



# SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

## Regular Meeting Agenda

Thursday, 2 August 2018, 1:30 pm

Carnegie Building

1188 East 2<sup>nd</sup> Avenue, Durango, CO

- I. Introductions
- II. 2017 Budget Amendment and 2017 Audit Presentation
- III. Consent Agenda
  - a. June 2018 SWCCOG Meeting Minutes
  - b. June 2018 Financials
- IV. Reports (Staff will be available for questions on the written reports)
  - a. Director's Report
  - b. Broadband Report
  - c. Transportation Report
  - d. VISTA Report
- V. Discussion Items
- VI. Decision Items
  - a. Executive Committee Meeting Minutes from June 14, 2018
  - b. Water Quality Improvement Act Letter of Support Ratification
  - c. STREAMLINE Small Cell Deployment Act Letter
  - d. 2019 COG Dues
- VII. Other Items
- VIII. Community Updates (if time permits)

# 2017 Budget Amendment & Audit Presentation

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# 2017 Budget Amendment

To: SWCCOG Board of Directors  
From: Sara Trujillo  
Date: 2 August 2018

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Comments: A 2017 budget amendment was presented and approved February 2018. Since then, the audit has been completed and the auditors assigned 2 adjusting entries.

1. Payroll. The last payroll of 2017 ended 12/31/2017 with the check dated 1/4/2018. Although the pay period ended 12/31/2017, The Payroll Department updated this payroll with all 2018 updates to health insurance deductions, 457 retirement contributions, and pay raises. When asked why the 2018 changes were made on this 2017 payroll, I was told The Payroll Department goes by the IRS and that the IRS only looks at the pay check date and not pay period dates. The auditor said although the pay rates and deductions/contributions are accounted for in the 2018 budget and the IRS recognizes the pay in 2018, the auditor does not; therefore, an adjusting entry totaling \$6,689 was given.
2. Zoom. The Zoom software purchase was made in 2016 and the DoLA reimbursement for this expense received in 2016. However, because the Zoom 3-year contract did not go into effect until mid-2017, this expense has been dispersed as a pre-paid from 2017-2020 where a portion of the cost is expensed out each year. For 2017, the amount was \$1,999 (June 30 - Dec 31). I will make an adjusting entry for this in 2018-\$3,998, 2019-\$3,998, and 2020-\$1,999 (half year).

With these adjusting entries, the actual expenses are higher than the amended budget. The state recognizes this as being out of compliance. We have not seen this in previous audits that had the same result, I assume, because the COG is not subject to budget law and does not have tax revenues. However, the COG by-laws state that the COG shall abide by the Local Government Budget Law of Colorado. To remain in compliance, the COG can request the auditor remove non-compliance verbiage from the financial statements because it is immaterial and not-applicable or the COG can approve another budget amendment. The Executive Committee decided a budget amendment would be appropriate and create better transparency.

Please find the second and final 2017 budget amendment attached.

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# 2017 Budget Amendment

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Summary below for the *GENERAL FUND*:

<b>General Fund FY2017</b>	<b>Approved</b>	<b>Amended #1</b>	<b>Amended #2</b>
Revenues	\$1,896,636	\$580,730	\$580,730
Expenditures	\$1,894,705	\$589,804	\$598,629
<b>Net Income</b>	<b>\$1,931</b>	<b>-\$9,074</b>	<b>-\$17,899</b>

Amend #1 to Amend #2 changes:

- Payroll adjusting entry \$6,689
- Zoom adjusting entry \$1,999
- Miscellaneous \$137

**\*\* With the Fiber Fund included, the 2017 budget deficit is -\$8,157.00. Please note that with La Plata County holding \$10,507 in their budget for the Fiber Fund payable when requested per agreement and board approval in 2016, there is no deficit but rather a positive \$2,350 ending balance.**

Budget Deficit contributing factors, aside from the auditing entries, include:

## **Revenues**

- The DoLA 8011 Downtown Grant funds were not fully utilized and the COG de-obligated \$54,800 creating a loss of approximately \$7,000 of funds designated for admin.
- An all-member participation in dark fiber leasing to include a revenue share with the COG was anticipated by 2017 mid-year. This did not happen and affected projected revenues by over \$14,000.
- Transit grant funding was not awarded.

## **Expenditures**

Most expenses decreased significantly as many were inflated to cover estimated costs that come with a much larger budget. Staff further reduced or removed expenditures to help with the deficit. Large changes include:

- The AmeriCorps VISTA expense of \$8,000 was covered under the 2016-2017 RREO grant.
  - Significant decreases in salary and wage accounts as well as healthcare insurance are seen because Jessica's position was assumed to be full time and
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# 2017 Budget Amendment

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with full benefits; however, 2017 did not present this opportunity.

- \$14,000 was budgeted for new accounting software; this expense was reduced and staff will continue using QuickBooks.
- \$15,000 was budgeted for single audit costs; however, a single audit will not be required because certain large grants were not applied for in 2017 as anticipated.
- Two new computers and other computer hardware were budgeted for at \$4,050. Staff opted to not upgrade computers in 2017.
- Team Building expenditures were removed.

The attached documents include:

- 3-year budget comparison for the GENERAL Fund and 2017 ALL Funds
- 3-year fund balance comparison for the GENERAL Fund and 2017 ALL Funds

***Fiscal Impact: High, Budget changes throughout the year.***

***Staff Recommendation: Approve the final 2017 budget amendment.***

***Legal Review: Not Applicable***

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	<b>GENERAL FUND 3-year comparison</b>			<b>General and Fiber Funds</b>
	<b>2015 Actual Budget (Audited)</b>	<b>2016 Actual Budget (Audited)</b>	<b>2017 Amended Budget (Audited)</b>	<b>2017 Amended Budget (Audited)</b>
<b>Income</b>				
All Hazards	218,050.00	135,239.00	223,752.00	223,752.00
CDOT Grants	45,166.00	41,292.00	21,681.00	21,681.00
DoLA Grants	68,351.00	207,025.00	116,852.00	116,852.00
<b>Dues Revenue</b>				
COG Dues	114,712.00	127,710.00	126,200.00	126,200.00
SWTPR Contributions	7,679.00	7,679.00	7,607.00	7,607.00
<b>Total Dues Revenue</b>	<b>122,391.00</b>	<b>135,389.00</b>	<b>133,807.00</b>	<b>133,807.00</b>
<b>Grant Match</b>				
COG Member Match	0.00	6,836.00	21,039.00	21,039.00
Non-COG Member Match	0.00	12,223.00	0.00	0.00
<b>Total Grant Match</b>	<b>0.00</b>	<b>19,059.00</b>	<b>21,039.00</b>	<b>21,039.00</b>
Misc. Income	551.00	29,350.00	5,870.00	5,870.00
RREO Grant	21,204.00	6,756.00	28,162.00	28,162.00
<b>SCAN Services</b>				
Dark Fiber Leasing	17,275.00	20,256.00	21,287.00	21,287.00
e-TICS	8,400.00	8,400.00	0.00	0.00
Fiber Equipment Repair Fund	0.00	0.00	0.00	9,742.00
Internet & Transport	8,280.00	8,280.00	8,280.00	8,280.00
<b>Total SCAN Services</b>	<b>33,955.00</b>	<b>36,936.00</b>	<b>29,567.00</b>	<b>39,309.00</b>
SJB AAA	2,698.00	3,376.00	0.00	0.00
Lincoln Institute OR EPA Grant	23,286.00	0.00	0.00	0.00
<b>Total Income</b>	<b>535,652.00</b>	<b>614,422.00</b>	<b>580,730.00</b>	<b>590,472.00</b>
<b>Expense</b>				
Advertising and Promotion	466.00	420.00	110.00	110.00
All Hazards Projects	211,155.00	119,849.00	220,523.00	220,523.00
AmeriCorp VISTA	8,000.00	8,000.00	8,000.00	8,000.00
Bank Service Charge	326.00	73.00	0.00	0.00
<b>Broadband Expenses</b>				
Fiber Equip Repair - RESTRICTED	0.00	0.00	0.00	0.00
SCAN Dark Fiber Lease	13,046.00	12,660.00	5,322.00	5,322.00
<b>Total Broadband Expenses</b>	<b>13,046.00</b>	<b>12,660.00</b>	<b>5,322.00</b>	<b>5,322.00</b>
Conference Fee	0.00	0.00	199.00	199.00
Consulting	34,024.00	190,300.00	92,018.00	92,018.00
Employee/Board Appreciation	414.00	361.00	79.00	79.00
Information Technology (IT)	1,667.00	1,268.00	3,083.00	3,083.00
<b>Insurance Expense</b>				
General Liability	2,083.00	2,213.00	2,235.00	2,235.00
Health	28,337.00	19,922.00	26,214.00	26,214.00
HSA	0.00	4,000.00	0.00	0.00

