

MINUTES OF THE
JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY
JULY 28, 2022

The Jefferson County Emergency Communications Authority (“JCECA”) Board of Directors met in a hybrid meeting at the West Metro Fire Rescue Administration Building, 433 S Allison Pkwy, 1st Floor Board Room, Lakewood, CO, and via a virtual Google Meet.

Present: Director Alan Fletcher
 Director Mike Kulp
 Director Mike Clement
 Director John Prejzner
 Director JD Jepkma (proxy for Director Kraft-Tharp)

Excused: Director Tracy Kraft-Tharp

Also, Present: Jeff Irvin, JCECA Executive Director
 Tracie Kaminski, Pinnacle Consulting Group, Inc.
 Jim Hinkle, Hinkle & Company, PC
 Kristy O’Hayre, Broomfield PD
 Jeff Streeter, Jeffcom
 Gayle Johnston, Jeffcom
 Gina Ramirez, Jeffcom
 Lara Mitchell, Westminster PD/FD

Director Fletcher called the meeting to order.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF THE MINUTES

The Board upon motion of Director Kulp, duly seconded by Director Prejzner and by unanimous vote, approved the Minutes of June 23, 2022.

TREASURER'S REPORT

Tracie Kaminski, Pinnacle Consulting Group, Inc. (PCGI), presented the financial statements for the month ending 06/30/22 (copy attached). Ms. Kaminski reviewed the Statement of Revenues & Expenditures with Budgets on page two advising that as of 06/30/22 we had revenues of \$7,297,117 and total expenses of \$6,337,928. The ending fund balance was \$6,780,903. The projections in this report have been kept conservatively flat and have not been updated with the proposed AOF increases that will be a topic of discussion later in the meeting. She advised she will present those numbers to see how the year end fund balance will be adjusted.

The Board upon motion of Director Prejzner, duly seconded by Director Kulp and by unanimous vote, approved the Treasurer’s Report.

Ms. Kaminski then reviewed the Cash Encumbrance report (copy attached). The report is a snapshot of the year showing the actuals through 06/30/22 and estimated expenses through the end of the year projecting an ending fund balance of \$5,624,102. Director Fletcher asked if these projections include the proposed AOF increases. Ms. Kaminski clarified that they do not

and that they will be adjusted next month assuming the board approves the proposed increases.

Mr. Hinkle then presented the 2021 independent auditor's report (copy attached). He discussed the opinion letter and advised they have nothing to communicate. They did not have any significant problems in the process of the audit, there were no disagreements with management, the only adjustment was provided by JCECA, there were no adjustments to the books and records and there were no material past adjustments. He advised it was a good audit process. The most important thing they'd like to communicate to the board is that they, as auditors, felt like they had open transparency. Everything they asked for was provided in a reasonable fashion, they were not denied access to any documents or supporting documentation. They felt like they had the ability to ask for whatever they needed to complete their procedures in accordance with their standards.

The Board upon motion of Director Prejzner, duly seconded by Director Kulp and by unanimous vote, approved acceptance of the 2021 audit report.

There was then a discussion of amendment of the 2022 budget. Mr. Irvin presented an email message from Ms. Kaminski containing recommendations for increased AOF distributions for the ECC's for the remainder of the year (copy attached). Ms. Kaminski discussed how the figures were derived. Director Jepkma asked if our partner agencies have discussed how these additional monies will be used. Mr. Irvin explained that the AOF distributions are intended to offset payroll costs for positions as permitted by statute for use of 9-1-1 funds. It is known that the AOF distributions are less than those total costs in any given year. This then frees up funds in the ECC budgets for needs other than the ESInet equipment costs that are funded elsewhere in the budget.

The Board upon motion of Director Kulp, duly seconded by Director Jepkma and by unanimous vote, approved amendment of the 2022 budget as recommended.

Mr. Irvin advised that, if the board so approves, there will be a budget hearing during the August meeting to adopt this amendment and the proposed 2023 budget.

The board then discussed the proposed 2023 budget. Mr. Irvin and Ms. Kaminski discussed the recommendations by presenting and stepping through a 2023 budget worksheet and associated schedules (copies attached).

EXPENDITURE REQUESTS

Mr. Irvin presented the expenditure requests for July 2022 (copy attached).

The Board upon motion of Director Prejzner, duly seconded by Director Clement, and by unanimous vote, approved the July 2022 expenditure requests in the amount of \$1,241,561.08. This amount was later corrected in an email to the Directors to \$1,175,006.58 due to miscalculation of the increased AOF monthly distribution amounts.

ECC PARTNERS REPORT

The ECC (Emergency Communication Center) partners reported the following:

- Broomfield ECC – Ms. O'Hayre advised they are at the tail end of a CAD to CAD project that will link them for fire dispatching with Westminster, Thornton and Adams County.

They are making some headway on the hiring front. They have applicants rolling in and have four vacancies.

- Jeffcom ECC – Mr. Streeter advised they are turning to some different types of technology to leverage their staff and find better ways for call taking and call processing. They have signed an MOU with the federal government for WEA testing coming up in September. It will cover a 1.5-mile radius up in the Evergreen area. They are hiring and are seeing an increase in the number applications. As a result of leveraging technology, they have created a new Communication Specialist position that will answer admin calls only and will be able to partially work remotely from home. They will be hiring for upwards of ten of these positions in September. They are also being almost inundated with applicants for their open Emergency Communications Specialist positions. They started an academy a week and a half ago with four in the classroom portion and have five currently training on the floor as well. In two weeks, several will be attending the APCO 2022 conference. Supervisor Cherish Moon is being recognized as Supervisor of the Year. The Incident Dispatch Team vehicle was available for tour at the conclusion of the meeting.
- Westminster ECC – Ms. Mitchell advised that their IT needs to perform a major upgrade to their network core device that will cause a significant outage of phones and CAD. She'll be communicating with Jeffcom and Broomfield to see what the best strategy will be for forwarding their phones. They'll likely be on manual cards for around eight hours. They're looking at mid-August subject to approval by city leadership.

EXECUTIVE DIRECTOR'S REPORT

Mr. Irvin advised:

LookoutAlert – we have 267,033 wireline numbers and, as of this morning, 155,388 opt-in registrants up from 142,716 last month, an increase of 12,762. There is a lot of effort on the part of the served agencies in social media to promote opt-in. The PIO's and OEM continue outreach efforts.

PUC – Daryl Branson sent an email discussing pending action by the Commission regarding the setting of various 9-1-1 related surcharges. Mr. Tharp and Mr. Irvin are reviewing these matters and will be filing comments as appropriate.

FCC – Mr. Irvin and Mr. Tharp have been attending workshop sessions regarding WEA alerting. There was an interesting discussion last week regarding the use of NOAA Weather Radio for alerting. OEM is supportive and encourages the public to attain and use weather radios.

