



Monthly Meeting, May 3, 2013

La Plata County Courthouse, Anasazi Room, 1:30 pm to 3:30 pm

(To participate via teleconference, please call 661-673-8600 and then enter participant code 850589#)

AGENDA

- 1:30 pm** **1. Meeting Called to Order & Introductions:** Bryce Capron Chair
- Additions/Changes to the Agenda**
- 2. Consent Agenda**
- A. Approval of Board Meeting Minutes for Friday April 5 , 2012
 - B. Financial Report for March, 2013
- 1:40** **3. Discussion / Presentations**
- A. Eagle Net – Update, Mike Ryan (Phone)
 - B. 4CORE – Solar Roadmap, Gregg Dubit, Executive Director, 4CORE
 - C. Healthy Community Solutions, Health Impact Assessments and Planning
- 3:00** **4. Action Items**
- A. Existing Business
 - i. Telecom Committee – Reallocation Requests
 - ii. CORA Policy on First Reading
- 3:20** **5. SWCCOG Priority Project Reports**
- A. Telecommunications**
 - i. General Manager Services Report
 - ii. Responsible Administrator Report
 - iii. Telecommunications Committee Chair Report
 - B. SWCCOG Reports**
 - i. CIRSA
 - ii. Training Opportunities
 - iii. Housing
 - iv. Transit Council minutes & update
 - v. GIS - Intern
 - vi. Public Safety
- Announcements-** Next regular meeting will be June 7, 2013, 1:30–3:30 pm at the La Plata Courthouse.
- 3:30 pm** **Adjourn**



Monthly Meeting, April 5, 2013

La Plata County Courthouse, Anasazi Room, 1:30 pm to 3:30 pm

(To participate via teleconference, please call 661-673-8600 and then enter participant code 850589#)

AGENDA

Table with 2 columns: Members Present and Staff/ Consultants. Lists names and affiliations of attendees and staff.

1:30 pm 1. Meeting Called to Order & Introductions: Bryce Capron Chair

Additions/Changes to the Agenda
Typo under 4a- delete (GM, Training, GIS)

2. Consent Agenda
A. Approval of Board Meeting Minutes for Friday March 1 , 2012

B. Motion: Dick White
C. Second: Willy Tookey
D. Approved [X] Yes [] No

B. Financial Report for February, 2013

Motion: Dick White
Second: Willy Tookey
Approved [X] Yes [] No

2:00 3. Discussion

A. EagleNet
i. Up-Date
No new news from Eaglenet, they feel the return to work is imminent (1-2wks) but could be up to 30days.

2.A Draft Minutes

Shane- *If you were able to resume tomorrow, do you have all of your permits and everything ready to go?*

- Everything except for a couple of issues dealing with CDOT right of ways.

Todd- *Do I understand there is another meeting coming up with you and NTIA in the next 10 days?*

- There have been meetings going on throughout this week and next

Todd- *Isn't it the 9th?*

Yeah, there is a series of meetings happening over the next few weeks- they are telling us it will be here pretty quick. Putting together a post-release timeline and priority projects for completion in the next few months

Todd- *Do you have a drop dead date where if you are not released by that date, you won't be able to finish the project?*

No, Eaglenet is an on-going entity so they are considering it on an on-going basis.

Michael- *as a last mile community, I have been hearing some conversation about economies of scale, I am hearing rumblings about a softening of the intentions to provide access to rural, outlying regions. It makes me really uncomfortable to hear these things, and we would be very unhappy with any move more toward the bigger communities.*

- We are still working on our original plan to provide service to all these areas and our intention is to be a sustainable entity, which includes completing these pieces in your area as well. We are only in this because we have a stake in it.

David- *Are you telling us that there is sufficient money in the grant to finish the Pagosa Springs leg or not?*

*- That's the plan, I think so, I don't have the knowledge to answer that definitively. A lot of parts of the project have been paid for already so it's hard to say what work is paid and pending, or not paid for yet. We are committed to reach every site until something changes (**Michael-** "or you run out of money")*

Michael- *I understand that it's complex, you either do or don't have the money to do it. I share David's concern and the concern of the other last mile communities to make sure that we don't get cut out when it comes down to the wire.*

- It is my understanding that this part of the state is farther along than other areas in the state, about 75-80% complete.

Shane- *We don't even have fees set up yet.*

- Fees have been set, and you can download them from our website at any time, and we are providing service, fees are the same across the state. In Cortez we are not there yet, but we are and have been providing quotes for awhile. I will be a scramble in the end and there will be an impact, just not sure what the impact will be, but there will probably be one.

Bryce- *When this project was shut down, there were conflicts across the state, is there a checklist of what has been resolved and what has not?*

- The only two issues were Pagosa-Durango and Montrose-Delta issues with vegetation and Environmental Assessments associated with twp plants and we are still waiting on approval of those new Assessments.

Todd- *I feel at times like this credibility is crucial and we have some concerns about the credibility with Eaglenet at this time.*

2.A Draft Minutes

Susan- my goal, working for this group, at the end of the day, is to get connectivity for this group through any means necessary. I have not had any correspondence from Eaglenet in 5 weeks; I would appreciate this correspondence as I need to know whether I need to pursue other options in getting connectivity for my entities. We will not sit by and watch this turn into a private network again and have our small entities left out to dry again. It's with some frustration that I say we were feeling pretty good about the correspondence up until about 5 weeks ago. My goal at the end of the day is not to do what Eaglenet needs us to do; it's going to do what these communities need me to do. If there is a prioritization that doesn't include some of these entities, please just let me know so we can get it done through other avenues, but that is all I am asking for is clear, accurate information.

Pat- That's what I have been doing, I respect your priorities, Eaglenet is a consortium, we'll get it done.

*David- Unless the Environmental Assessments are already done, the Pagosa Skyrocket doesn't bloom until June, so has it been completed?
- Yes, it has been submitted for week. We would like Susan to have a copy of that Environmental Assessment to compare to information from Fish and Wildlife. **Pat to request that from his superiors and provide to Susan.***

ii. Consensus Statement on the Priorities for Rural Broadband Development

Dr. Rick-see attached letter in board packet for future work. SWCCOG board reviewed the letters and directed staff toward more specific, stronger language.

Motion: Shane Hale “send letter after Susan, Rick, Dick, and Joe have revised”

Second: David Mitchem

Approved Yes No

iii. Statewide Broadband letter to assume ENA Project

Dr. Rick- see attached letter in board packet, for where we are today in regard to connectivity. Provided to Mike Ryan, Eaglenet, in person, NTIA, also to carriers in our region, USA Communication, Fasttrack communication, and Farmer's Telco.

1st goal- Eaglenet do what they said they would do

2nd goal- failing the first take a more active role in supporting Eaglenet in doing what they said they would do- many pieces of connectivity are not completed yet and will not be completed due to seasonal environmental considerations

3rd goal- failing the first two, request funds to be allocated to our region and assets in the ground

Because there is such a high degree of risk for this project to not get completed (all connected or not completed) we will be pursuing option 3. Took it to the Town of Bayfield, and they voted to bring it to the SWCCOG and see about the entire constituent's view on the situation.

Susan- Bayfield Town board took formal action on Tuesday, more or less approved it with the understanding it will go to the SWCCOG. Request is to go to Regional or local government.

Motion: Chris La May “send letter after Susan, Rick, have revised”

Second: Shawn Hale

Approved Yes No

2.A Draft Minutes

B. Fiber Locates

We have a proposal from a former Century Link employee to take care of fiber locates on an on-going basis once the project is complete. GPS will be done as the route is put in, he will have GPS coordinates of each person trying to dig and get a visual of the area as well. (This is where GIS intern comes in) Will have the GPS info in all the layers of mapping.

C. Meeting dates

*Proposed to move the SWCCOG meetings to 3rd Friday.
NOT APPROVED.*

D. SWCCOG Bookkeeper / Staffing

Cynthia will be leaving within the next month or so, and need to look at staffing issues for a bookkeeper as well Susan's exit strategy for the Director of the SWCCOG. La Plata County would like to have Susan back at the county by the end of the 2nd quarter.

Michael- I think it's great to move forward on this and building the process of being more permanent. Staff leadership creates a driver for our strategic planning and incorporating more.

Susan- part of my exit strategy does include housing, transit, and seniors projects as well. Will pull transition plan into administrative committee.

2:50

4. Decision

A. Existing Business

a. Telecom Committee – Reallocation Requests (GM, Training, GIS)

Dr. Rick asked that the board think about how the funds are reallocated from one entity to the other, and brought forward the recommendation of the Telecommunications Committee. This reports recommends that Mancos, Bayfield, and Silverton would receive 100% of what they have asked for with the remainder of the funds divided between Dgo/ La Plata County and Cortez. 44% / 56%. There is minimal contention between entities. There has been a request in Pagosa for Voiceover IP to do video arraignments, if you are interested in this, let me know so I can count the phones and include that in the grant application.

Bobby- why have these entities abandoned their projects? Dr. Rick: While two projects were not included (Rico and the SCCC) reallocation dollars are not the result of abandoned projects, but funds available from projects that cost less than the original estimates. The committee gave percentages in their recommendation instead of hard numbers as the specific dollar amounts will not be available until many projects are done or close to done in May.

Staff recommended passing the reallocation of funds within the priorities put forth by the Telecom Committee.

The Board gave direction to move forward as presented by the Telecom Committee, and bring further specific info to the next board meeting.

Motion: Dick White: Approve reallocation as presented by the Telecom Committee, with specific amounts to be brought to the board at the next meeting.

Second: Shane Hale

Approved Yes No

2.A Draft Minutes

B. SWCCOG New Business

a. DoLA SCAN Grant Amendment (GM, Training, GIS)

Final amendment- moves \$50,000 from Construction to Administration (paying for Dr. Rick, and some necessary training for regional jurisdiction staff to operate the network.) Once we are approved by DoLA- jurisdictions will have to adjust individual budgets accordingly.

Susan- we will not need much to cover the GM, will need some support with training. The training is for staff in Cortez, Durango, La Plata County to look at how to address the switches. Need to train 9-12 regional people, can bring down the cost by bringing the trainer down here. Some will also go to GIS getting information into the layers.

Motion: Dick White: Approve budget amendment as presented

Second: Willy Tookey

Approved Yes No

3:10

5. SWCCOG Priority Project Reports

A. Telecommunications

- i. General Manager Services Report
- ii. Responsible Administrator Report
- iii. Telecommunications Committee Chair Report

B. SWCCOG Reports

- i. CARO

- ii. Training Opportunities –

- a. Regional Training for Planning Boards and Commissions.

A request was made to offer a regional training for member so Planning Boards and Commissions. A survey was done for times and dates, and the event will be held on April 30, 2013 from 5:00 – 7:30. Andy Hill from DoLA will present.

The draft agenda follows for discussion, comments or amendments

Healthy Community Solutions will present at the next SWCCOG Board Meeting.

- b. Other regional training opportunities.

- iii. Housing (under DoLA Report)
 - iv. Transit Council minutes & update
 - v. GIS - Intern
 - vi. Public Safety

Have met 3 times, most exciting things are to do video conferencing and arraignment. Working on that grant as part of public safety. Looking at buying CopLink through the SWCCOG so all entities can use it.

Will continue to look at priorities of the SWCCOG and taking on different entities to move toward the “final form” of the SWCCOG. Greg Dubitt to present at next meeting, would like to have some information from their Strategic planning to look into, hopes that Greg could address that when he comes to present.

Announcements- Next regular meeting will be May 3rd, 2013, 1:30–3:30 pm at the La Plata Courthouse.

3:30 pm

Adjourn

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Region 9 EDD	Presentation Time: 2 minutes	<input type="checkbox"/>
Subject: March 2013 Financials	Discussion Time: 5 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A		

Background:

In your packet are the March financial reports produced through Quick books for the SWCCOG. The first page is the Combined Balance Sheet by Class through March showing \$45,967.36 in total assets and net income of -9,544.42 across the funds.

The second sheet is the Profit/Loss by Class from January 1 through March 31st, followed by the Profit/Loss Budget vs. Actual. The final sheet is the SWCCOG bank statement for March, showing \$40,176.14 in the account as of March 31, 2013.

The Financials have been sent to the SWCCOG Treasurer for review. Cynthia will be at the meeting to answer any questions.

Other Financial updates:

We submitted a final amendment to the DoLA grant to reallocate \$50,000 from construction expense to administrative expense, as approved at the April 5, 2013 board meeting. The amendment is still in process.

The DoLA telecommunications grant has been invoiced for Q1 2013. Cynthia will be preparing the next draw for April 2013 in order to keep our cash flow sufficient for the upcoming builds and anticipated payables.

Community Project Budgets and Statements will be prepared and distributed as soon as construction funds are reallocated, allowing the administrative match for each entity to be correct.

The audit for the 2012 SWCCOG financials will be completed from April 29 – May 2, 2013 by Todd Beckstead of Beckstead & Co., LLC.

Cynthia Aspen will be working as the SWCCOG Bookkeeper until mid-June of 2013.

Fiscal Impact:

As presented

Recommended Action:

The recommended action is to approve the March 2013 Financial Statements.

Accompanying Documents:

Combined Balance Sheet by Class through March 2013

Combined Profit/Loss by Class through March 2013

Profit/Loss Budget vs Actual through March 2013

March 2013 bank statement

12:54 PM

04/19/13

Accrual Basis

Southwest Colorado Council of Governments
Combined Balance Sheet by Class
 March 2013

	100-General	200-All Hazards	830-Telecom	900-SCAN	TOTAL
ASSETS					
Current Assets					
Checking/Savings					
1001 · 1st Southwest Bank	7,124.07	0.00	0.00	0.00	7,124.07
Total Checking/Savings	7,124.07	0.00	0.00	0.00	7,124.07
Accounts Receivable					
1200 · Accounts Receivable	6,025.50	18.67	21,794.01	11,005.11	38,843.29
Total Accounts Receivable	6,025.50	18.67	21,794.01	11,005.11	38,843.29
Other Current Assets					
1090 · Due To/ Due From	40,787.81	-3,020.57	-40,877.41	3,110.17	0.00
1499 · Undeposited Funds	0.00	0.00	0.00	0.00	0.00
1550 · Prepaid expense	0.00	0.00	0.00	0.00	0.00
Total Other Current Assets	40,787.81	-3,020.57	-40,877.41	3,110.17	0.00
Total Current Assets	53,937.38	-3,001.90	-19,083.40	14,115.28	45,967.36
TOTAL ASSETS	53,937.38	-3,001.90	-19,083.40	14,115.28	45,967.36
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
20000 · Accounts Payable	0.00	0.00	0.00	0.00	0.00
Total Accounts Payable	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities					
2200 · Deferred Revenue	0.00	0.00	0.00	0.00	0.00
2210 · Deferred Member Contributions	0.00	0.00	0.00	0.00	0.00
Total Other Current Liabilities	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities	0.00	0.00	0.00	0.00	0.00
Total Liabilities	0.00	0.00	0.00	0.00	0.00
Equity					
32000 · Retained Earnings	29,401.71	-2,443.10	21,986.92	6,566.25	55,511.78
Net Income	24,535.67	-558.80	-41,070.32	7,549.03	-9,544.42
Total Equity	53,937.38	-3,001.90	-19,083.40	14,115.28	45,967.36
TOTAL LIABILITIES & EQUITY	53,937.38	-3,001.90	-19,083.40	14,115.28	45,967.36

1st SouthWest Bank

Alamosa • Center • Del Norte • Cortez
Durango • Saguache • Pagosa Springs

720 Main St., PO Box 1139 • Alamosa, Colorado 81101
719-587-4200 or 866-641-FSWB (3792)

071 00065 01

ACCOUNT:

XXXXXXX2610

DOCUMENTS:

9

PAGE: 1

03/29/2013

SW CO COUNCIL OF GOVERNMENTS

WILLIAM TOOKEY

LAURA LEWIS MARCHINO

295 A GIRARD ST

DURANGO CO 81303

30

3

6

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FSB Non-Profit Checking ACCOUNT XXXXXX2610

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AVG AVAILABLE BALANCE	51,899.83	LAST STATEMENT 02/28/13	79,690.72
AVERAGE BALANCE	51,899.83	3 CREDITS	24,202.49
		6 DEBITS	63,717.07
		THIS STATEMENT 03/29/13	40,176.14

- - - - - DEPOSITS - - - - -								
REF #	DATE	AMOUNT	REF #	DATE	AMOUNT	REF #	DATE	AMOUNT
	03/07	5,179.12		03/18	9,239.37		03/22	9,784.00

- - - - - CHECKS - - - - -								
CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT
1254*	03/26	700.00	1258	03/13	35,602.67	1261	03/04	109.40
1256*	03/08	5,405.00	1259*	03/26	700.00	1262	03/12	21,200.00

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

- - - ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES - - -

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*****
*                                     |          TOTAL FOR          |          TOTAL          *
*                                     |          THIS PERIOD         |          YEAR TO DATE   *
*-----|-----|-----|-----|-----|-----|-----|-----|-----|
* TOTAL OVERDRAFT FEES:              |          $ .00              |          $ .00          *
*-----|-----|-----|-----|-----|-----|-----|-----|
* TOTAL RETURNED ITEM FEES:          |          $ .00              |          $ .00          *
*****

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- - - - - DAILY BALANCE - - - - -					
DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
03/04	79,581.32	03/12	58,155.44	03/22	41,576.14
03/07	84,760.44	03/13	22,552.77	03/26	40,176.14
03/08	79,355.44	03/18	31,792.14		

- END OF STATEMENT -

DATE	DESCRIPTION	AMOUNT	BALANCE
3/16/2013	DEPOSIT	5,179.12	
	TOTAL CASH	5,179.12	

DEPOSIT TICKET
 SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS
 2584 GRAND STREET
 DURANGO, CO 81303

DATE: 3/16/2013
 AMOUNT: \$ 5,179.12

MEMO: INV# 1302-0020

SW CO COUNCIL OF GOVERNMENTS 1259
 2/28/2013

PAY TO THE ORDER OF: Mid-State Consultants \$ 700.00

Seven Hundred and 00/100

Mid-State Consultants
 1476 North 200 West
 PO Box 311
 Nephi, UT 84648

MEMO: Inv# 1302-0020

\$5,179.12 03/07/2013

1259 \$700.00 03/26/2013

DATE	DESCRIPTION	AMOUNT	BALANCE
3-18-2013	DEPOSIT	9,239.37	
	TOTAL CASH	9,239.37	

DEPOSIT TICKET
 SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS
 2584 GRAND STREET
 DURANGO, CO 81303

DATE: 3-18-2013
 AMOUNT: \$ 9,239.37

MEMO: INV# 1302-0020

SW CO COUNCIL OF GOVERNMENTS 1261
 2/28/2013

PAY TO THE ORDER OF: Susan Hakanson \$ 109.40

One Hundred Nine and 40/100

Susan Hakanson

MEMO: INV# 1302-0020

\$9,239.37 03/18/2013

1261 \$109.40 03/04/2013

DATE	DESCRIPTION	AMOUNT	BALANCE
3/21/2013	DEPOSIT	9,784.00	
	TOTAL CASH	9,784.00	

DEPOSIT TICKET
 SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS
 2584 GRAND STREET
 DURANGO, CO 81303

DATE: 3/21/2013
 AMOUNT: \$ 9,784.00

MEMO: INV# 1302-0020

SW CO COUNCIL OF GOVERNMENTS 1262
 2/28/2013

PAY TO THE ORDER OF: High County Fire Equipment \$ 21,200.00

Twenty-One Thousand Two Hundred and 00/100

High County Fire Equipment
 26 North Shynia Court
 Pagosa Springs, CO 81447-9228

MEMO: Sales Inv #13023

\$9,784.00 03/22/2013

1262 \$21,200.00 03/12/2013

SW CO COUNCIL OF GOVERNMENTS 1254
 2/15/2013

PAY TO THE ORDER OF: Mid-State Consultants \$ 700.00

Seven Hundred and 00/100

Mid-State Consultants
 1476 North 200 West
 PO Box 311
 Nephi, UT 84648

MEMO: Inv# 1301-0181

1254 \$700.00 03/26/2013

SW CO COUNCIL OF GOVERNMENTS 1256
 2/28/2013

PAY TO THE ORDER OF: Avona Enterprises, LLC \$ 5,405.00

Five Thousand Four Hundred Five and 00/100

Avona Enterprises
 1097 N Cedar Drive
 Bayfield, CO 81122

MEMO: Inv# 00131

1256 \$5,405.00 03/08/2013

SW CO COUNCIL OF GOVERNMENTS 1258
 2/28/2013

PAY TO THE ORDER OF: MES \$ 35,602.67

Thirty-Five Thousand Six Hundred Two and 67/100

MES-Rocky Mountains
 700 W. Mississippi Ave.
 Soly E, Unit 8
 Denver, CO 80223

MEMO: INV# 1258

1258 \$35,602.67 03/13/2013

Southwest Colorado Council of Governments

Profit & Loss by Class

March 2013

	<u>100-General</u>	<u>830-Telecom</u>	<u>900-SCAN</u>	<u>TOTAL</u>
Income				
4005 · E-tics	0.00	0.00	8,400.00	8,400.00
4952 · Region 9-Matching Funds	0.00	758.97	0.00	758.97
Total Income	<u>0.00</u>	<u>758.97</u>	<u>8,400.00</u>	<u>9,158.97</u>
Gross Profit	0.00	758.97	8,400.00	9,158.97
Expense				
5401 · Software Maintenance (E-Tic)	0.00	0.00	700.00	700.00
5510 · Travel & Ent	521.33	0.00	0.00	521.33
5637 · SCAN GM	0.00	0.00	472.22	472.22
5638 · Region 9 EDD	0.00	1,517.94	0.00	1,517.94
5641 · Regional Project Mgmt	0.00	14,377.22	0.00	14,377.22
5642 · Project Engineering & Mgmt	0.00	-9,849.44	0.00	-9,849.44
Total Expense	<u>521.33</u>	<u>6,045.72</u>	<u>1,172.22</u>	<u>7,739.27</u>
Net Income	<u><u>-521.33</u></u>	<u><u>-5,286.75</u></u>	<u><u>7,227.78</u></u>	<u><u>1,419.70</u></u>

