



2021 ANNUAL REPORT



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Cover Photo: RWC tower at Pyramid Peak



EXECUTIVE DIRECTOR'S MESSAGE

RWC Members and Interested parties –

Just as the previous year did, 2021 provided continuing challenges to the RWC, its Members, Associates, Conditional Participants and Staff Members. With the ongoing Covid pandemic, RWC staff continued a remote work schedule in 2021, strongly supported by the City of Phoenix with highly reliable electronic, voice and video communications. Up to now RWC staff have conducted well over 200 teleconference meetings, ranging from small, daily staff meetings to large, multi-jurisdictional conferences. With the significant geographic area that encompasses the RWC, this method notably results in less driving, lower costs, and reduced traffic congestion and emissions for our Member representatives who would otherwise have to drive to downtown Phoenix for these meetings.



Last year the RWC spent significant time ensuring Member equity and recommending funding changes to the Board of Directors. This resulted in changes to Member capital equity with the long-anticipated acceptance of Scottsdale's capital assets. RWC Staff spent many hours estimating costs in the System Upgrade Agreement II related to Member agency logging recorders. A decision by the Board made it possible for all Members to include their loggers under the RWC umbrella while making those costs the responsibility of individual Member agencies. This decision will shift more of the cost directly to those Members who utilize logging recorders that solely benefit their agency.

Despite the challenges posed by the pandemic, the RWC successfully completed a major system software upgrade with our primary vendor, Motorola Solutions. During 2021 we commissioned the new site at Burnt Mountain, sponsored by the Buckeye Valley Fire District. We also monitored several ongoing site-related projects in Goodyear, Surprise, Tolleson and Wickenburg in order to support our Member agencies during times of continued growth and system expansion. Along with the new sites, the RWC continued to expand Membership, bringing on the Buckeye Valley and Harquahala Fire Districts along with the Town of Wickenburg as the 21st, 22nd and 23rd Members of the RWC.

Our existing RWC staff members remained stable in 2021, with all our Staff continuing to learn and grow within their respective roles. While the Phoenix Radio Shop continues to face staffing challenges in certain positions, RWC Staff continues to assist in any way to ensure that technical and operational challenges are met as effectively as possible.

We greatly appreciate all the efforts of the Phoenix Radio Shop, Network Operations Center, other supporting Phoenix Departments, including Finance and Budget & Research, as well as technical representatives from our Member agencies. Our collaboration with other regional systems, including the TRWC and Pinal County, both partners with the RWC in the Communications



EXECUTIVE DIRECTOR'S MESSAGE (continued)

Systems Strategic Alliance (CSSA) program has continued to expand and will grow even more in 2022. Overall, 2021 demonstrated the highest degree of collaboration across all Member agencies and their staff Members that I can recall in recent years. This truly shows the value of regional collaboration and efforts to continue to provide the highest levels of reliability possible.

As the RWC looks to the future, we are constantly considering the opportunities and challenges brought by new technology. As always, the RWC will implement new technology with a measured and thoughtful approach. Required Ethernet capability, Cloud based platforms, and new subscriber units all offer valuable innovative tools, but must always be evaluated for security vulnerabilities and risks. Staff will continue to tap into the wealth of knowledge both within the RWC, but regionally and nationally as well. We strive to be vigilant and do what is necessary to advance while keeping the Network safe.

Regards,



John Imig, Executive Director
Regional Wireless Cooperative



OVERVIEW

Background

The VHF communications system formerly used by the City of Phoenix's public safety and other departments was based on outdated technology and was no longer able to meet the operational needs of its users. After much study and several consultants' recommendations, the City replaced the existing system with an APCO Project 25, 800 MHz digital trunked radio system. In 2001, Bond Funds were approved by Phoenix residents to pursue the replacement, which was completed in 2005.

Thus, the City formed the Phoenix Regional Wireless Network (PRWN) and began transitioning Phoenix Police, Fire and municipal departments to the new system. PRWN was intended to be a regional radio system supporting the City's operations as well as the Fire Department's automatic aid partners.

In 2008, with a clear understanding of what local government entities in the valley wanted from a regional communications system, PRWN was dissolved and became the Regional Wireless Cooperative, or RWC, with all new governance, policies and procedures. The RWC now oversees the administration, operation, management, maintenance and growth of this regional communications network.

Governance

The RWC is a cooperative body formed under a series of Intergovernmental Agreements. Membership is open to all local, state, federal governmental and tribal entities and currently includes most of the communities in the Phoenix metropolitan area. Governance provides for a Board of Directors consisting of one executive representative from each Member. The Board directs the operation, maintenance, planning, design, implementation, and financing of the RWC.

The City of Phoenix serves as the "Administrative Manager" responsible for the administration and financial management of the RWC. Four administrative staff positions support the RWC: Executive Director, Accountant IV, Management Assistant I, and Administrative Aide. RWC staff are City of Phoenix employees residing in the Office of Government Relations.



OVERVIEW (continued)

SYSTEM DESCRIPTIONS

700 MHz Trunked: The first is a trunked system based on the APCO P25, Phase II Standard. This network is a Motorola ASTRO 25™, Integrated Voice and Data system. It operates in the 700 MHz frequency band and uses standard Simulcast, IP Simulcast, and individual site trunking. The network consists of eight (8) major simulcast subsystems and ten (10) Astro Site Repeaters (ASRs) utilizing over 60 sites across the valley floor and surrounding mountains, providing wide area coverage across the entire metropolitan area.

Some of the benefits of this regional system include wide area coverage beyond what agencies could achieve individually; seamless *interoperability* (the ability for diverse public safety agencies to communicate directly, in real-time, as the need requires); shared resources, such as people, equipment and tower sites and funding and financial responsibilities shared by all members based on their relative size.

VHF: In 2019 the RWC assumed responsibility for the second system which is a VHF simplex system that serves the region's fire departments as an adjunct to the RWC trunked system. This system, previously under the responsibility of the Phoenix Fire Department, is for enhanced communication during hazard-zone operations (Fires, Hazmat, Special Operations) where fireground communications are essential for public safety operations. The VHF system is comprised of 15 simplex channels utilizing 71 transmit and/or receive sites across the valley. RWC Fire Member agencies are billed separately for the use/maintenance of the VHF system, which is maintained entirely by the two RWC Maintenance Manager agencies (Phoenix, Scottsdale).



Fire Department commanders utilizing RWC communications during an incident



OVERVIEW (continued)

Interoperability

The RWC system provides a platform on which to build interoperability with many other agencies. Because of the regional nature of the system, significant grant funding has been made available to increase the regional use of the system and reduce the cost of membership in the RWC. Grants have been used to link the many dispatch centers, also known as Public Safety Answering points (PSAPs), in the Valley; add the City of Tempe to the network; increase system capacity to allow greater roaming and interoperability; add several mountain sites to be used for very wide-area coverage, emergency backup and wide area interoperability; provide connectivity to Peoria's new system; and provide cache radios to be used for emergencies.

The RWC system has been effectively used to provide interoperable communications for numerous special events in the metropolitan area. The system provided support for the annual Fiesta Bowl, BCS championship, two Super Bowls, and NBA and MLB All Star games. The Super Bowl games clearly demonstrated the need for a truly regional radio system and has prompted more discussions between the metropolitan cities regarding more effective use of the RWC.

Many non-members of the RWC have programmed radios to allow them to interoperate with RWC members and other agencies around the Valley. These agencies include members of federal, tribal, state, county, local, quasi-government and support agencies:

| | |
|--|---|
| Ak-Chin Fire Department | Luke Air Force Base |
| Arizona Air National Guard | Maricopa County Adult Probation |
| Arizona Army National Guard | Maricopa County Attorney's Office |
| Arizona Attorney General's Office | Maricopa County Department |
| Arizona Department of Corrections | of Emergency Management |
| Arizona Department of Game and Fish | Maricopa County Department of Transportation |
| Arizona Department of Health Services | Maricopa County Judicial Branch |
| Arizona Department of Juvenile Corrections | Security Department |
| Arizona Department | Maricopa County Juvenile Probation Department |
| of Liquor Licenses and Control | Maricopa County Office of Enterprise Technology |
| Arizona Department of Public Safety | Maricopa County Sheriff's Office |
| Arizona Department of Transportation | Pinal County |
| Arizona Division of Emergency Management | Rural Metro Fire Department |
| Arizona State University Police Department | Salt River Pima Maricopa Indian Community |
| BNSF Railway Police Department | Topaz Regional Wireless Network (TRWC) Members |
| Carefree Fire Department / Rural Metro | Union Pacific Railroad Police Department |
| Casa Grande Fire Department | US Homeland Security Investigations |
| Cave Creek Marshal's Office | US DOI Bureau of Land Management |
| Circle City / Morristown Fire District | US DOJ Bureau of Alcohol, Tobacco and Firearms |
| Community Bridges, Inc. | US DOJ Drug Enforcement Agency |
| Fort McDowell Yavapai Nation Fire Department | US DOJ Federal Bureau of Investigation |
| Gila River Indian Community | US DOJ United States Marshals Service |
| Grand Canyon University Police Department | Yavapai County Sheriff's Office |



MISSION STATEMENT

The Mission of the Regional Wireless Cooperative (RWC) is to provide seamless operable and interoperable communications for all Members through a governance structure founded on the principle of cooperation for the mutual benefit of all Members.

In November of 2010, the newly formed staff of the RWC, as a component of the City of Phoenix's Government Relations Department, met to develop a strategic plan to assist them in serving the needs of RWC Members, Board of Directors, Executive Committee and other work groups. The following Value Statements are intended to focus staff's efforts and memorialize their commitment to support the RWC Mission:

We Are Dedicated to Serving Our Customers

We succeed by responding to and focusing our attention on the needs of our customers.

We Value and Respect Diversity

Understanding diversity helps us to work together and serve our communities.

We Work as a Team

Teamwork is the basis of our success. We use cooperation as our first tool in working with others.

We Each Do All We Can

We each have the opportunity and responsibility to develop and use our skills to the highest level.

We Learn, Change and Improve

We are open to new methods and we listen and learn from others. Training and education are the basis for our success.

We Focus on Results

Each of us knows the level of our customer satisfaction, our response time in delivering services and the cost of those services. We use information about the results we provide so we can improve.

We Work with Integrity

Whenever we make a decision, provide a service or deal with customers, we act with honesty and integrity.

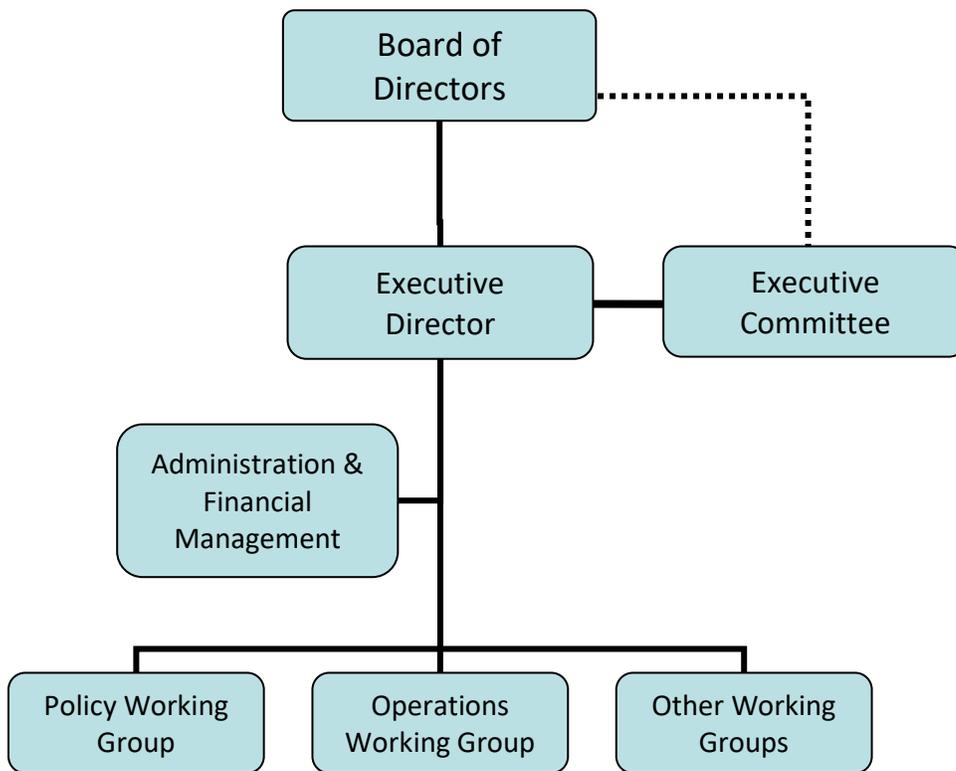
We Make the RWC Better

We work to make the RWC better. Improving the RWC is the reason we come to work each day.



ORGANIZATIONAL STRUCTURE

The RWC is governed by a Board of Directors, with all members of the RWC having a seat and a vote on the Board. The Executive Director reports to the Board of Directors and serves as a non-voting member of the Executive Committee. The Executive Director is supported by the Executive Committee, the Operations, Conventional, and other Working Groups, in addition to three staff positions who assist with the administration and financial management of the RWC. The Executive Director and staff are City of Phoenix employees residing in the Office of Government Relations.



MEMBERS



BOARD OF DIRECTORS

Chair

Paul Luizzi
Fire Chief
City of Goodyear
paul.luizzi@goodyearaz.gov

Vice Chair

James Hughes
Police Chief
City of Maricopa
james.hughes@maricopa-az.gov

Chris DeChant

Assistant Fire Chief
Arizona Fire and
Medical Authority
cdechant@afma.az.gov

Jeff Scheetz

Chief Information Officer
City of Avondale
jscheetz@avondaleaz.gov

Larry Hall

Police Chief
City of Buckeye
lhall@buckeyeaz.gov

Mark Burdick

Fire Chief
Buckeye Valley Fire District
mark.burdick@bvfd.az.gov

Val Gale

Assistant Fire Chief
City of Chandler
val.gale@chandleraz.gov

Alan Zangle

Deputy Fire Chief
Daisy Mountain Fire District
alan.zangle@dmfd.org

Paul Marzocca

Police Chief
City of El Mirage
pmarzocca@elmirageaz.gov

Milton "Douglas" Wiener

Police Chief
Federal Reserve Bank of
San Francisco
milton.wiener@sf.fsb.gov

Rick St. John

Deputy City Manager
City of Glendale
rstjohn@glendaleaz.com

Wayne Clement

Fire Chief
Town of Guadalupe
wcclement@guadalupeaz.org

Jeff McMenemy

Fire Chief
Harquahala Fire District
jmcmenemy@hfdaz.org

Roy Stanifer

Communications and Records
Manager
Maricopa Community Colleges
roy.stanifer@domail.maricopa.edu

Michael Cole

Police Commander
Town of Paradise Valley
mcole@paradisevalleyaz.gov

Kris Dalmolin

Information Technology Director
City of Peoria
kris.dalmolin@peoriaaz.gov

Steen Hambric

Chief Information Officer
City of Phoenix
steen.hambric@phoenix.gov



Bianca Lochner
Chief Information Officer
City of Scottsdale
blochner@scottsdaleaz.gov

Ron Deadman
Fire Chief
Sun City Fire & Medical
rdeadman@suncityfire.com

Tracy Montgomery
Deputy City Manager
City of Surprise
tracy.montgomery@surprizeaz.gov

Andrea Glass
Assistant Fire Chief
City of Tempe
andrea_glass@tempe.gov

Ginger Sanabria
PD Support Services Manager
City of Tolleson
gsanabria@tollesonaz.org

Les Brown
Police Chief
Town of Wickenburg
lbrown@wickenburgaz.org



EXECUTIVE COMMITTEE

The purpose of the Executive Committee is to provide high level expertise in communications and operations, advise the Board of Directors, help direct the efforts of the Executive Director and provide intermediate strategic direction for the RWC. Functions of the Executive Committee include review and approval of all proposals and recommendations, budget and financial reports, Network performance reports, and Board of Directors meeting agendas prior to submittal to the Board of Directors. The Executive Committee also identifies performance issues and recommendations for Network enhancements and construction.

