



Regular Board Meeting Agenda

Thursday, 13 August 2020
1:30 – 4:00 pm

Remote Meeting Only
Zoom ID: 964 1237 6617

- I. Introductions
- II. Public Comment – 5 minutes per person
- III. 2019 Audit Presentation
- IV. Good Food Collective - Local Food Planning Presentation
- V. Consent Agenda
 - a. June 2020 SWCCOG Meeting Minutes
 - b. May 2020 Financials
 - c. June 2020 Financials
 - d. July 2020 Financials
- VI. Discussion Items
 - a. 2021 Draft Budget
- VII. Decision Items
 - a. Accept 2019 Audit
 - b. Auditor Selection
 - c. Approval of Grants
 - d. NeoConnect Contract
 - e. Ratify Letters of Support
- VIII. Reports (Staff will be available for questions on the written reports)
 - a. Attend Report
 - b. Director's Report
 - c. Broadband Report
 - d. Fiscal Administration Report
 - e. Grant Updates
 - f. Transportation/Transit Report
- IX. Community Updates (time permitting)

Introductions

Public Comment

Please limit comments to 5 minutes per person

2019 Audit Presentation

Consent Agenda

**Southwest Colorado Council of Governments
June Board Meeting
Thursday, 11 June, 2020, 1:30 p.m.
295 Girard Street, Durango, CO 81303**

In Attendance:

John Dougherty – City of Cortez
Mike Lavey – City of Cortez
David Black – Town of Bayfield
Katie Sickles – Town of Bayfield
Gwen Lachelt – La Plata County
Willy Tookey – San Juan County
Andrea Phillips – Town of Pagosa Springs
Mark Garcia – Town of Ignacio
Steve Garchar – Dolores County
Shari Pierce – Town of Pagosa Springs
Alvin Schaaf – Archuleta County

Staff in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments
Jessica Laitsch – Southwest Colorado Council of Governments

Guests in Attendance:

Patrick Rondinelli – DOLA
John Whitney – Senator Bennet’s Office
Karen Barger – Representative Tipton’s Office

Introductions

The meeting was called to order at 1:40 p.m.

Public Comment

None.

Consent Agenda

- a. May 2020 SWCCOG Meeting Minutes
- d. May 2020 Financials

David Black motioned to approve the consent agenda, Willy Tookey seconded. Mark asked why the negative net balance is increasing. Miriam replied that this is related to grants received in 2019 for expenses in 2020. Staff described a number of other outstanding revenues including grant reimbursements and dues.

David Black amended his motion to approve the minutes and table the financials, Willy Tookey seconded, unanimously approved.

Discussion Items

- a. COG Dues/Future

Miriam described the scenarios for various levels of proposed dues developed by staff. There was discussion about the inclusion and exclusion of non-member jurisdictions in the calculations. There was discussion about the potential for working with jurisdictions in New Mexico. There was discussion and general consensus to move forward with the moderate increase, including only current members, with the intent to expand membership.

Decision Items

a. Ratification of Letter of Support for Libraries as Launchpads Program

Miriam explained the request for the letter of support. Andrea asked for confirmation that there were no fiscal impacts. Miriam confirmed there are no impacts for the COG.

Andrea Phillips motioned to ratify the letter of support for the Libraries as Launchpads Program, David Black seconded, unanimously approved.

b. Renewal of Zoom Software

Miriam described the value of purchasing licenses up-front and described the quote. There was discussion related to the costs and benefits of the Zoom licenses.

David Black motioned to proceed with the renewal for three years and bill the entities using the licenses, Mark Garcia seconded, unanimously approved.

Reports

- a. 2020 Attendance Report
- b. Director's Report
- c. Broadband Report
- d. Grant Updates
- e. Transportation/Transit Report

Miriam reported that she had not included a legislative report due to the speed items are currently moving. She summarized some of the discussion related to Gallagher.

Andrea asked about the collaboration with Region 9. Miriam explained that they have had preliminary discussions to coordinate in order to limit overall costs and enhance resiliency. She and Laura have had ongoing discussions to ensure activities are not duplicative.

Community updates

David reported that the Town of Bayfield is working on a water line. There was also a road failure.

Steve reported that Dolores County has no Covid cases. They are strongly encouraging avoiding fires, although no ban. Irrigation water was cut by 25%.

John reported that the City of Cortez cancelled the fireworks display. There are three new council members. Mike added that the Rec Center opened with distancing and cleaning requirements in place. Singles sports, such as tennis, have been expanded to allow doubles. The County has a fireban.

Willy reported that it is quiet in San Juan County. Most of the backroads are open. They are seeing some tourists despite the train not running. They have a fireban.

Andrea reported that the Town of Pagosa Springs is working on economic recovery. They had some peaceful protests. They have cancelled the July 4 parade, but they will try to have fireworks. The consolidated maintenance facility is moving forward.

Mark reported that the Town of Ignacio is working on signalized intersection. Town hall is closed without an appointment. The Southern Ute Indian Tribe is offering free testing.

Alvin reported that Archuleta County has cancelled a number of July 4th events. They are making plans for the fair. The jail is on track for completion in July.

John Whitney reported that the Senate is working on a land and water conservation bill. The HEROS Act included local funding, but the Senate is not moving forward. They are seeking flexibility on uses for CARES funding. They are working on a broadband bill and a racial justice bill.

Karen Barger reported that Representative Tipton is working to get funding to rural parts of the state.

Miriam reported that Senator Gardner's office reported that they are working on the Great American Outdoors Act.

Meeting adjourned 3:08 p.m.

May 2020 Financials

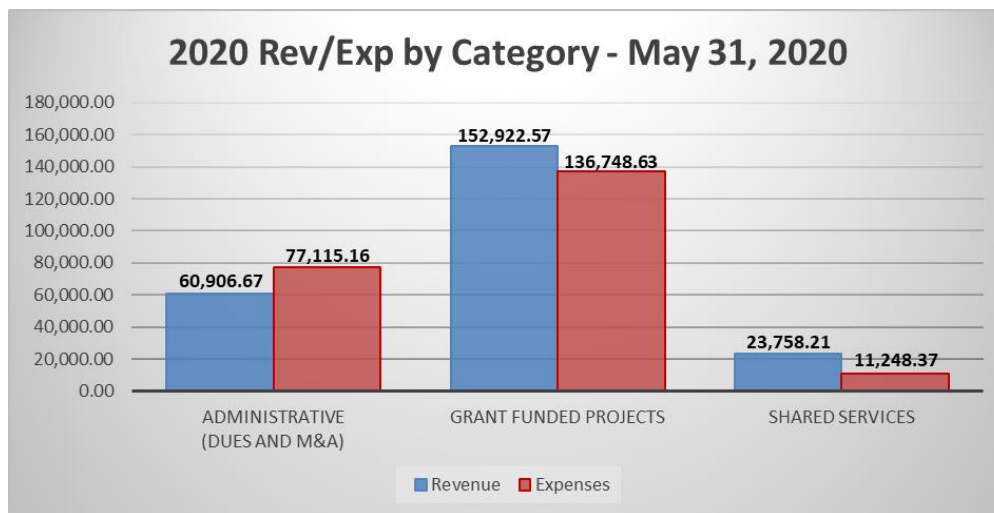
To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 8 August, 2020

- Comments: The following reports are attached:
- Balance Sheet as of 31 May, 2020
 - May 2020 Profit and Loss
 - Budget vs. Actuals as of 31 May, 2020

Items to note:

During the audit, the auditors had staff correct the income for the Colorado Health Foundation and Census grants. These revenues had been received in 2019 for expenditures primarily in 2020. The direction given was to leave revenue related to 2019 expenses in 2019 and accrue the remaining revenue to 2020. This increased revenues for 2020 by \$143,383.

As of the end of May, we were waiting for approximately \$78,000 in dues. We had spent \$14,900 on consultants and were awaiting reimbursement through various grants. We were also expecting approximately \$12,000 in other reimbursements and overdue invoices. In total, we were awaiting a total of \$105,000 in payments.



Fiscal Impact: High, overall financial status of the organization

Legal Review: Not applicable

Staff Recommendation: Approve the May 2020 Financials

Southwest Colorado Council of Governments

BALANCE SHEET

As of May 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Alpine Bank	0.00
Alpine Bank Account (UR)	57,272.89
Fiber Equip Fund - Restricted	0.00
Total Alpine Bank	57,272.89
Petty Cash	22.97
AmeriCorps VISTA	110.54
Jessica Laitsch	0.00
Total Petty Cash	133.51
Total Bank Accounts	\$57,406.40
Accounts Receivable	
Accounts Receivable	65,569.29
Total Accounts Receivable	\$65,569.29
Other Current Assets	
Prepaid Expense	0.00
Undeposited Funds	78,929.54
Total Other Current Assets	\$78,929.54
Total Current Assets	\$201,905.23
TOTAL ASSETS	\$201,905.23

Southwest Colorado Council of Governments

BALANCE SHEET

As of May 31, 2020

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	6,659.39
Total Accounts Payable	\$6,659.39
Credit Cards	
Credit Cards	35.00
Jessica	1,903.86
Miriam	238.80
Sara	0.00
Total Credit Cards	2,177.66
Total Credit Cards	\$2,177.66
Other Current Liabilities	
Accrued Wages	0.00
Deferred Revenue	0.00
Payroll Liabilities	1,347.21
457 Retirement Due	2,496.39
CEBT Health Insurance Due	2,740.79
Total Payroll Liabilities	6,584.39
Total Other Current Liabilities	\$6,584.39
Total Current Liabilities	\$15,421.44
Total Liabilities	\$15,421.44
Equity	
Opening Balance Equity	0.00
Retained Earnings	57,948.65
Net Income	128,535.14
Total Equity	\$186,483.79
TOTAL LIABILITIES AND EQUITY	\$201,905.23

Southwest Colorado Council of Governments
Budget vs. Actuals: 2020 Budget - FY20 P&L
May 2020

	Total			
	Actual	Budget	Remaining	% Received
Income				
Dues Revenue				
COG Dues	36,958.00	121,547.00	84,589.00	30.41%
SWTPR Contributions	3,536.00	6,842.00	3,306.00	51.68%
Total Dues Revenue	\$ 40,494.00	\$ 128,389.00	\$ 87,895.00	31.54%
Grant Match				
COG Member Match		25,000.00	25,000.00	0.00%
Non-COG Member Match	0.00	15,000.00	15,000.00	0.00%
Total Grant Match	\$ 0.00	\$ 40,000.00	\$ 40,000.00	0.00%
Grant Project Income				
All Hazards		157,500.00	157,500.00	0.00%
CDOT Grants				
SWTPR Grant		21,050.00	21,050.00	0.00%
Total CDOT Grants	\$ 0.00	\$ 21,050.00	\$ 21,050.00	0.00%
Colorado Health Foundation	76,777.00	0.00	-76,777.00	
DoLA Grants				
Census 19-079	56,089.00		-56,089.00	
DOLA 19-189	19,097.57	48,000.00	28,902.43	39.79%
DOLA 8573	5.85	0.00	-5.85	
DOLA 9149 - 2020 TA		125,000.00	125,000.00	0.00%
Total DoLA Grants	\$ 75,192.42	\$ 173,000.00	\$ 97,807.58	43.46%
RREO Grant		19,878.00	19,878.00	0.00%
SWIMT	953.15	9,000.00	8,046.85	10.59%
Total Grant Project Income	\$ 152,922.57	\$ 380,428.00	\$ 227,505.43	40.20%
Project Administration				
All Hazards M&A		2,500.00	2,500.00	0.00%
DOLA Other	6,692.00		-6,692.00	
Local Foods	3,825.00		-3,825.00	
Recycling		22,717.00	22,717.00	0.00%
RHA	5,000.00	10,000.00	5,000.00	50.00%
SJRC&D	3,029.50	10,000.00	6,970.50	30.30%
SWIMT		1,000.00	1,000.00	0.00%
SWTPR		11,050.00	11,050.00	0.00%
Transit Coordination Grant	1,291.00	28,832.00	27,541.00	4.48%
USDA REDI	575.17		-575.17	
Total Project Administration	\$ 20,412.67	\$ 86,099.00	\$ 65,686.33	23.71%
SCAN Services				
Aggregation of Connectivity	4,221.00	15,084.00	10,863.00	27.98%
Contract Sharing	646.21	1,500.00	853.79	43.08%
Dark Fiber Leasing	18,891.00	46,902.00	28,011.00	40.28%
Telecom Services		1,200.00	1,200.00	0.00%
Total SCAN Services	\$ 23,758.21	\$ 64,686.00	\$ 40,927.79	36.73%
Total Income	\$ 237,587.45	\$ 699,602.00	\$ 462,014.55	33.96%

	Actual	Budget	Remaining	% Spent
Expenses				
Administrative Costs				
Operating Expenses				
Advertising and Promotion		240.00	240.00	0.00%
Bank Service Charge	79.59	200.00	120.41	39.80%
Conference Fee		1,500.00	1,500.00	0.00%
Consulting	318.75	7,500.00	7,181.25	4.25%
Employee/Board Appreciation		100.00	100.00	0.00%
Information Technology (IT)				
Hardware	824.94	1,400.00	575.06	58.92%
Software	667.17	1,804.00	1,136.83	36.98%
Total Information Technology (IT)	\$ 1,492.11	\$ 3,204.00	\$ 1,711.89	46.57%
Meetings	731.32	1,000.00	268.68	73.13%
Memberships	4,348.00	5,698.00	1,350.00	76.31%
Office Supplies	131.14	850.00	718.86	15.43%
Office Telephone		564.00	564.00	0.00%
Postage and Delivery		80.00	80.00	0.00%
Professional Development		2,000.00	2,000.00	0.00%
Professional Fees				
Accounting Software	420.00	0.00	-420.00	
Audit		6,100.00	6,100.00	0.00%
Legal	162.00	7,000.00	6,838.00	2.31%
Misc.		250.00	250.00	0.00%
Total Professional Fees	\$ 582.00	\$ 13,350.00	\$ 12,768.00	4.36%
Rent	3,500.00	8,400.00	4,900.00	41.67%
Travel	1,177.92	12,500.00	11,322.08	9.42%
Total Operating Expenses	\$ 12,360.83	\$ 57,186.00	\$ 44,825.17	21.62%
Personnel Expense				
Insurance Expense				
General Liability	1,863.67	1,873.67	10.00	99.47%
Health	9,297.87	15,141.00	5,843.13	61.41%
Worker's Compensation	1,345.00	1,355.00	10.00	99.26%
Total Insurance Expense	\$ 12,506.54	\$ 18,369.67	\$ 5,863.13	68.08%
Salary and Wages	45,915.80	135,262.40	89,346.60	33.95%
457 Retirement	1,848.91	5,077.70	3,228.79	36.41%
Car Allowance	1,200.00	3,600.00	2,400.00	33.33%
Payroll Processing Fee	693.63	1,850.00	1,156.37	37.49%
Payroll Tax	2,589.45	11,564.94	8,975.49	22.39%
Total Salary and Wages	\$ 52,247.79	\$ 157,355.04	\$ 105,107.25	33.20%
Total Personnel Expense	\$ 64,754.33	\$ 175,724.71	\$ 110,970.38	36.85%
Total Administrative Costs	\$ 77,115.16	\$ 232,910.71	\$ 155,795.55	33.11%
Project Costs				
All Hazards Projects	6,462.90	156,000.00	149,537.10	4.14%
Census Project	48,641.50	66,915.00	18,273.50	72.69%
Grant Funded Consulting	49,438.21	187,878.00	138,439.79	26.31%
Local Foods	29,892.05	80,602.00	50,709.95	37.09%

