

Board of Managers  
Meeting

March 13, 2024





# Item 1: Election of NCT9-1-1 Board of Managers Officers

## President

- Attend all Board of Managers meetings
- Oversee Board of Managers meetings
- Call special meetings as necessary

## Vice-President

- Attend all Board of Managers meetings
- Understand the responsibilities of the Board President and be able to perform these duties in the President's absence

## Secretary

- Attend all Board of Managers meetings
- Perform roll call and confirm the presence of a quorum at meetings
- Review Board of Managers minutes

## Proposed Slate

President – Sheriff Lane Akin, Wise County

Vice-President – Judge Danny Chambers, Somervell County

Secretary – Councilmember Dave Cornette, City of Allen



## **Item 2: Approval of the December 13, 2023, Minutes**

## **Item 3: Resolution Approving Fiscal Year 2025 Emergency Communications Centers Operational and Staff Recommendations**

### **Adding a call taking position to an ECC**

Public agencies can request to add a call taking position to a ECC provided the following criteria are met:

- I. The requesting public agency will complete a 'Request to Add a 9-1-1 Call Taking Position' form and submit it to the District Administration office.
- II. The ECC must have documented a minimum average of 25 emergency requests for service per position per day during the preceding 18-month.



# Item 4: Resolution to Accept and Acknowledge Receipt of the Annual Comprehensive Financial Report for Fiscal Year 2023

## September 2023 Annual Financial Audit Review

### Background

- The NCTCOG as fiscal agent for the District has an annual audit of its financial statements performed by an independent accounting firm.
- The NCTCOG procures its independent audit firm every five (5) years.
- Pattillo, Brown & Hill, LLP is the CPA firm that performed the FY 2023 audit.
- Field work is typically completed by the audit staff from September to December each year and the final audit report is issued by mid-February.



# September 2023 Annual Financial Audit Review

## Background

### Financial Statement Audit

- Annual, regardless of expenditures.
- Risk-based approach.
- Samples are selected to identify potential areas of risk that could lead to material misstatements of the financial statements.

### Single Audit

- Required for federal and state funding sources only if the applicable funding (federal or state) exceeded \$750,000 in expenditures.
- Audit team reviewed the Next-Gen 9-1-1 program
- Focus:
  - Compliance with program requirements
  - Internal controls over financial reporting



# September 2023 Annual Financial Audit Review

## Background

- Management is responsible for financial statements.
- The audit is performed in accordance with Government Auditing Standards (GAS) and Generally Accepted Auditing Standards (GAAS).
- Auditors express an opinion on the financial statements.
  - Reasonable Assurance is a high level, but not 100% Absolute Assurance.
  - “In all material respects...” means what would influence decision-making.



# September 2023 Annual Financial Audit Review

## Audit Results

### Financial Statement Audit

- Independent auditor's report on the financial statements:
  - **Unmodified "clean" opinion**
  - **No findings**

### Single Audit

- Independent auditor's report on compliance for major programs:
  - **Unmodified "clean" opinion**
  - **No findings**



# September 2023 Annual Financial Audit Review

## Audit Results

### Auditor Communications with Governance

- **No significant difficulties**
- **No uncorrected misstatements**
- **No significant audit adjustments**
- No consultations with other accountants
- No unusual accounting issues
- No disagreements with management





# September 2023 Annual Financial Audit

## Governmental Funds Revenue & Expenses

Revenues	Amount
State Administered Grants	\$ 1,060,085
Wireless Service Fees	10,315,407
Landline Service Fees	1,591,093
Local & Other Revenue	272,564
<b>Total Revenues</b>	<b>\$ 13,239,149</b>
Expenses	
Staff Costs	\$ 4,708,729
NCTCOG Fiscal Agent Support	364,004
Cost of Operations	4,472,661
Local Government Reimbursements	537,282
Capital Outlay	438,291
Lease Financing Principal & Interest	249,062
<b>Total Expenses</b>	<b>\$ 10,770,029</b>
Other Financing Sources (Leases)	\$ 7,562
Subtotal (Change in Fund Balance)	\$ 2,476,682
Beginning Fund Balance	5,689,966
Ending Fund Balance	<u>\$ 8,166,648</u>



