



SWCCOG 2022 FINAL 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.

Of note, is the departure of the Executive Director. This has a significant impact on the budget, however the SWCCOG staff chose to minimize changes the Administrative and Contracting components of the budget. This will allow the SWCCOG Board of Directors maximum flexibility to decide the best course of action for the organization.

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.

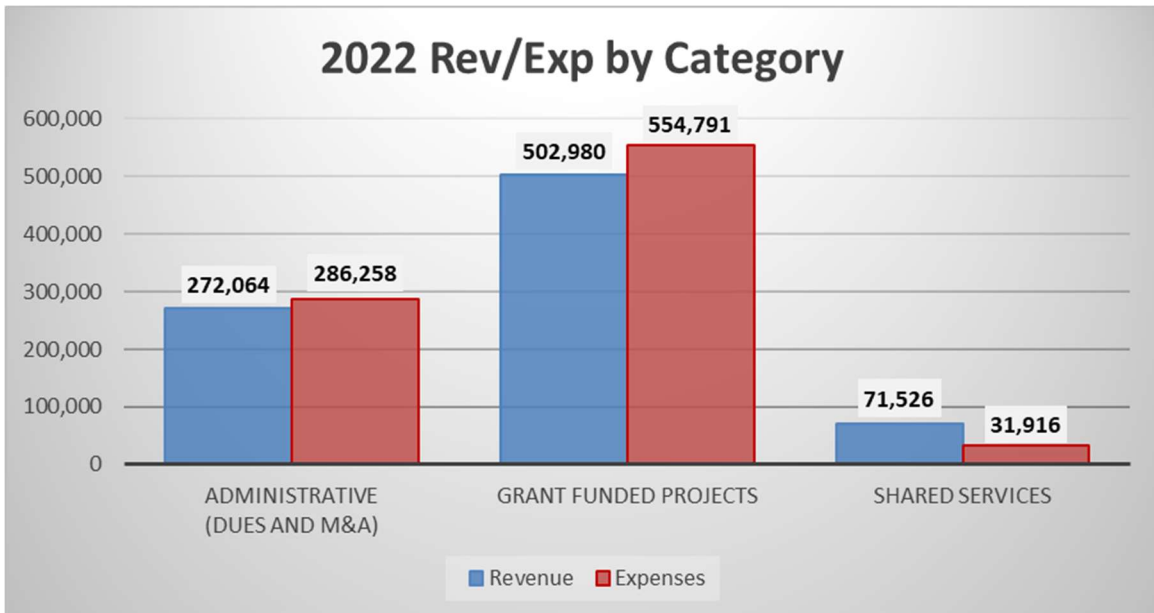
Stability for the organization results from membership dues, providing a majority of the support for general staffing and overhead costs. In 2021 the Board agreed to a modest increase in the amount of dues to be collected, the first such increase since 2018. For the 2022 budget, staff has recommended that dues be slightly reduced compared to 2021 levels. One high priority goal for 2022 is to regain former member

jurisdictions as well as to identify opportunities for enhanced collaboration with jurisdictions throughout and outside the 5-county region.

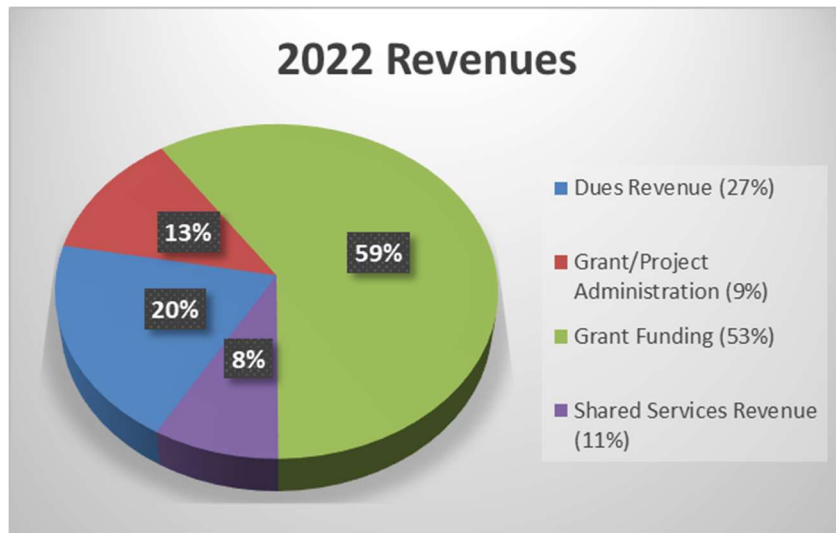
This draft budget includes the use of fund balance, with anticipated revenue of \$846,570 and anticipated expenses of \$872,965, with the expectation of additional grant awards in 2022.

