

NORTHWEST COLORADO COUNCIL OF GOVERNMENTS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2016

**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, 2016, 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, 2016, 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 was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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.

Board of Directors
Northwest Colorado Council of Governments

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2017, 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 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 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Broomfield, Colorado
May 18, 2017

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016**

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, 2016.

Financial Highlights

- The assets of the Council exceeded its liabilities at the close of 2016 by \$2,479,248. Of this total, \$2,139,304, or 86%, is unrestricted and may be used to meet the Council's obligations to the public and creditors.
- The Council's total net position increased \$305,457.
- The total cost of the Council's programs increased \$657,833 or 15%, compared to 2015.
- Total revenues increased \$527,900, or 11%, compared to 2015.
- The General Fund reported a fund balance of \$676,214 as of December 31, 2016, an increase of \$1,312. Approximately 97% 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, 2016**

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, 2016**

Table 1 presents an analysis of the Council's net position as of December 31, 2016. The Council's assets exceeded liabilities by \$2,479,248 at the close of 2016. Total net position increased by \$305,457 in 2016. The increase is comprised of the following:

- Total assets increased \$467,790 to \$3,655,128. This mainly included an increase in loan receivables from \$770,227 in 2015 to \$1,138,800 in 2016.
- Total liabilities increased \$162,333 to \$1,175,880. This change included an increase in accounts payable of \$84,731 due to timing of payments and an increase of \$92,056 in unearned revenue related to grants.

Table 1
Northwest Colorado Council of Governments
Summary of Net Position

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2015</u>
Assets		
Current and Other Assets	\$ 2,808,716	\$ 2,235,139
Capital Assets	846,412	952,199
Total Assets	<u>3,655,128</u>	<u>3,187,338</u>
Liabilities		
Current Liabilities	644,657	466,433
Long-Term Liabilities	531,223	547,114
Total Liabilities	<u>1,175,880</u>	<u>1,013,547</u>
Net Position		
Net Investment in Capital Assets	299,299	389,836
Restricted	40,645	40,420
Unrestricted	2,139,304	1,743,535
Total Net Position	<u>\$ 2,479,248</u>	<u>\$ 2,173,791</u>

The largest portion of the Council's net position amounting to \$2,139,304 (86%) is unrestricted and may be used to meet its obligations to the public and creditors.

Analysis of Changes in Net Position

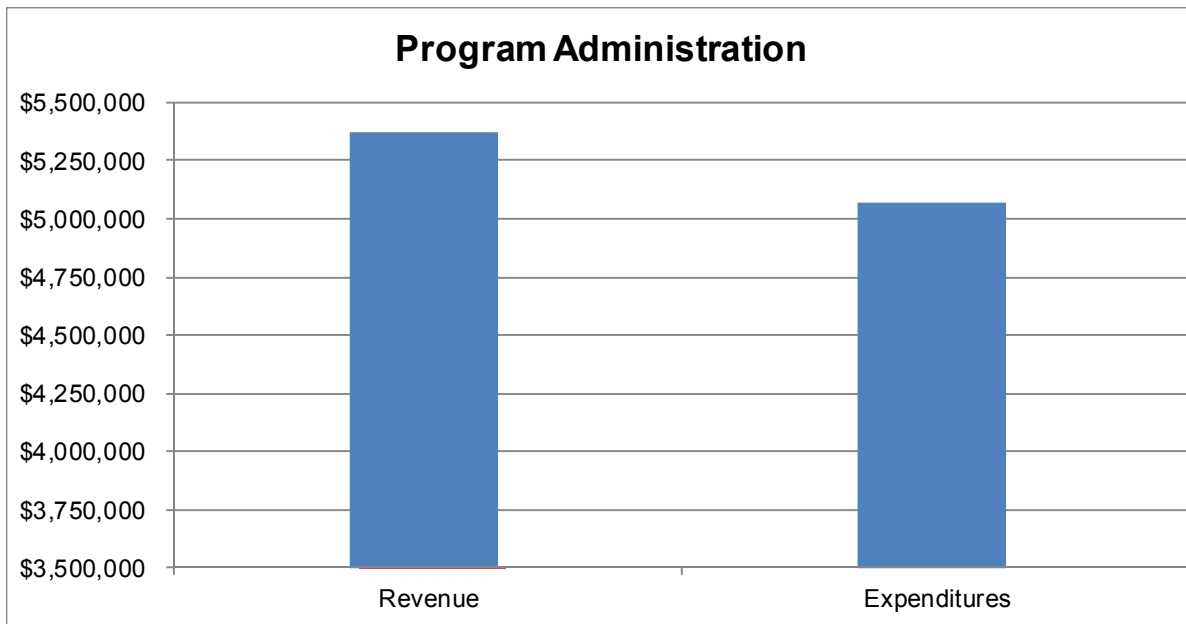
As presented in Table 2, the Council's overall net position increased \$305,457 compared to an increase of \$435,390 during 2015. Governmental revenues increased \$527,900 or 11% compared to 2015. The increase was due primarily to increases in state grants. Governmental expenses increased \$657,833, or 15% from 2015, primarily due to an increase in wages and benefits and pass-through funds.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016**

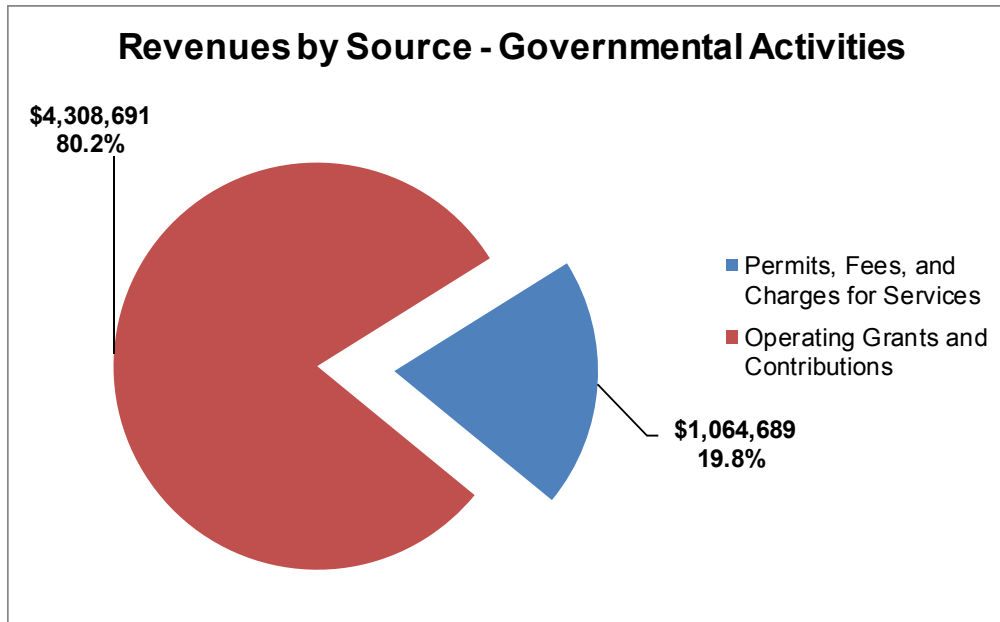
Table 2
Northwest Colorado Council of Governments
Summary of Changes in net Position
For Years as Stated

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2015</u>
Revenues		
Program Revenues		
Permits, Fees, and Charges for Services	\$ 1,064,689	\$ 927,897
Operating Grants and Contributions	4,308,691	3,917,583
Total Revenues	<u>5,373,380</u>	<u>4,845,480</u>
Expenses		
Program Expenses	<u>5,067,923</u>	<u>4,410,090</u>
Total Expenses	<u>5,067,923</u>	<u>4,410,090</u>
Change in Net Position	305,457	435,390
Net Position - Beginning of Year	<u>2,173,791</u>	<u>1,738,401</u>
Net Position - End of Year	<u>\$ 2,479,248</u>	<u>\$ 2,173,791</u>

The following graphs provide visual representations of the expenses and revenues for governmental activities for 2016.



**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016**



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, 2016, the General Fund reported ending fund balances of \$676,214, an increase of \$1,312 compared to 2015.

