



January 31, 2022

Board and Citizens
South Metro Fire Rescue Fire Protection District
Douglas, Arapahoe, and Jefferson Counties, Colorado

Dear Members of the Board and Citizens:

We are pleased to present the 2022 annual budget. As prepared and submitted, the annual budget is intended to serve as:

- A financial plan for the next fiscal year outlining the forecasted expenditure requirements and the proposed means for financing these requirements.
- An operational plan for the use and deployment of personnel, materials, services, and other resources during the 2022 fiscal year.
- A guide to how resources are allocated among division goals and objectives.

Overview of the District:

The District experienced unprecedented growth over the last 5 years after completing two mergers with neighboring fire agencies. On January 1, 2018, South Metro Fire Rescue Fire Protection District and Cunningham Fire Protection District merged to form the South Metro/Cunningham Fire Rescue Authority. On January 1, 2019, South Metro/Cunningham Fire Rescue Authority and Littleton Fire Rescue, a department servicing the Littleton Fire Protection District, Highlands Ranch Metro District, and the City of Littleton, merged. In 2020, South Metro/Cunningham Fire Rescue Authority dissolved and has since operated as one fire district, South Metro Fire Rescue Fire Protection District (The District).

The District has approximately 715 full-time employees and 8 part-time employees as of January 1, 2022. Our preparedness, prevention, mitigation and response services are best-in-class and are provided to our citizens from thirty fire stations placed in strategic positions around the District. The District also operates administratively out of a headquarters building and two training centers, the Joint Service Facility (JSF) and the Troy Jackson Training Center (TJTC). The District serves approximately 555,000 residents within 285 square miles in Arapahoe, Douglas, and Jefferson counties.

The District holds several distinctions as a result of the high quality services, training standards, equipment, staffing, and related support functions provided. The District is among the leaders in the State of Colorado being one of twenty departments to receive accreditation through the Commission on Fire Accreditation International (CFAI). The District employs fifteen individuals who are credentialed as Chief Fire Officers, Training Officers, Fire Officers, and / or Fire Marshal Officers. In addition, the District has four employees who hold the designation of Executive Fire Officer from the United States Fire Administration.

The District received formal recognition in 2018 and 2021, for attaining a Class 1 ISO (Insurance Services Organization) rating. The official ISO inspector stated that there are 39,200 fire departments in the United States, 411 of those hold an ISO Class 1 rating, and only 113 are both a Class 1 and Accredited. The District is one of only eight fire departments in Colorado that holds an ISO Class 1 rating.

District employees are provided with constant training to keep their skills at the highest level. The District has two training facilities that include three classrooms, an 84-seat auditorium, two five-story training towers, two Class A burn buildings for live fire training, two live fire container props, a propane simulation



station, two mazes and a driver operator training track. In addition, state of the art training classrooms with media centers are available in the District headquarters and training facilities.

2022 Financial Summary:

- Total budgeted revenues for all District funds are approximately \$176 million.
- Property taxes and specific ownership taxes make up approximately 78 percent of total revenues.
- Total budgeted expenditures for all District funds are approximately \$182 million. The District plans to pay for projected expenditures with 2022 projected revenues and a portion of fund balance.
- The District will continue to provide best-in-class service to its citizens while making capital improvements to facilities, equipment and vehicles totaling approximately \$14 million.

Summary of Major Goals for 2022

The District, in partnership with the International Association of Firefighters Local 2086, aspires to be the employer of choice among fire departments in the country. As such, the 2022 budget allocates additional resources in areas such as salaries, benefits, and firefighter safety. For example, the District is continuing to implement its plan to increase staffing on each engine with a four-person crew. An additional three engines' staffing will be increased in 2022. Additionally, resources are being allocated to reduce the overall exposure to the many hazards of firefighting. In order to keep pace with these staffing challenges, the District plans to hold two, thirty person academies in 2022.

The District is starting to plan for the relocation and construction of two current stations in future years. As such, there is a need to purchase land for these stations as the current locations are either inadequate for the planned expansion or in locations that do not optimize response times. In 2022, \$3 million has been earmarked for land acquisition. As part of the District's efforts to reduce exposure, the District plans to make several improvements to stations to enhance sleeping conditions for firefighters. Finally, various stations throughout the District are scheduled for preventative maintenance and remodels to ensure our facilities remain in good operating condition. The total cost of these projects (budgeted as Building Projects in the Capital Projects Fund) is estimated to be \$8.1 million.

The District is budgeting for several vehicle and apparatus purchases in 2022 as outlined in the Apparatus Replacement Schedule. The new apparatus includes engines, tenders, and medic unit replacements. These items are estimated to total approximately \$5.3 million.

The proposed budget for 2022 allows the District to continue to provide best-in-class service to our community with the most efficient use of its resources.

Recognition is given to all staff members, division or bureau managers and coordinators who have devoted their time and energy toward the development of the annual budget.

Please be assured that the same degree of effort will be devoted to effective administration of the 2022 budget.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dillon Miskimins".

