

NORTHWEST COLORADO COUNCIL OF GOVERNMENTS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Northwest Colorado Council of Governments
Silverthorne, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Northwest Colorado Council of Governments, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Northwest Colorado Council of Governments as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Northwest Colorado Council of Government's basic financial statements. The schedule of expenditures of federal awards and the schedules of revenues, expenditures and changes in fund balance – budget and actual – general fund (by program) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards and the schedules of revenues, expenditures and changes in fund balance – budget and actual – general fund (by program) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the schedules of revenues, expenditures and changes in fund balance – budget and actual – general fund (by program) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The budgetary schedules for the major funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounts and other records used to prepare the 2019 financial statements. The budgetary schedules have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounts and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 4, 2020, on our consideration of the Northwest Colorado Council of Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Northwest Colorado Council of Governments' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northwest Colorado Council of Government's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
August 4, 2020

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

As management of the Northwest Colorado Council of Governments (the Council), Silverthorne, Colorado, we offer readers of the Council's basic financial statements this narrative overview and analysis of the financial activities of the Council for the fiscal year ended December 31, 2019.

Financial Highlights

- The assets of the Council exceeded its liabilities at the close of 2019 by \$4,882,152. Of this total, \$4,785,215, or 98%, is unrestricted and may be used to meet the Council's obligations to the public and creditors.
- The Council's total net position increased \$704,676.
- The total cost of the Council's programs increased \$2,590,941 or 34%, compared to 2018.
- Total revenues increased \$2,216,785 or 26%, compared to 2018.
- The General Fund reported a fund balance of \$1,804,229 as of December 31, 2019, an increase of \$551,462. Approximately 64% of the General Fund balance is assigned.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains the schedule of expenditures of federal awards and schedules of revenues, expenditures and changes in fund balance for each program of the Council in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information on all of the Council's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The *statement of activities* presents information showing how the Council's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., unused compensated absences).

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

Governmental Funds. *Governmental funds* are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Council maintains three governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the Northwest Loan Fund and the Northwest Colorado Council of Governments (NWCCOG) Foundation, which are considered to be major funds.

The Council adopts annual appropriated budgets for all of its Funds. Budgetary comparison schedules have been provided for the major funds to demonstrate compliance with the budget.

Notes to the Financial Statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the Council. The Council adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund, the Northwest Loan Fund and the Northwest Colorado Council of Governments Foundation Fund.

Supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain reports required by the Uniform Grant Guidance in accordance with 2 CFR 200.516(a) as well as the schedules of revenues, expenditures and changes in fund balance for each program administered by the Council.

Government-wide Financial Analysis

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The analysis below focuses on the net position and changes in net position of the Council's governmental activities. At the end of the current fiscal year, the Council is able to report positive balances in all categories of net position for each major fund.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

Table 1 presents an analysis of the Council's net position as of December 31, 2019. The Council's assets exceeded liabilities by \$4,882,152 at the close of 2019. Total net position increased by \$704,676 in 2019. The increase is comprised of the following:

- Total assets increased from \$5,301,721 to \$6,113,804. This mainly included an increase in revenue during 2019.
- Total liabilities increased from \$1,124,245 to \$1,231,652. This change included a increase of \$168,301 in unearned revenue related to grants.

Table 1
Northwest Colorado Council of Governments
Summary of Net Position

	Governmental Activities	
	2019	2018
Assets		
Current and Other Assets	\$ 5,562,293	\$ 4,646,907
Capital Assets	551,511	654,814
Total Assets	<u>6,113,804</u>	<u>5,301,721</u>
Liabilities		
Current Liabilities	752,222	626,836
Long-Term Liabilities	479,430	497,409
Total Liabilities	<u>1,231,652</u>	<u>1,124,245</u>
Net Position		
Net Investment in Capital Assets	54,102	140,151
Restricted	42,835	41,889
Unrestricted	4,785,215	3,995,436
Total Net Position	<u>\$ 4,882,152</u>	<u>\$ 4,177,476</u>

The largest portion of the Council's net position amounting to \$4,785,215, or 99% is unrestricted and may be used to meet its obligations to the public and creditors.

Analysis of Changes in Net Position

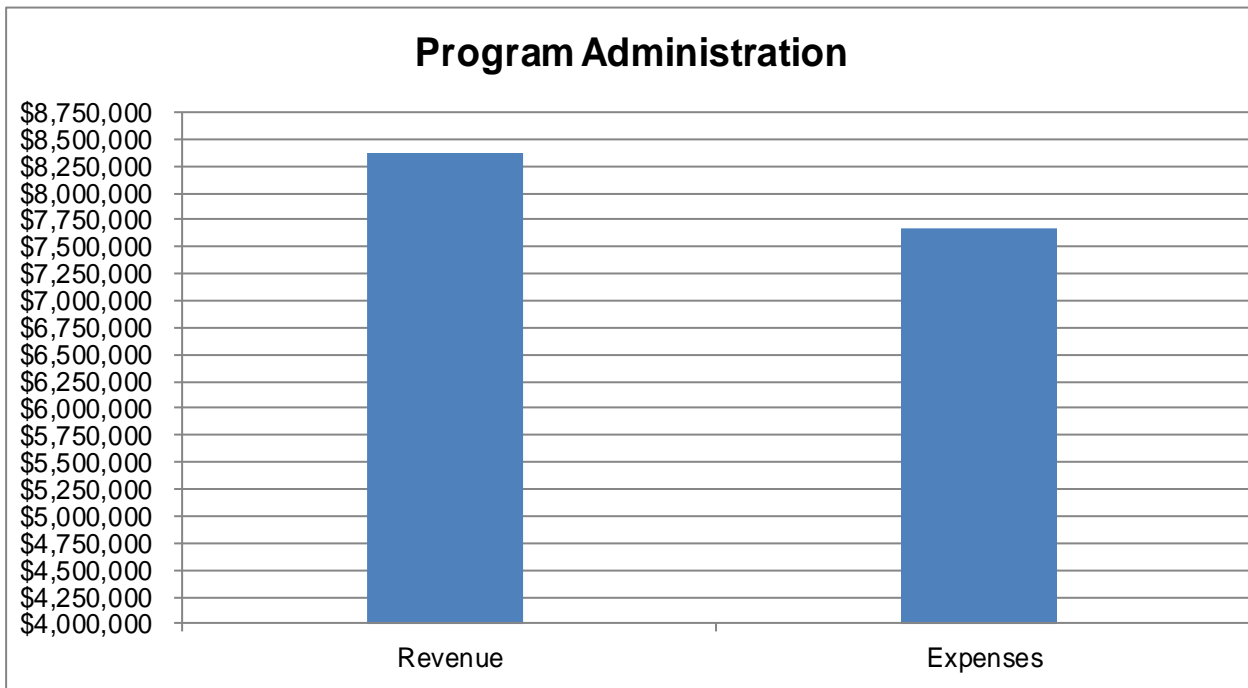
As presented in Table 2, the Council's overall net position increased \$704,676 compared to an increase of \$1,078,832 during 2018. Governmental revenues increased \$2,216,785 or 26% compared to 2018. The increase was due primarily to federal grant funds received and used by the Northwest Loan Fund in provided loans to businesses within the region which the Northwest Colorado Council of Government operates. Governmental expenses increased \$2,590,941, or 34% from 2018, primarily due to an increase in wages and an increase in repair and maintenance expenses from 2018 to 2019.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

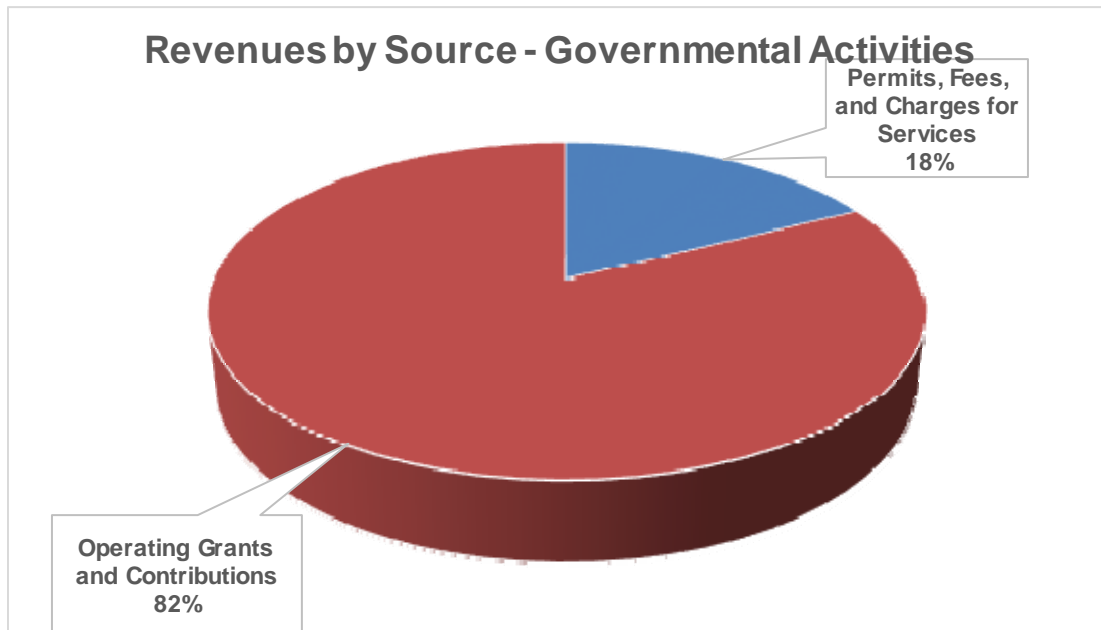
Table 2
Northwest Colorado Council of Governments
Summary of Changes in net Position
For Years as Stated

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Revenues		
Program Revenues		
Permits, Fees, and Charges for Services	\$ 1,472,156	\$ 1,365,995
Operating Grants and Contributions	6,897,431	4,785,653
Total Revenues	<u>8,369,587</u>	<u>6,151,648</u>
Expenses		
Program Expenses	<u>7,663,757</u>	<u>5,072,816</u>
Total Expenses	<u>7,663,757</u>	<u>5,072,816</u>
Change in Net Position	704,676	1,078,832
Net Position - Beginning of Year	<u>4,177,476</u>	<u>3,098,644</u>
Net Position - End of Year	<u>\$ 4,882,152</u>	<u>\$ 4,177,476</u>

The following graphs provide visual representations of the expenses and revenues for governmental activities for 2019.



