

AGENDA
FINANCE AND BUDGET COMMITTEE
WEDNESDAY, May 5, 2021
5:30 p.m. – 6:00 p.m.
VIDEO/WEB CONFERENCE
Denver, CO

1. Call to Order

CONSENT AGENDA

2. Move to Adopt the Consent Agenda
 - i. Approve April 21, 2021 minutes
(Attachment A)

ACTION ITEMS

3. Discussion of recommending the approval of the DRCOG Fiscal Year 2021/2022 budget to the Board of Directors
(Attachment B) Jenny Dock, Director, Administration and Finance

ADMINISTRATIVE ITEMS

4. Report of the Chair
5. Report of the Executive Director
6. Other Matters by Members
7. **Next Meeting – May 19, 2021**
8. 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) 455-1000.

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ATTACH A

SUMMARY
FINANCE AND BUDGET COMMITTEE
Wednesday, April 21, 2021
Note: Meeting held virtually via Microsoft Teams

Present:

Wynne Shaw, Chair	Edgewater
Jeff Baker	Arapahoe County
Alison Coombs	Aurora
Debra Mulvey	Castle Pines
Nicholas Williams	Denver County
George Teal	Douglas County
Jim Dale	Golden
Tracy Kraft-Tharp	Jefferson County
Ashley Stolzmann	Louisville
Neal Shah	Superior

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

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

Move to Adopt the Consent Agenda

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

Items on the consent agenda included:

- Minutes of the February 17, 2021 Meeting

Election of Vice Chair

Director Williams **moved** to elect Alison Coombs as Vice Chair of the Finance and Budget Committee. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to allocate additional state and federal funds of approximately \$681,000 to AAA contractors for the state fiscal year ending June 30, 2021.

Sharon Day, AAA Business Operations Program Manager, provided an overview of the intended allocations to the committee. Current AAA contractors were given the opportunity to request additional funds to use during the remainder of the current state fiscal year. Eleven providers submitted requests to increase funds for their programs, and two providers submitted requests to simply redistribute funds among their contracted services. Requests were required to include a justification including the increased number of service units and clients served. DRCOG's ACA funding subcommittee reviewed the requests and have recommended total allocations of approximately \$680,000. A [summary of the proposed additional funding amounts](#) were presented to the F&B committee.

Director Dale **moved** to adopt Resolution No. 4, 2021, authorizing the Executive Director to allocate additional state and federal funds of approximately \$681,000 to AAA contractors for the state fiscal year ending June 30, 2021. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to contract with the Colorado Department of Human Services for the Area Agency on Aging and to allocate and distribute up to \$27.0 million in state and federal funds for the period of July 1, 2021 through June 30, 2022 per the requirements set forth in the contract including contracting with local service providers.

Sharon Day, AAA Business Operations Program Manager, provided an overview of the contract to the committee. An RFP was issued by the AAA in November 2020 to solicit service proposals from local community service providers for the next contract cycle beginning July 1 of this year. The ACA funding subcommittee evaluated the proposals and scored them on various criteria. The subcommittee recommended contracting with 32 providers with 76 service proposals amongst them, which were approved by the ACA in its meeting on March 19, 2021. Four providers were unable to complete a proposal during the RFP and were permitted to apply for funding after the fact, but for a shorter term of six months. The total recommended allocations of approximately \$17.0 million will be funded from state (SFSS) and federal Title III Older Americans Act (OAA) dollars, as well as from an anticipated second round of CARES Act stimulus funding. Fiscal year contractor pass-through funds are initially estimated at approximately \$18 million but could reach as high as \$27 million. Currently contract amounts are an estimate and are subject to available funds.

Director Williams **moved** to adopt Resolution No. 5, 2021, authorizing the Executive Director to contract with the Colorado Department of Human Services for the Area Agency on Aging and to allocate and distribute up to \$27.0 million in state and federal funds for the period of July 1, 2021 through June 30, 2022 per the requirements set forth in the contract including contracting with local service providers. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to negotiate and execute a contract with the Sanborn Map Company in an amount not to exceed \$250,000, with a term of April 2021 through September 2022, to create a land cover dataset.

Ashley Summers, Information Systems Manager, provided an overview of the contract to the committee. Based on the success of previous regional data acquisition projects and a 2019 pilot project to produce land cover data for a portion of the Denver region, partners requested that DRCOG facilitate and manage the process to create a regional land cover dataset. A RFP was published to secure a vendor to create a land cover dataset in March 2020. There were four respondents, which a review panel of staff and external stakeholders reviewed the submittals. The panel concluded that the Sanborn Map Company was best to perform the work due to their familiarity with regional imagery data, previous project requirements, competitive pricing, and our partner's satisfaction with their past work. A portion of the project will be funded through a Colorado Water Plan Grant awarded by the Colorado Water Conservation Board in the amount of \$101,103. DRCOG

will contribute \$40,000 from the DRAPP fund to support this project. The remaining funds will come from member governments and regional partners. The total contract with Sanborn is not expected to exceed \$250,000.

Director Dale **moved** to adopt Resolution No. 6, 2021, authorizing the Executive Director to negotiate and execute a contract with the Sanborn Map Company in an amount not to exceed \$250,000, with a term of April 2021 through September 2022, to create a land cover dataset. The motion was **seconded** and **passed** unanimously.

