

July 23, 2025

TO: NMTC OPERATIONS COMMITTEE

RE: APPROVAL OF 2026 NORTH METRO TELECOMMUNICATIONS COMMISSION BUDGET

Enclosed, please find for the council's review and approval the 2026 North Metro Telecommunications Commission Budget and support materials.

The Commission's operating budget for 2026 is proposed at \$1,437,597. This number represents a \$6,443 decrease over expected expenditures for 2025. The increase includes a 3% COLA increase for staff, step increases, building maintenance costs, an accounting service, and insurance costs.

Budgeted capital costs for 2025 are \$224,750. This number represents a \$6,219 decrease from the 2024 budget. Capital expenditures include video equipment for North Metro TV, office equipment, and \$100,000 to be returned to cities for capital expenditures. Additionally, if the Commission finishes the year with \$50,000 of surplus, that money will also be returned to the cities.

In total, the 2026 budget is \$12,653 lower than the 2025 budget.

Recommendation: That the Member Cities approve the 2026 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.

I look forward to working with all parties, throughout the remainder of 2025, toward reaching the full potential of North Metro TV and to increase both the quality and quantity of community programming and services in 2026.

Sincerely,

Barbara Goodboe-Bisschoff

Chair, North Metro Telecommunications Commission

Enc.

2026 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.
- Grow commercial productions.
- 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 2026 are estimates based on previous allocations, planned spending for 2025, 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 2024, 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.

- o 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.
- o 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 \$1,443,254. This number is a \$6,443 decrease compared to last year's operating budget. Decreases were made to overall wages and benefits costs with the recommended Co-Executive Director model. Increases were made administrative costs line items. New expenses include an update to make the website meet federal accessibility requirements, along with ongoing consulting fees and educational opportunities for the Co-Executive Directors.
- Budgeted capital purchases for 2026 are set at \$224,750. Budgeted capital items include a new video player for the control room, a new router for the production truck, 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 2026 capital budget is \$6,210 lower than the 2025 capital budget.
- The overall 2026 budget is \$12,653 lower than the 2025 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:
 - o Program playback and channel management.
 - o Closed captioning.
 - o Internet streaming of city meetings.
 - o Bookmarking city meetings.
 - o Podcasting city meetings.
 - o Live streaming of city channels and community channels.
 - o Provide city channels on Roku and AppleTV via NMTV app.
 - o Video equipment repair, maintenance and consulting.
 - o Drone services.
 - Video production services.
 - Meeting coverage and troubleshooting.
- The general public also benefits from the services of North Metro TV. These services include:
 - o Educational opportunities.
 - Access to professional video production tools.

- o Home Movie transfer services.
- Varied and informative programming about their community, including high school sports, local news, and city meetings.
- Future state and federal legislation could have an impact on future income sources.

North Metro Telecommunications Commission 2026 Budget Line-Item Supporting Information

Personnel

- The recommended 2026 budget follows the recommendation of The Waldron Group to move to a Co-Executive Director model and reduce one full-time staff position.
- 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 \$1,400.00 per FT staff per month for 2026, plus the expected PT payroll taxes and PERA costs This is \$0 more, per person/per month than was budgeted for 2025. The Member City benefits package average for 2024 was \$1,399.80.
- All indications are that the NMTC's contribution to PERA will remain at 7.5% in 2025.

Administrative Expenses

• Budgeted administrative expenses are \$2,700 higher than 2025. The increases include educational opportunities for the new Co-Executive Directors, as well as ongoing consulting from The Waldron Group.

Production Expenses

- Budgeted production expenses are \$12,800 less than 2025. The need for DVDs, Blurays, and disc cases continues to decrease, partially as a result of electronic file transfers.
- The intern budget has been decreased by \$2,000

Office Expenses

- Office expenses are budgeted at \$10,200 more than the 2025 level.
- \$10,000 of the increase is attributed to website accessibility upgrades that put us into federal compliance before the April 2027 deadline.
- 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, or an inordinate amount of bandwidth for that purpose. 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. In 2024, there was an unexpected street assessment fee in this line item.
- Building cleaning, trash, recycling, and hazardous material disposal/recycling increased \$6,000 to better reflect recent cost increases.

Capital Expenditures

- The 2026 capital budget currently includes \$108,250 for production equipment, \$8,500 for office systems and software fees, \$8,000 for HVAC improvements, and \$100,000 for city capital expenses.
- The production equipment budget includes annual system contracts, including closed captioning, a new video player for the studio, and a new router for the production truck.
- Fees back to Cities are included as a capital cost.

