

PUGET SOUND EMERGENCY RADIO NETWORK OPERATOR

RESOLUTION NO. 26-01

A RESOLUTION of the Puget Sound Emergency Radio Network Operator Board of Directors adopting the 2027 Operating Budget and Service Fees.

RECITALS

WHEREAS, in accordance with Section 4.4 of the Puget Sound Emergency Radio Network Operator Interlocal Cooperation Agreement (the “Interlocal Agreement”), by and among King County and the cities of Auburn, Bellevue, Federal Way, Issaquah, Kent, Kirkland, Mercer Island, Redmond, Renton, Seattle, and Tukwila, the Board of Directors (the “Board”) of the Puget Sound Emergency Radio Network Operator (“PSERN Operator”) is responsible for approving a budget for PSERN Operator; and

WHEREAS, operating and service fees for the 2027 period have been prepared by PSERN Operator staff and presented to this Board for consideration; and

WHEREAS, after due consideration the Board now desires to adopt the 2027 operating budget as set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PUGET SOUND EMERGENCY RADIO NETWORK OPERATOR AS FOLLOWS:

Section 1. Adoption of 2027 Budget. The Board hereby approves and adopts the 2027 operating budget in the total amount of \$11,512,104. The 2027 operating budget represents operating costs that would be due and payable in fiscal year 2027. A summary of the 2027 budget and a table of service fees are attached hereto as Exhibit A and Exhibit B. A cash set-aside including operating surplus is attached as Exhibit C. Public safety, and non-public safety radio rates are increasing by 8.03%, and console rates are increasing by 12.48% in comparison to 2026.

Section 2. Mid-Annual Review. The Board shall provide for a mid-annual budget review of the 2027 Budget and shall make modifications to such budget as determined to be necessary and in the best interest of the PSERN Operator.

Section 3. Further Authority; Prior Acts. All PSERN Operator officials, agents, and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the transactions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified and confirmed.

Section 4. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this resolution is declared unconstitutional or invalid for any reason, such decision shall not affect the viability of the remaining portions of this resolution.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage and adoption.

PASSED at a regular meeting of the Puget Sound Emergency Radio Network Operator Board of Directors on this 24th day of September 2026.

CONCURRED by the Chairperson of the Puget Sound Emergency Radio Network Operator Board of Directors on this 24 day of September 2026.



Vonnie Mayer, Chairperson, Board of Directors,
Puget Sound Emergency Radio Network
Operator

Exhibit A: 2027 Operating Budget Detail

Puget Sound Emergency Radio Network Operator 2027 Budget (with a 4 year proforma 2028-2031) Consolidated Operating Costs - Detail						
Description	2026	2027	2028	2029	2030	2031
SUBLEASE REVENUE OFFSET						
Sublease Revenue	\$ (1,055,565)	\$ (1,059,508)	\$ (1,101,888)	\$ (1,145,964)	\$ (1,191,802)	\$ (1,239,475)
Legal Services - Subleases	25,000	30,000	31,200	32,448	33,746	35,096
Consulting Services - Subleases	-	-	-	-	-	-
Postage & Shipping - Subleases	-	500	520	541	562	585
B&O Taxes - Subleases	9,636	13,046	13,568	14,111	14,675	15,262
Sublease Revenue Share	125,689	129,143	134,309	139,681	145,268	151,079
	(895,240)	(886,819)	(922,292)	(959,183)	(997,551)	(1,037,453)
RADIO SITE FACILITIES COSTS						
Leases - Sites	1,520,590	1,641,200	1,706,848	1,775,122	1,846,127	1,919,972
Legal Services - Leases	50,000	52,000	54,080	56,243	58,493	60,833
Insurance - Sites	675,000	729,000	758,160	788,486	820,026	852,827
Tower Inspection Services	29,120	31,490	32,750	34,060	35,422	36,839
Tower Rigger Services	70,200	75,930	78,967	82,126	85,411	88,827
Private Powerline R&M	20,800	22,500	23,400	24,336	25,309	26,322
Repairs & Maintenance - Facilities	126,500	181,560	188,822	196,375	204,230	212,400
Road Maintenance	24,960	27,000	28,080	29,203	30,371	31,586
Misc Services - Radio Site Facilities	2,000	2,080	2,163	2,250	2,340	2,433
	2,519,170	2,762,760	2,873,270	2,988,201	3,107,729	3,232,038
OTHER NON-OPERATING REVENUE						
Interest Revenue Offset	(200,000)	(190,000)	(160,000)	(120,000)	(100,000)	(50,000)
SALARIES AND BENEFITS						
Salaries	3,839,410	3,992,986	4,152,705	4,318,814	4,491,566	4,671,229
Overtime	361,181	375,628	390,653	406,279	422,530	439,432
Standby/After Hours Pay	170,406	177,222	184,311	191,683	199,351	207,325
Benefits	1,080,034	1,123,235	1,168,164	1,214,891	1,263,487	1,314,026
ER Payroll Taxes	382,702	398,010	413,930	430,488	447,707	465,615
Payroll Processing	13,000	13,500	14,040	14,602	15,186	15,793
	5,846,733	6,080,581	6,323,804	6,576,756	6,839,827	7,113,420
EMPLOYEE RELATED COSTS						
Office Supplies	15,000	10,000	10,400	10,816	11,249	11,699
Tech Supplies	5,000	5,200	5,408	5,624	5,849	6,083
Vehicle Fuel	65,000	73,008	75,928	78,965	82,124	85,409
Vehicle Maintenance	70,000	72,800	75,712	78,740	81,890	85,166
Vehicle Parts & Supplies	10,000	10,400	10,816	11,249	11,699	12,167
Insurance - Auto	15,770	18,136	18,861	19,616	20,401	21,217
Travel - Parking, Tolls	5,200	4,800	4,992	5,192	5,399	5,615
Training & Conferences	32,000	32,000	33,280	34,611	35,996	37,435
Safety Supplies	26,000	27,040	28,122	29,246	30,416	31,633
Mobile Phone Service	12,640	15,000	15,600	16,224	16,873	17,548
Legal Services - EE Related	50,000	36,000	37,440	38,938	40,495	42,115
Consulting Services - EE Related	50,000	32,000	33,280	34,611	35,996	37,435
Postage, shipping	2,000	1,500	1,560	1,622	1,687	1,755
Misc Services - EE Related	5,000	5,200	5,408	5,624	5,849	6,083
	363,610	343,084	356,807	371,080	385,923	401,360