Dillon Miskimins
Chief Financial Officer



SUMMARY OF ALL FUNDS

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ 54,457,107	\$ 56,846,570	\$ 62,789,149
REVENUES			
Property Taxes	113,457,721	115,446,511	126,008,116
Specific Ownership Taxes	8,924,544	9,503,127	10,706,414
Net Investment Earnings	1,263,843	1,406	475,500
Charges for Service - Transports	9,695,303	11,685,969	12,371,288
Charges for Service - Plan Review/Permit Fees	1,808,045	1,804,141	1,823,500
Medicare/Medicaid Supplemental Fee	5,543,184	6,191,645	6,377,395
Reimbursements	2,287,085	1,805,392	2,088,974
Excise Tax	347,056	375,384	480,000
Contracted Services	312,120	318,362	-
Rental Income	1,017,431	972,642	947,309
Dispatch Fees	115,770	116,726	121,721
Miscellaneous	1,139,595	775,656	1,025,990
Medical Premiums	12,152,441	13,317,139	14,148,627
Stop Loss Refunds & Reimbursements	50,305	78,327	50,000
Total Revenues	<u>158,114,443</u>	<u>162,392,427</u>	<u>176,624,834</u>
Total funds available	<u>212,571,550</u>	<u>219,238,997</u>	<u>239,413,983</u>
EXPENDITURES			
Salaries	84,885,783	89,951,524	95,137,726
Benefits	28,961,081	30,141,393	34,622,497
Operating	17,333,987	15,158,719	20,719,734
Capital Outlay	8,437,527	5,221,627	14,342,210
Insurance	658,726	735,993	782,618
Treasurers Fees	1,703,732	1,731,697	1,890,122
Utilities	253,901	266,542	269,323
Routine Maintenance	95,092	87,267	130,114
Outside Repairs	42,676	42,575	93,150
Outside Services	412,242	350,760	116,444
Contribution to Pension Plan	216,735	216,735	216,735
Medical Payments	11,490,277	11,989,277	12,559,619
Stop Loss Insurance & Admin Fees	1,367,209	1,027,800	1,120,381
Total Expenditures	<u>155,858,968</u>	<u>156,921,909</u>	<u>182,000,673</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	7,747,398	18,476,694	15,000,000
Transfers to Other Funds	(7,747,398)	(18,476,694)	(15,000,000)
Sale of Capital Assets	133,988	472,061	1,635,000
Total Other Financing Sources (Uses)	<u>133,988</u>	<u>472,061</u>	<u>1,635,000</u>
ENDING FUND BALANCES	<u>\$ 56,846,570</u>	<u>\$ 62,789,149</u>	<u>\$ 59,048,310</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



SUMMARY OF ALL FUNDS - CONTINUED

	2020 Actual	2021 Estimated	2022 Adopted
FUNDS RESERVED FOR:			
NON-SPENDABLE			
Inventory	\$ 1,482,705	\$ 1,394,413	\$ 1,394,413
Prepaid Items	2,330,717	7,716,937	3,000,000
RESTRICTED			
TABOR Emergency Reserves - 3%	4,335,000	4,466,000	4,809,000
Excise Tax Reserve	347,056	722,440	1,202,440
Self Insurance	(708,662)	1,239,669	2,358,796
Pension Funds	689,471	755,417	840,441
COMMITTED			
Operating Reserves - 22%	29,440,259	30,307,298	33,830,667
Capital Projects Reserve	-	4,903,762	10,667,384
ASSIGNED			
Building Rental	2,413,720	405,595	435,456
JACC Projects	111,877	111,877	16,877
UNASSIGNED			
	16,404,427	10,765,741	492,836
	<u>\$ 56,846,570</u>	<u>\$ 62,789,149</u>	<u>\$ 59,048,310</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



GENERAL FUND

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ 51,287,693	\$ 54,340,164	\$ 49,541,009
REVENUES			
Property Taxes	113,192,531	115,179,091	125,723,047
Specific Ownership Taxes	8,905,534	9,484,625	10,686,459
Net Investment Earnings	1,209,918	-	470,000
Charges for Service - Transports	9,695,303	11,685,969	12,371,288
Charges for Service - Plan Review/Permit Fees	1,808,045	1,804,141	1,823,500
Medicare/Medicaid Supplemental Fee	5,543,184	6,191,645	6,377,395
Reimbursements	2,037,085	1,555,392	2,088,974
Excise Tax	347,056	-	-
Contracted Services	312,120	318,362	-
Rental Income	180,249	199,867	190,171
Dispatch Fees	115,770	116,726	121,721
Miscellaneous	1,138,445	206,350	425,990
Total Revenues	<u>144,485,240</u>	<u>146,742,168</u>	<u>160,278,545</u>
Total funds available	<u>195,772,933</u>	<u>201,082,332</u>	<u>209,819,554</u>
EXPENDITURES			
Salaries	84,885,783	89,951,524	95,137,726
Benefits	28,961,081	30,141,393	34,622,497
Operating	17,217,900	15,114,598	20,667,374
Capital Outlay	396,122	89,250	679,700
Insurance	658,726	735,993	782,618
Treasurers Fees	1,699,747	1,727,686	1,885,846
Total Expenditures	<u>133,819,359</u>	<u>137,760,444</u>	<u>153,775,761</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	-	2,111,877	-
Transfers to Other Funds	(7,747,398)	(16,364,817)	(15,000,000)
Sale of Capital Assets	133,988	472,061	-
Total Other Financing Sources (Uses)	<u>(7,613,410)</u>	<u>(13,780,879)</u>	<u>(15,000,000)</u>
ENDING FUND BALANCES	<u>\$ 54,340,164</u>	<u>\$ 49,541,009</u>	<u>\$ 41,043,793</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



CAPITAL PROJECTS FUND

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 10,847,459
REVENUES			
Net Investment Earnings	7,821	-	-
Excise Tax	-	375,384	480,000
Total Revenues	<u>7,821</u>	<u>375,384</u>	<u>480,000</u>
Total funds available	<u>7,821</u>	<u>375,384</u>	<u>11,327,459</u>
EXPENDITURES			
Building Projects	6,749,312	2,819,936	8,099,825
Equipment	88,457	149,844	106,311
Vehicles and Apparatus	917,450	1,922,962	5,386,499
Total Expenditures	<u>7,755,219</u>	<u>4,892,742</u>	<u>13,592,635</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	7,747,398	15,364,817	15,000,000
Sale of Capital Assets	-	-	1,635,000
Total Other Financing Sources (Uses)	<u>7,747,398</u>	<u>15,364,817</u>	<u>16,635,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 10,847,459</u>	<u>\$ 14,369,824</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