CATEGORIES IN THE 2022 BUDGET

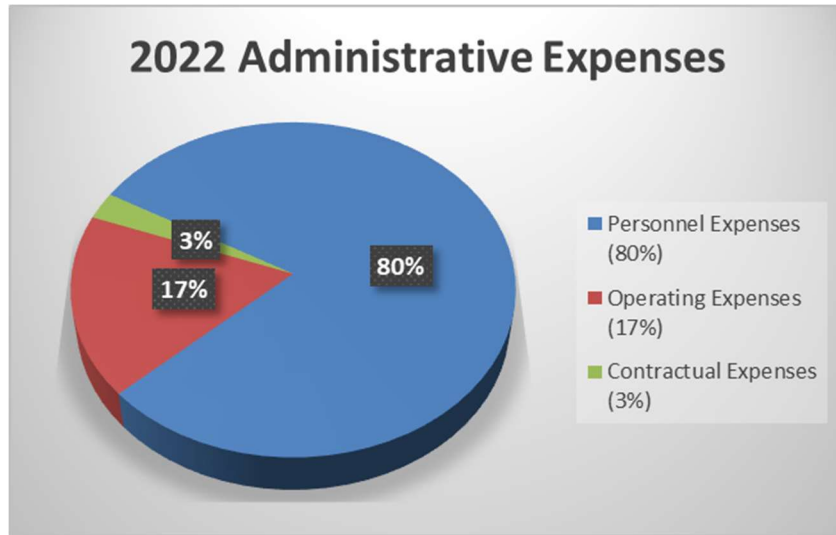
The SWCCOG's 2022 budget can be understood in three general categories: general administrative costs, grant funded project costs, and shared services projects.



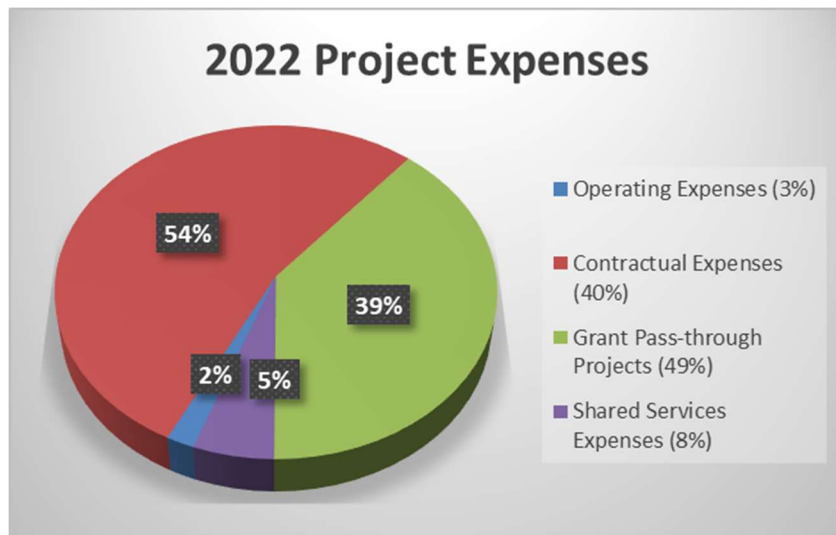
The following is a visual breakdown of the types of revenue anticipated in 2022.



The following is a visual breakdown of the types of general administrative expenses anticipated in 2022.



The following is a visual breakdown of the types of expenses related to specific projects anticipated in 2022.



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.

