

Board of Managers  
Meeting

September 18, 2024



North Central Texas Emergency  
Communications District





**Item 1: Election of NCT9-1-1 Board of Managers Secretary**

**Item 2: Approval of the June 12, 2024, Minutes**



# Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

## FY 2025 Budget Overview-Summary

- Total revenue of \$18.3 million and total expenses of \$14.3 million plus \$4.0 million in Capital Reserves contributions (*Schedules A&B*).
  - Reflects a \$1.5 million or 9% increase in total revenue.
  - Reflects a \$3.0 million or 26% increase in total expenditures.
  - Estimated Capital Reserves Balance contribution totals \$4.0 million, a \$1.5 million or 27% decrease.



# Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

## FY 2025 Budget Overview-Projected Revenue – Schedule A

- Most NCT9-1-1 revenues will be from Service Providers in our area. Based on projected receipts for FY 2024:
  - Wireless – Collected by the Comptroller, distributed to NCT9-1-1 monthly (\$11.1 million annually). Reflects a \$1.0 million or 11% increase compared to the FY 2024 budget.
  - Landline – Includes residential, business, and VOIP. Sent to NCT9-1-1 directly (\$1.5 million annually). Reflects a \$70 thousand or 4% decrease compared to the FY 2024 budget.
    - ❖ Approximately 55% of landline revenue is received from five (5) providers.



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview-Projected Revenue – Schedule A Continued

- Additional NCT9-1-1 revenues are as follows:
  - Proposition 8 – Distributed to NCT9-1-1 in FY24 (\$10.3 million in total). Remaining Proposition 8 funding of approximately \$5.4 million will be utilized during FY 2025.
  - Other – Includes interest on investments and other miscellaneous receipts. Reflects a \$137 thousand increase from FY 2024 budget due to an increase in interest rates and fund balance.



# Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

## FY 2025 Budget Overview-Projected Non-Capital Expenses – Schedule B

- Total Budget - Reflects an increase of \$3.0 million or 26% as compared to the \$11.3 million FY 2024 budget excluding contributions for capital reserves.
- NCT911 Staff Costs\* - \$5.8 million, reflects a \$156 thousand or 3% increase as compared to FY 2024 budget. Staff costs account for 41% of total budget:
  - Authorized FTE positions remain the same as FY 2024.
  - Reflects a 3.5% merit pool increase.

\*FTEs-33 authorized staff positions, 31 funded (exclude FTEs for NCTCOG Fiscal Agent Support)



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview-Projected Non-Capital Expenses Continued

- Network costs - \$4.7 million, a \$1.5 million or 45% increase as compared to the FY 2024 budget. Primary causes of increase:
  - A new Next Generation Core Services contract was executed with \$1.2 million in expected non-reoccurring costs during FY 2025.
  - One-time FY2024 offset of \$993 thousand from Synergem settlement does not carryover to FY2025 budget.

Network costs account for 33% of the total budget.



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview-Projected Non-Capital Expenses Continued

- Equipment & Software Support and Maintenance - \$1.0 million, a \$163 thousand or 14% decrease compared to the FY 2024 budget. Primary causes of the decrease:
  - RapidDeploy Analytics totaling \$200 thousand was moved to the NG9-1-1 grant funded through CSEC.
  - This savings is offset by a \$45 thousand increase in RapidDeploy Dispatch Mapping costs.





# Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

## FY 2025 Budget Overview-Projected Non-Capital Expenses Continued

- Contract Services- \$688 thousand, a \$488 thousand or 244% increase as compared to the FY 2024 budget. Primary causes of increase:
  - Website Migration costs increased \$155 thousand.
  - New GIS Consulting costs totaling \$100 thousand.
  - Professional Service costs totaling \$100 thousand were moved from the Network Category.
  - New University Partnerships totaling \$50 thousand.
  - Language Interpretation costs increased \$25 thousand.



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

# FY 2025 Budget Overview-Projected Non-Capital Expenses Continued

- ECC Training - \$46 thousand, a \$174 thousand or 79% decrease. Primary causes of decrease:
  - New Learning Management System totaling \$150 thousand was purchased in FY 2024. This item was not included in FY 2025 budget.
  - State Licensing Devices totaling \$10 thousand was purchased in FY 2024. This item was not included in FY 2025 budget.
  - Computers totaling \$15 thousand was purchased in FY 2024. This item was not included in FY 2025 budget.
- Telecom - \$636 thousand, a \$272 thousand or 75% increase. One-time FY2024 offset of \$239 thousand from Synergem settlement does not carryover to FY2025 budget.