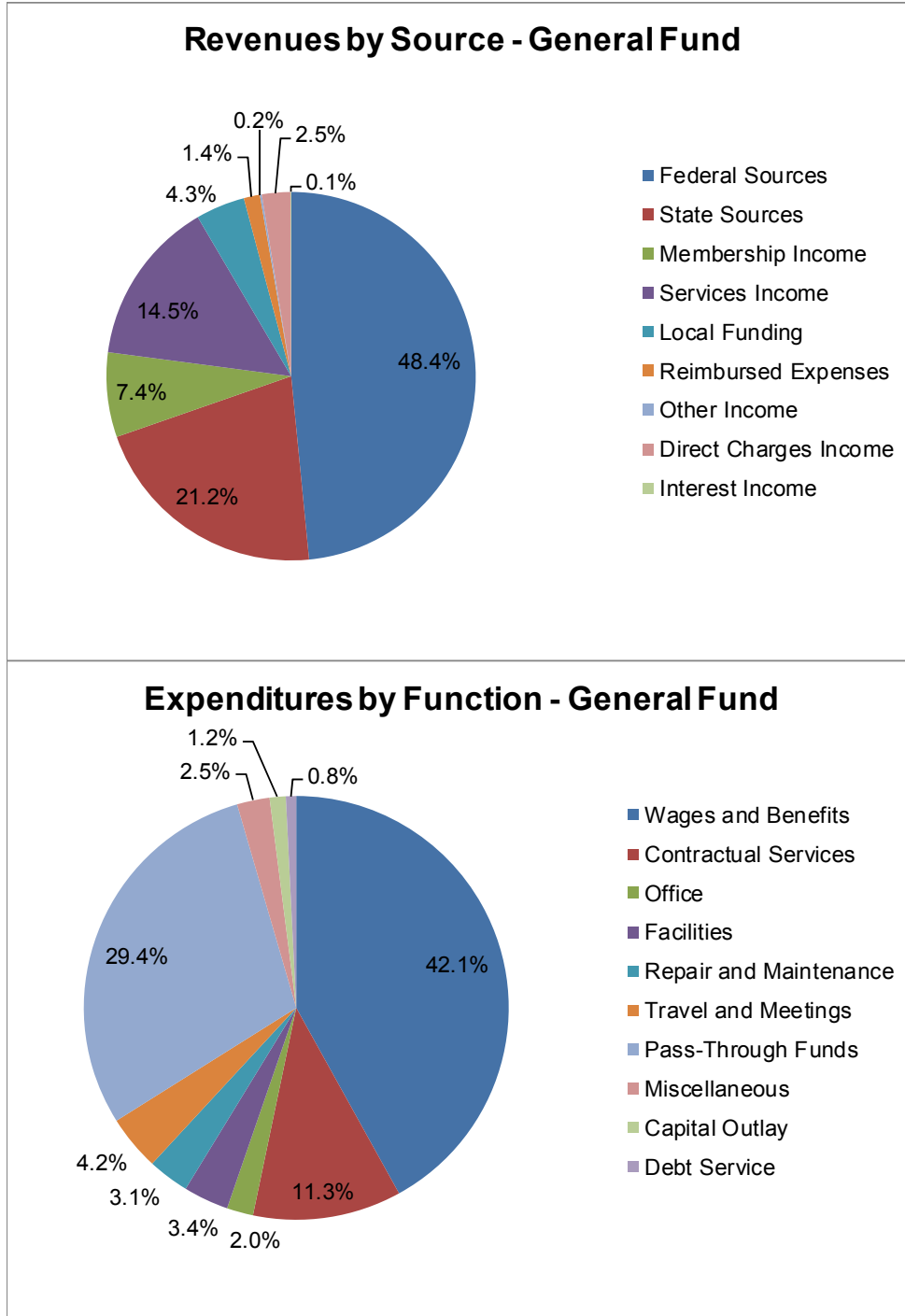
Management and the Board of Directors have assigned approximately 97% of the fund balance as follows:

	Balance December 31, 2015	Additions/ Deletions	Balance December 31, 2016
Alpine Area Agency for Aging	\$ 6,312	\$ (3,609)	\$ 2,703
Elevator Inspection Program	22,500	-	22,500
Water Quality & Quantity Program	121,416	(10,834)	110,582
Indirect	-	639	639
Office Condo	24,824	6,862	31,686
Motor Pool	49,979	23,942	73,921
Emergency Cash Reserve	375,139	43,910	419,049
	<u>\$ 600,170</u>	<u>\$ 60,910</u>	<u>\$ 661,080</u>

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 13.9% of total General Fund expenditures compared to 15.9% in 2015.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016**

The following graphs provide visual representations of the expenditures and revenues for the General Fund for 2016.



The Northwest Loan Fund ended the year with a fund balance of \$1,504,214 compared to \$1,136,490 at the end of 2015, an increase of \$367,724. This was the result of a \$452,400 grant from the State of Colorado Office of Economic Development and International Trade. The fund has \$365,951 of cash and is servicing \$1,138,800 of loans receivable.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016**

The Northwest Colorado Council of Governments Foundation fund ended the year with a fund balance of \$71,479. During 2016, the Foundation recorded \$140,391 in revenues. The fund expended \$98,429 during the year.

General Fund Budgetary Highlights

Budgetary comparison schedules are presented as required supplementary information. Actual revenues were \$4,837,054, \$407,305 more than projected. Actual expenditures were \$4,835,742, \$260,255 more than budgeted.

Capital Assets and Debt Administration

Capital Assets

The Council's investment in capital assets as of December 31, 2016 amounts to \$846,412 (net of accumulated depreciation).

	<u>2016</u>	<u>2015</u>
Building	\$ 514,997	\$ 531,882
Building Improvements	31,538	34,129
Vehicles	189,343	269,218
Furniture and Equipment	110,534	116,970
	<u>\$ 846,412</u>	<u>\$ 952,199</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 \$619,071 as follows:

	<u>2016</u>	<u>2015</u>
Building Loan	\$ 547,113	\$ 562,363
Compensated Absences	71,958	56,954
	<u>\$ 619,071</u>	<u>\$ 619,317</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 2016. 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 2016 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, 2016**

	2016
ASSETS	
Cash	\$ 556,386
Investments	15,981
Investments - Restricted	479,152
Accounts Receivable	147,677
Grants Receivable	467,425
Prepaid Items	1,807
Inventory	1,488
Loans Receivable	1,138,800
Capital Assets, Net of Accumulated Depreciation	846,412
Total Assets	3,655,128
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts Payable	156,053
Accrued Salaries and Withholdings	73,122
Unearned Revenue	327,634
Noncurrent Liabilities	
Due Within One Year	87,848
Due in More than One Year	531,223
Total Liabilities	1,175,880
NET POSITION	
Net Investment in Capital Assets	299,299
Restricted	40,645
Unrestricted	2,139,304
Total Net Position	\$ 2,479,248

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

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	\$ 529,959	\$ 234,650	\$ 190,065	\$ (105,244)
Alpine Area Agency for Aging	1,004,909	-	1,022,901	17,992
Connect for Health Colorado	68,958	-	17,540	(51,418)
RSVP	93,422	-	95,597	2,175
Economic Development District	207,771	-	193,978	(13,793)
Elevator Inspection Program	525,088	676,452	-	151,364
Energy Management	1,307,016	-	1,320,963	13,947
Regional Coordinating Council	383,602	-	401,190	17,588
Watershed Services	16,915	-	18,440	1,525
Colorado Bark Beetle	1,102	-	151	(951)
Emergency Management	363,063	-	364,940	1,877
Summitt Water Quality	32,889	-	34,261	1,372
Water Quality/Quantity	165,083	153,587	1,527	(9,969)
Northwest Loan Fund	139,023	-	506,747	367,724
NWCCOG Foundation, Inc.	98,429	-	140,391	41,962
Interest on Long Term Debt	22,910	-	-	(22,910)
Unallocated Depreciation	107,784	-	-	(107,784)
Total Governmental Activities	\$ 5,067,923	\$ 1,064,689	\$ 4,308,691	305,457
				Change in Net Position 305,457
				Net Position - Beginning of Year <u>2,173,791</u>
				Net Position - End of Year <u>\$ 2,479,248</u>

See accompanying Notes to Financial Statements.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2016**

