

Radio Services Fund Emergency Preparedness



Fund Purpose

An enterprise fund is used to account for operations that are financed and operated similar to private businesses, where the costs of providing services are financed or recovered primarily through user charges to Waukesha County Departments and outside agencies. The Radio Services Fund includes three major program areas: Radio Services which provides conventional radio services (including mobile data systems) and equipment repair and maintenance; Trunked Radio infrastructure operations; and an equipment replacement accumulation fund for County agencies' radio equipment replacements. Program descriptions and activities are outlined on the following program pages.

Financial Summary	2008 Actual (a)(d)	2009 Adopted Budget (d)	2009 Estimate (d)	2010 Budget (d)	Change From 2009 Adopted Budget	
					\$	%
Revenues						
General Government (b)	\$10,285	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$651,323	\$533,773	\$575,967	\$530,788	(\$2,985)	-0.6%
Interdepartmental	\$469,082	\$561,739	\$530,869	\$598,847	\$37,108	6.6%
Other Revenue (c)	\$305,214	\$0	\$17,274	\$0	\$0	N/A
Appr. Fund Balance (d)	\$331,256	\$333,909	\$351,001	\$210,532	(\$123,377)	-36.9%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$1,767,160	\$1,429,421	\$1,475,111	\$1,340,167	(\$89,254)	-6.2%
Expenditures						
Personnel Costs	\$514,500	\$526,617	\$537,938	\$523,677	(\$2,940)	-0.6%
Operating Expenses	\$497,363	\$536,633	\$516,305	\$458,775	(\$77,858)	-14.5%
Interdept. Charges	\$121,019	\$115,275	\$114,588	\$114,482	(\$793)	-0.7%
Interdept. Charges-Int Exp	\$54,256	\$36,909	\$36,909	\$18,834	(\$18,075)	-49.0%
Debt GF Loan Repay (Memo) (e)	\$607,251	\$624,597	\$624,597	\$448,434	(\$176,163)	-28.2%
Fixed Assets (Memo)(f)	\$0	\$5,000	\$0	\$0	(\$5,000)	-100.0%
Total Expenditures (b) (d)	\$1,187,138	\$1,215,434	\$1,205,740	\$1,115,768	(\$99,666)	-8.2%
Operating Income (Loss) (d)(e)(f)(g)	\$580,022	\$213,987	\$269,371	\$224,399	\$10,412	4.9%

Position Summary (FTE)

Regular Positions	5.25	5.25	5.25	5.25	0.00
Extra Help	0.65	0.00	0.00	0.00	0.00
Overtime	0.17	0.22	0.34	0.10	(0.12)
Total	6.07	5.47	5.59	5.35	(0.12)

- (a) The 2008 actual operating income amount shown above differs from the 2008 Comprehensive Annual Financial Report (CAFR) amount due to the CAFR including depreciation expense related to county assets that were funded from non-County sources and appropriated Radio Services Fund Balance for budget purposes is not reflected as a financial transaction (revenue) by Accounting Services Division.
- (b) General Government revenue received in 2008 is revenue of \$10,285 from the Village of Lannon joining the Trunked Radio System.
- (c) Other revenue in 2008 is comprised of \$42,174 of interest earnings which is used to repay the General Fund after receipt and \$263,040 of Nextel rebanding revenue that is not budgeted to offset additional Radio Services expenditures dollar for dollar associated with this rebanding project (which are budgeted in Charges for Services revenue). Other revenue for 2009 includes interest income to repay the General Fund loan totaling \$17,274.
- (d) Radio Service Fund Balance is appropriated for repayment to the General Fund for loan interest payments received from participating municipalities to acquire Trunk Radio equipment (\$54,256 in 2008, \$36,909 in 2009 and \$18,834 in 2010). Radio Services Fund Balance of \$212,000 in 2008 and 2009 and \$105,798 in 2010 is budgeted to fund the County's portion of Trunk Radio Infrastructure depreciation expense. Radio Services Fund Balance of \$65,000 in 2009 and \$69,500 is budgeted in 2010 for depreciation expense associated with the mobile data computer infrastructure. Radio Services 2010 Fund Balance of \$16,400 is budgeted to cover the first year capital project building improvement depreciation which is half of the total depreciation amount charged in future years.
- (e) Debt repayment of General Fund loans for the radio tower, building, Trunked Radio infrastructure, and radio equipment. Repayment is funded with cash balance generated by operating revenues or repayments from municipalities. The repayment amount is excluded from the expenditure total to conform to financial accounting standards. The final repayment from Radio Services to the General Fund should occur in 2010.
- (f) Total expenditures and net operating income exclude fixed asset purchases to conform to financial accounting standards. Any fixed asset purchases will be made from cash generated by operating revenues and existing Radio Services Fund Balance. None are planned for the 2010 Budget.
- (g) Operating income is attributable to revenues providing funding for the County radio replacement program (2008: \$195,806; 2009: \$211,656; and 2010: \$224,399). Also included in operating income is interest income from municipal repayment of loans 2008 \$42,174; and 2009: \$17,274 which is the final year of the payments to the County). These amounts are repaid to the General Fund in the year following receipt, with the last replacement to the General Fund in 2010.

