

2024 Budget and Capital Improvement Plan proposed amendment.

The proposed amendment includes changes related to the CAD replacement project, and the receipt of updated draft agreements from the City of Spokane for shared maintenance of the “CCB” and Fire CAD services provided by the city. Additional resources are also requested to balance with the increased expenses.

The proposed amendment includes additional expenses in Supplies and Services of \$1,340,000 and Capital of \$1,212,000. The specific items being increased are:

\$810,000 for shared maintenance cost for CCB

\$80,000 for shared Fire CAD system cost

\$450,000 for CAD replacement project services

\$1,212,000 for Capital Improvement Plan-CAD Replacement Project

SREC recently received the draft agreement from the City of Spokane for shared maintenance cost for the CCB. This agreement indicated the actual cost for 2022 and 2023 and is being used as an updated estimate for 2024. The current approved budget only includes \$520,000, therefore requires an additional \$810,000 to cover all three years.

SREC also recently received the draft agreement from the City of Spokane for shared cost of the Fire CAD system. This agreement indicated the cost for 2022 and 2023 and is being used as an updated estimate for 2024. The current approved budget only includes \$130,000, therefore requires an additional \$80,000 to cover all three years.

SREC recently entered an agreement with Hexagon for CAD replacement project services in the amount of \$3,646,000. The estimated expenses for 2024 are \$2,000,000 with the remainder being expensed in 2025 and 2026. The current approved budget only includes \$1,550,000, therefore requires an additional \$450,000 to cover the 2024 estimated expenses.

SREC recently entered into an agreement with Ednetics for CAD replacement hardware in the amount of \$1,212,000. The current approved Capital Improvement Plan does not include any expenses for this capital expenditures, therefore requires an additional \$1,212,00 in capital expenses.

The proposed amendment includes additional resources of \$2,500,000 and recommends the source of these additional funds be identified as a use of some of the 2023 ending fund balance.

*Some numbers have been rounded for ease of calculations and presentation

2024 Budget and Capital Improvement Plan proposed amendment.
Background.

The late arriving contracts from the City of Spokane and the ongoing confusion around both the CCB facility and Fire CAD were outside the control of SREC staff. Outdated estimates were used, and prior year “unpaid” amounts were not considered during the 2024 budget development cycle.

The CAD replacement project services were based on early estimates, as the agreement with Hexagon was executed and updated timelines became available, the need for additional 2024 expense authorization became apparent.

The CAD replacement project Capital hardware expenses were not identified in the project scope until later in the project development.

The CAD project is complicated and initial thoughts around SREC sharing the cost with the City of Spokane further clouded the project planning. The project was initially planned and presented in earlier years as part of the CIP, later it was thought to be all included in services, cloud based and hosted. As we have now completed the final planning and agreements it turns out to be a mix of both.

The additional resources being recommended are from the 2023 available cash balance. The overall CAD replacement cost are not all inclusive as other add-ons are being considered. As a general idea, the Project will come close to or exceed \$5,000,000. Without the sharing of cost—which may be resolved in the future, the reserve amount set aside of \$2.5 million will be about half. Rather than designate the 2023 available fund balance to reserve, and then release funds from reserves, it is recommended that we simply use the fund balance. The remaining \$1,250,000 in CAD reserves will be utilized in 2025 to complete the Hexagon contract expenses.

**Spokane Regional Emergency Communications
2024 Budget and Capital Improvement Plan**

Action by the Governing Board of the Spokane Regional Emergency Communications

The Board approves and adopts the fiscal year 2024 budget and capital improvement plan as attached at a regular meeting held on the 19th day of October 2023.

See official minutes.

2024 BUDGET SUMMARY

Resources		2024
Intergovernmental-Sales Tax	\$	15,645,703
Intergovernmental-Excise Tax		5,287,000
Charges for Services Member Agencies		8,088,202
Intergovernmental-State Grant		50,000
Investment Earnings		750,000
Miscellanies Income		25,000
Reserve Balance Use		1,750,000
Total Resources	\$	<u>31,595,905</u>
Uses Operating		
Salaries and Benefits	\$	17,524,689
Supplies & Services		8,422,812
Total Operating Expenses	\$	<u>25,947,501</u>
Uses Capital		
Radio Replacement Program	\$	127,000
Information Technology Plan		90,000
Vehicle Replacement		109,000
Facility		500,000
Total Capital Expenses	\$	<u>826,000</u>
Operating Reserve Contribution	\$	979,479
Capital Project Reserve Contribution		3,000,000
Total Reserve Contributions	\$	<u>3,979,479</u>
Net	\$	842,925