The Executive Committee consists of five Representatives appointed by the Board of Directors, plus the Executive Director who is a non-voting member. Representatives, selected from the RWC Membership, consist of one (1) Police Department executive manager; one (1) Fire Department executive manager; one (1) Municipal executive manager; one (1) Chief Information Officer (or equivalent); and one (1) executive manager from a Network Managing Member. The Executive Committee may not be comprised of Representatives from only one Member and every two years the Board of Directors reviews the Executive Committee representation. The Executive Committee Chair serves a two-year term.

The Executive Committee conducts regularly scheduled meetings at least once monthly prior to the Board of Directors meeting.

Executive Committee Members

Chair

Fire Service Representative
 Jeff Schripsema
 Deputy Fire Chief
 City of Phoenix
jeff.d.schripsema@phoenix.gov

Vice-Chair

Municipal Services Representative
 Mike Gent
 Deputy City Manager
 City of Surprise
mike.gent@surpriseaz.gov

Information Technology Representative
 Feroz Merchhiya
 Chief Information Officer
 City of Glendale
fmerchhiya@glendale.com

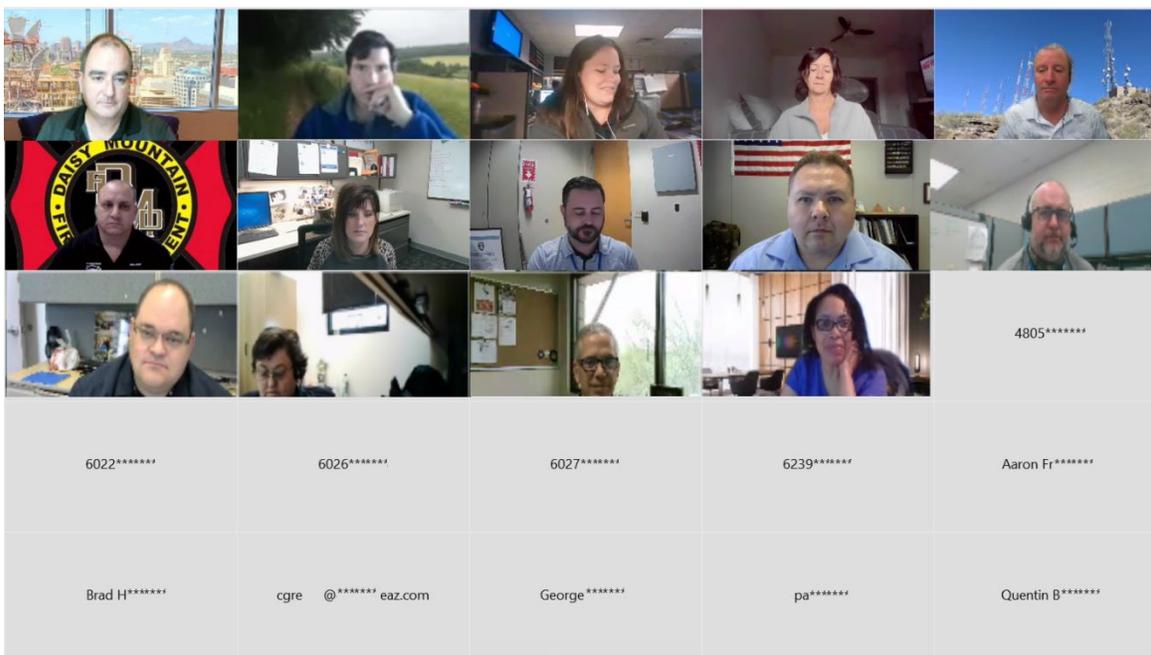
Administrative Managing Member
 Representative
 Tom Grebner
 Wireless Communications Manager
 City of Phoenix
thomas.grebner@phoenix.gov

Police Representative
 Jesse Cooper
 Police Administrator
 City of Phoenix
jesse.cooper@phoenix.gov



OPERATIONS AND CONVENTIONAL WORKING GROUPS

The Combined Conventional and Operations Working Groups (CWG/OWG) are responsible for addressing network services, operations and maintenance issues, performance issues, Impact Assessments, and other Network technical matters for both the Trunked and VHF systems. The group consists of Member agency technical and operational practitioners and pursuant to the governance Subsection 2.2.12, are tasked with the following: discussing and/or providing operational or field input regarding RWC Network use and performance; sharing knowledge and experience; receiving input from RWC department delegates, industry providers or RWC management (or RWC management designee); and (4) conduct other related activities. Currently, the group meets monthly, and the meeting is facilitated by the Executive Director. These meetings provide a forum to address issues large and small and their importance cannot be overstated--a point illustrated in the fact that throughout COVID-19, the CWG/OWG has not missed one meeting and has maintained its significant attendance and participation.



All RWC committees continued meeting virtually throughout 2021



POLICY WORKING GROUP

The Policy Working Group (PWG) is responsible for developing, reviewing (every policy and procedure must be reviewed at least every two (2) years) and modifying RWC policies and procedures. The PWG consists of representatives from Member agencies and meets monthly or as required throughout the year. Policies and procedures completed by the PWG must be approved by the Operations Working Group, Executive Committee or Board of Directors prior to implementation. One notable achievement by the PWG in 2021 was the revisions to the Conditional Participant Policy. The policy now will allow agencies (e.g. Federal Gov't) that cannot become full members to pay to use our Network. This required significant research and work by the group and was formally adopted by the Board in August 2021. This is another example of the RWC striving to be the best partner it can be to non-member government agencies.



Communications and Command Staff during UASI Interoperability Exercise



FINANCIAL MANAGEMENT

The responsibilities and tasks of managing the financial well-being of The Regional Wireless Cooperative includes Fund Management, Budget Development, Subscriber Unit Rates and Fees, Member Billing, Procurement, Financial Reporting and Financial Audit.

Budgetary Information for Fiscal Year 2020-21 and 2021-22

| RWC Trunked Network ANNUAL BUDGET | FY 2020-21 | FY 2021-22 |
|--|-------------------------|-------------------------|
| Operations, Maintenance and Staffing | \$ 7,424,937.00 | \$ 7,935,103.00 |
| System Upgrade (SUAll) | \$ 2,763,142.00 | \$ 2,791,148.00 |
| 700MHz Narrow Banding, TDMA, Lifecycle Upgrade | \$ 1,322,951.37 | \$ - |
| Required Minimum Balance | \$ - | \$ - |
| Total Budget | \$ 11,511,030.37 | \$ 10,726,251.00 |
| Subscriber Unit* Rate | \$ 32.78 | \$ 33.46 |
| Total Positions (Administrative Staff) | 4 | 4 |

| RWC Conventional Network ANNUAL BUDGET | FY 2020-21 | FY 2021-22 |
|---|------------------------|----------------------|
| Operations, Maintenance and Staffing | \$ 504,855.00 | \$ 484,269.00 |
| Special Assessment | \$ 584,513.00 | \$ 351,180.00 |
| Required Minimum Balance | \$ - | \$ - |
| Total Budget | \$ 1,089,368.00 | \$ 835,449.00 |
| Subscriber Unit* Rate | \$ 11.39 | \$ 10.28 |

* Includes: mobile and portable radios, dispatch consoles and control stations.



FINANCIAL MANAGEMENT (continued)

Funding

The RWC is funded through annual membership fees and special assessments from the Members. The annual membership fees are used to pay for administrative services, network operations and maintenance services, network infrastructure replacement, and system upgrades.

Operations, Maintenance, and Staffing Costs

The operations, maintenance, and staffing portions of the budget are used to pay for the cost of maintaining and staffing the RWC Network. Operations and maintenance expenditures include labor costs related to network operations and maintenance, microwave expenses, and software subscription and service agreements contracted through Motorola. Other costs include land leases, utilities charges, insurance premiums, and maintenance managing member expenses. Staffing includes costs associated with the RWC Executive Director and the support staff. Such costs include salaries for staff and an Encryption Specialist, and office expenses.

Capital Improvement Project Fund

Funds budgeted for system upgrades, infrastructure replacement and other long-term capital improvement projects (CIP) are accounted for in this fund. Funds from RWC members deposited into the CIP Fund are included in determining RWC Members' equity percentages.

Operating Fund Contingency

The Operating Fund Contingency is used to provide a contingency for the cost of operating and maintaining the communications network. Member billing for the required minimum balance is accounted for in an RWC operating reserve fund.

Equity

Members of the RWC who contributed assets or funds to pay for RWC infrastructure have equity in the RWC. The total Members' equity in the RWC is equal to the Net Position of RWC.

Awards

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the RWC for its comprehensive annual financial report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The RWC has won this award every year since 2012 and has already submitted for FY 20-21.



PROJECTS AND MAJOR INITIATIVES

Below are just a few of the projects and initiatives undertaken by the RWC in 2020-21. They were aimed at increasing radio coverage, reliability, and efficiency. They not only showcase the Regional Wireless Cooperative as a highly reliable public safety radio communications system, but also, they highlight our commitment to equity and regional partnership.

COMPLETED IN 2021

SUA II Logging Recorder Equity Project

This year the RWC staff, Working Groups and the Executive Committee spent a great deal of time solving a significant equity issue within the System Upgrade II agreement regarding logging recorders. The Board of Directors in December 2021, approved staff recommendations to allow members to optionally include in the SUA II logging recorders regardless of brand and bill the user agency directly. Previously, only one brand of logger was included in the SUA II and it was being paid for by all of the Members regardless of use.

City of Scottsdale Equity Allocation

Staff, along with the City of Phoenix Finance Department, Phoenix Radio Shop, and the City of Scottsdale worked diligently to grant the City of Scottsdale's Network Equity which had not been previously recorded. This was a substantial project as the equity was related to capital projects first funded with municipal bonds. Bond restrictions did not allow Scottsdale to turn over those assets for equity when they originally joined the Network. The RWC was able to not only provide Scottsdale with their equity, but also reaffirm the equity process for all member agencies. The Board made a resolution for a formal asset transfer and accepted the City of Scottsdale's assets in May 2021.

RWC Bond Funding Allocation

The RWC ensured that close to \$3.5 million in expiring bond funding was committed to refreshing/enhancing the Core Network within the City of Phoenix including ethernet upgrades, end of life equipment replacement and a site relocation, eliminating a costly tower lease.

Buckeye Valley Fire District Site

The new tower and shelter were constructed at the new site on Burnt Mountain (I-10 @ 491st Ave). The RWC partnered with the Arizona Department of Public Safety for cost sharing and site use. This project was completed during 2021. With this site completed, both the Buckeye Valley and Harquahala Fire Districts applied and were granted full membership to the RWC.

City of Goodyear

Goodyear completed construction of a new RWC subsite to Simulcast J at the Goodyear PD facility on W. Van Buren Street, west of Litchfield Road.



PROJECTS AND MAJOR INITIATIVES (continued)

2021 Software Upgrade

The RWC Network software was upgraded in 2021 as established by the terms of the Motorola System Upgrade Agreement (SUA II). Additionally, certain hardware components under the SUA II were replaced as well.

Membership Update

In 2021, the Town of Wickenburg, Harquahala Fire District and Buckeye Valley Fire District all officially became Members of the RWC. This was a culmination of many months' work by RWC, Phoenix and these agencies' staff members in establishing costing, needs and system coverage. The new site at Burnt Mountain allowed for the RWC to provide services to Harquahala and Buckeye Valley, and the town of Wickenburg will begin using the trunked network when their new site is complete.

IN PROGRESS

Urban Area Security Initiative (UASI) Grant

The RWC drafted and managed the submission of a multidepartment UASI grant for an Interference Detection System. It was awarded the full amount requested -\$150,000- and due to its viability and high priority was chosen for reallocation funding within the current fiscal year. This will not only make the Network safer, but also it will result in cost savings for all Members. This project exemplifies the regional goals of the RWC and was made possible by the great collaboration of the RWC, Phoenix Police Department and the Phoenix Radio Shop. It is planned to be completed in CY 2022.

Emergency Responder Radio Communication Systems (ERRCS)

The RWC Board of Directors approved the addition of an ERRCS specialist position in 2020. This position was filled, and the specialist provided support to all of our Members in regard to in-building treatments. Unfortunately, this position became vacant in late 2021, and is planned to be filled in early CY 2022.

RWC Transport Specialist

In December 2021, the Board of Directors approved the addition of a Transport Specialist tasked with ethernet backhaul. This position is critical to meeting the Motorola Ethernet Upgrade. It is planned to be filled in early CY 2022.

City of Buckeye

The RWC continues to work with Buckeye on a new RWC subsite for Simulcast J. This is planned to replace a current leased site that has an annual cost to the RWC. This project is moving forward and will continue into CY 2022.



PROJECTS AND MAJOR INITIATIVES (continued)

City of Surprise

Surprise is in the process of installing a new Simulcast G subsite which will be located at a new fire station in the northwest part of the city. This site will also include Fire VHF (Hazard Zone) equipment. This project will continue in CY 2022.

Subscriber TDMA Migration

With the TDMA upgrade completed, the network continues to covert talkgroups that have TDMA compliant radios to TDMA dual mode. The RWC Network Operations team ended the year with 49% converted, and they will continue the migration into 2022.

Leased Lines Replacement

The RWC continues to work to move the Network off leased telecom lines. The Phoenix Radio Shop is working with each agency affected by these moves and will be working on this transition throughout 2022.

Tolleson Wastewater Treatment Plant Site

The RWC is working to move off the leased space at the Cashion site to a new tower at the Tolleson Wastewater Treatment Plant. This move should not only provide better security and access, but it also will end an expensive lease recouping its moving costs in approximately six (6) years.

Ethernet Upgrade

Motorola is mandating that the RWC network must be 100% Ethernet backhaul compliant by the end of CY 2022. Phoenix Radio Shop staff are replacing networking equipment and microwave radios to meet this requirement. The addition of the Backhaul Specialist position will provide significant support on this project. The RWC continues to work with Motorola to ensure that the upgrade costs are contained, and the integration is smooth.

