Emergency Telephone System Board Of DuPage County Memorandum

TO: Chair Schwarze and ETS Board Members
FROM: Linda Zerwin, Executive Director
DATE: August 12, 2026
SUBJECT: FY27 Budget Summary
CC: Chair Conroy, County Administrator Nick Kottmeyer

Budget Preparation Calendar:
August Meeting
1. **Treasurer's Investment Report**
2. **Cash Projection Discussion**
    a. **New Chart for review**
    b. **Policy Discussion**
3. Capital Budget Requests
4. 54199: Capital Contingencies and Capital Management Plan
5. Discuss 911 State Advisory Board Goals
6. Update the Calendar based on Discussion

September Meeting
1. Setting the Monthly Surcharge Revenue Projection for FY27
2. PSAP Distribution for FY27
3. Discussion of the FY26 Budget as shown on the September Agenda
   Standard Practice has been to provide the final budget in September for discussion and approval at the October meeting
4. Update of 911 State Advisory Board Goals
5. Update the Calendar based on Discussion

October Meeting
1. Approve the FY26 Budget if not approved in September
2. Approve FY26 COLA salary adjustments, if finalized by the County Board, and the ETS Board is in agreement

November Meeting – if needed
1. Approve the FY26 Budget if not approved in September.
2. Approve FY26 COLA salary adjustments, if finalized by the County Board, and the ETS Board is in agreement

Additional Tasks:
1. Review the Expenditure policy for ETSB based on discussions
2. Capital Requests Memorandums – make recommendations for ETS Board approval in final budget, cut off October
3. Update Tasks based on Discussion

The current finance reports include: ETSB Revenue and Reimbursement Report, FY26 Equalization Surcharge Revenue Distribution Report, Treasurer's History Report, Payment of Claims History Monthly Report, the FY26 Expenditure vs Budget Report for March, FY26 Equalization Surcharge Revenue Distribution by Formula, Capital Management Report With CPI, Capital Management Report CPI Data Report, and Capital Management Report 10 Year Forecast .

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The Cash Projection Discussion for August will include a Cash Analysis and the annual presentation by the Treasurer's Office.

The draft budget is prepared by staff in concert with County Finance and according to County budget policy. The draft FY27 budget to date is:

Budget	FY2026 Appropriation	FY2026 Actual	FY2027 Projections	Difference FY26 / FY27	% of Diff FY26 / FY27	% of Operating Budget
Operating						
Personnel	$1,667,754	$771,518	$1,679,843	$12,089	1%	12%
Commodities	$597,750	$53,766	$617,950	$20,200	3%	4%
Contractual	$11,546,450	$2,968,494	$12,077,967	$531,517	5%	84%
Total	**$13,811,954**	**$3,793,778**	**$14,375,759**	**$563,805**	**4%**	**100%**
New Capital	$432,940	$7,243,970*	$710,344	$277,404	64%	
54199	$34,754,075	$7,145,768	$27,474,044	$(7,280,028)	-21%	
Total Budget	$48,998,966	$10,939,546	$42,560,147	$(6,438,819)	-13%	

*includes transfers from 54199

OPERATIONS BUDGET **FY27 $14,375,759**
FY26 $13,811,954
Difference / % Difference $563,805 /4%

The FY27 Operations Budget shows additional adjustments which amend the overall budget to a three (3%) increase. The specifics will be discussed below. The ETS Board has not asked for any adjustments to the Operations Budget. However, aside from any new capital which will be discussed at the August meeting, the Operating Budget has been adjusted for some additional cyber security work that will be discussed in contracts.

Personnel Expense **FY27 $1,679,843**
FY26 $1,667,754
Difference / % Difference $12,089 / 1%

The authorized head count remains nine (9) for FY27. As of this report there is still one open position. The Board approved a classification change from Data Analyst to System Administrator. The System Administrator position has been posted. The COLA is still calculated at three percent (3%). The County Board has not yet made approved or discussed COLA.

Commodities **FY27 $617,950**
FY26 $597,750
Difference / % Difference $20,200 / 3%

This category shows a slight increase. In FY27, ETSB will purchase one (1) replacement fire radio battery per portable radio. This rotation of moving off replacing batteries at one time provides balance. The increase is the result of the fire radio batteries being more expensive than the police radio batteries. In FY28, the UPS batteries are scheduled to be replaced. This resulted in an anticipated decrease in this line item based on volume and cost. The rotation will then be: police, fire, UPS. The offsetting decrease is the result of a decrease in the furniture line item as ETSB anticipates completing its office realignment project.