<b>Worker's Compensation</b>	1,597.00	1,674.00	1,668.00	1,668.00
<b>Total Insurance Expense</b>	32,017.00	27,809.00	30,117.00	30,117.00
<b>Internet Connectivity</b>				
<b>Fast Track</b>	10,800.00	10,800.00	10,800.00	10,800.00
<b>Internet Connection (AT&amp;T)</b>	2,910.00	386.00	388.00	388.00
<b>Total Internet Connectivity</b>	13,710.00	11,186.00	11,188.00	11,188.00
<b>Match Refund</b>	0.00	1,634.00	0.00	0.00
<b>Meetings</b>	5,290.00	2,738.00	1,316.00	1,316.00
<b>Memberships</b>	825.00	17,254.00	5,673.00	5,673.00
<b>Misc. Expense</b>	0.00	15,851.00	3,640.00	3,640.00
<b>Office Equipment</b>	10,708.00	3,971.00	493.00	493.00
<b>Office Supplies</b>	3,450.00	741.00	481.00	481.00
<b>Postage and Delivery</b>	134.00	65.00	67.00	67.00
<b>Professional Development</b>	0.00	430.00	2,569.00	2,569.00
<b>Professional Fees</b>				
<b>Accounting Software</b>	425.00	0.00	220.00	220.00
<b>Audit</b>	6,250.00	6,500.00	6,750.00	6,750.00
<b>Legal</b>	3,561.00	5,248.00	3,929.00	3,929.00
<b>Misc.</b>	1,411.00	1,330.00	331.00	331.00
<b>Total Professional Fees</b>	11,647.00	13,078.00	11,230.00	11,230.00
<b>Rent</b>	83.00	87.00	91.00	91.00
<b>Salary and Wages</b>				
<b>457 Retirement</b>	3,250.00	3,515.00	7,477.00	7,477.00
<b>Car Allowance</b>	3,600.00	3,600.00	3,900.00	3,900.00
<b>Cell Phone Allowance</b>	0.00	2,665.00	2,990.00	2,990.00
<b>Housing Allowance</b>	3,218.00	2,700.00	0.00	0.00
<b>Payroll Processing Fee</b>	1,499.00	1,569.00	1,720.00	1,720.00
<b>Payroll Tax</b>	9,291.00	11,012.00	11,628.00	11,628.00
<b>Salary and Wages - Other</b>	120,927.00	139,495.00	140,766.00	140,766.00
<b>Total Salary and Wages</b>	141,785.00	164,556.00	168,481.00	168,481.00
<b>Software Maintenance e-TICS</b>	9,100.00	10,292.00	15,162.00	15,162.00
<b>Team Building</b>	0.00	320.00	0.00	0.00
<b>Travel</b>	20,147.00	16,245.00	18,787.00	18,787.00
<b>Other</b>	22,976.00	0.00	0.00	0.00
<b>Total Expense</b>	540,970.00	619,188.00	598,629.00	598,629.00
<b>Profit/Loss</b>	<b>-5,318.00</b>	<b>-4,766.00</b>	<b>-17,899.00</b>	<b>-8,157.00</b>

## Fund Balance

<b>General Fund - FY2015</b>	
Beginning Fund Balance <sup>a</sup>	\$95,817
Ending Fund Balance <sup>a</sup>	\$90,500
Operating Costs	\$209,222
Reserve Requirement	\$69,741
<b>General Fund - FY2016</b>	
Beginning Fund Balance <sup>a</sup>	\$90,500
Ending Fund Balance <sup>a</sup>	\$85,735
Operating Costs	\$216,895
Reserve Requirement	\$72,298
<b>General Fund - FY2017</b>	
Beginning Fund Balance <sup>a</sup>	\$85,735
Ending Fund Balance <sup>a</sup>	\$67,836
Operating Costs	\$235,512
Reserve Requirement	\$78,504
Reserve Deficit	\$-10,668
<b>General &amp; Fiber Funds - FY2017</b>	
Beginning Fund Balance <sup>a</sup>	\$95,489
Ending Fund Balance <sup>a</sup>	\$87,332
Operating Costs	\$235,512
Reserve Requirement	\$78,504
<b>General &amp; Fiber Funds w/ LPC Fiber Funds - FY2017</b>	
Beginning Fund Balance <sup>e</sup>	**\$105,996**
Ending Fund Balance <sup>e</sup>	**\$97,839**
Operating Costs	\$235,512
Reserve Requirement	\$78,504

### 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.

<sup>a</sup> indicates audited information

<sup>e</sup> indicates unaudited information

Fund Balance = Assets minus liabilities



**Southwest Colorado Council of Governments**

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**Annual Financial Report**

**December 31, 2017**

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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, 2017 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, 2017, 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

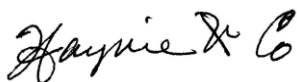
### *Required Supplementary Information*

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  
\_\_\_\_\_, 2018

# 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, 2017. Please read it in conjunction with the financial statements.

### FINANCIAL HIGHLIGHTS

- Total assets exceed total liabilities (net position) by \$87,332 at the close of the fiscal year.
- Total net position increased by \$11,670.
- Total revenue received in the General Fund was equal to the final budget and expenditures were \$8,825 less than 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 \$87,332 as of December 31, 2017 as shown on the following condensed statement of net position.

**Statement of Net Position:**

	<b>2017</b>	<b>2016</b>	<b>Change</b>
Current assets	\$ 100,119	\$ 167,350	\$ (67,231)
Total Assets	100,119	167,350	(67,231)
Current liabilities	12,787	71,861	(59,074)
Total liabilities	12,787	71,861	(59,074)
Net Position			
Restricted	19,496	9,754	9,742
Unrestricted	67,836	85,735	(17,899)
Total Net Position	<u>\$ 87,332</u>	<u>\$ 95,489</u>	<u>\$ (8,157)</u>

**Governmental Activities**

The cost of all governmental activities this year was \$598,629. \$560,905 was subsidized by operating grants and contributions received from other governmental organizations. Charges for services totaled \$29,567.

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	<b>2017</b>	<b>2016</b>	<b>Change</b>
Charges for services	\$ 29,567	\$ 45,410	\$ (15,843)
Operating grants and contributions	<u>560,905</u>	<u>578,766</u>	<u>(17,861)</u>
Total revenues	590,472	624,176	(33,704)
Expenses			
General Government	378,106	603,336	(225,230)
Grants passed through to member governments	<u>220,523</u>	<u>15,851</u>	<u>204,672</u>
Total expenses	<u>598,629</u>	<u>619,187</u>	<u>(20,558)</u>
Change in net position	(8,157)	4,989	(13,146)
Net position, beginning	<u>95,489</u>	<u>90,500</u>	<u>4,989</u>
Net position, ending	<u><u>\$ 87,332</u></u>	<u><u>\$ 95,489</u></u>	<u><u>\$ (8,157)</u></u>

Total resources available during the year to finance governmental operations were \$87,332 consisting of net position at January 1, 2017 of \$95,489 and program revenues of \$590,472. The total cost of governmental activities during the year was \$598,629. Governmental net position decreased by \$8,157 to \$87,332.

**General Fund Budgetary Highlights**

The final appropriations for the general fund at year-end were \$8,157 less than 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 2018, the Council's Board and management estimated the budget for operating revenues and expenditures to be comparable to the year ended December 31, 2017.