	Actual	Budget	Remaining	% Spent
Shared Services Expenses				
Fast Track	2,750.00	3,900.00	1,150.00	70.51%
Forethought.	5,175.00	12,300.00	7,125.00	42.07%
SCAN Dark Fiber Lease		8,456.00	8,456.00	0.00%
Software Maintenance	3,323.37	8,550.00	5,226.63	38.87%
Total Shared Services Expenses	\$ 11,248.37	\$ 33,206.00	\$ 21,957.63	33.87%
SWIMT				
SWIMT 2019-2020	2,313.97	9,000.00	6,686.03	25.71%
Total SWIMT	\$ 2,313.97	\$ 9,000.00	\$ 6,686.03	25.71%
SWTPR Travel		22,500.00	22,500.00	0.00%
Total Project Costs	\$ 147,997.00	\$ 556,101.00	\$ 408,104.00	26.61%
Total Expenses	\$ 225,112.16	\$ 789,011.71	\$ 563,899.55	28.53%
Net Income	\$ 12,475.29	-\$ 89,409.71		

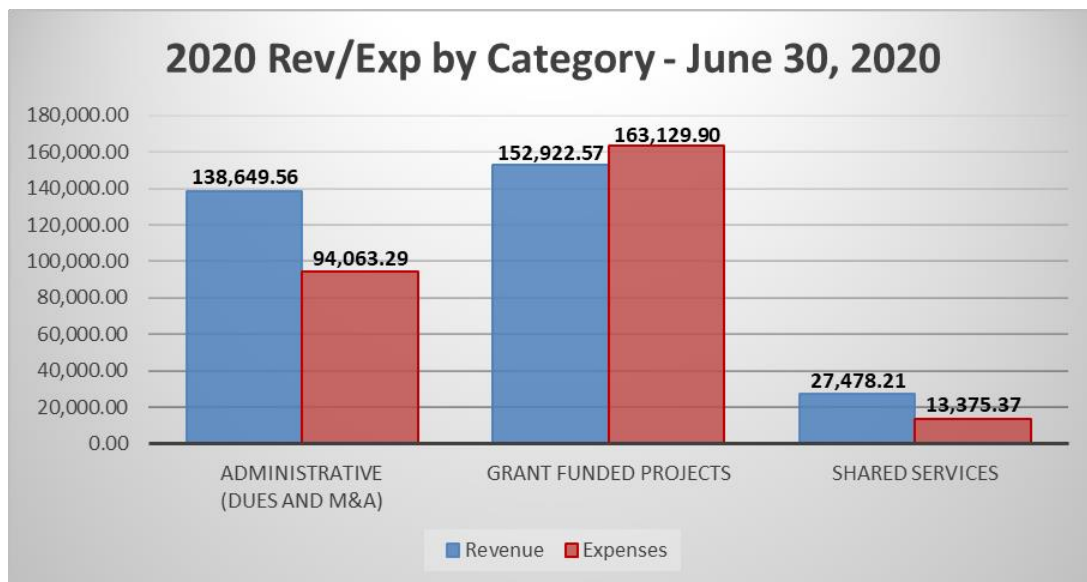
June 2020 Financials

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 8 August, 2020

- Comments: The following reports are attached:
- Balance Sheet as of 30 June, 2020
 - June 2020 Profit and Loss
 - Budget vs. Actuals as of 30 June, 2020

Items to note:

In June we received a payment from the State for a grant for which we have not yet spend any money or requested reimbursement. This is shown in the Misc Income account, and staff is working with the State to determine how to handle these monies.



Fiscal Impact: High, overall financial status of the organization

Legal Review: Not applicable

Staff Recommendation: Approve the June 2020 Financials.

Southwest Colorado Council of Governments

BALANCE SHEET

As of June 30, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Alpine Bank	0.00
Alpine Bank Account (UR)	52,390.63
Fiber Equip Fund - Restricted	0.00
Total Alpine Bank	52,390.63
Petty Cash	22.97
AmeriCorps VISTA	110.54
Jessica Laitsch	0.00
Total Petty Cash	133.51
Total Bank Accounts	\$52,524.14
Accounts Receivable	
Accounts Receivable	53,941.50
Total Accounts Receivable	\$53,941.50
Other Current Assets	
Prepaid Expense	0.00
Undeposited Funds	65,506.04
Total Other Current Assets	\$65,506.04
Total Current Assets	\$171,971.68
TOTAL ASSETS	\$171,971.68

Southwest Colorado Council of Governments

BALANCE SHEET

As of June 30, 2020

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	7,133.39
Total Accounts Payable	\$7,133.39
Credit Cards	
Credit Cards	0.00
Jessica	3,570.14
Miriam	318.78
Sara	0.00
Total Credit Cards	3,888.92
Total Credit Cards	\$3,888.92
Other Current Liabilities	
Accrued Wages	0.00
Deferred Revenue	0.00
Payroll Liabilities	1,347.21
457 Retirement Due	1,513.63
CEBT Health Insurance Due	3,405.05
Total Payroll Liabilities	6,265.89
Total Other Current Liabilities	\$6,265.89
Total Current Liabilities	\$17,288.20
Total Liabilities	\$17,288.20
Equity	
Opening Balance Equity	0.00
Retained Earnings	57,948.65
Net Income	96,734.83
Total Equity	\$154,683.48
TOTAL LIABILITIES AND EQUITY	\$171,971.68

Southwest Colorado Council of Governments
Budget vs. Actuals: 2020 Budget - FY20 P&L
June 2020

	Total			
	Actual	Budget	Remaining	% Received
Income				
Dues Revenue				
COG Dues	91,998.00	121,547.00	29,549.00	75.69%
SWTPR Contributions	4,675.00	6,842.00	2,167.00	68.33%
Total Dues Revenue	\$ 96,673.00	\$ 128,389.00	\$ 31,716.00	75.30%
Grant Match				
COG Member Match		25,000.00	25,000.00	0.00%
Non-COG Member Match	0.00	15,000.00	15,000.00	0.00%
Total Grant Match	\$ 0.00	\$ 40,000.00	\$ 40,000.00	0.00%
Grant Project Income				
All Hazards		157,500.00	157,500.00	0.00%
CDOT Grants				
SWTPR Grant	0.00	21,050.00	21,050.00	0.00%
Total CDOT Grants	\$ 0.00	\$ 21,050.00	\$ 21,050.00	0.00%
Colorado Health Foundation	76,777.00	0.00	-76,777.00	
DoLA Grants				
Census 19-079	56,089.00		-56,089.00	
DOLA 19-189	19,097.57	48,000.00	28,902.43	39.79%
DOLA 8573	5.85	0.00	-5.85	
DOLA 9149 - 2020 TA		125,000.00	125,000.00	0.00%
Total DoLA Grants	\$ 75,192.42	\$ 173,000.00	\$ 97,807.58	43.46%
RREO Grant		19,878.00	19,878.00	0.00%
SWIMT	953.15	9,000.00	8,046.85	10.59%
Total Grant Project Income	\$ 152,922.57	\$ 380,428.00	\$ 227,505.43	40.20%
Misc Income	7,528.10		-7,528.10	
Project Administration				
All Hazards M&A		2,500.00	2,500.00	0.00%
DOLA Other	6,692.00		-6,692.00	
Local Foods	3,825.00		-3,825.00	
Recycling		22,717.00	22,717.00	0.00%
RHA	10,000.00	10,000.00	0.00	100.00%
SJRC&D	3,029.50	10,000.00	6,970.50	30.30%
SWIMT		1,000.00	1,000.00	0.00%
SWTPR	7,546.79	11,050.00	3,503.21	68.30%
Transit Coordination Grant	2,780.00	28,832.00	26,052.00	9.64%
USDA REDI	575.17		-575.17	
Total Project Administration	\$ 34,448.46	\$ 86,099.00	\$ 51,650.54	40.01%
SCAN Services				
Aggregation of Connectivity	7,941.00	15,084.00	7,143.00	52.65%
Contract Sharing	646.21	1,500.00	853.79	43.08%
Dark Fiber Leasing	18,891.00	46,902.00	28,011.00	40.28%
Telecom Services		1,200.00	1,200.00	0.00%
Total SCAN Services	\$ 27,478.21	\$ 64,686.00	\$ 37,207.79	42.48%
Total Income	\$ 319,050.34	\$ 699,602.00	\$ 380,551.66	45.60%

	Actual	Budget	Remaining	% Spent
Expenses				
Administrative Costs				
Operating Expenses				
Advertising and Promotion	10.92	240.00	229.08	4.55%
Bank Service Charge	79.59	200.00	120.41	39.80%
Conference Fee		1,500.00	1,500.00	0.00%
Consulting	318.75	7,500.00	7,181.25	4.25%
Employee/Board Appreciation		100.00	100.00	0.00%
Information Technology (IT)				
Hardware	904.92	1,400.00	495.08	64.64%
Software	672.17	1,804.00	1,131.83	37.26%
Total Information Technology (IT)	\$ 1,577.09	\$ 3,204.00	\$ 1,626.91	49.22%
Meetings	731.32	1,000.00	268.68	73.13%
Memberships	4,348.00	5,698.00	1,350.00	76.31%
Office Supplies	131.14	850.00	718.86	15.43%
Office Telephone		564.00	564.00	0.00%
Postage and Delivery		80.00	80.00	0.00%
Professional Development		2,000.00	2,000.00	0.00%
Professional Fees				
Accounting Software	420.00	0.00	-420.00	
Audit	3,150.00	6,100.00	2,950.00	51.64%
Legal	234.00	7,000.00	6,766.00	3.34%
Misc.		250.00	250.00	0.00%
Total Professional Fees	\$ 3,804.00	\$ 13,350.00	\$ 9,546.00	28.49%
Rent	4,200.00	8,400.00	4,200.00	50.00%
Travel	1,177.92	12,500.00	11,322.08	9.42%
Total Operating Expenses	\$ 16,378.73	\$ 57,186.00	\$ 40,807.27	28.64%
Personnel Expense				
Insurance Expense				
General Liability	1,863.67	1,873.67	10.00	99.47%
Health	11,223.87	15,141.00	3,917.13	74.13%
Worker's Compensation	1,345.00	1,355.00	10.00	99.26%
Total Insurance Expense	\$ 14,432.54	\$ 18,369.67	\$ 3,937.13	78.57%
Salary and Wages	55,424.21	135,262.40	79,838.19	40.98%
457 Retirement	2,229.24	5,077.70	2,848.46	43.90%
Car Allowance	1,500.00	3,600.00	2,100.00	41.67%
Payroll Processing Fee	806.01	1,850.00	1,043.99	43.57%
Payroll Tax	3,292.56	11,564.94	8,272.38	28.47%
Total Salary and Wages	\$ 63,252.02	\$ 157,355.04	\$ 94,103.02	40.20%
Total Personnel Expense	\$ 77,684.56	\$ 175,724.71	\$ 98,040.15	44.21%
Total Administrative Costs	\$ 94,063.29	\$ 232,910.71	\$ 138,847.42	40.39%
Project Costs				
All Hazards Projects	6,462.90	156,000.00	149,537.10	4.14%
Census Project	62,806.29	66,915.00	4,108.71	93.86%
Grant Funded Consulting	49,438.21	187,878.00	138,439.79	26.31%
Local Foods	36,343.91	80,602.00	44,258.09	45.09%

	Actual	Budget	Remaining	% Spent
Shared Services Expenses				
Fast Track	3,300.00	3,900.00	600.00	84.62%
Forethought.	6,210.00	12,300.00	6,090.00	50.49%
SCAN Dark Fiber Lease		8,456.00	8,456.00	0.00%
Software Maintenance	3,865.37	8,550.00	4,684.63	45.21%
Total Shared Services Expenses	\$ 13,375.37	\$ 33,206.00	\$ 19,830.63	40.28%
SWIMT				
SWIMT 2019-2020	8,078.59	9,000.00	921.41	89.76%
Total SWIMT	\$ 8,078.59	\$ 9,000.00	\$ 921.41	89.76%
SWTPR Travel		22,500.00	22,500.00	0.00%
Total Project Costs	\$ 176,505.27	\$ 556,101.00	\$ 379,595.73	31.74%
Total Expenses	\$ 270,568.56	\$ 789,011.71	\$ 518,443.15	34.29%
Net Income	\$ 48,481.78	-\$ 89,409.71		

July 2020 Financials

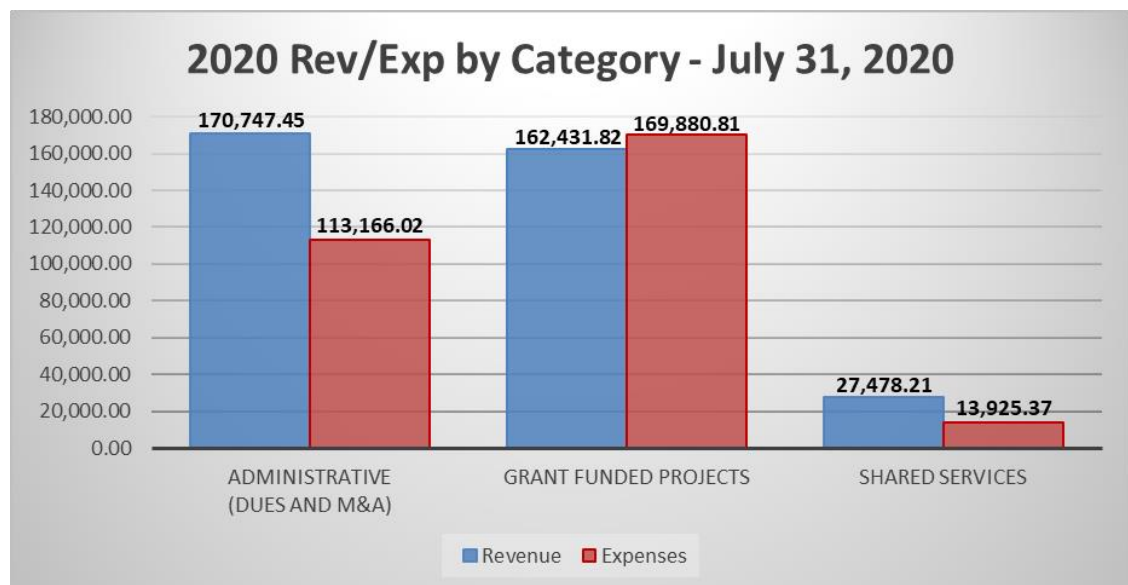
To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 8 August, 2020

- Comments: The following reports are attached:
- Balance Sheet as of 31 July, 2020
 - July 2020 Profit and Loss
 - Budget vs. Actuals as of 31 July, 2020

Items to note:

The SWCCOG recently took over administration for the Colorado Association of Regional Organizations (CARO). As part of this transition, the previous bank account was closed and the balance was sent to the SWCCOG. Staff has since opened a new account for CARO, however the temporarily held funds are shown in the July financials in the Misc Income line.