	General Fund	Northwest Loan Fund	NWCCOG Foundation	Total
ASSETS				
Cash	\$ 119,094	\$ 365,951	\$ 71,341	\$ 556,386
Investments	15,981	-	-	15,981
Investments - Restricted	479,152	-	-	479,152
Accounts Receivable	142,323	-	5,354	147,677
Grants Receivable	467,425	-	-	467,425
Prepaid Items	1,807	-	-	1,807
Inventory	1,488	-	-	1,488
Loans Receivable	-	1,138,800	-	1,138,800
Total Assets	<u>\$ 1,227,270</u>	<u>\$ 1,504,751</u>	<u>\$ 76,695</u>	<u>\$ 2,808,716</u>
LIABILITIES				
Accounts Payable	\$ 150,300	\$ 537	\$ 5,216	\$ 156,053
Accrued Salaries and Withholdings	73,122	-	-	73,122
Unearned Revenue	327,634	-	-	327,634
Total Liabilities	<u>551,056</u>	<u>537</u>	<u>5,216</u>	<u>556,809</u>
FUND BALANCE				
Nonspendable				
Inventory	1,488	-	-	1,488
Prepaid Items	1,807	-	-	1,807
Restricted				
USDA Loan Reserve	40,645	-	-	40,645
Assigned				
Alpine Area Agency for Aging	2,703	-	-	2,703
Elevator Inspection Program	22,500	-	-	22,500
Water Quality & Quantity Program	110,582	-	-	110,582
Indirect	639	-	-	639
Office Condo	31,686	-	-	31,686
Motor Pool	73,921	-	-	73,921
Emergency Cash Reserve	419,049	-	-	419,049
Other Purposes	-	1,504,214	71,479	1,575,693
Unassigned	(28,806)	-	-	(28,806)
Total Fund Balance	<u>676,214</u>	<u>1,504,214</u>	<u>71,479</u>	<u>2,251,907</u>
Total Liabilities and Fund Balance	<u>\$ 1,227,270</u>	<u>\$ 1,504,751</u>	<u>\$ 76,695</u>	<u>\$ 2,808,716</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, 2016**

Total Fund Balance for Governmental Funds	\$ 2,251,907
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.	846,412
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, 2016 are:	
Note Payable	(547,113)
Compensated Absences	<u>(71,958)</u>
Net Position of Governmental Activities	<u><u>\$ 2,479,248</u></u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	General Fund	Northwest Loan Fund	NWCCOG Foundation	Total
REVENUES				
Federal Sources	\$ 2,333,370	\$ -	\$ -	\$ 2,333,370
State Sources	1,021,820	452,400	80,230	1,554,450
Membership Income	357,368	-	-	357,368
Services Income	697,707	-	-	697,707
Local Funding	207,514	-	-	207,514
Reimbursed Expenses	67,990	-	2,768	70,758
Other Income	8,422	54,347	57,390	120,159
Direct Charges Income	119,349	-	-	119,349
Interest Income	3,014	-	3	3,017
Total Revenues	<u>4,816,554</u>	<u>506,747</u>	<u>140,391</u>	<u>5,463,692</u>
EXPENDITURES				
Current				
Wages and Benefits	2,028,963	82,981	-	2,111,944
Contractual Services	546,835	4,584	87,519	638,938
Office	97,552	4,688	3,855	106,095
Facilities	166,226	3,055	-	169,281
Repair and Maintenance	151,933	-	-	151,933
Travel and Meetings	203,077	8,218	7,055	218,350
Pass-Through Funds	1,423,581	-	-	1,423,581
Miscellaneous	120,299	35,497	-	155,796
Capital Outlay	59,116	-	-	59,116
Debt Service				
Principal	15,250	-	-	15,250
Interest	22,910	-	-	22,910
Total Expenditures	<u>4,835,742</u>	<u>139,023</u>	<u>98,429</u>	<u>5,073,194</u>
Other Financing Sources				
Proceeds on Sale of Asset	20,500	-	-	20,500
Total Other Financing Sources	<u>20,500</u>	<u>-</u>	<u>-</u>	<u>20,500</u>
Net Change in Fund Balances	1,312	367,724	41,962	410,998
Fund Balances - Beginning of Year	<u>674,902</u>	<u>1,136,490</u>	<u>29,517</u>	<u>1,840,909</u>
Fund Balances - End of Year	<u>\$ 676,214</u>	<u>\$ 1,504,214</u>	<u>\$ 71,479</u>	<u>\$ 2,251,907</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, 2016**

Net Change in Fund Balances - Governmental Funds

Amounts reported for governmental activities in the statement of activities are different because: \$ 410,998

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.

Capital outlays	59,116	
Depreciation expense	(107,784)	
Loss on disposal of capital assets	<u>(57,119)</u>	(105,787)

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		15,250
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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		<u>(15,004)</u>
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Change in Net Position of Governmental Activities		<u><u>\$ 305,457</u></u>
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**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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 young 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.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, 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 fair value.

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, 2016. 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
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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 historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value 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.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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. It is the Council's policy to consider restricted net position to have been depleted before unrestricted net position is 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 \$3,295 in nonspendable resources as of December 31, 2016.

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 \$40,645 restricted for the USDA Loan Reserve as of December 31, 2016.

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, 2016.

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
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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, 2015	Additions/ Deletions	Balance December 31, 2016
Alpine Area Agency for Aging	\$ 6,312	\$ (3,609)	\$ 2,703
Elevator Inspection Program	22,500	-	22,500
Water Quality & Quantity Program	121,416	(10,834)	110,582
Indirect	-	639	639
Office Condo	24,824	6,862	31,686
Motor Pool	49,979	23,942	73,921
Emergency Cash Reserve	375,139	43,910	419,049
	<u>\$ 600,170</u>	<u>\$ 60,910</u>	<u>\$ 661,080</u>

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
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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.

GASB Statement Implementation

For the year ended December 31, 2016, the Council adopted the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, which is effective for financial statement periods beginning after June 15, 2015. GASB Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The Council's fair value measurements have not changed as a result of the implementation.

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, 2016 are reported as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash	\$ 556,386	\$ -	\$ 556,386
Investments	15,981	479,152	495,133
Total	<u>\$ 572,367</u>	<u>\$ 479,152</u>	<u>\$ 1,051,519</u>

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, 2016, Council's bank deposits amounting to \$556,386 were either insured by federal depository insurance or collateralized and consequently were not exposed to custodial credit risk.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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.

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, 2016, 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	\$ 293,753
CSAFE	AAAm	< 60 Days	201,380
Total			<u>\$ 495,133</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
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Fair Value

As of December 31, 2016, the Council had invested \$168,177 in the Colorado Local Government Liquid Asset Trust – PLUS and \$125,576 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, 2016, 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, 2016, the Council had invested \$201,380 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 \$1,178,501 has been reduced by \$39,701 as an allowance for estimated uncollectible. The loans mature as follows:

Year Ending	Total
2017	\$ 58,501
2018	288,322
2019	236,730
2020	68,514
2021	486,733
Total	\$ 1,138,800

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2016 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	758,132	39,988	(122,883)	675,237
Furniture and Equipment	223,733	19,128	(20,736)	222,125
Total Capital Assets Being Depreciated	<u>1,710,157</u>	<u>59,116</u>	<u>(143,619)</u>	<u>1,625,654</u>
Less Accumulated Depreciation				
Building	(143,523)	(16,885)	-	(160,408)
Building Improvements	(18,758)	(2,591)	-	(21,349)
Vehicles	(488,914)	(70,203)	73,223	(485,894)
Furniture and Equipment	(106,763)	(18,105)	13,277	(111,591)
Total Accumulated Depreciation	<u>(757,958)</u>	<u>(107,784)</u>	<u>86,500</u>	<u>(779,242)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 952,199</u>	<u>\$ (48,668)</u>	<u>\$ (57,119)</u>	<u>\$ 846,412</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, 2016 follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
United States Department of Agriculture (USDA) Note	\$ 562,363	\$ -	\$ (15,250)	\$ 547,113	\$ 15,890
Compensated Absences	56,954	15,004	-	71,958	71,958
	<u>\$ 619,317</u>	<u>\$ 15,004</u>	<u>\$ (15,250)</u>	<u>\$ 619,071</u>	<u>\$ 87,848</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 40 years in monthly installments of \$3,180 beginning April 17, 2007 through March 21, 2047, including interest at 4.125%.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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, 2016, the Council has restricted \$40,645 of its investments towards this purpose.

