



Agenda Finance and Budget Committee

Wednesday, March 20, 2024

5:30 p.m. – 6:00 p.m.

1001 17th St. 7th Floor, Red Rocks Conference Room
Denver, CO

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1. Call to order

Consent agenda

2. Move to approve Consent agenda
 - A. Summary of February 21, 2024 meeting (Attachment A)

Action items

3. Election of Vice Chair
4. Discussion of a resolution authorizing the Executive Director to extend project completion date for contract number EX 22053 with Gravity Works to June 30, 2024, for the redesign and development of DRCOG's websites.
(Attachment B) Steve Erickson, Director, Communications and Marketing

Informational briefings

5. 2023/2024 Budget Status Report
(Attachment C) Jenny Dock, Director, Administration and Finance
6. DRCOG Budget Primer
(Attachment D) Jenny Dock, Director, Administration and Finance

Administrative items

7. Report of the Chair
8. Report of the Executive Director
 - Special meeting in May?
9. **Next meeting – April 17, 2024**
10. Other matters by members
11. Adjourn

Attachment A

Summary of February 21, 2024 meeting

Finance and Budget Committee Meeting Summary

Wednesday, February 21, 2024

Members Present

| | |
|------------------------|---------------------------|
| Colleen Whitlow, Chair | Town of Mead |
| Claire Levy | Boulder County |
| Nicholas Williams | City and County of Denver |
| Andy Kerr | Jefferson County |
| Lisa Feret | Arvada |
| Deborah Mulvey | Castle Pines |
| Steve Conklin | Edgewater |
| Tom Mahowald | Nederland |
| Neal Shah | Superior |
| Justin Martinez | Thornton |

Others Present: Douglas W. Rex, Executive Director; Jeff Baker, Arapahoe County; and DRCOG staff.

Chair Colleen Whitlow called the meeting to order at 5:30 p.m. with a quorum present.

Move to approve consent agenda

Director Mahowald **moved** to approve the consent agenda. The motion was **seconded** and **passed** unanimously.

Items on the consent agenda included:

- Summary of the December 20, 2023 meeting.
- Resolution authorizing the Executive Director to execute a time-extension amendment for the contract with Felsburg, Holt and Ullevig for the Alameda Corridor Study to extend the contract to November 30, 2024.
- Resolution authorizing the Executive Director to accept additional state funds in the amount of \$100,000 from the Governor's Office for the purpose of funding up to one additional year of Infrastructure Investment and Jobs Act regional grants navigation services for the DRCOG region.
- Resolution authorizing the Executive Director to amend a contract with WSB Engineering for the purpose of Infrastructure Investment and Jobs Act regional grants navigation services in an additional amount not to exceed \$95,000 through February 28, 2025.

Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with Nelson/Nygaard to develop a regional Active Transportation Plan in an amount not to exceed \$350,000 for a term not to exceed 24 months from the date of contract execution.

Emily Lindsey provided an overview of the contract to the members. In December 2023, DRCOG released a Request for Proposals to solicit proposals from planning consulting firms qualified and experienced in developing active transportation plans. DRCOG received three proposals in response to the Request for Proposals which were reviewed and evaluated by a consultant selection committee. The consultant selection committee unanimously recommended a contract with the preferred consultant, Nelson\Nygaard. This work activity and funds have been allocated to this task in DRCOG's FY 2024-2025 Unified Planning Work Program.

Director Levy **moved** to approve **Resolution Number 4, 2024**, authorizing the Executive Director to negotiate and execute a contract with Nelson\Nygaard to develop a regional Active Transportation Plan in an amount not to exceed \$350,000 for a term not to exceed 24 months from the date of contract execution. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with Fehr and Peers for the North Federal Microtransit study in an amount not to exceed \$74,525 for a term of 14 months from the date of contract execution.

Nora Kern provided a summary of the contract to the directors. In October 2023 DRCOG released a Request for Proposal (RFP) to solicit services from planning firms with experience in developing small-area, transit, and mobility-service focused multimodal transportation plans, specifically focused on improving first and last mile connections to local neighborhood destinations and transit stations. This plan is evaluating potential microtransit or other mobility service options to serve low-income residents in the community on either side of Federal Boulevard between 50th Avenue and 80th Avenue in Westminster and unincorporated Adams County. DRCOG received four proposals in response to the RFP which were reviewed and evaluated by a selection panel. Based on the selection panel's evaluation, DRCOG staff recommend a contract with the preferred consultant, Fehr and Peers. Federal planning funds have been allocated to this task in DRCOG's current fiscal year 2024-2025 Unified Planning Work Program.