Staff will prepare a budget amendment for consideration at a later meeting to increase revenues and expenditures for the Zoom licenses approved by the Board at the June 11 meeting as well as for additional funds awarded to the Southwest Incident Management Team (SWIMT).



Fiscal Impact: High, overall financial status of the organization

Legal Review: Not applicable

Staff Recommendation: Approve the July 2020 Financials

Southwest Colorado Council of Governments

BALANCE SHEET

As of July 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Alpine Bank	0.00
Alpine Bank Account (UR)	129,727.48
Fiber Equip Fund - Restricted	0.00
Total Alpine Bank	129,727.48
Petty Cash	22.97
AmeriCorps VISTA	110.54
Jessica Laitsch	0.00
Total Petty Cash	133.51
Total Bank Accounts	\$129,860.99
Accounts Receivable	
Accounts Receivable	84,081.90
Total Accounts Receivable	\$84,081.90
Other Current Assets	
Prepaid Expense	0.00
Undeposited Funds	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$213,942.89
TOTAL ASSETS	\$213,942.89

Southwest Colorado Council of Governments

BALANCE SHEET

As of July 31, 2020

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	44,738.70
Total Accounts Payable	\$44,738.70
Credit Cards	
Credit Cards	0.00
Jessica	1,954.28
Miriam	5.00
Sara	0.00
Total Credit Cards	1,959.28
Total Credit Cards	\$1,959.28
Other Current Liabilities	
Accrued Wages	0.00
Deferred Revenue	0.00
Payroll Liabilities	1,347.21
457 Retirement Due	1,992.01
CEBT Health Insurance Due	4,069.31
Total Payroll Liabilities	7,408.53
Total Other Current Liabilities	\$7,408.53
Total Current Liabilities	\$54,106.51
Total Liabilities	\$54,106.51
Equity	
Opening Balance Equity	0.00
Retained Earnings	57,948.65
Net Income	101,887.73
Total Equity	\$159,836.38
TOTAL LIABILITIES AND EQUITY	\$213,942.89

Southwest Colorado Council of Governments
Budget vs. Actuals: 2020 Budget - FY20 P&L
July 2020

	Total			
	Actual	Budget	Remaining	% Received
Income				
Dues Revenue				
COG Dues	91,998.00	121,547.00	29,549.00	75.69%
SWTPR Contributions	4,675.00	6,842.00	2,167.00	68.33%
Total Dues Revenue	\$ 96,673.00	\$ 128,389.00	\$ 31,716.00	75.30%
Grant Match				
COG Member Match		25,000.00	25,000.00	0.00%
Non-COG Member Match	0.00	15,000.00	15,000.00	0.00%
Total Grant Match	\$ 0.00	\$ 40,000.00	\$ 40,000.00	0.00%
Grant Project Income				
All Hazards	9,509.25	157,500.00	147,990.75	6.04%
CDOT Grants				
SWTPR Grant	0.00	21,050.00	21,050.00	0.00%
Total CDOT Grants	\$ 0.00	\$ 21,050.00	\$ 21,050.00	0.00%
Colorado Health Foundation	76,777.00	0.00	-76,777.00	
DoLA Grants				
Census 19-079	56,089.00		-56,089.00	
DOLA 19-189	19,097.57	48,000.00	28,902.43	39.79%
DOLA 8573	5.85	0.00	-5.85	
DOLA 9149 - 2020 TA		125,000.00	125,000.00	0.00%
Total DoLA Grants	\$ 75,192.42	\$ 173,000.00	\$ 97,807.58	43.46%
RREO Grant		19,878.00	19,878.00	0.00%
SWIMT	953.15	9,000.00	8,046.85	10.59%
Total Grant Project Income	\$ 162,431.82	\$ 380,428.00	\$ 217,996.18	42.70%
Misc Income	37,748.45		-37,748.45	
Project Administration				
All Hazards M&A	1,877.54	2,500.00	622.46	75.10%
DOLA Other	6,692.00		-6,692.00	
Local Foods	3,825.00		-3,825.00	
Recycling		22,717.00	22,717.00	0.00%
RHA	10,000.00	10,000.00	0.00	100.00%
SJRC&D	3,029.50	10,000.00	6,970.50	30.30%
SWIMT		1,000.00	1,000.00	0.00%
SWTPR	7,546.79	11,050.00	3,503.21	68.30%
Transit Coordination Grant	2,780.00	28,832.00	26,052.00	9.64%
USDA REDI	575.17		-575.17	
Total Project Administration	\$ 36,326.00	\$ 86,099.00	\$ 49,773.00	42.19%
SCAN Services				
Aggregation of Connectivity	7,941.00	15,084.00	7,143.00	52.65%
Contract Sharing	646.21	1,500.00	853.79	43.08%
Dark Fiber Leasing	18,891.00	46,902.00	28,011.00	40.28%
Telecom Services		1,200.00	1,200.00	0.00%
Total SCAN Services	\$ 27,478.21	\$ 64,686.00	\$ 37,207.79	42.48%
Total Income	\$ 360,657.48	\$ 699,602.00	\$ 338,944.52	51.55%

	Actual	Budget	Remaining	% Spent
Expenses				
Administrative Costs				
Operating Expenses				
Advertising and Promotion	10.92	240.00	229.08	4.55%
Bank Service Charge	79.59	200.00	120.41	39.80%
Conference Fee	250.00	1,500.00	1,250.00	16.67%
Consulting	318.75	7,500.00	7,181.25	4.25%
Employee/Board Appreciation		100.00	100.00	0.00%
Information Technology (IT)				
Hardware	904.92	1,400.00	495.08	64.64%
Software	677.17	1,804.00	1,126.83	37.54%
Total Information Technology (IT)	\$ 1,582.09	\$ 3,204.00	\$ 1,621.91	49.38%
Meetings	731.32	1,000.00	268.68	73.13%
Memberships	4,348.00	5,698.00	1,350.00	76.31%
Office Supplies	131.14	850.00	718.86	15.43%
Office Telephone		564.00	564.00	0.00%
Postage and Delivery		80.00	80.00	0.00%
Professional Development		2,000.00	2,000.00	0.00%
Professional Fees				
Accounting Software	420.00	0.00	-420.00	
Audit	3,150.00	6,100.00	2,950.00	51.64%
Legal	306.00	7,000.00	6,694.00	4.37%
Misc.		250.00	250.00	0.00%
Total Professional Fees	\$ 3,876.00	\$ 13,350.00	\$ 9,474.00	29.03%
Rent	4,900.00	8,400.00	3,500.00	58.33%
Travel	1,177.92	12,500.00	11,322.08	9.42%
Total Operating Expenses	\$ 17,405.73	\$ 57,186.00	\$ 39,780.27	30.44%
Personnel Expense				
Insurance Expense				
General Liability	1,863.67	1,873.67	10.00	99.47%
Health	13,149.87	15,141.00	1,991.13	86.85%
Worker's Compensation	1,345.00	1,355.00	10.00	99.26%
Total Insurance Expense	\$ 16,358.54	\$ 18,369.67	\$ 2,011.13	89.05%
Salary and Wages	69,471.20	135,262.40	65,791.20	51.36%
457 Retirement	2,791.11	5,077.70	2,286.59	54.97%
Car Allowance	1,800.00	3,600.00	1,800.00	50.00%
Payroll Processing Fee	995.53	1,850.00	854.47	53.81%
Payroll Tax	4,343.91	11,564.94	7,221.03	37.56%
Total Salary and Wages	\$ 79,401.75	\$ 157,355.04	\$ 77,953.29	50.46%
Total Personnel Expense	\$ 95,760.29	\$ 175,724.71	\$ 79,964.42	54.49%
Total Administrative Costs	\$ 113,166.02	\$ 232,910.71	\$ 119,744.69	48.59%
Project Costs				
All Hazards Projects	6,462.90	156,000.00	149,537.10	4.14%
Census Project	62,806.29	66,915.00	4,108.71	93.86%
Grant Funded Consulting	53,858.21	187,878.00	134,019.79	28.67%
Local Foods	38,674.82	80,602.00	41,927.18	47.98%

	Actual	Budget	Remaining	% Spent
Shared Services Expenses				
Fast Track	3,850.00	3,900.00	50.00	98.72%
Forethought.	6,210.00	12,300.00	6,090.00	50.49%
SCAN Dark Fiber Lease		8,456.00	8,456.00	0.00%
Software Maintenance	3,865.37	8,550.00	4,684.63	45.21%
Total Shared Services Expenses	\$ 13,925.37	\$ 33,206.00	\$ 19,280.63	41.94%
SWIMT				
SWIMT 2019-2020	8,078.59	9,000.00	921.41	89.76%
Total SWIMT	\$ 8,078.59	\$ 9,000.00	\$ 921.41	89.76%
SWTPR Travel		22,500.00	22,500.00	0.00%
Total Project Costs	\$ 183,806.18	\$ 556,101.00	\$ 372,294.82	33.05%
Total Expenses	\$ 296,972.20	\$ 789,011.71	\$ 492,039.51	37.64%
Net Income	\$ 63,685.28	-\$ 89,409.71		

Discussion Items

2021 Draft Budget

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles and Jessica Laitsch
Date: 10 August, 2020

Comments: Attached is the Draft Budget for FY2021. The attachments include an overview of the General Fund, the General Fund revenues and expenditures with three years comparison, and the Fiber Fund revenues and expenditures with three years comparison.

Some notes and assumptions:

- The dues revenue has been calculated based on Board direction at the June 2020 meeting, and does not include anticipated dues from the Towns of Dolores, Mancos and Rico and the City of Durango.
 - To the extent possible, we avoided including grants that have not yet been awarded, this is to avoid artificially inflating the numbers and ensure a clear picture of the organization's finances.
 - Salaries:
 - The Executive Director's salary includes a 3% increase over 2020. This is in recognition that the ED's salary has remained flat since 2018.
 - The Accountant/Coordinator's salary remains flat with 2020.
 - Employee Benefits:

Since we do not yet have rates for health insurance for 2021, the draft budget includes an estimated 5% increase over 2020. The cost of health insurance is split as follows:

 - 25% cost of employee paid by employee, 75% paid by COG
 - 50% cost of dependents paid by employee, 50% paid by COG
 - The retirement match remains at 4%.
 - The cell phone allowance was removed in 2020 in favor of an office phone. Considering that work is primarily being done remotely, and we expect this to continue for at least a portion of 2021, the cell phone allowance is again included. The office phone was not connected in 2020.
-



SWCCOG 2021 DRAFT BUDGET

The SWCCOG was formed in December 2009 to promote 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 need for the SWCCOG is based on the recognition that the people of the Region form a single community and are bound together not only physically, but economically and socially. It is the purpose of the SWCCOG through its participating membership, staff and programs, to provide local public officials with the means of responding more effectively to the local and regional problems of this regional community.

The SWCCOG is tasked with addressing issues relevant to the well-being of Southwest Colorado, specifically related to the broad, overlapping and interconnected issues of:

- Aging
- Environment
- Housing
- Telecom
- Transportation
- Tourism

Each of these issues have significant impacts for the entire region, overlap political boundaries, and are intertwined as to each influence the others in countless ways. The SWCCOG strives to maximize regional progress across these complex issues while ensuring a judicious use of resources.

BUDGET SUMMARY

The majority of the SWCCOG's revenues and expenses are grant funded projects, either:

- Directly awarded funds for the purpose of directly or contractually working on identified goals, or
- Pass-through for projects for which we the fiscal manager, but do not directly work on the projects.

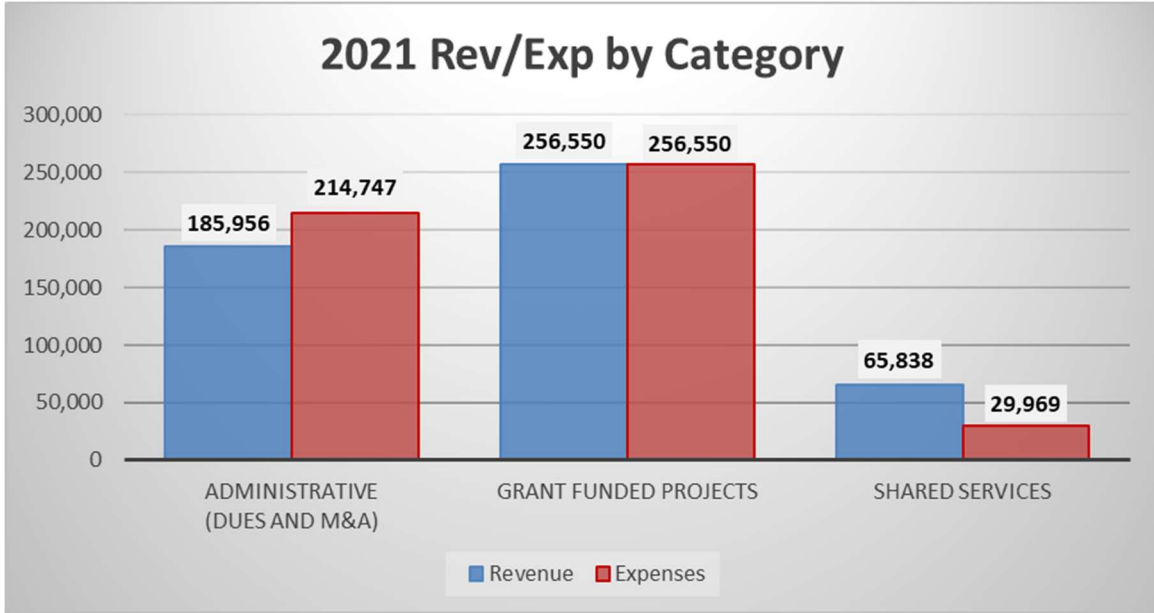
This creates budget volatility and difficulty ensuring adequate funding for operations into the future. In the interest of minimizing the uncertainty of annual fluctuations as well as to ensure we budget within our means; we generally avoid including estimated revenue and expenses for grants which have not been officially awarded. If the SWCCOG is successful in securing additional funding, we anticipate making budget adjustments as necessary.

Stability for the organization results from membership dues, providing a majority of the support for general staffing and overhead costs. For the 2021 budget, the Board agreed to a modest increase in the amount of dues to be collected, the first such increase since 2018. One high priority goal for 2021 is to regain former member jurisdictions as well as to identify opportunities for enhanced collaboration with jurisdictions outside the 5-county region.

