



ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
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LETTER OF BUDGET TRANSMITTAL

January 31, 2023

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

Attached is a copy of the 2023 budget for the Adams County Communication Center Authority. (#67260) in Adams County, submitted pursuant to Section 29-1-113, C.R.S. For 2023 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 September 08, 2022 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 upgrades, new building construction completion, ESInet integration and offsite recovery service.

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 2023 budget for the Adams County Communication Center Authority.



Joel Estes
Executive Director

**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, 2023 AND ENDING ON THE LAST DAY OF DECEMBER, 2023, 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 2023.

WHEREAS, prior to September 8, 2022, 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 2023 (“2023 Budget”);

WHEREAS, upon due and proper notice, published and posted in accordance with the law: 1) the proposed 2023 Budget was open for inspection by the public at Adcom’s administrative offices; 2) a public hearing was held on September 8, 2022; and 3) interested taxpayers were given the opportunity to file or register any objections to the proposed 2023 Budget prior to or during the public hearing;

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

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues, so that the proposed 2023 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 2023 Budget to meet the estimated expenditures for 2023.

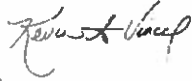
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ADCOM:

Section 1. Adoption of 2023 Budget. The attached 2023 Budget, as originally submitted, and as amended by the Adcom Board, is approved and adopted as the budget of Adcom for fiscal year 2023.

Section 2. Appropriation of Money to and Expenditure of Money from the Various Funds. The sums of money set forth in the 2023 Budget are hereby appropriated to each fund, and the expenditures from each fund are hereby authorized, for the purposes stated in the 2023 Budget, which appropriations and expenditures are summarized as follows:

General Fund:	Revenues	Expenditures	Net Carryover
	\$10,814,752	\$10,814,752	\$3,076,436
Capital Fund:	Revenues	Expenditures	Net Carryover
	\$6,167,323	\$6,117,023	\$50,300
Totals:	\$16,982,075	\$16,931,775	\$3,126,736

ADOPTED this 8th day of September, 2022.



Kevin Vincel, Board President

ATTESTED:

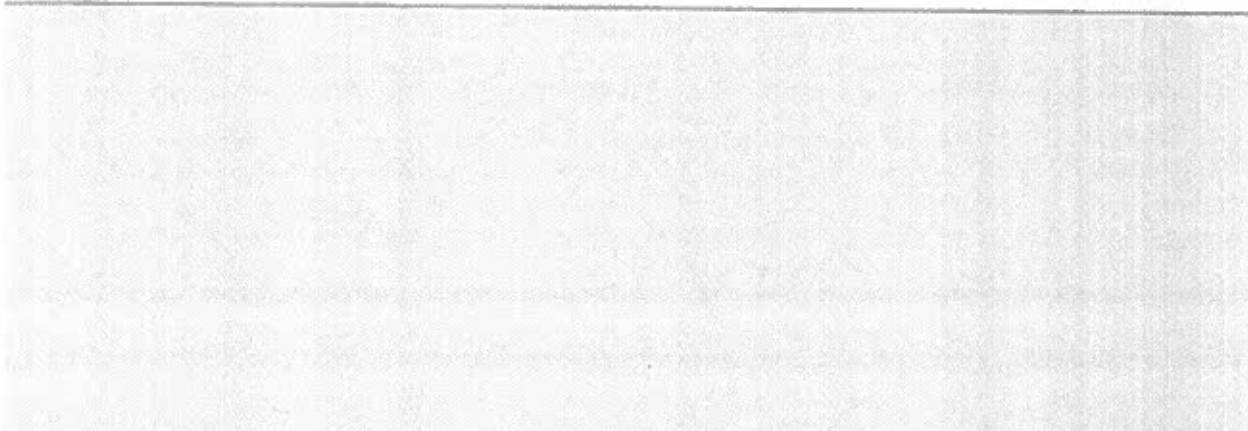


Brycen Garrison, Board Secretary/Treasurer

CERTIFICATION

I, Brycen Garrison, the Secretary/Treasurer of the Board of Directors of the Adams County Communications Center Authority, do hereby certify that the attached 2023 Budget is a true and accurate copy of the finalized 2023 Budget adopted by unanimous vote of the Board of Directors during a duly noticed public hearing held on September 8, 2022, at which a quorum of the Board was present.

