



PLEASE POST

SOUTH WASHINGTON COUNTY TELECOMMUNICATIONS COMMISSION  
will hold its regular meeting  
THURSDAY, NOVEMBER 29, 2018  
7:00 p.m.

City of Cottage Grove Council Chamber  
12800 Ravine Parkway South  
Cottage Grove, MN 55016

A G E N D A

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Public Comment
5. Consent Agenda
  - a. September 27, 2018 Meeting Minutes
  - b. Sept/Oct/Nov Checks Written Report– Non-Payroll
6. Reports
  - a. Administrator
  - b. Legal
7. Unfinished Business
  - a. 2019 Proposed Budget
  - b. ROV update
  - c. Closed Captioning Report update
  - d. Election of 2019 officers
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  
COMMISSION MEETING MINUTES

SEPTEMBER 27, 2018

[ONLINE VIDEO LINK](#)

1. CALL TO ORDER

Chair, Rich Irvine, called the meeting to order at 7:00 p.m. in the council chamber of the Cottage Grove City Hall.

2. ROLL CALL

Present: Rich Irvine  
Rob James  
Tracy Rahm  
Virginia Keenan  
Brian Bluhm  
Paul Dieffenbach  
Ray Kieser  
Craig Johnson  
Julie Ohs  
Jack Lavold

Also, Present: Mark Martinez, SWCTC Administrator  
Michael Bradley, Bradley Berkland Hagen & Herbst, LLC  
Vince Rotty, Bradley Berkland Hagen & Herbst, LLC  
Ann Schweisguth, SWCTC Operations Manager/Producer

3. APPROVAL OF AGENDA

MOTION 9.27.18.1. Table item 7c and 7d Budget and ROV update due to Treasurer Thiede not being present. approve the agenda. James/MOVED, Rahm/SECONDED. MOTION CARRIED UNANIMOUSLY.

MOTION 9.27.18.2. To approve the agenda with amendments. Rahm/MOVED, James /SECONDED. MOTION CARRIED UNANIMOUSLY.

4. PUBLIC COMMENT

None

5. CONSENT AGENDA

MOTION 9.27.18.3. to approve the Consent Agenda consisting of the July 26, 2018 Meeting Minutes and the August written checks report. James/MOVED, Ohs/SECONDED. MOTION CARRIED UNANIMOUSLY.

## 6. REPORTS

### A. Administrator

Administrator Martinez reported on activities for August and September. Key items included the completion of the St. Paul Park AV upgrade project. Policy discussions at the NATOA conference this year included discussions about small cell legislation at the FCC. Martinez reported that local community media centers need to do a better job at telling their stories and its importance in communicating local public, educational and governmental information. Administrator Martinez thanked the Commission, and the City of Newport, for filing comments with the FCC in response to dockets listed below.

***Ex Parte Presentation, Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment, WT Docket No. 17-79; Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, WC Docket No. 17-84; Streamlining Deployment of Small Cell Infrastructure, WT Docket No. 16-421***

Administrator Martinez stated that having insight to the legislative and regulatory policy making bodies through MACTA has been very beneficial and hopes to be able to help relay important information not only to SWCTC but throughout the PEG region.

MACTA will going through a big transition in 2019 as 4 out of 7 seven board members will be stepping down from their tenure on the board. Martinez anticipates that 2019 will be a busy year.

After a lengthy search Alaina Myers has joined the Commission as the new Government Producer. She was previously with Footlocker in Wausau, Wi and brings a strong skill set in social media and video production in general.

Ms. Myers introduced herself and spoke about her background and that she is looking forward to contributing to telling the member cities stories.

Commissioner Keenan asked if discussion points from NATOA where shared with Ms. Myers. Martinez stated that there's already collaboration within the group and that strategies learned at NATOA where going to be implemented at SWCTC. It will be necessary to use social media as part of an overall outreach strategy to engage the community over the next two years as some important business initiatives will be part of the COMmission's goals.