WEA Test – Mr. Irvin has been attending the meetings associated with the upcoming testing in September. He discussed the data collection method.

LEGAL COUNSEL REPORT

Mr. Tharp mentioned that he and Mr. Irvin are monitoring a rulemaking process by the PUC that would increase the statewide 9-1-1 fee to take additional monies and use it to work on Lumen BESP network diversity issues. Generally speaking, this doesn't impact metro communities as much as it impacts more rural communities.

There are a couple pieces of legislation that the legislative subcommittee of the Colorado PUC 9-1-1 Advisory Task Force have been working on and planning to introduce next year. One bill

would introduce criminal charges for people who call 9-1-1 to harass and disrupt. Another bill would create an enterprise board at the state level for 9-1-1. It is unclear at this point what the board would be used for though one function might be to standardize training for call takers and dispatchers. Mr. Tharp and Mr. Irvin are monitoring these efforts to learn more about the intent of this bill.

NEW BUSINESS

There was no new business.

EXECUTIVE SESSION

There was no executive session.

ADJOURNMENT

Director Fletcher adjourned the meeting.



Management Financial Statements

BOARD OF DIRECTORS
JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY

We have prepared the accompanying management financial statements for the periods ending as of December 31, 2021 and June 30, 2022.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the financial position and results of operations.

A handwritten signature in blue ink, appearing to read "B. [unclear]", is positioned above the typed name and date.

Pinnacle Consulting Group, Inc.
July 15, 2022

JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY						15-Jul-22
BALANCE SHEET						
December 31, 2021 and June 30, 2022						
		Unaudited	Unaudited			
		Actual	Actual			
		12/31/2021	6/30/2022			
Assets						
Current Assets						
Cash, Checking		\$ 5,218,627	\$ 5,852,067			
Cash, Savings		505	117			
Accounts Receivable		1,577,767	1,802,483			
Prepaid Expense		319,916	149,729			
Total Current Assets		\$ 7,116,815	\$ 7,804,396			
Long-Term Assets						
Construction in Progress		\$ 4,074,140	\$ 4,074,140			
Infrastructure		25,895	25,895			
Right of Ways		568,082	568,082			
West Corridor Fiber Optic		865,614	865,614			
Accumulated Depreciation		(353,258)	(353,258)			
Total Long-Term Assets		\$ 5,180,473	\$ 5,180,473			
Total Assets		\$ 12,297,288	\$ 12,984,869			
Liabilities						
Current Liabilities						
Accounts Payable		\$ 1,295,101	\$ 1,023,493			
Total Current Liabilities		\$ 1,295,101	\$ 1,023,493			
Total Liabilities		\$ 1,295,101	\$ 1,023,493			
Fund Equity						
Net Investment in Fixed Assets		\$ 5,180,473	\$ 5,180,473			
Fund Balance						
Nonspendable		319,916	149,729			
Unassigned		5,501,798	6,631,174			
Total Fund Equity		\$ 11,002,187	\$ 11,961,376			
Total Liabilities and Fund Equity		\$ 12,297,288	\$ 12,984,869			
		=	=			

JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY						15-Jul-22
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
GENERAL FUND						
	(a)	(b)	(c)	(d)	(e)	(d-e)
	2021	2022	2022	Actual	Budget	Variance
	Unaudited	Adopted	Projected	Through	Through	Through
Revenues	Actual	Budget	Actual	06/30/22	06/30/22	06/30/22
9-1-1 fee (ETC)	\$ 11,378,689	\$ 11,736,000	\$ 12,500,000	\$ 6,201,413	\$ 5,868,000	\$ 333,413
9-1-1 fee (prepaid)	1,340,043	1,228,385	1,275,000	691,547	614,193	77,355
PUC Statewide 9-1-1 Trust Reimbursement	755,342	550,000	858,000	404,157	275,000	129,157
Interest Income	-	5,000	5,000	-	2,500	(2,500)
Miscellaneous Income	-	500	500	-	250	(250)
Total Revenues	\$ 13,474,074	\$ 13,519,885	\$ 14,638,500	\$ 7,297,117	\$ 6,759,943	\$ 537,175
Expenditures						
Administrative	\$ 247,407	\$ 269,415	\$ 260,725	\$ 116,547	\$ 134,707	\$ 18,160
Agency Operating Fund - BRO	973,239	909,613	909,613	475,429	475,429	-
Agency Operating Fund - WES	1,621,633	1,516,021	1,516,021	792,346	792,346	-
Agency Operating Fund - JEFFCOM	8,221,742	7,681,175	7,681,175	4,015,013	4,015,013	-
Disaster & Recovery Plan (DRP)	28,435	61,800	57,390	57,390	61,800	4,410
GIS System	176,400	185,400	185,220	185,220	185,400	180
Line Charges	526,289	628,476	699,412	349,358	314,238	(35,120)
Notification Systems (ENS)	143,829	136,105	195,745	175,280	125,734	(49,546)
Special Projects	361,338	1,410,632	1,415,202	171,345	706,976	535,631
Total Operating Expenditures	\$ 12,300,312	\$ 12,798,637	\$ 12,920,503	\$ 6,337,928	\$ 6,811,642	\$ 473,714
Revenues over/(under) Expenditures	1,173,762	\$ 721,248	\$ 1,717,997	\$ 959,189	\$ (51,700)	\$ 1,010,889
Beginning Fund Balance	4,647,952	4,963,336	5,821,714	5,821,714		
Ending Fund Balance	\$ 5,821,714	\$ 5,684,584	\$ 7,539,711	\$ 6,780,903		
Components of Ending Fund Balance						
Emergency Reserve (3% of Revenues)	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000		
Operating Reserve (25% of Expenses)	3,075,078	3,199,659	3,230,126	3,230,126		
Unrestricted	1,996,636	1,734,925	3,559,585	2,800,777		
Ending Fund Balance	\$ 5,821,714	\$ 5,684,584	\$ 7,539,711	\$ 6,780,903		

JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY						15-Jul-22
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS - DETAIL						
GENERAL FUND						
	(a)	(b)	(c)	(d)	(e)	(d-e)
	2021	2022	2022	Actual	Budget	Variance
	Unaudited	Adopted	Projected	Through	Through	Through
	Actual	Budget	Actual	6/30/2022	6/30/2022	6/30/2022
Administration						
Accounting	\$ 44,548	\$ 65,900	\$ 65,900	\$ 21,804	\$ 32,950	\$ 11,146
Bank Charges	6,416	-	291	291	-	(291)
Executive Director (ED)						
401k & Benefits	25,927	25,024	25,024	12,172	12,512	340
Mileage Reimbursement	-	488	488	-	244	244
Payroll Tax	9,218	9,682	9,682	4,875	4,841	(34)
Wages & Salaries	118,781	121,133	121,133	62,331	60,566	(1,765)
Insurance	5,997	5,721	5,721	2,658	2,860	202
Legal	26,643	30,900	21,960	8,254	15,450	7,196
Meeting & Misc						
Admin Web/Listserve	352	267	456	456	133	(323)
Meeting & Misc - Other	4,291	4,120	4,120	811	2,060	1,249
Phone/Web Conferencing	155	412	412	-	206	206
Office Supplies & Postage	437	1,030	800	283	515	232
Payroll Expenses	4,642	4,532	4,532	2,612	2,266	(346)
Public Web	-	206	206	-	103	103
Total Administrative Expenses	\$ 247,407	\$ 269,415	\$ 260,725	\$ 116,547	\$ 134,707	\$ 18,160
Agency Operating Fund (AOF)						
Broomfield	\$ 973,239	\$ 909,613	\$ 909,613	\$ 475,429	\$ 475,429	\$ -
Westminster	1,621,633	1,516,021	1,516,021	792,346	792,346	-
Jeffcom	8,221,742	7,681,175	7,681,175	4,015,013	4,015,013	-
Total Agency Operating Fund (AOF)	\$ 10,816,614	\$ 10,106,809	\$ 10,106,809	\$ 5,282,788	\$ 5,282,788	\$ -
Disaster & Recovery Plan (DRP)						
SRBC Recurring	\$ 28,435	\$ 61,800	\$ 57,390	\$ 57,390	\$ 61,800	\$ 4,410
Total Disaster & Recovery Plan (DRP)	\$ 28,435	\$ 61,800	\$ 57,390	\$ 57,390	\$ 61,800	\$ 4,410
GIS System						
GIS System Support	\$ 176,400	\$ 185,400	\$ 185,220	\$ 185,220	\$ 185,400	\$ 180
Total GIS System	\$ 176,400	\$ 185,400	\$ 185,220	\$ 185,220	\$ 185,400	\$ 180
Line Charges						
Call Box MRC	\$ 9,140	\$ 9,600	\$ 9,600	\$ 4,539	\$ 4,800	\$ 261
Jeffcom DS1	24,885	-	20,000	10,807	-	(10,807)
ESInet	449,226	613,876	659,812	329,906	306,938	(22,968)
Other	43,038	5,000	10,000	4,106	2,500	(1,606)
Total Line Charges	\$ 526,289	\$ 628,476	\$ 699,412	\$ 349,358	\$ 314,238	\$ (35,120)
Notification Systems (ENS)						
ALI Database Extract (ADE)	\$ 18,754	\$ 17,140	\$ 17,140	\$ 10,243	\$ 8,570	\$ (1,673)
CodeRed (ECN)	125,075	115,360	175,000	163,584	115,361	(48,223)
VoIP Record Extract	-	3,605	3,605	1,453	1,803	350
Total Notification Systems (ENS)	\$ 143,829	\$ 136,105	\$ 195,745	\$ 175,280	\$ 125,734	\$ (49,546)
Special Projects						
Call Box Project	\$ 10,398	\$ 6,695	\$ 11,265	\$ 11,265	\$ 5,007	\$ (6,258)
Fiber Optics						
J-FON	235,094	278,100	278,100	20,324	139,050	118,726
Last Mile Fiber Project	-	437,750	437,750	4,256	218,875	214,619
North Metro	-	390,252	390,252	-	195,126	195,126
Smart911	89,161	91,836	91,836	44,580	45,918	1,338
Special Projects	26,685	206,000	206,000	90,920	103,000	12,080
Total Special Projects	\$ 361,338	\$ 1,410,632	\$ 1,415,202	\$ 171,345	\$ 706,976	\$ 535,631
Total Expenditures	\$ 12,300,312	\$ 12,798,637	\$ 12,920,503	\$ 6,337,928	\$ 6,811,642	\$ 473,714

