeting to order at 5:00 p.m. MDT and Clerk to the Board, Laura DePiazza, recorded the minutes. A quorum of directors was present and acknowledged.
- b) Board member self-disclosure of actual, potential or perceived conflicts of interest: None.
- c) Approval of the Agenda: Director Cox motioned to approve the agenda with no changes. Vice-Chair Rose seconded; the Board unanimously approved the agenda.

**2) PUBLIC COMMENT**

None

**3) PRESENTATIONS**

Presentation of **THE 2022 AUDIT**. Jeremy Valdez of Dingus, Zarecor & Associates, PLLC presented, via Zoom, the 2022 audit report and opinion of the auditor. The auditor has three letters to the Board summarizing key matters regarding the auditor’s scope of work and opinion including:

- a) **Auditor Report on the Audit of the Financial Statements:** “In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.” (Audit’s pdf packet page 8).

*PSMC’s Mission: To provide quality, compassionate healthcare and wellness for each person we serve*

- b) **Auditor Report on Internal Control Over Financial Reporting:** “The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.” (Audit’s pdf packet page 40.)
- c) **Auditor Report on Compliance for the Major Federal Program:** “In our opinion, the District complied, in all material respects, with the compliance requirements referred to above [OMB Compliance Supplement] that could have a direct and material effect on its major federal program for the year ended December 31, 2022. (Audit’s pdf packet page 41.)
- d) Questions asked and answered

**4) REPORTS**

a) Oral Reports

- i) Chair Report -- none
- ii) CEO Report

CEO Webb advised of the following update:

- Thanked the parties involved who provided the crane that was used to place the HVAC unit on the roof.
- Reported on Senator Hickenlooper’s visit and conversation on Rural Hospitals.
- Reported on the grant presentation in Denver, asked DOLA for \$1,000,000, and was awarded the grant.
- Reported on CHA Representative, our rural lobbyist, being on site. Senior leadership raised concerns about the most recent hospital inspection which the representative is taking back to the Governor’s office. Questions asked and answered about the specifics of the concerns.
- Proud of positive margins for this time of year.

iii) Foundation Board Report

- The Foundation approved lease renewals with increased rate for the Dodie Cassidy Building.

iv) Facilities Committee Report

- Director Douglas reported on three major projects:
  - The Medical Wellness Building – waiting on the final award of the DOLA grant to continue work.
  - Oxygen Generation Building – only 1 bid was received and at a higher rate than expected; grant funding will be pursued, with re-bidding in January of 2024.
  - Roof Replacement – Expected expenditure \$500,000 to \$800,000; grant funding to be pursued.
  - Other repairs – asphalt, HVAC replacement, landscaping, and security.
  - EMS building – stucco and paint questions asked and answered.

v) Finance Committee Report

Chelle Keplinger presented and discussed financials for June 2023. Questions asked and answered.

b) Written Reports

Medical Staff Report - Chief of Staff, Dr. John Wisneski

**5) EXECUTIVE SESSION**

None

*PSMC’s Mission: To provide quality, compassionate healthcare and wellness for each person we serve*

**6) DECISION AGENDA**

a) Resolution 2023-15

i) Vice-Chair Rose motioned to approve Resolution 2023-15 regarding acceptance of the audit, as presented in writing and verbally by DZA, of the financials ending December 31, 2022 of the Upper San Juan Health Service District dba Pagosa Springs Medical Center. Motion was seconded by Director Cox and unanimously approved by the Board.

b) Resolution 2023-16

i) Director Cox motioned to approve Resolution 2023-16 regarding acceptance of the 2021 and 2022 *Annual Program Evaluations* that will be submitted by PSMC to CDPHE. Motion was seconded by Vice-Chair Rose and unanimously approved by the Board.

**7) CONSENT AGENDA**

Vice-Chair Rose motioned to approve the consent agenda (approval of Board member absences, approval of the regular meeting minutes of 06/27/2023, and the Medical Staff report recommendations for revised policy and new or renewal of provider privileges). Motion was seconded by Director Parada, and the Board approved said consent agenda items.

**8) OTHER BUSINESS**

None

**9) ADJOURN**

There being no further business, Chair Alfred adjourned the regular meeting at 6:04 p.m. MDT.

Respectfully submitted by:

Laura DePiazza, serving as Clerk to the Board