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview - Projected Non-Capital Expenses Continued

- NCTCOG Administration/Legal:
  - \$419 thousand (Detail included within Schedule C\*). This is \$12 thousand or 3% decrease as compared to FY2024 budget. Primary causes of decrease:
    - ❖ Change in staffing utilized for these services.

\*FTEs-1.9 support services staff positions



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview - Projected Capital Expenses - Schedule B

- Capital Costs - \$229 thousand, a \$6 thousand or 3% decrease as compared to the FY 2024 budget. Capital Items for FY 2025 include:
  - 2 New Fleet Trucks - \$140 thousand
  - CISCO Equipment - \$89 thousandCurrent year operating funds will be utilized instead of Capital Replacement Reserves.



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview - Projected Net Available for Capital Reserve - Schedule B

- Net Available for Capital Reserve - \$4.0 million, a \$1.5 million or 27% decrease as compared to the FY 2024 budget.
  - As it relates to FY2024 and FY2025, Capital Reserve contributions were largely a result of the Proposition 8 funding. The plan is to utilize the funding for Next Generation Core Services in future years.



## Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

### FY 2025 Budget Overview - Projected Grant Costs – Schedule E

- Grant total budget \$9 million. \$1.8 million included in FY 2025 budget:
  - Network - \$220 thousand
  - Equipment & Software Support & Maintenance - \$400 thousand
  - Contract Services - \$105 thousand
  - Capital Expenditures - \$1.1 million

Any grant funds unexpended in FY 2025 will move to the FY 2026 budget. Grant period of performance ends December 2026.



# Item 3: Resolution Approving the Fiscal Year 2025 Budget and Setting the 9-1-1 Emergency Service Fee

## FY 2025 Budget Overview-Next Steps

- Answer any questions today.
- Approve proposed operating budget and service fee today.
- Monitor FY 2024 budget year close out.
- Implement FY 2025 operating budget beginning October 1.
- Continue to monitor NG911 grant budget.
- Continue to monitor Proposition 8 funding.
- Present financial status reports throughout the year.



# Item 4: Resolution Approving the Fiscal Year 2025 Strategic Plan

DATA/GIS	OPERATIONS	STRATEGIC SERVICES	TECHNOLOGY
Custom GPTs	9-1-1 Career Opportunities Awareness Campaign	Contract Lifecycle Management Implementation	Data Center Move/ Microwave Diversity to Data Center
GIS Cloud – Phase I (Research)	9-1-1 Telecommunicator Retention – Phase I	Contract Contingency Template “Exit Strategy”	Information Security Policies – Phase I
New GIS Data Provider Education	Office Space Optimization – Phase I	Early Adopter Pilot Projects (EAPP) – Phase I	Network Equipment Refresh – Phase II
Sunset ArcMap End of Life 2026	Public Education Campaign: “9-1-1 101”	Next Generation Core Services Implementation	Software- Defined Wide Area Network (SD-WAN) – Phase II
Transportation Partnerships	Canine Comfort Initiative: Utilization of Therapy Animals in ECCs	Unmanned Aerial System (UAS) Program Updates	Security Assessment – Phase II
	Wellness Initiative – Phase II		





## **Item 5: Resolution Authorizing a Contract for Fiscal Year 2025 with Mission Critical Partners, LLC, for Public Safety Strategic Consulting**

- TXShare
- Annual consulting agreement
- NTE \$100,000

## **Item 6: Resolution Authorizing a Contract with Motorola Solutions Inc. – 911Datamaster for Automatic Location Database Software Services**

- Maintenance of regional E9-1-1 data during NGCS transition
- DIR Contract # DIR-TSO-TMP-416
- NTE \$200,000



## **Item 7: Resolution Authorizing Contracts for Software-Defined Wide Area Network (SDWAN)/ Secure Access Service Edge (SASE)**

- Path optimization and internet connection security
- RFP # 2024-116
- Primary and contingent contract authorization
- NTE \$1,000,000

## **Item 8: Resolution Authorizing a Contract with Rockdale Ford, LLC for the Purchase of Fleet Vehicles**

- 2 vehicles
- Texas BuyBoard #601-19
- NTE \$140,000



## Item 9: Quarterly Financial Report

# June 2024 Financial Status Report -Background

- June represents nine (9) months of fiscal year 2024.
- Target represents three-fourths (3/4) of fiscal year 2024 budget.