**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, 2017**

<b>Assets</b>	<b>Governmental Activities</b>
Cash and cash equivalents	\$ 8,639
Due from other governments	61,989
Prepaid expenses	9,995
Restricted assets:	
Cash and cash equivalents	19,496
Total assets	<u>\$ 100,119</u>
<b>Liabilities</b>	
Accounts payable	\$ 6,093
Accrued liabilities	6,694
Total liabilities	<u>12,787</u>
<b>Net Position</b>	
Restricted for:	
Fiber replacement	19,496
Unrestricted	67,836
Total Net Position	<u>87,332</u>
Total Liabilities and Net Position	<u>\$ 100,119</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, 2017**

<b>Functions/Program Activities</b>	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	\$ 378,106	\$ 29,567	\$ 337,153	\$ (11,386)	\$ (11,386)
Grants passed through to member governments	220,523	-	223,752	3,229	3,229
Total governmental activities	\$ 598,629	\$ 29,567	\$ 560,905	(8,157)	(8,157)
Change in net position					(8,157)
<b>Net position - beginning of year</b>					95,489
<b>Net position - end of year</b>					\$ 87,332

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

**Southwest Colorado Council of Governments**  
**Governmental Funds Balance Sheet**  
**December 31, 2017**

	<b>General Fund</b>	<b>Nonmajor Fiber Replacement Fund</b>	<b>Statement of Net Assets</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 8,639	\$ -	\$ 8,639
Due from other governments	61,989	-	61,989
Prepaid expenses	9,995	-	9,995
Restricted assets:			
Cash and cash equivalents	-	19,496	19,496
<b>Total assets</b>	<b>\$ 80,623</b>	<b>\$ 19,496</b>	<b>\$ 100,119</b>
<b>Liabilities</b>			
Accounts payable	\$ 6,093	-	\$ 6,093
Accrued liabilities	6,694	-	6,694
<b>Total liabilities</b>	<b>12,787</b>	<b>-</b>	<b>12,787</b>
<b>Fund Balances</b>			
Nonspendable	9,995	-	9,995
Restricted	-	19,496	19,496
Unassigned	57,841	-	57,841
<b>Total Fund Balances</b>	<b>67,836</b>	<b>19,496</b>	<b>87,332</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 80,623</b>	<b>\$ 19,496</b>	<b>\$ 100,119</b>

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, 2017**

	<u>General Fund</u>	<u>Nonmajor Fiber Replacement Total</u>	<u>Total Governmental Total</u>
<b>Revenues</b>			
Grant income	\$ 405,449	\$ -	\$ 405,449
Charges for services	29,567	-	29,567
Contributions from member governments	133,805	9,742	143,547
Miscellaneous	11,909	-	11,909
Total Revenues	<u>580,730</u>	<u>9,742</u>	<u>590,472</u>
<b>Expenditures</b>			
General government	378,106	-	378,106
Grants passed through to member governments	220,523	-	220,523
Total Expenditures	<u>598,629</u>	<u>-</u>	<u>598,629</u>
<b>Excess of Expenditures over Revenues</b>	(17,899)	9,742	(8,157)
<b>Fund balances:</b>			
Beginning of the year	85,735	9,754	95,489
End of the year	<u>\$ 67,836</u>	<u>\$ 19,496</u>	<u>\$ 87,332</u>

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

# Southwest Colorado Council of Governments

## Notes to Basic Financial Statements

### December 31, 2017

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#### 1. Organization

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##### **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.

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#### 2. Significant Accounting Policies

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##### **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

# Southwest Colorado Council of Governments

## Notes to Basic Financial Statements (continued)

### December 31, 2017

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## 2. Summary of Significant Accounting Policies (continued)

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### **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.

**Southwest Colorado Council of Governments**  
**Notes to Basic Financial Statements (continued)**  
**December 31, 2017**

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**2. Summary of Significant Accounting Policies (continued)**

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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

# Southwest Colorado Council of Governments

## Notes to Basic Financial Statements (continued)

### December 31, 2017

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## 2. Summary of Significant Accounting Policies (continued)

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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.



**Southwest Colorado Council of Governments**  
**Notes to Basic Financial Statements (continued)**  
**December 31, 2017**

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**2. Summary of Significant Accounting Policies (continued)**

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**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.

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**3. Stewardship, Compliance and Accountability**

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**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.

# Southwest Colorado Council of Governments

## Notes to Basic Financial Statements (continued)

### December 31, 2017

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#### 3. Stewardship, Compliance and Accountability (continued)

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- 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.

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#### 4. Cash Deposits, Marketable Securities and Investments

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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, 2017, the Council's cash deposits had a bank balance and a carrying balance of \$28,135, all of which was FDIC insured in 2017.

**Southwest Colorado Council of Governments**  
**Notes to Basic Financial Statements (continued)**  
**December 31, 2017**

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

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**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.

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**5. Concentrations**

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During 2017, the Council received most of its revenue from grants and from its member governments.

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**6. Contingencies**

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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.

**Southwest Colorado Council of Governments**  
**Notes to Basic Financial Statements (continued)**  
**December 31, 2017**

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**7. Employee Retirement Benefits**

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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 \$6,801 during the year ending December 31, 2017.

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**

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**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, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Grant Income	\$ 405,449	\$ 405,449	\$ 405,449	\$ -
Charges for Services	66,876	29,567	29,567	-
Contributions from member governments	131,679	133,807	133,805	(2)
Other contributions	-	11,907	11,909	2
Total revenues	<u>604,004</u>	<u>580,730</u>	<u>580,730</u>	<u>-</u>
<b>Expenditures</b>				
General government				
Salaries and wages	163,219	141,576	141,576	-
Employee benefits	75,023	55,001	55,001	-
Advertising	600	110	110	-
Consulting	1,275,504	125,921	125,500	421
Contract services	8,000	8,000	8,000	-
Computer and equipment	6,350	1,034	1,965	(931)
Insurance	2,274	2,235	2,235	-
Postage and printing	100	67	67	-
Professional fees	33,000	14,733	11,230	3,503
Rent and utilities	3,201	479	91	388
Travel and training	16,620	18,787	18,787	-
Supplies	1,500	974	481	493
Grant expenditures - All Hazards	294,889	220,523	220,523	-
Other	14,425	9,189	13,063	(3,874)
Total general government	<u>1,894,705</u>	<u>598,629</u>	<u>598,629</u>	<u>-</u>
Excess revenues over (under) expenditures	(1,290,701)	(17,899)	(17,899)	
Fund balance at beginning of year			<u>85,735</u>	
Fund balance at end of year			<u>\$ 67,836</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, 2017**

	Budgeted Amounts		Variance
	Original and Final	Actual	Favorable (Unfavorable)
<b>Revenues</b>			
Contributions from member governments - Fiber	\$ 9,754	\$ 9,742	\$ (12)
Total revenues	9,754	9,742	(12)
Excess revenues over (under) expenditures	9,754	9,742	
Fund balance at beginning of year		9,754	
Fund balance at end of year		\$ 19,496	

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# Consent Agenda

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**Southwest Colorado Council of Governments  
June Board Meeting  
Thursday, 28 June 2018, 1:30pm  
1188 E. 2nd Ave., Carnegie Bldg., Durango, CO 81301**

In Attendance:

Willy Tookey – San Juan County  
Chris Tookey – Town of Silverton  
Mark Garcia – Town of Ignacio  
Ron LeBlanc – City of Durango  
Chris La May – Town of Bayfield  
Andrea Phillips - Town of Pagosa Springs  
Karen Sheek – City of Cortez (by phone)  
Fred Brooks – Town of Mancos (by phone)  
Kari Distefano – Town of Rico (by phone)

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 (by phone)  
Dylan Lucas– Southwest Colorado Council of Governments

Guests in Attendance:

John Whitney – Senator Bennet’s Office  
Peyton Heitzman – City of Cortez  
Ty Churchwell – Trout Unlimited  
Ashely Greco – Representative Tipton’s Office  
Darlene Marcus – Representative Tipton’s Office  
Diane Kruse – NEO Connect (by phone)  
Jawaid Bazyar – Forethought (by phone)

**I. Introductions**

The meeting was called to order at 1:37 pm, everyone introduced themselves.

Chris La May asked for agenda item VI. h. to be moved before VI. c. due to time constraints for guest attendees that need to participate in the discussion.

**Mark Garcia motioned move the agenda item, Willy Tookey seconded, unanimously approved.**

**II. Consent Agenda**

- a. April 2018 SWCCOG Meeting Minutes
- b. May 2018 SWCCOG Meeting Minutes
- c. March 2018 Financials
- d. April 2018 Financials
- e. May 2018 Financials

Ron asked if there was quorum at the May meeting. Miriam confirmed no and that the May document is notes versus minutes with no need of approval.