**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**



Financial Analysis of the Council's Funds

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Council's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. This information is necessary to assess the Council's financing requirements. Types of governmental funds reported by the Council include the General Fund, the Loan Fund and the Northwest Colorado Council of Governments Foundation. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

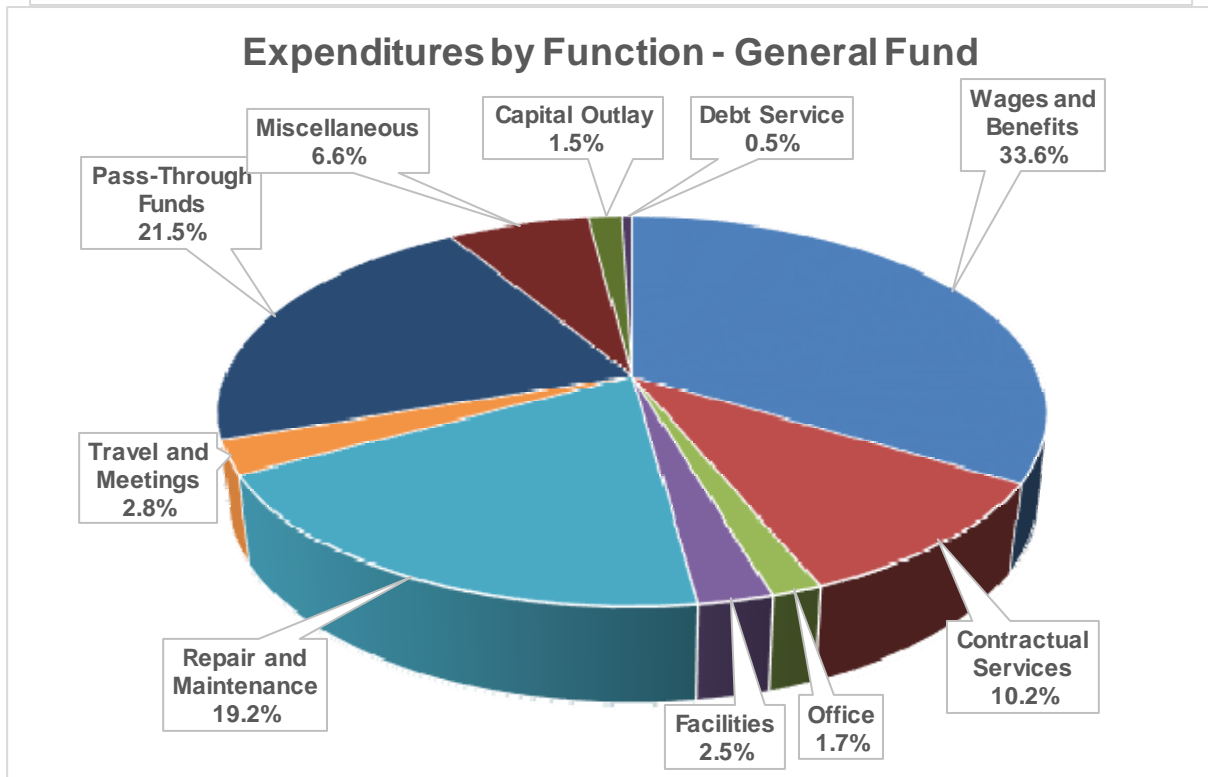
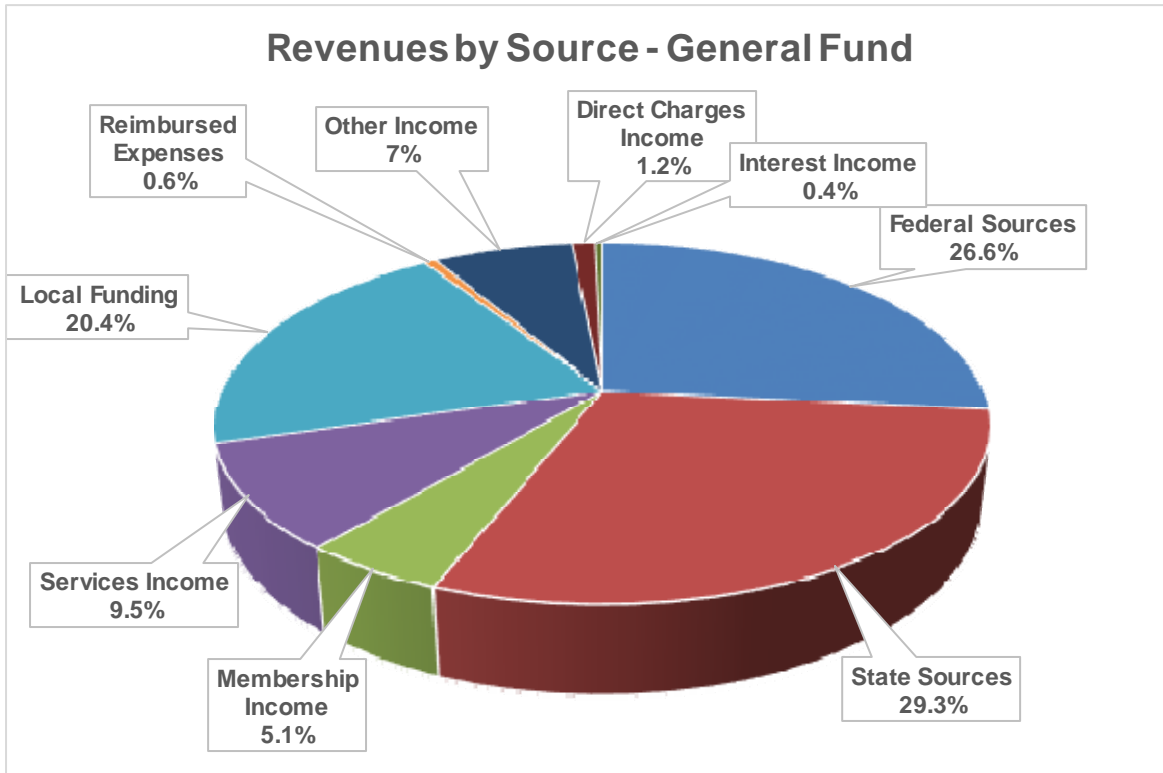
The General Fund is the primary operating fund of the Council. At December 31, 2019, the General Fund reported ending fund balances of \$1,804,232, an increase of \$551,462 compared to 2018.

Management and the Board of Directors have assigned approximately 70% of the fund balance as follows:

As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 23.2% of total General Fund expenditures compared to 25.5% in 2018.

The following graphs provide visual representations of the expenditures and revenues for the General Fund for 2019.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**



**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

The Northwest Loan Fund ended the year with a fund balance of \$3,065,207 compared to \$2,795,071 at the end of 2018, an increase of \$270,136 compared to \$805,595 in 2018. This was a result of an increase in federal revenues and related administration cost reimbursements for the administration of the loan program.

The Northwest Colorado Council of Governments Foundation fund ended the year with a fund balance of \$29,738. During 2019, the Foundation recorded \$381 in revenues. The fund expended \$3,210 during the year.

General Fund Budgetary Highlights

Budgetary comparison schedules are presented as required supplementary information. Actual revenues were \$8,373,796, \$179,856 less than projected. Actual expenditures were \$7,828,944, \$2,068,964 more than budgeted.

Capital Assets and Debt Administration

Capital Assets

The Council's investment in capital assets as of December 31, 2019 amounts to \$551,511 (net of accumulated depreciation). The decrease from 2018 was a result of annual depreciation expense.

	2019	2018
Building	\$ 464,342	\$ 481,227
Building Improvements	23,769	26,360
Vehicles	2,359	66,169
Furniture and Equipment	61,041	81,058
	<u>\$ 551,511</u>	<u>\$ 654,814</u>

Additional information on capital assets can be found in the notes to the financial statements (Note 4).

Debt Administration

The Council had total long term obligations of \$595,881 as follows:

	2019	2018
Building Loan	\$ 497,409	\$ 514,663
Compensated Absences	98,472	88,007
	<u>\$ 595,881</u>	<u>\$ 602,670</u>

Additional information on long-term obligations can be found in the notes to the financial statements (Note 5).

Economic Factors and Next Year's Budgets and Rates

Decisions made at the federal and state levels regarding funding for regional programs will likely affect some of NWCCOG's programs in 2019. NWCCOG is prepared to make the appropriate adjustments to expenses in affected programs to remain aligned with the available funding as these decisions are made. NWCCOG will continue its current programs in 2019 and pursue new programs or projects at the direction of the NWCCOG Council.

Requests for Information

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Northwest Colorado Council of Governments, 249 Warren Avenue, Silverthorne, Colorado 80498.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	2019
ASSETS	
Cash	\$ 1,680,218
Investments	641,173
Investments - Restricted	921,906
Accounts Receivable	396,242
Grants Receivable	357,484
Prepaid Items	899
Inventory	2,075
Loans Receivable	1,562,296
Capital Assets, Net of Accumulated Depreciation	551,511
Total Assets	6,113,804
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts Payable	231,238
Accrued Salaries and Withholdings	3,893
Unearned Revenue	400,640
Noncurrent Liabilities	
Due Within One Year	116,451
Due in More than One Year	479,430
Total Liabilities	1,231,652
NET POSITION	
Net Investment in Capital Assets	54,102
Restricted	42,835
Unrestricted	4,785,215
Total Net Position	\$ 4,882,152

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Function/Program Activities	Expenses	Program Revenues		Net (Expense)
		Fees and Charges for Services	Operating Grants and Contributions	Revenues and Changes in Net Position
				Total Governmental Activities
Governmental Activities				
Regional Business	\$ 374,779	\$ 300,278	\$ 42,480	\$ (32,021)
Alpine Area Agency for Aging	1,262,628	-	1,314,822	52,195
Connect for Health Colorado	216,928	-	217,732	804
Economic Development District	137,017	-	140,714	3,697
Elevator Inspection Program	823,277	1,014,608	-	191,331
Energy Management	1,955,749	-	1,853,139	(102,609)
Regional Coordinating Council	578,915	-	630,991	52,077
Watershed Services	13,975	-	21,158	6,023
Emergency Management	261,782	-	256,977	(4,805)
Summitt Water Quality	39,448	-	35,583	(3,865)
Water Quality/Quantity	277,241	157,270	116,855	(3,116)
Project Thor	1,254,633	-	1,720,623	465,992
Broadband	202,357	-	138,231	(64,125)
Northwest Loan Fund	137,609	-	407,745	270,136
NWCCOG Foundation, Inc.	3,210	-	381	(2,829)
Interest on Long Term Debt	20,906	-	-	(20,906)
Unallocated Depreciation	103,303	-	-	(103,303)
Total Governmental Activities	\$ 7,663,757	\$ 1,472,156	\$ 6,897,431	704,676
				Change in Net Position 704,676
				Net Position - Beginning of Year 4,177,476
				Net Position - End of Year \$ 4,882,152

