



Meeting Summary

Funding Committee

2/4/2014

Conference Room 39B

3900 Wake Forest Rd.

Raleigh, NC

1:00 PM- 4:00 PM

<u>Members Present</u>	<u>Staff Present</u>	<u>Guest</u>
Jason Barbour, Chair	Richard Bradford	Lisa Reid
Tonya Pierce	Richard Taylor	Ashley Bradshaw
Dave Bone	Tina Bone	
	Marsha Tapler	
Len Hagaman, phone		
Wesley Reid – phone		
Jean Thaxton - phone		
Laura Sykora - Phone		
Andrew Grant - Phone		
<u>Members Absent</u>	<u>Staff Absent</u>	
	David Dodd	
	Dave Corn	

Today's Agenda

Chair's Opening Remarks

Laura Sykora called meeting to order at 1:04pm. Richard Taylor called roll.
Laura Sykora welcomed everybody.

Continuation of Discussion on Implemental Function Costs and Reporting

Richard Taylor presented the memo that was written by legal counsel in the year 2000. Richard Taylor went over question number 8 on page 6. In the year 2000 there were 2 different funds...wireline and wireless.

Laura Sykora asked if any changes in the law affected how the funds could be used other than the fact that wireline funds are now brought to the state.

Richard Bradford stated no. There are no changes relating to this particular question.

Richard Taylor stated now we fast forward to 2008...wireline and wireless were combined into one fund and the 911 board was established to oversee the monies. NENA and APCO asked that a list be created of eligible expenditures. When this list was created, we began to review what was approved. According to statute salaries are not an eligible expense.

Jason Barbour asked if the statute specifically stated that salaries were not eligible. Richard Bradford stated, no it does not state that specifically.

Tonya read the part where it states that no telecommunicators salaries were eligible so she asked did that mean just telecommunicators or all salaries.

Richard Bradford stated if it's a recurring cost for maintenance then yes it can be paid; however, then the question is what is included in maintenance. I do not believe the statute intended for salaries of the 911 center.

Richard Taylor presented 62A-46(c)

Laura stated it can be more cost effective for someone in a city or county to do the maintenance.

Richard Taylor stated sometimes.

Jason Barbour stated it does vary across the state. Different types of responses costs.

Richard Taylor presented letter that went out to the agencies.

Richard Taylor stated its all over the place. Staff has not been given a standard to do this by. We're wasting time having to get into it with the agencies.

Richard Taylor stated he's hearing more of what Lee said in Charlotte....city and county managers are trying to find every way they can to make salaries.

Marsha stated the ranges are \$25 to \$75 per hour for folks to be on call.

Dave Bone asked if the on call time was a percentage or the whole thing.

Marsha stated it depends on which county and how they're using implemental functions so then I have to figure out what's going on.

Tonya Pierce stated she understood how frustrating it is, but if you have someone on call even though they don't come in....you do maintenance in house you have days you don't need something, you always need someone for the availability.

Marsha asked can we come up with some kind of form they can turn in so that I'm not wondering what the PSAP's are doing.

Tonya stated it's almost like we're penalizing folks for trying to do the best with their money.

Marsha stated I want it to be in writing of how it's going to be and everybody needs to follow that rule. Tonya stated yes everybody needs to be the same way.

Richard Taylor stated when we look at this and we see examples of the documentation...we're good with that. Some agencies are using our spreadsheet, but when you have nothing else, what do we do. That's what we have in Haywood. The best they could come up with was work tickets. It had no hours or anything.

Marsha stated there's one county who sends me their selection of work orders and what work was done and how long was spent on it. I like that...I'm trying to get a handle on the ones who don't give me information. A lot of times you get job descriptions and they are trying to get 100 percent and not many people do their particular job 100% of the time.

Tonya Pierce stated it would never be 100%.

Laura asked could we say that each center needs to have an IT person or a contract.

Tonya stated we're looking at it as 2 separate things; you have to have service available for a 911 center 100% of the time. You can't say my needs and somebody else's are the same.

Andrew stated we're in a slippery slope as to whatever we deem as the board, we don't want to dictate level of service whether it's a full time employee or a contract.

Jason Barbour asked if I was going to contract for these functions and I was going to pay them for XYZ, I pay them whether they show up or not? Vendors provide us with remote maintenance, but for someone to come on site is different. There are very few centers large enough in the state to occupy a persons time 100% of the time. So how do we deal with that?

Richard Taylor said if you're paying for 24 x 7 maintenance, Marsha is in house but you're also paying 24 x 7 to Tonya's company....you're paying for the same thing twice?

Jason no I'm paying Marsha for patches, updates, etc. but server crashes etc. outside maintenance does.

Richard Taylor said the county should be reporting it as this is our IT charge to the 911 center just like a company does.

Richard Bradford stated the accounting practices are going the other way.

Richard Bradford stated the model being discussed is where IT is a cost center, its' not appropriated for example. Accounting practices is way outside this boards jurisdiction.

Tonya asked with the information you have, are they looking at a percentage of what IT should cost?

Richard Bradford stated no.

