



# South Metro Fire Rescue

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Board of Directors  
2024 Budget Update

# Property Taxes

Property Taxes w/o Backfill	SB 22-238	SB 23-303	SB 23B-001 (Est)	SB 23B-001 (Final Cert)
<b>Arapahoe</b>	\$79,901,124	\$77,655,497	\$77,743,280	\$77,387,235
<b>Douglas</b>	\$69,094,730	\$66,826,097	\$66,608,387	\$68,065,705
<b>Jefferson</b>	\$6,699,279	\$6,399,243	\$6,366,831	\$7,215,828
<b>Total</b>	<b>\$155,695,133</b>	<b>\$150,880,837</b>	<b>\$150,718,498</b>	<b>\$152,688,768</b>

Backfill	SB 22-238	SB 23-303	SB 23B-001 (Est)	SB 23B-001 (Est w. Final)
<b>Arapahoe</b>	\$3,208,257	\$3,208,257	\$5,408,280	\$5,816,558
<b>Douglas</b>	\$1,923,685	\$1,923,685	\$4,904,024	\$2,797,156
<b>Jefferson</b>	\$287,834	\$287,834	\$600,501	\$629,711
<b>Total</b>	<b>\$5,419,776</b>	<b>\$5,419,776</b>	<b>\$10,912,805</b>	<b>\$9,243,425</b>

Property Taxes w/ Backfill	SB 22-238	SB 23-303	SB 23B-001 (Est )	SB 23B-001(Est. w. Final)
<b>Arapahoe</b>	\$83,109,381	\$80,863,754	\$83,151,560	\$83,203,793
<b>Douglas</b>	\$71,018,415	\$68,749,782	\$71,512,411	\$70,862,861
<b>Jefferson</b>	\$6,987,113	\$6,687,077	\$6,967,332	\$7,845,539
<b>Total</b>	<b>\$161,114,909</b>	<b>\$156,300,613</b>	<b>\$161,631,303</b>	<b>\$161,912,193</b>



# 2024 Final Budget

## SB 23B-001

	Audit 2022	Budget 2023	Forecast 2023	SB 22-238 Budget v1 2024	SB 23-303 Budget v2 2024	SB 23B-001 Budget v3 2024	SB 23B-001 Budget v4 2024
<b>Revenues</b>							
Property Taxes	124,988,592	124,574,007	123,888,244	161,114,910	156,300,614	161,631,303	161,912,193
Specific Ownership Tax	9,508,226	9,690,566	9,690,566	9,690,566	9,690,566	9,690,566	9,690,566
Ambulance Transport Fees	12,769,267	13,270,944	13,503,168	13,939,551	14,357,722	14,357,722	14,357,722
Medicaid Supplemental Fee	6,951,772	7,368,878	7,433,403	7,811,011	7,842,240	7,842,240	7,842,240
Permit/Plan Review Fees	2,450,898	2,300,625	2,300,625	2,185,594	2,243,109	2,243,109	2,243,109
Other Income	4,106,652	3,580,745	5,069,647	2,137,135	2,337,135	4,633,010	4,633,010
Leases (GASB 87)	194,968	-	194,980	194,980	194,980	194,980	194,980
<b>Total Revenues</b>	<b>160,970,375</b>	<b>160,785,765</b>	<b>162,080,633</b>	<b>197,073,747</b>	<b>192,966,366</b>	<b>200,592,930</b>	<b>200,873,820</b>
<b>Expenses</b>							
Salaries	(83,956,390)	(90,951,268)	(91,701,268)	(98,564,185)	(98,666,561)	(98,666,561)	(98,666,561)
Benefits	(34,258,351)	(37,765,945)	(37,265,945)	(39,658,125)	(39,313,569)	(39,313,569)	(39,313,569)
Overtime	(10,522,624)	(11,823,027)	(9,514,027)	(9,856,418)	(9,856,418)	(9,856,418)	(9,856,418)
Treasurers fees	(1,877,465)	(1,868,873)	(1,868,873)	(2,416,724)	(2,344,509)	(2,424,470)	(2,428,683)
Operating Expenses	(21,040,623)	(21,010,686)	(21,010,686)	(20,942,932)	(20,942,932)	(21,438,807)	(21,434,594)
Leases (Contract Obligation)	(194,968)	-	(194,980)	(194,980)	(194,980)	(194,980)	(194,980)
Leases (Annual)	(454,335)	-	(514,300)	(514,300)	(514,300)	(514,300)	(514,300)
<b>Total Expenses</b>	<b>(152,304,757)</b>	<b>(163,419,799)</b>	<b>(162,070,079)</b>	<b>(172,147,664)</b>	<b>(171,833,269)</b>	<b>(172,409,105)</b>	<b>(172,409,105)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers To Other Funds	(15,000,000)	-	-	(25,000,000)	(23,000,000)	(30,000,000)	(30,000,000)
Transfers From Other Funds	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(15,000,000)</b>	<b>-</b>	<b>-</b>	<b>(25,000,000)</b>	<b>(23,000,000)</b>	<b>(30,000,000)</b>	<b>(30,000,000)</b>
<b>Net Change in Fund Balance</b>	<b>(6,334,382)</b>	<b>(2,634,033)</b>	<b>10,554</b>	<b>(73,917)</b>	<b>(1,866,903)</b>	<b>(1,816,175)</b>	<b>(1,535,284)</b>
<b>Ending Fund Balance</b>	<b>41,893,887</b>	<b>39,259,854</b>	<b>41,904,442</b>	<b>41,830,524</b>	<b>40,037,539</b>	<b>40,088,267</b>	<b>40,369,157</b>
<b>Reserve Threshold (%)</b>	<b>28%</b>	<b>24%</b>	<b>26%</b>	<b>24%</b>	<b>23%</b>	<b>23%</b>	<b>23%</b>

