

**AGENDA**  
**SPECIAL FINANCE AND BUDGET**  
**COMMITTEE**  
**WEDNESDAY, April 5, 2023**  
**5:30 p.m. – 6:30 p.m.**  
**VIDEO/WEB CONFERENCE**  
**Denver, CO**

1. Call to Order

**CONSENT AGENDA**

2. Move to Adopt the Consent Agenda
  - i. Approve March 15, 2023 minutes  
(Attachment A)

**INFORMATIONAL ITEM**

3. Review of the 2023/2024 draft budget  
(Attachment B) Jenny Dock, Director, Administration and Finance

**ADMINISTRATIVE ITEMS**

4. Other Matters by Members
5. Next Meeting – April 19, 2023
6. Adjourn

Persons in need of auxiliary aids or services, such as interpretation services or assisted listening devices, are asked to contact DRCOG at least 48 hours in advance of the meeting by calling (303) 480-6701.





SUMMARY  
FINANCE AND BUDGET COMMITTEE MEETING  
Wednesday, March 15, 2023

Present:

Colleen Whitlow, Chair	Mead
Ashley Stolzmann (alternate)	Boulder County
Nicholas Williams	Denver City & County
Deborah Mulvey	Castle Pines
Steve Conklin (ex-officio)	Edgewater
Paul Haseman	Golden
Stephen Barr	Littleton
Jessica Sandgren	Thornton

Others Present: Doug Rex, Executive Director; and DRCOG staff.

Chair Whitlow called the meeting to order at 5:39 p.m. with a quorum present.

Move to Adopt the Consent Agenda

Director Sandgren **moved** to adopt the consent agenda. The motion was **seconded** and **passed** unanimously.

Items on the consent agenda included:

- Summary of the January 18, 2023 Meeting

Discussion of a resolution authorizing the Executive Director to accept funds of \$80,000 from the City of Aurora to support transportation services for its older adult residents.

Sharon Day provided a brief overview of the intended fund allocations to the members. DRCOG and the City of Aurora entered into an intergovernmental agreement in 2018 under which the City allocates funds annually to DRCOG to coordinate transportation services for its older adult residents. An amount of \$80,000 is earmarked in the City's annual budget and is paid in a lump sum to DRCOG. Funds received in 2023 will be used in the AAA's Choice Services Program for transportation, as has been done in the past several years. Last year, the funds paid for over 2,300 one-way trips using the contracted provider, HopSkipDrive, and approximately 4,400 bus trips with RTD. DRCOG staff identify the riders who are Aurora residents and apply the funds toward their monthly trip costs.

Director Haseman **moved** to adopt Resolution No. 7, 2023, authorizing the Executive Director to accept funds of \$80,000 from the City of Aurora to support transportation services for its older adult residents. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with EST Inc. for approximately \$85,000 beginning on April 1, 2023 and terminating on December 31, 2023 for the purpose of providing Infrastructure Investment and Jobs Act (IIJA) grants navigation services for the DRCOG region and DRCOG member governments.

Flo Raitano provided an overview of the contract to the members. The bi-partisan Infrastructure Investment and Jobs Act of 2021(IIJA) provides for approximately \$1.2 trillion in federal funds for investment in infrastructure and job creation, including

approximately 70 programs with funding available to local governments in Colorado. The Colorado Office of Economic Development and International Trade (OEDIT) provided funding that will allow DRCOG to contract for IIJA grant navigation services through the end of 2023. EST Inc, was selected through a competitive RFP process.

Director Barr **moved** to adopt Resolution No. 8, 2023, authorizing the Executive Director to negotiate and execute a contract with EST Inc. for approximately \$85,000 beginning on April 1, 2023 and terminating on December 31, 2023 for the purpose of providing Infrastructure Investment and Jobs Act (IIJA) grants navigation services for the DRCOG region and DRCOG member governments. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with Thorn Run Partners, LLC in an amount of \$125,000 with the term ending March 31, 2024, including the option for renewal for four additional one-year terms upon satisfactory performance.

