



ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
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LETTER OF BUDGET TRANSMITTAL

January 26, 2022

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

Attached is a copy of the 2022 budget for the Adams County Communication Center Authority. (#67260) in Adams County, submitted pursuant to Section 29-1-113, C.R.S. For 2022 the primary services to be rendered by the Adams County Communication Center will be emergency telephone answering (E911) and public safety dispatch services. This budget was adopted on November 18, 2021 and is based on a modified accrual basis.

The Adams County Communications Center uses two primary funds, a general or operating fund and capital fund.

The general fund budget is the primary operating budget and is used solely for the day-to-day operations of the center. The primary expenditures are labor, employee benefits, maintaining communications systems and general administrative costs.

The capital fund is reserved for large-scale infrastructure projects. For the upcoming year, the capital fund will primarily be used for the continuation of the tower microwave upgrades, ESInet integration, offsite recovery service, and large scale HVAC replacement project.

If there are any questions concerning this budget, please contact Joel Estes at 303-227-7119, 7321 Birch St., Commerce City, CO 80022.

I, Joel Estes, Executive Director, hereby certify that the enclosed is a true and accurate copy of the adopted 2022 budget for the Adams County Communication Center Authority.



Joel Estes
Executive Director



2022 Budget

The 2022 budget proposal is a continuation the funding formula used in 2021 and 2020 designed to provide a zero-increase for agency members while shifting a greater portion of costs onto the E911 Authority. The overall budget increases by 19% with the focus once again on meeting two primary goals from the Strategic Plan:

- Recruit, Develop, and Retain a Strong Work Force
- Meet or Exceed NENA/APCO standards for Receiving and Processing 911 Calls

Both of these goals are inherently linked, as meeting the first is a prerequisite for meeting the second. When a PSAP is constantly recruiting, hiring, and training new call-takers due to significant turnover, it can't meet national standards for call handling.

In addition to the above goals, a new building is our plan for 2022. will be the start of construction for the new building on the property purchased in 2020. The new building will provide growth for Adcom staff. The Executive staff, administrative staff, Wireless staff and IT staff will have additional space and not share offices with subordinates. The new building also includes space to allow the Wireless staff to work on agency vehicle equipment in an indoor garage. The new building will provide sufficient capacity to handle ADCOM's growth for years to come. This funding came from the sale of COPs with the debt being repaid by the E911 Authority. The COP bidding process yielded enough funds to lower the interest rate on the funding, saving approximately \$400,000 in interest payments. Sadly, the overall cost of the building has increased in cost and continues to rise due to material production delays and labor shortages caused by COVID related matters. In March 2021, the building estimates put the price of the building at approximately \$6.75 million to be paid over 30 years at approximately \$360,000/year. This estimate was raised to \$7.2 million in June 2021. Since then, supply chain issues and the labor shortage have pushed the cost even higher. The building cost bids received have been 20% higher on the low end and 61% greater on the high end when compared to the original estimated cost. Adcom continues to work with Allred to decrease costs in areas such as furniture and fixtures and will work with the selected bidder to decrease costs through value engineering. We will also continue to provide regular updates to the board on this project.

Recruit, Develop, and Retain a Strong Work Force to Help ADCOM Meet Standards

One of the primary functions of any PSAP is handling 911 calls. The national standard for 911 call handling was revised in April of this year, and now requires PSAPs to answer 90% of all 911 calls in 15 seconds or less and 95% in 20 seconds or less. ADCOM, spent much of 2021 with only 4 Call Taker vacancies. We hit the national standard for 911 call handling for one month this year as a result of being very close to full staff. Then in late September, Adcom saw a major reduction in staff with losing several Dispatchers and promoting Call Takers, then losing several Call Takers. At the end of October, Adcom is down 1 Supervisor, 2 Dispatchers, and 9 Call Takers. We have not seen these numbers in several years. As a result, ADCOM's ability to meet national standards was hindered with only 86% of 911 calls being answered in 15 seconds or less. Turnover continues to plague PSAPs around the world. ADCOM is not alone in this. COVID has impacted the job market to the extent of more workers are choosing to work from home, not work or seek more community minded work with less stress and more work/life balance. 911 Emergency Call Taker positions at a lower wage while working shifts, holidays, weekends and with potential mandatory overtime due to staff shortages, is a hard sell. The pool of applicants has dwindled during the "great resignation." We continue to seek creative ways to market ADCOM as a premier place to work.