The note matures as follows:

	Principal	Interest	Total
2017	\$ 15,890	\$ 22,270	\$ 38,160
2018	16,558	21,602	38,160
2019	17,254	20,906	38,160
2020	17,979	20,181	38,160
2021	18,735	19,425	38,160
2022-2026	106,172	84,628	190,800
2027-2031	130,446	60,354	190,800
2032-2036	160,269	30,531	190,800
2037-2038	63,810	2,393	66,203
	<u>\$ 547,113</u>	<u>\$ 282,290</u>	<u>\$ 829,403</u>

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, 2016, lease expenditures amounted to \$59,684.

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 2016, the Council's contribution and employee contributions to the Plan were \$93,247 and \$94,179, respectively. The Council has recognized pension expense of \$93,247 and has no outstanding pension liability as of December 31, 2016.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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 \$357,368 were received by the Council during the year ended December 31, 2016. The following represents the source of funds received:

General Operations	\$ 206,464
Water Quality & Quantity	150,904
Total	<u>\$ 357,368</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 allowability by the respective grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, 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
NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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.

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2015 Actual
Revenues				
Federal Sources				
Federal Contract Revenue	\$ 1,884,530	\$ 2,333,370	\$ 448,840	\$ 1,959,468
State Sources				
State Contract Revenue	912,872	1,021,820	108,948	736,703
Membership Income				
County Pledges	223,581	223,581	-	222,699
Municipal Pledges	118,783	118,533	(250)	118,543
Associate Member Pledges	3,800	-	(3,800)	3,800
Water & Sanitation Income	11,100	15,254	4,154	13,100
Total Membership Income	<u>357,264</u>	<u>357,368</u>	<u>104</u>	<u>358,142</u>
Services Income				
Inspection Fees	474,000	475,793	1,793	450,588
Specialized Services	-	26,400	26,400	21,200
Other Service Income	85,000	116,812	31,812	32,981
Permit Review Fees	65,000	78,702	13,702	68,267
Total Services Income	<u>624,000</u>	<u>697,707</u>	<u>73,707</u>	<u>573,036</u>
Local Funding				
Local Funding	138,175	112,140	(26,035)	187,554
Landlord Contributions	-	-	-	13,087
Local Funding - NWCCOG Matching	155,105	95,374	(59,731)	111,555
Total Local Funding	<u>293,280</u>	<u>207,514</u>	<u>(85,766)</u>	<u>312,196</u>
Reimbursed Expenses				
Reimbursed Fees/Expenses	28,099	67,990	39,891	25,398
Other Income				
Internal Indirect Revenue	194,318	7,455	(186,863)	8,003
Rental Income	-	-	-	416
Other Income	16,938	967	(15,971)	629
Total Other Income	<u>211,256</u>	<u>8,422</u>	<u>(202,834)</u>	<u>9,048</u>
Direct Charges Income	116,648	119,349	2,701	109,158
Interest Income	1,800	3,014	1,214	889
Total Revenues	<u>4,429,749</u>	<u>4,816,554</u>	<u>386,805</u>	<u>4,084,038</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, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2015 Actual
Expenditures				
Current				
Wages and Benefits				
Salaries - Executive Director	110,558	116,487	(5,929)	110,558
Salaries - Program Director	302,766	215,873	86,893	284,692
Salaries - Assistant Director	61,143	75,464	(14,321)	68,759
Salaries - Program Staff	1,068,985	1,053,315	15,670	814,379
Salaries - Support	65,687	116,929	(51,242)	192,212
Taxes and Benefits	484,496	450,895	33,601	453,659
Employee Training Expense	-	-	-	688
Total Wages and Benefits	2,093,635	2,028,963	64,672	1,924,947
Contractual Services				
Contract Staff	325,794	282,355	43,439	223,566
Contract - Fiscal	48,976	47,676	1,300	77,520
Legal Expense	17,455	18,195	(740)	1,064
Auditing	30,000	29,240	760	15,500
Contract Services	90,477	169,369	(78,892)	149,714
Total Contractual	512,702	546,835	(34,133)	467,364
Office				
Office Supplies	25,392	23,205	2,187	15,440
Bank Charges	1,226	1,296	(70)	1,777
Credit Card Fees	2,000	3,078	(1,078)	2,561
Postage	6,814	6,047	767	6,645
Printing	2,825	786	2,039	1,302
Advertising	11,287	41,196	(29,909)	12,973
Internet	7,118	5,792	1,326	7,168
Dues and Subscription	11,870	15,218	(3,348)	15,117
Copier Charges	1,318	934	384	507
Total Office	69,850	97,552	(27,702)	63,490
Facilities				
Rent & Utilities	117,468	120,573	(3,105)	112,151
Telephone	19,089	15,439	3,650	20,982
Insurance	27,200	26,965	235	25,146
Waste Removal	600	3,249	(2,649)	3,563
Total Facilities	164,357	166,226	(1,869)	161,842
Repair & Maintenance				
Office Condo Repair & Maintenance	-	-	-	72,946
Equipment Maintenance & Repairs	28,497	26,673	1,824	2,324
Vehicle Repair & Maintenance	14,924	15,769	(845)	11,575
Gas, Oil & Supplies	36,938	39,482	(2,544)	48,630
Equipment Lease	15,119	15,406	(287)	14,098
Tools and Equipment	58,180	54,603	3,577	44,043
Total Repair & Maintenance	153,658	151,933	1,725	193,616

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2015 Actual
Travel and Meetings				
Travel and Meetings	226,707	189,886	36,821	140,395
Training & Technical Assistance	27,880	13,191	14,689	6,188
RAC Travel/Meetings	-	-	-	729
Total Travel and Meetings	<u>254,587</u>	<u>203,077</u>	<u>51,510</u>	<u>147,312</u>
Pass-through Funds				
Pass-through Funds - Subcontracts	662,750	1,226,935	(564,185)	744,006
Pass-through Funds - Materials	181,304	196,646	(15,342)	162,030
Total Pass-Through Funds	<u>844,054</u>	<u>1,423,581</u>	<u>(579,527)</u>	<u>906,036</u>
Miscellaneous				
Bad Debts	-	225	(225)	-
Program Supplies	8,540	17,426	(8,886)	3,887
Licenses and Permits	6,936	2,177	4,759	1,352
Charitable Donations	-	-	-	5,150
Exercise	-	-	-	14,589
Awards	8,000	5,147	2,853	1,079
Indirect Costs Applied	189,285	-	189,285	-
Local Match Cost	90,786	95,324	(4,538)	101,439
In-Kind Services	16,340	-	16,340	-
Deferred Expense	59,602	-	59,602	-
Total Miscellaneous	<u>379,489</u>	<u>120,299</u>	<u>259,190</u>	<u>127,496</u>
Capital Outlay	64,995	59,116	5,879	38,760
Debt Service				
Principal	15,250	15,250	-	14,634
Interest	22,910	22,910	-	23,526
Total Expenditures	<u>4,575,487</u>	<u>4,835,742</u>	<u>(260,255)</u>	<u>4,069,023</u>
Other Financing Sources				
Proceeds on Sale of Asset	-	20,500	20,500	-
Total Other Financing Sources	<u>-</u>	<u>20,500</u>	<u>20,500</u>	<u>-</u>
Net Change in Fund Balance	(145,738)	1,312	147,050	15,015
Fund Balance - Beginning of Year	633,317	674,902	41,585	659,887
Fund Balance - End of Year	<u>\$ 487,579</u>	<u>\$ 676,214</u>	<u>\$ 188,635</u>	<u>\$ 674,902</u>

