

RESOLUTION 38

**RESOLUTION OF THE GOVERNING BOARD OF
NORCOM AMENDING THE 2011 BUDGET.**

WHEREAS, by Resolution 35, the NORCOM Governing Board adopted the 2011 budget; and

WHEREAS, the NORCOM Governing Board desires to amend the 2011 budget;

NOW, THEREFORE, BE IT RESOLVED by NORCOM that:

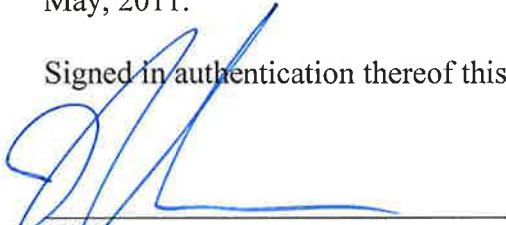
Section 1. The changes to the 2011 Budget for NORCOM, attached and incorporated as Exhibit A, are adopted.

Section 2. A summary of the 2011 Budget is as follows:

NORCOM Operating Fund	\$11,260,771
Capital Projects Fund	\$ 2,179,314
Equipment Replacement Fund	\$ 375,000
Contingency Fund	\$ 44,076
E-911 Escrow	<u>\$ 1,143,399</u>
Total 2011 Budget	\$15,002,560

Passed by majority vote of the Governing Board in open meeting on this 13th day of May, 2011.

Signed in authentication thereof this 13th day of May, 2011.



Chair

Attest: sami morel
Secretary

NORCOM
2011 BUDGET AMENDMENT
Exhibit A

OPERATIONS	2011 ADOPTED BUDGET	2011 ADJUSTMENT Increase/(Decrease)	2011 AMENDED BUDGET
Revenue:			
Beginning Fund Balance	\$ -	\$ 615,825	\$ 615,825
Participant Revenues	9,325,251	-	\$ 9,325,251
Miscellaneous Revenues	186,496		\$ 186,496
Transfers In	1,133,199		\$ 1,133,199
Expenditures:			
Salaries & Wages	5,724,595	-	5,724,595
Benefits	2,278,387		2,278,387
Operating Supplies	85,764	6,000	91,764
Operating Services	2,218,124	128,825	2,346,949
Transfer Out - Contingency	44,076		44,076
Transfer Out - Equipment Replacement	222,000	153,000	375,000
Capital Outlays	72,000	328,000	400,000
Revenues less Expenditures:	\$ -	\$ -	\$ -

NORCOM 2011 BUDGET AMENDMENT Exhibit A			
CAPITAL PROJECTS TECHNOLOGY	2011 ADOPTED BUDGET	2011 ADJUSTMENT Increase/(Decrease)	2011 AMENDED BUDGET
Revenue:			
Beginning Fund Balance	\$ -	\$ 333,684	\$ 333,684
Participant Revenue	-		-
Grant Revenue	-	1,009,784	1,009,784
Transfer In from Operations	-	835,846	835,846
Expenditures:			
Capital Outlays	-	2,179,314	2,179,314
Revenues less Expenditures:	\$ -	\$ -	\$ -

NORCOM 2011 BUDGET AMENDMENT Exhibit A			
E911 ESCROW TECHNOLOGY	2011 ADOPTED BUDGET	2011 ADJUSTMENT Increase/(Decrease)	2011 AMENDED BUDGET
Revenue:			
Beginning Fund Balance	\$ -	\$ 10,200	\$ 10,200
E911 Escrow Revenue	1,133,199		1,133,199
Expenditures:			
Transfer to Operations	1,133,199	-	1,133,199
Revenues less Expenditures:	\$ -	\$ 10,200	\$ 10,200



Date: January 31, 2011

To: Chris Fischer, Executive Director
Gwen Pilo, Finance Manager

From: Gwen Pilo, Finance Manager

Re: 2010 Ending Fund Balance Carryover Request – *Technology Vehicle*

Purpose

Carryover funding in the amount of \$28,000 for the Technology Vehicle not procured in 2010.

History

The 2010 budget provided money to fund a vehicle for Technology Team Members to use when traveling to our agencies to perform work related duties. Due to the amount of time spent on the New World technology project time was not available to procure the vehicle.

