

**OAK RIDGE EMERGENCY COMMUNICATION DISTRICT
BOARD OF DIRECTORS MEETING**
Municipal Building Courtroom

Monday, May 14, 2018
6:30 p.m.

AGENDA

I. CALL TO ORDER

Warren L. Gooch, Chairman of the Board

II. ROLL CALL

III. RESOLUTION

A RESOLUTION AUTHORIZING A FY2018 BUDGET AMENDMENT FOR THE EMERGENCY COMMUNICATIONS DISTRICT FUND TO REFLECT THE ISSUANCE OF LONG-TERM DEBT TO FUND THE PURCHASE OF THE MOTOROLA P25 MISSION-CRITICAL RADIO SYSTEM AND THE EVENTIDE 911 LOGGING RECORDER, AND ADDITIONAL REVISIONS INCLUDING INCREASING THE BUDGET FOR CAPITAL EXPENDITURES AND AN INCREASE TO REVENUE TO REFLECT ADDITIONAL FUNDING FROM THE STATE.

IV. ADJOURNMENT

**FINANCE DEPARTMENT MEMORANDUM
18-03**

DATE: May 9, 2018
TO: Mark S. Watson, City Manager
FROM: Janice E. McGinnis, Finance Director
SUBJECT: EMERGENCY COMMUNICATIONS DISTRICT FUND FY18 BUDGET AMENDMENT

Introduction

An item for the Oak Ridge Emergency Communications Board's approval is an amendment to the FY2018 budget for the Emergency Communications District (ECD) Fund. The amendment is to revise the budget to reflect the issuance of long-term debt to fund the purchase of a Motorola P25 Mission-Critical Radio System and the Eventide 911 Logging Recorder. Other revisions include increasing the budget for capital expenditures for the radio system and an increase to revenue to reflect additional funding received from the State in the current fiscal year. Expenses have been adjusted to reflect the reduction in this year's maintenance contract costs on the radio system and reduced small equipment purchases. Attached is a schedule which shows the ECD Fund's FY2018 budget, the recommended amended FY2018 budget and the amount of the budgetary change.

Funding

Funding for the budget amendments for the radio system will be provided through long-term debt, grant proceeds and existing Fund cash. The principal and interest on the long-term debt portion related to equipment accounted for in the Emergency Communications District Fund will be approximately \$210,000 annually. Principal payments will begin in June 2019 and end in June 2028.

Background

On December 11, 2017, City Council approved resolution number 12-129-2017 which authorized the City to join the Tennessee Valley Regional Communications System (TVRCS), to purchase Motorola P25 Mission-Critical radio system equipment for \$4,195,000 and to upgrade to the Eventide 911 logging recorder for \$84,515. Of the \$4,279,515 in authorized equipment purchases, approximately \$2,772,015 will be accounted for in the ECD Fund and includes the purchase of the core radio system, dispatcher consoles, Eventide recorder and a portion of the Police radios. Funding will be provided from \$1,874,375 in bond proceeds from the \$19,125,000 in General Obligation Refunding Bonds issued on November 10, 2017, \$841,031 in funding from US Department of Justice grant proceeds and \$56,609 in existing cash. The remaining \$1,507,500 cost of the system is for radios that will be used by various City departments and the Schools and will be accounted for in other City Funds.

Recommendation

Staff recommends adoption of the attached resolution. In accordance with State law, the City's Emergency Communications District Fund budget along with budget revisions are submitted annually to the State Tennessee Emergency Communications Board. The State now collects all the 911 surcharges and allocates the funding to the Districts for emergency communication functions and equipment. The budget amendments quantify the Emergency Communications District Fund portion of the transactions related to the debt issuance for the purchase of the Motorola P25 Mission-Critical Radio System and the Eventide Logging Recorder that have previously been approved by City Council.

Attachments:

Resolution No. ECD18-01
Emergency Communications District Fund Budget Summary – Fiscal 2018

Janice McGinnis
Janice E. McGinnis

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.

Mark S. Watson
Mark S. Watson

May 11 2018
Date

RESOLUTION

A RESOLUTION AUTHORIZING A FY2018 BUDGET AMENDMENT FOR THE EMERGENCY COMMUNICATIONS DISTRICT FUND TO REFLECT THE ISSUANCE OF LONG-TERM DEBT TO FUND THE PURCHASE OF THE MOTOROLA P25 MISSION-CRITICAL RADIO SYSTEM AND THE EVENTIDE 911 LOGGING RECORDER, AND ADDITIONAL REVISIONS INCLUDING INCREASING THE BUDGET FOR CAPITAL EXPENDITURES AND AN INCREASE TO REVENUE TO REFLECT ADDITIONAL FUNDING FROM THE STATE.

WHEREAS, City Council has established the Oak Ridge Emergency Communications District in accordance with Tennessee's Emergency Communications District Law (Tennessee Code Annotated §7-86-101 – §7-86-151) and has designated City Council as the Board of Directors; and

WHEREAS, the City of Oak Ridge's current radio system has reached "end of life" status as components are obsolete and unsupported; and

WHEREAS, by Resolution 12-129-2017, City Council authorized the City to join the Tennessee Valley Regional Communications System (TVRCS), to purchase Motorola P25 Mission-Critical Radio System equipment utilizing state contract pricing in the amount of \$4,195,000.00 from Motorola Solutions, Inc., and to purchase an upgrade to the Eventide 911 logging recorder for compatibility with TVRCS equipment in the amount of \$84,515.00; and

WHEREAS, by Resolution 9-109-2017, City Council approved an initial resolution authorizing the issuance of general obligation bonds, which bonds were issued on November 10, 2017 and included \$2,990,00.00 for the radio system; and

