



Record of Proceedings

Jefferson County Communications Center Authority

Board of Directors

July 20, 2023, 9:00 am

This meeting was held in person and by Zoom video conference. It was accessible for the public to listen via phone conference.

I. CALL TO ORDER

The board meeting of the Jefferson County Communications Center Authority (Jeffcom) was called to order by Don Lombardi at 9:00am. This meeting was held in accordance with the applicable statutes of the state of Colorado.

II. ROLL CALL

President Don Lombardi (West Metro Fire)	Present
Vice President Joe Harvey (Golden PD)	Present
Secretary/Treasurer Mike Weege (EFD)	Present
Member Reggie Marinelli (Jeffco Sheriff's Office)	Present
Member Mike Piper (Arvada Fire)	Not Present
<i>Proxy Kirk Lock</i>	<i>Present</i>
Member Chris Murtha (Wheat Ridge PD)	Present
Member Ed Brady (Arvada PD)	Present
Member Phil Smith (Lakewood PD)	Present

Also in attendance were:

Jeff Streeter, Michael Brewer, Kevin Biegert, Gabrielle Rathfon, Jen Sandoval, Gina Ramirez, Ethan Honaman and Gayle Johnston.

Kathryn Winn of Collins, Cole, Flynn, Winn & Ulmer, PLLC

Brian Wilkerson of Talion Defense

Cathy Fromm with Fromm & Company LLC

Jeff Irvin of JCECA

Whitney Rosenfeld with Haynie and Company

Nick Brown with Carbyne

Tim David with Centennial National Financial Group

Adam Timm with The Healthy Dispatcher

Kris Inman with The Healthy Dispatcher

Melissa Alterio with The Healthy Dispatcher

Capt. Jeremy Hill with The Healthy Dispatcher

Mike Hendershot with Golden Police Department
Eric Sonstegard with Edgewater Police Department
Chris Malmgren with Pleasant View Fire Department
Kasey Beal with Golden Fire Department

III. PUBLIC COMMENT – (Limited to 3 minutes each)

No public comment

IV. APPROVAL OF RECORD OF PROCEEDINGS

MOTION: It was moved by Chris Murtha and seconded by Ed Brady to approve the record of proceedings of the board meeting for June 29, 2023. The motion was voted upon and approved unanimously.

V. REPORTS

A. Financial and Budget Update – Fromm and Company LLC

- Audited Financial Statements for 2022 – Ms. Whitney Rosenfeld with Haynie and Company presented the audit for the year ending December 31, 2022 and gave an overview of the financial highlights and financial statements. The report on the audit is an unmodified opinion on the financial statements. There were no new or usual accounting policies and there were no corrected misstatements to the financial statements. They are working on a presentation change with the office lease but will not change the net position. The PowerPoint is attached hereto and incorporated herein. (Addendum A)

MOTION: It was moved by Mike Weege and seconded by Kirk Lock to accept the 2022 audit report subject to modifications as presented. The motion was voted upon and approved unanimously.

- June 2023 Financial Statement – Cathy Fromm with Fromm and Company LLC presented the June financial statements and reviewed with the Board the comparison of budget to actual revenue and expenditures. Third quarter statements have been sent out to the member agencies and user groups. Talion Defense is overbudget due to the Cultural and Technical Assessments underway. Total expenditures are slightly under budget at 48%.

MOTION TO APPROVE THE JUNE 2023 FINANCIALS

It was moved by Joe Harvey and seconded Kirk Lock to adopt the June 2023 financials. The motion was voted upon and carried unanimously.

B. Executive Director Update

- General Updates
- CALEA – Jeffcom is currently under file review with interviews starting tomorrow and go into next week.
- ACE Accreditation – under file review, hoping to hear back in the next few weeks.
- Working with Brian Wilkerson and Adam Timm on data collection and interviews.

C. Legal Update

- Underway with the due diligence for the property at 440 Indiana St, Golden. Legal is currently reviewing the Title report, they received copies of the leases. The leases all end October 31, 2023. There will be an overlap between closing and when the leases end. The bond council does not anticipate any tax issues or problems with the lease agreement overlap. A phase one was complete in 2010. No problems are anticipated with closing.

VI. NEW BUSINESS

- Resolution 2023-04 Employee Handbook Amendment

MOTION TO APPROVE RESOLUTION 2023-04 EMPLOYEE HANDBOOK AMENDMENT

It was moved by Mike Weege and seconded by Chris Murtha to approve Resolution 2023-04 Employee Handbook Amendment. The motion was voted upon and carried unanimously.

