

Board of County Commissioners of Lincoln County  
Agenda for October 15, 2020

9:00 Call to order and Pledge of Allegiance

10:00 Ronny Farmer with rfarmer LLC, to present the Lincoln County, Colorado Financial Statements for the year ended December 31, 2019

1. Approve the minutes from the October 7, 2020, meeting
2. Review the September 2020, Statement of Revenues and Expenditures for County General, Public Health, Capital Projects, Conservation Trust, E911, Landfill, Library, Lodging/Tourism, Human Services, Road and Bridge and Individual Road Districts
3. Review the September 2020, reports from the County Assessor, County Clerk & Recorder, County Sheriff and County Treasurer
4. Review the September 2020, reports from the Colorado Counties Casualty and Property Pool and the Workers' Compensation Pool
5. Review an estimate from Nebraska Safety and Fire Equipment for the replacement of the backflow prevention system for the Lincoln County Courthouse
6. Discuss rates for charging at the Lincoln County Landfill
7. County Commissioner reports
8. County Attorney's report
9. County Administrator's report
10. Old Business
11. New Business

The Board of Lincoln County Commissioners met at 9:00 a.m. on October 15, 2020. The following attended: Chairman Steve Burgess, Commissioners Ed E. Schifferns and Doug Stone, County Administrator Jacob Piper, County Attorney Stan Kimble, Clerk to the Board Corinne M. Lengel, and Juliet Lundy, with the Eastern Colorado Plainsman and Limon Leader.

Chairman Burgess called the meeting to order and asked Mr. Kimble to lead the Pledge of Allegiance.

Mr. Schifferns moved to approve the minutes from the meeting held on October 7, 2020, as submitted. Mrs. Lengel said she'd received a correction from Mr. Stone, which she'd taken care of. Mr. Stone seconded the motion, which carried unanimously.

The Board reviewed the September 2020 Statements of Revenues and Expenditures for the General, Public Health, Capital Projects, Conservation Trust, E911, Landfill, Library, Lodging/Tourism, Human Services, and Road & Bridge funds, as well as for the individual road districts.

The commissioners also reviewed September 2020 reports from the Assessor, Clerk and Recorder, Sheriff, and the Colorado Counties Casualty and Property and Workers' Compensation Pools.

Mr. Schifferns moved to approve the \$5,721.00 proposal from Nebraska Safety and Fire Equipment to replace the backflow prevention system at the courthouse and jail. Mr. Stone seconded the motion, which carried unanimously. Mr. Burgess asked that John Mohan come and talk to them about when they would do the work. Mr. Mohan said they'd have to shut down the water to the courthouse while they changed the bottom valve, so he'd like to do it on a Saturday. He agreed to let the department heads know when they scheduled it.

The Board discussed increasing rates at the landfill, mainly because the charges don't seem fair. The town of Limon brings in heavy loads, while Hugo brings in lighter loads, but both pay the same amount. Mr. Burgess suggested increasing the rate to \$21 per ton instead of \$140 per load. The others agreed it would be more equitable, so Mr. Stone moved to change the landfill rates to \$21 per ton, effective January 1, 2021. Mr. Schifferns seconded the motion, which carried unanimously.

At 10:00 a.m., Ronny Farmer, with rfarmer LLC, met with the Board via Zoom to present the Financial Statements for the year ended December 31, 2019. County Treasurer Jim Covington also joined the discussion. Mr. Farmer praised the county's finance director for her work updating the county's depreciation schedule as well as for her ability to switch accounting systems mid-year. He felt she'd done an excellent job.

Although one line-item on the statements showed a loss of almost \$1.2 million, Mr. Farmer explained that it was merely a clean-up adjustment made to get rid of the old assets no longer owned by the county. He added that it was nothing to worry about since the overall net

position of the county increased by about \$200,000. He also noted that the hospital showed a profit of \$11,306 for 2019, which wasn't much for a hospital but at least it wasn't a negative number. At the end of 2019, the county had a net worth of over \$26 million, which Mr. Farmer said was extremely healthy. The fund balance should be thirty percent of the total expenditures, and most of the county funds were in good shape at the end of the year. Mr. Farmer commented that the county wasn't in business to make money, and the commissioners were doing a fine job of investing in the county, which they should be doing.

He went on to say that the pension plan was "upside-down" by about \$2.5 million. However, since the actuary makes assumptions to determine the liability, the Board could make it zero and still owe money, depending on the actuary's outcome. Mr. Farmer said it was okay for now; let the investments earn what they earn. Mr. Burgess told him they'd increased both the employer and employee contribution rates in 2020, so the 2020 audit should have better numbers. If the commissioners wanted to show the reader of the financial statements that the county had set aside enough to cover the pension plan, they could do so at the end of the year with the unrestricted funds. Mr. Farmer said they could reclassify the unrestricted equity, which would show a more conservative approach. The Board would have to adopt a resolution, so Mr. Farmer said he'd speak with Mr. Piper about what information it should contain.

Mr. Piper wanted to know if the commissioners needed to adopt a resolution to absolve the Contingent Fund as well, but Mr. Farmer said that clearing out the money had taken care of it.

In conclusion, Mr. Farmer said there were no material errors, and all controls were in place, creating an overall sound audit. He again commended the finance director for her knowledge and grasp of her position.

Mr. Piper informed Mr. Farmer that the county had entered into an agreement with Karval Water Users. He also told him that Mark McMullen had suggested the county would need to plan for a new cell at the landfill in 2022. Mr. Farmer responded that they shouldn't set money aside for the closure and post-closure costs; instead, they should make it a countywide debt.

