



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

Regular Board Meeting Agenda

Thursday, 8 August 2019
1:30 – 4:00 pm
295 Girard Street, Durango, CO 81303

- I. Introductions
- II. Public Comment – 5 minutes per person
- III. Consent Agenda
 - a. June 2019 SWCCOG Meeting Minutes
 - b. July 2019 Financials
- IV. 2018 Audit Presentation
- V. Reports (Staff will be available for questions on the written reports)
 - a. Director's Report
 - b. Broadband Report
 - c. Transportation Report
 - d. VISTA Report
- VI. Decision Items
 - a. 2018 Budget Amendment and 2018 Audit Acceptance
 - b. Accountant Contract Amendment
 - c. Cyber Security and Data Breach Policy
 - d. Census 2020 Outreach Grant Program
 - e. Letter of Support – Brainstorm Internet Fiber to the Home Deer Valley
 - f. Letter of Support Ratification - Archuleta Fixed Route Plan
 - g. SJRC&D Information on Regional Non-Profit

Consent Agenda

**Southwest Colorado Council of Governments
June Board Meeting
Thursday, 28 June, 8:30 a.m.
1101 East Second Ave, Durango, CO 81303**

In Attendance:

Karen Sheek – City of Cortez
Andrea Phillips – Town of Pagosa Springs
David Black – Town of Bayfield
Gwen Lachelt – La Plata County
Willy Tookey – San Juan County
Steve Garchar -Dolores County
Mark Garcia – Town of Ignacio

Staff in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments
Jessica Laitsch – Southwest Colorado Council of Governments
Sara Trujillo – Southwest Colorado Council of Governments
Martina Pansze - Southwest Colorado Council of Governments

Guests in Attendance:

John Dougherty – City of Cortez
Chris LaMay – Town of Bayfield

Introductions

The meeting was called to order at 8:53 am.

Public Comment

None.

Consent Agenda

May 2019 SWCCOG Meeting Minutes and April 2019 Financials

Willy Tookey motioned to approve the consent agenda, David Black seconded,

Andrea asked about the travel expenses that would not be covered by TPR. Miriam replied that she traveled to Washington DC to work on federal transportation issues, and the TPR determined they would not reimburse for travel outside the state.

Unanimously approved.

Reports

Miriam reported that she has been in discussions with the Animal-La Plata Water Conservation District, they have recently lost their Executive Director and they may be interested in contracting with the SWCCOG to provide administrative services. Additionally, the San Juan RC&D will be closing, they provide financial services for a number of small local non-profits. She has been in discussions about the possibility of the SWCCOG taking over the San Juan RC&D to allow the service to continue to help alleviate overhead costs for the local non-profit community. She is seeking feedback from the Board. David expressed support because it would be providing valuable services while bringing in revenue. Gwen asked if this is generally in the purview of COGs. Miriam replied that many COGs include non-profits in their structure. Karen expressed her concern whether there is staff capacity to take this on and shared that Miriam assured there is, and the revenue would cover the staff support. Andrea asked for more information. Willy added that RC&D provided a vehicle for the region to bring in federal grants.

Miriam added that there is concern that if the organization dissolves it could impact the current federal funding coming in. Mark asked what other organizations these types of services are provided for. Miriam replied that the SWCCOG provides these services for All Hazards, Southwest Incident Management Team, the Regional Housing Alliance, and the SWTPR.

Broadband Report:

Miriam reported that there is information about Gallagher in the meeting packet. Karen mentioned the possibility of TABOR being on the ballot for repeal, although there was concern about that being successful, it may be better to try to make it work better moving forward rather than eliminate it.

Miriam reported there is an FCC rulemaking regarding Over the Air Reception Devices (OTARD) which would usurp local control, at this point it is likely to be ruled in favor of local governments.

Mark asked about Fasttrack installing fiber to Arboles. Miriam replied that she was not aware of this, she would look into it. There was discussion about franchise agreements with LPEA and fiber builds through the region.

Transportation Report: Written report.

VISTA Report:

Martina reported that she worked with the Good Food Collective for a grant to create a coalition to develop a strategic plan to address food insecure, vulnerable populations. The original intent was to have the SWCCOG as the fiscal agent for this grant and to apply for USDA funding to expand the project regionally, however there was concern about the local capacity to manage both grants at the same time.

Decision Items

Letters of Support: Archuleta Bus Facilities, Regional Food Systems, and Housing Solutions of the Southwest:

Karen summarized that there are three letters of support attached.

Mark Garcia motioned to approve the three letters, David Black seconded, unanimously approved.

MOU for Grant Fiscal Agent:

Miriam explained that the intent is to have the SWCCOG be the fiscal agent for the regional food systems project mentioned by Martina. Andrea asked if they are a non-profit. Miriam replied that they are not a non-profit, they are using their relationship with RC&D for non-profit status. Miriam added that the grantee and the attorney have confirmed that the SWCCOG could act as fiscal agent. Mark asked if action could be postponed until funding is awarded. Miriam replied that this agreement would only be applicable in the event funding is awarded, however the grantee requested that there be an agreement in place.

Willy Tookey motioned that the SWCCOG enter into the MOU, David Black seconded, unanimously approved.

Andrea asked about the Audit presentation. Miriam replied that there were some issues to be addressed, so the presentation was postponed.

The meeting ended at 9:31.

July 2019 Financials

To: SWCCOG Board of Directors
From: Sara Trujillo, Finance Service Consultant
Date: 3 August 2019

Comments: The following attachments include:

- Balance Sheet as of July 31, 2019
- January – July, 2019 Profit & Loss

Items to Note:

The prepaid expense is for the Zoom software as the contract goes to 2020.

The \$72,757 All Hazard Grants reimbursement funds did come in and all vendor checks on hold were sent.

There were \$2,300 in e-TICS expenses from January – May 2019 that DoLA has confirmed is an eligible expense for reimbursement under the 8573 grant.

There is concern of having enough funds to cover overhead costs. The current bank balance is approximately \$17,000, which includes \$15,000 from City of Farmington reserved for broadband efforts. Of course, some expended funds will come back through grant reimbursements, but overhead costs are floating on other funds until reimbursements come in.

The final reimbursement request for the 2018-2019 TPR grant was submitted; however, CDOT is questioning some travel expenses. Miriam will be writing a letter to provide details of the travel, but if TPR considers those expenses ineligible as they recently did with previous travel, there will be another \$1,170 put towards the general fund.

DoLA REDI grant 19-165 was 100% expended with a final reimbursement request submitted.

Fiscal Impact: High, Budget changes throughout the year

Staff Recommendation: Approve the July 2019 Financials allowing staff to move forward with the 2019 budget.

Legal Review: Not Applicable

Southwest Colorado Council of Governments

BALANCE SHEET

As of July 31, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Alpine Bank	
Alpine Bank Account (UR)	22,991.41
Fiber Equip Fund - Restricted	0.00
Total Alpine Bank	22,991.41
Petty Cash	22.97
AmeriCorps VISTA	135.25
Jessica Laitsch	0.00
Total Petty Cash	158.22
Total Bank Accounts	\$23,149.63
Accounts Receivable	
Accounts Receivable	23,121.36
Total Accounts Receivable	\$23,121.36
Other Current Assets	
Prepaid Expense	1,999.00
Undeposited Funds	0.00
Total Other Current Assets	\$1,999.00
Total Current Assets	\$48,269.99
TOTAL ASSETS	\$48,269.99
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	2,312.14
Total Accounts Payable	\$2,312.14
Credit Cards	
Credit Cards	
Miriam	3,785.68
Sara	1,335.10
Total Credit Cards	5,120.78
Total Credit Cards	\$5,120.78
Other Current Liabilities	
Accrued Wages	6,159.07
Deferred Revenue	0.00
Payroll Liabilities	
457 Retirement Due	522.37
CEBT Health Insurance Due	133.75
Total Payroll Liabilities	656.12
Total Other Current Liabilities	\$6,815.19

	TOTAL
Total Current Liabilities	\$14,248.11
Total Liabilities	\$14,248.11
Equity	
Retained Earnings	33,190.61
Net Income	831.27
Total Equity	\$34,021.88
TOTAL LIABILITIES AND EQUITY	\$48,269.99

Southwest Colorado Council of Governments

PROFIT AND LOSS

January - July, 2019

	TOTAL
Income	
All Hazards	
2017 SHSP	24,716.55
2018 SHSP	48,912.60
Total All Hazards	73,629.15
CDOT Grants	
SWTPR Grant	3,749.58
Transit 5304	0.00
Total CDOT Grants	3,749.58
DoLA Grants	
DoLA 8330	0.00
DoLA 8573	0.00
Total DoLA Grants	0.00
Dues Revenue	
COG Dues	111,929.00
SWTPR Contributions	5,926.00
Total Dues Revenue	117,855.00
Forethought	7,080.00
Grant Match	
COG Member Match	14,317.00
Non-COG Member Match	30,000.00
Total Grant Match	44,317.00
Misc. Income	1,133.00
RHA	10,024.00
SCAN Services	
Dark Fiber Leasing	24,624.00
e-TICS	1,158.76
Internet & Transport	5,810.00
Total SCAN Services	31,592.76
SWIMT	26,280.00
Total Income	\$315,660.49
GROSS PROFIT	\$315,660.49
Expenses	
All Hazards Projects	
All Hazards 2016 SHSP	
Grant 2016 Project 7	13,845.18
Total All Hazards 2016 SHSP	13,845.18
All Hazards 2017 SHSP	
Grant 2017 Project 1	6,041.87
Grant 2017 Project 4	22,694.92
Grant 2017 Project 7	12,994.50
Total All Hazards 2017 SHSP	41,731.29

	TOTAL
All Hazards 2018 SHSP	
Grant 2018 Project 3	50,828.20
Total All Hazards 2018 SHSP	50,828.20
Total All Hazards Projects	106,404.67
Bank Service Charge	136.74
Conference Fee	527.70
Consulting	39,965.02
Forethought.	7,000.00
Information Technology (IT)	16.17
Software	5,063.99
Total Information Technology (IT)	5,080.16
Insurance Expense	
General Liability	3,295.23
Health	12,611.50
Worker's Compensation	-17.00
Total Insurance Expense	15,889.73
Internet Connectivity	
Fast Track	5,085.00
Internet Connection (AT&T)	269.86
Total Internet Connectivity	5,354.86
Meetings	309.61
Memberships	5,098.00
Office Equipment	256.46
Office Supplies	180.83
Postage and Delivery	27.01
Professional Development	2.70
Professional Fees	
Accounting Software	210.00
Audit	3,050.00
Legal	2,019.60
Misc.	68.08
Total Professional Fees	5,347.68
Rent	4,200.00
Salary and Wages	76,612.93
457 Retirement	3,821.73
Car Allowance	2,100.00
Cell Phone Allowance	900.00
Payroll Processing Fee	1,063.94
Payroll Tax	6,084.90
Total Salary and Wages	90,583.50
SWIMT 2018-2019	22,783.67
SWIMT 2019-2020	2,724.71
Travel	2,956.17
Total Expenses	\$314,829.22
NET OPERATING INCOME	\$831.27
NET INCOME	\$831.27

2018 Audit Presentation

Southwest Colorado Council of Governments

Annual Financial Report

December 31, 2018

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Report of Independent Certified Public Accountants

Members of the Board of Directors
Southwest Colorado Council of Governments

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Southwest Colorado Council of Governments as of and for the years ended December 31, 2018 and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Southwest Colorado Council of Governments, as of December 31, 2018, and the respective changes in financial position and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

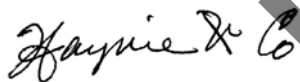
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison for the general fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Southwest Colorado Council of Governments's financial statements as a whole. The introductory and other supplementary information sections are presented for purposes of additional analysis and are not a required part of the financial statements.

The other supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado
June __, 2019

Southwest Colorado Council of Governments Management Discussion and Analysis

As management of the Southwest Colorado Council of Governments (Council), we offer readers of the Council's financial statements this narrative overview and analysis of the financial activities of the Council for the fiscal year ended December 31, 2018. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- Total assets exceed total liabilities (net position) by \$52,689 at the close of the fiscal year.
- Total net position decreased by \$34,643.
- Total revenue and expenditures in the General Fund were equal to the final budget.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the Council as a whole. (2) Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statements. (3) Notes to the financial statements.

Reporting on the Council as a Whole

The Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the Council's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the Council as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Council's net position and changes in them. Net position, the difference between assets and liabilities, are one way to measure the Council's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating

The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the Council's basic services are considered to be governmental activities. Grants, intergovernmental revenues and other non-exchange revenues finance most of these activities.

Reporting the Council’s Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the Council as a whole. The Council’s major fund uses the accounting approaches as explained below.

- Governmental funds – All of the Council’s basic services are reported in governmental funds. The Council has one major fund, the general fund, which is used to report the majority of its governmental operations. The Fiber Fund is a non-major fund used to track contributions and expenses for fiber replacement.

Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Council’s general government operations and the basic services it provides. Government fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the Council’s programs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the Council’s financial position. The Council’s combined assets exceed liabilities by \$52,689 as of December 31, 2018 as shown on the following condensed statement of net position.

Statement of Net Position:

	2018	2017	Change
Current assets	\$ 64,599	\$ 100,119	\$ (35,520)
Total Assets	64,599	100,119	(35,520)
Current liabilities	11,910	12,787	(877)
Total liabilities	11,910	12,787	(877)
Net Position			
Restricted	19,498	19,496	2
Unrestricted	33,191	67,836	(34,645)
Total Net Position	<u>\$ 52,689</u>	<u>\$ 87,332</u>	<u>\$ (34,643)</u>

Governmental Activities

The cost of all governmental activities this year was \$499,300. \$422,553 was subsidized by operating grants and contributions received from other governmental organizations. Charges for services totaled \$42,102.

The Council's programs include: General Government and Grants passed through to member governments. Each programs' net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the extent to which the Council's revenues support each of the Council's programs.

Statement of Activities:

Revenues	2018	2017	Change
Charges for services	\$ 42,102	\$ 29,567	\$ 12,535
Operating grants and contributions	422,555	560,905	(138,350)
Total revenues	<u>464,657</u>	<u>590,472</u>	<u>(125,815)</u>
Expenses			
General Government	410,653	378,106	32,547
Grants passed through to member governments	88,647	220,523	(131,876)
Total expenses	<u>499,300</u>	<u>598,629</u>	<u>(99,329)</u>
Change in net position	(34,643)	(8,157)	(26,486)
Net position, beginning	<u>87,332</u>	<u>95,489</u>	<u>(8,157)</u>
Net position, ending	<u>\$ 52,689</u>	<u>\$ 87,332</u>	<u>\$ (34,643)</u>

Total resources available during the year to finance governmental operations were \$52,689 consisting of net position at January 1, 2018 of \$87,332 and program revenues of \$464,657. The total cost of governmental activities during the year was \$499,300. Governmental net position decreased by \$34,643 to \$52,689.

General Fund Budgetary Highlights

The final appropriations for the general fund at year-end were equal to actual expenditures. Actual revenues were equal to final budget. Budget amendments were made during the year to prevent budget overruns and to increase appropriations for unanticipated expenditures after adoption of the original budget.

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

In considering the Council's Budget for calendar year 2019, the Council's Board and management estimated the budget for operating revenues and expenditures to be comparable to the year ended December 31, 2018.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the government's finances and to show the Council's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Miriam Gillow-Wiles, Executive Director, at 970-779-4592 or director@swccog.org.

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Basic Financial Statements

Southwest Colorado Council of Governments
Statement of Net Position
December 31, 2018

Assets	Governmental Activities
Cash and cash equivalents	\$ 6,021
Due from other governments	33,083
Prepaid expenses	5,997
Restricted assets:	
Cash and cash equivalents	19,498
Total assets	<u>\$ 64,599</u>
Liabilities	
Accounts payable	\$ 4,828
Accrued liabilities	7,082
Total liabilities	<u>11,910</u>
Net Position	
Restricted for:	
Fiber replacement	19,498
Nonspendable	5,997
Unrestricted	27,194
Total Net Position	<u>52,689</u>
Total Liabilities and Net Position	<u>\$ 64,599</u>

The accompanying notes are an integral part of these financial statements.