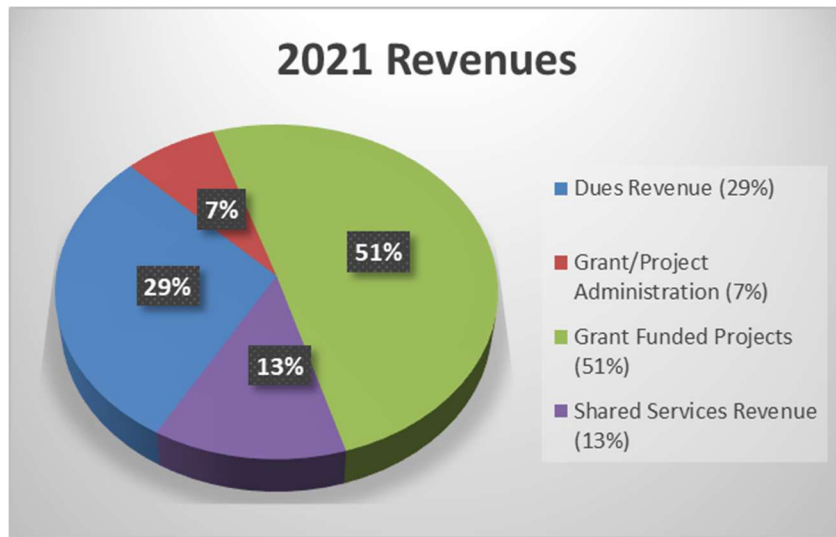
This draft budget is a balanced budget and anticipates reductions in both revenues and expenses from 2020. Anticipated revenue is \$508,344 and anticipated expenses are \$501,267, a reduction of approximately 36% from 2020.

CATEGORIES IN THE 2021 BUDGET

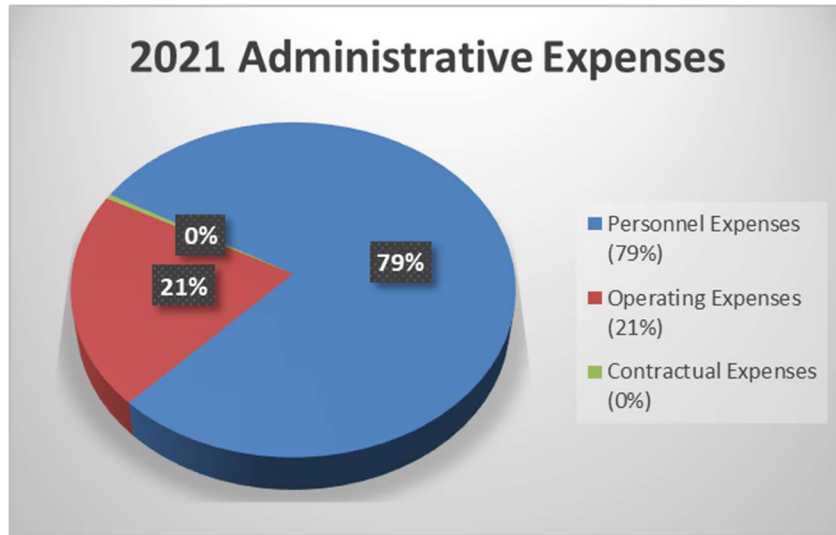
The SWCCOG's 2021 budget can be understood in three general categories: general administrative costs, grant funded project costs, and shared services projects.



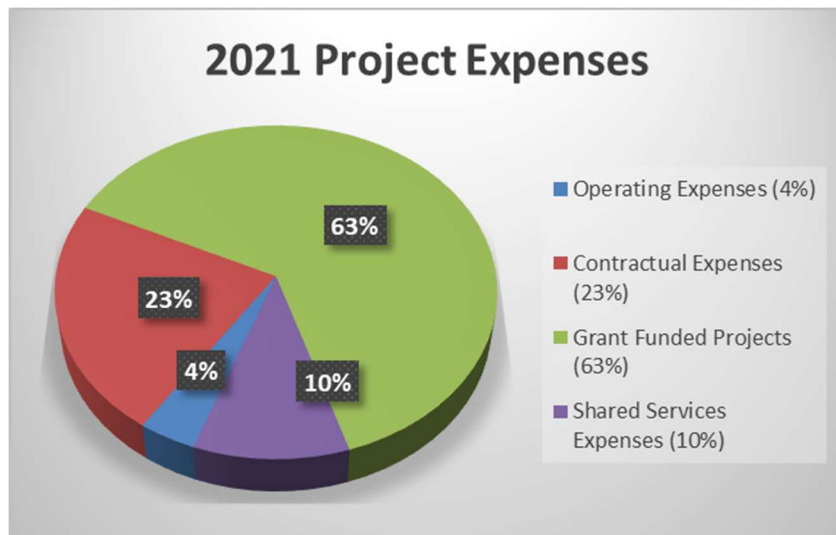
The following is a visual breakdown of the types of revenue anticipated in 2021.



The following is a visual breakdown of the types of general administrative expenses anticipated in 2021.



The following is a visual breakdown of the types of expenses related to specific projects anticipated in 2021.



ADMINISTRATIVE

The revenue related to the administrative category includes membership dues and contributions, project administration fees, and direct grant funding.

- Membership dues from SWCCOG member jurisdictions and contributions from SWTPR member jurisdictions help cover general overhead as well as meeting related costs that are not reimbursable by State grant funding.

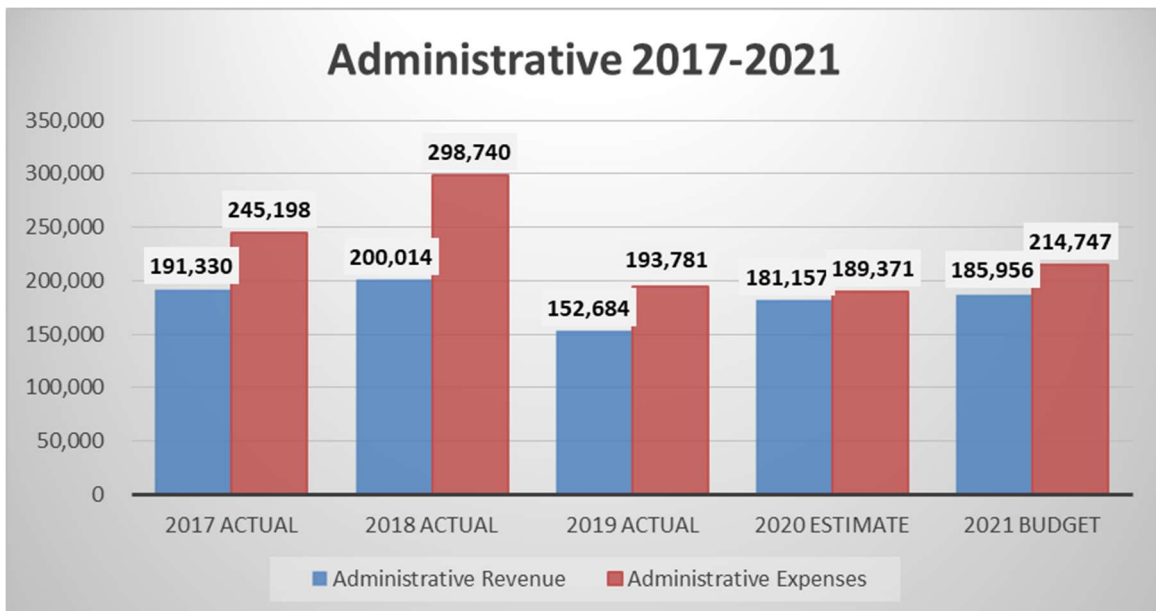
- Project administration fees include M&A fees for large grant-funded projects such as the Southwest All Hazards Advisory Council and the Southwest Incident Management Team (SWIMT). Additionally, this includes negotiated administrative fees for managing smaller organizations such as the Regional Housing Alliance of La Plata County and the San Juan Resource Conservation and Development Council.
- A small number of grants provide direct funding that is eligible to cover staffing and other operating costs.

The administrative category includes standard operating costs such as personnel, operating, and non-project related contractual expenses.

- Personnel costs include salary, benefits, insurance and taxes.
- Operating costs are the general office rent, internet and software, hardware, supplies and other overhead associated with running an organization.
- Contractual expenses consist of any consulting or other professional services that are not directly related to a specific grant or other program.

Specific changes within the administrative category in 2021 include:

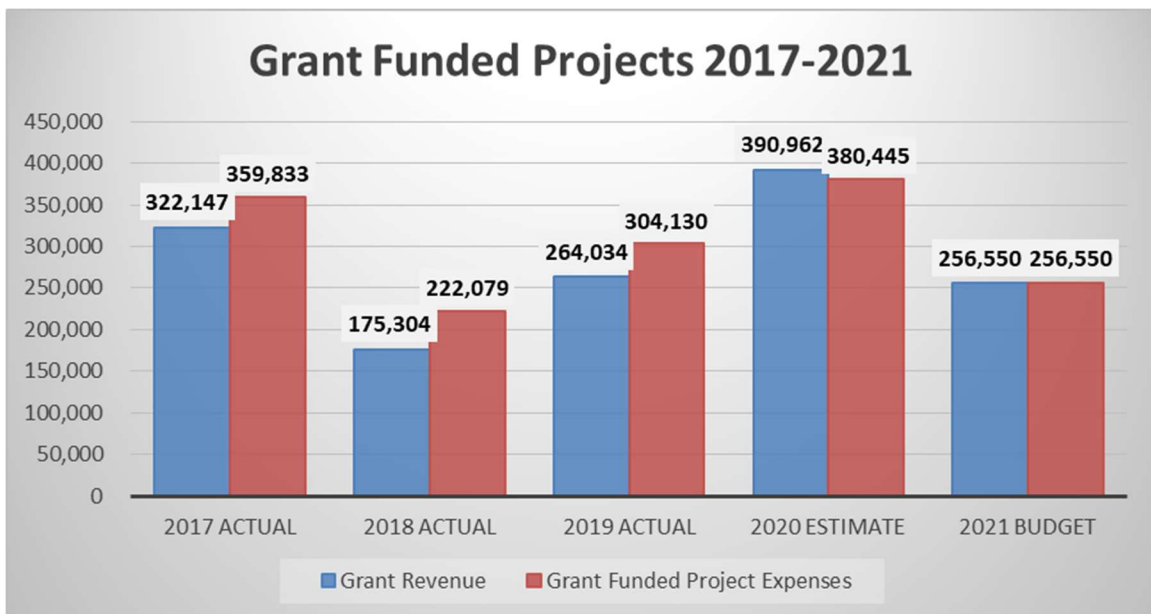
- Salaries: The Executive Director’s salary includes a 3% increase over 2020. This is in recognition that the ED’s salary has remained flat since 2018. The Accountant/Coordinator’s salary remains flat.
- Employee Benefits: Since we do not yet have rates for health insurance for 2021, the draft budget includes an estimated 5% increase over 2020. The cost of health insurance is split as follows:
 - 25% cost of employee paid by employee, 75% paid by COG
 - 50% cost of dependents paid by employee, 50% paid by COG
- Retirement: The retirement match remains at 4%.
- Cell phone allowance: The cell phone allowance was removed in 2020 in favor of an office phone. Considering that work is primarily being done remotely, and we expect this to continue for at least a portion of 2021, the cell phone allowance is again included. The office phone was not connected in 2020.



GRANT FUNDED PROJECTS

The grant funded projects category includes revenues and expenses related to:

- The projects for which the SWCCOG has secured outside funding for the purpose of furthering the organizations identified goals. Some of the specific projects in the 2021 budget include:
 - A grant match for a housing study headed by Housing Solutions for the Southwest.
 - Development of local end markets for recyclables to help drive diversion from landfills and create local employment.
 - Development of a local commercial driver’s license training program to help support local businesses and potential employees.
- The projects for which the SWCCOG is the fiscal manager. These are generally a straight pass-through of funds. Some of the specific projects in the 2021 budget include:
 - Southwest All Hazards Advisory Council.
 - Southwest Incident Management Team (SWIMT).
 - Offsetting the cost for representatives of the SWTPR to attend meetings of the Statewide Transportation Advisory Committee (STAC).

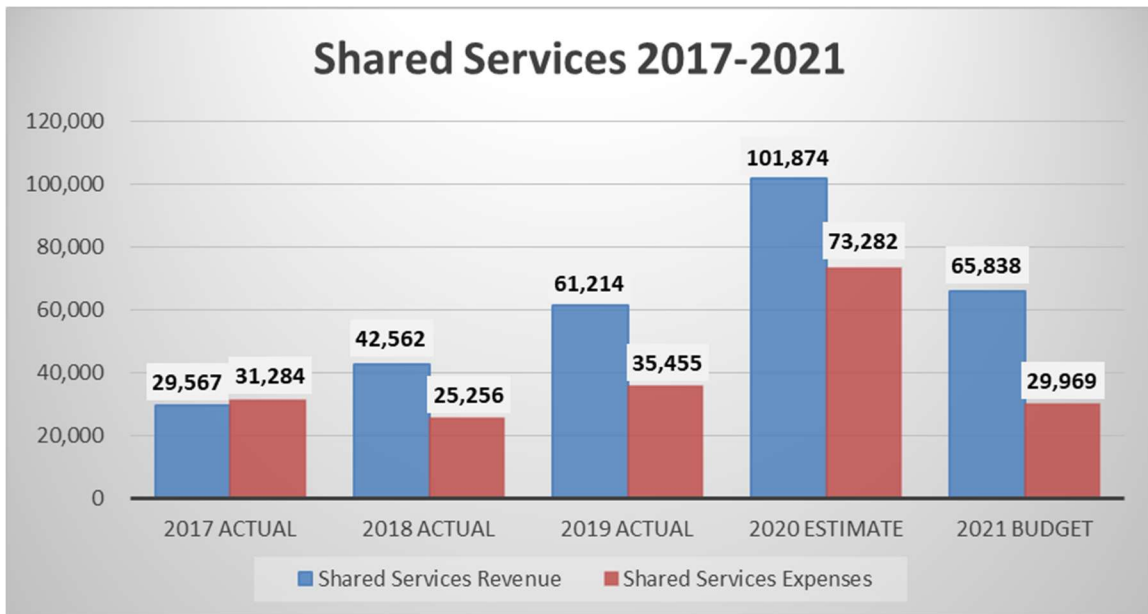


SHARED SERVICES PROJECTS

One of the primary benefits of the SWCCOG is the ability for the small communities throughout the region to band together to achieve a larger impact on important issues and to reduce costs for large-scale projects. One such project is regional internet connectivity. By scaling-up demand through joint purchase agreements, the SWCCOG has been successful in reducing the individual costs to member jurisdictions for a number of connectivity and software purchases. These include:

- Aggregation of internet connectivity.
- Reduced cost of online webinar software.

In addition to reducing costs for member jurisdictions, these types of projects provide the SWCCOG with an additional revenue stream to help offset general organizational costs, therefore limiting the cost of membership dues.



NEXT STEPS

The final 2021 Budget will be submitted to the Board for consideration at the December 2020 Meeting. While staff hopes to secure additional grant funding prior to the final budget approval, we feel confident that the plan presented reflects a productive year filled with opportunities to improve the state of the region.