CHERRY HILLS PENSION FUND

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ 620,354	\$ 689,471	\$ 755,417
REVENUES			
Property Taxes	265,190	267,420	285,069
Specific Ownership Taxes	19,010	18,502	19,955
Net Investment Earnings	5,637	770	5,000
Total Revenues	<u>289,837</u>	<u>286,692</u>	<u>310,024</u>
Total funds available	<u>910,191</u>	<u>976,163</u>	<u>1,065,441</u>
EXPENDITURES			
Treasurers Fees	3,985	4,011	4,276
Contribution to Pension Plan	216,735	216,735	216,735
Operating	-	-	3,989
Total Expenditures	<u>220,720</u>	<u>220,746</u>	<u>225,000</u>
ENDING FUND BALANCES	<u>\$ 689,471</u>	<u>\$ 755,417</u>	<u>\$ 840,441</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



BUILDING RENTAL FUND

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ 2,433,903	\$ 2,413,720	\$ 405,595
REVENUES			
Rental Income	837,182	772,775	757,138
Net Investment Earnings	34,095	-	-
Miscellaneous	1,150	-	-
Total Revenues	<u>872,427</u>	<u>772,775</u>	<u>757,138</u>
Total funds available	<u>3,306,330</u>	<u>3,186,495</u>	<u>1,162,733</u>
EXPENDITURES			
Operating	116,087	44,121	48,371
Utilities	253,901	266,542	269,323
Outside Services	98,668	100,760	116,444
Routine Maintenance	95,092	87,267	130,114
Outside Repairs	42,676	42,575	93,150
Capital Outlay	286,186	239,635	69,875
Total Expenditures	<u>892,610</u>	<u>780,900</u>	<u>727,277</u>
OTHER FINANCING SOURCES (USES)			
Transfer to General Fund	-	(2,000,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,000,000)</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 2,413,720</u>	<u>\$ 405,595</u>	<u>\$ 435,456</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



JACC FUND

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ 175,451	\$ 111,877	\$ -
REVENUES			
Reimbursements	250,000	250,000	-
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total funds available	<u>425,451</u>	<u>361,877</u>	<u>-</u>
EXPENDITURES			
Outside Services	313,574	250,000	-
Total Expenditures	<u>313,574</u>	<u>250,000</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers to Other Funds	-	(111,877)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(111,877)</u>	<u>-</u>
ENDING FUND BALANCES	<u><u>\$ 111,877</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



SELF INSURED MEDICAL FUND

	2020 Actual	2021 Estimated	2022 Adopted
BEGINNING FUND BALANCES	\$ (60,294)	\$ (708,662)	\$ 1,239,669
REVENUES			
Medical Premiums	12,152,441	13,317,139	14,148,627
Stop Loss Refunds & Reimbursements	50,305	78,327	50,000
Net Investment Earnings	6,372	636	500
Miscellaneous	-	569,306	600,000
Total Revenues	<u>12,209,118</u>	<u>13,965,408</u>	<u>14,799,127</u>
 Total funds available	 <u>12,148,824</u>	 <u>13,256,746</u>	 <u>16,038,796</u>
EXPENDITURES			
Medical Payments	11,490,277	11,989,277	12,559,619
Stop Loss Insurance & Admin Fees	1,367,209	1,027,800	1,120,381
Total Expenditures	<u>12,857,486</u>	<u>13,017,077</u>	<u>13,680,000</u>
 OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	-	1,000,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,000,000</u>	<u>-</u>
 ENDING FUND BALANCES	 <u>\$ (708,662)</u>	 <u>\$ 1,239,669</u>	 <u>\$ 2,358,796</u>

Forecasted 2022 budget as adopted with 2020 actuals and 2021 estimated



BUDGET MESSAGE

Services Provided

The District operates under Colorado Revised Statutes, Title 32, as a separate municipal corporation and is managed by a seven-member Board of Directors composed of a Chairperson, Vice Chairperson, Secretary, Treasurer, and three directors. The Board hires a Fire Chief who serves at the pleasure of the Board to manage day-to-day operations of the District. The District is a stand-alone entity and is not part of any county or city government.

The District experienced unprecedented growth over the last 5 years after completing two mergers with neighboring fire agencies. On January 1, 2018, South Metro Fire Rescue Fire Protection District and Cunningham Fire Protection District merged to form the South Metro/Cunningham Fire Rescue Authority. On January 1, 2019, South Metro/Cunningham Fire Rescue Authority and Littleton Fire Rescue, a department servicing the Littleton Fire Protection District, Highlands Ranch Metro District, and the City of Littleton, merged. In 2020, South Metro/Cunningham Fire Rescue Authority dissolved and has since operated as one fire district, South Metro Fire Rescue Fire Protection District (The District).

The District provides numerous services including fire suppression, fire prevention (through inspections, plan reviews, and community risk reduction), fire investigations, emergency medical care and transport, wildland fire suppression, urban search and rescue, hazardous materials containment/decontamination services, and aircraft rescue and firefighting (ARFF) services.

The District has activity in the following funds:

- General Fund: used to account for the basic financial operations of the District that are not accounted for in other funds
- Capital Projects Fund: used to account for capital improvements
- Cherry Hills Village Pension Fund: special revenue fund used to account for the activity of retirement benefits for the former employees of Cherry Hills Village Fire Protection District
- Building Rental Fund: enterprise fund used to account for the operations of District owned building used to house headquarters and other tenants
- JACC Fund: Jefferson-Arapahoe Consolidated CAD (JACC) agency fund used to account for the operations of the Computer Aided Dispatch (CAD) system used regionally by 911 emergency response centers. This fund was closed in 2021 and the remaining fund balance was transferred to the General Fund. Revenues and expenses for JACC will be accounted for in the General Fund going forward.
- Self Insured Medical Fund: internal service fund used to account for activity of health care benefits of District's employees by collecting medical premiums for both District and employee contributions. This fund is used to pay for the Stop Loss Insurance, administration fees to the third-party administrator and to pay medical claims of the insured.

The District's budget does not include any component units, nor is the District considered a component unit of any other level of government.