**Willy Tookey motioned to approve all consent agenda items except the May minutes that are simply notes, Karen Sheek seconded, unanimously approved.**

### III. Reports

#### Director's Report/Broadband Report:

Miriam said the director and broadband reports will be merged into one. She met with folks at Municipal Capital Markets to discuss what funding might be available for the SWCCOG and how to move forward as a non-taxing agency, there will be a presentation in August. Miriam was informed of a type 203 Corporation, which in state statutes is essentially a local government LLC. This would be formed in the same way a COG or IGA is formed.

The Universal Service Administrative Company (USAC) Healthcare Connect Fund (HCF) Program is moving forward and will be discussed further in the agenda. Aggregation of services will also be discussed.

#### Transportation Report:

Jessica reported that the next Transit Council meeting will be July 20 and the next TPR meeting August 2. There is a written report in the board packet regarding the Four Corners Coordinated Transit Project, 5304. The next step will be a stakeholder meeting between the TPR and COG meetings; this will be a brown-bag lunch meeting, more details to come. Mark asked about the Bustang route. Jessica said this has been an ongoing discussion for some time and is the route that Roadrunner was running.

#### VISTA Report:

Dylan reported that he completed an inventory of COG office equipment for insurance purposes. The COG owns \$10,000 worth of in-use technology and \$2,000 in redundant back-up technology. Dylan has been working on the Colorado Association of Regional Organizations (CARO) website that launched yesterday.

### IV. Decision Items

Executive Committee Meeting Minutes from April 19, 2018:

**Karen Sheek motioned to approve the Executive Committee meeting minutes from April 19, 2018, Chris La May seconded, unanimously approved.**

#### Good Samaritan Legislation Letter of Support

Miriam said the SWCCOG has been asked to write a letter in support of introduction and passage of Good Samaritan Legislation. Such legislation would allow well-qualified and capable persons and organizations to perform liability-free mine remediation work. The letter will be sent to Senators Bennet and Gardner and Representative Tipton.

**Ron LeBlanc motioned to approve the Letter of Support for the introduction and passage of Good Samaritan Legislation, Willy Tookey seconded, unanimously approved.**

#### Selection of USAC Rural Healthcare RFPs

Miriam Gillow-Wiles explained the rationale for pursuing USAC Rural Healthcare funding. She described the work over the past nine months, including initially working with Colorado Telehealth Network (CTN), then working with CTC Energy & Technology and creating the Southwest Colorado Council of Governments Healthcare Consortium (SWCCOGHC). She explained that the SWCCOGHC is able to work with local healthcare agencies to apply for funding on their behalf. She added that for this round of funding they are applying on behalf of Dolores County Public Health Department, San Juan County Department of Public Health, San Miguel County Department of Health and Environment, and Southwest Health System. She explained that the four RFPs closed yesterday and three proposals were received. The first proposal was for lit services for Dolores, San Miguel and San Juan Counties. The second proposal was for fiber optic builds between all the different agencies. The third proposal was for

equipment. She explained that because some areas did not receive more than one bid that self-provision of fiber may be an option. She described elements of the various proposals. Dove Creek to Cortez was very expensive for lit service, the self-provision fiber was only slightly higher than lit service for five years and would last longer. Staff recommendation is to move forward on FCC funding for Dove Creek to Cortez for self-provisioned fiber. Cortez to Telluride would be a high cost and challenging build. It appears the bid may not be realistic. Staff recommendation is to not move forward with this build at this time, rather identify alternative options before moving forward. Cortez to Durango would create a redundant and more secure route. There was one bid which was for self-provisioned fiber. Staff recommendation is to move forward with USAC funding for Southwest Health Systems. The bid for lit services for San Juan County was nearly \$2 million. The bid for self-provision did not account for existing assets, so staff believes the bid was too high and the actual cost would be approximately \$3.4 million. Staff recommendation is to negotiate to use existing assets and move forward.

Chris asked for clarification that the recommendation is to move forward with three RFPs, working with Light Works for all three. Miriam replied this is correct. Diane Kruse clarified that they need to get USAC approval. Miriam added that all negotiations are contingent on USAC funding. Chris asked about the next steps. Miriam replied that, if the board approves, staff will submit required documentation to USAC tomorrow, then there is a several month waiting period. In the interim, staff will continue work with CDOT and seek private equity. Chris asked what happens if not able to identify another revenue source. Miriam replied that funding could be declined if a match is not identified. Andrea asked if the proposals were sent with the meeting packet. Miriam replied no, that proposals were received yesterday afternoon. Chris asked for clarification that the board is not approving a contract at this time, only moving forward with applying for funding with Light Works as a partner. Miriam replied yes, and asked if Ciena should also be included. Diane replied that including them would be preferable. Chris asked if staff has checked references. Miriam replied that she has not yet, she could do so tomorrow or before any contracts are finalized.

Andrea Phillips asked if San Juan Basin Health Department (SJBHD) chose not to participate. Miriam replied that they chose not to participate in this round. There was discussion about SJBHD's decision not to participate at this time.

Ron LeBlanc expressed concern about the lack of documentation prior to the meeting. Miriam described the delays stemming from failed negotiations with CTN, followed by the time required to create the healthcare consortium, receive authorization to file forms, and have the RFPs posted for the appropriate amount of time. She added that the funding window closes tomorrow and the next cycle would open in 2019. Ron asked how Durango would benefit from these projects. Miriam replied that this would improve redundancy throughout the region and improve connectivity therefore supporting first responders. Chris added that ideally SJBHD would have participated in this round which would have benefitted the entire region.

Andrea asked about the match. Miriam replied that it is 35 percent. Andrea asked if the member jurisdictions would be asked to contribute. Miriam replied that she would like to avoid this due to budget challenges. Chris asked if the reduction in cost to San Juan County is due to existing facilities, such as EagleNet conduit. Miriam replied that EagleNet has been dissolved, however it should be possible to negotiate to use the assets. Ron asked if there would be a cost to Durango. Miriam replied that she does not anticipate requesting funding from the local jurisdictions. Karen Sheek asked when the next funding opportunity is. Miriam replied that they could apply again in early 2019. Chris asked if the FCC application asks about match. Miriam replied that they do not have specifics, but will be working with CDOT and to identify private

equity. Karen asked for clarification that if the requests are approved but something doesn't work out as expected there wouldn't be harm in declining funding. Diane replied that this is similar to E-rate funding, with that program declining funding has not negatively impacted applicants with future funding requests. There was discussion about the impacts of not moving forward and the time spent working on this so far.

Willy Tookey asked how San Miguel County became involved. Miriam replied that Cortez to Telluride is the best route, it would create redundancy and any fiber would go past Dolores and Rico. Mark Garcia asked if the main hub to Monticello runs through that area. Miriam replied it does not, there is a gap from Dove Creek to Monticello. Andrea asked if this would all be buried fiber. Miriam replied yes.

**Willy motioned to proceed with submitting proposals to USAC at the recommendation of staff, Mark seconded.**

Ron expressed discomfort with voting to approve without adequate documentation. Mark expressed agreement, but expressed concern about missing this cycle. Karen stated that this has been an ongoing topic of discussion. She asked if this is significantly different than what has been discussed previously. Miriam replied that the specific vendors weren't known until shortly before the meeting. Chris mentioned that there will be additional detail in the RFPs that staff will be relied on to evaluate. Miriam stated that she could distribute the RFPs and responses to the board. Karen asked if Diane is familiar with Light Works. Diane replied that she is not familiar with their work. She recommended that the proposals move forward with the condition that staff does due diligence on Light Works to ensure they can meet the requirements of the RFP.

Chris mentioned that there is a motion on the floor. **Willy amended the motion to make this conditional on due diligence.** Miriam asked for clarification whether due diligence is expected before or after submitting the application. Willy replied after. **Mark seconded, unanimously approved.**

CDOT Wolf Creek Fiber Letter of Support

Miriam said CDOT requested a letter of support for their Wolf Creek Pass Advanced Technology project. The proposal includes installing fiber and electrical infrastructure over Wolf Creek Pass. The grant application was due June 18, 2018, the Executive Committee directed staff to send a letter with ratification at the June meeting.

**Willy Tookey motioned to ratify the letter of support for CDOT's Wolf Creek Pass Advanced Technology project, Ron LeBlanc seconded, unanimously approved.**

Relocation of BLM National Office Letter of Support

Miriam said the SWCCOG has been asked to write a letter encouraging the relocation of the national Bureau of Land Management (BLM) office to southwest Colorado. The proposal would be to move the office into a soon to be vacated facility near the Durango-La Plata County Airport.