GENERAL FUND

	2018 (ACTUAL)	2019 (ACTUAL)	2020 (BUDGET)	2020 (ESTIMATE)	2021 (DRAFT)
Beginning Fund Balance	67,836.60	33,191.49	175,275.75	57,949.67	67,811.51
Revenue					
Dues					
COG Dues	150,970.00	111,929.00	121,547.00	112,045.00	142,200.00
SWTPR Contributions	6,842.00	5,926.00	6,842.00	5,342.00	5,926.00
Total Dues Revenue	157,812.00	117,855.00	128,389.00	117,387.00	148,126.00
Grant/Project Administration					
All Hazards	2,021.27	3,652.27	2,500.00	3,100.00	3,100.00
CARO				440.00	880.00
DoLA Impact Assistance Program	2,263.34	2,827.67	0.00	0.00	0.00
DOLA Other		0.00	0.00	6,692.00	0.00
Local Food Planning		0.00	0.00	3,825.00	0.00
Recycling			22,717.00	0.00	0.00
Regional Housing Alliance	10,000.00	10,024.00	10,000.00	10,000.00	10,000.00
SJRC&D			10,000.00	10,000.00	10,000.00
SWIMT	1,751.31	3,361.47	1,000.00	2,715.00	2,800.00
SWTPR	16,667.44	12,797.03	11,050.00	12,007.24	11,050.00
Transit Coordination			28,832.00	14,416.00	0.00
Total Grant/Project Administration	32,703.36	32,662.44	86,099.00	63,195.24	37,830.00
Grant Funded Projects					
All Hazards	86,501.39	114,780.51	157,500.00	156,900.00	156,900.00
Broadband	0.00	0.00	0.00	0.00	0.00
CDOT Grants					
SWTPR Rural Assistance	4,722.18	0.00	21,050.00	0.00	11,050.00
FTA 5304 Transit Planning	39,981.00	0.00	0.00	0.00	0.00
Total CDOT Grants	44,703.18	0.00	21,050.00	0.00	11,050.00
CDPHE Grant	0.00	0.00	0.00	0.00	0.00
DoLA Grants					
DoLA Impact Assistance Program	39,612.59	80,494.26	125,000.00	20,000.00	65,000.00
DoLA Other	0.00	28,826.00	48,000.00	104,089.00	0.00
Total DoLA Grants	39,612.59	109,320.26	173,000.00	124,089.00	65,000.00
Local Food Planning		3,825.00	0.00	76,777.00	0.00
Recycling (RREO) Grant	0.00	0.00	19,878.00	0.00	0.00
SWIMT	28,338.64	31,887.39	9,000.00	22,679.00	23,600.00
Total Grant Funded Projects	199,155.80	259,813.16	380,428.00	380,445.00	256,550.00
Grant Match					
COG Member Match	14,923.00	14,317.00	25,000.00	0.00	0.00
Non-COG Member Match	8,000.00	30,000.00	15,000.00	0.00	0.00
Total Grant Match	22,923.00	44,317.00	40,000.00	0.00	0.00

GENERAL FUND

	2018 (ACTUAL)	2019 (ACTUAL)	2020 (BUDGET)	2020 (ESTIMATE)	2021 (DRAFT)
Revenue					
Miscellaneous Revenue					
Miscellaneous Revenue	9,498.80	2,166.11	0.00	575.17	0.00
Total Miscellaneous Revenue	9,498.80	2,166.11	0.00	575.17	0.00
Shared Services Revenue					
Dark Fiber Leasing	33,822.00	40,263.00	46,902.00	46,704.00	49,674.00
Telecom Services (IP addresses)	8,280.00	13,871.00	1,200.00	480.00	480.00
Aggregation of Connectivity		7,080.00	15,084.00	15,684.00	15,684.00
Contract Sharing	460.00		1,500.00	39,006.37	0.00
Total Shared Service Revenue	42,562.00	61,214.00	64,686.00	101,874.37	65,838.00
Total Revenue	464,654.96	518,027.71	699,602.00	663,476.78	508,344.00

GENERAL FUND

	2018 (ACTUAL)	2019 (ACTUAL)	2020 (BUDGET)	2020 (ESTIMATE)	2021 (DRAFT)
Expenses					
Administrative Costs					
Personnel Expenses					
Payroll Expense					
Salary and Wages	147,728.69	115,498.87	135,262.40	123,500.00	129,190.67
Payroll Tax	12,136.01	9,063.45	11,564.94	10,560.00	11,045.80
Payroll Processing Fee	1,772.41	1,748.23	1,850.00	1,725.00	1,750.00
457 Retirement	7,621.77	4,819.92	5,077.70	4,940.00	5,167.63
Car Allowance	3,300.00	3,600.00	3,600.00	3,600.00	3,600.00
Cell Phone Allowance	2,100.00	1,000.00	0.00	0.00	1,200.00
Total Payroll Expense	174,658.88	135,730.47	157,355.04	144,325.00	151,954.10
Insurance Expense					
Health	25,704.00	14,651.00	15,141.00	15,141.00	15,898.05
Worker's Compensation	0.00	-17.00	1,355.00	1,345.00	1,355.00
Total Insurance Expense	25,704.00	14,634.00	16,496.00	16,486.00	17,253.05
AmeriCorp VISTA					
AmeriCorp VISTA	3,250.00	0.00	0.00	0.00	0.00
Housing Allowance	0.00	0.00	0.00	0.00	0.00
Total AmeriCorp VISTA	3,250.00	0.00	0.00	0.00	0.00
Total Personnel Expenses	203,612.88	150,364.47	173,851.04	160,811.00	169,207.15
Operating Expenses					
Advertising and Promotion	3,201.84	10.53	240.00	25.00	240.00
Bank Service Charge	158.16	310.05	200.00	80.00	200.00
Conference Fee	1,550.40	527.70	1,500.00	400.00	1,500.00
Employee/Board Appreciation	195.85	0.00	100.00	0.00	100.00
Information Technology					
Hardware	0.00	0.00	1,400.00	1,035.00	1,400.00
Software	1,273.74	1,437.25	1,804.00	1,804.00	2,002.00
Total Information Technology	1,273.74	1,437.25	3,204.00	2,839.00	3,402.00
Insurance - General Liability	3,644.75	3,295.23	1,873.67	1,863.67	2,000.00
Internet Connection	364.60	303.90	0.00	420.00	420.00
Meetings	899.69	398.83	1,000.00	731.32	1,000.00
Memberships	6,423.00	5,098.00	5,698.00	4,348.00	4,348.00
Office Equipment	1,536.73	256.46	0.00	0.00	0.00
Office Supplies	880.34	336.64	850.00	300.00	850.00
Office Telephone	0.00	0.00	564.00	0.00	0.00
Postage and Delivery	57.87	39.06	80.00	55.00	80.00
Professional Development	0.00	500.40	2,000.00	500.00	2,000.00
Professional Fees					
Audit	5,900.00	6,100.00	6,100.00	6,100.00	6,500.00
Legal	11,381.56	2,667.60	7,000.00	1,000.00	7,000.00
Misc.	24.43	68.08	250.00	0.00	250.00
Total Professional Fees	17,305.99	8,835.68	13,350.00	7,100.00	13,750.00

GENERAL FUND

	2018 (ACTUAL)	2019 (ACTUAL)	2020 (BUDGET)	2020 (ESTIMATE)	2021 (DRAFT)
Expenses					
Administrative Costs					
Operating Expenses					
Rent	271.00	7,700.00	8,400.00	8,400.00	8,400.00
Travel	12,211.29	4,466.68	12,500.00	1,177.92	6,250.00
Total Operating Expenses	49,975.25	33,516.41	51,559.67	28,239.91	44,540.00
Contractual Expenses					
Consulting	44,630.00	9,899.87	7,500.00	320.00	1,000.00
Total Contractual Expenses	44,630.00	9,899.87	7,500.00	320.00	1,000.00
Miscellaneous Expenses					
Miscellaneous Expense	522.00	0.00	0.00	0.00	0.00
Total Miscellaneous Expenses	522.00	0.00	0.00	0.00	0.00
Total Administrative Costs	298,740.13	193,780.75	232,910.71	189,370.91	214,747.15
Project Costs					
Operating Expenses					
SWTPR Travel	4,722.18	0.00	22,500.00	0.00	11,050.00
Operating Expenses	4,722.18	0.00	22,500.00	0.00	11,050.00
Grant Funded Contractual Expenses					
Grant Funded Consulting	54,630.25	110,420.46	187,878.00	68,000.00	65,000.00
Total Contractual Expenses	54,630.25	110,420.46	187,878.00	68,000.00	65,000.00
Grant Funded Projects					
All Hazards Projects	88,648.15	118,541.81	156,000.00	156,900.00	156,900.00
Census	0.00	4,134.34	66,915.00	62,780.66	0.00
Local Food Planning	0.00	0.00	80,602.00	80,602.00	0.00
SWIMT	27,303.86	30,937.18	9,000.00	22,679.00	23,600.00
Total Grant Funded Projects	115,952.01	153,613.33	312,517.00	322,961.66	180,500.00
Shared Services Expenses					
Dark Fiber Revenue Share	8,455.50	10,708.50	8,456.00	10,626.00	11,368.50
Aggregation of Connectivity	2,000.00	12,100.00	12,300.00	12,000.00	12,000.00
Telecom Services (IP addresses)	10,800.00	8,648.49	3,900.00	6,600.00	6,600.00
Shared Software Maintenance	4,000.00	3,998.00	8,550.00	44,056.37	0.00
Total Shared Services Expenses	25,255.50	35,454.99	33,206.00	73,282.37	29,968.50
Total Project Costs	200,559.94	299,488.78	556,101.00	464,244.03	286,518.50
Total Expenses	499,300.07	493,269.53	789,011.71	653,614.94	501,265.65
Net Profit/-Loss	-34,645.11	24,758.18	-89,409.71	9,861.84	7,078.35
Ending Fund Balance	33,191.49	57,949.67	85,866.04	67,811.51	74,889.86
Fund Balance Reserve (4 month operating expense)	99,580.04	64,593.58	77,636.90	62,983.64	73,076.38
Fund Balance Excess/-Deficit	-66,388.55	-6,643.91	8,229.14	4,827.87	1,813.48

FIBER FUND

	2018 (ACTUAL)	2019 (ACTUAL)	2020 (BUDGET)	2020 (ESTIMATE)	2021 (DRAFT)
Beginning Fund Balance	19,496.29	19,498.24	19,500.14	19,500.14	19,502.06
Revenue					
Fiber Income					
Fiber Income	0.00	0.00	0.00	0.00	0.00
Total Fiber Income	0.00	0.00	0.00	0.00	0.00
Other Income					
Interest Earned	1.95	1.90	0.00	1.92	1.90
Total Other Income	1.95	1.90	0.00	1.92	1.90
Total Revenue	1.95	1.90	0.00	1.92	1.90
Expenses					
Fiber Expenses					
Fiber Expenses	0.00	0.00	0.00	0.00	0.00
Total Fiber Expenses	0.00	0.00	0.00	0.00	0.00
Total Expenses	0.00	0.00	0.00	0.00	0.00
Net Profit/-Loss	1.95	1.90	0.00	1.92	1.90
Ending Fund Balance	19,498.24	19,500.14	19,500.14	19,502.06	19,503.96

Decision Items

Accept 2019 Audit

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 13 August 2020

Comments: The draft Annual Financial Report for the year ended December 31, 2019 is attached. The audit firm Haynie and Co. will present an overview of the Financial Report and will be available for questions. The auditors did not have any findings to present and the net position of the organization increased by nearly \$25,000 during the year.

Legal Review: N/A

Fiscal Impact: High

Staff Recommendation: Accept 2019 Audit

Southwest Colorado Council of Governments

Annual Financial Report

December 31, 2019

DRAFT

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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 and each major fund of Southwest Colorado Council of Governments as of and for the year ended December 31, 2019 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 and each major fund of Southwest Colorado Council of Governments, as of December 31, 2019, 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 an opinion on the financial statements that collectively comprise Southwest Colorado Council of Governments' financial statements as a whole. The other supplementary information section is presented for purposes of additional analysis and is 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.

Haysie & Company

Littleton, Colorado
_____, 2020

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, 2019. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- Total assets exceed total liabilities (net position) by \$77,449 at the close of the fiscal year.
- Total net position increased by \$24,760.
- Total revenue and expenditures in the General Fund were equal to the final budget.

USING THIS ANNUAL REPORT

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

Reporting on the Council as a Whole

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

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

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

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

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

Reporting the Council’s Most Significant Funds

Fund Financial Statements

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the Council’s financial position. The Council’s combined assets exceed liabilities by \$77,449 as of December 31, 2019 as shown on the following condensed statement of net position.

Statement of Net Position:

	2019	2018	Change
Current assets	\$ 234,276	\$ 64,599	\$ 169,677
Total Assets	234,276	64,599	169,677
Current liabilities	156,827	11,910	144,917
Total liabilities	156,827	11,910	144,917
Net Position			
Restricted	164,882	19,498	145,384
Unrestricted	(87,433)	33,191	(120,624)
Total Net Position	\$ 77,449	\$ 52,689	\$ 24,760

Governmental Activities

The cost of all governmental activities this year was \$493,271. \$456,815 was subsidized by operating grants and contributions received from other governmental organizations. Charges for services totaled \$61,214.

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	2019	2018	Change
Charges for services	\$ 61,214	\$ 42,102	\$ 19,112
Operating grants and contributions	456,817	422,555	34,262
Total revenues	518,031	464,657	53,374
Expenses			
General government	374,729	410,653	(35,924)
Grants passed through to member governments	118,542	88,647	29,895
Total expenses	493,271	499,300	(6,029)
Change in net position	24,760	(34,643)	59,403
Net position, beginning	52,689	87,332	(34,643)
Net position, ending	\$ 77,449	\$ 52,689	\$ 24,760

Total resources available during the year to finance governmental operations were \$570,720 consisting of net position at January 1, 2019 of \$52,689 and program revenues of \$518,031. The total cost of governmental activities during the year was \$493,271. Governmental net position increased by \$24,760 to \$77,449.

General Fund Budgetary Highlights

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

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

In considering the Council's Budget for calendar year 2020, the Council's Board and management estimated the budget for operating revenues and expenditures to be comparable to the year ended December 31, 2019.