- Resolution 2023-05 Approving a sole source contract with Carbyne, Inc. for call processing equipment

- Kevin Biegert, IT Director at Jeffcom 911 discussed with the board the extensive research that the CPE Search team conducted. Carbyne offers a comprehensive suite of advanced features and capabilities that will greatly improve Jeffcom’s ability to deliver 9-1-1 services. Jeffcom created a five-year capital plan knowing equipment would need to be replaced.

MOTION TO APPROVE RESOLUTION 2023-05 APPROVING A SOLE SOURCE CONTRACT WITH CARBYNE, INC. FOR CALL PROCESSING EQUIPMENT

It was moved by Ed Brady and seconded by Joe Harvey to approve Resolution 2023-05 approving a sole source contract with Carbyne, Inc. for call processing equipment. The motion was voted upon and carried unanimously.

- Lease-Purchase Financing Options for 440 Indiana St, Golden

- Tim David with Centennial National Financial Group has provided data to get Jeffcom the best rates. The best rate is from Capital One for a 15-year term loan at

4.776%. There is no prepayment penalty after three years. The goal is to stay as neutral as possible with Jeffcom's current lease agreement.

- Looking for board approval to move forward with Capital One for the purchase price of the building for \$4.8 million. It is possible to roll in closing costs and the bond council into the loan amount. Mr. Streeter recommended to the board to pay cash for the council and closing costs and keep the loan amount to \$4.8 million.
- The plan would be to maintain a portion of the current floor as a live backup center.
- The board asked for a spreadsheet of costs and timeline for the new building and anticipated construction expenses.

MOTION TO APPROVE MOVING FORWARD WITH THE LEASE-PURCHASE FINANCING OPTION WITH CAPITAL ONE

It was moved by Joe Harvey and seconded by Reggie Marinelli to approve moving forward with the lease-Purchase Financing Option with Capital One. The motion was voted upon and carried unanimously.

VII. OLD BUSINESS

- Cost Allocation Update and Technical Review – Brian Wilkerson
 - Mr. Wilkerson presented to the board the impact projections of the increased user fees. The spreadsheet is divided into two sections. The top section looks at the full increase in costs and the impact to the user agencies. The last column looks at what the impact would be to each user agency. The bottom half of the spreadsheet is two incremental options for cost increases. The increase for fire is 50% and law is 46%.
 - Question was asked on the life span of the service agreements and the price increases could not exceed CPI.
 - The board had previously agreed that these changes would be effective for the 2025 budget.
 - Ms. Winn looked at one service agreement and it states they are one-year contracts that renew automatically unless you give 90 days' notice and Jeffcom can increase the cost based on the cost to deliver service but are capped at what the Consumer Price Index (CPI) was for the previous 12 months (5%). Jeffcom has the option of increasing the costs 5% for 2024 and then with a notice of amendment for 2025 updating the fees to the user agencies. There is still the option when amending the contracts to do a tiered approach with a 30% increase in 2025 and the full 50% increase in 2026.
 - Mr. Wilkerson suggested for businesses that are heavily personnel based, the employee cost index is a better reflection than CPI.
 - Jeffcom has not imposed the CPI increase for the last 5 years and is now behind. It was suggested that in addition to the CPI increase annually, every five years there is a Jeffcom adjustment based on actual costs.
 - Mr. Wilkerson and Ms. Winn to work on the amendment and bring it back to the board.
 - The Spreadsheet is attached hereto and incorporated herein. (Addendum B)

- Technical Assessment – Mr. Wilkerson will have the analysis of the admin calls for the August board meeting and he is interviewing each agency regarding the technical assessment. Please look at your schedules and schedule a time.
- Cultural Study Update – The Healthy Dispatcher, Adam Timm
 - Mr. Timm introduced his consulting team on the project and gave a brief update on his process. The team has been reviewing documentation for the last two months, they conducted an anonymous survey and received 111 responses and this week they are at Jeffcom leading one on one interviews with employees. Over the next several months they will put together a 24-month strategic action plan.

VIII. EXECUTIVE SESSION

IX. ADJOURNMENT

MOTION: There being no further business to be presented it was moved by Mike Weege and seconded by Kirk Lock to adjourn the board meeting of the Jefferson County Communications Center Authority board of directors. The motion was voted upon and carried.

Meeting was adjourned at 10:29am.

JEFFERSON COUNTY COMMUNICATION CENTER AUTHORITY

Audit Presentation To The Finance Committee
For The Year Ending December 31, 2022

July 20, 2023



Agenda

- Engagement team
- Audit procedures
- Financial highlights
- Required communications
- Uncorrected misstatements
- Corrected misstatement



ENGAGEMENT TEAM

Christine McLeod, CPA, christinem@hayniecpas.com
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Audit Partner



Whitney Rosenfeld, CPA, whitneyr@hayniecpas.com
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Audit Manager



Hannah Shelter, hannahs@hayniecpas.com
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Audit Senior Associate



AUDIT PROCEDURES



Engagement status

- As of the date of this report, we have substantially completed our audit of the 2022 financial statements, pending completion of the following items:
 - Receipt of signed management representation letter
 - Subsequent events review through to financial statement approval date
 - Approval of financial statements by board of directors.

