

Session 1: The Role, The Mission & The Structure

BOARD ORIENTATION | HEALTH DISTRICT OF NORTHERN LARIMER COUNTY

In service of a healthier community – together.

TLG / THE LIND GROUP
PREMIER CONSULTING GROUP

SESSION 1 FOCUS: WHAT IT MEANS TO GOVERN AS A UNIFIED BODY

- Understand the board's legal and ethical role
- Clarify authority, structure, and staff boundaries
- Define the culture and tone of this board from day one
- Align with the Health District's mission and Executive Director partnership



WHY THIS ORIENTATION EXISTS

NOT JUST...

- LEGAL BASICS AND BOARD POLICY
- ONE-SIZE-FITS-ALL ONBOARDING
- GOVERNANCE THEORY

BUT INSTEAD...

- AN ALIGNMENT OPPORTUNITY
- TAILORED TO YOUR DISTRICT, YOUR MISSION
- TOOLS TO LEAD WITH CLARITY AND PURPOSE

YOU'RE NOT JUST LEARNING ROLES – YOU'RE REINFORCING WHAT IT MEANS TO LEAD WELL, TOGETHER.

INTRODUCTIONS: WHO'S IN THE ROOM

Name, role, and how
long you've been
connected to the
Health District.



HOW WE'LL APPROACH THIS WORK

Clarity:

We make roles and responsibilities unmistakable

Trust:

We lead with integrity, even in disagreement

Mission:

We center what the people of this district need and deserve

THIS ISN'T ABOUT FORMALITY – IT'S ABOUT HOW YOU SHOW UP, LEAD TOGETHER, AND SERVE THE PEOPLE WHO COUNT ON YOU.

PART 1: Pre-Assessment

CHECKING YOUR CONFIDENCE, QUIETLY

This is a private self-reflection — no discussion, no pressure.

ACTIVITY: What Matters Most

WHY YOU SERVE – AND WHAT YOU CARE ABOUT MOST

What drew you to this board?

What issue, value, or impact matters most to you in this work?

What do you hope this board can achieve – together?

ACTIVITY: Where My Values Meet This Mission

A SILENT REFLECTION ON PURPOSE + ALIGNMENT

The mission of the Health District is to enhance the health of our community.

Take a few quiet minutes to reflect:

What values or life experiences drew you here?

What part of that mission resonates—and what might challenge you?

What mindset do you want to carry into this work?

Let's Talk Norms

THE RULES WE SET – BEFORE WE EVEN DISAGREE

Every board has tension. High-performing boards name it – and norm around it.

Today we'll draft how this board wants to show up.

WHAT ARE NORMS – AND WHY BOARDS BREAK WITHOUT THEM

- Norms = behavioral agreements
- They govern how you operate, not just what you decide
- Without them: dysfunction thrives, meetings derail, trust erodes
- With them: structure, civility, clarity, alignment



WHAT HAPPENS WHEN BOARDS DON'T SET NORMS

- Interruptions and talking over each other
- Staff confusion or disengagement
- Undermining of leadership (ED or Chair)
- Public meetings becoming combative or performative
- No guardrails = no self-governance



WHAT STRONG NORMS SOUND LIKE VS. WEAK ONES

STRONG

WE SUPPORT BOARD DECISIONS ONCE MADE

WE COMMIT TO ONE VOICE ONCE A VOTE IS TAKEN.

WE BRING CONCERNs TO THE CHAIR, NOT STAFF.

BOARD MEETINGS ARE FOR BOARD BUSINESS—NOT PERSONAL AGENDAS.

DISAGREEMENT IS EXPECTED; DISRESPECT ISN'T TOLERATED.

WE DO NOT MAKE OPERATIONAL REQUESTS TO STAFF.

WE ADDRESS CONCERNs IN THE ROOM—NOT AFTER THE MEETING.

WE MODEL TRANSPARENCY AND TONE FOR THE PUBLIC.

WEAK

BE RESPECTFUL

“LET'S AGREE TO DISAGREE.” (INVITES DIVISION POST-VOTE)

“TALK TO WHO YOU NEED TO.” (ZERO BOUNDARY)

“LET'S STAY ON TRACK.” (NO DEFINED TRACK)

“LET'S ALL BE NICE.” (SUBJECTIVE, NO ENFORCEABLE LINE)

“ASK QUESTIONS IF YOU'RE CURIOUS.” (BLURS GOVERNANCE LINE)

“TAKE IT OFFLINE.” (AVOIDS ACCOUNTABILITY)

“REMEMBER WE'RE BEING RECORDED.” (REACTIVE, FEAR-BASED)

WHY NORMS FAIL (AND HOW TO PREVENT IT)

- Too vague or too many
- Never referenced again
- No accountability when broken
- Treated like wall art, not a working tool



WHAT HIGH-PERFORMING BOARDS DO WITH NORMS

- Revisit and reaffirm annually
- Post norms in boardroom
- Chair uses norms to reset when tensions rise
- Onboard new members with norms
- Live them publicly to earn trust



