

2021 ANNUAL REPORT

DENCO AREA 9-1-1 DISTRICT



1075 Princeton Street • Lewisville, TX 75067
972.221.0911 • DENCO.ORG

Accomplishments



Board Members: The beginning of Fiscal Year 2021 marked the retirement of Denco Board Chairman Jack Miller after twenty years of service. Long-time board member Bill Lawrence was unanimously elected to serve as the new Chair. The board also welcomed Jason Cole, representing Denton County Commissioners Court to fill the position vacated by Mr. Miller. During the January meeting of the Denco Board of Managers, Rob McGee announced his intention to resign from the board due to a change in employment which affected his eligibility. George A. Karatzis was appointed by the board to fill the non-voting board position representing 9-1-1 service providers.

Cybersecurity Assessment: Denco completed a comprehensive assessment to analyze the agency's risk of cyber breach and disruption. The assessment was designed to determine if vulnerabilities exist that could be exploited to gain access to Denco Area 9-1-1 District's information systems, evaluate mitigation controls in place, and recommend areas of improvement to reduce risk. The project provided Denco with information and guidance to efficiently and effectively make improvements to our current cyber-defense strategy and policies.

Federal NG9-1-1 Equipment Grant: Denco received approval for additional grant funding from the Next Generation 9-1-1 Advancement Act in the amount of \$247,000 to support planned projects of implementing a more robust network failover to the microwave system, upgrade of routing services with Intrado, and a comprehensive cybersecurity assessment. Additionally, as discovered during the winter storm in February, our 25-year old emergency generator serving the administrative facility needs to be replaced and upgraded. Denco received authorization for up to 60% replacement cost in grant fund reimbursement for the project.

Financial Sustainability: The district supported draft legislation during the 87th Texas Legislative Session to ensure long-term sustainability of the emergency number systems in Texas through a slight increase in the wireless 9-1-1 fee. H.B. 2911 was approved in the House but as modified in the Senate, did not provide the needed fee increase. SB 8 by Sen. Jane Nelson (R-Flower Mound)/Rep. Greg Bonnen (R-Friendswood) during the Legislature's Third Called Special Session appropriated \$13.3 billion in federal coronavirus relief money including \$150 million for deployment and operational support for next generation 9-1-1 service until the next legislative session.

Location Based Routing: In 2021, Denco and T-Mobile completed cutover to the enhanced Location Based Routing (LBR). The routing enhancements use the wireless callers precise location for routing determination rather than the older Phase I technology previously used. Routing 9-1-1 calls with this system improves overall response times by reducing the number of transfers required between emergency communications centers. The enhanced routing is currently only available for T-Mobile subscribers in the district.

Winter Storm: During the Winter Storm of 2021, total 9-1-1 call volume at the emergency communications centers was up almost 104% from the same week the previous year and more than 135% from the previous week. During the event, although Denco facilities lost power for more than three days, all calls presented to the 9-1-1 system were successfully processed to the appropriate emergency communications center. During the power outage, the Denco administrative facility suffered three separate water pipes bursting above the ceiling, resulting in ceiling collapse and extensive water damage through the facility.

CALEA Accreditation: After extensive review of Denco practices and operational procedures, the Commission on Accreditation of Law Enforcement Agencies voted unanimously to approve Denco's reaccreditation for the next four years, with annual remote assessments. As described by CALEA, "CALEA standards require a proven management system of written directives, sound training, clearly defined lines of authority and ongoing operational assessments that support decision making and resource allocation. Accreditation provides objective evidence of an agency's commitment to excellence in leadership, resource management, and service delivery."

Training and Public Education: Denco's training, recruiting and public education programs continued to be significantly impacted by the COVID-19 pandemic. Several courses were canceled throughout the year but due to improving infection numbers, the agency was able to return to a full training schedule in mid-summer. During 2021, Denco continued to focus public education toward social and traditional media outlets. Campaigns were developed to create a consistent presence on Facebook, Twitter, Instagram and local publications with important public safety messages.

Agency Governance



Denco 9-1-1 was created in 1987 through voter referendum to serve as the coordinating body for 9-1-1 service for local jurisdictions. Annually, the board sets the wireline 9-1-1 service fee rate to meet operating needs.

Denco will continue to maintain its “pay-as-you-go” philosophy, while still delivering industry leading services to the citizens it serves.