Mr. Kimble asked if GASB was still as big of a concern to Mr. Farmer as it had been. He said several changes had occurred but that the pandemic had postponed some of them. Capital leases are the most significant change, which now requires more disclosure and reconciliation of the books. Mr. Farmer added that government entities would have to change the way they presented their financial information within five years.

After the Zoom meeting ended, Mr. Burgess called for commissioner reports. On October 8, he participated in the Centennial Mental Health Zoom meeting. He also went to Genoa, checked roads, and sent the proposed shooting range map to Mark McMullen. The District 2 road crew finished hauling the washed aggregate from Arriba. On October 10, Mr. Burgess attended the CCI Zoom meeting. He participated in the weekly Public Health call on October 13; the county had no new COVID cases at that time. Mr. Burgess also talked to Bruce Walters, who had picked up a radiator for the water pump in Burlington, which cost \$800. He said since everyone

would probably use it, they'd charge it to District 4. Mr. Burgess reported that the road crew members were mowing and grading roads, and the high winds on Sunday caused some damage, but not much. Bruce Walters picked up some hose for the water pump on October 14. Also, Ken Stroud called Mr. Burgess and asked him to have a full water tanker on standby for fires. Mr. Walters and the crew laid asphalt on County Road 109 so they would be done with the roller and could park the water tanker in the shop. That same day, Mr. Burgess received a request from a resident for some gravel. Mr. Burgess reported that he'd gone by the landfill earlier this morning to pick up the spreadsheets for Limon's trash loads. He also talked to Ken Stroud about a generator for the fairgrounds and county shops, which he said he'd discuss in greater detail under new business.

Mr. Stone reported talking with Jess Solze on October 10. Mr. Solze asked if Hugo would keep a full tanker truck available for fires as well. The commissioners all commented that the fire chiefs countywide are concerned with the dry conditions. Mr. Burgess repeated that District 2 would have a truck available, and Mr. Stone said District 3 would as well. Mr. Stone participated in the October 13 Public Health Zoom call and asked Jobeth Mills what symptoms those who'd contracted the virus were reporting. The District 3 road crew members were putting gravel on County Hwy 63 since the wind affected it considerably. On October 14, Mr. Stone attended the Southeast and East Central Recycling meeting via phone. They still need a new truck and trailer and were hoping they might be able to use COVID funds since they have received an abundance of cardboard since the beginning of the pandemic.

Mr. Schifferns reported talking with Mr. Stone on October 12; he'd had a person ask him about extending the four-day workweek beyond the summer months. After speaking with Chris Monks about it, Mr. Schifferns said they didn't think it would work for them. Mr. Burgess felt there weren't enough daylight hours to get the work done, and Mr. Stone said that his road foreman didn't think it was a good idea either. On October 13, Mr. Schifferns received a call regarding the vehicles and road damage on the overpass at Arriba. He called Mr. Burgess and spoke with him about it. Mr. Burgess said the vehicles had torn up the road pretty badly. CDOT plans to oil both sides of the overpass. Mr. Schifferns said he'd also talked to Chris Monks about the tires for the loader. Mr. Schifferns spoke with Mr. Piper about extending the four-hour workweek on October 14 but decided it didn't need to be an agenda item. He also checked roads that day.

Mr. Kimble said he'd done the paperwork back when they formed the Kiowa Fire District. At that time, they'd had agreements with residents to bury large cisterns in certain areas in the district, serviced by wells, to use as a water source when there was a fire. Mr. Kimble said it might be an idea for Lincoln County fire districts to consider.

Mr. Kimble also said he'd never received releases for the \$1 million and \$1.5 million Xcel Energy bonds from Heather Brickey. She and Chris Monks finally agreed to the condition of County Road 2W, but Ms. Brickey never sent the releases. Since he didn't like holding bonds, Mr. Kimble said he'd put something together so they can get them released.

Mr. Piper reported that they'd had the health insurance meetings for county employees the previous week. He felt they went well and that there was more of a positive response than he anticipated. There are still a few questions, some of which might be answered when the bank representatives meet with individual employees. Mr. Piper commented that there would be some employee liability to determine their eligibility.

Mr. Burgess called for old business and showed the others the drawing of the proposed shooting range at the landfill. Mr. Piper felt he should contact CTSI to see if they had any issues with the plan, and Mr. Kimble thought that was a good idea. The new range would only be available to county employees, mainly law enforcement, and would be located inside the current landfill property, far removed from the office buildings. Mr. Piper asked if it would affect the Safranek lease at all, but Mr. Burgess assured him it wouldn't.

As for new business, Mr. Burgess asked Mr. Piper if he'd gotten a letter regarding CDBG. Mr. Piper provided the letter for the Board's signature.

Mr. Stone moved to approve Contract Amendment #3 CDBG #18-611 to add \$350,000 in business assistance and \$56,000 for administration fees. Mr. Schifferns seconded the motion, which carried unanimously.

Mr. Burgess said that Emergency Manager Ken Stroud would like to purchase an emergency backup generator for the fairgrounds or county shops. He thought they might be able to use COVID-19 funds for the purchase, and Mr. Piper said they could probably use the CARES Act funds given to Public Health.

Lastly, Mr. Burgess said that the company that hauled the steel from the landfill in June hadn't paid for it, nor could Brenda Howe get anyone to answer her calls. Mr. Burgess called Ms. Howe to discuss it, and the Board decided to have Mr. Kimble send the company a letter.

With no further business to come before the Board, Mr. Burgess adjourned the meeting at 11:58 a.m. The next meeting will be at 9:00 a.m. on October 29, 2020.

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Corinne M. Lengel, Clerk to the Board

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Steve Burgess, Chairman