ACTIVITY: Drafting Your Norms

Individual brainstorm

Small group clustering

Large group synthesis

Final reflection

Break- Take 10 Minutes

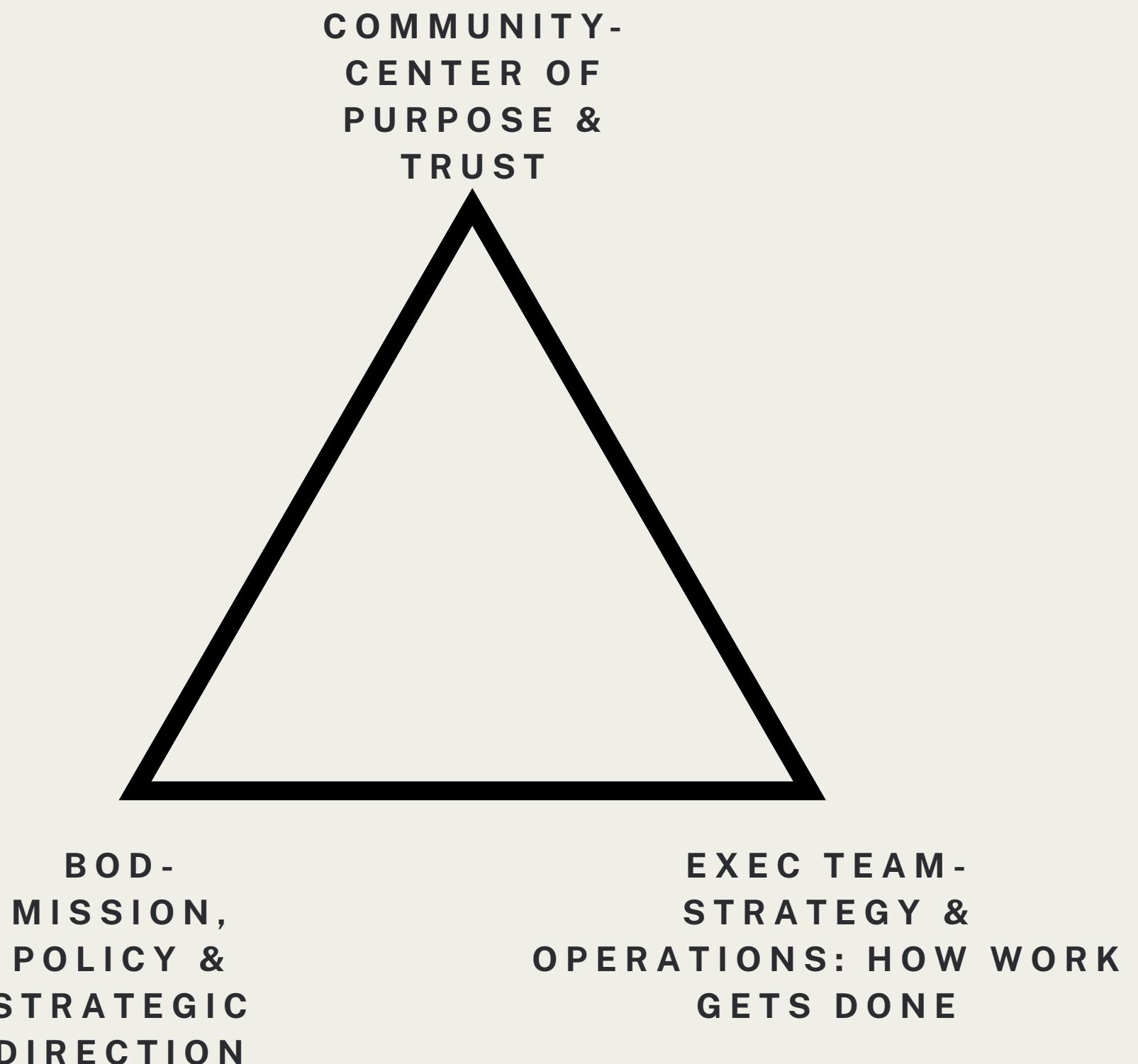
PART 1: Mission, Vision & Governance

HOW PURPOSE ANCHORS YOUR DECISIONS

Governing with clarity, credibility, and collective trust.

WHAT MAKES YOUR HEALTH DISTRICT UNIQUE?

- Special district, created by voters, funded by local tax dollars
- Mission: Improve health in the community
- Works alongside – but separate from – county public health
- Current focus areas include behavioral health, oral health, access to care through coverage, and local innovation through partnerships
- Governed by elected board members from the community

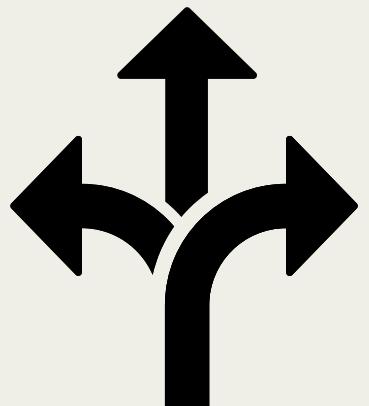


Few models like this exist. Most communities don't have what you have.

EVOLUTION OF THE HEALTH DISTRICT



ORIGIN STORY



1994



LEGAL REAUTHORIZATION



TODAY



1960s: Created a hospital district to fund Poudre Valley Memorial Hospital

Spun off the hospital; reconfigured district as a community health entity.

Clarified district's ability to deliver care and respond directly to community needs

Provide diverse health services and adapt to changing community health needs

THE HEALTH DISTRICT'S ROLE HAS EVOLVED – BUT YOUR MISSION REMAINS CONSTANT: TO MEET THE CHANGING HEALTH NEEDS OF YOUR COMMUNITY.