% Change vs 2023 Budget	% Change vs 2023 Forecast	% Change vs 2024 Budget v3
29.97%	30.69%	0.17%
0.00%	0.00%	0.00%
8.19%	6.33%	0.00%
6.42%	5.50%	0.00%
(2.50%)	(2.50%)	0.00%
29.39%	(8.61%)	0.00%
	0.00%	0.00%
<b>24.76%</b>	<b>23.76%</b>	<b>0.14%</b>
8.48%	7.60%	0.00%
4.10%	5.49%	0.00%
(16.63%)	3.60%	0.00%
29.95%	29.95%	0.17%
2.02%	2.02%	(0.02%)
	0.00%	0.00%
	0.00%	0.00%
<b>5.50%</b>	<b>6.38%</b>	<b>0.00%</b>
		0.00%
		<b>0.00%</b>
<b>2.83%</b>	<b>(3.66%)</b>	<b>0.70%</b>





# Questions

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# Property Taxes

	SB 21-293	SB 22-238	SB 23-303	SB 23B-001
<b>Residential</b>	6.950% Residential 6.800% Multifamily <i>No valuation reduction</i>	6.765% <i>after \$15,000 reduction</i>	6.700% <i>after \$50,000 reduction</i>	6.700% <i>after \$55,000 reduction</i>
<b>Commercial</b>	29.000% <i>No valuation reduction</i>	27.900% <i>after \$30,000 reduction</i>	27.850% <i>after \$30,000 reduction</i>	27.900% <i>after \$30,000 reduction</i>
<b>Agricultural</b>	26.400%	26.400%	26.400%	26.400%
<b>All Others</b>	29.000%	27.900%	27.850%	27.900%
<b>Backfill</b>	None	90% of property tax revenue reduction attributed to SB 22-238	90% of property tax revenue reduction attributed to SB 22-238	90% and 100% of property tax revenue reduction attributed to SB 22-238 and SB 23B- 001, respectfully
<b>Final Valuation Certifications</b>	December 10, 2023	December 10, 2023	December 29, 2023	January 3, 2024
<b>Adopt Budget and Certify Mill Levy</b>	December 15, 2023	December 15, 2023	January 5, 2024	January 10, 2024

# Budget Revisions

- 2024 Budget Changes:
  - Revised Property tax to final certifications and estimated backfill for an increase of \$280k
  - Treasurers Fees increased by \$4k due to changes in Property Tax Revenue
  - Operating Expenses decreased by \$4k
- Timeline
  - Annual budget adopted and mill levy certified on January 8<sup>th</sup> Meeting
  - Annual budget filed with the State by January 31, 2024