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, 2019

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 30,206
Due from other governments	39,188
Prepaid expenses	1,999
Restricted assets:	
Cash and cash equivalents	162,883
Total assets	\$ 234,276
Liabilities	
Accounts payable	\$ 7,854
Accrued liabilities	5,590
Total liabilities	13,444
Deferred Inflows of Resources	
Unearned revenue	143,383
Total deferred inflows of resources	143,383
Net Position	
Restricted - fiber replacement	19,500
Unrestricted	57,949
Total net position	77,449
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 234,276

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, 2019

Functions/Program Activities	Program Revenues			Net (Expense) Revenue and Changes in Net Position of the Primary Government	
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Total
Governmental activities:					
General government	\$ 374,729	\$ 61,214	\$ 338,384	\$ 24,869	\$ 24,869
Grants passed through to member governments	118,542	-	118,433	(109)	(109)
Total governmental activities	\$ 493,271	\$ 61,214	\$ 456,817	24,760	24,760
Change in net position					24,760
Net position - beginning of year					52,689
Net position - end of year					\$ 77,449

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

Southwest Colorado Council of Governments
Governmental Funds Balance Sheet
December 31, 2019

	General Fund	Nonmajor Fiber Replacement Fund	Total Governmental Activities
Assets			
Cash and cash equivalents	\$ 30,206	\$ -	\$ 30,206
Due from other governments	39,188	-	39,188
Prepaid expenses	1,999	-	1,999
Restricted assets:			
Cash and cash equivalents	143,383	19,500	162,883
Total assets	\$ 214,776	\$ 19,500	\$ 234,276
Liabilities			
Accounts payable	\$ 7,854	\$ -	\$ 7,854
Accrued liabilities	5,590	-	5,590
Unearned revenue	143,383	-	143,383
Total liabilities	156,827	-	156,827
Deferred Inflows of Resources			
Unearned revenue	143,383	-	\$ 143,383
Total deferred inflows of resources	143,383	-	143,383
Fund Balances			
Nonspendable	1,999	-	1,999
Restricted	-	19,500	19,500
Unassigned	55,950	-	55,950
Total Fund Balances	57,949	19,500	77,449
Total Liabilities and Fund Balances	\$ 214,776	\$ 19,500	\$ 234,276

There are no reconciling items between the Statement of Net Position and the Governmental Funds Balance Sheet.

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, 2019

	<u>General Fund</u>	<u>Nonmajor Fiber Replacement Total</u>	<u>Total Governmental Activities</u>
Revenues			
Grant income	\$ 291,520	\$ -	\$ 291,520
Charges for services	61,214	-	61,214
Contributions from member governments	117,855	-	117,855
Miscellaneous	47,440	2	47,442
Total Revenues	<u>518,029</u>	<u>2</u>	<u>518,031</u>
Expenditures			
General government	374,729	-	374,729
Grants passed through to member governments	118,542	-	118,542
Total Expenditures	<u>493,271</u>	<u>-</u>	<u>493,271</u>
Excess of Revenues over Expenditures	24,758	2	24,760
Fund balances:			
Beginning of the year	33,191	19,498	52,689
End of the year	<u>\$ 57,949</u>	<u>\$ 19,500</u>	<u>\$ 77,449</u>

There are no reconciling items between the Government-Wide Statement of Activities and the Governmental Funds Statement of Activities.

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

Southwest Colorado Council of Governments

Notes to Basic Financial Statements

December 31, 2019

1. Organization

Organization

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

2. Significant Accounting Policies

Description of government-wide financial statements

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

Reporting entity

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

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

Basis of presentation – government-wide financial statements

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

Southwest Colorado Council of Governments

Notes to Basic Financial Statements (continued)

December 31, 2019

2. Summary of Significant Accounting Policies (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, 2019

2. Summary of Significant Accounting Policies (continued)

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

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

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

Cash and Cash Equivalents

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

Receivables

Grants receivable and amounts due from other governments are shown net of estimated uncollectible amounts. All receivables at December 31, 2019 are considered collectible and, therefore, an allowance for uncollectible grants receivable and amounts due from other governments has not been recorded.

Unearned Revenue

Unearned revenues arise when resources are received by the Council before it has a legal claim to them, as when grant funding is received prior to the incurrence of qualifying expenditures.

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.

Southwest Colorado Council of Governments

Notes to Basic Financial Statements (continued)

December 31, 2019

2. Summary of Significant Accounting Policies (continued)

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 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. Categories are classified as either non-spendable, restricted, committed, assigned, or unassigned.

Non-Spendable Fund Balances indicate amounts that are not in a spendable form such as inventory or are required to be maintained intact. Restricted Fund Balances indicate amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers. The Committed Fund Balances indicate 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. The governing council 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 Council 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

Southwest Colorado Council of Governments

Notes to Basic Financial Statements (continued)

December 31, 2019

2. Summary of Significant Accounting Policies (continued)

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.

Use of Estimates

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

Colorado State Constitution Article X, Section 20

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

3. Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

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

Southwest Colorado Council of Governments

Notes to Basic Financial Statements (continued)

December 31, 2019

3. Stewardship, Compliance and Accountability (continued)

- Formal budgetary integration is employed as a management control device during the year for all funds of the Council.
- Appropriations lapse at the end of each calendar year.
- The Board may authorize supplemental appropriations during the year.

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

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

Expenditures over Appropriations

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

4. Cash Deposits, Marketable Securities and Investments

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

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

As of December 31, 2019, the Council's cash deposits had a bank balance of \$217,448 and a carrying balance of \$193,089, all of which was FDIC insured in 2019.

Southwest Colorado Council of Governments
Notes to Basic Financial Statements (continued)
December 31, 2019

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

Investments

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

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

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

As of December 31, 2019 the Council had no investments.

5. Unearned Revenue

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unearned revenues of \$143,383 at December 31, 2019 consists of grant monies received for The Census Outreach Grant Program and the Southwestern Colorado Food Systems & Health Equity Planning Project. The Council will complete all performance obligations related to the grants in 2020.

Southwest Colorado Council of Governments
Notes to Basic Financial Statements (continued)
December 31, 2019

6. Concentrations

During 2019, the Council received most of its revenue from grants and from its member governments.

7. Contingencies

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

8. Employee Retirement Benefits

The Council contributes to a 457b plan on behalf of all full-time employees. The plan is administered by ICMA-RC and provides that the Council matches up to 5% with the Council's contribution of \$5,551 during the year ending December 31, 2019.

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.

9. Subsequent Events

The Council has evaluated subsequent events through _____, 2020, the date which the financial statements were available to be issued.

On March 11, 2020 the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which may negatively impact operations of the Council. Other financial impacts could occur, though such potential impact is unknown at this time.

Required Supplementary Information

DRAFT

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, 2019

	Budgeted Amounts		Variance Favorable (Unfavorable)
	Original and Final	Actual	
Revenues			
Grant Income	\$ 8,255,089	\$ 291,520	\$ (7,963,569)
Charges for Services	68,382	61,214	(7,168)
Contributions from member governments	125,799	117,855	(7,944)
Other contributions	10,000	47,440	37,440
Total revenues	<u>8,459,270</u>	<u>518,029</u>	<u>(7,941,241)</u>
Expenditures			
General government			
Salaries and wages	165,741	125,129	40,612
Employee benefits	46,350	25,252	21,098
Advertising	240	11	229
Consulting	7,933,354	110,872	7,822,482
Contract services	9,750	-	9,750
Computer and equipment	6,774	15,761	(8,987)
Insurance	20,072	3,278	16,794
Postage and printing	80	39	41
Professional fees	14,000	9,046	4,954
Rent and utilities	19,690	7,700	11,990
Travel and training	29,000	4,967	24,033
Supplies	850	337	513
Grant expenditures - All Hazards	156,000	118,542	37,458
Other	40,728	72,337	(31,609)
Total general government	<u>8,442,629</u>	<u>493,271</u>	<u>7,949,358</u>
Excess revenues over (under) expenditures	16,641	24,758	
Fund balance at beginning of year		<u>33,191</u>	
Fund balance at end of year		<u><u>\$ 57,949</u></u>	

Other Supplementary Information

DRAFT

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, 2019

	<u>Budgeted Amounts</u>		<u>Variance</u>
	<u>Original and Final</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues			
Contributions from member governments - Fiber	\$ -	\$ 2	\$ 2
Total revenues	-	2	2
Expenditures			
Fiber Consulting Services	-	-	-
Total expenditures	-	-	-
Excess revenues over (under) expenditures	-	2	2
Fund balance at beginning of year		19,498	
Fund balance at end of year		<u>\$ 19,500</u>	

DRAFT

Auditor Selection

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles and Jessica Laitsch
Date: 13 August 2020

Comments: The SWCCOG issued an RFP for Professional Audit Services as it is good practice to switch auditors every 3 years. The stated timeframe was for a one-year contract with the option to extend for two additional years. Seven proposals were received and reviewed. Please see the attached comparison summary.

Current SWCCOG purchasing policy states that bids should be awarded to the lowest qualified and responsive bidder. Staff recommends declining the proposals from Logan, Thomas & Johnson, Green & Associates, and ATLAS CPAs due to high cost and/or failure to meet RFP requirements. The reference checks for Hinkle & Co were not overwhelmingly positive, so staff recommends declining this proposal.

Prospective Business Solutions is a new firm, although the principal auditors have considerable experience. The feedback we received was positive.

HintonBurdick provided audit services for the SWCCOG in 2014, 2015, and 2016. SWCCOG staff had a positive experience with this firm and they are familiar with the COG's functions and structure.

Haynie & Co currently provides audit services for the SWCCOG. The proposal includes a different team of auditors in the interest of having different auditors review the financials.

There is one additional item for consideration. The SWCCOG and Region 9 EDD are having ongoing discussions about the possibly to coordinate administrative functions in the interest of reducing combined overhead. One possibility is to jointly select an auditor for the 2021 financials with the expectation to reduce the cost of the audit for both organizations by reducing travel costs. If the Board is amenable to this possibility, staff recommends contracting with Haynie and Co for the 2020 financials, then issue a joint RFP with Region 9 in 2021.

Legal Review: N/A

Fiscal Impact: High

Staff Recommendation: Select auditor and direct staff to enter into a contract based on information provided by RFP.

Professional Audit Services Proposal Comparison, FY2020, 2021, 2021

	Prospective Business Solutions	HintonBurdick	Haynie & Co	Logan, Thomas & Johnson	Green & Associates	Hinkle & Co	ATLAS CPAs & Advisors	
Meets RFP requirements	X	X	X	X		X	X	
Government entity audit experience	X	X	X	X	X	X	X	
Current local contracts	No	Bayfield, Ignacio, Pagosa Springs	Durango Fire Protection District, Lake Durango Water Authority, Tamarron Metro District, Southwestern Water Conservation District	No	SW Colorado Area Health Education Center	No	No	
Reference checks	Yes, positive feedback	No, past auditor, positive experience	No, current auditor	No	No	Yes, mixed feedback	No	
No cost yearly general accounting and audit inquiries	Yes	Yes	Yes	No	Yes	Yes	Yes	
Projected Hours	47	60	55	50		63	65	
Price Quotes	<i>2020</i>	\$ 5,975	\$ 7,000	\$ 6,300	\$ 6,490	\$ 5,700	\$ 6,500	\$ 10,000
	<i>2021</i>	\$ 5,200	\$ 7,280		\$ 6,650		\$ 6,500	\$ 10,500
	<i>2022</i>	\$ 5,200	\$ 7,571		\$ 6,750		\$ 6,500	\$ 11,000
Additional Notes	previous work with Montezuma County Hospital District	SWCCOG 2014, 2015, 2016 audits, recent work with Emergency Telephone Service Assoc of La Plata	SWCCOG 2017, 2018, 2019 audits, proposal includes different team of auditors		Does not provide detail such as estimated hours, type of assistance required from SWCCOG staff, proposed schedule, or			

Approval to Apply for Grants

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 13 August 2020

Comments: Between the June and August Board Meetings, there has been A LOT of grant work going on. The EDA grant was submitted, but multiple others came up in early July. The Executive Committee approved the submission of the DOLA and CDOT grants below.

Due to the fact the next Board Meeting is not until Oct 8th, while the DOLA COG TA and EIAF grants are due Oct 1st, staff asks the Board to approve submission of the DOLA grants outlined below.

RATIFY

- *DOLA REDI for NEPA on Towaoc Broadband Project*
 - o The EDA Broadband Grant with Ute Mountain Ute Tribe requires all NEPA, THPO, SHPO, etc be completed before grant award. There is about 9 miles on 160/491 from about the Reservation boundary through the City of Cortez to the co-location that has not been NEPA'ed.
 - o Grant Request: \$86,000
 - o Match: 228,000 from the Ute Mountain Ute Tribe, this funding will be for engineering of the fiber lines along 160/491 and will be completed by the same firm as the NEPA work.
 - o SWCCOG is also working with the private sector to raise money along this route, which will help in the case that DOLA does not full fund this request.

 - *CDOT Telework to Support Businesses and Employees with Remote Work*
 - o The CDOT Telework grant will is designed to help support and migrate people into telework opportunities. The Denver Regional Council of Governments started a telework support program in April to help support both employer and employee navigate the new world of remote work.
 - o Tasks included with the DRCOG program that would be part of the SWCCOG program include: Remote Work Policy Template(s), Best Practices, employee/employer survey about concerns,
-

Approval to Apply for Grants

needs, and what is/is not working, as well employee engagement support (for employers)

- Grant Request: \$4,500
- Match: None required, will use COG's Zoom and Region 9's Survey Monkey as in-kind as both software programs will be heavily utilized for this project.
- Funding will offset Staff time on program development, engagement with local HR professionals, HR attorneys, and engagement with chambers

APPROVE

- *DOLA COG Grant Cycle*

- Due 10/1
- Workforce development – remote worker readiness and Local business growth in partnership with SCAPE.
- The USDA REDI Technical Assistance grant identified work force development prior to COVID-19, and since the pandemic started remote work is now the norm (and likely will have changed the way in which we work). Ideally the program development will be a mix of identification of skills, development of skills through a certificate program similar to Utah State University, and then support to pair skills with applicable jobs.
- SCAPE's match is large enough to cover match for the entire grant
- Partnerships may include: Region 9, City of Farmington, Chamber(s), Recovery Task Force(s), SUIT, San Juan College, PCC, and FLC.
- Estimated \$75,000: \$50,000 for remote worker readiness and \$25,000 for SCAPE
- No funding for staff to engage with project(s), DOLA allows for contractors only, working with SCAPE to find small amount of money for grant management.

- *DOLA EIAF Broadband Grant*

- Due 10/1
 - Partnership with San Luis Valley Rural Electric Association and San Luis Valley Council of Governments to ensure CDOT and private partners can build fiber over Wolf Creek Pass.
-

Approval to Apply for Grants

- Both CDOT and Arcadian have been engaged in discussion about this project, both think it is valuable.
- SWCCOG Apply for \$800,000
- SLVREC \$2,000,000 Match
- SLVCOG \$2000 for administration (to COG not part of DOLA Grant)
- SWCCOG would have an IRU on SLVREC's fiber across Wolf Creek.

Legal Review: N/A

Fiscal Impact: High, major impact on SWCCOG projects

Staff Recommendation: Ratify submitted grants and approve staff to apply for future grants.

NEO Connect Contract

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 9 August 2020

Comments: NOTE: Staff published the board packet without the contract as legal review was not yet complete. Staff requests the Board consider this item as the review will be complete before the Board Meeting and provide a review of any changes to the standard contract template SWCCOG legal created.

The SWCCOG hired NeoConnect for the Regional Broadband Plan in 2015. Since then NeoConnect has done a significant amount of work with the SWCCOG. This work was always just added on to the original contract, and we carried on our merry way.

Staff wanted to clarify the contractual arrangement with the SWCCOG and NeoConnect through a new contract that is more generic, but with task orders for each specific project for better contract management and compliance with various grant requirements if a contractor helps develop a grant application.

Legal Review: Used existing template provided by Legal, legal has reviewed the contract with the changes proposed from NeoConnect.