WHAT'S THE DIFFERENCE?

HEALTH DEPT

AUTHORITY: ESTABLISHED BY COUNTY COMMISSIONERS.

FOCUS: BROAD PUBLIC HEALTH ENFORCEMENT AND EMERGENCY RESPONSE.

CORE POWERS:

- INVESTIGATES DISEASE OUTBREAKS AND ENFORCES QUARANTINES
- CLOSES PUBLIC PLACES FOR HEALTH EMERGENCIES
- ENFORCES ENVIRONMENTAL AND SANITATION LAWS (AIR, WATER, WASTE)
- MAINTAINS VITAL RECORDS (BIRTHS, DEATHS, MORBIDITY)
- MUST COMPLETE COMMUNITY HEALTH ASSESSMENTS AND 5-YEAR PLANS
- COORDINATES WITH STATE-LEVEL HEALTH DEPARTMENTS

HEALTH DISTRICT

AUTHORITY: CREATED UNDER DIFFERENT STATUTE TO DELIVER HEALTHCARE SERVICES.

FOCUS: DIRECT SERVICES TO MEET LOCAL HEALTH NEEDS – NOT REGULATORY ENFORCEMENT.

CORE POWERS:

- PROVIDES SERVICES LIKE DENTAL, MENTAL HEALTH, AND INSURANCE ENROLLMENT
- CAN ESTABLISH AND OPERATE HEALTHCARE FACILITIES (CLINICS, AMBULANCES, INTERMEDIATE CARE)
- DOES NOT REGULATE OR ENFORCE LAWS
- OVERSEEN BY A LOCALLY ELECTED BOARD, INDEPENDENT OF THE STATE

YOU'RE NOT A HEALTH DEPARTMENT

HEALTH DEPARTMENT

- **Authority:** Est. by county commissioners under C.R.S. 25-1-506
- **CORE FUNCTIONS:**
 - Investigate and control epidemic or communicable diseases
 - Establish and enforce isolation/quarantine measures
 - Close schools and public places for public health
 - Investigate and abate public health nuisances
 - Public Health Emergency Preparedness
- **Regulatory Powers:** Administer & enforce laws related to public health, air pollution, solid/hazardous waste, and water quality.
- **Planning Requirements:** Must complete community health assessments and create public health plans every 5 years.
- **Vital Statistics:** Collect and compile data on marriages, births, deaths, and morbidity.
- **Collaboration:** Must collaborate with state departments on public health, water quality, air pollution and waste management.

HEALTH DISTRICT

- **Authority:** Created pursuant to C.R.S. 32-19-102
- **CORE FUNCTIONS:**
 - Service provision and healthcare delivery rather than broader public health functions.
- **Health Services Direct**
 - Service provision and healthcare delivery ~~rather~~ than broader public health functions.
 - Establish and maintain healthcare facilities and services.
- **Establish and maintain health care facilities and services:** May establish, maintain, or operate: public hospitals, convalescent centers, nursing care facilities, intermediate care facilities, emergency facilities, community clinics, other health and personal care services, ambulance services.
- **Governance:** Overseen by elected officials

WHAT THAT MEANS FOR YOUR IDENTITY IN 2025

- You deliver where:
 - Gaps exist
 - Equity is at stake
 - Strategic value outweighs duplication
- You fund, contract, and partner to expand access — not to grow infrastructure meaning when you can leverage service infrastructure that exists elsewhere, it is most cost effective and in the partner's best interest
- You are a systems leader with clinical credibility — but not a healthcare network
- Your job is to align resources and deliver outcomes, not to build an empire
- Clarity about our role protects public trust, staff focus, and taxpayer accountability



WHAT THE SDA LAW SAYS ABOUT BOARDS

- Boards set direction – they don't manage day-to-day decisions
- Authority only exists when acting as a group
- Bound by transparency, ethics, and structure



**THIS DISTRICT IS GOVERNED UNDER
COLORADO SPECIAL
DISTRICT LAW – THIS ISN'T JUST GOOD
PRACTICE, IT'S THE
GOLD STANDARD.**

YOU DON'T RUN THE PROGRAMS – YOU HELP STEER THE MISSION

GOVERNANCE (YOU)

- DEFINE DIRECTION
- SET STRATEGY
- OVERSIGHT & POLICY
- FINANCIAL
STEWARDSHIP &
PUBLIC
ACCOUNTABILITY

OPERATIONS (STAFF)

- DELIVER PROGRAMS
- IMPLEMENT PLANS
- DAY-TO-DAY EXECUTION
- COMPLIANCE &
LOGISTICS

YOU'RE NOT A NONPROFIT BOARD

GOVERNANCE (YOU)

- ELECTED BY VOTERS
- MUST FOLLOW OPEN MEETINGS, TRANSPARENCY
- OVERSIGHT & POLICY
- ACCOUNTABLE TO PUBLIC INTEREST

OPERATIONS (STAFF)

- APPOINTED BY ORG LEADERSHIP
- INTERNAL DISCUSSIONS ALLOWED
- ACCOUNTABLE TO ORG MISSION/CEO
- COMPLIANCE & LOGISTICS

YOUR DUTY IS TO THE PUBLIC. THAT MEANS STRUCTURE, TRANSPARENCY, AND SHARED ACCOUNTABILITY – NOT PRIVATE INFLUENCE.