By: 
Brycen Garrison, Board Secretary/Treasurer Date



**Adams County Communications Center (LGID#67260)
2023 General Fund Budget**

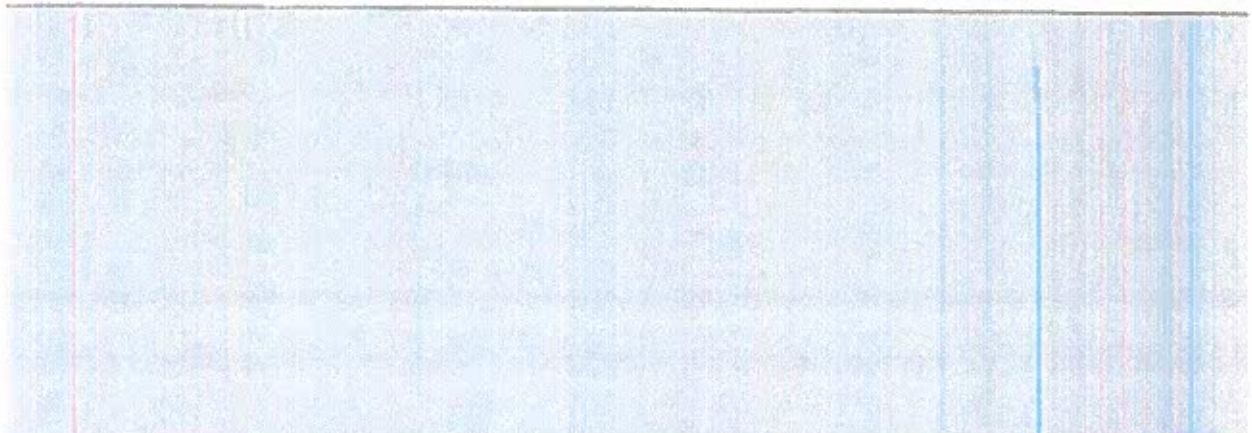
	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Revenues					
Assessments					
Member Entities	\$5,166,597	\$5,522,523	\$5,539,781	\$5,785,490	\$6,339,464
Non-Member agencies	\$179,279	\$0		\$0	\$0
E911 Reimbursement	\$943,940	\$1,736,014	\$2,618,976	\$3,825,111	\$4,238,506
Tower leases	\$135,798	\$141,145	\$145,004	\$147,022	\$150,754
Technical Services	\$7,448	\$7,660	\$5,100	\$15,000	\$15,000
Interest Income	\$25,220	\$3,799	\$161	\$4,000	\$4,000
Grants Received	\$0	\$0			
Other Income	\$60,652	\$244,169	\$91,777	\$67,028	\$67,028
Total Revenues	\$6,518,934	\$7,655,310	\$8,400,799	\$9,843,651	\$10,814,752
Expenditures					
Salaries	\$4,740,661	\$5,288,884	\$5,970,211	\$7,042,073	\$7,358,024
Employee Benefits	\$1,132,652	\$1,288,066	\$1,588,630	\$1,710,245	\$2,497,787
Building & Grounds Maintenance	\$152,321	\$161,648	\$137,214	\$155,101	\$159,282
Equipment Maintenance	\$90,471	\$97,925	\$139,535	\$157,931	\$159,606
Property Insurance	\$0	\$0	\$0	\$68,959	\$74,476
Administrative	\$177,126	\$179,427	\$269,473	\$205,622	\$254,828
Professional fees	\$184,300	\$168,702	\$185,427	\$162,740	\$165,913
Communications	\$17,003	\$23,899	\$14,056	\$14,640	\$15,840
Capital Outlay	\$0	\$0	\$0	\$0	\$0
Training	\$55,210	\$61,872	\$62,407	\$124,000	\$129,000
Debt Service	\$0	\$0	\$0	\$0	\$0
Principal					
Interest					
Total Expenditures	\$6,549,744	\$7,270,423	\$8,366,953	\$9,641,311	\$10,814,752
Excess/Deficiency	(\$30,810)	\$384,887	\$33,846	\$202,340	(\$0)
Fund balance beginning of year	\$2,838,513	\$2,757,703	\$3,092,590	\$3,076,436	\$3,278,776
Transfers					
To Capital Fund	(\$50,000)	(\$50,000)	(\$50,000)	\$0	\$0
Fund balance end of year	\$2,757,703	\$3,092,590	\$3,076,436	\$3,278,776	\$3,278,776