**Ron LeBlanc motioned to approve the letter encouraging the relocation of the national (BLM) office to southwest Colorado, Willy Tookey seconded, unanimously approved.**

RHA-SWCCOG Professional Services Agreement Renewal

Sara said the current RHA-SWCCOG Professional Services Agreement contract runs from July 1, 2017 – June 30, 2018. The renewal will run from July 1, 2018 – June 30, 2019. The dates of service were updated and audit duties removed as there will be no audit in 2019. The RHA Board approved the renewal contract on June 18, 2018 at the annual board meeting.

**Ron LeBlanc motioned to approve the RHA-SWCCOG Professional Services Agreement for July 1, 2018 – June 30, 2019, Willy Tookey seconded, unanimously approved.**

Contract with FastTrack for IP addresses

Miriam said that during the creation and development of the Southwest Colorado Access Network(SCAN), the SWCCOG contracted with FastTrack for connectivity and IP addresses. This contract has long since expired, and instead of renewing the connectivity and IP address parts of the contract, staff has worked on an aggregation of telecommunication services instead. However, it is important to maintain the same IP addressing which the SWCCOG Members have been using since 2013. FastTrack owns the blocks of IP addresses the SWCCOG proposes to lease.

**Ron LeBlanc motioned to approve the attached Service Order for IP addresses with the FastTrack Communications, Mark Garcia seconded, unanimously approved.**

Aggregation of Services Contracts

Miriam said that at the SWCCOG Board Retreat in May, staff presented the Board with pricing and general overview of an aggregation of telecommunication services. At that time the Board gave staff the green light to solidify pricing and develop the contracts for the aggregation. Important specifics of these contracts:

- Length of term is 120 days for contracts with SWCCOG Members and CAIs
- Length of term is 90 days between SWCCOG and Forethought
- SWCCOG can contract with multiple other ISP for services while maintaining the contract with Forethought
- All technical support will be handled by Forethought
- Forethought rates are guaranteed for three years
- SWCCOG and Member contracts are based on the previously approved contract for grant administration and management contract

Legal has reviewed the contracts.

**Ron LeBlanc motioned to approve the contracts for Aggregation between SWCCOG – Forethought.net, SWCCOG – Member Governments, and SWCCOG – Community Anchor Institutions, Mark Garcia seconded, unanimously approved.**

## **V. Other Items**

Miriam said the current auditor, Haynie and Company, has been a bit challenging to work with due to slow responses and inaccurate draft financials. The audit presentation was supposed to happen at this meeting but due to errors and multiple draft documents, the auditor will not present until the August 2 meeting. Since this is after the deadline, a 60-day extension will be requested with the state. The current contract was for 1 year with an option to renew for 2 additional years. Staff will send a non-renewal letter and begin an RFP process for a new auditor.

Chris La May asked about recycling and said materials are being stockpiled to ship to China, but are not being shipped. Miriam said China is no longer accepting plastics. Dylan said he is putting together a presentation for the August meeting.

Andrea asked the status of a Broadband Coordinator. Miriam said staff was working with the NWCOG but have run into challenges with the position and DoLA funding. Staff applied for DOLA funding in April, but DoLA requested we withdraw and resubmit in August. Miriam said staff plans to look for someone local to fill this position.

## **VI. Community Updates**

Chris Tookey – Town of Silverton

- The town is getting a lot of local support. The train is bussing tourists in every day.
- There will be no fireworks.
- Greg Schulte has been hired as the interim Town Manager.

Willy Tookey – San Juan County

- Foundation construction has begun for a new apartment building.

Andrea Phillips – Town of Pagosa Springs

- Multiple road projects happening.
- No fireworks; stage 2 fire restrictions.
- The town has had tourists visiting.

Mark Garcia – Town of Ignacio

- The major focus right now is an infrastructure project.

Karen Sheek – City of Cortez

- The city has new council members and will be choosing a new manager.
- The old high school will be demolished.
- The city is selling 3 acres to the housing authority for affordable housing.
- Fireworks will be held.

Keri Distefano – Town of Rico

- The closing of the forest had a negative effect on the town, but it is back open.
- There is a fire burning close by, which is concerning.
- The town hired an engineering firm to do a preliminary water line report to create water system.
- Rico is looking to do a sanitary sewage project in the commercial core that would make unusable commercial buildings usable.
- Ron Taylor is helping with a marketing project and to improve Rico's website.

Chris La May – Town of Bayfield

- There is another meeting scheduled with citizens to talk about marijuana; this will be going on the November ballot.
- There are road improvements happening in conjunction with the school improvements.

John Whitney – Senator Bennet's Office

- Reauthorization of the farm bill passed out of committee. They are working along with state legislators to fully legalize hemp in this bill. This would be federal legalization allowing financing, banking, insuring, use of federal water, and use of labor visas.
- A bill was introduced that would dramatically increase fines for flying drones during a fire making this a felony charge.

Adjourned at 3:37 p.m.

# June 2018 Financials

To: SWCCOG Board of Directors  
From: Sara Trujillo  
Date: 2 August 2018

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Comments: The following attachments include:

- Balance Sheet as of June 30, 2018
- January 1- June 30, 2018 Profit & Loss vs. Budget

Items to Note:

*Balance Sheet:* The prepaid expense is for the Zoom software as the contract goes to 2020.

As the fiscal agent to the SWIMT and the state grant ending June 30, 2018, the best and quickest way to spend grant funds is to utilize the COG credit cards. Therefore, you will see a high balance on both Miriam and Sara's cards. Almost 100% of both Miriam and Sara's card balances were reimbursed by the TPR and SWIMT grants.

*P&L vs Budget:* Information Technology is the only line item at this time straying far from the budget. This is due to the Zoom prepaid expense adjusting entry the auditor has instructed to enter totaling \$3,998.

***Fiscal Impact: High, Budget changes throughout the year***

***Staff Recommendation: Approve the June 2018 Financials allowing staff to move forward with the 2018 budget.***

***Legal Review: Not Applicable***

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## Southwest Colorado Council of Governments

## Balance Sheet

As of June 30, 2018

	Jun 30, 18
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Alpine Bank	
Alpine Bank Account (UR)	121,158.43
Total Alpine Bank	121,158.43
Petty Cash	
AmeriCorps VISTA	224.49
Petty Cash - Other	22.97
Total Petty Cash	247.46
Total Checking/Savings	121,405.89
Accounts Receivable	
Accounts Receivable	11,430.00
Total Accounts Receivable	11,430.00
Other Current Assets	
Prepaid Expense	5,997.00
Total Other Current Assets	5,997.00
Total Current Assets	138,832.89
<b>TOTAL ASSETS</b>	<b>138,832.89</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	3,072.39
Total Accounts Payable	3,072.39
Credit Cards	
Credit Cards	
Miriam	4,238.05
Sara	4,667.23
Total Credit Cards	8,905.28
Total Credit Cards	8,905.28
Other Current Liabilities	
Accrued Wages	6,689.00
Total Other Current Liabilities	6,689.00
Total Current Liabilities	18,666.67
<b>Total Liabilities</b>	<b>18,666.67</b>

Southwest Colorado Council of Governments

Balance Sheet

As of June 30, 2018

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	<u>Jun 30, 18</u>
Equity	
Retained Earnings	67,835.72
Net Income	52,330.50
	<hr/>
Total Equity	120,166.22
	<hr/>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>138,832.89</b>
	<hr/> <hr/>