Services Provided

This carryover request will allow NORCOM to procure a vehicle in 2011 as approved in 2010.

Financial Impact

\$28,000 carried over from the NORCOM 2010 budget to 2011.

Justification/Concern

A vehicle will provide a method for members of the Technical staff to transit to NORCOM participant locations to support operation of mobile data terminals, fire station alerting systems, fire station printers and CAD and records management terminals and remote sites. A vehicle will offset existing mileage expenses for use of personal vehicles and will be used by the training classes for area familiarization.

NORCOM will also use the vehicle as a recruiting tool. Installing graphics that brand NORCOM in our communities will provide an impact by using billboard style advertising that will reach a larger geographical area and a broader audience and supplement traditional recruiting methods.



Date: January 31, 2011

To: Chris Fischer, Executive Director
Gwen Pilo, Finance Manager

From: Gwen Pilo, Finance Manager

Re: 2010 Ending Fund Balance Carryover Request – *Financial Management System*

Purpose

Carryover funding in the amount of \$75,000 with an additional \$75,000 from Ending Fund Balance for the Financial Management System not procured in 2010.

History

The 2010 budget provided money to fund a financial management system. Early in 2009 quotes were solicited from various vendors and the lowest amount given was included in the 2010 budget. Due to the amount of time spent on the New World technology project no technology staff were available to assist with writing or review and RFP and it was determined 2010 would not be a good time to implement a financial management system.

Once again quotes have been solicited from the same vendors that now range from \$150,000 to \$500,000. Currently, NORCOM outsources payroll.

Services Provided

This carryover request will allow the finance and technology business units another year to procure a financial management system.

Financial Impact

\$75,000 carried over from the NORCOM 2010 budget and \$75,000 from 2010 Ending Fund Balance to procure a financial system that does not include payroll processing.

Justification/Concern

Currently, NORCOM is using Quickbooks on a web server provided by ClarkNuber. This method of accessing NORCOM's financial system has proven difficult and at times the web server is unavailable to finance staff. Quickbooks has also been inadequate as a financial system and does not provide reports that are useful for NORCOM's management team. This means management reports must be hand prepared which is time consuming and can lead to errors.

A Financial Management System geared toward governmental accounting will improve NORCOM's financial reporting ability and reduce the time spent preparing reports.



Date: January 31, 2011

To: Chris Fischer – Executive Director
Gwen Pilo – Finance Manager

From: Greg Shelton – Technology Team Supervisor
Sheryl Mullen – Professional Standards and Development Manager

Re: 2010 Ending Fund Balance Carryover Request - **VMWare Training**

Purpose – Provide funding for training for VMWare with carryover of training funds from 2010 in the amount of \$500.

History – As part of the purchase of Dell servers and VMWare software to support New World's integrated technology, the procurement included on-site training and credits of \$3000 towards VMWare training. Use of the training was required by December 31, 2010. VMWare has extended the training offer if NORCOM commits to the scheduling of an employee for the *VMWare vSphere: Install, Configure, Manage* course being offered March 21-25, 2011 in Kirkland, WA.

Services Provided – One week training class that certifies a NORCOM employee (Technology Team Supervisor Greg Shelton) on the use of VMWare software.

Completion of this training will provide one NORCOM employee with knowledge and practical exercises required to configure and maintain NORCOM's VMWare systems.

Financial Impact – \$500 carried over from NORCOM 2010 budget to 2011.

Justification/Concern – Total cost for this training is \$3,500. NORCOM currently has \$3000 of training credit available as part of the purchase of host servers and VMWare to support New World software, to offset the cost.

Spending an additional \$500 carried forward from 2010 to 2011 will provide sufficient funding to make use of the course being offered in Kirkland, will protect NORCOM's pending \$3000 training credit and will equip a NORCOM employee with the know-how to configure and support NORCOM's technology.

Other NORCOM Members of Technical Staff will be trained by the Technology Team Supervisor which leverages the value of the training to NORCOM.

The 2010 workload did not allow completion of the training in 2010.

Recommendation Supported by Professional Standards & Development Manager – This request is supported and \$500 from the *2010 External Training & Conferences* budget is available to carry-over to 2011 and may be used for funding.