WHEREAS, the Emergency Communications District Fund's principal share of the debt will result in an approximate \$210,000.00 annual principal and interest through June 2028; and

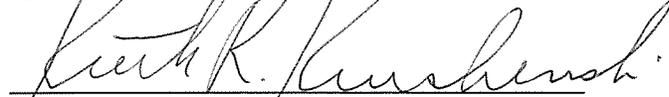
WHEREAS, the Emergency Communications Board desires to amend their FY2018 budget for the Emergency Communications District Fund to reflect the issuance of long-term debt to fund the purchase of the new radio system and logging recorder upgrades, as well as other revisions shown on the attached budget summary.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE OAK RIDGE EMERGENCY COMMUNICATIONS DISTRICT LOCATED IN THE CITY OF OAK RIDGE, TENNESSEE:

That the Emergency Communications Board hereby amends their FY2018 budget for the Emergency Communications District Fund to reflect the issuance of long-term debt to fund the purchase of the new radio system and logging recorder upgrades, as well as other revisions shown on the attached budget summary.

This the 14th day of May 2018.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

OAK RIDGE EMERGENCY
COMMUNICATIONS DISTRICT

Warren L. Gooch, Chairman

Mary Beth Hickman, Secretary

APPROVED:

R.G. Chinn, Jr., Mayor Pro Tem

Kelly Callison

James Dodson

Charles J. Hope, Jr.

Ellen D. Smith

Hans Vogel

EMERGENCY COMMUNICATIONS DISTRICT FUND

BUDGET SUMMARY - FISCAL 2018

State Account Number	City Account Number		ACTUAL 2017	ORIGINAL BUDGET 2018	AMENDED BUDGET 2018	BUDGET 18 vs 18 AMENDED	% CHANGE
OPERATING REVENUES:							
3010	4841.2	State Emergency Comm Board Operational Fund	525,054	525,054	525,054	-	0.0
3020	4841.5	TECB District Excess Revenue	84,231	-	25,798	25,798	100.0
3040	4841.6	TECB District Equipment Funds	-	-	6,248	6,248	100.0
Total Operating Revenue			<u>609,285</u>	<u>525,054</u>	<u>557,100</u>	<u>32,046</u>	<u>6.1</u>
OPERATING EXPENSES:							
4405	5207.1	Due & Subscriptions	3,568	5,000	5,000	-	0.0
4413	5207.4	Licenses and Fees	4,478	5,000	5,000	-	0.0
4220	5207.5	NCIC/TBI/Ties Expenses	-	600	600	-	0.0
4207	5210.20	Contracted Dispatcher Services	200,000	200,000	200,000	-	0.0
4208	5210.209	TVRS	6,342	7,000	7,000	-	0.0
4210	5210	Professional and Contracted Services	-	25,000	25,000	-	0.0
4310	5217.2	General Telephone 911 Support Lines	144	800	800	-	0.0
4201	5217.1	Address/Mapping Expenses (AT&T)	39,314	40,000	40,000	-	0.0
4221	5217.6	Other Consultants	3,285	3,000	3,000	-	0.0
4209	5217.4	Date Processing Services (Lines)	902	2,250	2,250	-	0.0
5212/4311	5217.6	Other Communications	2,731	4,500	4,500	-	0.0
4212	5217.6	Code Red	9,375	12,000	12,000	-	0.0
4418	5221	Training	3,957	8,000	8,000	-	0.0
4218	5236.20	Maintenance Contract (800 MHz Radio System)	90,249	91,000	25,000	(66,000)	-72.5
4232	5263.19	Maintenance/Repair Communication Equipment	17,521	30,000	30,000	-	0.0
4305	5313	Small Equipment Purchases	49,046	50,000	35,000	(15,000)	-30.0
4219	5394	GIS	894	30,000	30,000	-	0.0
4303	5398	Data Processing Supplies	-	500	500	-	0.0
4414	5413	Insurance-Surety Bonds	890	770	770	-	0.0
4500	5460	Depreciation	193,512	78,916	78,916	-	0.0
Total Operating Expenses			<u>626,208</u>	<u>594,336</u>	<u>513,336</u>	<u>(81,000)</u>	<u>-13.6</u>
Operating Income (Loss)			(16,923)	(69,282)	43,764	113,046	(163.2)
NONOPERATING REVENUES/EXPENSES:							
5007	4312	Federal Grant	4,665	-	845,621	845,621	0.0
4404	5437	Debt Issuance Costs	-	-	(26,214)	(26,214)	-100.0
5002	4610	Interest Income	8,728	4,500	4,500	-	0.0
5010	5439	Interest Expense	(3,580)	-	(40,948)	(40,948)	100.0
Total Nonoperating Revenue			<u>9,813</u>	<u>4,500</u>	<u>782,959</u>	<u>778,459</u>	<u>17299.1</u>
Change in Net Position			(7,110)	(64,782)	826,723	891,505	-1376.2
NET POSITION - 7/1			<u>1,594,667</u>	<u>1,523,681</u>	<u>1,587,557</u>	<u>63,876</u>	<u>4.2</u>
NET POSITION - 6/30			<u>1,587,557</u>	<u>1,458,899</u>	<u>2,414,280</u>	<u>955,381</u>	<u>65.5</u>
Statement of Capital Projects:							
1308	5540	Communications Equipment	-	646,857	2,772,015	2,125,158	328.5
Statement of Bonded and Other Indebtedness:							
2203	2116	Bonds Payable	-	-	1,695,689	1,695,689	100.0
2210	2960	Unamortized Bond Premium	-	-	204,900	204,900	100.0
Total Long-Term Liabilities			<u>-</u>	<u>-</u>	<u>1,900,589</u>	<u>1,900,589</u>	<u>100.0</u>