



1. **CALL TO ORDER and INTRODUCTIONS**—Meeting was called to order at 12:04 pm.
 - a. **Staff:** Michelle Haynes (R10 Director), Nancy Murphy (Small Business Development), Corey Bryndal (Broadband Director), Eva Veitch (AAA Director), Courtney Tribble, Jo Lance (Finance Director)
 - b. **In-Person Board Members:** John Clark (Town of Ridgway, Chair), Dave Frank (City of Montrose, Vice Chair), Jim Gelwicks (City of Gunnison), Mike Lane (Delta County) Roger Rash (Montrose County), Vince Rogalski (GVTPR)
 - c. **Remote Board Members:** Michael Bacani (Mt Crested Butte), Michelle Nauer (Ouray County), Dave Roberts (Town of Lake City), Kris Holstrom (San Miguel County), Deana Sheriff (Town of Norwood), Greg Levine (Hinsdale County)
 - d. **Guests:** Pete Blair (Blair & Associates, CPA)

2. **APPROVAL OF AGENDA ITEMS**
 - a. Addition of
Motion to approve amended agenda: M/S Jim Gelwicks/: as accepted. None opposed. Motion passed unanimously.

3. **APPROVAL OF MINUTES for January 2024, Board Meeting**
 - a. Edits with the date in the footer and 5c. “transformational”
Motion to approve amended minutes: M/S: Michelle Nauer/Dave Frank as accepted with addition. None opposed. Motion passed unanimously.

4. **ACTION ITEMS**
 - a. Audit Presentation | Pete Blair
 - i. No Audit adjustments
 - ii. Clean audit opinion
 - iii. Single Audit because of federal assistance over \$750,000
 - IV. Financial Statements Table A (in management discussion) comparison of FY 23 and FY 22 and the major difference in that table is Region 10 increased capital assets.
 - V. Table B comparison of Revenues and Expenditures the significant difference there is because of grant revenue for the project in Olathe.
 - vi. Pg 9-16 are the footnotes and contain relevant information for the audit:
 1. Pg 11. Income taxes, in the past we have been submitting a 990 report as a non-profit, we no longer think that you are subject to the 990 rules as Region 10 is quasi-government and should submit as such.
 2. Pg 12 SBA we are required to maintain a 15% cash reserve and that would mean we would need \$204,000; currently restricted is \$300,000 for loan loss reserve.
 3. Region 10 had about \$1.7 million in cash deposits (including loan funds)
 4. Pg 13. Long term debt are notes payable that we have borrowed money for SBA and Pg 14 includes a synopsis of those funds.
 5. Pg 15. Loan receivables and at least half of them are SBA loans (associated with the SBA loan reserves)
 6. Pg 18-20 SEFA (Schedule of Federal Expenditures) Report: total federal awards expended.
 7. Pg 27: gives the Federal Government breakdown and shows what was tested for the single audit internal controls. The organization is considered a low-risk audit and therefore only about 20% is tested for internal controls.

8. Contracts for the AAA program—several were previously considered subrecipients and based on trainings and evaluations, now reclassing them as contracted services.
9. Opinion on Control of Financial Reports – Clean
10. Opinion on Control of Compliance – Clean
11. No audit adjustments, great internal control, etc.
12. Michelle did discuss the broadband legal issue with the auditor to see if it should be disclosed. As there has been no legal filing, the auditor is not including it in the statements.
13. Michelle reminded the board that negative expenses over revenue will occur when broadband expenses are depreciated; we do not try to recover these depreciations. It will be reported in the financial statements as negative if there is not sufficient offsetting new grant revenues. Broadband depreciation is currently approximately \$950,000.

Motion to accept audit minutes: M/S: Dave Frank/Roger Rash

b. Election of Officers – Treasurer

- i. We will have a new election of officers in May; however, we currently have a vacancy for Treasurer.

Motion to nominate Michelle Nauer as Treasurer: M/S: Roger Rash/Jim Gelwicks; all in favor.

5. Reports:

a. ED/Financial Reports | Michelle Haynes

i. Member Assessments investment of funds reviewed.