Southwest Colorado Council of Governments

04/22/13

P&L Budget vs. Actual 2013

Accrual Basis

January through December 2013

	100-General			
	Jan - Dec 13	Budget	\$ Over Budget	% of Budget
Income				
4000 · Sales	0.00			
4001 · Fiber Access (ramp) fee	0.00			
4002 · Internet Usage	0.00			
4003 · Internet Admin Fee	0.00			
4005 · E-tics	0.00			
4010 · Grant-DOLA Admin	0.00	25,000.00	-25,000.00	0.0%
4020 · Grant DOLA-Construction	0.00			
4040 · Grant-Transit	0.00	20,000.00	-20,000.00	0.0%
4041 · All Hazards Grant	0.00			
4950 · Match-GOV Admin	28,000.00	28,000.00	0.00	100.0%
4951 · Match-GOV Construction	0.00			
4952 · Region 9-Matching Funds	0.00			
4955 · In Kind Project Match	0.00			
4956 · Matching Funds-Other	38,000.00			
Total Income	66,000.00	73,000.00	-7,000.00	90.4%
Cost of Goods Sold				
5000 · Cost of Goods Sold	0.00			
Total COGS	0.00			
Gross Profit	66,000.00	73,000.00	-7,000.00	90.4%
Expense				
5009 · Bookkeeper	0.00	15,000.00	-15,000.00	0.0%
5200 · All Hazard Project	0.00			
5401 · Software Maintenance (E-Tic)	0.00			
5402 · Hardware Maint. (smart net)	0.00			
5410 · Rent	0.00	300.00	-300.00	0.0%
5510 · Travel & Ent	521.33	2,000.00	-1,478.67	26.1%
5512 · Meeting Exp	0.00	2,000.00	-2,000.00	0.0%
5514 · Professional Fees.	0.00			
5515 · Legal Fees	0.00	3,000.00	-3,000.00	0.0%
5520 · Advertising	0.00	300.00	-300.00	0.0%
5521 · Website	0.00	120.00	-120.00	0.0%
5525 · Audit	0.00	8,000.00	-8,000.00	0.0%
5526 · Internet Connectivity (100 Mb)	0.00			
5527 · Internet & software	0.00			
5528 · Fiber Locates	0.00			
5529 · Inter-Reg. Fiber Routes- leases	0.00			
5532 · Postage	0.00	128.00	-128.00	0.0%
5535 · Printing/Reproduction	0.00	400.00	-400.00	0.0%
5540 · Membership/Sub	250.00	250.00	0.00	100.0%
5550 · Supplies	0.00	300.00	-300.00	0.0%
5555 · Liability Insurance	2,693.00	2,693.00	0.00	100.0%
5637 · SCAN GM	0.00			
5638 · Region 9 EDD	0.00			
5639 · Infor Services-Project Mgmt	0.00			
5640 · Consulting	0.00	15,000.00	-15,000.00	0.0%
5641 · Regional Project Mgmt	0.00			
5642 · Project Engineering & Mgmt	0.00			
5643 · Transit	0.00	20,000.00	-20,000.00	0.0%
5644 · AmeriCorp Member	0.00	1,500.00	-1,500.00	0.0%
5645 · Project Construction	0.00			
5650 · training/conf	0.00			
5955 · In Kind Project expense	0.00			
Total Expense	3,464.33	70,991.00	-67,526.67	4.9%
Net Income	62,535.67	2,009.00	60,526.67	3,112.8%

Southwest Colorado Council of Governments
P&L Budget vs. Actual 2013
 January through December 2013

	200-All Hazards			
	Jan - Dec 13	Budget	\$ Over Budget	% of Budget
Income				
4000 · Sales	0.00			
4001 · Fiber Access (ramp) fee	0.00			
4002 · Internet Usage	0.00			
4003 · Internet Admin Fee	0.00			
4005 · E-tics	0.00			
4010 · Grant-DOLA Admin	0.00			
4020 · Grant DOLA-Construction	0.00			
4040 · Grant-Transit	0.00			
4041 · All Hazards Grant	56,802.67	237,376.00	-180,573.33	23.9%
4950 · Match-GOV Admin	0.00			
4951 · Match-GOV Construction	0.00			
4952 · Region 9-Matching Funds	0.00			
4955 · In Kind Project Match	0.00			
4956 · Matching Funds-Other	0.00			
Total Income	56,802.67	237,376.00	-180,573.33	23.9%
Cost of Goods Sold				
5000 · Cost of Goods Sold	0.00			
Total COGS	0.00			
Gross Profit	56,802.67	237,376.00	-180,573.33	23.9%
Expense				
5009 · Bookkeeper	0.00	5,000.00	-5,000.00	0.0%
5200 · All Hazard Project	56,802.67	191,282.00	-134,479.33	29.7%
5401 · Software Maintenance (E-Tic)	0.00			
5402 · Hardware Maint. (smart net)	0.00			
5410 · Rent	0.00			
5510 · Travel & Ent	0.00	1,000.00	-1,000.00	0.0%
5512 · Meeting Exp	0.00			
5514 · Professional Fees.	0.00	8,500.00	-8,500.00	0.0%
5515 · Legal Fees	0.00			
5520 · Advertising	558.80	1,000.00	-441.20	55.9%
5521 · Website	0.00			
5525 · Audit	0.00	2,388.00	-2,388.00	0.0%
5526 · Internet Connectivity (100 Mb)	0.00			
5527 · Internet & software	0.00			
5528 · Fiber Locates	0.00			
5529 · Inter-Reg. Fiber Routes- leases	0.00			
5532 · Postage	0.00	100.00	-100.00	0.0%
5535 · Printing/Reproduction	0.00	100.00	-100.00	0.0%
5540 · Membership/Sub	0.00			
5550 · Supplies	0.00			
5555 · Liability Insurance	0.00			
5637 · SCAN GM	0.00			
5638 · Region 9 EDD	0.00			
5639 · Infor Services-Project Mgmt	0.00			
5640 · Consulting	0.00	27,435.00	-27,435.00	0.0%
5641 · Regional Project Mgmt	0.00			
5642 · Project Engineering & Mgmt	0.00			
5643 · Transit	0.00			
5644 · AmeriCorp Member	0.00			
5645 · Project Construction	0.00			
5650 · training/conf	0.00	571.00	-571.00	0.0%
5955 · In Kind Project expense	0.00			
Total Expense	57,361.47	237,376.00	-180,014.53	24.2%
Net Income	-558.80	0.00	-558.80	100.0%

Southwest Colorado Council of Governments

04/22/13

P&L Budget vs. Actual 2013

Accrual Basis

January through December 2013

	830-Telecom			
	Jan - Dec 13	Budget	\$ Over Budget	% of Budget
Income				
4000 · Sales	0.00			
4001 · Fiber Access (ramp) fee	0.00			
4002 · Internet Usage	0.00			
4003 · Internet Admin Fee	0.00			
4005 · E-tics	0.00			
4010 · Grant-DOLA Admin	19,935.55	29,314.00	-9,378.45	68.0%
4020 · Grant DOLA-Construction	10,022.62	1,260,840.00	-1,250,817.38	0.8%
4040 · Grant-Transit	0.00			
4041 · All Hazards Grant	0.00			
4950 · Match-GOV Admin	0.00	57,579.00	-57,579.00	0.0%
4951 · Match-GOV Construction	0.00	30,000.00	-30,000.00	0.0%
4952 · Region 9-Matching Funds	2,353.34	21,465.00	-19,111.66	11.0%
4955 · In Kind Project Match	7,891.60	374,203.00	-366,311.40	2.1%
4956 · Matching Funds-Other	0.00	20,000.00	-20,000.00	0.0%
Total Income	40,203.11	1,793,401.00	-1,753,197.89	2.2%
Cost of Goods Sold				
5000 · Cost of Goods Sold	0.00			
Total COGS	0.00			
Gross Profit	40,203.11	1,793,401.00	-1,753,197.89	2.2%
Expense				
5009 · Bookkeeper	0.00			
5200 · All Hazard Project	0.00			
5401 · Software Maintenance (E-Tic)	0.00			
5402 · Hardware Maint. (smart net)	0.00			
5410 · Rent	0.00			
5510 · Travel & Ent	109.40	2,005.00	-1,895.60	5.5%
5512 · Meeting Exp	0.00	548.00	-548.00	0.0%
5514 · Professional Fees.	0.00			
5515 · Legal Fees	0.00	4,196.00	-4,196.00	0.0%
5520 · Advertising	0.00	216.00	-216.00	0.0%
5521 · Website	0.00	810.00	-810.00	0.0%
5525 · Audit	0.00			
5526 · Internet Connectivity (100 Mb)	0.00			
5527 · Internet & software	0.00	1,026.00	-1,026.00	0.0%
5528 · Fiber Locates	0.00			
5529 · Inter-Reg. Fiber Routes- leases	0.00			
5532 · Postage	0.00	35.00	-35.00	0.0%
5535 · Printing/Reproduction	0.00	107.00	-107.00	0.0%
5540 · Membership/Sub	0.00			
5550 · Supplies	0.00			
5555 · Liability Insurance	0.00			
5637 · SCAN GM	0.00			
5638 · Region 9 EDD	4,706.66	30,861.00	-26,154.34	15.3%
5639 · Infor Services-Project Mgmt	0.00	1,280.00	-1,280.00	0.0%
5640 · Consulting	0.00	175.00	-175.00	0.0%
5641 · Regional Project Mgmt	14,377.22	22,233.00	-7,855.78	64.7%
5642 · Project Engineering & Mgmt	555.56	85,039.00	-84,483.44	0.7%
5643 · Transit	0.00			
5644 · AmeriCorp Member	0.00			
5645 · Project Construction	23,674.82	1,260,840.00	-1,237,165.18	1.9%
5650 · training/conf	0.00			
5955 · In Kind Project expense	7,891.60	374,203.00	-366,311.40	2.1%
Total Expense	51,315.26	1,783,574.00	-1,732,258.74	2.9%
Net Income	-11,112.15	9,827.00	-20,939.15	-113.1%

Southwest Colorado Council of Governments
P&L Budget vs. Actual 2013
 January through December 2013

	900-SCAN			
	Jan - Dec 13	Budget	\$ Over Budget	% of Budget
Income				
4000 · Sales	2,055.00	8,055.00	-6,000.00	25.5%
4001 · Fiber Access (ramp) fee	0.00	23,200.00	-23,200.00	0.0%
4002 · Internet Usage	0.00	66,608.00	-66,608.00	0.0%
4003 · Internet Admin Fee	0.00	5,293.00	-5,293.00	0.0%
4005 · E-tics	8,400.00	8,400.00	0.00	100.0%
4010 · Grant-DOLA Admin	0.00	25,000.00	-25,000.00	0.0%
4020 · Grant DOLA-Construction	0.00			
4040 · Grant-Transit	0.00			
4041 · All Hazards Grant	0.00			
4950 · Match-GOV Admin	0.00			
4951 · Match-GOV Construction	0.00			
4952 · Region 9-Matching Funds	0.00			
4955 · In Kind Project Match	0.00			
4956 · Matching Funds-Other	0.00			
Total Income	10,455.00	136,556.00	-126,101.00	7.7%
Cost of Goods Sold				
5000 · Cost of Goods Sold	333.75	2,014.00	-1,680.25	16.6%
Total COGS	333.75	2,014.00	-1,680.25	16.6%
Gross Profit	10,121.25	134,542.00	-124,420.75	7.5%
Expense				
5009 · Bookkeeper	0.00			
5200 · All Hazard Project	0.00			
5401 · Software Maintenance (E-Tic)	2,100.00	8,400.00	-6,300.00	25.0%
5402 · Hardware Maint. (smart net)	0.00	36,200.00	-36,200.00	0.0%
5410 · Rent	0.00			
5510 · Travel & Ent	0.00			
5512 · Meeting Exp	0.00			
5514 · Professional Fees.	0.00			
5515 · Legal Fees	0.00			
5520 · Advertising	0.00			
5521 · Website	0.00			
5525 · Audit	0.00			
5526 · Internet Connectivity (100 Mb)	0.00	15,000.00	-15,000.00	0.0%
5527 · Internet & software	0.00			
5528 · Fiber Locates	0.00	15,000.00	-15,000.00	0.0%
5529 · Inter-Reg. Fiber Routes- leases	0.00	23,250.00	-23,250.00	0.0%
5532 · Postage	0.00			
5535 · Printing/Reproduction	0.00			
5540 · Membership/Sub	0.00			
5550 · Supplies	0.00			
5555 · Liability Insurance	0.00			
5637 · SCAN GM	472.22	25,000.00	-24,527.78	1.9%
5638 · Region 9 EDD	0.00			
5639 · Infor Services-Project Mgmt	0.00			
5640 · Consulting	0.00			
5641 · Regional Project Mgmt	0.00			
5642 · Project Engineering & Mgmt	0.00			
5643 · Transit	0.00			
5644 · AmeriCorp Member	0.00			
5645 · Project Construction	0.00			
5650 · training/conf	0.00			
5955 · In Kind Project expense	0.00			
Total Expense	2,572.22	122,850.00	-120,277.78	2.1%
Net Income	7,549.03	11,692.00	-4,142.97	64.6%

Southwest Colorado Council of Governments

P&L Budget vs. Actual 2013

January through December 2013

04/22/13

Accrual Basis

	TOTAL			
	Jan - Dec 13	Budget	\$ Over Budget	% of Budget
Income				
4000 · Sales	2,055.00	8,055.00	-6,000.00	25.5%
4001 · Fiber Access (ramp) fee	0.00	23,200.00	-23,200.00	0.0%
4002 · Internet Usage	0.00	66,608.00	-66,608.00	0.0%
4003 · Internet Admin Fee	0.00	5,293.00	-5,293.00	0.0%
4005 · E-tics	8,400.00	8,400.00	0.00	100.0%
4010 · Grant-DOLA Admin	19,935.55	79,314.00	-59,378.45	25.1%
4020 · Grant DOLA-Construction	10,022.62	1,260,840.00	-1,250,817.38	0.8%
4040 · Grant-Transit	0.00	20,000.00	-20,000.00	0.0%
4041 · All Hazards Grant	56,802.67	237,376.00	-180,573.33	23.9%
4950 · Match-GOV Admin	28,000.00	85,579.00	-57,579.00	32.7%
4951 · Match-GOV Construction	0.00	30,000.00	-30,000.00	0.0%
4952 · Region 9-Matching Funds	2,353.34	21,465.00	-19,111.66	11.0%
4955 · In Kind Project Match	7,891.60	374,203.00	-366,311.40	2.1%
4956 · Matching Funds-Other	38,000.00	20,000.00	18,000.00	190.0%
Total Income	173,460.78	2,240,333.00	-2,066,872.22	7.7%
Cost of Goods Sold				
5000 · Cost of Goods Sold	333.75	2,014.00	-1,680.25	16.6%
Total COGS	333.75	2,014.00	-1,680.25	16.6%
Gross Profit	173,127.03	2,238,319.00	-2,065,191.97	7.7%
Expense				
5009 · Bookkeeper	0.00	20,000.00	-20,000.00	0.0%
5200 · All Hazard Project	56,802.67	191,282.00	-134,479.33	29.7%
5401 · Software Maintenance (E-Tic)	2,100.00	8,400.00	-6,300.00	25.0%
5402 · Hardware Maint. (smart net)	0.00	36,200.00	-36,200.00	0.0%
5410 · Rent	0.00	300.00	-300.00	0.0%
5510 · Travel & Ent	630.73	5,005.00	-4,374.27	12.6%
5512 · Meeting Exp	0.00	2,548.00	-2,548.00	0.0%
5514 · Professional Fees.	0.00	8,500.00	-8,500.00	0.0%
5515 · Legal Fees	0.00	7,196.00	-7,196.00	0.0%
5520 · Advertising	558.80	1,516.00	-957.20	36.9%
5521 · Website	0.00	930.00	-930.00	0.0%
5525 · Audit	0.00	10,388.00	-10,388.00	0.0%
5526 · Internet Connectivity (100 Mb)	0.00	15,000.00	-15,000.00	0.0%
5527 · Internet & software	0.00	1,026.00	-1,026.00	0.0%
5528 · Fiber Locates	0.00	15,000.00	-15,000.00	0.0%
5529 · Inter-Reg. Fiber Routes- leases	0.00	23,250.00	-23,250.00	0.0%
5532 · Postage	0.00	263.00	-263.00	0.0%
5535 · Printing/Reproduction	0.00	607.00	-607.00	0.0%
5540 · Membership/Sub	250.00	250.00	0.00	100.0%
5550 · Supplies	0.00	300.00	-300.00	0.0%
5555 · Liability Insurance	2,693.00	2,693.00	0.00	100.0%
5637 · SCAN GM	472.22	25,000.00	-24,527.78	1.9%
5638 · Region 9 EDD	4,706.66	30,861.00	-26,154.34	15.3%
5639 · Infor Services-Project Mgmt	0.00	1,280.00	-1,280.00	0.0%
5640 · Consulting	0.00	42,610.00	-42,610.00	0.0%
5641 · Regional Project Mgmt	14,377.22	22,233.00	-7,855.78	64.7%
5642 · Project Engineering & Mgmt	555.56	85,039.00	-84,483.44	0.7%
5643 · Transit	0.00	20,000.00	-20,000.00	0.0%
5644 · AmeriCorp Member	0.00	1,500.00	-1,500.00	0.0%
5645 · Project Construction	23,674.82	1,260,840.00	-1,237,165.18	1.9%
5650 · training/conf	0.00	571.00	-571.00	0.0%
5955 · In Kind Project expense	7,891.60	374,203.00	-366,311.40	2.1%
Total Expense	114,713.28	2,214,791.00	-2,100,077.72	5.2%
Net Income	58,413.75	23,528.00	34,885.75	248.3%

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff:	Presentation Time: 20 minutes	<input type="checkbox"/>
Subject: Eagle Net	Discussion Time: 10 minutes	
<p>Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact</p> <p>Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A</p>		

Background: Eagle Net CEO Mike Ryan has requested 20 minutes of time on the Boards agenda.

Fiscal Impact:

Recommended Action:

Accompanying Documents:

ADDITIONAL INSTRUCTIONS

None



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
ACQUISITION AND GRANTS OFFICE

April 29, 2013

Michael Ryan
President
Eagle-NET Alliance
11800 Ridge Parkway, Suite 450
Broomfield, CO 80021

Re: Broadband Technology Opportunities Program (BTOP)
EAGLE-Net Alliance (ENA), Colorado Community Anchors Broadband Consortium—
Connecting Colorado's Middle Mile (Grant Award # NT11BIX5570001)
Notice of the Lifting of the Award Suspension

Dear Mr. Ryan:

Thank you for the documentation submitted in response to the December 6, 2012, corrective action plan (CAP) and suspension letter. Based on a review of this documentation and the recently completed Supplemental Environmental Assessment, the National Telecommunications and Information Administration (NTIA) has recommended that the National Oceanic and Atmospheric Administration (NOAA) Grants Office lift the suspension of ENA's award.

In addition, although ENA has provided documentation to substantiate considerable progress in addressing all of the issues detailed in its August 9, 2012 CAP, NTIA and NOAA continue to review project costs to ensure they are reasonable and allowable. NTIA and NOAA may request additional documentation or other information to clarify any questions regarding the CAP response. ENA's Automated Standard Application for Payment (ASAP) account will remain on agency review status to allow NTIA and the NOAA Grants Office to review requests for payment under the award to ensure ENA draws down funds only for approved and budgeted project activities. NOAA and NTIA expect that the ENA award will remain on agency review status until the end of the closeout period, and we will continue to provide diligent oversight over the award.

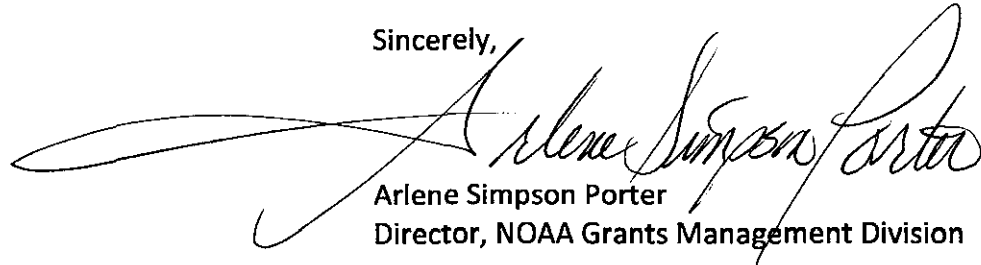
ENA has developed a plan for use of the remaining grant funds that focuses on western Colorado. The plan also maximizes the number of school districts connected to the network directly or through partnership with providers. It is our understanding that ENA will release a solicitation soon seeking a network operator partner who would make a capital investment to deliver additional benefits—connecting more school districts to the network—and to assist ENA

in achieving long-term sustainability. NTIA and NOAA will remain closely involved in the prioritization of project implementation activities and associated grant-eligible expenditures through the entirety of the period of performance.

NTIA and NOAA would also like to underscore ENA's ongoing obligation to comply with the terms and conditions of its Environmental Assessment Special Award Condition including compliance with all federal, state, and local environmental and cultural resource laws and regulations. Please note that the project is not authorized to begin implementation activities on property owned or administered by any Federal land management agency – including those administered by the Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, and USDA- Forest Service – until the respective agency has issued a current and valid permit and completed any further decisional documentation associated with the recently completed Supplemental Environmental Assessment and NTIA's revised Finding of No Significant Impact (FONSI), in accordance with each agency's procedures. In addition, any other project modifications must be submitted to NTIA and NOAA for appropriate review and approval prior to ENA beginning any project implementation activities.

If you have any questions, please contact your Federal Program Officer, Elaine Sloan, at 202.482.8231 or esloan@ntia.doc.gov. Thank you for your cooperation and assistance.

Sincerely,

A handwritten signature in black ink, reading "Arlene Simpson Porter". The signature is fluid and cursive, with a large initial "A" and a long, sweeping underline.

Arlene Simpson Porter
Director, NOAA Grants Management Division

cc: Larry Jenkins, NOAA
Alan Conway, NOAA
Andrea Mack, NOAA
Anthony Wilhelm, Ph.D., NTIA
Laura Dodson, NTIA
Elaine Sloan, NTIA
Andy Spurgeon, NTIA

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Gregg Dubit	Presentation Time: 30 minutes	<input type="checkbox"/>
Subject:	Discussion Time: 10 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A		

Background:
 Gregg Dubit, Executive Director of 4CORE will give a presentation regarding 4CORE and the Regional Solar Initiative.

Fiscal Impact:

Recommended Action:

Accompanying Documents:

ADDITIONAL INSTRUCTIONS

None

3.B 4CORE - A



Four Corners Office for Resource Efficiency



Gregg Dubit, Executive Director
Cori Andreatta, Training Coordinator
970.259.1916
info@fourcore.org
www.fourcore.org

Who & What is 4CORE?



Mission: 4CORE serves Southwest Colorado as the leading resource for the effective and efficient use of energy to promote and sustain our vibrant local communities.

Sustainable Building Education Program
Resource Smart Business Program
Low-income Weatherization
Home Spotlight & Energy Tours
Facilitation of multiple community initiatives

Why is 4CORE interested?

