

**NORTH SUBURBAN COMMUNICATIONS COMMISSION
2018 BUDGET**

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Budget Summary	2016	2017			2018		
	Actual	Budget	YTD Actual (Jan-Oct)	Projected Actual	Budget Approved 12-7-2017	Percent Change to 2017 Budget	Percent Change to 2017 Projected
BEGINNING GENERAL FUND BALANCE	\$218,886	\$216,853	\$283,812	\$283,812	\$307,298		
OPERATING SUMMARY							
Operating Revenues							
City Funding (Cable Subscr. Franch. Fees)	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	0.0%	0.0%
Interest Income	\$581	\$300	\$2,089	\$2,507	\$1,500	400.0%	(40.2%)
Scholarship Grant (Cable Subscr. PEG)	\$93,261	\$93,261	\$93,261	\$93,261	\$0	(100.0%)	(100.0%)
Reimbursements	\$1,815	\$0	\$0	\$1,350	\$0	na	(100.0%)
LMCIT Reimb. For Franchise Renewal	\$0	\$60,000	\$0	\$4,500	\$0	(100.0%)	(100.0%)
Misc. Income	\$28,109	\$0	\$0	\$0	\$0	na	na
Total Revenues	\$423,766	\$453,561	\$395,350	\$401,618	\$301,500	(33.5%)	(24.9%)
Operating Expenditures							
Personal Services (see detail below)	\$124,206	\$130,613	\$105,292	\$125,709	\$129,720	(0.7%)	3.2%
Other Operating Expenses (see detail bel.)	\$234,634	\$322,882	\$207,629	\$238,423	\$222,772	(31.0%)	(6.6%)
Total Operating Expenses	\$358,840	\$453,495	\$312,921	\$364,132	\$352,492	(22.3%)	(3.2%)
General Fund Net (Excluding Capital)	\$283,812	\$66	\$82,429	\$37,486	(\$50,992)		
	2016	2017			2018		
	Actual	Budget	YTD Actual (Jan-Oct)	Projected Actual	Budget Approved 12-7-2017	Percent Change to 2017 Budget	Percent Change to 2017 Projected
CAPITAL SUMMARY							
Capital Funding Source(s)							
Transfer from Reserves	\$0	\$7,000	\$0	\$14,000	\$10,000	42.9%	(28.6%)
Total Capital Funding	\$0	\$7,000	\$0	\$14,000	\$10,000	42.9%	(28.6%)
Capital Uses							
Capital Expenditures (see detail below)	\$0	\$7,000	\$0	\$14,000	\$10,000	42.9%	(28.6%)
Total Capital Uses	\$0	\$7,000	\$0	\$14,000	\$10,000	42.9%	(28.6%)
General Fund Net (Capital Only)	\$0	(\$7,000)	\$0	(\$14,000)	(\$10,000)		
TOTAL GENERAL FUND NET (Op + Cap)	\$283,812	(\$6,934)	\$82,429	\$23,486	(\$60,992)		
ENDING GENERAL FUND BALANCE	\$283,812	\$209,919	\$366,241	\$307,298	\$246,306		
<p>Beginning Fund Balance -- From 2015 and 2016 Audits. This includes both unrestricted and restricted (Intern Fund) reserves.</p> <p>Transfer from Intern Fund Reserves (restricted) -- Projected balance at the end of 2017 is \$94,831.</p> <p>City Contributions -- Between 2009 and 2015, we had generally been increasing the city contributions to the NSCC by 2-3% per year. There was no increase in 2016 and 2017, and none is proposed for 2018. Note that the 3-year window for franchise renewal negotiations with CenturyLink will open at the end of 2017.</p> <p>Scholarship Grant -- This grant is eliminated in 2018 by the new cable franchise with Comcast.</p> <p>Reimbursements -- The projected amount for 2017 includes Comcast's reimbursement for 50% of the cost of the administrative law judge. (approximately \$1,000) A line item has been added for LMCIT's reimbursement of expenses for the franchise renewal administrative hearing.</p> <p>Misc. Income -- In 2016, this was the CenturyLink franchise application fee/expense reimbursement.</p> <p>Operating Expenses -- Operating expenses in 2016 and 2017 reflect legal fees associated with the informal cable franchise renewal negotiations.</p>							

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PERSONAL SERVICES							
Full-Time Salaries	\$100,256	\$103,593	\$83,185	\$100,026	\$95,817	(7.5%)	(4.2%)
Part-Time Salaries	\$0	\$0	\$0	\$0	\$0	na	na
Retirement	\$3,297	\$4,662	\$3,884	\$4,500	\$3,187	(31.6%)	(29.2%)
Health/Life Insurance	\$12,216	\$13,328	\$11,116	\$13,295	\$18,186	36.4%	36.8%
SUI (Unemployment)	\$440	\$480	\$475	\$477	\$586	22.1%	22.9%
Workers Compensation	\$499	\$625	\$324	\$381	\$381	(39.0%)	0.0%
FICA	\$7,498	\$7,925	\$6,308	\$7,030	\$7,035	(11.2%)	0.1%
Total Personal Services	\$124,206	\$130,613	\$105,292	\$125,709	\$125,192	(4.2%)	(0.4%)
<p>Full-time Salaries -- NSCC pays 50% of the salaries and benefits of the Executive Director, the Business Manager and the Technical Services Senior Project Manager. In 2017, the cost of living adjustment was 2%, and the same percentage is budgeted for 2017.</p> <p>Retirement -- 4.5% of eligible Full-time and Part-time salaries.</p> <p>Health/Life Insurance -- Employees pay approximately 20% of the premiums for health, dental and life insurance, plus co-pays.</p>							

