



PLEASE POST

**SOUTH WASHINGTON COUNTY TELECOMMUNICATIONS COMMISSION  
EXECUTIVE COMMITTEE MEETING**

**THURSDAY, OCTOBER 25, 2018  
6:30 p.m.**

**WOODBURY CITY HALL - Cherry Room  
8301 Valley Creek Road  
Woodbury MN 55125**

**A G E N D A**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Public Comment
5. Consent Agenda
  - a. August 23, 2018 Executive Committee Meeting Minutes
6. Reports
  - a. Administrative
  - b. Legal
7. Unfinished Business
  - a. 2019 Proposed budget
  - b. ROV update
8. New Business
9. Commission comments and Requests
10. Adjournment

***Please notify the SWCTC office if you are unable to attend the meeting***



SOUTH WASHINGTON COUNTY TELECOMMUNICATIONS COMMISSION  
August 23, 2018  
EXECUTIVE COMMITTEE MEETING MINUTES

1. CALL TO ORDER

Chair, Rich Irvine, called the meeting to order at 6:30 p.m. in the Cherry Room in Woodbury City Hall..

2. ROLL CALL

Present: Rich Irvine  
Rob James  
Dave Thiede  
Tracy Rahm  
Julie Ohs  
Brian Bluhm  
Kevin Franke  
Craig Johnson  
Virginia Keenan

Also, Present: Mark Martinez, SWCTC Administrator  
Michael Bradley, Bradley Hagen & Herbst, LLC  
Vince Rotty, Bradley Hagen & Herbst, LLC

3. APPROVAL OF AGENDA

MOTION 8.23.18.1 To approve the agenda as amended. James/MOVED, Rahm/SECONDED. MOTION CARRIED UNANIMOUSLY.

4. PUBLIC COMMENT

5. CONSENT AGENDA

MOTION 8.23.18.2. to approve the Consent Agenda consisting of the June 28, 2018 Meeting Minutes. Rahm/MOVED, Thiede/SECONDED. MOTION CARRIED UNANIMOUSLY.

6. REPORTS

A. Administrator

Administrator Martinez discussed the proceedings at the FCC regarding NPRM on small cell and broadband deployment that could substantially impact local authority over our member cities right-of-way (ROW).

Alaina Myers accepted the position as Government Producer and will bring an expertise in strategic social media to the Commission.

2018 Goals update:

- HERO Center/Reserve Drawdown
  - Approved by Commission 7/26
- ROV formula development
  - Sub-committee meetings
  - First template created for review 8/23
- Capital projects
  - Cottage Grove Council Chamber completed 1/3
  - Cottage Grove Central Fire completed 6/2
  - St. Paul Park Council Chamber scheduled August 8/21-8/31
  - Producer computer upgrades in progress
- Continued Policy and Procedure Updates
  - Scope of Service document completed 7/26
  - Drone policy presented to Executive Committee 8/23
  - ADA closed captioning review scheduled for October EC meeting
- Comcast/CenturyLink Franchise Renewal
  - Received renewal letter from Comcast 4/13
  - Resolution 20180413 beginning formal renewal proceedings adopted 5/24
  - Comcast fee audit commenced with Ashpaugh & Sculco 6/6
  - No plans with CenturyLink yet
- Org Structure and Compensation
  - Revision of staff job descriptions in progress
  - Participated in market survey conducted by QCTV
- Branding - Scheduled for Q4

Administrator Martinez will be presenting the 2017 annual report to the Cottage Grove and Newport city councils on September 5 and 6.

Commissioner James received feedback from staff to suggest that the annual report be presented in video format for next year.

#### B. ATTORNEY

The office of the attorney distributed two memorandums regarding CenturyLink (CL).. The first on how CL is no longer pursuing cable subscribers and the second is on the mispayment of CenturyLink franchise fees and likelihood that both are franchise violations. The terms of their agreement gave them flexibility and now they exhibit no effort in continuing.

Bradley recommended to issue a franchise violation in response to CL's inaction. CenturyLink will then have 30 days to come in to compliance.

The second memorandum was on the payment of franchise fees and their reductions in payments. The attorney is looking for a financial consultant to review CL's payment justifications.

