June 23, 2026

TO: NMTC OPERATIONS COMMITTEE

RE: APPROVAL OF 2027 NORTH METRO TELECOMMUNICATIONS COMMISSION BUDGET

Enclosed, please find for the council's review and approval the 2027 North Metro Telecommunications Commission Budget and support materials.

The Commission's operating budget for 2027 is proposed at $1,187,182. This number represents a $250,415 decrease over expected expenditures for 2026. The increase includes a 3% COLA increase for staff, step increases, benefits increase, building maintenance costs, an accounting service, and insurance costs.

Budgeted capital costs for 2027 are $317,500. This number represents a $92,750 increase from the 2026 budget. Capital expenditure includes video equipment for North Metro TV, office equipment, an upgrade to the master control system, and $100,000 to be returned to cities for capital expenditures.

In total, the 2027 budget is $157,665 lower than the 2026 budget.

Recommendation: That the Member Cities approve the 2027 Commission Budget as recommended by the Telecommunications Commission and the Operations Committee.

The Joint Powers Agreement states, "submitted budgets shall be deemed approved by a Member City unless, prior to October 15 preceding the effective date of the proposed budget, the Member City gives notice in writing to the Commission that it is withdrawing from the Commission."

I want to thank the Commission directors, staff, and the Operations Committee for their efforts in preparing these budgets. If you have any questions about either budget, please consult with your Commission director or City Administrator.

12520 Polk Street Northeast, Blaine, MN 55434 Phone: (612) 780-8241 Fax: (612) 780-8242
Blaine ● Centerville ● Circle Pines ● Ham Lake ● Lexington ● Lino Lakes ● Spring Lake Park

I look forward to working with all parties, throughout the remainder of 2026, as we work to streamline and optimize North Metro TV's community programming and services in 2027.

Sincerely,

Barbara J Mahr

Barbara Mahr
Chair, North Metro Telecommunications Commission

Enc.

2027 North Metro Telecommunications Commission Budget
Talking Points

Overall Organizational Goals

- Support legislation that will update the community television funding model to better reflect current entertainment delivery trends.
- Develop educational services for internet service/devices/software usage.
- Apply for grants to fund broadband educational services.
- Continue live and on-demand closed captioning.
- Comply with WCAG AA web standards.
- Continue to be responsive to cities communications needs.
- Maintain accessibility of all channels through live streaming, OTT channels, and video on demand services, 24-hours-a-day, on any device.
- Provide program playback, video transport, channel management services, video equipment maintenance and consulting services, internet streaming services for city channels, VOD libraries for meetings, meeting management software licenses and bookmarking services, program production and event coverage services, home-media transfer services, and public access to television production for our cities, schools and general public.

Estimated Fund Balance/Revenues/Expenses

- The beginning fund balances for 2027 are estimates based on previous allocations, planned spending for 2026, and estimated income.
- Estimated revenues include: Franchise fees, including the actual first quarter franchise fee payment, with anticipated reductions across quarters two through four. PEG fees based on estimated number of subscribers, throughout 2025, multiplied by the PEG fee.
- Other income includes dub fees, home movie transfers, drone, streaming and production services. Interest income is estimated conservatively based on the current market.
- Estimated expenditures include the operating expenses and capital expenses, production and office equipment, and the fee payment to the cities.
- The year end fund balances include:
    - The **Operating reserve** which is set at a minimum of 25% of the operating budget.
    - **Accrued vacation, sick and comp** time. The total value of owed vacation, sick, and comp time to employees.
    - The **capital equipment fund** is intended for emergency replacement of unplanned equipment failures.
    - The **vehicle replacement fund** is to cover the cost of a new fleet vehicle.

- The **building repair fund** is to cover major costs related to the building such as windows, roof, furnace, parking lot, AC replacement and painting, carpet replacement etc.
- The **franchise renewal fund** is a reserve fund for the NMTC's franchise renewal process. Franchise renewal can be very expensive, with the informal negotiation process historically costing around $200,000 across the renewal period. With the 5-year franchise extension, these funds won't be needed in the near future.