Scottsdale Microwave and VHF Replacement

Scottsdale continues to replace their legacy microwave connections between sites, as well as installing new VHF (Fire Hazard Zone) radio equipment. This project is targeted for completion in CY 2022.

The Town of Wickenburg

Wickenburg, one of our newest members, is currently in the process of building a new site and facilities in order to begin using the network. In 2021, the Town Council voted to approve the contract and begin work. The RWC provided significant technical and oversight support and will continue to work closely to ensure their integration into the Network. This work will continue throughout CY 2022.

Burton Barr Library

The RWC has been working closely with the Phoenix Library Department and Phoenix Fire to relocate a VHF site to this location from an existing fire station. This should not only reduce costs, but also provide the needed Motorola ethernet requirements.



PROJECTS AND MAJOR INITIATIVES (continued)

City of Maricopa

The RWC has been working with the City of Maricopa to help address coverage issues near their Fire Station 572. There are plans to install an RWC site at this location, which should be completed in CY 2022.

RWC Network Security Review

In 2021, the Phoenix Radio Shop underwent an extensive technical audit. This resulted in some very helpful recommendations, including reviewing our Network Security. The RWC will conduct an in-depth review of our policies, procedures, best practices and security needs. The Policy Working Group will be spearheading this project and will work with the member agencies as well. This review will begin in CY 2022.

SYSTEM PERFORMANCE

Radio Counts

Radio counts give a generalized picture of the size and relative volume of the system. Radios on the system include all consoles, control stations, portables and mobiles. They also include radios used by the RWC Members and those radios used by outside agencies for interoperability. Radio counts are updated quarterly, and the last year’s totals are shown below:

RWC Trunked Network

| FY 2020/21 | July | October | January | April |
|-------------------------|--------|---------|---------|--------|
| Member Total | 19,753 | 19,766 | 19,732 | 19,720 |
| Interoperability | 20,505 | 20,311 | 20,327 | 20,503 |
| Grand Total | 40,258 | 40,077 | 40,059 | 40,223 |

RWC Conventional Network

| FY 2020/21 | July | October | January | April |
|---------------------|-------|---------|---------|-------|
| Member Total | 3,854 | 3,925 | 4,022 | 4,036 |



SYSTEM PERFORMANCE (continued)

Overall System Statistics

The following charts provide a compilation of the overall system statistics including the number of calls, busy calls and emergency calls, including the total and average duration of each type of call. A busy signal occurs when a user tries to make a call, but all channel resources are in use and thus the user must wait to complete the call. An emergency call occurs when the user presses the emergency button on a radio. Grade of Service (GOS) for the system is also shown; GOS is explained in more detail in the next item. System statistics provide a general overview of system performance, but they cannot be used as the final guide since statistics must be viewed individually for each sub-system in order to truly see the performance from the user perspective. These statistics are not shown in this report since they are so voluminous.

| FY 20/21 System Statistics | |
|----------------------------------|-------------|
| Total Number of Calls | 28,268,362 |
| Total Call Duration (Hours) | 68,400 |
| Total Call Duration (Sec) | 246,240,801 |
| Average Call Duration (Sec) | 8.710826648 |
| Average Calls per Day | 77,236 |
| Total Buses | 184 |
| Busy Duration (Hours) | 0.07 |
| Total Busy Duration (Sec) | 241 |
| Average Busy Duration (Sec) | 1.3 |
| Average Buses per Day | 0.5 |
| Total Emergency Calls | 2,434 |
| Total Emergency Duration (Hours) | 20.25 |
| Total Emergency Duration (Sec) | 72,909 |
| Average Emergency Duration (Sec) | 30.0 |
| Average Emergencies per Day | 6.7 |
| FY 20-21 System Reliability | 99.9887% |

Grade of Service

Grade of Service (GOS) is a measure of how many times a user gets a “Busy” signal when a user “Pushes to Talk” (PTT) on their radio. GOS is measured in percent as the number of PTT’s where a Busy occurs divided by the total number of PTT’s. The design specifications for the RWC system is to maintain a GOS of 2% or less, which means that there will be only 2 Buses or less, out of each 100 PTT’s. GOS is measured on each Simulcast and Intelligent Site Repeater (ISR) subsystem. GOS reports are prepared weekly and the 2% GOS goal has not been exceeded on any subsystem. The following table shows the maximum GOS for the past year on each sub-system:



SYSTEM PERFORMANCE (continued)

System Use

System Use shows the averages of how many of the system's channels are used. It is shown as a percentage of the number of channels used divided by the total number of channels available for each Simulcast and Intelligent Site Repeater (ISR) subsystem.

Site Utilization / Grade of Service – FY 20-21

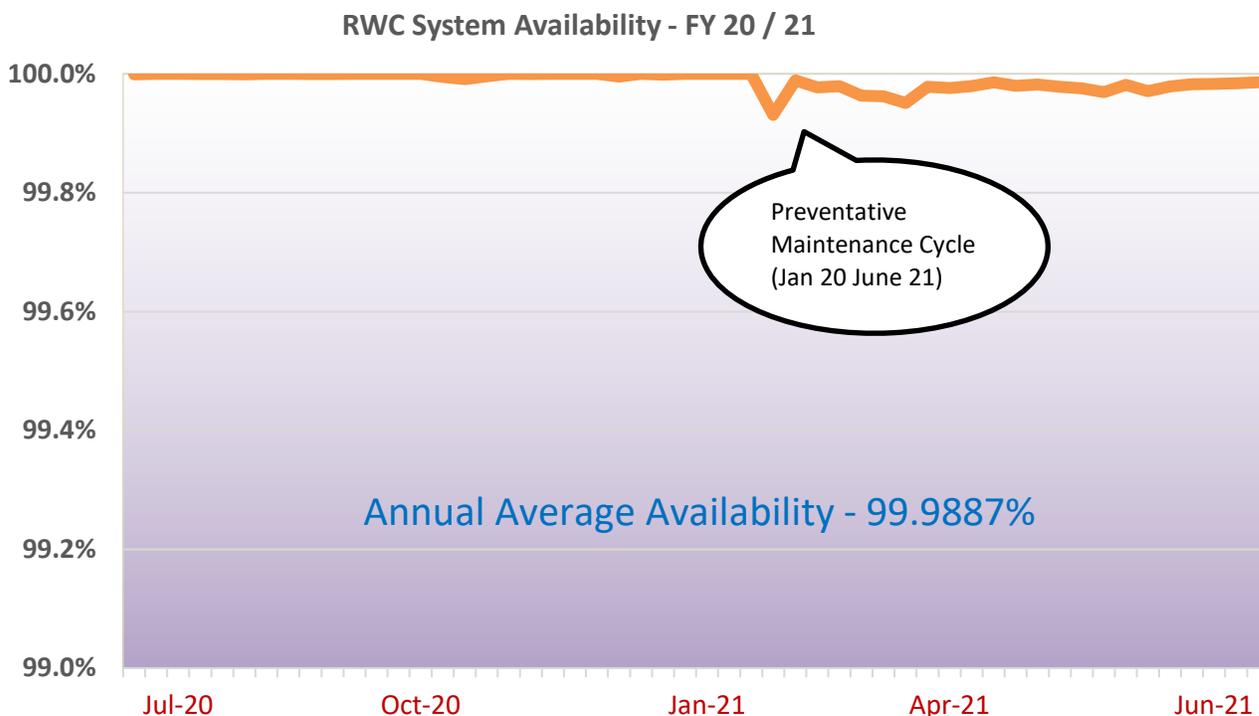
| Site | Average Use | Peak Use | Average GOS | Peak GOS |
|--|-------------|----------|-------------|----------|
| ZONES | | | | |
| Simulcast A (Phoenix PD) | 41.03% | 51.13% | 0.001% | 0.042% |
| Simulcast B (Phoenix Fire and Municipal Services) | 28.27% | 34.27% | 0.000% | 0.000% |
| Simulcast C (Southeast Valley) | 30.35% | 35.87% | 0.000% | 0.000% |
| Simulcast D (North Valley) | 23.02% | 30.18% | 0.000% | 0.000% |
| Simulcast F (Tempe) | 18.45% | 24.35% | 0.000% | 0.000% |
| Simulcast G (West Valley) | 38.88% | 44.26% | 0.000% | 0.000% |
| Simulcast H (Northeast Valley) | 27.97% | 37.42% | 0.000% | 0.000% |
| Simulcast J (Southwest Valley) | 19.66% | 26.99% | 0.000% | 0.000% |
| SITES | | | | |
| Burnt Mountain | 3.94% | 27.45% | 0.000% | 0.000% |
| Mt Gillen | 3.99% | 7.13% | 0.000% | 0.000% |
| North Mountain | 23.15% | 27.92% | 0.000% | 0.000% |
| Quintero | 1.55% | 6.12% | 0.000% | 0.000% |
| Sacaton | 10.68% | 16.50% | 0.000% | 0.000% |
| Sky Harbor | 12.66% | 24.45% | 0.000% | 0.000% |



| | | | | |
|-----------------|--------|--------|--------|--------|
| South Mountain | 24.53% | 27.92% | 0.000% | 0.000% |
| Thompson Peak | 15.19% | 22.76% | 0.000% | 0.000% |
| Towers Mountain | 9.45% | 14.57% | 0.000% | 0.000% |
| White Tanks | 14.98% | 19.69% | 0.000% | 0.000% |

System Availability

System Availability is a measure of the percentage of time that the system is operating normally, with no operational impact to the users. Since the system is made up of many Simulcast and ISR sub-systems, the system availability is the combined availability of all these subsystems. The goal is to keep the system operating as close to 100% available from the user’s perspective. Note that failures may occur to various components, but due to the system redundancy, there is no impact to the user. If System Availability is less than 100%, it may be due to a failure in a single subsystem, with the majority of the overall network remaining available to the users. System Availability for the RWC network for the twelve-month period of July 2020 through June 2021 is shown below:



NOTE: The industry standard and baseline for system availability of public safety radio systems is 98.5%. The performance of the RWC Network is well above this standard. The scale above has been adjusted to a baseline of 100% to more easily show performance values.



CITY OF PHOENIX RADIO SHOP



The City of Phoenix Radio Shop Staff.

The City of Phoenix is the Maintenance Managing Member for all RWC zones except Zone 3 (Simulcast H) which operates in and is managed by the City of Scottsdale. The Radio Shop is made up of 26 employees (4 are currently vacant) that work diligently on behalf of the Network. They, along with our Member agency wireless communications staff leads are what ensures the Network functions at its highest level.

The City of Phoenix as the Administrative Manager of the Cooperative is responsible for tracking of all subscriber radios on the RWC network. This work is done by the City of Phoenix Radio Shop, which provides quarterly reporting of subscriber activity for Operations and Maintenance billing.



CONTACT INFORMATION

John Imig
Executive Director
602.495.2426
jimig@rwcaz.org

Almira Santos
Accountant III
602.534.3780
asantos@rwcaz.org

Nicholas Roosevelt
Management Assistant I
602.534.3781
nroosevelt@rwcaz.org

Selena Barner
Administrative Aide
602.495.5761
sbarner@rwcaz.org

Regional Wireless Cooperative
200 West Washington Street
14th Floor
Phoenix AZ 85003-1611
602.495.5765
team@rwcaz.org

FAX: 602.534.1799
7-1-1 Friendly

www.rwcaz.org



Regional Wireless Cooperative

An Arizona Joint Venture

Annual Comprehensive Financial Report

For fiscal year ended June 30

2021



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Regional Wireless Cooperative

An Arizona Joint Venture

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Introductory section

December 7, 2021

To the Board of Directors of the Regional Wireless Cooperative:

In accordance with the governance of the Regional Wireless Cooperative (RWC), I am pleased to submit the RWC Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. These financial statements are prepared and presented in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). To the best of our knowledge and belief, this report is accurate in all material respects and is reported in a manner designed to fairly present the financial position, results of operations and cash flows of the RWC. All disclosures necessary to enable the reader to gain an understanding of the RWC's net position and changes in net position have been included. Management assumes full responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures.

To the best of our knowledge and belief, this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of RWC. Management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

CliftonLarsonAllen, LLP has issued an unmodified ("clean") opinion on the RWC financial statements as of and for the year ended June 30, 2021. The independent auditors' report is located at the front of the financial section of this report. Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE REGIONAL WIRELESS COOPERATIVE

The RWC was formed in 2008 to oversee the administration, operation, management, and maintenance of an expanding regional communications network. The RWC was formed through an Intergovernmental governance structure founded on the principles of cooperation for the mutual benefit of all members and has expanded to serve a still-growing list of cities, towns, fire districts and other governmental entities who serve public safety needs.

The RWC is an independent, multi-jurisdictional organization throughout the Greater Phoenix Metropolitan Region which currently consists of the following 23 members: Arizona Fire & Medical Authority, City of Avondale, City of Buckeye, Buckeye Valley Fire District, City of Chandler, Daisy Mountain Fire & Medical District, City of El Mirage, Federal Reserve Bank of San Francisco, City of Glendale, City of Goodyear, Town of Guadalupe, Harquahala Fire District, City of Maricopa, Maricopa County Community College District, Town of Paradise Valley, City of Peoria, City of Phoenix, City of Scottsdale, Sun City Fire & Medical District, City of Surprise, City of Tempe, City of Tolleson and the Town of Wickenburg.

The RWC is a large, Public Safety-grade radio network based on the APCO Project 25, Phase I/II Standard. The network is a Motorola ASTRO[®] 25, digital trunked radio system that operates in the 700MHz frequency band. The network consists of five (5) major simulcast subsystems and ten (10) Astro Site Repeaters (ASR's).

This regional radio communications network was built to serve the interoperable communication needs of first responders and other municipal radio users in and around the Greater Phoenix Metropolitan Area. This system provides wide area coverage beyond what individual entities could achieve alone; seamless interoperability (the ability for diverse public safety agencies to communicate directly, in real-time, as the need requires); shared resources (i.e. people, equipment, and tower sites); shared funding; and increased success in obtaining state and federal grant support. Financial responsibilities are distributed amongst all members based on their number of subscriber units (radios) used on the network.

LOCAL ECONOMY

According to the United States Department of Commerce, the estimated population in the State of Arizona as of 2020 was 7.2 million. This represents a population growth of 11.9% from 2010. The Phoenix metropolitan area has been one of the most rapidly growing metropolitan areas in the country in recent decades in terms of population, employment and personal income growth. From 2010 to 2020, population growth was 15.8% in Maricopa County compared to 7.4% for the United States.

Metro Phoenix, also known as the Valley of the Sun, is home to a strong and growing transportation system including one of the nation's 10 busiest airports, Sky Harbor International Airport. The airport provides service to more than 125,000 passengers with approximately 1,200 aircraft arriving and departing every day. Flights at Phoenix Sky Harbor International Airport serve more than 100 domestic and 23 international destinations. Other features of the area transportation system are two major railways and excellent interstate highways and local freeways connecting the Valley to major markets and ports in western states and Mexico. The Metro Light Rail System currently covers 28 miles linking Mesa, Tempe, and Phoenix. Expansion plans will include service to south, west and northwest Phoenix.