Southwest Colorado Council of Governments
Statement of Activities
For the Year Ended December 31, 2018

Functions/Program Activities	Program Revenues			Net (Expense) Revenue and Changes in Net Position of the Primary Government	
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Total
Governmental activities:					
General government	\$ 410,653	\$ 42,102	\$ 334,032	\$ (34,519)	\$ (34,519)
Grants passed through to member governments	88,647	-	88,523	(124)	(124)
Total governmental activities	\$ 499,300	\$ 42,102	\$ 422,555	(34,643)	(34,643)
Change in net position					(34,643)
Net position - beginning of year					87,332
Net position - end of year					\$ 52,689

The accompanying notes are an integral part of these financial statements.

Southwest Colorado Council of Governments
Governmental Funds Balance Sheet
December 31, 2018

	<u>General Fund</u>	<u>Nonmajor Fiber Replacement Fund</u>	<u>Statement of Net Assets</u>
Assets			
Cash and cash equivalents	\$ 6,021	\$ -	\$ 6,021
Due from other governments	33,083	-	33,083
Prepaid expenses	5,997	-	5,997
Restricted assets:			
Cash and cash equivalents	-	19,498	19,498
Total assets	<u>\$ 45,101</u>	<u>\$ 19,498</u>	<u>\$ 64,599</u>
Liabilities			
Accounts payable	\$ 4,828	-	\$ 4,828
Accrued liabilities	7,082	-	7,082
Total liabilities	<u>11,910</u>	<u>-</u>	<u>11,910</u>
Fund Balances			
Nonspendable	5,997	-	5,997
Restricted	-	19,498	19,498
Unassigned	27,194	-	27,194
Total Fund Balances	<u>33,191</u>	<u>19,498</u>	<u>52,689</u>
Total Liabilities and Fund Balances	<u>\$ 45,101</u>	<u>\$ 19,498</u>	<u>\$ 64,599</u>

The accompanying notes are an integral part of these financial statements.

Southwest Colorado Council of Governments
Governmental Fund Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2018

	<u>General Fund</u>	<u>Nonmajor Fiber Replacement Total</u>	<u>Total Governmental Total</u>
Revenues			
Grant income	\$ 214,692	\$ -	\$ 214,692
Charges for services	42,102	-	42,102
Contributions from member governments	157,812	-	157,812
Miscellaneous	50,049	2	50,051
Total Revenues	<u>464,655</u>	<u>2</u>	<u>464,657</u>
Expenditures			
General government	410,653	-	410,653
Grants passed through to member governments	88,647	-	88,647
Total Expenditures	<u>499,300</u>	<u>-</u>	<u>499,300</u>
Excess of Expenditures over Revenues	(34,645)	2	(34,643)
Fund balances:			
Beginning of the year	67,836	19,496	87,332
End of the year	<u>\$ 33,191</u>	<u>\$ 19,498</u>	<u>\$ 52,689</u>

The accompanying notes are an integral part of these financial statements.

Southwest Colorado Council of Governments

Notes to Basic Financial Statements

December 31, 2018

1. Organization

Organization

Southwest Colorado Council of Governments (the Council) is an association of local governments formed through inter-governmental agreements. The Council was formed in December 2009, pursuant to Colorado Revised Statutes, Sections 29-1-401 and 29-1-402. The Council was created for the purpose of promoting regional cooperation and coordination among local governments and between levels of government for the geographic area comprising the counties of Archuleta, Dolores, La Plata, Montezuma, and San Juan. The Council provides local public officials the means of responding more effectively to the local and regional problems of the member governments.

2. Significant Accounting Policies

Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Reporting entity

Southwest Colorado Council of Governments (Council) is governed by a board with representation appointed by its member governments. The board is responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with the provisions of Colorado Revised Statutes.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

Basis of presentation – government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by grant income, charges for services, contributions from member governments, and other contributions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Council

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

2. Summary of Significant Accounting Policies (continued)

Basis of presentation – government-wide financial statements (continued)

is not financially accountable for any other entity, nor is the council a component unit of any other government.

Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. The Council currently has no enterprise funds or fiduciary funds.

The government reports the following major governmental funds:

The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

2. Summary of Significant Accounting Policies (continued)

Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

General revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

Cash and Cash Equivalents

The Council's cash and cash equivalents are considered to be cash on hand, demand deposits with original maturities of three months or less from the date of acquisition.

Receivables

Grants receivable and amounts due from other governments are shown net of estimated uncollectible amounts. All receivables at December 31, 2017 are considered collectible and, therefore, an allowance for uncollectible grants receivable and amounts due from other governments has not been recorded.

Net position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

2. Summary of Significant Accounting Policies (continued)

about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The board may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and expenditures/expenses

Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

2. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Colorado State Constitution Article X, Section 20

The Council has concluded that the revenue, spending and debt limitations imposed by Colorado State Constitution Article X, Section 20 (Amendment 1, the 'TABOR' amendment) do not apply to them. This conclusion was primarily based on the fact that the Council does not impose a mill levy or collect taxes. In its deliberations, the Council and management took under consideration a legal opinion drawing the same conclusion.

3. Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

The Council's Board adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- In accordance with State statutes, prior to October 15, management submits to the Board of Directors a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the two preceding years. The State statutes require more detailed line item budgets be submitted in summary form. In addition, more detailed line item budgets are included for administration control. The level of control for the detailed budgets is at the Fund level.
- Public hearings are conducted.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- The Executive Director is required to present a monthly report to the Board explaining any variance from the approved budget.
- Formal budgetary integration is employed as a management control device during the year for all funds of the Council.

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

3. Stewardship, Compliance and Accountability (continued)

- Appropriations lapse at the end of each calendar year.
- The Board may authorize supplemental appropriations during the year.

Budget amounts included in the financial statements report both the original and final amended budget. There were revisions made to the original budget during the year.

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred

Expenditures over Appropriations

Per C.R.S. 29-1-108(2), appropriations are made by fund or spending agency (e.g. department) within a fund at the discretion of the Board. The Board has made appropriations at the fund level and thus, expenditures may not legally exceed budgeted appropriations at the fund level. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual report as listed in the table of contents report those funds that exceeded approved budget appropriations, if any.

4. Cash Deposits, Marketable Securities and Investments

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The State Regulatory Commissions for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2018, the Council's cash deposits had a bank balance and a carrying balance of \$6,021, all of which was FDIC insured in 2018.

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

4. Cash Deposits, Marketable Securities and Investments (continued)

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria that local governments may invest in, which include:

- obligations of the United States and certain U.S. government agency securities,
- certain international agency securities,
- general obligation and revenue bonds of U.S. local government entities,
- bankers' acceptances of certain banks,
- commercial paper,
- written repurchase agreements collateralized by certain authorized securities,
- certain money market funds,
- guaranteed investment contracts, and
- local government investment pools.

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from prevailing market interest rates, the Council's investment policy states that the weighted average maturity of the portfolio shall be no greater than 2.5 years, and all investments shall have a final maturity not exceeding 5 years from the date of purchase.

5. Concentrations

During 2018, the Council received most of its revenue from grants and from its member governments.

6. Contingencies

The Council administers projects through grants. These projects are subject to audit by granting agencies. A substantial amount of grant revenue has been awarded to subrecipients. These grants are subject to final review and approval as to allowability by the respective grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. However, the Council expects such amounts, if any, to be immaterial.

Southgate Water District
Notes to Basic Financial Statements (continued)
December 31, 2018

7. Employee Retirement Benefits

The Council contributes to a 457b plan on behalf of all full time employees. The plan is administered by ICMA-RC and provides that the Council matches up to 5% with the Council's contribution of \$7,622 during the year ending December 31, 2018.

Employees are fully vested immediately, foregoing any purpose of forfeitures. There is no employee contribution required. The Plan can be amended by the Executive Director.

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Required Supplementary Information

Southwest Colorado Council of Governments
Statement of Revenues, Expenditures
and Changes in Fund Balance—Actual and Budget
Governmental Fund Type—General Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Original</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues			
Grant Income	\$ 275,446	\$ 214,692	\$ (60,754)
Charges for Services	37,608	42,102	4,494
Contributions from member governments	164,807	157,812	(6,995)
Other contributions	10,000	50,051	40,051
Total revenues	<u>487,861</u>	<u>464,657</u>	<u>(23,204)</u>
Expenditures			
General government			
Salaries and wages	215,473	161,641	53,832
Employee benefits	53,735	38,922	14,813
Advertising	240	3,202	(2,962)
Consulting		120,065	(120,065)
Contract services		3,250	(3,250)
Computer and equipment	7,374	7,176	198
Insurance	9,750	3,645	6,105
Postage and printing	80	58	22
Professional fees	13,600	17,306	(3,706)
Rent and utilities	12,265	271	11,994
Travel and training	29,000	16,933	12,067
Supplies	850	880	(30)
Grant expenditures - All Hazards	157,346	88,647	68,699
Other	18,580	37,308	(18,728)
Total general government	<u>518,293</u>	<u>499,304</u>	<u>18,989</u>
Excess revenues over (under) expenditures	(30,432)	(34,647)	
Fund balance at beginning of year		<u>85,735</u>	
Fund balance at end of year		<u>\$ 51,088</u>	

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Other Supplementary Information

Southwest Colorado Council of Governments
Statement of Revenues, Expenditures
and Changes in Fund Balance—Actual and Budget
Governmental Fund Type—Fiber Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues			
Contributions from member governments - Fiber	\$ 5,375,000	\$ -	\$ (5,375,000)
Total revenues	<u>5,375,000</u>	<u>-</u>	<u>(5,375,000)</u>
Expenditures			
Fiber Consulting Services	<u>5,313,500</u>	-	<u>5,313,500</u>
Total expenditures	<u>5,313,500</u>	<u>-</u>	<u>5,313,500</u>
Excess revenues over (under) expenditures	<u>61,500</u>	<u>-</u>	<u>(61,500)</u>
Fund balance at beginning of year		<u>19,498</u>	
Fund balance at end of year		<u>\$ 19,498</u>	

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Reports

Director Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 28 June 2019

Comments: Like most months this year, July has been busy busy busy. As always much of my time is spent on broadband, but there is a lot of other engagement and projects/programming we do that is not broadband related, if you can believe it. I have also started two ongoing sections at the bottom of the Director's Report: Community Engagement, and Action Items from past Board Meetings. Both of these came out of the June strategic planning session to better communicate my community engagement and to track the follow up items that come up in meetings.

SWCCOG Strategic Planning

The July meeting date for the planning session was cancelled due to the need for participation, as there were a few Members and a few non-members who could not make that date and time. The next Strategic planning session will be:

- Monday, August 26th 8am to 5pm. Location to be determined

DOLA 2020 Technical Assistance

This grant is due in early Oct, and staff will provide information on the request, match, and other info based on the outcomes of the second day of strategic planning. Our past grants have varied from \$50,000 - \$100,000 depending on the projects and years.

City of Durango

The City has asked that I present at a budget workshop on Thursday 8/8 at 5pm for a few minutes on the SWCCOG. Hopefully this is the first step in the City rejoining the COG.

Town of Mancos

I am working with the Town on a date to discuss and present the SWCCOG's projects and activities to the Town Board. The Town Administrator and I have been in communication about the non-broadband projects/programs we are working on.

Housing

In 2019 the legislature passed several pieces of legislation that will provide significant funding for affordable housing. DOLA Division of Housing has been on a road show across the state, and several of the COG members had folks who work on housing in the room. I have asked our DOLA Housing Development Specialist, Andrew, to come present to the Board on the legislation and funding attached at the September meeting. In addition, SWCCOG, SJBPH, and Housing Solutions are going to have a brainstorming session about how we can regionalize the state funding to ensure we are able to maximize the money to SWCO.

Director Report

San Juan RC&D

There will be a discussion and potentially a decision at the end of the agenda to see if the Board wants to move forward on management and administration for a regional non-profit. The SJRC&D Board is supportive of this idea and potential action.

Community Engagement

- Meeting with Navajo Nation on broadband engineering, Farmington
- Meeting with San Juan County Colorado Commissioner, Silverton
- Meeting with Interim Town of Silverton Town Manager, Silverton
- Meeting with Mayor of Cortez, Cortez
- Meeting with Cortez City Manager and General Services Manager, Cortez
- Call with Pagosa Springs Broadband Coordinator
- DOLA Housing Funding meeting, Durango
- Met with multiple ISPs, Durango and Phone
- Met with CDOT Region 5 folks, Durango
- Provided Broadband Report for Region 9 Board Meeting (would have attended in person, but was on PTO)
- Met with USDA representatives, Cortez

Follow Up on Action Items from the Board

No specific action items from June 2019 Board Meeting

Executive Director Time Out of the Office

While there are many meetings that will take me out of the office, I have no PTO or travel planned for the rest of August or September. I will however, likely take a few Fridays just to use my PTO, as I am accruing more than I am using.

Broadband Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 8 August 2019

Comments Lots going on, per the norm. Please note, I have moved all grant updates to a grant update document under reports (just behind this report, actually) for ease of tracking and clarity.

Southern Route Engineering

As you'll remember DOLA has fully funded this project so we are working on engaging with the stake holders, including a diverse set of new folks in New Mexico. The idea of broadband development has caught on like wildfire in New Mexico. This has also grabbed the attention of the Navajo Nation as they are working on technology and broadband planning/development. As a result I have met with both the Navajo Nation President, Vice President, and many of the various department directors (Community Development, Justice, etc). I am hopeful that this project solidifies cross state engagement with the amount of excitement it is creating. Consultant work should begin in September, as we should expect a contract in the next week from DOLA.

FCC Cable Franchise Fees Update

Unfortunately, the FCC ruled against local governments in regards to cable franchise fees. Staff will keep the SWCCOG Board apprised of any changes, updates, and next steps – which may include code and contract documents. I am happy to provide the statements by the FCC Commissioners for any member via email, I did not want to add unnecessary documents to the Board Packet.

A summary of the comments from the CCUA Council, Ken Fellman:

The FCC ruled against local governments, 3-2 in the cable/franchise fee/PEG proceeding August 2nd. A detailed description of what the order does once it is published and we see the actual wording will be published (and provided to COG members). Commissioner Starks' dissent, he specifically highlights the great work that Durango is doing with PEG programming. Commissioner Starks and Commissioner Rosenworcel's dissent referenced some of the materials and legal support CCUA gave in April.

Supreme Court Ruling: Public Access Channels NOT subject to First Amendment

Some of you may know that there was a case before the Supreme Court of The United States, Manhattan Community Access Corp et al vs Halleck et al, in regards to public access channels and First Amendment rights. The ruling in June made it clear that public access channels are not subject to the First Amendment. The opinion is 39 pages long and I would be happy to send it to any of the COG members to pass along to their legal representations (or for some light reading to cure insomnia).

Broadband Report

FCC Over the Air Reception Devices (OTARD) Ruling

(Same info from June, just to remind everyone – this will have impact on local control)

The FCC is contemplating whether to allow small cells and other wireless devices to be placed on residential satellite dishes. This is a stark deviation in current practice and if the new rules are adopted, local jurisdictions would have no knowledge and minimal control to address placement of these small cell devices even on private property.

Last year, the FCC ordered that wireless carriers are free to put small cell sites and other wireless devices on utility poles, light poles or buildings that are in the public right-of-way. This new proceeding would expand placement locations to include residential satellite dishes and antennas among other locales.

The Commission's current rule being reviewed in this proceeding was originally adopted in the 1990s, and allowed satellite TV dishes to be placed without local oversight. The goal of the rule was to ensure that local governments as well as private entities like HOAs could not prohibit people from getting satellite TV service on their property. The rule currently covers: satellite dishes of 1 meter or less, digital tv antennas, and fixed wireless signal antennas. The new proposal seeks to extend the current rule to hub and relay type antennas which transmit signals to and/or receive signals from multiple customer locations. The proposal would allow a wireless provider to install equipment to serve their network, rather than a particular customer or set of customers.