Budget

- The recommended operating budget for the organization totals $1,187,182. This number is a $$250,415 decrease compared to last year's operating budget. Per the strategic plan, this budget reflects a net reduction of 3 FTEs.
- Budgeted capital purchases for 2027 are set at $317,500. Budgeted capital items include a new router in Master Control, a new video player for the control room, equipment contracts, closed captioning contracts, and closed captioning charges. The capital budget also includes routine computer/software upgrades, and software licenses, and $100,000 in capital equipment support for cities.
- The overall 2027 capital budget is $$92,750 more than the 2026 capital budget.
- The overall 2027 budget is $157,665 lower than the 2026 budget.

Closing Points

- North Metro TV provides a variety of valuable services to our member cities in a very cost effective manner. These services include:
    - Program playback and channel management.
    - Closed captioning.
    - Internet streaming of city meetings.
    - Bookmarking city meetings.
    - Podcasting city meetings.
    - Live streaming of city channels and community channels.
    - Provide city channels on Roku and AppleTV via NMTV app.
    - Video equipment repair, maintenance and consulting.
    - Drone services.
    - Video production services.
    - Meeting coverage and troubleshooting.
- The general public also benefits from the services of North Metro TV. These services include:
    - Educational opportunities.
    - Access to professional video production tools.
    - Home Movie transfer services.
    - Varied and informative programming about their community, local news, election coverage, and city meetings.
- Future state and federal legislation could have an impact on future income sources.

North Metro Telecommunications Commission
2027 Budget Line-Item Supporting Information

Personnel

- The recommended 2027 budget follows the recommendation of The Waldron Group and the new strategic plan.
- A net reduction in 3 FTEs results in a salary savings of $222,611. Additionally the sports part time budget has been reduced by $59,976.
- The personnel line-item reflects a 3% COLA.
- Part-time staff includes sports and meeting coverage personnel. Employees in the part-time group are used when needed for a sports shoot or to cover a city meeting. The majority of the part-time staff qualify for PERA. They are not eligible for health benefits. Payroll taxes apply.

Benefits

- The NMTC employee benefits package has been budgeted at $1,503.00 per FT staff per month for 2027, plus the expected PT payroll taxes and PERA costs This is $103 more, per person/per month than was budgeted for 2026. The Member City benefits package average for 2026 was $1,503.
- All indications are that the NMTC's contribution to PERA will remain at 7.5% in 2027.

Administrative Expenses

- Budgeted administrative expenses are $107,175 higher than 2026. The increase includes up to $75,000 in unemployment benefits..

Production Expenses

- Budgeted production expenses are $2,000 less than 2026. The need for DVDs, Blu-rays, and disc cases continues to decrease, partially as a result of electronic file transfers.
- The intern budget has been eliminated.
- A new-line item for ADA compliance reflects the anticipated cost of Audio Description for 2027. This cost will go up in 2028 when the WCAG standards apply to cities of all size.

Office Expenses

- Office expenses are budgeted at $8,490 less than the 2026 level.

- Building maintenance includes the furnace/AC maintenance contract, lawn care, snow removal, carpet and window cleaning, fire inspection, and landscaping and building mechanical services.
- Building utilities include sewer, water, gas, and electric.
- Insurance includes all property, liability, crime, volunteer, vehicle, drone, and monument sign coverage.
- Office supply line-item includes all office supplies, and maintenance contracts on printers and copiers.
- The Telephone/Internet/Web Hosting line-item covers bandwidth which is required to transport signals from city hall. NMTV continues to pay a fee to house video-on-demand and streaming content on a remote server. This allows for unlimited simultaneous viewing, without a reduction in speed. The line-item also covers the wireless live transmission of sporting events and other field productions. The website maintenance contract, web hosting, telephone costs, license fees for our Roku and AppleTV apps, and the annual phone software upgrade are also included.
- Postage covers the cost of mailing dubs and equipment for contract maintenance, and other postage for the NMTC.
- Property tax is for the recycling assessment.
- Building cleaning, trash, recycling, and hazardous material disposal/recycling increased $1,510 to better reflect recent cost increases.