**Jefferson County Emergency Communications Authority
2022 Cash Projection Report**

	January	February	March	April	May	June	July	August	September	October	November	December
	Actual	Actual	Actual	Actual	Actual	Actual	(Estimate)	(Estimate)	(Estimate)	(Estimate)	(Estimate)	(Estimate)
Cash on Hand	\$ 5,209,788	\$ 4,994,787	\$ 4,629,500	\$ 5,230,658	\$ 5,532,908	\$ 6,306,720	\$ 5,849,643	\$ 5,814,437	\$ 5,779,966	\$ 5,742,905	\$ 5,707,699	\$ 5,673,228
<u>Expected Inflows:</u>												
2021 Revenues (As projected, less paid)												
9-1-1- fee (ETC)	\$ 995,878	\$ 649,734	\$ 1,291,618	\$ 1,040,477	\$ 1,531,875	\$ 466,612	\$ 959,968	\$ 959,968	\$ 959,968	\$ 959,968	\$ 959,968	\$ 959,968
9-1-1- fee (prepaid)	98,263	103,499	123,248	116,750	128,358	121,430	89,473	89,473	89,473	89,473	89,473	89,473
PUC Statewide 911 Trust Reimbursement	61,778	65,661	113,664	64,512	41,282	57,260	24,307	24,307	24,307	24,307	24,307	24,307
Interest Income	-	-	-	-	-	-	833	833	833	833	833	833
Miscellaneous Income	-	-	-	-	-	-	83	83	83	83	83	83
Total Expected Inflows	\$ 6,365,706	\$ 818,894	\$ 1,528,530	\$ 1,221,738	\$ 1,701,515	\$ 645,302	\$ 1,074,665	\$ 1,074,665	\$ 1,074,665	\$ 1,074,665	\$ 1,074,665	\$ 1,074,665
<u>Expected Outflows:</u>												
2021 Obligations (As projected, less paid)												
Administrative												
Accounting	\$ 2,226	\$ 180	\$ 5,904	\$ 8,911	\$ 1,928	\$ 4,134	\$ 7,103	\$ 7,103	\$ 7,103	\$ 7,103	\$ 7,103	\$ 7,103
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-
Executive Director (ED)	13,380	14,060	13,349	13,211	13,349	13,349	12,605	12,605	12,605	12,605	12,605	12,605
Insurance	-	-	-	-	-	5,293	-	-	-	-	-	-
Legal	-	433	3,460	995	1,396	1,970	3,774	3,774	3,774	3,774	3,774	3,774
Meeting & Misc	130	456	1,299	-	-	-	486	486	486	486	486	486
Office Supplies & postage	8	-	-	-	33	-	165	165	165	165	165	165
Public Web	-	-	-	-	-	-	34	34	34	34	34	34
Payroll Expense	-	466	173	294	187	173	540	540	540	540	540	540
Administrative Total	\$ 15,744	\$ 15,594	\$ 24,184	\$ 23,411	\$ 16,893	\$ 24,919	\$ 24,707	\$ 24,707	\$ 24,707	\$ 24,707	\$ 24,707	\$ 24,707
Agency Operating Fund (AOF)												
BRO Recurring	\$ 96,424	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801	\$ 75,801
Jeffcom Wages & Salaries	814,523	640,098	640,098	640,098	640,098	640,098	640,098	640,098	640,098	640,098	640,098	640,098
WES Recurring	160,671	126,335	126,335	126,335	126,335	126,335	126,335	126,335	126,335	126,335	126,335	126,335
Agency Operating Fund (AOF) Total	\$ 1,071,618	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234	\$ 842,234
Disaster & Recovery Plan (DRP)												
SRBC Recurring	\$ -	\$ 57,390	\$ -	\$ -	\$ -	\$ -	\$ 735	\$ 735	\$ 735	\$ 735	\$ 735	\$ 735
Disaster & Recovery Plan (DRP) Total	\$ -	\$ 57,390	\$ -	\$ -	\$ -	\$ -	\$ 735	\$ 735	\$ 735	\$ 735	\$ 735	\$ 735
GIS System												
GIS System Support	\$ -	\$ 185,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GIS System Total	\$ -	\$ 185,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Line Charges												
Call Box MRC	\$ 754	\$ 758	\$ 758	\$ 756	\$ 756	\$ 756	\$ 844	\$ 844	\$ 844	\$ 844	\$ 844	\$ 844
ESInet	45,133	73,265	45,133	47,917	47,928	94,342	43,360	43,360	43,360	43,360	43,360	43,360
Jeffcom DS1	2,031	2,031	2,031	2,031	2,031	2,681	2,031	2,031	2,031	2,031	2,031	2,031
Other	2,808	2,812	2,805	-	-	-	500	500	500	500	500	500
Line Charges Total	\$ 50,727	\$ 78,866	\$ 50,728	\$ 50,705	\$ 50,716	\$ 97,780	\$ 46,734	\$ 46,734	\$ 46,734	\$ 46,734	\$ 46,734	\$ 46,734
Notification Systems (ENS)												
ALI Database Extractio (ADE)	\$ 1,054	\$ -	\$ 7,202	\$ 2,040	\$ -	\$ 1,006	\$ 973	\$ 973	\$ 973	\$ 973	\$ 973	\$ 973
CodeRed (ECN)	129,400	-	-	-	-	35,167	-	-	-	-	-	-
VoIP Record Extract	-	76	-	-	-	1,377	-	-	1,855	-	-	-
Notification Systems (ENS) Total	\$ 130,454	\$ 76	\$ 7,202	\$ 2,040	\$ -	\$ 37,550	\$ 973	\$ 973	\$ 2,828	\$ 973	\$ 973	\$ 973
Special Projects												
Call Box Project	\$ 4,812	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314	\$ 314	\$ 314	\$ 314	\$ 314	\$ 314
Fiber Optics	8,403	4,401	3,024	1,099	6,595	5,121	41,576	41,576	41,576	41,576	41,576	41,576
Last Mile Fiber Project	-	400	-	-	-	3,856	72,249	72,249	72,249	72,249	72,249	72,249
North Metro	-	-	-	-	-	-	65,042	65,042	65,042	65,042	65,042	65,042
Smart911	-	-	-	-	-	-	15,306	15,306	15,306	15,306	15,306	15,306
Other	89,161	-	-	-	11,265	90,920	-	-	-	-	-	14,654
Special Projects Total	\$ 102,376	\$ 4,801	\$ 3,024	\$ 1,099	\$ 17,860	\$ 99,896	\$ 194,487	\$ 194,487	\$ 194,487	\$ 194,487	\$ 194,487	\$ 209,141
Total Expected Outflows	\$ 1,370,919	\$ 1,184,181	\$ 927,371	\$ 919,488	\$ 927,703	\$ 1,102,379	\$ 1,109,871	\$ 1,109,136	\$ 1,111,726	\$ 1,109,871	\$ 1,109,136	\$ 1,123,790
Net Inflows/Outflows	\$ 4,994,787	\$ (365,287)	\$ 601,158	\$ 302,250	\$ 773,812	\$ (457,077)	\$ (35,206)	\$ (34,471)	\$ (37,061)	\$ (35,206)	\$ (34,471)	\$ (49,125)
Estimated Cash Position	\$ 4,994,787	\$ 4,629,500	\$ 5,230,658	\$ 5,532,908	\$ 6,306,720	\$ 5,849,643	\$ 5,814,437	\$ 5,779,966	\$ 5,742,905	\$ 5,707,699	\$ 5,673,228	\$ 5,624,102

**Jefferson County Emergency
Communications Authority**

Financial Statements
with Independent Auditor's Report

December 31, 2021



**HINKLE &
COMPANY**
Strategic ^{PC}
Business Advisors

**Jefferson County Emergency
Communications Authority**

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December 31, 2021

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**HINKLE &
COMPANY**
Strategic ^{PC}
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Independent Auditor's Report

Board of Directors
Jefferson County Emergency Communications Authority
Lakewood, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Jefferson County Emergency Communications Authority (the Authority) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as of December 31, 2021, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Office Locations:

Colorado Springs, CO
Denver, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Hick & Company, PC

Englewood, Colorado
July 19, 2022



Jefferson County Emergency Communications Authority

Management's Discussion and Analysis

December 31, 2021

Introduction

This management discussion and analysis (this "MD&A") is designed to provide an overview of the financial activities of the Jefferson County Emergency Communications Authority ("JCECA") for the fiscal year ended December 31, 2021. The MD&A should be read in conjunction with JCECA's financial statements.

Financial Highlights

- Total assets of JCECA at the close of 2021 were \$12,297,288. The assets included \$5,219,132 in cash.
- Total Capital Assets for 2021 were \$5,180,473. An increase of \$60,102 over 2020 due to construction of additional Jefferson County Public Safety Fiber Optic Network (J-FON) infrastructure.
- Total Operating Revenue for 2021 was \$12,838,216. The source of this revenue is from the emergency telephone charge authorized under C.R.S. § 29-11-202 (the "ETC") and the prepaid wireless E9-1-1 charge authorized under C.R.S. § 29-11-102.5.
- Total budgeted expenses for 2021 were \$13,412,118. Actual expenses were \$12,300,313.
- JCECA made 2021 Agency Operating Fund (AOF) distributions of \$10,816,614 to the three supported Emergency Communication Center Public Safety Answering Points (ECC's/PSAP's) for personnel costs as permitted by statute for use of ETC revenue.
- Special Project and other expenses services include:
 - GIS Support expenses associated with 9-1-1 call routing.
 - Emergency Notification System (ENS) expenses for citizen alerting.
 - Smart911 service that provides enhanced information to 9-1-1 call takers.
 - J-FON operation and maintenance.
 - Emergency Call Box operation and maintenance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis introduce the JCECA's basic financial statements, which are comprised of Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows and Notes to Financial Statements. Additionally, there is a Budgetary Comparison Schedule.

