

The METCAD Policy Board convened for a study session on Thursday, April 3, 2008 with the following in attendance:

MEMBERS MPB

Chief Mike Bily, City of Urbana Police Department (Chair)
Chief Deputy Kris Bolt, Champaign County Sheriff's Office
Interim Chief Jeff Christensen, U of I Public Safety
Interim Chief Steve Clarkson, City of Champaign Fire Department
Dorothy David, Assistant City Manager City of Champaign
Denny Inman, County Administrator for Facilities Management and Procurement (Vice-Chair)
Mayor Laurel Prussing, City of Urbana
Chief Rick Raney, Tolono Police Department
Peg Rawles, University of Illinois
Chief Dan Smith, Champaign County Fire Chief's Association

ADMINISTRATIVE STAFF:

Rick Kallmayer, Director
Greg Abbott, 9-1-1 Director
Margie Kallmayer, Secretary

OTHERS:

Deb Busey, County Administrator Finance & Human Resources Management
Ron Eldridge, Urbana Comptroller
Richard Schnuer, Champaign Finance Director

ABSENT:

Sheriff Dan Walsh, Champaign County Sheriff's Office

Chief Bily called the study session to order at 8:40 a.m.

Director Kallmayer gave a short review of the study sessions covered in January and February. Our current total funding comes from wireless and wireline surcharges plus user agency fees. The wireless rate is set by the State and was recently extended for 5 more years until 2013. It was originally passed to pay for the start-up of wireless 9-1-1. The portion of the tax that comes to the local PSAP has been increased slightly beginning this year. The other source of revenue is wireline and we collect \$1.50 outside the Village of Rantoul exchanges. The number of wireline accounts is declining, decreasing our primary source of surcharge revenue. Our operating costs are rising faster than our surcharge revenues, resulting in user fee increases higher than the CPI. We approved the budget for next year and we kept the user fee increase down to a 3% increase. We still have a long term funding issue that we need to discuss and see how we can manage to balance the books in the future while expenses continue to rise and revenues decline.

The Board developed the following objectives and strategies relative to funding:

METCAD needs sufficient funding (3-5 yr plan) to address:

- Frequency sharing
- Staffing
- Retention/recruitment
- Sustainable

Continue to manage expenditures

- Sufficient equipment to meet needs – not wants

Control increases in user fees

- Tie to CPI (3-4%)
- Smaller % of costs should be covered by user fees
- Seek another revenue source to cover increased costs more than the CPI

Fair and equitable user fee (fair to be defined in a future session)

- Easy to understand and justify formula

Strategies

- Legislative efforts
- Federal Grants
- Marketing Plan for METCAD
- Alternative funding ideas

There was a report generated in 2005 that recommended replacing the local surcharge with a public safety quarter cent sales tax. While this concept would have reduced the need for user agency fees and would have removed our dependence on revenue based upon a fixed technology, there are many competing funding needs for sales tax in the county, and this funding source may not be a viable alternative for METCAD.

Given that the state legislature plans to address the basis for state support for the 9-1-1 system Within the next five years, the Board recognized that our focus should not exceed that time frame.

One potential strategy would be to use some of our fund balance reserves to buffer user agency fee increases, over the next five years. The chief financial officers agreed to discuss that concept and make a recommendation to the Board later this year.

Motion to adjourn by Chief Raney and seconded by Chief Smith at 11:05 a.m.

Prepared By:

Margie Kallmayer
Secretary II