### B. Legal - FCC and Franchise updates

Attorney Mike Bradley introduced Vince Rotty from his office that will be discussing the Draft Drone Policy in Unfinished Business.

A powerpoint was presented (see attached) that summarizes a number of the legal memos and FCC NPRM.

In discussing the presentation Bradley pointed out that the cable competition of the future will be from the developing wireless 5G network. For example, products such as YouTubeTV, provided through Verizon, will offer a TV service that looks a lot like a cable service.

5G is a wireless service provided by “small cell” which has to do with circumference of transmission and not size. It has a much higher bandwidth capability than 4G. The service utilizes the PROW from the tower but connects wirelessly to the home. 5G is a ways away. Legally, there is concern that it will look very similar to cable under state and federal law. 5G is expected to be fully developed by 2020 and rollout will occur soon after.

Franchising advocacy is recommended.

The FCC has concluded that a Second Further Notice of Proposed Rulemaking (NPRM) that: (1) treats all in-kind contributions except for PEG capital costs “incurred in or associated with the construction of PEG access facilities” as franchise fees.

The franchises are contracts and not imposed as the industry has suggested.

There is question as to whether this rulemaking is even legal and a number of impacts are unclear as to retroactive recovering of costs.

Commissioner James asked that is this would make the current agreement null and void. Bradley agreed that it could be an infringement of contract and that it shows that the franchise is a negotiated contract. There’s quid pro quo on both sides.

Another concern is the treatment of mixed use networks whereas the FCC could prohibit local governments from regulating non-cable related broadband use such as internet service. There is also an effort to preempt state franchising laws.

It’s important to participate in these comments. We’ll have 30 days to reply.

CenturyLink confirmed that Prism is being sold but it’s not discounted nor is it being marketed. New customers are being offered DirectTV unless a customer specifically asks for Prism. The CEO did state in a shareholders call that linear products are being discontinued.

Charter Communications is actively trying to eliminate the 5% franchise fee in their Wisconsin contracts.

### C. Staff - Conference and Professional development

Brian Schmidt presented the 2018 conferences and workshops that he and various staff have participated in. Brian thanked the Commission, on behalf of the staff, for providing the professional development opportunity.

Opportunities included:

Film North - Documentary and Cinematography Bootcamp classes  
NAB - National Association of Broadcasting  
MACTA - Quarterly Brown Bag lunch topics, annual conference  
NPPA - Ignite Your Passion Workshop (Journalism)  
NATOA - Annual Telecommunications conference

D. Commissioners - NATOA conference

Commissioner Ohs thought the storytelling seminar was interesting. Commissioner Keenan thought the storytelling and social media seminars was very good. Meeting folks from around the country is great and sharing ideas was helpful. Keenan thought Hastings was doing very well.

7. UNFINISHED BUSINESS

- A. Attorney Rotty discussed the Drone policy. NATOA had recommended that all PEG entities have a drone policy and ordinance. The ordinance is important to the Commission's member cities to protect residents privacy and safety. The policy is to provide transparency and ensure that the Commission is operating its drones in a safe and ethical manner. The ordinance contains both civil and criminal provisions. The civil provisions reference the FAA rules, state laws, and gives city administration flexibility to manage the use of drones over city land. The criminal provisions include privacy and makes explicitly clear what is unlawful use of a drone. The policy requires the Commission to act ethically and comply with reporting and MN Data Practices Act. It also includes requirements for outside contractors.

The recommendation is to approve the ordinance and policy.

MOTION 9.27.18.4. to approve the annual LMCIT liability waiver form with the selection of "Does Not Waive." Ohs/MOVED, Rahm/SECONDED. MOTION CARRIED UNANIMOUSLY.

Chair Irvine asked the Commission to take the drone documents back to their member cities and recommend strongly that they review and consider adopting the ordinance.