The Valley has access to a labor pool of several million diverse workers and has a wealth of educational resources to educate new and existing talent. All three Arizona public universities have a presence in the Valley, along with many other public and private academic institutions offering undergraduate and graduate degrees.

Major employers range from hospitals and banks, to universities and aerospace manufacturers. Emerging industries include renewable energy, biotechnology, and data centers. Arizona has a well-managed water and power supply including an abundant supply of electricity from various sources, including the largest U.S. nuclear plant, dams, coal and gas burning plants as well as wind and solar plants. The water supply to the Valley via canals from local reservoirs and the Colorado River is adequate to meet projected population growth for at least the next 100 years.

LONG TERM FINANCIAL PLANNING

As part of the ongoing program of system upgrades and capabilities, the RWC completed a major system software upgrade to version 7.18 in 2020. This upgrade was included in the RWC Five-Year Plan and budget that was submitted to the RWC Board of Directors. In addition, there are many product changes that occur as part of the life of the system. Motorola annually briefs the RWC on the product roadmap for the next five years. The roadmap includes key product changes where support for certain products will be ending, thus necessitating upgrades and/or changes in these products. The critical product changes that must be considered are those affecting base stations, consoles, and subscriber units.

Fire VHF System Billing

Fire agencies across the Phoenix Metropolitan Region utilize a VHF simplex (radio-to-radio) network for all "hazard zone" (e.g. fire/hazmat) operations. The VHF network operates on a similar, but separate infrastructure as the 700 MHz trunked system. The RWC is wholly responsible for oversight and billing responsibilities for the VHF network comprised of approximately 3,000 VHF-capable radios across the RWC.

MAJOR INITIATIVES

As membership of the RWC has continued to increase, the RWC has embarked on several projects focused on expanding the regional radio network and fortifying its coverage, resiliency and reliability. The projects include the following:

New Members

In recognition of the value of the RWC as a state of the art, truly regional interoperable communications network, the RWC welcomed the Buckeye Valley Fire District, the Harquahala Fire District, the Federal Reserve Bank of San Francisco (the RWC's first Federal Member Agency) and the Town of Wickenburg as its four newest members. The addition of these agencies means that the RWC is continuing to expand geographically for the benefit of all members as well as providing a higher level of communications which enhances public safety in these areas located in the outer reaches of the Greater Metropolitan Area.

“Burnt Mountain” Site

The Buckeye Valley Fire District (BVFD) funded expansion of the existing site on Burnt Mountain along Interstate-10 in the far West Valley. The improved site includes both 700 MHz trunked and Fire VHF equipment. The site provides significant improvement in coverage for responders along the busy stretch of Interstate-10 west of the Greater Metropolitan area.

City of Goodyear Site

The City of Goodyear completed a new site located within the center of Goodyear. This will improve coverage across the Southwest Valley for the rapidly growing municipalities in that area.

West Valley Sites

The Cities of Buckeye and Surprise are currently either in the planning or construction stages for new sites to improve coverage in support of growing development in their areas. These new sites will enhance coverage within their growing cities in the Southwest and Northwest Valley, respectively.

Emergency Responder Radio Communications System (ERRCS)

As construction efforts on new and remodeled commercial facilities continue to expand and grow, the RWC is increasingly focused on ensuring that our Member agencies and their internal services are given the support for in-building treatments and coverage. The ERRCS program is assisting RWC agencies understand the coverage of the RWC radio networks and is providing updates and best practices to assist when new or remodeled buildings are possibly in need of treatments to enhance coverage inside those structures. This is an ongoing effort, with personnel, technology, policies and procedures underway to support this effort. Part of this ongoing effort is UASI (Urban Area Security Initiative) grant funding that was received in FY21 to support a new interference detection system. This system will allow the RWC to identify and locate sources of interfering signals which could cause disruption to the RWC network. This is a truly regional concern, with the RWC leading the effort to explore ways to further protect critical communications across the region, involving multiple partner agencies and systems.

RELEVANT FINANCIAL POLICIES

General

The City of Phoenix serves as the Administrative Managing Member, responsible for the administration and financial management of the RWC. As such, the RWC follows all administrative and financial management policies and procedures of the City of Phoenix. RWC has four full-time staff who are employed by the City of Phoenix.

Budgeting Systems and Controls

The RWC maintains budgetary controls, which are designed to ensure compliance with the provisions of the annual budget adopted by the RWC Board of Directors. The RWC budget process provides for input from the RWC Members and the Executive Committee in developing revenue and expenditure projections and determines RWC programs and services for the coming year.

Accounting and Administrative Controls

Internal controls are procedures that are designed to protect assets from loss, theft, or misuse; check the accuracy and reliability of accounting data; promote operational efficiency; and encourage compliance with managerial policies at a cost that does not exceed the benefits to be derived. Management of the RWC has established a system of integral internal controls designed to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements and that these objectives are met.

Federal and State financial assistance programs require recipients to comply with many laws and regulations. Administrative controls are procedures designed to ensure compliance with these requirements. The RWC has established a system of administrative controls to ensure compliance with the requirements of the programs under which it receives financial assistance. As with other internal controls, this system is subject to a periodic review and evaluation by management. As part of the annual audit process, internal controls are considered in order to determine the nature, timing, and extent of auditing procedures.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the RWC for its annual comprehensive financial report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the RWC published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and the applicable legal requirements.

I believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

I want to thank all the members of the RWC Board of Directors, the RWC Executive Committee, the City of Phoenix (City) Information Technology Services Department (ITS), and City Budget and Research Department (B&R) for their assistance throughout the past year. Special thanks to the City Finance Department for their assistance and support over the past year and in the preparation of this annual comprehensive financial report.

Respectfully submitted,

A handwritten signature in black ink that reads "John W. Imig". The signature is written in a cursive, flowing style.

John W. Imig
RWC Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Regional Wireless Cooperative
Arizona**

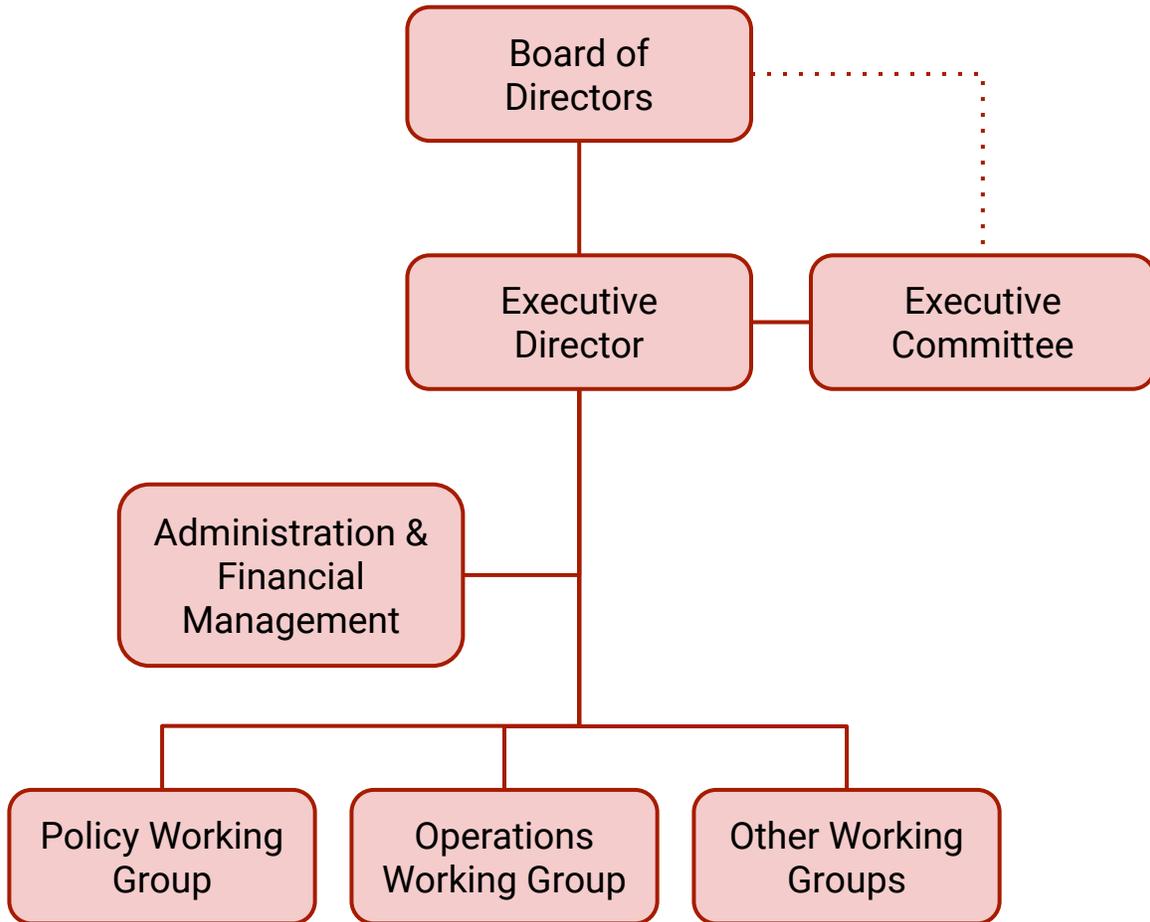
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Regional Wireless Cooperative Organizational Chart



MEMBERS



RWC BOARD OF DIRECTORS

Chair

Paul Luizzi
Fire Chief
City of Goodyear

Vice Chair

Bob Costello
Fire Chief
City of Buckeye

Chris DeChant
Assistant Fire Chief
American Fire & Medical Authority

Wayne Clement
Fire Chief
Town of Guadalupe

Milton Dohoney, Jr.
Assistant City Manager
City of Phoenix

Jeff Scheetz
Chief Information Office
City of Avondale

James Hughes
Police Commander
City of Maricopa

Brad Hartig
CIO/Executive Director IT
City of Scottsdale

Val Gale
Assistant Fire Chief
City of Chandler

Roy Stanifer
Communications & Records Manager
Maricopa Community Colleges

Ron Deadman
Fire Chief
Sun City Fire District

Alan Zangle
Deputy Fire Chief
Daisy Mountain Fire Department

Freeman Carney
Police Lieutenant
Town of Paradise Valley

Terry Young
Police Chief
City of Surprise

Paul Marzocca
Police Chief
City of El Mirage

Kris Dalmolin
Information Technology Director
City of Peoria

Andrea Glass
Assistant Fire Chief
City of Tempe

Rick St. John
Interim Deputy City Manager
City of Glendale

Ginger Sanabria
Police Support Services Manager
City of Tolleson



Regional Wireless Cooperative

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Financial
section



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Regional Wireless Cooperative
Phoenix, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the Regional Wireless Cooperative, which comprise the statement of net position as of June 30, 2021, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Regional Wireless Cooperative as of June 30, 2021, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See nexia.com/member-firm-disclaimer for details.

(1)

Board of Directors
Regional Wireless Cooperative
Page 2

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Regional Wireless Cooperative's basic financial statements. The accompanying supplementary information, introductory and statistical sections, as referenced in the table of contents, are presented for purposes of additional analysis, and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



CliftonLarsonAllen LLP

Phoenix, Arizona
December 7, 2021

The following Management Discussion and Analysis (MD&A) of the Regional Wireless Cooperative's (RWC) activities and financial performance provides an introduction to RWC's financial statements as of and for the fiscal year ended June 30, 2021. The information in this MD&A should be considered in conjunction with the information contained in the Letter of Transmittal included in the Introductory Section of this report.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Net position for the RWC totaled \$64.2 million at June 30, 2021 and decreased by \$4.4 million compared to fiscal year 2020. The decrease in 2021 is primarily due to the continued depreciation of capital assets.
- Operating revenues were \$12.3 million for fiscal year 2021 and decreased by 0.6 million compared to fiscal year 2020. The decrease in 2021 was due to a \$0.9 million decrease in special assessment revenues.
- The operating expenses increased by \$1.5 million to \$16.8 million in fiscal year 2021. This increase was due to a higher depreciation expense in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the RWC's basic financial statements. The RWC's basic financial statements include the statement of net position, statement of revenues, expenses, and changes in net position, statement of cash flows, and notes to the financial statements. The RWC's financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles applicable to a governmental entity.

Enterprise Operations

The RWC is structured as a joint venture, governed by a Board of Directors, with all members of the RWC having a seat and a vote on the Board. The Executive Director reports to the Board of Directors and serves as a non-voting member of the Board-appointed Executive Committee.

The Executive Director is supported by the Executive Committee, Operations Working Group, and other Working Groups, in addition to three staff positions who assist with the administration and financial management of the RWC. The Executive Director and staff are City of Phoenix employees residing in the Office of Government Relations.

RWC'S FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the joint venture's financial position. The net position of the RWC decreased by \$4.4 million for the year ended June 30, 2021 as compared to June 30, 2020.

RWC's Condensed Statements of Net Position
as of June 30, 2021 and 2020
(in thousands)

| | June 30 | |
|------------------------------------|------------------|------------------|
| | 2021 | 2020 |
| Current Assets | \$ 4,734 | \$ 3,769 |
| Capital Assets, Net | 62,144 | 67,044 |
| Total Assets | <u>66,878</u> | <u>70,813</u> |
| Deferred Outflows of Resources | - | - |
| Current Liabilities | 2,056 | 1,204 |
| Noncurrent Liabilities | 636 | 960 |
| Total Liabilities | <u>2,692</u> | <u>2,164</u> |
| Deferred Inflows of Resources | - | - |
| Investment in Capital Assets | 62,144 | 67,044 |
| Unrestricted | 2,042 | 1,605 |
| Total Net Position | <u>\$ 64,186</u> | <u>\$ 68,649</u> |

During fiscal year 2021, current assets remained steady and increased by only \$1.0 million from fiscal year 2020. The increase in pooled cash and investments is due primarily to incurred expenses at year-end that are included in accounts payable.

Capital assets net decreased by \$4.9 million from fiscal year 2020 primarily due to current year depreciation expense of \$9.1 million and \$4.2 million of additions.

Total liabilities increased in 2021 by \$0.5 million from fiscal year 2020. Accounts payable increased by \$0.6 million compared to fiscal year 2020 due to the timing of vendor payments.

Net position decreased by \$4.4 million to \$64.2 million in fiscal year 2021. This overall decrease is primarily related to the decrease in capital assets, net based on current year depreciation expense.

**RWC's Condensed Statements of Revenues,
Expenses, and Changes in Net Position
For the Years Ended June 30, 2021 and 2020**
(in thousands)

| | June 30 | |
|-------------------------------------|------------------|------------------|
| | 2021 | 2020 |
| Operating Revenues | \$ 12,269 | \$ 12,831 |
| Non-Operating Revenues | 80 | 188 |
| Total Revenues | <u>12,349</u> | <u>13,019</u> |
| Operating Expenses | | |
| Staff and Administrative Allocation | 516 | 499 |
| Operations and Maintenance | 7,153 | 6,695 |
| Depreciation | 9,143 | 8,074 |
| Total Operating Expenses | <u>16,812</u> | <u>15,268</u> |
| Total Expenses | <u>16,812</u> | <u>15,268</u> |
| Changes in Net Positions | (4,463) | (2,249) |
| Net Position, July 1 | 68,649 | 70,898 |
| Net Position, June 30 | <u>\$ 64,186</u> | <u>\$ 68,649</u> |

Operating revenues decreased by 0.6 million during 2021 primarily due to lower special assessments to members as projects, such as TDMA, move closer to completion.