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General Fund	Northwest Loan Fund	NWCCOG Foundation	Total
ASSETS				
Cash	\$ 142,815	\$ 1,506,465	\$ 30,938	\$ 1,680,218
Investments	641,173	-	-	641,173
Investments - Restricted	921,906	-	-	921,906
Accounts Receivable	396,242	-	-	396,242
Grants Receivable	357,484	-	-	357,484
Prepaid Items	899	-	-	899
Inventory	2,075	-	-	2,075
Loans Receivable	-	1,562,296	-	1,562,296
Total Assets	<u>\$ 2,462,594</u>	<u>\$ 3,068,761</u>	<u>\$ 30,938</u>	<u>\$ 5,562,293</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Accounts Payable	226,484	\$ 3,554	1,200	\$ 231,238
Accrued Salaries and Withholdings	3,893	-	-	3,893
Unearned Revenue	400,640	-	-	400,640
Total Liabilities	<u>631,017</u>	<u>3,554</u>	<u>1,200</u>	<u>635,771</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred - Unavailable revenue	<u>27,345</u>	<u>-</u>	<u>-</u>	<u>27,345</u>
Total Deferred Inflows of Resources	<u>27,345</u>	<u>-</u>	<u>-</u>	<u>27,345</u>
FUND BALANCES				
Nonspendable				
Inventory	2,075	-	-	2,075
Prepaid Items	899	-	-	899
Restricted				
USDA Loan Reserve	42,835	-	-	42,835
Assigned				
Alpine Area Agency for Aging	13,221	-	-	13,221
Elevator Inspection Program	22,500	-	-	22,500
Water Quality & Quantity Program	114,442	-	-	114,442
Summit Water Quality Committee	30,166	-	-	30,166
Weatherization	211,159	-	-	211,159
Office Condo	61,560	-	-	61,560
Motor Pool	80,473	-	-	80,473
Emergency Cash Reserve	583,627	-	-	583,627
Other Purposes	-	3,065,207	29,738	3,094,945
Unassigned	<u>641,275</u>	<u>-</u>	<u>-</u>	<u>641,275</u>
Total Fund Balances	<u>1,804,232</u>	<u>3,065,207</u>	<u>29,738</u>	<u>4,899,177</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,462,594</u>	<u>\$ 3,068,761</u>	<u>\$ 30,938</u>	<u>\$ 5,562,293</u>

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

Total Fund Balance for Governmental Funds	\$ 4,899,177
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	551,511
Certain revenues not available to pay liabilities of the current period are deferred in the governmental funds: Unavailable Revenue	27,345
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.	
Balances at December 31, 2019 are:	
Note Payable	(497,409)
Compensated Absences	(98,472)
	4,882,152
Net Position of Governmental Activities	\$ 4,882,152

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	General Fund	Northwest Loan Fund	NWCCOG Foundation	Total
REVENUES				
Federal Sources	\$ 2,228,163	\$ 237,340	\$ -	\$ 2,465,503
State Sources	2,454,968	25,000	-	2,479,968
Membership Income	428,809	-	-	428,809
Services Income	791,328	-	-	791,328
Local Funding	1,710,777	37,974	-	1,748,751
Reimbursed Expenses	48,322	(20)	-	48,302
Other Income	582,198	104,517	329	687,044
Direct Charges Income	99,333	-	-	99,333
Interest Income	29,898	2,934	52	32,884
Total Revenues	<u>8,373,796</u>	<u>407,745</u>	<u>381</u>	<u>8,781,922</u>
EXPENDITURES				
Current				
Wages and Benefits	2,629,142	95,742	-	2,724,884
Contractual Services	797,162	8,751	1,200	807,113
Office	130,845	6,935	10	137,790
Facilities	191,861	3,180	-	195,041
Repair and Maintenance	1,503,932	550	-	1,504,482
Travel and Meetings	217,233	10,476	-	227,709
Pass-Through Funds	1,684,464	-	2,000	1,686,464
Miscellaneous	516,649	11,975	-	528,624
Loans	-	-	-	-
Capital Outlay	119,496	-	-	119,496
Debt Service				
Principal	17,254	-	-	17,254
Interest	20,906	-	-	20,906
Total Expenditures	<u>7,828,944</u>	<u>137,609</u>	<u>3,210</u>	<u>7,969,763</u>
Other Financing Sources				
Insurance proceeds	6,611	-	-	6,611
Total Other Financing Sources	<u>6,611</u>	<u>-</u>	<u>-</u>	<u>6,611</u>
Net Change in Fund Balances	551,462	270,136	(2,829)	818,769
Fund Balances - Beginning of Year	<u>1,252,767</u>	<u>2,795,071</u>	<u>32,567</u>	<u>4,080,405</u>
Fund Balances - End of Year	<u>\$ 1,804,229</u>	<u>\$ 3,065,207</u>	<u>\$ 29,738</u>	<u>\$ 4,899,174</u>

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Net Change in Fund Balances - Governmental Funds

Amounts reported for governmental activities in the statement of activities are different because:	\$ 818,769
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and loss on disposal of assets exceed capital outlays in the current period.	
Depreciation Expense	(103,303)
Book Value of Disposed Assets	-
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consume current financial resources of governmental funds. These transactions, however, have no effect on net position.	
Principal Payments on Note Payable	17,254
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds	
Unavailable Revenue	(17,582)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Adjustment to Compensated Absences Liability	(10,465)
Change in Net Position of Governmental Activities	\$ 704,676

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governmental units. A summary of the Northwest Colorado Council of Governments' (the Council) significant accounting policies consistently applied in the preparation of these financial statements follows.

Reporting Entity

The Council is a voluntary association established in 1972 pursuant to laws of the State of Colorado to promote cooperation and coordination among local governments and between levels of government for the geographic area comprised of Eagle, Grand, Jackson, Pitkin and Summit counties. The Council is governed by a Board of Directors consisting of appointed members from member counties and municipal corporations and is responsible for setting policy and appointing administrative personnel. The members include the five counties and 22 municipalities. The Board exercises autonomous control over financial affairs, acquisition and ownership of property, contract execution and management and operation of programs within the Council.

The Council follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organization and functions should be included within the financial reporting entity. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Blended Component Units

The Northwest Loan Fund, (NLF), is a non-profit 501(c)(6) economic development organization that makes loans to start-up and/or fund expanding businesses that will create, or retain new, full-time jobs in Eagle, Garfield, Grand, Jackson, Moffat, Pitkin, Rio Blanco, Routt, and Summit counties. The NLF is governed by the NWCCOG Council, which serves as the NLF Board of Directors. The NLF Board of Directors appoints a volunteer from each of the nine counties in the service territory, along with the NWCCOG executive director, to serve as the Loan Committee. The NLF is reported as a major special revenue fund. The NLF does not present separate financial statements.

The Northwest Colorado Council of Governments Foundation, Inc., (Foundation), is a federal tax-exempt public charity under Section 501(c)(3) of the Internal Revenue Code. The mission of the Foundation is to provide a financial mechanism for the member jurisdictions of the Council to work collaboratively with not-for-profit organizations, citizen-based groups and individuals on projects of mutual interest and benefit for the region. The Foundation is governed by the Council's Board of Directors. The Foundation is reported as a major special revenue fund. The Foundation does not report separate financial statements.

Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Council and its component units. *Governmental activities* are normally supported by intergovernmental revenues, member support, charges to program users and nonexchange transactions.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the Council's funds, including its blended component units. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements. The Council reports the following major governmental funds:

General Fund – is the Council's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Northwest Loan Fund – The Northwest Loan Fund, (Loan Fund) accounts for the activities of the non-profit 501(c)(6) organization described in Note 1.

NWCCOG Foundation – The NWCCOG Foundation fund accounts for the activities of the federal tax-exempt public charity 501(c)(3) organization described in Note 1.

During the course of operations, the Council has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus and Basis of Accounting

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

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

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

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

Services income and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recorded as revenues when all eligibility requirements are met, including any time requirements. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Assets, Liabilities, Net position/Fund Balance, Revenues and Expenditures/Expenses

Cash and Investments

The Council pools cash and investment resources of its various programs, excluding its component units, in order to facilitate the management of cash. Cash and investments are presented on the balance sheet in the basic financial statements at net asset value or amortized cost as described in Note 2.

Restricted Cash and Investments

In accordance with the Council's by-laws, cash is restricted in an amount equal to 10% of the current year's budgeted projected revenues plus the amount of accrued compensated absences at December 31, 2019. The reserve calculation does not include pass through funds received by the Council and passed through to other organizations or programs.

Additionally, the loan with the USDA requires the Council to maintain a facility reserve account (see Note 5).

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include furniture, fixtures and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Furniture, fixtures, equipment and vehicles of the Council are depreciated using the straight-line method over the following estimated useful lives:

Building	40 years
Building Improvements	10 – 40 years
Furniture, Fixtures and Operating Equipment	3 – 20 years
Vehicles	7 – 15 years

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities statement of net position.

Compensated Absences

Vested amounts are those which accrue to the employee even if the employee terminates. Leave vests with the employees to various maximum amounts, based on lengths of employment from the date of employment to sixteen years. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets is intended to reflect the portion of net position that is associated with non-liquid, capital assets, net of related debt.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position and Fund Equity (Continued)

Restricted net position represents assets that have third party limitations on their use.

Unrestricted net position represents assets that do not have any third party limitations on their use.

Sometimes the Council will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

Fund Balances

Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Council is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

Nonspendable – fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. The Council had \$2,974 in nonspendable resources as of December 31, 2019.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions, or by enabling legislation. The Council had \$42,835 restricted for the USDA Loan Reserve as of December 31, 2019.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of Directors of the Council. The Board of Directors is the highest level of decision-making authority for the Council. Commitments may be established, modified or rescinded only through resolutions approved by the Board of Directors. The Council had no committed funds as of December 31, 2019.

Assigned – Fund balances are reported as assigned when amounts are constrained by the *intent* to be used for specific purposes, but are neither restricted nor committed. Under the Council's policy, the Executive Director may assign amounts for specific purposes. The Council reports the following assigned fund balances:

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position and Fund Equity (Continued)

The Council reports the following assigned fund balances:

	Balance December 31, 2018	Additions/ Deletions	Balance December 31, 2019
Alpine Area Agency for Aging	\$ 14,038	\$ (817)	\$ 13,221
Elevator Inspection Program	22,500	-	22,500
Water Quality & Quantity Program	118,536	(4,094)	114,442
Summit Water Quality Committee	34,157	(3,991)	30,166
Weatherization	123,788	87,371	211,159
Office Condo	49,369	12,191	61,560
Motor Pool	104,307	(23,834)	80,473
Emergency Cash Reserve	419,049	164,578	583,627
	<u>\$ 885,744</u>	<u>\$ 231,404</u>	<u>\$ 1,117,148</u>

In addition, the Council reports assigned fund balances of \$3,065,207 and \$29,738 in the Northwest Loan Fund and NWCCOG Foundation, respectively.