MACTA and NATOA issued action alerts because of a series of FCC actions to attempt to preempt local authority. Both small cell wireless and wireline proceedings with a model ordinance that will restrict what municipalities can do.

MACTA has asked the membership to submit letters in opposition to these proceedings. The Commission and member cities should respond by the September 20 deadline.

Attorney Bradley would also like to know how many small cell permits have been issued to each city since legislation passed at the state last year. This data would be to help explain the urgency, or lack thereof, for the need to preempt local authority.

A draft letter will be sent to the commissioners and responses must be made before the September 20 deadline.

There was an article that was published by Verizon that they will be offering TV via wireless with the deployment of 5G. The bandwidth will be capable of delivering video and internet to the home wirelessly commonly referred to as "the last mile.". This will be the biggest competition to cable. They will still benefit from the public right of way to compete against cable companies and local governments will need to advocate for fair market value similar to cable franchises.

Chair Irvine asked how to approach requiring wireless companies to have a cable franchise. Attorney Bradley responded that there needs to be a determination that they are providing cable service first before a franchise can be put on notice. The method of delivering content and that they're in the PROW.

## 7. UNFINISHED BUSINESS

### A. Drone ordinance and draft policy final review

Two draft policies were created. One that allows provisions for renting drones to the public and the other without.

Local governments are not subject to FAA regulations. The policy solves two issues. One, it informs the public how SWCTC is using drones. The other will inform the Commission when someone is not using the drone within the scope of employment thus, shielding the Commission from liability.

Commissioner Thiede asked if the Commission had insurance for coverage. Administrator Martinez confirmed insurance coverage.

Chair Irvine asked if we're covered for privacy liability. Attorney Rotty stated that the ordinance connects the dots between 4th amendment rights and the use of drones. First of its kind in Minnesota.

Commissioner Thiede asked if the FAA had restrictions about flying in certain areas regarding drones. Attorney Rotty stated that the FAA restrictions are copied into the model ordinance.

Attorney Bradley stated that the ordinance cites the source of law that is behind every provision.

Commissioner Rahm stated that the City of Newport is looking at height restrictions. Attorney Rotty stated that there is a height limitation of 400 ft. but there is not a height minimum law and that public safety and emergency response is exempt. Commissioner Rahm stated that he wants to balance privacy and public safety.

Attorney Bradley said staff have already commented and asked for the Commission to comment prior to the next full Commission meeting with a formal action to recommending distributing to member cities.

### B. ROV template

Administrator Martinez distributed a ROV spreadsheet that shows revenues and expenses for the first 6 months of 2018.

Treasurer Thiede stated that the original idea was to smooth capital expenses out over 5 years but opted for actual expenses.

Administrator Martinez said the office do not have the data from years 4 and 5 because it wasn't reported by city back then. He only have data initially from years 2016-2018 and will have ongoing data.

Chair Irvine stated that we have a process that we're testing with actual numbers.

Treasurer Thiede stated that the cities should have a fixed level of value and that the revenue breakdown could show expenses higher than revenue. That value base is such that the minimum value threshold could determine "What if this city had to do this by themselves?"

Chair Irvine stated that we would look at revenue vs. expenses and then roll the value portion in.

Commissioner Johnson asked for more detail around payroll. Administrator Martinez said it was broken down into both individuals assigned to a city and others allocated proportionally to all cities.

Chair Irvine asked how close was the value portion. Treasurer Thiede said there is still work to be done on that portion. What are some of the fixed costs?

Administrator Martinez said that there are fixed costs that can be determined for core services.

Treasurer Thiede stated that Administrator Martinez will take a first look at the value.

Co-Chair James asked if there was an across the board approach. Administrator Martinez clarified that there are some pro-rata and other fully assigned to a certain city.

Commissioner Johnson stated that we need the multiyear factor associated with equipment over 5 years.

Chair Irvine asked if there were any comments and that additional comments should be forwarded to the ROV committee.

Chair Irvine asked if the next phase could be presented to the ROV committee prior to the next meeting.