- A. 2019 Budget update - Tabled  
B. Return of Value - Tabled

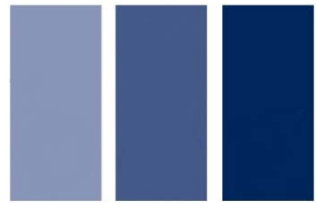
8. NEW BUSINESS

- A. Selection of a nominating committee for 2019 Officers  
a. Commissioners Johnson, Bluhm, and Keenan volunteered

9. COMMISSION COMMENTS AND REQUESTS

10. ADJOURNMENT

MOTION 9.27.18.5. to adjourn at 7:52 p.m. James/MOVED, /SECONDED. MOTION CARRIED UNANIMOUSLY.



Bradley

# Legal Update

By Mike Bradley  
Bradley Berkland Hagen & Herbst, LLC  
[mike@bradleylawmn.com](mailto:mike@bradleylawmn.com)  
(651) 379-0900 ext. 101  
September 2018

# 5G Small Cell Cable Update

- Verizon Announces Video Partner for 5G
    - Partnering with YouTubeTV
  - Future competition to traditional cable service is more likely to come from wireless carriers.
  - This could significantly impact cable franchising if wireless carriers are not subject to the same cable franchising standards as its wireline competitors.
  - <https://www.telecompetitor.com/verizon-youtube-tv-partnership-will-also-feature-apple-tv-4k-for-residential-5g-service-indianapolis-also-added/>
- 



# 5G Cable Compared to Traditional Cable

- 5G is wireless to the home
- The antennas are connected to backhaul fiber located in the public rights-of-way.
- When you compare traditional cable to 5G cable, the principal differences are
  - 1) how the last mile is delivered to the consumer (cable vs wireless) and
  - 2) the content provider (company-direct vs OTT partner).





# Local Impact of 5G Cable

## ➤ Franchise Fee Impact

- If 5G rolls out as quickly and as effectively as the companies promise, it would not be shocking if the move away from traditional cable would increase rapidly.
- This could have a negative impact on Franchise Fees
  - Depending on Roll-out of 5G

## ➤ Franchising Advocacy Recommended

- Understand the local impact of cable franchising
- Educate Local Officials
- Participate in Advocacy with the LMC, MACTA, and NATOA
- Educate State and Federal Legislators
- Participate in Relevant FCC Dockets



# New FCC NPRM to Reduce Franchise Fees

- The FCC recently released a Second Further Notice of Proposed Rulemaking (NPRM) that:
  - (1) treats all in-kind contributions except for PEG capital costs “incurred in or associated with the construction of PEG access facilities” as franchise fees
    - I-Nets
    - Access Interconnection with other Jurisdictions
    - Complimentary Cable TV Service
    - Operational Grants
    - Relocation Costs?
  - (2) bars a local franchising authority from using its video franchising authority to regulate a cable operator’s non-cable services.
    - To the extent State Law would allow such regulation



➤ We recommend participating in this docket

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# More Restrictions on Small Cell Management

- In addition to Minnesota State Law on Small Cells
  - Minn. Stat. 237.163
- Change to Pole Make Ready Rules
  - August 2, 2018 Third Report and Order and Declaratory Ruling
- New Local Preemption and Shot Clocks Proposed
  - Sept 5, 2018 – Draft Declaratory Ruling and Report and Order Released
  - Likely on the FCC's Sept 26, 2018 Agenda



# FCC Preempting Local Government

- The FCC has opened multiple dockets that propose to preempt local government authority.
  
