



Denver Fire Department Audit Findings

Health & Safety Committee Presentation

Wednesday, June 3, 2026

Desmond G. Fulton

Fire Chief

Introduction & Background

The Denver Auditor's Office audited four Intergovernmental Agreements (IGAs) for fire support among the Denver Fire Department (DFD) and Englewood, Glendale, Sheridan and the Skyline Fire Protection District to assess DFDs agreement renewal process and oversight.

- For more than 20 years, the Denver Fire Department has provided fire support services to nearby communities through IGAs.
- Denver Fire provides fire suppression and other fire-related services to Englewood, Glendale, Sheridan, and the Skyline Fire Protection District through IGAs.
- The length of the IGAs vary, but most are long-term agreements, spanning 10 years or more.
- The first IGA was signed with Glendale in 2004, and three others followed from 2008 through 2015.
- The Sheridan and Skyline Fire Protection District IGAs were renewed in 2025.
- A joint advisory board associated with each agreement resolves any disputes that occur between Denver and each municipality. The agreements define the required services, payments, and other responsibilities of Denver and each municipality.

The audit found gaps in Denver Fire's administrative processes associated with these IGAs.

Denver Fire Department's IGAs

Englewood

2026 Revenue: \$7.3M *Increases by 3%*

Scope: Fire protection services

Term: 6/1/15 - 12/31/35

Glendale

2026 Revenue: \$3.0M *Increases by 3%*

Scope: Fire protection services

Term: 1/1/18 - 12/31/38

Sheridan

2026 Revenue: \$2.6M *Increases by 3%, 4% and 5% each year*

Scope: Fire protection services

Term: 1/1/2013 - 12/31/2028 (3 yr. review/renewal)

Skyline

2026 Revenue: \$445K *Mill based*

Scope: Fire protection services

Term: 1/1/2025 - 12/31/2035 (We review it every 3 years)