Funding

Under the funding model adopted for 2022, ADCOM agencies will pay the same assessments as they did in 2020 and 2021 with the exception of ACSO and CCPD. Increases are respectfully 15.74% and 26.16 for ACSO and CCPD due to funding of additional positions for additional coverage for times of heavy activity. (ACSO and CCPD have the additional shared position until further discussion and procedural matters for agency sharing have been decided.)

While the Adams County E911 Authority has experienced uptick in revenue, the State of Colorado has also revised the legislation related to 911 Fees. This revision has expanded the uses for dollars collected from this fee while also allowing the PUC to determine the appropriate ceiling for these fees. The PUC has approved a ceiling of 1.72/line. Adcom would be required to provide notification to the service providers 90 days prior to February 1 or June 1 of the new year, as the start date of the new surcharge to be collected. This increase giving the Authority the potential to generate approximately \$750,000/year in additional revenue. The Authority is considering this action for June of 2022.

A legislative action for a reduction to the new 911 Fee collected by the State of Colorado will go into effect in 2022. This fee was designed to provide additional dollars to 911 Authorities to offset the costs associated with the ESINet. The fee currently collected is \$.10/line. It has been reduced for 2022 to \$.09/line. These funds will be distributed to 911 Authorities based upon the number of concurrent sessions they support. ADCOM received these funds to offset the cost.

ESINet Connection

The first phase of Next Generation 911 (NG911), the Emergency Services IP network (ESINet), rolled out in 2020 with ADCOM connecting in June. An ESINet is a managed IP network used for emergency services communications that can be shared by all public safety agencies. It provides the IP transport infrastructure upon which independent application platforms and core services can be deployed. CenturyLink is providing this service, and it raised the cost of 911 by approximately 40%. It should be noted that this is just the cost for the network connectivity without any additional functionality. CenturyLink cannot provide an estimated time for rollout of the next phases of NG911, but current projections call for video and photo sharing to begin in approximately one year.

TDMA

The TDMA project is completed, and the first payment was paid in April. This project will double our capacity on the radio system as long as all end users have TDMA functionality active on their units. It is now incumbent on all ADCOM agencies to upgrade their current non-TDMA radios to ensure we get maximum benefit from this upgrade. ADCOM is actively working with the agencies to bring them up to speed with TDMA. Any new radio equipment purchased will be TDMA ready. The final payment of \$500,000 will be made in April of 2022.

HVAC

HVAC Air Handlers will be replaced in 2022. These are essential to keeping the server and radio equipment rooms at a proper temperature level for continued working order. The equipment is sensitive to heat and the temperature is monitored 24/7. The Air Handlers are end of life. The cost for this scheduled replacement is approximately \$502,000.

Radio Consoles

ADCOM will be adding 2 additional Radio Consoles to the Communication Center in 2022. The cost is \$150,000. This will provide 2 additional consoles for service channel use and eventually used by the position to be shared by ACSO and CCPD. It also provides additional consoles for training to take place on the floor without displacing or imposing on working dispatcher.

ISSI/Critical Connect

Interoperability with Denver has been an ongoing issue since Denver purchased their new radio system. The old ISSI connection with the state will no longer provide interoperability with Denver, and we have been exploring our options. Both a new ISSI connection direct to Denver, and the new Critical Connect application through Motorola, have been considered. We have placed money in the budget for the new ISSI connection, a \$350,000 item; however, we would prefer to move forward with Critical Connect since receiving unofficial word from our Motorola representative that the ISSI option is slated for discontinuation in approximately 5 -7 years. We will continue to work with Denver on finding the best solution.