Program assigned amounts were accumulated from excess revenues over expenditures for these respective programs. The Council assigns these excess revenues to be spent in the programs in which they were accumulated.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Council’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Assisted Projects

All grants and contracts awarded to the Council are referred to as assisted projects. Records are maintained whereby expenditures incurred are recorded in separate project accounts in the general fund.

Indirect Costs

The Council allocates indirect costs to assisted projects in accordance with C.F.R. Part 200, of the Uniform Grant Guidance. Actual expenditures specifically identifiable with individual grants are charged directly to those grants. Indirect costs are shared, pro-rata, by all of the Council’s programs. Each program contributes to these costs based on the particular program’s revenue as a percentage of the total budget.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

NOTE 2 CASH AND INVESTMENTS

The Council is governed by the cash and investment limitations of state law. Deposits and investments held at December 31, 2019 are reported as follows:

	Unrestricted	Restricted	Total
Cash	\$ 1,680,218	\$ -	\$ 1,680,218
Investments	641,173	921,906	1,563,079
Total	\$ 2,321,391	\$ 921,906	\$ 3,243,297

Cash

Custodial Credit Risk – Cash:

Custodial risk for cash is the risk that, in the event of a failure of a depository financial institution, the Council will not be able to recover its cash or will not be able to recover collateral securities that are in possession of an outside party. The Council's cash policy is in accordance with CRS 11-10.5-101, the Colorado Public Deposit Protection Act (PDPA), which governs investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2019, Council's deposits amounting to \$1,680,218 were either insured by federal depository insurance or collateralized and consequently were not exposed to custodial credit risk.

Investments

The investment policy adopted by the Council limits investments to those permitted by Colorado State Statutes. It also adopts the prudent investor rule, wherein the criteria for selecting investments and their order of priority are (1) safety, (2) liquidity and (3) yield. Additionally, investing in derivatives or other investment hedge funds is not allowed.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of US local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

At December 31, 2019, the Council had the following investments:

	<u>Standard & Poor's Rating</u>	<u>Maturities</u>	<u>Fair Value</u>
Local Government Investment Pools			
COLOTRUST	AAAm	< 60 Days	\$ 809,759
CSAFE	AAAm	< 60 Days	753,320
Total			<u>\$ 1,563,079</u>

Credit Risk

Credit Risk – The Council's investment policy limits investments to U.S. Treasury obligations and U.S. Government agency securities, repurchase agreements, commercial paper, local government investment pools, time certificates of deposit, and certain money market mutual funds approved by the Board of Directors. State statutes limit investments in U.S. Agency and Instrumentality securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs).

Concentration of Credit Risk – Neither state statutes or the Council's investment policy limits the amount of investments in any one issuer.

Local Government Investment Pools – The Council has investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Trust (CSAFE), investment vehicles established for local government entities in Colorado to pool surplus funds.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Fair Value

As of December 31, 2019, the Council had invested \$692,019 in the Colorado Local Government Liquid Asset Trust – PLUS and \$117,740 in the Colorado Local Government Liquid Asset Trust – PRIME, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. As of December 31, 2019, the investments in COLOTRUST were valued at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

As of December 31, 2019, the Council had invested \$753,320 in the Colorado Surplus Asset Fund Trust (CSAFE), 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. The Trust is valued at amortized cost and based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

NOTE 3 LOANS RECEIVABLE

Loans receivable in the Northwest Loan Fund consist of loans to qualified borrowers for creation and expansion of small businesses that are unable to obtain conventional funding. Interest rates are generally Prime plus 2%, with average terms of 60 months. To the extent possible, liens are filed on either the real or personal property to insure the loans are repaid. The total loan balance of \$1,562,296 has been reduced by \$31,566 as an allowance for estimated uncollectible. The loans mature as follows:

Year Ending	Total
2020	45,257
2021	113,521
2022	20,246
2023	97,305
2024	33,068
Thereafter	1,252,899
Total	\$ 1,562,296

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2019 follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Being Depreciated				
Building	\$ 675,405	\$ -	\$ -	\$ 675,405
Building Improvements	52,887	-	-	52,887
Vehicles	611,310	-	(134,884)	476,426
Furniture and Equipment	230,618	-	-	230,618
Total Capital Assets	<u>1,570,220</u>	<u>-</u>	<u>(134,884)</u>	<u>1,435,336</u>
Being Depreciated				
Less Accumulated Depreciation				
Building	(194,178)	(16,885)	-	(211,063)
Building Improvements	(26,527)	(2,591)	-	(29,118)
Vehicles	(545,141)	(63,810)	134,884	(474,067)
Furniture and Equipment	(149,560)	(20,017)	-	(169,577)
Total Accumulated Depreciation	<u>(915,406)</u>	<u>(103,303)</u>	<u>134,884</u>	<u>(883,825)</u>
Total Capital Assets				
Being Depreciated, Net	<u>\$ 654,814</u>	<u>\$ (103,303)</u>	<u>\$ -</u>	<u>\$ 551,511</u>

Depreciation expense is not allocated to functions/programs of the Council.

NOTE 5 LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended December 31, 2019 follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
United States Department of Agriculture (USDA) Note	\$ 514,663	\$ -	\$ (17,254)	\$ 497,409	\$ 17,979
Compensated Absences	88,007	10,465	-	98,472	98,472
	<u>\$ 602,670</u>	<u>\$ 10,465</u>	<u>\$ (17,254)</u>	<u>\$ 595,881</u>	<u>\$ 116,451</u>

The detail of the Council's long-term obligations is as follows:

USDA Note

On March 21, 2007, the Council issued a note with the United States Department of Agriculture (USDA), in the original amount of \$746,470 for acquiring and constructing office space for the operations of the Council. The loan is payable over 30 years in monthly installments of \$3,180 beginning April 17, 2007 through March 21, 2038, including interest at 4.125%.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The note requires the Council to maintain a facility reserve account by setting aside \$336 per month until the account accumulates the reserve requirement of \$40,309. The funds may be used, with prior approval from the USDA, for repairing or replacing any damage caused by a catastrophe or if making extensions or improvements to the facility. At December 31, 2019, the Council has restricted \$42,835 of its investments towards this purpose.

The note matures as follows:

	Principal	Interest	Total
2020	\$ 17,979	\$ 20,181	\$ 38,160
2021	18,735	19,425	38,160
2022	19,523	18,637	38,160
2023	20,343	17,817	38,160
2024-2028	115,287	75,513	190,800
2029-2033	141,644	49,156	190,800
2034-2038	163,898	16,782	180,680
	\$ 497,409	\$ 217,511	\$ 714,920

Other General Obligations

The accrual for compensated absences (see Note 1) is liquidated from the General Fund.

NOTE 6 OPERATING LEASES

The Council has entered into a number of operating leases for building space. These leases have cancellation provisions and are subject to annual appropriations. For the year ended December 31, 2019, lease expenditures amounted to \$69,915.

NOTE 7 RETIREMENT PLAN

The Council is a member of the Colorado County Officials and Employees Retirement Association Plan (CCOERA), (the Retirement Plan), a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the Retirement Plan plus investment earnings. Members of the Retirement Plan are required to participate in the Retirement Plan upon commencement of employment. Required employee contributions to the Retirement Plan vary from a minimum of 3.75% to a maximum of 10%. The Council is required to match employee contributions up to a maximum of 6%. All contributions vest immediately as there is no vesting period and the Plan has no forfeiture rules. Benefit terms are set by the Council and once an employee selects a contribution percentage, the employee may not make changes to the percentage for the duration of their employment. During 2019, the Council's contribution and employee contributions to the Plan were \$122,632 and \$122,632, respectively. The Council has recognized pension expense of \$122,632 and has no outstanding pension liability as of December 31, 2019.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 8 DEFERRED COMPENSATION PLAN

The Council has a deferred compensation plan (the Plan), administered by CCOERA, and created in accordance with Internal Revenue Code Section 457. The Plan permits the Council's employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Participation in the Plan is optional.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held for the exclusive benefit of the participants or their beneficiaries. The Council has no ownership interest in the Plan nor is the Council liable for any losses under the Plan.

NOTE 9 PARTICIPATING MEMBER DUES

Participating member dues in the amount of \$428,809 were received by the Council during the year ended December 31, 2019. The following represents the source of funds received:

General Operations	\$ 272,342
Water Quality & Quantity	156,467
Total	<u>\$ 428,809</u>

NOTE 10 COMMITMENTS AND CONTINGENCIES

Grant Programs

The Council administers numerous projects through grants awarded by various federal and state agencies. All projects are subject to audit by the granting agencies. A substantial amount of grant revenue has been awarded to sub-recipients. All grants are subject to final review and approval as to allow ability by the respective grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Council expects such amounts, if any, to be immaterial.

NOTE 11 RISK MANAGEMENT

The Council is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are financed and funded through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2019**

NOTE 11 RISK MANAGEMENT (CONTINUED)

CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, general and automobile liability and public official's coverage to its members. A seven member Board elected by and from its members governs CIRSA.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and those amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The Council has not been informed of any excess losses that may have been incurred by the pool; there have been no claims in excess of insurance coverage in any of the past three years. There have been no significant changes in insurance coverage from the prior year in any of the major categories of risk.

NOTE 12 STATE COMPLIANCE

TABOR Amendment - In November 1992, Colorado voters passed the TABOR Amendment (Amendment 1) to the State Constitution, which limits state and local government tax powers and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and other factors. Revenue received in excess of the limitations may be required to be refunded unless an electorate vote to retain the revenue is passed. The TABOR Amendment is subject to many interpretations, but the Council has a legal opinion that it is not a "local government" subject to TABOR in part because it has no authority to tax or to issue general obligation debt.

NOTE 13 COMPLIANCE

The General Fund may be in violation of state statutes as the expenditures exceed the appropriated budgets.