FCC 5G-Small Cell Ruling Update

CCUA and the other local government organizations challenging this in the courts have filed an oversized brief (longer than what they would normally get to file due to the number of entities involved). The next steps are: additional documents from other petitioners will be filed in August, and then replies will be filed in September, and then oral arguments before the end of 2019. The process is not hasty.

Grant Updates

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 8 August 2019

Comments: Starting this month, staff will provide updates up on the various grants in one location instead of spreading them across other reports. This will help track the various projects/goals and the funding related to them. Feedback is welcomed if this is helpful and if it could use some tweaking.

Existing Grants:

CDOT TPR FY19-20 Funding

The TPR is funded through a Purchase Order, for typically \$22,100. This state fiscal year, the SWTPR will have an additional \$10,000, for a total of \$32,100, to attend meetings and coordination for SB19-239. This legislation convenes stake holder groups to address the impacts of technology on transportation. Additional information can be found here: <https://leg.colorado.gov/bills/sb19-239>

- This funding will cover staff time related to TPR goals and administration of the TPR

DOLA 8573 - 2018 Technical Assistance

- Funding to create 'offsite storage' with LPC and Bayfield (*Telecommunications and Shared Services*)
- Funding for downtown improvement for Bayfield and Ignacio (*Community Support*)
- Funding for Region 9/SWCCOG coordination and SWCCOG Strategic Planning
- Ends August 31, 2019

DOLA 8824 – 2019 Technical Assistance

- Will have contract this month, there was an error with the paperwork on DOLA, it has been fixed.
- Funding includes:
 - o \$20,000 - CDL Program Development and Cost Reduction for COG Members (*Shared Services/Community Support*)
 - o \$30,000 - Development of end markets for hard to recycle items (*Environment*)
 - Match from CDPHE Regional Waste Studies in early 2020
- No funding for staff
- Ends Aug/Sept 2020

DOLA REDI Grant 19-165

- \$18,000 to apply to the FCC USAC Rural Healthcare fund
-

Grant Updates

- Ended 31 June 2019
- Did not cover staff time related to USAC funding
- All funds spent

DOLA REDI Grant 19-189

- \$48,000 for Broadband Engineering (*telecommunications*)
 - o Southern Loop through NM: Cortez-Shiprock-Kirtland-Farmington-Aztec-La Plata County
 - o FTTP support to help LPEA post SB19-107 through Eastern La Plata to Pagosa Springs
- \$30,000 Match from Farmington and San Juan County
- Expected funding from ISPs
- Project will start in September

FCC USAC Rural Healthcare 2019 Broadband Funding Request

The SWCCOG applied for a total of \$13,368,611.49 in USAC funding in May. Notice of funding is expected sometime between November 2019 and February 2020.

USDA REDI Technical Assistance

- No funding attached with this, technical assistance only
- Support post extraction industry with new economic drivers
- Plan will create road map and additional funding, likely from USDA sources
- Expected completion late Q12020

Future Grants

DOLA 2020 Technical Assistance

- Board Approval Sept 2019
- Application due Oct 2019

CDPHE Recycling Funding

- Expected Early 2020
- Proposal only, not competitive grant cycle
- \$30,000 from DOLA 2019 funding
- Will look at quantity and local reuse of 'hard to recycle materials', such as glass, tires, electronics.

EDA Funds (potential)

- Help develop some of the outcomes of USDA REDI TA grant

OEDIT Funding (potential)

- Co-working spaces technical assistance, both industrial and office
 - Outdoor recreation development
-

Grant Updates

USDA Funding

- Post USDA REDI Technical Assistance work
- Will focus on targeting outcomes and recommendations of USDA REDI TA
- Likely various co-working spaces, outdoor recreation economy development, programs with San Juan College and PCC

Broadband Funding

- DOLA funding in 2020
 - USDA funding in 2020
 - FCC Rural Opportunity
 - Public Private Partnerships
-

Transportation Report

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 2 August, 2019

Comments: Transportation:

The next SWTPR meeting will be held at 9:00 a.m. Thursday, 8 August, 2019 at 20581 US 160 W, Durango. Topics will include a continued discussion on the 2045 Regional Transportation Plan, a CDOT Wildlife Prioritization Study and an overview of the Safety Study Results and Multi-Objective Decision Analysis (MODA) Tool.

Transit:

There was not a Transit Council meeting held in July. The next Transit Council meeting will be held at 9:00 a.m. Friday, 20 September, 2019 at 295 Girard Street, Durango.

VISTA's Report

To: SWCCOG Board of Directors
From: Martina Pansze
Date: 1 August 2019

Comments: This will be my last board meeting as a VISTA as my service year wraps up later this month. The past few weeks I have been working on tying up the loose ends of my projects here and making sure that the transition goes smoothly.

Thank you all for letting me be a part of this organization. I learned so much about government in the year I spent here and I am grateful to have been surrounded by such hardworking and thoughtful civil servants as you all.

The next step for me is a move to Missoula, Montana—although it might not be a goodbye in terms of my work with the COG. After speaking with Miriam about anticipated need with grantwriting support in the upcoming months, I may continue to help on a part-time contract basis as necessary.

Decision Items



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

To: SWCCOG Board of Directors
From: Sara Trujillo, Finance Service Consultant
Subject: Final Budget Amendment FY2018 General Fund
Date: 3 August 2019

Please find attached the final budget amendment FY2018 General Fund and summary below.

General Fund FY2018	Final (AUDITED)
Revenues	\$464,655
Expenditures	\$499,300
Net Income	-\$34,645

FY2018 Net Income (audited) is at a deficit. Contributing factors include:

- Change in DoLA regulations to no longer provide funding for administrative costs.
- With board direction to focus mainly on broadband, other grants were not researched or applied for and much of staff time on broadband efforts were not reimbursable by grants.
- Grant revenues were down 53% from 2017.

Attached include the following:

- Revenues and Expenditures Summary: General Fund, with 3 Year's Comparison
- Fund Balance Summary: General Fund, with 3 Year's Comparison

SWCCOG GENERAL FUND

	Jan - Dec 16 (AUDITED)	Jan - Dec 17 (AUDITED)	Jan - Dec 18 (AUDITED)
Ordinary Income/Expense			
Income			
All Hazards			
2014 SHSP	23,733.66	0.00	0.00
2015 SHSP	86,018.49	97,383.00	517.00
2016 SHSP	25,487.05	126,369.00	10,833.00
2017 SHSP	0.00	0.00	77,173.00
All Hazards - Other	0.00	0.00	0.00
Total All Hazards	135,239.20	223,752.00	88,523.00
CDOT Grants			
SWTPR Grant	21,293.31	21,681.00	21,390.00
Transit 5304 Grant	0.00	0.00	39,981.00
Transit LCC Grant	19,999.02	0.00	0.00
Total CDOT Grants	41,292.33	21,681.00	61,371.00
DoLA Grants			
DoLA 7645	40,747.05	0.00	0.00
DoLA 8010	78,001.91	0.00	0.00
DoLA 8011	33,230.60	41,321.00	0.00
DoLA 8330	0.00	30,578.00	29,768.00
DoLA 9038	55,045.46	44,955.00	0.00
DoLA TA 8573	0.00	0.00	12,107.00
DoLA Grants - Other	0.00	0.00	0.00
Total DoLA Grants	207,025.02	116,854.00	41,875.00
Dues Revenue			
Admin Position	12,347.00	12,200.00	12,200.00
COG Dues	115,363.00	114,000.00	138,770.00
SWTPR Contributions	7,679.00	7,607.00	6,842.00
Total Dues Revenue	135,389.00	133,807.00	157,812.00
Forethought	0.00	0.00	460.00
Grant Match			
COG Member Match	6,836.42	21,039.00	14,923.00
Non-COG Member Match	12,223.00	0.00	8,000.00
Total Grant Match	19,059.42	21,039.00	22,923.00
Misc. Income	29,349.68	5,870.00	9,499.00
RHA PSA	0.00	0.00	10,000.00
RREO Grant			
RREO 2016-2017	6,756.40	28,161.00	0.00
RREO Grant - Other	0.00	0.00	0.00
Total RREO Grant	6,756.40	28,161.00	0.00
SCAN Services			
Dark Fiber Leasing	20,256.00	21,287.00	33,822.00
e-TICS	8,400.00	0.00	0.00
Internet & Transport	8,280.00	8,280.00	8,280.00

Total SCAN Services	36,936.00	29,567.00	42,102.00
SJB AAA	3,375.50	0.00	0.00
SWIMT			30,090.00
Total Income	<u>614,422.55</u>	<u>580,731.00</u>	<u>464,655.00</u>
Gross Profit	614,422.55	580,731.00	464,655.00
Expense			
Advertising and Promotion	419.54	110.00	3,202.00
All Hazards Projects	119,849.07	220,523.00	88,648.00
AmeriCorp VISTA	8,000.00	8,000.00	3,250.00
Bank Service Charge	73.00	0.00	158.00
Broadband Expenses			
SCAN Dark Fiber Lease	<u>12,660.00</u>	<u>5,322.00</u>	<u>8,456.00</u>
Total Broadband Expenses	12,660.00	5,322.00	8,456.00
Conference Fee	0.00	199.00	1,550.00
Consulting	190,300.41	92,018.00	99,260.00
Employee/Board Appreciation	360.68	79.00	196.00
Forethought	0.00	0.00	2,000.00
Information Technology (IT)			
Internal IT Consulting	0.00	50.00	0.00
Software	<u>1,268.06</u>	<u>3,033.00</u>	<u>5,274.00</u>
Total Information Technology (IT)	1,268.06	3,083.00	5,274.00
Insurance Expense			
General Liability	2,212.75	2,235.00	1,977.00
Health	19,922.00	26,214.00	25,704.00
HSA	4,000.00	0.00	0.00
Worker's Compensation	<u>1,674.00</u>	<u>1,668.00</u>	<u>1,668.00</u>
Total Insurance Expense	27,808.75	30,117.00	29,349.00
Internet Connectivity			
Fast Track	10,800.00	10,800.00	10,800.00
Internet Connection (AT&T)	<u>385.63</u>	<u>388.00</u>	<u>365.00</u>
Total Internet Connectivity	11,185.63	11,188.00	11,165.00
Match Refund	1,634.25	0.00	0.00
Meetings	2,737.95	1,316.00	900.00
Memberships	17,253.50	5,673.00	6,423.00
Misc. Expense	15,850.89	3,641.00	522.00
Office Equipment	3,970.62	493.00	1,537.00
Office Supplies	741.40	481.00	880.00
Postage and Delivery	65.02	67.00	58.00
Professional Development	430.40	2,569.00	0.00
Professional Fees			
Accounting Software	0.00	220.00	0.00
Audit	6,500.00	6,750.00	5,900.00
Legal	5,248.46	3,929.00	11,382.00
Misc.	<u>1,329.75</u>	<u>331.00</u>	<u>24.00</u>
Total Professional Fees	13,078.21	11,230.00	17,306.00
Rent	87.00	91.00	271.00

Salary and Wages			
457 Retirement	3,514.94	7,476.00	7,622.00
Car Allowance	3,600.00	3,900.00	3,300.00
Cell Phone Allowance	2,665.00	2,990.00	2,100.00
Housing Allowance	2,700.00	0.00	0.00
Payroll Processing Fee	1,568.68	1,721.00	1,772.00
Payroll Tax	11,011.93	11,628.00	12,136.00
Salary and Wages - Other	139,494.85	140,766.00	147,729.00
Total Salary and Wages	164,555.40	168,481.00	174,659.00
Software Maintenance e-TICS	10,292.19	15,162.00	0.00
SWIMT	0.00	0.00	27,304.00
Team Building	320.00	0.00	0.00
Travel	16,244.96	18,787.00	16,933.00
Total Expense	619,186.93	598,630.00	499,301.00
Net Ordinary Income	-4,764.38	-17,899.00	-34,646.00
Other Income/Expense			
Other Income			
Interest Earned	0.00	0.00	0.00
Total Other Income	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00
Net Income	<u>-4,764.38</u>	<u>-17,899.00</u>	<u>-34,646.00</u>

Fund Balance: General Fund

Fund Balance Information	
General Fund – FY2016	
Beginning Fund Balance ^a	\$90,500
Ending Fund Balance ^a	\$85,735
Operating Costs	\$238,614
Reserve Requirement	\$79,538
General Fund – FY2017	
Beginning Fund Balance ^a	\$85,735
Ending Fund Balance ^a	\$67,836
Operating Costs	\$250,045
Reserve Requirement	\$83,348
Reserve deficient	\$15,512
General Fund – FY2018	
Beginning Fund Balance ^a	\$67,836
Ending Fund Balance ^a	\$33,191
Operating Costs	\$244,000
Reserve Requirement	\$81,333
Reserve deficient	\$48,142

Notes:

SWCCOG Fund Balance Policy states:

It is the goal of the SWCCOG to maintain an unassigned fund balance equal to four months of operating expenditures.

^a indicates audited information

^e indicates unaudited information

Fund Balance = Assets minus liabilities

Accounting Contract

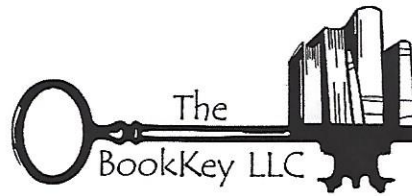
To: SWCCOG Board of Directors
From: Sara Trujillo
Date: 3 August 2019

Comments: The attached 60-day notice was emailed to Miriam June 26 providing notification of my intention to reduce finance services to on-call only as of August 31, 2019. I have been providing training to Jessica who will officially take over my tasks at the end of August. In addition to the letter, I have attached an amended contract stating services will be on-call only and the fee for this service is \$75/hour.

Legal Review: None

Fiscal Impact: High, will save SWCCOG significant amounts of funding

Staff Recommendation: Approve contract amendment with The BookKey LLC for contract accounting services



June 26, 2019

Southwest Colorado Council of Governments
Miriam Gillow-Wiles, Executive Director
P O Box 963
Durango, CO 81302

Re: Professional Service Agreement Amendment Request

Dear Ms. Gillow-Wiles,

New opportunities have presented that I feel are right for my business and family at this time that will prevent me from providing the contracted services and weekly hours (up to 20 hours per week). To prevent complete termination of services, I would like to offer an on-call service to assist with training, questions, and be an accounting resource specific to COG functions. I happily give full services per contract until August 31, 2019 then will activate the reduction in services to on-call only as of September 1, 2019 with a contract amendment.

Please call with any questions. I will send an amended contract with the above changes for your review.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sara Trujillo", with a stylized flourish at the end.

Sara Trujillo
The BookKey LLC

**Independent Contractor Agreement Between
The Southwest Colorado Council of Governments and The BookKey LLC**

This contract supersedes any previous contracts between the two parties and is entered into on _____, 2019 (the "effective date"), between the Southwest Colorado Council of Governments ("SWCCOG"), a political subdivision of the State of Colorado, whose address is PO Box 963, Durango CO 81302, and The BookKey LLC ("CONTRACTOR"), whose address is 921 East Oak Drive, Bayfield, CO 81122.

Purpose

The purpose of this contract is to describe the independent contractor agreement by which CONTRACTOR will perform consulting services to the SWCCOG.

Term and Conditions

This Agreement will continue indefinitely until terminated by either party.

Additional Documentation

CONTRACTOR shall complete within 15 days of the effective date of this contract documentation regarding: a) proof of carrying professional liability insurance, c) provision of worker's compensation and d) a W9 form.

CONTRACTOR shall maintain professional liability insurance and worker's compensation insurance and all required business licenses during the length of the contract.

Consideration

For performance of services set forth in Attachment A, SWCCOG will pay CONTRACTOR at the rates provided in Attachment A during the contract period, outlined in Exhibit B, with all payment contingent upon SWCCOG appropriation. Said payment is the full compensation to CONTRACTOR which shall bear all expenses incurred to accomplish the scope of work except as provided in Attachment A.

Submission of a monthly payment request shall be accompanied by a CONTRACTOR monthly progress report for the previous month summarizing activities & accomplishments and total hours of activity.

Payments shall be made from SWCCOG to CONTRACTOR within 15 days of receiving a monthly invoice.