Jefferson County Emergency Communications Authority

Management's Discussion and Analysis

December 31, 2021

Proprietary Fund Financial Statements

A fund is a group of accounts used to maintain control of services that have been set aside for specific activities or objectives. JCECA uses fund accounting to account for all financial activities and to ensure and demonstrate compliance with finance related legal requirements.

JCECA used only one fund for the 2021 fiscal budget year. It is a proprietary fund, and it is intended to account for all financial resources associated with the operating activities of JCECA. There were no capital funds, public utilities trust funds, personnel and benefits funds, or any other funds actively used during 2021.

Notes to Financial Statements

The notes provide detail clarifying additional information necessary for a complete understanding of the data contained in the financial statements.

Financial Analysis

In 1983 the Jefferson County E9-1-1 Emergency Telephone Service Authority was created to assist in funding the operation of the emergency telephone service. The name of the Authority was subsequently changed to the Jefferson County Emergency Communications Authority ("JCECA"). The Intergovernmental Agreement includes participants from cities, towns, and special districts within Jefferson and Broomfield Counties, as well as Jefferson County government. JCECA collects revenue through a monthly emergency telephone charge (the "ETC") for each non-governmental telephone (wireless, wireline, and VOIP). The monthly ETC rate for 2021 was \$1.30.

In 2021 ETC and prepaid wireless E9-1-1 charge funds were used to pay for operating costs directly related to emergency telephone service, costs for emergency telephone notification, for the monthly recurring ESInet charges billed by the service supplier for the emergency telephone service, and for other 9-1-1 related costs authorized under C.R.S. § 29-11-104(2).

Jefferson County Emergency Communications Authority
Management's Discussion and Analysis
December 31, 2021

JCECA's Net Position

	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Cash and Investments	\$ 5,219,132	\$ 4,006,232
Accounts Receivable	1,577,767	1,794,965
Prepaid Expenses	319,916	2,418
Capital Assets, Not Being Depreciated	4,642,222	4,533,660
Capital Assets, Net of Accumulated Depreciation	<u>538,251</u>	<u>586,711</u>
Total Assets	<u>12,297,288</u>	<u>10,923,986</u>
Current Liabilities - Accounts Payable	1,256,744	1,010,914
Other Liabilities - Accrued Compensated Absences	<u>38,357</u>	<u>36,186</u>
Total Liabilities	<u>1,295,101</u>	<u>1,047,100</u>
Net Position		
Net Investment in Capital Assets	5,180,473	5,120,371
Unrestricted	<u>5,821,714</u>	<u>4,756,515</u>
Total Net Position	<u>\$ 11,002,187</u>	<u>\$ 9,876,886</u>

A portion of JCECA's assets (42%) is in cash and (38%) are net capital assets. The remaining assets represent accounts receivable and prepaid expenses.

Jefferson County Emergency Communications Authority

Management's Discussion and Analysis

December 31, 2021

JCECA's Change in Net Position

For the Years Ended December 31, 2021 and December 31, 2020

	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Operating Revenues		
Emergency Telephone Charges	\$ 12,838,216	\$11,861,554
Miscellaneous	<u>-</u>	<u>8,169</u>
Total Operating Revenues	<u>12,838,216</u>	<u>11,869,723</u>
Operating Expenses		
Administrative	247,408	235,122
Agency Operating	10,816,614	8,559,324
Depreciation	48,460	48,460
Disaster & Recovery Plan	28,435	75,739
GIS System	176,400	168,000
Line Charges	526,289	622,270
Notification System	143,829	125,200
Special Projects	<u>361,338</u>	<u>403,807</u>
Total Operating Expenses	<u>12,348,773</u>	<u>10,237,922</u>
Net Operating Loss	489,443	1,631,801
Non-operating Revenues		
Grant Income	<u>635,858</u>	<u>579,828</u>
Change in Net Position	1,125,301	2,211,629
Net Position, Beginning	<u>9,876,886</u>	<u>7,665,257</u>
Net Position, Ending	<u>\$ 11,002,187</u>	<u>\$ 9,876,886</u>

Jefferson County Emergency Communications Authority

Management's Discussion and Analysis

December 31, 2021

Budgetary Highlights

JCECA approves a budget in December based on anticipated costs for the following year. The following summarizes significant budget to actual variances.

Actual revenue from Emergency Telephone Charges of \$12,838,216 was \$658,948 more than the anticipated budget amount of \$13,497,164.

Actual Agency Operating expenses of \$10,816,614 were \$1,459,148 more than the budgeted amount of \$9,357,466. After the 2020 audit the board chose to distribute additional unrestricted funds to the ECC's to defer additional statutorily permitted payroll costs. The budget was subsequently amended.

Special Project expenses of \$361,338 were \$1,011,047 less than the original budget of \$1,372,385 due to delays in completion of fiber optic and other projects.

Capital Assets

The capital assets of the JCECA are the fiber optic cable, associated appurtenances and right-of-way licenses for the Jefferson County Public Safety Fiber Optic Network ("JFON"). These assets will eventually provide for high bandwidth, very low recurring cost connectivity for the Emergency Communication Centers ("ECC's" fka PSAP's) and associated local governments served by JCECA. Net capital assets were \$4,642,222. Depreciation expense of \$48,460 was reported for the depreciable (fiber optic infrastructure) assets.

Next year's budget

For 2023 the board will be discussing the continued distribution of funds to the ECC's for costs associated with the operation of the PSAP's. Additionally, there will be planning for:

- Funding for refreshment of J-FON network hardware.
- Funding for collaboration with R-1 Schools to increase the J-FON network diversity.
- Funding for enhancements to the citizen alerting system.
- Consideration of future capital needs of the ECC's for facilities enhancement and/or expansion.