Exhibit A: 2027 Operating Budget Detail continued

Puget Sound Emergency Radio Network Operator 2027 Budget (with a 4 year proforma 2028-2031) Operating Costs - Detail						
Description	2026	2027	2028	2029	2030	2031
PREMISE COSTS						
Lease Expense - Kent Office	114,237	145,932	151,769	157,840	164,154	170,720
Utilities - Kent Office	57,600	95,105	102,713	110,930	116,476	122,300
Insurance - Kent Office	57,600	48,000	49,920	51,917	53,993	56,153
Janitorial Services	12,490	13,000	13,520	14,061	14,623	15,208
Security Services	4,320	4,493	4,673	4,860	5,054	5,256
Phone Service	2,064	2,150	2,236	2,325	2,418	2,515
	248,311	308,680	324,831	341,933	356,719	372,153
CORPORATE Admin COSTS						
IT Network Services - Kent Ofc	21,000	21,840	22,714	23,622	24,567	25,550
Software & Tech Support - Corp Admin	52,000	42,000	43,680	45,427	47,244	49,134
Misc Services Corp Admin	1,000	1,100	1,144	1,190	1,237	1,287
GASB 87 Clearing - SBITA	33,883	35,000	36,400	37,856	39,370	40,945
Legal Services - Corp Admin	25,000	30,000	31,200	32,448	33,746	35,096
B&O Tax - Corp Admin	1,500	1,200	1,248	1,298	1,350	1,404
Consulting Services - Corp Admin	-	5,000	5,200	5,408	5,624	5,849
Audit Services	-	24,000	24,960	25,958	26,997	28,077
Cash Management/Investment Services	1,550	1,625	1,690	1,758	1,828	1,901
	135,933	161,765	168,236	174,965	181,964	189,242
RADIO SITE SYSTEMS COSTS						
Fire Monitoring	3,000	4,000	4,160	4,326	4,499	4,679
Fire Suppresion	60,000	90,000	93,600	97,344	101,238	105,287
Generator Maintenance	120,000	276,710	287,778	299,290	311,261	323,712
Generator Rental	10,000	10,400	10,816	11,249	11,699	12,167
DC Battery Maintenance & Repair	215,710	224,338	233,312	242,644	252,350	262,444
HVAC Maintenance	98,760	140,000	145,600	151,424	157,481	163,780
Fuel/Diesel - Sites	196,000	229,479	238,658	248,204	258,133	268,458
Utilities - Sites	225,000	330,012	356,412	384,925	404,172	424,380
E-Line / Fiber	312,090	324,574	337,557	351,059	365,102	379,706
Fuel Systems R&M	60,000	50,000	52,000	54,080	56,243	58,493
Transportation Services	15,000	30,000	31,200	32,448	33,746	35,096
Site Parts/Supplies	124,800	129,792	134,984	140,383	145,998	151,838
Misc Services - Radio Site Systems	20,000	20,800	21,632	22,497	23,397	24,333
	1,460,360	1,860,105	1,947,709	2,039,874	2,125,318	2,214,373
NETWORK TECHNOLOGY COSTS						
Software - Network	100,000	160,000	166,400	173,056	179,978	187,177
Tools & Supplies	67,600	60,000	62,400	64,896	67,492	70,192
Radio Management Hosting & Support	380,000	395,200	411,008	427,448	444,546	462,328
Consulting Services - Network	78,000	81,120	84,365	87,739	91,249	94,899
MSI -post warranty LMR minus Dispatch	1,200,000	666,830	673,498	686,968	693,838	700,776
MSI-post warranty Dispatch	-	318,801	321,989	328,429	331,713	335,030
MPLS Support	-	256,166	258,727	261,315	263,928	266,567
Microwave Support	-	32,484	33,783	35,135	36,540	38,002
	1,825,600	1,970,601	2,012,171	2,064,986	2,109,284	2,154,971
Totals	\$ 11,304,477	\$ 12,410,756	\$ 12,924,537	\$ 13,478,612	\$ 14,009,213	\$ 14,590,104