# Cybersecurity Update

# JR Noble, CISSP

# Sr. Systems & Security Analyst



# *Team Information*

## Team

18 staff

## Supporting

~1,400 (users & devices)

## Location

Mineral HQ





# ***Crossing the Cyber Rubicon***

## **Today's Threat Environment**

**\$2.7b** Financial losses from Business Email Compromise (phishing) in 2022 (source FBI IC3 report)

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**51%** Increase in ransomware attacks against SLTTs from 2022-2023 (source MS-ISAC)

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**1/3** Global internet use is social media (source DIA conference)

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**925** Phishing emails reported at SMFR in 2023 (source KnowBe4 data)

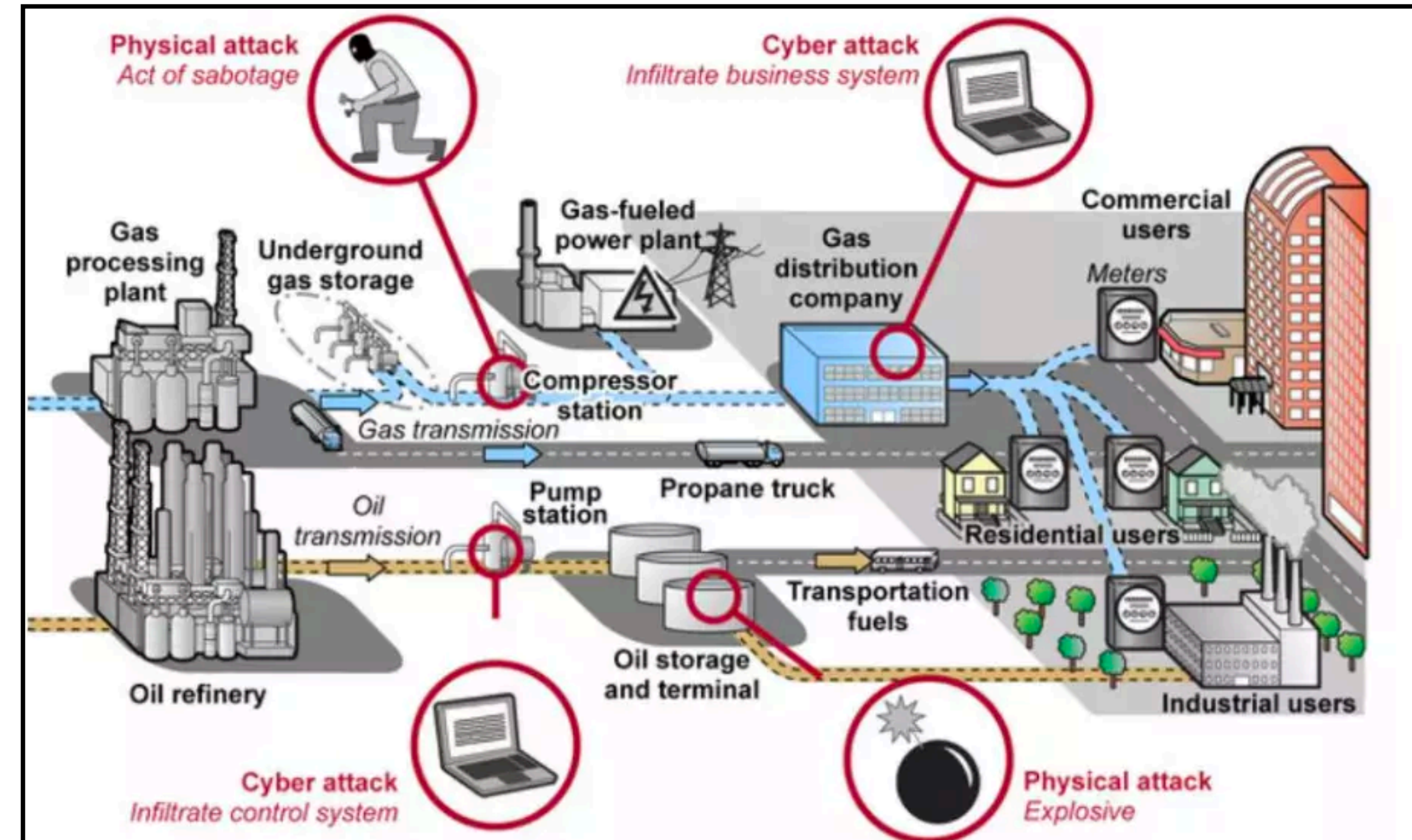
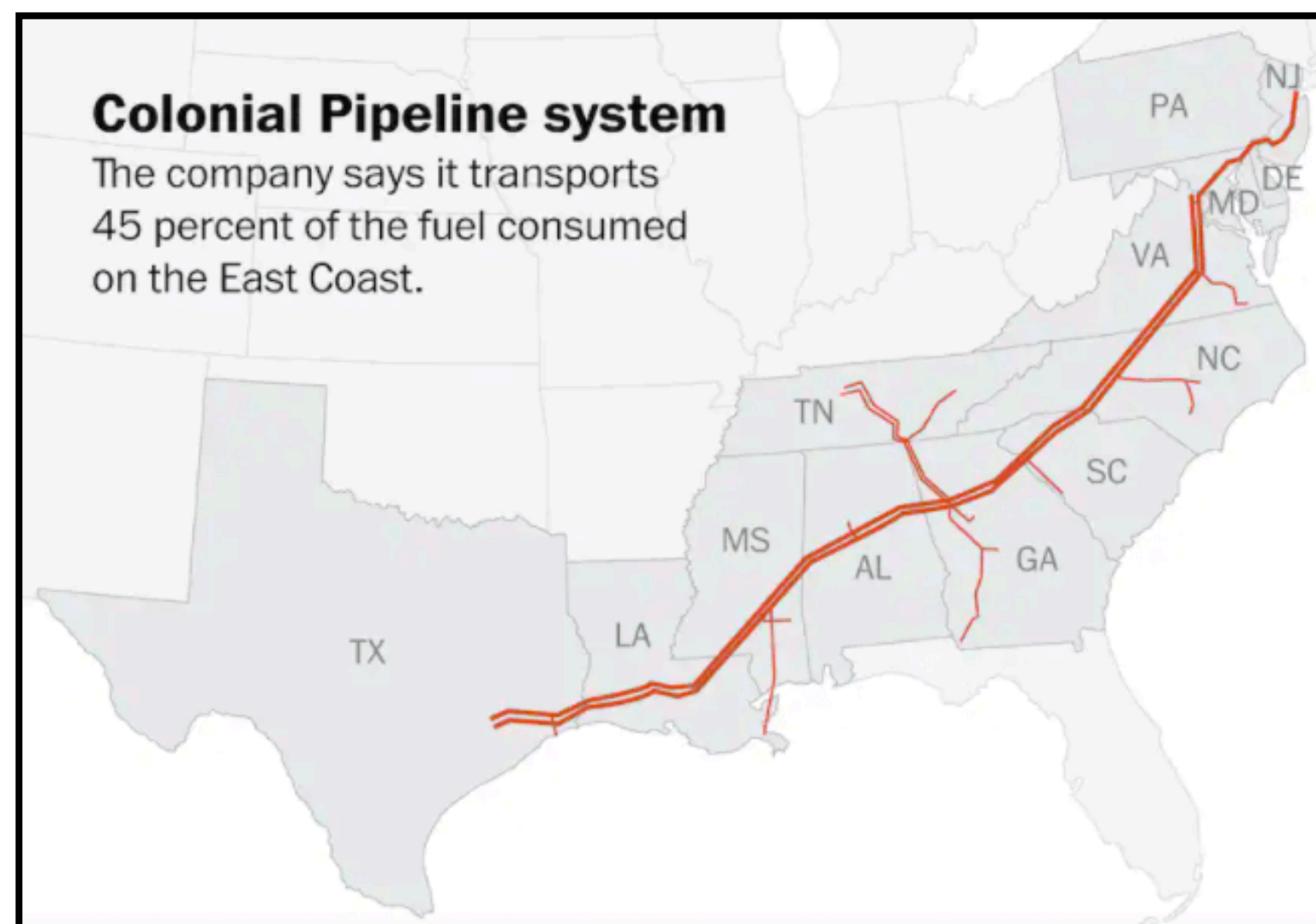
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**1.2m** Residents affected by Dallas, TX ransomware attack forcing manual 911 call taking  
(source DFW local NBC station)