Resiliency

- ✓ How many dollars are leaving our community to service the energy burden: Fuel, Electricity, Gas?
- ✓ What if we could save 10%, or 20% or even 30% of those dollars, and re-circulate the savings in our communities?
- ✓ Increase jobs for local contractors
- ✓ Decrease economic leakage
- ✓ Our region as a leader in energy efficiency & renewable energy

Southwest Solar Transformation Initiative



- Focus Areas:**
- Local Permitting Process
 - Planning & Zoning Regulations
 - Utility Interconnection
 - Education and Outreach
 - Innovative Deployment Programs

(4) States, (40) Municipalities, (15) Utilities, (15) Partners

5

SSTI – Solar Road Map Platform



Access roadmaps online at <http://www.solarroadmap.com/national/colorado/> (may require password)

6

Regional Rooftop Market Potential - SSTI

	Solar Viable Residences	Size Potential (MW)
La Plata County	8,365	42.7
Durango	2,088	10.6
Cortez	1,216	6.2
Pagosa Springs	740	3.8
TOTAL	12,415	63.3

**Regional Economic Impact: \$343M
1,779 job-years**

Additional opportunities exist in the commercial, government, and utility sectors

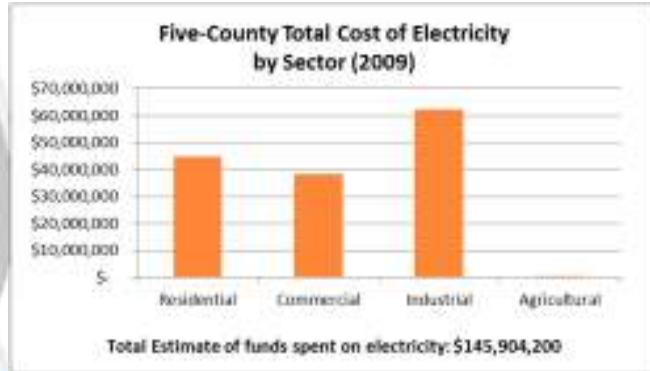
7

In 2009 our region spent
\$181,000,000 on energy *
 (not including transportation fuels)

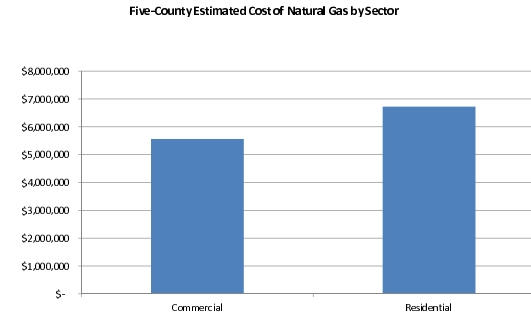
HOW DID WE USE THAT ENERGY?

* Based on a 2010 energy assessment by 4CORE. The entire study can be found at: http://www.fourcore.org/Portals/0/Documents/REAP/Products/EnergyAssessment_SWColorado.pdf

HOW IS OUR REGION USING ELECTRICITY?



HOW IS OUR REGION USING NATURAL GAS?



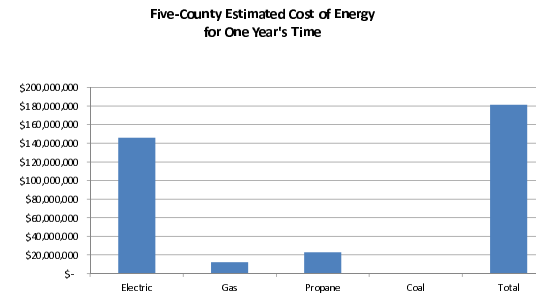
Total Estimate Annual Cost for Natural Gas: \$12,284,116

HOW IS OUR REGION USING PROPANE?

Propane Company	# Gallons sold per year	# BBTU	Cost	County	Location
AAA Propane, Inc	940,000	86,148,744	\$ 1,692,000	Archoleta	Pagosa Springs
Amerigas	6,000,000	549,885,600	\$ 10,800,000	La Plata	Bayfield
Basin Co-op, Inc	2,300,000	210,789,480	\$ 4,140,000	La Plata	Durango
Bob's LP Gas	Not available	Not available		Archoleta	Pagosa Springs
Country Gas	Not available	Not available		Montezuma	Cortez
Foley & Co, Inc	350,000	32,076,660	\$ 630,000	Montezuma	Cortez
High Country Fuel	100,000	9,164,760	\$ 180,000	Dolores	Dove Creek
Mesa Propane, Inc	1,700,000	155,800,920	\$ 3,060,000	La Plata	Durango
Navajo Butane Co	1,050,000	96,229,980	\$ 1,890,000	Montezuma	Cortez
Selph Propane, Inc	Not available	Not available		Archoleta	Pagosa Springs
USA Propane	1,900,000	173,035,052	\$ 3,612,000	San Juan	Silterton
Total	12,289,546	1,172,131,196	\$ 23,021,183		

Note: Costs were estimated based on a December 2010 rate of \$1.80/gallon

ESTIMATED ANNUAL ENERGY COST



Estimated Total Cost of Energy: \$181M

WHAT COULD WE DO WITH *10% ENERGY SAVINGS* IN OUR REGION?

\$18,100,000 PER YEAR

Common Market Barriers to Energy Efficiency and Renewable Energy

Customer Inertia
High Upfront Cost
Complexity
Financing
Leadership

Questions?

970.259.1916
info@fourcore.org
www.fourcore.org

Friend us on Facebook: [facebook.com/Fourcore.org](https://www.facebook.com/Fourcore.org)

Follow us on Twitter: [@4CORE](https://twitter.com/@4CORE)

Sign up to receive our e-newsletter: www.fourcore.org

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Susan Hakanson	Presentation Time: 15 minutes	<input type="checkbox"/>
Subject: Healthy Community Solutions Presentation	Discussion Time: 5 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A		

Background: Jenny Wrenn from Healthy Community Solutions will give a brief presentation on Health Impact Assessment.

Fiscal Impact:

Recommended Action:

Accompanying Documents:

ADDITIONAL INSTRUCTIONS

None



USING

SET FIRE TO YOUR SILO!!! HEALTH IMPACT ASSESSMENT AS A TOOL TO CONSIDER HEALTH IN ALL POLICIES

What is Health Impact Assessment (HIA) and why is it important for Public Health?

- ✓ It is now widely recognized that the health of an individual or community is influenced by much more than access to health care: social, environmental and economic factors all play a role.
- ✓ HIA is a tool to objectively evaluate any type of project or proposal through *the lens of health*.
- ✓ Rather than endorsing or rejecting a given proposal, HIA recommendations prioritize impacts of the plan and offer specific, realistic options for maximizing the positive, minimizing the negative, and allocating resources in the most efficient manner to achieve optimal results.

Training Description:

This interactive half day training will introduce participants to the tool of Health Impact Assessment and illustrate how HIA can be used to incorporate health concepts and concerns into decision-making at all levels.

Learning Objectives:

- Understand the main steps of conducting an HIA.
- Be aware of the potential health impacts of any policy, project or program.
- Recognize the possible applications of HIA in your current work.



Intended Audience:

Decisions made in “non-health” sectors, such as local government, often have profound impact on the determinants of public health. Therefore, this training is appropriate for government and private sector planners, elected officials, public health professionals and local non-profit and health leaders.

What is Healthy Community Solutions?

Healthy Community Solutions is small women-owned consultancy, which seeks to help build livable, sustainable, and thriving communities in which all decision-making is examined through the lens of health. **Jenny Wrenn** has worked for many years as a consultant offering healthy community strategic planning services. **Karen Forest** is a public health nurse with a focus on health disparities and chronic disease prevention. Both Jenny and Karen have attended the San Francisco Department of Public Health national HIA Practitioners Training Course, are members of the Society of Practitioners of Health Impact Assessment.

If you are interested in bringing the Set Fire to Your Silo training to your community, or would like to receive more information about this or other trainings offered by Healthy Community solutions, please contact us at: jwrenn.hcs@gmail.com, 970-459-4305 or kforest.hcs@gmail.com, 970-375-1998. Also, visit our website at www.healthycommunitysolutions.com.

“Thank you for taking a conceptual, important topic we all need to learn how to frame better within our professional practice. You have successfully conveyed “health” in its broadest AND most applicable sense through your program; which is rather like trying to successfully nail Jell-O to a tree! Great job! I look forward to participating in your program again in the near future with my team and colleagues.” —Damian Peduto, Director of Planning, La Plata County, Colorado

"I attended a seminar on Health Impact Assessments recently hosted by Healthy Community Solutions. Even though I am a planner with a background in environmental and sustainability planning, I do not have much of a background in Health Impact Assessments. For me, this seminar was very enlightening and informative. When we participated in an interactive

3.C b

case study it was the first time I have had to think through the health-related impacts of planning. I would highly recommend the seminar to planners and civil engineers." – Mark Williams, Planner, City of Durango, Colorado

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Dr. Rick Smith	Presentation Time: 10 minutes	<input type="checkbox"/>
Subject: Telecom Committee report on reallocation	Discussion Time: 15 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A		

Background:

Funds from the DoLA Telecommunications Grant that had been allocated to specific community project that would not be needed would be available for reallocation. Per the SWCCOG Reallocation Policy, any member jurisdictions submitted proposals for consideration by the Telecom Committee.

Dr. Rick Smith explained that the purpose of this meeting was to come up with a recommendation for re-allocation of DoLA funds. The re-allocation policy is as follows:

Requirements:

- Must be able to provide the necessary match
- Must complete the project by December 31, 2013
- Must be a fiber network project
- Must have a clean set of billing with the fiscal agent (Region 9 EDD)

Order of Preference:

- Communities needing funds to complete original build
- Communities desiring to accelerate their original fiber build
- Communities desiring to add an alternative fiber build that is related to their original build

At the SWCCOG Board Meeting in April, the board voted to fund the Mancos, Baysfield and Silverton Projects as presented, and asked for an update on amount for reallocation at the May meeting.

The committee agreed to the following prioritization for the 5 entities that have requested funds and have met the above requirements:

- Mancos (\$16,781), Bayfield (\$172,941) and Silverton/San Juan County (\$47,626) will be fully funded first.

4.A Reallocation - A

Due to the nature of a complex construction project, change orders are taking place on all builds, and the actual dollar amounts being returned or used in contingency is still in flux. The staff would like to discuss the formula based solution.

- Durango/La Plata County and Cortez will be funded with whatever is left (56% to Durango and 44% to Cortez) which reflects the ratio of the costs compared to what's available.

Fiscal Impact: this proposal allows the member jurisdictions to complete projects in the original proposals, and allows the SWCCOG to fully utilize the DoLA Grant dollars.

Recommended Action: Approve the recommendation of the Telecom Committee for reallocation of funds to reflect that the requests from Mancos, Bayfield and Silverton/San Juan County will be fully funded, and that the remainder would be split between the Durango/ La Plata County and Cortez proposals, with 56% to Durango/La Plata County and 44% to Cortez.

Accompanying Documents:

None

ADDITIONAL INSTRUCTIONS

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Susan Hakanson	Presentation Time: 5 minutes	<input type="checkbox"/>
Subject: CORA Policy	Discussion Time: 5 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A		

Background:

In April of 2013, SWCCOG staff received CORA requests for communications. In these instances the request asked specifically for La Plata County or Bayfield policy and communication. It came to light that the SWCCOG did not have an approved CORA policy. Staff would ask for approval to move forward with the creation of CORA policy – and on approval on first reading, will consult with the SWCCOG attorney and other COGs in the state.

Fiscal Impact:

Recommended Action:

Accompanying Documents:

ADDITIONAL INSTRUCTIONS

None

4.B 1 CORA Policy on First Reading - A



Public Records Policy – Draft on First Reading

II Purpose: To establish a protocol under which public documents will be made available upon request.

II Policy Statement

In accordance with our statutory responsibility, the Southwest Colorado Council of Governments (SWCCOG) is committed to ensuring public access to SWCCOG's public records within a reasonable time and at a reasonable cost.

III Definitions

A. The "custodian" means and includes the official custodian or any authorized person having personal custody and control of the public records in question.

B. "Public records" are those defined in C.R.S. §24-72-202. Generally speaking, the following kinds of records are public:

1. Records of any official actions taken by board members during public meetings including minutes , tapes , exhibits, resolutions, agreements, contracts, reports, etc.
2. All documents related to the expenditure of public funds .
3. Applications for employment and employment agreements.
4. Minutes of meetings of any SWCCOG advisory boards, committees and commissions
5. Incoming and outgoing correspondence of staff in which SWCCOG business is discussed.
6. Correspondence of officials , except to the extent that such correspondence is a work product; without a demonstrable connection to the exercise of functions required or authorized by law or administrative rule and does not involve the receipt or expenditure of public funds; a communication from a constituent to an official that clearly implies by its nature or content that the constituent expects that it is confidential or a communication from a Board member in response to such a communication from a constituent; subject to

nondisclosure as require by C.R.S.§ 24-72-204(1).

7. Certain electronic mail. (Note: some electronic mail may be considered confidential work product or attorney-client privileged information.)

C. "Writings" includes all books, papers, maps, photographs, cards, tapes, recordings, or other documentary materials, regardless of physical form or characteristics. Writings includes digitally stored data, including without limitation email messages, but does not include computer software.

D. "Work product" means and includes all intra- or inter-agency advisory or deliberative materials assembled for the benefit of elected officials, which materials express an opinion or are deliberative in nature and are communicated for the purpose of assisting such elected officials in reaching a decision within the scope of their authority. Such materials include: notes and memoranda that related to or serve as background information for such decisions; preliminary drafts and discussion copies of documents that express a decision by a Board member. Correspondence, reports and any other communication between staff, other agencies, consultants and/or others preparatory to any report or recommendation to a board member is considered to be a work product. Work product does not include: Any final version of a document that expresses a final decision by the Board; any final version of a fiscal or performance aptitude report or similar document the purpose of which is to investigate, track or account for the operation or management of a public entity or the expenditure of public money, together with the final version of any supporting material attached to such final report or document; any final accounting or final financial record or report; any materials that would otherwise constitute work product if such materials are produced and distributed in a public meeting or cited and identified in the text of the final version of a document that expresses a decision by the Board.

E. The definitions found in C.R.S. § 24-72-202, as amended from time to time, are incorporated herein unless the context of this Policy clearly requires a different meaning.

IV Applicability

This policy applies to all offices of the SWCCOG.

V Compliance

All SWCCOG staff are responsible to ensure compliance with this policy.

VI General Provisions

A. Right to Inspect Public Records

All books, papers, maps, photographs, cards, tapes, recordings, correspondence, digitally stored data and other documentary materials, regardless of physical form or characteristics, held by any local government for use in the exercise of its functions or involving the receipt or expenditure of public funds are public record pursuant to C.R.S. § 24-72-202, with the exceptions noted in Article 72, Part 2 of the Colorado Revised Statutes, and subject to public inspection under C.R.S. § 24-72-203. In addition to the right of inspection, any person also has the right to obtain copies of these records.

The following records are not public records:

1. Certain criminal justice records;
2. Work products prepared for (officials);
3. Personnel files (except applications, employment agreements and performance ratings);
4. Medical, psychological, sociological and certain scholastic achievement data
5. Real estate appraisals; and,
6. Legal reports and advice on matters of litigation.

This list is not exhaustive; therefore, if there is any question about whether or not certain records are public information, the custodian shall consult with the SWCCOG Attorney .

B. Electronic Mail

Each individual employee is the custodian of his or her incoming and outgoing electronic mail (e-mail). In order to facilitate research and retrieval of email records that may be requested by the public, employees should take care to use a descriptive subject line that accurately and thoroughly reflects the topic of the e-mail correspondence .

C. Requests for Information and Inspection

1. Procedure for Requesting Public Records

With the exception of documents that are provided in the normal course of business , any request for public information that requires research and/or retrieval shall be made in writing and on the official Public Records Request form . SWCCOG has developed the official Public Records Request form for the convenience of citizens and to ensure efficient and timely processing of public records requests. The form is available on the SWCCOG website (<http://www.SWCCOG.org> or may be obtained by calling the SWCCOG at 970-382-6212.

All records requests may be delivered or mailed to the SWCCOG, 1060 E. 2nd Ave., Durango, CO or may be submitted by email to projects@SCAN.org. Records requests may also be delivered by fax to 970-382-6212. The staff person who receives the records request at the Information Desk shall immediately transmit the request electronically to the SWCCOG Attorney's Office, the SWCCOG Director. The SWCCOG staff person shall maintain the log of all records requests received.

Any staff member who receives a public records request directly shall immediately notify the SWCCOG Director.

Whenever a request is made for records pursuant to C.R.S. § 24-72-203, the custodian of the records in question shall consult with the SWCCOG Attorney to ascertain whether the requested records are public or constitute an exception (such as a work product).

2. When Time Period for Response Begins

The time period begins when SWCCOG receives the completed official Public Records Request form. If the form is sent by:

- a. Email, it is deemed received when it is viewed by the recipient.
- b. U.S. mail, it is deemed received when the letter is opened and date stamped.
- c. Fax, it is deemed received when it is received and date stamped during regular business hours.
- d. Notwithstanding the foregoing, requests received outside of normal business hours, on holidays, and over weekends will be deemed received no earlier than 8:00a.m. on the next succeeding business day.

3. Time for inspection of records

SWCCOG will strive to comply with all public records requests within three (3) working days of receipt. If the requested records are in active use or are in storage, and are therefore, not immediately available, this information shall be communicated to the person making the public records request either by phone, or in writing, if requested, before the expiration of the three-day period.

The period of time for providing requested documents may be extended for an additional (7) seven days if the SWCCOG Attorney's Office determines that one of the following conditions ("extenuating circumstances") exists, and states such condition in writing to the requestor, within the first three (3) working days of receipt of the request (CRS 24-72-203(3)(b)):

- a. A broadly-stated request is made that encompasses all or substantially all of a large category of records and the request is without sufficient specificity to allow the appropriate custodian of records reasonably to prepare or gather the records within the three-day period (CRS 24-72-203(3)(b)(I)) .
- b. A broadly-stated request is made that encompasses all or substantially all of a large category or records, and the agency is unable to prepare or gather the records within the three-day period because:
 - i. The custodian needs to devote all or substantially all of its resources to meet an impending deadline or period of peak demand that is either unique or not predicted to recur more frequently than once a month; or
 - ii. A request involves such a large volume of records, or such obscure records, that the custodian cannot reasonably prepare or gather the records within the three-day period without substantially interfering with the custodian's obligation to perform his or her other public service responsibilities. (CRS 24-72-03(b)(II)) .

- c. If the request is too broad, speculative or voluminous to prepare in ten working days (three days plus the seven-day extension), SWCCOG may request relief from the Court, including attorney's fees, as provided by law.

D. Fees

1. A substantial number of SWCCOG public records are available free of charge on SWCCOG's website (www.swccog.org). These include, but are not limited to, the SWCCOG's budget, agendas and minutes of meetings of the Board, recorded documents, press releases, and other information.
2. SWCCOG may charge for time spent responding to large requests for inspection of records, including without limitation, requests that require the searching of voluminous files for specific information, manipulating data or redacting documents to excise confidential information. The hourly rate for such work is specified in 4 below. For large requests, a deposit of the estimated cost of the work shall be collected before the work begins. If actual charges are less than the deposit, the balance will be refunded.
3. Copies
 - a. For records other than the Board, the fee shall be as established in the Colorado Revised Statutes.
 - b. For all other SWCCOG offices, including the Board, the fee for a *paper copy* of any public record is 15 cents per page for copies up to 11" x 17" in size. If the document is greater than 11" x 17", then the fee shall be the actual cost of reproduction.
 - c. The fee for an *electronic copy* of any public record(s) shall be as follows:

If the record exists in electronic format	\$1 per CD or DVD +data compilation time
If the record has to be scanned	\$1 per CD or DVD + data compilation time
If the record has to be printed and scanned	\$1 per CD or DVD + data compilation time + paper copy fee
For copies of videos	\$1 per DVD +data compilation time

The SWCCOG will not accept a CD, thumb drive, or other storage media from the person requesting the records (the "requestor") to avoid viruses and/or system contamination.

4. Data Compilation and/or Data Manipulation

- a. If the request will take more than an hour to fulfill, the fee for compiling the requested information and/or manipulating the data to create a format otherwise not used by the SWCCOG, shall be as follows:

Less than an hour – no charge
 More than an hour - \$25 per hour or otherwise established in the Colorado Revised Statutes.

- b. The fee for data compilation includes the cost of redacting documents to excise privileged material.
- c. SWCCOG may refuse any request requiring data manipulation on the basis that the Colorado Open Records Act does not require manipulation.

E. Inspection of Records

Inspection of records will take place during regular business hours (Monday through Friday from 8:00 a.m. to 5:00 p.m.) in the SWCCOG Attorney's Office or at such other location as may be specified by the custodian of the requested records. The requestor may not bring or use photocopiers, fax machines and other copy, scanning or reproductive device when inspecting records. Upon completion of the review, the requestor must mark with tabs the pages he or she wishes to have copied. Copies will be made at a later time, depending on the volume. The requestor will be notified by the method identified on the Public Records Request form when the copies are available for inspection and/or pickup.

F. Denial of Inspection of Records

In accordance with the Colorado Open Records Act, certain records are either prohibited from disclosure or may be withheld from public inspection. Any denial of inspection of records will be specific and the justification for such denial, as authorized under the Colorado Open Records Act, will be provided in writing to the requestor.

G. Retention and Archiving

The custodian of records for the SWCCOG is responsible to retain, archive and/or purge records in accordance with the retention schedule established by the State Archivist for such records. With respect to e-mail, each day the SWCCOG's computer system routinely purges incoming and outgoing e-mails that are over 90 days old. Therefore, employees are responsible to retain, archive and/or purge, as appropriate, any incoming or outgoing e-mail, along with their other official SWCCOG records, in accordance with the Department's or Office's retention schedule from the Colorado State Archivist. ***Under certain circumstances, SWCCOG must temporarily suspend the Retention and Archiving Section of the Public Records Policy and implement its Legal Hold Policy No. 1.8.3.*** The SWCCOG Attorney's Office will provide notification to the applicable departments when the Legal Hold Policy is in effect, which will supersede this section for all public records subject to the legal hold.

Questions concerning this policy should be directed to the SWCCOG Director. In the event any provision or requirement of this policy conflicts with the Colorado Open Records Act, the provisions of the Colorado Open Records Act shall prevail.



Southwest Colorado Council of Governments Public Records Request

All requests for public records of Southwest Colorado Council of Governments pursuant to the Colorado Open Records Act, also known as CORA, (CRS 24-72-112 through 24-72-402), must be submitted in writing. Please read the instructions on the following page for additional information. Thank you.

Requested by:

Name:				
Address:				
City, State, ZIP:				
Phone/Fax:				
Email Address:				
Delivery Method:	Email	Pick Up	Fax	Mail

Call to advise when request is ready for pick-up? _____ Number: _____

Please be as specific as possible as to the information, documents, records and/or subject matter that you are requesting. Please attach additional page(s) to this form if additional space is needed.

Please specify the date range for the information you are requesting.

Office Use Only	
Received by: _____	Date Received: _____
Referred to: _____	Time Received: _____
Number of pages: _____	Fee Paid: \$ _____ Check# _____
Date completed: _____	Date requestor was notified: _____
Time Spent: _____	Date closed: _____

**INSTRUCTIONS FOR RECORDS REQUESTS
COLORADO OPEN RECORDS ACT (CORA)**

1. Please provide a brief, but very specific description of the documents or information requested noting the date of issuance and location of the document(s), if known. A request that is broad, vague or too voluminous may cause a delay in the time SWCCOG can produce the records. If needed, please attach an additional page(s) to list these items in detail.

2. All requests must be submitted in writing as follows:
- By mail or hand delivery: SWCCOG, 1060 E 2nd Avenue, Durango, CO 81301; or
 - By email at: projects@SCAN.net ; or
 - By fax at (970) 382-6212.

Note: If the request is delivered by mail, email or fax, it is always advisable to call 970-382-6212 to confirm that the request was received.

3. If the records are available pursuant to C.R.S. § 24-72-201, *et seq.*, the records shall be made available for inspection within three (3) working days. If extenuating circumstances exist so that the custodian cannot gather the records within the three-day period, the period shall be extended an additional seven (7) working days. The requestor shall be notified of the extension within the first three (3) days of receiving the request. Please refer to SWCCOG's Open Records Policy for complete information. The Policy is available at <http://www.co.SWCCOG.org> at SWCCOG, 1060 E 2nd Avenue, Durango, CO 81301.