## 8. NEW BUSINESS

### A. 2019 Proposed Budget

Administrator Martinez presented the first draft of the 2019 budget. There is an anticipation of a drop in revenue of up to 5% for 2019. (There was a presentation planned on org dev and capital however was not shown due to a laptop failure.) A placeholder was added to reflect a vision of a content and operations manager. SWCTC has received positive feedback that the content is on track with member cities plans. Collaboration and prioritization has occurred within city teams. The next step would be to have one manager overseeing all content prioritization and quality. There is also growing impacts on labor as capital projects have develop over recent years. We are anticipating this to continue and require more integration skills throughout the projects life cycle. The East Metro Public Safety Training Facility in itself will have a significant impact to time resources. The initial budget shows what those wages, plus market adjustments in other areas, could look like for the future. SWCTC capital requests include plans for upgrades in streaming services (SD to HD) and Closed Captioning.

Commissioner Rahm stated that there are increasing costs with decreasing revenues and to be aware on ongoing costs.

Commissioner Bluhm asked if the CenturyLink number for Grey Cloud should be revised due to potential inaccuracy.

Treasure Thiede recommended adjusting the spreadsheet to show the return to cities below the bottom line.

Attorney Bradley stated that the CC recommendation will be to provide “effective communications” and will have detailed pricing.

Co-chair James stated disagreement with the proposed budget based on increased expenses and decreasing revenue. Chair Irvine stated that there is time to reflect comments and adjust the proposed budget.

MOTION 8.23.18.3. to recommend sending to the full Commission and member cities for comment. Thiede/MOVED, Rahm/SECONDED. MOTION CARRIED UNANIMOUSLY.

9. COMMISSION COMMENTS AND REQUESTS

Commissioner Keenan stated that SWCTC should pursue alternative sources of income.

Attorney Bradley mentioned that his office has created a model ordinance for the new electric scooters that are now being used on public right-of-way. Please let his office know if your city would be interested in obtaining the ordinance.

10. ADJOURNMENT

MOTION 8.23.18.4. to adjourn at 8:11 p.m. Thiede/MOVED, James/SECONDED. MOTION CARRIED UNANIMOUSLY.



ADMINISTRATIVE REPORT  
OCTOBER 2018

**ACTIVITIES**

09/25: The FCC released a Second Further Notice of Proposed Rulemaking proposing new rules regarding how local franchising authorities may regulate cable operators and cable television services.

09/26: FCC approved a Declaratory Ruling and Third Report and Order that restricts state and local regulation of small cell wireless deployment

10/11: East Metro Public Safety Training Facility groundbreaking

**2018 GOALS UPDATES**

- HERO Center/Reserve Drawdown
  - Approved by Commission 7/26
- ROV formula development
  - Sub-committee meetings
  - First template created for review 8/23
  - Individual city P&L concept presented 10/25
- Capital projects
  - Cottage Grove Council Chamber completed 1/3
  - Cottage Grove Central Fire completed 6/2
  - St. Paul Park Council Chamber scheduled August 8/21-8/31
  - Producer computer upgrades in progress
- Continued Policy and Procedure Updates
  - Scope of Service document completed 7/26
  - Drone policy approved by Commission on 9/27
  - ADA closed captioning draft report in review by staff 10/25
- Comcast/CenturyLink Franchise Renewal
  - Received renewal letter from Comcast 4/13
  - Resolution 20180413 beginning formal renewal proceedings adopted 5/24
  - Comcast fee audit commenced with Ashpaugh & Sculco 6/6
  - No plans with CenturyLink yet
  - Franchise violations notices to CenturyLink moving forward
- Org Structure and Compensation - on hold
  - Revision of staff job descriptions - on hold
  - Participated in market survey conducted by QCTV
- 2019 Budget - final proposed 10/25
- Potential Rebranding - Scheduled for Q4

**STAFF PROJECTS**

[Candidate profiles](#) completed - offered as a public service

09/23: [Oltmann Middle School opening](#)

10/04: [Feed My Starving Children](#) event

10/11: South Washington Watershed District 25th Anniversary

**OUTLOOK**

11/6: Election coverage

12/6: Next Commission meeting - Officer elections

to: Executive Committee

from: Mark Martinez, Administrator

subject: 2019 Proposed Budget

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This final proposed budget reflects adjustments from consultation with Commission Directors from the cities of Woodbury, Cottage Grove and St. Paul Park.