Introduction to the Financials

PRESENTED BY THE HEALTH DISTRICT FINANCIAL DIRECTOR AND CONSULTANT



Dinner and Board Photos

Executive Transition Planning

PRESENTED IN COLLABORATION WITH MISTY AND COURTNEY



Break- Take 10 Minutes

PART 2: Legal Power, Real Boundaries

THE GUIDELINES THAT DEFINE – AND PROTECT – HOW YOU GOVERN

In service of a healthier community – together.

REQUIREMENTS OF YOU AS A BOARD

- You govern as a group – not as individuals
- You only have power through formal board action
- Your duty is to the district, not to personal interests
- Meetings must be public and follow open session laws
- Legal action requires quorum – it's what makes your vote count



THIS ISN'T OPTIONAL. IT'S HOW YOU EARN – AND KEEP – PUBLIC TRUST.

POWER AS A BODY: WHAT THAT ACTUALLY MEANS

- You don't have authority outside of the boardroom
- You speak and act only as a group decision
- Personal opinions ≠ board direction
- One board member cannot direct staff or speak for the board



POWER WITH STRUCTURE. LEADERSHIP WITH BOUNDARIES.

YOUR FORMAL ROLE: WHAT YOU MUST KNOW

CHAPTER

I – BOARD BASICS

III – BOARD MEETINGS

II – CONFLICT OF
INTEREST

VI- PUBLIC RECORD

KEY TOPICS

TAKING OFFICE, VACANCIES, OFFICER
ELECTIONS, TERM LIMITS

STRUCTURE, EMAIL
COMMUNICATION, ETC

TRANSPARENCY/GRAY
AREAS/ETHICAL CONDUCT

RELATED TO COLORADOS OPEN
RECORDS ACT (CORA)

ACTIVITY: Board Business vs Staff Business

A Clarity Check to Strengthen Role Alignment

Let's test how clearly we're holding the line between governance and operations.

In this quick activity, we'll sort real scenarios into one of two buckets:

Board Business: Matters of strategy, oversight, policy, and legal authority

Staff Business: Day-to-day execution, program operations, and logistics

The goal: build shared muscle memory about what belongs where — so you can govern with clarity, support staff without overstepping, and protect the integrity of your role.

WHAT YOU NOW KNOW ABOUT BOARD POWER

You lead through structure, not instinct

You act as a body – not as individuals

Knowing what not to do is just as important as what to do

Following SDA law protects your credibility and the district's mission



BOUNDARIES AREN'T BUREAUCRACY – THEY'RE YOUR LEADERSHIP SCAFFOLDING.

Break- Take 10 Minutes

PART 3: Partnership with Operations

HOW TO SUPPORT, ALIGN, AND STAY IN ROLE

In service of a healthier community – together.

WHAT THIS PARTNERSHIP IS



- A leadership partnership, not a reporting line
- A shared trust structure built on clear roles
- The only relationship the board holds is as a collective body
- Your primary channel for oversight, alignment, and strategic execution

WHAT THIS PARTNERSHIP IS NOT



- A management backseat
- A way to “check in” on staff decisions
- A forum for operational complaints or employee input
- A place to blur lines “just to be helpful”

PERSONNEL & PUBLIC INTERACTION BOUNDARIES (SDA GUIDELINES)

CHAPTER

XIV – PERSONNEL
MATTERS

III- LIABILITY

KEY TOPICS

BOARD DOESN'T MANAGE STAFF

LEGAL RISKS/ ETHICAL CONDUCT

STAFF GO TO THE ED. THE PUBLIC GOES TO MEETINGS. THE BOARD GOVERNS – NOT MANAGES.