1. Overall financial operations: sources and uses of funds show how the member dues are highly leveraged for other services within our communities, as assessments are a small portion and provide match for multiple grants and other funding sources.
2. Loan Fund: Last year we did 24 loans for \$1.6 million. This year we are getting ready to close out our largest loan for the Rathbone Hotel in Montrose. The average loan is about \$40,000. We made new loans in the year in every county except Hinsdale County.
3. SBRC: participation and training is high in the region and has increased significantly in Gunnison County after the opening of the office in Gunnison.
4. AAA: reflects how funding is spent by county in the bar graph and the line graph represents the population over 60 in the county.
 - a. In addition to AAA services, we invested up to \$300,000 through the RSVP program across the region.
5. MMOF: the report does not have the correct amount-- there was \$6.8 million expended for 2021-2024.
6. Broadband: it was noted there is also a CNL in Gunnison that was not included on the report.

ii. Financial Report

1. We will be bringing the budget in May for the new fiscal year; we are beginning to review adjustments needed to the operations budget.
2. Pg 10: Project Financial report
 - a. BLF funds help support the SBRC and business consulting, which in turn provides support for clients of the loan fund.
 - b. Regional Grants Navigator program: we spent over the amount granted but did not want to cut off the consulting for a short time while we were getting Year 2 going. Year 2 was funded in February.
3. ED Report
 - a. Project 7 tour next month; Michelle will send information regarding the tour.
 - b. Insurance is continuing to go up as we are adding policies.
 - c. Sent membership assessments in February. We also sent a form out to confirm appointments for board members and appointments to the Gunnison Valley Transportation Planning Region committee.

b. Small Business Resource Center | Nancy Murphy

- i. RMMFI (Rocky Mountain Micro Finance Institute) Business Lab for Spanish speakers began on Tuesday. There were 10 people in person and 7 online. There are 6 classes through March 7 and there will be a presentation at the end of the classes; you all are welcome to attend.
 - ii. Adriana Chavira is transitioning to become our Hispanic Outreach Coordinator and she will be based in Olathe soon.
 - iii. Business Exit planning series continues—this is important for continued business and tax support in our small communities.
 - iv. Article from Montrose Business Times is included; it is our first success story from the Business Cultivator.
 - v. Loan Fund: four loans will be closed by next month; two loans close this month including the Rathbone Hotel. The hotel expects to open July 4th and will begin taking reservations in April.
 - vi. No loan payoffs last month. The program is currently servicing 116 loans.
- c. Community Living Services | Eva Veitch**
- i. Traveled to Lake City and Crested Butte to help with senior issues. Eva is responding to a request for assistance developing a Senior Center and hot meals in Crested Butte.
 - ii. Waiting to hear on if budget will be increased and should find out in March; we are currently planning on a flat budget (with no ARPA funds for next year), which will be about \$700,000 less than the current year of services.
 - iii. Next AAA Regional Advisory Council meeting will be here at the Montrose office on March 7th with lunch; we would like to have some board members to attend the advisory council meetings.
 - iv. Eva sent out an email with Legislative items that affect seniors to provide additional information and a means to provide support for the AAA.
- d. Broadband | Corey Bryndal**
- i. There has been broad support for building the fiber path on the western side of the state, with entities such as City of Grand Junction, Region 9, Garfield County, etc.
 - ii. Equipment is beginning to arrive; some will go to California for programming, and some are coming directly to the office.
 - iii. EDA has approved the requested change in scope, so we will be able to move forward with the related items.
 - iv. A new service is being provided to Lake City.
 - v. Lumen wants to build a second path of fiber into Telluride for E911 and we have offered to give them capacity in exchange for a redundant route between Ridgway and Telluride.
 - vi. We have been working on getting better service to Pitkin community. The operations scale for internet is limited and prohibitive; the right funding mechanism is difficult and so we are looking for options for the community.
 - vii. CDOT ROW bill to limit fees was supported by 63 of 64 counties through CCI. It is currently in legislation.
 - viii. Working with Tri-State, ZAYO and Cienna putting together a presentation for the Mountain Connect conference in August on the broadband expansion project.
- e. GVTPR - Gunnison Valley Transportation Planning Region Committee | Vince Rogalski**
- i. MMOV (Multi-Modal Operations Funds) - Funding totals are still being calculated for the upcoming year. The retail delivery fund has now been identified and that is added to the pool of money available for the program. Vince encouraged communities to begin thinking about small projects that they may want to use MMOV funding for. It is not a lot of money, it is less than \$1 million per year for '23, '24 and '25. The funding should be finalized and approved by March/April.
 - ii. Lake City has OHV and various 4WD trails, but they lack a connection between the trails. The town submitted a special request and was approved by the Transportation commission to allow these vehicles to use the highway to access the trails between each other.