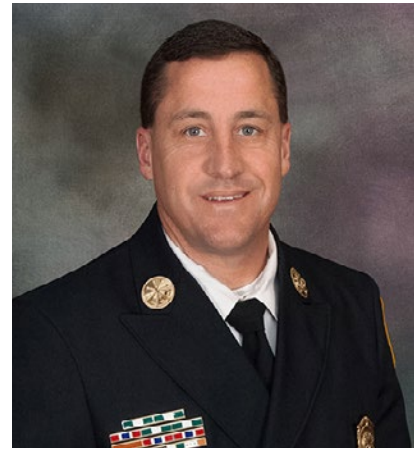
During fiscal 2021, the Denco Board was comprised of:



Mr. Bill Lawrence, Chairman
*Representing Denton County
Commissioners Court*



Ms. Sue Tejml, Vice Chairman
Representing Municipalities



**Assistant Chief Terry McGrath,
Secretary**
*Representing Denton County
Fire Chiefs' Association*



Mr. Jason Cole
*Representing Denton County
Commissioners Court*



Mr. Jim Carter
Representing Municipalities



Mr. George Karatzis, Verizon
Advisory Member

Sound Financial Position



Denco continues to receive an “unqualified opinion” from its auditors, year after year. A testament to the ongoing commitment to apply governmental accounting and management policies, and best practices.

DISTRICT FINANCIAL PLAN

Revenues

9-1-1 Service Fee Revenue.....	\$ 5,584,559
Interest Revenue	2,648
Miscellaneous Revenue	<u>224,972</u>
TOTAL REVENUES.....	\$ 5,812,179

Expenditures

Direct Services	\$ 3,927,226
General Government	<u>971,168</u>
TOTAL EXPENDITURES.....	\$ 4,898,394

EXCESS REVENUE OVER EXPENDITURES..... \$ 913,785

Sound Financial Position



STATEMENT OF NET ASSETS & GOVERNMENTAL FUND BALANCE AS OF SEPTEMBER 30, 2021

Assets

Cash.....	\$ 392,006
Temporary cash investments.....	3,857,105
Service fees receivables.....	442,464
Grant receivables	53,093
Net pension asset	268,610
Capital assets:	
Non depreciable.....	232,819
Depreciable, net	<u>8,383,398</u>
TOTAL ASSETS.....	\$ <u>13,629,495</u>

Deferred outflows of resources

Deferred outflow related to pension.....	\$ 358,253
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Liabilities

Accounts payable	\$ 93,841
Accrued payroll.....	\$ 80,892
Long term liabilities:	
Due within one year.....	-
Due in more than one year	<u>140,356</u>
TOTAL LIABILITIES	\$ <u>315,089</u>

Deferred inflows of resources

Deferred inflow related to pension	\$ 285,340
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Net Assets

Investment in capital assets	\$ 8,616,217
Unrestricted	<u>4,771,102</u>
TOTAL NET ASSETS.....	\$ <u><u>13,387,319</u></u>


Sound Financial Position



AFFIDAVIT

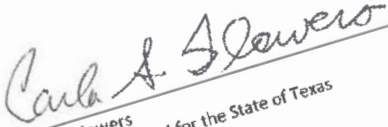
STATE OF TEXAS
COUNTY OF DENTON

Before me, the undersigned personally appeared and stated:
I, Gregory S. Ballentine, Executive Director of the Denco Area 9-1-1 District, do solemnly swear that the presented report of the operations and finances of the Denco Area 9-1-1 District is a true and correct report of the activities of the District for the fiscal year ending September 30, 2021.




Gregory S. Ballentine
Executive Director

Sworn to and subscribed this 13 day of January 2022.



Carla S. Flowers
Notary Public in and for the State of Texas

My Commission Expires:
October 3, 2024



Jurisdictions

PARTICIPATING CITIES AND TOWNS IN DENTON COUNTY

Argyle	Hackberry	Northlake
Aubrey	Hebron	Oak Point
Bartonville	Hickory Creek	Pilot Point
Copper Canyon	Highland Village	Ponder
Corinth	Justin	Providence Village
Cross Roads	Krugerville	Roanoke
Denton	Krum	Sanger
DISH	Lake Dallas	Shady Shores
Double Oak	Lakewood Village	The Colony
Draper	Lewisville	Trophy Club
Flower Mound	Little Elm	Unincorporated Denton County

9 EMERGENCY COMMUNICATIONS CENTERS

Denton	Lewisville	Denton County Sheriff
Flower Mound	Roanoke	Texas Woman's University
Highland Village	The Colony	University of North Texas