

## BUDGET MESSAGE

### Umatilla Morrow Radio & Data District

May 24<sup>th</sup>, 2011

The Umatilla Morrow Radio and Data District (UMRDD) covers 5,280 square miles that lie inside of 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 \$5,119,116,599. 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, equipment becomes unserviceable, or new technologies become available.

UMRDD will operate and maintain the current bi-county trunked UHF communications system provided by the Chemical Stockpile Emergency Preparedness Program (CSEPP) and several smaller conventional VHF systems currently in service throughout the District.

The 2011-2012 Budget is the first budget for the newly formed district. As such, many of the costs associated with operating the UMRDD are unknown. The District Administrator has done his best to estimate these, but there is no historical data to help predict future costs. The line items that fall into this category have been created assuming a 'worst case' cost.

This budget calls for \$200,000 in funds to replace equipment that will become unserviceable due to regulation, specifically the Federal Communications Commission rule that calls for all public safety VHF and UHF frequencies to be narrowbanded by January 1, 2013. Many radio systems currently in service within UMRDD are affected by this rule.

Some costs can be estimated accurately because they are based on previous years' budgets under the Chemical Stockpile Emergency Preparedness Program. The line items that fall into this category are based on historical costs.

Umatilla and Morrow County Assessors estimate that at a rate of .17/\$1000 assessed property value, the UMRDD should collect \$810,000 in this fiscal year. This figure has been adjusted for anticipated tax payer delinquencies. It is possible that the District will receive \$16,500 in not tax resources in the form of user fees charged to the Confederated Tribes of the Umatilla Indian Reservation. These possible funds are accounted by combining them into the contingency line.

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

## I. Personnel Services

- A. Administrator Salary: The UMRDD Board of Directors instructed the District Administrator to provide a figure that would be fair to both the Administrator and the District as well as competitive on a regional level. The line item is based on a survey of similar positions in Oregon and Washington. The District is the only one of its kind in the State of Oregon. However, there are a few positions in the region that can be compared due the size of the area of responsibility or the duties of the position. The survey results are attached.
- B. Administrative Assistant Salary: This position will start as a half-time position without medical insurance benefits. The amount of work that will be required by this position is unknown at this time. If it is determined by the District that a full time position would be beneficial, the position will then become full-time with full benefits. Salary is based on historical cost.
- C. Payroll Taxes: Based on historical cost.
- D. PERS: Based on historical cost.
- E. Medical Insurance: This item is estimated.
- F. Workers Comp: Based on historical cost.

## II. Materials and Services

- A. Professional Services: For small projects outside of the District Administrator's field of expertise. Projects such as a UMRDD internet presence, or other technical assistance.
- B. IT Services: The District Administrator contacted Umatilla County regarding the quarter-time employment of one IT specialist that will be available to UMRDD for maintenance of system infrastructure as well as general IT support.
- C. Voice System Maintenance: Based on historical costs.

- D. Microwave System Maintenance: Based on an estimate from Day Wireless and historical costs.
- E. Office Supplies and Maintenance: Estimation of costs associated with the District Administrator's office equipment and consumables.
- F. Notifications and Publication: Estimation of costs associated with required publications.
- G. Training/Travel: Based on historical costs.
- H. Office Space Rent: Estimation based on quote from Umatilla County.
- I. Warehouse Rent: Based on quote from Intermountain Education Service District.
- J. Dues/Fees: Estimation based on professional association dues and possible Special Districts Association of Oregon fees.
- K. Subscriber Unit Software Maintenance: Based on historical costs.
- L. Insurance: Estimation based on conversations with potential insurance providers. Includes loss, liability, and Board Membership bonding.
- M. Annual Audit: Quote from Talbot, Korvola, & Warwick, LLP.
- N. Quarterly Bookkeeping Review: Estimation based on information obtained while at the 2011 SDAO Conference.
- O. Elections: Based on historical costs.
- P. Cell Phone and Data Card: Estimated on historical costs, a cell phone provider will have to be selected.
- Q. Protective Clothing: Cold weather clothing for the District Administrator.
- R. Test Equipment Maintenance: Estimated cost of calibration of one piece of test equipment.

- S. Automotive Expenses: Based on historical costs.
- T. Legal Expenses: None are expected, but funds should be available.
- U. Board Expenses: Estimation based on training and travel for board members.
- V. Bookkeeping Contract: UMRDD will use an independent contractor to keep the District's books.

### III. Facilities

- A. Site Leases: Estimated cost of potential site leases. These leases will need to be transferred from the State of Oregon to UMRDD. The leases could be renegotiated at the time of the transfer and current costs may increase. This number has been inflated to protect against unknown costs.
- B. Site Maintenance: Estimated costs of weed abatement, tower maintenance, building maintenance, and generator maintenance.
- C. Site Expansion: Potential exists for the expansion of the conventional UHF system to Cabbage Hill within the budget year. This item accounts for cost associated with the improvement and installation of a new conventional site.

### IV. Equipment

- A. Site Equipment: Projected cost of six new VHF repeaters; associated with narrowbanding replacement.
- B. Field Equipment: Projected cost of 100 new VHF mobiles or portables; associated with narrowbanding replacement.
- C. Interoperability Equipment: A need exists within UMRDD for mobile interoperability equipment. This line begins to provide for that need.

### V. Contingency

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