Compensation shall be paid in the trade or business name of CONTRACTOR. CONTRACTOR shall be solely responsible for any payroll, withholding, or other taxes, and any of its insurance requirements. THE PARTIES HERETO UNDERSTAND THAT CONTRACTOR IS NOT ENTITLED TO WORKER'S COMPENSATION BENEFITS OR UNEMPLOYMENT COMPENSATION BENEFITS AND IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONEYS EARNED PURSUANT TO THIS AGREEMENT.

Description of Work

Please see Attachment A for a detailed scope of work.

CONTRACTOR warrants that the quality of its Services under this Agreement shall conform to the level of professional quality performed by experts regularly rendering this type of service. It shall be a condition of this Agreement that CONTRACTOR shall be responsible for meeting the program expectations of SWCCOG pursuant to Attachment A, and the terms, requirements, and specifications established herein, in the performance of services hereunder to the satisfaction of the SWCCOG. CONTRACTOR warrants

that it has all the skills, experience, and professional licenses necessary to perform the services specified in this Agreement. CONTRACTOR warrants that it has available, or will engage, at its own expense, sufficient trained employees to provide the services specified in this Agreement.

Independent Contractor/ Not An Employee

It is understood through this contract that CONTRACTOR is contracting with SWCCOG to provide specific services and this contract should in no way be interpreted that CONTRACTOR is an employee of the SWCCOG.

CONTRACTOR shall perform said services in its own way in the pursuit of its independent calling and not as an employee of SWCCOG, and shall be solely responsible for the means and methods and the proper performance of the services in compliance with the terms, requirements, and specifications of this Agreement. CONTRACTOR and any persons employed or retained by CONTRACTOR for the performance of services hereunder shall be independent contractors and not employees or agents of the SWCCOG. CONTRACTOR shall not be under the control of SWCCOG or its employees as to the means or manner by which such result is to be accomplished. It shall be a condition of this Agreement that CONTRACTOR shall be responsible for meeting the program expectations of SWCCOG, and the terms, requirements, and specifications established herein, in the performance of services hereunder to the satisfaction of the SWCCOG.

CONTRACTOR shall have no claim against the SWCCOG hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. CONTRACTOR shall be solely responsible for meeting all applicable withholding, tax, and insurance requirements.

Ownership of Work Product

SWCCOG shall be the owner of information gathered and developed during the project, and of all work product performed by CONTRACTOR under the terms of this agreement. Subsequent use of such information by CONTRACTOR shall require the advance written approval of the SWCCOG.

In the event of termination, all finished and unfinished work product(s) prepared by CONTRACTOR pursuant to this Agreement shall become the sole property of the SWCCOG, provided CONTRACTOR is compensated in accordance with this Agreement for all work performed in accordance with this Agreement up to the effective date of termination. CONTRACTOR shall not be liable with respect to the SWCCOG'S subsequent use of any incomplete work product, provided CONTRACTOR has notified the SWCCOG in writing of the incomplete status of such work product.

Equal Employment Opportunity

- A. CONTRACTOR will not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, age, sex (gender), religion, creed, or physical or mental disability. CONTRACTOR may adhere to lawful equal opportunity guidelines in selecting employees, provided that no person is illegally discriminated against on any of the preceding bases. This provision shall govern, but shall not be limited to, recruitment, employment, promotion, demotion, and transfer, and advertising therefor; layoff or termination; rates of pay or other compensation; and selection for training, including apprenticeship. CONTRACTOR shall post, in all places conspicuous to employees and applicants for employment, notices provided by the State of Colorado setting forth the provisions of this nondiscrimination clause.
- B. All solicitations and advertisements for employees placed by or on behalf of CONTRACTOR, shall state that CONTRACTOR is an equal opportunity employer.

- C. CONTRACTOR shall cause the foregoing provisions to be inserted in all subcontracts for any work contemplated by this Agreement or deemed necessary by CONTRACTOR, so that such provisions are binding upon each sub-Consultant.
- D. CONTRACTOR shall keep such records and submit such reports concerning the racial and ethnic origin of employees and of applicants for employment as the U.S., the State of Colorado, the SWCCOG, or their respective agencies may require.
- E. CONTRACTOR shall comply with such rules, regulations and guidelines as the United States, the State of Colorado, the SWCCOG, or their respective agencies may issue to implement these requirements.

Records

CONTRACTOR shall maintain records that indicate the date, time, and nature of the services rendered under this agreement. CONTRACTOR shall make available for inspection by the SWCCOG all records, books of account, memoranda, and other documents pertaining to the SWCCOG upon reasonable request. SWCCOG, or a duly authorized representative from SWCCOG shall until three (3) years after final payment under this agreement have access to and the right to examine any of CONTRACTOR's books, documents, papers, or other records involving transactions related to this contract agreement. Additionally,:

The SWCCOG may, at reasonable times and places, audit the books and records of any contractor who has submitted all cost or pricing data pursuant to the Policy to the extent that such books, documents, papers, and records are relevant to such cost or pricing data. Any person who receives a contract, change order, or contract modification for which cost or pricing data is required, shall maintain such books, documents, papers, and records that are pertinent to such cost or pricing data for three (3) years from the date of final payment under the contract.

The SWCCOG shall be entitled to audit the books and records of any contractor or subcontractor at any tier under any negotiated contract or subcontract other than a firm fixed-price contract to the extent that such books, documents, papers and records are relevant to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three (3) years from the date of final payment under the prime contract and by the subcontractor for a period of three (3) years from the date of final payment under the subcontract.

If a contract is being funded in whole or in part by assistance from a federal agency, then the contractor or subcontractor at any tier are required to maintain for three (3) years from the date of the final payment, or as required by the grantor, all books, documents, papers, and records pertinent to the contract; and to provide to the SWCCOG, the federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives access to such books, documents, papers, and records for the purposes of examining, auditing, and copying them.

Insurance

Professional Liability Insurance: CONTRACTOR shall maintain professional liability insurance for itself and its employees in an amount no less than One Million Dollars (\$1,000,000) throughout the term of this Agreement. Such insurance shall provide that the SWCCOG be notified no less than 45 days in advance in the event of cancellation.

Worker's Compensation: CONTRACTOR shall secure, maintain and provide verification of all necessary Worker's Compensation insurance as may be required by law to provide coverage for CONTRACTOR's employees hereunder.

Conflict of Interest

CONTRACTOR warrants that it presently has no interest and shall not acquire any interest – direct or indirect – which would conflict in any manner or degree with the performance of services required under this Agreement.

CONTRACTOR shall disclose any potential conflicts of interest with the project regarding other employment, contracts or representation related to telecommunications services.

The SWCCOG may immediately terminate this contract if it determines that there is a conflict of interest with the project.

Confidentiality

Any confidential information provided to or developed by CONTRACTOR in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by CONTRACTOR without the prior written approval of the SWCCOG. CONTRACTOR acknowledges that during the engagement, it will have access to and become acquainted with various information or data owned or licensed by the SWCCOG and/or used by the SWCCOG in connection with the operation of its affairs, including, without limitation, the SWCCOG's business, processes, methods, lists, accounts and procedures. CONTRACTOR agrees that it will not disclose any of the aforesaid, directly or indirectly, or use any of them in any manner, either during the term of this Agreement or at any time thereafter, except as required in the course of its engagement with the SWCCOG. All files, records, documents, blueprints, specifications, information, letters, notes, lists, notebooks, and similar items relating to the business of the SWCCOG, whether prepared by CONTRACTOR or otherwise coming into its possession, shall remain the exclusive property of the SWCCOG. CONTRACTOR shall not retain any copies of the foregoing without the SWCCOG's prior written permission. Upon the expiration or earlier termination of this Agreement, or whenever requested by the SWCCOG, CONTRACTOR shall immediately deliver to the SWCCOG all such files, records, documents, specifications, information, and other items in its possession or under its control.

CONTRACTOR shall execute and comply with additional non-disclosure agreements as necessary to implement the project and as requested by the SWCCOG board.

Indemnification and Release

CONTRACTOR agrees to indemnify and hold harmless the SWCCOG, and its officers and its employees, from and against any and all liability, claims, demands, and expenses, including court costs and attorney fees, on account of any injury, loss, or damage, which arise out of or are in any manner connected with the services to be provided under this Agreement, if such injury, loss, or damage is caused in whole or in part by, or is claimed to be caused in whole or in part by, the act, omission, or other fault of CONTRACTOR, any subcontractor of CONTRACTOR, or any officer, employee, or agent of CONTRACTOR .

CONTRACTOR waives and releases the SWCCOG, and its officers and its employees, from any and all liability, claims, demands, and expenses, including court costs and attorney fees, on account of any injury, loss, or damage which Contractor may suffer and which arise out of or are in any manner connected with the services to be provided under this Agreement.

Termination

Either party may terminate this Agreement, without cause, upon providing 30 days written notice to terminate the contract.

In addition, SWCCOG, may immediately terminate this contract pursuant to paragraph 6.9 of its Procurement Policy if CONTRACTOR:

- (1) Fails to begin the work within the time specified in the Contract;
- (2) Fails to perform the work with sufficient workers and equipment or with sufficient materials to assure the prompt completion of said work;
- (3) Fails to perform the work in accordance with contract requirements or refuses to remove and replace rejected materials or unacceptable work;
- (4) Discontinues the work;
- (5) Fails to resume work which has been discontinued within a reasonable time after notice to do so;
- (6) Becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency;
- (7) Allows any final judgment to remain unsatisfied for a period of ten (10) days;
- (8) Fails to comply with contract requirements regarding minimum wage payments;
- (9) Is a party to fraud; or,
- (10) For any other cause whatsoever, fails to carry on the work in an acceptable manner.

Additionally, SWCCOG may immediately terminate this contract if it determines that there is a conflict of interest with the project.

SWCCOG's approval of any services or any payment hereunder shall not in any way relieve CONTRACTOR of the responsibility for the accuracy and completeness of the services, or for compliance with the terms, requirements, and specifications applicable thereto; and no such approval shall constitute a waiver of any rights of SWCCOG under this Agreement, or of any cause of action arising out of or in any way connected with this Agreement.

Miscellaneous

CONTRACTOR shall receive and securely maintain personal data on its contractors necessary for the purposes of administration and reporting. The data will be held for one year beyond the duration of this contract to answer any required and appropriate question relating to you as contractor.

CONTRACTOR, at all times, agrees to observe all applicable Federal and State Laws, SWCCOG rules and regulations issued pursuant thereto, which in any manner affect or govern the services contemplated under this Agreement.

CONTRACTOR shall advise SWCCOG of any duties or responsibilities on this contract that are sub-contracted to other parties and shall remain responsible for the quality, timeliness and completeness of all contract duties. Notwithstanding, no portion of this contract shall be subcontracted without SWCCOG prior written approval. CONTRACTOR shall be solely responsible for the compensation, insurance, taxes, withholding, and all clerical detail pertaining to such assistance.

CONTRACTOR and any of its officers, employees or contractors do not have the authority to obligate the SWCCOG to contracts or expenditures.

It is understood and agreed that SWCCOG's performance shall be subject to appropriation of funds by its governing body, and payment of such funds into the treasury of such party.

This Agreement may be amended only by the mutual written agreement of the parties.

This Agreement shall not be assigned by either party without the written consent of the other party.

This Agreement contains all agreements, understandings, and arrangements between the parties, and no other such agreements, understandings, and arrangements exist.

This Agreement shall be governed by the laws of the State of Colorado and applicable federal law. Nothing in this Agreement shall be construed as a waiver of SWCCOG's governmental immunity.

In the event this contract is litigated, SWCCOG shall be entitled to all litigation expenses, collections fees, witness fees, court costs and attorney fees if it prevails. Venue and jurisdiction for any claim shall be in the La Plata County District Court.

It is expressly understood and agreed that the enforcement of the terms and conditions of this agreement and all rights of action relating to such enforcement, shall be strictly reserved to the parties. Nothing contained in this agreement shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the parties that any other person or entity, receiving services or benefits under this agreement shall be deemed an incidental beneficiary only

If any provision of this Agreement, or any portion thereof, is held to be invalid and unenforceable, then the remainder of this Agreement shall nevertheless remain in full force and effect.

Acknowledgment

All parties hereby acknowledge and accept the terms and conditions of the above contract and acknowledge receipt of a copy by evidence of their signatures found below.

Agreed to by CONTRACTOR by

Sara Trujillo, Owner, The BookKey LLC

Date

Agreed to by the Southwest Colorado Council of Governments by

Miriam Gillow-Wiles, Executive Director

Date

Exhibit A

Scope of Services SWCCOG – The BookKey LLC Contract

The BookKey LLC contractor shall work as an ON-CALL resource to SWCCOG staff who are assigned the following tasks:

Accounting

- Manages monthly reconciliation and balancing of the general and subsidiary ledger balance sheet, revenue, and expense accounts.
- Manages preparation of accounting and budget journal entries.
- Manages the reconciliation of bank statements.
- Prepares all payroll journal entries and processing of retirement benefits

Financial Reporting

- Manages the preparation and proper and timely submittal of annual, quarterly and other state or federal reports.
- Prepares year-end reports and audit schedules. Manages the annual independent audit.
- Stays abreast of and current with accounting and financial reporting requirements and standards as prescribed by the Governmental Accounting Standards Board (GASB).
- Manages grant financial reporting and the reimbursement request process for grants received by the SWCCOG.

Budgeting

- Assists the SWCCOG Executive Director in preparation of the annual budget for all funds by researching, forecasting, compiling, and submitting reports to the SWCCOG Executive Director for review, approval, and submission to the Board of Directors.
- Monitors approved budget for all funds/departments. Reviews and makes recommendations for supplemental appropriations/transfers as needed.

Revenue Collection

- Manages the collection of dues, fees, and other receipts in accordance with laws and regulations.

Accounts Receivable/Payable

- Oversees accounts receivable, billings and accounts payable processing.

Miscellaneous

- Prepares a variety of studies, reports and related information for decision-making purposes.
- Attends Board of Directors and other meetings as required.
- In consultation with the SWCCOG administrative representative, manages the records for all Finance Department records and files in accordance with SWCCOG record management requirements.
- Assists in development of finance-related ordinances and resolutions as required.
- Maintain employee files

Exhibit B

Compensation SWCCOG – The BookKey LLC Contract

\$75.00 per hour for on-call work.

Cyber Security Policy

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 28 June 2019

Comments: For the past few years, CIRSA (liability insurance) has recommended adopting a data breach policy to strengthen cyber security. Staff have put together the attached policy, which will positively impact our next CIRSA audit.

Legal Review: Not applicable at this time

Fiscal Impact: High, not budgeted, and no revenue to offset additional costs.

Staff Recommendation: Provide Staff direction to maintain IP addresses for the communities after discussion.

Southwest Colorado Council of Governments

Data Breach Policies and Procedures

Adopted: ## August 2019

Purpose

The purpose of this plan is to prevent a serious disruption of operations, loss of funds, or damage to reputation by providing an immediate and effective response to any unexpected event involving the unauthorized access of computer information systems, network, or databases. The plan also encompasses confidential hardcopy files such as claim files, personnel and financial records, and information contained in portable media such as flash drives, or contained in transportable equipment such as laptops or tablets.

Definition

For the purposes of this plan, a “data breach” is defined as the unauthorized acquisition of data that compromises the security, confidentiality, or integrity of member, organization or employee information maintained by the Southwest Colorado Council of Governments (SWCCOG).

Possible Perpetrators

Persons who could breach SWCCOG data include:

- Former or Current Employees
- Hackers
- Board Members or Other Partners
- Office Visitors

Responsibilities

1. All SWCCOG employees are responsible for keeping data secure and reporting any potential data breaches.
2. Supervising employees are responsible for implementing security controls in their respective departments and ensuring that security policies are adhered to.
3. The IS Department is responsible for identifying data breach risks, recommending appropriate controls to prevent data breaches, implementing those controls, and continually evaluating the controls to ensure they work. IS is also responsible for investigating and mitigating any data breaches that may occur. In the absence of an IS Department, the Executive Director is responsible for the above. ko

Risk Classifications of Data Breaches

The following classification system will be used to identify the risk associated with the unauthorized access of data.