4. Upon receipt of the request, staff will collect the records and notify the requestor. A time for review and inspection of the records will be scheduled. Reviews will take place during regular business hours (Monday - Friday, 8:00 to 5:00 p.m.) in the SWCCOG Attorney's Office, unless another location for the review is designated.

5. The requestor may take notes, bring tape recording devices and/or portable computers. Outside photocopiers or scanners are not allowed.

6. Should the requestor wish to obtain copies of documents, the cost per page for hard copies is 15 cents per page, or in the case of records of elected officials, as provided in Colorado Revised Statutes. If actual costs exceed 15¢ per page (such as large format documents), actual costs will be charged. Costs for providing records electronically are outlined in the [SWCCOG public records policy](#). Payment in the form of cash, check or money order made payable to the SWCCOG Treasurer must be made in advance.

7. In the case of a request for a computer output other than word processing, the fee may be based on the recovery of the actual incremental costs of providing the electronic services and products together with a reasonable portion of the costs associated with building and maintaining the information system. The SWCCOG has established this rate at \$25 per hour for the compilation of data and/or manipulation of data in order to generate a record in a form not used by SWCCOG. If the records request can be completed in one hour or less, no data compilation fee will be charged. This fee includes the cost of redacting documents to protect legally privileged material. You will be notified in advance of the estimate of any such fee. We will commence no work of this type on your behalf without your prior approval and advance deposit.

4.B 3 public records request form 5-3-13 - SD

8. In the event requestor does not make arrangements for a review of documents, fails to appear for the review, or fails to prepay costs within ten working days of notification of the availability of records, the request will be deemed closed.

NOTE: It is a Class 1 Misdemeanor for a person to knowingly make a false entry or alter any public record or to destroy, mutilate, conceal, remove, or impair the availability of any public record. C.R.S. § 18-18-114. "Public record" is defined as all official books, papers, or records created, received, or used by or in any governmental office or agency.

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Dr. Rick Smith, Ed Morlan, Laura Lewis-Marchino, Jason Wells	Presentation Time: 0 minutes	<input type="checkbox"/>
Subject: Reports	Discussion Time: 0 minutes	

Reviewed by Attorney? Yes Attorney: _____ N/A No fiscal impact

Committee Approval _____ Yes N/A

Background:

5. SWCCOG Priority Project Reports

A. Telecommunications

- i. General Manager Services Report
- ii. Responsible Administrator Report
- iii. Telecommunications Committee Chair Report

Fiscal Impact:

Recommended Action:

Accompanying Documents:

ADDITIONAL INSTRUCTIONS

None

BOARD MEMORANDUM

TO: SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS BOARD (SWCCOG)
FROM: DR. RICK SMITH
SUBJECT: MONTHLY GM UPDATE
DATE: 5/2/2013

This month was devoted to contracts and final construction costs for many of the communities. We are making progress on the overall logical network as well. This will most likely include an IGA between the COG and the Pagosa Springs Hospital for use of their public IP's. This makes the network operational.

I. COG

- a. Worked to bring the re-appropriation amounts to the COG for final approval.
- b. Continuing to work with the IT staffs of Cortez, Durango and La Plata County to build the logical network. This is the piece that will allow COG members to communicate with each other (by department).
- c. Working with FastTrack Communications to make sure that Dolores and Mancos are connected. We have finalized the respective routes. FastTrack also is willing to assist the COG in making sure that Dolores, Mancos, Ignacio and Bayfield are connected back to their respective hubs.
- d. Working with Skywerx to connect Pagosa Springs and Archuleta County to the Durango hub through their connection on Smelter.

II. Community Updates**a. Mancos -**

- i. Will work with Mancos this coming week to finalize their contract with DB Technologies to complete their build.

b. Dolores –

- i. Met with the Town Manager and the Mayor to discuss the Dolores build.
- ii. We will most likely use FastTrack to assist with the connectivity of the Town Hall and Library.

- iii. Dolores will most likely use their funds to connect the Town Hall with the Dolores Town shop.

c. Ignacio -

- i. The Town has a contract for their Board of Trustees to consider with DB Technologies for their aerial build connecting the Town Hall with the Town Shop.
- ii. I anticipate this contract will be voted on in May and this build ready for execution shortly thereafter.

d. Pagosa Springs / Archuleta County -

- i. I have had multiple meetings with USA Communications about the Pagosa build. We have final agreement on who will pay for the link to the Town Hall and Archuleta County courthouse.
- ii. We have finalized the costs for the redundant microwave link along with the wireless bridge connecting the Town Hall and the Town Shop. Skywerx will provide this connectivity.
- iii. We have also solidified the route that USA Communications will take connecting the east build with the west build. This will create a fiber connection continuous from Pagosa Hospital east to the intersection of HWYS 160 and 84 south.
- iv. Met the new Archuleta County Administrator and worked through the project with him, Dave Mitchem and their respective staffs.

e. Bayfield -

- i. The construction vendor (conduit) is close to making the turn at CR 509 completing the route to Town Hall and up to the intersection of HWY 160 and CR 501.
- ii. Worked with Bayfield staff to review the FastTrack IGA for cooperative fiber builds.
- iii. Bayfield has the contract with DB Technologies ready for Board action.

f. Dolores County / Dove Creek -

- i. Susan and I have visited with Commissioner Williams on the Dove Creek/Dolores County build on multiple occasions.
- ii. The plan for this build is to work with Farmers Telco to bring a fiber connection to the County courthouse, the school district and the school bus barn. In addition, they have opted for 2 wireless connections: 1) Dove Creek Town Hall and the Dolores County courthouse. And 2) Dolores County road and bridge building and the Dolores County courthouse.

g. Silverton / San Juan County –

- i. Silverton and San Juan County have initiated contracts with Maisel Excavation, Skywerx and DB Technologies to complete their local loop.
- ii. There was a ground breaking ceremony held on Monday with construction beginning thereafter. We are working on the road bores first.
- iii. We are hopeful to have the Silverton build completed by Memorial Day before the rush of the tourist season.

III. May FOCUS

- a. BUILD the local loops in as many communities as possible.
- b. Work on the logical network.
- c. Acquire the routers and switches for configuration by community personnel.
- d. Initiate training for the IT folks from Durango, Cortez, La Plata and Archuleta Counties to handle the edge routers.
- e. Work with Eagle Net to understand the routes, technologies and timelines for their builds.

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: Friday, May 3, 2013		<input type="checkbox"/>
Staff: Ed Morlan	Presentation Time:	<input type="checkbox"/>
Subject: Responsible Administrator Report	Discussion Time:	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A		

Background:

The following activities occurred in April:

- Made progress with the City of Cortez to get the proper documentation in order to process their remaining reimbursement from the grant. We are working to ensure that their total construction budget *before re-allocation* is utilized and processed. One RFR was completed this month, documenting \$101,121.52 in expenses. We have two incomplete reimbursement requests, and are awaiting the required documentation, totaling \$86,533.20 in expenses. To sum-up the current project:
 - City of Cortez Total Construction Budget = \$1,042,605.33
 - Total Expenditures Submitted To Grant = \$893,577.30
 - Total Incomplete Reimbursement Requests = \$86,533.20
 - **Total Remaining Construction Funds = \$83,590.73**
- Submitted DoLA budget amendment and was informed the amendment is currently under review.
- Prepared for annual SWCCOG audit.
- Worked to prepare the Community Project Budgets and Statements and are looking for the reallocation hard numbers in order to correctly allocate the administrative match for each entity before distribution.
- Worked with local Technology Planning Team to continue technology development planning efforts on a regional basis.

Fiscal Impact:

None

Recommended Action:

This report is for the SWCCOG's information

Accompanying Documents:

None

ADDITIONAL INSTRUCTIONS

None

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Susan Hakanson	Presentation Time: 5 minutes	<input type="checkbox"/>
Subject: Directors Reports	Discussion Time: 10 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A		

Background:

B. SWCCOG Reports

- i. CIRSA
- ii. Training Opportunities –
- iii. Housing (under DoLA Report)
- iv. Transit Council minutes & update
- v. GIS - Intern
- vi. Public Safety

Fiscal Impact:

Recommended Action:

Accompanying Documents:

ADDITIONAL INSTRUCTIONS

None

5.B Project Reports - A

CIRSA 2013

GENERAL MEMBERSHIP &
SAFETY COMMITTEE MEETING

Save The Date

WAIL

Wednesday
June 19th

11:45 a.m. - 2:15 p.m.

The Donovan Pavilion, 1600 S. Frontage Road, Vail, CO 81657

We encourage you to take advantage of the CIRSA Travel Reimbursement Program.



Dear Member

Mark your calendars for the annual General Membership & Safety Committee Meeting. Invitations and additional details will be sent next month.

Feel free to pass this on to other staff members or elected officials who may be interested in attending. If you have any questions, please contact the Membership Services Department at **(800) 228-7136**.

We look forward to seeing you!

To RSVP:

Visit the Event Calendar at
www.cirsa.org



**COLORADO INTERGOVERNMENTAL
RISK SHARING AGENCY
Denver, Colorado**

**BASIC FINANCIAL STATEMENTS
December 31, 2012 and 2011**

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Achieving
Higher
Expectations

Independent Auditor's Report

Board of Directors
Colorado Intergovernmental Risk Sharing Agency

We have audited the accompanying financial statements of Colorado Intergovernmental Risk Sharing Agency (the Company), which comprise the balance sheets as of December 31, 2012 and 2011, and the related statements of revenue, expenses and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion on these financial statements based on our audits. We conducted our audits 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 from 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 Company'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 Company'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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colorado Intergovernmental Risk Sharing Agency as of December 31, 2012 and 2011, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

K Financial, Inc.

The State
Mercantile Building
801 Main Street, Suite 225
Louisville, CO 80027
Phone: 303.665.8060
Fax: 303.665.0813
www.kfinancial.com



Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The reconciliation of reserves for unpaid losses and loss adjustment expenses, ten year loss development information, Management's Discussion and Analysis, and the combining schedules on pages 29 through 34 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and, except for that portion marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for that portion marked "unaudited," has been subjected to the auditing procedures applied in the audits 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, except for that portion marked "unaudited," on which we express no opinion or any assurance, the information is fairly stated in all material respects in relation to the financial statements as a whole.

K Financial

Louisville, Colorado
March 29, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Colorado Intergovernmental Risk Sharing Agency (the Agency or CIRSA) herein sets forth a narrative overview and analysis of its financial activities for the fiscal years ended December 31, 2012 and 2011.

Overview of the Financial Statements

This overview is an introduction to the Agency's financial statements. The Agency's financial statements consist of three components: (1) basic financial statements, (2) notes to the basic financial statements, and (3) required supplementary information that includes ten-year loss development information and combining schedules.

The Balance Sheets present information regarding all of the Agency's assets and liabilities, with the difference between the two being reported as Net Assets.

The Statements of Revenue, Expenses, and Changes in Net Assets present the financial results of operations for the Agency for the two most recent fiscal years. This statement presents information showing how the Net Assets changed during the two most recent fiscal years. All changes in Net Assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The Statements of Cash Flows detail the cash used and provided by the various activities of the Agency during the fiscal year. However, this statement does not consider unpaid responsibilities that have been established by contract or other underlying event during the fiscal year.

Analysis of Financial Position

The following is a comparison of the financial position of the Agency at December 31, 2012 to December 31, 2011 and December 31, 2011 to December 31, 2010.

	<u>2012</u>	<u>2011</u>	<u>Change</u>
Assets:			
Cash, investments, and accrued investment income	\$ 70,697,069	\$ 70,097,758	\$ 599,311
Capital assets, net	5,415,837	5,664,510	(248,673)
Other current assets	<u>1,361,832</u>	<u>1,642,370</u>	<u>(280,538)</u>
Total assets	<u>77,474,738</u>	<u>77,404,638</u>	<u>70,100</u>
Liabilities:			
Reserves for unpaid losses and loss adjustment expenses	37,893,449	40,616,150	(2,722,701)
Other current liabilities	<u>2,169,710</u>	<u>3,171,778</u>	<u>(1,002,068)</u>
Total liabilities	<u>40,063,159</u>	<u>43,787,928</u>	<u>(3,724,769)</u>
Net assets:			
Invested in capital assets	5,415,837	5,664,510	(248,673)
Restricted	531,126	528,319	2,807
Unrestricted	<u>31,464,616</u>	<u>27,423,881</u>	<u>4,040,735</u>
Total net assets	<u>\$ 37,411,579</u>	<u>\$ 33,616,710</u>	<u>\$ 3,794,869</u>

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Assets:			
Cash, investments, and accrued investment income	\$ 70,097,758	\$ 70,429,895	\$ (332,137)
Capital assets, net	5,664,510	6,032,168	(367,658)
Other current assets	<u>1,642,370</u>	<u>1,281,252</u>	<u>361,118</u>
Total assets	<u>77,404,638</u>	<u>77,743,315</u>	<u>(338,677)</u>
Liabilities:			
Reserves for unpaid losses and loss adjustment expenses	40,616,150	37,932,922	2,683,228
Other current liabilities	<u>3,171,778</u>	<u>3,821,449</u>	<u>(649,671)</u>
Total liabilities	<u>43,787,928</u>	<u>41,754,371</u>	<u>2,033,557</u>
Net assets:			
Invested in capital assets	5,664,510	6,032,168	(367,658)
Restricted	528,319	528,648	(329)
Unrestricted	<u>27,423,881</u>	<u>29,428,128</u>	<u>(2,004,247)</u>
Total net assets	<u>\$ 33,616,710</u>	<u>\$ 35,988,944</u>	<u>\$ (2,372,234)</u>

Net assets as of December 31, 2012, have increased by approximately \$3.8 million from the prior year. The increase has resulted from an approximately \$3.7 million decrease in liabilities and a \$0.1 million increase in assets. The liability decrease is mainly due to a \$2.7 million decrease in reserves for unpaid losses and loss adjustment expenses. This reserve is an estimate of unpaid claims resulting from events that have occurred on or before December 31, 2012 and 2011. That estimate is determined by an independent actuarial study that considers the Agency's historical experience and loss trends. In 2012, the provision for liability coverage

was determined on a claims made basis in accordance with our policies. In 2011 and previously, this liability provision was determined on an occurrence basis. This change was made to more accurately reflect the provision for covered liability events.

Net assets as of December 31, 2011, have decreased by approximately \$2.4 million from the prior year. The decrease has resulted from an approximately \$2.0 million increase in liabilities and a \$0.4 million decrease in assets. The liability increase is mainly due to a \$2.7 million increase in reserves for unpaid losses and loss adjustment expenses. This reserve is an estimate of unpaid claims resulting from events that have occurred on or before December 31, 2011 and 2010. That estimate is determined by an independent actuarial study that considers the Agency's historical experience and loss trends.

Results of Operations

The following is a comparison of the Agency's Results of Operations for 2012 to 2011 and 2011 to 2010.

	2012 Actual	2011 Actual	Change
Revenues:			
Member contributions, net	\$ 21,142,937	\$ 21,049,135	\$ 93,802
Investment income, net	<u>1,071,515</u>	<u>1,884,444</u>	<u>(812,929)</u>
Total revenues	<u>22,214,452</u>	<u>22,933,579</u>	<u>(719,127)</u>
Expenses:			
Losses and loss adjustment expenses	9,781,597	16,068,088	(6,286,491)
General and administrative	<u>7,493,766</u>	<u>7,209,325</u>	<u>284,441</u>
Total expenses	<u>17,275,363</u>	<u>23,277,413</u>	<u>(6,002,050)</u>
Income (loss) before distributions	<u>\$ 4,939,089</u>	<u>\$ (343,834)</u>	<u>\$ 5,282,923</u>
	2011 Actual	2010 Actual	Change
Revenues:			
Member contributions, net	\$ 21,049,135	\$ 19,384,302	\$ 1,664,833
Investment income, net	<u>1,884,444</u>	<u>1,742,880</u>	<u>141,564</u>
Total revenues	<u>22,933,579</u>	<u>21,127,182</u>	<u>1,806,397</u>
Expenses:			
Losses and loss adjustment expenses	16,068,088	15,151,693	916,395
General and administrative	<u>7,209,325</u>	<u>7,058,979</u>	<u>150,346</u>
Total expenses	<u>23,277,413</u>	<u>22,210,672</u>	<u>1,066,741</u>
Loss before distributions	<u>\$ (343,834)</u>	<u>\$ (1,083,490)</u>	<u>\$ 739,656</u>

Member contributions increased from 2011 to 2012 due to an increase in the exposures insured at our member entities.

The decrease in loss and loss adjustment expenses from 2011 to 2012 relates to a decrease in the provision for covered events of prior years.

Member contributions increased from 2010 to 2011 due to an increase in rates, primarily for workers' compensation coverage. To a lesser extent, contributions also increased due to an increase in the exposures insured at our member entities.

The increase in loss and loss adjustment expenses from 2010 to 2011 relates to an increase in the provision for covered events for 2011. However, this increase has been offset by a decrease in the provision for covered events of prior years.

The increase in general and administrative expenses in 2012 and 2011 relates to inflation and new administrative services.

Changes in Net Assets

The following details the items that generated the change in net assets during 2012, 2011, and 2010.

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Beginning net assets	\$ 33,616,710	\$ 35,988,944	\$ 39,685,772
Income (loss) before distributions	4,939,089	(343,834)	(1,083,490)
Distributions and credits to members	<u>(1,144,220)</u>	<u>(2,028,400)</u>	<u>(2,613,338)</u>
Ending net assets	<u>\$ 37,411,579</u>	<u>\$ 33,616,710</u>	<u>\$ 35,988,944</u>

The 2012 income and 2011 loss are explained above. Distributions and credits include loss control audit credits which are made to members with good safety programs. All of the distributions and credits were made to member entities.

The Agency annually updates a target balance for net assets. If net assets exceed the target, the Board may approve a distribution back to the members. Since this distribution program was implemented in 1988, \$26.5 million has been returned to members through 2007. The Agency did not distribute any amounts under this program during 2008. Since 2009, even though the Agency did not exceed its target, the Board declared annual equity distributions to members who renewed for coverage in 2010, 2011, 2012 and 2013 respectively. \$1.4 million was accrued as of December 31, 2011 to offset 2012 member contributions, and \$0.8 million has been accrued as of December 31, 2012 to offset 2013 member contributions.

The target includes an amount to increase the confidence level of reserves for unpaid losses and loss adjustment expenses and an amount to generate income to fund certain member credit programs. The Agency's policy is to maintain a net assets balance to increase the confidence level on reserves for unpaid losses and loss adjustment expenses from the expected value to a 95% confidence level, as determined annually by an independent actuarial study.

Capital Assets

At the end of 2012, the Agency had invested \$5.4 million in a range of capital assets, primarily a home office building and computer equipment. The additions to the capital assets were exceeded by deductions for depreciation.

	<u>2012</u>	<u>2011</u>	<u>Change</u>
Land	\$ 750,400	\$ 750,400	\$ -
Buildings and improvements	4,388,570	4,467,499	(78,929)
Machinery and equipment	6,098	11,346	(5,248)
Furniture and fixtures	26,244	34,371	(8,127)
Telephone system	-	34	(34)
Computer equipment	<u>244,525</u>	<u>400,860</u>	<u>(156,335)</u>
	<u>\$ 5,415,837</u>	<u>\$ 5,664,510</u>	<u>\$ (248,673)</u>
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Land	\$ 750,400	\$ 750,400	\$ -
Buildings and improvements	4,467,499	4,688,177	(220,678)
Machinery and equipment	11,346	8,881	2,465
Furniture and fixtures	34,371	27,563	6,808
Telephone system	34	514	(480)
Computer equipment	<u>400,860</u>	<u>556,633</u>	<u>(155,773)</u>
	<u>\$ 5,664,510</u>	<u>\$ 6,032,168</u>	<u>\$ (367,658)</u>

Major capital additions relate to building and improvements, significantly a rewiring project.

More detailed information about the Agency's capital assets is presented in Note 7 to the financial statements.

Economic Factors

The following important economic factors should be considered when evaluating the financial position and operating results of the Agency.

Loss and loss adjustment expenses and the corresponding reserve are based on estimates that are subject to inherent variability caused by the nature of the insurance process. The potentially long period of time between the occurrence of an insured event and the final settlement of a claim and the possible effects of changes in the legal, social, and economic environments contribute to this variability. In response to this uncertainty, the Agency continually reviews these estimates, obtains independent actuarial studies, and adjusts the estimates as necessary as experience develops or new information becomes known. Such adjustments are made in current operations. Also, the Agency maintains a balance in net assets, which increases funding of unpaid claim responsibilities to a 95% confidence level, as determined by independent actuarial studies.

Investments in debt securities consist of United States government and corporate obligations, which are carried at fair value. The fair value of investments is subject to volatility due to market conditions, such as market interest rates. An increase in market interest rates will cause a reduction in the fair value of debt securities already held and impact the Agency's financial position by creating unrealized losses. Conversely, a decrease in market interest rates will cause an increase in the fair value of debt securities already held and impact the Agency's financial position by creating unrealized gains. The Agency adheres to an investment policy and applicable Colorado statutes to maintain a high-quality portfolio. These investments are monitored regularly and managed with the assistance of a professional advisory firm.

Contacting the Agency's Financial Management

This financial report is designed to provide our members, regulators and other interested parties with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Agency's Finance Department, 3665 Cherry Creek North Drive, Denver, CO 80209.

BASIC FINANCIAL STATEMENTS

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
BALANCE SHEETS**

December 31, 2012 and 2011

Assets	<u>2012</u>	<u>2011</u>
Current assets:		
Investments in debt securities, at fair value (amortized cost of \$9,159,394 and \$12,899,126 at December 31, 2012 and 2011, respectively)	\$ 9,218,945	\$ 12,995,287
Cash and cash equivalents	7,156,839	6,467,516
Accrued investment income	304,368	328,392
Receivable from members	828,217	762,296
Excess insurance receivable, net	356,174	730,330
Prepaid expenses	155,386	141,476
Other assets	<u>22,055</u>	<u>8,268</u>
Total current assets	<u>18,041,984</u>	<u>21,433,565</u>
Noncurrent assets:		
Investments in debt securities, at fair value (amortized cost of \$52,213,601 and \$48,473,775 at December 31, 2012 and 2011, respectively)	53,319,016	49,608,662
Deposit with NLC Mutual Insurance Company	697,901	697,901
Capital assets, net	<u>5,415,837</u>	<u>5,664,510</u>
Total noncurrent assets	<u>59,432,754</u>	<u>55,971,073</u>
Total assets	<u>\$ 77,474,738</u>	<u>\$ 77,404,638</u>
Liabilities and Net Assets		
Current liabilities:		
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	\$ 11,760,000	\$ 13,546,379
Accounts payable and accrued liabilities	569,139	593,129
Member credits payable	1,516,356	2,485,053
Special contribution plan deposits	25,000	25,000
Unearned member contributions	<u>59,215</u>	<u>68,596</u>
Total current liabilities	<u>13,929,710</u>	<u>16,718,157</u>
Noncurrent liabilities:		
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	<u>26,133,449</u>	<u>27,069,771</u>
Total noncurrent liabilities	<u>26,133,449</u>	<u>27,069,771</u>
Total liabilities	<u>40,063,159</u>	<u>43,787,928</u>
Net assets:		
Invested in capital assets	5,415,837	5,664,510
Restricted	531,126	528,319
Unrestricted	<u>31,464,616</u>	<u>27,423,881</u>
Total net assets	<u>37,411,579</u>	<u>33,616,710</u>
Total liabilities and net assets	<u>\$ 77,474,738</u>	<u>\$ 77,404,638</u>

The accompanying notes are an integral part of the basic financial statements.