Please note changes in the following areas:

- An anticipation of reduction in revenues from both cable providers - most significant from CenturyLink although total impact would be less than 3% of revenues
- Wage increases that reflect current wage plans by member cities
- A \$100,000 increase in capital request based on proposed member city projects and Commission office needs - does not including the EMPSTF which will be funded with reserves
- Anticipation of higher expenses and lower revenues will impact potential annual returns

**Actions Requested:** Motion to recommend approval to the full Commission at the Annual Meeting upon member city review.



SWCTC											
2019 PROPOSED BUDGET											
		2016		2017		2018			2019		
ACCOUNT	DESCRIPTION	Budget	Actual	Budget	Actual	Budget	9 Month	17 VAR	Budget	18 VAR	NOTES
	<b>COMCAST FRANCHISE FEES</b>										
6010	Cottage Grove	\$396,355.00	\$ 433,699	\$ 415,160	\$ 449,182	\$ 441,002	\$ 212,740	1.06	\$ 425,480	0.96	Q3 distributions not received yet
6020	Grey Cloud Island Township	\$ 3,056.00	\$ 3,579	\$ 3,443	\$ 3,582	\$ 3,429	\$ 1,650	1.00	\$ 3,301	0.96	
6030	Newport	\$ 38,711.00	\$ 39,694	\$ 38,888	\$ 41,313	\$ 40,278	\$ 19,657	1.04	\$ 39,315	0.98	
6040	St. Paul Park	\$ 56,637.00	\$ 59,572	\$ 59,351	\$ 59,633	\$ 58,350	\$ 28,296	0.98	\$ 56,591	0.97	
6050	Woodbury	\$819,141.00	\$ 902,599	\$ 857,469	\$ 937,202	\$ 915,585	\$ 445,348	1.07	\$ 890,696	0.97	
	<b>Total Franchise Fees</b>	\$ 1,313,900	\$1,439,144	\$1,374,311	\$1,490,911	\$1,458,644	\$ 707,691	1.06	\$1,415,383	0.97	\$ 1,451,643.00
	<b>COMCAST PEG FEES</b>										
6110	Cottage Grove	\$ 86,389.00	\$ 84,657	\$ 85,351	\$ 80,203	\$ 83,987	\$ 42,042	0.98	\$ 84,084	1.00	\$ 276,429.00
6120	Grey Cloud Island Township	\$ 699.00	\$ 728	\$ 742	\$ 681	\$ 698	\$ 336	0.94	\$ 671	0.96	
6130	Newport	\$ 8,619.00	\$ 8,257	\$ 8,492	\$ 7,847	\$ 8,168	\$ 4,081	0.96	\$ 8,162	1.00	
6140	St. Paul Park	\$ 13,016.00	\$ 12,193	\$ 12,847	\$ 11,191	\$ 11,696	\$ 5,801	0.91	\$ 11,602	0.99	
6150	Woodbury	\$177,322.00	\$ 175,651	\$ 176,086	\$ 167,739	\$ 174,301	\$ 87,539	0.99	\$ 175,078	1.00	
	<b>Total Peg Fees</b>	\$ 286,045	\$ 281,486	\$ 283,518	\$ 267,660	\$ 278,850	\$ 139,798	0.98	\$ 279,597	1.00	
	<b>CENTURYLINK FRANCHISE FEES</b>										
6060	Cottage Grove	\$ -	\$ 7,896	\$ 8,000	\$15,436.55	\$ 15,501	\$ 4,480		\$ 4,480	0.29	\$ 438,691.59
6070	Grey Cloud Island Township	\$ -	\$ 10,184	\$ 10,100	\$ 9,934	\$ 12,105	\$ 9,357		\$ 4,679	0.39	
6080	Newport	\$ -	\$ 2,584	\$ 2,500	\$ 2,484	\$ 3,125	\$ 469		\$ 469	0.15	