  - NATOA Recommended Filing Ex Parte Letters in these Dockets
    - We have drafted a model letter to the FCC
      - opposing the FCC's proposed rules that would preempt local authority to manage the rights-of-way.
      - Use the Minnesota Small Cell Legislation as an example
      - Our firm recently sent out a survey asking Minnesota local governments to identify the number of small cell permits that have been issued by the local government since MN Legislation was passed
      - The purpose of this survey is to identify the immediate effects of local government preemption on the rate of small cell facility and infrastructure deployment.
      - LMC sent the survey state-wide. Deadline to respond is Sept 14. We may include these results in our letter to the FCC.
    - Deadline to file Ex Parte Letter is September 19.
- 



# CenturyLink Update

## ➤ Conflicting Reports on PRISM TV

- CenturyLink At NATOA
  - Reports of CenturyLink ending Prism are Incorrect
- CenturyLink CEO 2Q Earnings Call
  - "I've spoken about profitable revenue for a long time. We do not focus, however, on empty calorie revenue; that is, contracts or services with very low or no margin. As a result, you will see us continually evaluating our existing business and moving away from unprofitable revenue. Consistent with this approach, **last quarter we noted we were discontinuing our linear and over-the-top consumer video products.**"

## ➤ CenturyLink providing little competition to Comcast in TC Market

- Future Franchising Status in TC Unclear



# Federal Legislation

## ➤ Federal Small Cell Legislation

- S.3157, the STREAMLINE Small Cell Deployment Act, was introduced by Sen. John Thune (R-SD) on June 28, 2018.
- Act would limit the fees that a local government can charge for small cell facility permit applications and impose timeframes within which small cell facility permit applications must be reviewed or the application would be deemed granted.
- The bill currently has no co-sponsors and a hearing has not been scheduled.

## ➤ Federal Net Neutrality Legislation

- Earlier this year, Sen. Ed Markey (D-MA) introduced a Congressional Review Act resolution that would seek to rescind the FCC's 2017 Restoring Internet Freedom (Net Neutrality) Order. In May 2018, the resolution passed the Senate and is currently pending in the House where it needs 218 votes. A discharge petition to force a vote currently has 177 supporters.
- 



# State Legislation

## ➤ State Small Cell Legislation

- To date, twenty states have passed some form of legislation limiting local government authority over small cell applications

## ➤ State Net Neutrality Bills

- In response to the FCC's 2017 Restoring Internet Freedom Order, at least twenty-nine states, including Washington, Oregon, and Vermont, have introduced legislation that would require Internet Service Providers operating in the state to follow net neutrality principles. Another six states have issued executive orders requiring the same.

## ➤ Cable Franchise Fee Legislation

- We have recently become aware of an effort by Charter Communications in the State of Wisconsin to eliminate franchise fees on cable service. This has arisen during the 5G small cell wireless legislative discussions.



