

# Park Hospital District

## NOTICE

### BOARD STUDY SESSION

OF THE PARK HOSPITAL DISTRICT BOARD OF DIRECTORS

**Tuesday, February 17, 2026**

**at 8:00 a.m.**

District Administration Office – Vert

1280 Big Thompson Avenue , Estes Park, CO 80517

PUBLIC NOTICE is hereby given that the Board of Directors of the Park Hospital District will conduct a Study Session. The Study Session is for informational and discussion purposes only. No formal action will be taken.

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## AGENDA

1. Call to Order
2. Approval of Agenda
3. Executive Session
  - a. Executive Session pursuant to §24-6-402(4)(f), C.R.S., to discuss a personnel matter, and pursuant to §24-6-402(4)(b), C.R.S., for consultation with the District's attorney for the purposes of receiving legal advice on specific legal questions.
4. Return to Open Session
5. Discussion with Current Legal Counsel Regarding Special District Experience (*Discussion Only*)
6. Follow-Up Discussion Regarding Special District Legal Counsel (*Discussion Only*)
7. Financial Update and Reporting Structure Discussion (*Discussion Only*)
8. Governance Policies Update (*Discussion Only*)
9. Citizen and Board Comments
10. Proposed Agenda Items for Future Meetings
11. Adjournment

*The Board reserves the right to consider other appropriate items not available at the time the agenda was prepared.*

*Janet Zeschin, Board Secretary*

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**Agenda Title: Financial Update and Reporting Structure Discussion** (*Discussion Only*)

**Submitted by:** Brigitte Foust, Board Treasurer

**Background Information:**

The Board Treasurer will provide a Financial Status Update based on the financial information currently available to the District. As the District continues its transition, a formal financial handoff and December 1 opening balance sheet have not yet been received. As a result, certain items require clarification to ensure the Board has a complete understanding of the District's financial position.

Obtaining clarification of these matters, along with the December 1 opening balance sheet and transition documentation, will assist the Board in establishing a clear financial baseline, strengthening financial infrastructure, promoting transparency, and meeting statutory reporting obligations.

During this transition period, the Board has identified the need to formalize and clarify spending and authorization procedures to ensure alignment with the District's bylaws and best practices for internal controls. Section 7.8 of the bylaws provides guidance regarding check signing authority unless otherwise delegated by Board resolution. Developing and adopting a formal spending and authorization policy will help provide consistency, clarity, and appropriate financial oversight moving forward.

**Board Action Needed:**

None – *This item is for information and discussion only; no Board action is requested at this time.*

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**Park Hospital District – Financial Status Update**  
**Open Questions Requiring Board Clarification**

Compiled by: Brigitte Foust, Board Treasurer

The district has received the November 30 financial statements and the updated schedules. As a Title 32 special district, the Park Hospital District is required to maintain accurate financial records, oversee District funds, and ensure transparency and accountability to taxpayers. To meet these statutory responsibilities and to establish the district's financial infrastructure for operations beginning December 1, several foundational items require clarification.

**1. Escrow Requirement (\$2,000,000)**

The Affiliation Agreement requires a \$2,000,000 escrow deposit. No such transaction appears in:

- the November 30 balance sheet
- the November P&L
- updated schedules

If the escrow was not funded, it remains a District liability. The district needs confirmation and documentation showing whether the escrow was:

- funded,
- waived, or
- amended.

## **2. Employee Severance Payments (\$200,079.40)**

Schedule 3.3.1 – *Excluded Liabilities* lists \$200,079.40 in severance as a District-retained obligation.

Other items on the same schedule (election fees, tail insurance) are marked as being paid in November. The severance amount is not marked as paid.

Clarification is required on whether the severance was:

- paid,
- paid on behalf of the district,
- reimbursed, or
- remains outstanding.

## **3. Ascensus Retirement Plan Wind-Down (~\$15,000 per quarter)**

Schedule 3.3.1 identifies ongoing retirement plan administration costs of approximately \$15,000 per quarter as a District-retained liability.

The district needs clarification on:

- the expected duration of the wind-down, and
- the total remaining liability.

## **4. Health Insurance Run-Out Claims (Estimated ~\$262,500)**

Run-out claims were discussed in Board meetings last year with an estimated cost of approximately \$262,500

This amount does not appear in:

- the November financials, or
- the updated schedules.

Documentation is needed on:

- whether these claims were paid
- by whom, and
- whether any portion remains a District liability.