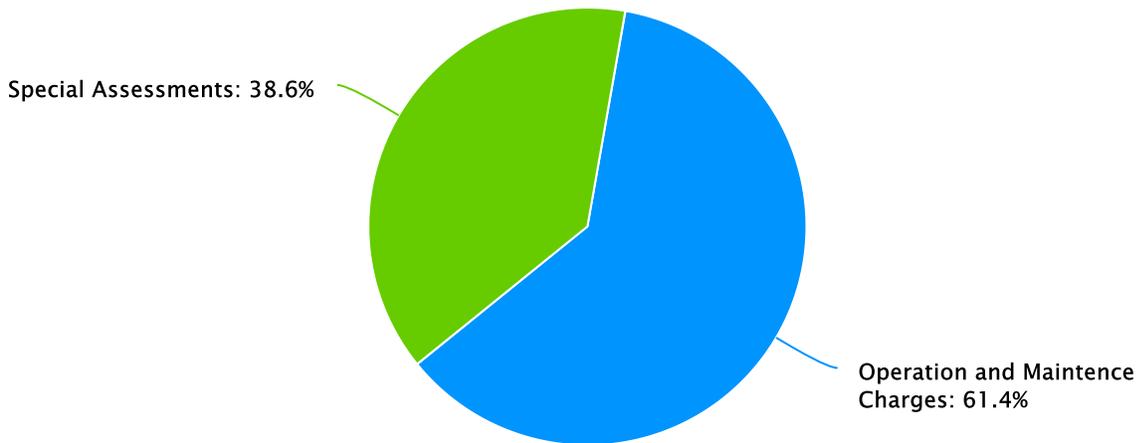
During fiscal year 2021, total operating expenses increased by \$1.5 million, when compared to fiscal year 2020. This increase was primarily due to higher depreciation expense on capital assets related to current year additions.

OPERATING REVENUES

The RWC's revenue is primarily generated by charges to the joint venture members for operations and maintenance costs, special assessments, and an operating reserve. For fiscal year 2021, revenues amounted to \$12.3 million of which \$7.6 million is revenue from operations and maintenance and \$4.7 million is from special assessments.

The following chart depicts the RWC's operating revenues by category for the year ended June 30, 2021:

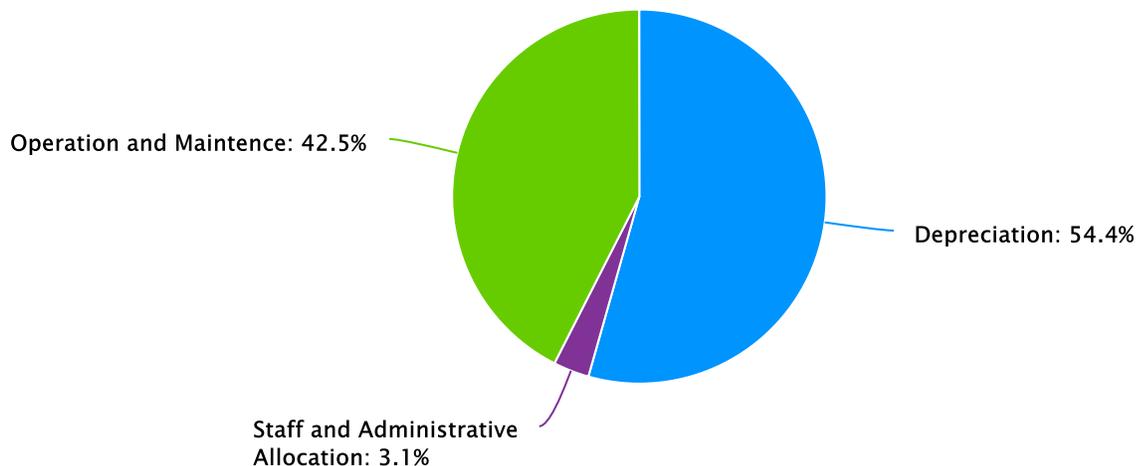
Operating Revenues
Total = \$12,269
(in thousands)



OPERATING EXPENSES

The following chart depicts the RWC's operating expenses by category for the year ended June 30, 2021:

Operating Expenses
Total = \$16,812
(in thousands)



CAPITAL ASSETS

The RWC's capital assets as of June 30, 2021 amounts to \$62.1 million (net of accumulated depreciation) and \$67.0 million as of June 30, 2020. Net capital assets decreased by \$4.9 million during fiscal year 2021 due primarily to depreciation expense. For additional information on RWC's capital assets, please refer to the Notes to the Financial Statements, Organization and Summary of Significant Accounting Policies, Note 1, page 15 and Capital Assets, Note 3, page 21.

RWC's Capital Assets
(in thousands)

| | June 30 | |
|-----------------------------------|------------------|------------------|
| | 2021 | 2020 |
| Buildings | \$ 28,842 | \$ 28,842 |
| Improvements other than Buildings | 4,830 | 4,830 |
| Equipment | 121,787 | 121,787 |
| Intangible Assets | 18,274 | 14,477 |
| Construction in Progress | 3,393 | 2,947 |
| Accumulated Depreciation | (114,982) | (105,839) |
| Capital Assets, Net | <u>\$ 62,144</u> | <u>\$ 67,044</u> |

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of RWC's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Regional Wireless Cooperative, 200 West Washington Street, 14th Floor, Phoenix, Arizona, 85003-1611.



**Basic financial
statements**

**Regional Wireless Cooperative
Statement of Net Position**

June 30, 2021

(in thousands)

| ASSETS | |
|---|------------------|
| Current Assets | |
| Unrestricted Assets | |
| Equity in Pooled Cash and Investments | \$ 1,327 |
| Equity in Pooled Cash and Investments - Operating Reserve | 938 |
| Equity in Pooled Cash and Investments - VHF Reserve | 57 |
| Equity in Pooled Cash and Investments - Capital Reserve | <u>2,412</u> |
| Total Unrestricted Assets | <u>4,734</u> |
| Total Current Assets | <u>4,734</u> |
| Noncurrent Assets | |
| Capital Assets | |
| Buildings | 28,842 |
| Improvements other than Buildings | 4,830 |
| Equipment | 121,787 |
| Intangible Assets | 18,274 |
| Construction in Progress | 3,393 |
| Less: Accumulated Depreciation | <u>(114,982)</u> |
| Capital Assets, Net | <u>62,144</u> |
| Total Assets | <u>66,878</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Total Deferred Outflows of Resources | <u>-</u> |
| LIABILITIES | |
| Current Liabilities | |
| Accounts Payable | 1,247 |
| Members' Payable | 789 |
| Accrued Expenses | 20 |
| Total Current Liabilities | <u>2,056</u> |
| Noncurrent Liabilities | |
| Accrued Expenses | 140 |
| Unearned Revenue | <u>496</u> |
| Total Noncurrent Liabilities | <u>636</u> |
| Total Liabilities | <u>2,692</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Total Deferred Inflows of Resources | <u>-</u> |
| NET POSITION | |
| Investment in Capital Assets | 62,144 |
| Unrestricted | <u>2,042</u> |
| Net Position | <u>\$ 64,186</u> |

The accompanying notes are an integral part of these financial statements.

Regional Wireless Cooperative
Statement of Revenues, Expenses, and
Changes in Net Position
For the Fiscal Year Ended June 30, 2021
(in thousands)

| | |
|---|------------------|
| Operating Revenues | |
| Operations and Maintenance Charges | \$ 7,537 |
| Special Assessments | 4,732 |
| Total Operating Revenues | <u>12,269</u> |
| Operating Expenses | |
| Staff and Administrative Allocation | 516 |
| Operation and Maintenance | 7,153 |
| Depreciation | 9,143 |
| Total Operating Expenses | <u>16,812</u> |
| Operating Loss | <u>(4,543)</u> |
| Non-Operating Revenues | |
| Investment Income | |
| Net Decrease in Fair Value of Investments | (38) |
| Interest | 118 |
| Total Non-Operating Revenues | <u>80</u> |
| Changes in Net Position | (4,463) |
| Net Position, July 1 | <u>68,649</u> |
| Net Position, June 30 | <u>\$ 64,186</u> |

The accompanying notes are an integral part of these financial statements.

Regional Wireless Cooperative
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

| | |
|---|-----------------|
| Cash Flows from Operating Activities | |
| Cash Received from Members | \$ 12,269 |
| Cash Paid to Suppliers | (6,662) |
| Cash Paid for Staff and Administration Allocation | (479) |
| Net Cash Provided by Operating Activities | <u>5,128</u> |
| Cash Flows from Capital and Related Financing Activities | |
| Acquisition and Construction of Capital Assets | (4,243) |
| Net Cash Used by Capital and Related Financing Activities | <u>(4,243)</u> |
| Cash Flows from Investing Activities | |
| Interest on Investments | 80 |
| Net Cash Provided by Investing Activities | <u>80</u> |
| Increase in Cash and Cash Equivalents | 965 |
| Cash and Cash Equivalents, July 1 | <u>3,769</u> |
| Cash and Cash Equivalents, June 30 | <u>\$ 4,734</u> |
| Reconciliation of Operating Loss to Net Cash | |
| Provided by Operating Activities | |
| Operating Loss | \$ (4,543) |
| Adjustments | |
| Depreciation | 9,143 |
| Increase (Decrease) in Liabilities | |
| Accounts Payable | 597 |
| Members' Payable | 249 |
| Accrued Expenses | 37 |
| Unearned Revenue | (355) |
| Net Cash Provided by Operating Activities | <u>\$ 5,128</u> |

The accompanying notes are an integral part of these financial statements.



**Notes to the
financial
statements**



Regional Wireless Cooperative

An Arizona Joint Venture

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Table of Contents

The Notes to the Financial Statements include a summary of significant accounting policies and other disclosures necessary for a clear understanding of the accompanying financial statements.

An index to the notes follows:

| Note | Description | Page |
|------|---|------|
| 1 | Organization and Summary of Significant Accounting Policies | 15 |
| 2 | Cash and Pooled Investments | 18 |
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| 4 | Risk Management | 21 |
| 5 | Members' Equity | 22 |
| 6 | Related Party Transactions | 22 |
| 7 | Commitments and Contingencies | 22 |

The Regional Wireless Cooperative (RWC) was formed in 2008 to oversee the administration, operation, management and maintenance of the expanding regional communication network. The RWC is an Arizona joint venture, multi jurisdictional organization throughout the Phoenix Metropolitan Region which currently consists of 23 members. The RWC is a large, Public Safety radio network based on the Project 25, Phase I Standard. The network is an ASTRO 25™, integrated voice and data, trunked radio system that it operates in the 700/800 MHz frequency bands and uses standard Simulcast, IP Simulcast, and individual site trunking. The network consists of seven major simulcast subsystems and ten Astro Site Repeaters (ASR's).

The system provides seamless, wide area coverage in and around Central Arizona's Valley of the Sun. The system is data capable, but at the current time is only used in a data capacity to provide encryption services.

Some of the benefits of this large regional radio system include wide area coverage beyond what cities could achieve individually; seamless interoperability (the ability for diverse public safety agencies to communicate directly, in realtime, as the need requires); shared resources; such as people, equipment, and tower sites and funding; and increased success in obtaining state and federal grant support. Financial responsibilities are shared by all members based on their relative size, and is measured by the number of subscriber units on the network.

1. **Organization and Summary of Significant Accounting Policies**

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The RWC is a special purpose governmental entity, engaged only in business-type activities. It is required to present the financial statements required for enterprise funds, which include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. It also requires a Management's Discussion and Analysis as required supplementary information.

The RWC's other significant accounting and financial policies are described as follows:

Reporting Entity

The RWC is structured and reported as a joint venture between the members. Each member includes their equity in the joint venture in their respective basic financial statements. The accompanying financial statements present the financial position of the RWC only. The RWC does not have any component units.

Basis of Accounting

The RWC is accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net position, revenues, and expenses are accounted for through an enterprise fund. Revenues are recorded when earned and expenses recorded at the time the liabilities are incurred.

The Statement of Net Position present the reporting entity's assets and liabilities, with the difference reported as net position. Net position is reported in three components:

Investment in capital assets consists of capital assets, net of accumulated depreciation and is reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted results when constraints placed on asset use are either externally imposed by creditors, grantor, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted consist of those assets which do not meet the definition of the two preceding categories. Unrestricted often are designated to indicate that management does not consider them to be available for general operations. The unrestricted component often has constraints on resources which are imposed by management, but can be removed or modified by the RWC Board of Directors.

The Statement of Revenues, Expenses, and Changes in Net Position demonstrates the degree to which the expenses are offset by revenues. Operating revenues are members' charges and other miscellaneous revenues that are received based on the ongoing activities of the RWC. Operating expenses are those incurred for network operations, maintenance, administration and depreciation of capital assets. Non-operating revenues and expenses are items that are not a result of the direct operations of the network, including interest.

Cash and Pooled Investments

Equity in pooled cash and investments on the Statement of Net Position and cash and cash equivalents on the Statement of Cash Flows consists only of pooled investments. Pooled investments are cash equivalents and are held in the investment pool of the City of Phoenix, Arizona (City). The City's cash resources are combined to form a cash and investment pool managed by the City Treasurer. Interest earned by the pool is distributed monthly to the RWC based on daily equity in the pool.

The RWC's pooled investments are stated at fair value, except for re-purchase agreements with original maturities of one year or less which are valued at cost that approximates fair value. Fair value is based on quoted market prices as of the valuation date.

Receivables

Management analyzes receivables periodically to determine whether an allowance for doubtful accounts should be recorded. There is no current provision required for possible bad debts.

Capital Assets

Capital assets are recorded at historical cost. Donated capital assets are recorded at the estimated acquisition value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

| | |
|-----------------------------------|-----------------|
| Land | Not depreciated |
| Buildings | 10-40 years |
| Improvements other than Buildings | 10-50 years |
| Equipment | 5-30 years |
| Intangible assets | 5-40 years |
| Construction in progress | Not depreciated |

A gain or loss on disposal of capital assets is recognized when assets are retired from service or are otherwise sold or removed. The minimum capitalization policy is \$5,000 or more with an estimated useful life exceeding two years.

Members' Payable

The RWC reports members' payable in connection with revenues from billings to members. Members' payable at June 30, 2021 was \$789,366.

Operating Revenues

Operating revenues include members' charges and other revenues. Members' charges are contributions received from the members for costs of operation and maintenance, administration, and the construction of capital assets. All operating revenues are recognized when earned. Members' charges for operating costs are earned ratably throughout the year.

Operating Expenses

Operating expenses include operation and maintenance expenses, depreciation and administrative expenses. Administrative expenses include direct administrative costs for RWC assigned staff. Operating, maintenance, and administrative costs are allocated to the members based on the number of operable subscribers on the network.