5:01 PM

## South Washington County Telecommunications Commission

11/20/18

## Checks Written - Non-Payroll

Accrual Basis

As of November 30, 2018

Type	Date	Num	Name	Amount
<b>Cash and Investments</b>				
<b>1010 - US Bank Checking</b>				
Bill Pmt -Check	09/04/2018	24326	Laurie Reineke	-150.00
Bill Pmt -Check	09/04/2018	24327	Brian Schmidt (Reimbursement)	-320.00
Bill Pmt -Check	09/04/2018	24328	Mark Martinez	-320.00
Bill Pmt -Check	09/12/2018	24353	Shawn Foster	-100.00
Check	09/17/2018	EFT	Analysis Service Charge	-13.00
Check	09/20/2018	EFT	Chase	-2,044.54
Check	09/20/2018	EFT	Capital One, F.S.B.	-3,392.91
Bill Pmt -Check	09/21/2018	24356	US Bank Equipment Finance	-133.29
Bill Pmt -Check	09/24/2018	24346	Ann Schweisguth (Reimbursement)	-25.98
Bill Pmt -Check	09/24/2018	24347	Bradley Berkland Hagen & Herbst, LLC	-7,631.25
Bill Pmt -Check	09/24/2018	24348	Leaf	-397.44
Bill Pmt -Check	09/24/2018	24350	Park Grove Electric, Inc.	-1,115.00
Bill Pmt -Check	09/24/2018	24351	Summerhill II	-7,567.35
Bill Pmt -Check	09/24/2018	24352	TBS Office Automations	-17.46
Bill Pmt -Check	09/27/2018	24354	Julie Ohs	-1,324.43
Bill Pmt -Check	09/27/2018	24355	Richard Irvine	-50.00
Bill Pmt -Check	09/27/2018	24359	Brian Bluhm	-50.00
Bill Pmt -Check	09/27/2018	24360	Craig Johnson	-50.00
Bill Pmt -Check	09/27/2018	24361	Jack Lavold	-50.00
Bill Pmt -Check	09/27/2018	24362	Paul Dieffenbach	-50.00
Bill Pmt -Check	09/27/2018	24363	Ray Kaiser	-50.00
Bill Pmt -Check	09/27/2018	24364	Robert James	-50.00
Bill Pmt -Check	09/27/2018	24365	Tracy Rahm	-50.00
Bill Pmt -Check	09/27/2018	24366	Virgina Keenan	-50.00
Bill Pmt -Check	09/30/2018	24357	Laurie Reineke	-150.00
Bill Pmt -Check	09/30/2018	24358	To The Penny Bookkeeping, Inc.	-283.30
Bill Pmt -Check	09/30/2018	24369	JV Sound, Inc.	-505.00
Bill Pmt -Check	09/30/2018	24370	Laurie Reineke	-150.00
Check	10/05/2018	EFT	Capital One, F.S.B.	-1,119.89
Check	10/05/2018	EFT	Chase	-529.62
Bill Pmt -Check	10/05/2018	24368	Lonnie Garland (Reimbursement)	-237.95
Bill Pmt -Check	10/12/2018	24377	City of St. Paul Park	-1,800.00
Bill Pmt -Check	10/12/2018	24378	Electro Watchman, Inc.	-292.45
Bill Pmt -Check	10/12/2018	24380	Richard Irvine	-50.00
Bill Pmt -Check	10/12/2018	24381	Alaina Myers (Reimbursement)	-39.00
Bill Pmt -Check	10/12/2018	24382	Bob McSherry (Reimbursement)	-213.66
Bill Pmt -Check	10/13/2018	24389	Comcast 2	-202.18
Bill Pmt -Check	10/13/2018	24390	Laurie Reineke	-150.00
Bill Pmt -Check	10/13/2018	24391	Leaf	-397.44
Bill Pmt -Check	10/17/2018	24371	B. H. VIDEO	-19,090.00
Bill Pmt -Check	10/17/2018	24372	CenturyLink (V)	-173.42
Bill Pmt -Check	10/17/2018	24373	NU Media, LLC	-514.72
Bill Pmt -Check	10/17/2018	24374	Premium Waters	-23.97
Bill Pmt -Check	10/17/2018	24375	Summerhill II	-7,567.35
Bill Pmt -Check	10/17/2018	24376	Xcel Energy	-951.04
Bill Pmt -Check	10/25/2018	24383	Craig Johnson	-50.00
Bill Pmt -Check	10/25/2018	24384	Dave Thiede	-50.00
Bill Pmt -Check	10/25/2018	24385	Julie Ohs	-50.00
Bill Pmt -Check	10/25/2018	24386	Paul Dieffenbach	-50.00
Bill Pmt -Check	10/25/2018	24387	Robert James	-50.00
Bill Pmt -Check	10/25/2018	24388	Tracy Rahm	-50.00
Bill Pmt -Check	10/28/2018	24392	Bradley Berkland Hagen & Herbst, LLC	-4,603.75
Bill Pmt -Check	10/28/2018	24393	Guardian	-3,519.35
Bill Pmt -Check	10/28/2018	24394	To The Penny Bookkeeping, Inc.	-400.30
Bill Pmt -Check	10/28/2018	24395	US Bank Equipment Finance	-133.29
Bill Pmt -Check	10/29/2018	24399	CenturyLink (V)	-179.66
Bill Pmt -Check	10/29/2018	24400	Stark Design & Photography	-1,265.00
Bill Pmt -Check	10/31/2018	24405	Comcast 2	-202.18
Bill Pmt -Check	10/31/2018	24406	MEDICA	-4,862.43
Bill Pmt -Check	10/31/2018	24407	Premium Waters	-38.27
Check	11/02/2018	EFT	Capital One, F.S.B.	-930.61
Check	11/02/2018	EFT	Chase	-861.95
Bill Pmt -Check	11/02/2018	24396	League of MN Cities Insurance Trust	-70.00
Bill Pmt -Check	11/02/2018	24397	TBS Office Automations	-337.50
Bill Pmt -Check	11/02/2018	24398	Lonnie Garland (Reimbursement)	-171.65
Bill Pmt -Check	11/14/2018	24401	Laurie Reineke	-150.00