- iii. Long Range Plan 2050 and Additional 10 Year Plan: the Transportation Commission put together a list of lessons learned from the last planning session as they prepare for the new round of planning.
- iv. HB 23-1101 Update
 - 1. The staff presented recommendations to the Transportation Commission from the study and the TC approved opening the rules.
 - 2. Two items are recommended, and they both must be approved to move forward, as the number of TPR's (Transportation Planning Regions) need to remain at 10. The recommendations are to split the Intermountain TPR into two TPRs and combine Southern Colorado TPR and Southeast TPR in a single TPR. The change would affect how funding is distributed in the regions.
- v. Hwy 50 – at the last TPR meeting it was mentioned that Little Blue Canyon should be finished by the end of August. Guardrails, paving, striping, and signs are what need to be completed. No more blasting needs to be done.

Motion to approve Reports; M/S: Jim Gelwicks/Dave Frank. None opposed. Motion passed unanimously.

6. Roundtable

- a. City of Montrose: Hillcrest Roundabout is a major project that is progressing well. Utilities and underground work are being completed ahead of schedule. At some point they want to try to do a traffic pattern study after the current projects are completed.
- b. City of Gunnison: housing projects are moving forward.
- c. Town of Ridgway: Riverfront village is getting foundations for the housing; the major water and sewer infrastructure is complete. The firehouse project is underway. Space to Create is full with a waiting list. Other workforce housing project Wetterhorn homes is almost complete for 14 homes that are affordable housing. Received a state grant to do a microgrid on top of the Space to Create building, which could supply emergency power for 2-3 days.
- d. Mike Lane: Delta County: Remodeling the jail building, sewer system and major water infrastructure repairs. Budgeting about \$8 million for the project. The Sheriff's department moved into the old library as well as dispatch. The City of Delta has a project of about 50 units of affordable housing being developed.
- e. Roger: Montrose: Courthouse is fully under contract for the remodel. It will get an elevator that accesses the basement to the 4th floor. There will be a more accessible fire escape for the upper floors. The contractor removed a large tree due to concerns about the roots impact; we will add more trees later. Airport project is complete. South parking lot is complete and operational. There is a contract to put in a temporary light there and we are still working with CDOT to put in a permanent light at Industrial Drive. West End the county substation had to be closed, and we approved a lease on the old school that was abandoned when they built the new school. Jail is under construction as well to provide better support for intakes with mental health concerns.
- f. Vince Crested Butte: The County wants to put in 250 units of housing; a roundabout and a tunnel to allow better transportation and transit access is needed.
- g. Hinsdale County: Joint county and Town application with CDOT for the continued OHV highway program was passed unanimously by the Transportation Commission, for another 2 years. The middle-mile broadband project seems very close to an end with most of the IRUs in place. Commissioner Borchers will be testifying in front of the EIAF committee to receive funds for our county buildings with a request of \$1 million.
- h. Town of Mt Crested Butte: We have completed phase 1 of our wayfinding signs, they are lighted up skies. Contracted with someone to complete Homestead affordable housing project for 22 units. Launched pilot for van transportation to remove low ridership bus routes and that has increased ridership 100% over the buses, and it is on-demand that picks you up at home, has been described as "free-uber".
- i. Montrose County hosts a legislative meeting every 2 weeks while the legislative session is in session with updates from our local legislative representatives. Let us know if you are interested in attending.

7. The meeting was adjourned at 1:47p.m.