## Item 9: Quarterly Financial Report

# June 2024 Financial Status Report -Summary

- Revenue totals \$9.3 million or 105% of the nine (9) month target of \$8.9 million.
- Expenses total \$8.9 million or 104% of the nine (9) month target of \$8.5 million.

## Item 9: Quarterly Financial Report

# June 2024 Financial Status Report - Revenue

- Revenue totaled \$9.3 million for the nine (9) months or 105% of target.
  - Wireless revenue totaled 103% of target for the nine months totaling \$7.8 million.
  - Landline revenue totaled 97% of target for the nine months totaling \$1.1 million.
  - Interest revenue totaled 288% of target for the nine months totaling \$352 thousand.
    - ❖ Interest income was conservatively projected for the FY 2024 budget due to low amounts in prior year. Interest rates of return are expected to remain high through the end of the fiscal year.

## Item 9: Quarterly Financial Report

# June 2024 Financial Status Report - Expenses

- Overall Expenses totaled \$8.9 million for the nine (9) months or 104% of target. This includes costs that will move to Proposition 8 funding.
  - Staff costs totaled \$3.6 million for the nine (9) months or 86% of the nine-month target.
    - ❖ Below target due to two (2) unfilled staff positions.
    - ❖ Travel below target for the nine (9) months. Travel budget increased in FY 2024 but is expected to remain under budget for the fiscal year.
  - Cost of Operations totaled \$4.8 million or 127% of target.
    - ❖ Primarily due to increased Next Generation Core Service costs and deferral of Synergem settlement included in FY 2024 budget.

# June 2024 Financial Status Report – Expenses: Proposition 8

- Proposition 8 Expenses to be moved totaled \$4.3 million for the nine (9) months.
  - Proposition 8 funding will be utilized for the following NCT9-1-1 expense categories:
    - ❖ Network totaled \$3.3 million or 187% of the nine-month target.
    - ❖ Equipment & Software Support and Maintenance totaled \$547 thousand or 63% of the nine-month target.
    - ❖ Telco totaled \$465 thousand or 171% of the nine-month target
    - ❖ Contract Services totaled \$79 thousand or 53% of the nine-month target



## Item 9: Quarterly Financial Report

# June 2024 Financial Status Report - NG9-1-1 Grant

- Contract to date revenue and expenses total \$5.0 million.
- Grant accepted at the March 2022 Board meeting.
- Grant continues until December 2026.
- Capital replacement fund balance to “back stop” expenses until reimbursed by CSEC (as authorized by Board in FY 2023 Budget).





## Item 9: Quarterly Financial Report

# June 2024 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 10: Ethics / Conflict of Interest

### Conflict of Interest Requirements Applicable to Board Members

#### Local Gov't Code Chapter 171

Requires filing of a Conflict of Interest Affidavit when:

- 1) Board member has a “substantial interest” in a business entity or real property;
- 2) that may receive a special economic effect;
- 3) by a vote or decision of the NCT9-1-1 Board of Managers; and
- 4) special economic effect is distinguishable from the effect on the general public

Abstain from any discussion, vote or decision on the merits



## Item 10: Ethics / Conflict of Interest Board Member Considerations (cont'd)

Substantial Interest is defined as:

1. Ownership of 10% or more of voting stock or shares of the business entity;
2. Ownership of 10% or \$15,000 or more of the fair market value of the business entity;
3. Funds received from the business entity exceed 10% of Board member's gross income for previous 12 months; or
4. Equitable or legal ownership interest in real property with a fair market value of at least \$2,500.

\* A Board member is considered to have a substantial interest if a person related to them in the first degree of consanguinity or affinity has a substantial interest.

# Item 11: Director's Report

- **Culture Champion- Attachment E**
- **Quarterly Reporting/Interruption Report- Attachment F**
- **Board Attendance- Attachment G**
- **Next Meeting- December 11, 2024**

## 3<sup>rd</sup> Quarter 2024 Culture Champion David Dean



HEART



COURAGE



ATTITUDE