Application of Restricted or Unrestricted Resources

In cases where an expense is incurred for purposes for which both restricted and unrestricted resources are available, the expense is first applied to the restricted resources.

Budget

The RWC assigned staff prepares and presents the operating and capital budget to the Executive Committee. The budget includes operations and maintenance, administration costs as well as planned capital costs. The budget is forwarded to the RWC Board of Directors for approval and adoption. It is the responsibility of each RWC member to take appropriate steps in conformity with the state and local laws to ensure that it appropriates sufficient funds to cover its obligation. The budget is prepared in sufficient detail to facilitate its use by management in monitoring operations.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make a number of estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements Adopted in 2021:

GASB Statement No. 84, **Fiduciary Activities**, establishes criteria for the identification of fiduciary activities and provides guidance on reporting those activities. An activity meeting the criteria should be reported in a fiduciary fund. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The requirements of this Statement are effective for reporting periods beginning after December 31, 2020. In conjunction with GASB Statement No. 97 (described below), the RWC has determined there is no impact to the financial statements as a result of this Statement.

GASB Statement No. 90, **Majority Equity Interests**, requires that governments analyze the holdings of legally separate organizations to see if the ownership of a majority equity interest in that organization qualifies as an investment under GASB Statement No. 72. If it does meet the definition of an investment under GASB Statement No. 72, that interest should be reported as an asset using the equity method of accounting. If it does not meet the definition of an investment under GASB Statement No. 72, the government should report that organization as a component unit, in addition to recording the interest as an asset using the equity method of accounting within the applicable full accrual fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The RWC has determined there is no impact to the financial statements as a result of this Statement.

GASB Statement No. 97, **Certain Component Criteria, and Accounting and Financial Reporting for Section 457 Plans**, amends GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32. This Statement increases consistency and comparability related to the reporting of fiduciary component units and mitigates costs associated with the reporting of certain defined contribution pension and other pension employee benefit plans, such as Section 457 plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. In conjunction with GASB Statement No. 84 (described above), the RWC has determined there is no impact to the financial statements as a result of this Statement.

GASB Statement No. 98, **The Annual Comprehensive Financial Report**, establishes the term *annual comprehensive financial report* and its acronym *ACFR*. This new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The RWC has implemented this Statement in fiscal year 2021.

Pronouncements Issued But Not Yet Effective:

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of RWC upon implementation. RWC has not fully determined the effect these pronouncements will have on the RWC's financial statements.

| GASB Statement No. | GASB Accounting Standard | Effective Fiscal Year |
|-----------------------|---|--------------------------|
| 87 | Leases | 2022 |
| 91 | Conduit Debt Obligations | 2023 |
| 94 | Public-Private and Public-Public Partnerships and Availability Payment Arrangements | 2023 |
| 96 | Subscription Based Information Technology Arrangements (SBITA) | 2023 |

2. **Cash and Pooled Investments**

The RWC did not have cash on hand at June 30, 2021. Pooled investments are maintained in the cash and investment pool of the City. RWC does not have a formal investment policy. The investment policy is maintained with the City.

Pooled Investments

The RWC investments are included in the City's pooled investments. The City Charter and ordinances authorize the City to invest in U.S. Treasury securities, securities guaranteed, insured or backed by the full faith and credit of the U.S. Government, U.S. Government agency securities, repurchase agreements, commercial paper, money market accounts, certificates of deposit, the State Treasurer's Local Government Investment Pool "LGIP", highly rated securities issued or guaranteed by any state or political subdivision thereof rated in the highest short-term or second highest long-term category, and investment grade corporate bonds, debentures, notes and other evidence of indebtedness issued or guaranteed by a solvent U.S. corporation which are not in default as to principal or interest. Investments are carried at fair value. It is the City's policy generally to hold investments until maturity. A detailed listing of City investments can be found in the City Annual Financial Report in Note 5 in the Notes to the Financial Statements.

RWC maintains a portion of its unrestricted cash and investments in the City's cash and investment pool. Total investments for RWC at June 30, 2021 stated at fair value was \$4,734,295.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets.

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices in an active market for identical assets;
- Level 2 inputs are significant other observable inputs;
- Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of City pooled investments as of June 30, 2021 (in thousands):

| Investments by Fair Value Level | 6/30/2021 | Fair Value Measurement Using | | |
|---|--------------|---|---|--|
| | | Quoted Prices In Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| U.S. Treasury Securities | \$ 2,508,159 | \$ 16,186 | \$ 2,491,973 | \$ - |
| U.S. Government Agency Obligations | 617,321 | - | 617,321 | - |
| U.S. Government Agency MBS/CMO | 82,333 | - | 82,333 | - |
| Municipal Bonds | 336,926 | - | 336,926 | - |
| Commercial Paper | 137,292 | - | 137,292 | - |
| Total Investments, Including Those Classified as, Cash Equivalents by Fair Value Level | \$ 3,682,031 | \$ 16,186 | \$ 3,665,845 | \$ - |

U.S. Government securities totaling \$16.2 million in fiscal year 2021 are classified in Level 1 of the fair value hierarchy and are valued using quoted prices in active markets.

U.S. Government securities totaling \$2.5 billion, U.S. government agency obligations totaling \$617.3 million, U.S. government agency MBS/CMO totaling \$82.3 million, municipal bonds totaling \$336.9 million and commercial paper totaling \$137.3 million in fiscal year 2021 are classified in Level 2 of the fair value hierarchy and are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These prices are obtained from a pricing source.

Interest Rate Risk

In order to limit interest rate risk, the City’s investment policy limits maturities as follows:

| | |
|---|------------------------------|
| U.S. Treasury Securities | 5 year final maturity |
| Securities guaranteed, insured, or backed by the full faith and credit of the U.S. Government | 5 year final maturity |
| U.S. Government Agency Securities | 5 year final maturity |
| Repurchase Agreements | 60 days |
| Municipal Obligations | 5 years for long-term issues |
| Money Market Mutual Funds | 90 days |
| Commercial Paper | 270 days |

For Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMO), the maximum weighted average life using current Public Securities Association (PSA) prepayment assumption shall be twelve years at the time of purchase for MBS and five years at the time of purchase for CMO.

Credit Risk

The City’s investment policy limits its purchase of investments to the top ratings issued by nationally recognized statistical rating organizations such as Standard & Poor’s “S&P” and Moody’s Investors Service “Moody’s”. The portfolio is primarily invested in securities issued by the U.S. Treasury or by U.S. Government Agency Securities which are rated Aaa by Moody’s and AA+ by S&P. Repurchase agreements are generally collateralized by U.S. Treasuries and U.S. Government Agency Securities at 102%. In addition, the portfolio is invested in pre-refunded or escrowed to maturity municipal securities for which the payment of interest, and ultimately the repayment of the principal, is backed by U.S. Treasury Securities. Municipal securities must have a short-term minimum rating of A1 by S&P and P1 by Moody’s and a long-term uninsured rating of A+ by S&P and A1 by Moody’s. Money market mutual funds must have a current minimum money market rating of AAAM by S&P and Aaa-mf by Moody’s. For commercial paper, an Issuer’s program must have a minimum rating of “A1” by S&P and “P1” by Moody’s. The issuing corporation must be organized and operating in the United States and have a minimum long-term debt rating of “A+” by S&P and “A1” by Moody’s. Programs rated by only one of the agencies are ineligible.

Concentration of Credit Risk

Investments in any one issuer that represent 5% or more of total City investment are as follows (in thousands):

| Issuer | Fair Value |
|--------|------------|
| FHLB | \$328,098 |

3. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021 was as follows (in thousands):

| | Beginning Balance | Increases | Decreases | Ending Balance |
|-----------------------------------|----------------------|------------|------------|-------------------|
| Non-depreciable Assets | | | | |
| Construction in Progress | \$ 2,947 | \$ 3,345 | \$ (2,899) | \$ 3,393 |
| Total Non-depreciable Assets | 2,947 | 3,345 | (2,899) | 3,393 |
| Depreciable Assets | | | | |
| Buildings | 28,842 | - | - | 28,842 |
| Improvements other than Buildings | 4,830 | - | - | 4,830 |
| Equipment | 121,787 | - | - | 121,787 |
| Intangible Assets | 14,477 | 3,797 | - | 18,274 |
| Total Depreciable Assets | 169,936 | 3,797 | - | 173,733 |
| Accumulated Depreciation | | | | |
| Buildings | (8,388) | (794) | - | (9,182) |
| Improvements other than Buildings | (2,327) | (238) | - | (2,565) |
| Equipment | (88,810) | (4,949) | - | (93,759) |
| Intangible Assets | (6,314) | (3,162) | - | (9,476) |
| Total Accumulated Depreciation | (105,839) | (9,143) | - | (114,982) |
| Total Depreciable Assets, Net | 64,097 | (5,346) | - | 58,751 |
| Total Capital Assets, Net | \$ 67,044 | \$ (2,001) | \$ (2,899) | \$ 62,144 |

4. Risk Management

RWC's insurance program is administered by the City of Phoenix Risk Management Division of the Finance Department. RWC is charged annually for its share of insurance coverage. For fiscal year 2021, RWC was charged \$50,648 for insurance premiums. The members proportionately share the costs of the insurance program according to the provisions of the intergovernmental agreement. The City of Phoenix maintains a \$7.5 million self-insured retention for third-party liability claims. Losses which exceed the retention levels are covered by commercial insurance purchased through the City. Self-insured claims are reported as liabilities in the City of Phoenix's basic financial statements when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. This determination is based on an independent actuarial analysis of reported claims and estimated claims incurred but not reported. For the year ended June 30, 2021, there were no reductions in insurance coverage from the prior year and settled claims have not exceeded insurance coverage for the past three years. In the opinion of management, no provision for claims is required in the accompanying financial statements.

5. Members' Equity

A summary of the joint venture members' equity as of June 30, 2021 is as follows:

| | | |
|--|----|-------------------|
| Arizona Fire & Medical Authority | \$ | 317,837 |
| City of Avondale | | 557,583 |
| City of Buckeye | | 344,640 |
| Buckeye Valley Fire District | | 13,427 |
| City of Chandler | | 1,748,563 |
| Daisy Mountain Fire District | | 101,285 |
| City of El Mirage | | 260,212 |
| City of Glendale | | 2,579,533 |
| City of Goodyear | | 355,945 |
| Town of Guadalupe | | 72,126 |
| Harquahala Fire District | | 1,678 |
| City of Maricopa | | 209,368 |
| Maricopa County Community College District | | 235,542 |
| Town of Paradise Valley | | 24,869 |
| City of Peoria | | 1,742,936 |
| City of Phoenix | | 42,240,796 |
| City of Scottsdale | | 4,194,277 |
| Sun City Fire District | | 528,649 |
| City of Surprise | | 974,742 |
| City of Tempe | | 7,550,214 |
| City of Tolleson | | 131,777 |
| Total Members' Equity | \$ | <u>64,185,999</u> |

6. Related Party Transactions

Staff and administrative costs allocated by the City to RWC was \$515,756 for the year ended June 30, 2021. These costs include: salaries, radio operator charges, photocopy equipment, office supplies, computer software, computer components, motor pool, and security charges. The City subsidizes central services costs for the RWC. These costs include: building maintenance, custodial services, electrical maintenance, money management, accounts payable, various financial services, materials management, human resources, safety, fringe benefit administration, labor relations, training, network services, communication services, and general management services.

As RWC has no employees, the City assigned four full-time staff to RWC as of June 30, 2021 and compensation totaled \$497,260 for the year ended June 30, 2021.

RWC's full-time staff are employed by the City of Phoenix, Arizona and participate in the City of Phoenix Employees' Retirement Plan (COPERS). In addition to normal retirement benefits, COPERS also provides for disability and survivor benefits, as well as deferred pensions for former employees. Pension benefits vest after five years for general City employees.

The City provides certain post-employment health care benefits for its retired employees. Retirees meeting certain qualifications are eligible to participate in the City's health insurance program along with the City's active employees.

7. Commitments and Contingencies

The RWC has entered into contractual agreements with Motorola to provide services related to maintenance, operations, and upgrades of the RWC Network. The percentages of the total RWC budget for these agreements were 62% for the year ended June 30, 2021.

At this point in time, RWC is not involved in any litigation and claims arising in the normal course of operations. In the opinion of management based on consultation with legal counsel, losses, if any, from pending litigation and claims are covered by insurance or are immaterial; therefore, no provision has been made in the accompanying financial statements for losses, if any, that might arise from the ultimate outcome of these matters.



Supplementary Information

**Regional Wireless Cooperative
Members' Operating Fund Reserve
For the Fiscal Year Ended June 30, 2021**

RWC members maintain an operating fund reserve to provide cash flow for cost of operating and maintenance of the Network. Each member's obligation to fund the balance reserve is proportionate to its subscriber units in use on the Network at the time the fee is assessed.

| Member | Beginning Balance July 1, 2020 | Contributions | Adjustments* | Interest | Expenditures | Ending Balance June 30, 2021 |
|--|-----------------------------------|---------------|-----------------|-----------------|--------------|---------------------------------|
| Arizona Fire & Medical Authority | | | | | | |
| | \$ 5,087 | \$ - | \$ 654 | \$ 49 | \$ - | \$ 5,790 |
| City of Avondale | 19,263 | - | - | 183 | - | 19,446 |
| City of Buckeye | 17,683 | - | (1) | 168 | - | 17,850 |
| City of Chandler | 54,218 | - | (3,000) | 515 | - | 51,733 |
| Daisy Mountain Fire District | 4,494 | - | 3,261 | 43 | - | 7,798 |
| City of El Mirage | 6,026 | - | - | 57 | - | 6,083 |
| City of Glendale | 52,403 | - | - | 498 | - | 52,901 |
| City of Goodyear | 14,521 | - | - | 138 | - | 14,659 |
| Town of Guadalupe | 543 | - | - | 5 | - | 548 |
| City of Maricopa | 10,915 | - | 787 | 104 | - | 11,806 |
| Maricopa County Community College District | | | | | | |
| | 11,212 | - | - | 107 | - | 11,319 |
| Town of Paradise Valley | 4,099 | - | 26 | 39 | - | 4,164 |
| City of Peoria | 45,885 | - | (1) | 436 | - | 46,320 |
| City of Phoenix | 507,392 | - | - | 4,823 | - | 512,215 |
| Rural Metro | - | - | - | - | - | - |
| City of Scottsdale | 75,469 | - | - | 717 | - | 76,186 |
| Sun City Fire District | 3,161 | - | 392 | 30 | - | 3,583 |
| City of Surprise | 27,016 | - | 1,750 | 257 | - | 29,023 |
| City of Tempe | 59,615 | - | - | 567 | - | 60,182 |
| City of Tolleson | 6,224 | - | 335 | 59 | - | 6,618 |
| | <u>\$ 925,226</u> | <u>\$ -</u> | <u>\$ 4,203</u> | <u>\$ 8,795</u> | <u>\$ -</u> | <u>\$ 938,224</u> |

*Based on an inception-to-date analysis of contributions by members.