6090	St. Paul Park	\$ -	\$ 3,201	\$ 3,200	\$ 7,229	\$ 7,589	\$ 2,116		\$ 2,116	0.28	
6100	Woodbury	\$ -	\$ 28,545	\$ 28,000	\$41,370.14	\$ 46,502	\$ 7,831		\$ 7,831	0.17	
	<b>Total Franchise Fees</b>	\$ -	\$ 52,410	\$ 51,800	\$ 76,455	\$ 84,823	\$ 24,253		\$ 19,574	0.23	
	<b>CENTURYLINK PEG FEES</b>										
6060	Cottage Grove	\$ -	\$ 1,879	\$ 1,900	\$ 3,587	\$ 3,766	\$ 1,387		\$ 1,387	0.37	\$ 1,754,766.36
6070	Grey Cloud Island Township	\$ -	\$ 121	\$ 120	\$ 174	\$ 158	\$ 122		\$ 122	0.77	
6080	Newport	\$ -	\$ 706	\$ 700	\$ 697	\$ 802	\$ 184		\$ 184	0.23	
6090	St. Paul Park	\$ -	\$ 798	\$ 800	\$ 1,898	\$ 1,998	\$ 677		\$ 677	0.34	
6100	Woodbury	\$ -	\$ 6,167	\$ 6,200	\$ 10,315	\$ 11,516	\$ 3,271		\$ 3,271	0.28	
	<b>Total Peg Fees</b>	\$ -	\$ 9,671	\$ 9,720	\$ 16,671	\$ 18,240	\$ 5,641		\$ 5,641	0.31	
	<b>TOTAL INCOME</b>	\$ 1,599,945	\$1,782,711	\$1,719,349	\$1,851,696	\$1,840,556	\$ 877,383		\$1,720,194	0.93	\$ 1,754,766.36
	<b>ADMINISTRATIVE EXPENSE</b>										
7410	Bank Fees & Charges	\$ 400	\$ (701)	\$ 500	\$ 348	\$ 500	\$ 243	1.00	\$ 500	1.00	Granicus/Swagit
7420	Cafeteria Supplies	\$ 500	\$ 514	\$ 500	\$ 501	\$ 500	\$ 1,480	1.00	\$ 500	1.00	
7430	Commission Meetings	\$ 1,000	\$ 1,589	\$ 500	\$ 903	\$ 1,000	\$ 1,707	2.00	\$ 1,000	1.00	
7435	Commission Directors Per Diem	\$ 5,000	\$ 4,850	\$ 5,000	\$ 4,500	\$ 5,000	\$ 2,950	1.00	\$ 5,000	1.00	
7440	Contributions	\$ 2,000	\$ -	\$ 2,000	\$ 100	\$ 2,000		1.00	\$ 500	0.25	
7470	Insurance - Liability/Property	\$ 13,000	\$ 2,138	\$ 6,000	\$ -	\$ 6,000	\$ (1,852)	1.00	\$ 6,000	1.00	
7490	Insurance - Workers Comp.	\$ 1,600	\$ 1,509	\$ 2,000	\$ 4,082	\$ 8,000	\$ 8,110	4.00	\$ 8,000	1.00	
7505	IT Services	\$ 20,000	\$ 19,664	\$ 20,000	\$ 11,936	\$ 21,000	\$ 3,045	1.05	\$ 18,000	0.86	
7510	Legal Notices	\$ 1,000	\$ 719	\$ 1,000	\$ 69	\$ 1,000	\$ -	1.00	\$ 500	0.50	
7520	Maint. Office Equipment	\$ 2,000	\$ -	\$ 2,000	\$ 49	\$ 2,000	\$ -	1.00	\$ 500	0.25	
7530	Memberships/Dues/Subscriptions	\$ 5,000	\$ 4,648	\$ 6,000	\$ 5,774	\$ 6,500	\$ 11,170	1.08	\$ 8,500	1.31	MACTA/ACM/NATO
7540	Misc. Expense	\$ 1,000	\$ 942	\$ 1,000	\$ 1,392	\$ 1,500	\$ 503	1.50	\$ 1,000	0.67	
7560	Office Supplies	\$ 6,000	\$ 8,214	\$ 6,000	\$ 5,716	\$ 6,000	\$ 8,446	1.00	\$ 6,000	1.00	
7570	Photo Copy	\$ 2,000	\$ 2,413	\$ 3,000	\$ 1,049	\$ 2,000	\$ 1,200	0.67	\$ 1,200	0.60	
7575	Postage	\$ 2,000	\$ 1,688	\$ 2,000	\$ 1,081	\$ 2,000	\$ 1,366	1.00	\$ 2,000	1.00	
7580	Printing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15		\$ -	0.00	