Denver Fire Department Maps of the IGA Firehouses

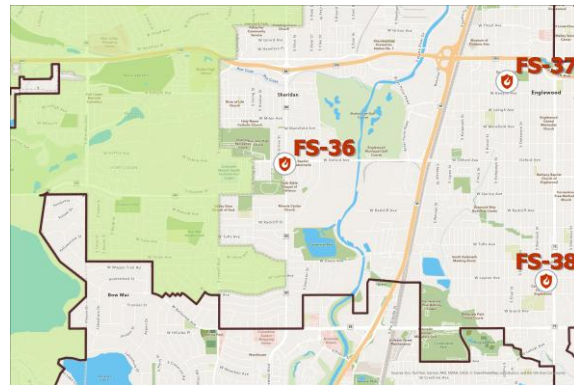
Station 5

999 S. Clermont St., Glendale, CO 80246



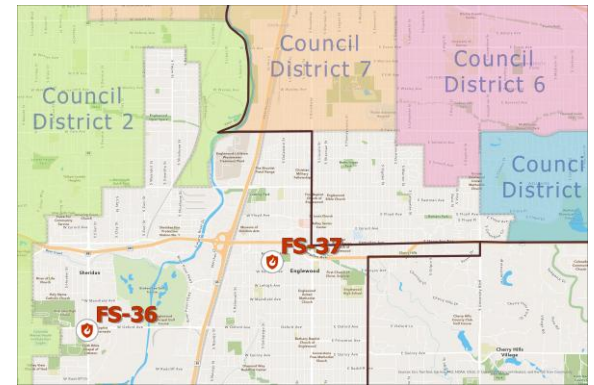
Station 36

4101 S. Federal Blvd., Sheridan, CO 80110



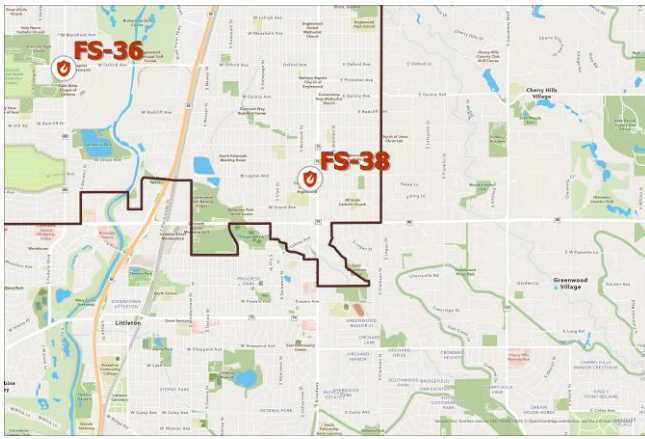
Station 37

555 W. Jefferson Ave., Englewood, CO 80110

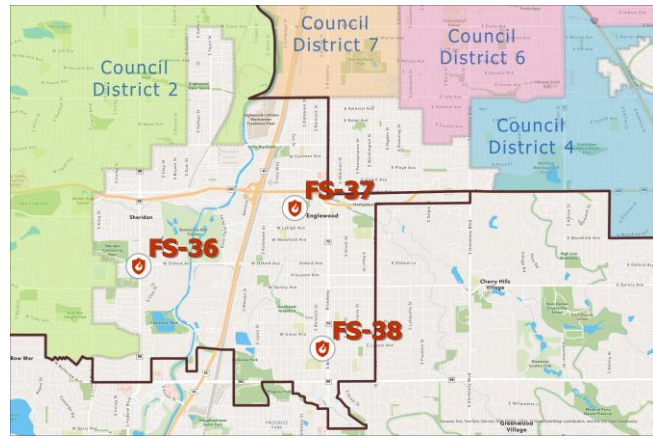


Denver Fire Department Map of IGA Firehouse 38 & the South End

Station 38
4830 S. Acoma St., Englewood, CO 80113



South



Audit Findings

- Representatives from Englewood, Glendale, Sheridan and the Skyline Fire Protection District said they have established positive working relationships with the DFD and are satisfied with the services provided.
- Some administrative processes for the city's IGAs for fire support need improvement.

Recommendations: Renewal Process & Agreements

Recommendation 1.1

Develop and document formal renewal process: Denver Fire Department (DFD) leaders should develop and document a formal process for renewing the IGAs. The process should include, at a minimum, a description of:

- Required participants.
- Participant roles and responsibilities.
- Key provisions to be revisited for continued accuracy and relevance.
- A timeline of milestones.
- Documentation to be created.
- Document retention processes.

DFDs Response

The Denver Fire Department shall maintain a formal process for renewing its I.G.A. agreement(s) for emergency services. The Fire Chief maintains approval authority. The Finance Division coordinates timelines and documentation. Partner agencies and the City Attorney's Office participate in review and legal sufficiency. Key provisions — including service scope, cost-sharing, and performance standards shall be reassessed at each renewal. The process shall be initiated 180 days prior to expiration.

Recommendations: Renewal Process & Agreements

Recommendation 1.7

Develop a plan to revise agreements, as necessary: DFD leaders should develop and document a plan to revise the IGAs, as necessary, based on the decisions made with Recommendation 1.6.

DFDs Response

Acknowledge and agree with assessment and recommendation outline.

Recommendations: Financial Focus

Recommendation 1.2

Establish a process for tracking costs: DFD leaders should work with the department's finance team to develop, document, and implement a process for tracking the actual costs associated with Denver Fire providing fire support to the four municipalities. This process should also include details on the methodologies used and limitations affecting the cost calculations.

DFDs Response

Denver Fire will build and implement a process for tracking the actual costs associated with all current IGA's. Including details on the methodologies used and limitations affecting the cost calculations. This process shall identify all direct and indirect cost components, define the methodologies used for calculation, and document known limitations affecting cost accuracy. This process shall be reviewed annually to ensure continued relevance and transparency in support of fiscal accountability.