Capital Expenditures

- The 2027 capital budget currently includes $200,000 for production equipment (including the first half of the master control upgrade), $7,500 for office systems and software fees, $10,000 for HVAC improvements, and $100,000 for city capital expenses.
- The production equipment budget includes annual system contracts, including closed captioning, and a new video player for the studio.
- Fees back to Cities are included as a capital cost.

Summary

- The recommended 2027 Operating budget is $250,415 lower than the 2026 budget.
- Capital equipment expenditures are budgeted at $317,500, which is $92,750 more than the 2026 budget. This number includes the first half of the Master Control upgrade, at $101,100
- It is recommended that fees returned to cities be included in capital expenditures in order to maximize fee payments in the future. This budget includes $100,000 in fees for city capital expenditures and capital reserves.
- The overall 2027 budget is $157,665 lower than the 2026 budget.

North Metro Telecommunications Commission
2027 FINANCIAL SUMMARY
Estimated Fund Balances/Revenues/Expenditures.

BEGINNING FUND BALANCES		
Operating Reserve		$608,709
Accrued Vac, Sick, Comp		$120,000
Capital Equip. Fund		$504,155
Vehicle Replacement Fund		$49,763
Bldg Repair Reserve		$153,364
Franchise Renewal Fund		$200,000
Bond Reserve		$0
	TOTAL:	**$1,635,991**

ESTIMATED REVENUES			
Franchise Fees		$874,800	
PEG Fees		$414,882	
Other Income		$45,000	
Interest Income		$85,000	
Income From Reserve Funds		$85,000	$75,000 from Operating $10,000 from Vacation
	TOTAL:	**$1,504,682**	

ESTIMATED EXPENDITURES		
Operating Expenses		$1,187,182
Capital Expenses: Equipment/Bldg		$217,500
Capital Expenses: Bond Payment		$0
Capital Expenses: PEG Fees to Cities		$100,000
	TOTAL:	**$1,504,682**

YEAR END FUND BALANCES			**Increase(Decrease)**
Operating Reserve		$533,709	-$75,000
Accrued Vac, Sick, Comp		$90,000	-$10,000
Capital Equip. Fund		$504,155	$0
Vehicle Replacement Fund		$49,763	$0
Bldg Repair Reserve		$153,364	$0
Franchise Renewal Fund		$200,000	$0
Bond Reserve		$0	$0
	TOTAL:	**$1,530,991**	**-$85,000**

2027
North Metro Telecommunications Commission Budget

	2025 ACTUAL	2026 BUDGET		2027 BUDGET	NOTES
		Budget	April Act.		
PERSONNEL					
Video Engineer (1) FT	84,982	87,200	30,853	89,816	Matt Waldron
Sports Director (1) FT	81,846	87,434	29,304		Kenton Kipp
ED/News Director (1) FT	99,338	108,850	37,507	117,575	Danika Peterson
Programming Coord. (1) FT	68,340	70,128	24,811	72,232	Michele Silvester
Special Projects Coor. (1) FT	73,810	70,128	29,304		T.J. Tronson
City Meetings Manager (1) FT				77,764	T.J. Tronson
Municipal Producer (1) FT	61,909	63,518	22,470		Trevor Scholl
Sports Producer (1) FT	59,406	63,518	22,470		Ted Leroux
News Producer (1) FT	52,639	56,483	19,776		Eric Nelson
Production Manager (1) FT				77,764	TBD
ED/Studio Manager (1) FT	95,966	108,850	37,507	117,575	Eric Houston
Freelancers/Sports	71,466	71,976	23,944	12,000	PT Sports
Freelancers/Meetings	14,963	25,002	7,108	25,750	Freelancers/City Meetings
Contingency	0	0		0	
PERSONNEL TOTAL:	**764,665**	**813,087**	**285,054**	**590,476**	**3% COLA increase**
					2 staff w/ step increase
BENEFITS					
FICA	46,601	50,411	17,673	36,610	6.2% of gross wages
Medicare	11,088	11,790	4,133	8,562	1.45% of gross wages
PERA	57,689	60,982	20,931	44,286	7.50% of gross wages
Paid Leave		3,578		2,598	.44% of gross wages
Benefits Package	156,562	168,000	86,841	108,216	Health/Dental/STD, LTD, ADD
Workers Compensation	3,015	4,000	2,166	4,000	
Electronic Filing Charges	100	2,000	0	2,000	
BENEFITS TOTAL:	**275,055**	**300,760**	**131,745**	**206,271**	