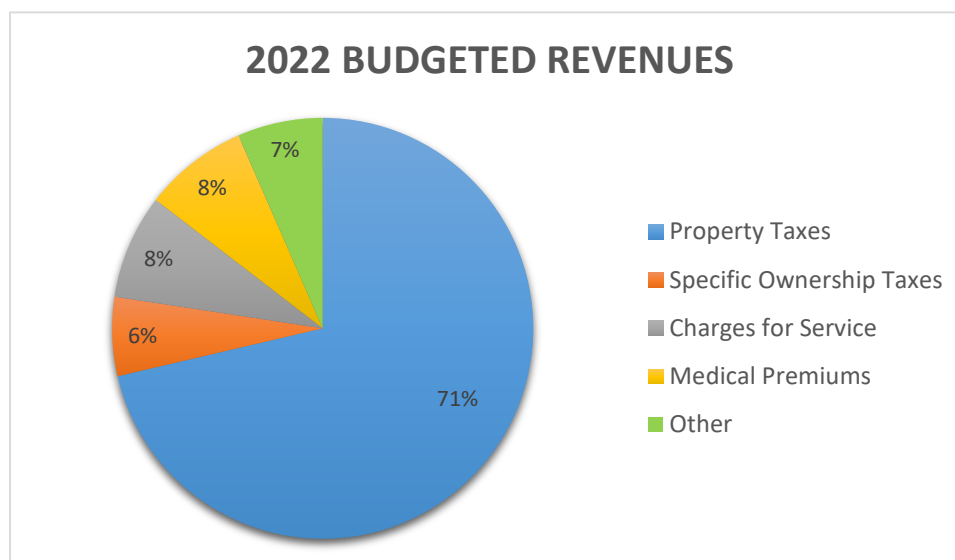
Financial Highlights

Revenues

The District has several revenue sources. Revenues for all funds are illustrated below:

	2020 Actual	2021 Estimated	2022 Adopted
REVENUES			
Property Taxes	\$ 113,457,721	\$ 115,446,511	\$ 126,008,116
Specific Ownership Taxes	8,924,544	9,503,127	10,706,414
Net Investment Earnings	1,263,843	1,406	475,500
Charges for Service - Transports	9,695,303	11,685,969	12,371,288
Charges for Service - Plan Review/Permit Fees	1,808,045	1,804,141	1,823,500
Medicare/Medicaid Supplemental Fee	5,543,184	6,191,645	6,377,395
Reimbursements	2,287,085	1,805,392	2,088,974
Excise Tax	347,056	375,384	480,000
Contracted Services	312,120	318,362	-
Rental Income	1,017,431	972,642	947,309
Dispatch Fees	115,770	116,726	121,721
Miscellaneous	1,139,595	775,656	1,025,990
Medical Premiums	12,152,441	13,317,139	14,148,627
Stop Loss Refunds & Reimbursements	50,305	78,327	50,000
Total Revenues	\$ 158,114,443	\$ 162,392,427	\$ 176,624,834

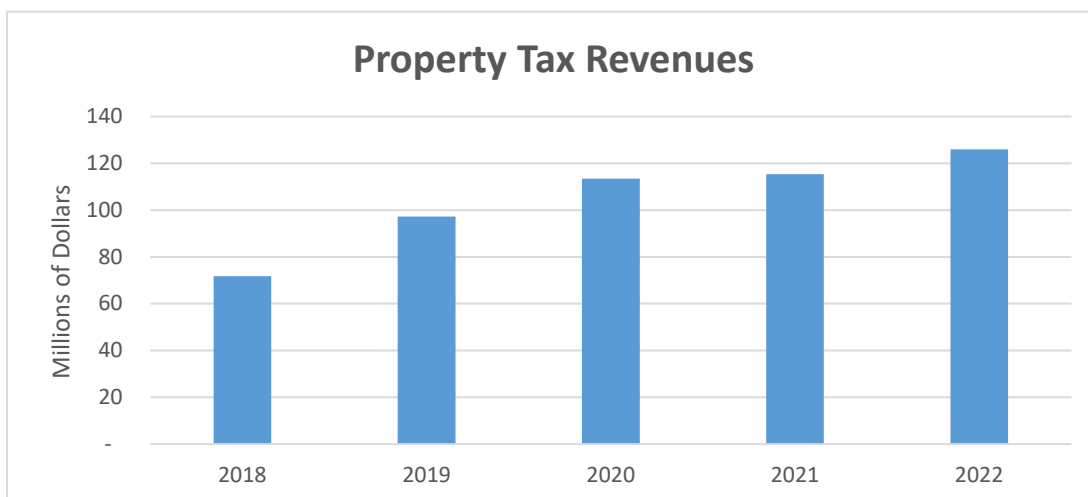
The graph below displays all revenues of the District projected in 2022 by source, not including transfers from other funds.