ED Doug Rex explained the contract to the members. DRCOG last issued a request for proposals in 2017 for the 2018 contract year. When the Finance and Budget Committee acted to award the federal lobbyist contract, the committee decided the contract could be renewed annually for another four years, but then should be put out to bid. A Request for Qualifications (RFQ) was developed in September to seek proposals and posted. There was one response to the RFQ, from Thorn Run Partners, LLC. Staff met with the firm's representatives to discuss the terms of the contract and the scope of work included in the RFQ and unanimously agreed to recommend contracting with the firm. Funding for this contract is available in the 2022/2023 budget.

Director Haseman **moved** to adopt Resolution No. 9, 2023, authorizing the Executive Director to negotiate and execute a contract with Thorn Run Partners, LLC in an amount of \$125,000 with the term ending March 31, 2024, including the option for renewal for four additional one-year terms upon satisfactory performance. The motion was **seconded** and **passed** unanimously.

Use of the Public Health Work Force Funds from the federal American Rescue Plan Act (ARPA)

AJ Diamontopoulos explained the intended use for these funds to committee members. In 2022, DRCOG received approximately \$322K from the American Rescue Plan Act to recruit, hire, and train public health workers to respond to the COVID-19 pandemic and prepare for future public health challenges of older adults. Referred to as the ARPA Public Health Workforce Funds, the monies are intended to expand the workforce of public health professionals to prevent, prepare for, and respond to COVID-19. The funds are available through September 2024. Since receiving the funds, DRCOG staff is negotiating a contract with the Denver Health medical system under which hospital patients age 60 and older are referred to DRCOG so that they may be screened for health-related social needs. DRCOG is utilizing the ARPA Public Health Workforce funds to hire two full-time community resource navigators to work in Denver Health's hospital and clinics. The navigators will assist patients in accessing and enrolling in appropriate community services. Denver Health has agreed to provide patient access and a workspace for navigators. It also agrees to provide partial funding to hire a third navigator on a part-time basis. Staff will

monitor the results of service referrals to community organizations to help ensure successful patient outcomes. In addition, staff will work collaboratively with Denver Health to seek and pursue funding opportunities that may enable the navigation program to continue beyond the expiration date of the ARPA funds.

#### Merit and market salary assumptions for 2023/2024 Budget planning.

Jenny Dock provided an overview of the plans to members. Each year DRCOG staff prepares a budget to inform and direct financial operations for the coming fiscal year. Considerations are made regarding merit and market adjustments for staff. Taking multiple factors into account this budget cycle such as inflation, the rising cost of living in the Denver region and a highly competitive job market, DRCOG staff polled numerous member jurisdictions to gather information regarding merit increases and market adjustments in their budgets. Increases for merit and market combined ranged from 3% to 13%. DRCOG also reached out to Employer's Council for their input on market conditions and trends. A merit pool of 3% and market adjustment of 2% was approved in the DRCOG FY 2022/2023 budget. DRCOG staff is proposing a merit pool of 3.5% and a market adjustment of 4% be included in the FY 2023/2024 budget. Merit is based on employee performance. The market adjustment is equally applied to all staff.

#### 2022/2023 Budget Status Report

Jenny Dock provided a brief overview of the current status to members. Each year, DRCOG staff prepares a budget to inform and direct financial operations for the coming fiscal year. Projections are made on all streams of revenue for the organization to include federal and state funding, participating member dues, local/other funding, and in-kind contributions. Expenses are inclusive of all personnel costs, contractual agreements, cash match obligations, and other operating expenses such as office rent, business insurance premiums, technology, and capital outlay. On December 31, 2022, DRCOG completed two quarters of FY 2022/2023. Because DRCOG revenue and expenses are recorded on a reimbursement basis, an official financial statement is produced once a year upon the completion of the annual audit. The current 6-month report is not intended to act as an official statement of position for the organization, but rather as a tool to track DRCOG's fiscal performance as it relates to the budget thus far in the fiscal year.

#### Report of Chair

Chair Whitlow wanted to thank everyone for their participation in her first meeting as chair.

#### Report of Executive Director

Executive Director Rex stated that there will be a special Finance & Budget meeting the first week in April, preferably after the April 5 Board work session.

#### Other Matters by Members

There were no other matters by members.

#### Next Meeting

The next regular meeting is scheduled for April 19, 2023.