	Original Budget	Final Budget	Actual	Favorable (Unfavorable) Variance
General Fund Expenditures				
General Fund	5,759,980	5,759,980	7,828,944	(2,068,964)

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
Revenues				
Federal Sources				
Federal Contract Revenue	\$ 2,043,345	\$ 2,228,163	\$ 184,818	\$ 1,837,025
State Sources				
State Contract Revenue	3,086,210	2,454,968	(631,242)	1,276,805
Membership Income				
County Pledges	264,400	259,625	(4,775)	253,104
Municipal Pledges	153,668	153,351	(317)	144,323
Associate Member Pledges	4,244	4,259	15	7,956
Water & Sanitation Income	11,776	11,574	(202)	13,852
Total Membership Income	<u>434,088</u>	<u>428,809</u>	<u>(5,279)</u>	<u>419,235</u>
Services Income				
Inspection Fees	500,000	329,325	(170,675)	464,475
Specialized Services	-	26,400	26,400	26,400
Other Service Income	200,000	180,178	(19,822)	142,575
Permit Review Fees	150,000	255,425	105,425	247,459
Total Services Income	<u>850,000</u>	<u>791,328</u>	<u>(58,672)</u>	<u>880,909</u>
Local Funding				
Local Funding	1,322,590	632,372	(690,219)	465,586
Matching Funds	20,000	928,375	908,375	14,575
Local Funding - NWCCOG Matching	152,313	150,030	(2,283)	144,806
Total Local Funding	<u>1,494,903</u>	<u>1,710,777</u>	<u>215,874</u>	<u>624,967</u>
Reimbursed Expenses				
Reimbursed Fees/Expenses	2,000	48,322	46,322	42,119
Other Income				
Internal Indirect Revenue	317,309	334,541	17,232	10,534
Other Income	200,000	247,658	47,658	46,461
Total Other Income	<u>517,309</u>	<u>582,198</u>	<u>64,889</u>	<u>56,995</u>
Direct Charges Income	125,797	99,333	(26,464)	114,154
Interest Income	-	29,898	29,898	18,696
Total Revenues	<u>8,553,652</u>	<u>8,373,796</u>	<u>(179,856)</u>	<u>5,270,905</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
Expenditures				
Current				
Wages and Benefits				
Salaries - Executive Director	146,055	128,723	17,332	122,479
Salaries - Program Director	186,651	186,651	(0)	173,804
Salaries - Assistant Director	165,523	88,200	77,323	84,000
Salaries - Program Staff	1,271,786	1,419,636	(147,850)	1,135,653
Salaries - Support	275,767	193,602	82,165	168,005
Taxes and Benefits	596,628	610,583	(13,955)	525,114
Background Check		421		
Flex Administration Fee	1,500	1,326	174	927
Total Wages and Benefits	<u>2,643,910</u>	<u>2,629,142</u>	<u>15,189</u>	<u>2,209,982</u>
Contractual Services				
Contract Staff	293,795	414,851	(121,056)	321,545
Contract - Fiscal	48,365	50,810	(2,445)	47,211
Legal Expense	1,200	19,004	(17,804)	1,479
Auditing	26,500	25,800	700	24,015
Contract Services	112,405	286,697	(174,292)	188,821
Total Contractual	<u>482,265</u>	<u>797,162</u>	<u>(314,897)</u>	<u>583,071</u>
Office				
Office Supplies	17,502	34,216	(16,714)	19,787
Bank Charges	1,030	918	112	988
Credit Card Fees	-	795	(795)	2,928
Postage	6,941	4,422	2,519	6,127
Printing	3,700	2,668	1,032	750
Advertising	17,280	19,656	(2,376)	11,740
Internet	16,530	35,816	(19,286)	28,985
Dues and Subscription	14,900	31,490	(16,590)	13,938
Safety	-	1	(1)	1,387
Copier Charges	900	864	36	941
Total Office	<u>78,783</u>	<u>130,845</u>	<u>(52,062)</u>	<u>87,571</u>
Facilities				
Rent & Utilities	118,740	123,177	(4,437)	119,648
Telephone	30,395	35,971	(5,576)	29,226
Insurance	31,132	28,161	2,971	25,820
Waste Removal	4,900	4,551	349	4,016
Total Facilities	<u>185,167</u>	<u>191,861</u>	<u>(6,694)</u>	<u>178,710</u>
Repair & Maintenance				
Equipment Maintenance & Repairs	23,700	26,285	(2,585)	22,417
Vehicle Repair & Maintenance	25,850	35,004	(9,154)	29,918
Gas, Oil & Supplies	40,665	51,620	(10,955)	42,254
Equipment Lease	88,974	69,915	19,059	17,524
Tools and Equipment	8,500	86,682	(78,182)	113,910
Broadband:7510 --+ Monthly Recurring Cost	-	375,556	(375,556)	-
Broadband:7550 --+ Network Operations Equipment	-	858,871	(858,871)	-

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

Total Repair & Maintenance	187,689	1,503,932	(1,316,244)	226,023
Travel and Meetings				
Travel and Meetings	175,084	181,878	(6,794)	181,164
Training & Technical Assistance	39,553	35,356	4,197	35,400
Total Travel and Meetings	214,637	217,233	(2,596)	216,564
Pass-through Funds				
Pass-through Funds - Subcontracts	1,261,492	1,279,445	(17,953)	1,008,793
Pass-through Funds - Materials	195,636	405,019	(209,383)	207,187
Total Pass-Through Funds	1,457,128	1,684,464	(227,336)	1,215,980
Miscellaneous				
Bad Debts - Written Off	500	4,750	(4,250)	1,050
Program Expense	-	29,952	-	-
Program Supplies	4,300	3,971	329	4,706
Licenses and Permits	3,500	1,658	1,842	5,415
Purchased Food	-	1,326	(1,326)	1,574
Administration	-	-	-	1,390
Awards	3,035	2,354	681	4,304
Indirect Costs Applied	288,858	322,608	(33,750)	-
Local Match Cost	154,133	150,030	4,103	144,806
Deferred Expense	8,659	-	8,659	-
Other	-	-	-	-
Total Miscellaneous	462,985	516,649	(23,712)	163,245
Capital Outlay	26,510	119,496	(92,986)	-
Debt Service				
Principal	17,254	17,254	-	16,559
Interest	20,906	20,906	-	21,601
Total Expenditures	5,759,980	7,828,944	(2,068,965)	4,902,747
Other Financing Sources				
Insurance proceeds	-	6,611	6,611	10,520
Total Other Financing Sources	-	6,611	6,611	10,520
Net Change in Fund Balance	2,793,672	551,462	(2,242,210)	359,674
Fund Balance - Beginning of Year	633,317	1,252,767	619,450	893,093
Fund Balance - End of Year	\$ 3,426,989	\$ 1,804,229	\$ (1,622,760)	\$ 1,252,767

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – NORTHWEST LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
Revenues				
Federal Sources				
Federal Contract Revenue	\$ 450,000	237,340	\$ (212,660)	\$ 665,660
Administration	72,000	37,974	(34,026)	106,506
State Sources				
State Contract Revenue	50,000	25,000	(25,000)	50,000
Reimbursed Expenses				
Reimbursed Fees/Expenses	-	(20)	(20)	-
Other Income				
Loan Principal and Interest	70,000	101,688	31,688	77,779
Interest Income	-	2,934	2,934	1,574
Miscellaneous	-	2,829	2,829	35,849
Total Revenues	642,000	407,745	(234,255)	937,368
Expenditures				
Current				
Wages and Benefits				
Salaries - Program Director	79,269	79,269	-	75,495
Office Wages	2,695	-	2,695	170
Taxes and Benefits	17,202	16,473	729	15,853
Total Wages and Benefits	99,166	95,742	3,424	91,518
Contractual Services				
Contract Staff	15,000	5,610	9,390	9,480
Contract - Fiscal	1,800	1,650	150	264
Contract Services	-	1,491	(1,491)	1,437
Total Contractual	16,800	8,751	8,049	11,181
Office				
Office Supplies	1,000	724	276	1,820
Fiscal Office	-	285	(285)	-
Program Expense	-	1,653	(1,653)	2,554
Bank Charges	-	22	(22)	10
Postage	250	290	(40)	273
Printing	-	90	(90)	-
Advertising	250	1,247	(997)	-
Administration	-	-	-	-
Dues and Subscription	2,500	2,624	(124)	4,284
Total Office	4,000	6,935	(2,935)	8,941
Facilities				
Rent & Utilities	2,504	2,504	-	2,415
Telephone	750	657	93	793
Insurance	-	19	(19)	102
Total Facilities	3,254	3,180	74	3,310

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – NORTHWEST LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
Repair & Maintenance				
Tools & Equipment	-	550	(550)	584
Total Repairs & Maintenance	-	550	(550)	584
Travel and Meetings				
Travel and Meetings	6,500	10,451	(3,951)	7,093
Training & Technical Assistance	-	25.00	(25)	-
Total Travel and Meetings	6,500	10,476	(3,976)	7,093
Miscellaneous				
Bad Debts	-	-	-	-
Licenses and Permits	1,500	42	1,458	2
Indirect Costs Applied	12,295	11,933	362	9,144
Total Miscellaneous	13,795	11,975	1,820	9,146
Total Expenditures	143,515	137,609	5,906	131,773
Net Change in Fund Balance	498,485	270,136	(228,349)	805,595
Fund Balance - Beginning of Year	2,795,071	2,795,071	-	1,989,476
Fund Balance - End of Year	<u>\$ 3,293,556</u>	<u>\$ 3,065,207</u>	<u>\$ (228,349)</u>	<u>\$ 2,795,071</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – NWCCOG FOUNDATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2018 Actual
Revenues				
Foundation and Trusts	-	-	-	34,346
Contributions	-	329	329	-
Interest Income	-	52	52	50
Other Income	-	-	-	75
Total Revenues	-	381	381	34,471
Expenditures				
Current				
Contract Services	10,112	1,200	8,912	3,162
Dues and Subscription	-	-	-	10
Pass Through Funds	-	2,000	(2,000)	32,025
Indirect Cost Allocation	606	10	596	25
Total Expenditures	10,718	3,210	7,508	35,222
Net Change in Fund Balance	(10,718)	(2,829)	7,889	(751)
Fund Balance - Beginning of Year	32,567	32,567	-	33,318
Fund Balance - End of Year	<u>\$ 21,849</u>	<u>\$ 29,738</u>	<u>\$ 7,889</u>	<u>\$ 32,567</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019**

NOTE 1 BUDGET AND BUDGETARY ACCOUNTING

The Northwest Colorado Council of Governments (NWCCOG) Council follows these procedures in establishing budgets:

- A. Budgets are required by state law for all governmental funds.
- B. Between October 1 and October 15, the proposed budget is submitted to the NWCCOG Council for the fiscal year commencing the following January 1.
- C. Prior to December 31, the budget is adopted and appropriations are authorized by resolution at the fund level for all funds.
- D. Budgets are adopted on a basis consistent with the accounting basis of all funds. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues and expenditures are budgeted by program and in total by each fund. The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Within the fund level control basis, management may transfer appropriations without Board of Director approval. Budget revisions are presented to the Council for action at the July and December NWCCOG Council meetings.
- E. Budget amounts included in the budgetary comparison schedules are based on the final legally amended budget.
- F. Appropriations lapse at year-end.
- G. During the year ended December 31, 2019, the NWCCOG Council did not adopt supplemental appropriations.