**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, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2015 Actual
Revenues				
Federal Sources				
Federal Contract Revenue	\$ -	\$ -	\$ -	\$ 540,571
State Sources				
State Contract Revenue	580,000	390,000	(190,000)	-
Administration	-	62,400	62,400	86,491
Reimbursed Expenses				
Reimbursed Fees/Expenses	-	-	-	387
Other Income				
Loan Principal and Interest	42,000	54,347	12,347	39,367
Total Revenues	622,000	506,747	(115,253)	666,816
Expenditures				
Current				
Wages and Benefits				
Salaries - Program Director	68,088	67,958	130	64,538
Office Wages	-	-	-	630
Taxes and Benefits	15,120	15,023	97	14,489
Total Wages and Benefits	83,208	82,981	227	79,657
Contractual Services				
Contract - Fiscal	2,160	2,160	-	2,100
Contract Services	1,500	2,424	(924)	1,915
Total Contractual	3,660	4,584	(924)	4,015
Office				
Office Supplies	1,000	2,645	(1,645)	2,688
Bank Charges	-	114	(114)	-
Postage	600	277	323	429
Printing	800	-	800	1,188
Internet	-	100	(100)	-
Advertising	-	500	(500)	-
Administration	-	-	-	1,000
Dues and Subscription	1,500	1,052	448	1,264
Total Office	3,900	4,688	(788)	6,569
Facilities				
Rent & Utilities	2,344	2,344	-	2,344
Telephone	700	686	14	686
Insurance	-	25	(25)	-
Total Facilities	3,044	3,055	(11)	3,030

**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, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2015 Actual
Travel and Meetings				
Travel and Meetings	9,000	8,218	782	7,683
Total Travel and Meetings	<u>9,000</u>	<u>8,218</u>	<u>782</u>	<u>7,683</u>
Miscellaneous				
Bad Debts	-	27,403	(27,403)	13,090
Licenses and Permits	-	27	(27)	457
Indirect Costs Applied	8,082	8,067	15	8,174
Total Miscellaneous	<u>8,082</u>	<u>35,497</u>	<u>(27,415)</u>	<u>21,721</u>
Capital Outlay	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total Expenditures	<u>111,894</u>	<u>139,023</u>	<u>(27,129)</u>	<u>122,675</u>
Net Change in Fund Balance	510,106	367,724	(142,382)	544,141
Fund Balance - Beginning of Year	<u>1,136,490</u>	<u>1,136,490</u>	<u>-</u>	<u>592,349</u>
Fund Balance - End of Year	<u>\$ 1,646,596</u>	<u>\$ 1,504,214</u>	<u>\$ (142,382)</u>	<u>\$ 1,136,490</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, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	2015 Actual
Revenues				
State Contract Revenue	\$ 82,000	\$ 80,230	\$ (1,770)	\$ 94,952
Reimbursed Fees/Expenses	-	2,768	2,768	1,971
Foundation and Trusts	-	45,052	45,052	50,652
Fundraising Income	25,000	-	(25,000)	-
Contributions	-	7,300	7,300	18,250
Interest Income	-	3	3	37
Other Income	5,500	5,038	(462)	18,854
Total Revenues	112,500	140,391	27,891	184,716
Expenditures				
Current				
Contract Services	107,000	87,519	19,481	234,750
Office Supplies	500	136	364	938
Bank Charges	-	148	(148)	-
Postage	-	51	(51)	388
Printing	-	-	-	829
Advertising	-	80	(80)	426
Telephone	-	419	(419)	-
Internet/Website	-	131	(131)	480
Dues and Subscription	-	10	(10)	915
Travel and Meetings	5,000	7,055	(2,055)	11,911
Other	-	2,880	(2,880)	1,863
Total Expenditures	112,500	98,429	14,071	252,500
Net Change in Fund Balance	-	41,962	41,962	(67,784)
Fund Balance - Beginning of Year	29,517	29,517	-	97,301
Fund Balance - End of Year	\$ 29,517	\$ 71,479	\$ 41,962	\$ 29,517

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016**

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, 2016, the NWCCOG Council did not adopt supplemental appropriations.

	Original Budget	Revisions	Final Budget
General Fund	\$ 4,575,487	\$ -	\$ 4,575,487
Northwest Loan Fund	111,894	-	111,894
NWCCOG Foundation Fund	112,500	-	112,500

As of December 31, 2016 the General Fund and the Northwest Loan Fund had actual expenditures in the amounts of \$260,255, and \$27,129, respectively, above 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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ 196,636	\$ 158,419	\$ (38,217)
Membership Income			
County Pledges	128,081	128,081	-
Municipal Pledges	78,383	78,383	-
Subtotal Membership Income	<u>206,464</u>	<u>206,464</u>	<u>-</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	37,463	11,063	(26,400)
Reimbursed Expenses			
Reimbursed Fees/Expenses	16,250	16,479	229
Other Income			
Interest Income	1,800	2,659	859
Total Revenues	<u>458,613</u>	<u>421,484</u>	<u>(37,129)</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	69,210	67,510	1,700
Salaries - Program Staff	166,152	141,016	25,136
Salaries - Support	-	33,464	(33,464)
Taxes and Benefits	46,048	49,095	(3,047)
Total Wages and Benefits	<u>281,410</u>	<u>291,085</u>	<u>(9,675)</u>
Contractual Services			
Contract Staff	66,400	61,888	4,512
Contract Services	12,000	12,000	-
Legal Expense	17,290	17,290	-
Total Contractual	<u>95,690</u>	<u>91,178</u>	<u>4,512</u>
Office			
Office Supplies	1,000	1,142	(142)
Bank Charges	1,200	1,270	(70)
Postage	200	263	(63)
Advertising	900	892	8
Dues and Subscription	1,500	2,053	(553)
Total Office	<u>4,800</u>	<u>5,620</u>	<u>(820)</u>
Facilities			
Rent & Utilities	3,561	3,561	-
Telephone	720	679	41
Total Facilities	<u>4,281</u>	<u>4,240</u>	<u>41</u>

**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, 2016**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Repair & Maintenance			
Equipment Maintenance & Repairs	-	12	(12)
Travel and Meetings			
Travel and Meetings	6,000	7,396	(1,396)
Total Travel and Meetings	<u>6,000</u>	<u>7,396</u>	<u>(1,396)</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	-	8,974	(8,974)
Miscellaneous			
Indirect Costs Applied	23,765	24,814	(1,049)
Local Match Cost	90,786	95,324	(4,538)
Total Miscellaneous	<u>114,551</u>	<u>120,138</u>	<u>(5,587)</u>
Capital Outlay	1,500	2,298	(798)
Total Expenditures	<u>508,232</u>	<u>530,941</u>	<u>(22,709)</u>
Net Change in Fund Balance	<u>\$ (49,619)</u>	<u>\$ (109,457)</u>	<u>\$ (59,838)</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 374,709	\$ 368,638	\$ (6,071)
State Sources			
State Contract Revenue	510,634	619,084	108,450
Local Funding			
Local Funding - NWCCOG Matching	66,105	27,400	(38,705)
Total Revenues	951,448	1,015,122	63,674
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Director	81,151	67,622	13,529
Salaries - Program Staff	96,092	103,737	(7,645)
Taxes and Benefits	56,750	65,499	(8,749)
Total Wages and Benefits	233,993	236,858	(2,865)
Contractual Services			
Contract - Fiscal	-	4,085	(4,085)
Legal Expense	165	905	(740)
Contract Services	14,663	1,130	13,533
Total Contractual	14,828	6,120	8,708
Office			
Office Supplies	1,470	1,556	(86)
Postage	1,292	1,703	(411)
Printing	600	-	600
Internet	4,226	3,100	1,126
Advertising	2,500	-	2,500
Dues and Subscription	4,000	1,430	2,570
Total Office	14,088	7,789	6,299
Facilities			
Rent & Utilities	6,104	6,104	-
Telephone	200	159	41
Total Facilities	6,304	6,263	41