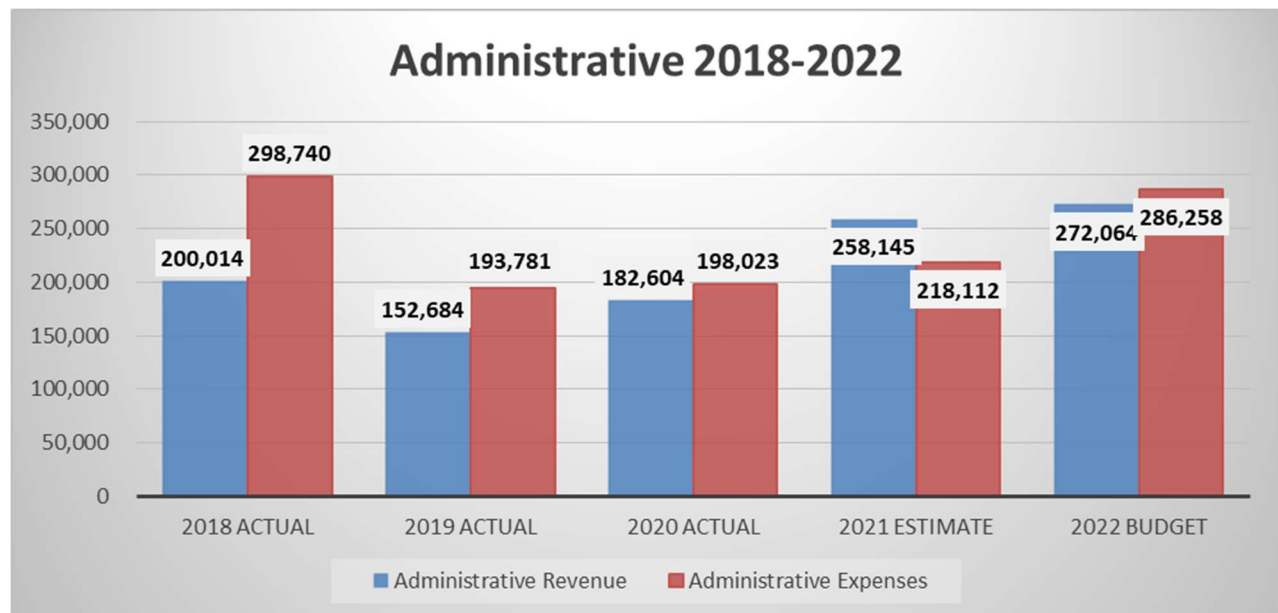
- A small number of grants provide direct funding that is eligible to cover staffing and other operating costs.

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 2022 include:

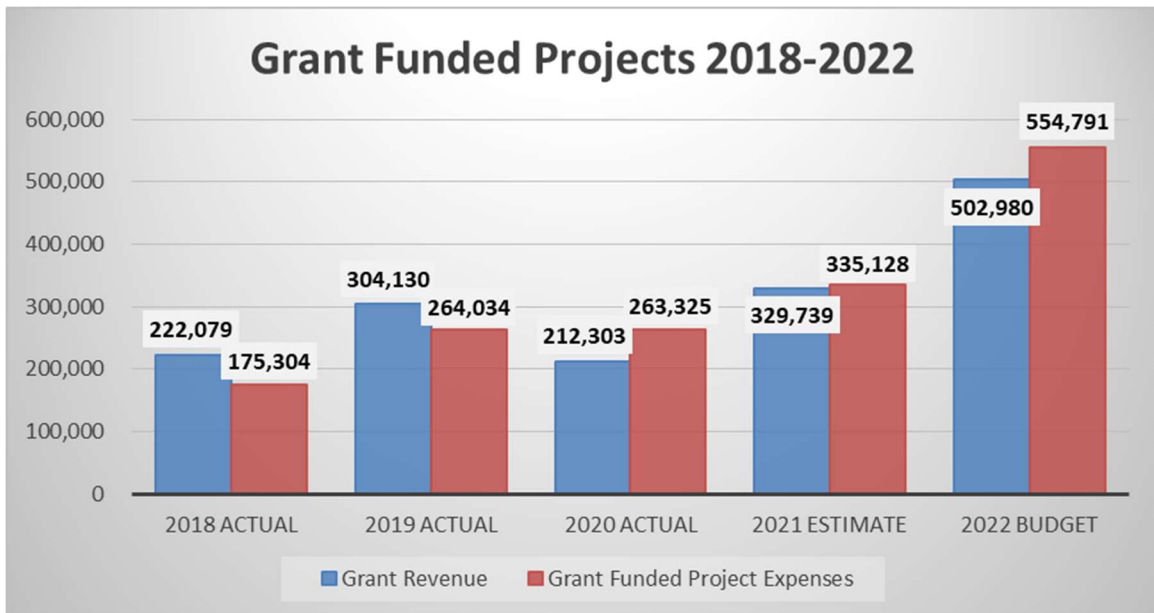
- Salaries: Staff left the salaries the same from the draft to the final budget, even with the current Executive Director departing. This allows for maximum flexibility for the Board as it can stay in the salary line item, or it can be reallocated to consulting depending on the Board’s wishes.
- Employee Benefits: 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%.