Summary

- The recommended 2026 Operating budget is \$6,443 lower than the 2025 budget.
- Capital equipment expenditures are budgeted at \$224,750, which is \$6,210 less than the 2025 budget.
- The 2024 HD bond payment was the final payment, and that bond has been paid off.
- 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 2026 budget is \$12,653 lower than the 2025 budget.

North Metro Telecommunications Commission 2026 FINANCIAL SUMMARY

Estimated Fund Balances/Revenues/Expenditures.

Operating Reserve	\$608,709
Accrued Vac, Sick, Comp	\$120,000
Capital Equip. Fund	\$504,155
Vehicle Replacement Fund	\$49,763
Bldg Repair Reserve	\$165,000
Franchise Renewal Fund	\$200,000
Bond Reserve	\$0

ESTIMATED REVENUES

Franchise Fees	\$972,000
PEG Fees	\$480,000
Other Income	\$55,000
Interest Income	\$48,750
Income From Reserve Funds	\$106,597

TOTAL:	\$1,662,347

ESTIMATED EXPENDITURES

Operating Expenses \$1,437,597 Capital Expenses: Equipment/Bldg \$124,750

Capital Expenses: Bond Payment \$0 Paid off in 2024

Capital Expenses: PEG Fees to Cities \$100,000

TOTAL: \$1,662,347

YEAR END FUND BALANCES		Increase(Decrease)
Operating Reserve	\$496,455	-\$106,597
Accrued Vac, Sick, Comp	\$120,000	\$0
Capital Equip. Fund	\$504,155	\$0
Vehicle Replacement Fund	\$49,763	\$0
Bldg Repair Reserve	\$165,000	\$0
Franchise Renewal Fund	\$200,000	\$0
Bond Reserve	\$0	\$0

TOTAL:	\$1,535,373	-\$106,597

2026 North Metro Telecommunications Commission Budget

	2024 ACTUAL	2025 BUDGET		2026 BUDGET	NOTES
	71010712	Budget	April Act.		
PERSONNEL					
	0.504	400.000			NIA
Executive Director (1) FT	6,564	102,909	0	-	NA NA
T Engineer/ Administrative Asst. Video Engineer (1) FT	84,348	84,660	27,025	87,200	Matt Waldron
Sports Director (1) FT	77,759	81,439	25,318	87,434	Kenton Kipp
ED/News Director (1) FT	91,526	80,113	30,112	108,850	Danika Peterson
Programming Coord. (1) FT	67,845	68,085	21,723	70,128	Michele Silvester
Special Projects Coor. (1) FT	69,613	68,085	23,472	70,128	T.J. Tronson
Municipal Producer (1) FT	60,825	61,668	19,688	63,518	Trevor Scholl
Sports Producer (1) FT	56,467	59,202	18,878	63,518	Ted Leroux
lews Producer (1) FT	49,745	52,371	16,534	56,483	Eric Nelson
D/Studio Manager (1) FT	64,130	72,623	27,596	108,850	Eric Houston
reelancers/Sports	73,510	71,765	25,174	71,976	Freelancers Sports
reelancers/Meetings	14,214	20,693	5,475	25,002	Freelancers/City Meetings
Contingency	0	0	5,115	0	
3 ,					
PERSONNEL TOTAL:	716,546	823,613	240,995	813,087	3% COLA increase
		,			4 staff w/ step increase
BENEFITS					
TICA	47,299	51,064	14,942	50,411	6.2% of gross wages
/ledicare	10,390	11,942	3,494	11,790	1.45% of gross wages
PERA	53,829	61,771	19,235	60,982	7.50% of gross wages
Paid Leave				3,578	.44% of gross wages
Benefits Package	140,128	168,000	86,981	168,000	Health/Dental/STD, LTD, ADD
Vorkers Compensation	0	2,000	3,015	4,000	
Electronic Filing Charges	241	2,000	80	2,000	
BENEFITS TOTAL:	251,887	296,777	127,747	300,760	
					*Benefits package
					\$1,400 per FT employee/per month
					plus PT benefits cost
					\$1,399.80 = 2024 City average
					\$1,399.00 - 2024 City average