Jason asked Richard Bradford so at the end of a year and Marsha handles my counties IT needs, she couldn't say my staff devoted this much time and this is the dollar figure I need. What are you seeing they're going to or do you know.

Richard Bradford stated it's almost a way of cost center accounting based on consumption. The trend according to what I've heard and read is going more towards looking at the IT operations as being funded separately as it is not necessarily a cost center. If you want to consider these issues then you have to look at it from a local government perspective and how they do their accounting. I don't think you have enough information to even consider going in this direction.

Richard Taylor asked Dave Bone how they did it in Martin County.

Dave Bone stated they contracted out for all of their IT.

More and more discussion on accounting practices.....

Jason Barbour asked what information do we need to find the answers?

Dave Bone asked if addressing was part of the IT discussion.

Jason stated no, different discussion.

Richard Taylor presented a spreadsheet of various IT expenses at different PSAP's.

Laura said if we develop a market number, could we use that as a benchmark?

More and more discussion on costs for implemental functions...

Jason asked what would be your best advice on how to tackle this issue?

Richard Bradford stated paying for people is not within the statute. If you're going to pay for people do you want some sliding scale or what....thats a policy change, seek change in the statute.

Jason asked how do we get a better handle on in-house service being provided.

Richard Bradford said take a look at the numbers and tell the PSAP's they can spend this percentage on that service and if a PSAP thinks that's inadequate then there's already a place to review their budget. Policy wise, if you want to open that door fine but unless you do that you're not going to solve the fundamental problem.

Laura asked if we were violating statute today.

Richard Bradford stated he don't think it's within the statute today.

Len Hagaman stated this is going to become more and more of an issue.

Tonya said it does state maintenance and you can't have maintenance without a person.

Jason stated we have to quit talking about people and start talking about a service.

Richard Bradford stated this part of the statute has been unchanged since 1989. Does the committee and board want to say that IT has changed many times over the years so don't we need to change this model.

Laura Sykora stated we also need to be aware of what the 911 fund was designed to do. I'm concerned as things change and we expand that we look to new ways to fund 911 and if we're going to change what is fundable is that also hand in hand on changing how the funds are collected.

Richard Bradford stated all of that and the amount is always up for discussion. The way it's collected is not as simple as the other discussions.

Jason Barbour stated could we not figure out a way to suggest if you're going to do it internally that it is a one-time charge and we're not dealing with benefits and such...just like an external vendor...use this as the interim until we can get the statute changed.

Jason asked Richard Taylor and Richard Bradford to draft a policy change for the committee to look at.

Dave Bone asked if we could go ahead and provide Richard Bradford what he needs so that we can get legislative change.

Len Hagaman agreed.

Jean Thaxton stated she's not sure what her thoughts are.

Wesley Reid stated he knows it's an issue and glad we're picking it up. I don't have any definitive advice or wisdom at this point.

Jason stated I think we should require it to be an invoice...internal or external.

Wesley stated the invoice should have suitable descriptions of work and time.

Jason agreed invoices need to be specific.

Richard Bradford does think it's wise to get a better grasp on funding models from the LGC or the PSAP's.

Laura Sykora thinks the direction we're headed is good.

Jason Barbour stated he thinks we should apply a similar logic for the addressing piece.

Richard Taylor stated it seems easier to base addressing on per one thousand. You cannot spend 40 hours a week doing nothing but addressing. However; if you say we have x number of addresses or x number of streets and base it on that, that's a little more reasonable.

Jason asked Richard Bradford if that could that be quantitative.

Richard Bradford said the statute doesn't talk about a portion of the cost being eligible. I would caution you that policy geared towards that kind of reasoning should have a schedule to re-vet the assumption every so often.

Richard Taylor stated and I have no problem with that.

Jason stated addressing service is not done as frequently as IT service.

Jason stated when you go through geospatial routing and stop using ESN's, addressing duties increase.

Begin Discussion On Funding Model

Marsha and Richard Taylor went over the Revenue Expenditure report.

Richard Taylor went over the amount of prepay we have received.

Richard Taylor stated he doesn't think we need to change the 911 fee this year.

Laura made motion that we maintain the current surcharge.

Seconded by Len and Tonya.

No discussion

All in favor.

Jason will carry recommendation to board in February meeting.

Richard Taylor What happens if a PSAP says I need 6 million dollars for my PSAP?

Richard Taylor stated take Durham for example, they need \$500,000 to pay for a service that's getting ready to go into litigation.

Richard Taylor went over the funding model and asked where do we go from here?

Richard Bradford stated it does not say that people have to be treated equally and it also does not say that you have to pay for any bill that is presented. So if the incremental cost in one PSAP is 6 times of another PSAP the board can decide not to pay it because its excessive. There is an ability to construct policies that allow the board and staff to make some of these judgments and to enforce them. The question is how are you going to draw those lines of distinction.

More discussion on funding.....looked at various PSAP's and saw that not all eligible expenses had been claimed by the PSAP.

Laura Sykora wants to put the collection model on the next committee meeting.

Next meeting February 19th, at 2:00 until 4:00.

Laura made motion to adjourn.

Wesley seconded motion.

Jason adjourned at 3:45pm.