		SWCTC											
2019 PROPOSED BUDGET													
		2016		2017		2018			2019				
ACCOUNT	DESCRIPTION	Budget	Actual	Budget	Actual	Budget	9 Month	17 VAR	Budget	18 VAR	NOTES		
7581	Promotional	\$ -	\$ -	\$ -	\$ 1,723	\$ 5,000	\$ -		\$ 5,000	1.00	Logo		
7590	Pro. Services - Accounting/Auditing	\$ 10,000	\$ 10,351	\$ 10,000	\$ 12,048	\$ 11,500	\$ 17,279	1.15	\$ 10,000	0.87			
7610	Pro. Services - Legal	\$ 30,000	\$ 41,375	\$ 30,000	\$ 20,706	\$ 30,000	\$ 22,734	1.00	\$ 50,000	1.67	Franchise renewal		
7620	Pro. Services - Other	\$ 2,000	\$ 31,351	\$ 2,000	\$ -	\$ 5,000	\$ 1,600	2.50	\$ 20,000	4.00	Website refresh		
7630	Seminars/Conferences	\$ 15,000	\$ 11,603	\$ 15,000	\$ 21,492	\$ 20,000	\$ 16,955	1.33	\$ 20,000	1.00			
7640	Staff Development	\$ 8,000	\$ 7,471	\$ 8,000	\$ 7,608	\$ 20,000	\$ 7,532	2.50	\$ 10,000	0.50			
7705	Depreciation Expense	\$ -	\$ 450,051	\$ -	\$ 424,197	\$ -	\$ -		\$ -				
7710	Payroll Processing Fee	\$ -	\$ -	\$ -	\$ 331	\$ 500	\$ 322		\$ 500	1.00			
	<b>Total Administrative Expense</b>	\$ 127,500	\$ 600,388	\$ 122,500	\$ 525,605	\$ 157,000	\$ 104,804	1.28	\$ 174,700	1.11			
	<b>BUILDING EXPENSE</b>												
7810	Housekeeping	\$ 4,000	\$ 4,050	\$ 4,000	\$ 3,600	\$ 4,000	\$ 2,850	1.00	\$ 4,000	1.00			
7811	Housekeeping Supplies	\$ -	\$ 23	\$ -	\$ 368	\$ 100	\$ 30		\$ 100	1.00			
7830	Rent	\$ 97,000	\$ 78,610	\$ 97,000	\$ 86,349	\$ 100,000	\$ 69,790	1.03	\$ 100,000	1.00			
7840	Repairs & Maintenance	\$ 2,000	\$ 589	\$ 2,000	\$ 482	\$ 10,000	\$ 1,730	5.00	\$ 2,500	0.25			
7850	Security System	\$ 1,500	\$ 1,442	\$ 1,500	\$ 1,170	\$ 1,500	\$ 1,170	1.00	\$ 1,500	1.00			
7860	Telephone	\$ 7,000	\$ 9,763	\$ 8,000	\$ 10,957	\$ 10,000	\$ 15,578	1.25	\$ 11,000	1.10			
7870	Utilities	\$ 10,000	\$ 10,399	\$ 9,000	\$ 10,827	\$ 10,000	\$ 8,856	1.11	\$ 11,000	1.10			
	<b>Total Building Expense</b>	\$ 121,500	\$ 104,875	\$ 121,500	\$ 113,755	\$ 135,600	\$ 100,004	1.12	\$ 130,100	0.96			
	<b>FURNITURE/EQUIPMENT</b>												
7300	FURNITURE/FIXTURES/EQUIPMENT	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000		1.00	\$ 600,000	1.20	City requests estimates		
