

COUNTY OF MADERA  
BUDGET UNIT EXPENDITURE DETAIL  
BUDGET FOR THE FISCAL YEAR 2012-13

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

| <u>ACCOUNT CLASSIFICATION</u>                 | ACTUAL<br>EXPENDITURES<br><u>2010-11</u> | BOARD<br>APPROVED<br>EXPENDITURES<br><u>2011-12</u> | DEPARTMENT<br>REQUEST<br><u>2012-13</u> | CAO<br>RECOMMENDED<br><u>2012-13</u> |
|---|--|---|---|--------------------------------------|
| <b>INCOME</b>                                 |  |   |   |                                      |
| 640101 Interest on Cash                       | 2,198                                    | 0   | 0                                       | 0                                    |
| 662742 Microwave Radio Service Charges        | 408,934                                  | 477,927   | 514,739                                 | 514,739                              |
| Reserves                                      | 0  | 170,077   | 159,604                                 | 159,604                              |
| <b>TOTAL INCOME</b>                           | <b>411,132</b>                           | <b>648,004</b>                                      | <b>674,343</b>                          | <b>674,343</b>                       |
| <b><u>EXPENSES</u></b>                        |  |   |   |                                      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b>       |  |   |   |                                      |
| 710100 Permanent Salaries                     | 28,861                                   | 0   | 0                                       | 0                                    |
| 710300 Health Insurance                       | 8,462                                    | 0   | 0                                       | 0                                    |
| <b>TOTAL SALARIES &amp; EMPLOYEE BENEFITS</b> | <b>37,323</b>                            | <b>0</b>  | <b>0</b>                                | <b>0</b>                             |
| <b>OPERATING EXPENSES</b>                     |  |   |   |                                      |
| 720800 Maintenance - Equipment                | 56,650                                   | 63,700  | 65,564                                  | 65,564                               |
| 721400 Professional Specialized               | 13,200                                   | 10,000  | 0                                       | 0                                    |
| 721700 Rents & Leases - Building/Land         | 138,300                                  | 159,200   | 160,702                                 | 160,702                              |
| 730302 Retire Capital Lease (Equipment)       | 165,360                                  | 193,500   | 236,946                                 | 236,946                              |
| 731000 Depreciation                           | 0  | 51,527  | 51,527                                  | 51,527                               |
| 740301 Fixed Assets                           | 4,540                                    | 0   | 0                                       | 0                                    |
| <b>TOTAL OPERATING EXPENSES</b>               | <b>378,050</b>                           | <b>477,927</b>                                      | <b>514,739</b>                          | <b>514,739</b>                       |
| <b>CONTINGENCIES</b>                          |  |   |   |                                      |
| 780000 Contingencies                          | 0  | 170,077   | 159,604                                 | 159,604                              |
| <b>TOTAL CONTINGENCIES</b>                    | <b>0</b>                                 | <b>170,077</b>                                      | <b>159,604</b>                          | <b>159,604</b>                       |
| <b>TOTAL EXPENSES</b>                         | <b>415,373</b>                           | <b>648,004</b>                                      | <b>674,343</b>                          | <b>674,343</b>                       |
| <b>Income Over / (Under) Expenses</b>         | <b>-4,241</b>                            | <b>0</b>  | <b>0</b>                                | <b>0</b>                             |

## 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 Information Technology (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, Public 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 the recurring costs for terrestrial based circuits through AT&T. Currently, Department of Social Services and Behavioral Health are data customers of the Microwave Radio ISF system.

During FY 2011-12, the Department began upgrading much of the aging donated equipment in preparation for a federally mandated narrow banding requirement set to take effect in January 2013. This required an infrastructure upgrade cost of approximately \$359,000. This created a rate-impacting increase event of \$1.45 per billable unit. Additionally, the Engineering Department ceased participation in the ISF resulting in an additional increase of \$2.19 per billable unit for the remaining participants in the ISF, for a total of \$3.64 increase. As a result, the 2012-13 Microwave rate is \$15.71 per billable unit.

NOTE: This is not a General Fund Budget.

### INCOME

**662742**      **Microwave Radio Service Charges** (\$514,739) is recommended with a net increase of \$36,812. 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.

**Reserves** (\$159,604) is recommended appropriated as reserves from FY 2011-12 a reduction of \$10,473, which is a reserve amount dedicated to replacing aging donated equipment when required.

## MICROWAVE RADIO SERVICES

### EXPENSES

- 720800**      **Maintenance - Equipment** (\$65,564) is recommended increased \$1,864 for contracted maintenance services from Fresno County.
- 721400**      **Professional & Specialized** (\$0) is recommended reduced \$10,000. Previously budgeted amounts were specifically to assist in the replacement and upgrades of the aging donated equipment.
- 721700**      **Rents & Leases - Building/Land** (\$160,702) is recommended increased \$1,502 for leasing existing tower space from private land owners.
- 730302**      **Retire Capital Lease** (\$236,946) is recommended increased \$43,446 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. Additional increase impacts were a consolidation of the current leasing contract with a new leasing contract which included the \$359,000 needed to comply with FCC narrow banding mandates.
- 731000**      **Depreciation** (\$51,527) is recommended unchanged based on an initial equipment purchase price of \$1,030,548 and a 20-year useful life.
- 780000**      **Contingencies** (\$159,604) is recommended to be funded through unexpended/reserve funds from FY 2011-12 and will be used to begin replacing donated equipment. These funds do not affect the Microwave Radio Service rate during this fiscal period.