CAPITAL IMPROVEMENT PLAN SUMMARY

**SPOKANE REGIONAL EMERGENCY COMMUNICATIONS ("SREC")
CIP SIX YEAR PLAN
FY 2024 - FY 2029**

DESCRIPTION	FY 2024 REQUEST	FY 2025 REQUEST	FY 2026 REQUEST	FY 2027 REQUEST	FY 2028 REQUEST	FY 2029 REQUEST	6 - YEAR TOTAL
MAJOR EQUIPMENT PLAN							
Radio Replacement Program	127,000	150,000	173,000	196,000	225,000	259,000	1,130,000
Information Technology Plan	90,000	1,269,000	240,000	110,000	110,000	126,500	1,945,500
CAD Replacement	-	-	-	-	-	-	-
Vehicle Replacemnt	109,000	70,000	125,000	80,000	80,000	80,000	544,000
Radio System Infrastructure Replacement	-	-	-	-	-	-	-
TOTAL MEQ	326,000	1,489,000	538,000	386,000	415,000	465,500	3,619,500
CAPITAL PROJECTS							
Facility Replacement	500,000	12,500,000	13,000,000	14,000,000	-	-	40,000,000
TOTAL CAPITAL PROJECTS	500,000	12,500,000	13,000,000	14,000,000	-	-	40,000,000
TOTAL CIP	826,000	13,989,000	13,538,000	14,386,000	415,000	465,500	43,619,500

**Spokane Regional Emergency Communications
2024 Budget and Capital Improvement Plan Amendment**

Action by the Governing Board of the Spokane Regional Emergency Communications

The Board approves an amendment to the fiscal year 2024 budget and capital improvement plan as attached at a regular meeting held on the 21st day of March 2024.

See official minutes.

2024 BUDGET SUMMARY

Resources	2024	Revision 1	2024 Revised
Intergovernmental-Sales Tax	\$ 15,645,703		15,645,703
Intergovernmental-Excise Tax	5,287,000		5,287,000
Charges for Services Member Agencies	8,088,202		8,088,202
Intergovernmental-State Grant	50,000		50,000
Investment Earnings	750,000		750,000
Miscellanies Income	25,000		25,000
Fund Balance Use	-	2,500,000	2,500,000
Reserve Balance Use	1,750,000		1,750,000
Total Resources	\$ 31,595,905	\$ 2,500,000	\$ 34,095,905
Uses Operating			
Salaries and Benefits	\$ 17,524,689		17,524,689
Supplies & Services	8,422,812	1,340,000	9,762,812
Total Operating Expenses	\$ 25,947,501	\$ 1,340,000	\$ 27,287,501
Uses Capital			
Radio Replacement Program	\$ 127,000		127,000
Information Technology Plan	90,000		90,000
Vehicle Replacement	109,000		109,000
Facility	500,000		500,000
CAD Replacement	-	1,212,000	1,212,000
Total Capital Expenses	\$ 826,000	\$ 1,212,000	\$ 2,038,000
Operating Reserve Contribution	979,479	-	979,479
Capital Project Reserve Contribution	\$ 3,000,000	-	3,000,000
Total Reserve Contributions	3,979,479	-	3,979,479
	\$ 842,925	\$ (52,000)	\$ 790,925

CAPITAL IMPROVEMENT PLAN SUMMARY

**SPOKANE REGIONAL EMERGENCY COMMUNICATIONS ("SREC")
CIP SIX YEAR PLAN
FY 2024 - FY 2029**

DESCRIPTION	FY 2024 REQUEST	FY 2025 REQUEST	FY 2026 REQUEST	FY 2027 REQUEST	FY 2028 REQUEST	FY 2029 REQUEST	6 - YEAR TOTAL
MAJOR EQUIPMENT PLAN							
Radio Replacement Program	127,000	150,000	173,000	196,000	225,000	259,000	1,130,000
Information Technology Plan	90,000	1,269,000	240,000	110,000	110,000	126,500	1,945,500
CAD Replacement	1,212,000	-	-	-	-	-	1,212,000
Vehicle Replacemnt	109,000	70,000	125,000	80,000	80,000	80,000	544,000
Radio System Infrastructure Replacement	-	-	-	-	-	-	-
TOTAL MEQ	1,538,000	1,489,000	538,000	386,000	415,000	465,500	4,831,500
CAPITAL PROJECTS							
Facility Replacement	500,000	12,500,000	13,000,000	14,000,000	-	-	40,000,000
TOTAL CAPITAL PROJECTS	500,000	12,500,000	13,000,000	14,000,000	-	-	40,000,000
TOTAL CIP	2,038,000	13,989,000	13,538,000	14,386,000	415,000	465,500	44,831,500

*Proposed revision 3/2024 to add CAD Replacement to Major Equipment Plan