Summary of Action. Alderman Burrus calls the meeting to order at 5:00 p.m.

1. Approval of minutes. Alderman Grover moves that the January 28, 2010, Emergency 911 Board meeting minutes be approved without change, Mr. Blatt seconds, so moved.

2. Emergency Telephone System FY11 Proposed Budget Review (Verbal report, Mr. Polinski and Mr. Desai). Mr. Polinski provides budget entry system spreadsheets as well as an updated copy of “Actuals and Projections,” which had not been included in the packet. Mr. Desai begins discussion of the first group of three items: landline surcharge revenue, wireless surcharge revenue, and interest income.
Mr. Desai explains that landline surcharge revenue saw a downward trend and that in the past we have applied 2% down from the prior year’s income. Mr. Polinski comments that there has been stability in this fund due, in part, to customers replacing copper with VoIP and VoIP carriers (AT&T Uverse, T-Mobile @ Home, Vonage and, of late, Comcast Digital Voice) voluntarily remitting 9-1-1 fees as currently there is no legislation requiring it. Mr. Desai remarks that the FY10-11 Estimated Actual may go over the budgeted amount.

Mr. Desai goes on to explain that it is the same for the wireless surcharge only we are going 2% above (from the prior year revenue). Alderman Grover noted that the full budget reflects a ten month budget due to the change in cycle to calendar year. Mr. Polinski comments that wireless continues to increase. In addition, the State has a Wireless Service Emergency Fund (WESF) that is unused funds from the carriers which is redistributed to PSAPs. We received a check in the amount of approx. $28,000 in June and were notified by the Revenue Manager at the ICC that we can expect another check (amount unknown) in the Fall. Mr. Polinski noted that it was his understanding that the Governor can “sweep” from this fund to balance the budget but it must be paid back and we know that the State has no money so this would be difficult. However, we have not seen any sweeps in the fund up to this point.

Chief Klaiber asks how we are paying for these things when the Capital Outlay Expense is $1.6 million and our revenue is far less than that? Mr. Desai replies that we are drawing down on the fund balance and Alderman Grover points out that these were long overdue investments in the capital structure that we saved for and must now build back up.

Mr. Desai moves on to make some general income interest observations. For the last few years projections have been conservatively kept at $1,000 and right now 10 and 20 business points is considered a good rate. Most likely it will be higher than the $1,000 forecasted for FY12-15. Deputy Chief Wiedlin remarks on the notable difference in prior year rates. Mr. Desai explains that the last two year’s rates have been pretty low at 10 business points offered by the banks. Alderman Burrus says that the fund balance has been reduced dramatically. Mr. Polinski notes that the fund expended approx. $800,000 the year before on the radio system upgrade project and this year we are looking at approx. $850,000 in 9-1-1 Center upgrades for a system that is eighteen years old. Mr. Desai points out that, comparatively speaking, there is not as much capital outlay after FY10-11. Alderman Burrus notes that the ending fund balance should be well over a million dollars by 2020.
Mr. Desai moves to operating expenses explaining that they have been up by 3.5% basically being the line item salary. Alderman Grover inquires about inner fund transfers. Mr. Polinski outlines; $66,000 for Administrative Expense (salary, finance legal), $60,000 for Data Processing (IT) and, introduced last year, $17,455 for Liability Insurance. Mr. Desai explains that we don’t charge for Finance or IT like they do in the public sector where it is cost allocated. Alderman Grover asks for details on how the amounts are arrived at. Alderman Burrus explains that it makes sense that we would transfer fund balance over to the general fund to offset expenses instead of having to borrow bond money at a higher interest rate. All ask about transfers to ERI debt service. Mr. Desai explains that it is used to pay off the bond issue for early retirement incentive liability for 70-80 employees and is prorated based on the estimated number of IMRF pensionable salaries in each department.

Mr. Polinski confirms Alderman Burrus’s observation that service and supply expenses are similar to last year’s. We have worked hard to decrease maintenance costs (which typically increase 3-5% each year) i.e. no increase in our Motorola service agreements, a decrease of 5% on our software vendor SunGard’s support service agreement, Simplex/Grinnell fire alarm system service agreement reduced from two to one inspection per year, etc… Alderman Grover points out that the difference in expenses (Furniture and Fixtures) between FY10-11 budgeted and actual appears to be approx. $500,000

Mr. Polinski moves to the “Furniture and Fixtures” (Capital Replacement) line item which consists of procuring a back-up IBM AS/400 (main frame) to be installed off-site at the City’s Data Center, replacing the UPS (uninterrupted power supply) that serves the 9-1-1 Center which dates from its construction in 1993-1994, Narrowbanding – under this FCC mandate all radio frequency equipment currently operating at 25kHz must be narrowbanded to 12.5 kHz by January 1, 2013. This is being undertaken to improve spectrum efficiency and provide more channel availability and will require a complete assessment of all of our existing radio equipment. For the most part, our equipment will need to be reprogrammed/retuned to meet narrowband specifications. However, legacy radio equipment (pre-dating the year 2000) in all likelihood will need to be replaced. We are in pretty good shape because a) we do our own subscriber (portables and mobiles) programming in-house and b) we have replaced older equipment over a few budget cycles (the main fire channel and subscribers were narrowbanded a few years ago when we upgraded the entire radio system). Some infrastructure may have to be replaced but, for the most part, will probably just require upgrading the firmware (which is the same as the OS on a PC) on base stations and finally, a line item to cover the cost of obsolete or damaged computers and radios.
3. **Legislative Update** *(Verbal report, Mr. Polinski).* Mr. Polinski presented information on SB120 which is being held until the fall and will close loopholes in the current WETSA (Wireless Emergency Telephone System Act) resulting in collection of surcharge from prepaid (no contract) wireless users. This will enhance wireless surcharge revenue.

PA 96-1261 was signed into law on July 26th and takes effect January 1st. It will make prank 9-1-1 calling a Class 4 felony - even on first offense - punishable by 1-3 year in prison and a fine of up to $25,000 (used to be first offense was a misdemeanor punishable by up to a year in jail, while subsequent offenses were charged as felonies).

4. **EMD – Update** *(Verbal report, Mr. Polinski).* Mr. Polinski reports that we are still trying to confirm with IDPH whether or not we are mandated to implement EMD. Dr. Blatt has expressed interest in filling the role of our in-house instructor which would be cost effective for us in terms of flexible scheduling and reducing overall costs. Deputy Chief Wiedlin indicates that Chief Eddington has concerns that he will discuss with Chief Klaiber.

5. **Other Business.** Mr. Polinski reports that a detailed design review meeting has been scheduled with Motorola for October 8th regarding upgrades in the 9-1-1 Center. Next Board meeting scheduled for October 7th at 5:30 PM in Chief Eddington’s office to approve the FY11 Budget.

6. **Adjournment.** There being no further business Alderman Grover moves to adjourn, Chief Klaiber seconds, so moved. The meeting adjourns at 5:35 p.m.

PP:pjp