**COLORADO INTERGOVERNMENTAL RISK AGENCY
STATEMENTS OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS**

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenues:		
Member contributions earned (net of excess insurance and reinsurance premiums and brokerage commissions of \$6,373,170 and \$6,197,651 in 2012 and 2011, respectively)	\$ 21,142,937	\$ 21,049,135
Total operating revenues	<u>21,142,937</u>	<u>21,049,135</u>
Operating expenses:		
Losses and loss adjustment expenses	9,781,597	16,068,088
General and administrative	<u>7,493,766</u>	<u>7,209,325</u>
Total operating expenses	<u>17,275,363</u>	<u>23,277,413</u>
Operating income (loss)	3,867,574	(2,228,278)
Nonoperating revenue:		
Net investment income	<u>1,071,515</u>	<u>1,884,444</u>
Income (loss) before distributions	4,939,089	(343,834)
Distributions and credits to members and withdrawn members	<u>(1,144,220)</u>	<u>(2,028,400)</u>
Increase (decrease) in net assets	3,794,869	(2,372,234)
Net assets, beginning of year	<u>33,616,710</u>	<u>35,988,944</u>
Net assets, end of year	<u>\$ 37,411,579</u>	<u>\$ 33,616,710</u>

The accompanying notes are an integral part of the basic financial statements.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
STATEMENTS OF CASH FLOWS

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Contributions collected from members, net of excess insurance premiums and brokerage commissions paid	\$ 21,261,640	\$ 21,077,691
Other income collected	(13,886)	8,241
Losses and loss adjustment expenses paid, net	(12,312,882)	(13,735,000)
General and administrative expenses paid	(7,054,988)	(6,749,360)
Net cash provided by operating activities	<u>1,879,884</u>	<u>601,572</u>
Cash flows from noncapital financing activities:		
Distributions and credits to members	<u>(2,112,916)</u>	<u>(2,653,037)</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	<u>(239,172)</u>	<u>(165,114)</u>
Cash flows from investing activities:		
Purchases of investments	(37,196,341)	(37,796,723)
Proceeds from call or sales of investments	23,561,088	21,301,400
Proceeds from maturities of investments	13,300,000	19,490,000
Investment income collected, net	1,496,780	2,016,080
Net cash provided by investing activities	<u>1,161,527</u>	<u>5,010,757</u>
Net increase in cash and cash equivalents	689,323	2,794,178
Cash and cash equivalents, beginning of year	<u>6,467,516</u>	<u>3,673,338</u>
Cash and cash equivalents, end of year	<u>\$ 7,156,839</u>	<u>\$ 6,467,516</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating gain (loss)	\$ 3,867,574	\$ (2,228,278)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	487,845	532,771
Changes in operating assets and liabilities:		
Receivable from members	(65,921)	76,147
Excess insurance receivable	374,156	(429,630)
Prepaid expenses and other assets	(27,697)	(7,638)
Reserves for unpaid losses and loss adjustment expenses	(2,722,701)	2,683,231
Accounts payable and accrued liabilities	(23,991)	(30,770)
Unearned member contributions	(9,381)	5,739
Net cash provided by operating activities	<u>\$ 1,879,884</u>	<u>\$ 601,572</u>

The accompanying notes are an integral part of the basic financial statements.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Colorado Intergovernmental Risk Sharing Agency

Colorado Intergovernmental Risk Sharing Agency (CIRSA or the Agency) was formed January 1, 1991, by the combination of the Colorado Intergovernmental Risk Sharing Agency Property and Casualty pool (Property and Casualty Pool or CIRSA/PC) and the Colorado Intergovernmental Risk Sharing Agency for Workers' Compensation Pool (Workers' Compensation Pool or CIRSA/WC). The Property and Casualty Pool was originally formed January 1, 1982 to provide property and liability coverages and related services for its member municipalities. The Workers' Compensation Pool was originally formed January 1, 1988 to provide workers' compensation coverages and related services for its member municipalities. The combination was made pursuant to authorization by the board of directors and by a vote of the membership, and accordingly, the financial statements are presented on the Agency as a single entity.

Membership in CIRSA is evidenced by execution of the Bylaws and Intergovernmental Agreement. At December 31, 2012, CIRSA membership consisted of 209 municipalities and 37 special districts. There were 240 members of the Property and Casualty Pool and 125 members of the Workers' Compensation Pool with 119 being members of both pools. At December 31, 2012, 180 member municipalities have populations of less than 10,000; 19 member municipalities have populations between 10,000 and 40,000; and 10 member municipalities have populations between 40,000 and 120,000. Based on earned premium, approximately 72% relates to property and casualty and 28% relates to workers' compensation coverage. CIRSA's general objectives are to provide member municipalities and special districts defined property and liability and/or workers' compensation coverages through joint self-insurance and excess insurance. Any member may withdraw from CIRSA by giving written notice to the board of directors of the prospective effective date of its withdrawal. Members may be admitted by a vote of the board of directors absent a membership request to deny admittance. CIRSA's rate-setting policies are established by the board of directors, in consultation with independent actuaries. The board of directors may credit members' future contributions in the event that the board considers total net assets exceed business needs. Although it has never occurred, CIRSA member municipalities and special districts are subject to a supplemental assessment in the event of a deficiency. In addition to the coverage described above, the board of directors has authorized CIRSA to provide claims administration and loss control services to Colorado nonmember public entities. At December 31, 2012 and 2011, the Agency was not providing this service to any other nonmember municipality.

Reporting Entity and Fund Type

The Agency has no component units using the criteria as set forth in accounting principles generally accepted in the United States of America. The Agency is a public entity risk pool and is accounted for as an enterprise fund (a business-type activity). The Agency has elected to follow Governmental Accounting Standards Board pronouncements. Therefore, statements issued by the Financial Accounting Standards Board after November 30, 1989 are not applied.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accompanying basic financial statements have been prepared using the flow of economic resources measurement focus and the accrual method of accounting, in accordance with accounting principles generally accepted in the United States of America. The Property and Casualty Pool and Workers' Compensation Pool are accounted for separately for the purpose of identifying economic funds and member interests, but are presented as a single entity in the accompanying basic financial statements. All interpool accounts and transactions have been eliminated.

Use of Estimates

The preparation of basic financial statements in accordance 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 revenue and expenses during the reporting period. Significant estimates include the reserves for unpaid losses and loss adjustment expenses. Actual results could differ from those estimates.

Net Assets

Net assets are classified as follows:

Invested in capital assets: This represents the total investment in capital assets net of accumulated depreciation. There is no outstanding debt related to these capital assets.

Restricted net assets: Restricted net assets include amounts that are on deposit with the Division of Insurance of the State of Colorado to satisfy regulatory requirements.

Unrestricted net assets: Unrestricted net assets represent resources from the continuing operations of the Agency that are not invested in capital assets or restricted as to use by an external third party.

Classification of Revenues and Expenses

The Agency has classified revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues and expenses: Revenues and expenses that result from providing property and liability coverages, workers' compensation coverage, claims administration, and loss control services and related services for member municipalities and nonmember public entities.

Nonoperating revenues and expenses: Revenues and expenses that are not included as operating revenues. Nonoperating revenues include investment income.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments in debt securities consist of United States government and corporate obligations and are carried at fair value, which is based upon quoted market prices.

The Agency accounts for its investments in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* (GASB 31). GASB 31 requires governmental entities to report investments at fair value in the balance sheet. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The amortization of bond premium or discount is calculated using the effective interest method taking into consideration specified interest and principal provisions over the life of the bond. Bonds containing call provisions are amortized to the call or maturity value or date that produces the lowest asset value.

The classification of investments as current or noncurrent is based on the maturity date of the security and the ability to be used to pay current obligations. Generally, investments maturing within a year are classified as current.

All investment income, including changes in the fair value of investments, is recognized as revenue (or expense) in the statement of revenue, expenses, and changes in net assets. Gains and losses on investments sold are realized in operations and are computed based on the specific-identification method. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents include cash on deposit, money market funds, and other investments with maturities of three months or less at the date of acquisition. Amounts are primarily held in cash on deposit.

Cash deposits in non-interest bearing accounts are fully insured by the Federal Deposit Insurance Corporation for 2012 and 2011, respectively. Also, these amounts, in addition to cash deposits in interest bearing accounts, are collateralized by securities held by another institution or held in trust, as required by the provisions of the Public Deposit Protection Act.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are stated at cost at the date of acquisition. CIRSA's capitalization policy includes all items with a value of \$500 or more, and an estimated useful life of greater than one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Asset class	Useful life in years
Buildings and improvements	30 years
Machinery and equipment	3 years
Furniture and fixtures	5 years
Telephone system	3 years
Computer equipment	3-5 years

Member Contributions

Member contributions are earned on a pro rata basis over the applicable contract periods. The period over which risk protection is provided is generally consistent with the contract period, and the contract periods are consistent with the Agency's fiscal year-end. The members' coverages are continuous until canceled. At December 31, 2012 and 2011, there are no contract acquisition costs that should be deferred. Member contributions receivable, if significantly aged, can be recovered by withholding applicable credits. As such, no allowance is recorded and no receivables are written off. The Agency considers anticipated investment income in determining if a premium deficiency exists.

Excess Insurance and Reinsurance

The cost of excess insurance and reinsurance coverage is charged to income ratably over the period of coverage and is reported as a reduction of member contributions earned. Losses, loss adjustment expenses, and the reserves for loss and loss adjustment expenses are reported net of reinsured amounts.

Reserve for Unpaid Losses and Loss Adjustment Expenses

The reserve for unpaid losses and loss adjustment expenses represents the estimated ultimate net cost of all claims reported, plus claims incurred and not reported and the related loss adjustment expenses, including the effects of inflation and other societal and economic factors. The Agency does not discount reserves for unpaid losses and loss adjustment expenses. The reserve for unpaid losses and loss adjustment expenses is estimated by an independent third-party actuary using individual case-basis valuations and statistical analysis. Those estimates are subject to inherent variability caused by the nature of the insurance process. The potentially long period of time between the occurrence of an insured event and the final settlement of a claim and the possible effects of changes in the legal, social, and economic environments contribute to this variability. Although considerable variability is inherent in the

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

estimates of ultimate losses and loss adjustment expenses and the resulting reserves, management believes that the reserves for unpaid losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are included in current operations. The reserve for unpaid losses and loss adjustment expenses is classified as current or noncurrent based on an independent actuarial estimate of the amount of losses and loss adjustment expenses to be paid in the next year.

Income Taxes

The Agency provides an essential governmental function to its members as described in Section 115 of the Internal Revenue Code, and accordingly, its revenue is exempt from federal and state income taxes. The Agency has received a determination letter regarding its tax status from the Internal Revenue Service. Therefore, the accompanying basic financial statements do not include a provision for income taxes.

Administration Fee

Most general and administrative expenses of CIRSA are recorded by CIRSA/PC, which charges an administration fee to CIRSA/WC for its share of these expenses. Administration fees, which were \$587,168 and \$583,120 during 2012 and 2011, respectively, are eliminated in the accompanying basic financial statements.

Member Credits Payable

Each year, CIRSA's board of directors declares and allocates various credits to members. As of December 31, 2012 and 2011, member credits payable consist of the following:

	<u>2012</u>	<u>2011</u>
Loss control credit accounts	\$ 640,296	\$ 907,338
Equity credits held for deductibles	99,582	110,046
Equity distributions payable	757,348	1,420,882
Administrative savings payable	19,130	46,787
	<u>\$ 1,516,356</u>	<u>\$ 2,485,053</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loss Control Credit Accounts

The Loss Control Credit Accounts Program was designed to encourage members to establish and implement safety-related programs. During 2012 and 2011, the board of directors designated \$367,964 and \$560,603, respectively, to be allocated to members based on the results of an annual loss control audit performed by CIRSA. Members receive a "score" for loss control activities during the year and the total loss control credit is allocated to members based on this score. Members can apply their credit to future contributions, receive a cash payment, or receive loss control credits, which can be applied to the purchase of safety-related items. Undistributed amounts in loss control credit accounts were \$640,296 and \$907,338 at December 31, 2012 and 2011, respectively.

Equity Credits

In prior years, the CIRSA board awarded equity credits for members of the property and casualty pool when the net assets of the pool were considered to have exceeded business needs. Members may retain these distributions in the pools so that the credits can be applied against future deductible payments and the credits earn interest. Interest of \$42 and \$126 was credited in 2012 and 2011, respectively. The equity credits held for deductibles payable at December 31, 2012 and 2011 were \$99,582 and \$110,046, respectively. The equity credits to be paid to members at December 31, 2012 and 2011 were \$757,348 and \$1,420,882, respectively.

Administrative Savings Payable

In 2012 and 2011, CIRSA approved the transfer of a proportionate share of administrative savings from the Property Casualty Pool to the Workers' Compensation Pool. This savings was used to reduce contributions for Workers' Compensation members. The amount declared and payable at December 31, 2012 and 2011 was \$19,130 and \$46,787, respectively.

Vacation and Sick Pay

Agency employees earn sick leave at a rate of eight hours per month. Accumulated sick leave in excess of 520 hours is payable at one-half of the cash value at year-end.

For their first 20 years of service, employees are entitled 10 to 20 days of vacation leave per year depending on their length of service. For each additional year of service over 20, an additional vacation day is added to their annual vacation leave. A maximum of 80 hours of earned vacation leave may be carried forward to subsequent years. Unused vacation leave is paid to the employee upon termination.

Vacation pay and excess sick pay is recorded as an expense when earned by Agency employees. At December 31, 2012 and 2011, accrued vacation and sick pay aggregated \$129,058 and \$126,590, respectively. Such amounts are included in accounts payable and accrued liabilities on the accompanying balance sheets.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 2 - INVESTMENTS

The Agency's investments in debt securities at December 31 are summarized as follows:

	<u>Amortized cost</u>	<u>Gross unrealized gains</u>	<u>Gross unrealized losses</u>	<u>Fair value</u>
2012:				
U.S. Treasury securities	\$ 12,522,659	\$ 185,530	\$ -	\$ 12,708,189
U.S. government agency obligations	30,146,232	804,174	(6,814)	30,943,592
Corporate obligations	18,704,104	199,403	(17,327)	18,886,180
Total	<u>\$ 61,372,995</u>	<u>\$ 1,189,107</u>	<u>\$ (24,141)</u>	<u>\$ 62,537,961</u>
2011:				
U.S. Treasury securities	\$ 8,709,966	\$ 110,865	\$ -	\$ 8,820,831
U.S. government agency obligations	35,735,719	902,604	(11,843)	36,626,480
Corporate obligations	16,927,216	240,289	(10,867)	17,156,638
Total	<u>\$ 61,372,901</u>	<u>\$ 1,253,758</u>	<u>\$ (22,710)</u>	<u>\$ 62,603,949</u>

Fair values represent quoted market value prices for securities traded in the public marketplace. These are known as Level 1 inputs within the Fair Value hierarchy.

A summary of the amortized cost and fair value of the Agency's investments in debt securities at December 31, 2012 and 2011, by contractual maturity, is as follows:

	<u>2012</u>	
	<u>Amortized Cost</u>	<u>Fair Value</u>
Maturity:		
Due in one year or less	\$ 9,159,394	\$ 9,218,944
Due after one through five years	37,124,435	37,798,783
Due after five through ten years	13,590,625	14,028,507
Due after ten years	1,498,541	1,491,727
	<u>\$ 61,372,995</u>	<u>\$ 62,537,961</u>
	<u>2011</u>	
	<u>Amortized Cost</u>	<u>Fair Value</u>
Maturity:		
Due in one year or less	\$ 12,899,126	\$ 12,995,287
Due after one through five years	35,803,201	36,537,837
Due after five through ten years	10,172,655	10,548,305
Due after ten years	2,497,919	2,522,520
	<u>\$ 61,372,901</u>	<u>\$ 62,603,949</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 2 - INVESTMENTS (CONTINUED)

As of December 31, 2012, the Agency had the following investments:

Investment type	Fair value	Remaining maturity (in years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury securities	12,708,189	379,967	12,328,222	-	-
U.S. government agency obligations	30,943,592	3,141,050	12,282,309	14,028,507	1,491,726
Corporate obligations	18,886,180	5,697,927	13,188,253	-	-
	62,537,961	9,218,944	37,798,784	14,028,507	1,491,726
Local government investment pool	6,156,048	6,156,048	-	-	-
	<u>\$ 68,694,009</u>	<u>\$ 15,374,992</u>	<u>\$ 37,798,784</u>	<u>\$ 14,028,507</u>	<u>\$ 1,491,726</u>

As of December 31, 2011, the Agency had the following investments:

Investment type	Fair value	Remaining maturity (in years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury securities	\$ 8,820,831	\$ 676,148	\$ 7,130,074	\$ 1,014,609	\$ -
U.S. government agency obligations	36,626,480	7,215,393	17,354,871	9,533,696	2,522,520
Corporate obligations	17,156,638	5,103,746	12,052,892	-	-
	62,603,949	12,995,287	36,537,837	10,548,305	2,522,520
Local government investment pool	200,000	200,000	-	-	-
	<u>\$ 62,803,949</u>	<u>\$ 13,195,287</u>	<u>\$ 36,537,837</u>	<u>\$ 10,548,305</u>	<u>\$ 2,522,520</u>

As of December 31, 2012 and 2011, the Agency had invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Agency matches the duration of its bond portfolio to the corresponding liabilities. The applicable duration is determined by an annual actuarial study. Callable bonds are considered in the duration calculation at their call date, if deemed to be priced to be called. Additionally, the Agency's investment policy limits the maturity of bonds to fifteen years from the date of purchase.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 2 - INVESTMENTS (CONTINUED)

Credit Risk

At December 31, 2012 and 2011, the Agency's holdings of U.S. agency obligations were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. COLOTRUST has been rated AAAM by Standard & Poor's at December 31, 2012 and 2011.

State law limits investments in corporate bonds to those that carry at least two credit ratings from any of the nationally recognized credit rating agencies that are not rated below "AA-or Aa3" upon purchase. Further, state law limits investments in commercial paper to those that carry at least two credit ratings from any of the nationally recognized credit rating agencies that are not rated below "A1, P1 or F1" upon purchase. Each of the Agency's corporate bonds and commercial paper meets or exceeds these criteria. However, corporate bonds of Bank of New York and JP Morgan Chase have subsequently fallen below these criteria. The Agency continues to monitor these investments closely.

Corporate obligations	Amount	Rating as of December 31, 2012
Johnson & Johnson	\$ 2,510,101	AAA
New York Life Global Funding	2,486,053	AA+
MassMutual	2,076,378	AA+
Wal-Mart	1,769,549	AA
Bank of New York	1,636,310	A+
Microsoft Corp.	1,555,258	AAA
Met Life Global Funding	1,518,789	AA-
Kells Funding LLC Financial	1,499,608	A-1+
Berkshire Hathaway Finance	1,488,664	AA+
JP Morgan Chase	1,049,260	A
IBM Corp	779,239	AA-
Toyota Motor Credit	516,970	AA-

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 2 - INVESTMENTS (CONTINUED)

Corporate obligations	Amount	Rating as of December 31, 2011
GE Capital	\$ 2,468,976	AA+
Johnson & Johnson	2,513,961	AAA
New York Life Global Funding	2,427,950	AA+
Bank of New York	1,652,388	A+
TIAA Global Markets	1,031,755	AA+
Wal-Mart	1,835,015	AA
Met Life Global Funding	1,566,950	AA-
Microsoft Corp.	1,593,408	AAA
JP Morgan Chase	1,066,597	A
UBS Finance	999,638	A-1

Concentration of Credit Risk

State law limits investments in corporate bonds of any single issuer to five percent of the Agency's portfolio. No single issuer of corporate bonds represents more than five percent of the Agency's portfolio. However, more than 5 percent of the Agency's investments were invested as follows as of December 31:

	2012		2011	
Federal Home Loan Mortgage Corp.	\$ 9,275,119	14.83%	\$ 7,501,887	11.98%
Federal Farm Credit Bank	6,669,979	10.67%	14,133,488	22.58%
Federal National Mortgage Association	8,503,721	13.60%	9,202,531	14.70%
Federal Home Loan Bank	6,494,774	10.39%	4,784,297	7.64%

Proceeds from the sales, calls and maturities of debt securities during 2012 and 2011 were approximately \$36,861,000 and \$40,791,000, respectively. Gross gains of \$39,632 and \$6,954, respectively, were realized on those sales and calls. Gross losses of \$0 and \$9,481 respectively were realized on sales and calls.

At December 31, 2012 and 2011, bonds with a carrying value of \$531,126 and \$528,319, respectively, were pledged to the Division of Insurance of the State of Colorado to satisfy regulatory requirements.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 2 - INVESTMENTS (CONTINUED)

The carrying amounts of other financial instruments at December 31, 2012 and 2011, which includes cash and cash equivalents, short-term investments, premiums receivable, interest and dividends due, and accrued accounts payable and accrued other expenses, and payables to affiliates, approximate their fair values because of the short maturity of these instruments. However, commercial paper included in cash equivalents and short-term investments is carried at amortized cost.

The Agency's investment income is summarized as follows:

	Year ended December 31,	
	2012	2011
	<u> </u>	<u> </u>
Debt securities	\$ 1,104,285	\$ 1,518,392
Cash and cash equivalents	3,846	7,858
Rental revenue	93,867	88,579
Net realized (losses) gains on sale of investments	39,632	(2,497)
Net increase (decrease) in the fair value of investments	<u>(66,341)</u>	<u>382,053</u>
Gross investment income	1,175,289	1,994,385
Investment expenses	<u>(103,774)</u>	<u>(109,941)</u>
Net investment income	<u><u>\$ 1,071,515</u></u>	<u><u>\$ 1,884,444</u></u>

Expenses associated with rental revenue from office space leased to tenants in the Agency's building are included in the total building expenses related to the Agency's home office operations of \$189,995 and \$207,808 during 2012 and 2011, respectively, and are included in general and administrative expenses.

NLC Mutual Insurance Company provided workers' compensation reinsurance to the Agency from 2002 through 2006 and property reinsurance from 2003 through 2006. NLC Mutual Insurance Company is also a risk pool, as is the Agency. To obtain the reinsurance, the Agency was required to make capital contributions to become a member of the NLC Mutual Insurance Company pool, in addition to regular premiums paid. The related capital contributions associated with NLC Mutual Insurance Company are presented as a deposit at cost as of December 31, 2012 and 2011 for \$697,901.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 3 - EXCESS INSURANCE AND REINSURANCE

The Agency has entered into various excess insurance and reinsurance contracts to limit large losses and minimize exposure on large risks. Coverage for policies is provided under the following terms:

Workers' compensation:

Year(s) ended	Reinsurance coverage
1988	100% of statutory limits in excess of \$250,000 for workers' compensation coverage.
1989	100% of statutory limits in excess of \$300,000 for workers' compensation coverage.
1990	100% of statutory limits in excess of \$350,000 for workers' compensation coverage.
1991 – 2005	100% of statutory limits in excess of \$400,000 for workers' compensation coverage.
2006 – 2012	100% of statutory limits in excess of \$500,000 for workers' compensation coverage.