**Regional Wireless Cooperative
Members' VHF Fund Reserve
For the Fiscal Year Ended June 30, 2021**

RWC Conventional Network members maintain an operating fund reserve to provide cash flow for cost of operating and maintenance of the VHF Network. Each member's obligation to fund the balance reserve is proportionate to its subscriber units in use on the VHF Network at the time the fee is assessed.

| Member | Beginning Balance | | | | Ending Balance |
|----------------------------------|-------------------|---------------|---------------|--------------|------------------|
| | July 1, 2020 | Contributions | Interest | Expenditures | |
| Arizona Fire & Medical Authority | \$ 905 | \$ - | \$ 8 | \$ - | \$ 913 |
| City of Avondale | 1,096 | - | 10 | - | 1,106 |
| City of Buckeye | 1,509 | - | 13 | - | 1,522 |
| City of Chandler | 2,543 | - | 22 | - | 2,565 |
| Daisy Mountain Fire District | 1,112 | - | 10 | - | 1,122 |
| City of El Mirage | 365 | - | 3 | - | 368 |
| City of Glendale | 2,479 | - | 22 | - | 2,501 |
| City of Goodyear | 1,144 | - | 10 | - | 1,154 |
| Town of Guadalupe | 112 | - | 1 | - | 113 |
| City of Maricopa | 810 | - | 7 | - | 817 |
| City of Peoria | 2,034 | - | 18 | - | 2,052 |
| City of Phoenix | 30,588 | - | 270 | - | 30,858 |
| City of Scottsdale | 3,639 | - | 32 | - | 3,671 |
| Sun City Fire District | 890 | - | 8 | - | 898 |
| City of Surprise | 1,860 | - | 16 | - | 1,876 |
| City of Tempe | 3,814 | - | 34 | - | 3,848 |
| City of Tolleson | 365 | - | 3 | - | 368 |
| Buckeye Valley Fire District | 1,399 | - | 12 | - | 1,411 |
| Harquahala Fire District | 175 | - | 2 | - | 177 |
| | <u>\$ 56,839</u> | <u>\$ -</u> | <u>\$ 501</u> | <u>\$ -</u> | <u>\$ 57,340</u> |

Regional Wireless Cooperative
Members' Infrastructure Replacement and Enhancement Activity
For the Fiscal Year Ended June 30, 2021

RWC Members fund the Infrastructure Replacement and Enhancement Fund through RWC Board of Directors formal resolution stating the purpose of the project, term of project, total cost of project, and each RWC Member's fixed share of the project cost programmed across the specified term. Funds are used to pay for network upgrades and system enhancements.

| Member | Beginning Balance July 1, 2020 | Contributions | Interest | Expenditures | Ending Balance June 30, 2021 |
|----------------------------------|--------------------------------------|---------------------|------------------|-----------------------|---------------------------------|
| Arizona Fire & Medical Authority | \$ 14,992 | \$ 5,948 | \$ 108 | \$ (5,957) | \$ 15,091 |
| City of Avondale | 58,382 | 23,205 | 420 | (23,239) | 58,768 |
| City of Buckeye | 42,642 | 23,131 | 307 | (23,156) | 42,924 |
| City of Chandler | 213,133 | 73,138 | 1,535 | (73,261) | 214,545 |
| Daisy Mountain Fire District | 1,120 | 1,542 | 8 | (1,543) | 1,127 |
| City of El Mirage | 18,114 | 7,710 | 130 | (7,720) | 18,234 |
| City of Glendale | 150,256 | 93,626 | 1,082 | (93,713) | 151,251 |
| City of Goodyear | 9,654 | 29,373 | 70 | (29,379) | 9,718 |
| Town of Guadalupe | 2,428 | 734 | 17 | (735) | 2,444 |
| City of Maricopa | 30,404 | 13,291 | 219 | (13,309) | 30,605 |
| Maricopa County Community | | | | | |
| College District | 43,874 | 17,330 | 316 | (17,355) | 44,165 |
| Town of Paradise Valley | - | 6,095 | - | (6,095) | - |
| City of Peoria | 191,406 | 62,858 | 1,379 | (62,969) | 192,674 |
| City of Phoenix | 1,053,514 | 702,671 | 7,588 | (703,279) | 1,060,494 |
| City of Scottsdale | 307,114 | 114,627 | 2,211 | (114,804) | 309,148 |
| Sun City Fire District | 11,059 | 3,525 | 80 | (3,531) | 11,133 |
| City of Surprise | 88,536 | 30,401 | 638 | (30,452) | 89,123 |
| City of Tempe | 153,359 | 111,396 | 1,105 | (111,485) | 154,375 |
| City of Tolleson | 6,388 | 2,350 | 46 | (2,354) | 6,430 |
| | <u>\$ 2,396,375</u> | <u>\$ 1,322,951</u> | <u>\$ 17,259</u> | <u>\$ (1,324,336)</u> | <u>\$ 2,412,249</u> |

**Regional Wireless Cooperative
Members' Net Operating and Maintenance Expenditures
For the Fiscal Year Ended June 30, 2021**

| Member | Amount Billed | 2021 Charge (Credit) Per User Settlement ⁽¹⁾ | Net Operating Expenditures |
|--|---------------------|---|----------------------------|
| Arizona Fire & Medical Authority | \$ 75,786 | \$ (10,550) | \$ 65,236 |
| City of Avondale | 191,194 | (18,387) | 172,807 |
| City of Buckeye | 157,681 | (16,231) | 141,450 |
| City of Chandler | 430,743 | (39,481) | 391,262 |
| Daisy Mountain Fire District | 61,435 | (10,358) | 51,077 |
| City of El Mirage | 60,909 | (6,972) | 53,937 |
| City of Glendale | 440,936 | (42,060) | 398,876 |
| City of Goodyear | 208,625 | (20,939) | 187,686 |
| Town of Guadalupe | 7,011 | (1,108) | 5,903 |
| City of Maricopa | 116,560 | (10,982) | 105,578 |
| Maricopa County Community College District | 90,501 | (6,363) | 84,138 |
| Town of Paradise Valley | 31,862 | (2,167) | 29,695 |
| City of Peoria | 369,524 | (36,259) | 333,265 |
| City of Phoenix | 4,413,458 | (413,735) | 3,999,723 |
| City of Scottsdale | 639,518 | (57,176) | 582,342 |
| Sun City Fire District | 33,889 | (5,634) | 28,255 |
| City of Surprise | 234,739 | (24,361) | 210,378 |
| City of Tempe | 623,202 | (60,690) | 562,512 |
| City of Tolleson | 58,242 | (5,912) | 52,330 |
| Non-Members | 80,287 | - | 80,287 |
| | <u>\$ 8,326,102</u> | <u>\$ (789,366)</u> | <u>\$ 7,536,736</u> |

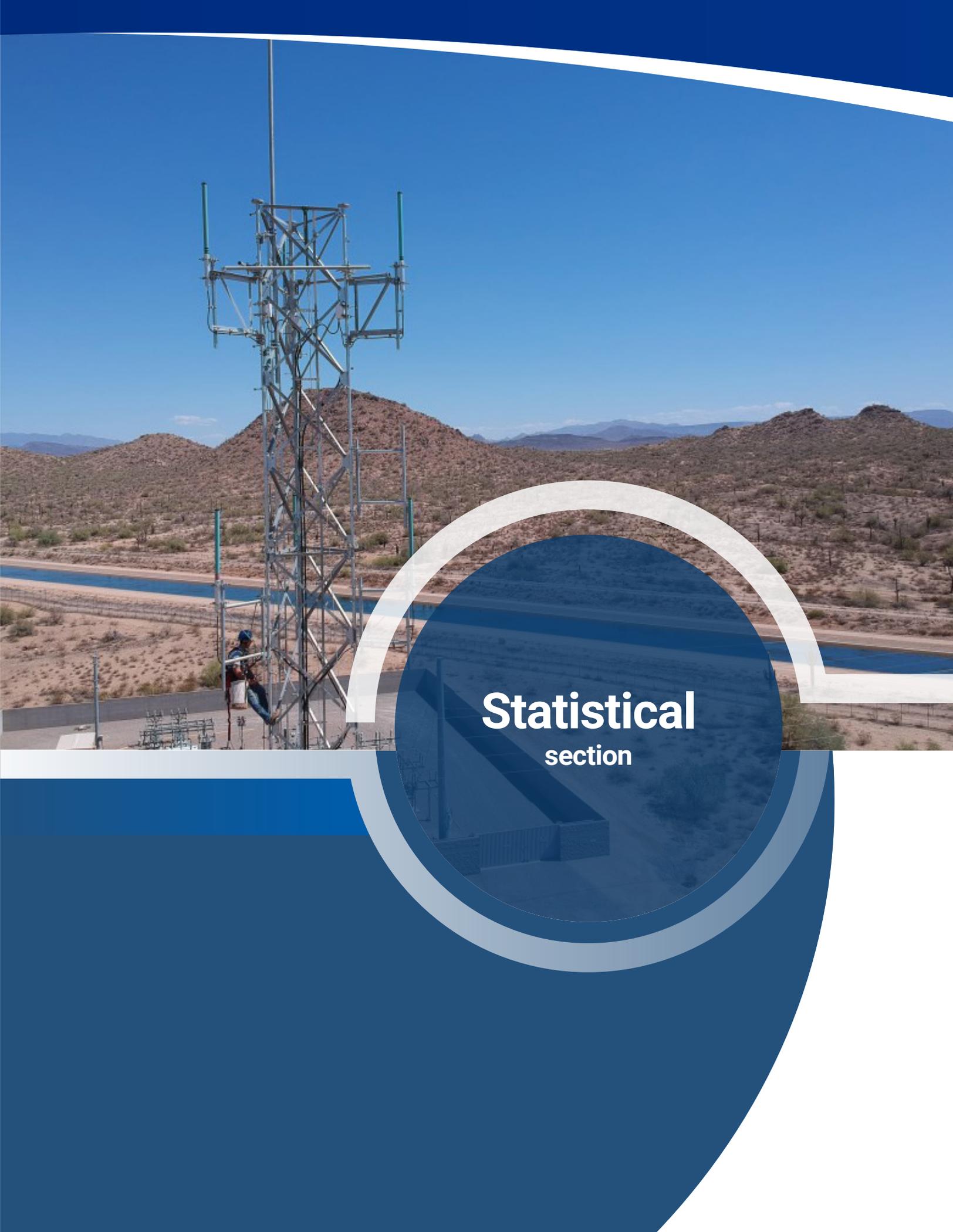
⁽¹⁾ These amounts represent the settlement of operating and maintenance expenditures.



Regional Wireless Cooperative

An Arizona Joint Venture

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Statistical
section

Table of Contents

This section of the RWC's annual comprehensive financial report presents detailed information as context for understanding of the information in the financial statements, note disclosures, required supplementary information, and the joint venture's overall financial condition. The RWC began operation in FY 2010; therefore, 10 years of data is not available for presentation in this section.

Page

Financial Trends

These schedules contain trend information to help the reader understand how the RWC's financial performance and well-being have changed over time:

| | |
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| Statements of Net Position | 31 |
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Demographic and Economic Information

These schedules offer demographic and economic indicators to show the environment within which the RWC's financial activities take place:

| | |
|--------------------------------------|----|
| Major Employers Metropolitan Phoenix | 35 |
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Operating Information

These schedules contain service data to show how the RWC's financial information relates to the services the RWC provides and the activity it performs:

| | |
|-------------------|----|
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| System Statistics | 36 |

**Regional Wireless Cooperative
Statements of Net Position
Last Ten Fiscal Years
(in thousands)**

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Investment in Capital | | | | | | | | | | |
| Assets | \$ 62,144 | \$ 67,044 | \$ 69,091 | \$ 73,867 | \$ 80,098 | \$ 86,472 | \$ 83,376 | \$ 83,280 | \$ 87,125 | \$ 95,643 |
| Restricted | - | - | - | - | - | - | - | - | - | - |
| Capital Projects | - | - | - | - | - | 243 | 121 | - | 88 | - |
| Unrestricted | 2,042 | 1,605 | 1,807 | 1,345 | 1,580 | 1,937 | 12,386 | 4,250 | 498 | 706 |
| Net Position | \$ 64,186 | \$ 68,649 | \$ 70,898 | \$ 75,212 | \$ 81,678 | \$ 88,652 | \$ 95,883 | \$ 87,530 | \$ 87,711 | \$ 96,349 |

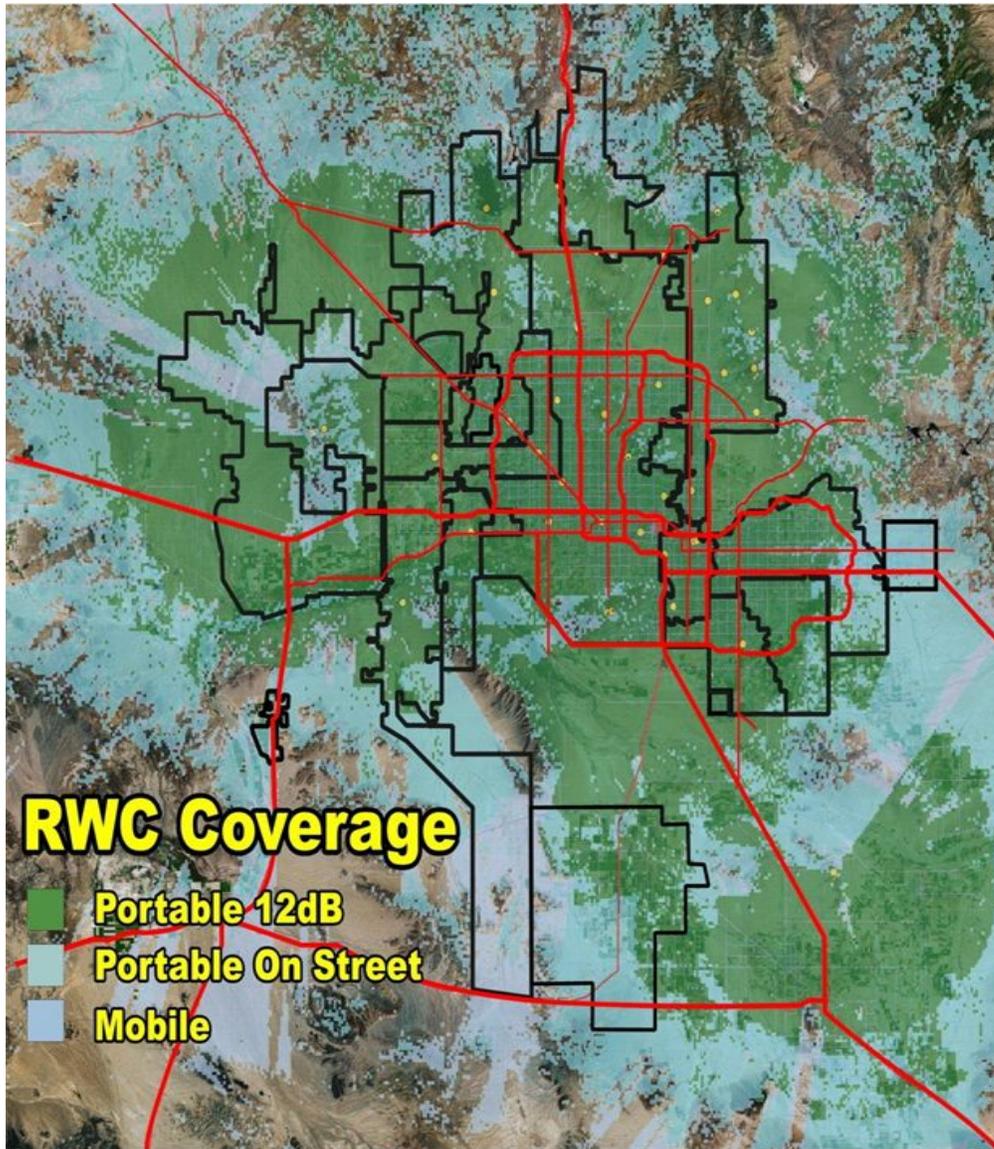
**Statements of Revenues, Expenses, and Changes in Net Position
Last Ten Fiscal Years
(in thousands)**