Fiscal Impact: No retainer or recurring costs, only those associated with Board approved projects

Staff Recommendation: Approve contact with NeoFiber DBA as NeoConnect as the Broadband Consultant for SWCCOG.

Ratify Letters of Support

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 13 August 2020

Comments: A number of local agencies requested letters of support from the SWCCOG for an FTA Transit grant. Because the grant was due in late June and the requests complied with the SWCCOG's letter of support policy and the Executive Committee approved sending the letters of support.

Please see the attached letters along with summaries of each request.

Legal Review: N/A

Fiscal Impact: None to SWCCOG

Staff Recommendation: Ratify the Letters of Support for Community Connections, Southern Colorado Community Action Agency, and Southwest Center for Independence.

Community Connections is applying for \$60,000 in FTA 5310 funds for their transportation program that supports approximately 75 clients with intellectual and developmental disabilities in Cortez and Durango to participate in community activities and get their personal care needs met.

Is it a proposal from one or more members?

No, the proposal is from Community Connections.

Does the proposal have a regional impact?

Yes, it will benefit residents of La Plata and Montezuma counties with intellectual and developmental disabilities who have no other way of getting their personal care needs met and or to participate in community activities like other people without disabilities.

Is it a proposal that involves the SWCCOG, the SWCCOG's established goals, existing SWCCOG projects, and/or existing or previous advocacy?

Yes, it fulfills the SWCCOG/Regional Transportation Council's long-term goal to "Ensure mobility and access for seniors, people with disabilities, people on limited incomes, and other transit dependent populations."

Has the proponent consulted with SWCCOG members or other agencies that might have jurisdiction over decisions that could impact the implementation of the proposal?

CCI staff has consulted with SWCCOG E.D. Miriam Gillow-Wiles; CDOT staff, TJ Burr, Brodie Ayers, and Kim Phi; City of Durango, Acting Transportation Director Sarah Dodson; Southern Colorado Community Action Agency staff, Chloe Jackson and Peter Tregillus; and Martha Mason and Gordon South at SWCI/Southwest Rides about the scope of the project. They have answered questions about regional transportation needs, planning efforts, and 5310 funding. CDOT staff supported CCI applying indicating no Community-Centered Board has ever applied for operating funding, rather capital (vehicle) funding, though we are eligible.

What is the impact on the region if the proposal succeeds? Fails?

If the project succeeds, CCI will be half-way to operating a sustainable transportation program. If it fails, CCI will have to seek other funding sources to continue to operate the transportation program. It is currently subsidized with other funding that is unsustainable.

In what areas of the region, if any, will the proposed activity take place?

La Plata and Montezuma counties.

Is there a fiscal impact for the SWCCOG and or SWCCOG members?

None.

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

Yes, via the SW Regional Transit Council's goals.

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

Southwest Rides and Durango Transit are submitting 5310 funding requests.

If so, does this letter of support potentially support or undermine the Member activity/goal?

I don't think so. We provide distinct, not overlapping, services. Also, I asked Gordon South from Southwest Rides/SWCI if he was seeking letters of support and he said he was not.

What other agencies are you requesting a letter of support from?

Montezuma and La Plata counties and the Arc of SW Colorado.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

18 June, 2020

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

RE: Support for Community Connections' 5310 FTA Funding Request

To whom it may concern:

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of the State of Colorado. The strength of the transportation network is of great concern to the region and improving the system is a major goal of the SWCCOG. Considering the valuable transportation services they provide, we would like to express support for Community Connections' application for FTA 5310 funds.

Community Connections' 5310 FTA funding request to operate its transportation program for people with intellectual and developmental disabilities in Montezuma and La Plata Counties supports the Southwest Regional Transit Council's goal to "Ensure mobility and access for seniors, people with disabilities, people on limited incomes, and other transit dependent populations." Due to the isolated, rural nature of the region, there are few transportation options for individuals with disabilities, the services that are available are critically important.

We urge you to support Community Connections' application for 5310 FTA funding which will allow the program to continue to provide transportation services to individuals that depend on these services to meet their personal care needs and participate in the community. We thank you for your support of public transportation in southwest Colorado.

Sincerely,

Miriam Gillow-Wiles
Executive Director

Southern Colorado Community Action Agency (SoCo) is applying for \$154,944 in FTA 5311 funds to support two services: 1) Road Runner Transit fixed route service connecting Ignacio and Bayfield with Mercy Medical Center and Durango (\$120,732); and 2) Ignacio Senior Center New Freedom “escorted” paratransit (demand response) (\$34,212) for persons with disabilities who cannot safely be dropped off at the curb.

Does the proposal have a regional impact?

Yes, in that it provides access to services for people in the rural areas of eastern La Plata County to Durango. That regional impact is enhanced by a partnership with Durango Transit which connects downtown Durango with outlying areas including Mercy Medical Center and a large shopping area south of town now undergoing a major increase in residential unit construction. Further, these two core transportation services based in Ignacio also make for managerial and operational efficiencies in the operation of the Bustang Outrider route connecting Durango to Cortez and Grand Junction.

Has the proponent consulted with agencies that might have jurisdiction over decisions that could impact the implementation of the proposal?

Not specific to this particular application year, but yes, there were extensive consultations with local governments and other transit providers before each of these services was launched, in 1999 and 2008.

What is the impact on the region if the proposal succeeds? Fails?

This application requests funding to maintain operation of two services which have been in operation since 1999 (Road Runner) and 2008 (Senior Center transportation). Both services are designed first to provide access to key medical, shopping, educational, social and legal services to transit-dependent persons, and then to “choice” riders. If the proposal succeeds, these services stay in place. Along with all other transit services, we will gather information on how to operate safely in the midst of the pandemic. People will continue to have access to medical services if they need to show up in person. If the proposal fails, transportation access reverts to its pre-1999 condition and people are left to their own devices, which could include paying \$1.16 per mile for a 24-mile one-way ride from Ignacio to Durango.

In what areas of the region, if any, will the proposed activity take place?

Ignacio, Bayfield, Durango

Is one or more member working on a similar activity or goal?

Both Roadrunner and the Ignacio Senior Center participate in the Regional Transit Council. SoCo has a specific agreement with the City of Durango to provide service to developed areas to the south of the central business district. Two other entities provide demand response paratransit service to specific populations, and SoCo coordinates with them through the transit council.

If so, does this letter of support potentially support or undermine the Member activity/goal?

The letter supports other member activities.

What other agencies are you requesting a letter of support from?

The City of Durango. SoCo will submit funding applications to the Towns of Ignacio and Bayfield and La Plata County through their processes.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

22 June, 2020

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

RE: Support for Southern Colorado Community Action Agency's application for FTA 5311 transit funds

Dear Mr. Phi:

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of the State of Colorado. The strength of the transportation network is of great concern to the region and improving the system is a major goal of the SWCCOG. Considering the valuable transportation services they provide, we would like to express support for the two transit services operated by Southern Colorado Community Action Agency (SoCo): Road Runner Transit deviated fixed route services and Ignacio Senior Center demand response transportation for persons with disabilities and the frail elderly.

SoCo provides a transit link that connects the east side of La Plata County and the Towns of Ignacio and Bayfield with Durango the county seat, commercial and medical center. Road Runner provides access to employment at the Southern Ute Indian Tribe and tribal enterprises, both large employers.

In addition to providing essential public transportation services, Road Runner Transit is a key player in our region's transportation coordination efforts and partnerships including the SWTPR and the Regional Transit Coordinating Council, and the development of inter-city bus connections.

We urge you to support SoCo's application for FTA 5311 funds. We thank you for your support of public transportation in southwest Colorado.

Sincerely,

Miriam Gillow-Wiles
Executive Director

The Southwest Center for Independence/Southwest Rides is applying for \$60,000 in FTA 5310 funds with a focus on addressing the needs of people with accessibility barriers who live outside of Durango, including overflow from the Opportunity Bus.

Is it a proposal from one or more members?

The proposal is for funding Southwest Center for Independence, Southwest Rides Program (operating).

Does the proposal have a regional impact?

Yes, the proposal will focus on directly impacting La Plata County transportation needs, but will also involve participating in Regional Transit Council. One day we hope to expand to SWRides surrounding counties. We are providing some rides in San Juan County, which is very limited.

Is it a proposal that involves the SWCCOG, the SWCCOG's established goals, existing SWCCOG projects, and/or existing or previous advocacy?

Yes- the proposal aligns with the Regional Transit Plan to address needs of aging adults and people with disabilities, especially in rural- outlying communities that experience the greatest barriers to transportation.

Has the proponent consulted with SWCCOG members or other agencies that might have jurisdiction over decisions that could impact the implementation of the proposal?

Yes- we have consulted with the Regional Transit Council, CODOT, City of Durango and Community Connections through ongoing planning efforts.

What is the impact on the region if the proposal succeeds? Fails?

The impact will be to increase transport for people with disabilities and older adults in La Plata County. If the proposal fails, this would involve poor coordination and duplication, and/or not reaching those in need.

In what areas of the region, if any, will the proposed activity take place?

La Plata County, especially targeting people with transportation barriers who reside in rural, outlying communities.

Is there a fiscal impact for the SWCCOG and or SWCCOG members?

This would help decrease cost on other systems affected by unmet transportation needs. In particular, accessible transportation will prevent costly healthcare episodes (in acute care settings like the ER). Also, the proposal will help maximize existing transportation resources across La Plata County (e.g.- coordinating services across transportation providers).

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

Yes, accessible transportation cultivates a thriving community, and directly supports the mission and vision of SWCCOG.

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

Yes, Durango Transit is working on the same goal of expanding accessible transportation for people with disabilities and older adults across La Plata County.

If so, does this letter of support potentially support or undermine the Member activity/goal?

No, the LOS will support both agencies mutually reinforcing activities and goals.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

22 June, 2020

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

RE: Support for Southwest Center for Independence's request for Rural Operating funds.

To whom it may concern:

The Southwest Colorado Council of Governments (SWCCOG) is located in the southwest corner of the State of Colorado. The strength of the transportation network is of great concern to the region and improving the system is a major goal of the SWCCOG. Considering the valuable transportation services they provide, we would like to express support for Southwest Center for Independence's (SWCI) application for FTA 5310 Rural Operating funds.

SWCI's transportation program, Southwest Rides (SWRides), provides accessible, door-to-door transportation for people with disabilities, older adults, veterans across La Plata County at no cost to the rider. SWRides is a vital resource for addressing unmet transportation needs of these marginalized populations, as many of the riders they serve have no other way to get to the resources they need to thrive. The SWRides team has also been a valuable collaborator with the Regional Transit Coordinating Council.

We urge you to support SWCI's application for 5310-Operating funding which will allow the program to continue to expand its capacity to serve people in our community that experience accessibility related barriers to transportation. We thank you for your support of public transportation in southwest Colorado.

Sincerely,

Jessica Laitsch
Transportation Coordinator

Reports

2020 SWCCOG Board Meeting Attendance

	Jurisdiction		Member Name		Feb	May	June	Aug	Oct	Dec	Percent Attend
	Archuleta County		Alvin Schaaf - Primary	Scott Wall - Alternate							100%
	Town of Bayfield		David Black - Primary	Katie Sickles - Alternate							100%
	City of Cortez		Mike Lavey - Primary	John Dougherty - Alternate							100%
	Dolores County		Steve Garchar - Primary								100%
	Town of Dolores		Ken Charles								
	City of Durango										
	Town of Ignacio		Mark Garcia - Primary	Gwen Lachelt - Primary							100%
	La Plata County		Chuck Stevens - Alternate								67%
	Town of Mancos										33%
	Town of Pagosa Springs		Andrea Phillips - Primary								100%
	Town of Rico		Kari Distefano - Primary								0%
	San Juan County		Willy Tookey - Primary								100%
	Town of Silverton		John Reiter - Primary								33%

Present
 Absent

*removed notation to indicate remote attendance

Director Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 August 2020

Comments: More frequently than not, the month has again flown by. Staff has been very busy this month working on a variety of projects, modeling a huge number of scenarios for COG financial future, and of course all things broadband. And more broadband. And, in an unsurprising turn of events, even more broadband.

Zoom

The SWCCOG's Zoom license contract was signed at the end of June and licenses have been allocated to each organization. We were able to provide a number of free licenses to the COG membership to increase licenses without increasing costs. Region 9, Region 10, Pagosa Springs School District, Ignacio School District, and the La Plata County Economic Development Alliance also are utilizing the SWCCOG's licenses, helping keep the licenses affordable for the COG membership.

Attorney General Broadband Discussion

In June 2019, I started engaging with the Attorney General's office and the Attorney General, Phil Wiser as they reached out regarding broadband and what their office could do to help. These conversations have been ongoing over the last year. The AG's office and AG Wiser have been helpful and looking for ways to support broadband development in Colorado. In our last discussion, AG Wiser, asked if there were any challenges with the old EagleNet assets that are now managed by Zayo. Zayo has been heavily focused on the front range, while mostly ignoring the assets outside of the metro area. Please let me know if your jurisdiction has had issues with locates, access, or any issues with the EagleNet assets in the community.

In addition to challenges with EagleNet assets, I have discussed at length that of the of the best ways the State could help develop broadband is to coordinate the departments who have various needs for broadband, including those that have funding to implement broadband infrastructure, such as the Department of Justice building fiber to all the court houses across the state (frequently over building existing infrastructure).

Region 9 Collaboration

Laura and I have been working together more, and coming up with ways to expand and accentuating collaboration and coordination to create a stronger more cohesive "super" region. Both Laura and I have worked hard to not duplicate services but have tried to enhance each agency's opportunities and projects/programs over the years. Though we have discussed ways to support one another, the pandemic has made it apparent it is important to bring the organizations closer together to support the region. Some of these ways includes:

Director Report

- Support the SWCCOG's growing administrative staffing needs through contractual arrangement with Region 9 for staffing capacity
- Exploring Region 9 processing SWCCOG's payroll at a lower cost than current payroll processing
- SWCCOG applying for funding with SCAPE (a project of Region 9)
- Shared office space
- Shared Technology (Zoom, Survey Monkey, grant finding subscriptions)

San Juan RC&D

To help support the COG and the region, it is important to remember that SJRC&D is a 501c3 and can help provide additional funding, as they are eligible for funds the governments are not. This may be a creative way to find match for state/federal grants. Please reach out to me or Jessica if this is something your jurisdiction might want to pursue.

We have started providing a Fiscal Administration report this month to help the Board understand the complicated nature of the organization with a number of fiscal administration contracts.

Non-COG Member Engagement

I have been working with the Town of Dolores regarding technology and increased bandwidth to better support remote meetings. I am hoping this will help show the value in the SWCCOG as a resource for the Town.

I have also reached out to the City of Durango but am waiting on communication.

Community Engagement

We are still 100% remote and have been engaging on a number of video and phone calls.