7310	Commission Office		\$ (1,787)		\$ 7,791		\$ 70,938						
7320	Cottage Grove		\$ -		\$ (15)		\$ 160,762						
7330	Grey Cloud Island		\$ -		\$ -		\$ 20,056						
7340	St. Paul Park		\$ -		\$ -		\$ 173,186						
7350	Newport		\$ 843		\$ 375		\$ -						
7360	Woodbury		\$ 1,942		\$ 6,658		\$ 33,976						
7380	Designated Funds - Studio		\$ 4,583		\$ 548		\$ -						
7300	Other		\$ (8,002)		\$ -		\$ -						
	<b>Total Furniture/Fixtures/Equipment</b>	\$ 500,000	\$ (2,422)	\$ 500,000	\$ 15,358	\$ 500,000	\$ 458,917	1.00	\$ 600,000	1.20			
	<b>FURNITURE/EQUIPMENT - Other</b>	\$ -	\$ 8,998										
	<b>MASTER CONTROL &amp; PRODUCTION</b>												
7220	Maintenance of Equipment	\$ -	\$ 454	\$ -	\$ 7,899	\$ 10,000	\$ (5,424)		\$ 10,000	1.00	Haivision		
7230	Music License Fees	\$ 400	\$ 370	\$ 500	\$ 1,570	\$ 1,500	\$ 1,200	3.00	\$ 1,500	1.00			
7240	Outside Technical Assistance	\$ 10,000	\$ 12,390	\$ 15,000	\$ 5,469	\$ 15,000	\$ -	1.00	\$ 15,000	1.00			
7260	Professional Services	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 100		\$ 10,000	1.00			
7270	Video Production Supplies	\$ 10,000	\$ 6,131	\$ 12,000	\$ 16,822	\$ 24,000	\$ 31,381	2.00	\$ 24,000	1.00			
7280	Video Tape	\$ 4,000	\$ 1,060	\$ -	\$ -	\$ 4,000	\$ -		\$ -	0.00			
7290	Software	\$ 7,000	\$ 8,377	\$ 7,000	\$ 2,960	\$ 8,000	\$ 7,271	1.14	\$ 8,000	1.00			
	<b>Total Master Control &amp; Production</b>	\$ 31,400	\$ 28,782	\$ 34,500	\$ 34,720	\$ 72,500	\$ 34,528	2.10	\$ 58,500	0.81			
	<b>PAYROLL EXPENSE</b>												
7100	Wages	\$ 377,000	\$ 426,056	\$ 395,000	\$ 373,558	\$ 460,000	\$ 308,005	1.16	\$ 454,707	0.99	\$ 102,668.33	2018	
7110	Payroll Taxes	\$ 29,000	\$ 32,335	\$ 30,000	\$ 30,088	\$ 35,000	\$ 23,695	1.17	\$ 36,831	1.05	\$ 410,673.31		
7120	P.E.R.A.	\$ 28,000	\$ 28,262	\$ 28,000	\$ 28,826	\$ 30,000	\$ 22,112	1.07	\$ 31,553	1.05	\$ 422,993.51		
7130	Health Insurance	\$ 40,000	\$ 43,501	\$ 48,000	\$ 34,868	\$ 50,000	\$ 27,657	1.04	\$ 52,750	1.06	\$ 437,725.00		
7135	Dental Insurance	\$ -	\$ 10,537	\$ -	\$ 11,547	\$ 12,000	\$ 9,076		\$ 12,660	1.06			
7140	Auto Mileage	\$ 5,000	\$ 3,996	\$ 5,000	\$ 3,790	\$ 5,000	\$ 1,947	1.00	\$ 5,000	1.00			