***Benefits package**
***$1,503 per FT employee/per month**
plus PT benefits cost

$1,503 = 2026 City average

2027
North Metro Telecommunications Commission Budget

	2025 ACTUAL	2026 BUDGET		2027 BUDGET	NOTES
		Budget	April Act.		
ADMINISTRATIVE EXPENSES					
Commission Audit & Accountant	38,361	42,000	27,133	42,000	Annual audit of Commission finances
Audit: Company		0		-	
Consultants and Professional Fees	4,130	3,000	1,639	2,000	evaluating co-exec model
Conferences	440	5,000	0	5,000	NATOA & MACTA Conf. , Webinars
General/Special Meeting Expenses	2,148	3,000	914	3,000	
Government/Legislative Affairs	0	0		-	
Legal Fees	45,757	50,000	12,797	50,000	Franchise renewal/State and Fed Issues
Membership Dues	5,467	5,500	2,146	5,500	NATOA, MACTA, ,Chamber of C
Mileage Reimbursement	1,251	1,500	359	1,675	
Personnel Recruitment	0	0	0	-	
Tuition and Training	0	3,000	0	3,000	Executive Director Education
Unemployment		0	0	75,000	
Contingency Expenses	3,930	0	0	3,000	
ADMINISTRATIVE EX. TOTAL:	**101,484**	**113,000**	**44,988**	**190,175**	
PRODUCTION EXPENSES					
Advertising/Marketing/Entry Fees	69	500	0	500	Printed materials, entry fees
Awards Ceremony/ Entry Fees		500	0	500	NATOA and MACTA awards
Bulbs/Batteries/Other Prod. Costs	557	1,000	234	1,000	Bulbs, Camera Batt. Duct tape
Interns	2,495	2,500	1,331	-	Stipends for internships
Truck/Fleet Vehicle Gas/Oil	7,238	3,500	250	1,000	Prod. Van & fleet vehicles
Truck/Fleet Vehicle Maint/Lic.	175	4,000	1,411	2,000	Prod. Van & fleet vehicles
Video Equipment/Parts/Maint.	35	1,000	0	1,000	Parts and Maintenance for video equip.
DVDs/Flash Drives/Cases	486	1,000	234	1,000	Blank media for masters/copies
ADA Compliance				5,000	Audio Description
PRODUCTION EX. TOTAL:	**11,055**	**14,000**	**3,460**	**12,000**	
OFFICE EXPENSES					
Building Maintenance	34,619	35,000	15,106	40,000	Bldg & Prop./Fire Insp./Furn. Contract
Building Security	800	1,000	0	1,000	
Building Utilities	21,446	30,000	12,044	30,000	Sewer, Water, Gas & Electric
Insurance	14,393	20,000	13,475	20,000	Liability/property/vehicle/volunteeer
Office Supp./Office Equip. Maint.	6,121	10,000	1,290	8,000	Copier & Fax maint. contracts, Supplies
Computer Apps/Subscriptions	30,093	18,000	8,644	25,000	Software subscriptions
Phone/Internt Service/Web Hosting	38,662	55,000	12,927	45,000	VOD, Live Streaming, web maint.,bandwidth
Website Update		10,000	8,000	-	WCAG AA updates
Postage/Shipping	267	250	0	250	equipment/dub/packet postage
Property Tax	1,363	1,500	1,363	1,500	Recycling and street assessments
Trash/Recycling/Janitorial	14,393	16,000	6,067	17,510	
OFFICE EXPENSES TOTAL:	**162,157**	**196,750**	**78,916**	**188,260**	
OPERATIONS TOTAL:	**1,152,259**	**1,437,597**	**544,163**	**1,187,182**	