# September 2023 Annual Financial Report

## Fund Balance Summary

- Total fund balance at the end of FY 2023 -\$8,166,648
  - Nonspendable (prepaids) - \$196,513
  - Assigned capital replacement - \$6,841,135
  - Unassigned - \$1,129,000
    - ❖ 10% of operating revenue budget per financial policy



## **Item 5: NGCS Settlement Update and Resolution Endorsing a Contract with Vinson & Elkins for Legal Services**

- External Legal Counsel for NGCS/Sureties
- Endorsement of Existing Contract
- NTE \$120,000



## **Item 6: Resolution Authorizing a Contract Extension with NextGen Communications for 9-1-1 Core Applications and Functions**

- Extension of existing core services contract through NGCS implementation.
- Extension of time only, not dollars.

## **Item 7: Resolution Authorizing a Contract with GeoComm, Inc. for Annual Software Support and Maintenance**

- GIS Software Support and Maintenance
- 1 year agreement- March 31, 2025
- NTE \$200,000



## **Item 8: Resolution Amending Contract Authorization with Johnston Technical Services, Inc. (JTS) for Microwave Equipment and Services**

- RFP (#2023-030)
- 25% additional dollars for bid items
- Part of NG911 Grant

## **Item 9: Resolution Amending Contract Authorization with Flexential for 9-1-1 Data Centers**

- 25%
- NTE \$3,669,971



## Item 10: Quarterly Financial Report

# December 2023 Financial Status Report- Background

- December represents three (3) months of fiscal year 2024.
- Target represents one-fourth (1/4) of fiscal year 2024 budget.



# December 2023 Financial Status Report- Summary

- Revenue total \$3.2 million or 110% of the target of \$2.9 million.
- Expenses total \$3.2 million or 116% of the target of \$2.8 million.

# December 2023 Financial Status Report- Revenue

- Revenue totaled \$3.2 million for the three (3) months or 110% of target.
  - Wireless revenue totaled 110% of target totaling \$2.8 million.
  - Landline revenue totaled 100% of target totaling \$388 thousand.
  - Interest revenue totaled \$91 thousand for the three months.



# December 2023 Financial Status Report - Expenses

- Expenses totaled \$3.2 million for the three (3) months or 116% of target.
  - Staff costs totaled \$1.1 million or 81% of target.
    - ❖ Below target due to two (2) unfilled staff positions
    - ❖ Travel costs also below target. Travel budget increased in fiscal year 2024. Expenses expected to increase during the fiscal year.
  - Cost of Operations totaled \$2.0 million or 160% of target.
    - ❖ Primarily due to one-time software maintenance payments.



# December 2023 Financial Status Report – NG9-1-1 Grant

- Revenue and expenses total \$3.7 million
- Grant accepted at September 2022 Board meeting.
- Grant continues until December 2026. All funds will be obligated by December 2024.
- Capital replacement fund balance to “back stop” expenses until reimbursed by CSEC (as authorized by Board in FY 2023 Budget).

# December 2023 Financial Status Report – Next Steps

- Continue monitoring grant costs and reimbursements
- Present financial status reports throughout the year for operating and grant results.
- Answer any questions today.

## **Item 11: Emergency Communications Centers Move Policy**

# Item 12: Director's Report

- Prop 8 Funding
- SB22
- Special Meeting
- Culture Champion- Attachment D
- Accomplishments- Attachment E
- Quarterly Reporting/Interruption Report- Attachment F
- Board Attendance- Attachment G
- Next Meeting- June 12, 2024

## 1<sup>st</sup> Quarter 2024 Culture Champion Norman Marquart

