

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	2009	2010	2010	2011	Change From 2010	
	Actual (a) (d)	Adopted Budget (d)	Estimate (d)	Budget (d)	Adopted Budget	
					\$	%
Revenues						
General Government	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$590,079	\$530,788	\$540,611	\$522,198	(\$8,590)	-1.6%
Interdepartmental (b)	\$582,278	\$598,847	\$594,635	\$586,892	(\$11,955)	-2.0%
Other Revenue (c)	\$17,174	\$0	\$0	\$0	\$0	N/A
Appr. Fund Balance (d)	\$351,001	\$210,532	\$210,774	\$102,297	(\$108,235)	-51.4%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$1,540,532	\$1,340,167	\$1,346,020	\$1,211,387	(\$128,780)	-9.6%
Expenditures						
Personnel Costs	\$525,923	\$523,677	\$515,020	\$532,334	\$8,657	1.7%
Operating Expenses	\$514,452	\$458,775	\$453,367	\$329,482	(\$129,293)	-28.2%
Interdept. Charges	\$111,537	\$114,482	\$110,882	\$115,747	\$1,265	1.1%
Interdept. Charges-Int Exp	\$36,909	\$18,834	\$18,834	\$0	(\$18,834)	-100.0%
Debt GF Loan Repay (Memo) (e)	\$624,597	\$448,434	\$448,434	\$0	(\$448,434)	-100.0%
Fixed Assets (Memo) (f)	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures (b) (d)	\$1,188,821	\$1,115,768	\$1,098,103	\$977,563	(\$138,205)	-12.4%
Operating Income (Loss) (d) (e) (f) (g)	\$351,711	\$224,399	\$247,917	\$233,824	\$9,425	4.2%

Position Summary (FTE)

Regular Positions	5.25	5.25	5.25	5.25	0.00
Extra Help	0.00	0.00	0.00	0.00	0.00
Overtime	0.29	0.10	0.10	0.10	0.00
Total	5.54	5.35	5.35	5.35	0.00

- (a) The 2009 actual operating income amount shown above differs from the 2009 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) Interdepartmental revenues for the 2009 actual and 2010 Budget are restated in order to reflect radio services revenues generated from the corresponding program area.
- (c) Other revenue in 2009 is comprised of \$17,174 of interest income to repay the General Fund loan for the 800 MHz Trunked Radio system.
- (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 \$36,909 in 2009 and \$18,834 in 2010. In 2010, the General Fund has been completely repaid. Radio Services Fund Balance of \$212,000 in 2009, \$105,798 in 2010, and 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. 2011 Radio Services Fund Balance of \$102,297 includes \$69,497 to offset depreciation expenses for the mobile data program and \$32,800 to offset depreciation expenses for the capital project building improvements.
- (e) For 2009 and 2010, this includes 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 occurred 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 2011 Budget.
- (g) Operating income is attributable to revenues providing funding for the County radio replacement program (2009: \$211,656; 2010: \$224,399; and 2011: \$233,824). Also included in operating income is interest income from municipal repayment of loans 2009: \$17,274 which was 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.

Radio Services Fund	Emergency Preparedness	Outcomes/ Objectives/Capital Projects
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Major Departmental Strategic Outcomes and Objectives for 2011

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:	2009 Actual	2010 Target	2010 Estimate	2011 Target
Trunked System uptime. Percent of time the system is available overall (reliability).	100.00%	99.9999%	99.9999%	99.9999%
Percent of time the system has unimpaired coverage (performance).	98.4%	98.00%	98.5%	98.1%

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:	2009 Actual	2010 Target	2010 Estimate	2011 Target
Agencies served	22(a)	23	19(a)(b)	19
Geographic Coverage	>99.5%	>99.5%	>99.5%	>99.5%
Aggregate 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 '10	Estimated Net Oper. Impact	Est. Depreciation Expense
200617	Radio Services Building Exp/Renovation	2010	\$984,000	100%	TBD	\$32,800
200815	Trunk Radio Digital Radio System (a)	2014	\$9,515,000	0%	TBD	\$475,750(a)