Major Departmental Strategic Outcomes and Objectives for 2010

County-Wide Key Strategic Outcome: A safe county

Objective 1: Maintain uptime, performance, and reliability of the current County-wide trunked radio communications.

Key Outcome Indicator: Uptime percentage as a performance and reliability measurement.

Performance Measure:	2008 Actual	2009 Target	2009 Estimate	2010 Target
Trunked System uptime. Percent of time the system is available overall (reliability).	99.9999%	99.995%	99.9999%	99.9999%
Percent of time the system has unimpaired coverage (performance).	97.50%	99.7%	97.75%	98.00%

Objective 2: Maintain a reliable and scalable County-wide public-safety mobile data service for police departments. (Trunked Radio and Radio Services Operations)

Key Outcome Indicator: The mobile data system has been successfully implemented with approximately 175 units online. Coverage, throughput, and reliability are noticeably improved versus the previous system. Need to maintain speed, reliability and coverage of the system. (Radio Services Operation)

Performance Measure:	2008 Actual	2009 Target	2009 Estimate	2010 Target
Agencies served	24	25	23	23
Geographic Coverage	>99.5%	>99.5%	>99.5%	>99.5%
Gross Data throughput (all sites)	192 kbps	192 kbps	192 kbps	192 kbps

* Throughput is the amount of data that can flow through the system including all tower sites.

Current and Proposed Capital Projects

Project #	Project Name	Expected Completion Year	Total Budget Project Cost	Estimated % Complete at Year End '09	Estimated Net Oper. Impact	Est. Depreciation Expense
200617	Radio Services Building Exp/Renovation	2010	\$984,000	20%	TBD (a)	\$32,800
200815	Trunk Radio Digital Radio System (b)	2014	\$9,515,000	0%	TBD	\$475,750(b)

- (a) The Department will have a better idea of the ongoing costs once the design work is complete.
- (b) Amount is based on County/municipal partners 50/50 county share for 10 year useful life.

Trunked Radio Operations

County-Wide Key Strategic Outcome: A safe county

Program Description

Provides centralized system administration, maintenance, and support for the operations of the infrastructure for 37 of the County's 37 municipalities, and 7 separate fire districts to maintain approximately 5,300 mobile and portable radios utilizing county-wide 800 MHz trunked radio system. This includes 7 antenna sites, 13 radio channels, 93 transmitters, and 113 control base stations.

	2008 Actual	2009 Budget	2009 Estimate	2010 Budget	Budget Change
Staffing (FTE)	1.47	1.12	1.24	1.05	(0.07)
General Government	\$10,285	\$0	\$0	\$0	\$0
Charges for Services	\$254,939	\$207,004	\$193,046	\$208,997	\$1,993
Interdepartmental Rev.	\$136,764	\$27,571	\$28,974	\$28,039	\$468
Other Revenue	\$42,174	\$0	\$17,274	\$0	\$0
Appr. Fund Balance (a)	\$54,256	\$56,909	\$70,012	\$18,834	(\$38,075)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues (b):	\$498,418	\$291,484	\$309,306	\$255,870	(\$35,614)
Personnel Costs	\$141,582	\$120,345	\$134,528	\$116,417	(\$3,928)
Operating Expenses	\$96,614	\$110,256	\$84,149	\$98,020	(\$12,236)
Interdept. Charges	\$41,958	\$43,333	\$43,014	\$42,599	(\$734)
Interdept. Charges - Int Exp	\$54,256	\$36,909	\$36,909	\$18,834	(\$18,075)
Debt-Gen.Fd Loan Repay (Memo)(b)	\$607,251	\$624,597	\$624,597	\$448,434	(\$176,163)
Fixed Assets (Memo) (c)	\$0	\$0	\$0	\$0	\$0
Total Expenditures: (b) (c)	\$334,410	\$310,843	\$298,600	\$275,870	(\$34,973)

Rev. Over (Under) Exp. (b)	\$164,008	(\$19,359)	\$10,706	(\$20,000)	(\$641)
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(a) Radio Service Fund Balance is mainly appropriated to repay the General Fund for the interest on the loan to the municipalities to acquire Trunk Radio equipment. Radio Services received interest revenue of \$36,909 in 2008, and \$18,834 in 2009 and repays these amounts to the General Fund in the year after receipt. 2010 should be the last year of the debt repayment to the General Fund.