**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, 2016**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Repair & Maintenance			
Equipment Maintenance & Repairs	550	96	454
Travel and Meetings			
Travel and Meetings	9,092	3,768	5,324
Training & Technical Assistance	14,960	964	13,996
Total Travel and Meetings	<u>24,052</u>	<u>4,732</u>	<u>19,320</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	662,750	719,922	(57,172)
Miscellaneous			
Program Supplies	1,658	-	1,658
Indirect Costs Applied	19,815	20,644	(829)
Deferred Expense	-	-	-
Total Miscellaneous	<u>21,473</u>	<u>20,644</u>	<u>829</u>
Total Expenditures	<u>978,038</u>	<u>1,002,424</u>	<u>(24,386)</u>
Net Change in Fund Balance	<u>\$ (26,590)</u>	<u>\$ 12,698</u>	<u>\$ 39,288</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
State Sources			
State Contract Revenue	\$ 15,000	\$ 17,407	\$ 2,407
Total Revenues	<u>15,000</u>	<u>17,407</u>	<u>2,407</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Director	-	2,378	(2,378)
Salaries - Program Staff	45,365	3,174	42,191
Taxes and Benefits	25,107	1,310	23,797
Total Wages and Benefits	<u>70,472</u>	<u>6,862</u>	<u>63,610</u>
Contractual Services			
Contract Services	-	43,990	(43,990)
Total Contractual	<u>-</u>	<u>43,990</u>	<u>(43,990)</u>
Office			
Office Supplies	484	518	(34)
Postage	100	53	47
Printing	100	-	100
Advertising	1,500	150	1,350
Dues and Subscription	300	105	195
Total Office	<u>2,484</u>	<u>826</u>	<u>1,658</u>
Facilities			
Rent & Utilities	3,340	3,340	-
Telephone	1,000	44	956
Total Facilities	<u>4,340</u>	<u>3,384</u>	<u>956</u>
Travel and Meetings			
Travel and Meetings	4,161	3,122	1,039
Training & Technical Assistance	300	11	289
Total Travel and Meetings	<u>4,461</u>	<u>3,133</u>	<u>1,328</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	-	10,513	(10,513)
Miscellaneous			
Program Supplies	-	7	(7)
Indirect Costs Applied	5,385	72	5,313
Total Miscellaneous	<u>5,385</u>	<u>79</u>	<u>5,306</u>
Total Expenditures	<u>87,142</u>	<u>68,787</u>	<u>18,355</u>
Net Change in Fund Balance	<u>\$ (72,142)</u>	<u>\$ (51,380)</u>	<u>\$ 20,762</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
RETIRED SENIOR VOLUNTEER PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 84,693	\$ 94,755	\$ 10,062
Local Funding			
Local Funding	40,000	115	(39,885)
Other Income			
Other Income	16,938	-	(16,938)
Total Revenues	141,631	94,870	(46,761)
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Staff	50,238	35,598	14,640
Taxes and Benefits	15,243	7,752	7,491
Total Wages and Benefits	65,481	43,350	22,131
Contractual Services			
Contract Staff	17,500	-	17,500
Total Contractual	17,500	-	17,500
Office			
Office Supplies	2,000	438	1,562
Postage	875	577	298
Printing	1,500	-	1,500
Advertising	2,619	1,013	1,606
Dues and Subscription	-	100	(100)
Total Office	6,994	2,128	4,866
Facilities			
Rent & Utilities	3,340	3,340	-
Telephone	924	9	915
Total Facilities	4,264	3,349	915
Travel and Meetings			
Travel and Meetings	40,111	23,122	16,989
Training & Technical Assistance	3,000	2,997	3
Total Travel and Meetings	43,111	26,119	16,992
Miscellaneous			
Awards	8,000	5,147	2,853
Program Supplies	6,882	8,589	(1,707)
Indirect Costs Applied	5,963	4,509	1,454
In-Kind Services	16,340	-	16,340
Total Miscellaneous	37,185	18,245	18,940
Total Expenditures	174,535	93,191	81,344
Net Change in Fund Balance	\$ (32,904)	\$ 1,679	\$ 34,583

**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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 67,000	\$ 66,000	\$ (1,000)
State Sources			
State Contract Revenue	36,455	19,537	(16,918)
Local Funding			
Local Funding - NWCCOG Matching	66,000	60,974	(5,026)
Reimbursed Expenses			
Reimbursed Fees/Expenses	-	45,992	45,992
Total Revenues	<u>169,455</u>	<u>192,503</u>	<u>23,048</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	32,332	33,505	(1,173)
Salaries - Program Staff	61,090	61,090	-
Taxes and Benefits	31,067	30,650	417
Total Wages and Benefits	<u>124,489</u>	<u>125,245</u>	<u>(756)</u>
Contractual Services			
Contract Staff	25,000	1,293	23,707
Contract Services	-	19,667	(19,667)
Total Contractual	<u>25,000</u>	<u>20,960</u>	<u>4,040</u>
Office			
Office Supplies	50	18	32
Postage	50	68	(18)
Internet	150	135	15
Advertising	-	36,885	(36,885)
Dues and Subscription	805	3,159	(2,354)
Total Office	<u>1,055</u>	<u>40,265</u>	<u>(39,210)</u>
Facilities			
Rent & Utilities	1,791	1,791	-
Total Facilities	<u>1,791</u>	<u>1,791</u>	<u>-</u>
Travel and Meetings			
Travel and Meetings	3,924	4,134	(210)
Training & Technical Assistance	1,500	1,659	(159)
Total Travel and Meetings	<u>5,424</u>	<u>5,793</u>	<u>(369)</u>
Miscellaneous			
Program Supplies	-	1,975	(1,975)
Indirect Costs Applied	11,696	11,228	468
Total Miscellaneous	<u>11,696</u>	<u>13,203</u>	<u>(1,507)</u>
Total Expenditures	<u>169,455</u>	<u>207,257</u>	<u>(37,802)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (14,754)</u>	<u>\$ (14,754)</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Services Income			
Inspection Fees	\$ 474,000	\$ 475,793	\$ 1,793
Permit Review Fees	65,000	78,702	13,702
Other Service Income	85,000	116,812	31,812
Total Revenue	<u>624,000</u>	<u>671,307</u>	<u>47,307</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Director	88,093	87,926	167
Salaries - Program Staff	185,714	198,444	(12,730)
Salaries - Support	38,272	43,836	(5,564)
Taxes and Benefits	97,368	81,878	15,490
Total Wages and Benefits	<u>409,447</u>	<u>412,084</u>	<u>(2,637)</u>
Contractual Services			
Contract Staff	-	725	(725)
Contract Services	1,500	439	1,061
Total Contractual	<u>1,500</u>	<u>1,164</u>	<u>336</u>
Office			
Office Supplies	2,500	2,106	394
Credit Card Fees	2,000	3,051	(1,051)
Postage	1,500	588	912
Printing	250	65	185
Advertising	2,000	995	1,005
Dues and Subscription	1,200	1,003	197
Total Office	<u>9,450</u>	<u>7,808</u>	<u>1,642</u>
Facilities			
Rent & Utilities	7,500	7,763	(263)
Telephone	3,300	2,394	906
Insurance	1,800	60	1,740
Total Facilities	<u>12,600</u>	<u>10,217</u>	<u>2,383</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, 2016**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Repair & Maintenance			
Equipment Maintenance & Repairs	2,000	1,924	76
Vehicle Repair & Maintenance	-	494	(494)
Gas, Oil & Supplies	5,000	3,604	1,396
Tools and Equipment	5,000	1,496	3,504
Total Repair and Maintenance	<u>12,000</u>	<u>7,518</u>	<u>4,482</u>
Travel and Meetings			
Travel and Meetings	45,000	39,997	5,003
Training & Technical Assistance	4,000	3,440	560
Total Travel and Meetings	<u>49,000</u>	<u>43,437</u>	<u>5,563</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	-	147	(147)
Miscellaneous			
Program Supplies	-	644	(644)
Bad Debts	-	225	(225)
Licenses and Permits	6,000	1,252	4,748
Indirect Costs Applied	37,044	39,195	(2,151)
Total Miscellaneous	<u>43,044</u>	<u>41,316</u>	<u>1,728</u>
Capital Outlay	<u>20,000</u>	<u>39,990</u>	<u>(19,990)</u>
Total Expenditures	<u>557,041</u>	<u>563,681</u>	<u>(6,640)</u>
Other Financing Sources			
Proceeds on Sale of Asset	-	20,500	20,500
Total Other Financing Sources	<u>-</u>	<u>20,500</u>	<u>20,500</u>
Net Change in Fund Balance	<u>\$ 66,959</u>	<u>\$ 128,126</u>	<u>\$ 74,447</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 1,260,020	\$ 1,275,322	\$ 15,302
Local Funding			
Local Funding	8,683	32,526	23,843
Reimbursed Expenses			
Reimbursed Fees/Expenses	3,149	3,069	(80)
Total Revenues	1,271,852	1,310,917	39,065
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	-	2,340	(2,340)
Salaries - Program Director	75,465	-	75,465
Salaries - Assistant Director	61,143	75,464	(14,321)
Salaries - Program Staff	359,902	437,325	(77,423)
Salaries - Support	25,431	10,193	15,238
Taxes and Benefits	175,367	177,379	(2,012)
Total Wages and Benefits	697,308	702,701	(5,393)
Contractual Services			
Contract Staff	31,794	31,793	1
Contract Services	32,229	43,960	(11,731)
Total Contractual	64,023	75,753	(11,730)
Office			
Office Supplies	3,629	3,459	170
Credit Card Fees	-	27	(27)
Bank Charges	26	26	-
Postage	1,554	1,535	19
Advertising	663	581	82
Dues and Subscription	300	318	(18)
Total Office	6,172	5,946	226
Facilities			
Rent & Utilities	59,978	60,906	(928)
Telephone	6,075	6,243	(168)
Insurance	10,033	11,667	(1,634)
Total Facilities	76,086	78,816	(2,730)