Recommendations: Financial Focus

Recommendation 1.3

Develop policies and procedures for cost-benefit assessments: DFD leaders should work with the department's finance team to develop and document the required process for conducting cost-benefit analyses for IGAs for when first entered or when up for renewal. These developed processes should include periodically re-assessing the costs and benefits during the term of long-term agreements. The process should describe:

- Who is responsible for completing the assessments.
- How often they should be conducted.

DFDs Response

The Fire Chief and Director of Finance shall share responsibility overseeing assessments. Analyses shall be conducted prior to execution at each renewal and periodically during long-term agreements; no less than every two years. This includes all expenditures including but not limited to (salary and benefits, apparatus costs, consumables, maintenance, supplies, and overhead), as well as revenue received. All findings shall be documented and retained per City and County records retention policy.

Recommendations: Financial Focus

Recommendation 1.4

Include important elements in future cost-benefit assessments: The DFDs finance team should ensure future cost-benefit assessments for IGAs for fire support include a description of the source data and its reliability, the methodology used to develop the costs, and the ground rules or assumptions used. The assessment should also include the qualitative and quantitative benefits of these agreements.

DFDs Response

Moving forward, the DFD will ensure future IGA cost-benefit assessments will include source data descriptions and reliability ratings, cost methodology, and defined ground rules. Assessments will also capture quantitative benefits (response times, coverage area, call volume) and qualitative benefits (improved service delivery, regional collaboration, strategic planning, and workforce stability) across all four partner municipalities.

Recommendations: Financial Focus

Recommendation 1.8

Establish and implement a process to track payments: The DFDs finance team should establish and implement a process to track the date each payment from Englewood, Glendale, Sheridan, and the Skyline Fire District is received to enable it to identify late payments and track any patterns of late payments.

DFDs Response

Establishing a more robust tracking system related to the IGA's (Englewood, Glendale, Sheridan, and Skyline Fire Protection District) will help to ensure contractual compliance. Finance will document postmark dates, if available, at the date of receipt. If no postmark date is available, the first known date the payment was physically received shall be the date of receipt. Encourage payments to be processed via DFD Lockbox payment address, which will simplify obtaining and documenting the payment.

Recommendations: Financial Focus

Recommendation 1.9

Determine conditions for a late payment: DFDs leaders should decide whether the IGAs for fire support should be amended to adjust the conditions for what constitutes a late payment and document their decision. Next, DFD leaders should either revise the agreements accordingly or follow the existing requirements for imposing interest on late payments.

DFDs Response

While late payment fees are infrequent and minor in nature, the Denver Fire Department Finance has the ability to bill partner municipalities per existing IGA terms without requiring a full contract revision. This streamlined approach upholds agreement language while avoiding the administrative burden of renegotiating an entire contract solely to address a minor fee adjustment.

Recommendations: Financial Focus

Recommendation 1.10

Develop and document a process for identifying expenses: DFD leaders should work with the department's Technical Services Division, finance team, and other relevant personnel, to develop and document a process for identifying expenses at municipality fire stations that should be reimbursed and for ensuring Denver Fire is reimbursed, as required by the IGAs.

DFDs Response

Moving forward we will leverage the existing DFD Technical Services work order tracking and cost center approver review to identify items that are reimbursable. For items which are not clearly defined as potentially reimbursable, DFD Finance and Technical Services will collaborate to decide with final review, if necessary, by the Fire Chief. Invoices and payments related to these billable items will be tracked by DFD Finance in the DFD Finance shared folder.

Recommendations: Financial Focus

Recommendation 1.11

Develop policies and procedures for monthly reconciliation: DFD leaders should work with the Denver Fire finance team to develop policies and procedures for the monthly reconciliation of its internal payment records and Workday associated with revenue from Englewood, Glendale, Sheridan and the Skyline Fire Protection District. If separation of duties is impractical due to staffing limitations, managers should design alternative methods to mitigate the risk.

DFDs Response

Acknowledge and agree with assessment and recommendation outline.

