

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
TABLE OF CONTENTS
FOR THE YEAR ENDED JUNE 30, 2025**

| | |
|---|----------|
| GOVERNING BOARD – FINANCE AND BUDGET COMMITTEE OF THE BOARD OF DIRECTORS | 1 |
| INDEPENDENT AUDITORS’ REPORT | 2 |
| STATEMENT OF FINANCIAL POSITION | 4 |
| STATEMENT OF ACTIVITIES | 5 |
| STATEMENT OF CASH FLOWS | 6 |
| STATEMENT OF FUNCTIONAL EXPENSES | 7 |
| NOTES TO THE FINANCIAL STATEMENTS | 8 |

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
FOR THE YEAR ENDED JUNE 30, 2025**

GOVERNING BOARD

FINANCE AND BUDGET COMMITTEE OF THE BOARD OF DIRECTORS

| | |
|--|--|
| Jeslin Shahrezaei Chair Council Member Lakewood | Alison Coombs Member Council Member Aurora |
| Julie Duran Mullica Member Commissioner Adams County | Windi Padia Member Trustee Frederick |
| Jeff Baker Member County Commissioner Arapahoe County | Adam Paul Member Directory of Regional Affairs Denver |
| Claire Levy Member County Commissioner Boulder County | Stephen Barr Member Council Member Littleton |
| Andy Kerr Member County Commissioner Jefferson County | Paul Haseman Member Council Member Golden |
| Sharon Davis Member Council Member Arvada | Neal Shah Member Mayor Pro Tem Superior |
| Marissa Harmon Member Mayor Lone Tree | Justin Martinez Member Council Member Thornton |



INDEPENDENT AUDITORS' REPORT

Finance and Budget Committee of the Board of Directors
Denver Regional Council of Governments
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Regional Response, Inc. (a Colorado nonprofit corporation), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Regional Response, Inc, as of June 30, 2025, and the respective changes in financial position, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Regional Response, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Regional Response, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Regional Response, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Regional Response, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



CliftonLarsonAllen LLP

Denver, Colorado
December 3, 2025

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025**

| ASSETS | | |
|-----------------------------------|--|----------------------|
| Cash | | \$ 40 |
| Prepaid Insurance | | <u>354</u> |
| Total Assets | | <u><u>\$ 394</u></u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts Payable | | <u>\$ 6,278</u> |
| Total Liabilities | | 6,278 |
| NET ASSETS | | |
| Without Donor Restrictions | | <u>(5,884)</u> |
| Total Net Assets | | <u>(5,884)</u> |
| Total Liabilities and Net Assets | | <u><u>\$ 394</u></u> |

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

| | Without Donor Restrictions |
|------------------------------------|-------------------------------|
| REVENUE AND OTHER SUPPORT | |
| Other Support | \$ - |
| Total Revenue and Other Support | - |
| EXPENSE | |
| Supporting Services Expense: | |
| Management and General | \$ 737 |
| Total Supporting Services Expenses | 737 |
| Total Expenses | 737 |
| CHANGE IN NET ASSETS | (737) |
| Net Assets - Beginning of Year | (5,147) |
| NET ASSETS - END OF YEAR | \$ (5,884) |

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

| | |
|---|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Change in Net Assets | \$ (737) |
| Adjustment to Reconcile Changes in Net Assets to Net Cash Received by Operating Activities | |
| Change in Liabilities | <u>712</u> |
| Net Cash Used By Operating Activities | <u>(25)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (25) |
| Cash and Cash Equivalents - Beginning of Year | <u>65</u> |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u><u>\$ 40</u></u> |

