

**COUNTY OF MADERA
BUDGET UNIT EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2013-14**

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

| <u>ACCOUNT CLASSIFICATION</u> | <u>ACTUAL EXPENDITURES 2011-12</u> | <u>BOARD APPROVED EXPENDITURES 2012-13</u> | <u>DEPARTMENT REQUEST 2013-14</u> | <u>CAO RECOMMENDED 2013-14</u> |
|---|--|--|---|--|
| INCOME | | | | |
| 640101 Interest on Cash | 1,691 | 0 | 0 | 0 |
| 662742 Microwave Radio Service Charges | 461,653 | 514,739 | 551,203 | 551,203 |
| Fund Balance | 0 | 159,604 | 241,993 | 241,993 |
| TOTAL INCOME | 463,344 | 674,343 | 793,196 | 793,196 |
| <u>EXPENSES</u> | | | | |
| OPERATING EXPENSES | | | | |
| 720800 Maintenance - Equipment | 63,654 | 65,564 | 79,398 | 79,398 |
| 721200 Misc Expense - Sales Tax | 0 | 0 | 16,665 | 16,665 |
| 721400 Professional & Specialized Expense | 408 | 0 | 9,000 | 9,000 |
| 721700 Rents & Leases - Building/Land | 143,796 | 160,702 | 165,203 | 165,203 |
| 721909 Misc Expense - Property Tax | 0 | 0 | 4,000 | 4,000 |
| 730302 Retire Capital Lease (Equipment) | 210,063 | 236,946 | 214,237 | 214,237 |
| 731000 Depreciation | 0 | 51,527 | 32,700 | 32,700 |
| 740301 Fixed Assets | 9,822 | 0 | 0 | 0 |
| 771400 Interfund Expenses | 0 | 0 | 30,000 | 30,000 |
| TOTAL OPERATING EXPENSES | 427,743 | 514,739 | 551,203 | 551,203 |
| CONTINGENCIES | | | | |
| 780000 Contingencies | 0 | 159,604 | 20,665 | 20,665 |
| TOTAL CONTINGENCIES | 0 | 159,604 | 20,665 | 20,665 |
| TOTAL - EXPENSES | 427,743 | 674,343 | 571,868 | 571,868 |
| Income Over / (Under) Expenses | 35,601 | 0 | 221,328 | 221,328 |
| Carryover Restricted for Capital Replacement | | | | 221,328 |

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, Road, 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 recurring costs for terrestrial based circuits through AT&T.

During FY 2013-14, 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** (\$551,203) is recommended increased \$36,464. This income will be used to fund 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. In addition to income from service charges are reserves from FY 2012-13 of \$241,994 which will be used to begin replacing donated equipment, and provision for narrow banding beginning FY 2013-14 on a contingency basis.

EXPENSES

720800 **Maintenance - Equipment** (\$79,398) is recommended increased \$13,834 for contracted maintenance services from Fresno County and for battery replacements at two sites.

721200 **Miscellaneous Expense – Sales Tax** (\$16,665) is recommended as requested by the Madera County Auditor-Controller to pay for sales tax associated with the capital lease.

MICROWAVE RADIO SERVICES

EXPENSES (continued)

- 721400** **Professional & Specialized** (\$9,000) is recommended for the use of outside contractors to install and configure some components in the replacement of the donated and aging equipment.
- 721700** **Rents & Leases - Building/Land** (\$165,203) is recommended increased \$4,501 and includes the costs for leasing existing tower space from private land owners.
- 721909** **Miscellaneous Expense – Property Tax** (\$4,000) is recommended as requested by Madera County Auditor-Controller to pay for property tax associated with the capital lease.
- 730302** **Retire Capital Lease** (\$214,237) is recommended reduced \$22,709, based on 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** (\$32,700) is recommended reduced \$18,827 to reflect replacement of asset equipment this fiscal period.
- 710100** **Interfund Expenses** (\$30,000) is recommended to appropriately assign labor expended from the Information Technology Department to coordinate all microwave activities and upgrades.
- 780000** **Contingencies** (\$20,665) is recommended to be funded through unexpended/reserve funds from FY 2012-13.
- Carryover Restricted for Capital Replacement (\$221,328)** is recommended to be funded through unexpended/reserve funds from FY 2012-13 and will be used to begin replacing donated equipment beginning 2013-14. These funds are not rate affecting during this fiscal period.