Date: January 31, 2010

To: Chris Fischer – Executive Director
Gwen Pilo – Finance Manager

From: Sheryl Mullen – Professional Standards & Development Manager

Re: 2010 Ending Fund Balance Carryover Request – Work in Progress
New World Implementation Project Site on WebPage

Purpose – The purpose of this carryover request is to allow for the payment of the final amount due on an existing project.

History – NORCOM entered into a contract with KobiBlue on December 8, 2010. The first half of the contract amount was paid in December 2010 (\$225) with the balance due upon completion of the project. Review of the demonstration site has been ongoing with a final approval and acceptance anticipated in January 2011. The balance of \$225 will be due upon completion of the scope of work.

Services Provided – This project will allow for members of the public and customer agencies to have access to project information related to the New World implementation project. Included will be a calendar, listing of committee members, documents, announcements, photos, and a general overview of the project.

Financial Impact – The amount due at the conclusion of this project is \$225.

Justification/Concern – Work has already been completed on this project with the initial balance already paid. Due to the holidays and work schedules of those who needed to provide feedback on the work being done, there was a delay into the new year of accepting the demo site and moving forward with the modifications to the NORCOM website. The carryover of the funds is needed to complete this project.

North East King County Regional Public Safety Communications Agency

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Date: January 31, 2011

To: Chris Fischer, Executive Director
Gwen Pilo, Finance Manager

From: Gwen Pilo, Finance Manager

Re: 2010 Ending Fund Balance Request – ***Capital Equipment Replacement Fund***

Purpose

Provide full funding of the Capital Equipment Replacement fund that was not accomplished as part of the 2011 budget process, in the amount of \$153,000.

History

The Equipment Replacement Reserve fund was established in the Interlocal Agreement “to minimize large increases in User Fees from year to year resulting from acquisition or replacement of capital, and to fund the timely replacement of aging technology, equipment and systems.

According to the existing Equipment Replacement Schedule, \$375,000 is required each year to fully fund the reserve. Contributions to the Equipment Replacement Reserve fund were \$125,000 in 2009, \$250,000 in 2010 and \$222,000 is budgeted for 2011.

During the budget process for 2011 the NORCOM Governing Board decided to cut funding to the Equipment Replacement fund in order to avoid increases to the operating budget.

Services Provided

The additional funds requested will provide the full contribution for 2011.

Financial Impact

\$153,000 from 2010 Ending Fund Balance.

Justification/Concern

The Equipment Replacement Reserve Fund has been underfunded in each of the previous budget years. This underfunding creates risk that money will not be readily available when needed to replace mission critical equipment. If the fund is continually funded at the 60% level and equipment is replaced as scheduled, funding for equipment replacement will run out in 2016. The new CAD/RMS system will be enrolled by the end of 2011 which will also impact replacement costs and continuous underfunding will create greater risk.



Date: January 31, 2011

To: Chris Fischer, Executive Director
Gwen Pilo, Finance Manager

From: Mark Nelson, Technology Manager
Gwen Pilo, Finance Manager

Re: 2010 Ending Fund Balance Request – *Feasibility Study*

Purpose - Provide funding for a feasibility study, in the amount of \$150,000.

History - NORCOM currently leases space on the 7th floor of Bellevue City Hall. The lease will expire in June of 2016. A 36 month notice must be given to the City of Bellevue (June 2013) if NORCOM does not intend to extend the lease. Options for extending the lease include an additional 7 year term or renegotiating a shorter period of time.

From its creation NORCOM has recognized that operational and technological investments needed to be the highest priorities for this newly formed organization, and every effort has been made to use existing facilities so that these investments could be maximized. With primary operations housed on the 7th floor of Bellevue City Hall and backup operations space utilized at Redmond Public Safety Building, NORCOM was able to make a successful transition to live operations more quickly than would have been possible if a purpose-built emergency communications center had been planned and constructed before go-live operations commenced.

Services Provided - In general terms, the following work needs to be accomplished to establish a long range facility strategy for NORCOM:

1. Modeling of potential workload and staffing over the planning horizon – calls for service and workload estimates need to be established that take into consideration both the potential growth from existing customer agencies but also consider potential growth opportunities. This information will help develop estimates that determine the number of operational positions that would be needed through the end of the planning horizon and the operational and support spaces required to support them.
2. Management and support staff modeling over the planning horizon – given the potential staffing levels needed to meet service delivery standards through the planning period, it will also be possible to estimate the potential changes in management and support staff structures needed to support the organization as it grows. This information in turn will help develop estimates for the administrative and support spaces required.