2027
North Metro Telecommunications Commission Budget

	2025 ACTUAL	2026 BUDGET		2027 BUDGET	NOTES
		Budget	April Act.		
CAPITAL EXPENDITURES					
Video Equipment	101,559	108,250	22,015	200,000	Master Control equipment, live streaming hardware
Computer/Office Equipment/Sftwre	11,922	8,500	4,964	7,500	office systems, software
To equipment reserve fund	200,000	0	0	-	
Vehicles	0	0	0	-	
Building Expenditures	113,705	8,000	18,101	10,000	HVAC improvements, dry sytem
Bond Payment	0	0	0	-	HD Bond Payment
City Capital Expenditures	100,000	100,000	100,000	100,000	Equipment/Equipment Reserves
CAPITAL EXP. TOTAL:	**527,186**	**224,750**	**145,080**	**317,500**	
GRAND TOTAL:	**1,679,445**	**1,662,347**	**689,243**	**1,504,682**	

								LEGAL EXPENSES				
				0		0		Legal Fees:				0

			LEGAL EXPENSES								LEGAL EXPENSES	
	0		Legal Fees:				0		0		Legal Fees:	

						LEGAL EXPENSES						
		0		0		Legal Fees:				0		0

	LEGAL EXPENSES								**LEGAL EXPENSES**			
	Legal Fees:				0		0		Legal Fees:			

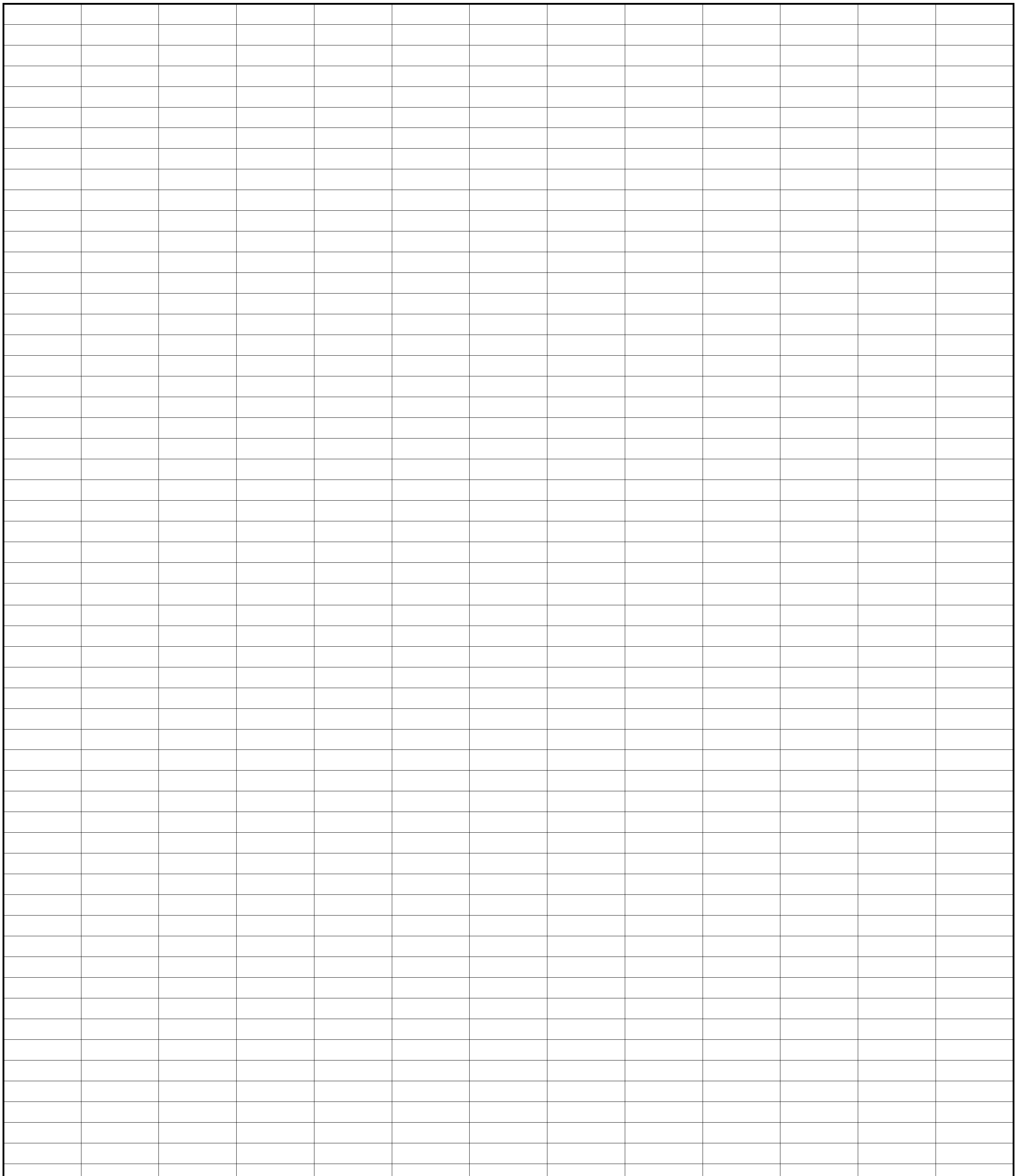
				LEGAL EXPENSES								**LEGAL EX**
0		0		Legal Fees:				0		0		Legal Fee