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 2022 budget include:
 - 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.
 - A workforce development program to train residents for remote work and to support business development and entrepreneurship.
 - Collaboration with the Montezuma Orchard Restoration Project to secure funding for the construction of a 6,000 square foot building to process, store, and press apples.
- 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 2022 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).

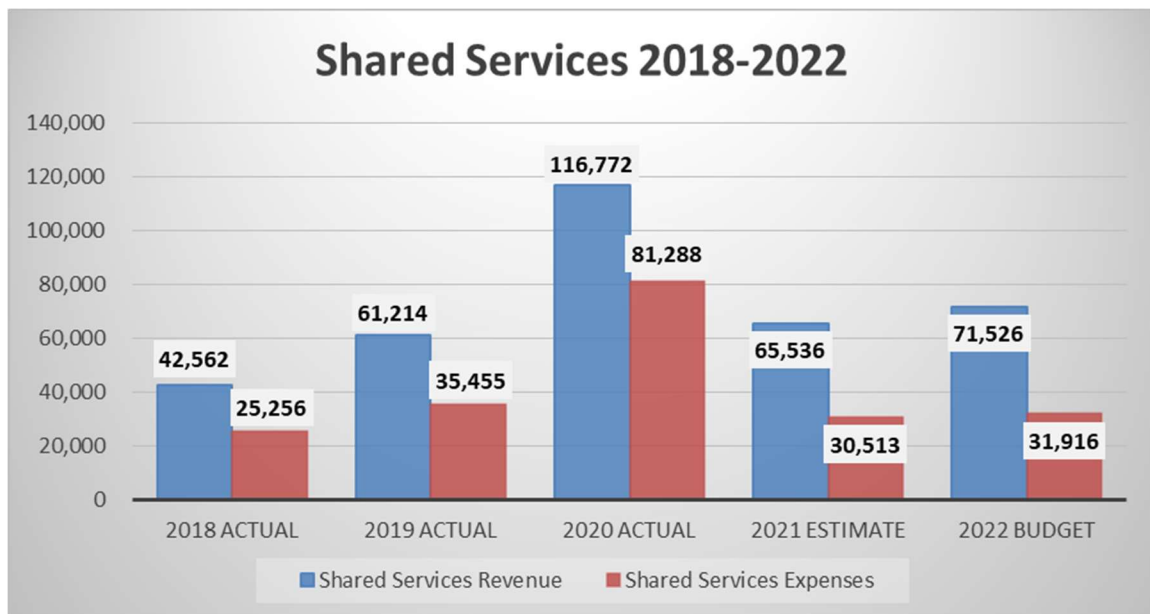


SHARED SERVICES PROJECTS

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

Staff is optimistic that this plan reflects a productive year filled with opportunities to improve the state of the region. While there will be changes, challenges, and unexpected events along the way, we are excited to work with each of our partner agencies on the initiatives reflected in this 2022 Budget.



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

RESOLUTION 2021-01

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022, AND ENDING ON THE LAST DAY OF DECEMBER, 2022.

WHEREAS, the Southwest Colorado Council of Governments has appointed Jessica Laitsch to prepare and submit a proposed budget to said governing body at the proper time, and;

WHEREAS, Jessica Laitsch has submitted a proposed budget to this governing body on December 9, 2021 for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 9, 2021 and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law;

THEREFORE, BE IT RESOLVED by the Southwest Colorado Council of Governments:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by and made a part of the public records of the Council of Governments.