Where we are going

NG911

As stated above, the first phase of NG911 is the ESINet, and ADCOM is now connected. ADCOM is putting together a new strategic plan for the next 5 years to incorporate the anticipated needs of the PSAP for NG911. This will include planning for:

- Storage of video, pictures, audio, and other forms of data to ensure accessibility by ADCOM and agencies
- Legalities involved with CORA requests or releases for data collected
- Costs of continued technology investment and maintenance
- Fund allocation of costs
- Psychological impact to visual experience for the PSAP staff member – how to prepare staff for this occurrence and how to support staff after the occurrence
- Staffing to handle the significant increase in data received via phone, IOT, text, personnel notification devices, and automated vehicle notifications

The PUC has begun the process for planning the rollout of new applications, with Strategic Planning meetings scheduled to begin in January 2022.

Pay and Benefits

As stated earlier, ADCOM is actively pursuing a strategy to stay competitive in the Denver Metro market with regard to pay but benefits though competitive are below the market. ADCOM has already taken steps to address these shortcomings and will be looking to address this disparity further in the coming years. 2022 will also see continued efforts by ADCOM to increase pay for the essential positions mentioned earlier in order to bring them into alignment with the Denver Metro area. We stay committed to teaming with Employers Council for Job Benchmarking and for Compensation Surveys to maintain competitive in the market. We are exploring ways to better our recruiting efforts, engage with potential applicants, and select candidates fitting the inclusive, diverse culture being built at ADCOM.

Health Insurance took a major hit for 2022 with a 31% increase in premium. Our market adjustments and COLA of 2% for others not receiving the market adjustments offset a portion of this, but inflation continues to rise and Adcom is planning a mid-year review to consider additional action.

Staffing

Current and future staffing needs were addressed in Joel's recent report, "ADCOM Projected Capital and Staffing Needs with Budget Implications." This report analyzed both staffing and capital needs and identified funding sources for both going out ten years.

**Adams County Communications Center (LGID#67260)
2022 General Fund Budget**

	<u>2020 Actual</u>	<u>2021 Estimate</u>	<u>2022 Budget</u>
Revenues			
Assessments			
Member Entities	\$5,522,523	\$5,535,565	\$6,143,777
Non-Member agencies	\$0	\$0	\$0
Tower leases	\$141,145	\$144,716	\$147,022
Technical Services	\$7,660	\$59,150	\$59,150
Interest Income	\$3,799	\$4,000	\$4,000
Grants Received		\$0	
Other Income	\$1,980,183	\$2,697,750	\$3,851,719
Total Revenues	\$7,655,310	\$8,441,181	\$10,205,668
Expenditures			
Salaries	\$5,288,884	\$5,735,221	\$6,402,770
Employee Benefits	\$1,288,066	\$1,827,411	\$2,688,376
Building & Grounds Maintenance	\$161,648	\$207,991	\$213,451
Equipment Maintenance	\$97,925	\$38,225	\$141,101
Administrative	\$179,427	\$186,746	\$140,601
Professional fees	\$168,702	\$144,190	\$278,390
Communications	\$23,899	\$137,397	\$14,640
Capital Outlay	\$0	\$0	\$0
E911 Authority Expenses		\$0	\$0
Training	\$61,872	\$114,000	\$124,000
Debt Service		\$0	\$0
Principal		\$0	\$0
Interest		\$0	\$0
Total Expenditures	\$7,270,423	\$8,391,181	\$10,003,328
Excess/Deficiency	\$384,887	\$50,000	\$202,340
Fund balance beginning of year	\$2,757,703	\$3,092,590	\$3,092,590
Transfers			
To Capital Fund	(\$50,000)	(\$50,000)	(\$202,340)
Fund balance end of year	\$3,092,590	\$3,092,590	\$3,092,590