5:01 PM

South Washington County Telecommunications Commission

11/20/18

Checks Written - Non-Payroll

Accrual Basis

As of November 30, 2018

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Type	Date	Num	Name	Amount
Bill Pmt -Check	11/16/2018	24404	Granicus	-18,185.87
Bill Pmt -Check	11/20/2018	24402	Summerhill II	-7,567.35
Bill Pmt -Check	11/20/2018	24403	Xcel Energy	-825.10
Total 1010 · US Bank Checking				-104,047.90
Total Cash and Investments				-104,047.90
<b>TOTAL</b>				<b>-104,047.90</b>

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## ADMINISTRATIVE REPORT

NOVEMBER

### ACTIVITIES

11/06: Election night  
11/08: MACTA Legislative Committee meeting  
11/14: Filed Initial Comments with the FCC on its Cable Franchising Further Notice of Proposed Rulemaking  
11/19: Meeting to begin ADA Action Plan  
11/21: MACTA Board meeting

### 2018 GOALS UPDATES

- HERO Center/Reserve Drawdown
  - Approved by Commission 7/26
  - Construction broke ground 10/11
- 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 AV upgrade completed 9/4
  - 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 11/29
- Rebranding/Revenue - Logo design in development

### STAFF HIGHLIGHTS

- [We are SWCTC](#)
- [Driving with the Director: John Wallgren](#)
- [My Cottage Grove: Pauline Boldt, World War II Veteran](#)

to: Executive Committee

from: Mark Martinez, Administrator

subject: 2019 Proposed Budget

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The final proposed budget includes adjustments proposed in consultation with Commission Directors input from the member cities Administrators.

Please note changes in the following areas:

- An anticipation of reduction in revenues from both cable providers - most significant from CenturyLink (Note: total impact of CL loss is projected to be less than 4% of revenues)
- Overall wage increase of 3% that is in line with current wage plans by member cities
- Capital expenditure increase of \$100,000, to a total of \$600,000, based on proposed member city projects and Commission office needs (Note: does not including the HERO Center which funding is planned with the reserve drawdown and not 2019 revenue)
- Anticipation of higher expenses and lower revenues will impact potential annual returns
  - A planned \$200,000 return to cities is included in the budget
  - There is a projected net loss of approximately \$55,000 for the year
  - The net loss can be funded with reserve funds, larger than expected revenue distributions, or reduced expenditures