**Southwest Colorado Council of Governments**  
**Profit & Loss Budget vs. Actual**  
 January through June 2018

	Jan - Jun 18	Budget	% of Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>All Hazards</b>			
2015 SHSP	516.60		
2016 SHSP	10,439.56		
2017 SHSP	63,195.74		
All Hazards - Other	0.00	163,346.00	0.0%
<b>Total All Hazards</b>	74,151.90	163,346.00	45.4%
<b>Broadband</b>			
CDOT Funding	0.00	333,333.00	0.0%
DoLA BB Grant	0.00	375,000.00	0.0%
FCC Grant	0.00	3,000,000.00	0.0%
Private Equity	0.00	1,666,667.00	0.0%
<b>Total Broadband</b>	0.00	5,375,000.00	0.0%
<b>CDOT Grants</b>			
SWTPR Grant	8,753.06	22,100.00	39.6%
Transit 5304	7,791.00	27,000.00	28.9%
<b>Total CDOT Grants</b>	16,544.06	49,100.00	33.7%
<b>DoLA Grants</b>			
DoLA 8330	25,591.12	28,000.00	91.4%
DoLA 8573	0.00	35,000.00	0.0%
<b>Total DoLA Grants</b>	25,591.12	63,000.00	40.6%
<b>Dues Revenue</b>			
Admin Position	0.00	12,200.00	0.0%
COG Dues	150,970.00	145,000.00	104.1%
SWTPR Contributions	6,842.00	7,607.00	89.9%
<b>Total Dues Revenue</b>	157,812.00	164,807.00	95.8%
<b>Grant Match</b>			
COG Member Match	14,923.00		
Non-COG Member Match	8,000.00		
<b>Total Grant Match</b>	22,923.00		
<b>Misc. Income</b>	6,118.80	0.00	100.0%
<b>RHA</b>	5,000.00	10,000.00	50.0%
<b>SCAN Services</b>			
Dark Fiber Leasing	17,076.00	29,328.00	58.2%
Internet & Transport	4,140.00	8,280.00	50.0%
<b>Total SCAN Services</b>	21,216.00	37,608.00	56.4%
<b>SWIMT</b>	13,235.28		
<b>Total Income</b>	342,592.16	5,862,861.00	5.8%

**Southwest Colorado Council of Governments**  
**Profit & Loss Budget vs. Actual**  
 January through June 2018

	Jan - Jun 18	Budget	% of Budget
<b>Gross Profit</b>	342,592.16	5,862,861.00	5.8%
<b>Expense</b>			
<b>Advertising and Promotion</b>	0.00	240.00	0.0%
<b>All Hazards Projects</b>			
<b>All Hazards 2015 SHSP</b>			
Grant 2015 Project 2	485.45		
Grant 2015 Project 5	31.98		
<b>Total All Hazards 2015 SHSP</b>	517.43		
<b>All Hazards 2016 SHSP</b>			
Grant 2016 Project 1	5,988.12		
Grant 2016 Project 6	3,865.00		
<b>Total All Hazards 2016 SHSP</b>	9,853.12		
<b>All Hazards 2017 SHSP</b>			
Grant 2017 Project 2	14,060.00		
Grant 2017 Project 3	8,124.50		
Grant 2017 Project 5	42,499.49		
Grant 2017 Project 6	6,636.25		
<b>Total All Hazards 2017 SHSP</b>	71,320.24		
<b>All Hazards Projects - Other</b>	0.00	157,346.00	0.0%
<b>Total All Hazards Projects</b>	81,690.79	157,346.00	51.9%
<b>Bank Service Charge</b>	158.16	200.00	79.1%
<b>Broadband Expenses</b>			
SCAN Dark Fiber Lease	0.00	7,332.00	0.0%
<b>Total Broadband Expenses</b>	0.00	7,332.00	0.0%
<b>Conference Fee</b>	1,062.70		
<b>Consulting</b>	47,677.24	5,313,500.00	0.9%
<b>Employee/Board Appreciation</b>	125.42	100.00	125.4%
<b>Information Technology (IT)</b>			
Internal IT Consulting	0.00	50.00	0.0%
Software	5,203.75	1,324.00	393.0%
<b>Total Information Technology (IT)</b>	5,203.75	1,374.00	378.7%
<b>Insurance Expense</b>			
General Liability	3,644.75	8,000.00	45.6%
Health	12,852.00	36,720.00	35.0%
Worker's Compensation	0.00	1,750.00	0.0%
<b>Total Insurance Expense</b>	16,496.75	46,470.00	35.5%
<b>Internet Connectivity</b>			
Fast Track	5,400.00	10,800.00	50.0%
Internet Connection (AT&T)	196.37	390.00	50.4%

**Southwest Colorado Council of Governments**  
**Profit & Loss Budget vs. Actual**  
 January through June 2018

	Jan - Jun 18	Budget	% of Budget
<b>Total Internet Connectivity</b>	5,596.37	11,190.00	50.0%
<b>Meetings</b>	815.85	5,000.00	16.3%
<b>Memberships</b>	6,423.00	6,048.00	106.2%
<b>Misc. Expense</b>	522.00		
<b>Office Equipment</b>	1,536.73	6,000.00	25.6%
<b>Office Supplies</b>	640.47	850.00	75.3%
<b>Office Telephone</b>	0.00	980.00	0.0%
<b>Postage and Delivery</b>	35.40	80.00	44.3%
<b>Professional Development</b>	0.00	4,000.00	0.0%
<b>Professional Fees</b>			
<b>Accounting Software</b>	0.00	200.00	0.0%
<b>Audit</b>	3,000.00	5,900.00	50.8%
<b>Legal</b>	4,444.96	7,000.00	63.5%
<b>Misc.</b>	24.43	500.00	4.9%
<b>Total Professional Fees</b>	7,469.39	13,600.00	54.9%
<b>Rent</b>	0.00	95.00	0.0%
<b>Salary and Wages</b>			
<b>457 Retirement</b>	3,445.26	9,355.00	36.8%
<b>Car Allowance</b>	1,800.00	3,600.00	50.0%
<b>Cell Phone Allowance</b>	1,170.00	1,560.00	75.0%
<b>Housing Allowance</b>	0.00	2,400.00	0.0%
<b>Payroll Processing Fee</b>	870.20	2,400.00	36.3%
<b>Payroll Tax</b>	5,948.76	16,783.00	35.4%
<b>Salary and Wages - Other</b>	74,934.96	196,290.00	38.2%
<b>Total Salary and Wages</b>	88,169.18	232,388.00	37.9%
<b>SWIMT 2017-2018</b>	17,194.16		
<b>Travel</b>	9,444.30	25,000.00	37.8%
<b>Total Expense</b>	290,261.66	5,831,793.00	5.0%
<b>Net Ordinary Income</b>	52,330.50	31,068.00	168.4%
<b>Net Income</b>	<b>52,330.50</b>	<b>31,068.00</b>	<b>168.4%</b>

# Reports

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# Director Report

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 2 August 2018

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Comments: July has been a much quieter month than the previous few months with the USAC funding request wrapped up and submitted. While broadband is never truly done, it is nice to have a bit of reprieve, as I was getting overwhelmed with trying to juggle all of the things at once. I have been able to focus on things internally, like organization, hiring a 4<sup>th</sup> year VISTA, writing articles, and cleaning out a very very full inbox. Additionally, we have started into the legislative season process of getting legislation created and edited and ready for submission for the 2019 session.

## **Legislation**

CCI and CML are working on broadband legislation development for the respective organizations to potentially incorporate into their legislative docket for 2019. There are a number of ideas being tossed out, what sticks is still being decided.

Enclosed in the packet is a letter to Sen Gardner about the STREAMLINE Act, which is attempting to help the adoption of 5G wireless technology. However, the legislation has a number of challenges, including preemption of state and local control, shot clocks, and other such things that make it a very industry heavy and favorable bill. Feel free to edit the attached letter for your own jurisdiction, I'll be happy to send it out in a word format along with the supporting documentation.

## **Transportation Funding**

The state is still working on two different versions of the proposed ballot measure to increase transportation funding, one is only bonds, the other is bonds with a tax increase to pay back the bonds. The second round of comments were due back last week, as the options are refined I will send them out to the Board. The transportation funding ballot measure may impact any ballot measures in your jurisdiction, if there is a tax on the transportation ballot measure.

## **3<sup>rd</sup> and 4<sup>th</sup> Year AmeriCorps VISTAs**

This will be Dylan's last Board Meeting, as he is cycling out of VISTA at the end of August. Dylan has done an incredible amount of research on recycling, developed a pilot project for recycling curriculum in the local schools, and helped out with a number of technology related projects including the Colorado Association of Regional Councils (CARO) website (I am the Chair of CARO). We will be sad to Dylan leave, he will be moving to San Diego with his girlfriend to pursue Naval Officer School.

We have secured our 4<sup>th</sup> year AmeriCorps VISTA, Martina Pansze. She grew up in

# Director Report

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the area and returned after completing her undergrad in communications and film studies. She will be focused on outward facing communications for the SWCCOG, something we definitely lack at the moment. She will start about the same time Dylan leaves.



# Broadband Report

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 2 August 2018

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Comments July has provided a nice reprieve from the very busy broadband months culminating in the June 28<sup>th</sup> USAC funding deadline. I've been able to re-engage with some of the local projects across the region.

