

DENVER REGIONAL COUNCIL OF GOVERNMENTS

REGIONAL RESPONSE, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
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YEAR ENDED DECEMBER 31, 2017**

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**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
YEAR ENDED DECEMBER 31, 2017**

GOVERNING BOARD

FINANCE AND BUDGET COMMITTEE OF THE BOARD OF DIRECTORS

Jeff Baker
Commissioner
Arapahoe County

Ashley Stolzmann
Council Member
Louisville

Elise Jones
Commissioner
Boulder County

Connie Sullivan
Mayor
Lyons

Crissy Fanganello
Mayor's Representative
City & County of Denver

Doris Truhlar
Council Member
Centennial

Roger Partridge
Commissioner
Douglas County

Joan Peck
Council Member
Longmont

Libby Szabo
Commissioner
Jefferson County

John Diak
Council Member
Parker

Wynne Shaw
Council Member
Lone Tree

Rita Dozal
Trustee
Superior

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Regional Response, Inc. (a Colorado nonprofit corporation), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

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 an opinion 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. 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 opinion.

Board of Directors
Regional Response, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Regional Response, Inc. as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
June 22, 2018

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017**

ASSETS

Cash	<u>\$ 5,525</u>
Total Assets	5,525

Liabilities

Accounts Payable	<u>6,187</u>
Total Liabilities	6,187

NET ASSETS

Unrestricted	<u>(662)</u>
Total Net Assets	<u><u>\$ (662)</u></u>

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
 REGIONAL RESPONSE, INC.
 STATEMENT OF ACTIVITIES
 YEAR ENDED DECEMBER 31, 2017**

	Unrestricted
REVENUE AND OTHER SUPPORT	
Contributions	\$ 5,500
Total Revenue and Other Support	5,500
EXPENSE	
Management and General	707
Program Services (Bike to Work Day)	5,500
Total Expense	6,207
CHANGE IN NET ASSETS	(707)
Net Assets - Beginning of Year	45
NET ASSETS - END OF YEAR	\$ (662)

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets \$ (707)

**Adjustment to Reconcile Changes in Net Assets to
Net Cash Received by Operating Activities**

Change in Liabilities 6,187

Net Cash Provided By Operating Activities 5,480

NET INCREASE IN CASH AND CASH EQUIVALENTS

5,480

Cash and Cash Equivalents - Beginning of Year

45

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 5,525

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standard (SFAS) No. 117, "Financial Statement of Not-for-Profit Corporations." Under SFAS No. 117, the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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.

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.

Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Corporation's policy is to apply restricted assets 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.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services and In-Kind Contributions (Continued)

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 years ended December 31, 2017.

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

The Corporation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities, as net assets released from restrictions.

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 June 22, 2018, the date the financial statements are considered available to be issued.

NOTE 3 CASH AND CASH EQUIVALENTS

Cash deposits at December 31, 2017, amounted to \$5,525.

NOTE 4 UNRESTRICTED NET DEFICIT

Regional Response has an unrestricted net deficit of (\$662) as of December 31, 2017. This was a decrease of \$707 from the unrestricted net balance of \$45, as of December 31, 2016. Management will strive to reduce the unrestricted deficit by increasing support from corporate and individual donors with more unrestricted contributions.