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
JUNE 30, 2025**

Statement of Functional Expenses for the year ended June 30, 2025

| | <u>Program Activities</u> | <u>Supporting Activities</u> | |
|----------------|---------------------------|-----------------------------------|-----------------------|
| | <u>Bike to Work Day</u> | <u>Management and General</u> | <u>Total Expenses</u> |
| Marketing | \$ - | \$ - | \$ - |
| Catering | - | - | - |
| Insurance | - | 737 | 737 |
| Awards | - | - | - |
| Fees | - | - | - |
| Legal | - | - | - |
| Total Expenses | <u>\$ -</u> | <u>\$ 737</u> | <u>\$ 737</u> |

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 NATURE OF ACTIVITIES

Regional Response, Inc. (the Corporation) was formed in 1999. The Corporation is a nonprofit foundation and component unit of the Denver Regional Council of Governments (DRCOG). The exclusive purpose of the Corporation is to support the activities of DRCOG meeting 509(a)(3) foundation requirements. Acting upon this purpose, the Corporation promotes, conducts, finances, coordinates, and provides services and functions to governmental units, organizations, corporations and the general public. The Corporation administers contracts and/or seeks financial support for such services and functions as appropriate and necessary.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Net assets and revenues, gains, and losses are classified based on the existence or absence of externally imposed restrictions. Accordingly, net assets of the Corporation are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restriction – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Corporation considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Payable

The Accounts Payable balance represents the balance owed to the Denver Regional Council of Governments for covering insurance expenses incurred by Regional Response.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the Corporation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Net Assets Without/With Donor Restrictions

When an expense is incurred for purposes for which both net assets with donor restriction and without donor restriction are available, the Corporation's policy is to apply net assets with donor restriction first.

Donated Services and In-Kind Contributions

Contributions of services are recognized if the service received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. We record donated professional services at the respective fair values of the services received. No significant contributions of such goods or services were received during the year ended June 30, 2025.

Functional Allocation of Expenses

The cost of providing the programs and supporting services are applied on a functional basis. Certain costs have been allocated amongst the program and services benefited.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Donations

1. **Contribution** - A contribution is an unconditional transfer of cash or other assets to an entity or a settlement or cancellation of its liabilities in a voluntary nonreciprocal transfer by another entity acting other than as an owner.
 - a. **Exchange Transaction** - Reciprocal transfer in which each party receives and sacrifices something of approximately equal value (e.g., fees for performance of services or sale of goods).
 - b. **Agency Transaction** - A transfer of assets to an intermediary organization that acts as an agent or trustee to transfer those assets to a third-party donee where the intermediary has little or no discretion over the use of the funds/property.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. **Without Donor Restrictions** - Contributions that are not explicitly or implicitly restricted for use at a particular future time or for a particular purpose are recognized as increases in net assets without restrictions in the period in which they are received (or the promise is made).
3. **With Donor Restrictions** - Restricted contributions result when donors impose restrictions that expire either by the passage of time or by fulfillment of the donor's stipulated purpose. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity

The Corporation reports gifts of cash and other assets as restricted support if they are restricted with donor stipulations that limit the use of donated assets. When a donor restriction expires that is, when a stipulated time restriction or purpose restriction is accomplished. The Corporation's policy is to recognize revenue without donor restrictions if spent within the same year.

Income Taxes

The Corporation has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

Subsequent Events

The Corporation has evaluated subsequent events through the date the financial statements are considered available to be issued.

NOTE 3 LIQUIDITY AND AVAILABILITY

Cash deposits at June 30, 2025 amounted to \$40. Cash deposits are available for general expenditure without donor or other restrictions limiting their use, within one year of the statement of financial position date. In the event of an unanticipated liquidity need, the Corporation would receive funding from DRCOG.

NOTE 4 NET DEFICIT WITHOUT DONOR RESTRICTION

Regional Response has a net deficit without donor restriction of (\$5,884) as of June 30, 2025. This was increase of \$712 from the net deficit without donor restriction of (\$5,147), as of June 30, 2024. Management will strive to reduce the deficit without donor restriction by increasing support from corporate and individual donors with more unrestricted contributions. If increased donor support is not obtained, DRCOG will absorb the general and administrative costs of the Corporation.



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