Contracts	**FY27**	**$12,077,967**
	FY26	**$11,546,450**
	Difference / % Difference	$531,517/ 5%

53020: Information Technology Services
In previous years, to perform cybersecurity analyses relevant to the 911 system, additional funds have been needed beyond the originally budgeted amount. For FY27, additional funds have been budgeted to account for services should the retainer fee not be utilized for a specific event. This is an increase in the amount of $20,283.15.

53020 Information Technology Services and 53090 Professional Services
Motorola has provided a Cybersecurity Manager Detection and Response (MDR) proposal which has been written up on the County's New Program/Initiative Form, attached to this memorandum. The MDR has been provided to the County's Senior Cybersecurity Analyst for review. The MDR proposes annual costs for years 1 through 5, which have been added to the FY27-31 budgetary projections, and a one-time professional services cost in the amount of $20,160.00. This cost is under review with the State. Staff have inquired whether this is a 911 System or State expense.

New Capital	**FY27**	**$710,344**
	FY26	**$432,940**
	Difference / % Difference	$277,404 / 64%

Since the June meeting, a carryover for the DFSI project has been added to this category in the amount of $90,292. This amount will show in line item 54110 that is included in the FY27 and the difference between FY26/27 amounts. There is one new request for Wi-Fi Units for over the air programming utilizing this type of programming will speed the update process for the 600 mobiles that will be in the DEDIR System fleet.

For New Capital the following recommendations are:

Copier Rental (under contract this is a County Finance line item specific)	$ 11,500
Carryover funds approved in FY26 for the RapidSOS Suite of software	$123,552
Carryover funds approved in FY26 for the DFSI Project	$ 90,292
Fire Station Alerting Equipment for new fire stations (Westmont, Tri-State, Clarendon Hills)	$325,000
Subtotal existing projects or contracts	$550,344
New: Additional Wi-Fi units for new mobiles for over the air programming	$160,000
Total	$710,344

REVENUE	**Monthly Surcharge Estimated FY27**	**$ 13,500,000**
	Monthly Surcharge Estimated FY26	**$ 13,000,000**
	Difference / % Difference	$ 500,000 / 4%

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Monthly Surcharge YTD Actual FY26	**$9,047,676**
Monthly Surcharge end of Year FY26 Forecast	**$13,571,515**

FY25 was the first time in seventeen (17) years that ETSB did not make its monthly surcharge revenue projection. The projection was $14M. Consequently, the FY26 monthly surcharge revenue projection was reduced to $13M.

The ETSB received 8 monthly payments in FY26 as of July 31. The average amount of these eight payments is $1,130,959 up from last month's average of $1,123,404. Using the amount of $1,130,959 for the remaining four months projects a forecast of $13,571,515 up from last month's projection of $13,480,848. Using the lowest monthly payment of $1,032,394.35 for the last four payments of the fiscal year would be a total of $13,541,293.

Recommendation: Staff would recommend that the monthly surcharge revenue for FY27 be set at $13.5M. This amount would help to offset increases in the budget but still allow for more of the NG911 Withholding Distribution to be granted to the PSAPs if the ETS Board elected to do so.

PSAP ALLOCATION		
	FY26	**$1,000,000**
	FY26 NG911 Withholding paid in FY26	**$830,783**
	FY27	**$1,000,000**
	FY26 NG911 Withholding received FY26	**$1,892,817**

Per Policy 911-010: Expenditure Policy, last fiscal year, the Board approved $830,783 of the $1,614,314.27 NG911 Withholding Distribution to be allocated to the PSAPs in FY26. The remaining amount was used to meet the $14M monthly revenue projection.

For FY27, since the ETSB is on track to meet or possibly exceed the revenue projection of $13M, the Executive Director recommends that the entire NG911 Withholding Distribution be allocation to the PSAPs.

This is exactly the way Policy 911-010: Expenditure Policy was intended to work in order to allocate more to the PSAPs without impacting funding to support operations for the ETSB's 911 infrastructure. The goal is to continue with this policy until the final NG911 costs at the State level are known and whether the surcharge will be distributed differently based on research and discussions being conducted by the State 9-1-1 Board.

If the ETS Board chooses to follow the recommendation, the allocation would be as follows:

ACDC	$350,000 (IGA) + $ 662,485.95 (NG911) =	$1,012,485.95
DU-COMM	$650,000 (IGA) + $1,230,331.05 (NG911) =	$1,880,331.05
Total Allocation 53830: Other Contractual Expenses		$2,898,817.00

Now that the major portion of the Radio Replacement Project is completed, the ETS Board could also consider allocating Investment Interest Earnings (IIE) to the PSAPs.