WELL-MEANING MISTAKES THAT CAUSE REAL DAMAGE

“Let me check on that for you” → Undermines structure

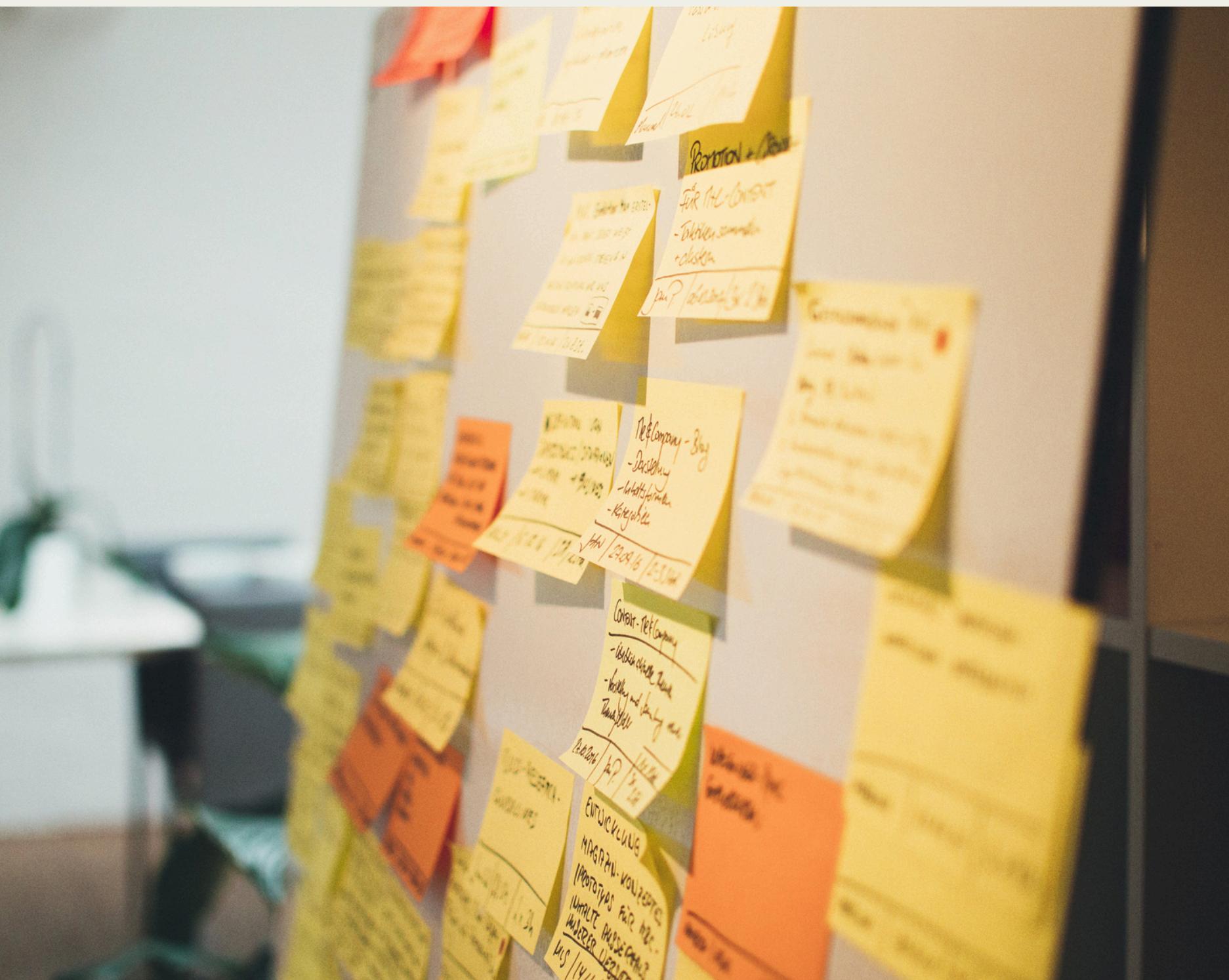
“They told me privately...” → Breaks confidentiality and trust

“I just wanted to help” → Interference framed as support

“Let’s find a workaround” → Creates misalignment and inconsistency



ACTIVITY- BUILD OR BREAK TRUST?



Does this build trust or
break trust?

CLEAR BOUNDARIES = HEALTHY CULTURE = BETTER OUTCOMES

YOU'RE NOT HERE TO SOLVE OPERATIONAL PROBLEMS – YOU'RE HERE TO LEAD STRATEGIC ALIGNMENT, TONE, AND TRUST.



- Clear roles reduce tension and increase trust
- The board's tone affects how staff work –even without direct contact
- EDs can only succeed when the board stays in role and reinforces structure
- “Leading well” means trusting the scaffolding, not testing it

Culture, Mission & Common Missteps

WHO YOU ARE WHEN YOU LEAD – AND WHY IT MATTERS

In service of a healthier community – together.



CULTURE ISN'T WHAT YOU SAY – IT'S HOW YOU SHOW UP

Culture is set by tone, not talk

The board creates “permission signals” – what’s modeled becomes acceptable

Alignment, respect, and discipline aren’t extras – they’re governance essentials

If trust fractures, structure can’t hold



LEADERSHIP PRESENCE IS POLICY – BECAUSE BEHAVIOR SETS PRECEDENT.

WHAT IT MEANS TO LEAD A MISSION-DRIVEN HEALTH DISTRICT

COMMUNITY HEALTH LEADERSHIP REQUIRES BOTH HEAD AND HEART.



- You don't "own" the mission—you steward it
- Decisions must ladder up to board priorities established and the strategic direction set.
- Governance is values-based: strategy, tone, and accountability must align
- Mission isn't a tagline—it's the lens for every action, vote, and stance

LET'S NORMALIZE GROWTH – NOT DEFENSIVENESS

Acting as Individuals, Not a Body

- Voting ≠ personal opinion. You're responsible for collective voice.

Micromanaging Staff Decisions

- Asking good questions ≠ inserting yourself.

Letting Tone Drift

- Eye rolls, side-comments, snark – small signals create lasting damage.

Using the Mission as a Weapon

- “Well my values say...” → not strategic. Not aligned.

Avoiding Hard Conversations

- Silence isn't neutrality – it's abdication. Speak with care, not absence.

EVERY ONE OF THESE BEGINS WITH GOOD INTENTIONS – AND LEADS TO PREVENTABLE TENSION.

FROM AWARENESS TO ALIGNMENT

Board culture doesn't create itself—you do.

Mission and values are only real if you embody them.

Your tone, choices, and presence will define this board's legacy.



WHAT IS ONE WAY YOU WILL CONTRIBUTE TO HEALTHY BOARD CULTURE THIS YEAR?