Jefferson County Emergency Communications Authority

Management's Discussion and Analysis

December 31, 2021

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the JCECA's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Jeffrey J. Irvin, JCECA Executive Director
433 S Allison Pkwy
Lakewood, CO 80226
Telephone: 303-539-9410
Email: jirvin@jceca.org, Web: <https://jceca.org>

Basic Financial Statements

**Jefferson County Emergency
Communications Authority**
Statement of Net Position
Proprietary Funds
December 31, 2021

Assets	<u>Total</u>
<i>Current Assets</i>	
Cash	\$ 5,219,132
Accounts Receivable	1,577,767
Prepaid Expenses	<u>319,916</u>
Total Current Assets	<u>7,116,815</u>
<i>Noncurrent Assets</i>	
Capital Assets, <i>Not Being Depreciated</i>	4,642,222
Capital Assets, <i>net of Accumulated Depreciation</i>	<u>538,251</u>
Total Noncurrent Assets	<u>5,180,473</u>
Total Assets	<u>\$ 12,297,288</u>
Liabilities and Net Position	
<i>Current Liabilities</i>	
Accounts Payable	\$ 1,256,744
<i>Noncurrent Liabilities</i>	
Accrued Compensated Absences	<u>38,357</u>
Total Liabilities	<u>1,295,101</u>
<i>Net Position</i>	
Net Investment in Capital Assets	5,180,473
Unrestricted	<u>5,821,714</u>
Total Net Position	<u>11,002,187</u>
Total Liabilities and Net Position	<u>\$ 12,297,288</u>

**Jefferson County Emergency
Communications Authority**
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Total
Operating Revenues	
Emergency Telephone Charges	\$ 12,838,216
 Total Operating Revenues	 12,838,216
Operating Expenses	
Administrative	247,408
Agency Operating	10,816,614
Depreciation	48,460
Disaster and Recovery Plan	28,435
GIS System	176,400
Line Charges	526,289
Notification System	143,829
Special Projects	361,338
 Total Operating Expenses	 12,348,773
Net Operating Loss	489,443
Nonoperating Revenues	
Grant Income	635,858
Change in Net Position	1,125,301
Net Position, <i>Beginning of year</i>	9,876,886
Net Position, <i>End of year</i>	\$ 11,002,187

**Jefferson County Emergency
Communications Authority**
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Total
Cash Flows From Operating Activities	
Cash Received from Emergency Telephone Charges	\$ 13,055,414
Cash Paid to Employees	(116,610)
Cash Payments to Suppliers	<u>(12,253,200)</u>
Net Cash Used by Operating Activities	<u>685,604</u>
Cash Flows From Capital and Related Financing Activities	
Proceeds From Grants	635,858
Asset Acquisitions	<u>(108,562)</u>
Net Decrease in Cash	1,212,900
<i>Cash, Beginning of year</i>	<u>4,006,232</u>
<i>Cash, End of year</i>	<u><u>\$ 5,219,132</u></u>
Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities	
Net Operating Loss	\$ 489,443
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation	48,460
Changes in Assets and Liabilities	
Accounts Receivable	217,198
Prepaid Expenses	(317,498)
Accrued Compensated Absences	2,171
Accounts Payable	<u>245,830</u>
Net Cash Used by Operating Activities	<u><u>\$ 685,604</u></u>

**Jefferson County Emergency
Communications Authority**
Notes to Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies

The Jefferson County Emergency Communications Authority (the Authority) was formed in October 1983. The Authority provides emergency telephone service in Jefferson and Broomfield Counties, Colorado, financed by fees assessed on telephones in the Counties.

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the Authority, organizations for which the Authority is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Authority. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Authority. Legally separate organizations for which the Authority is financially accountable are considered part of the reporting entity. Financial accountability exists if the Authority appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the Authority.

Based on the application of this criteria, the Authority does not include additional organizations in its reporting entity.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority uses an enterprise fund to account for its operations. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where a fee is charged to external users for goods or services.

The financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for a specific purpose, the Authority uses restricted resources first, then unrestricted resources as they are needed.

**Jefferson County Emergency
Communications Authority**
Notes to Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position

Accounts Receivable - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses.

Capital Assets - Under an amendment to the intergovernmental agreement forming the Authority, effective January 1, 1998, the Authority transferred title and ownership of equipment purchased for the operation of emergency telephone service to the governmental entities that are parties to the agreement, if such equipment is located at, and operated by, the governmental entities.

The Authority capitalizes all assets with an original cost of \$5,000 or more, and a useful life of more than one year. Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives of the assets.

Fiber Optic Network

5 - 20 years

Compensated Absences - The Authority's employees are allowed to accumulate unused leave time within limits specific to each employee. Upon separation of employment from the Authority, the employees will be compensated for unused leave time at each employee's pro rata salary. These compensated absences are recognized as a liability in the financial statements when earned.

Net Position - Net position is restricted when constraints placed on the use of resources are externally imposed.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority maintains commercial insurance for these risks of loss.

Subsequent Events

We have evaluated subsequent events through July 19, 2022, the date the financial statements were available to be issued.

**Jefferson County Emergency
Communications Authority**
Notes to Financial Statements
December 31, 2021

Note 2: Stewardship, Compliance and Accountability

Budgets

Budgets are required by State statutes and are adopted on a non-GAAP budgetary basis. Capital outlay is budgeted as an expense and depreciation is not budgeted. The Authority follows these procedures to establish the budgetary information reflected in the financial statements:

- Prior to October 15, management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain citizen comments.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- Expenditures may not legally exceed appropriations. Revisions that alter total appropriations must be approved by the Board of Directors.
- All appropriations lapse at year end.

Note 3: Cash and Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2021, the Authority had bank deposits of \$4,966,207 collateralized with securities held by the financial institution's agent but not in the Authority's name.

Investments

The Authority is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks

**Jefferson County Emergency
Communications Authority**
Notes to Financial Statements
December 31, 2021

Note 3: Cash and Investments (Continued)

Investments (Continued)

- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings established by the nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk - State statutes do not limit the amount the Authority may invest in a single issuer, except for corporate securities.

The Authority had no investments at December 31, 2021.

Note 4: Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 12/31/20	Additions	Deletions	Balance 12/31/21
<i>Capital Assets, Not Being Depreciated</i>				
Right of Way	\$ 568,082	\$ -	\$ -	\$ 568,082
Construction in Progress	3,965,578	108,562	-	4,074,140
Total Capital Assets, <i>Not Being Depreciated</i>	<u>4,533,660</u>	<u>108,562</u>	<u>-</u>	<u>4,642,222</u>
<i>Capital Assets, Being Depreciated</i>				
Fiber Optic Network	891,509	-	-	891,509
Accumulated Deprecations	<u>(304,798)</u>	<u>(48,460)</u>	<u>-</u>	<u>(353,258)</u>
Total Capital Assets, <i>Being Depreciated</i>	<u>586,711</u>	<u>(48,460)</u>	<u>-</u>	<u>538,251</u>
Governmental Activities Capital Assets, <i>net</i>	<u>\$ 5,120,371</u>	<u>\$ 60,102</u>	<u>\$ -</u>	<u>\$ 5,180,473</u>

**Jefferson County Emergency
Communications Authority**
Notes to Financial Statements
December 31, 2021

Note 5: Employee Compensated Absences

Changes in accrued compensated absences for the year ended December 31, 2021, were as follows:

	Balance 12/31/20	Additions	Deletions	Balance 12/31/21
Compensated Absences	\$ 36,186	\$ 2,171	\$ -	\$ 38,357

Note 6: Retirement Commitments

The Authority has established a flexible 401(k) profit-sharing plan on behalf of its employees. The Authority will contribute a matching amount up to 10% of each participating employee's compensation, depending on the employee's contract terms. Employees become fully vested in all contributions immediately. The plan provisions and contribution requirements are established and may be amended by the Board of Directors. For the year ended December 31, 2021, the Authority contributed \$25,927 to the plan.