	Original Budget	Revisions	Final Budget
General Fund	\$ 5,759,980	\$ -	\$ 5,759,980
Northwest Loan Fund	143,515	-	143,515
NWCCOG Foundation Fund	10,718	-	10,718

As of December 31, 2019, the Northwest Foundation had actual expenditures of \$7,508 below final budgeted expenditures. This may be a violation of Colorado State Statute.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
REGIONAL BUSINESS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ 63,000	\$ 12,404	\$ (50,596)
Membership Income			
County Pledges	163,084	161,740	(1,344)
Municipal Pledges	110,808	110,602	(206)
Subtotal Membership Income	<u>273,892</u>	<u>272,342</u>	<u>(1,550)</u>
Services Income			
Specialized Services	-	26,400	26,400
Subtotal Services Income	<u>-</u>	<u>26,400</u>	<u>26,400</u>
Local Funding			
Local Funding	26,400	200	(26,200)
Reimbursed Expenses			
Reimbursed Fees/Expenses	-	2,085	2,085
Other Income			
Other Income	-	455	455
Interest Income	-	27,119	27,119
Total Revenues	<u>363,292</u>	<u>341,005</u>	<u>(22,287)</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	86,441	87,108	(667)
Salaries - Program Staff	-	170	(170)
Salaries - Support	-	415	(415)
Taxes and Benefits	22,183	28,803	(6,620)
Total Wages and Benefits	<u>108,624</u>	<u>116,496</u>	<u>(7,872)</u>
Contractual Services			
Contract Staff	26,400	26,820	(420)
Contract Services	32,000	6,212	25,788
Legal Expense	1,200	-	1,200
Total Contractual	<u>59,600</u>	<u>33,032</u>	<u>26,568</u>
Office			
Office Supplies	1,200	584	616
Bank Charges	900	717	183
Postage	100	103	(3)
Printing	1,200	50	1,150
Internet	5,000	-	5,000
Advertising	-	1,890	(1,890)
Dues and Subscription	2,000	1,980	20
Total Office	<u>10,400</u>	<u>5,325</u>	<u>5,075</u>
Facilities			
Rent & Utilities	3,803	3,803	-
Telephone	1,500	637	863
Insurance	-	136	(136)
Total Facilities	<u>5,303</u>	<u>4,575</u>	<u>728</u>
Repair & Maintenance			
Vehicle Repair & Maintenance	-	1,073	(1,073)
Travel and Meetings			
Meeting Expense	-	44	(44)
Gas, Oil & Supplies	-	1,110	(1,110)
Equipment Lease	-	5,431	(5,431)
Travel and Meetings	15,000	8,357	6,643
Training & Technical Assistance	12,000	3,043	8,957
Total Travel and Meetings	<u>27,000</u>	<u>17,984</u>	<u>9,016</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	63,000	32,446	30,554
Miscellaneous			
Program Supplies	-	100	(100)
Indirect Costs Applied	12,966	13,142	(176)
Purchased Food	-	46	(46)
Local Match Cost	154,133	150,030	4,103
Total Miscellaneous	<u>167,099</u>	<u>163,318</u>	<u>3,781</u>
Total Expenditures	<u>441,026</u>	<u>374,248</u>	<u>66,778</u>
Net Change in Fund Balance	<u>\$ (77,734)</u>	<u>\$ (33,243)</u>	<u>\$ 44,491</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
ALPINE AREA AGENCY ON AGING (AAAA)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 608,380	\$ 777,539	\$ 169,159
State Sources			
State Contract Revenue	592,251	495,857	(96,394)
Local Funding			
Local Funding - NWCCOG Matching	29,313	34,536	5,223
Other Income		178	178
Total Revenues	<u>1,229,944</u>	<u>1,308,110</u>	<u>78,166</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	-	167	(167)
Salaries - Program Director	82,556	86,516	(3,960)
Salaries - Program Staff	155,647	170,470	(14,823)
Salaries - Support	100	2,539	(2,439)
Taxes and Benefits	83,329	86,831	(3,502)
Total Wages and Benefits	<u>321,632</u>	<u>346,522</u>	<u>(24,890)</u>
Contractual Services			
Contract Staff	-	7,090	(7,090)
Contract - Fiscal	1,344	2,882	(1,538)
Legal Expense	-	250	(250)
Contract Services	11,860	1,315	10,545
Total Contractual	<u>13,204</u>	<u>11,537</u>	<u>1,667</u>
Office			
Office Supplies	2,850	6,939	(4,089)
Bank Charges	30	-	30
Postage	3,600	996	2,604
Printing	650	-	650
Internet	-	26,564	(26,564)
Advertising	3,780	1,524	2,256
Dues and Subscription	1,350	2,245	(895)
Total Office	<u>12,260</u>	<u>38,269</u>	<u>(26,009)</u>
Facilities			
Rent & Utilities	13,654	13,653	1
Telephone	-	961	(961)
Total Facilities	<u>13,654</u>	<u>14,614</u>	<u>(960)</u>
Travel and Meetings			
Travel and Meetings	42,362	29,972	12,390
Training & Technical Assistance	4,600	9,583	(4,983)
Total Travel and Meetings	<u>46,962</u>	<u>39,556</u>	<u>7,407</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	803,492	766,772	36,720
Miscellaneous			
Program Supplies	4,300	1,086	3,214
Awards	3,035	2,354	681
Purchased Food	-	1,188	(1,188)
Indirect Costs Applied	35,730	38,944	(3,214)
Total Miscellaneous	<u>43,065</u>	<u>43,572</u>	<u>(507)</u>
Total Expenditures	<u>1,254,269</u>	<u>1,260,842</u>	<u>(6,573)</u>
Net Change in Fund Balance	<u>\$ (24,325)</u>	<u>\$ 47,268</u>	<u>\$ 71,593</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
CONNECT FOR HEALTH COLORADO – NW REGION HUB
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ -	\$ 216,620	\$ 216,620
Subtotal Membership Income	-	-	-
Total Revenues	-	216,620	216,620
Expenditures			
Current			
Contractual Services			
Contract Staff	-	118,343	(118,343)
Contract Services	-	-	-
Total Contractual	-	118,343	(118,343)
Office			
Postage	-	33	(33)
Internet	-	100	(100)
Total Office	-	133	(133)
Travel and Meetings	-	13,967	(13,967)
Training & Technical Assistance	-	-	-
Total Travel and Meetings	-	13,967	(13,967)
Pass-through Funds			
Pass-through Funds - Subcontracts	-	43,124	(43,124)
Miscellaneous			
Program Expense		21,361	(21,361)
Indirect Costs Applied	-	19,693	(19,693)
Total Miscellaneous	-	41,054	(41,054)
Capital Outlay			-
Total Expenditures	-	216,621	(216,621)
Net Change in Fund Balance	\$ -	\$ (1)	\$ (1)

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
ECONOMIC DEVELOPMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 70,000	\$ 70,000	\$ -
Local Funding			
Local Funding - NWCCOG Matching	70,000	69,996	(4)
Total Revenues	<u>140,000</u>	<u>139,996</u>	<u>(4)</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	9,975	16,006	(6,031)
Salaries - Program Staff	71,258	71,258	(0)
Taxes and Benefits	30,587	29,174	1,413
Total Wages and Benefits	<u>111,820</u>	<u>116,438</u>	<u>(4,618)</u>
Office			
Postage	10	19	(9)
Office Supplies	50	35	15
Internet	2,000	3,104	(1,104)
Advertising	3,300	2,507	793
Dues and Subscription	1,500	1,129	371
Total Office	<u>6,860</u>	<u>6,794</u>	<u>66</u>
Facilities			
Rent & Utilities	1,913	1,913	(0)
Total Facilities	<u>1,913</u>	<u>1,913</u>	<u>(0)</u>
Travel and Meetings			
Travel and Meetings	4,222	2,351	1,871
Training & Technical Assistance	3,000	1,059	1,941
Total Travel and Meetings	<u>7,222</u>	<u>3,410</u>	<u>3,812</u>
Pass-through Funds - Subcontracts			
Pass-through Funds - Subcontracts	-	(5,010)	5,010
Miscellaneous			
Program Supplies	-	189	(189)
Indirect Costs Applied	12,185	13,090	(905)
Total Miscellaneous	<u>12,185</u>	<u>13,279</u>	<u>(1,094)</u>
Total Expenditures	<u>140,000</u>	<u>136,823</u>	<u>3,177</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 3,173</u>	<u>\$ 3,173</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
ELEVATOR INSPECTION PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Services Income			
Inspection Fees	\$ 500,000	\$ 329,325	\$ (170,675)
Permit Review Fees	150,000	255,425	105,425
Other Service Income	200,000	180,178	(19,822)
Other Income	200,000	244,500	44,500
Total Revenue	<u>1,050,000</u>	<u>1,009,428</u>	<u>(40,572)</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	-	473	(473)
Salaries - Program Director	99,750	99,750	0
Salaries - Program Staff	288,559	285,911	2,648
Salaries - Support	99,481	99,704	(223)
Taxes and Benefits	120,837	124,977	(4,140)
Total Wages and Benefits	<u>608,627</u>	<u>610,815</u>	<u>(2,188)</u>
Contractual Services			
Contract Staff	30,000	24,504	5,496
Contract Services	13,000	4,622	8,378
Total Contractual	<u>43,000</u>	<u>29,126</u>	<u>13,874</u>
Office			
Office Supplies	3,000	2,668	332
Bank Charges	-	110	(110)
Credit Card Fees	-	273	(273)
Postage	600	585	15
Printing	500	38	462
Advertising	1,000	1,171	(171)
Dues and Subscription	1,200	839	361
Total Office	<u>6,300</u>	<u>5,685</u>	<u>615</u>
Facilities			
Rent & Utilities	8,291	8,291	0
Telephone	3,900	3,132	768
Insurance	60	689	(629)
Total Facilities	<u>12,251</u>	<u>12,112</u>	<u>139</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	-	50	(50)
Gas, Oil & Supplies	-	6,019	(6,019)
Equipment Lease	5,284	27,597	(22,313)
Tools and Equipment	2,000	5,118	(3,118)
Total Repair and Maintenance	<u>7,284</u>	<u>38,783</u>	<u>(31,500)</u>
Travel and Meetings			
Travel and Meetings	35,000	39,920	(4,920)
Training & Technical Assistance	6,000	6,146	(146)
Total Travel and Meetings	<u>41,000</u>	<u>46,066</u>	<u>(5,066)</u>
Miscellaneous			
Bad Debts - Written Off	500	4,750	(4,250)
Licenses and Permits	2,500	1,183	1,317
Program Expense	-	72	(72)
Program Supplies	-	645	(645)
Indirect Costs Applied	73,169	72,876	293
Total Miscellaneous	<u>76,169</u>	<u>79,525</u>	<u>(3,356)</u>
Total Expenditures	<u>794,631</u>	<u>822,113</u>	<u>(27,482)</u>
Net Change in Fund Balance	<u>\$ 255,369</u>	<u>\$ 187,315</u>	<u>\$ (68,054)</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
ENERGY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 1,132,965	\$ 1,005,063	\$ (127,902)
State Sources			
State Contract Revenue	37,711	750,090	712,379
Local Funding			
Local Funding	300,000	58,341	(241,659)
Matching Funds		34,596	34,596
Local Revenue	47,880	-	(47,880)
Reimbursed Fees/Expenses		10,393	10,393
Other Income			
Insurance Proceeds	-	164	164
Other Income	-	2,525	2,525
Total Revenues	<u>1,518,556</u>	<u>1,861,171</u>	<u>342,615</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Assistant Director	165,523	88,200	77,323
Salaries - Program Staff	515,646	622,867	(107,221)
Salaries - Support	64,301	9,526	54,775
Taxes and Benefits	225,318	250,578	(25,260)
Total Wages and Benefits	<u>970,788</u>	<u>971,171</u>	<u>(383)</u>
Contractual Services			
Contract Staff	-	5,483	(5,483)
Contract Services	39,353	144,382	(105,029)
Contract - Fiscal	8,880	9,485	(605)
Total Contractual	<u>48,233</u>	<u>159,349</u>	<u>(111,116)</u>
Office			
Office Supplies	2,852	10,436	(7,584)
Credit Card Fees	-	514	(514)
Postage	1,406	1,284	122
Printing	500	1,789	(1,289)
Advertising	600	5,992	(5,392)
Dues and Subscription	-	637	(637)
Total Office	<u>5,358</u>	<u>20,652</u>	<u>(15,294)</u>
Facilities			
Rent & Utilities	59,916	59,741	175
Telephone	7,435	10,848	(3,413)
Insurance	13,772	10,329	3,443
Total Facilities	<u>81,123</u>	<u>80,919</u>	<u>204</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	500	2,433	(1,933)
Vehicle Repair & Maintenance	17,350	24,126	(6,776)
Gas, Oil & Supplies	31,665	35,244	(3,579)
Tools and Equipment	4,500	67,969	(63,469)
Total Repair and Maintenance	<u>54,015</u>	<u>129,771</u>	<u>(75,756)</u>
Travel and Meetings			
Travel and Meetings	35,500	54,838	(19,338)
Energy Program Stipend	-	2,985	(2,985)
Training & Technical Assistance	7,853	14,636	(6,783)
Total Travel and Meetings	<u>43,353</u>	<u>72,459</u>	<u>(29,106)</u>
Pass-through Funds			
Pass-through Funds - Materials	195,636	399,844	(204,208)
Miscellaneous			
Licenses and Permits	1,000	476	524
Program Supplies	-	1,866	(1,866)
Program Expense	-	8,391	(8,391)
Indirect Costs Applied	95,660	108,085	(12,425)
Total Miscellaneous	<u>96,660</u>	<u>118,818</u>	<u>(22,158)</u>
Total Expenditures	<u>1,495,166</u>	<u>1,952,982</u>	<u>(457,816)</u>
Net Change in Fund Balance	<u>\$ 23,390</u>	<u>\$ (91,811)</u>	<u>\$ (115,201)</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
REGIONAL TRANSPORTATION COORDINATING COUNCIL
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 120,000	\$ 119,896	\$ (104)
State Sources			
State Contract Revenue	410,000	380,218	(29,782)
Local Funding			
Matching Funds	20,000	116,089	96,089
Local Funding	92,190	11,557	(80,633)
Total Revenues	642,190	627,760	(14,430)
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Director	4,345	385	3,960
Salaries - Program Staff	98,716	126,751	(28,035)
Salaries - Support	38,000	207	37,793
Taxes and Benefits	51,301	18,358	32,944
Total Wages and Benefits	192,362	145,701	46,661
Contractual Services			
Contract Services	3,500	820	2,680
Total Contractual	3,500	820	2,680
Office			
Office Supplies	500	164	336
Bank Charges	100	60	40
Postage	500	892	(392)
Printing	500	335	165
Internet	2,500	1,984	516
Advertising	600	1,440	(840)
Dues and Subscription	500	9,660	(9,160)
Total Office	5,200	14,534	(9,334)
Facilities			
Rent & Utilities	9,010	9,070	(60)
Telephone	300	1,598	(1,298)
Total Facilities	9,310	10,668	(1,358)
Repair & Maintenance			
Equipment Maintenance & Repairs	-	391	(391)
Total Repair and Maintenance	-	391	(391)
Travel and Meetings			
Travel and Meetings	6,500	2,824	3,676
Training & Technical Assistance	500	355	145
Total Travel and Meetings	7,000	3,179	3,821
Pass-through Funds			
Pass-through Funds - Subcontracts	395,000	383,685	11,315
Miscellaneous			
Purchased Food	-	71	(71)
Indirect Costs Applied	21,159	19,047	2,112
Deferred Expense	8,659	-	8,659
Total Miscellaneous	29,818	19,118	10,700
Total Expenditures	642,190	578,096	64,094
Net Change in Fund Balance	\$ -	\$ 49,664	\$ 49,664