The meeting adjourned at 6:08 p.m.

**ATTACH B**

To: Chair and Members of the Finance and Budget Committee

From: Douglas W. Rex, Executive Director  
303-480-6701 or [drex@drcog.org](mailto:drex@drcog.org)

<b>Meeting Date</b>	<b>Agenda Category</b>	<b>Agenda Item #</b>
April 5, 2023	Informational Item	3

**SUBJECT**

The 2023/2024 budget is a fiscal guide for the operation of DRCOG from July 1, 2023 – June 30, 2024. The budget highlights work activities in DRCOG’s Work Plan for the Denver metropolitan region.

**PROPOSED ACTION/RECOMMENDATIONS**

No action requested. DRCOG staff requests the Finance and Budget Committee review and provide revisions, if needed, to the fiscal year 2023/2024 draft budget.

**ACTION BY OTHERS**

N/A

**SUMMARY**

Each year the Finance and Budget Committee reviews and recommends approval of a proposed budget to the Board of Directors for the coming year. Attached is a summary of the draft budget for the new fiscal year of July 1, 2023 – June 30, 2024.

Staff requests the Finance and Budget Committee review the fiscal year 2023/2024 draft budget and discuss any needed revisions.

**PREVIOUS DISCUSSIONS/ACTIONS**

N/A

**PROPOSED MOTION**

N/A

**LINK**

Fiscal year 2023/2024 Draft Budget

**ADDITIONAL INFORMATION**

If you need additional information, please contact Douglas W. Rex, Executive Director, at 303-480-6701 or [drex@drcog.org](mailto:drex@drcog.org); or Jenny Dock, Director of Administration and Finance at 303-480-6707 or [jdock@drcog.org](mailto:jdock@drcog.org).