High Risk: A breach of this information may result in high costs to SWCCOG; significantly harm our reputation with members and other organizations; or seriously impact employees or other individuals.

Medium Risk: A breach of this data may result in moderate costs to SWCCOG; could result in some damage of reputation if not handled promptly and effectively; or could impact employees or individuals.

Low Risk: A breach of this information is easily controlled and should not result in significant costs to SWCCOG; should not harm our reputation; and should not require notification of members, employees or others.

The following data may be at risk of being breached:

<u>Type of Data</u>	<u>Risk Classification</u>
1. Social security and other Identifying Information	High
2. Payroll information	High
3. Performance reviews	Medium
4. Credit card information	High
5. Bank accounts	High
6. Investment accounts	High
7. Building security codes	High
8. Human resource files, including Personnel Files	High
9. Financial records containing confidential information	High
10. Employee and Admin user names and passwords	High
11. Website user names/passwords	Low – High
12. Email Passwords	Medium
13. Files and databases	High

Protection of Data

1. To protect the integrity of data, no employee shall transport any hard copy files containing high or medium risk data outside SWCCOG offices.
2. When using public Wi-fi employees shall use a VPN network.
3. No employee shall copy or place any high risk data onto any flash drive.
4. Laptops or tablets shall not be left in vehicles or placed in checked airline baggage.

Reporting a Data Breach

Any employee who knows or suspects that a data breach may have occurred should notify their supervisor immediately. The supervisor shall notify the IS Department immediately. After conducting the initial investigation and determining if one or more systems may have been breached, the Supervisor and IS Department shall notify and brief the Executive Director. The attached Data Breach Incident Report Form should be used to document information.

Containing and Investigating a Data Breach

After a breach is discovered, the Executive Director and other applicable employees will take immediate steps to limit the breach. These steps should include:

- Immediately contain the breach by stopping any unauthorized practice, recovering records, revoking access, changing passwords, and/or correcting physical security. Care should be taken so not to destroy any evidence.
- Contacting the appropriate staff and vendors.

- Determine where and how the breach occurred:
 - Identify the source of the compromise and the timeframe involved.
 - Document the chronology of the event.
 - Document how the breach was discovered.
 - Review the network to identify all compromised or affected systems.
 - Document all internet protocol addresses, operating systems, domain systems names and other pertinent system information.
 - Use the attached Data Breach Incident Report Form to document the breach.
- Determine the type of information that was lost or compromised, including but not limited to:
 - Names, addresses, social security numbers, account numbers, cardholder names, medical and health information, financial records, etc.
 - Determine if an intruder has exported or deleted any personal information.
- Secure and protect the integrity of the evidence and ensure that any systems affected by a breach are only accessible to internal investigators and law enforcement.
- Take measures to contain and control the incident to prevent further unauthorized access to or use of sensitive information. Consider shutting down related applications or third party connections, reconfiguring firewalls, changing computer access codes, and modifying physical access controls:
 - Change applicable passwords for users that have access to personal information, including system processes and authorized users. If it is determined that an authorized user's account was compromised and used by the intruder, disable the account.
 - Do not alter the compromised system.
 - Do not turn off the authorized machine. Isolate the system from the network (i.e. unplug cable).
 - Change the wireless network SSID on the access point and other authorized devices that may be using our wireless network.
- Preserve all system and audit logs and evidence for law enforcement in the event of a criminal investigation.
- If the breach occurred at a third party location, work with the appropriate parties to determine the extent of the breach.
- Notify law enforcement if there is suspected theft or other criminal activity.
- A forensic investigation expert may be hired to conduct an investigation of the breach if deemed necessary.
- Monitor systems and network for signs of continued intruder access.

Notification of Individuals and Entities

Once the incident is investigated and the extent of the compromise determined, notification may take place in order to mitigate harm to an employee, individual or entity whose personal information has been inappropriately collected, used, or disclosed. Factors to consider for notification include:

- Any state or federal law that requires notice (see attached Colorado law)
- Contractual obligation that requires notification
- Risk of identity theft or fraud
- Risk of physical harm
- Risk of damage to reputation
- Risk of loss of business

When to Notify:

Notification of individuals and members affected by the breach should occur as soon as possible after the breach. However, notification may be delayed if law enforcement authorities who are brought into the investigation recommend delaying the notification so as not to impede a criminal investigation.

How to notify:

The Executive Director, in consultation with appropriate staff, IS service providers, and/or law enforcement will determine if notification is needed, who will notify affected parties and how the notification will take place. The method of notification to those affected may be done directly by telephone, letter, in person, or email as long as:

- The identities of individuals and organizations are known.
- Current contact information is available.
- Individuals and organizations affected need detailed information in order to protect themselves from possible harm arising from the breach.

Indirect notification, such as via the SWCCOG website, may be considered if individual notification is not practical.

Information to include in the notification:

Information in the notification may include the following:

- Date or time period that the breach occurred
- A general description of how the breach occurred
- Description of the information involved in the breach (name, credit card numbers, social security numbers, medical records, etc.)

- Description of the steps taken to reduce the risk of harm
- Plans to prevent future breaches
- Information on how individuals or entities can prevent further harm
- Contact information for question

Employee Training

The Executive Director, the appropriate supervisor, and/or IS Department will train all employees on the prevention of data breaches and their responsibilities in the event of a data breach.

Follow Up and Review

Once the data breach has been mitigated, appropriate notifications provided, and the investigation concluded, an analysis will take place to determine the effectiveness of the data breach plan. Among the items to consider include the following questions:

- How did the data breach occur?
- Have controls been implemented to prevent a future data breach?
- Was the data breach plan followed?
- Are plan revisions needed?
- What lessons did we learn?
- What can we do better if it happens again?

After the critique is completed, methods to mitigate any risks will be identified and measures to prevent future data breaches will be implemented.

Appendix

Sample

Data Breach Incident Report Form

1. Date and time of breach: _____
2. Date and time of discovery of breach: _____
3. Where did the breach happen? _____

4. Name of person reporting the breach: _____
Organization if other than SWCCOG: _____
5. Name of person/organization responsible for the breach (if known): _____

6. How did they do it? _____

7. Type of Data Breach (i.e. theft, illegal access, virus, etc.): _____

8. What network resources were breached? (routers, firewalls, servers, etc?) _____

9. Specific data compromised: _____

10. How did the breach happen? _____

11. Corrective action taken to control the breach: _____

12. Steps taken to preserve evidence: _____

13. SWCCOG employees who were notified of the breach: _____

14. Outside organizations notified of the breach: _____

15. Was law enforcement notified? Yes__ No__

a. Time and date of notification: _____

b. Name of officer/department? _____

16. Controls implemented to prevent future breaches: _____

17. Other Comments: _____

Note: Please attach any support documentation if necessary to fully answer the above questions.

Name: _____

Date: _____

Reported to: _____

Date: _____

Document Control

Issue Control			
Issue	DRAFT	Date	30 July 2019
Classification	Policy	Author(s)	Martina Pansze/Jessica Laitsch
Document Title	Data Breach Policy		
Approved by	SWCCOG Board of Directors		
Released by	SWCCOG		

Owner Details	
Name/Title	Miriam Gillow-Wiles
Contact Number	970 779 4592
E-mail Address	director@swccog.org

Revision History			
Issue/Section	Date	Author	Comments
New policy Approval		MGW	Board Approved Data Breach Policy

Census Outreach Memo

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 1 August 2019

Comments: The 2020 Census Outreach Grant Program administered through DOLA and is designed to support accurate population counts. The program aims to target hard-to-reach individuals who have been undercounted in previous censuses. The program's definition of hard-to-count populations include children under five, racial and ethnic minorities, people with disabilities, low earners, immigrants, linguistically isolated individuals, people living in rural areas, people without sufficient internet access, adults 60 years or over and people who are transient or experiencing homelessness. SW Colorado is considered one of the hardest to count areas of the state.

The SWCCOG has taken on regional outreach previously with the SB152 opt out informational materials, as well as regional recycling outreach.

Staff is seeking approval to develop standardized outreach materials, in multiple languages (English, Navajo, Spanish, Ute) and work with local organizations (senior centers, disability advocacy organizations, Tribal governments, colleges, shelters, etc.) to educate and facilitate the distribution of information. This approach would target the region as a whole and will be efficient than each jurisdiction applying for funds individually. DOLA is in support of one contract for the region

\$6 million in funds will be available, with no threshold on requested amounts. More details about the grant will be available after the NOFA is announced on August 15th. Applications are due September 15th and awards will be announced by November 1st. Staff will work with the Executive Committee on the request amount, as well as notify the SWCCOG Board at the September Board Meeting.

Legal Review: Not applicable at this time

Fiscal Impact: If awarded, a percentage of the grant funds would cover administrative costs.

Staff Recommendation: Direct SWCCOG staff to apply for the Census 2020 Outreach Grant Program.

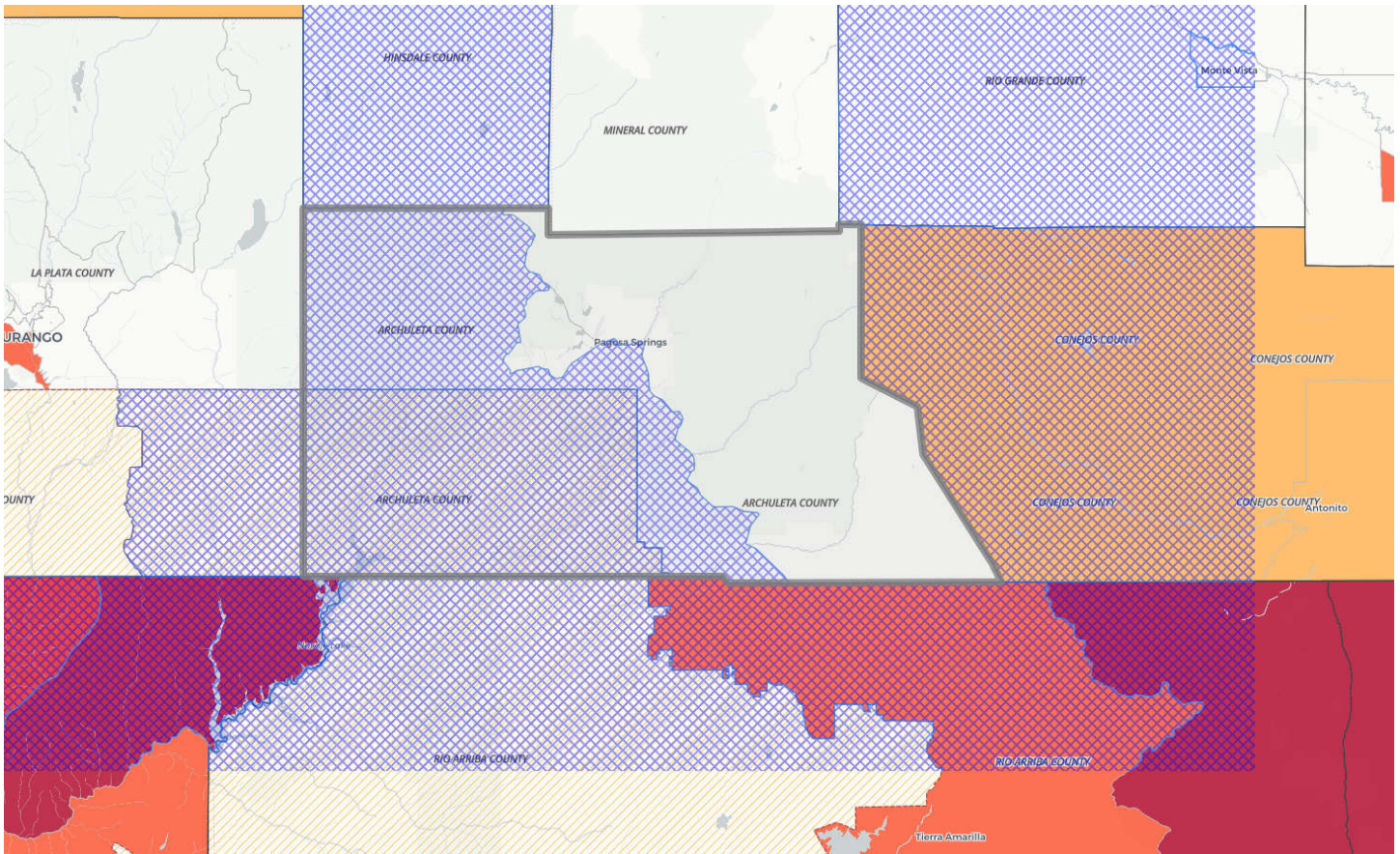
CENSUS 2020

Hard To Count Communities

www.censushardtocomaps2020.us

DIRECT LINK TO THIS MAP <https://www.censushardtocomaps2020.us/?latlng=37.16798%2C-106.91208&z=10&query=counties%3A%3A08007&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intacclevel=25>


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Hardest to Count (HTC) Tracts in the Nation


Tracts with 2010 mail return rates of 73% or less (in the bottom 20 percent of return rates nationwide) are shaded on the map

- 0 - 60% mail return rate
- 60 - 65%
- 65 - 70%
- 70 - 73%
- above 73% (no HTC tracts)

 Tracts counted using special Update/Enumerate method; they are hard-to-count but mail return rates not applicable

Major Roads

Counties

 25% or more households have no internet subscription or dial-up only

■ COLORADO

ARCHULETA COUNTY



The 2020 Census is critically important to Archuleta County in Colorado!

Downloadable files for Colorado (data for Archuleta County is included in these files):

- Tract data (/exports/pdb2015tract_2010MRR_2017ACS_CO.xlsx) [Excel]
- Tract map (ftp://ftp2.census.gov/geo/tiger/TIGER2018/TRACT/tl_2018_08_tract.zip) [shapefile]

Based on the latest census estimates (for the 2013-2017 period), **12,427 people live in 5,553 households** in this county, and **165 people live in group quarters**. (Total population = **12,592**.)

Some population characteristics that may affect this county's participation in the 2020 Census include:

Census Self-Response

In 2010, **75.8% of the county's households mailed back their 2010 census questionnaire**, requiring more costly and difficult in-person follow up to enumerate the remaining 24.2%.

(IMPORTANT CLARIFICATION: This doesn't mean that only 75.8% of Archuleta County's population was counted in 2010. Rather, it represents the *percent of households* that mailed back their census forms, or "self responded." The Census Bureau had to count the remaining 24.2% of households in person during the *Nonresponse Follow-up* operation. But there is a greater risk that some people were missed or counted incorrectly during this follow-up.)