# Colonial Pipeline

## Started with 1 phishing email

- A single individual, a single mistake
- Infiltrated IT systems & connections with OT systems
- 50 million customers
- Transports 45% of all fuel consumed on East coast
- \$5 million ransom paid



**A phishing email sent to the right person, with the right amount of detail  
– will be successful**



# ***Whole of Agency***

## **Communication, Partnership, Information Sharing**

- Operational resilience by raising security awareness
- Get it “less wrong” than the other guy
- Environment of persistent change
- Data is the new black - fabric of everything
- Credentials = Trust

**Security is a team sport — and every day is game day**



**I WANT YOU  
TO STOP CLICKING**

KnowBe4  
Human error. Conquered.



# Security Snapshot & Metrics

## Crown Jewel Analysis

*Assessing IT convergence points*

### **Software Systems**

137 (Desktop apps, Web Apps, etc)

### **Devices**

1,044 (Workstations, phones, etc)

### **Networking Related**

357 (Routers, switches, etc)

## Email Security

*From 1/1/21 – 7/18/23*

### **Phishing Messages Reported**

925

### **Critical Severity**

20% (197)

### **Messages Reported Monthly**

39

## Configuration Hardening

*Standards-based configurations*

### **Devices**

1,044 (Workstations, servers, etc)

### **Config group A starting score**

33%

### **Config group A after score**

100%

# NIST Cybersecurity Framework

## Managing Risk Decision Making

### IDENTIFY

Business continuity  
Security Policies  
LogMeIn  
Asset Inventory  
Software Inventory

### PROTECT

Active Directory  
Cortex XDR  
Firewall  
KnowBe4  
O365 Security Suite  
O365 Defender

### DETECT

ArcticWolf  
Cortex XDR  
Firewall  
O365 Security Suite  
O365 Defender

### RESPOND

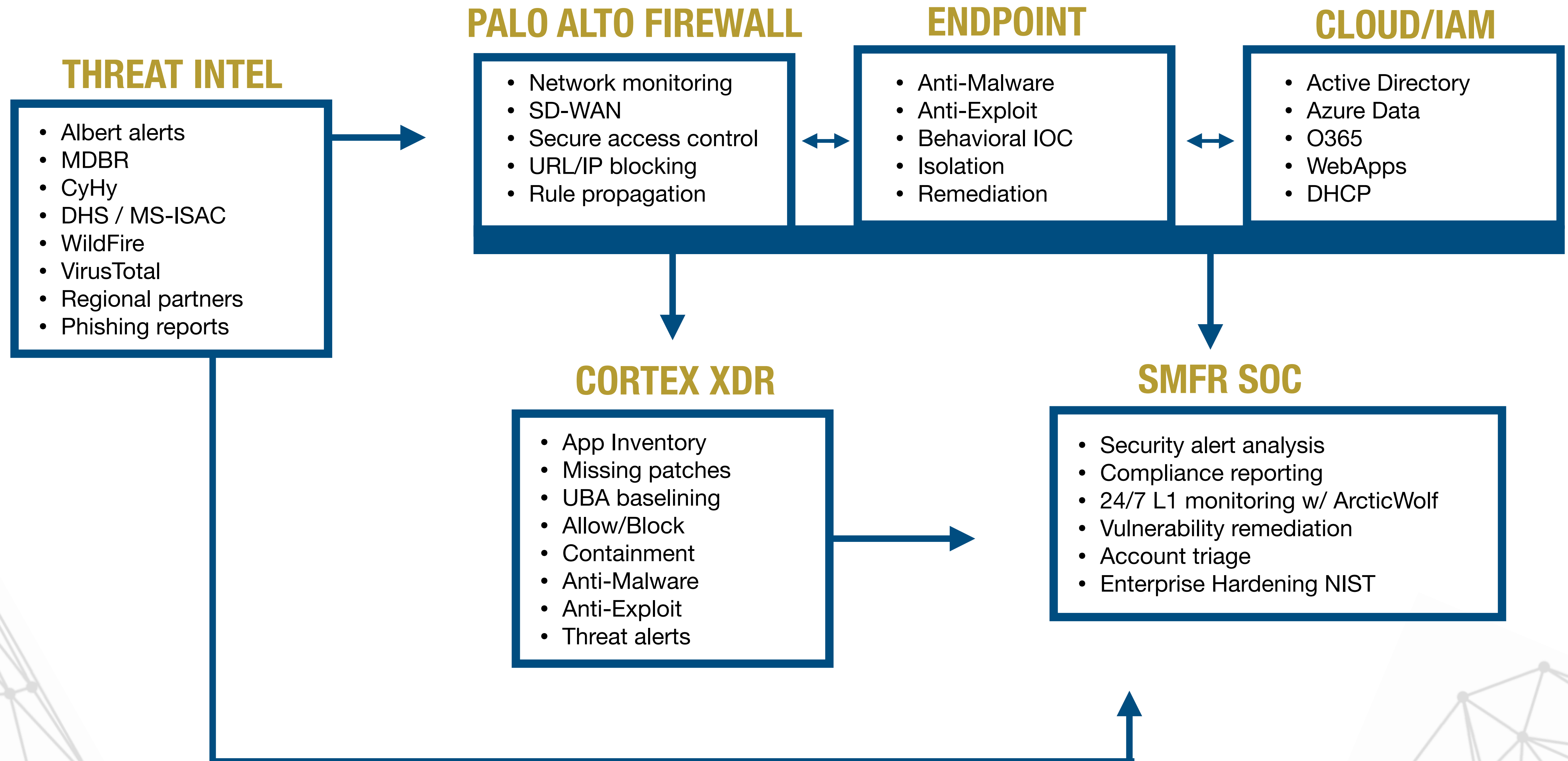
ArcticWolf  
Cortex XDR  
Firewall  
LogMeIn  
O365 Security Suite  
O365 Defender