The current FY26 IIE is: $896,165.63
The Treasurer's Investment Report estimates the full year of IIE for FY26 at: $1,528,450.

The ETS Board could also use these amounts or $1,998,734 which is the total IIE in FY25. If the ETS Board uses FY25, then staff would recommend that using the previous fiscal year amount become the model for subsequent years. FY25 Interest + IGA $1M + FY26 NG911 = grant allocated to the PSAPs.

However, If the ETS Board is going to set aside funding whether it be a cost sharing model or in full for radio replacement, then the recommendation would be to limit the funds to the PSAPs to the IGA amount to allow for the facilitation of a radio replacement in 6 to 10 years. This recommendation would be reviewed annually based on the ETSB's Cash Position.

Impact to PSAPs if using IIE:

Revenue	Total	ACDC @ 35%	DU-COMM @ 65%
FY25 IIE	$1,998,734.00	$699,556.90	$1,299,177.10
FY26 Current IIE	$896,165.63	$313,657.97	$582,507.66
FY26 Estimated IIE	$1,528,450.00	$534,957.50	$993,492.50

Projected Totals:

ACDC	IGA + NG911	IIE	Total
FY25 IIE	$1,012,485.95	$699,556.90	$1,712,042.85
FY26 Current IIE	$1,012,485.95	$313,657.97	$1,326,143.92
FY26 Estimated IIE	$1,012,485.95	$534,957.50	$1,547,443.45

DU-COMM	IGA + NG911	IIE	Total
FY25 IIE	$1,880,331.05	$1,299,177.10	$3,179,508.15
FY26 Current IIE	$1,880,331.05	$582,507.66	$2,462,838.71
FY26 Estimated IIE	$1,880,331.05	$993,492.50	$2,873,823.55

CAPITAL MANAGEMENT PLAN **FY27 $13,213,737**
FY26 $749,593
Total Asset (Original Purchase Price) $27,474,004

The ETS Board has been discussing the 54199: Capital Contingencies line item which funds existing capital infrastructure for the 911 System. This discussion resulted in the updating of Policy 911-010: Expenditure Policy and the creation of several reports:

The major discussion here is how much to allocate vs how much cash and whether there should be a reserve separate from the Capital Management Plan. This is why the discussion is currently scheduled for the August meeting.

<u>ETSB Cash Projection 5 Year Outlook</u>: New on the August Agenda is a Cash Analysis Projection. This report was developed by County Finance and adjusted from budgetary numbers to reflect actual cash. ETSB staff worked with Finance, the Treasurer's Office and Member Honig to create the report for the August agenda. The goal of this report (Tab 1 on the excel workbook) is to provide the ETS Board with a snapshot of the actual cash position of the ETSB when considering Capital Replacement, Reserve Funds (not currently part of the

budget), allocation to the PSAPs and radio replacement 6-10 years from now. The excel workbook has three other tabs that support the 5 year outlook: Graph Data, Support Data and Treasurer's History.

For August/September the Board will have the following decisions to make. It is recommended that the Board decide and provide direction in August and September when it will have the most current information.

Discussion/Decisions:

- **Recommendation for Revenue Projection for FY27**: $13.5M

- **Monthly Surcharge Revenue Over Projection**: At the current projection, the ETSB should meet its $13M revenue estimate. The Board can discuss allocating any funds over the monthly surcharge revenue projection of $13M to the PSAPs. This discussion will be dependent on whether radios are included in the Capital Replacement.

  Recommendation: Do not allocate. Because the full year is only projected, while unlikely, the surcharge could drop and it is better to deal with known amounts to avoid a negative impact to ETSB Investments/Cash and the budget.

- **Investment Interest Earned (IIE):** There were three options.

  Recommendation: Allocate FY25 IIE to PSAPs. This is a complete and known amount and easier to accurately calculate into the budget for FY27 and future fiscal years.

- **911 Withholding Distribution:** Discuss and/or Affirm the Executive Director recommendation. This item is on the September Agenda for decision as the allocation is impacted by the radio replacement discussion.

- **Capital Contingencies Line Item Amount:**
  - Baseline amount
  - FY26 did not include complete radio replacement
  - FY27: include complete radio replacement or not
    - If yes, then 100% or a cost sharing? This will impact distributions to the PSAPs.