**SWCTC**

**2019 PROPOSED BUDGET**



		2016		2017		2018			2019		NOTES
ACCOUNT	DESCRIPTION	Budget	Actual	Budget	Actual	Budget	9 Month	17 VAR	Budget	18 VAR	
7150	MN Unemployment	\$ 8,000	\$ -	\$ 8,000	\$ -	\$ 8,000	\$ -	1.00	\$ 8,000	1.00	
7160	Compensation Reserve	\$ 7,000	\$ 6,028	\$ 7,000	\$ 6,815	\$ 10,000	\$ 6,832	1.43	\$ 10,000	1.00	
	Total Payroll Expense	\$ 494,000	\$ 550,715	\$ 521,000	\$ 489,492	\$ 610,000	\$ 399,324	1.17	\$ 611,501	1.00	
	Pension Expense		\$ 48,736	\$ -	\$ 21,748						
	<b>RETURN TO CITIES through 2017</b>	<b>\$ 300,000</b>	<b>\$ 500,000</b>	<b>\$ 300,000</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>		
7200	Loss on Sale of Fixed Assets				\$ 943	\$ 300,000	\$ -				
	<b>OTHER EXPENSES</b>										
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 1,274,400</b>	<b>\$ 1,340,072</b>	<b>\$ 1,299,500</b>	<b>\$ 1,201,620</b>	<b>\$ 1,475,100</b>	<b>\$ 1,097,577</b>	<b>1.14</b>	<b>\$ 1,574,801</b>	<b>1.07</b>	<b>\$ 974,800.79</b>
	<b>TOTAL EXPENSE</b>	<b>\$ 1,574,400</b>	<b>\$ 1,840,072</b>	<b>\$ 1,599,500</b>	<b>\$ 1,601,620</b>	<b>\$ 1,775,100</b>	<b>\$ 1,097,577</b>	<b>1.11</b>	<b>\$ 1,574,801</b>	<b>0.89</b>	
	<b>OPERATING INCOME (LOSS)</b>	<b>\$ 25,545</b>	<b>\$ (57,361)</b>	<b>\$ 119,849</b>	<b>\$ 250,076</b>	<b>\$ 65,456</b>	<b>\$ (220,194)</b>	<b>0.55</b>	<b>\$ 145,393</b>	<b>2.22</b>	
	<b>OTHER INCOME</b>										
6620	Interest Income	\$ 300	\$ 2,838	\$ 300	\$ 14,151	\$ -	\$ 19,694		\$ -		
6630	Misc. Income	\$ 100	\$ 2,075	\$ 100	\$ 360	\$ -	\$ -		\$ -		
6640	Dub Fees	\$ -	\$ 40	\$ -	\$ -	\$ -	\$ -		\$ -		
6650	Staff Dev.		\$ (50)	\$ -	\$ (205)	\$ -	\$ -		\$ -		
7250	Gain of Sale of Fixed Assets		\$ (500)	\$ -	\$ -	\$ -	\$ 2,024		\$ -		
	Total OTHER INCOME	\$ 400	\$ 4,403	\$ 400	\$ 14,306	\$ -	\$ 21,718	0.00	\$ -		
	<b>RETURN TO CITIES 2018 and beyond</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>		
	<b>NET INCOME (LOSS)</b>	<b>\$ 25,945</b>	<b>\$ (52,958)</b>	<b>\$ 120,249</b>	<b>\$ 264,382</b>	<b>\$ 65,456</b>	<b>\$ (198,476)</b>	<b>0.54</b>	<b>\$ 145,393</b>	<b>2.22</b>	

# Capital detail - SWCTC

## Office

\$60,000 Storage/Archiving system

\$60,000 Producer workstations

## Master Control

\$15,000 Streaming hardware upgrade (HD)

\$50,000 Closed Captioning

\$5,000 Network/IT maintenance

## Field/Studio

\$20,000 Field camera lens accessories

\$210,000 Commission office total

# Capital detail - Member cities

## City of Woodbury

\$300,000 Public Works\*\*

\$35,000 Ojibway Park

\$20,000 Replacement items

\$355,000 Total

## City of Cottage Grove

\$150,000 Ice Arena Sound System\*\*

\$30,000 St. Croix Conference Room\*\*

\$12,500 Various\*\*

\$10,000 Replacement items

\$202,500 Total

## Newport

\$20,000 Replacement items

# Capital detail - Total

\$577,000 Cities estimate

\$210,000 Commission office estimate

\$787,000 Capital Total

\$500,000 Historical budget allotment

\$287,000 Capital deficit