WRAP-UP: LET'S DEFINE YOUR CULTURE – ON PURPOSE



What behaviors do you want to model, protect, and reinforce as a governing body?

WHAT YOU OWE EACH OTHER, AND THE PUBLIC.

WRAP-UP: POST ASSESSMENT AND WHAT'S STILL ON YOUR MIND?



Take a few minutes to complete your post-assessment and jot down:

- Any remaining questions, concerns, or “I wasn’t sure if I should ask this...” thoughts
- Feedback about today’s session—what worked, what didn’t, what you’d like to see next time

Use the back if you need more space.

You don’t need to sign your name unless you want to.

I’ll collect them confidentially in an envelope and review your input privately to guide and strengthen our next sessions.

Thank you for your honesty, your leadership, and your commitment to this work.



OF NORTHERN LARIMER COUNTY

Empowering Informed Oversight

Through Financial Statement Understanding



Objective

Gain better understanding of the Financial Statements utilized by the Health District to make informed decisions that align with the mission and values of the organization and enhance the health of the community it serves.

Topics Covered

- ▶ Financial Responsibilities of the Board of Directors
- ▶ Financial Statements Used by Government Organizations
 - ▶ Modified Accrual vs. Full Accrual
- ▶ Governmental Fund Financial Statements
- ▶ Government-Wide Financial Statements
- ▶ Reading Financial Statements



Financial Responsibilities of the Board

Financial Oversight

- Review and approve annual budgets.
- Review financial statements regularly and compare actual results to the budget, know how to read and interpret those financial statements and ask questions.

Ensure Financial Sustainability

- Assess long-term financial planning to ensure the organization has the resources necessary to meet future needs.
- Oversee and appropriate fund balances.

Approve Major Financial Decisions

- Approve large capital purchases, major investment changes, and authorize borrowing.

Risk Management & Internal Controls

- Ensure systems are in place to prevent fraud, waste, and abuse.
- Engage with external auditors, review audit findings, and ensure corrective actions are taken.

Compliance & Accountability

- Confirm that financial practices comply with federal, state, and local laws.
- Promote open reporting to the public.



Governmental Financial Statements

| Fund | Government-Wide |
|---|--|
| <ul style="list-style-type: none">• Provide a detailed, short-term view.• Purpose: to show how specific resources are being used and ensure compliance with legal and budgetary requirements.• Key Statements<ul style="list-style-type: none">• Balance Sheet• Statement of Revenues, Expenditures, & Changes in Fund Balances• Accounting Basis: Modified Accrual | <ul style="list-style-type: none">• Provide a broad, long-term view.• Purpose: To show overall financial position and results.• Key Statements<ul style="list-style-type: none">• Statement of Net Position• Statement of Activities• Accounting Basis: Accrual (Full) |



Modified Accrual vs. Full Accrual

Modified Accrual

- Focus: short-term financial resources.
- Does not include long term assets or liabilities.
- Revenue: recognized when measurable and available.
- Expense: recognized when liability is incurred (if it will be paid with current resources).
- Purpose: to show if the organization can meet current obligations with current resources.

Full Accrual

- Focus: all financial resources.
- Includes long term assets and liabilities.
- Revenue: recognized when earned, regardless of when cash is received.
- Expense: recognized when incurred, regardless of when paid.
- Purpose: to show long-term financial health.



Fund Financial Statements

- ▶ Balance Sheet
 - ▶ Purpose: to present the financial position of governmental funds at a specific point in time, focusing on current assets and liabilities.
 - ▶ Key Components: Assets (cash, receivables), Liabilities & Deferred Inflows (accounts payable, accrued liabilities, unearned or unpaid revenues), Fund Balance (broken down by restriction level).
 - ▶ Think of it as a snapshot of what the District has and owes within the year.
- ▶ Statement of Revenues, Expenditures, and Changes in Fund Balance
 - ▶ Purpose: to show the change of governmental funds over a period, focusing on inflows and outflows of current financial resources.
 - ▶ Key Components: Revenues (taxes, program services, grants), Expenditures (salaries, supplies, capital outlay), Change in Fund Balance.
 - ▶ Think of it as a report card showing how money was earned and spent during the period.



Government-Wide Financial Statements

- ▶ Statement of Net Position
 - ▶ Purpose: to present the financial position of the organization at a specific point in time, inclusive of all assets and liabilities.
 - ▶ Key Components: Assets (current, capital), Liabilities (current, long-term, deferred revenue), Net Position.
 - ▶ Like the balance sheet but includes capital assets and long-term liabilities.
- ▶ Statement of Activities
 - ▶ Purpose: to show the cost of services provided and how those costs are covered.
 - ▶ Key Components: Revenues, Expenses (including depreciation and amortization), and Change in Net Position.
 - ▶ Like the statement of revenues, expenses, and change in fund balance, but using full accrual accounting.