### RECOVER

Business continuity  
Backup strategy  
Recovery planning  
Communications



# Security Architecture



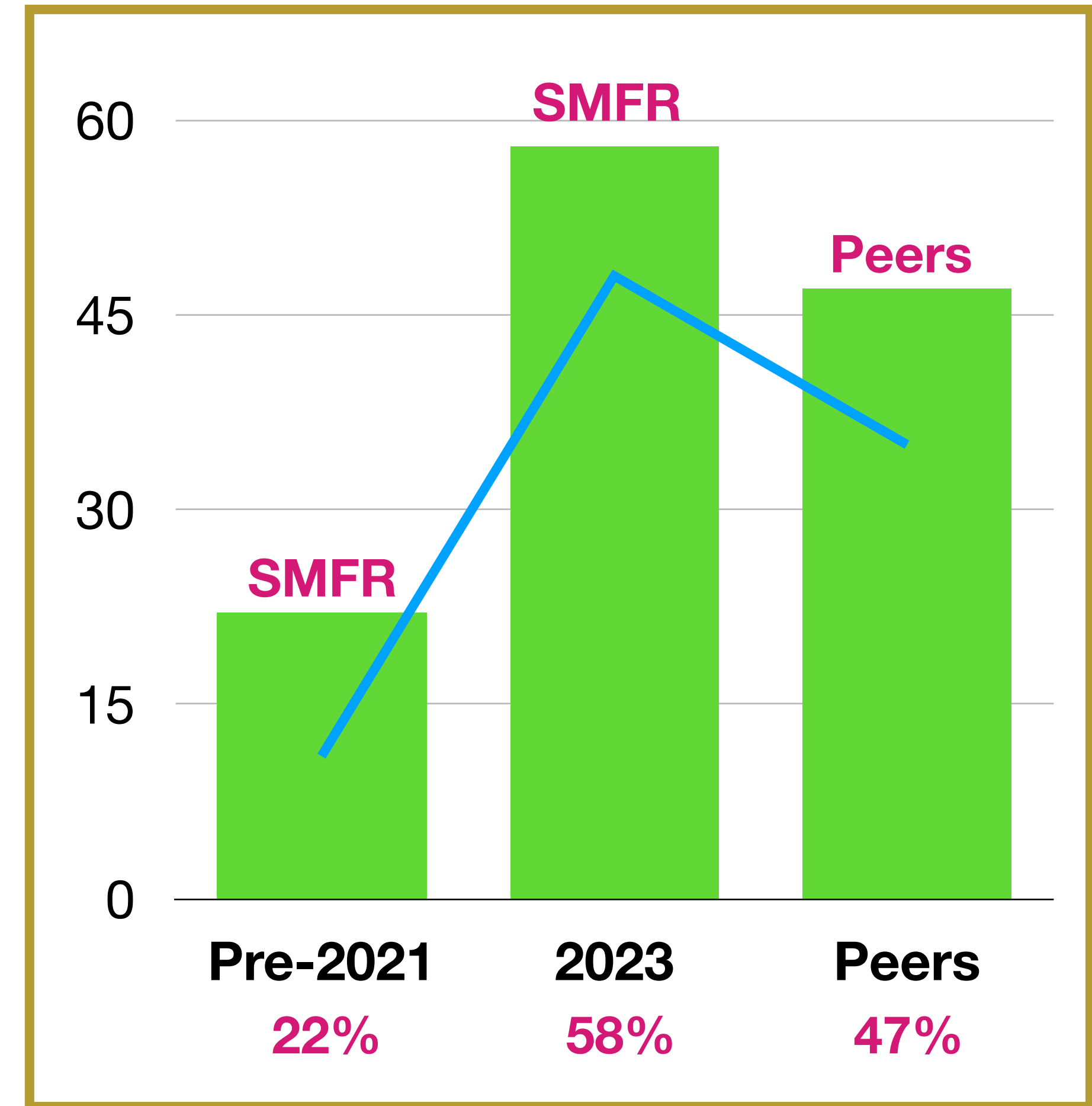
# O365 Security Growth

## Microsoft security enhancements

Security posture measurement based on industry benchmarks & KPIs

### Example Enhancements

- Anti-spam + malware + phishing protections
- URL scanning & attachment filtering
- Restrict international logins
- Enforce multi-factor on more applications
- Blocking insecure networking protocols



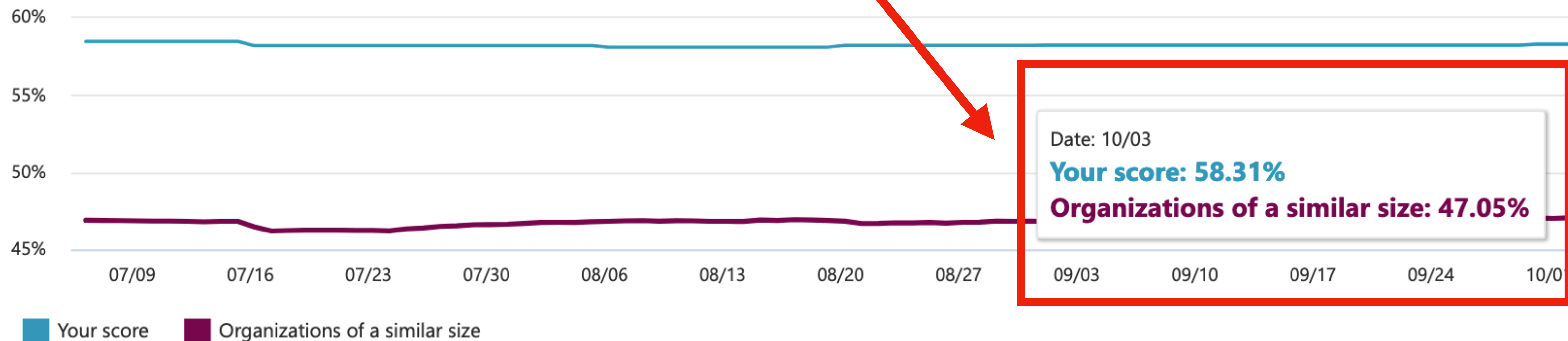
**SMFR 2023 Secure Score**  
58% (11% better than peers)

# Microsoft Secure Score

***11% better than peers***

## Comparison trend

How your organization's Secure Score compares to others' over time.





# Device & Network Protection

## Threat Detection & Response

- Replaced legacy security technologies (antivirus, remediation, etc)
- Enhanced network firewall and security
- Standards-based configuration baselines for systems
- Ingesting threat intelligence from partner agencies
- MS-ISAC membership



# Challenges

## Known Knowns, Known Unknowns, Unknown Unknowns

- What is the system? Who uses it?
- What data does it contain?
- Who has authority to “pull the plug”?
- Is it secure? When was it updated? Can it be?
- Do we need it? Can we get rid of it?





# Questions?