Note 7: Contingency

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the Amendment), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Authority's management believes it is exempt from the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

During the year ended December 31, 2020, the United States of America and the State of Colorado declared an emergency associated with the COVID-19 pandemic. Along with significant declines in financial markets, the public health emergency creates uncertain economic conditions. The Authority has adapted and made changes to operations due to potential impacts on the health and safety. Should these conditions persist, the Authority could be negatively impacted.

Note 8: Concentration of Risk

The Authority operates solely in Jefferson and Broomfield Counties including portions of the City of Arvada and the City of Westminster that are in Adams County, Colorado, and its only significant source of revenue is a surcharge on telephone service in that geographic region. A reduction in this revenue, if it were to occur, may have a significant effect on the Authority's activities.

Supplementary Information

**Jefferson County Emergency
Communications Authority**
Budgetary Comparison Schedule
Proprietary Fund
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Emergency Telephone Charges	\$ 11,996,000	12,807,164	\$ 12,838,216	\$ 31,052
Miscellaneous	500	500	-	(500)
Grants	-	-	635,858	635,858
PUC Statewide 911 Trust Reimbursement	550,000	690,000	-	(690,000)
Investment Income	10,000	2,000	-	(2,000)
Total Revenues	<u>12,556,500</u>	<u>13,499,664</u>	<u>13,474,074</u>	<u>(25,590)</u>
Expenses				
Administrative	282,519	258,082	247,408	10,674
Agency Operating	9,357,466	10,816,614	10,816,614	-
Disaster and Recovery Plan	60,000	60,000	28,435	31,565
GIS System	180,000	176,400	176,400	-
Line Charges	583,500	600,976	526,289	74,687
Notification System	141,500	130,500	143,829	(13,329)
Public Education	-	-	-	-
Special Projects	1,372,385	1,369,546	361,338	1,008,208
Total Expenses	<u>11,977,370</u>	<u>13,412,118</u>	<u>12,300,313</u>	<u>1,111,805</u>
Change in Net Position, Budgetary Basis	<u>\$ 579,130</u>	<u>87,546</u>	<u>1,173,761</u>	<u>\$ 1,086,215</u>
Adjustments to GAAP Basis				
Depreciation			(48,460)	
Change in net Position, GAAP Basis			1,125,301	
Net Position, Beginning of year			9,876,886	
Net Position, End of year			<u>\$ 11,002,187</u>	

JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS - DETAIL									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(e)	(d-e)	(f)	(f-b)	
	2021	2022	2022	Actual	Budget	Variance	2023	Year to Year	2022
	Unaudited	Adopted	Projected	Through	Through	Through	Proposed	Budget	Comments
	Actual	Budget	Actual	06/30/2022	06/30/2022	06/30/2022	Budget	Variance	
Administration									
Accounting	\$ 44,548	\$ 65,900	\$ 65,900	\$ 21,804	\$ 32,950	\$ 11,146	\$ 77,672	\$ 11,772	Audit \$6,500 Pinnacle increased by 3%
Bank Charges	6,416	-	291	291	-	(291)	7,200	7,200	Per acct analysis statement 06/30/22
Executive Director (ED)									
401k & Benefits	25,927	25,024	25,024	12,172	12,512	340	25,775	751	No increase to Exec. Dir Comp at this time
Mileage Reimbursement	-	488	488	-	244	244	503	15	Contingency amount per Jeff
Payroll Tax	9,218	9,682	9,682	4,875	4,841	(34)	9,972	290	No increase to Exec. Dir Comp at this time
Wages & Salaries	118,781	121,133	121,133	62,331	60,566	(1,765)	124,767	3,634	No increase to Exec. Dir Comp at this time
Insurance	5,997	5,721	5,721	2,658	2,860	202	5,892	172	Expected increase per Jeff
Legal	26,643	30,900	21,960	8,254	15,450	7,196	30,900	-	Estimate to cover special projects work
Meeting & Misc									
Admin Web/Listserve	352	267	456	456	133	(323)	470	203	
Meeting & Misc - Other	4,291	4,120	4,120	811	2,060	1,249	4,244	124	Per discussion with Jeff
Phone/Web Conferencing	155	412	412	-	206	206	424	12	Per discussion with Jeff
Office Supplies & Postage	437	1,030	800	283	515	232	824	(206)	Per discussion with Jeff
Payroll Expenses	4,642	4,532	4,532	2,612	2,266	(346)	4,668	136	Estimating 10% increase
Public Web	-	206	206	-	103	103	3,000	2,794	Consulting, maint costs to comply with statutory requirements.
Total Administrative Expenses	\$ 247,407	\$ 269,415	\$ 260,725	\$ 116,547	\$ 134,707	\$ 18,160	\$ 296,311	\$ 26,896	
Agency Operating Fund (AOF)									
Broomfield	\$ 973,239	\$ 909,613	\$ 909,613	\$ 475,429	\$ 475,429	\$ -	\$ 1,000,574	\$ 90,961	Requested 10% increase for 2023
Westminster	1,621,633	1,516,021	1,516,021	792,346	792,346	-	1,667,623	151,602	Requested 10% increase for 2023
Jeffcom	8,221,742	7,681,175	7,681,175	4,015,013	4,015,013	-	8,449,292	768,117	Requested 10% increase for 2023
Total Agency Operating Fund (AOF)	\$ 10,816,614	\$ 10,106,809	\$ 10,106,809	\$ 5,282,788	\$ 5,282,788	\$ -	\$ 11,117,490	\$ 1,010,681	
Disaster & Recovery Plan (DRP)									
SRBC Recurring	\$ 28,435	\$ 61,800	\$ 57,390	\$ 57,390	\$ 61,800	\$ 4,410	\$ 61,800	\$ -	Flat on 5 year plan
Total Disaster & Recovery Plan (DRP)	\$ 28,435	\$ 61,800	\$ 57,390	\$ 57,390	\$ 61,800	\$ 4,410	\$ 61,800	\$ -	
GIS System									
GIS System Support	\$ 176,400	\$ 185,400	\$ 185,220	\$ 185,220	\$ 185,400	\$ 180	\$ 185,400	\$ -	Uncertain what services we will continue to contract out to GeoComm, Jeffcom may add staff and assume responsibility for GIS. In process of discussion with ECC's.
Total GIS System	\$ 176,400	\$ 185,400	\$ 185,220	\$ 185,220	\$ 185,400	\$ 180	\$ 185,400	\$ -	


JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY									
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS - DETAIL									
GENERAL FUND									
	(a)	(b)	(c)	(d)	(e)	(d-e)	(f)	(f-b)	
	2021	2022	2022	Actual	Budget	Variance	2023	Year to Year	2022
	Unaudited	Adopted	Projected	Through	Through	Through	Proposed	Budget	Comments
Line Charges									
Call Box MRC	\$ 9,140	\$ 9,600	\$ 9,600	\$ 4,539	\$ 4,800	\$ 261	\$ 9,600	\$ -	Ok to assume costs will not increase over actual anticipated for 2022.
Jeffcom DS1	24,885	-	20,000	10,807	-	(10,807)	-	-	Discontinue line item, consolidated into ESInet, see ESInet schedule tab.
ESInet	449,226	613,876	659,812	329,906	306,938	(22,968)	640,398	26,522	See ESInet schedule tab.
Other	43,038	5,000	10,000	4,106	2,500	(1,606)	5,000	-	This is a contingency figure.
Total Line Charges	\$ 526,289	\$ 628,476	\$ 699,412	\$ 349,358	\$ 314,238	\$ (35,120)	\$ 654,998	\$ 26,522	
Notification Systems (ENS)									
ALI Database Extract (ADE)	\$ 18,754	\$ 17,140	\$ 17,140	\$ 10,243	\$ 8,570	\$ (1,673)	\$ 18,000	\$ 860	Based on 2022 costs for first six months
Alerting System	125,075	115,360	175,000	163,584	115,361	(48,223)	182,900	67,540	Change to Alerting System to reflect change from CodeRED, See Alerting System schedule tab.
VoIP Record Extract	-	3,605	3,605	1,453	1,803	350	3,605	-	
Total Notification Systems (ENS)	\$ 143,829	\$ 136,105	\$ 195,745	\$ 175,280	\$ 125,734	\$ (49,546)	\$ 204,505	\$ 68,400	
Special Projects									
Call Box Project	\$ 10,398	\$ 6,695	\$ 11,265	\$ 11,265	\$ 5,007	\$ (6,258)	\$ 6,695	\$ -	Annual maintenance + repair contingency
Fiber Optics									
J-FON	235,094	278,100	278,100	20,324	139,050	118,726	480,000	201,900	Increase related to portion of Jeffcom Network Analyst
Last Mile Fiber Project	-	437,750	437,750	4,256	218,875	214,619	300,000	(137,750)	No planned last mile projects in 2023
North Metro	-	390,252	390,252	-	195,126	195,126	686,654	296,403	Assumes property rights issues will, be resolved.
Equipment Refresh Project							480,000		Replace,routers and associated software/licenses
Smart911	89,161	91,836	91,836	44,580	45,918	1,338	91,836	-	Possible cost increase in 2021
Special Projects	26,685	206,000	206,000	90,920	103,000	12,080	200,000	(6,000)	Contingency amount per Jeff
Total Special Projects	\$ 361,338	\$ 1,410,632	\$ 1,415,202	\$ 171,345	\$ 706,976	\$ 535,631	\$ 2,245,185	\$ 834,553	
Total Expenditures	\$ 12,300,312	\$ 12,798,637	\$ 12,920,503	\$ 6,337,928	\$ 6,811,642	\$ 473,714	\$ 14,765,689	\$ 1,967,052	


2023 Alerting System Schedule

<u>System</u>	<u>Annual Cost</u>
RAVE Alert	126,900.00
RAVE Aware	56,000.00
Contingency	2,000.00
Total	<u>182,900.00</u>

2023 ESInet Cost Projections

ECC	Sessions	Monthly	Annual
BRO	9	6,769.98	81,239.76
Jeffcom	40	30,088.80	361,065.60
WES	11	8,274.42	99,293.04
SRBC Motorola Support 1yr			40,000.00
Jeffcom DS1	4	2,200.00	26,400.00
Jeffcom PRI EM Trunks	4	2,000.00	24,000.00
Jeffcom LD xfer costs		150.00	1,800.00
Jeffcom to SRBC Ethernet		550.00	6,600.00
J-FON DSL monitoring line		90.00	1,080.00
	Total		<u>640,398.40</u>

JCECA - 2022 May Expenditure Request Authorization 072622 1318					
Request Number	Date of Board Approval	Agency	Description	Expense Category	NTE Amt Requested
2022-014		Multi	ECC distributions for Aug 2022	AOF	842,234.08
2022-015		Multi	Amended increase in ECC distributions for Aug 2022 if approved	AOF	399,327.00
				Total	1,241,561.08
Expenditures Approved by Executive Director (signature):					
Expenditures Approved by Board Member (signature):					

JCECA - 2022 May Expenditure Request Authorization rev072922 1213					
Request Number	Date of Board Approval	Agency	Description	Expense Category	NTE Amt Requested
2022-014		Multi	ECC distributions for Aug 2022	AOF	842,234.08
2022-015		Multi	Amended increase in ECC distributions for Aug 2022 if approved	AOF	332,772.50
				Total	1,175,006.58
Expenditures Approved by Executive Director (signature):					
Expenditures Approved by Board Member (signature):					

**NOTICE OF MEETING FOR THE
JEFFERSON COUNTY EMERGENCY COMMUNICATIONS AUTHORITY (“JCECA”)
AUGUST 25, 2022 AT 10 A.M.**

THIS WILL BE A VIRTUAL MEETING ONLY

There will not be a physical meeting. The virtual meeting can be attended via Google Meet at the link below or by calling in via telephone.

<https://meet.google.com/viq-cvys-edu>. Use of computer audio (headset/mic) works best or join by phone: 413-459-4200, PIN: 669 173 972# - press *6 to mute/unmute your phone.

1. Call to Order.
2. Public Comment.
3. Approval of Minutes:
 - a. July 28, 2022, Monthly Meeting.
4. Treasurer's Report:
 - a. Financial Reports – Pinnacle Consulting Group, Inc.
 - i. Financial Statements.
 - ii. Cash Encumbrance Report.
 - b. Budget – see the attached 07/31/22 financial statements that contain the proposed 2022 budget amendment and 2023 proposed budget.
 - i. 2022 Budget Amendment Hearing.
 - ii. 2023 Budget Hearing.
 - c. Expenditure Requests – Executive Director.
5. Emergency Communication Center (ECC) Partners Reports:
 - a. City and County of Broomfield (Broomfield PD PSAP).
 - b. Jeffcom 911 (Jefferson County Communications Center Authority PSAP).
 - c. City of Westminster (Westminster PD/FD Communications PSAP).
6. Executive Director's Report
 - a. Status of LookoutAlert opt-in.
 - b. APCO 2022 Conference.
7. Legal Counsel Report.
8. New Business
9. Adjournment.