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011**

NOTE 3 - EXCESS INSURANCE AND REINSURANCE (CONTINUED)

Property and casualty:

Year(s) ended	Excess coverage
1995 – 1999	<p>Excess liability – 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence (except auto liability, which is 100% of \$500,000 in excess of \$1,000,000).</p> <p>Excess property – 100% of \$200,750,000 in excess of \$250,000 per claim/occurrence.</p>
2000 – 2001	<p>Excess liability – 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence (except auto liability, which is 100% of \$500,000 in excess of \$1,000,000 and Public Officials' Errors and Omissions, which is also 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence but has a \$10,000,000 annual aggregate per member).</p> <p>Excess property – 100% of \$200,750,000 in excess of \$250,000 per claim/occurrence.</p>
2002	<p>Excess liability – 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence (except auto liability, which is 100% of \$500,000 in excess of \$1,000,000 and Public Officials' Errors and Omissions, which is also 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence but has a \$10,000,000 annual aggregate per member). Excess property - 100% of \$200,500,000 in excess of \$500,000 per claim/occurrence.</p>
2003 – 2005	<p>Excess liability – 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence (except auto liability, which is 100% of \$500,000 in excess of \$1,000,000 and Public Officials' Errors and Omissions, which is also 100% of \$4,000,000 in excess of \$10,000,000 annual aggregate per member).</p> <p>Excess property – 100% of \$500,000,000 in excess of \$1,000,000 per claim/occurrence.</p> <p>Property reinsurance – 100% of \$500,000 in excess of \$500,000 per claim/occurrence.</p>

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011**

NOTE 3 - EXCESS INSURANCE AND REINSURANCE (CONTINUED)

Year(s) ended	Excess insurance
2006	<p>Excess liability – 100% of \$4,000,000 in excess of \$1,000,000 per claim/occurrence (except auto liability, which is 100% of \$500,000 in excess of \$1,000,000 and Public Officials’ Errors and Omissions, which is also 100% of \$4,000,000 in excess of \$1,000,000 but has a \$10,000,000 annual aggregate per member). Liability reinsurance – 100% of \$500,000 in excess of \$500,000 per claim/occurrence.</p> <p>Excess property – 100% of \$500,000,000 in excess of \$1,000,000 per claim/occurrence.</p> <p>Property reinsurance – 100% of \$500,000 in excess of \$500,000 per claim/occurrence.</p>
2007 – 2012	<p>Liability reinsurance – 100% of \$4,400,000 in excess of \$600,000 per claim/occurrence (except auto liability, which is 100% of \$900,000 in excess of \$600,000 and Public Officials’ Errors and Omissions, which is also 100% of \$4,400,000 in excess of \$600,000 but has a \$10,000,000 annual aggregate per member).</p> <p>Excess property – 100% of \$500,000,000 in excess of \$500,000 per claim/occurrence.</p>

The Agency does not have a legal obligation to pay losses or loss adjustment expenses in excess of the annually established loss fund and amounts recoverable under excess specific and aggregate insurance contracts. Losses and loss adjustment expenses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. However, the excess agreements do not relieve the Agency of its obligations, and a failure of the excess insurer to honor its obligations could result in losses to the Agency. The Agency evaluates and monitors the financial condition of its excess insurers and reinsurers to minimize its exposure to loss from excess insurer insolvency. Management of the Agency believes its excess insurers and reinsurers are financially sound and will continue to meet their contractual obligations.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 3 - EXCESS INSURANCE AND REINSURANCE (CONTINUED)

Excess insurance and reinsurance has reduced member contributions earned and losses and loss adjustment expenses by the following amounts:

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Member contributions earned		
Premiums paid	\$ 6,167,307	\$ 5,991,446
Brokerage commissions	205,863	206,205
Loss and loss adjustment expenses paid	2,467,493	1,795,810
Loss and loss adjustment expenses unpaid	10,955,446	12,662,485

The Agency has the following excess insurance and reinsurance recoverables at December 31:

	<u>2012</u>	<u>2011</u>
National Union Fire Insurance Company of Pittsburgh, PA	\$ 1,406,092	\$ 1,462,941
Employers Reinsurance Corporation	290,676	2,190,434
NLC Mutual Insurance Company	5,708,085	5,995,052
New York Marine and General Insurance Company	3,023,755	2,663,331
Selective Insurance Company of America	-	500,000
Markel Insurance Company	831,057	561,057
Princeton Excess and Surplus Lines Insurance Company	20,000	20,000
RSUI Indemnity Company	31,955	-
	<u>\$ 11,311,620</u>	<u>\$ 13,392,815</u>

The above amounts are recorded as follows at December 31:

	<u>2012</u>	<u>2011</u>
Excess reinsurance receivable, net	\$ 356,174	\$ 730,330
Reserves for unpaid losses and loss adjustment expenses	10,955,446	12,662,485
	<u>\$ 11,311,620</u>	<u>\$ 13,392,815</u>

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011**

NOTE 3 - EXCESS INSURANCE AND REINSURANCE (CONTINUED)

The Agency's excess insurers and reinsurers had the following AM Best rating at December 31, 2012:

Reinsurer	AM Best rating
National Union Fire Insurance Company of Pittsburgh, PA	A
Northfield Insurance Company	A+
Employers Reinsurance Corporation	A+
NLC Mutual Insurance Company	N/A
RSUI Indemnity Company	A
New York Marine and General Insurance Company	A
Princeton Excess and Surplus Lines Insurance Company	A+
Markel Insurance Company	A
Discover Property Casualty Insurance Company	A+
Selective Insurance Company of America	A

The Agency's Executive Director serves on the board of directors of NLC Mutual Insurance Company.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 4 - RESERVES FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Beginning January 1, 1986, the Agency's coverage to member municipalities for all lines except for property, auto physical damage, and workers' compensation is on a claims-made basis. Accordingly, claims incurred in one year but not reported until a subsequent year are accounted for in the year reported. Claims incurred prior to January 1, 1986 are accounted for in the year of the loss occurrence.

The following table provides a reconciliation of the beginning and ending reserve balances, net of excess insurance recoverables:

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables, beginning of year	\$ 40,616,150	\$ 37,932,922
Add incurred loss and loss adjustment expenses, net of excess insurance:		
Provision for covered events of the current year	16,783,258	17,665,087
Decrease in provision for covered events of prior years	<u>(7,001,661)</u>	<u>(1,596,999)</u>
Total incurred losses and loss adjustment expenses, net of excess insurance	<u>9,781,597</u>	<u>16,068,088</u>
Deduct payments:		
For claims attributable to covered events of the current year	3,437,206	4,081,517
For claims attributable to covered events of prior years	<u>9,067,092</u>	<u>9,303,343</u>
Total payments	<u>12,504,298</u>	<u>13,384,860</u>
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables, end of year	<u>\$ 37,893,449</u>	<u>\$ 40,616,150</u>

As a result of changes in estimates of insured events in prior years, the provision for loss and loss adjustment expenses decreased by \$7,001,661 and by \$1,596,999 in 2012 and 2011, respectively. The change in estimates resulted because of favorable development for losses incurred in years prior to 2012 and 2011. Also, in 2012, the reserves for liability coverage were determined on a claims made basis in accordance with our policies. In 2011 and previously, these liability reserves were determined on an occurrence basis. This change was made to more accurately reflect the provision for covered liability events.

The anticipated effect of inflation is implicitly considered when estimating liabilities for losses and loss adjustment expenses. While anticipated price increases due to inflation are considered in estimating the ultimate claim costs, the increase in average severities of claims is caused by a number of factors that vary with the individual type of policy written. Future average severities are projected based on historical trends adjusted for implemented changes in underwriting standards, policy provisions, and general economic trends. Those anticipated trends are monitored based on actual development and are modified if necessary.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 5 - ACCUMULATED MEMBERS' NET ASSETS

Pursuant to the Agency's bylaws, the board of directors may, at their discretion, credit or distribute accumulated members' equity to member municipalities or transfer such accumulated excesses to a reserve fund that may be used to pay claims and expenses related thereto. Amounts credited or distributed to members are recorded as a charge to net assets when they are declared.

The board of directors has adopted a policy that sets forth a target formula for net assets. Net assets in excess of the computed target is considered by the board for return to members. The target computation considers the amounts for the excess fund, a confidence level on the underlying loss funds, and an amount designated for purposes approved by the board on an annual basis.

In 2012 and 2011, the board authorized the Agency to credit \$1,144,220 and \$2,028,400, respectively, to member municipalities and withdrawn members. At December 31, 2012 and 2011, \$1,516,356 and \$2,485,053 of credits remained undistributed, respectively. The undistributed amounts are included in member credits payable in the accompanying balance sheets. The credits, and the related undistributed amounts, are applied to future deductibles, contributions, or loss control accounts in accordance with the requests of the member municipalities.

Pursuant to regulations of the Division of Insurance of the State of Colorado (the Division), the Agency is required to maintain minimum surplus in conformity with statutory accounting practices prescribed or permitted by the Division of \$500,000. At December 31, 2012 and 2011, the Agency's statutory surplus was \$35,949,071 and \$31,962,353, respectively. The Agency's statutory net income (loss) for the years ended December 31, 2012 and 2011 was \$5,005,430 and (\$725,887), respectively.

NOTE 6 - LEASES

The Agency leases automobiles and office space in Montrose, Colorado under operating leases. Future minimum rental commitments under these operating leases are as follows:

Year ending December 31:	
2013	\$ 137,770
2014	52,253
2015	6,088

Rent expense included in general and administrative expenses for the years ended December 31, 2012 and 2011 was \$164,065 and \$159,484, respectively.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 6 - LEASES (CONTINUED)

The Agency owns an office building and leases a portion of the building to tenants under operating leases. Future rental receipts under these operating lease agreements are as follows:

Year ending December 31:

2013	47,250
2014	19,813
2015	-

NOTE 7 - CAPITAL ASSETS

Capital asset activity was as follows:

	<u>Balance at January 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2012</u>
Land				
Historical cost	\$ 750,400	\$ -	\$ -	\$ 750,400
Accumulated depreciation	-	-	-	-
Total	<u>750,400</u>	<u>-</u>	<u>-</u>	<u>750,400</u>
Building and improvements:				
Historical cost	\$ 7,429,519	\$ 159,981	\$ -	\$ 7,589,500
Accumulated depreciation	<u>(2,962,020)</u>	<u>(238,910)</u>	<u>-</u>	<u>(3,200,930)</u>
Total	<u>4,467,499</u>	<u>(78,929)</u>	<u>-</u>	<u>4,388,570</u>
Machinery and equipment:				
Historical cost	288,225	-	-	288,225
Accumulated depreciation	<u>(276,879)</u>	<u>(5,248)</u>	<u>-</u>	<u>(282,127)</u>
Total	<u>11,346</u>	<u>(5,248)</u>	<u>-</u>	<u>6,098</u>
Furniture and fixtures:				
Historical cost	702,688	2,742	-	705,430
Accumulated depreciation	<u>(668,317)</u>	<u>(10,868)</u>	<u>-</u>	<u>(679,185)</u>
Total	<u>34,371</u>	<u>(8,126)</u>	<u>-</u>	<u>26,245</u>
Telephone system:				
Historical cost	164,777	-	(39,411)	125,366
Accumulated depreciation	<u>(164,743)</u>	<u>(34)</u>	<u>39,411</u>	<u>(125,366)</u>
Total	<u>34</u>	<u>(34)</u>	<u>-</u>	<u>-</u>
Computer equipment:				
Historical cost	3,170,411	76,449	-	3,246,860
Accumulated depreciation	<u>(2,769,551)</u>	<u>(232,785)</u>	<u>-</u>	<u>(3,002,336)</u>
Total	<u>400,860</u>	<u>(156,336)</u>	<u>-</u>	<u>244,524</u>
Total property and equipment, net	<u>\$ 5,664,510</u>	<u>\$ (248,673)</u>	<u>\$ -</u>	<u>\$ 5,415,837</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 7 - CAPITAL ASSETS (CONTINUED)

	Balance at January 1, 2011	Additions	Deletions	Balance at December 31, 2011
Land				
Historical cost	\$ 750,400	\$ -	\$ -	\$ 750,400
Accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>750,400</u>	<u>-</u>	<u>-</u>	<u>750,400</u>
Building and improvements:				
Historical cost	\$ 7,414,939	\$ 14,580	\$ -	\$ 7,429,519
Accumulated depreciation	<u>(2,726,762)</u>	<u>(235,258)</u>	<u>-</u>	<u>(2,962,020)</u>
Total	<u>4,688,177</u>	<u>(220,678)</u>	<u>-</u>	<u>4,467,499</u>
Machinery and equipment:				
Historical cost	299,855	10,282	(21,912)	288,225
Accumulated depreciation	<u>(290,974)</u>	<u>(7,759)</u>	<u>21,854</u>	<u>(276,879)</u>
Total	<u>8,881</u>	<u>2,523</u>	<u>(58)</u>	<u>11,346</u>
Furniture and fixtures:				
Historical cost	677,313	25,375	-	702,688
Accumulated depreciation	<u>(649,750)</u>	<u>(18,567)</u>	<u>-</u>	<u>(668,317)</u>
Total	<u>27,563</u>	<u>6,808</u>	<u>-</u>	<u>34,371</u>
Telephone system:				
Historical cost	164,777	-	-	164,777
Accumulated depreciation	<u>(164,263)</u>	<u>(480)</u>	<u>-</u>	<u>(164,743)</u>
Total	<u>514</u>	<u>(480)</u>	<u>-</u>	<u>34</u>
Computer equipment:				
Historical cost	3,080,957	114,877	(25,423)	3,170,411
Accumulated depreciation	<u>(2,524,324)</u>	<u>(270,650)</u>	<u>25,423</u>	<u>(2,769,551)</u>
Total	<u>556,633</u>	<u>(155,773)</u>	<u>-</u>	<u>400,860</u>
Total property and equipment, net	<u>\$ 6,032,168</u>	<u>\$ (367,600)</u>	<u>\$ (58)</u>	<u>\$ 5,664,510</u>

NOTE 8 - CONTINGENCIES

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Agency participates in the property and liability and workers' compensation pools offered by the Agency and carries commercial insurance for boiler and machinery. The Agency also has a fiduciary bond for benefit plans and a blanket fidelity policy for employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three years.

In the normal course of operations, the Agency is involved in litigation related principally to claims made under insurance contracts. Those actions are considered by the Agency in estimating the reserves for losses and loss adjustment expenses. In the opinion of

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011**

management, the resolution of these matters will not have a material effect on the Agency's financial position, results of operations, or liquidity.

NOTE 9 - DEFINED CONTRIBUTION MONEY PURCHASE PENSION PLAN

The employees of the Agency participate in the Colorado Intergovernmental Risk Sharing Agency Retirement Plan which is a defined contribution plan established by the Agency and is maintained and administered by Vanguard Fiduciary Trust Company. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees become plan members upon employment. Under this plan, 10% of the plan members' compensation is withheld and remitted to the Plan Administrator along with a matching payment of 10% from the Agency. The Agency's contributions, plus earnings, are 100% vested. There is no liability for benefits under the plan beyond the Agency's matching payments. Plan provisions and contribution requirements are established and may be amended by the Agency's Board of Directors.

Contributions actually made by plan members and the Agency for the years ended December 31, 2012 and 2011, which represents the 10% required contribution, are as follows:

	2012	2011
Plan members	<u>\$ 356,419</u>	<u>\$ 348,173</u>
Agency	<u>\$ 356,419</u>	<u>\$ 348,173</u>

NOTE 10 – FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a hierarchy for fair value measurements based upon the inputs to the valuation and the degree to which they are observable or not observable in the market. The three levels in the hierarchy are as follows:

- Level 1 – Inputs to the valuation are based upon quoted prices (unadjusted) for identical assets or liabilities in active markets that are accessible as of the measurement date.
- Level 2 – Inputs to the valuation include quoted prices in either markets that are not active, or in active markets for similar assets or liabilities, inputs other than quoted prices that are observable, and inputs that are derived principally from or corroborated by observable market data.
- Level 3 – Inputs to the valuation are unobservable inputs for the asset or liability.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used by the Agency.

Investment in debt securities: Valued at the net asset value (NAV) of shares held by the Agency at year end.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 10 – FAIR VALUE MEASUREMENTS (CONTINUED)

Deposit with NLC Mutual Insurance Company: Valued at cost.

Reserves for unpaid losses and loss adjustment expense: Valued at the estimated ultimate settlement amount of claims.

Financial assets and liabilities measured at fair value on a recurring basis are reflected in the Agency's balance sheet at December 31, 2012 are as follows:

Assets:				
	Level 1	Level 2	Level 3	Total
Investment in debt securities	\$ 62,537,961	\$ -	\$ -	\$ 62,537,961
Deposit with NLC Mutual Insurance Company	697,901	-	-	697,901
Total assets	\$ 63,235,862	\$ -	\$ -	\$ 63,235,862
Liabilities:				
Reserves for unpaid losses and loss adjustment expense	\$ -	\$ 37,893,449	\$ -	\$ 37,893,449

Financial assets and liabilities measured at fair value on a recurring basis are reflected in the Agency's balance sheet at December 31, 2011 are as follows:

Assets:				
	Level 1	Level 2	Level 3	Total
Investment in debt securities	\$ 62,603,949	\$ -	\$ -	\$ 62,603,949
Deposit with NLC Mutual Insurance Company	697,901	-	-	697,901
Total assets	\$ 63,301,850	\$ -	\$ -	\$ 63,301,850
Liabilities:				
Reserves for unpaid losses and loss adjustment expense	\$ -	\$ 40,616,150	\$ -	\$ 40,616,150

NOTE 11 – SUBSEQUENT EVENTS

CIRSA has evaluated events subsequent to December 31, 2012 through March 29, 2013, which is the issuance date of this report. There were no material events noted in the subsequent period that would have impacted the results reported herein or in the Agency's results going forward.

This information is an integral part of the accompanying basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
REQUIRED SUPPLEMENTARY INFORMATION - RECONCILIATION OF RESERVES FOR
UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES (UNAUDITED)**

Years ended December 31, 2012 and 2011

	<u>WC Pool</u>	<u>2012 PC Pool</u>	<u>Combined</u>	<u>WC Pool</u>	<u>2011 PC Pool</u>	<u>Combined</u>
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	\$ 16,569,222	\$ 24,046,928	\$ 40,616,150	\$ 15,581,187	\$ 22,351,735	\$ 37,932,922
Add incurred losses and loss adjustment expenses, net of excess insurance recoverables:						
Provision for covered events of the current year	5,248,464	11,534,794	16,783,258	5,759,627	11,905,460	17,665,087
(Decrease) increase in provision for covered events of prior years	<u>121,312</u>	<u>(7,122,973)</u>	<u>(7,001,661)</u>	<u>188,989</u>	<u>(1,785,988)</u>	<u>(1,596,999)</u>
Total incurred losses and loss adjustment expenses, net of excess insurance	<u>5,369,776</u>	<u>4,411,821</u>	<u>9,781,597</u>	<u>5,948,616</u>	<u>10,119,472</u>	<u>16,068,088</u>
Deduct payments, net of excess insurance recoverables:						
For claims attributable to covered events of the current year	712,174	2,725,032	3,437,206	964,578	3,116,939	4,081,517
For claims attributable to covered events of prior years	<u>3,804,603</u>	<u>5,262,489</u>	<u>9,067,092</u>	<u>3,996,003</u>	<u>5,307,340</u>	<u>9,303,343</u>
Total payments	<u>4,516,777</u>	<u>7,987,521</u>	<u>12,504,298</u>	<u>4,960,581</u>	<u>8,424,279</u>	<u>13,384,860</u>
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	<u>\$ 17,422,221</u>	<u>\$ 20,471,228</u>	<u>\$ 37,893,449</u>	<u>\$ 16,569,222</u>	<u>\$ 24,046,928</u>	<u>\$ 40,616,150</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY

REQUIRED SUPPLEMENTARY INFORMATION - WORKERS' COMPENSATION POOL TEN-YEAR LOSS DEVELOPMENT INFORMATION (UNAUDITED)

December 31, 2012
(In Thousands of Dollars)

The following table illustrates how the Workers' Compensation Pool's (Pool) earned revenue (net of excess insurance) and investment income compare to related costs of loss (net of loss assumed by excess insurers) and other expenses assumed by the Pool as of the end of each of the previous ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each year's gross earned member contributions and reported investment revenues, amounts of excess insurance premiums, and reported member contributions (net of excess insurance) and reported investment revenue.
- (2) This line shows each year's other operating costs of the Pool including overhead and claims expense not allocable to individual claims.
- (3) This line shows the Pool's gross incurred losses and allocated loss adjustment expense, losses assumed by excess insurers, and net incurred adjustment expenses (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called coverage year).
- (4) This section of ten rows shows the cumulative net amounts paid as of the end of successive years, for each coverage year.
- (5) This line shows the latest reestimated amount of losses assumed by excess insurers for each coverage year.
- (6) This section of ten rows shows how each coverage year's net incurred losses increased or decreased as of the end of successive years. (This annual reestimation results from new information received on known losses, reevaluation of existing information on known losses, and emergence of new losses not previously known.)
- (7) This line compares the latest reestimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought.

As data for individual coverage years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature coverage years. The columns of the table show data for successive coverage years.