Although Archuleta County has no tracts where the 2010 mail return rate was 73% or less, approx. **10.0% of the state's current population** (1,260 people) live in tracts that **did not receive a census questionnaire by mail** in 2010 because these areas did not have traditional addresses, had large numbers of seasonally vacant housing, or were otherwise rural or sparsely populated. In the 2010 Census, the net undercount in these tracts was nearly 8%, according to the Census Bureau. **Therefore, these areas also may be hard to count in 2020.**

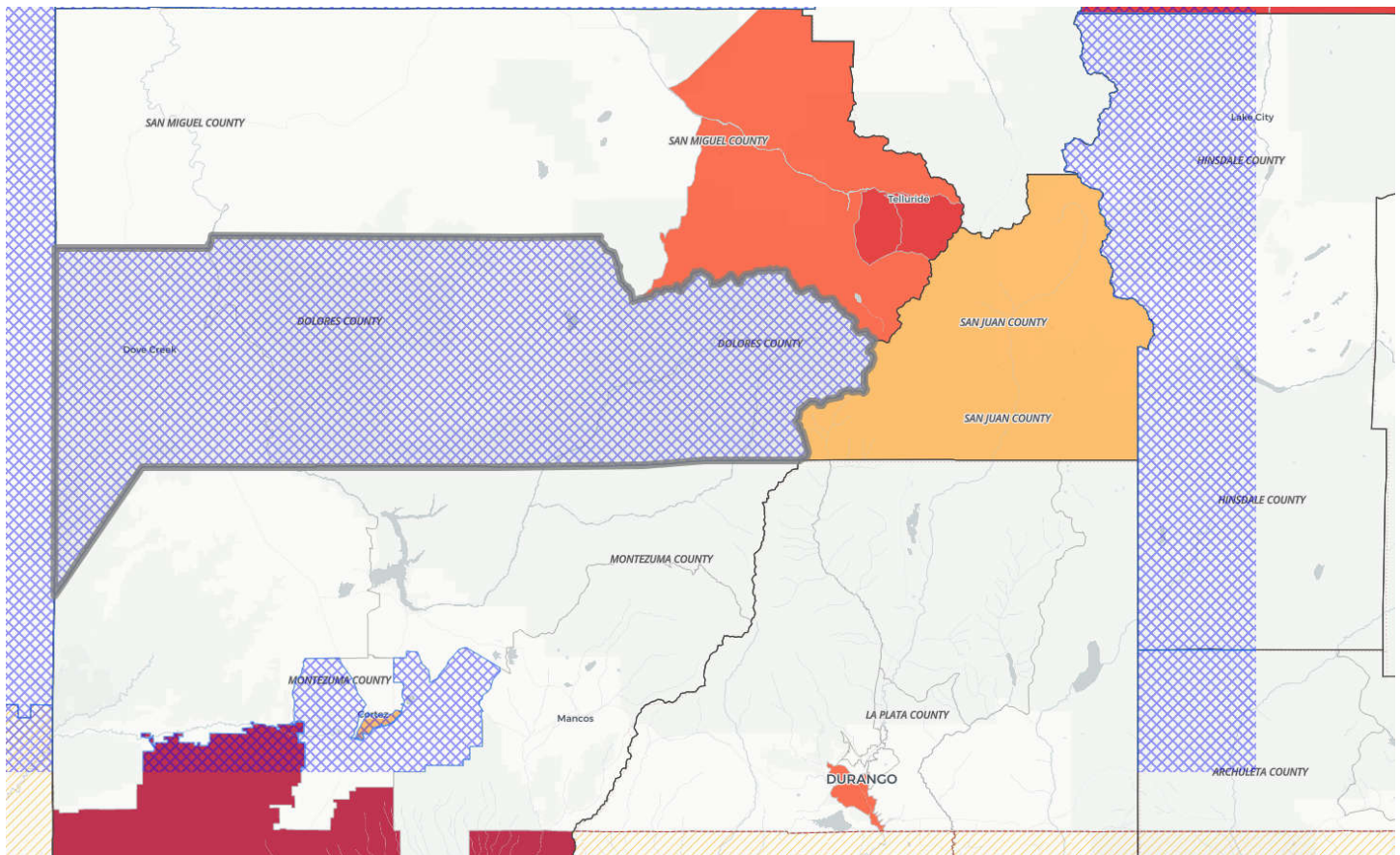
CENSUS 2020

Hard To Count Communities

www.censushardtcountmaps2020.us

[DIRECT LINK TO THIS MAP](https://www.censushardtcountmaps2020.us/?latlng=37.67186%2C-108.11234&z=10&query=coordinates%3A%3A37.77723%2C-108.49136&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intaccllevel=25) <https://www.censushardtcountmaps2020.us/?latlng=37.67186%2C-108.11234&z=10&query=coordinates%3A%3A37.77723%2C-108.49136&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intaccllevel=25>


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- 0 - 60% mail return rate
- 60 - 65%
- 65 - 70%
- 70 - 73%
- above 73% (no HTC tracts)

 Tracts counted using special Update/Enumerate method; they are hard-to-count but mail return rates not applicable

Major Roads

Counties

25% or more households have no internet subscription or dial-up only

■ COLORADO

DOLORES COUNTY



The 2020 Census is critically important to Dolores County in Colorado!

Downloadable files for Colorado (data for Dolores County is included in these files):

- Tract data (/exports/pdb2015tract_2010MRR_2017ACS_CO.xlsx) [Excel]
- Tract map (ftp://ftp2.census.gov/geo/tiger/TIGER2018/TRACT/tl_2018_08_tract.zip) [shapefile]

Based on the latest census estimates (for the 2013-2017 period), **1,736 people live in 707 households** in this county.

Some population characteristics that may affect this county's participation in the 2020 Census include:

Census Self-Response

In 2010, **74.4% of the county's households mailed back their 2010 census questionnaire**, requiring more costly and difficult in-person follow up to enumerate the remaining 25.6%.

(IMPORTANT CLARIFICATION: This doesn't mean that only 74.4% of Dolores County's population was counted in 2010. Rather, it represents the *percent of households* that mailed back their census forms, or "self responded." The Census Bureau had to count the remaining 25.6% of households in person during the *Nonresponse Follow-up* operation. But there is a greater risk that some people were missed or counted incorrectly during this follow-up.)

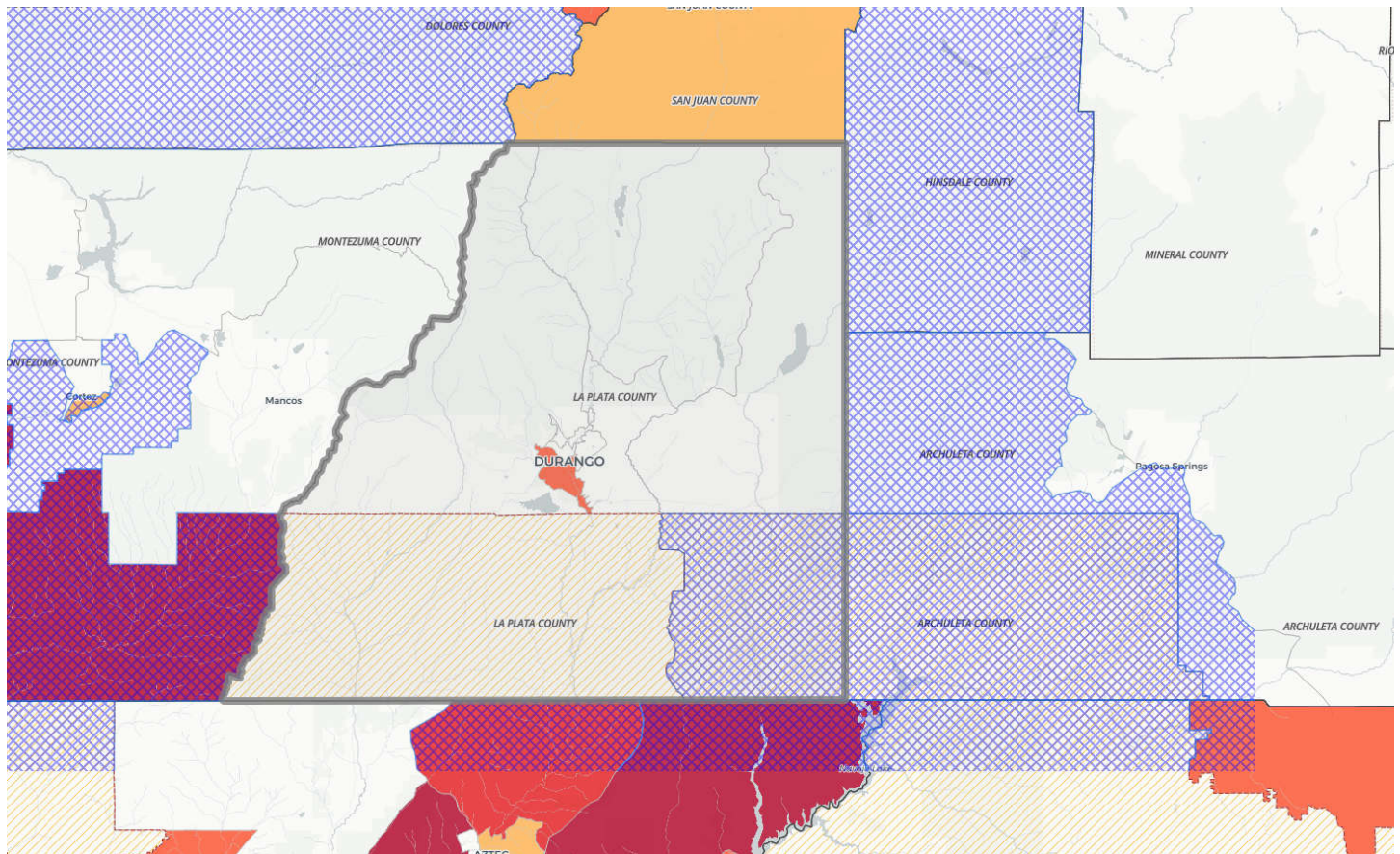
CENSUS 2020

Hard To Count Communities

www.censushardtcountmaps2020.us

🔗 DIRECT LINK TO THIS MAP <https://www.censushardtcountmaps2020.us/?latlng=37.30901%2C-107.69073&z=10&query=coordinates%3A%3A37.52498%2C-107.72644&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intacclevel=25>

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- 65 - 70%
- 70 - 73%
- above 73% (no HTC tracts)

Tracts counted using special Update/Enumerate method; they are hard-to-count but mail return rates not applicable

Major Roads

Counties

25% or more households have no internet subscription or dial-up only

■ COLORADO

LA PLATA COUNTY



The 2020 Census is critically important to La Plata County in Colorado!

Downloadable files for Colorado (data for La Plata County is included in these files):

- Tract data (/exports/pdb2015tract_2010MRR_2017ACS_CO.xlsx) [Excel]
- Tract map (ftp://ftp2.census.gov/geo/tiger/TIGER2018/TRACT/tl_2018_08_tract.zip) [shapefile]
- Map of La Plata County (img/mappdfs/CountyMaps/CountyHTC_08067.pdf); tracts on this PDF map are labeled by ID so you can compare with the Excel tract list

Based on the latest census estimates (for the 2013-2017 period), **52,580 people live in 21,818 households** in this county, and **1,889 people live in group quarters**. (Total population = **54,469**.)

Some population characteristics that may affect this county's participation in the 2020 Census include:

Census Self-Response

In 2010, **75.7% of the county's households mailed back their 2010 census questionnaire**, requiring more costly and difficult in-person follow up to enumerate the remaining 24.3%.

(IMPORTANT CLARIFICATION: This doesn't mean that only 75.7% of La Plata County's population was counted in 2010. Rather, it represents the *percent of households* that mailed back their census forms, or "self responded." The Census Bureau had to count the remaining 24.3% of households in person during the *Nonresponse Follow-up* operation. But there is a greater risk that some people were missed or counted incorrectly during this follow-up.)

Based on the latest census estimates, **approx. 8% of La Plata County's current population (or 4,350 people) lives in hard-to-count neighborhoods**, shaded in **light orange-to-dark red** on the map. (These are census tracts where almost a quarter or more households did not mail back their census questionnaires in 2010.) Without higher self-response, more households in these and other neighborhoods in the state are at risk of

being missed in the 2020 census.

Another **11,693 people (~21.5% of La Plata County's current population)** live in tracts that **did not receive a census questionnaire by mail** in 2010 because these areas did not have traditional addresses, had large numbers of seasonally vacant housing, or were otherwise rural or sparsely populated. In the 2010 Census, the net undercount in these tracts was nearly 8%, according to the Census Bureau. **Therefore, these areas also may be hard to count in 2020.**

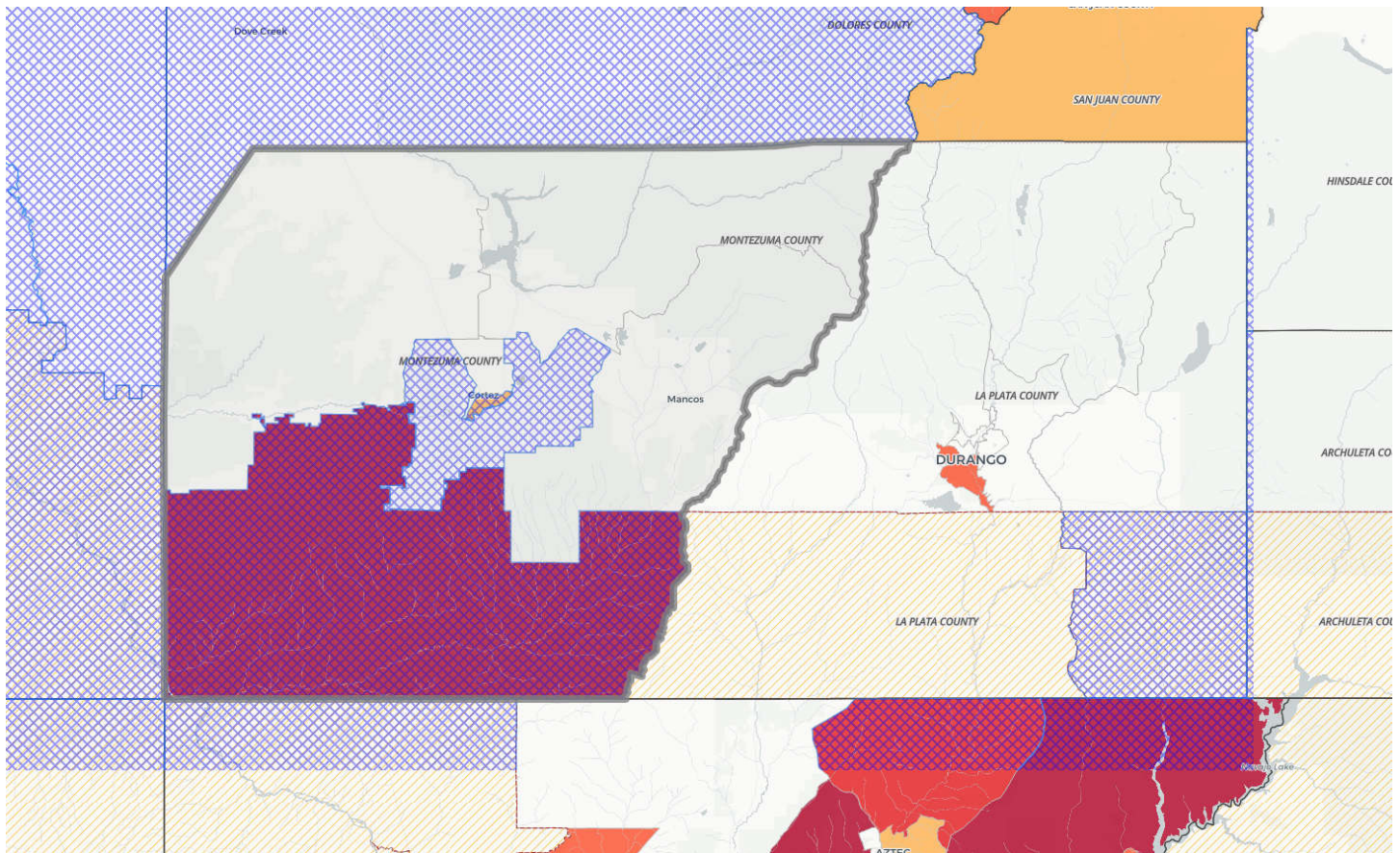
CENSUS 2020

Hard To Count Communities

www.censushardtocompmaps2020.us

[DIRECT LINK TO THIS MAP](https://www.censushardtocompmaps2020.us/?latlng=37.30792%2C-108.27301&z=10&query=coordinates%3A%3A37.54240%2C-108.20160&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intacclevel=25) <https://www.censushardtocompmaps2020.us/?latlng=37.30792%2C-108.27301&z=10&query=coordinates%3A%3A37.54240%2C-108.20160&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intacclevel=25>

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- 60 - 65%
- 65 - 70%
- 70 - 73%
- above 73% (no HTC tracts)

Tracts counted using special Update/Enumerate method; they are hard-to-count but mail return rates not applicable

Major Roads

Counties

25% or more households have no internet subscription or dial-up only

■ COLORADO

MONTEZUMA COUNTY



The 2020 Census is critically important to Montezuma County in Colorado!