XPENSES							LEGAL EXPENSES					
s:			0		0		Legal Fees:				0	

		LEGAL EXPENSES								**LEGAL EXPENSES**		
0		Legal Fees:				0		0		Legal Fees:		

					LEGAL EXPENSES							
	0		0		Legal Fees:				0		0	

LEGAL EXPENSES								**LEGAL EXPENSES**				
Legal Fees:				0		0		Legal Fees:				0



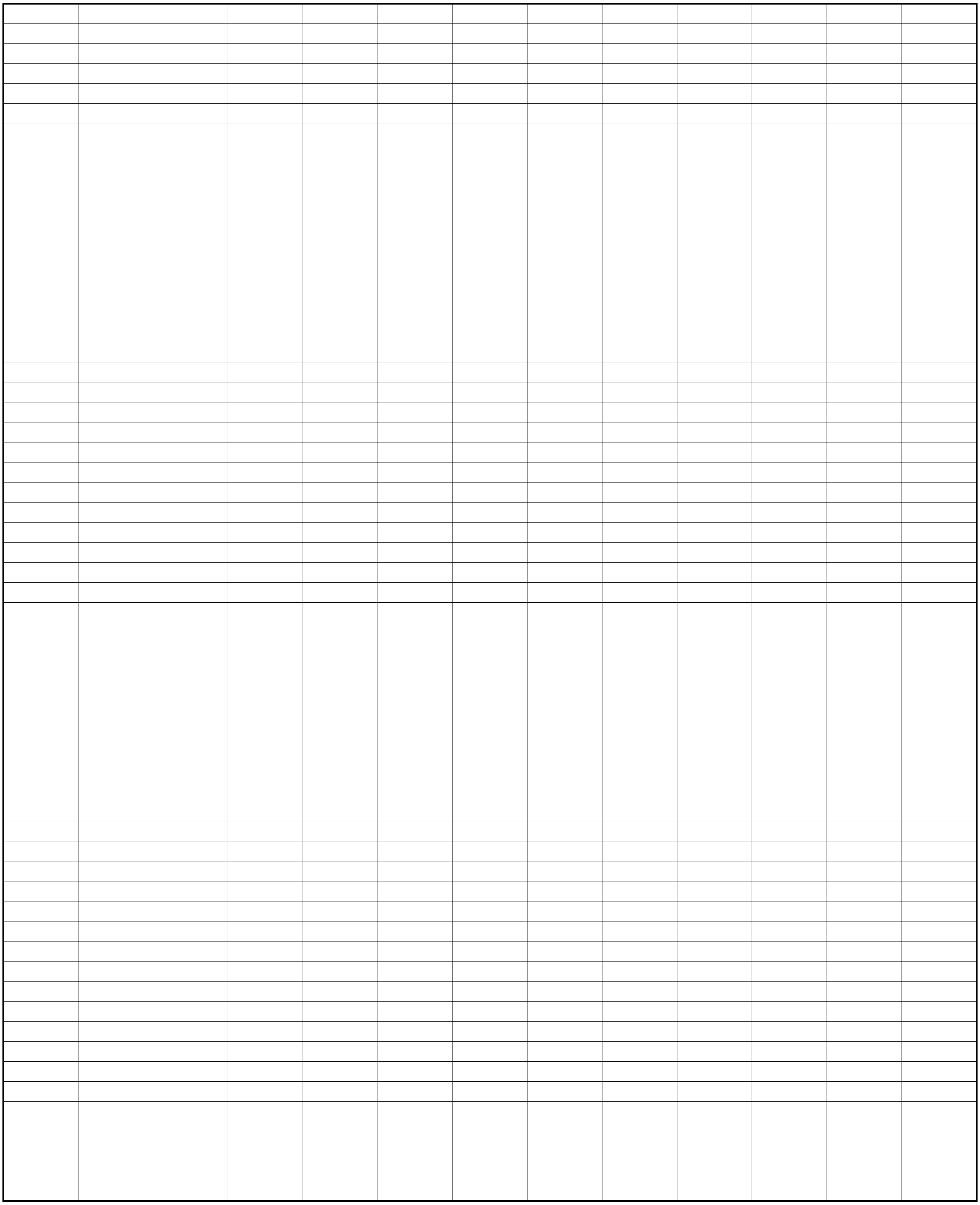
			LEGAL EXPENSES								**LEGAL EXPENSES**	
	0		Legal Fees:				0		0		Legal Fees:	

						LEGAL EXPENSES						
		0		0		Legal Fees:				0		0

	LEGAL EXPENSES								**LEGAL EXPENSES**			
	Legal Fees:				0		0		Legal Fees:			

				LEGAL EXPENSES								**LEGAL EX**
0		0		Legal Fees:				0		0		Legal Fee

XPENSES							**LEGAL EXPENSES**					
s:			0		0		Legal Fees:				0	



		LEGAL EXPENSES								**LEGAL EXPENSES**		
0		Legal Fees:				0		0		Legal Fees:		

					LEGAL EXPENSES							
	0		0		Legal Fees:				0		0	

LEGAL EXPENSES								**LEGAL EXPENSES**				
Legal Fees:				0		0		Legal Fees:				

North Metro TV 2027 Recommended Equipment Budget

Master Control Service & Subscriptions

ID No.	Model No.	Make	Description	Qty	Cost	Total
2027-1	CBL-PLATINUM-4	Tightrope	4 I/O Platinum Support through Tightrope. Loaner, Night Support, Upgrade Assistance	1	4250	4250
2027-2	CBL-PLATINUM-ADDL	Tightrope	Tightrope Additional I/O Annual Software Maintenance Contract for Large Systems (update 10 Needed)	10	550	5500
2027-3	CBL-REFLECT-BND	Tightrope	Cablecast Reflect Live & VOD Stream Server Subscription -	3	2800	8400
2027-4	CBL-REFLECT-LIVE	Tightrope	Cablecast Live Reflect Service	2	1500	3000
2027-5	CBL-CAPTIONING-500	Tightrope	500 Hour Block of Captioning	1	4000	4000
2027-6	CBL-CABLECAST-REN	Tightrope	Subscription Fee to maintain 1 Cablecast OTT channel	2	300	600
2027-7	CBL-ENCO-SUPPORT	Enco	Annual Support Contract for ENCO enCaption server & software	1	6500	6500
2027-8	M-PREM-SUPP-1	Haivision	Premium Maintenance & Support for StreamHub and Pro460	0	7000	0
						32250