What to Look For

On the Balance Sheets (Fund)

- Fund Balance: is it increasing or decreasing?
- Unassigned Fund Balance: what is available for general use?
- Restriction Levels: are there significant restrictions on how funds can be used?
- Current Assets vs Current Liabilities: can the fund meet its short-term obligations?
- Are there any signs of financial stress?
- Large or unexpected changes.

| Balance Sheets | | | |
|--|--------------------------|--------------------------|---------------------------|
| Governmental Fund Financial Statements | | | |
| As of May 31, 2025 | | | |
| | December 2024 | May 2025 | YTD Change |
| ASSETS | | | |
| Cash & Investments | 11,994,048 | 16,604,597 | 4,610,549 |
| Receivables | | | |
| Property Taxes | 10,775,197 | 3,770,366 | (7,004,831) |
| Specific Ownership Taxes | 61,277 | 57,562 | (3,715) |
| Clients, Net of Allowance | 394,549 | 333,339 | (61,210) |
| Leases | 59,299,350 | 58,391,843 | (907,508) |
| Grants & Other | 73,933 | 32,311 | (41,622) |
| Prepaid Expenses | 94,867 | 93,932 | (935) |
| TOTAL ASSETS | <u>82,693,221</u> | <u>79,283,949</u> | <u>(3,409,272)</u> |
| LIABILITIES, DEFERRED INFLOWS, & FUND BALANCE | | | |
| LIABILITIES | | | |
| Accounts Payable | 228,461 | 365,782 | 137,322 |
| Accrued Liabilities | | | |
| Payroll Liabilities | 354,387 | 313,554 | (40,833) |
| Treasurer Fees | (30) | 14,391 | 14,421 |
| Property Tax Escrow | 40,539 | 17,383 | (23,156) |
| Tenant Deposits | 16,373 | 12,309 | (4,064) |
| Unearned Revenue | 168,765 | 83,133 | (85,633) |
| TOTAL LIABILITIES | <u>808,494</u> | <u>806,552</u> | <u>(1,942)</u> |
| DEFERRED INFLOWS | | | |
| Property Tax Resources | 10,776,854 | 3,051,509 | (7,725,345) |
| Lease Resources | 59,299,314 | 59,074,242 | (225,072) |
| Service Resources | 418,494 | - | (418,494) |
| TOTAL DEFERRED INFLOWS | <u>70,494,662</u> | <u>62,125,751</u> | <u>(8,368,911)</u> |
| FUND BALANCE | | | |
| Nonspendable Funds - Prepaid Expenses | 94,867 | 93,932 | (935) |
| Restricted Funds - TABOR Reserve | 470,801 | 470,801 | - |
| Assigned Funds | 7,472,610 | 7,472,610 | - |
| Capital Funds | 1,232,874 | 1,018,440 | (214,434) |
| Unassigned Funds | 2,118,912 | 7,295,863 | 5,176,951 |
| TOTAL FUND BALANCE | <u>11,390,064</u> | <u>16,351,646</u> | <u>4,961,582</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS, & FUND BALANCE | <u>82,693,221</u> | <u>79,283,949</u> | <u>(3,409,272)</u> |



What to Look For

On the Statement of Revenues, Expenditures, & Changes in Fund Balance (Fund)

- Revenues: are revenues stable, or fluctuating? Why?
- Expenses: are costs increasing in any areas? Why?
- Change in Fund Balance: are we running a surplus or deficit? Why?
- Are we using the fund balance to cover operating costs?
- Budget vs. Actual:
 - Are revenues on budget?
 - Are expenses within budget?
 - Large or unexpected variances.

Statements of Revenues, Expenditures, & Changes in Fund Balance

Governmental Fund Financial Statements

For the Five Months Ended May 31, 2025

| | Jan to Apr 2025 | May 2025 | YTD 2025 |
|--|-------------------|-------------------|-------------------|
| REVENUES | | | |
| Tax Revenues | 7,240,743 | 776,418 | 8,017,161 |
| Service Revenues, Net | 437,845 | 729,270 | 1,167,115 |
| Lease Revenues | 462,251 | 290,984 | 753,235 |
| Grant Funds | 186,346 | 31,599 | 217,945 |
| Other Revenues | 177,927 | 53,531 | 231,458 |
| TOTAL REVENUES | 8,505,113 | 1,881,801 | 10,386,914 |
| EXPENDITURES | | | |
| Personnel Compensation | 2,892,136 | 680,368 | 3,572,504 |
| Professional Development | 66,747 | 13,246 | 79,992 |
| Contracted Services | 488,786 | 151,430 | 640,216 |
| Service Expenses | 176,599 | 72,152 | 248,751 |
| Supplies, Equipment, & Software | 85,125 | 91,185 | 176,310 |
| Occupancy Expenses | 184,300 | 36,729 | 221,029 |
| Other Operating Expenses | 237,399 | 34,697 | 272,096 |
| Capital Expenditures | 141,558 | 72,876 | 214,434 |
| TOTAL EXPENDITURES | 4,272,648 | 1,152,684 | 5,425,332 |
| EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES | 4,232,465 | 729,117 | 4,961,582 |
| CHANGE IN FUND BALANCE | 4,232,465 | 729,117 | 4,961,582 |
| Beginning Fund Balance | 11,390,064 | 15,622,529 | 11,390,064 |
| ENDING FUND BALANCE | 15,622,529 | 16,351,646 | 16,351,646 |



What to Look For

On the Statements of Net Position (Gov.-Wide)

- Total Net Position: growing or declining?
- Are long-term liabilities manageable?
- Capital Assets: are we maintaining or expanding infrastructure?
- Are we financially stronger than last year?
- Do we have enough resources to respond to emergencies?