Downloadable files for Colorado (data for Montezuma County is included in these files):

- Tract data (/exports/pdb2015tract_2010MRR_2017ACS_CO.xlsx) [Excel]
- Tract map (ftp://ftp2.census.gov/geo/tiger/TIGER2018/TRACT/tl_2018_08_tract.zip) [shapefile]
- Map of Montezuma County (img/mappdfs/CountyMaps/CountyHTC_08083.pdf); tracts on this PDF map are labeled by ID so you can compare with the Excel tract list

Based on the latest census estimates (for the 2013-2017 period), **25,515 people live in 10,520 households** in this county, and **255 people live in group quarters**. (Total population = 25,770.)

Some population characteristics that may affect this county's participation in the 2020 Census include:

Census Self-Response

In 2010, **75.3% of the county's households mailed back their 2010 census questionnaire**, requiring more costly and difficult in-person follow up to enumerate the remaining 24.7%.

(IMPORTANT CLARIFICATION: This doesn't mean that only 75.3% of Montezuma County's population was counted in 2010. Rather, it represents the *percent of households* that mailed back their census forms, or "self responded." The Census Bureau had to count the remaining 24.7% of households in person during the *Nonresponse Follow-up* operation. But there is a greater risk that some people were missed or counted incorrectly during this follow-up.)

Based on the latest census estimates, **approx. 22% of Montezuma County's current population (or 5,703 people) lives in hard-to-count neighborhoods**, shaded in **light orange-to-dark red** on the map. (These are census tracts where almost a quarter or more households did not mail back their census questionnaires in 2010.) Without higher self-response, more households in these and other neighborhoods in the state are at

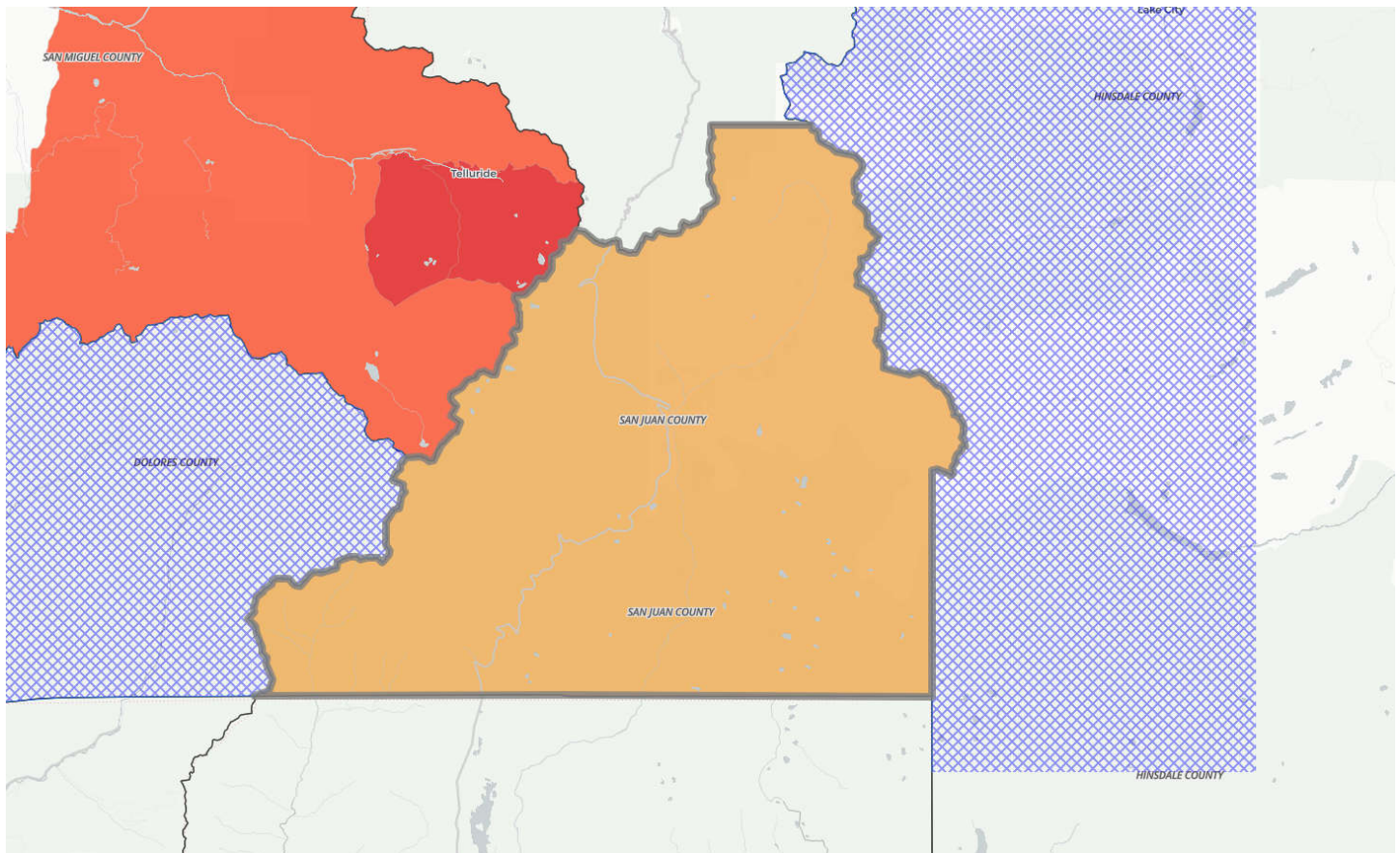
CENSUS 2020

Hard To Count Communities

www.censushardtocompmaps2020.us

[DIRECT LINK TO THIS MAP](https://www.censushardtocompmaps2020.us/?latlng=37.79025%2C-107.64885&z=11&query=coordinates%3A%3A37.71207%2C-107.66464&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intaccllevel=25) <https://www.censushardtocompmaps2020.us/?latlng=37.79025%2C-107.64885&z=11&query=coordinates%3A%3A37.71207%2C-107.66464&promotedfeaturetype=counties&arp=arpRaceEthnicity&layers=major%20roads%2Ccounties&infotab=info-internet&intaccllevel=25>

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- 70 - 73%
- above 73% (no HTC tracts)

Tracts counted using special Update/Enumerate method; they are hard-to-count but mail return rates not applicable

Major Roads

Counties

25% or more households have no internet subscription or dial-up only

■ COLORADO

SAN JUAN COUNTY



The 2020 Census is critically important to San Juan County in Colorado!

Downloadable files for Colorado (data for San Juan County is included in these files):

- Tract data (/exports/pdb2015tract_2010MRR_2017ACS_CO.xlsx) [Excel]
- Tract map (ftp://ftp2.census.gov/geo/tiger/TIGER2018/TRACT/tl_2018_08_tract.zip) [shapefile]
- Map of San Juan County (img/mappdfs/CountyMaps/CountyHTC_08111.pdf); tracts on this PDF map are labeled by ID so you can compare with the Excel tract list

Based on the latest census estimates (for the 2013-2017 period), **569 people live in 255 households** in this county.

Some population characteristics that may affect this county's participation in the 2020 Census include:

Census Self-Response

In 2010, **72.7% of the county's households mailed back their 2010 census questionnaire**, requiring more costly and difficult in-person follow up to enumerate the remaining 27.3%.

(IMPORTANT CLARIFICATION: This doesn't mean that only 72.7% of San Juan County's population was counted in 2010. Rather, it represents the *percent of households* that mailed back their census forms, or "self responded." The Census Bureau had to count the remaining 27.3% of households in person during the *Nonresponse Follow-up* operation. But there is a greater risk that some people were missed or counted incorrectly during this follow-up.)

Based on the latest census estimates, **approx. 100% of San Juan County's current population (or 569 people) lives in hard-to-count neighborhoods**, shaded in **light orange-to-dark red** on the map. (These are census tracts where almost a quarter or more households did not mail back their census questionnaires in 2010.) Without higher self-response, more households in these and other neighborhoods in the state are at risk of

Letters of Support Memo

To: SWCCOG Board of Directors
From: Martina Pansze
Date: 8 August 2019

Comments: Brainstorm reached out to the SWCCOG to see if we would be willing to support their Deer Valley Fiber to the Home Project.

The project is through Colorado's Broadband Fund program. The proposed project will build last-mile broadband infrastructure to serve an estimated 162 residents living in the Deer Valley neighborhood outside of Bayfield.

The total project cost is \$393,305.00, and Brainstorm is contributing a 25% match.

This project supports the SWCCOG's goal to expand high-speed internet throughout Southwest Colorado by building broadband in this underserved area.

Legal Review: Not applicable.

Fiscal Impact: None.

Staff Recommendation: Approve letter of support for the Deer Valley/Brainstorm Internet Fiber to the Home Project.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

August 8, 2019

Broadband Fund
Department of Regulatory Agencies
1560 Broadway, Suite 1550
Denver, CO 80202

RE: Deer Valley/Brainstorm Internet Fiber to the Home Project

The Southwest Colorado Council of Governments (SWCCOG) supports the Brainstorm Internet request for funding through the Broadband Fund program. The SWCCOG has identified securing affordable, dependable internet access as a top priority for the region's residents.

Deer Valley is located outside of Bayfield, CO. The neighborhood has been identified as a technologically distressed area due to lack of infrastructure. Residents of Deer Valley are in need of affordable high speed internet for school, work and conducting day to day business. This project will provide last mile service to an estimated 162 residents living outside of municipal boundaries.

This project supports the SWCCOG's goal to expand high-speed internet throughout Southwest Colorado by building broadband in this underserved area. The SWCCOG supports the Deer Valley Project and encourages the Broadband Fund program to fund the request.

Sincerely,

Miriam Gillow-Wiles
Executive Director
Southwest Colorado Council of Governments

Letter of Support Memo – Archuleta County Intercity Route Plan

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 2 August, 2019

Comments: Archuleta County's Mountain Express Transit is seeking FTA funds to explore the possibility of fixed route service between Pagosa Springs and Durango. Because the grant application was due mid-July, the Executive Committee approved staff to send a letter of support (attached) prior to the Board meeting. Below is information on the project per the letter of support policy.

- 1) **Is it a proposal from one or more members?** Yes, Archuleta County.
- 2) **Does the proposal have a regional impact?** Yes, exploring an intercity fixed route between Pagosa Springs and Durango
- 3) **Is it a proposal that involves the SWCCOG, the SWCCOG's established goals, existing SWCCOG projects, and/or existing or previous advocacy?** Yes, this is very similar to, and even expands upon, a previous SWCCOG project to explore a bus route between Cortez and Durango. This supports the SWCCOG's goals to improve transportation in the region.
- 4) **Has the proponent consulted with SWCCOG members or other agencies that might have jurisdiction over decisions that could impact the implementation of the proposal?** This is a plan to explore the feasibility of the route, including exploring issues that could impact the implementation of the route.
- 5) **Other questions to consider, and potentially include in Board communication.**

What is the impact on the region if the proposal succeeds? Fails? This is the first step in establishing fixed route transportation service between Pagosa Springs and Durango.

Is there a fiscal impact for the SWCCOG and or SWCCOG members? None for the SWCCOG. Archuleta County will need to identify the 20% required match.

Does the proposal fit within the mission and vision of the SWCCOG? Yes.

Is one or more SWCCOG member working on a similar activity or goal? Archuleta County.

Letter of Support Memo – Archuleta County Intercity Route Plan

Summary:

Seeking a \$24,000 grant to explore the possibility of a fixed route bus line between Pagosa Springs and Durango. This would serve the identified needs of enhancing transportation options for medical services, employment, education, travel (i.e. accessing the airport), and helping reduce overall traffic on US 160.

Legal Review: Not applicable at this time

Fiscal Impact: None.

Staff Recommendation: Ratify the letter of support for Archuleta County's intercity fixed route plan.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

15 July, 2019

Division of Transit and Rail
Colorado Department of Transportation
2829 W. Howard Pl.
Denver, CO 80204

RE: Support for Archuleta County Mountain Express Pagosa Springs to Durango Fixed Route Plan

To whom it may concern:

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of the state of Colorado. The strength of the transportation network is of great concern to the region, in particular the ability for residents and visitors to travel from one community to another.

The SWCCOG would like to express its support for Archuleta County Mountain Express Transit's exploration into a possible fixed route line between Pagosa Springs and Durango. The ability for residents and visitors to access the medical, educational, employment and recreational opportunities in each of these communities is critical to the vitality of each.

In 2018, the SWCCOG obtained technical assistance to explore the feasibility of a fixed route service between Cortez and Durango. This project dovetails with the previous one, identifying what would be needed to establish consistent service along the US 160 corridor, connecting one side of the southwest Colorado region to the other.

Due to the importance of improving transportation options between the communities in southwest Colorado, the SWCCOG supports this important and worthwhile project.

Sincerely,

Miriam Gillow-Wiles
Executive Director
Southwest Colorado Council of Governments

San Juan RC&D

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 1 August 2019

Comments: As you will remember, Staff brought up the idea of the SWCCOG bringing on management of a regional non-profit, the San Juan Resources Conservation and Development Council (SJRC&D). Attached is an overview of the organization, current status, and a few of the various organizations that are supported, and in turn support our communities, by SJRC&D.

Staff as been reviewing financials, and the expected revenues from SJRC&D amount to about \$15,000 for FY18-19 (they operate on a Federal fiscal year). We expect this to be slightly less for the upcoming fiscal year, as some projects left after the non-profit announced it was shutting down. This may also go up once that ripple from hat and then potential support under the COG creates stability. Administrative funding is from a 5-10% management and administration (M&A) fee leveraged on all funds going through the organization, including grants and donations. Some projects have been with SJRC&D for many years and were grandfathered in at 5%, while some newer projects are able to bring in 10% M&A per their funding source (typically state or federal funding). Staff would like to explore a fee for service, as it would be easier for SWCCOG budgeting, as well as ensure the services needed are able to be provided – for example grant writing.

There have been a few challenges over the last few years for the organization, including losing all electronic information when a computer crashed, so much was recreated, and data back up has been put in place. In addition they have had several staff, and now a Board Member, maintaining the books as the total of administrative fees was not enough for full time employment. The SWCCOG's stability should help overcoming the staff churn issue as well as, the SWCCOG's cloud based system will also help with data back-up to prevent a total loss of information in the future.

Also attached:

- FY2016-2017 990EZ (FY2017-2018 is due shortly) The whole 15 page 990 and supporting documentation (as well as previous FYs) can be found here: http://sanjuanrcd.org/blog/?page_id=1578

Legal Review: Not applicable at this time

Fiscal Impact: High, provides additional revenues for SWCCOG and significant funding in southwest Colorado.

Staff Recommendation: Direct SWCCOG staff come back with financial projections and contractual documents for review at September 2019 Board Meeting.

SAN JUAN RESOURCES CONSERVATION AND DEVELOPMENT COUNCIL

1 History

The Resource Conservation and Development (RC&D) Program was established under the authority of the Food and Agriculture Act of 1962 to assist multi-county areas in enhancing conservation, water quality, wildlife habitat, and rural development. Work in each area was coordinated by a council, which operated as a sponsorship-based nonprofit led by volunteers.

The San Juan RC&D Council, serving eight counties in southwest Colorado, was established in 1972 for the purpose of helping all the residents of Southwest Colorado to use, protect and improve natural, cultural, historic and economic resources.

Originally, the responsibility for the administration of this nation-wide program of RC&D's resided within the USDA's Natural Resource Conservation Service. The NRCS provided basic operating support for the councils, including an executive director. In 2011, federal funding for the RC&D program was eliminated and the individual RC&D Councils were left alone to sink or swim.

For the first time in history, RC&D Councils, across the country are functioning without the direct support of the NRCS. Many have closed their doors. Though this cut in federal funding means a substantially smaller budget, the San Juan RC&D continued to actively work toward our vision: promoting sustainable communities and improving the quality of life through economic development and the conservation of natural resources.

The San Juan RC&D help local groups realize their goals by providing support and sponsorship, including administrative support and fiscal management for those who do not have the capacity to pursue their own non-profit status, grant research, proposal writing and review, grant administration, and website design and development. Our Council members form partnerships with communities and organizations to foster water conservation, land conservation, water management, and community and economic development.

Since 2011, San Juan RC&D has operated primarily on administration fees. The fees allow for the Council to employ a part-time person to conduct all business of the Council. The employee was responsible for accounting services for each project, grant management, website development, and other necessary project specific tasks.