Master Control Equipment

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-10	PM-FR-9	Imagine	Router Frame Assembly 9RU	1	7000	7000
2027-11	PT-PS	Imagine	Redundant Power Supply	3	1600	4800
2027-12	PM-128x128-3G9	Imagine	Platinum MX 128x128 3Gb/s Cross Point Card	2	4500	9000
2027-13	PM-ATDM16-X9	Imagine	Platinum MX ATDM Crosspoint Card 16 Slots of Audio	2	11000	22000
2027-14	PT-RES	Imagine	Platinum MX Resource Control Module	1	3000	3000
2027-15	PX-HSR8C-IBG	Imagine	Platinum SD/HD/3G Input Module with 8 BNC Connectors	7	1400	9800
2027-16	PX-HSR-OBG+	Imagine	Platinum SD/HD/3G/ASI Output Module with 8 BNC Connectors	6	1250	7500
2027-17	PX-SXP-64x6	Imagine	Platinum 64x6 pip Multiview Card with 6x HDSDI or HDMI outputs	1	26000	26000
2027-18	MYCARE+HW-Platinum-UPL	Imagine	Uplift Warranty with 24x7 services year 1	1	4500	4500
2027-19	PS-NET-PM	Imagine	Project Management for networking products	1	1500	1500
2027-20	PS-NET-FE	Imagine	Field Engineering for networked products	1	6000	6000
						101100

Control Room/Studio A

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-21	Evertz Playback Server	Evertz	4 Output Playback Server replacing the Black Storm	1	37500	37500
						37500

Control Room/Studio B

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
						0
						0

Production Truck

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-40	Ross NK Router	Ross		0		0
						0

Sports Department

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-50	PXW-Z200	Sony				0
						0

Public Access

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
						0

Production Department

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-70	RE20	Electro-Voice	Electro-Voice RE20 Broadcast Announcer Microphone with Variable-D (Black)	1	600	600
2027-71	D2	Lacie	LaCie 8TB d2 Professional USB-C 3.2 Gen 2 External Hard Drive	2	550	1100
		various	lights, microphones, cable, etc	1	1959	1959
						3659

Special Events

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
						0

Municipal Servics

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-90						
						0

Tech Shop Equipment

ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2027-100			Cable Reels, Cable Ends, Tools, Converters, etc.....			10000
						10000

Various Small Items

ID No.	Model No.	Make	Description	Total
2027-110	-	-	Small Item Budget	3000
				3000

Computers

ID No.	Model No.	Make	Description	Qty	Cost	Total
2028-201		PC	Michele Office Computer	1	1500	1500
2028-202		PC	Hard Drives	1	2000	2000
2028-203		PC	Matt Office Computer	1	2000	2000
2028-204		PC	Computer Replacement Parts	1	1500	2000
						7500

Software & Subscriptions

ID No.	Model No.	Make	Description	Qty	Cost	Total
2028-301	Adobe Suites	Adobe	Adobe Photoshop, Premiere, After Effects.....etc ($1100/Month)	5	1100	5500
2028-302	Office Products	Microsoft	Microsoft Office Subscription	1	2500	2500
2028-303	Gmail Accounts	Gmail	Google Gmail & Workspace Business Accounts	8	300	2400
2028-304	Mac Drive	MacDrive	MacDrive Account for 4 Yearly Licenses	4	50	200
2028-305	SmartDraw	SmartDraw	Technical Drawing & Archiving Software	1	115	115
2028-306	Acrobat	Adobe	Adobe Acrobat Stand Alone Subscription	12	23	276
2028-307	RealVNC Pro	RealVNC	Remote VNC Connection to office computers (Yearly Subscription)	1	1500	1500
						12491

Grand Total		**207500.00**