  Recommendation: Keep the appropriation at the Purchase Amount of the current Capital items in the plan $27,474,044.

  However, if radios replacement is to be included, the amount should be increased appropriately depending on cost sharing or entire amount. At the cost sharing amount and assuming the ability for a financing package, the increase should be $35M incrementally over the next three years. For a complete replacement, the fund should be gradually increased over the next three years to $40M. This will impact allocations to the PSAPs.

FY2027 Budget Preparation New Programs/Program Initiatives

Company: 4000 Accounting Unit: 5820

Department: ETSB

Information Section: All new or expanded program requests should be detailed on this form. Per County Board rules, departments are required to include a five year financial impact statement which outlines how the new or expanded program will be funded, how much the program will cost each of the five years and any other related information. Also include any statutory or ordinance citations that relate to the new or expanded program.

Program Name: Motorola Cyberscurity Services MDR

Start Date: December 2026

Impact on Budget ($)						
Funding Account #	FY2027	FY2028	FY2029	FY2030	FY2031	Total Project Cost
53020	$104,105	$108,269	$112,599	$117,107	$121,792	$563,872
53090	$20,160					$20,160
						$0
						$0
						$0
						$0
						$0
						$0
Grand Total	**$124,265**	**$108,269**	**$112,599**	**$117,107**	**$121,792**	**$584,032**

Description:

Motorola's ASTRO 25 MDR provides radio network security element monitoring by experienced, specialized security technologists with extensive experience working with ASTRO 25 mission-critical networks. For highly complex or unusual security events, Motorola's technologists have direct access to Motorola engineers for rapid resolution.

Program Goal:

To provide 24x7x365 Security Operations Center Support. This is a component of their broader proprietary SOC 2 Type 2 certified Managed Security Platform targeted to Public Safety, Critical Infrastructure, and State/Local municipalities.

Other Information:

Managed Detection and Response is performed by Motorola's Security Operations Center (SOC) using the ActiveEyeSM security platform. ActiveEyeSM is a cloud-native security and video monitoring platform primarily known as a Managed Detection and Response (MDR) and Security Orchestration, Automation, and Response (SOAR) solution by Motorola Solutions, as well as an AI-powered enterprise video surveillance monitoring system. The SOC's cybersecurity analysts monitor for alerts 24x7x365. If a threat is detected, analysts will investigate and initiate an appropriate Customer engagement. Customer engagements may include, but are not limited to; deploying cybersecurity countermeasures for incident containment, requesting additional information from the Customer, continuing to monitor the event for further development, or informing the Customer to enact the Customer's documented Incident Response plan.

Performance Measure:

- Main dashboard displays and aggregates all of the important and relevant risk information from across the organization, helping decision makers to make better-informed decisions to balance cybersecurity efforts and operational efficiencies.
- Main dashboard provides key performance metrics and indicators that can inform an admin at a glance to the activity that is occurring throughout their environment.
- Create ad-hoc reports and notifications based on available data and ActiveEyesM parameters.
- Transparency into the service that Motorola is providing. The dashboard will provide the key indicators to the number of events that are handled on a daily, weekly, monthly basis and how those events are handled by the Motorola Security Operations Center (SOC).

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Program Name: Wireless Connections for Mobile Programming

Start Date: TBD

Impact on Budget ($)						
Funding Account #	FY2027	FY2028	FY2029	FY2030	FY2031	Total Project Cost
54100	$160,000	$160,000	$160,000	$160,000	$160,000	$800,000
						$0
						$0
						$0
						$0
						$0
						$0
						$0
Grand Total	**$160,000**	**$160,000**	**$160,000**	**$160,000**	**$160,000**	**$800,000**

Description:

There was discussion at Fire Focus Group with ETSB and ABeep regarding maintenance of the mobiles and managing aliases and IDs across the DuPage County radio system. There was discussion regarding the complexity of network configurations across 70 agencies and their respective IT environments, making standardization difficult. The option under discussion would include installation of a unit, through ABeep, at each of the agency's, police and fire, fleet services or headquarters allowing vehicles within the vicinity to update their mobile radios by connecting to the unit via Wi-Fi.

Program Goal:

To manage maintenance and network access across roughly 70 different agencies with a standardized approach. This option would allow ABeep to manage the fleet and infrastructure for updates and in the event an issue arises.

Other Information:

This project will require a more technical discussion because of the complexity of network configurations and multiple agency IT environments.

Performance Measure:

Successful quarterly updates.