- Arcadian Infracom
 - Attorney General's Office
 - DOLA
 - Region 9 EDD
 - USDA
 - EDA
 - Town of Pagosa Springs/Archuleta County Broadband Coordinators
 - Durango Chamber of Commerce
 - Tri Cities Chamber of Commerce
 - Silverton School District
 - CDOT
 - Region 10
 - OIT
 - CCI
-

Director Report

- CML
- City of Cortez
- City of Durango
- La Plata County Economic Development Alliance
- Archuleta County School District
- Town of Dolores
- La Plata County
- CIRSA
- City of Farmington
- FastTrack
- Forethought
- Department of Interior

Upcoming Meeting Dates:

October 8, 2020

Executive Director PTO

- August 14-19th
 - September 8-11th
-

Broadband Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 8 August 2020

Comments Since the pandemic hit, there has been a tremendous amount of scrambling to get connectivity to un and underserved areas, as well as many discussions about how fix the lack of connectivity. I have said broadband more than I previously did – if one can imagine that.

SWCCOG Community Support of Broadband

The SWCCOG has started to help a number of SWCCOG Members on various issues related to broadband (more than previously). The SWCCOG has started to help support Bayfield, Cortez, and La Plata County on more of a project basis than just general support, trying to get better internet to the residents, and advocacy.

Arcadian Infracom

Staff continues to coordinate and engage with Arcadian to help make their work through SW Colorado as easy as possible. We have been discussing Wolf Creek Pass and the challenges in this stretch.

Anti 5G/ Small Cell Push

Many of you have likely been contacted regarding anti wireless internet and cellphone tower expansion due to concerns about Radio Frequency emissions (RF emissions). Regardless of how one feels about the science of RF exposure, the ability of local governments and states to limit RF emissions and/or locations of small cell towers/antennas is severely curtailed by the FCC. Please see below, access past Broadband Reports, or contact me directly for more information.

FCC Rule Making:

In an attempt to make this report short(ish) staff has condensed the various rulemakings information that have previously been published into a list and will only provide updates when there are updates

- Radio Frequency (RF) Rule Making
- 5G/Small Cell Ruling
- FCC Over the Air Reception Devices (OTARD) Ruling
- 6409 Powers Rule Making
- FCC Cable Franchise Fees Rule Making
 - o Staff has support for the members regarding new franchise contracts – please contact Miriam for more information

Broadband Report

FCC Notice by Cable Operators Proposed Rule Making

UPDATE: The appeal of the Cable Order has had a ten-day extension by the FCC. This pushes the final court briefs back to October 26th (from the 13th). After that then the court will review the briefs and schedule the next steps.

The FCC is considering rule making to change how cable companies provide notice of service and rate changes to both the customer and the local franchise authority. Much of the proposed rule making relates to what kind of notices cable companies need to provide to consumers when they make programming changes. There is a section that pertains to local franchise authority, stating that the cable operator is only required to notify the local agency with franchise authority if the franchise authority requires it (in the cable franchise agreement or by adopted customer service standards). This is a change from the existing requirement of a 30 notice to both subscribers and local franchising authorities with a precise amount and explanation of the rate change.

FCC 6409 Powers Rule Making (Wireless Facility Siting)

On June 9th, the FCC voted to approve revisions to wireless siting rules related to collocations. There were significant changes to the draft that was released a few weeks ago. At the June Meeting, staff, did not have access to the 6409 Ruling, please see below for the highlights and contact Miriam for more details.

The stated goal of the ruling was to clarify FCC's rules around implementation of Section 6409(a) of the 2012 Spectrum Act. This section requires that "a state or local government may not deny and shall approve any Eligible Facilities Request (EFR) for a modification of an existing wireless tower or base station that does not substantially change the physical dimensions of such tower or base station." Later, the FCC issues rules to implement the statute, requiring local governments must approve any modifications to existing wireless sites within 60 days, so long as the request does not amount to substantial change. If the local government does not act it is automatically approved. The FCC ruling in June made significant changes to the 6409 framework.

1) Changes to Shot Clock

Per the new ruling, the FCC adopted a two-part test to determine when the shot clock begins. It is highly recommended that the local governments application form or written process describes how to apply and lists all the requirements for all the information to determine if the request is an EFR and requires approval in the 60 day window.

- First an applicant "takes the first procedural step in that the local jurisdiction requires as part of its applicable regulatory review process" aka filing for a permit or application.
 - This step may not be "outside of the applicant's control or is not objectively verifiable"

Broadband Report

- The local government “may not delay the triggering of the shot clock by defining the first step as a combination or series of steps”
 - Second “the applicant submits written documentation showing that a proposed modification is an eligible facilities request.”
 - Local governments cannot decline to accept documentation intended to satisfy the second criteria.
 - Local governments also cannot “require an applicant to submit documentation that is not reasonably related to determining whether the proposed modification is an eligible facilities request.”
- 2) Definition of Concealment
- The ruling adopts a narrowed definition of concealment. Concealment is not intended to minimize the visual obtrusiveness of the facility but intended to make it look like something else entirely.
 - There must be evidence, on the record, to demonstrate that the approval of the facility included the facility would look like something other than a wireless facility.
 - In addition, the ruling adopted a narrowed definition of “defeated”. Concealment is only defeated if “the proposed modification must cause a reasonable person to view the structure’s intended stealth design as no longer effective after modification”
- 3) Requirements for Meeting Definition of Concealment
- Concealment must have been part of the original facility that was approved or at a previous modification of the original facility prior to 2012. There must be “express evidence” in the record to demonstrate that approval of the facility included that it would look like something other than a wireless facility.
- 4) Concealment vs Minimization of Visual Impact
- The ruling involves the ability for local governments to make wireless facilities less visually obtrusive.
 - These are permissible but cannot be used to prevent modifications allowed under 6409 rules.

Grant Updates

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 11 June 2020

Comments: Updates in **Green**.

Existing Grants:

CDOT CDL Development Purchase Order

- The DOLA 8824 Grant (see below) was awarded to the SWCCOG to help create a CDL program in the region. Due to a variety of reasons, this has not moved in any consistent manner.
- CDOT has been awarded funding through the Federal On-the-Job Training Supportive Services to invest in statewide construction workforce.
- CDOT and SWCCOG have developed a Purchase Order outlining objectives and tasks. Objectives include:
 - o Lead the establishment of a CDL Class B training program in the Durango area
 - o Coordinate stakeholders to develop a short-term (6-12 months) approach to consolidating existing training and testing resources
 - o Communicate proactively and consistently with both internal and external program stakeholders, paying particular attention to CDOT and DOLA
 - o Identify opportunities to provide supportive services to trainees in the form of technology or transportation
- The Purchase Order will cover the cost of the SWCCOG time based on the staff performing the activities and number of hours via reimbursement.
- Estimated that the SWCCOG will invoice for \$20-24,000
- This will count towards match for the DOLA grant as well.

CDOT TPR FY20-21 Funding – Ends 6/30/2021

The TPR is funded through a Purchase Order, for \$22,100.

- This funding will cover staff time related to TPR goals and administration of the TPR
 - Also purchased hot spots for connectivity for Tribal representatives to attend STAC and Transportation Commission meetings since connectivity is highly limited on both reservations.
-

Grant Updates

DOLA 8824 – 2019 Technical Assistance – Ends 8/31/2021 – EXTENSION GRANTED

- \$20,000 - CDL Program Development and Cost Reduction for COG Members (*Shared Services/Community Support*)
- \$30,000 - Development of end markets for hard to recycle items (*Environment*)
 - o Match from CDPHE Regional Waste Studies - CDPHE or USDA
- No funding for staff

DOLA REDI Grant 19-189 – Ends 12/31/2020 – EXTENSION GRANTED

- \$48,000 for Broadband Engineering (*telecommunications*)
 - o Southern Loop through NM: Cortez-Shiprock-Kirtland-Farmington-Aztec-La Plata County
 - o FTTP support to help LPEA post SB19-107 through Eastern La Plata to Pagosa Springs
- \$30,000 Match from Farmington and San Juan County
- Expected funding from ISPs
- Southern Loop Project started in January, and completed in May 2020
- Underbudget – will be using the additional funds to apply for EDA, FCC, USDA funding.

USDA REDI Technical Assistance – Ends 9/30/2020

- No funding attached with this, technical assistance only
- Support post extraction industry with new economic drivers
- Plan will create road map and additional funding, likely from USDA sources
- Expected completion late Q32020
- Draft Report Complete, next steps will seek funding to implement, and address needs based on current situation.

CDOT Mobility Manager – Ends 12/31/2020

- Awarded \$28,500
- All funding towards staff
- Part time position to help coordinate transit agencies, health care providers, health and human service providers, and others
- Will begin January 2020

DOLA 9149 – Technical Assistance Grant 2020 – Ends 12/31/2022 – EXTENSION GRANTED

- \$35,000
- Match for Housing Solutions Regional Housing Data Collection
- Identify and better understand regional housing including quantity and quality of housing types across the 5 counties.

Grant Updates

Grant Requests:

FCC USAC Rural Healthcare 2019 Broadband – Funding Request 5/2019

DENIED

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

EDA CARES Act Infrastructure Funding

The SWCCOG is a co-applicant with the Ute Mountain Ute Tribe to apply for up to \$6 Million in funds to build fiber (including equipment needed) from Cortez into Towaoc and south of the Casino to at least Weeminuch Construction on US160. Each organization would own 144 count fiber, but the SWCCOG would not have any fiber into the Reservation. This was agreed upon due to concern about what happens when IRUs expire. Contracts will be developed if/when funding is awarded.

CDOT 5310 Funding

Staff is working on a grant application for funding to implement a one call/one click system to access transportation options across the five-county area. This will allow residents to move across the region without passenger vehicles by utilizing multiple transit systems. Ideally this would interface with the Farmington MPO and transit systems outside the region.

CDOT Telehealth

- See August 2020 Decision Items

DOLA REDI – NEPA Work for EDA Towaoc Broadband Project

- See August 2020 Decision Items

CDOT 5310 Funding

Staff is working on a grant application for funding to implement a one call/one click system to access transportation options across the five-county area. This will allow residents to move across the region without passenger vehicles by utilizing multiple transit systems. Ideally this would interface with the Farmington MPO and transit systems outside the region.

Current Grants in Development

EIAF Broadband - October 2020

- See August 2020 Decision Items

COG Technical Assistance - October 2020

- See August 2020 Decision Items

Future Grants

DOLA

Grant Updates

Recycling Funding

EDA Funds (potential)

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

USDA Funding

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

Broadband Funding

- USDA funding in 2021
- Public Private Partnerships

Fiscal Administration Report

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 8 August, 2020

Comments: The SWCCOG is contracted with a number of small agencies to assist with fiscal management. The intent is to help these small agencies comply with basic administrative requirements at minimal cost, as well as to provide a modest revenue stream for the SWCCOG. Below are brief summaries of the current activities of these various organizations:

Colorado Association of Regional Organizations (CARO):

CARO was organized in 2008 with the primary purpose to promote cooperation between Colorado's regional organizations, including councils of government, metropolitan planning organizations, and economic development districts. The Denver Regional COG had been providing fiscal administration services for several years, but determined they were unable to continue to do so. The SWCCOG staff is currently in the process of gaining familiarity with CARO's financials.

Please note, that because CARO's previous bank account did not have any local branches, the account was closed and a new one has been opened. The SWCCOG's July financials show CARO's account balance as this was when this transfer was occurring. The next meeting is scheduled for Friday, 21 August, 2020.

Regional Housing Alliance of La Plata County (RHA):

The RHA was formed by IGA in 2004 as a multijurisdictional housing authority to affect the planning, financing, acquisition, construction, reconstruction, maintenance, management, and operation of housing projects in La Plata County. In 2017 the RHA Board of Directors, consisting of representatives from La Plata County, the City of Durango, and the Towns of Bayfield and Ignacio, decided to wind-down the organization and become dormant. In order to maintain its legal structure, the RHA required that basic operations be managed, and contracted with the SWCCOG to manage these operations.

The RHA held their annual meeting on 25 June, 2020. The discussion included approval of the 2021 Budget, authorization for SWCCOG staff to prepare a request for exemption from audit for FY2020, and a desire of the Board to hold a series of discussions with interested parties to determine the future need, role, and status of the RHA. These discussions are expected to run throughout the fall. The next Board meeting will be scheduled early in 2021 to approve the audit exemption request.

Fiscal Administration Report

San Juan Resource Conservation and Development Council (SJRC&D):

The SJRC&D was established under the authority of the Food and Agriculture Act of 1962 to assist multi-county areas in enhancing conservation, water quality, wildlife habitat, and rural development. The USDA's Natural Resource Conservation Service historically provided basic operating support for such Councils, however in 2011 federal funding was eliminated. Following staff turnover, the SJRC&D decided to work with the SWCCOG for the part-time staff coverage they required to continue management of the remaining projects they provide fiscal sponsorship for.

The SJRC&D last met on Tuesday, 14 July, 2020. The discussion included a summary of the status of various ongoing projects, and an exit agreement for one project. While a number of projects have sought new fiscal sponsors over the past year, now that SWCCOG staff is more familiar with the organization's financials, there have been discussions about actively seeking small non-profit organizations that could reduce their own costs or help them establish their organizations with the help of a fiscal sponsor. If any SWCCOG Board members are aware of any non-profits that could benefit from such assistance, please contact Miriam or Jessica. The next meeting of the SJRC&D is scheduled for Tuesday, 8 September, 2020.

Southwest All Hazards Advisory Council:

The All Hazards Advisory Council was created to enhance coordination between emergency response organizations for response efforts. All Hazard's efforts are funded through a number of grants through the Colorado Department of Public Safety, Division of Homeland Security and Emergency Management. For several years the SWCCOG has managed the finances for All Hazards., which includes issuing purchase orders, paying invoices, and providing regional approval for grant reimbursement requests and progress reports.

Southwest Colorado Incident Management Team (SWIMT):

The purpose of the SWIMT is to support communities that request assistance, utilizing qualified local personnel to professionally manage incidents through: field coordination, technical expertise, fiscal accountability, and information dissemination; responding to intra- and inter-state requests for aid through various local, state, and federal agreements; and training and opportunities for professional growth. The SWCCOG manages payments and reimbursements as well as periodic reimbursement requests and progress reports to the Colorado Division of Homeland Security and Emergency Management.

Fiscal Administration Report

Southwestern Colorado Food Systems and Health Equity Planning Project:

The SWCCOG and the Good Food Collective submitted a joint application to the Colorado Health Foundation to conduct community food assessments and design implementation plans for increasing healthy food and food assistance access. The grant ends September 30, 2020. Rachel Landis with the Good Food Collective will attend the meeting to provide an update of the project.

Transportation Report

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 8 August, 2020

Comments: Transportation:

The last SWTPR meeting was held on 11 June, 2020. At this meeting a new Vice-Chair was elected.

The next meeting will be held at 9:00 a.m. Thursday, 13 August, 2020. The meeting will include updates by CDOT staff related to budget forecasts, the Regional Transportation Plan, and upcoming grant opportunities.

Transit:

The last Transit Council meeting was held on 16 July, 2020. The meeting consisted of updates from around the region about current service levels and impacts to service delivery resulting from the pandemic. The next meeting will be held at 9:00 a.m. Thursday, 17 September, 2020.

Staff submitted an application for FTA Transit funds for the development of a plan to create a regional one-call/one-click public transportation information system. Grant awards are expected to be announced later in the summer.

Community Updates

If time allows