**Adams County Communications Center (LGID#67260)
2022 Capital Fund Budget**

	<u>2020 Actual</u>	<u>2021 Estimate</u>	<u>2022 Budget</u>
Revenues			
Member Assessments	\$151,596	\$189,990	\$202,340
Non-Member RMS	\$115,445	\$0	\$0
Internal Activities	\$2,082,571	\$3,591,513	\$5,020,124
Interest	\$7,309	\$300	\$300
Total Revenues	\$2,356,921	\$3,781,803	\$5,222,764
Expenditures			
Capital Projects Expenditures	\$566,596	\$2,143,042	\$3,061,552
E911 Capital and General Expenses	\$2,082,571	\$1,588,461	\$2,110,912
Total Expenditures	\$2,649,167	\$3,731,503	\$5,172,464
Excess/Deficiency	(\$292,246)	\$50,300	\$50,300
Fund balance beginning of year	\$1,132,455	\$840,209	\$890,509
Fund balance end of year	\$840,209	\$890,509	\$940,809

**BOARD OF DIRECTORS
ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY (ADCOM)**

A CERTIFIED RESOLUTION ADOPTING A BUDGET FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022 AND ENDING ON THE LAST DAY OF DECEMBER, 2022, AND APPROPRIATING SUMS OF MONEY TO, AND AUTHORIZING EXPENDITURES FROM, THE VARIOUS FUNDS, IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH IN THE BUDGET FOR FISCAL YEAR 2022.

WHEREAS, on or before October 15, 2021, the Budget Officer for the Adams County Communications Center Authority (“Adcom”) prepared and submitted to Adcom’s Board of Directors a proposed budget for fiscal year 2022 (“2022 Budget”);

WHEREAS, upon due and proper notice, published and posted in accordance with the law: 1) the proposed 2022 Budget was open for inspection by the public at Adcom’s administrative offices; 2) a public hearing was held on November 18, 2021; and 3) interested taxpayers were given the opportunity to file or register any objections to the proposed 2022 Budget prior to or during the public hearing;

WHEREAS, no objections were filed or registered prior to, or voiced during, the public hearings;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues, so that the proposed 2022 Budget remains in balance, as required by law;

WHEREAS, it is not only required by law, but also necessary to appropriate revenues to and from Adcom’s funds for the purposes described in the proposed 2022 Budget to meet the estimated expenditures for 2022.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ADCOM:

Section 1. Adoption of 2022 Budget. The attached 2022 Budget, as originally submitted, and amended by the Adcom Board, is approved and adopted as the budget of Adcom for fiscal year 2022.

Section 2. Appropriation of Money to and Expenditure of Money from the Various Funds. The sums of money set forth in the 2022 Budget are hereby appropriated to each fund, and the expenditures from each fund are hereby authorized, for the purposes stated in the 2022 Budget, which appropriations and expenditures are summarized as follows:


General Fund:	Revenues	Expenditures	Net Carryover
	\$10,205,668	\$10,003,328	\$2,757,703
Capital Fund:	Revenues	Expenditures	Net Carryover
	\$5,222,764	\$5,172,464	\$ 50,300
Totals:	\$15,428,432	\$15,378,132	\$2,808,003

ADOPTED this 18th day of November, 2021.



Clinton Nichols, Board President


ATTESTED:



Paul Southard, Board Secretary/Treasurer

CERTIFICATION

I, Paul Southard, the Secretary/Treasurer of the Board of Directors of the Adams County Communications Center Authority, do hereby certify that the attached 2022 Budget is a true and accurate copy of the finalized 2022 Budget adopted by unanimous vote of the Board of Directors during a duly noticed public hearing held on November 18, 2021, at which a quorum of the Board was present.

By: 

Paul Southard, Board Secretary/Treasurer Date