Adopted this 9th day of December, 2021 by the Board of Directors of the Southwest Colorado Council of Governments

David Black, Chair

GENERAL FUND

Account Number	Account Description	2019 (ACTUAL)	2020 (ACTUAL)	2021 (BUDGET)	2021 (ESTIMATE)	2022 (BUDGET)
Beginning Fund Balance		33,191.49	57,949.67	44,280.23	26,991.65	96,658.50
Revenue						
Dues						
10.1000.4270	COG Dues	111,929.00	114,666.00	137,081.00	164,205.00	160,000.00
10.6200.4272	SWTPR Contributions	5,926.00	7,291.00	5,342.00	5,914.00	5,914.00
Total Dues Revenue		117,855.00	121,957.00	142,423.00	170,119.00	165,914.00
Grant/Project Administration						
10.5000.4212	All Hazards	3,652.27	3,796.38	3,100.00	11,000.00	5,000.00
10.1271.4310	CARO		0.00	880.00	880.00	880.00
10.6000.4241	CDOT Other			24,500.00	6,225.00	18,675.00
10.1100.4241	DoLA Impact Assistance Program	2,827.67	0.00	0.00	0.00	0.00
10.1000.4241	DOLA Other	0.00	6,692.00	0.00	0.00	0.00
10.4000.4241	Housing Project			5,000.00	13,500.00	0.00
10.1211.4610	Local Food Planning	0.00	3,825.00	0.00	0.00	0.00
10.3100.4241	Recycling		0.00	0.00	0.00	0.00
10.4110.4310	Regional Housing Alliance	10,024.00	10,000.00	10,000.00	17,200.00	22,800.00
10.7010.4212	Rural Community Assistance Corporation			15,000.00	3,750.00	11,250.00
10.1212.4310	SJRC&D		10,000.00	10,000.00	10,000.00	10,000.00
10.5500.4241	SWIMT	3,361.47	1,279.27	3,625.00	2,271.00	1,000.00
10.6200.4212	SWTPR	12,797.03	13,101.20	11,050.00	9,200.00	11,050.00
10.6100.4212	Transit Coordination		8,345.00	14,088.00	14,000.00	25,495.00
10.6150.4610	Transit Coordination Other		4,000.00	0.00	0.00	0.00
Total Grant/Project Administration		32,662.44	61,038.85	97,243.00	88,026.00	106,150.00
Grant Funding						
10.5100.4212	All Hazards	114,780.51	51,429.15	156,900.00	126,193.00	207,038.00
CDOT Grants						
10.6220.4212	SWTPR Rural Assistance	0.00	0.00	11,050.00	3,615.00	11,050.00
10.6123.4212	Transit Coordination	0.00	3,600.00	16,000.00	16,000.00	16,800.00
Total CDOT Grants		0.00	3,600.00	27,050.00	19,615.00	27,850.00
DoLA Grants						
10.1100.4241	DoLA Impact Assistance Program	80,494.26	5.85	134,000.00	40,388.00	93,612.00
10.8100.4241	DoLA Other	28,826.00	104,066.45	86,000.00	86,000.00	150,000.00
Total DoLA Grants		109,320.26	104,072.30	220,000.00	126,388.00	243,612.00
10.1220.4610	Local Food Planning	3,825.00	44,234.29	0.00	32,542.71	0.00
10.1001.4241	Statewide Internet Portal Authority					3,000.00
10.5501.4241	SWIMT	31,887.39	8,967.54	36,375.00	25,000.00	21,480.00
Total Grant Funding		259,813.16	212,303.28	440,325.00	329,738.71	502,980.00

GENERAL FUND

Account Number	Account Description	2019 (ACTUAL)	2020 (ACTUAL)	2021 (BUDGET)	2021 (ESTIMATE)	2022 (BUDGET)
Revenue						
Grant Match						
10.1000.4281	COG Member Match	14,317.00	0.00	0.00	0.00	0.00
10.8100.4282	Non-COG Member Match	30,000.00	0.00	0.00	0.00	0.00
Total Grant Match		44,317.00	0.00	0.00	0.00	0.00
Miscellaneous Revenue						
10.1000.4700	Miscellaneous Revenue	2,166.11	-391.81	0.00	0.00	0.00
Total Miscellaneous Revenue		2,166.11	-391.81	0.00	0.00	0.00
Shared Services Revenue						
10.8300.4331	Dark Fiber Leasing	40,263.00	47,114.67	49,674.00	48,532.00	56,262.00
10.8500.4332	Telecom Services (IP addresses)	13,871.00	180.00	360.00	300.00	300.00
10.8500.4333	Aggregation of Connectivity	7,080.00	15,984.00	15,684.00	15,504.00	14,964.00
10.8500.4334	Contract Sharing	0.00	53,493.00	0.00	1,200.00	0.00
Total Shared Service Revenue		61,214.00	116,771.67	65,718.00	65,536.00	71,526.00
Total Revenue		518,027.71	511,678.99	745,709.00	653,419.71	846,570.00