**Adams County Communications Center (LGID#67260)
2023 Capital Fund Budget**

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Revenues					
Member Assessments	\$329,588	\$151,596	\$166,359	\$202,340	\$209,957
Non-Member	\$0	\$115,445	\$0	\$0	\$0
E911 Reimbursements	\$2,593,915	\$2,082,571	\$3,004,440	\$5,020,124	\$5,957,066
Interest	\$28,086	\$7,309	\$935	\$300	\$300
Other Income	\$0	\$0	\$16,237	\$0	\$0
Total Revenues	\$2,951,589	\$2,356,921	\$3,187,971	\$5,222,764	\$6,167,323
Expenditures					
Administrative	\$0	\$0	\$253	\$152,340	\$159,957
Capital Outlay	\$2,843,455	\$2,649,167	\$3,390,832	\$5,020,125	\$5,597,066
Debt Service:					
Principal			\$70,000		\$120,000
Interest			\$145,082		\$240,000
Amortization of debt premium					
Total Expenditures	\$2,843,455	\$2,649,167	\$3,605,967	\$5,172,465	\$6,117,023
Excess/Deficiency	\$108,134	(\$292,246)	(\$417,996)	\$50,300	\$50,300
Other financing sources/(uses):					
Proceeds from debt issuance			\$6,735,000		
Premium on debt issuance			\$617,409		
Cost of debt issuance			(\$243,007)		
Transfers-internal activities					
Total Other Sources			\$7,109,402		
Fund balance beginning of year	\$1,024,321	\$1,132,455	\$840,209	\$7,531,615	\$7,581,915
Fund balance end of year	\$1,132,455	\$840,209	\$7,531,615	\$7,581,915	\$7,632,215



2023 Budget



The 2023 budget proposal reflects an 11.9% increase the agencies. This increase appears significant but actually represents costs being shifted back to the agencies that had been diverted to the E911 Authority in order to ease the burden during the pandemic. Historically, ADCOM agencies averaged between 3.5% and 4% increases annually, but in 2021 and 2022 their portion of the budget was held at 2020 levels with increases being absorbed by the E911 Authority. This redistribution of costs was necessary due to analysis that showed the continued shifting of costs to the E911 Authority being unsustainable. The overall budget for 2023 increases by 19% with the focus on meeting 5 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
- Continue development of ADCOM's NG911 capabilities
- Backup Center completion for continuity of ADCOM911 operations
- Completion and occupancy of the new ADCOM911 building

The first two 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. A backup center at Weld County Communications ensures continuity of ADCOM911 operations during natural or man-made disasters. When fully deployed, NextGen911 allows ADCOM911 to provide Adams County citizens with the highest level of service via mobile phone, landline phone, text messages, wearable devices, telematics and video messages. But these new services come at a cost and require additional, highly-trained personnel, and this can only be accomplished by creating additional space. The new building allows ADCOM to expand its operations floor to handle our ever-increasing call volumes while also providing the needed space for additional support personnel.

