



PEMA UPDATE

Act 12 of 2015

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Agenda



Introduction



Triennial Planning Update



Inventory



Current Program Close-Out



New Program Transition

Triennial Planning Update

- Effective August 1, plans will no longer go to the Public Utility Commission for review.
- Per Act 12, plans:
 - Shall consider efficiencies from regionalization and consolidation
 - and may include consideration of NG9-1-1 technology.
- Planning standards will be changed in consultation with the board.
- If you are currently working on a plan, please stop until the new standards are set.

INVENTORY

- PEMA, in consultation with the board and the Governor's Interoperability Council, shall complete the inventory and issue a report detailing its findings and recommendations to the General Assembly by March 31, 2016.
- PEMA's intent is to minimize the disruption to PSAP operations as much as possible.
- We'll use as much information as possible from the regional assessments.
- Each PSAP will be visited to verify the accuracy of the assessment data and to also gather any other inventory information required by Act 12.

CURRENT PROGRAM CLOSE-OUT

- Funding provisions in Act 12 take effect 8/1/2015.
- The current funding period has been extended through 7/31/2015.
- The current program administration, remittance, and disbursement procedures remain in effect until July 31, 2015.

CURRENT PROGRAM CLOSE-OUT

PAYMENTS UNDER THE CURRENT LAW:

- By July 31 - 1st quarter wireless payment shown on the 2015/2016 PSAP Line Item Report.
- By August 28 - June VoIP revenue remitted to Treasury.
- By September 30 - July VoIP revenue remitted to Treasury

CURRENT PROGRAM CLOSE OUT

What if you receive wireline funds after August 1st?

- Retain any wireline or VoIP funds received for April, May, and June.
- If you receive a single monthly payment for July:
 - You should retain those funds.
 - Please notify the carrier in writing that all future remittances should be made to the Commonwealth
- Any wireline or VoIP funds received for August and going forward should be forwarded to the State Treasurer.

CURRENT PROGRAM CLOSE-OUT

RECONCILIATION:

- Report will now cover 7/1/2014 – 7/31/2015.
- Due Date is 9/30/2015.

For a clear end point to the current funding program:

- Please report your Wireline/VoIP account balance as of 7/31/2015 on the Local Balance Certification.
- Please upload a bank statement or report from the county/city financial system showing the wireless and wireline/VoIP fund balances as of 7/31/2015

CURRENT PROGRAM CLOSE-OUT

RECONCILIATION CHANGES:

Expenses are to be recognized in the funding period in which they are incurred or used by the PSAP.

Example:

- *A County receives an invoice for services rendered at the PSAP in July 2015.*
- *Payment will likely not be issued until August or September.*
- *The expense should be reported on the 7/1/2014 – 7/31/2015 reconciliation report since the service was rendered in July.*

Revised FY 2014/2015 reconciliation procedures will be issued shortly.



ACT 12 of 2015 TRANSITION

NEW PROGRAM TRANSITION

- **8/1/2015 - The uniform 911 surcharge, remittance and disbursement procedures take effect.**
- An interim funding period will be used from 8/1/15 – 12/31/15 to transition the program to a calendar year
- The interim funding period will allow time for the establishment of the 911 Board.
- PEMA, in consultation with the Board, can proceed with:
 - Establishing a Statewide 911 plan
 - Determining priorities for 911 systems
 - Setting uniform standards
 - Publishing eligible uses for funding in subsequent calendar year funding periods.

NEW PROGRAM TRANSITION

PAYMENTS:

- Disbursements will be made quarterly in accordance with Act 12.
- Payment schedule for 8/1/2015 – 12/31/2015:

QUARTER	DUE TO TREASURY:	PROJECTED PAYMENT TIMEFRAME:
July* , August, September	October 15 th	Last week of October
October, November, December	January 15 th	Last week of January

** Any revenue for July remitted to the State Treasurer as part of a quarterly payment in October will be included in the interim formula calculation.*

NEW PROGRAM TRANSITION

INTERIM FORMULA:

- Effective August 1st, until the final funding formula is implemented, 83% of the funds will be distributed by the interim formula provided in Act 12.

INTERIM FORMULA - DISTRIBUTION	
83%	Formula distribution to the PSAPs
15%	Statewide interconnectivity
2%	PEMA administrative costs

NEW PROGRAM TRANSITION

Under the interim formula, 83 % is to be distributed as follows:

- 1) 106% of a PSAP's average 5 year wireline revenue from 2010-2014.
 - 2) 106% of a PSAP's average 5 year VoIP revenue from 2010-2014
 - 3) Any remaining fund will be distributed based on the ratio of a PSAP's average 5 year reported expenditures (2010-2014) to the total 5 year average reported expenditures for all PSAPs.
- **The average wireline and VoIP amounts provide the minimum amount PSAPs can expect to receive annually.**
 - **The balance of the 83% segment will be distributed by the ratio of expenditures.**

NEW PROGRAM TRANSITION

ELIGIBILITY:

Block grant approach for formula based funding in the interim period of 8/1/2015 – 12/31/2015.

PSAPs will have discretion over how funds are spent; provided the expense is related to 911 service.

- PEMA will provide a list of broad cost categories for eligible activities.
- Cost categories will be based on the current eligibility list for wireless, wireline, and VoIP.

NEW PROGRAM TRANSITION

RECONCILIATION/REPORTING:

- A guidance document will be issued for the interim funding period.
- Expenses will continue to be reported on the Webtool Reconciliation tab.
- We're working to simplify the reporting process while making it more useful for PEMA and the PSAPs.

FUTURE CONSIDERATIONS

Per Act 12, depreciation, amortization, and reserve allocations are eligible costs.

- a depreciation/amortization schedule will be built into the webtool that will allow PSAPs to easily report those costs in compliance with GAAP.
- a schedule will be built into the webtool to manage reserve allocations in a simple and transparent format.

PSAPs are required to have a biennial audit.

- PEMA will pay for those audits from the 2% administrative funds.
- Audit process will begin in early 2017.



QUESTIONS?