

BUDGET MESSAGE

Umatilla Morrow Radio & Data District

May 17th, 2016

The Umatilla Morrow Radio and Data District (UMRDD) includes 5,280 square miles that lie inside Umatilla and Morrow Counties, excluding the Confederated Tribes of the Umatilla Indian Reservation and the City of Milton-Freewater. The Assessed Value for the District is \$5,932,837,685. The total population is 82,628.

The District's purpose is to provide all public safety agencies within its boundaries with the ability to communicate via land mobile radio based voice or data systems and to replace equipment when it becomes inoperable due to damage, regulation, becomes unserviceable, or new technologies become available.

UMRDD operates and maintains the current bi-county trunked communications system and several smaller conventional systems currently in service throughout the District.

The 2016-2017 Budget is the district's sixth budget. The level of experience with actual costs involved with maintaining and upgrading communications systems has reached a level where more accurate predictions of future expenses are possible.

I have continued to include four months of funding in Unappropriated Ending Fund Balances in General Fund categories as I did in previous years. The Unappropriated Ending Fund Balance figures have been calculated for current monthly expenses. This arrangement allows the budget line items to represent accurate annual costs per line item, but increase the budget by \$129,213.

The district expects to have approximately \$650,000 in cash on hand at the beginning of the 2016-2017 fiscal year.

During the 2015-2016 budget year, UMRDD has collected \$1,051,910 from 2015-2016 taxes with an estimated \$31,923 yet to be collected. UMRDD has collected \$11,745 from 2014-2015 taxes, \$5,282.64 from 2013-2014 taxes, \$3,720 from 2012-2013 taxes, and \$2,909 from 2011-2012 taxes during this budget year. Assessment forecasts for the 2016-2017 budget year advise a 1% increase. \$1,094,671 is estimated to be received for this budget year. \$25,000 is expected to be collected from previously levied taxes in 2016-2017.

The district expects to receive \$16,500 in the form of user fees charged to the Confederated Tribes of the Umatilla Indian Reservation, \$11,618 in lease payments from US Cellular for their use of the East Pendleton site, \$1,800 from Union Pacific Railroad this year for user fees, \$20,000 from Morrow County for repayment of logging recorder expenses, \$7160 in user fees from the US Navy, and \$5,600 in user fees from local school districts.

The district received a grant from the State Radio Project / State Interoperability Executive Council last year. The amount of the grant is \$181,483. The funds were awarded for a project that provides the ability to link our trunked system to national interoperability frequencies.

The budget will be broken down by section explained line by line below.

I. Personnel Services

- A. Administrator Salary: A three percent increase to \$85,932 was added this year, this is the first increase to this line in three years. This increase will help to adjust the salary for inflation with an increase of 1% of each of the past three years.
- B. Administrative/Technical Assistant Salary: No change due to new working arrangement and no national COLA increase for this year.
- C. Communication Technician: Increased to \$72,626 with a 2.5% step increase per district policy and no national COLA increase and \$2,000 added for possible overtime.
- D. Payroll Taxes: This line has been reduced dramatically due to clarification of previous confusion regarding salary withholding amounts and district contributions. Previously, these two amounts were not designated separately, and so were not able to be recorded separately. The book keeper will be providing more detailed information that will allow for more accurate recording of payroll taxes.
- E. PERS: Reflects an 11% increase over last year's budgeted amount. This estimate is based on current predictions of 2016-2017 PERS contribution increases.
- F. Medical Insurance: Based on historical costs.
- G. Workers Comp: Based on historical cost and possible increase due to one lost-time injury last year.
- H. Life Insurance: Based on historical cost.
- I. Long Term Disability: Based on historical cost.

II. Materials and Services

- A. Professional Services: For small projects outside of the District Administrator's field of expertise.
- B. Voice System Maintenance: Based on historical costs.
- C. IT Services: Based on historical costs.
- D. Microwave System Maintenance: Based on historical costs.

- E. Subscriber Unit Maintenance: This line will increase in anticipation of more maintenance for older subscriber units.
- F. Office Supplies and Maintenance: Estimation of costs associated with the District Administrator's office equipment and consumables.
- G. Notifications and Publication: Estimation of costs associated with required publications.
- H. Training/Travel: Provides training for district staff and funds travel to meetings, local training sessions, and conferences.
- I. Office Space Rent: This item has been increased by \$4,400 from \$9,000 to 13,400 with a 50% increase of the space rented from Umatilla County for use by the district at the Umatilla County Justice Center.
- J. Dues/Fees: Estimation based on professional association dues, audit submission fee, and Oregon Association of Public-Safety Communications Officials (APCO fees).
- K. Subscriber Unit Software Maintenance: Based on possible costs.
- L. Insurance: Based on historical costs.
- M. Annual Audit: Based on historical costs with annual increase.
- N. Elections: Based on historical costs.
- O. Cell Phone and Data Card: Based on historical costs.
- P. Protective Clothing and Equipment: Clothing and safety equipment for the district staff.
- Q. Test Equipment Maintenance: Based on historical costs.
- R. Vehicle Expenses: Based on historical costs.
- S. Legal Expenses: Minimal costs are expected, but funds should be available.
- T. Board Expenses: Based on historical costs.
- U. Bookkeeping Contract: Based on historical costs.
- V. Bi-County Computer Aided Dispatch System: No longer needed.

III. Facilities

- A. Site Leases: Based on historical costs plus a small addition for a possible new site lease.
- B. Site Maintenance: Estimated costs of power, propane, weed abatement, HVAC, tower, building, road, UPS/battery plant maintenance as well as planned preservation work at two sites and tower inspections.
- C. Site Development: For the construction of a new system site in north Umatilla County that is necessary to reconfigure the current microwave system to provide a 'loop' microwave connection between the Weston Mt. site and the Sillusi Butte site and provide conventional system coverage in the Juniper Canyon area.

IV. Equipment

- A. Site Equipment: Estimated costs of adding additional site/fixed equipment and network equipment.
- B. Field Equipment: Estimated costs of field radio equipment increased for possible purchase of a large number of portable radios to be issued to local school districts.
- C. Interoperability Equipment: Miscellaneous interoperability equipment.
- D. Test Equipment: Expected cost of new test equipment and a maintenance agreement.
- E. Regional Interoperability Project: The dollar limit of the interoperability grant.

V. Equipment & Infrastructure Replacement

- A. Cost of possible upgrade projects and possible equipment replacement.

VI. Contingency

- A. Contingency: The unknown nature of many costs within this budget calls for a contingency fund.