(b) Debt repayment of a General Fund loan for the Trunked Radio infrastructure and radio equipment. Repayment is funded with cash balance generated by repayments from municipalities. The repayment amount is excluded from the expenditure total due to the accounting entry for the repayment applied to the balance sheet liability account titled "advances from other funds."

(c) Total expenditures and net operating income exclude fixed assets to conform with financial accounting standards. Any Fixed Asset purchases will be made from cash generated by operating revenues and existing Radio Services Fund Balance. None are budgeted in 2009 and 2010.



Program Highlights

Charges for Service revenue increases by \$1,993 to \$208,997. This includes a \$22,700 decrease in Nextel rebanding revenue as the Department is not budgeting expenses or revenue related to this project as it is nearing completion in 2009. This decrease is offset by \$22,543 increase in radio maintenance service agreement revenue due to new higher tier radios which are more expensive to maintain and provide repair services. Trunked radio operating charges for both municipal members and County Departments are increasing by 2% or a total of \$2,558.

Personnel costs decrease by \$3,928 due to the reduction of 0.07 FTE or 137 hours of overtime resulting in \$6,253 decrease in overtime related to the phasing down of Nextel rebanding work. The department is still budgeting \$5,954 in overtime coverage and related benefits for 105 overtime hours. Operating expenses decrease by \$12,236 reflecting the discontinuation of a service contract on the trunked radio system resulting in an \$11,800 decrease for computer maintenance costs. The vendor has agreed to provide the service on a time and material basis and the department is comfortable changing to this service level. Interdepartmental charges are decreasing by \$18,809 due to the interest payments to the General Fund decreasing by \$18,075 as the Radio Services loan for the Trunked Radio System continues to be paid off and will be paid off in 2010.

Equipment Replacement – Trunk Radios

Program Description

Provides for the accumulation of funding to afford the replacement of equipment after the useful life is exhausted. Equipment included for this funding accumulation is Trunked Radio replacements for County departments' radio (portable/mobile/sirens) units, including Sheriff ancillary items such as cases, speakers, and microphones. Not included is any Trunk Radio infrastructure replacement (planned to be replaced by a future capital project in the Capital Plan) or municipal agencies radio equipment.

	2008 Actual	2009 Budget	2009 Estimate	2010 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
Interdepartmental Revenue (a)	\$195,806	\$213,987	\$211,656	\$224,399	\$10,412
Appr. Fund Balance (b)	\$212,000	\$212,000	\$212,000	\$105,798	(\$106,202)
County Tax Levy (a)	\$0	\$0	\$0	\$0	\$0
Total Revenues: (c)	\$407,806	\$425,987	\$423,656	\$330,197	(\$95,790)
Operating Expenses (c)	\$210,693	\$212,000	\$211,079	\$105,798	(\$106,202)
Fixed Assets (Memo)	\$0	\$0	\$0	\$0	\$0
Total Expenditures: (c)	\$210,693	\$212,000	\$211,079	\$105,798	(\$106,202)
Rev. Over (Under) Exp. (c)	\$197,113	\$213,987	\$212,577	\$224,399	\$10,412

- (a) Amounts charged back as lease charges to departments provides a sinking fund to build up Radio Services Fund Balance reserves planned for over a nine-year/ten-year replacement period. This allows for funds to be available for necessary and timely replacements. Funding from departments include various revenue sources including Tax Levy.
- (b) Appropriated Fund Balance includes Radio Service Fund Balance appropriation of \$212,000 for 2008 through 2009 and \$105,798 for 2010. Fund Balance is designated to offset depreciation expense related to the County's portion of the Trunked Radio infrastructure. Therefore, no sinking fund is building up for future infrastructure replacement cost. This would need to be funded from a future capital project.
- (c) Expenditures to be incurred result from the depreciation expense of the County's share (\$1.9 million) of the Trunk Radio infrastructure costs to be totally offset by the appropriation of Radio Services Fund Balance. Original radio purchases were made from the capital project and expensed in the year of purchase based on a \$5,000 minimum capitalization level.



Program Highlights

The 2010 revenue budget continues the accumulation of funds for County departments to be used as a user equipment replacement fund. The 2010 expenditure budget decreases by \$106,202 as 2010 is the tenth year of the trunked radio infrastructure which was assumed to have a ten year life so depreciation expense is reduced by half. The equipment fund replacement charge increases by \$10,412 largely due to an inflationary cost adjustment for the radio replacements funding in the plan, which are reduced from 630 to 624 radios.