Director Mahowald **moved** to approve **Resolution Number 5, 2024**, authorizing the Executive Director to negotiate and execute a contract with Fehr and Peers for the North Federal Microtransit study in an amount not to exceed \$74,525 for a term of 14-months from the date of contract execution. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to execute a contract with the Regional Transportation District for support of the vanpool services offered by the Denver Regional Council of Governments' Way to Go program in an amount not to exceed \$583,000 beginning on January 1, 2024, and terminating on December 31, 2024.

Steve Erickson provided an overview of the contract to the members. The Way to Go program has administered commuter vanpool services in the Denver region since 1992. The Regional Transportation District supports the Way to Go vanpool services by providing funding to subsidize the fares commuters pay to participate in the vanpool program. Vanpooling complements transit services, particularly for low volume peak travel times and dispersed commute travel. The Regional Transportation District has budgeted \$583,000 in 2024 for passenger fare subsidies for Way to Go vanpool services. Director Conklin asked that additional verbiage be added to the motion to include "and acceptance" after the words "for support."

Director Mahowald **moved** to approve **Resolution Number 6, 2024**, authorizing the Executive Director to execute a contract with the Regional Transportation District for

support and acceptance of the vanpool services offered by the Denver Regional Council of Governments' Way to Go program in an amount not to exceed \$583,000 beginning on January 1, 2024, and terminating on December 31, 2024. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to execute a contract with Enterprise Leasing Company of Denver, LLC to provide vanpool services for the Way to Go vanpool program, in a total amount not to exceed \$583,000 per year, beginning on January 1, 2024, and terminating on December 31, 2024, with the option to renew for two additional one-year terms upon satisfactory performance.

Steve Erickson provided an overview of the contract to the directors. The Way to Go program markets vanpooling as a commute option to help reduce traffic congestion and vehicle miles of travel in the Denver region. Vanpool riders pay a fare to ride in a vanpool, and the Regional Transportation District subsidizes these fares through the Way to Go program. DRCOG must contract with a firm to lease vans to vanpool groups, provide administrative services, and serve as the direct reporter of vanpool data to the National Transit Database. Enterprise Leasing Company of Denver, LLC was selected to provide these services through a competitive proposal process. As a result of growth in the vanpool program, the Regional Transportation District has budgeted \$583,000 for vanpool fare subsidies in 2024, and the program is expected to grow more over the next three years.

Director Feret **moved** to approve **Resolution Number 7, 2024**, authorizing the Executive Director to execute a contract with Enterprise Leasing Company of Denver, LLC to provide vanpool services for the Way to Go vanpool program, in a total amount not to exceed \$583,000 per year, beginning on January 1, 2024, and terminating on December 31, 2024, with the option to renew for two additional one-year terms upon satisfactory performance. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the executive director to negotiate and execute a contract with Charitable Rides and Adult Services, LLC doing business as OnTheGo in an amount not to exceed \$125,000 for the period beginning on March 1, 2024 and ending February 28, 2025 with option to renew for and three additional one-year terms upon satisfactory performance.

Erika Dubray provided an overview of the contract to the directors. The transportation program receives approximately 646 calls per month for trip scheduling requests and an additional 239 calls for new persons interested in transportation. Due to high call volumes, this results in frequent phone tag, increases barriers to accessing transportation, prevents an on-demand transportation model, and increases client and staff time spent on trip coordination. The Area Agency on Aging explored many paths and determined a call center to manage trip scheduling services was the best option. A transition to a call center will allow the Area Agency on Aging to provide live customer support to new callers needing transportation, trip troubleshooting support, and any other transportation needs callers may have. A Request for Proposals was published in November 2023 to solicit proposals for a call center to provide trip scheduling services for two of the Area Agency on Aging's contracted transportation providers. The interview committee selected OnTheGo due to their experience managing transportation programs for other Area Agencies.