| Statements of Net Position | | | |
|---|-------------------|-------------------|--------------------|
| Government-Wide Financial Statements | | | |
| As of May 31, 2025 | | | |
| | December 2024 | May 2025 | YTD Change |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash & Investments | 11,994,048 | 16,604,597 | 4,610,549 |
| Receivables | | | |
| Property Taxes | 10,775,197 | 3,770,366 | (7,004,831) |
| Specific Ownership Taxes | 61,277 | 57,562 | (3,715) |
| Clients, Net of Allowance | 394,549 | 333,339 | (61,210) |
| Grants & Other | 73,933 | 32,311 | (41,622) |
| Prepaid Expenses | 94,867 | 93,932 | (935) |
| TOTAL CURRENT ASSETS | 23,393,871 | 20,892,107 | (2,501,764) |
| NON-CURRENT ASSETS | | | |
| Leases Receivable | 59,299,350 | 58,391,843 | (907,508) |
| Capital Assets | | | |
| Capital Assets, Net | 9,737,338 | 9,666,503 | (70,835) |
| Right to Use Assets, Net | 179,966 | 146,080 | (33,886) |
| Software in Development | 18,721 | 178,379 | 159,657 |
| TOTAL NON-CURRENT ASSETS | 69,235,375 | 68,382,804 | (852,571) |
| TOTAL ASSETS | 92,629,246 | 89,274,911 | (3,354,335) |
| LIABILITIES AND NET POSITION | | | |
| LIABILITIES | | | |
| Accounts Payable | 228,461 | 365,782 | 137,322 |
| Accrued Liabilities | | | |
| Payroll Liabilities | 354,387 | 313,554 | (40,833) |
| Treasurer Fees | (30) | 14,391 | 14,421 |
| Property Tax Escrow | 40,539 | 17,383 | (23,156) |
| Tenant Deposits | 16,373 | 12,309 | (4,064) |
| Unearned Revenue | 168,765 | 83,133 | (85,633) |
| Right to Use Liability (SBITAs) | 117,534 | 117,534 | - |
| Compensated Absences | 317,233 | 317,233 | - |
| Deferred Inflows | | | |
| Property Tax Resources | 10,776,854 | 3,051,509 | (7,725,345) |
| Lease Resources | 59,299,314 | 59,074,242 | (225,072) |
| TOTAL LIABILITIES | 71,319,429 | 63,367,070 | (7,952,359) |
| NET POSITION | | | |
| Beginning Net Position | 17,510,830 | 21,309,817 | 3,798,987 |
| Change in Net Position | 3,798,987 | 4,598,024 | 799,037 |
| TOTAL NET POSITION | 21,309,817 | 25,907,841 | 4,598,024 |
| TOTAL LIABILITIES AND NET POSITION | 92,629,246 | 89,274,911 | (3,354,335) |



What to Look For

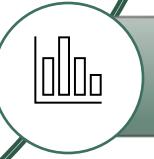
On the Statements of Activities

- Change in Net Position: are we operating at a gain or a loss?
- Which expense areas are most costly?
- Do revenues and expenses align with expectations?
- Are we using grants effectively?

| Statements of Activities | | | |
|--|------------------------|-------------------|-------------------|
| Government-Wide Financial Statements | | | |
| For the Five Months Ended May 31, 2025 | | | |
| | <u>Jan to Apr 2025</u> | <u>May 2025</u> | <u>YTD 2025</u> |
| REVENUES | | | |
| Tax Revenues | 7,240,743 | 776,418 | 8,017,161 |
| Service Revenues, Net | 437,845 | 310,775 | 748,620 |
| Lease Revenues | 462,251 | 290,984 | 753,235 |
| Grant Funds | 186,346 | 31,599 | 217,945 |
| Other Revenues | 177,927 | 53,531 | 231,458 |
| TOTAL REVENUES | <u>8,505,113</u> | <u>1,463,306</u> | <u>9,968,420</u> |
| EXPENDITURES | | | |
| Personnel Compensation | 2,892,136 | 680,368 | 3,572,504 |
| Professional Development | 66,747 | 13,246 | 79,992 |
| Contracted Services | 488,786 | 151,430 | 640,216 |
| Service Expenses | 176,599 | 72,152 | 248,751 |
| Supplies, Equipment, & Software | 85,125 | 91,185 | 176,310 |
| Occupancy Expenses | 184,300 | 36,729 | 221,029 |
| Other Operating Expenses | 237,399 | 34,697 | 272,096 |
| Depreciation & Amortization | 128,765 | 30,732 | 159,497 |
| TOTAL EXPENDITURES | <u>4,259,856</u> | <u>1,110,539</u> | <u>5,370,395</u> |
| CHANGE IN NET POSITION | <u>4,245,257</u> | <u>352,767</u> | <u>4,598,024</u> |
| Beginning Net Position | 21,309,817 | 25,555,074 | 21,309,817 |
| ENDING NET POSITION | <u>25,555,074</u> | <u>25,907,841</u> | <u>25,907,841</u> |



General Tips

-  Review the Financial Reporting Packages in advance of Board Meetings.
-  Ask questions (i.e. variances, trends, more details).
-  Understand the purposes of the fund balances.
-  Look for trends, not just one-year snap shots.
-  Do not hesitate to request plain-language explanations.
-  Request additional information, statements, or reports as needed.

Questions?

Jessica Holmes
Jessica.Holmes@yptc.com
(570) 592-0777