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
WATERSHED SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ 12,900	\$ 12,900	\$ -
Local Funding			
Local Funding - NWCCOG Matching	7,000	6,996	(4)
Reimbursed Expenses			
Reimbursed Fees/Expenses	-	1,154	1,154
Total Revenues	19,900	21,050	1,150
Expenditures			
Current			
Contractual Services			
Contract Staff	12,400	11,813	588
Contract Services	3,500	450	3,050
Total Contractual	15,900	12,263	3,638
Office			
Postage	25	10	15
Dues and Subscription	100	-	100
Total Office	125	10	115
Facilities			
Telephone	1,500	-	1,500
Total Facilities	1,500	-	1,500
Travel and Meetings			
Travel and Meetings	500	125	375
Total Travel and Meetings	500	125	375
Miscellaneous			
Indirect Costs Applied	1,558	1,558	(0)
Total Miscellaneous	1,558	1,558	(0)
Total Expenditures	19,583	13,956	5,627
Net Change in Fund Balance	\$ 317	\$ 7,094	\$ 6,777

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
EMERGENCY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 112,000	\$ 255,665	\$ 143,665
Total Revenues	<u>112,000</u>	<u>255,665</u>	<u>143,665</u>
Expenditures			
Current			
Contractual Services			
Contract Staff	65,000	52,873	12,127
Contract - Fiscal	4,500	4,200	300
Auditing	2,500	2,500	-
Total Contractual	<u>72,000</u>	<u>59,573</u>	<u>12,427</u>
Office			
Printing	100		100
Postage	350	32	318
Printing	100	-	100
Dues and Subscription	-	450	(450)
Total Office	<u>550</u>	<u>482</u>	<u>68</u>
Repair & Maintenance			
Tools and Equipment	2,000	13,595	(11,595)
Travel and Meetings			
Travel and Meetings	15,000	9,840	5,160
Training & Technical Assistance	2,000	-	2,000
Total Travel and Meetings	<u>17,000</u>	<u>9,840</u>	<u>7,160</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	-	58,426	(58,426)
Capital Outlay	22,550	119,496	(96,946)
Total Expenditures	<u>114,100</u>	<u>261,411</u>	<u>(147,311)</u>
Net Change in Fund Balance	<u>\$ (2,100)</u>	<u>\$ (5,746)</u>	<u>\$ (3,646)</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
PROJECT THOR
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ -	\$ 407,041	\$ 407,041
Local Funding			
Local Funding	-	\$ 527,109	\$ 527,109
Matching Funds		777,690	\$ 777,690
Total Revenue	<u>-</u>	<u>1,711,840.00</u>	<u>1,711,840</u>
Expenditures			
Current			
Contractual Services			
Legal Expense		18,422	(18,422)
Total Contractual	<u>-</u>	<u>18,422</u>	<u>(18,422)</u>
Repair & Maintenance			
Broadband:7510 -+ Monthly Recurring Cost		375,556	(375,556)
Broadband:7550 -+ Network Operations Equipment		858,871	(858,871)
Total Repair and Maintenance	<u>-</u>	<u>1,234,427</u>	<u>(1,234,427)</u>
Miscellaneous			
Indirect Costs Applied		10	(10)
Total Miscellaneous	<u>-</u>	<u>10</u>	<u>(10)</u>
Total Expenditures	<u>-</u>	<u>1,252,858</u>	<u>(1,252,858)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 458,982</u>	<u>\$ 458,982</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
SUMMIT COUNTY WATER QUALITY
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Local Funding			
Local Funding	\$ 33,000	\$ 33,750	\$ 750
Reimbursed Expenses			
Reimbursed Fees/Expenses	-	1,651	1,651
Total Revenues	33,000	35,401	2,401
Expenditures			
Current			
Contract Staff	26,000	25,500	500
Contract Services	1,500	6,629	(5,129)
Total Contractual	27,500	32,129	(4,629)
Office			
Office Supplies	50	-	50
Postage	50	1	50
Dues and Subscription	50	-	50
Total Office	150	1	150
Facilities			
Telephone	1,900	1,280	620
Total Facilities	1,900	1,280	620
Travel and Meetings			
Travel and Meetings	2,750	3,244	(494)
Total Travel and Meetings	2,750	3,244	(494)
Miscellaneous			
Indirect Costs Applied	2,738	2,738	0
Total Miscellaneous	2,738	2,738	0
Total Expenditures	35,038	39,392	(4,354)
Net Change in Fund Balance	\$ (2,038)	\$ (3,991)	\$ (1,953)

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
WATER QUALITY / QUANTITY
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue		\$ 79,981	79,981
Membership Income			
County Pledges	\$ 101,316	\$ 97,885	\$ (3,431)
Municipal Pledges	42,860	42,749	(111)
Associate Member Pledges	4,244	4,259	15
Water & Sanitation Income	11,776	11,574	(202)
Subtotal Membership Income	<u>160,196</u>	<u>156,467</u>	<u>(3,729)</u>
Reimbursed Expenses			
Reimbursed Fees/Expenses	2,000	33,499	31,499
Other Income			
Interest Income	-	2,778	2,778
Total Revenues	<u>162,196</u>	<u>272,725</u>	<u>110,529</u>
Expenditures			
Current			
Contractual Services			
Contract Staff	127,995	129,721	(1,726)
Contract Services	7,192	119,013	(111,821)
Total Contractual	<u>135,187</u>	<u>248,734</u>	<u>(113,547)</u>
Office			
Office Supplies	-	93	(93)
Bank Charges	-	30	(30)
Postage	50	50	(0)
Printing	50	228	(178)
Internet	30	-	30
Dues and Subscription	1,700	1,943	(243)
Total Office	<u>1,830</u>	<u>2,344</u>	<u>(514)</u>
Facilities			
Telephone	360	300	60
Insurance	1,800	1,500	300
Total Facilities	<u>2,160</u>	<u>1,800</u>	<u>360</u>
Repair & Maintenance			
Travel and Meetings			
Travel and Meetings	10,000	11,572	(1,572)
Total Travel and Meetings	<u>10,000</u>	<u>11,572</u>	<u>(1,572)</u>
Miscellaneous			
Indirect Costs Applied	12,399	12,399	-
Total Miscellaneous	<u>12,399</u>	<u>12,399</u>	<u>-</u>
Total Expenditures	<u>161,576</u>	<u>276,849</u>	<u>(115,273)</u>
Net Change in Fund Balance	<u>\$ 620</u>	<u>\$ (4,124)</u>	<u>\$ (4,744)</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
BROADBAND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ 1,970,348	\$ 99,025	\$ (1,871,323)
Local Funding			
Local Funding	866,000	-	(866,000)
Local Funding - NWCCOG Matching	46,000	38,501	(7,499)
Total Revenues	2,882,348	137,526	(2,744,822)
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	17,500	-	17,500
Salaries - Program Staff	141,960	140,177	1,783
Taxes and Benefits	34,080	33,784	296
Total Wages and Benefits	193,540	173,961	19,579
Office			
Internet	-	60	(60)
Advertising	-	50	(50)
Dues and Subscription	-	250	(250)
Total Office	-	360	(360)
Facilities			
Rent & Utilities	-	2,389	(2,389)
Telephone	-	601	(601)
Total Facilities	-	2,990	(2,990)
Travel and Meetings			
Travel and Meetings	8,000	3,521	4,479
Total Travel and Meetings	8,000	3,521	4,479
Pass Through Contractual Payments			
PTCP	2,705,000	-	2,705,000
Total PTCP	2,705,000	-	2,705,000
Miscellaneous			
Program Expense	-	128	(128)
Program Supplies	-	85	(85)
Indirect Costs Applied	21,294	21,027	267
Total Miscellaneous	21,294	21,240	54
Total Expenditures	2,927,834	202,071	2,725,763
Net Change in Fund Balance	\$ (45,486)	\$ (64,545)	\$ (19,059)