## **5. District Retained Liabilities – Consolidated List Required**

To establish accurate opening financials, the district needs a complete list of all liabilities retained as of the Effective Date. This list is necessary to prepare:

- the December 1 opening balance sheet,
- the 2026 budget (including any required amendment), and
- the district's 2026 audit.

## **6. December 1 Deposit of \$240,990.00**

A deposit of \$240,990.00 was made into the district's new bank account on December 1.

The district needs confirmation of:

- the source of this deposit, and
- whether it represents a Larimer County property tax distribution or another type of transfer.

Proper classification of this deposit is required to establish the district's revenue records and determine whether this amount is part of the district's annual \$200,000 administrative allowance or a separate distribution.

## **7. December 1 Opening Balance Sheet**

The district requires an official December 1, 2025, opening balance sheet to establish its accounting system. Because the District did not control the financial records, bank accounts, or accounting system on the Effective Date, it cannot produce its own accurate opening balance.

The opening balance sheet must identify:

- beginning cash (likely zero),
- land and building assets retained by the district,
- all retained liabilities, and
- any escrow or restricted funds.

This document is essential for establishing the district's fund balance and for building a compliant accounting system.

## **8. Financial Handoff Documentation**

The district has not received a financial handoff from UCHealth. This documentation is required to clarify:

- retained liabilities,
- payments made prior to December 1,
- obligations remaining with the district, and
- the district's financial position at transition.

The Closing Binder is reportedly in progress, but no timeline has been provided.

## **9. Property Tax Distribution Timing**

Clarification is needed on whether the district's \$200,000 annual administrative allowance will be:

- withheld monthly,
- provided in a lump sum, or
- distributed on the same schedule as other property tax payments.

## **10. Need for a Complete Accounting System**

Bank transactions alone do not constitute an accounting system. To comply with Title 32, the district must maintain:

- an opening balance sheet,
- a chart of accounts,
- accurate records of assets and liabilities,
- revenue and expense tracking, and
- annual financial statements and audits.

A CPA cannot establish the district's accounting system without the December 1 opening balance and the full financial handoff from UCHealth.

## **Summary**

Clarification of the items listed above — together with the December 1 opening balance sheet and the financial handoff — is necessary to establish the district's financial infrastructure, ensure transparency, and meet statutory reporting obligations.

# PARK HOSPITAL DISTRICT

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## DECEMBER 2025 ADMINISTRATIVE TRANSACTION REPORT

### Beginning Cash Balance – December 1, 2025

**\$100.00**

### Cash Inflows – December 2025

- 12/01 – Deposit (source requires clarification) – **\$249,990.00**
- 12/11 – Larimer County – **\$46,345.72**
- 12/17 – Interest – **\$8.34**
- 12/30 – Interest – **\$14.52**

**Total Inflows: \$296,358.58**

### Cash Outflows – December 2025

- 12/08 – VERT Office Space – **\$1,200.00**
- 12/29 – PF – **\$350.00** (*purpose requires clarification*)
- 12/30 – Estes Park Health – **\$100,960.00** (*purpose requires clarification*)
- 12/30 – PS – **\$93.00** (*purpose requires clarification*)
- 12/31 – Vendor Payment – **\$284.75**

**Total Outflows: \$102,887.75**

### Ending Cash Balance – December 31, 2025

**\$193,570.83**

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## JANUARY 2026 ADMINISTRATIVE TRANSACTION REPORT

**Beginning Cash Balance – January 1, 2026**

**\$193,570.83**

**Cash Inflows – January 2026**

- 01/08 – Larimer County – **\$21,886.40**

**Total Inflows: \$21,886.40**

**Cash Outflows – January 2026**

- 01/02 – VERT Office Space – **\$1,200.00**
- 01/08 – Estes Park Health – **\$99,119.04** (*purpose requires clarification*)
- 01/09 – Microsoft Office (Visa) – **\$1,848.00**

**Total Outflows: \$102,167.04**

**Ending Cash Balance – January 31, 2026**

**\$113,290.19**

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## February 2026 Administrative Transaction Report

**Beginning Cash Balance – February 1, 2026**

**\$113,290.19**

**Cash Inflows – February 2026**

- No deposits recorded as of February 3, 2026

**Cash Outflows – February 2026**

- 02/01 – VERT Office Space – **\$1,200.00**
- 02/02 – Salary Expense – **\$1,100.00**
- 02/03 – IT Support – **\$250.00**
- 02/03 – Graystone Website – **\$2,618.34**

**Total Outflows: \$5,168.34**

**Running Balance (as of February 3, 2026)**

**\$108,121.85** (matches bank balance)