Appendix B: Pro Forma User Rates and Additional Revenue

Puget Sound Emergency Radio Network Operator 4-Year Proforma Rates Including Additional Revenue					
	2027	2028	2029	2030	2031
Pro Forma Rates *					
Public Safety Radio Monthly Rate	38.90	42.48	44.15	45.98	45.57
Non-Public Safety Radio Monthly Rate	30.34	33.13	34.44	35.86	35.55
Console Monthly Rate	1,126.97	1,230.53	1,278.97	1,332.01	1,320.19
2027 Budgeted Rates					
Public Safety Radio Monthly Rate	42.65	45.73	49.94	51.90	54.05
Non-Public Safety Radio Monthly Rate	33.27	35.67	38.95	40.48	42.16
Console Monthly Rate	1,145.88	1,228.71	1,341.62	1,394.44	1,452.26
% Decrease Pro Forma vs 2027 Budgeted Rates					
Public Safety Radio Monthly Rate	-9.6%	-7.7%	-13.1%	-12.9%	-18.6%
Non-Public Safety Radio Monthly Rate	-9.6%	-7.7%	-13.1%	-12.9%	-18.6%
Console Monthly Rate	-1.7%	0.1%	-4.9%	-4.7%	-10.0%
* 4,600 Additional Non-Public Safety Radios/14 Additional Consoles					
Pro Forma Additional Revenue					
Increased Revenue Non-Public Safety Radios	\$ 1,969,120	\$ 2,150,073	\$ 2,234,713	\$ 2,327,375	
Increased Revenue Consoles	\$ 206,423	\$ 225,392	\$ 234,266	\$ 243,980	
	<u>\$ 2,175,543</u>	<u>\$ 2,375,465</u>	<u>\$ 2,468,979</u>	<u>\$ 2,571,354</u>	
Assumptions:					
* Additional 4,600 non-public safety radios/14 additional consoles					
* No increased costs to operating budget					
* Rates proposed in 2027 operating budget used to calculate additional revenue					
* Additional revenue could be used to reduce % rate increase year-to-year, set-aside for capital replacement and/or set-aside for operations					

Exhibit C: Cash Set-Asides for Specific Purpose – Addition of 2025 Operating Surplus

Cash Set-Asides as of July 31, 2026		
7919 Cash on Deposit U.S. Bank Operating	401,635	
0447 Cash on Deposit U.S. Bank Payroll Clearing	7,381	
0647 Cash on Deposit U.S. Bank FSA	1,287	
Cash on Deposit King County	75,113	
Cash on Deposit LGIP	13,667,829	
Total Cash on Deposit	\$ 14,153,245	
Set-Asides		Set-Aside Amount Available
Maloney Power Set-Aside	3,000,000	
Add: Interest Earned	331,738	
Deduct: Expenditures to Date	(672,197)	\$ 2,659,540
In-Building DAS Coverage Study Set-Aside	1,000,000	
Add: Interest Earned	108,791	
Deduct: Expenditures to Date	(153,123)	\$ 955,668
Rate Stabilization Set-Aside	2,619,406	
Deduct: Expenditures to Date	(665,265)	\$ 1,954,151
Capital Expenditure Set-Aside	9,800,126	
Add: Interest Earned	628,048	
Deduct: Expenditures to Date	(3,299,043)	\$ 7,129,131
Operating Surplus Set-Aside (2024)	934,992	
Operating Surplus Set-Aside (2025)	606,026	
Add: Interest Earned	-	
Add: City of Seattle Cable Sales	142,141	
Deduct: Expenditures to Date	(140,167)	\$ 1,526,999
Total Set-Asides	\$ -	\$ 14,225,489
Available for Operations		\$ (72,244)
Year to Date Interest Revenue for Operations		\$ 86,194
TOTAL Cash Available for Operating Expenses		\$ 13,950

Resolution 26-01 2027 Operating Budget

Final Audit Report

2026-09-28

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