All recommendations will be implemented by July 1, 2026.

Recommendations: Joint Advisory Board

Recommendation 1.5

Develop, document, and implement a joint advisory board governance structure: DFD leaders should work with the joint advisory board members from each municipality to develop, document, and implement a governance structure. At a minimum, this should include:

- The purpose of the joint advisory board.
- Members of the boards, roles and responsibilities of each member, and a process to change board members.
- A process for preparing and sharing meeting agendas before each board meeting.
- A process for developing and sharing meeting minutes of each board meeting.
- A process for receiving and resolving issues or disputes.

DFDs Response

Acknowledge and agree with assessment and recommendation outline.

Recommendations: Joint Advisory Board

Recommendation 1.6

Determine whether joint advisory board provisions need to be updated: After establishing the governance structure and purpose of the joint advisory board, the DFDs leaders should work with the joint advisory board members to decide whether the joint advisory board provisions in each IGA should be revised to better reflect the purpose of the boards. These decisions should be documented.

DFDs Response

Acknowledge and agree with assessment and recommendation outline.

All recommendations will be implemented by July 1, 2026.

Data: 5 Year Average

Summary

Englewood

- 12.5% of the calls respond into Denver

Glendale

- 76% of the calls respond into Denver

Sheridan

- 55% of the calls are not into Denver/Englewood

IGA Cost Analysis Summary

Englewood					
Item	2025	2026	2027	2028	2029
Personnel & Overtime	5,021,946	5,442,726	5,450,286	5,641,046	5,838,483
Equipment, Supply, Indirect Costs	1,152,999	1,240,722	1,247,313	1,290,093	1,334,344
Denver Health Paramedics	1,272,728	1,310,910	1,350,237	1,390,744	1,432,467
33% Fire Response (non-Englewood)	-2,818,551	-3,068,021	-3,064,039	-3,172,476	-3,284,935
Total Expenses	4,629,122	4,926,337	4,983,798	5,149,407	5,320,358
Payment to Denver 3% increase yoy	7,053,604	7,265,212	7,483,168	7,707,663	7,938,893
Net (total income - cost)	2,424,482	2,338,875	2,499,370	2,558,256	2,618,535

Glendale					
Item	2025	2026	2027	2028	2029
Personnel & Overtime	2,510,973	2,630,929	2,725,143	2,820,523	2,919,241
Equipment, Supply, Indirect Costs	601,449	628,271	650,125	672,309	695,253
76% Denver Fire Response (non-Glendale)	-2,365,441	-2,476,992	-2,565,204	-2,654,553	-2,747,015
Total Expenses	746,981	782,208	810,064	838,280	867,479
Payment to Denver 3% increase yoy	2,937,060	3,025,164	3,115,920	3,209,400	3,305,688
Net (total income - cost)	2,190,079	2,242,956	2,305,856	2,371,120	2,438,209

IGA Cost Analysis Summary

Sheridan				
Item	2025	2026	2027	2028
Personnel & Overtime	2,510,973	2,630,929	2,725,143	2,820,523
Equipment, Supply, Indirect Costs	601,449	628,271	650,125	672,309
55% Denver Fire Response (non-Sheridan)	-1,711,832	-1,792,560	-1,856,398	-1,921,058
Total Expenses	1,400,590	1,466,640	1,518,871	1,571,775
Payment to Denver 4% increase yoy	2,545,452	2,621,820	2,726,700	2,863,032
Net (total income - cost)	1,144,862	1,155,180	1,207,829	1,291,257

Skyline				
Item	2025	2026	2027	2028
Personnel & Overtime	251,097	263,093	272,514	282,052
Equipment, Supply, Indirect Costs	60,145	62,827	65,013	67,231
Total Expenses	311,242	325,920	337,527	349,283
Payment to Denver estimate	454,454	450,000	463,500	477,405
Net (total income - cost)	143,212	124,080	125,973	128,122

Questions...

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