Director Mahowald **moved** to approve **Resolution Number 8, 2024**, authorizing the Executive Director to negotiate and execute a contract with Charitable Rides and Adult Services, LLC doing business as OnTheGo in an amount not to exceed \$125,000 for the period beginning on March 1, 2024 and ending February 28, 2025 with option to renew for and three additional one-year terms upon satisfactory performance. The motion was **seconded** and **passed** unanimously.

Report of the Chair

The Chair wanted to thank the members for their time and commitment to the committee since this was her last meeting as Chair of this committee.

Report of the Executive Director

The Executive Director thanked the Chair for her service over the last year. He also welcomed Director Kerr and Director Martinez as new members of the committee. DRCOG staff plan to bring the FY24-25 budget to the March meeting.

Next meeting – March 20, 2024

Other matters by members

Director Feret requested there be a virtual option for the committee for the next few meetings.

Adjourn

The meeting adjourned at 6:04 p.m.

Attachment B

Discussion of a resolution authorizing the Executive Director to extend project completion date for contract number EX 22053 with Gravity Works to June 30, 2024, for the redesign and development of DRCOG's websites.

Finance and Budget Committee

Meeting date: March 20, 2024

Agenda Item #: 4

Discussion of a resolution authorizing the Executive Director to extend project completion date for contract number EX 22053 with Gravity Works to June 30, 2024, for the redesign and development of DRCOG's websites.

Agenda item type: Action item

Summary

This action authorizes the DRCOG Executive Director to extend contract number EX 22053 with Gravity Works to allow for additional time to complete the terms of the current contract for website redevelopment and design.

Background

DRCOG's web presence includes a main site at drcog.org, along with secondary sites which support programs, like waytogo.org, and biketoworkday.co/. DRCOG last undertook a major website refresh more than seven years ago. This request does not seek any increase in funding, and this project is included in our approved budget.

Action by others

n/a

Previous discussion/action

[August 17, 2022](#) – Finance and Budget Committee meeting

[June 21, 2023](#) – Finance and Budget Committee meeting

[November 15, 2023](#) – Finance and Budget Committee meeting

Recommendation

Move to approve a resolution authorizing the Executive Director to extend project completion date for contract number EX 22053 with Gravity Works to June 30, 2024, for the redesign and development of DRCOG's websites.

Attachments

Draft resolution

For more information

If you need additional information, please contact Douglas W. Rex, Executive Director, at 303-480-6701 or drex@drcog.org; or Steve Erickson, Communications and Marketing Director, at 303-480-6716 or serickson@drcog.org.



Denver Regional Council of Governments
State of Colorado

Finance and Budget Committee

Resolution No. 9, 2024

A resolution authorizing the executive director to extend project completion date for contract number EX 22053 with Gravity Works to June 30, 2024, for the redesign and development of DRCOG's websites.

Whereas, DRCOG has multiple websites representing its digital front door, building awareness and perception of our organization, and helping people and stakeholders across the region access our services and resources; and

Whereas, a Request for Proposals for professional website design and development services was issued on June 9, 2022, and seven firms responded; and

Whereas, an evaluation team comprising DRCOG staff and external professionals reviewed the proposals and conducted interviews; and recommended the selection of Gravity Works to provide professional design and development services; and

Whereas, the Finance and Budget Committee on Aug. 17, 2022, approved a resolution authorizing DRCOG Executive Director to negotiate a contract with Gravity Works to provide professional website redesign and development; and

Whereas, the Finance and Budget Committee on June 21, 2023, approved a resolution extending the contract to Dec. 31, 2023, due to delays in completing foundational elements of the project, including stakeholder engagement and planning; and

Whereas, the Finance and Budget Committee on Nov. 15, 2023, approved a resolution extending the contract to March 31, 2024, due to accessibility requirements and final approvals of site design; and

Whereas, the project is further delayed due to state accessibility requirements, final approvals content and robust functionality builds related to webforms and integration of Bike to Work Day under the umbrella of drcog.org.

Now, therefore, be it resolved that the Board of Directors of the Denver Regional Council of Governments hereby authorizes the Executive Director to extend project completion date for contract number EX 22053 with Gravity Works to June 30, 2024, for the redesign and development of DRCOG's websites.

Resolved, passed, and adopted this 20th day of March, 2024 at Denver Colorado.