**Actions Requested:** The Executive Committee recommends the approval the 2019 Annual Budget.

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	\$ 320,003	1.06	\$ 426,671	0.97	
6020	Grey Cloud Island Township	\$ 3,056.00	\$ 3,579	\$ 3,443	\$ 3,582	\$ 3,429	\$ 2,488	1.00	\$ 3,317	0.97	
6030	Newport	\$ 38,711.00	\$ 39,694	\$ 38,888	\$ 41,313	\$ 40,278	\$ 29,645	1.04	\$ 39,526	0.98	
6040	St. Paul Park	\$ 56,637.00	\$ 59,572	\$ 59,351	\$ 59,633	\$ 58,350	\$ 42,367	0.98	\$ 56,489	0.97	
6050	Woodbury	\$819,141.00	\$ 902,599	\$ 857,469	\$ 937,202	\$ 915,585	\$ 670,740	1.07	\$ 894,321	0.98	
	<b>Total Franchise Fees</b>	\$ 1,313,900	\$1,439,144	\$1,374,311	\$1,490,911	\$1,458,644	\$1,065,243	1.06	\$1,420,324	0.97	
<b>COMCAST PEG FEES</b>											
6110	Cottage Grove	\$ 86,389.00	\$ 84,657	\$ 85,351	\$ 80,203	\$ 83,987	\$ 62,959	0.98	\$ 83,946	1.00	
6120	Grey Cloud Island Township	\$ 699.00	\$ 728	\$ 742	\$ 681	\$ 698	\$ 496	0.94	\$ 661	0.95	
6130	Newport	\$ 8,619.00	\$ 8,257	\$ 8,492	\$ 7,847	\$ 8,168	\$ 6,122	0.96	\$ 8,163	1.00	
6140	St. Paul Park	\$ 13,016.00	\$ 12,193	\$ 12,847	\$ 11,191	\$ 11,696	\$ 8,629	0.91	\$ 11,506	0.98	
6150	Woodbury	\$177,322.00	\$ 175,651	\$ 176,086	\$ 167,739	\$ 174,301	\$ 131,100	0.99	\$ 174,801	1.00	
	<b>Total Peg Fees</b>	\$ 286,045	\$ 281,486	\$ 283,518	\$ 267,660	\$ 278,850	\$ 209,307	0.98	\$ 279,075	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	
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	
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	\$1,304,443		\$1,724,614	0.94	
<b>ADMINISTRATIVE EXPENSE</b>											
7410	Bank Fees & Charges	\$ 400	\$ (701)	\$ 500	\$ 348	\$ 500	\$ 243	1.00	\$ 500	1.00	
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	\$ 20,000	0.95	Granicus/Swagit
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	Branding	
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	
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	\$ 176,700	1.13		
	<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 and Commission 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 service agreement	
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	\$ 457,500	0.99		
7110	Payroll Taxes	\$ 29,000	\$ 32,335	\$ 30,000	\$ 30,088	\$ 35,000	\$ 23,695	1.17	\$ 37,058	1.06		
7120	P.E.R.A.	\$ 28,000	\$ 28,262	\$ 28,000	\$ 28,826	\$ 30,000	\$ 22,112	1.07	\$ 31,553	1.05		
7130	Health Insurance	\$ 40,000	\$ 43,501	\$ 48,000	\$ 34,868	\$ 50,000	\$ 27,657	1.04	\$ 52,750	1.06		
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			
ACCOUNT	DESCRIPTION	Budget	Actual	Budget	Actual	Budget	9 Month	17 VAR	Budget	18 VAR	NOTES	
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	\$ 614,521	1.01		
	Pension Expense		\$ 48,736	\$ -	\$ 21,748							
	<b>RETURN TO CITIES</b>	<b>\$ 300,000</b>	<b>\$ 500,000</b>	<b>\$ 300,000</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 200,000</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>\$ 1,579,821</b>	<b>1.07</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>\$ 1,779,821</b>	<b>1.00</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>\$ 206,866</b>	<b>0.55</b>	<b>\$ (55,206)</b>	<b>-0.84</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>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>\$ 228,584</b>	<b>0.54</b>	<b>\$ (55,206)</b>	<b>-0.84</b>		





SWCTC Item VII.D.  
November 29, 2018

to: Commission Directors

from: Mark Martinez, Administrator

subject: Election of Officers Ballot

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The Nominating Committee has selected the following Commission Directors for the election of officers.

Chair

- Rich Irvine

Vice-Chair

- Rob James

Treasurer

- Dave Thiede

Secretary

- Virginia Keenan

**A motion will be necessary to waive the provision in the bylaws (Article 6, Section 4) that would allow Dave to serve as Treasurer for more than two years.**

*“Section 4. Office-Holding Limitations. No Member shall hold more than one office at a time, and no member shall be eligible to serve more than two consecutive terms in the same office.”*