## **USAC Rural Health Care**

Funding requests were submitted on June 28<sup>th</sup> for self-provisioned fiber (we build fiber instead of leasing existing fiber or circuits) for the following routes:

- Dove Creek to Cortez
- Cortez to Durango
- Durango to Silverton

We will find out how much or if we are funded sometime between December and February 2019. USAC says 6 months, but the 2017 funding cycle took 8 months. I will keep the Board updated of the status.

## **Aggregation of Services**

The Board approved an aggregation of services contract, we are busy working to get the member jurisdictions and community anchor institutions signed up, connected, and saving money. We are also working on trying to provide the same option to areas not currently eligible (due to the incumbent providers in the region).

## **CDOT Fiber Plan**

CDOT has finalized their Statewide Fiber Plan and will publish it in mid August. This will help when communities, counties, and regions need to develop broadband within a CDOT corridor, and outline where those priorities fall, and how public agencies can work with CDOT. Staff will send out to the Board when it is finalized, as well as have it presented at the October TPR Board Meeting.

## **Regional Broadband Work**

Staff has been doing research for Pagosa Springs and Archuleta County on a joint build between the Town, County, and the cable provider – USACommunications during the SCAN development. I have also been working with La Plata West Water District on the development of broadband during the development of water services to the area known as the “dry side”.

# Transportation Report

To: SWCCOG Board of Directors  
From: Jessica Laitsch  
Date: 26 July, 2018

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Comments: Transportation:

The next SWTPR meeting will be held at 9:00 a.m. Thursday, 2 August, 2018 at the Carnegie Building, 1188 E 2nd Ave., Durango.

Transit:

5304 Four Corners Coordinated Transit Plan – There is a meeting scheduled on Thursday, August 2 at 11:30 a.m. 2018 at the Carnegie Building, 1188 E 2nd Ave., Durango for an overview and discussion of the Four Corners Coordinated Transit Plan Project. SWCCOG board members and any other stakeholders are welcome and encouraged to attend. Attendees are encouraged to bring a brown bag lunch.

NADO Technical Assistance Cortez/Durango fixed route bus – The consultant is working with CDOT to identify potential funding sources for recommended service options.

The next Regional Transit Council meeting will be held 21 September, 2018 at 9:00 a.m. at the Carnegie Building, 1188 E 2nd Ave., Durango.

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# VISTA's Report

To: SWCCOG Board of Directors  
From: Dylan Lucas  
Date: 30 July 2018 2018

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Comments: **Transitioning out of VISTA-ship**

I am finishing up my time here in Durango at the end of this month. I just want to say thank you from the bottom of my heart. This has been an incredible year for me in terms of professional and personal growth. I feel privileged to have been able to work and learn under the great staff here at the COG and to get to know the rest of you. The experience has opened my eyes to so much about local government and how different jurisdictions can come together and problem solve. The year passed by so much quicker than I expected but I am incredibly happy that I was able to call this area my home.

I will be finishing up some projects that I am working on here, and helping get the new VISTA ready to take over my position when August 28<sup>th</sup> rolls around.

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## Discussion Items

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# Decision Items

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# SWCCOG Executive Committee Minutes

To: SWCCOG Board of Directors

From: Miriam Gillow-Wiles

Date: 2 Aug 2018

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Comments: Executive Committee Minutes from June 14, 2018 for approval.

**Legal Review:** None

**Fiscal Impact:** None

**Staff Recommendation:** Executive Committee approve the attached minutes from June 14, 2018.

**Southwest Colorado Council of Governments  
Executive Committee Meeting  
Thursday, June 14, 2018, 1:30 p.m.**

In attendance:

Chris La May – Town of Bayfield (via phone)

Karen Sheek – City of Cortez (via phone)

Gwen Lachelt – La Plata County (via phone)

Miriam Gillow-Wiles – Southwest Colorado Council of Governments (via phone)

Jessica Laitsch – Southwest Colorado Council of Governments

The meeting began at 1:37 p.m.

Miriam stated that she is in Denver regarding broadband issues. She explained that the agenda is essentially two months' worth of agenda items. There is a letter in support of Good Samaritan letter, a letter of support for CDOT for fiber over Wolf Creek Pass, and a letter regarding the Bureau of Land Management to be ratified. There will be a presentation by the Alliance for Innovation. There will be several contracts for the aggregation of services, including a contract with the ISPs, a COG to member contract, and a contract for anchor institutions that are not COG members. Another item will be the selection of the rural healthcare RFP responses, the four RFPs are fairly complicated and respondents are able to provide one response to all four RFPs. The bids may include any combination of financing, building, operations so staff will attempt to distill the information. She added that the selected RFPs will need to be sent to the FCC on Friday of the week of the meeting. Karen asked for clarification that there could be a variety of configurations for the different RFPs. Miriam replied that this is true; she will try to break down the options and the value of each, however because the bids are due the day before the meeting the information will be distributed at the meeting. Karen asked whether they could accept specific portions of bids. Miriam replied that some concerns with accepting select portions of bids would be the ability to meet the FCC's timeline and ensuring that they do not remove elements that make the bids economically viable for the companies.

Miriam asked that members notify her if there is anything the COG can do to help mitigate the impacts of the 416 and Burro fires. Gwen mentioned that that a number of agencies set up a disaster assistance center and the County is working with Senator Bennet's office. There was discussion about the impacts of the fires to the communities.

Miriam added that she will include an update from the Regional Housing Alliance meeting in her report. She is also writing an article for the Colorado Municipal League on regional leadership.

The meeting ended at 1:56 p.m.

# Letter regarding Water Quality Improvement Act

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 26 July, 2018

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**Comments:** The National Association of Regional Councils (NARC) and other organizations have been working with Congressman Bob Gibbs (R-Ohio) to develop bipartisan water quality improvement legislation. Members of NARC, including the SWCCOG, were asked to encourage their Representatives to co-sponsor this legislation. The SWCCOG sent the attached letter to Congressman Tipton on July 13, 2018.

The letter to Congressman Tipton encouraging his support of this legislation partially fits in the SWCCOG's letter of support policy:

- 1) The request is from NARC, not from a member of the SWCCOG
- 2) The request does have regional impact
- 3) This proposal supports the SWCCOG's goals related to environment

**Legal Review:** None

**Fiscal Impact:** None

**Staff Recommendation:** Ratify the letter to Congressman Tipton encouraging him to co-sponsor the draft Water Quality Improvement Act.

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## SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

13 July, 2018

The Honorable Scott Tipton  
US House of Representatives  
218 Cannon HOB  
Washington, DC 20151

Dear Congressman Tipton,

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of the State of Colorado. The mission of the SWCCOG is to provide regional leadership on behalf of governments throughout Southwest Colorado by defining regional issues, advocating for mutual goals, and administering regional programs.

The National League of Cities (NLC), the U.S. Conference of Mayors (USCM), the National Association of Counties (NACo), the National Association of Clean Water Agencies (NACWA), National Association of Regional Councils (NARC), and other groups have been working with the office of Congressman Bob Gibbs (R-Ohio) on legislation that would require the U.S. Environmental Protection Agency (EPA) to use integrated planning whenever dealing with local governments and clean water. This would codify the EPA's Integrated Planning Framework and provide flexibility to many communities so that they can achieve the most effective water quality improvements in a cost effective manner. There have been bills introduced previously that would codify integrated planning, but this new bill builds upon the most beneficial, bipartisan elements from those existing bills in a way that we believe also acknowledges and carefully addresses concerns that have been raised with previous proposals. Most importantly, this proposal incorporates the goals of integrated planning without making any changes to the basic structure of the Clean Water Act and without weakening any of the water quality requirements in the statute. Considering how critically important water quality is to the citizens of Colorado, the SWCCOG urges you to consider co-sponsoring the Water Quality Improvement Act drafted by Representative Gibbs.

If you are interested in co-sponsoring this important piece of legislation, please contact Ryan Dilworth in Representative Gibbs's office by email at [ryan.dilworth@mail.house.gov](mailto:ryan.dilworth@mail.house.gov) or by phone at 202-255-6265. Thank you for your consideration on this important issue.

Sincerely,

Miriam C. Gillow-Wiles  
Executive Director, Southwest Colorado Council of Governments

cc:  
U.S. Senator Michael Bennet  
U.S. Senator Cory Gardner

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# Letter regarding the STREAMLINE Small Cell Deployment Act

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 26 July, 2018

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**Comments:** The STREAMLINE Small Cell Deployment Act, S. 3157, was recently introduced. As currently written, this legislation includes a number of elements that limit local control while increasing expectations upon local agencies. Senator Gardner is a member of the Senate Commerce Committee and sits on the subcommittee that will first hear this bill. The purpose of this letter is to share a number of concerns about the bill and encourage Senator Gardner to oppose it as currently written.