Rich Kondo, Chair
Finance and Budget Committee
Denver Regional Council of Governments

ATTEST:

Douglas W. Rex, Executive Director

Attachment C

2023/2024 Budget Status Report

Finance and Budget Committee

Meeting date: March 20, 2024

Agenda Item #: 5

2023/2024 Budget Status Report

Agenda item type: Informational Briefing

Summary

The budget is a fiscal guide of DRCOG operations from July 1 – June 30 each year. As of December 31, 2023, DRCOG completed the second quarter (or first half) of Fiscal Year (FY) 2023/2024.

Background

Each year, DRCOG staff prepares a budget to inform and direct financial operations for the coming fiscal year (July 1 – June 30). Through the budget process, projections are made on all streams of revenue for the organization to include federal and state funding, participating member contributions, 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, 2023, DRCOG completed two quarters of FY 2023/2024. The attached draft actuals to budget report reflects a summary of revenue and expenses posted through this date and their variance to the FY 2023/2024 budget. 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 attached 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.

Action by others

[May 17, 2023](#) – Board of Directors

Previous discussion/action

n/a

Recommendation

n/a

Attachments

Fiscal Year 23/24 Budget Summary and Comparison

For more information

If you need additional information, please contact Douglas W. Rex, Executive Director, at 303-480-6701 or drex@drcog.org; or Jenny Dock, Director of Administration and Finance, at 720-635-5733 jdock@drcog.org.



FISCAL YEAR 23/24 BUDGET SUMMARY AND COMPARISON

| | Actuals | 23/24 Budget | |
|---------------------------------|----------------------|----------------------|------------|
| REVENUES | | | |
| Member Contributions | 1,098,200.00 | 2,072,300.00 | 53% |
| Federal Grants | 10,168,352.68 | 25,695,432.00 | 40% |
| State Grants | 3,962,412.68 | 7,035,264.00 | 56% |
| Local/Other Funds | 662,463.15 | 1,371,812.00 | 48% |
| In-kind Services | 506,798.74 | 1,381,377.00 | 37% |
| Interest/Investment Income | 79,581.98 | 30,000.00 | 265% |
| TOTAL REVENUES | 16,477,809.23 | 37,586,185.00 | 44% |
| EXPENDITURES | | | |
| Personnel | 7,882,233.79 | 17,956,470.00 | 44% |
| Contractual Services | 4,915,749.03 | 15,338,800.00 | 32% |
| DRCOG Cash | 972,086.60 | 1,593,386.00 | 61% |
| Non-personnel | 1,716,296.42 | 2,617,529.00 | 66% |
| Capital Outlay | - | 80,000.00 | 0% |
| TOTAL EXPENDITURES | 15,486,365.84 | 37,586,185.00 | 41% |
| PASS-THROUGH FUNDS | | | |
| Area Agency on Aging | 9,091,598.37 | 16,472,829.00 | 55% |
| Federal Transit Administrator | 1,289,343.96 | 3,319,425.00 | 39% |
| Human Services Transportation | 193,100.00 | 3,055,665.00 | 6% |
| TOTAL PASS-THROUGH FUNDS | 10,574,042.33 | 22,847,919.00 | 46% |
| Pass through Rev per GL | (10,574,042.33) | | |

Attachment D

DRCOG Budget Primer

Finance and Budget Committee

Meeting date: March 20, 2024

Agenda Item #: 6

DRCOG Budget Primer

Agenda item type: Informational briefing

Summary

This item concerns foundational information about the components of DRCOG's budget.

Background

In anticipation of next month's committee discussion about the FY 24/25 DRCOG budget, staff will provide an overview of the budgetary process including sources of funding and expense categories.

Action by others

n/a

Previous discussion/action

n/a

Recommendation

n/a

Attachments

Staff presentation

For more information

If you need additional information, please contact Douglas W. Rex, Executive Director, at 303-480-6701 or drex@drcog.org; or Jenny Dock, Director of Administration and Finance, at 720-635-5733 jdock@drcog.org.