3. Technology support spaces and systems – recognizing that all technology systems go through a variety of lifecycle technology refreshments and replacements, the long term space and environmental support requirements for both the current technology systems and any reasonably predicted additions to the technology mix needs to be documented.
4. With the combined long-range understanding of the operational, technological and administrative space and environmental requirements for NORCOM over the established planning horizon, it will be possible to conduct an analysis to look at three possible scenarios:
 - a. Evaluation of NORCOM remaining within the currently occupied space (or expanded space) at Bellevue City Hall, and if Bellevue City Hall will be able to accommodate NORCOM's needs/requirements over the planning horizon;
 - b. Evaluation of any realistic opportunities to construct a new facility for NORCOM (or to remodel existing facility spaces) in partnership with another municipal or otherwise compatible organization;
 - c. Evaluation of the potential costs to establish a purpose-built facility for NORCOM to meet both the facility requirements over the planning horizon and to allow expansion beyond that period.

Financial Impact - \$150,000 from 2010 ending fund balance to fund this one-time expense.

Justification/Concern – The current facility space is meeting existing operational needs, however, it is not clear that these facilities will be able to meet the long term needs of NORCOM over the next 10-15 years; a common planning horizon utilized to evaluate facility requirements for emergency communications facilities. Further, the lease with the City of Bellevue requires a 36 month advance notice and NORCOM is faced with the need to establish a long range facility planning process so the decision to stay at Bellevue City Hall or execute alternative facility strategies can be made before July 2013.



Date: January 31, 2011

To: Chris Fischer – Executive Director
Gwen Pilo – Finance Manager

From: Kevin Bostrom – Operations Manager

Re: 2010 Ending Fund Balance Request – *Laptops for Team Supervisors*

Purpose – Replace current desktop computers in the Supervisors office with laptops and docking stations.

History – Desktop workstations were setup at go-live. This was done as a standard for all admin persons at the time. The desktops were eligible in 2010 for replacement with funds from the Capital Equipment Replacement fund, however since this fund has been underfunded they were not replaced. In order to upgrade the Desktops to laptops with docking stations additional money is requested.

Services Provided – Greater flexibility to these members of the management team.

Financial Impact – \$6,000 from 2010 Ending Fund Balance.

Justification/Concern – Facilitates the supervisors working in other rooms, from home, and from the backup center. Will also allow for CAD access from off-site locations (facilitate working on quality assurance of call receiving and radio dispatching as well as another level of backup support – each supervisor has a portable radio assigned to them).



Date: January 31, 2011

To: Chris Fischer – Executive Director
Gwen Pilo – Finance Manager

From: Susan Beisheim, HR Manager

Re: 2010 Ending Fund Balance Request –*Professional HR Services*

Purpose – Attracting capable and qualified candidates to the highly demanding and stressful industry of 911 emergency dispatches is historically challenging. Even in depressed labor markets with increased unemployment, finding the high caliber individual that is excited about being part of the public safety world with 24/7 shifts and weekend work can be difficult. The testing and evaluation process must be rigorous to produce the quality of applicant needed, however due to that same process, the failure rate is approximately 50% each step of the way and there are numerous steps. The circumstances essentially require attracting significant enough numbers of applicants to ultimately result in enough high quality employees being hired into academy, thus achieving and maintaining full staffing.

History – NORCOM went live on July 1, 2009 with a deficit number of staff, not having all of the personnel promised by the former Kirkland P.D. Dispatch and Eastside Communications Center. Since that time it has been a challenge to attract the numbers needed to attain and maintain full staffing. Recruitment efforts have been continuous since “go live” and we are currently recruiting for academy number 8.

When budgeting for 2011 occurred in early 2010, NORCOM was anticipating fewer vacancies by the end of the year.

Services Provided – These funds would be used towards administering hundreds of skills tests and evaluations to determine who will be interviewed, receive conditional offers and be sent for computerized voice stress analysis, psychological evaluations and final interviews. Those that are invited to join an Academy will be backgrounded and sent for a post offer/pre-employment physical examination, audio gram and drug test.