2026 North Metro Telecommunications Commission Budget

ADMINISTRATIVE EXPENSES Commission Audit & Accountant Audit: Company Consultants and Professional Fees Conferences	2024 ACTUAL 38,143 0	2029 BUDO Budget		2026 BUDGET	NOTES			
Commission Audit & Accountant Audit: Company Consultants and Professional Fees	0		April Act.		NOTES			
Commission Audit & Accountant Audit: Company Consultants and Professional Fees	0							
Audit: Company Consultants and Professional Fees	0	45,000						
Consultants and Professional Fees		45,000	19,924	42,000	Annual audit of Commission finances			
	0	0	0	0				
Conferences	0	0	3,441	3,000	evaluating co-exec model			
	600	5,000	140	5,000	NATOA & MACTA Conf., Webinars			
General/Special Meeting Expenses	2,330	3,000	738	3,000				
Government/Legislative Affairs	0	0	0	0				
Legal Fees	51,206	50,000	12,361	50,000	Franchise renewal/State and Fed Issues			
Membership Dues	5,095	5,800	3,767	5,500	NATOA, MACTA, ,Chamber of C			
Mileage Reimbursement	1,096	1,500	484	1,500				
Personnel Recruitment	0	0	0	0				
Tuition and Training	0	0	0	3,000	Executive Director Education			
Contingency Expenses	0	0	0	0				
ADMINISTRATIVE EX. TOTAL:	98,470	110,300	40,855	113,000				
PRODUCTION EXPENSES								
Advertising/Marketing/Entry Fees	49	1,500	0	500	Printed materials, entry fees			
Awards Ceremony/ Entry Fees	420	0	0	500	NATOA and MACTA awards			
Bulbs/Batteries/Other Prod. Costs	239	4,500	214	1,000	Bulbs, Camera Batt. Duct tape			
Interns	1,970	4,500	100	2,500	Stipends for internships			
Truck/Fleet Vehicle Gas/Oil	2,725	3,800	580	3,500	Prod. Van & fleet vehicles			
Truck/Fleet Vehicle Maint/Lic.	2,818	6,500	4,241	4,000	Prod. Van & fleet vehicles			
Video Equipment/Parts/Maint.	298	4,500	0	1,000	Parts and Maintenance for video equip.			
DVDs/Flash Drives/Cases	477	1,500	214	1,000	Blank media for masters/copies			
PRODUCTION EX. TOTAL:	8,996	26,800	5,349	14,000				
OFFICE EXPENSES				_				
Building Maintenance	26,328	50,000	8,877	35,000	Bldg & Prop./Fire Insp./Furn. Contract			
Building Security	798	800	0	1,000				
Building Utilities	21,494	35,000	8,766	30,000	Sewer, Water, Gas & Electric			
Insurance	16,133	20,000	14,885	20,000	Liability/property/vehicle/volunteeer			
Office Supp./Office Equip. Maint.	3,372	14,000	2,144	10,000	Copier & Fax maint. contracts, Supplies			
Computer Apps/Subscriptions	15,431	0	6,978	18,000	Software subscriptions			
Phone/Internt Service/Web Hosting	51,928	55,000	13,670	55,000	VOD, Live Streaming, web maint.,bandwidth			
Website Update				10,000	WCAG AA updates			
Postage/Shipping	201	250	343	250	equipment/dub/packet postage			
Property Tax	10,496	1,500	1,363	1,500	Recycling and street assessments			
Trash/Recycling/Janitorial	11,822	10,000	4,040	16,000				
OFFICE EXPENSES TOTAL:	158,003	186,550	61,066	196,750				
ODERATIONS TOTAL	4.075.000	4 444 040	476.040	4 407 507				
OPERATIONS TOTAL:	1,075,899	1,444,040	476,012	1,437,597				

2026
North Metro Telecommunications Commission Budget

	2024 ACTUAL	2025 BUDGET		2026 BUDGET	NOTES	
CAPITAL EXPENDITURES	_	Buuget April Act.				
Video Equipment	144,752	105,960	92,327	108,250	Master Control equipment, live streaming hardware	
Computer/Office Equipment/Sftwre	20,042	15,000	10,492	8,500	office systems, software	
To equipment reserve fund	200,000	0	0	0		
Vehicles	0	0	0	0		
Building Expenditures	12,409	10,000	0	8,000	HVAC improvements	
Bond Payment	230,265	0	0	0	HD Bond Payment	
City Capital Expenditures	150,000	100,000	100,000	100,000	Equipment/Equipment Reserves	
CAPITAL EXP. TOTAL:	757,468	230,960	202,819	224,750		
GRAND TOTAL:	1,833,367	1,675,000	678,831	1,662,347		
GRAND TOTAL.	1,033,367	1,675,000	010,031	1,002,347		