DRCOG Financial Overview

Presented to the DRCOG
Finance and Budget
Committee

Presented by:

Jenny Dock



The Annual Budget Process Timeline

February - March: staff compose draft budgets with Executive Director and Finance Director review



April: Finance & Budget Committee review draft budget



May: Finance & Budget Committee review final draft budget in an early May special meeting and recommend approval to Board of Directors



May: Board of Directors action on the budget



Who is DRCOG

- DRCOG is classified as a local government.
- We currently have more than 70 open projects
- A majority of our funding is federal
- We currently employ 143 employees
- We collect member contributions to pay for match on projects, lobbying and other expenses to keep the lights on
- Each year we undergo a Singular Audit by our independent auditors, Clifton Larson Allen
- We operate on the state fiscal cycle (July through June)
- We are the federally designated metropolitan planning organization for the region
- We are the federally designated Area on Aging for the region



Funding Streams

DRCOG has a variety of funding sources to include:

- Federal Highway Administration
- Federal Transit Administration
- Colorado Mitigation of Air Quality
- Federal Traffic Safety Administration
- Colorado Department of Human Services
- Administration for Community Living
- State Funding for Senior Services
- Colorado Office of Economic Development & International Trade
- Colorado Health Care Policy and Financing
- Colorado Refugee Services Program
- Veterans Administration
- US Department of Transportation



Funding Streams

Budget



Fiscal year 2023-2024 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 and DRCOG funded | Total |
|--|---------------------|----------------------|--------------------|--------------------|--------------------|--------------------|----------------|---|---------------------|
| Unified Planning Work Program | \$9,269,785 | | | | | \$1,281,242 | | \$627,547 | \$11,178,574 |
| Traffic Operations Program | \$1,077,926 | | | | | | | | \$1,077,926 |
| Federal Transit Administration 5310 | \$292,914 | \$3,026,508 | | | | | | | \$3,319,422 |
| Transportation Improvement Plan set-aside projects | \$1,500,000 | | | | | | | | \$1,500,000 |
| Other Transportation Planning and 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 | \$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 |
| Regional data acquisition projects | | | | | \$470,000 | | | | \$470,000 |
| Member activities | | | | | \$90,430 | | | \$478,914 | \$569,344 |
| Total funding summary | \$25,695,432 | \$15,032,131 | \$7,035,264 | \$7,815,788 | \$1,371,812 | \$1,381,377 | | \$2,072,300 | \$60,404,104 |



Our Financials

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND –
YEAR ENDED JUNE 30, 2023**

REVENUES

| | |
|--|-------------------|
| Participating Member Dues | \$ 2,003,700 |
| Federal Grants | 16,605,487 |
| State Grants | 6,028,842 |
| Local Grants | 4,793 |
| In-Kind Service Contribution | 1,330,586 |
| Vanpool | 331,016 |
| Denver Regional Aerial Photography Program (DRAPP) | 648,765 |
| Service Income: | |
| Guaranteed Ride Home | 16,074 |
| Other | 43,607 |
| Investment Income (Loss) | (2,365) |
| Miscellaneous Income | 91,036 |
| Pass-Through Grant Funds | <u>23,997,473</u> |
| Total Revenues | <u>51,099,014</u> |

EXPENDITURES

| | |
|----------------------------------|-------------------|
| Current: | |
| Salaries and Benefits | 14,152,030 |
| Other Contractual Services: | |
| Pass-Through Grant Funds | 23,997,473 |
| Consulting and Other Contractual | 8,117,312 |
| In-Kind Services | 1,330,586 |
| Travel | 28,998 |
| Printing Services | 40,267 |
| Information Technology Services | 792,965 |
| Other Services and Supplies | 2,483,054 |
| Debt Service: | |
| Principal | 301,423 |
| Interest | <u>370,453</u> |
| Total Expenditures | <u>51,614,561</u> |

NET CHANGE IN FUND BALANCES

(515,547)

Fund Balance - Beginning of Year

11,754,369

FUND BALANCES - END OF YEAR

\$ 11,238,822



Member Contributions

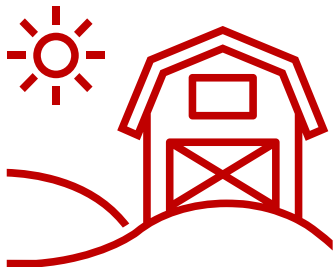
Account for approximately 3.4% of operating budget

Member contributions allow DRCOG to:

Meet match obligations (approximately \$1.6M)

Fund legislative activities (approximately \$350K)

Board Activities & Member Jurisdiction Outreach



- ❖ *Quarterly City and County Managers meetings*
- ❖ *Small Communities Hot Topics Forum*
- ❖ *Annual Board Workshop*
- ❖ *And more.....*



Your contributions help make our region great!

QUESTIONS?