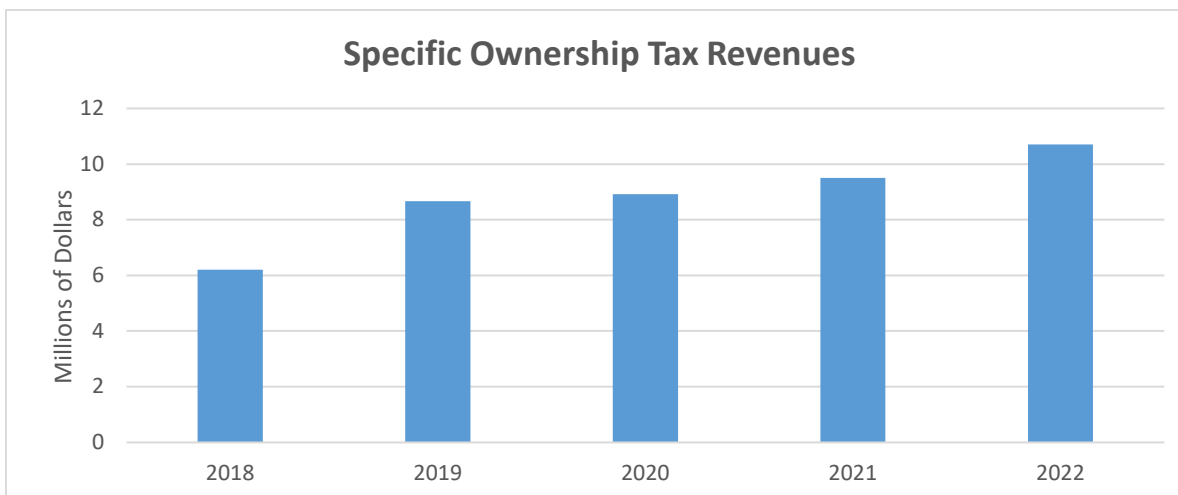


The major revenue sources of the District are property taxes, specific ownership taxes, and charges for service. The increased revenues shown in 2022 is partially due to growth in assessed values, resulting in an increase of property tax revenues of \$10.5 million or 8.5% as compared to 2021 estimated collections. Due to the high reliance on property taxes for operations of the District, the uncertainty in the real estate market has a major impact on the District's revenue stream. The District's Board is aware of possible economic downturns and maintain a conservative but realistic outlook for future revenues.

Property tax collection is typically budgeted using information provided by the County Assessor's offices beginning with preliminary information in August and final information available in December of the preceding budget year. Although there can be slight variations in collections, the District feels confident that using the County Assessor's valuations provides us with an accurate budget for property tax revenue. The following graph displays the property tax collection trend of the District (2018-2020 based on actual collections, 2021 based on estimated collections with 2022 budgeted). A unification in 2019 resulted in a large collection spike that year. A portion of the 2020 surge is a result of the full inclusion of City of Littleton's assessed values into the District. The large increases seen in 2018-2020 is due to multiple mergers and is unusual in nature.



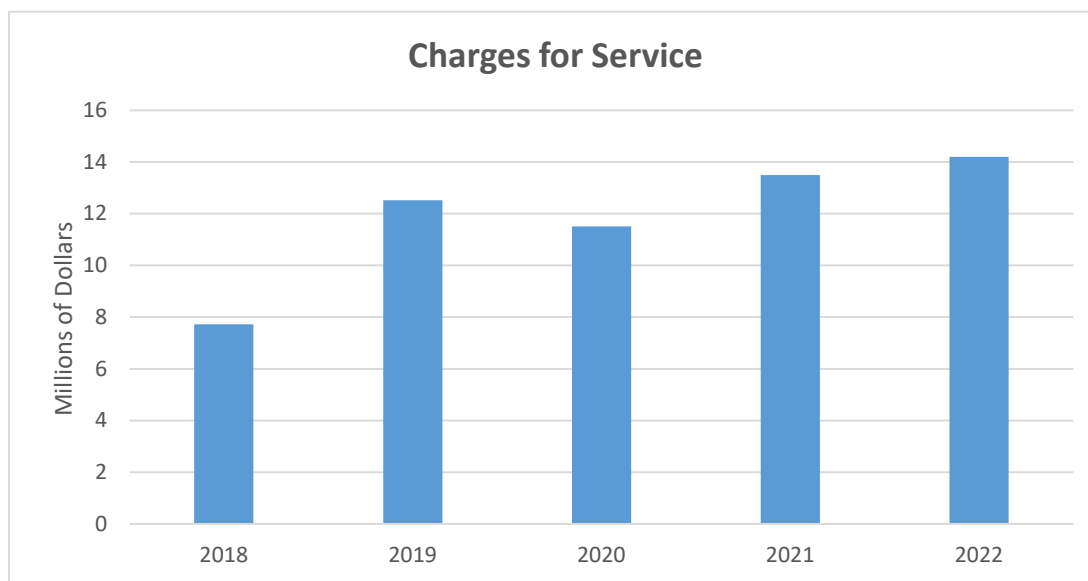
Specific ownership taxes are related to the taxes collected from vehicle registrations within the counties. Fees are assessed and collected at the County level based on the vehicles weight, and the funds are then distributed to the applicable governments based on a funding formula. This revenue source varies greatly with economic conditions and needs of District residents. The District has budgeted the 2022 revenue based on economic forecasts for vehicle sales in the area. The following graph displays the specific ownership tax collection trend of the District (2018-2020 based on actual collections, 2021 based on estimated collections with 2022 budgeted). The large spike in 2019 collections is related to the unification.



Charges for service revenues are made up of Ambulance Transport services and Permit Review/Permit Fees. Ambulance Transport service revenue is based on the number of transports and the averages for mileage. In 2020, an increase to base transport fee was approved by the Board of Directors resulting in increased 2021 revenue. The number of transports budgeted in 2022 is 20,827.