Financial Impact – \$22,000 from Ending Fund Balance to increase the Professional HR Service line item. If the challenge to attract qualified candidates continues through 2011, Professional HR services needs to be increased in order to fill vacant positions.

Justification/Concern – As explained above, we need to increase the numbers of high caliber, qualified candidates that are attracted to emergency dispatch and will consider it as a career.



Date: January 31, 2011

To: Chris Fischer – Executive Director
Gwen Pilo – Finance Manager

From: Susan Beisheim, HR Manager

Re: 2010 Ending Fund Balance Request –**Recruitment**

Purpose – Attracting capable and qualified candidates to the highly demanding and stressful industry of 911 emergency dispatches is historically challenging. Even in depressed labor markets with increased unemployment, finding the high caliber individual that is excited about being part of the public safety world with 24/7 shifts and weekend work can be difficult. The testing and evaluation process must be rigorous to produce the quality of applicant needed, however due to that same process, the failure rate is approximately 50% each step of the way and there are numerous steps. The circumstances essentially require attracting significant enough numbers of applicants to ultimately result in enough high quality employees being hired into academy, thus achieving and maintaining full staffing.

History – NORCOM went live on July 1, 2009 with a deficit number of staff, not having all of the personnel promised by the former Kirkland P.D. Dispatch and Eastside Communications Center. Since that time it has been a challenge to attract the numbers needed to attain and maintain full staffing. Recruitment efforts have been continuous since “go live” and we are currently recruiting for academy number 8.

Services Provided – These funds would be used towards outreach efforts that currently are financially out of reach due to 2011 budgetary restraints. The additional funds would be used towards aggressive advertising that is too expensive for the existing budget. These funds would also provide an opportunity to develop a “Recruitment Information” event – a venue that would open up 911 Dispatch to populations that previously had not seriously considered it.

Financial Impact – \$7,000 from 2010 Ending Fund Balance to increase to the Recruitment line item. If the challenge to attract qualified candidates continues through 2011, recruitment funding needs to be increased in order to fill vacant positions.

Justification/Concern – As explained above, we need to increase the numbers of high caliber, qualified candidates that are attracted to emergency dispatch and will consider it as a career.



Date: January 31, 2011

To: Chris Fischer, Executive Director
Gwen Pilo, Finance Manager

From: Gwen Pilo, Finance Manager

Re: 2010 Ending Fund Balance Carryover Request – *Legal Expenses*

Purpose

Provide for the funding of legal expenses anticipated in 2011, in the amount of \$85,000.

History

NORCOM has been in negotiations with the NORCOM Associated Guild (NAG) since early 2009. NORCOM entered mediation with the Guild in 2010 and in January 2011 a contract was voted down by Association members.

Services Provided

The additional funds requested will provide legal services for negotiations with the NAG in 2011.

Financial Impact

\$85,000 from 2010 Ending Fund Balance.

Justification/Concern



Date: January 31, 2011

To: Chris Fischer, Executive Director
Gwen Pilo, Finance Manager

From: Mark Nelson, Technology Manager

Re: 2010 Ending Fund Balance Carryover Request – *APS Virtual Partner Maintenance Agreement*

Purpose

Reinstate the APS Virtual Partner Maintenance Agreement, in the amount of \$5,500.

History

As part of the 2011 budget process NORCOM was required to reduce expenditures to offset increases and maintain a budget that reflected no increase from 2010. One element of the recommended reductions included discontinuing maintenance agreements on several software packages. APS Virtual Partner was one of the discontinued agreements.

When New World Systems Mobile 9 software was installed on Police Mobile Data Units Virtual Partner stopped working. NORCOM Technical staff is unable to correct the problem.

Services Provided

Funding the reinstatement of the maintenance agreement will allow NORCOM to request APS assistance with the Mobile 9 issues.

Financial Impact

\$5,500 from 2010 Ending Fund Balance.

Justification/Concern

The Virtual Partner software voices vehicle registration returns and warrant information and allows police officers to reduce the instances of looking at the mobile screen for information. Not having the software available to use has been identified as an unacceptable reduction in service level for our police agencies.