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1. Member contributions and investment income:										
Earned	\$ 6,733	\$ 7,528	\$ 8,807	\$ 9,923	\$ 9,196	\$ 9,711	\$ 8,077	\$ 7,948	\$ 8,241	\$ 7,384
Excess/reinsurance premiums	<u>747</u>	<u>963</u>	<u>1,284</u>	<u>1,535</u>	<u>1,274</u>	<u>1,156</u>	<u>1,123</u>	<u>1,201</u>	<u>1,231</u>	<u>1,117</u>
Net earned	5,986	6,565	7,523	8,388	7,922	8,555	6,954	6,747	7,010	6,267
2. Unallocated expenses	1,466	1,911	2,114	2,239	2,286	2,346	2,223	1,635	752	731
3. Estimated incurred losses and expenses, end of coverage year:										
Incurred	5,134	4,522	4,982	5,329	4,939	6,158	6,313	5,952	6,049	6,590
Assumed by excess insurers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>960</u>	<u>453</u>	<u>-</u>	<u>289</u>	<u>1,342</u>
Net incurred	5,134	4,522	4,982	5,329	4,939	5,198	5,860	5,952	5,760	5,248
4. Net paid (cumulative) as of:										
End of accident year	1,197	921	1,048	1,299	1,261	1,178	1,473	1,221	1,004	712
One year later	2,300	1,981	2,613	3,167	2,579	2,575	3,386	2,695	2,837	-
Two years later	2,847	2,375	3,078	3,782	3,548	3,251	4,297	3,382	-	-
Three years later	3,546	2,500	3,183	4,283	4,063	3,811	4,660	-	-	-
Four years later	3,686	2,570	3,404	4,526	4,414	4,039	-	-	-	-
Five years later	3,789	2,630	3,514	4,401	4,706	-	-	-	-	-
Six years later	4,109	2,675	3,487	4,531	-	-	-	-	-	-
Seven years later	4,154	2,698	3,492	-	-	-	-	-	-	-
Eight years later	4,045	2,714	-	-	-	-	-	-	-	-
Nine years later	4,086	-	-	-	-	-	-	-	-	-
5. Reestimated losses and expenses assumed by excess insurers	6,620	-	621	69	339	1,274	375	-	-	1,342
6. Reestimated net incurred losses and expenses:										
End of accident year	5,134	4,522	4,982	5,329	4,939	5,198	5,860	5,952	5,760	5,248
One year later	4,439	3,941	4,854	5,602	5,486	5,414	6,947	6,218	6,314	-
Two years later	4,219	3,349	4,197	5,411	5,654	5,313	6,572	5,487	-	-
Three years later	4,549	2,937	3,691	5,368	5,844	5,280	6,470	-	-	-
Four years later	4,130	2,716	3,620	5,166	6,032	5,250	-	-	-	-
Five years later	4,170	2,726	3,619	5,253	5,756	-	-	-	-	-
Six years later	4,124	2,705	3,549	5,551	-	-	-	-	-	-
Seven years later	4,042	2,714	3,543	-	-	-	-	-	-	-
Eight years later	4,211	2,746	-	-	-	-	-	-	-	-
Nine years later	4,180	-	-	-	-	-	-	-	-	-
7. (Decrease) increase in estimated net incurred losses and expenses from end of coverage year	(954)	(1,776)	(1,439)	222	817	52	610	(465)	554	-

Unaudited – See accompanying independent auditors' report.

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
REQUIRED SUPPLEMENTARY INFORMATION - PROPERTY AND CASUALTY POOL TEN-YEAR LOSS DEVELOPMENT INFORMATION
(UNAUDITED)

December 31, 2012
(In Thousands of Dollars)

The following table illustrates how the Property and Casualty Pool's (Pool) earned revenue (net of excess insurance) and investment income compare to related costs of loss (net of loss assumed by excess insurers) and other expenses assumed by the Pool as of the end of each of the previous ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each year's gross earned member contributions and reported investment revenues, amounts of excess insurance premiums, and reported member contributions (net of excess insurance) and reported investment revenue.
- (2) This line shows each year's other operating costs of the Pool including overhead and claims expense not allocable to individual claims.
- (3) This line shows the Pool's gross incurred losses and allocated loss adjustment expense, losses assumed by excess insurers, and net incurred losses and loss adjustment expenses (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called coverage year).
- (4) This section of ten rows shows the cumulative net amounts paid as of the end of successive years, for each coverage year.
- (5) This line shows the latest reestimated amount of losses assumed by excess insurers for each coverage year.
- (6) This section of ten rows shows how each coverage year's net incurred losses increased or decreased as of the end of successive years. (This annual reestimation results from new information received on known losses, reevaluation of existing information on known losses, and emergence of new losses not previously known.)
- (7) This line compares the latest reestimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought.

As data for individual coverage years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature coverage years. The columns of the table show data for successive coverage years.

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1. Member contributions and investment income:										
Earned	\$ 11,326	\$ 13,425	\$ 16,567	\$ 20,831	\$ 22,037	\$ 19,357	\$ 19,014	\$ 18,924	\$ 20,890	\$ 21,203
Excess/reinsurance premiums	3,033	2,981	3,444	4,370	3,468	3,584	4,284	4,544	4,967	5,256
Net earned	8,293	10,444	13,123	16,461	18,569	15,773	14,730	14,380	15,923	15,947
2. Unallocated expenses	3,205	3,329	3,467	3,596	3,972	4,391	4,882	5,424	6,457	6,762
3. Estimated incurred losses and expenses, end of coverage year:										
Incurred	9,291	8,354	8,827	9,325	10,753	13,599	10,640	12,378	11,905	11,881
Assumed by excess/reinsurers	2,314	566	-	-	-	2,444	-	599	-	346
Net incurred	6,977	7,788	8,827	9,325	10,753	11,155	10,640	11,779	11,905	11,535
4. Net paid (cumulative) as of:										
End of accident year	1,561	1,915	1,649	1,840	2,479	2,813	2,364	2,770	3,117	2,725
One year later	3,447	2,589	3,022	3,694	4,341	4,208	4,063	5,311	5,725	-
Two years later	4,019	3,352	3,760	5,816	5,319	4,867	5,614	6,585	-	-
Three years later	5,217	4,083	4,366	6,564	5,939	5,527	6,685	-	-	-
Four years later	5,909	4,133	4,375	6,738	6,140	6,482	-	-	-	-
Five years later	6,016	4,167	4,400	7,113	6,319	-	-	-	-	-
Six years later	6,021	4,218	4,422	7,210	-	-	-	-	-	-
Seven years later	6,058	4,281	4,698	-	-	-	-	-	-	-
Eight years later	6,058	4,553	-	-	-	-	-	-	-	-
Nine years later	5,946	-	-	-	-	-	-	-	-	-
5. Reestimated losses and expenses assumed by excess/reinsurers	2,964	844	-	2,711	1,227	5,097	203	466	151	346
6. Reestimated net incurred losses and expenses:										
End of accident year	6,977	7,788	8,827	9,325	10,753	11,155	10,640	11,779	11,905	11,535
One year later	7,346	7,018	8,379	9,557	10,025	9,018	10,170	12,113	10,859	-
Two years later	7,479	5,511	6,729	8,688	8,432	7,333	9,503	8,830	-	-
Three years later	7,091	5,023	5,431	8,382	7,597	7,242	8,359	-	-	-
Four years later	6,850	4,484	4,868	8,022	7,106	7,644	-	-	-	-
Five years later	6,330	4,695	4,847	7,403	6,480	-	-	-	-	-
Six years later	6,258	4,514	4,633	7,429	-	-	-	-	-	-
Seven years later	6,063	4,507	4,787	-	-	-	-	-	-	-
Eight years later	6,059	4,553	-	-	-	-	-	-	-	-
Nine years later	5,947	-	-	-	-	-	-	-	-	-
7. (Decrease) increase in estimated net incurred losses and expenses from end of coverage year	(1,030)	(3,235)	(4,040)	(1,896)	(4,273)	(3,511)	(2,281)	(2,949)	(1,046)	-

Unaudited – See accompanying independent auditors' report.

SUPPLEMENTARY INFORMATION

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
COMBINING SCHEDULE - BALANCE SHEET INFORMATION
December 31, 2012

Assets	CIRSA/ PC	CIRSA/ WC	Combining Adjustments	Combined
Current assets:				
Investments in debt securities, at fair value	\$ 4,682,175	\$ 4,536,770	\$ -	\$ 9,218,945
Cash and cash equivalents	4,400,209	2,756,630	-	7,156,839
Accrued investment income	191,507	112,861	-	304,368
Receivable from members	662,446	165,771	-	828,217
Excess insurance receivable, net	-	356,174	-	356,174
Interpool accounts receivable	145,762	205,043	(350,805)	-
Prepaid expenses	155,386	-	-	155,386
Other assets	22,055	-	-	22,055
Total current assets	<u>10,259,540</u>	<u>8,133,249</u>	<u>(350,805)</u>	<u>18,041,984</u>
Noncurrent assets:				
Investments in debt securities, at fair value	36,999,360	16,319,656	-	53,319,016
Deposit with NLC Mutual Insurance Company	303,549	394,352	-	697,901
Capital assets, net	4,183,326	1,232,511	-	5,415,837
Total noncurrent assets	<u>41,486,235</u>	<u>17,946,519</u>	<u>-</u>	<u>59,432,754</u>
Total assets	<u>\$ 51,745,775</u>	<u>\$ 26,079,768</u>	<u>\$ (350,805)</u>	<u>\$ 77,474,738</u>
Liabilities and Net Assets				
Current liabilities:				
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	\$ 7,651,000	\$ 4,109,000	\$ -	\$ 11,760,000
Accounts payable and accrued liabilities	530,964	38,175	-	569,139
Interpool payable	205,043	145,762	(350,805)	-
Member credits payable	1,238,716	277,640	-	1,516,356
Special contribution plan deposits	-	25,000	-	25,000
Unearned member contributions	59,215	-	-	59,215
Total current liabilities	<u>9,684,938</u>	<u>4,595,577</u>	<u>(350,805)</u>	<u>13,929,710</u>
Noncurrent liabilities:				
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	12,820,228	13,313,221	-	26,133,449
Total noncurrent liabilities	<u>12,820,228</u>	<u>13,313,221</u>	<u>-</u>	<u>26,133,449</u>
Total liabilities	<u>22,505,166</u>	<u>17,908,798</u>	<u>(350,805)</u>	<u>40,063,159</u>
Net assets:				
Invested in capital assets	4,183,326	1,232,511	-	5,415,837
Restricted	531,126	-	-	531,126
Unrestricted	24,526,157	6,938,459	-	31,464,616
Total net assets	<u>29,240,609</u>	<u>8,170,970</u>	<u>-</u>	<u>37,411,579</u>
Total liabilities and net assets	<u>\$ 51,745,775</u>	<u>\$ 26,079,768</u>	<u>\$ (350,805)</u>	<u>\$ 77,474,738</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
COMBINING SCHEDULE - BALANCE SHEET INFORMATION
December 31, 2011

Assets	CIRSA/ PC	CIRSA/ WC	Combining Adjustments	Combined
Current assets:				
Investments in debt securities, at fair value	\$ 9,520,587	\$ 3,474,700	\$ -	\$ 12,995,287
Cash and cash equivalents	4,064,347	2,403,169	-	6,467,516
Accrued investment income	212,985	115,407	-	328,392
Receivable from members	585,046	177,250	-	762,296
Excess insurance receivable, net	-	730,330	-	730,330
Interpool accounts receivable	280,694	164,508	(445,202)	-
Prepaid expenses	141,476	-	-	141,476
Other assets	8,268	-	-	8,268
Total current assets	<u>14,813,403</u>	<u>7,065,364</u>	<u>(445,202)</u>	<u>21,433,565</u>
Noncurrent assets:				
Investments in debt securities, at fair value	32,564,961	17,043,701	-	49,608,662
Deposit with NLC Mutual Insurance Company	303,549	394,352	-	697,901
Capital assets, net	4,365,149	1,299,361	-	5,664,510
Total noncurrent assets	<u>37,233,659</u>	<u>18,737,414</u>	<u>-</u>	<u>55,971,073</u>
Total assets	<u>\$ 52,047,062</u>	<u>\$ 25,802,778</u>	<u>\$ (445,202)</u>	<u>\$ 77,404,638</u>
Liabilities and Net Assets				
Current liabilities:				
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	\$ 9,285,869	\$ 4,260,510	\$ -	\$ 13,546,379
Accounts payable and accrued liabilities	536,039	57,090	-	593,129
Interpool payable	164,508	280,694	(445,202)	-
Member credits payable	1,978,236	506,817	-	2,485,053
Special contribution plan deposits	-	25,000	-	25,000
Unearned member contributions	68,596	-	-	68,596
Total current liabilities	<u>12,033,248</u>	<u>5,130,111</u>	<u>(445,202)</u>	<u>16,718,157</u>
Noncurrent liabilities:				
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	14,761,059	12,308,712	-	27,069,771
Total noncurrent liabilities	<u>14,761,059</u>	<u>12,308,712</u>	<u>-</u>	<u>27,069,771</u>
Total liabilities	<u>26,794,307</u>	<u>17,438,823</u>	<u>(445,202)</u>	<u>43,787,928</u>
Net assets:				
Invested in capital assets	4,365,149	1,299,361	-	5,664,510
Restricted	528,319	-	-	528,319
Unrestricted	20,359,287	7,064,594	-	27,423,881
Total net assets	<u>25,252,755</u>	<u>8,363,955</u>	<u>-</u>	<u>33,616,710</u>
Total liabilities and net assets	<u>\$ 52,047,062</u>	<u>\$ 25,802,778</u>	<u>\$ (445,202)</u>	<u>\$ 77,404,638</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
COMBINING SCHEDULE - REVENUE, EXPENSES AND
CHANGES IN NET ASSETS INFORMATION
Year Ended December 31, 2012

	<u>CIRSA/ PC</u>	<u>CIRSA/ WC</u>	<u>Combining Adjustments</u>	<u>Combined</u>
Operating revenues:				
Member contributions	\$ 20,435,976	\$ 7,080,131	\$ -	\$ 27,516,107
Excess/reinsurance premiums	(5,050,134)	(1,117,173)	-	(6,167,307)
Brokerage commissions	(205,863)	-	-	(205,863)
Member contributions earned	15,179,979	5,962,958	-	21,142,937
Administration fee	587,168	-	(587,168)	-
Total operating revenues	<u>15,767,147</u>	<u>5,962,958</u>	<u>(587,168)</u>	<u>21,142,937</u>
Operating expenses:				
Losses and loss adjustment expenses	4,411,821	5,369,776	-	9,781,597
Personnel	4,844,648	-	-	4,844,648
General operating	1,778,327	66,849	-	1,845,176
Professional consultation	406,540	-	-	406,540
Travel	320,896	-	-	320,896
Taxes	-	76,506	-	76,506
Administration fee	-	587,168	(587,168)	-
General and administrative	7,350,411	730,523	(587,168)	7,493,766
Total operating expenses	<u>11,762,232</u>	<u>6,100,299</u>	<u>(587,168)</u>	<u>17,275,363</u>
Operating income	4,004,915	(137,341)	-	3,867,574
Nonoperating revenue:				
Net investment income	767,234	304,281	-	1,071,515
Income before transfers	4,772,149	166,940	-	4,939,089
Transfers out - Distributions and credits to members and withdrawn members				
	(784,295)	(359,925)	-	(1,144,220)
Change in net assets	3,987,854	(192,985)	-	3,794,869
Net assets, beginning of year	25,252,755	8,363,955	-	33,616,710
Net assets, end of year	<u>\$ 29,240,609</u>	<u>\$ 8,170,970</u>	<u>\$ -</u>	<u>\$ 37,411,579</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
COMBINING SCHEDULE - REVENUE, EXPENSES AND
CHANGES IN NET ASSETS INFORMATION

Year Ended December 31, 2011

	<u>CIRSA/ PC</u>	<u>CIRSA/ WC</u>	<u>Combining Adjustments</u>	<u>Combined</u>
Operating revenues:				
Member contributions	\$ 19,625,609	\$ 7,621,177	\$ -	\$ 27,246,786
Excess/reinsurance premiums	(4,760,843)	(1,230,603)	-	(5,991,446)
Brokerage commissions	(206,205)	-	-	(206,205)
Member contributions earned	14,658,561	6,390,574	-	21,049,135
Administration fee	583,120	-	(583,120)	-
Total operating revenues	<u>15,241,681</u>	<u>6,390,574</u>	<u>(583,120)</u>	<u>21,049,135</u>
Operating expenses:				
Losses and loss adjustment expenses	10,119,472	5,948,616	-	16,068,088
Personnel	4,667,771	-	-	4,667,771
General operating	1,629,499	66,666	-	1,696,165
Professional consultation	410,048	-	-	410,048
Travel	333,259	-	-	333,259
Taxes	-	102,082	-	102,082
Administration fee	-	583,120	(583,120)	-
General and administrative	<u>7,040,577</u>	<u>751,868</u>	<u>(583,120)</u>	<u>7,209,325</u>
Total operating expenses	<u>17,160,049</u>	<u>6,700,484</u>	<u>(583,120)</u>	<u>23,277,413</u>
Operating income	(1,918,368)	(309,910)	-	(2,228,278)
Nonoperating revenue:				
Net investment income	1,264,829	619,615	-	1,884,444
Income before transfers	(653,539)	309,705	-	(343,834)
Transfers out - Distributions and credits to members and withdrawn members				
	(1,449,883)	(578,517)	-	(2,028,400)
Change in net assets	(2,103,422)	(268,812)	-	(2,372,234)
Net assets, beginning of year	27,356,177	8,632,767	-	35,988,944
Net assets, end of year	<u>\$ 25,252,755</u>	<u>\$ 8,363,955</u>	<u>\$ -</u>	<u>\$ 33,616,710</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
COMBINING SCHEDULE - CASH FLOW INFORMATION
Year Ended December 31, 2012

	<u>CIRSA/ PC</u>	<u>CIRSA/ WC</u>	<u>Combining Adjustments</u>	<u>Combined</u>
Cash flows from operating activities:				
Contributions collected from members, net of excess insurance premiums and brokerage commissions paid	\$ 15,298,682	\$ 5,962,958	\$ -	\$ 21,261,640
Other income collected	573,282	-	(587,168)	(13,886)
Losses and loss adjustment expenses paid, net	(8,181,740)	(4,131,142)	-	(12,312,882)
General and administrative expenses paid	<u>(6,784,101)</u>	<u>(858,055)</u>	<u>587,168</u>	<u>(7,054,988)</u>
Net cash provided by operating activities	<u>906,123</u>	<u>973,761</u>	<u>-</u>	<u>1,879,884</u>
Cash flows from noncapital financing activities:				
Distributions and credits to members	<u>(1,523,814)</u>	<u>(589,102)</u>	<u>-</u>	<u>(2,112,916)</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	<u>(239,172)</u>	<u>-</u>	<u>-</u>	<u>(239,172)</u>
Cash flows from investing activities:				
Purchases of investments	(26,575,986)	(10,620,355)	-	(37,196,341)
Proceeds from sale of investments	6,479,510	756,578	-	7,236,088
Proceeds from call of investments	10,000,000	6,325,000	-	16,325,000
Proceeds from maturities of investments	10,300,000	3,000,000	-	13,300,000
Investment income collected	<u>989,201</u>	<u>507,579</u>	<u>-</u>	<u>1,496,780</u>
Net cash provided by (used in) investing activities	<u>1,192,725</u>	<u>(31,198)</u>	<u>-</u>	<u>1,161,527</u>
Net increase in cash and cash equivalents	335,862	353,461	-	689,323
Cash and cash equivalents, beginning of year	<u>4,064,347</u>	<u>2,403,169</u>	<u>-</u>	<u>6,467,516</u>
Cash and cash equivalents, end of year	<u>\$ 4,400,209</u>	<u>\$ 2,756,630</u>	<u>\$ -</u>	<u>\$ 7,156,839</u>

COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
COMBINING SCHEDULE - CASH FLOW INFORMATION
Year Ended December 31, 2011

	<u>CIRSA/ PC</u>	<u>CIRSA/ WC</u>	<u>Combining Adjustments</u>	<u>Combined</u>
Cash flows from operating activities:				
Contributions collected from members, net of excess insurance premiums and brokerage commissions paid	\$ 14,690,735	\$ 6,386,956	\$ -	\$ 21,077,691
Other income collected	591,361	-	(583,120)	8,241
Losses and loss adjustment expenses paid, net	(8,304,415)	(5,430,585)	-	(13,735,000)
General and administrative expenses paid	<u>(7,576,052)</u>	<u>243,572</u>	<u>583,120</u>	<u>(6,749,360)</u>
Net cash provided by operating activities	<u>(598,371)</u>	<u>1,199,943</u>	<u>-</u>	<u>601,572</u>
Cash flows from noncapital financing activities:				
Distributions and credits to members	<u>(1,258,653)</u>	<u>(1,394,384)</u>	<u>-</u>	<u>(2,653,037)</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	<u>(165,114)</u>	<u>-</u>	<u>-</u>	<u>(165,114)</u>
Cash flows from investing activities:				
Purchases of investments	(26,703,485)	(11,093,238)	-	(37,796,723)
Proceeds from sale of investments	-	803,400	-	803,400
Proceeds from call of investments	14,698,000	5,800,000	-	20,498,000
Proceeds from maturities of investments	15,525,000	3,965,000	-	19,490,000
Investment income collected	<u>1,344,867</u>	<u>671,213</u>	<u>-</u>	<u>2,016,080</u>
Net cash used in investing activities	<u>4,864,382</u>	<u>146,375</u>	<u>-</u>	<u>5,010,757</u>
Net decrease in cash and cash equivalents	2,842,244	(48,066)	-	2,794,178
Cash and cash equivalents, beginning of year	<u>1,222,103</u>	<u>2,451,235</u>	<u>-</u>	<u>3,673,338</u>
Cash and cash equivalents, end of year	<u>\$ 4,064,347</u>	<u>\$ 2,403,169</u>	<u>\$ -</u>	<u>\$ 6,467,516</u>

***CIRSA Property/Casualty Pool
Member Equity Report
As of December 31, 2012***

Southwest Colorado Council of Governments

<i>Year</i>	<i>Fund</i>	<i>CIRSA's Net Assets</i>	<i>Your Equity Account Balance</i>
1990	Loss Fund	\$47,812	\$0
1992	Loss Fund	\$91,375	\$0
1993	Loss Fund	\$191,349	\$0
1994	Loss Fund	\$193,039	\$0
1995	Loss Fund	\$465,526	\$0
1996	Loss Fund	\$45,433	\$0
1997	Loss Fund	\$143,475	\$0
2001	Loss Fund	\$77,548	\$0
2003	Loss Fund	\$413,718	\$0
2004	Loss Fund	\$1,303,934	\$0
2005	Loss Fund	\$3,038,972	\$0
2006	Loss Fund	\$2,414,735	\$0
2007	Loss Fund	\$3,330,510	\$0
2008	Loss Fund	\$2,184,229	\$0
2009	Loss Fund	\$1,565,229	\$0
2010	Loss Fund	\$635,724	\$94
2011	Loss Fund	(\$2,033,311)	(\$319)
2012	Loss Fund	(\$2,134,011)	(\$470)
All	Operating Fund	\$4,755,197	\$143
All	Excess Fund	\$3,937,409	\$119
All	Reserve Fund	\$8,572,717	\$666
	TOTALS	\$29,240,609	\$233

Please note that these fund balances report the net assets position as of December 31, 2012. Going forward, these balances will change due to operating activity such as interest earnings and claims development.



**DEPARTMENT OF LOCAL AFFAIRS
COMMUNITY DEVELOPMENT OFFICE
&**



Planning Refresher Workshop

Hosted by the Southwest Colorado Council of Governments

Tuesday, April 30, 2013 at 5pm

Durango City Library 1900 East 3rd Ave., Durango, CO

AGENDA

- 5:00pm Welcome and Introductions
- 5:20pm Why Plan & Statutory Planning Authority
 - Roles and Responsibilities of Electeds and Planning Commissioners
 - Conducting Meetings and Decision-Making
- 6:00pm Planning Tools
 - Long range planning and implementation
 - “How to Stay Out of Trouble” – Legal & Ethical Issues
- 7:00pm Open Discussion & Follow-Up/Questions
- 7:30pm Adjourn

NOTES:



Division of Local Government, Community Development Office

303.866.3785

<http://dola.colorado.gov/cdo>



SWCCOG Office – 970-382-6212

susan.hakanson@co.laplata.co.us

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3, 2013		<input type="checkbox"/>
Staff: Susan Hakanson , Erica Keter, Anthony Casale	Presentation Time: 3 minutes	<input type="checkbox"/>
Subject: Housing	Discussion Time: 0 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> N/A		

Background:

To fulfill the terms of the DoLA EIAF grant, RFP's were distributed during the week of March 26 – April 2 to hire the individuals to complete the work under #3 in the defined projects.