Activity – Radio Replacement Charges

Trunked Radio System Department	2009 # of Radios	2010 # of Radios	2009 Budget	2010 Budget	2010 \$ Change
Public Works	182	182	\$41,528	\$43,916	\$2,388
Parks & Land Use	113	113	\$36,104	\$37,620	\$1,516
Sheriff	292	292	\$117,866	\$125,732	\$7,866
Public Works - Central Fleet	7	7	\$1,600	\$1,667	\$67
Medical Examiner	5	5	\$1,525	\$1,589	\$64
Emerg Prep - Emerg Mgmt	3	3	\$1,102	\$1,149	\$47
Emerg Prep - Radio Services*	11	11	\$7,413	\$7,725	\$312
Health & Human Services	16	10	\$6,445	\$4,580	(\$1,865)
Airport	1	1	\$404	\$421	\$17
Total	630	624	\$213,987	\$224,399	\$10,412

Conventional Radio Services Operation

County-Wide Key Strategic Outcome: A safe county

Program Description

Provides radio design and engineering consultation services, purchasing, installation, operation, and servicing of traditional radios and base stations including new Communication Center radio consoles and related equipment (Dispatch Operations). Operations include maintenance and repair services of two-way radio communication (remaining UHF and VHF and RF), user equipment repair and maintenance, and dispatch consoles. This program area services transmitters, microwave, and public safety mobile data communication systems within the County and municipalities in surrounding counties at reasonable fee charges. In addition, this program area, works with the private sector and Corporation Counsel to negotiate tower site leases with wireless cellular phone service providers.

	2008 Actual	2009 Budget	2009 Estimate	2010 Budget	Budget Change
Staffing (FTE)	4.60	4.35	4.35	4.30	(0.05)
Charges for Services	\$396,384	\$326,769	\$382,921	\$321,791	(\$4,978)
Interdepartmental Rev.	\$136,512	\$320,181	\$290,239	\$346,409	\$26,228
Other Revenue (a)	\$263,040	\$0	\$0	\$0	\$0
Appr. Fund Balance (b)	\$65,000	\$65,000	\$68,989	\$85,900	\$20,900
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$860,936	\$711,950	\$742,149	\$754,100	\$42,150
Personnel Costs	\$372,918	\$406,272	\$403,410	\$407,260	\$988
Operating Expenses	\$190,056	\$214,377	\$221,077	\$254,957	\$40,580
Interdept. Charges	\$79,061	\$71,942	\$71,574	\$71,883	(\$59)
Fixed Assets (Memo) (c)	\$0	\$5,000	\$0	\$0	(\$5,000)
Total Expenditures	\$642,035	\$692,591	\$696,061	\$734,100	\$41,509
Rev. Over (Under) Exp. (b)	\$218,901	\$19,359	\$46,088	\$20,000	\$641

- (a) Other Revenue in 2008 includes \$263,040 of Nextel rebanding revenue that is not budgeted to offset additional Radio Services expenditures dollar for dollar associated with this rebanding project (which was budgeted in Charges for Services revenue in the Trunked Radio Program).
- (b) 2009 Radio Services Fund Balance of \$65,000 is budgeted to offset depreciation expenses for the capitalized cost of mobile data system, which was funded by Homeland Security grant funds. 2010 Radio Services Fund Balance of \$85,900 includes \$69,500 to offset depreciation expenses for the mobile data program and \$16,400 to offset depreciation expenses for the capital project building improvements anticipated to be complete in 2010.
- (c) Total expenditures and net operating income exclude fixed assets to conform with financial accounting standards. Fixed asset purchases will be funded by operating revenues and existing Fund Balance. No fixed assets are budgeted for 2010.



Program Highlights

Revenues increase by \$42,150 to \$754,100. Charges for Service revenues for service agreements, mobile data computer charges, installations and programming work decrease by \$4,978 largely due to \$6,606 decrease in service contracts by municipal members partially offset by increases in installation and programming revenue as the department is now providing all radio installation work for Milwaukee County. Interdepartmental revenues increase by \$26,228 mainly due to \$24,329 increase in service contract revenue based on inventory of equipment items being maintained. Radio Services Fund Balance is appropriated to offset depreciation expenses for the mobile data infrastructure upgrade which was acquired with Homeland Security grant funds in 2005 and 2006 and the first year capital project building improvement depreciation.

Personnel costs increase by \$988 to \$407,260 for cost to continue 4.30 FTE staff which is a reduction of 0.05 FTE overtime coverage. The department is budgeting for approximately 105 hours of overtime with a total cost (including employee benefits) of \$5,954. Operating costs increase by \$40,580 or 19% to \$254,957 due to \$26,900 increase in computer software repair and maintenance due to budgeting for a service agreement for the mobile data computers for the first time in 2010 because this service agreement was prepaid as part of the 2005 Urban Area Security Initiative Grant. Depreciation expense is also increasing by \$14,149 as a half year provision for the building upgrade/expansion project is planned to be depreciated in the 2010 budget. Interdepartmental charges remain stable for this program. The department does not anticipate needing fixed asset expenditure authority.