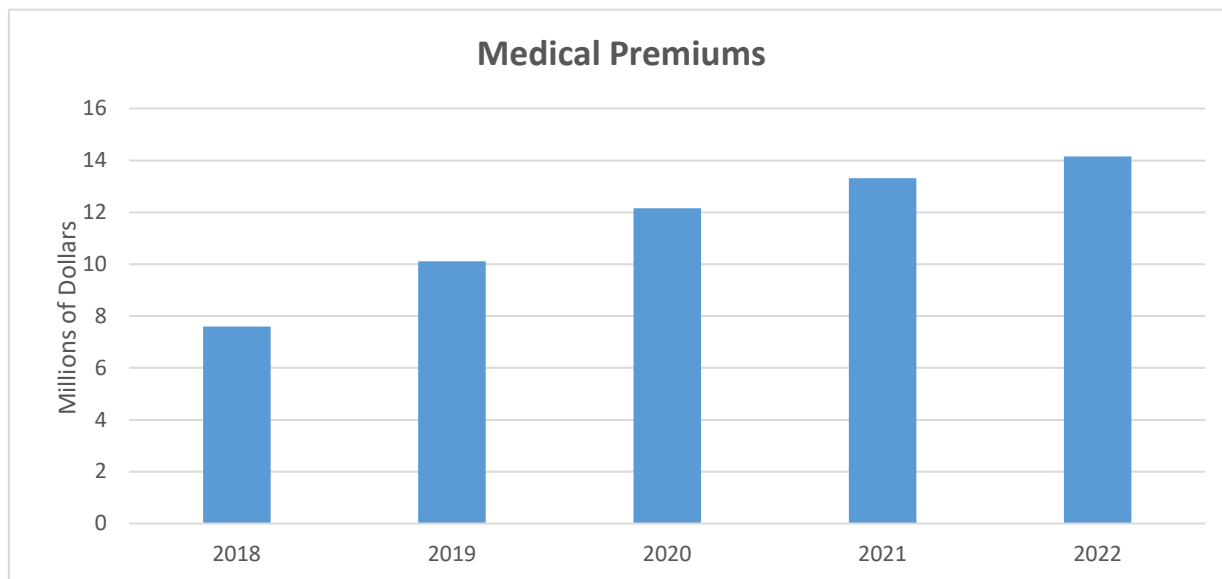
The large spike in charges for services revenue in 2019 collections is related to the unification of the entities. Permit and plan review fees are the fees charged by the Fire Marshal's office for plan reviews and inspections of commercial and residential construction within the District and is budgeted to collect \$1.8 million in 2022. A decrease in 2020 revenue is attributed to the COVID-19 pandemic resulting in a decrease of \$700k to permit and plan review fees as well as a decrease in the number of ambulance transports over 2019.

The following graph displays the charges for service revenue trend of the District (2018-2020 based on actual collections, 2021 based on estimated collections with 2022 budgeted).





Medical premium revenue is collected from employees and the District to provide health care benefits to the District’s employees through the use of Self Insured Medical Fund. Consistent with our other major types of revenues, the growth in 2018 and 2019 is primarily linked to the increased number of employees as a result of unifications. Additional revenue collections in 2020-2022 is due to annual increases in medical premiums collections due to the ever-rising cost of healthcare as well as hiring additional recruit employees in 2020 and 2022.



Other revenue sources budgeted in 2022 include Medicaid supplemental fee, reimbursements, rental income, excise tax, net investment earnings, dispatch fees, stop loss refunds/reimbursements, and miscellaneous revenue.

- Medicaid Supplemental Fee is collected from State of Colorado’s program to offset the low reimbursement rate for transport patients who use Medicaid. With this new program, the District collected \$2.3 million in 2019, \$5.1 million in 2020, \$6.2 million in 2021 and has budgeted to collect \$6.4 million again in 2022.
- Reimbursement revenue includes reimbursable items such as Urban Search and Rescue (USAR) services, wildland firefighting services, and Special Weapons and Tactics (SWAT) services.
- Rental income was budgeted using a combination of tenant agreements for rental space and cell tower rental agreements.
- Excise tax revenue is collected per the agreement with the Town of Parker for the newly constructed residential and nonresidential buildings.
- Net investment earnings were budgeted using historical data as well as market forecasts prepared by outside sources.
- Dispatch fee revenue is related to contracted dispatch services with other local governments resulting in income to the District.
- Stop loss refunds & reimbursements revenue is collected when single health care claims exceed \$500,000.
- Miscellaneous revenue includes items such as tuition collected from community educational courses, small grants, and other miscellaneous items.

In total, all of the aforementioned revenue sources are projected to increase approximately \$13.8 million over 2021 estimated collections, which is approximately 8.5%.

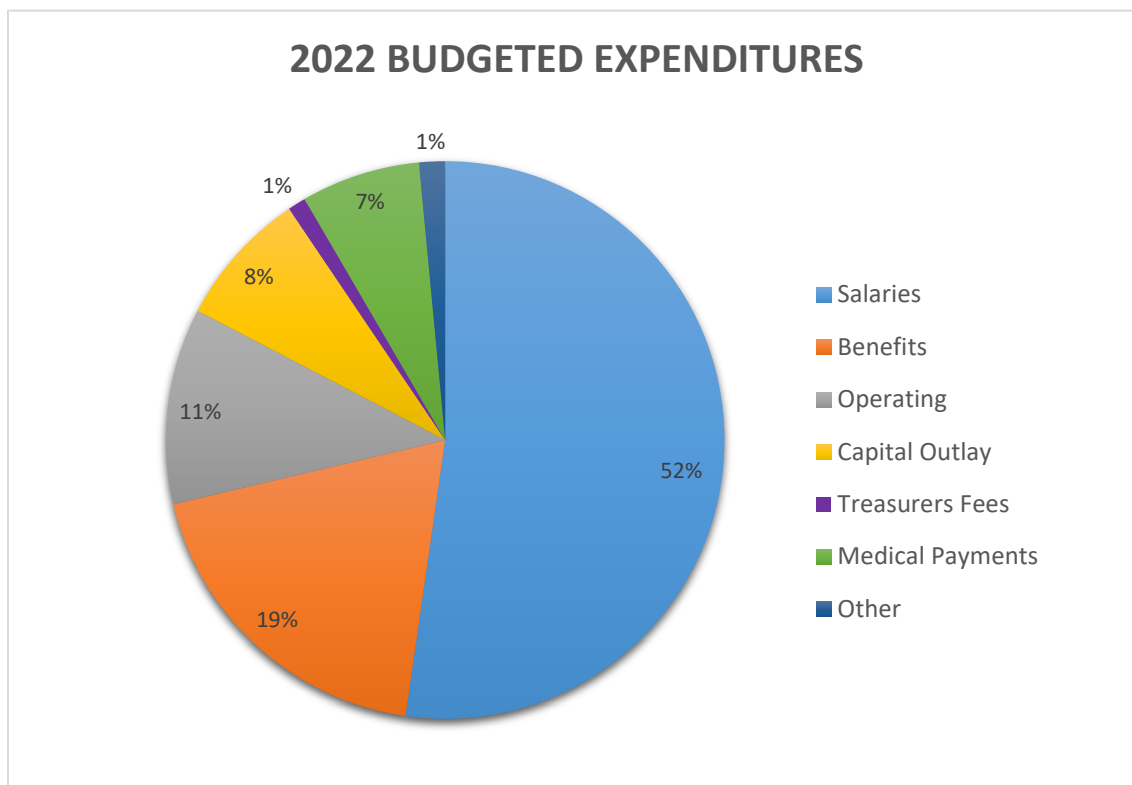


Expenditures

The District has budgeted approximately \$182 million of total expenditures for the 2022 budget year. A combination of expenditures in all funds is illustrated below:

	2020 Actual	2021 Estimated	2022 Adopted
Salaries	\$ 84,885,783	\$ 89,951,524	\$ 95,137,726
Benefits	28,961,081	30,141,393	34,622,497
Operating	17,333,987	15,158,719	20,719,734
Capital Outlay	8,437,527	5,221,627	14,342,210
Insurance	658,726	735,993	782,618
Treasurers Fees	1,703,732	1,731,697	1,890,122
Utilities	253,901	266,542	269,323
Routine Maintenance	95,092	87,267	130,114
Outside Repairs	42,676	42,575	93,150
Outside Services	412,242	350,760	116,444
Contribution to Pension Plan	216,735	216,735	216,735
Medical Payments	11,490,277	11,989,277	12,559,619
Stop Loss Insurance & Admin Fees	1,367,209	1,027,800	1,120,381
Total Expenditures	\$ 155,858,968	\$ 156,921,909	\$ 182,000,673

This graph shows the expenditures for all Funds of the District for 2022 by use, not including transfers to other funds.





Salaries and benefits account for 52% and 19% of the overall expenditure budget in 2022, respectively. Increases in the 2022 budgeted amounts for these categories are related to market adjustments to current salaries, increases in benefit costs, hiring a recruit academy of 60 employees, and continued focus on staffing each engine with a four-person crew.

Operating expenses are projected to increase 36.7% over the 2021 estimated amounts. This increase is related to projects that were carried over from the 2021 budget, hiring two recruit academies, purchases and/or replacement of non-capital equipment, updates to the District's service plan, election costs, and other annual increases for goods and services.

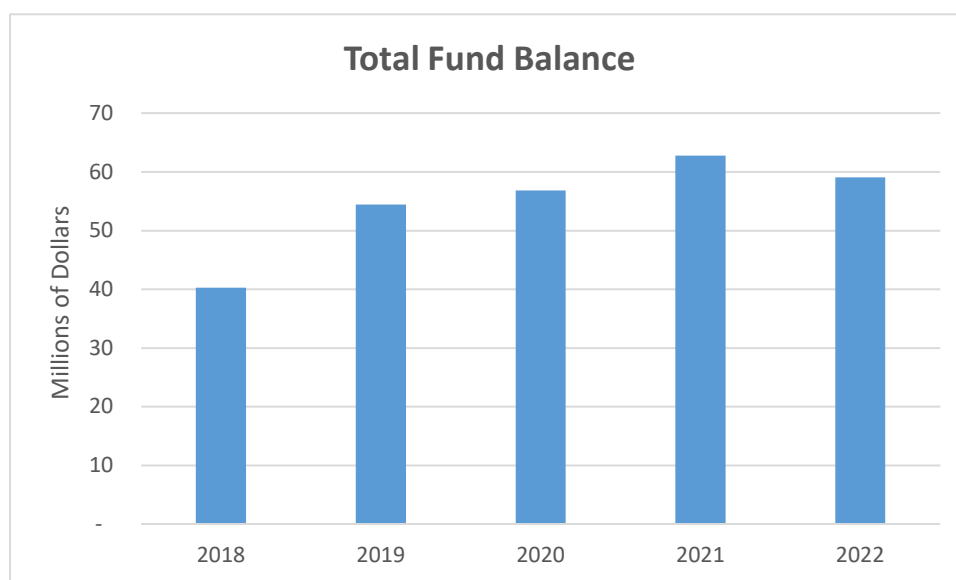
Total capital expenditures budgeted for 2022 is \$14.3 million and is comprised of several projects including land acquisition for future station construction, remodeling of several stations, headquarters and JSF training facility, and apparatus/vehicle purchase and replacements. These projects are in line with the District's five-year capital replacement plan, and capital projects are prioritized based on the assets' remaining lives, the District needs, staff recommendations and at the guidance of the Board.

Treasurer's fees are related to the fee collected by the County during the tax collection process. Other miscellaneous items include insurance, supplies and equipment, utilities, routine maintenance, outside repairs, administrative fees and outside services.

Medical payments are the cost of health care claims that result from providing health care benefits to the District employees. The District maintains a Self Insured Medical Fund with a third-party administrator. Stop loss insurance is paid to protect the plan from large claims exceeding \$500,000.

Fund Balance and Reserves

On January 1, 2019, a merge with Littleton Fire Rescue resulted in a beginning fund balance adjustment of \$6,586,953. The District has been able to steadily grow the fund balance since 2018 for the future purchase and construction of capital related items. The 2022 budget includes a planned fund balance decrease from the prior year in order to pay for planned capital projects and operating expenses.



The District has provided for an emergency reserve equal to at least 3 percent of the fiscal year spending for 2022, defined under TABOR.



Request for Information

This budget report is designed to provide a general overview of South Metro Fire Rescue Fire Protection District's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, South Metro Fire Rescue, 9195 E. Mineral Avenue, Centennial, CO 80112.