The Projects include:

1. In collaboration with a qualified consultant(s), produce a Broadband operations and business plan, needed agreements, MOUs or IGAs and recommended policies for the Southwest Colorado Access network (SCAN).
2. In collaboration with a qualified consultant(s), facilitate a discussion between SWCCOG members and staff that will help determine the best use of SWCCOG efforts and resources.
3. In coordination with the regional housing organizations , the regional transit providers in the southwest and the regional senior services providers in the southwest, develop a data base of services, develop and select priorities and produce a web based information system and develop a strategic plan for the SWCCOG and its individual members as it relates to these three service areas referred to as Southwest Connect.

Erica and Susan followed up with interview and offered a contract position to Anthony Casale. Anthony has a strong background in regional housing. He will be bringing his first formal report to the board for the June, 2013 meeting.

Fiscal Impact:

Recommended Action:

Accompanying Documents:

None

ADDITIONAL INSTRUCTIONS

- Announcement/Proclamation
- Special Presentation
- Report

- Consent
- Decision

AGENDA SUBMISSION FORM
Southwest Colorado Council of Governments

Date of Board Meeting: May 3 , 2013		<input type="checkbox"/>
Staff: Susan Hakanson, John Egan	Presentation Time: 0 minutes	<input type="checkbox"/>
Subject: Reports	Discussion Time: 0 minutes	
Reviewed by Attorney? <input type="checkbox"/> Yes Attorney: _____ <input checked="" type="checkbox"/> N/A <input type="checkbox"/> No fiscal impact Committee Approval _____ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A		

Background:

5. SWCCOG Priority Project Reports – Transit / Transportation

Susan Hakanson, in conjunction with John Egan and with the help of the SWCCOG transit council have begun to have a series of conversations to discuss next steps for the SWCCOG and the SWCCOG Board’s priority of Transportation. It has become apparent that a greater need for a collaborative effort to support safe, efficient, effective, timely, convenient, affordable and sustainable transit for our region is important to our financial stability, quality of life and environmental standards. The following is a summary of initial conclusions and thoughts for further discussion:

- 1) At first glance it is clear that all communities within the SWCCOG are in need of interconnectivity. Whether these communities operate their own transit system or have private operators in their area, with only one or two exceptions, each community needs a means by which to get people from one community to another.
- 2) Each community offering some form of public transportation has its own unique operating system that works for its community but may not work for another. There is no ‘one size fits all’ operating system for all communities.
- 3) There are more comprehensive needs for transportation within many if not all the communities. Whether more and newer vehicles are required, better service to outlying areas or better transportation for the aged, the disabled, veterans or other transit-dependent people is required, each community is in need.
- 4) To succeed in providing more comprehensive service to our communities, SWCCOG must employ a variety of transit alternatives tailored to meet the needs of each community. Such alternatives may include van pooling, new equipment, a voucher system for public and private carriers and Park & Ride.
- 5) The vagaries of the types of local transit equipment and the availability from one community and another plus the ability to insure proper connections between different systems, the

respective community costs involved, staffing requirements, etc. might prove to be insurmountable for a regional transit system. To put a regional transit system in place I recommend SWCCOG undertake to create its own regional system that supersedes local transit.

- 6) A regional transit system having its own equipment, schedule, reservations system and administrative capabilities will be more responsive, adaptable, accountable, efficient and reliable. Of course there are as many questions presented by this proposal as there are answers. Where would its home base be located, how would reservations be handled, how would maintenance and upkeep be handled, who would administer and operate the system, how would each community share in the operation of the system and how would such a system be financed? These questions and more need further exploration, but the most important need currently is dedicated ongoing research of these questions.
- 7) To provide needed assistance on a local level, SWCCOG's transit division must study those needs, recommend viable remedies and, when and where possible, provide assistance to that community. There are several examples of how the SWCCOG could be initially involved in coordination, such how to initiate the transportation of workers from Archuleta County to Wolf Creek Ski Basin, the Sky Ute Casino, Mercy Hospital, Mercury Payment Systems, etc. This could include dedicated shuttles or van pooling that SWCCOG will to help organize. This could also include partnership agreements between Archuleta County, SUCAP and Durango Transit.

Fiscal Impact: The Transit Council and staff are pursuing grant funding for research and planning.

Recommended Action:

Accompanying Documents:

None

ADDITIONAL INSTRUCTIONS

Southwest Colorado Regional Transit Coordinating Council

Meeting Notes

Feb. 26th, 2013

Region 9 conference room; 295A Girard St., Durango

1. Welcome, Introductions, and Sign In

In attendance: *Erica Keter, Laura Lewis, Terry Woodward, John Egan, Mary Holaday, Susan Hakanson,*

Erica- working on mapping seniors and transit, working on some organizational things and looking for a long term home for SWConnect

John- lots of turnover in Archuleta county currently and waiting on a new bus, has been waiting 2yrs, will probably be at least another 6 months. Funding has been very limited, working on maintaining instead of pushing forward. Bus system itself has been doing very well, a lot more ridership currently and everything is growing and moving in a positive direction.

Mary- working on running buses within the county weekdays during business hours, have also been providing rides into Durango for medical appointments only- end up going daily at times, 8 vehicles (15pass vans, 2 ADA vans, 2 non-ADA vans, 2 4WD vehicles) have been very busy, just got new van (non-ADA van). What about bus service and Cortez Cab? Cortez Cab has been helping while they are off-duty. Some feedback that say they cannot afford a cab and therefore keep using them for transport.

2. Decision

- Approve Nov. 2012 Meeting Minutes
Laura- Move to approve
John- Second
Approved!!
- Additions/Changes to the Agenda?
No formal 2013 goals yet, may be duplicative to the grant we just received.

3. Discussion/ Updates:

- Organizational updates-
Peter (via Laura)- Wanted to report to the group, Road Runner ridership increased 99%- probably because of Dial-a-Ride, Ignacio fixed routes increased 22% even though #of trips was decreased. No contract from CDOT for Road Runner service to Grand Junction yet, so will probably be May before they are ready. CDOT is looking at running a service from Grand Junction to Denver for legislators and other commuting to Denver- will be running the service as it is one that loses money (also looking at a route from Pueblo to Denver as well.) CDOT does not have Hwy 172 conditions on their www.cotrip.com website and Peter is advocating for inclusion within the 160/550 report. Asked about others having issues with delayed reimbursements from CDOT, Nita has had some issues- but John reported no other issues.
- SWConnect Transit Mapping Project: **Terry**
See attachment of presentation...

- November PASS training, and Defensive Driving Training : **Laura**
We have been trying to move more toward local/ regional training. John Egan is now certified as a Defensive Driving trainer and needs to put together 2 trainings to have his certification verified. Has been busy recently and is ready to look at putting together a training. Mary had 8 employees and 2 from Dolores county participate in her Defensive Driving. All new drivers need to complete the PASS training, is so helpful and specific, may be more valuable to commercial drivers initially.
- Transit Coordinating Council Funds & Grant Review: **Laura**
Submitted application for \$20,000 had 3 top priorities; looked at hiring a grant writer for smaller entities to expand their services, voucher program for all transit providers, a lot of interested agencies if there were a process in place for reimbursement etc..., web portal work to expand transit in SWConnect. They funded RCC for \$1,500, Voucher Program Development \$6,500, Administer Voucher program \$3,000 (stipend for administration) \$11,000 total. Have to do RFP for federal funds. Need to look at who would be willing to do the administration, look at the best ways to work through the process, see what providers and agencies would need and move forward with putting together a plan.
- 2013 Goals Transit Coordinating Council- *see grant priorities, stay tuned...*
- Current state actions and legislative bills around transit: **Erica / Susan**
Susan has been watching for bills that effect transit, currently we have been watching SB13-048 Authorizing Local Government Use of HUTF for Transit Sponsors. The bill clarifies that local governments are able to use these funds for transit projects and not just on roadway construction projects. No specific dollar information available at this time, Susan will continue to follow and update as needed.
- Strategy for Educating Election Officials about Transit needs/ services:
Peter is concerned that when we are talking to the TPR, we don't often present ourselves as united under the RCC. It would be to our benefit to put together a presentation for the TPR about who we are, including numbers, funding, and employment opportunities we represent. In the meantime, have Terry do his presentation for the TPR so we know what we are working on and who we are, also to the SWCCOG to make clear the distinction between the TPR and RCC. Laura to talk to TPR about scheduling and Susan to talk to the SWCCOG, will set us up nicely to ask for money and get funding from regional governments. Next TPR meeting is March 29th, bi-monthly meetings so May would be the next option (probably near the end of the month on a Friday)

4. Next meeting: end of April...stay tuned for additional information.

5. Other News and Updates...

6. Adjourn Meeting

Provider and Agency Contact list

Senior Services

Dolores County Senior Center (Nita Purkat) * and public transit
Montezuma County Senior Center (Sue Fletcher, Mary Holaday)
La Plata County/Pine River Senior Center (Sheila Casey)
Archuleta County Senior Center (Musetta Wollenweber)
Ignacio Senior Center (Debbie Herrera)

General Transit Providers

Durango T (Amber Blake/Roy Peterson)
Roadrunner Transit (Peter Tregillus/Clayton Richter)
Southern Ute (Rodney Class-Erickson)
Ute Mountain Ute (Lorri Smith, Gary Shaw, Troy Ralstin)
Mountain Express (John Egan)

Local Transit Businesses

Durango Mountain Resort
Animas Transportation
Buckhorn Limo
Cortez Cab (Ed Gilbert)
Durango Transportation (Art Olson)
Mountainside Concierge (Karen Srebacic)

CDOT

Matt Muraro

Agencies utilizing transit

Southwest Center for Independence (Martha Mason)
Community Connections (Jason Armstrong)
Southwest Colorado Community College (Norm Jones or)
La Plata Human Services
Montezuma County Social Services (Dennis Story)
Archuleta County Human Services (Erlinda Gonzales)
San Juan Basin Area Agency on Aging (Christina Knoell)
SW Workforce Centers? (Chloe Wiebe)
Veteran's Assistance (Charlie Parnell)
Adaptive Sports Assoc. (Lee Hager)
Churches?
Boys & Girls Club (Vaughn Morris)
Manna Soup Kitchen (Sara
VOA (Sarada Leavenworth)
Salvation Army(Wanda Ellison)
Red Cross?

Voucher Program Proposal #1

- A. Focus on transit vouchers within communities and between communities based on agency referrals. No emphasis on commuters. Transit would be provided by agencies with transit vehicles, and private or public providers.
- B. Checkbook model –paper coupons/tickets sold in a bundle to agencies to distribute to their clients.
- Proposing packs of 10 sold at a price less than the face value
 - Go through agencies only—no general public vouchers
 - Have MOU with each agency on terms of use for vouchers
 - Agencies have access to transit schedules and available providers to make sure client can get where need to go.
- C. Have **amount based vouchers** (agency would give an appropriate number of vouchers, say 3 vouchers each worth \$5 max each) so drivers won't have to calculate miles. Thinking mileage based makes it harder to charge the agency a fair price to by pack of 10 tickets because they might have 10 short trips or 10 long trips.
- Have agreements with all providers of transportation on pricing
 - Transit providers would be contacted directly by agency or client
 - Transit providers would turn in vouchers monthly for payment.
- D. Voucher would include:
- Date:
Agency/or driver providing service
Trip start and stop point and/or mileage
Agency that referred client
- E. No volunteer drivers (We are trying to expand transit services, and assume if If have rides, don't need vouchers)

Voucher Program Proposal #2

Priority would be for providing transit between communities for commuters or those needing to come into Durango. (ie: Dolores to Durango) Whispering Pines to town.

- A. Checkbook model –paper coupons/tickets sold in a bundle to agencies to distribute to their clients.

- Distributed by agencies and also to general public that is commuting.
- Have set prices for consistent trips MOU with each agency on terms of use for vouchers
- Agencies have access to schedules and available providers to make sure client can get where need to go.

B. Have **mileage based vouchers** with agencies agreeing to a per mile rate

- Have agreements with transit providers on pricing
- Providers would be contacted directly by agency or client
- Transit providers would turn in vouchers monthly for payment.

C. Volunteer drivers would be considered

D. van pooling would be considered for consistent commuter routes

Other Items to consider:

- Need agency to coordinate effort --Who could this be? short-term—long term?
 - initially it would be financial and contract coordination
 - Longer term, it might be scheduling
- What is Transit Council's role (provide list of providers to agencies)
- Voucher would include:
 - Date:
 - Agency/or driver providing service
 - Trip start and stop point and/or mileage
 - Agency that referred client

SOUTHWEST REGIONAL TRANSPORTATION COORDINATING COUNCIL ACTION PLAN

Summary Goals & Strategy Planning April 2013 Update

The overall mission of the Southwest Regional Transportation Coordinating Council (RCC) is to assist local governments and existing public transit & specialized transportation providers in the region with strategically managing a more coordinated transportation network within available funding for the maximum benefit of the community.

Goal(s) ⁱ	#1 Sustain & expand public and specialized <i>transportation services</i> in the region	#2 Develop mechanisms to coordinate existing public & specialized <i>transit service providers</i>	#3 Develop mechanisms to sustain & strengthen the Regional Transit <i>Coordinating Council</i>	#4 Complete Southwest Colorado Accessible Transportation Plan for <i>end users</i>
Strategy(ies) ⁱⁱ	<ol style="list-style-type: none"> 1. Identify key partners, including local governments, private sector employers, service providers, and transportation providers. 2. Build partnerships to expand transit services to outlying communities on US 160 corridor. 3. Identify potential local and regional transit solutions, including funding and service options. 4. Implement the best and most feasible options. 	<ol style="list-style-type: none"> 1. Participate in Regional Transit Coordinating Council to increase communication and collaboration between transit service providers. 2. Identify ways to expand Medicaid funding to existing transportation providers. No 3. Advocate for transit expansion on a regional level. 4. Increase partnerships and benefit from economies of scale. 	<ol style="list-style-type: none"> 1. Identify ways to support the continuation of the RCC for facilitation and project assistance, including possibly a mobility manager. 2. Work with Southwest Colorado Council of Governments, SW Transportation Planning Commission and the state to advocate for ongoing transit planning and initiatives. 	<ol style="list-style-type: none"> 1. Utilize Easter Seals Project ACTION resources and technical assistance. 2. Work to facilitate community participation to improve equal & affordable access to quality transportation options.

<p>Action(s)ⁱⁱⁱ</p>	<ol style="list-style-type: none"> 1. RCC subcommittee develops an advocacy program on the importance of transit services – No action 2. Identify options for possible expansion of regional transportation services including medical trip coordination—Initial research done by John Ehmann. 3. Find a manager/ lead agency & funding for a regional rideshare matching program –unsuccessful though eventually part of SW Connect Transit information. 4. Review vanpool options with major employers -- Van pool webinar held fall 2012. 5. Solicit funding for the most feasible services – on-going, though unable to fund grant writer, capacity building in 2013. <p><u>Additional Activities</u> SUCAP funded for intra-city bus service between Durango and Grand Junction.</p>	<ol style="list-style-type: none"> 1. Prepare to apply for Mobility Manager funding through CDOT – Still a possibility. 2. Coordinate regional driver trainings (on-going). 3. Develop a unified regional website presence for promoting transit services – Transit on SWCCOG website and SW Connect in future. 4. RCC discussion and development of funding and training -- ongoing. 5. Explain and expand Medicaid funding to transportation providers – No action. 6. Support collaborative applications from RCC members – ongoing. 7. Build local government support through information presentations and joint funding—presentations made to SWCCOG. 	<ol style="list-style-type: none"> 1. Utilize LCC funding to strengthen RCC – received 3rd year of seed funding. 2. Received a year of technical assistance through Easter Seals. 3. Identify additional ways to support the RCC – on-going. 4. Provide updates to the SW Regional Transportation Planning Commission on activities – done most recently in March 2013. 5. Seek additional state technical assistance funding and use state consultants around voucher program and/or One Click –received funding and this activity is occurring. 	<ol style="list-style-type: none"> 1. Pursue volunteer driver opportunities – gathered information and criteria, but group not at a point to move forward. 2. Survey community about obstacles and possibilities around transportation to medical appointments – No action. 3. Review physical accessibility data of bus stops in Durango & Ignacio and undertake additional assessment with public transit providers as requested -- completed by SWCenter for Independence. 4. Seek funding sources towards improving physical access to public transit based on assessment. 5. Problem solve the scheduling medical appointments for transit dependent populations to improve access and cost efficiency of transit services –research done by John Ehmann but no additional follow-up. 6. Map and develop educational materials of area transportation services – basic services outlined and on SWCCOG website. 7. Educate current and potential riders about available services through
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5.B iv d Southwest RCC Action Grid April 2013 - SD

				website, 211 / SW Connect, -- ongoing.
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Grant Year	2013-2014	
Title of Project	Local Coordinating Council Funding through FTA Section 5311 State Administration	
Project Description	Travel Voucher Administration, Travel Voucher Consultant, RCC Facilitation	
Recipient	Southwest Colorado Council of Governments	DUNS
Contact	Laura Lewis Marchino	VEND 1002044
	295A Girard St. Durango, CO 81303	Phone 970-247-9621
Email	laura@scan.org	Fax 970-247-9513
Award Amount	\$11,000	

A. Purpose

The Colorado Department of Transportation (State) is providing grant funds to Southwest Colorado Council of Governments (hereinafter referred to as the Vendor) for the purpose of facilitating the operation of a Regional Transit Coordinating Council (RTCC), which will constitute the Project.

B. Background

The Project is the result of an effort among various federal agencies to overcome coordination barriers between programs that offer human services transportation. Those agencies banded together and formed the United We Ride program to set the stage for creating state and local partnerships for common-sense problem solving. Various tools have been developed for addressing these coordination issues at the state and local level. States are encouraged to form coordinating councils, and to that end Colorado responded by creating the Interagency Coordinating Council.

Colorado's strategy for improving the coordination of human service and public transportation programs has two key focal points for action. First, the state-level Coordinating Council was established to facilitate communication among various State Federal agencies and nonprofit agencies, to address obstacles to coordination, and to seek changes in procedures and policies that would improve coordination and service delivery.

Second, the State Coordinating Council is encouraging Local and Regional Coordinating Councils (LCCs and RCCs) to improve local and regional communication and collaboration, build coordinated transportation programs, encourage human service and transportation agencies to increase coordination in their local area, and provide feedback to the State Coordinating Council.

An LCC/RCC is a body that encourages, implements and/or oversees the provision of coordinated transportation in their county(s) or region. The LCC/RCC also provides feedback to the State's Coordinating Council as to what is working well, where State procedures or policies may need to be changed, or where technical assistance may be needed. LCCs/RCCs consist of stakeholders with an interest in improving mobility or

5.B iv e SWCCOG -R9 SCOPE - SD

providing transportation services. The most effective LCCs will be diverse organizations that reflect community values and are able to build wide local support for their actions.

An LCC/RCC is not expected to be a legally incorporated entity, but it may choose to do so at its own discretion.

C. Application

The vendor submitted an application in December of 2012 that proposed its plan for the development of a travel voucher program and RCC Facilitation. The Vendor has indicated it has formed an RTCC whose geographic area consists of the five counties, two tribes and ten municipalities all which are part of the Southwest Regional Transit Coordinating Council (RCC) service area.

D. Required Tasks

The specific tasks to be carried out by the Vendor are outlined below:

1. RCC Facilitation

The Vendor will be responsible for convening regularly scheduled meetings of the LCC/RCC at a consistent time and location agreeable to the LCC/RCC participants. The Vendor will arrange the meeting place and notify participants in advance. The Vendor will be responsible for maintaining an active email database list of the participants as well as all organizations that might have an interest in the LCC/RCC. The Vendor will be responsible for ensuring that summaries of all LCC meetings are written and provided to all parties on this mailing list, including those who might not regularly participate.

The Vendor will work with the RCC to ensure the RCC is active, meeting regularly to monitor progress, respond to changing community needs, be accessible to interested community members, and flexible and open to new ideas and changing needs and services.

It is mutually understood that the Vendor is not exclusively responsible for the operation and success of the LCC/RCC, insofar as it requires a community-wide effort. The Vendor will, however, take responsibility for facilitating and overseeing the RCC effort as the recipient of this grant.

2. Travel Voucher Program

The Vendor will be responsible for the development of a travel voucher program. This program will help the Vendor meet the needs of not only their human service providers, but also agencies that work with the “transportation disadvantaged” individuals. Contract staff will be needed to coordinate the development of program criteria, recruiting participants and setting up contracts and systems.

3. Reimbursement and Reporting.

The Vendor will be responsible for financial and progress reporting to the State and its LCC Specialist. The Vendor may bill CDOT no more than monthly in a form acceptable to CDOT. Invoices will be submitted no more than one month after the month for which reimbursement is sought. In order to be eligible for reimburse-

5.B iv e SWCCOG -R9 SCOPE - SD

ment, all costs must be adequately documented, which includes the submittal of receipts and time sheets. Project progress will be reported within the reimbursement requests.

E. Use of LCC Specialist

The State will have, under contract, a consultant who will serve as an "LCC Specialist," responsible for providing technical assistance to LCCs/RCCs as well as for monitoring their progress. The Vendor may obtain up to eight hours of technical assistance from the LCC Specialist. The State will pay directly for the technical assistance provided by the LCC Specialist.

The technical assistance may include help with information about regulatory provisions, suggested solutions to coordination barriers, strategies for improving communication among LCC/RCC members, or any other coordination or service provision questions.

F. Budget

\$3,000	Travel Voucher Administration (Stipend)
\$6,500	Travel Voucher Consultant/Program Development
\$1,500	RCC Facilitation (Salary)
<hr/>	
\$11,000	Total Funds

It is understood that the Vendor will contribute to the project, in the form of meeting materials and administrative support. That contribution could be vital to the success of the Project, but that contribution is not a required local match and need not be reported to the State.

G. Project Term

The Vendor will carry out this project from date of issuance until at least April 30, 2014, ensuring that the LCC/RCC meets regularly during that time frame. It is the responsibility of the Vendor to plan and budget the project such that the project will continue through at least April 30, 2014. The Purchase Order will expire April 30, 2014.

H. Sustainability and Guidance

The Vendor will take active steps to ensure the sustainability of the LCC/RCC into the future by demonstrating to participants the value of the project in terms of cost efficiencies, increased funding opportunities, and service improvements. Clearly establishing a business case for the continuation of the LCC will ensure continued participation and local funding. Successful completion of the desired outcomes and the self-assessment will be critical to the continuation of the LCC.

The Vendor will refer to the Local Coordinating Council Handbook in the process of overseeing its project.

I. Contacts

The Vendor contact for this project is Laura Lewis Marchino Assistant Director 970-247-9621. The State contact for this project is Angela Graham, CDOT Grants Coordinator 303-512-4045.

J. Federal Requirements

The work described in this Purchase Order will be financed under a grant from the federal government. The funds are derived from the Federal Transit Administration section 5311 program. The CFDA numbers for this program is 20.509. Because the work described in this Purchase Order will be financed with federal funds, the Vendor will be required to comply with certain federal regulations. The most relevant regulations, terms, and conditions required by this grant are set forth in summary form in Exhibit A.