## FISCAL YEAR 23/24 BUDGET SUMMARY AND COMPARISON

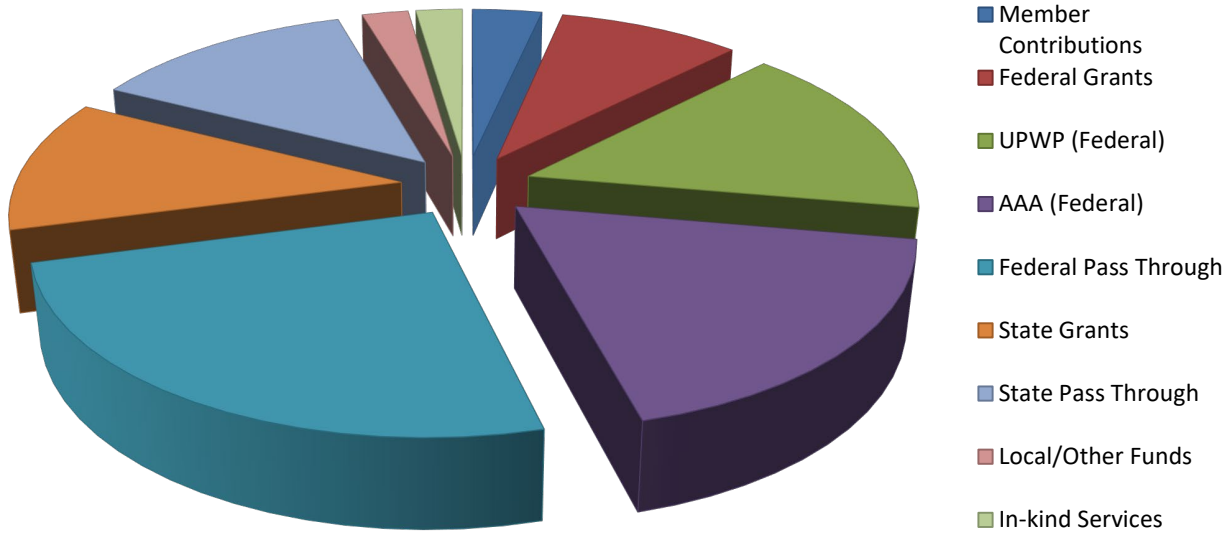
		21/22 Actuals		22/23 Budget		23/24 Budget Budget
<b>BEGINNING BALANCE</b>	1	12,509,447	\$	11,754,369	\$	11,754,369
<b>General Funds</b>		<b>9,436,219</b>	<b>\$</b>	<b>8,813,636</b>	<b>\$</b>	<b>8,813,636</b>
Program Obligations	2	3,073,228		2,940,733		2,940,733
 <b>REVENUES</b>						
Member Contributions		1,740,000		2,006,200	\$	2,072,300
Federal Grants		14,853,923		23,525,019		25,695,432
State Grants		12,867,479		6,018,094		7,035,264
Local/Other Funds		1,617,738		1,931,805		1,371,812
In-kind Services		503,493		1,332,970		1,381,377
Interest/Investment Income		(203,279)		30,000		30,000
Pass Through Grant Funds		13,483,097		23,697,130		22,847,919
<b>TOTAL REVENUES</b>		<b>44,862,451</b>	<b>\$</b>	<b>58,541,218</b>	<b>\$</b>	<b>60,434,104</b>
<b>TOTAL FUNDS AVAILABLE</b>		<b>57,371,898</b>	<b>\$</b>	<b>70,295,587</b>	<b>\$</b>	<b>72,188,473</b>
 <b>EXPENDITURES</b>						
Personnel		12,691,997	\$	16,778,541	\$	17,956,470
Contractual Services		9,134,703		12,489,508		15,338,800
DRCOG Cash		503,493		1,285,115		1,593,386
Non-personnel		3,529,080		4,220,924		2,617,529
Capital Outlay		0		70,000		80,000
Pass Through Grant Funds		19,758,256		23,697,130		22,847,919
<b>TOTAL EXPENDITURES</b>		<b>45,617,529</b>	<b>\$</b>	<b>58,541,218</b>	<b>\$</b>	<b>60,404,104</b>
<b>ENDING BALANCE</b>		11,754,369	\$	11,754,369	\$	11,784,369
<b>General Funds</b>		<b>8,813,636</b>		<b>8,813,636</b>	<b>\$</b>	<b>8,843,636</b>
Program Obligations <sup>2</sup>		2,940,733		2,940,733		2,940,733