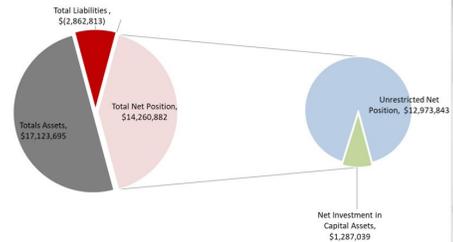
We conducted our audit in accordance with United States Generally Accepted Auditing Standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement.



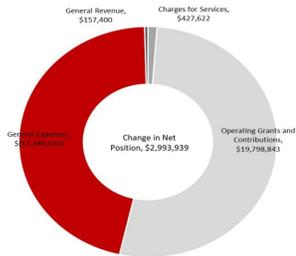
FINANCIAL STATEMENT HIGHLIGHTS



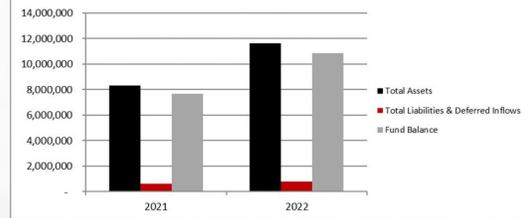
2022 Government-Wide Statement of Net Position Highlights



2022 Government-Wide Statement of Revenues, Expenditures, and Changes in Net Position Highlights



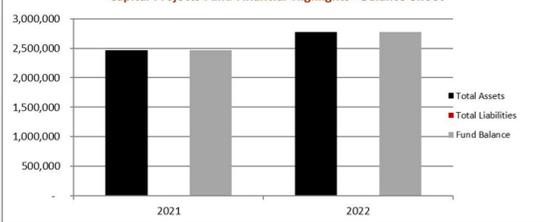
General Fund Financial Highlights - Balance Sheet



	Total Assets	Total Liabilities	Fund Balance
2021	8,317,999	630,470	7,687,529
2022	11,646,780	776,348	10,870,432



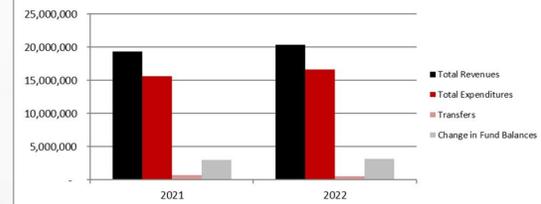
Capital Projects Fund Financial Highlights - Balance Sheet



	Total Assets	Total Liabilities	Fund Balance
2021	2,468,220	2,468,220	0
2022	2,776,667	5,863	2,771,004

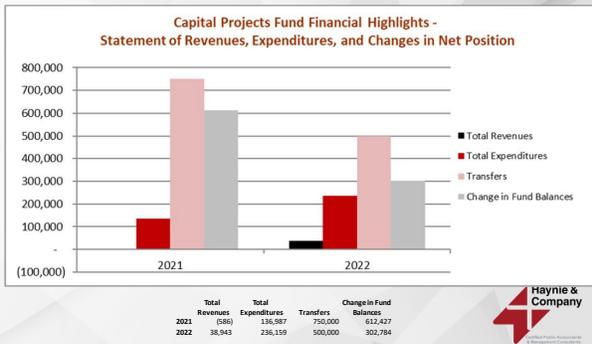


General Fund Financial Highlights - Statement of Revenues, Expenditures and Changes in Fund Balances



	Total Revenues	Total Expenditures	Transfers	Change in Fund Balances
2021	19,358,989	15,598,427	750,000	3,010,562
2022	20,344,922	16,662,019	500,000	3,182,903





Notes and Supplemental Info

- Significant Accounting Policies (Note 2, pg. 7)
- Capital Assets (Note 4, pg. 14)
- Long-Term obligations (Note 5, pg. 15)
- Budget to actual – General Fund (pg. 6)
- Budget to actual – Capital Projects Fund (pg. 18)

REQUIRED COMMUNICATIONS

Selection of, or changes in, accounting policies or their application

- No changes in accounting policies or their application

Accounting estimates

- Management's estimate of the depreciable lives and estimated residual value of property and equipments based on management's experience with similar assets

Disagreements with management

- We encountered no disagreement with management about matter that, individually or in the aggregate, could be significant to
 - The District's financial information
 - Our audit procedures

Difficulties encountered in performing the audit

- No difficulties were encountered

Management consultation with other accountants

- We are not aware of any consultation management had with other accountants about significant review or accounting matters.