**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, 2016**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Repair & Maintenance			
Equipment Maintenance & Repairs	1,043	1,030	13
Vehicle Repair & Maintenance	13,424	14,033	(609)
Gas, Oil & Supplies	23,438	25,965	(2,527)
Tools and Equipment	53,180	53,107	73
Total Repair and Maintenance	<u>91,085</u>	<u>94,135</u>	<u>(3,050)</u>
Travel and Meetings			
Travel and Meetings	81,244	82,671	(1,427)
Training & Technical Assistance	4,120	4,120	-
Total Travel and Meetings	<u>85,364</u>	<u>86,791</u>	<u>(1,427)</u>
Pass-through Funds			
Pass-through Funds - Materials	181,304	196,646	(15,342)
Miscellaneous			
Licenses and Permits	936	925	11
Indirect Costs Applied	61,677	62,071	(394)
Deferred Expense	19,761	-	19,761
Total Miscellaneous	<u>82,374</u>	<u>62,996</u>	<u>19,378</u>
Total Expenditures	<u>1,283,716</u>	<u>1,303,784</u>	<u>(20,068)</u>
Net Change in Fund Balance	<u>\$ (11,864)</u>	<u>\$ 7,133</u>	<u>\$ 18,997</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 6,854	\$ 155,190	\$ 148,336
State Sources			
State Contract Revenue	154,147	207,373	53,226
Local Funding			
Local Funding - NWCCOG Matching	16,000	-	(16,000)
Local Funding	20,029	34,286	14,257
Reimbursed Expenses			
Reimbursed Fees/Expenses	7,500	1,290	(6,210)
Total Revenues	204,530	398,139	193,609
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Director	58,057	57,947	110
Salaries - Program Staff	70,432	44,531	25,901
Salaries - Support	1,984	29,436	(27,452)
Taxes and Benefits	26,081	24,093	1,988
Total Wages and Benefits	156,554	156,007	547
Contractual Services			
Contract Services	1,800	1,736	64
Total Contractual	1,800	1,736	64
Office			
Office Supplies	3,500	6,242	(2,742)
Postage	400	604	(204)
Internet	900	699	201
Advertising	1,000	574	426
Dues and Subscription	550	505	45
Total Office	6,350	8,624	(2,274)
Facilities			
Rent & Utilities	8,493	8,493	-
Telephone	1,200	239	961
Total Facilities	9,693	8,732	961
Travel and Meetings			
Travel and Meetings	7,000	6,120	880
Total Travel and Meetings	7,000	6,120	880
Pass-through Funds			
Pass-through Funds - Subcontracts	-	185,698	(185,698)
Miscellaneous			
Program Supplies	-	33	(33)
Indirect Costs Applied	15,000	15,669	(669)
Total Miscellaneous	15,000	15,702	(702)
Capital Outlay	15,500	13,611	1,889
Total Expenditures	211,897	396,230	(184,333)
Net Change in Fund Balance	\$ (7,367)	\$ 1,909	\$ 9,276

**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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 11,300	\$ 11,300	\$ -
Local Funding			
Local Funding - NWCCOG Matching	7,000	7,000	-
Total Revenues	18,300	18,300	-
Expenditures			
Current			
Contractual Services			
Contract Staff	19,000	13,500	5,500
Contract Services	500	-	500
Total Contractual	19,500	13,500	6,000
Office			
Postage	100	1	99
Printing	200	-	200
Dues and Subscription	50	20	30
Copier Charges	-	76	(76)
Total Office	350	97	253
Facilities			
Telephone	-	1,920	(1,920)
Total Facilities	-	1,920	(1,920)
Travel and Meetings			
Travel and Meetings	1,028	217	811
Total Travel and Meetings	1,028	217	811
Miscellaneous			
Indirect Costs Applied	1,111	1,139	(28)
Deferred Expense	11,311	-	11,311
Total Miscellaneous	12,422	1,139	11,283
Total Expenditures	33,300	16,873	16,427
Net Change in Fund Balance	\$ (15,000)	\$ 1,427	\$ 16,427

**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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Federal Sources			
Federal Contract Revenue	\$ 79,954	\$ 362,165	\$ 282,211
Total Revenues	<u>79,954</u>	<u>362,165</u>	<u>282,211</u>
Expenditures			
Current			
Contractual Services			
Contract Staff	30,000	38,181	(8,181)
Contract - Fiscal	8,986	3,600	5,386
Auditing	2,500	2,500	-
Contract Services	-	3,739	(3,739)
Total Contractual	<u>41,486</u>	<u>48,020</u>	<u>(6,534)</u>
Office			
Office Supplies	1,000	42	958
Postage	-	172	(172)
Total Office	<u>1,000</u>	<u>214</u>	<u>786</u>
Travel and Meetings			
Travel and Meetings	15,000	6,106	8,894
Program Supplies	-	6,144	(6,144)
Total Travel and Meetings	<u>15,000</u>	<u>12,250</u>	<u>2,750</u>
Pass-through Funds			
Pass-through Funds - Subcontracts	-	301,681	(301,681)
Capital Outlay	22,468	-	22,468
Total Expenditures	<u>79,954</u>	<u>362,165</u>	<u>(282,211)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
COLORADO BARK BEETLE COOPERATIVE
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Local Funding			
Local Funding	\$ -	\$ 150	\$ 150
Total Revenue	<u>-</u>	<u>150</u>	<u>150</u>
Expenditures			
Current			
Contractual Services			
Contract Services	2,000	753	1,247
Total Contractual	<u>2,000</u>	<u>753</u>	<u>1,247</u>
Office			
Postage	-	1	(1)
Copier Charges	-	40	(40)
Total Office	<u>-</u>	<u>41</u>	<u>(41)</u>
Travel and Meetings			
Travel and Meetings	500	305	195
Total Travel and Meetings	<u>500</u>	<u>305</u>	<u>195</u>
Total Expenditures	<u>2,500</u>	<u>1,099</u>	<u>1,401</u>
Net Change in Fund Balance	<u>\$ (2,500)</u>	<u>\$ (949)</u>	<u>\$ 1,551</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Local Funding			
Local Funding	\$ 32,000	\$ 34,000	\$ 2,000
Total Revenues	<u>32,000</u>	<u>34,000</u>	<u>2,000</u>
Expenditures			
Current			
Contractual Services			
Contract Staff	25,000	24,025	975
Contract Services	1,000	4,550	(3,550)
Total Contractual	<u>26,000</u>	<u>28,575</u>	<u>(2,575)</u>
Office			
Postage	25	-	25
Printing	75	721	(646)
Dues and Subscription	75	35	40
Total Office	<u>175</u>	<u>756</u>	<u>(581)</u>
Facilities			
Telephone	1,920	-	1,920
Total Facilities	<u>1,920</u>	<u>-</u>	<u>1,920</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	50	-	50
Travel and Meetings			
Travel and Meetings	2,300	2,418	(118)
Total Travel and Meetings	<u>2,300</u>	<u>2,418</u>	<u>(118)</u>
Miscellaneous			
Program Supplies	-	34	(34)
Indirect Costs Applied	1,025	1,025	-
Deferred Expense	28,530	-	28,530
Total Miscellaneous	<u>29,555</u>	<u>1,059</u>	<u>28,496</u>
Total Expenditures	<u>60,000</u>	<u>32,808</u>	<u>27,192</u>
Net Change in Fund Balance	<u>\$ (28,000)</u>	<u>\$ 1,192</u>	<u>\$ 29,192</u>