***Legal Review:*** None

***Fiscal Impact:*** None

***Staff Recommendation:*** Approve the letter to Senator Gardner regarding the STREAMLINE Small Cell Deployment Act.

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# SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

2 August, 2018

Senator Cory Gardner  
United States Senate  
354 Russell Senate Office Building  
Washington, DC 20510  
Phone: 202-224-5941

RE: S. 3157 – Streamlining the Rapid Evolution and Modernization of Leading-edge Infrastructure Necessary to Enhance Small Cell Deployment Act

Dear Senator Gardner,

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of Colorado, in the region consisting of the five counties of Archuleta, Dolores, La Plata, Montezuma, and San Juan and the two Native American Tribes of the Southern Ute and the Ute Mountain Ute. We would like to share specific concerns related to S. 3157, Streamlining Small Cell Deployment.

There are a number of provisions within this proposed bill that are ill-defined, yet have the potential to preempt local authority. For example, the requirement to not discriminate among providers using “comparable equipment” does not define the parameters, restricting the ability of local agencies to reasonably assess what could, in reality, include infrastructure that is quite varied. The requirement that placement, construction or modification of small personal wireless service facilities must be based upon reasonable and objective structural engineering standards based on generally applicable codes, safety requirements, or aesthetic or concealment requirements would limit local governments from factoring in the needs unique to their community, needs which may be addressed by existing zoning requirements or that may be necessary to address requirements relating to historic preservation, Americans with Disability Act requirements, noise limits in local codes, or other issues that would normally fall under a broader category of police powers.

In addition, this draft bill includes provisions that would directly impact the local agencies processing requests for small cell deployment. First, the shot clock provisions do not align with current Colorado law and tighten requirements under the FCC. This would create unnecessary burdens for local governments without the ability to impose moratoria in order to have the necessary time to address applications. If an application is not processed within the shot clock period it is deemed granted, removing permitting decisions from a local government when faced with circumstances beyond its control. Second, the restriction of fees charged for attachments to government owned property fail to account for the value of local government property and have the potential to impact existing contracts.

Considering the severe limitations to local control combined with the expanded expectations to local agencies, we urge you to oppose this bill as currently written. Thank you for your time and consideration on this matter.

Sincerely,

Miriam C. Gillow-Wiles  
Executive Director  
Southwest Colorado Council of Governments  
[director@swccog.org](mailto:director@swccog.org)

cc:

U.S. Senator Michael Bennet  
U.S. Representative Scott Tipton  
Colorado State Senator Don Coram  
Colorado House District 58 Representative Marc Catlin  
Colorado House District 59 Representative Barbara McLachlan  
Anthony Neal-Graves, Executive Director, Colorado Broadband Office

# 2019 COG Dues

To: SWCCOG Board of Directors  
From: Sara Trujillo  
Date: 2 August 2018

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Comments: The following attachments include:

- Proposed 2019 Dues
- 2018-2019 Dues Comparison
- Population Changes

Staff is proposing the 2019 dues remain the same as 2018. Although the totals stay the same, with population changes according to DoLA, amounts per community have some change. After direction/decision, I will send out dues letters to help with 2019 budgeting.

***Fiscal Impact: High, Budget changes throughout the year***

***Staff Recommendation: Approve the 2019 dues remain the same as 2018.***

***Legal Review: Not Applicable***

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**2019**

	<b>Dues</b>	<b>Admin Staff</b>	<b>Grant Match</b>	<b>SWTPR Dues</b>	<b>2019 Total</b>
Archuleta	\$ 17,995	\$ 1,500	\$ 3,073	\$ 667	\$ 23,234
Bayfield	\$ 5,819	\$ 501	\$ 1,026	\$ 341	\$ 7,687
Cortez	\$ 15,038	\$ 1,257	\$ 2,576	\$ 457	\$ 19,328
Dolores County	\$ 3,525	\$ 313	\$ 641	\$ 437	\$ 4,916
Dolores (Town)	\$ 3,438	\$ 306	\$ 626	\$ 305	\$ 4,675
Durango	\$ 28,997	\$ 2,402	\$ 4,922	\$ 587	\$ 36,908
Ignacio	\$ 3,049	\$ 274	\$ 561	\$ 314	\$ 4,198
La Plata	\$ 50,946	\$ 4,202	\$ 8,611	\$ 1,139	\$ 64,898
Mancos	\$ 4,068	\$ 357	\$ 732	\$ 329	\$ 5,486
Pagosa	\$ 4,732	\$ 412	\$ 844	\$ 347	\$ 6,335
Rico	\$ 2,382	\$ 219	\$ 449	\$ -	\$ 3,049
San Juan	\$ 2,091	\$ 195	\$ 400	\$ 410	\$ 3,097
Silverton	\$ 2,921	\$ 263	\$ 539	\$ 316	\$ 4,040
<b>Total</b>	<b>\$ 145,000</b>	<b>\$ 12,200</b>	<b>\$ 25,000</b>	<b>\$ 5,649</b>	<b>\$ 187,849</b>

**2018**

	<b>Dues</b>	<b>Admin Staff</b>	<b>Grant Match</b>	<b>SWTPR Dues</b>	<b>2018 Total</b>
Archuleta	\$ 17,669	\$ 1,473	\$ 3,018	\$ 667	\$ 22,827
Bayfield	\$ 5,811	\$ 500	\$ 1,025	\$ 341	\$ 7,677
Cortez	\$ 14,925	\$ 1,248	\$ 2,557	\$ 457	\$ 19,187
Dolores County	\$ 3,488	\$ 310	\$ 635	\$ 437	\$ 4,870
Dolores (Town)	\$ 3,425	\$ 305	\$ 624	\$ 305	\$ 4,659
Durango	\$ 28,996	\$ 2,402	\$ 4,922	\$ 587	\$ 36,907
Ignacio	\$ 3,081	\$ 276	\$ 566	\$ 314	\$ 4,237
La Plata	\$ 51,431	\$ 4,242	\$ 8,692	\$ 1,139	\$ 65,504
Mancos	\$ 4,084	\$ 359	\$ 735	\$ 329	\$ 5,507
Pagosa	\$ 4,672	\$ 407	\$ 834	\$ 347	\$ 6,260
Rico	\$ 2,375	\$ 218	\$ 448	\$ -	\$ 3,041
San Juan	\$ 2,093	\$ 195	\$ 400	\$ 410	\$ 3,098
Silverton	\$ 2,951	\$ 266	\$ 544	\$ 316	\$ 4,077
<b>Total</b>	<b>\$ 145,001</b>	<b>\$ 12,201</b>	<b>\$ 25,000</b>	<b>\$ 5,649</b>	<b>\$ 187,851</b>

**Increase/Decrease**

Archuleta	\$ <b>407</b>
Bayfield	\$ <b>10</b>
Cortez	\$ <b>141</b>
Dolores County	\$ <b>46</b>
Dolores (Town)	\$ <b>16</b>
Durango	\$ <b>1</b>
Ignacio	\$ <b>(39)</b>
La Plata	\$ <b>(606)</b>
Mancos	\$ <b>(21)</b>
Pagosa	\$ <b>75</b>
Rico	\$ <b>8</b>
San Juan	\$ <b>(1)</b>
Silverton	\$ <b>(37)</b>

### Population Changes per DoLA

<b>Community</b>	<b>2015</b>	<b>2016</b>	<b>Difference</b>	<b>% Change</b>
Archuleta	10580	11024	444	4.20%
Bayfield	2573	2632	59	2.29%
Cortez	8727	8986	259	2.97%
Dolores County	1005	1051	46	4.58%
Dolores (Town)	962	991	29	3.01%
Durango	18228	18607	379	2.08%
Ignacio	730	723	-7	-0.96%
La Plata	33376	33735	359	1.08%
Mancos	1407	1425	18	1.28%
Pagosa	1804	1883	79	4.38%
Rico	253	263	10	3.95%
San Juan	63	63	0	0.00%
Silverton	642	635	-7	-1.09%
<b>Totals</b>	<b>80350</b>	<b>82018</b>	<b>1668</b>	<b>2.08%</b>



## Other Items

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