Discussion of a resolution authorizing the Executive Director to execute a managed services agreement with OneNeck to provide support, monitoring and maintenance for DRCOG's IT infrastructure in the amount of approximately \$130,000 for a one-year term with an option to renew for two additional years upon satisfactory performance.

Jenny Dock, Administration and Finance Director, and Tim Feld, Information Technology Manager, provided a brief overview of the agreement to the committee. Prior to DRCOG's move towards increasing their number of cloud-based services, these services would run on one or more servers. This trend toward cloud-based services is fewer number of servers for IT to administer and less demand on DRCOG's IT team overall. Service and maintenance needs of the IT department have changed over time and a managed services agreement would provide better support in our new environment. The expertise, hours of monitoring, and variety of services provided with this type of agreement simply surpass what a full-time employee could provide. OneNeck is the vendor who designed our current Cisco/EMC infrastructure, DRCOG has used them exclusively for time/materials support, and this vendor knows our infrastructure environment better than any vendor. The amount of this agreement is expected to be approximately \$130,000 and is mostly offset by the cost of hiring an additional employee which was included in the 2021 approved budget.

Director Coombs **moved** to adopt Resolution No. 7, 2021, authorizing the Executive Director to execute a managed services agreement with OneNeck to provide support, monitoring and maintenance for DRCOG's IT infrastructure in the amount of approximately \$130,000 for a one-year term with an option to renew for two additional years upon satisfactory performance. The motion was **seconded** and **passed** unanimously.

DRCOG Fiscal Year 2021/2022 budget

Jenny Dock, Administration and Finance Director, provided an overview of the new budget to the committee. The Finance and Budget Committee reviews and recommends approval of a proposed budget to the Board of Directors for the coming year. In November 2020, a 2021 calendar year budget was presented and approved by the Board of Directors. Staff sought and gained approval from the Board of Directors to amend DRCOG's Articles of Association to reflect a new budget cycle, which aligns with the state's fiscal year. The committee reviewed and discussed the draft budget for the new fiscal year of July 1, 2021 – June 30, 2022 and is set to discuss the budget for action at their May 5 meeting.

Update on the contracting process with Preferred Community Health Providers (PCHP)

Jennifer Reeves, Manager – Transitions & Veterans Programs, provided an update of the process to the committee. In August of 2019, staff expressed the necessity to increase funding, develop new partnerships, and expand the AAA business model to keep up with the growing aging population and the demand for services in the region. The federal and state governments are incentivizing health care providers and insurers to work with community organizations. PCHP contacted Colorado AAAs explaining that Anthem wanted to expand transition services to their Colorado market and asked DRCOG to contract with them in 2019. Staff talked with other AAAs throughout the country that have this same contract with PCHP and learned the benefits and challenges that accompany the program. The benefit is that it establishes partnerships with an insurance company and helps prepare for a new model of payment for AAA services. Challenges included fronting start-up costs, slow referrals, and cost over-runs. PCHP has produced data and other information showing that referrals in the DRCOG region are on the rise and likely to increase in the coming year. Increased referrals present additional challenges related to existing capacity in the AAA, however the benefits of establishing key partnerships and funding make the program well worth the investment of time and resources. The contracting process, previously delayed by the COVID pandemic, is now underway with an expected execution date of June 2021 and DRCOG anticipates being able to fully cover costs in the first two years of the program.

Report of Chair

There was no report from the Chair.

Report of the Executive Director

There was no report from the Executive Director.

Other Matters by Members

There were no other matters by members.

Next Meeting

The next meeting is scheduled for May 5, 2021

The meeting adjourned at 6:07 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

Meeting Date	Agenda Category	Agenda Item #
May 5, 2021	Action	3

SUBJECT

The budget is a fiscal guide for the operation of DRCOG from July 1, 2021 – June 30, 2022. The budget highlights work activities in DRCOG’s Work Plan for the Denver metropolitan region.

PROPOSED ACTION/RECOMMENDATIONS

Recommending the approval of the DRCOG Fiscal Year 2021/2022 budget to the Board of Directors.

ACTION BY OTHERS

[February 17, 2021](#) – Board of Directors approval to modify the Articles of Association to reflect a new budget cycle of July 1 – June 30 of each year.

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. As such, a 2021 calendar year budget was presented and approved by the Board of Directors in November 2020. In February, staff sought and gained approval from the Board of Directors to amend DRCOG’s Articles of Association to reflect a new budget cycle (July 1 – June 30) which aligns DRCOG’s fiscal year with the state’s fiscal year. Attached is the draft budget for the new fiscal year of July 1, 2021 – June 30, 2022.

Staff requests the Finance and Budget Committee review the fiscal year 2021/2022 draft budget and provide any needed revisions.

PREVIOUS DISCUSSIONS/ACTIONS

[April 25, 2021](#) – Finance and Budget Committee received an informational briefing on the DRCOG Fiscal Year 2021/2022 budget.

PROPOSED MOTION

Move to recommend the approval of the DRCOG Fiscal Year 2021/2022 budget to the Board of Directors.

ATTACHMENTS

Link: [Fiscal year 2021/2022 Draft Budget](#)

ADDITIONAL 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 303-480-6707 or jdock@drcog.org.