



**South Metro Fire Rescue
Finance Division**

**2027 Budget Workshop
October 5, 2026
Board of Directors**

**Key Assumptions:
Working Model of Long-Term Plan
&
Budget Development Timeline**

Supplement to Long Term Plan



Budget Development Timeline – Proposed

5/4-5/5/2026

Budget Kickoff with Chief Curtis and ETeam- Review Preliminary Long Term Plan Scenarios,
Discuss Budget Calendar, Identify Messaging to Divisions

5/18/2026

Present Long Term Plan and Budget Calendar to Finance & Audit Committee

6/15/2026

Budget Kickoff Work Session: 10 Year Plan Draft

July 2026

Divisions Submit Operating Requests and Project/meeting OT
Divisions Submit Capital Requests: Including infrastructure, equipment, and vehicle requests

8/3/2026

Budget Work Session
Non-Property Tax Revenue Discussions
Break Out Other Income

8/24/2026

Q2 Reports

9/14/2026

Budget Work Session:
Property Tax and Abatements
Operational Requests
Total Compensation Updates

10/5/2026

Budget Work Session
Long Term Plan / Long Term Capital Plan - Balanced Target at least YE 2031
Updated Revenue & Expenditure Estimates
Self Insured Medical Fund / Building Rental Fund / Cherry Hills Pension Fund

10/14/2026

Propose Budget by E-Mail (10/15 Deadline)

10/19/2027

Review Proposed Budget

11/2/2026

2027 Budget Hearing

11/16/2026

2027 Budget Adoption Hearing

12/15/2026

Deadline to Ratify Mills and Submit to Counties for Certification

1/1/2027

Budget Live in D365

By 1/31/2027

Submit Budget to State



Long-Term Plan: Key Assumptions (As of October 2, 2026)

Key Revenue Assumptions

Property Taxes	2027 Revenues are 2.0% Lower than 2026 Budget due to HB24b-1001 assessment rate changes with the base cap up to \$70K or 10% (whichever lower) and collection trends - Based on Preliminary Assessment Values (AV); Final AV provided December 10 - Includes recent historical decline between Preliminary and Final AV values & delayed collection
Abatements	2027 Prelim Values of \$1.6M - Did not collect for 2026 (\$1.4M) - Board will vote each year
Specific Ownership Tax	18% Increase from 2026 Budget - based on Q2 actuals confirmed with County Treasurers - Volume projections remain conservative given historical variability reflecting current trends in vehicle and registration activity.
Ambulance Transport Fees	- Reset baseline to reflect current trends in payor mix 2027 Rate Modeled at 7% Increase (from \$1,900/transport + \$31/mi. to \$2,033/transport + \$33.16/mi) - Final revenue impact balances rate increase, projected payor mix shift, and increased number of transports.
Medicaid Supplemental Fee	- State continues to advise caution, provides no guarantee; but we are projecting conservatively due to receiving 2026 and launching review process for 2027 - Received \$7.5M for 2026
Permit / Plan Review Fees	6.0% Increase from 2026 Budget - Proposed revenue increase is tied to estimated Salary Increase (will update based on Korn Ferry) + 2.0% additional increase to move towards cost recovery 2026 Actuals Support Baseline Parker Activity used to calculate Proposed Budget
Other Income & Other Factors	Now broken into individual lines for Net Investment Income, Dispatch Fees, Rental Income, Sale of Assets, Grants, Reimbursements, and Miscellaneous Income: Reflects 1% Increase over 2026 Budget - Grants and Reimbursements have minimal impact to bottom line since they offset additional expenses - Net Investment volatility based on market, estimated at 2% of expected fund balance - Other Factors Include JACC Revenue, Leases GASB 87 Revenue & SBITA GASB 96 Revenue - all directly offset related expenses



Key Expenditure Assumptions

Salaries

- 4.0% Salary Increase in 2027 Reflects Line CBA (Collective Bargaining Agreement)
- 2027 Staff Salary Based on Korn Ferry Data
- 3.7% Salary Increase in 2028 and Beyond Reflects 10-Year Inflation Average
- Includes 3 Academies / 64 Recruits
- Separately Listed: Alternate Response (Med 3 Response, 7 New Transport Medics, and New Staff in Out Years)

Benefits

- 38.4% 2026 Budgeted Blended Rate (vs. 38.8% in 2026)
- Assumes Continuing Kaiser & Cigna at same budgeted enrollment mix
- \$615k buy down of rates using Medical Fund fund balance

Operating Expenses

- 13.8% Net Increase vs 2026 based on Division Submissions
 - Operational Costs flat from 2022-2025
- Professional Development Listed Separately

Capital Expenses

- Equipment: \$7.1M Planned
- Facilities: \$20.9M Planned: Includes Full Maintenance Allocation and 1 Year of Expenses for: 1 Station Renovation, 1 Station Rebuild, and Fleet Center
- Vehicles: \$8.3M Planned: Current pre-orders, with some delays to 2027/2028
- Total: \$36.3M