

Board of Managers
Meeting

September 14, 2022





Item 1: Approval of June 8, 2022, Board Minutes

Item 2: Resolution Approving the NCT9-1-1 FY 2023 Strategic Plan

Item 3: Resolution Approving the NCT9-1-1 FY 2023 Budget and Service Fee

FY 2023 Budget Overview-Summary

- Total operating revenue and total operating expenses total \$11.3 million each (*Schedules A&B*).
 - Reflects a \$670,000 or 6% increase in revenue compared to the FY 2022 budget.
 - Reflect a \$71,160 or 1% increase in total expenditures
 - ❖ Reflects a \$585,000 or 6% increase in non-capital expenses compared to the FY 2022 budget
- Next Generation 9-1-1 grant from CSEC (*Schedule E*).
 - Total grant amount of \$9.0 million.
 - FY 2023 budget reflects one-half (1/2) totaling \$4.5 million.
 - Actual amounts may vary. Grant continues until December 2024.
- Addition of one funded FTEs from FY2022 budget.
 - No change in authorized FTE.



FY 2023 Budget Overview-Projected Revenue – Schedule A

- NCT9-1-1 revenues will be from Service Providers in our area. Based on projected receipts for FY2022:
 - Wireless – Collected by the Comptroller, distributed to NCT9-1-1 monthly (\$9.6 million annually). Reflects a \$580,000 or 6% increase compared to the FY2022 budget.
 - Landline – Includes residential, business, and VOIP. Sent to NCT9-1-1 directly (\$1.6 million annually). Reflects a \$90,000 or 6% increase compared to the FY2022 budget.
 - ❖ Approximately 58% of landline revenue is received from five (5) providers.



FY 2023 Budget Overview-Projected Non-Capital Expenses

- Total Budget-Reflects an increase of \$585,000 or 6% as compared to FY 2022 budget.
- NCT911 Staff Costs* - \$5.4 million, reflects a \$383,000 or 8% increase as compared to FY2022 budget. Staff costs account for 48% of total budget:
 - Addition of one (1) funded full-time position.
 - Authorized FTE positions remain the same as FY 2022.
 - Reflects a 5% merit pool increase.

*FTEs-33.0 authorized staff positions, 31 funded (exclude FTEs for NCTCOG Fiscal Agent Support)



FY 2023 Budget Overview-Projected Non-Capital Expenses Continued

- Network costs - \$2.9 million, a \$242,000 or 9% increase as compared to the FY 2022 budget. Primary causes of increase:
 - Increase in software licenses - \$109,000
 - Maintenance costs for uninterrupted power supplies - \$92,000. This is first year of annual maintenance costs.
 - Increase in microwave backhaul circuit costs - \$46,000

Network costs account for 26% of the total budget



FY 2023 Budget Overview-Projected Non-Capital Expenses Continued

- Contract Services- \$196,000, a \$121,000 or 38% decrease as compared to the FY 2022 budget. Primary causes of decrease:
 - Strategic consulting with Mission Critical Partners (MCP) decreased \$75,000. Contract with MCP will primarily be grant related.
 - GIS Inc decreased by \$30,000 due to in-house expertise being utilized.
- ECC Training - \$39,000, a \$19,000 or 33% decrease. Decrease is primarily due to a reduction in accreditation costs from The Commission on Accreditation for Law Enforcement Agencies (CALEA).
- Telecom - \$638,000, a \$54,000 or 9% increase. Increase is primarily due to increased transport costs from AT&T at the Data Center.



FY 2023 Budget Overview-Projected Non-Capital Expenses Continued

- NCTCOG Fiscal Agent Support:
 - \$411,000(Detail included within Schedule C*). This is \$81,000 or 25% increase as compared to FY2022 budget. Primary causes of increase:
 - ❖ Increases in salaries and salary related item.
 - ❖ Insurance costs reclassified from NCT9-1-1 staff costs in FY 2023.

*FTEs-1.8 support services staff positions



FY 2023 Budget Overview- Projected Capital Expenses

- Capital Costs - \$83,000, a \$514,000 or 86% decrease as compared to the FY 2022 budget.
 - Most capital costs for FY 2023 will be grant funded



FY 2023 Budget Overview- Projected Grant Costs

- Grant total costs \$9,000,000. One half (1/2) or \$4,500,000 included in FY 2023 budget:
 - Network - \$1.8 million
 - Equipment & Software Support & Maintenance -- \$295,000
 - Contract Services - \$200,000
 - Capital Expenditures - \$2.2 million



FY 2023 Budget Overview-Next Steps

- Answer any questions today.
- Approve proposed operating budget and service fee today.
- Monitor FY 2022 budget year close out.
- Implement FY 2023 operating budget beginning October 1.
- Implement and monitor NG911 grant budget.
- Present financial status reports throughout the year.



Item 4: Resolution Authorizing a Contract with Mission Critical Partners, LLC for Public Safety Strategic Consulting

Item 5: Resolution Authorizing a Contract with Mission Critical Partners, LLC for NG9-1-1 Related Consulting Services



Item 6: Resolution Amending the NCT9-1-1 Logging Reimbursement

Primary changes include:

1. In addition to the purchase of new logging recorders, upgrades and annual maintenance costs are now eligible for reimbursement.
2. If an ECC does a logger replacement, or upgrade outside of their eligible year, they can submit the required documentation during their eligible year as long it does not exceed five years since the replacement was made.
3. Addition of a section outlining the process for declining reimbursement during an ECC's designated year.



Item 7: Quarterly Financial Report

June 2022 Financial Status Report-Background

- June represents nine (9) months of fiscal year 2022.
- Target represents three-fourths (3/4) of fiscal year 2022 budget.



June 2022 Financial Status Report- Summary

- Revenue total \$8.3 million or 105% of the nine (9) month target of \$8.4 million.
- Expenses total \$7.5 million or 89% of the nine (9) month target of \$8.4 million.



June 2022 Financial Status Report- Resources Available

- Revenue totaled \$8.3 million for the nine (9) months or 105% of target.
 - Wireless revenue totaled 104% of target for the nine months totaling \$7.1 million.
 - Landline revenue totaled 107% of target for the nine months totaling \$1.2 million.
 - Other revenue totaled \$12,000 for the nine months.
- Capital replacement fund balance has not been utilized.



June 2022 Financial Status Report - Expenses

- Expenses totaled \$7.5 million for the nine (9) months or 89% of target.
 - Staff costs totaled \$3.3 million for the nine (9) months or 87% of the nine-month target.
 - ❖ Below target due to two (2) unfilled staff positions
 - ❖ Travel below target for the nine (9) months. Travel increased in the third quarter but is still below target.
 - Fiscal Agent support totaled \$228 thousand or 92% of target
 - Cost of Operations totaled \$3.9 million or 99% of target.
 - Capital Expenditures totaled \$123 thousand or 27% of target.
 - ❖ Primarily due to supply chain issues.

Item 8: Director's Report

**3rd Quarter 2022
Culture Champion
Kristin McKinney**



- Funding Update
- Accomplishments
- Quarterly Reporting
- Board Attendance

Next Meeting: December 14, 2022