(a) 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.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	1.13	1.05	1.05	1.10	0.05
General Government	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$155,003	\$208,997	\$172,985	\$150,867	(\$58,130)
Interdepartmental Rev. (d)	\$53,204	\$41,725	\$68,276	\$70,546	\$28,821
Other Revenue	\$17,174	\$0	\$0	\$0	\$0
Appr. Fund Balance (a)	\$70,012	\$18,834	\$18,834	\$0	(\$18,834)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues: (b)	\$295,393	\$269,556	\$260,095	\$221,413	(\$48,143)
Personnel Costs	\$120,406	\$116,417	\$113,633	\$123,085	\$6,668
Operating Expenses	\$84,530	\$98,020	\$94,902	\$62,811	(\$35,209)
Interdept. Charges	\$40,631	\$42,599	\$40,774	\$42,081	(\$518)
Interdept. Charges - Int Exp	\$36,909	\$18,834	\$18,834	\$0	(\$18,834)
Debt-Gen.Fd Loan Repay (Memo) (b)	\$624,597	\$448,434	\$448,434	\$0	(\$448,434)
Fixed Assets (Memo) (c)	\$0	\$0	\$0	\$0	\$0
Total Expenditures: (b) (c)	\$282,476	\$275,870	\$268,143	\$227,977	(\$47,893)
Rev. Over (Under) Exp.	\$12,917	(\$6,314)	(\$8,048)	(\$6,564)	(\$250)

- (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 \$54,256 in 2009 and \$18,834 in 2010 and repays these amounts to the General Fund in the year after receipt. 2010 is 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 2010 and 2011.
- (d) Interdepartmental revenues for the 2009 actual and 2010 Budget are restated in order to reflect radio services revenues generated from the corresponding program area.



Program Highlights

Charges for Service revenue decrease \$58,130 to \$150,867. This decrease is mainly due to the loss of service contract revenue from municipal customers of \$42,402 as more of these customers are transitioning to T/M (time and materials) services to repair their equipment on an as-needed basis. Interdepartmental revenue increases \$28,821 due to increased service contracts. Additionally, cost savings are anticipated to be realized through the replacement of T-1 lines with microwaves, which is anticipated to result in less charges being passed on the radio users.

Personnel costs increase by \$6,668 for cost to continue of 1.10 FTE staff and reallocating .05 FTE Radio Communications Administrator position from the Conventional Radio Services Operation program to the Trunked Radio Operations program. The department is budgeting \$6,043 in overtime coverage and related benefits for 104 overtime hours. Operating expenses decrease by \$35,209 mainly due to the replacement of T-1 lines with more cost efficient microwaves. As the General Fund Radio Services loan for the Trunked Radio System has been paid off in 2010, Interdepartmental charges (for interest-expense) are decreasing by \$18,834 to \$0.

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.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
Interdepartmental Revenue (a)	\$211,656	\$224,399	\$224,399	\$233,824	\$9,425
Appr. Fund Balance (b)	\$212,000	\$105,798	\$105,798	\$0	(\$105,798)
County Tax Levy (a)	\$0	\$0	\$0	\$0	\$0
Total Revenues: (c)	\$423,656	\$330,197	\$330,197	\$233,824	(\$96,373)
Operating Expenses (c)	\$211,079	\$105,798	\$105,798	\$0	(\$105,798)
Fixed Assets (Memo)	\$0	\$0	\$0	\$0	\$0
Total Expenditures: (c)	\$211,079	\$105,798	\$105,798	\$0	(\$105,798)

Rev. Over (Under) Exp. (c)	\$212,577	\$224,399	\$224,399	\$233,824	\$9,425
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- (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 2009 and \$105,798 for 2010. As the General fund is paid in 2010, there is no Fund Balance appropriated for 2011. 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 subsequent radio replacements and upgrades have been made from grant funding and the Nextel rebanding project. The anticipated plan is that replacement charges continue between now and the next system upgrade in order that funds be available for replacement radio when and if necessary.



Program Highlights

The 2011 revenue budget continues the accumulation of funds for County departments to be used as a user equipment replacement fund. The 2011 expenditure budget decreases by \$105,798 as the trunked radio infrastructure reached its last year of depreciation in 2010 (based on a 10-year useful life). The equipment fund replacement charge increases by \$9,425 largely due to an inflationary cost adjustment for the radio replacements funding in the plan, which are increased from 654 to 656 radios.



