

COUNTY OF MADERA
BUDGET UNIT EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2015-16

Department: **MICROWAVE RADIO SERVICES
(11300)**
Function: **General**
Activity: **Other General**
Fund: **Microwave Radio Fund**

| <u>ACCOUNT CLASSIFICATION</u> | <u>ACTUAL EXPENDITURES 2013-14</u> | <u>BOARD APPROVED EXPENDITURES 2014-15</u> | <u>DEPARTMENT REQUEST 2015-16</u> | <u>CAO RECOMMENDED 2015-16</u> |
|--|--|--|---|--|
| FUND BALANCE | 199,031 | 256,650 | 256,650 | 256,650 |
| <u>INCOME</u> | | | | |
| 640101 Interest on Cash | 903 | 1,200 | 1,200 | 1,200 |
| 662742 Microwave Radio Service Charges | 488,771 | 560,555 | 573,229 | 573,229 |
| TOTAL INCOME | 489,674 | 561,755 | 574,429 | 574,429 |
| <u>EXPENSES</u> | | | | |
| OPERATING EXPENSES | | | | |
| 720800 Maintenance - Equipment | 80,858 | 84,326 | 89,000 | 89,000 |
| 721200 Misc Expense - Sales Tax | 17,264 | 16,665 | 16,665 | 16,665 |
| 721400 Professional Specialized | 2,500 | 5,000 | 5,000 | 5,000 |
| 721700 Rents & Leases - Building/Land | 157,088 | 172,000 | 180,000 | 180,000 |
| 721909 Misc Expense - Property Tax | 4,404 | 4,000 | 4,000 | 4,000 |
| 730302 Retire Capital Lease (Equipment) | 210,660 | 214,237 | 214,237 | 214,237 |
| 731000 Depreciation | 0 | 51,527 | 51,527 | 51,527 |
| 771400 Interfund Expenses | 0 | 14,000 | 14,000 | 14,000 |
| TOTAL OPERATING EXPENSES | 472,774 | 561,755 | 574,429 | 574,429 |
| CONTINGENCIES | | | | |
| 780000 Contingencies | 0 | 0 | 0 | 0 |
| TOTAL CONTINGENCIES | 0 | 0 | 0 | 0 |
| TOTAL EXPENSES | 472,774 | 561,755 | 574,429 | 574,429 |
| Income Over / (Under) Expenses | 16,900 | 0 | 0 | 0 |
| Carryover Restricted for Capital Replacement | 215,931 | 256,650 | 256,650 | 256,650 |

MICROWAVE RADIO SERVICES

COMMENTS

In early FY 2009-10, the County assumed full responsibility for operating and maintaining the Microwave Radio System. Approximately \$1 Million in new microwave radio equipment was acquired through a lease/purchase program and installed on existing tower locations that are leased from private owners. Madera County has contracted with Fresno County to maintain the radio system equipment since Fresno County owns and operates a large Microwave Radio System that utilizes some of the towers and equipment in Madera County. Madera County's IT Department provides management of this function and budget.

Radios are used by several County Departments as a primary method of mobile communications throughout the County. The Departments currently using hand-held and/or vehicle-mounted radios include Sheriff, Fire, Probation, Corrections, Roads, Health and Animal Services. These radios are utilizing the recently installed Microwave Radio System throughout Madera County. In addition, data has now been integrated into the Microwave system for the communities of Chowchilla and Oakhurst, drastically reducing our recurring costs for terrestrial based circuits through AT&T.

During FY 2015-16, the Department will continue the process of replacing some of the aging donated equipment. Funding for this will be predominantly derived from capital reserves.

NOTE: This is not a General Fund Budget.

INCOME

662742 **Microwave Radio Service Charges** (\$573,229) is recommended increased \$12,674. This income will be used to pay for the actual cost of operating and maintaining the microwave radio system. Each user department is charged a rate based on their portion of the total bandwidth used. Included in this budget amount are estimated reserves from FY 2014-15 of \$256,650 which will be used to replace microwave assets when required.

EXPENSES

720800 **Maintenance - Equipment** (\$89,000) is recommended increased \$4,674 for contracted maintenance services from Fresno County and for battery replacements at two sites.

721200 **Miscellaneous Expenses – Sales Tax** (\$16,665) is recommended unchanged to pay for sales tax associated with the capital lease.

MICROWAVE RADIO SERVICES

EXPENSES (continued)

- 721400** **Professional & Specialized** (\$5,000) is recommended unchanged for vendor support and engineering when required.
- 721700** **Rents & Leases - Building/Land** (\$180,000) is recommended increased \$8,000 and includes the costs for leasing existing tower space from private land owners.
- 721909** **Miscellaneous Expenses – Property Tax** (\$4,000) is recommended unchanged to pay for property tax associated with the capital lease.
- 730302** **Retire Capital Lease** (\$214,237) is recommended unchanged for the annual principle and interest payment for the new microwave radio equipment that is being acquired through a seven-year lease/purchase agreement.
- 731000** **Depreciation** (\$51,527) is recommended unchanged to reflect replacement of asset equipment this fiscal period.
- 710100** **Interfund Expenses** (\$14,000) is recommended unchanged to appropriately assign labor expended from the Information Technology Department to coordinate all microwave activities and upgrades.
- Carryover Restricted for Capital Replacement** (\$256,650) is recommended to be funded through unexpended/reserve funds from FY 2014-15, and will be used to begin replacing donated equipment when required. These funds are not rate-affecting during this fiscal period.