



BOARD OF DIRECTORS REPORT

TO:	Regional Wireless Cooperative (RWC) Board Members	Agenda Date:	November 19, 2020	
FROM:	John Imig, RWC Executive Director Almira Santos, RWC Accountant III			Item 8
SUBJECT:	RWC TRUNKED NETWORK FISCAL YEAR 2021/22 SUBSCRIBER UNIT RATE, BUDGET OVERVIEW & 5-YEAR PLAN			

BACKGROUND

The purpose of this report is to present the proposed RWC Trunked Network FY2021/22 subscriber unit rate, budget overview and 5-Year Plan to the Board. The Executive Committee's input and recommendations have been incorporated into the budget proposal.

THE ISSUE

The subscriber unit rate is determined by dividing the staffing, operations, and maintenance budget by the estimated number of subscriber units to be on the network in FY2021/22. The rate for FY2021/22 if approved will be \$33.46, which represents an increase of \$0.68 from the previous rate of \$32.78. The reasons for the rate increase are as follows:

- ◆ A cost increase in the Phoenix ITS portion of the RWC budget
- ◆ An increase in the Motorola Service Agreement, KMF and SUA II contract.

Annual Staffing, O&M	\$ 7,935,103
Subscriber Units	19,763
Monthly Subscriber Rate	\$ 33.46

The RWC Budget is made up of the following categories:

- 1) Motorola Contracts - Service Agreement and System Upgrade Agreement (SUA II)
- 2) Phoenix Information Technology and Services (ITS) - Wireless Services, Microwave, Network Services, and Shared Sites.
- 3) RWC Staffing - The cost of five (5) staff positions
- 4) Other Budget Items - Maintenance Manager Costs, Site Leases, Auditing Services, Electricity, and Telecommunications.

For planning purposes, the summary of the RWC Trunked Network FY2021/22 budget by member is reflected below.

RWC Trunked Network FY21/22 Budget Detail

Member	Oct 2020 Radio Count	FY22 O&M/ Staffing	SUA II	FY 2021/22 TOTAL
Arizona Fire & Medical Authority	160	64,242.09	22,790.69	87,033
Avondale	459	184,294.50	65,380.80	249,675
Buckeye	364	146,150.76	51,848.83	198,000
Chandler	1,037	416,369.06	147,712.18	564,081
Daisy Mountain	123	49,386.11	17,520.35	66,906
El Mirage	142	57,014.86	20,226.74	77,242
Glendale	1,060	425,603.86	150,988.34	576,592
Goodyear	456	183,089.96	64,953.48	248,043
Guadalupe	14	5,621.18	1,994.19	7,615
Maricopa	308	123,666.03	43,872.08	167,538
Maricopa County Community College District	229	91,946.50	32,619.18	124,566
Paradise Valley	85	34,128.61	12,107.56	46,236
Peoria	857	344,096.71	122,072.65	466,169
Phoenix	10,490	4,211,872.21	1,494,214.82	5,706,087
Scottsdale	1,539	617,928.63	219,217.98	837,147
Sun City Fire	66	26,499.86	9,401.16	35,901
Surprise	545	218,824.63	77,630.80	296,455
Tempe	1,524	611,905.93	217,081.35	828,987
Tolleson Fire & PD	137	55,007.29	19,514.53	74,522
Members Subtotal	19,595	7,867,648.80	2,791,147.71	10,658,796.51
Associates				
Rural Metro	116	46,575.52		46,576
Maricopa Ambulance	52	20,878.68		20,879
Associates Subtotal	168	67,454.20	-	67,454.20
ESTIMATED TOTALS	19,763	7,935,103.00	2,791,147.71	10,726,250.71

The 5-year plan budget summary and allocation for each member is presented below.

RWC ANNUAL BUDGET	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26
Subscriber Rate	\$ 33.46	\$ 34.17	\$ 34.92	\$ 35.68	\$ 36.46
Estimated Subscriber Count	19,763	19,763	19,763	19,763	19,763
O&M, Staffing	\$ 7,935,103.00	\$ 8,104,471.60	\$ 8,280,371.44	\$ 8,461,253.94	\$ 8,647,268.69
Required Minimum Balance	\$ -	\$ -	\$ -	\$ -	\$ -
System Upgrade Agreement	\$ 2,791,148.00	\$ 2,820,075.00	\$ 2,849,951.00	\$ 2,880,811.00	\$ 2,912,683.00
TDMA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Budget	\$ 10,726,251.00	\$ 10,924,546.60	\$ 11,130,322.44	\$ 11,342,064.94	\$ 11,559,951.69

RWC Trunked Network FY22 to FY26 Budget Detail

Member	Oct 2020 Radio Count	FY 2021/22 TOTAL	FY 2022/23 TOTAL	FY 2023/24 TOTAL	FY 2024/25 TOTAL	FY 2025/26 TOTAL
Arizona Fire & Medical Authority	160	87,033	88,640	90,308	92,025	93,791
Avondale	459	249,675	254,287	259,072	263,996	269,062
Buckeye	364	198,000	201,656	205,451	209,356	213,374
Chandler	1,037	564,081	574,499	585,310	596,434	607,882
Daisy Mountain	123	66,906	68,142	69,424	70,744	72,102
El Mirage	142	77,242	78,668	80,149	81,672	83,239
Glendale	1,060	576,592	587,241	598,292	609,663	621,364
Goodyear	456	248,043	252,625	257,378	262,270	267,304
Guadalupe	14	7,615	7,756	7,902	8,052	8,207
Maricopa	308	167,538	170,632	173,843	177,147	180,547
Maricopa County Community College District	229	124,566	126,866	129,254	131,710	134,238
Paradise Valley	85	46,236	47,090	47,976	48,888	49,826
Peoria	857	466,169	474,779	483,713	492,907	502,367
Phoenix	10,490	5,706,087	5,811,472	5,920,832	6,033,363	6,149,160
Scottsdale	1,539	837,147	852,608	868,652	885,162	902,150
Sun City Fire	66	35,901	36,564	37,252	37,960	38,689
Surprise	545	296,455	301,931	307,612	313,459	319,475
Tempe	1,524	828,987	844,298	860,186	876,534	893,357
Tolleson Fire & PD	137	74,522	75,898	77,326	78,796	80,308
Members Subtotal	19,595	10,658,796.51	10,855,652.65	11,059,933.21	11,270,138.07	11,486,443.56
Associates						
Rural Metro	116	46,576	47,570	48,602	49,664	50,756
Maricopa Ambulance	52	20,879	21,324	21,787	22,263	22,753
Associates Subtotal	168	67,454.20	68,893.95	70,389.23	71,926.87	73,508.13
ESTIMATED TOTALS	19,763	10,726,250.71	10,924,546.60	11,130,322.44	11,342,064.94	11,559,951.69

RECOMMENDATION

The RWC Executive Director, after review and approval by the Executive Committee, recommends Board approval of the FY2021/22 subscriber unit rate of \$33.46 and authorizes the RWC staff to assess the members quarterly.