Activity – Radio Replacement Charges

Trunked Radio System	2010	2011	2010	2011	2010
Department	# of Radios	# of Radios	Budget	Budget	\$ Change
Public Works	182	182	\$43,916	\$45,759	\$1,843
Parks & Land Use	109	107	\$37,620	\$39,200	\$1,580
Sheriff	306	310	\$125,732	\$131,014	\$5,282
Public Works - Central Fleet	7	7	\$1,667	\$1,737	\$70
Medical Examiner	5	5	\$1,589	\$1,656	\$67
Emerg Prep - Emerg Mgmt	16	16	\$1,149	\$1,197	\$48
Emerg Prep - Radio Services	18	18	\$7,725	\$8,050	\$325
Health & Human Services	10	10	\$4,580	\$4,772	\$192
Airport	1	1	\$421	\$439	\$18
Total	654	656	\$224,399	\$233,824	\$9,425

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.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	4.41	4.30	4.30	4.25	(0.05)
Charges for Services	\$435,076	\$321,791	\$367,626	\$371,331	\$49,540
Interdepartmental Rev. (b)	\$317,418	\$332,723	\$301,960	\$282,522	(\$50,201)
Other Revenue	\$0	\$0	\$0	\$0	\$0
Appr. Fund Balance (a)	\$68,989	\$85,900	\$86,142	\$102,297	\$16,397
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$821,483	\$740,414	\$755,728	\$756,151	\$15,737
Personnel Costs	\$405,517	\$407,260	\$401,387	\$409,249	\$1,989
Operating Expenses	\$218,843	\$254,957	\$252,667	\$266,671	\$11,714
Interdept. Charges	\$70,906	\$71,883	\$70,108	\$73,666	\$1,783
Fixed Assets (Memo)	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$695,266	\$734,100	\$724,162	\$749,586	\$15,486
Rev. Over (Under) Exp. (a)	\$126,217	\$6,314	\$31,566	\$6,564	\$250

- (a) 2009 Radio Services Fund Balance of \$58,194 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. 2011 Radio Services Fund Balance of \$102,297 includes \$69,497 to offset depreciation expenses for the mobile data program and \$32,800 to offset depreciation expenses for the capital project building improvements.
- (b) Interdepartmental revenues for the 2009 actual and 2010 Budget are restated in order to reflect radio services revenues generated from the corresponding program area.



Program Highlights

Revenues increase by \$15,737 to \$756,151. Charges for Service revenues increase by \$49,540 largely due to an increase of \$28,937 in T/M (time and materials) services revenue as municipal customers reduce their service contracts in favor of T/M services. Additionally, revenue for municipal customer radio programming and installation is increasing by \$28,728 as more municipal customers upgrade their radio with an interoperable programming capacity which allows different agencies to “talk” with one another. This increase is partially offset by a decrease in municipal service contracts revenue of \$4,118. Interdepartmental revenues decrease by \$50,201 mainly due to a \$46,946 decrease in service contract revenue. This decrease is partially offset by an increase of \$6,064 for radio usage fees billed to user County departments. 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 capital project building improvement depreciation.

Personnel costs increase by \$1,989 to \$409,249 for cost to continue 4.25 FTE staff which is a reduction of .05 FTE staff due to reallocating .05 FTE Radio Communications Administrator position to the Trunked Radio Operations program. The department is budgeting for approximately 104 hours of overtime with a total cost (including employee benefits) of \$6,043. Operating costs increase by \$11,714 to \$266,671 due mainly to a \$16,149 increase in depreciation expenses for the Radio Services capital building improvement project anticipated to be completed in 2010. This increase is partially offset by a \$1,700 decrease in building repair and maintenance costs based past experience. Interdepartmental charges increase \$1,783 to \$73,666 mainly due mainly to an increase in End-User Technology charges of \$2,062, which is partially offset by smaller decreases in various other accounts. The department does not anticipate needing fixed asset expenditure authority.

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