Recruit, Develop, and Retain a Strong Work Force to Help ADCOM911 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 2020, and now requires PSAPs to answer 90% of all 911 calls in 15 seconds or less and 95% in 20 seconds or less. ADCOM911, spent much of 2022 with 9-13 Call Taker vacancies each month. As a result, ADCOM911's ability to meet national standards was hindered with only 86.67% of 911 calls being answered in 15 seconds or less. Turnover continues to plague PSAPs around the world, so ADCOM911 is not alone in this. COVID has impacted the job market, allowing many employees to work from home. Contrast this with 911 Emergency Call Taker positions that are often paid at lower wage levels while requiring employees to be available to work any shift, holidays, weekends and with potential mandatory overtime. This is a hard sell. The pool of applicants has dwindled during the "great resignation." We continue to seek creative ways to market ADCOM911 as a premier place to work.

The 2023 budget continues to move forward with active compensation reviews and adjustments, beyond the 2018 market adjustments. The 2023 budget includes a 3% overall market adjustment, a few individual job market adjustments above 3% and an overall 4% inflation-based increase.

- Our benefit packet is competitive, but our retirement 401(k) continues to be inadequate in comparison with similar agencies.

- Pay for performance was continued in 2023. Employees are able earn an additional 1%-3% based on their evaluation score if they score at meeting expectations or above. The average of all scores is 1.37%.

Pay and Benefits

As stated earlier, ADCOM911 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. ADCOM911 has already taken steps to address these shortcomings and will be looking to address this disparity further in the coming years. 2023 will also see continued efforts by ADCOM911 to increase pay for the essential positions in order to bring them into alignment with the Denver Metro area as funding is available. 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 ADCOM911.

Staffing

Executive Joel Estes continues to update the "ADCOM911 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.

ESInet Connection

The first phase of Next Generation 911 (NG911), the Emergency Services IP network (ESInet), rolled out in 2020 with ADCOM911 connecting in June of that year. 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.

NG911

As stated above, the first phase of NG911 is the ESInet, and ADCOM911 is now connected. ADCOM911 is working to ensure readiness when the applications are fully functional. This will include planning for:

- Storage of video, pictures, audio, and other forms of data to ensure accessibility by ADCOM911 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 beginning in January 2022.

New ADCOM911 Building Project

The new building demo began the week of August 8, 2022. Construction will begin after demo is completed. The completion of the new building is expected to be late 3rd quarter of 2023. The building cost continues to increase. The actual costs have been 20% higher on the low end and 61% greater on the high end when compared to the original estimated cost. This is due to supply chain issues and continued increase cost of materials. ADCOM911 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. ADCOM911 will also continue to provide regular updates to the board on this project.

Funding

Under the funding model adopted for 2023, ADCOM911 agencies will see an increase in their assessments as the ADCOM911 board recognizes the E911 Authority fund balance cannot sustain the current formula for allocation. The overall agency increase is 11.6 %. ACSO and CCPD see a slightly larger increase due to funding of additional positions required to handle their heavy activity.

The State of Colorado has 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 1.81/line for 2022 and approved the ability to increase the fee yearly based on the inflation index. The E911 Telephone Authority has adopted to revisit and adopt the PUC approved increase each year. Notification of this action and a new IGA with specific wording will be sent to stakeholders in 4th quarter 2022 for review and adoption.

A legislative action for a reduction to the new 911 Fee collected by the State of Colorado went into effect in 2022. This fee was designed to provide additional dollars to 911 Authorities to offset the costs associated with the ESiNet. It was reduced for 2022 to \$.09/line. These funds will be distributed to 911 Authorities based upon the number of concurrent sessions they support. This fee will also be revisited by the legislature for adjusting to actual costs of the services to PSAPs. ADCOM911 receives these funds to offset the cost for the main location and for the backup center.

Budget as presented in Resolution 2022-003

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