RESOLUTION TO ADOPT 2022 BUDGET AND APPROPRIATE SUMS
Resolution No. 2021-09

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE SOUTH METRO FIRE RESCUE FIRE PROTECTION DISTRICT, COLORADO FOR THE CALENDAR YEAR BEGINNING THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board of Directors of the South Metro Fire Rescue Fire Protection District appointed Chief Bob Baker and Dillon Miskimins, Chief Financial Officer; to prepare and submit a proposed budget to said governing body by the proper time; and;

WHEREAS, the above individuals did submit a proposed budget to the governing body on or before October 15, 2021 for its consideration, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purpose described below so as not to impair the operations of the District, and;

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 1, 2021 and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, certain facts and the best information available at the time of adoption of the 2022 budget were used in order to comply with the timely submittal of the mill levy to the County Commissioners of Douglas, Arapahoe and Jefferson County for certification for the 2022 budget. The budget for 2022 is adopted as presented.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH METRO FIRE RESCUE FIRE PROTECTION DISTRICT, COLORADO;

Section 1. That the estimated expenditures for each fund are as follows:

General Fund	\$ 168,775,761
Capital Projects Fund	13,592,635
Building Rental Fund	727,277
Cherry Hills Pension Fund	225,000
JACC Agency Fund	0
Self-Insured Medical Fund	13,680,000

TOTAL ALL EXPENDITURES \$197,000,673

Section 2. That the budgets as submitted and hereinabove summarized by fund, hereby are approved and adopted as the budgets of the South Metro Fire Rescue Fire Protection District for the year stated above.

Section 3. That the sums are here by appropriated from the revenues of each fund, to each fund stated hereinabove for the purposes stated in the budget

Adopted this 6th day of December 2021.



Jim Albee, Chairman
Board of Directors
South Metro Fire Rescue Fire Protection District

Attest:



William Shiver, Treasurer
Board of Directors
South Metro Fire Rescue Fire Protection District

RESOLUTION TO SET MILL LEVIES
Resolution No. 2021-10

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE SOUTH METRO FIRE RESCUE FIRE PROTECTION DISTRICT, COLORADO, FOR THE 2022 BUDGET YEAR.

WHEREAS, the Board of Directors of the South Metro Fire Rescue Fire Protection District has adopted the annual budget in accordance with the Local Government Budget Law, on December 6, 2021 and:

WHEREAS, the amount of money generated from property taxes necessary to balance the budget for general operation expense is \$125,723,047 and:

WHEREAS, the valuation for assessment for the South Metro Fire Rescue Fire Protection District as certified by the County Assessors is \$13,491,044,851 for the General Fund,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH METRO FIRE RESCUE FIRE PROTECTION DISTRICT, COLORADO;

Section 1. That for the purpose of meeting all general operating expenses of the South Metro Fire Rescue Fire Protection District during the 2022 budget year, there is hereby levied a tax of 9.25 mills upon each dollar of the total valuation for assessment of all taxable property within the South Metro Fire Rescue Fire Protection District.

Section 2. That for the purpose of collecting the 2021 abatements for South Metro Fire Rescue Fire Protection District, during the 2022 budget year, there is hereby levied a tax of 0.069 mills upon each dollar of the total valuation for assessment of all taxable property within the South Metro Fire Rescue Fire Protection District for the year 2022.

The Board of Directors hereby authorize and direct certifications to the County Commissioners of Douglas, Arapahoe, and Jefferson Counties, Colorado, the mill levies for the South Metro Fire Rescue Fire Protection District as hereinabove determined and set.

Adopted this 6th day of December, 2021.



Jim Albee, Chairman
Board of Directors
South Metro Fire Rescue Fire Protection District

Attest:



William Shiver, Treasurer
Board of Directors
South Metro Fire Rescue Fire Protection District

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the South Metro Fire Rescue Fire Protection District,
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the South Metro Fire Rescue Fire Protection District
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 7,107,887,812 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 7,073,963,986 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2021 for budget/fiscal year 2022
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>9.250</u> mills	\$ <u>65,434,167</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	9.250 mills	\$ 65,434,167
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	<u>0.069</u> mills	\$ <u>488,104</u>
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	9.319 mills	\$ 65,922,271

Contact person: (print) Dillon Miskimins Daytime phone: (720) 989-2211
 Signed:  Title: CFO

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Cherry Hills Fire Bond,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the South Metro Fire Rescue Fire Protection District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 570,138,517 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 570,138,517 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2021 for budget/fiscal year 2022
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	 mills	 \$
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): <u>Pension Plan</u>	<u>0.500</u> mills	\$ <u>285,069</u>
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	 <u>0.500</u> mills	 \$ <u>285,069</u>

Contact person: Dillon Miskimins Daytime phone: (720) 989-2211
 (print)
 Signed:  Title: CFO

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Jefferson County, Colorado.

On behalf of the South Metro Fire Rescue Fire Protection District,
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the South Metro Fire Rescue Fire Protection District
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 613,670,246 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 613,670,246 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2021 for budget/fiscal year 2022
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>9.250</u> mills	\$ <u>5,676,450</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	9.250 mills	\$ 5,676,450
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	<u>0.069</u> mills	\$ <u>42,343</u>
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	9.319 mills	\$ 5,718,793

Contact person: (print) Dillon Miskimins Daytime phone: (720) 989-2211
 Signed:  Title: CFO

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
 On behalf of the South Metro Fire Rescue Fire Protection District
 the Board of Directors
 of the South Metro Fire Rescue Fire Protection District**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$5,859,233,190** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area the tax levies must be calculated using the NET AV. The taxing entity 's total property tax revenue will be derived from the mill levy multiplied against the **NET** assessed valuation of: **\$5,803,410,619**

Submitted: *Marina Takacs* for budget/fiscal year 2022

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	9.250 mills	\$53,681,548
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	9.250 mills	\$53,681,548
3. General Obligation Bonds and Interest	0.000 mills	\$0
4. Contractual Obligations	0.000 mills	\$0
5. Capital Expenditures	0.000 mills	\$0
6. Refunds/Abatements	0.069 mills	\$400,435
7. Other	0.000 mills	\$0
8. Judgment	0.000 mills	\$0
TOTAL:	9.319 mills	\$54,081,983

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.). Use additional pages as necessary.

The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

No Bonds Available

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Fri, 10 Dec 2021