<sup>1</sup> The beginning balance for FY 22/23 budget is based on FY 21/22 actuals.

<sup>2</sup> Program obligations are pre-paid funds set aside for specific programs: Guaranteed Ride Home, DRAPP, Regional Vanpool, and Veterans Directed.

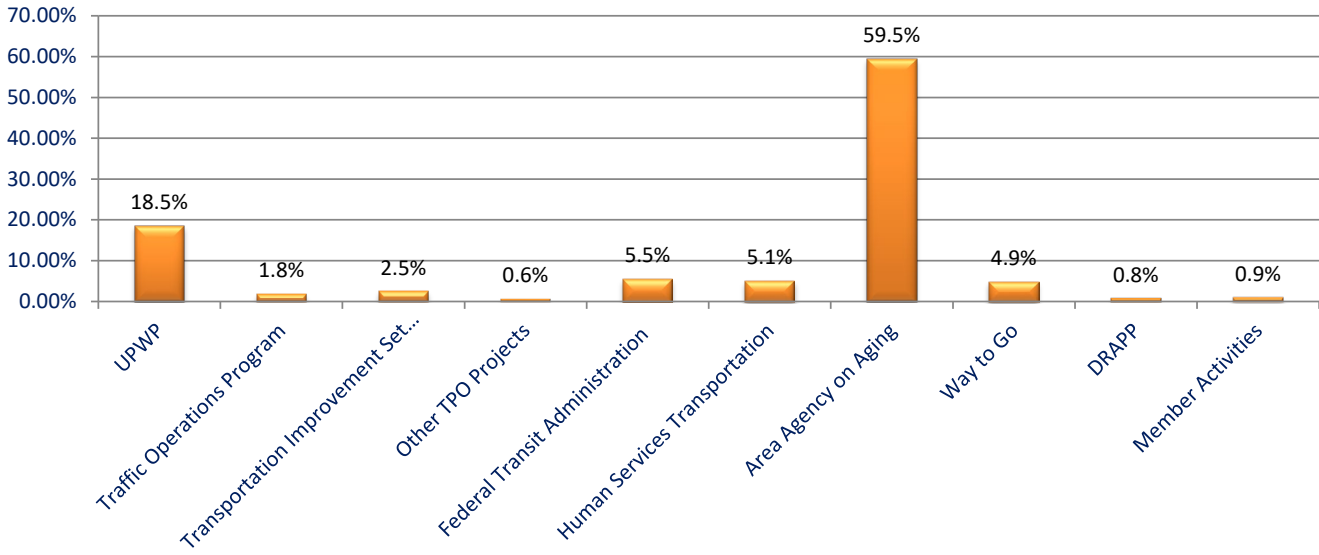


# DRCOG 23/24 FISCAL YEAR FUNDING



Source	% of Total	Amount
Member Contributions	3.43%	\$ 2,072,300
Federal Grants	8.97%	\$ 5,419,402
UPWP (Federal)	15.35%	\$ 9,269,785
AAA (Federal)	18.22%	\$ 11,006,245
Federal Pass Through	24.89%	\$ 15,032,131
State Grants	11.65%	\$ 7,035,264
State Pass Through	12.94%	\$ 7,815,788
Local/Other Funds	2.27%	\$ 1,371,812
In-kind Services	2.29%	\$ 1,381,377
<b>Projected Total Funding</b>	<b>100.00%</b>	<b>\$60,404,104</b>

## FY 23/24 EXPENDITURES BY STRATEGIC INITIATIVE



Strategic Initiative	% of Total	Amount
UPWP	18.51%	\$ 11,178,574
Traffic Operations Program	1.78%	\$ 1,077,926
Transportation Improvement Set Aside	2.48%	\$ 1,500,000
Other TPO Projects	0.58%	\$ 350,929
Federal Transit Administration	5.50%	\$ 3,319,422
Human Services Transportation	5.06%	\$ 3,055,663
Area Agency on Aging	59.49%	\$ 35,932,292
Way to Go	4.88%	\$ 2,949,954
DRAPP	0.78%	\$ 470,000
Member Activities	0.94%	\$ 569,344
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Strategic Initiatives Total	\$ 60,404,104	\$ 60,404,104

## Fiscal Year 23/24 Strategic Initiatives Funding Summary

PROJECT	FEDERAL	FEDERAL PASS THROUGH	STATE	STATE PASS THROUGH	LOCAL/OTHER FUNDS	IN-KIND SERVICES	SERVICE INCOME	MEMBER CONTRIBUTIONS: CASH MATCH & DRCOG FUNDED	TOTAL
UPWP	\$ 9,269,785					\$ 1,281,242		\$ 627,547	\$ 11,178,574
Traffic Operations Program	\$ 1,077,926								\$ 1,077,926
FTA 5310*	\$ 292,914	\$ 3,026,508							\$ 3,319,422
Transportation Improvement Plan Set Aside Projects	\$ 1,500,000								\$ 1,500,000
Other Transportation Planning Operations Projects*	\$ 196,929				\$ 154,000				\$ 350,929
Human Services Transportation			\$ 1,100,000	\$ 1,955,663					\$ 3,055,663
Area Agency on Aging	\$11,006,245.00	\$ 12,005,623	\$ 5,935,264	\$ 5,860,125	\$ 109,196	\$ 50,000	-	\$ 965,839	\$ 35,932,292
Way to Go	\$ 2,351,633				\$ 548,186	\$ 50,135			\$ 2,949,954
Denver Regional Aerial Photography Project (DRAPP)					\$ 470,000				\$ 470,000
Member Activities					\$ 90,430			\$ 478,914	\$ 569,344
<b>TOTAL FUNDING SUMMARY</b>	<b>\$ 25,695,432</b>	<b>\$ 15,032,131</b>	<b>\$ 7,035,264</b>	<b>\$ 7,815,788</b>	<b>\$ 1,371,812</b>	<b>\$ 1,381,377</b>	<b>\$ -</b>	<b>\$ 2,072,300</b>	<b>\$ 60,404,104</b>

\*Budgeted projects include RTD Fastracks, 405C Federal Safety Grant, and STAC Funding Summary does not reflect \$30,000 in projected interest income.