**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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Membership Income			
County Pledges	\$ 95,500	\$ 95,500	\$ -
Municipal Pledges	40,400	40,150	(250)
Associate Member Pledges	3,800	-	(3,800)
Water & Sanitation Income	11,100	15,254	4,154
Subtotal Membership Income	<u>150,800</u>	<u>150,904</u>	<u>104</u>
Reimbursed Expenses			
Reimbursed Fees/Expenses	1,200	1,160	(40)
Other Income			
Interest Income	-	355	355
Total Revenues	<u>152,000</u>	<u>152,419</u>	<u>419</u>
Expenditures			
Current			
Contractual Services			
Contract Staff	108,400	108,249	151
Contract Services	21,285	35,190	(13,905)
Total Contractual	<u>129,685</u>	<u>143,439</u>	<u>(13,754)</u>
Office			
Office Supplies	500	36	464
Postage	100	33	67
Printing	100	-	100
Internet	-	30	(30)
Dues and Subscription	1,700	2,340	(640)
Copier Charges	500	-	500
Total Office	<u>2,900</u>	<u>2,439</u>	<u>461</u>
Facilities			
Telephone	360	360	-
Insurance	1,800	1,800	-
Total Facilities	<u>2,160</u>	<u>2,160</u>	<u>-</u>
Travel and Meetings			
Travel and Meetings	10,451	9,833	618
Total Travel and Meetings	<u>10,451</u>	<u>9,833</u>	<u>618</u>
Miscellaneous			
Indirect Costs Applied	6,804	6,804	-
Total Miscellaneous	<u>6,804</u>	<u>6,804</u>	<u>-</u>
Total Expenditures	<u>152,000</u>	<u>164,675</u>	<u>(12,675)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (12,256)</u>	<u>\$ (12,256)</u>

**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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Direct Charges Income	\$ 75,648	\$ 75,648	\$ -
Total Revenues	<u>75,648</u>	<u>75,648</u>	<u>-</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Program Staff	1,000	328	672
Taxes and Benefits	-	30	(30)
Total Wages and Benefits	<u>1,000</u>	<u>358</u>	<u>642</u>
Contractual Services			
Contract Services	1,000	-	1,000
Total Contractual	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Facilities			
Mortgage Expense	38,160	38,160	-
Rent & Utilities	6,000	6,000	-
Waste Removal	-	2,649	(2,649)
Total Facilities	<u>44,160</u>	<u>46,809</u>	<u>(2,649)</u>
Repair & Maintenance			
Equipment Maintenance & Repairs	24,854	21,619	3,235
Total Expenditures	<u>71,014</u>	<u>68,786</u>	<u>2,228</u>
Net Change in Fund Balance	<u>\$ 4,634</u>	<u>\$ 6,862</u>	<u>\$ 2,228</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Other Income			
Direct Charges Income	\$ 41,000	\$ 43,701	\$ 2,701
Total Revenues	<u>41,000</u>	<u>43,701</u>	<u>2,701</u>
Expenditures			
Current			
Wages and Benefits			
Office Wages	-	3,500	(3,500)
Taxes and Benefits	-	735	(735)
Total Wages and Benefits	<u>-</u>	<u>4,235</u>	<u>(4,235)</u>
Contractual Services			
Contract Staff	2,700	2,701	(1)
Total Contractual	<u>2,700</u>	<u>2,701</u>	<u>(1)</u>
Office			
Facilities			
Insurance	1,800	1,671	129
Total Facilities	<u>1,800</u>	<u>1,671</u>	<u>129</u>
Repair & Maintenance			
Vehicle Repair & Maintenance	1,500	1,242	258
Gas, Oil & Supplies	8,500	9,913	(1,413)
Travel and Meetings			
Travel and Meetings	-	15	(15)
Total Travel and Meetings	<u>-</u>	<u>15</u>	<u>(15)</u>
Total Expenditures	<u>14,500</u>	<u>19,777</u>	<u>(5,277)</u>
Net Change in Fund Balance	<u>\$ 26,500</u>	<u>\$ 23,924</u>	<u>\$ (2,576)</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, 2016**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Other Income			
Internal Indirect Revenue	\$ 194,318	\$ 198,143	\$ 3,825
Other Income	-	967	967
Total Revenues	<u>194,318</u>	<u>199,110</u>	<u>4,792</u>
Expenditures			
Current			
Wages and Benefits			
Salaries - Executive Director	9,016	13,132	(4,116)
Salaries - Program Staff	33,000	28,072	4,928
Taxes and Benefits	11,465	12,474	(1,009)
Total Wages and Benefits	<u>53,481</u>	<u>53,678</u>	<u>(197)</u>
Contractual Services			
Contract - Fiscal	39,990	39,991	(1)
Auditing	27,500	26,740	760
Contract Services	2,500	2,215	285
Total Contractual	<u>69,990</u>	<u>68,946</u>	<u>1,044</u>
Office			
Office Supplies	9,259	7,648	1,611
Postage	618	449	169
Internet	1,842	1,828	14
Advertising	105	106	(1)
Dues and Subscription	1,390	4,150	(2,760)
Copier Charges	818	818	-
Total Office	<u>14,032</u>	<u>14,999</u>	<u>(967)</u>
Facilities			
Rent & Utilities	17,361	19,275	(1,914)
Telephone	3,390	3,392	(2)
Insurance	11,767	11,767	-
Waste Removal	600	600	-
Total Facilities	<u>33,118</u>	<u>35,034</u>	<u>(1,916)</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, 2016**

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Repair & Maintenance			
Equipment Maintenance & Repairs	-	1,992	(1,992)
Equipment Lease	15,119	15,406	(287)
Travel and Meetings			
Travel and Meetings	896	662	234
Total Travel and Meetings	<u>896</u>	<u>662</u>	<u>234</u>
Miscellaneous			
Other	-	18	(18)
Total Miscellaneous	<u>-</u>	<u>18</u>	<u>(18)</u>
Capital Outlay	<u>5,527</u>	<u>3,217</u>	<u>2,310</u>
Total Expenditures	<u>192,163</u>	<u>193,952</u>	<u>(1,789)</u>
Net Change in Fund Balance	<u>\$ 2,155</u>	<u>\$ 5,158</u>	<u>\$ 3,003</u>



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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 of the Northwest Colorado Council of Governments, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Northwest Colorado Council of Government's basic financial statements, and have issued our report thereon dated May 18, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Northwest Colorado Council of Government's 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 Government's 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. 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

Broomfield, Colorado
May 18, 2017



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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, 2016. The 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 for 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 Each 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, 2016.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance. Our opinion on the major federal program is not modified with respect to these matters.

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 the 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the 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, 2016, and the related notes to the financial statements, which collectively comprise the Northwest Colorado Council of Governments' basic financial statements. We issued our report thereon dated May 18, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Broomfield, Colorado
May 18, 2017

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2016**

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		\$ -	\$ 66,000
Total Department of Commerce Direct Programs			-	66,000
Department of Transportation				
Colorado Department of Transportation				
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513		-	155,190
Total for Department of Transportation			-	155,190
Department of Energy				
Colorado Department of Local Affairs				
Weatherization Assistance for Low Income Persons	81.042		-	1,275,322
Total Department of Energy			-	1,275,322
Department of Health and Human Services				
Colorado Department of Human Services				
Special Program for the Aging				
Title III, Part D Disease Prevention & Health Promotion	93.043		-	4,020
Title III, Admin.	93.044		-	33,127
Title III, Part B Grants for Supportive Services	93.044		-	26,472
Title III, Part C-1	93.045		-	170,206
Title III, Part C-2	93.045		-	90,407
Total Aging Cluster			-	320,212
Title III, Part E - National Family Caregiver Support	93.052		-	44,406
Total Department of Health and Human Services			-	368,638
Agency for International Development				
Cooperative Development Program	94.002		-	94,755
Total Agency for International Development			-	94,755
Department of Homeland Security				
Homeland Security Grant Program	97.067		-	362,165
Total Department of Homeland Security			-	362,165
Total Expenditures of Federal Awards			\$ -	\$ 2,322,070

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2016**

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, 2016. 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, 2016**

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:	\$ <u> 750,000 </u>
Auditee qualified as low-risk auditee?	_____ <u> x </u> yes _____ no

**NORTHWEST COLORADO COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2016**

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 audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Prior Year Findings

There were no findings in the prior year that were required to be reported.