GENERAL FUND

Account Number	Account Description	2019 (ACTUAL)	2020 (ACTUAL)	2021 (BUDGET)	2021 (ESTIMATE)	2022 (BUDGET)
Expenses						
Administrative Costs						
Personnel Expenses						
Payroll Expense						
10.1000.5000	Salary and Wages	115,498.87	125,137.39	130,689.52	141,990.00	175,024.72
10.1000.5010	Payroll Tax	9,063.45	8,345.58	11,173.95	12,140.00	14,964.61
10.1000.5020	Payroll Processing Fee	1,748.23	1,685.76	1,925.00	1,880.00	1,887.83
10.1000.5141	457 Retirement	4,819.92	4,905.30	5,227.58	5,227.58	6,720.19
10.1000.5151	Car Allowance	3,600.00	3,300.00	3,600.00	3,600.00	3,600.00
10.1000.5152	Cell Phone Allowance	1,000.00	0.00	1,200.00	1,200.00	1,800.00
Total Payroll Expense		135,730.47	143,374.03	153,816.05	166,037.58	203,997.35
Insurance Expense						
10.1000.5131	Health	14,651.00	15,140.88	15,885.00	15,885.00	23,100.53
10.1000.5133	Worker's Compensation	1,481.75	1,345.00	1,432.00	2,150.00	1,439.00
Total Insurance Expense		16,132.75	16,485.88	17,317.00	18,035.00	24,539.53
Total Personnel Expenses		151,863.22	159,859.91	171,133.05	184,072.58	228,536.88
Operating Expenses						
10.1000.5720	Advertising and Promotion	10.53	31.20	200.00	150.00	200.00
10.1000.5751	Bank Service Charge	310.05	94.67	200.00	0.00	50.00
10.1000.5761	Conference Fee	527.70	250.00	1,500.00	0.00	1,500.00
10.1000.6002	Employee/Board Appreciation	0.00	0.00	100.00	0.00	100.00
Information Technology						
10.1000.6810	Hardware	0.00	1,200.90	1,400.00	2,106.00	2,100.00
10.1000.6003	Software	1,437.25	2,290.93	3,278.00	3,278.00	3,383.00
Total Information Technology		1,437.25	3,491.83	4,678.00	5,384.00	5,483.00
10.1000.5700	Insurance - General Liability	1,796.48	1,863.67	1,958.00	1,948.89	1,989.95
10.1000.5712	Internet Connection	303.90	68.74	2,340.00	0.00	0.00
10.1000.6401	Meetings	398.83	731.32	1,000.00	60.00	1,000.00
10.1000.5752	Memberships	5,098.00	4,348.00	4,848.00	3,800.00	4,848.00
10.1000.6810	Office Equipment	256.46	0.00	0.00	0.00	0.00
10.1000.6001	Office Supplies	336.64	251.13	850.00	1,625.00	850.00
10.1000.5713	Postage and Delivery	39.06	0.00	80.00	20.00	50.00
10.1000.5762	Professional Development	500.40	189.00	2,000.00	1,000.00	2,000.00
Professional Fees						
10.1000.5522	Audit	6,100.00	6,300.00	6,300.00	6,500.00	6,500.00
10.1000.5540	Legal	2,667.60	666.00	7,000.00	4,000.00	7,000.00
10.1000.5560	Misc.	68.08	0.00	250.00	0.00	250.00
Total Professional Fees		8,835.68	6,966.00	13,550.00	10,500.00	13,750.00
10.1000.5610	Rent	7,700.00	8,400.00	8,400.00	8,400.00	8,400.00
10.1000.5740	Travel	4,466.68	1,177.92	6,250.00	1,000.00	10,000.00
Total Operating Expenses		32,017.66	27,863.48	47,954.00	33,887.89	50,220.95