Management representation

- Management will sign a representation letter prior to issuance of the report.

Other matters

- Supplementary information - in relation to opinion

UNCORRECTED MISSTATEMENTS

Uncorrected misstatements

UPDATED FROM WHAT WAS PRESENTED

- (Not material to the financials) true-up invoice that came in late into the audit related to the previous year:

Proposed Journal Entries		
Proposed Journal Entry, #1, 4, 7	8/18/14	
Proposed Entry for Interest True-Up Entry		31,485.57
15,200,000	Payable Cash Short	
15,200,000	Accounts Payable	31,485.57
Total		31,485.57



CORRECTED MISSTATEMENTS



Corrected misstatements

- Corrected misstatements include those corrected misstatements, other than those that were clearly trivial, related to accounts and disclosures that might not have been detected except through the audit procedures performed.
- There were no corrected misstatements



QUESTIONS AND ANSWERS



THANK YOU!



Potential User Fee Impact Analysis

July 7, 2023

2022 CFS	Current \$/CaFS	Projected Current Cost	Future \$/CFS (50% Fire, 46% LE Increase)	Projected Future Cost	\$ Change
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CO School of Mines PD	332	\$ 27.00	\$ 8,964	\$ 39.55	\$ 13,131	\$ 4,167
Edgewater PD	1,631	\$ 27.00	\$ 44,037	\$ 39.55	\$ 64,506	\$ 20,469
Lakeside PD	1,237	\$ 27.00	\$ 33,399	\$ 39.55	\$ 48,923	\$ 15,524
Morrison PD	193	\$ 27.00	\$ 5,211	\$ 39.55	\$ 7,633	\$ 2,422
Mountain View PD	120	\$ 27.00	\$ 3,240	\$ 39.55	\$ 4,746	\$ 1,506
Elk Creek Fire	1,190	\$ 43.00	\$ 51,170	\$ 64.70	\$ 76,993	\$ 25,823
Fairmount Fire	878	\$ 43.00	\$ 37,754	\$ 64.70	\$ 56,807	\$ 19,053
Foothills Fire	265	\$ 43.00	\$ 11,374	\$ 64.70	\$ 17,113	\$ 5,740
Genesee Fire	98	\$ 43.00	\$ 4,193	\$ 64.70	\$ 6,308	\$ 2,116
Golden Gate Fire	72	\$ 43.00	\$ 3,096	\$ 64.70	\$ 4,658	\$ 1,562
Highland Rescue	388	\$ 43.00	\$ 16,684	\$ 64.70	\$ 25,104	\$ 8,420
Indian Hills Fire	150	\$ 43.00	\$ 6,450	\$ 64.70	\$ 9,705	\$ 3,255
Inter Canyon Fire	357	\$ 43.00	\$ 15,351	\$ 64.70	\$ 23,098	\$ 7,747
North Fork Fire	129	\$ 43.00	\$ 5,547	\$ 64.70	\$ 8,346	\$ 2,799
Pleasant View Fire	610	\$ 43.00	\$ 26,230	\$ 64.70	\$ 39,467	\$ 13,237

	Cost w/15% Increase	\$ Change	Cost with 30% Increase	\$ Change
CO School of Mines PD	\$ 10,309	\$ 1,345	\$ 11,653	\$ 2,689
Edgewater PD	\$ 50,643	\$ 6,606	\$ 57,248	\$ 13,211
Lakeside PD	\$ 38,409	\$ 5,010	\$ 43,419	\$ 10,020
Morrison PD	\$ 5,993	\$ 782	\$ 6,774	\$ 1,563
Mountain View PD	\$ 3,726	\$ 486	\$ 4,212	\$ 972
Elk Creek Fire	\$ 58,846	\$ 7,675	\$ 66,521	\$ 15,351
Fairmount Fire	\$ 43,417	\$ 5,663	\$ 49,080	\$ 11,326
Foothills Fire	\$ 13,080	\$ 1,706	\$ 14,786	\$ 3,412
Genesee Fire	\$ 4,821	\$ 629	\$ 5,450	\$ 1,258
Golden Gate Fire	\$ 3,560	\$ 464	\$ 4,025	\$ 929
Highland Rescue	\$ 19,187	\$ 2,503	\$ 21,689	\$ 5,005
Indian Hills Fire	\$ 7,418	\$ 967	\$ 8,385	\$ 1,935
Inter Canyon Fire	\$ 17,654	\$ 2,303	\$ 19,956	\$ 4,605
North Fork Fire	\$ 6,379	\$ 832	\$ 7,211	\$ 1,664
Pleasant View Fire	\$ 30,165	\$ 3,935	\$ 34,099	\$ 7,869