North Metro TV 2026 Computer Budget							
ID No.	Model No.	Make	Description	Qty	Cost	Total	
2026-201	Р	C	Michele Office Computer	1	1500	150	
2026-202	Р	C	Ted Office Computer	1	3000	3000	
2026-203	P	C	Matt Office Computer	1	1500	1500	
2026-204	P	С	Computer Replacement Parts	1	1000	2000	
	·		·			8000	

			North Metro TV 2026 Software Budget			
ID No.	Model No.	Make	Description	Qty	Cost	Total
2026-301	Adobe Suites	Adobe	Adobe Photoshop, Premiere, After Effectsetc (\$900/Month)	12	900	10800
2026-302	Office Products	Microsoft	Microsoft Office Subscription	1	2500	2500
2026-303	Gmail Accounts	Gmail	Google Gmail & Workspace Business Accounts (Monthly at \$211)	1	3000	3000
2026-304	Mac Drive	MacDrive	MacDrive Account for 4 Yearly Licenses	4	50	200
2026-305	RealVNC Pro	RealVNC	Remote VNC Connection to office computers (Yearly Subscription)	1	1000	1000
						17500

		North I	Metro TV 2026 Recommended Equipment Budget			
laster Control	Service & Subscriptions					
ID No.	Model No.	Make	Description	Qty	Cost	Total
2026-1	CBL-PLATINUM-4	Tightrope	4 I/O Platinum Support through Tightrope. Loaner, Night Support, Upgrade Assistance	1	4250	425
2026-2	CBL-PLATINUM-ADDL	Tightrope	Tightrope Additional I/O Annual Software Maintenance Contract for Large Systems (update 10 Needed)	10	550	550
2026-3	CBL-REFLECT-BND	Tightrope	Cablecast Reflect Live & VOD Stream Server Subscription -	3	2800	84
2026-4	CBL-REFLECT-LIVE	Tightrope	Cablecast Live Reflect Service	2	1500	30
2026-5	CBL-CAPTIONING-500	Tightrope	500 Hour Block of Captioning	1	4000	40
2026-6	CBL-CABLECAST-REN	Tightrope	Subscription Fee to maintain 1 Cablecast OTT channel	2	300	6
2026-7	CBL-ENCO-SUPPORT	Enco	Annual Support Contract for ENCO enCaption server & software	11	6500	65
2026-8	M-PREM-SUPP-1	Haivision	Premium Maintenance & Support for StreamHub and Pro460	11	7000	70 392
aster Control	Equipment				L	
ID No.	Model No.	Make	Description	Qty	Unit Price	Total
				0	0	
ntrol Room/						
ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2026-20	Evertz Playback Server	Evertz	4 Output Playback Server replacing the Black Storm	1	36000	360 360
ntrol Room/	Studio B					
ID No.	Model No.	Make	Description	Qty	Unit Price	Total
ID NO.	Wiodel No.	Wate	Description	Qty	Ome i nee	Iotai
roduction Tru						
ID No.	Model No.	Make	Description	Qty	Unit Price	Total
					ļ	
oorts Departr						
ID No.	Model No.	Make	Description	Qty	Unit Price	Total
2026-50	Ross NK Router	Ross	Ross router to replace 10-year old router in truck	1	20000	200
					Ĺ	200
ublic Access ID No.	Model No.	Make	Description	Qty	Unit Price	Total
ID INO.	I III CUCI ITO.	Water	Безеприон	Qty		Total
ws Departm						
ID No.	Model No.	Make	Description	Qty	Unit Price	Total
ecial Events		Make	Description	04:	Unit Price	Total
ID NO.	wodel No.	Wake	Description	Qty	Unit Price	Total
ID No.	Model No.	Make	Description	Qty	Unit Price	

<u> </u>						0
Municipal Servies ID No.	Model No.	Make	Description Various Small Equipment Replacements	Qty 1	Unit Price	Total 500
Tech Shop Equipme ID No. 2026-100	ent Model No.	Make	Description Cable Reels, Cable Ends, Small Tools, etc	Qty	Unit Price	Total 7500
Various Small Items ID No. 2026-120	Model No.	Make -	Description Small Item Budget		L	7500 Total 5000
		<u>'</u>	Grand Total			5000 108250.00