GENERAL FUND

Account Number	Account Description	2019 (ACTUAL)	2020 (ACTUAL)	2021 (BUDGET)	2021 (ESTIMATE)	2022 (BUDGET)
Expenses						
Administrative Costs						
Contractual Expenses						
10.1000.5550	Consulting	9,899.87	2,516.25	7,500.00	100.00	7,500.00
Total Contractual Expenses		9,899.87	2,516.25	7,500.00	100.00	7,500.00
Miscellaneous Expenses						
10.1000.6099	Miscellaneous Expense	0.00	7,783.49	0.00	51.68	0.00
Total Miscellaneous Expenses		0.00	7,783.49	0.00	51.68	0.00
Total Administrative Costs		193,780.75	198,023.13	226,587.05	218,112.15	286,257.83
Project Costs						
Operating Expenses						
10.6220.5740	SWTPR Travel	0.00	0.00	9,130.00	1,695.00	9,130.00
10.6220.5712	SWTPR Internet Connection	0.00	0.00	1,920.00	1,920.00	1,920.00
Operating Expenses		0.00	0.00	11,050.00	3,615.00	11,050.00
Grant Funded Contractual Expenses						
10.xxxx.5551	Grant Funded Consulting	110,420.46	86,315.71	282,000.00	147,777.00	315,223.00
Total Contractual Expenses		110,420.46	86,315.71	282,000.00	147,777.00	315,223.00
Grant Pass-through Projects						
10.5000.5791	All Hazards Projects	118,541.81	57,398.39	156,900.00	126,193.00	207,038.00
10.1231.5791	Census	4,134.34	62,806.29	0.00	0.00	0.00
10.1211.5791	Local Food Planning	0.00	48,062.55	0.00	32,542.71	0.00
10.5500.5791	SWIMT	30,937.18	8,742.54	36,375.00	25,000.00	21,480.00
Total Grant Pass-through Projects		153,613.33	177,009.77	193,275.00	183,735.71	228,518.00
Shared Services Expenses						
10.8300.8101	Dark Fiber Revenue Share	10,708.50	10,728.67	11,698.50	11,493.00	13,316.00
10.8500.6601	Aggregation of Connectivity	12,100.00	12,420.00	12,000.00	12,420.00	12,000.00
10.8500.6603	Telecom Services (IP addresses)	8,648.49	6,600.00	6,600.00	6,600.00	6,600.00
10.8500.6602	Shared Software Maintenance	3,998.00	51,539.73	0.00	0.00	0.00
Total Shared Services Expenses		35,454.99	81,288.40	30,298.50	30,513.00	31,916.00
Total Project Costs		299,488.78	344,613.88	516,623.50	365,640.71	586,707.00
Total Expenses		493,269.53	542,637.01	743,210.55	583,752.86	872,964.83
Net Profit/-Loss		24,758.18	-30,958.02	2,498.45	69,666.85	-26,394.83
Ending Fund Balance		57,949.67	26,991.65	46,778.68	96,658.50	70,263.67
Fund Balance Reserve (4 month operating expense)		64,593.58	63,419.04	75,529.02	72,704.05	95,419.28
Fund Balance Excess/-Deficit		-6,643.91	-36,427.39	-28,750.34	23,954.45	-25,155.61

FIBER FUND

Account Number	Account Description	2019 (ACTUAL)	2020 (ACTUAL)	2021 (BUDGET)	2021 (ESTIMATE)	2022 (BUDGET)
Beginning Fund Balance		19,498.24	19,500.14	19,502.06	19,502.06	19,504.01
Revenue						
Fiber Income						
20.8000.4273	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						
20.8000.4510	Interest Earned	1.90	1.92	1.90	1.95	1.90
Total Other Income		1.90	1.92	1.90	1.95	1.90
Total Revenue		1.90	1.92	1.90	1.95	1.90
Expenses						
Fiber Expenses						
20.8000.xxxx	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		1.90	1.92	1.90	1.95	1.90
Ending Fund Balance		19,500.14	19,502.06	19,503.96	19,504.01	19,505.91



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

RESOLUTION 2021-02

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS FOR THE 2022 BUDGET YEAR

WHEREAS, the Southwest Colorado Council of Governments has adopted the annual budget in accordance with the Local Government Budget Law, on December 9, 2021 and;

WHEREAS, the Southwest Colorado Council of Governments has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the Southwest Colorado Council of Governments;

THEREFORE, BE IT RESOLVED by the Board of the Southwest Colorado Council of Governments:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:

GENERAL FUND:

Current Operating Expenses \$872,965

TOTAL GENERAL FUND \$872,965

FIBER FUND:

Current Operating Expenses \$0

TOTAL FIBER FUND \$0

Adopted this 9th day of December, 2021 by the Board of Directors of the Southwest Colorado Council of Governments

David Black, Chair