Date: January 31, 2011

To: Chris Fischer – Executive Director
Gwen Pilo – Finance Manager

From: Kevin Bostrom – Operations Manager

Re: 2010 Ending Fund Balance Request – ***Replacement Chairs & Stool for Supervisor Console***

Purpose – Replace 7 chairs and purchase a raised stool for the Supervisor console.

History – The communication room chairs were acquired from Bellevue and Kirkland. A stool was included in that compliment of chairs. It was anticipated that a rolling replacement of chairs would be provided for in the operating budget; however, due to budget constraints this was removed from the 2011 budget.

Services Provided – None.

Financial Impact – \$8,600

Justification/Concern – The current stool that was acquired from Bellevue is not used because it is uncomfortable and lesser quality than the other chairs. The current stool is not designed for 24/7 use. The new stool is the same brand/quality as the other communication room chairs (it just sits higher). This will allow the supervisors to better view what is occurring in the room.



Date: January 31, 2011

To: Chris Fischer, Executive Director

From: Mark Nelson, Technology
Gwen Pilo, Finance Manager

Re: 2010 Ending Fund Balance Request – ***New World Systems Technology Project***

Purpose – To provide funding required for completion of the New World Systems (NWS) Technology Project.

History – Prior to the start of NORCOM's operation a technology strategy was developed that required a single supplier provide to NORCOM a system that supported CAD (computer-aided dispatch), mobile messaging and field reporting for police, mobile messaging for fire, corrections and records management for police and fire.

In December 2008 a contract between NWS and NORCOM was executed to provide the integrated solution described in the technology strategy.

The agreement with NWS includes functional requirements and numerous payment milestones based on New World's performance.

The total technology capital cost was estimated to be \$5,065,870. NORCOM's development and operation is consistent with the technology strategy.

When the functional requirements were developed by the founders of NORCOM, development of GIS data required for the integrated technology and redundant technology to sustain operation was not included in the technology budget.

In order to implement the New World Public Safety Technology Suite a highly accurate, topologically correct, and well integrated public safety database is required. NORCOM contracted with Port Madison GIS in 2010 (total cost of contract \$378,360) to complete this database.

The standard for emergency communications centers is to have redundant mission critical equipment to support continuity of operations. NORCOM has located its back-up storage system at Redmond City Hall. Although the back-up storage system will provide access to nearly-current data, NORCOM does not have a way of continuing its operation should the servers at NORCOM's Bellevue location be inoperable or unavailable (total cost of servers and installation is \$327,700).

Starting in 2012 Washington State requires that all law enforcement agencies shift to Incident Based Reporting (IBR) of crime. Currently, law enforcement agencies in Washington report crime using either IBR or UCR (Uniform Crime Reporting). NWS has indicated to NORCOM that the cost for setup of IBR and providing trainers to NORCOM and its law enforcement agencies is \$36,000.

The agreement with NWS includes numerous requirements that New World indicated are not currently available in its standard software. New World developed prices for items that NORCOM's fire and police agencies indicated were important to them. This request includes funds for some of those previously identified items at an additional cost of \$356,846. Currently, there is approximately \$248,000 available in the contract to fund these items.

Services Provided – This funding request:

1. Provides completion of GIS data development;
2. Implements back-up servers and associated equipment to improve NORCOM's ability for uninterrupted operation;
3. Funds the development of New World Systems software functionality important to NORCOM's police and fire participants.

Financial Impact – \$835,846 from 2010 Operating Ending Fund Balance to include the following:

- \$443,000 to offset the increased costs due to GIS data development (\$115,300; remaining GIS contract) and off site backup systems (\$327,700)
- \$36,000 for the move from UCR to IBR reporting required by the state
- \$356,846 for highest priority items not available in New World Standard Software

Justification/Concern – Since 2007 when the NORCOM technology project budget was developed NORCOM has operated without change to the overall project cost. During this time, several items that should have been included in the technology budget have been identified, users of New World software have identified additional functionality that they require and Washington State has mandated that all crime reporting be done in a uniform way.

This request applies funds that were budgeted and not spent in 2010 to the technology project.

Without use of the 2010 funds for this purpose the GIS database will be less accurate, features required by NORCOM's users will be unavailable and NORCOM will be required to fund the crime reporting change from a different source.