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
OFFICE CONDO (249 WARREN AVENUE)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Reimbursed Expenses			
Direct Charges Income	\$ 80,797	\$ 80,797	\$ 0
Total Revenues	<u>80,797</u>	<u>80,797</u>	<u>0</u>
Expenditures			
Current			
Contractual Services			
Contract Services	500	-	500
Total Contractual	<u>500</u>	<u>-</u>	<u>500</u>
Facilities			
Mortgage Expense	38,160	38,160	-
Rent & Utilities	6,000	6,000	-
Waste Removal	3,400	3,951	(551)
Total Facilities	<u>47,560</u>	<u>48,111</u>	<u>(551)</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	21,700	20,495	1,205
Total Repair & Maintenance	<u>21,700</u>	<u>20,495</u>	<u>1,205</u>
Capital Outlay			
Total Expenditures	<u>69,760</u>	<u>68,607</u>	<u>1,154</u>
Net Change in Fund Balance	<u>\$ 11,037</u>	<u>\$ 12,191</u>	<u>\$ 1,154</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
MOTOR POOL
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Other Income			
Direct Charges Income	\$ 45,000	\$ 18,535	\$ (26,465)
Insurance Proceeds	-	6,447	6,447
Total Revenues	<u>45,000</u>	<u>24,982</u>	<u>(20,018)</u>
Expenditures			
Current			
Contractual Services			
Contract - Fiscal	2,232	2,232	-
Total Contractual	<u>2,232</u>	<u>2,232</u>	<u>-</u>
Office			
Postage		13	(13)
Advertising	8,000	2,700	5,300
Total Office	<u>8,000</u>	<u>2,713</u>	<u>5,287</u>
Facilities			
Insurance	2,500	2,894	(394)
Total Facilities	<u>2,500</u>	<u>2,894</u>	<u>(394)</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	-	1,265	(1,265)
Vehicle Repair & Maintenance	8,500	9,805	(1,305)
Gas, Oil & Supplies	9,000	9,247	(247)
Equipment Lease	65,440	20,366	45,074
Travel and Meetings			
Travel and Meetings	-	294	(294)
Total Travel and Meetings	<u>-</u>	<u>294</u>	<u>(294)</u>
Total Expenditures	<u>95,672</u>	<u>48,816</u>	<u>46,856</u>
Net Change in Fund Balance	<u>\$ (50,672)</u>	<u>\$ (23,834)</u>	<u>\$ 26,838</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
INDIRECT
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ -	\$ 833	\$ 833
Local Funding			
Local Funding	5,000	1,374	(3,626)
Reimbursed Expenses			
Reimbursed Fees/Expenses	-	693	693
Internal Indirect Revenue	317,309	334,541	17,232
Total Revenues	<u>322,309</u>	<u>337,440</u>	<u>15,131</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	32,139	24,968	7,171
Salaries - Support	73,885	82,169	(8,284)
Salaries - Program Staff	-	2,033	(2,033)
Taxes and Benefits	28,993	38,078	(9,085)
Background Check	-	421	(421)
Flex Administration Fee	1,500	1,326	174
Total Wages and Benefits	<u>136,517</u>	<u>148,994</u>	<u>(12,477)</u>
Contractual Services			
Contract Staff	6,000	12,708	(6,708)
Contract Services	-	3,254	(3,254)
Contract - Fiscal	31,409	32,012	(603)
Auditing	24,000	23,300	700
Legal Expense	-	332	(332)
Total Contractual	<u>61,409</u>	<u>71,606</u>	<u>(10,197)</u>
Office			
Office Supplies	7,000	13,298	(6,298)
Credit Card Fees	-	8	(8)
Postage	250	404	(154)
Printing	100	228	(128)
Internet	7,000	4,005	2,995
Advertising	-	2,383	(2,383)
Dues and Subscription	6,500	12,346	(5,846)
Copier Charges	900	864	36
Total Office	<u>21,750</u>	<u>33,535</u>	<u>(11,785)</u>
Facilities			
Rent & Utilities	16,153	18,317	(2,164)
Telephone	13,500	16,615	(3,115)
Insurance	13,000	12,613	387
Waste Removal	1,500	600	900
Total Facilities	<u>44,153</u>	<u>48,144</u>	<u>(3,991)</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	1,500	1,650	(150)
Equipment Lease	18,250	16,522	1,728
Total Repair & Maintenance	<u>19,750</u>	<u>18,172</u>	<u>1,578</u>
Travel and Meetings			
Travel and Meetings	250	1,053	(803)
Training & Technical Assistance	3,600	534	3,066
Total Travel and Meetings	<u>3,850</u>	<u>1,586</u>	<u>2,264</u>
Miscellaneous			
Purchased Food	-	21	(21)
Total Miscellaneous	<u>-</u>	<u>21</u>	<u>(21)</u>
Capital Outlay	3,960	-	3,960
Total Expenditures	<u>291,389</u>	<u>322,058</u>	<u>(30,669)</u>
Net Change in Fund Balance	<u>\$ 30,920</u>	<u>\$ 15,382</u>	<u>\$ (15,538)</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Northwest Colorado Council of Governments
Silverthorne, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund information of the Northwest Colorado Council of Governments, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Northwest Colorado Council of Governments' basic financial statements, and have issued our report thereon dated August 4, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Northwest Colorado Council of Governments' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Northwest Colorado Council of Governments' internal control. Accordingly, we do not express an opinion on the effectiveness of the Northwest Colorado Council of Governments' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northwest Colorado Council of Governments' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
August 4, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Northwest Colorado Council of Governments
Silverthorne, Colorado

Report on Compliance for Each Major Federal Program

We have audited the Northwest Colorado Council of Governments' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Northwest Colorado Council of Governments' major federal program for the year ended December 31, 2019. Northwest Colorado Council of Governments' major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance of the Northwest Colorado Council of Governments' major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Northwest Colorado Council of Governments' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Northwest Colorado Council of Governments' compliance.

Opinion on the Major Federal Program

In our opinion, the Northwest Colorado Council of Governments complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Northwest Colorado Council of Governments is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Northwest Colorado Council of Governments' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Northwest Colorado Council of Governments' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
August 4, 2020

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2019**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of Commerce				
Economic Development Support for Planning Organizations	11.302		\$ -	\$ 70,000
Total Department of Commerce Direct Programs			-	70,000
Department of Housing and Urban Development				
Colorado Department of Local Affairs				
Community Development Block Grants	14.228	F16CDB16602	-	237,340
Total Department of Housing and Urban Development			-	237,340
Department of Transportation				
Colorado Department of Transportation				
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513		-	119,896
Total for Department of Transportation			-	119,896
Department of Energy				
Colorado Department of Local Affairs				
Weatherization Assistance for Low Income Persons	81.042		-	1,258,369
Total Department of Energy			-	1,258,369
Department of Health and Human Services				
Colorado Department of Human Services				
Special Program for the Aging				
Title III, Part D Disease Prevention & Health Promotion Aging Cluster	93.043		-	5,678
Title III, Admin.	93.044		-	107,760
Title III, Part B Grants for Supportive Services	93.044		-	72,890
Title III, NSIP C-1	93.045		-	-
Title III, NSIP C-2	93.045		-	-
Title III, Part C-1	93.045		-	266,282
Title III, Part C-2	93.045		-	34,287
Total Aging Cluster			-	481,219
Title III, Part E - National Family Caregiver Support	93.052		-	43,513
Total Department of Health and Human Services			-	530,410
Agency for International Development				
Cooperative Development Program	94.002		-	67,046
Total Agency for International Development			-	67,046
Department of Homeland Security				
Homeland Security Grant Program	97.067		-	261,410
Total Department of Homeland Security			-	261,410
Total Expenditures of Federal Awards			\$ -	\$ 2,544,471

See accompanying Notes to Schedule of Expenditures of Federal Awards..

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Northwest Colorado Council of Governments under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Northwest Colorado Council of Governments, it is not intended to and does not present the financial position or changes in net position of the Northwest Colorado Council of Governments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue from federal awards is recognized when the Council has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when it becomes both measureable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. The Northwest Colorado Council of Governments has elected to not use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes _____ x _____ no
 - Significant deficiency(ies) identified? _____ yes _____ x _____ none reported
3. Noncompliance material to financial statements noted? _____ yes _____ x _____ no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes _____ x _____ no
 - Significant deficiency(ies) identified? _____ yes _____ x _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes _____ x _____ no

Identification of Major Federal Programs

CFDA Number(s)

Name of Federal Program or Cluster

81.042

Weatherization Assistance for Low Income Persons

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 x yes _____ no

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our single audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2018-001 Significant Deficiency in Internal Control over Compliance

Condition: In reviewing the expenditure detail and supporting documentation for the 2018 SEFA, the Northwest Colorado Council of Governments had omitted approximately \$957,000 of federal expenditures which were expended as part of the loan program on the 2016 and 2017 SEFAs.

Status: Corrected. Procedures and controls have been implemented over the review of federal expenditures.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2019**

Department of Energy

The Northwest Colorado Council of Governments respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2019.

Audit period: Year ended December 31, 2019

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2018-001 SEFA

Condition: It was identified that the 2016 and 2017 federal expenditures associated with the CDBG program were omitted from the 2016 and 2017 Schedule of Expenditures of Federal Awards (SEFA).

Status: Corrected