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|------------|------------|------------|------------|------------|------------|----------|----------|------------|------------|
| Operating Revenues | | | | | | | | | | |
| Operation and Maintenance Charges | \$ 7,537 | \$ 7,170 | \$ 6,798 | \$ 6,871 | \$ 7,320 | \$ 6,592 | \$ 7,209 | \$ 7,201 | \$ 6,746 | \$ 8,305 |
| Special Assessments | 4,732 | 5,661 | 6,743 | 3,919 | 1,989 | 16,646 | 16,170 | 11,143 | 2,390 | 48 |
| Other | - | - | - | - | - | 121 | 121 | 88 | 88 | 60 |
| Total Operating Revenues | 12,269 | 12,831 | 13,541 | 10,790 | 9,309 | 23,359 | 23,500 | 18,432 | 9,224 | 8,413 |
| Operating Expenses | | | | | | | | | | |
| Staff and Administrative Allocation | 516 | 499 | 541 | 654 | 538 | 691 | 582 | 617 | 597 | 499 |
| Operation and Maintenance | 7,153 | 6,695 | 6,133 | 5,994 | 6,048 | 3,925 | 6,174 | 6,541 | 6,048 | 7,602 |
| Special Assessments | - | - | - | 151 | 245 | 2,429 | 5 | 3 | - | 48 |
| Depreciation | 9,143 | 8,074 | 11,430 | 10,495 | 9,476 | 8,299 | 8,509 | 11,546 | 10,444 | 9,999 |
| Total Operating Expenses | 16,812 | 15,268 | 18,104 | 17,294 | 16,307 | 15,344 | 15,270 | 18,707 | 17,089 | 18,148 |
| Operating Income (Loss) | (4,543) | (2,437) | (4,563) | (6,504) | (6,998) | 8,015 | 8,230 | (275) | (7,865) | (9,735) |
| Non-Operating Revenues (Expenses) | | | | | | | | | | |
| Investment Income | | | | | | | | | | |
| Net Increase (Decrease) in Fair Value of | | | | | | | | | | |
| Investments | (38) | 55 | 111 | (72) | (86) | 25 | (109) | (109) | (77) | (53) |
| Interest | 118 | 133 | 138 | 110 | 110 | 262 | 232 | 203 | 81 | 78 |
| Loss on Disposal of Capital Assets | - | - | - | - | - | (1,190) | - | - | (777) | - |
| Distribution to Members | - | - | - | - | - | (14,343) | - | - | - | - |
| Total Non-Operating Revenues (Expenses) | 80 | 188 | 249 | 38 | 24 | (15,246) | 123 | 94 | (773) | 25 |
| Income (Loss) Before Contributions | (4,463) | (2,249) | (4,314) | (6,466) | (6,974) | (7,231) | 8,353 | (181) | (8,638) | (9,710) |
| Capital Contributions | - | - | - | - | - | - | - | - | - | 6,044 |
| Changes in Net Position | \$ (4,463) | \$ (2,249) | \$ (4,314) | \$ (6,466) | \$ (6,974) | \$ (7,231) | \$ 8,353 | \$ (181) | \$ (8,638) | \$ (3,666) |

**Regional Wireless Cooperative
Members' Operations and Maintenance Expenses
Last Ten Fiscal Years**

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Arizona Fire & Medical Authority | \$ 65,236 | \$ 51,140 | \$ 32,798 | \$ 29,301 | \$ 28,847 | \$ 28,275 | \$ 27,847 | \$ 28,059 | \$ 24,952 | \$ 31,029 |
| City of Avondale | 172,807 | 151,813 | 143,500 | 138,819 | 127,170 | 96,672 | 121,150 | 123,697 | 108,885 | 39,787 |
| City of Buckeye | 141,450 | 138,300 | 127,996 | 115,986 | 114,114 | 113,819 | 123,292 | 105,746 | 77,987 | 91,438 |
| City of Chandler | 391,262 | 387,444 | 365,909 | 354,689 | 356,585 | 345,177 | 362,723 | 378,692 | 340,153 | 455,420 |
| Daisy Mountain Fire District | 51,077 | 42,883 | 28,056 | 8,854 | 8,209 | 7,443 | 8,239 | 3,819 | 2,111 | 3,314 |
| City of El Mirage | 53,937 | 49,735 | 41,176 | 38,515 | 38,041 | 45,293 | 39,139 | 38,067 | 31,944 | 38,635 |
| City of Glendale | 398,876 | 393,404 | 415,301 | 443,057 | 455,537 | 487,326 | 513,312 | 535,581 | 583,921 | 248,367 |
| City of Goodyear | 187,686 | 112,619 | 106,821 | 148,559 | 219,021 | 144,228 | 170,265 | 41,573 | 36,693 | 46,518 |
| Town of Guadalupe | 5,903 | 4,630 | 3,840 | 3,542 | 3,574 | 3,631 | 4,217 | 4,126 | 4,036 | 2,417 |
| City of Maricopa | 105,578 | 85,659 | 90,120 | 75,794 | 67,041 | 64,285 | 64,588 | 63,551 | 39,943 | 8,707 |
| Maricopa County Community College | 84,138 | 81,816 | 82,621 | 84,183 | 84,036 | 84,503 | 79,523 | - | - | - |
| Town of Paradise Valley | 29,695 | 30,109 | 33,820 | 17,004 | - | - | - | - | - | - |
| City of Peoria | 333,265 | 337,645 | 337,138 | 326,318 | 312,071 | 321,022 | 354,495 | 369,820 | 330,061 | 430,102 |
| City of Phoenix | 3,999,722 | 3,906,999 | 3,713,027 | 3,515,191 | 3,448,585 | 3,470,070 | 3,758,471 | 3,999,612 | 3,878,073 | 5,289,117 |
| City of Scottsdale | 582,342 | 572,105 | 542,652 | 535,893 | 553,558 | 558,223 | 596,642 | 568,508 | 503,669 | 717,469 |
| Sun City Fire District | 28,255 | 28,977 | 22,505 | 20,538 | 17,945 | 17,246 | 18,166 | 18,260 | 15,411 | 18,971 |
| City of Surprise | 210,378 | 205,322 | 187,571 | 187,541 | 171,780 | 152,212 | 170,233 | 167,321 | 147,314 | 144,535 |
| City of Tempe | 562,512 | 461,798 | 431,638 | 729,287 | 1,231,481 | 571,819 | 711,487 | 675,808 | 573,249 | 710,090 |
| City of Tolleson | 52,330 | 50,090 | 46,073 | 43,120 | 19,424 | 11,618 | 12,887 | 12,174 | 10,454 | 12,498 |
| Non Members ⁽¹⁾ | 80,287 | 77,602 | 45,753 | 54,540 | 62,555 | 68,926 | 72,710 | 66,432 | 37,498 | 16,506 |
| Total | \$7,536,736 | \$7,170,091 | \$6,798,315 | \$6,870,731 | \$7,319,574 | \$6,591,788 | \$7,209,386 | \$7,200,846 | \$6,746,354 | \$8,304,920 |

Regional Wireless Cooperative Coverage Map



**Regional Wireless Cooperative
Cities' and Towns' Population Growth
Last Ten Calendar Years**

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| City of Avondale | 92,363 | 87,931 | 85,835 | 84,025 | 82,881 | 80,684 | 78,090 | 78,822 | 77,511 | 76,870 |
| City of Buckeye | 90,182 | 79,620 | 74,370 | 68,453 | 64,629 | 62,138 | 58,795 | 56,683 | 56,460 | 54,102 |
| City of Chandler | 269,123 | 261,165 | 257,165 | 253,458 | 247,477 | 260,828 | 249,423 | 245,588 | 246,197 | 241,214 |
| City of El Mirage | 36,161 | 35,753 | 35,670 | 35,216 | 35,043 | 33,935 | 32,857 | 32,998 | 32,472 | 32,067 |
| City of Glendale | 257,233 | 252,381 | 250,702 | 246,709 | 245,895 | 240,126 | 232,680 | 234,632 | 231,109 | 229,008 |
| City of Goodyear | 94,774 | 86,840 | 82,835 | 79,858 | 77,258 | 79,003 | 74,743 | 72,864 | 72,275 | 69,018 |
| Town of Guadalupe | 6,745 | 6,631 | 6,597 | 6,225 | 6,336 | 6,177 | 6,084 | 6,072 | 6,019 | 5,943 |
| City of Maricopa | 56,325 | 52,127 | 50,024 | 48,007 | 46,903 | 48,602 | 47,442 | 45,508 | 44,946 | 44,396 |
| Town of Paradise Valley | 15,003 | 14,637 | 14,502 | 14,293 | 14,355 | 13,922 | 13,457 | 13,387 | 13,282 | 13,154 |
| City of Peoria | 183,357 | 175,961 | 172,259 | 168,181 | 164,173 | 171,237 | 163,832 | 162,592 | 160,545 | 157,653 |
| City of Phoenix | 1,733,630 | 1,680,992 | 1,660,272 | 1,626,078 | 1,615,017 | 1,563,025 | 1,506,439 | 1,505,070 | 1,485,751 | 1,465,901 |
| City of Scottsdale | 265,249 | 258,069 | 255,310 | 249,950 | 246,645 | 236,839 | 225,698 | 226,918 | 222,213 | 219,713 |
| City of Surprise | 149,558 | 141,664 | 138,161 | 134,085 | 132,677 | 128,422 | 123,797 | 123,546 | 121,629 | 119,530 |
| City of Tempe | 203,923 | 195,805 | 192,364 | 185,038 | 182,498 | 175,826 | 169,529 | 168,228 | 165,158 | 164,659 |
| City of Tolleson | 7,568 | 7,372 | 7,299 | 7,205 | 7,178 | 7,008 | 6,777 | 6,756 | 6,632 | 6,579 |

Source: US Census Bureau

**Regional Wireless Cooperative
Major Employers Metropolitan Phoenix
Current Year and Nine Years Ago**

| Employer | 2021 | | | 2012 | | |
|--------------------------|-----------|------|-------------------------------------|-----------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Banner Health | 45,918 | 1 | 2.08% | 28,220 | 3 | 1.67% |
| State of Arizona | 41,606 | 2 | 1.88% | 49,282 | 1 | 2.92% |
| Wal-Mart Stores Inc. | 36,995 | 3 | 1.67% | 30,608 | 2 | 1.81% |
| Arizona State University | 35,474 | 4 | 1.60% | 12,221 | 8 | 0.72% |
| Fry's Food Stores | 20,235 | 5 | 0.92% | | | |
| City of Phoenix | 16,432 | 6 | 0.74% | 15,544 | 4 | 0.92% |
| Wells Fargo | 16,300 | 7 | 0.74% | 13,100 | 5 | 0.78% |
| University of Arizona | 16,021 | 8 | 0.72% | | | |
| Dignity Health | 13,648 | 9 | 0.62% | | | |
| Maricopa County | 13,648 | 10 | 0.62% | 12,458 | 7 | 0.74% |
| Bank of America | | | | 13,300 | 6 | 0.78% |
| Apollo Group | | | | 11,000 | 9 | 0.64% |
| JPMorgan/Chase | | | | 10,600 | 10 | 0.62% |

Source: <https://www.bizjournals.com/phoenix/subscriber-only/2021/07>

Phoenix Business Journal-Book of Lists

Note: Top employers in Maricopa County. Employee count is total Arizona employees.

**Subscriber Units
Last Ten Fiscal Years**

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Subscriber Units | | | | | | | | | | |
| Member Total | 19,720 | 19,202 | 18,844 | 18,504 | 18,522 | 18,046 | 18,242 | 17,371 | 17,695 | 18,213 |
| Interoperability | 20,503 | 20,363 | 19,417 | 22,537 | 22,576 | 18,976 | 17,574 | 10,143 | 11,682 | 8,390 |
| Grand Total | 40,223 | 39,565 | 38,261 | 41,041 | 41,098 | 37,022 | 35,816 | 27,514 | 29,377 | 26,603 |

System Statistics
Last Seven Fiscal Years

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total # of Calls | 28.3 million | 28.9 million | 29.8 million | 28.2 million | 30.3 million | 28.1 million | 28.5 million |
| Total Call Duration (hours) | 68,400 | 100,806 | 73,984 | 73,560 | 76,635 | 81,535 | 80,399 |
| Total Call Duration (sec) | 246 million | 363 million | 266 million | 265 million | 276 million | 294 million | 289 million |
| Average Call Duration (sec) | 8.7 | 12.5 | 8.9 | 9.4 | 9.1 | 10.6 | 10.2 |
| Average Call Per Day | 77,236 | 79,059 | 81,603 | 77,271 | 82,913 | 76,001 | 77,968 |
| Total Buses | 184 | 2,194 | 83 | 131 | 261 | 530 | 740 |
| Busy Duration (hours) | 0.07 | 3.85 | 0.02 | 0.02 | 0.05 | 0.13 | 0.11 |
| Total Busy Duration (sec) | 241 | 231 | 71 | 68 | 177 | 478 | 700 |
| Average Busy Duration (sec) | 1.3 | 6.3 | 0.9 | 0.5 | 0.7 | 0.9 | 1.1 |
| Average Busy per Day | 0.5 | 6.0 | 0.2 | 0.4 | 0.7 | 1.5 | 2 |
| Total Emergency Calls | 2,434 | 2,849 | 2,890 | 3,473 | 3,415 | 3,519 | 3,854 |
| Total Emergency Duration (hours) | 20.3 | 22.8 | 24.0 | 31.0 | 27.4 | 29.6 | 9.1 |
| Total Emergency Duration (sec) | 72,909 | 82,098 | 84,802 | 112,483 | 98,640 | 106,156 | 33,173 |
| Average Emergency Duration (sec) | 30.0 | 28.8 | 29.3 | 32.4 | 28.9 | 30.2 | 8.6 |
| Average Emergency Calls per Day | 6.7 | 7.8 | 7.9 | 9.5 | 9.4 | 9.6 | 10.6 |
| System Reliability | 99.989% | 99.989% | 99.984% | 99.975% | 99.978% | 99.968% | 99.990% |

Note: System Statistics for 2011 through 2014 were not available.



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