2 Fiscal Sponsorship 101

For a variety of reasons, many community groups or organizations do not want to acquire their own 501(C)3 status; the process is complicated and expensive, or the project is temporary. At other times an organization has applied for tax exempt status but wants to be able to receive grant funding or accept donations before it receives its 501(c)3 designation; which can take many months. Fiscal

sponsorship is a way for those groups and projects to qualify for grants and receive donations that require tax-exempt status while offering tax deductions to their donors.

San Juan RC&D's fiscal sponsorship begins when the Council enters a Memorandum of Understanding (MOU) with a group, project, or organization (herein projects used as a catch all description). The San Juan RC&D agrees to accept and manage charitable funds for this project. Not insignificantly, the San Juan RC&D accepts financial and legal liability for the charitable work being done by the project. The projects are then relieved from having to formalize any new organizational structures for their work and incurring the expense of applying for 501(c)3 status from the Internal Revenue Service (IRS). IRS regulations require that the San Juan RC&D, as fiscal sponsor, monitors the use of the grant funds or donations and other resources received on their behalf, including ensuring that the resources are used only for the purposes agreed upon between project and the grantor or donor.

Once the project is awarded a grant or receives a contribution which is conditioned on the fiscal sponsorship of the San Juan RC&D, the funds are made payable to San Juan RC&D for deposit in the Council's FDIC bank account. The project's funds will be accounted for and in some instances be held separately from the Council's general operating funds and other project funds. The San Juan RC&D will send appropriate acknowledgements and tax receipts for donations. The fiscal sponsorship program guarantees, with a signed MOU, that the project's funds will be held for the project's or organization's use only. Monthly or quarterly financial statements that include a Profit and Loss Statement and a detailed report of income and expenses are provided to the projects. San Juan RC&D guaranty's that all grantor reporting requirements are met in a timely fashion. When a project wants to spend its grant money or donated funds, the project will submit invoices or requests for funds approved by their Board or Steering committee to the San Juan RC&D. As a 501(c)3 fiscal sponsor, the Council is legally responsible for ensuring that the project's funds are spent for non-profit purposes allowed by U.S. tax law and as agreed upon between the donor and recipient. San Juan RC&D require receipts, invoices or other documentation to prove that the project's funds are being used appropriately. Many grantors require reimbursement requests before they release grant funding, the San Juan RC&D prepares and submits those requests.

The San Juan RC&D charges a minimum 7% fee on all funds received through the San Juan RC&D. Some long-standing projects partnered with San Juan RC&D may have a fee less than 7% due to either length of partnership with Council or lack of work associated with management of those funds (i.e. less than five deposits and/or checks written in a year). San Juan RC&D does not charge a fee for material or in-kind donations. The administration fee covers costs associated with administrative work, receiving and managing funds, handling associated paperwork and reporting, a yearly independent audit and filing of IRS form 990, and liability insurance. Other services offered as part of a fiscal sponsorship include payroll, payroll reporting, marketing assistance, clerical assistance, and website development and maintenance.

IRS regulations require that the mission of a fiscally sponsored project is consistent with the mission of the fiscal sponsor. San Juan RC&D's mission statement is purposefully broad: promote sustainable communities and improve the quality of life through economic development and the conservation of natural resources. The Council will sponsor projects or events that are in line with the mission

statement that are designed for any length of time; from single day events to long-term projects and by any size group of individuals or organizations.

The Council's Fiscal Sponsorship Program broadens the available avenues a project can use to pursue funding for their project. It does not mean that the San Juan RC&D are their producers, fundraisers or steering committee, however, the Council may be able to assist in grant research and applications. Having the San Juan RC&D as fiscal sponsor confers credibility to the project. The San Juan RC&D is a respected and long-standing organization with a proven track record for supporting exceptional projects.

3 Current Projects

The San Juan RC&D may manage anywhere from 10 to 25 projects at a time. Some projects are active every month while others may only be active certain times of year. Currently, the Council monitors around 20 projects depending on level of activity. These projects are located throughout with Southwest Colorado and assist many communities. Projects exist in San Juan, La Plata, Dolores, Montezuma, and basin wide. The San Juan RC&D has no fiscal sponsorship boundaries, so one Project operates on the east slope in the Pueblo area. Many Projects utilize donations, state grants, and federal grants. A few projects are highlighted below that currently under San Juan RC&D's management. These projects exemplify the range of sectors impacted and the variety of funding sources used to implement these projects.

3.1 Animas River Stakeholders Group

The mission of the Animas River Stakeholders Group (ARSG) is to improve water quality and habitats in the Animas River through a collaborative process designed to encourage participation from all interested parties. Participants include mining companies, environmental organizations, landowners, local governmental entities, and state and federal regulatory and land management agencies. This innovative process holds open meetings allowing all parties to participate at a level suited to their interest and need. The group usually meets on the fourth Tuesday of every month in Silverton, Colorado. Working group meetings, handling specific issues to put before the full group, normally meet immediately preceding the monthly meeting. The group operates through informal consensus.

3.1.1 Fiscal Management Responsibilities

San Juan RC&D provides income and expense tracking for ARSG. The ARSG is a long-standing project so administration fees range on 5% to 7% depending on funding source. Funding sources include management of Colorado Department of Public Health and Environment reimbursable grants, Southwestern Water Conservation District grants, Division of Reclamation, Mine and Safety grants, and donations. Monthly reporting of the financials is provided to the coordinator or as needed by the group. San Juan RC&D also manages the ARSG website by maintaining the domain and content updates. From 2014-2018 ARSG worked on deploying \$289,000 in federal funding.

3.2 Animas Watershed Partnership

The mission of the Animas Watershed Partnership (AWP) is to protect and improve the quality of water resources; to benefit the Animas River, now and in the future. These values inspire AWP to

create a community-based collaborative process involving all stakeholders in which they operate by consensus, use all available data sources, and make informed decisions based on sound science. The AWP Steering Committee guides the partnership's day to day efforts. The Steering Committee supervises the AWP Coordinator and is responsible for hosting full AWP meetings, shepherding the strategic direction of the AWP, approving grant applications and projects, and any hiring decisions. The Steering Committee is comprised of 9 representatives from New Mexico, Colorado, the Ute Mountain Ute Tribe and the Southern Ute Tribe.

3.2.1 Fiscal Management Responsibilities

San Juan RC&D provides income and expense tracking for AWP. The AWP has a 7% administration fee on many of their funds with recently using a 10% fee when allowed by the funding source. Funding sources for AWP include management of Colorado Department of Public Health and Environment reimbursable grants, Southwestern Water Conservation District grants, Colorado Water Conservation Board grants, Bureau of Reclamation WaterSmart grants, and donations. Monthly reporting of the financials is provided to the coordinator or as needed by the group. San Juan RC&D also manages the AWP website by maintaining the domain and content updates. At one time, Council staff was attending the monthly meeting to take and produce meeting minutes. The AWP Coordinator and Council staff also worked together on grant applications.

3.3 Durango Mountain Camp

The Durango Mountain Camp (DMC) provides an intensive 5 ½ week language immersion program for diagnosed dyslexic students' ages 11 – 16 (day campers 7 – 13). DMC's highly personalized academic program provides an hour daily of the following: One on one Orton-Gillingham based tutoring, individualized study hall, composition, and oral/silent reading. This immersion program builds a strong language foundation which allows students greater success when they return home to their normal academic environment. Many of these youngsters will progress through several grade levels in their language skills during the 5 ½ week summer session.

3.3.1 Fiscal Management Responsibilities

San Juan RC&D provides income and expense tracking for DMC. This is a longstanding project with San Juan RC&D that has minimal administration needs associated with it. The project typically receives less than 10 donations and invoices for funds per year. Due to this minimal management, the DMC has a 5% administration fee. San Juan RC&D provides donation receipts and thank you letters to DMC funders.

3.4 Herb Hut

The Herb Hut Free Clinic is a non-profit organization. The clinic offers free herbal medicine to underserved people in La Plata County, CO. This rural county is home to many people who struggle with food insecurity, and many with no health insurance. This is the demographic served. The clinic on wheels travels from town to town, offering free consultations and herbs wherever people need help, such as soup kitchens and community centers. Herb Hut reaches homeless, immigrant, indigenous, disabled, and addicted communities. Herb Hut is currently holding clinics at Manna Soup Kitchen every Thursday, and one clinic for Spanish-speakers each month. Each clinic serves an average of 7 people.

3.4.1 Fiscal Management Responsibilities

San Juan RC&D provides income and expense tracking for Herb Hut. The Herb Hut has a 7% administration fee. Funding sources primarily consist of individual donations, corporate sponsorships, and grants. Monthly reporting of the financials is provided to the coordinator or as needed by the group. San Juan RC&D also provides online donation button(s), either WePay or PayPal, for Herb Hut to display on their website and partner websites. San Juan RC&D provides donation receipts and thank you letters to Herb Hut funders.

3.5 Old Fort at Hesperus

The Old Fort has embarked on numerous projects since working with the San Juan RC&D. For example, diversifying farm revenue with value added production and marketing was pursued for small vegetable and fruit farmers in the four corners region. This project addressed regulatory requirements, budgets, production development, packaging, labeling and advertising for Value Added Production by hosting seminars, listening sessions, and help with certification. The Old Fort also created the Old Fort Market Garden Cooperative to allow for agriculture incubator participants to purchase general and product liability insurance as a group.

3.5.1 Fiscal Management Responsibilities

San Juan RC&D provides income and expense tracking for the Old Fort. The Old Fort has a 7% administration fee. Funding sources primarily consist of workshop participate fees, donations, and grants (local, state, and federal). Monthly reporting of the financials is provided to the coordinator or as needed. San Juan RC&D also provides online donation button(s), either WePay or PayPal, for the Old Fort to display on their website and partner websites.

Form **990-EZ**

**Short Form
Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except private foundations)

OMB No. 1545-1150

2016

G Do not enter social security numbers on this form as it may be made public.

G Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2016 calendar year, or tax year beginning 10/01, 2016, and ending 9/30, 2017

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C SAN JUAN RESOURCE CONSERVATION AND DEVELOPMENT COUNCIL, INC. P.O. BOX 1006 DURANGO, CO 81302-1006	D Employer identification number 74-2408579
		E Telephone number 970-382-9371
		F Group Exemption Number..... G
		H Check <input checked="" type="checkbox"/> if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

G Accounting Method: Cash Accrual Other (specify) G _____

I Website: G SANJUANRCD.ORG

J Tax-exempt status (check only one) 501(c)(3) 501(c) () H(insert no.) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other _____

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ G \$ 37,347.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)
 Check if the organization used Schedule O to respond to any question in this Part I

		1	2	3	4	5a	5b	5c	6a	6b	6c	6d	7a	7b	7c	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
REVENUE	1 Contributions, gifts, grants, and similar amounts received																														
	2 Program service revenue including government fees and contracts		37,083.																												
	3 Membership dues and assessments																														
	4 Investment income				264.																										
	5a Gross amount from sale of assets other than inventory																														
	b Less: cost or other basis and sales expenses																														
	c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)																														
	6 Gaming and fundraising events																														
	a Gross income from gaming (attach Schedule G if greater than \$15,000)																														
	b Gross income from fundraising events (not including \$ _____ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)																														
c Less: direct expenses from gaming and fundraising events																															
d Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)																															
7a Gross sales of inventory, less returns and allowances																															
b Less: cost of goods sold																															
c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)																															
8 Other revenue (describe in Schedule O)																															
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8																	G	37,347.													
EXPENSES	10 Grants and similar amounts paid (list in Schedule O)																														
	11 Benefits paid to or for members																														
	12 Salaries, other compensation, and employee benefits																														
	13 Professional fees and other payments to independent contractors																														
	14 Occupancy, rent, utilities, and maintenance																														
	15 Printing, publications, postage, and shipping																														
	16 Other expenses (describe in Schedule O)																														
17 Total expenses. Add lines 10 through 16																	G	44,322.													
18 Excess or (deficit) for the year (Subtract line 17 from line 9)																															
ASSETS	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)																														
	20 Other changes in net assets or fund balances (explain in Schedule O)																														
	21 Net assets or fund balances at end of year. Combine lines 18 through 20																	G	24,168.												

BAA For Paperwork Reduction Act Notice, see the separate instructions. Form 990-EZ (2016)

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II



Table with columns (A) Beginning of year and (B) End of year. Rows include Cash, savings, and investments; Land and buildings; Other assets; Total assets; Total liabilities; Net assets or fund balances.

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III



Expenses

(Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

What is the organization's primary exempt purpose? See Schedule O

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Table with columns for program service descriptions and expenses. Rows 28-32 include 'See Schedule O', 'Grants', and 'Total program service expenses'.

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated - see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV



Table with 5 columns: (a) Name and title, (b) Average hours per week devoted to position, (c) Reportable compensation, (d) Health benefits, contributions to employee benefit plans, and deferred compensation, (e) Estimated amount of other compensation. Rows include CARRIE PADGET, ROY HORVATH, DAVID SANFORD, CHUCK WANNER, DALTON MONTGOMERY.

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in See Schedule O the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V. [X]

33 Did the organization engage in any significant activity not previously reported to the IRS? If 'Yes,' provide a detailed description of each activity in Schedule O.
34 Were any significant changes made to the organizing or governing documents? If 'Yes,' attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)
35 a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?
b If 'Yes,' to line 35a, has the organization filed a Form 990-T for the year? If 'No,' provide an explanation in Schedule O
35 c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If 'Yes,' complete Schedule C, Part III
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If 'Yes,' complete applicable parts of Schedule N
37 a Enter amount of political expenditures, direct or indirect, as described in the instructions. G 37 a 0.
b Did the organization file Form 1120-POL for this year?
38 a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?
b If 'Yes,' complete Schedule L, Part II and enter the total amount involved.
39 Section 501(c)(7) organizations. Enter:
a Initiation fees and capital contributions included on line 9
b Gross receipts, included on line 9, for public use of club facilities
40 a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 G 0.; section 4912 G 0.; section 4955 G 0.
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If 'Yes,' complete Schedule L, Part I
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. G 0.
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization G 0.
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T.
41 List the states with which a copy of this return is filed G None

42 a The organization's books are in care of G SAN JUAN RC&D COUNCIL Telephone no. G 970-382-9371
Located at G 954 E. 2ND AVENUE DURANGO CO ZIP + 4 G 81301

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
If 'Yes,' enter the name of the foreign country:G
See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).
c At any time during the calendar year, did the organization maintain an office outside the United States?
If 'Yes,' enter the name of the foreign country:G

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 Check here G [] N/A
and enter the amount of tax-exempt interest received or accrued during the tax year. G 43 N/A

44 a Did the organization maintain any donor advised funds during the year? If 'Yes,' Form 990 must be completed instead of Form 990-EZ
b Did the organization operate one or more hospital facilities during the year? If 'Yes,' Form 990 must be completed instead of Form 990-EZ
c Did the organization receive any payments for indoor tanning services during the year?
d If 'Yes' to line 44c, has the organization filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O
45 a Did the organization have a controlled entity within the meaning of section 512(b)(13)?
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)

	Yes	No
46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I.	46	X

Part VI Section 501(c)(3) organizations only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI.

	Yes	No
47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II.	47	X
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E.	48	X
49 a Did the organization make any transfers to an exempt non-charitable related organization?	49 a	X
b If 'Yes,' was the related organization a section 527 organization?	49 b	

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
None				

f Total number of other employees paid over \$100,000 G _____

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation
None		

d Total number of other independent contractors each receiving over \$100,000 G _____

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A G **Yes** **No**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
A _____ Signature of officer
 _____ Date
A CARRIE PADGET Director
 _____ Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name <u>Heidi Trainor</u>	Preparer's signature _____	Date <u>7/23/18</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P00193356</u>
Firm's name G <u>HEIDI A TRAINOR CPA, PC</u>	Firm's EIN G <u>46-4040179</u>		Phone no. <u>970-565-2435</u>	
Firm's address G <u>1 W MAIN ST STE 5</u> <u>CORTEZ, CO 81321-3100</u>				

May the IRS discuss this return with the preparer shown above? See instructions G **Yes** **No**