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OTHER OPERATING EXPENSES							
General							
Printing	\$0	\$500	\$0	\$0	\$250	(50.0%)	na
Publications	\$477	\$600	\$124	\$124	\$300	(50.0%)	141.9%
Memberships	\$8,890	\$6,000	\$2,968	\$6,000	\$6,000	0.0%	0.0%
Total General	\$9,367	\$7,100	\$3,092	\$6,124	\$6,550	(7.7%)	7.0%
Supplies							
Office Supplies	\$1,317	\$750	\$1,229	\$1,475	\$500	(33.3%)	(66.1%)
I-Net Supplies	\$0	\$1,000	\$0	\$400	\$1,000	0.0%	150.0%
Software Supplies	\$1,113	\$1,250	\$676	\$1,352	\$1,400	12.0%	3.6%
Volunteer Supplies	\$625	\$750	\$451	\$541	\$800	6.7%	47.8%
Total Supplies	\$3,055	\$3,750	\$2,356	\$3,768	\$3,700	(1.3%)	(1.8%)
Maintenance							
Office Equipment	\$1,327	\$600	\$735	\$800	\$600	0.0%	(25.0%)
Building/Janitorial	\$16,176	\$19,000	\$14,627	\$17,552	\$19,000	0.0%	8.2%
Network Equipment	\$7,948	\$8,000	\$7,107	\$7,107	\$1,500	(81.3%)	(78.9%)
Total Maintenance	\$25,451	\$27,600	\$22,469	\$25,459	\$21,100	(23.6%)	(17.1%)
Travel							
Conferences	\$6,645	\$8,000	\$9,381	\$11,000	\$8,000	0.0%	(27.3%)
Mileage & Meetings	\$2,121	\$2,500	\$1,767	\$2,120	\$2,100	(16.0%)	(1.0%)
Total Travel	\$8,766	\$10,500	\$11,148	\$13,120	\$10,100	(3.8%)	(23.0%)
Tuition & Training	\$518	\$500	\$0	\$0	\$0	(100.0%)	na
Utilities	\$6,942	\$7,000	\$5,756	\$6,907	\$7,000	0.0%	1.3%

Printing -- Primarily covers cost of letterhead, etc., as well as contingency for formal franchise renewal proceedings.

Publications -- Includes 1/2 cost of Pioneer Press and community newspapers

Memberships -- National Association of Telecommunications Officers and Administrators (NATOA), MN Association of Community Telecommunications Administrators (MACTA), New Brighton/Mounds View Rotary Club, and state purchasing group (1/2).

Office Supplies, Building/Janitorial and Utilities -- 20% allocation.

I-Net Supplies -- For any supplies needed to support the use of the I-Net.

Software Supplies -- For software upgrades for administrative services programs. We upgraded our accounting software in 2016.

Volunteer Supplies -- Primarily refreshments for monthly meetings and meals for committee or special meetings.

Network Equipment Maintenance -- For any repairs or maintenance to equipment on the I-Net, including the maintenance agreements on the network equipment. This has been reduced in 2018 with a decision to eliminate the maintenance agreement on the Makito encoders.

Conferences -- Covers the cost of sending staff and Commissioners to the NATOA and MACTA conferences.

Mileage -- 50% car allowance for the Executive Director and 50% mileage reimbursement for the Business Manager and Technical Services Senior Project Manager.

Tuition & Training -- Includes wellness program reimbursement for staff plus some miscellaneous workshops.

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Leases							
Rent	\$22,393	\$23,071	\$19,226	\$23,072	\$23,072	0.0%	0.0%
Miscellaneous	\$0	\$500	\$0	\$0	\$0	(100.0%)	na
Postage Meter	\$144	\$150	\$122	\$150	\$150	0.0%	0.0%
Total Leases	\$22,537	\$23,721	\$19,348	\$23,222	\$23,222	(2.1%)	0.0%
Contractual							
Audit	\$6,900	\$7,500	\$6,097	\$7,500	\$7,500	0.0%	0.0%
Insurance	\$2,198	\$4,150	\$3,551	\$4,300	\$4,300	3.6%	0.0%
Legal Fees	\$52,438	\$55,000	\$55,571	\$60,000	\$30,000	(45.5%)	(50.0%)
Sales Tax	\$1,459	\$2,500	\$0	\$0	\$0	(100.0%)	na
Internet Connection	\$6,000	\$6,000	\$5,000	\$6,000	\$6,000	0.0%	0.0%
Miscellaneous	\$19,295	\$10,000	\$6,091	\$7,309	\$10,000	0.0%	36.8%
Franchise Renewal Consulting	\$0	\$60,000	\$5,998	\$6,500	\$25,000	(58.3%)	284.6%
Total Contractual	\$88,290	\$145,150	\$82,308	\$91,609	\$82,800	(43.0%)	(9.6%)
Communications							
Postage	\$602	\$300	\$300	\$300	\$300	0.0%	0.0%
Telephone	\$2,016	\$2,000	\$1,261	\$1,513	\$1,500	(25.0%)	(0.9%)
Advertising & Public Information	\$0	\$1,000	\$396	\$400	\$500	(50.0%)	25.0%
Total Communications	\$2,618	\$3,300	\$1,957	\$2,213	\$2,300	(30.3%)	3.9%
Grants							
Scholarship		\$0	\$0	\$0	\$0	na	na
Internships	\$67,090	\$93,261	\$59,195	\$66,000	\$70,000	(24.9%)	6.1%
Total Grants	\$67,090	\$93,261	\$59,195	\$66,000	\$70,000	(24.9%)	6.1%
Recruiting	\$0	\$1,000	\$0	\$0	\$0	(100.0%)	na
Total Other Operating Expenses	\$234,634	\$322,882	\$207,629	\$238,423	\$226,772	(29.8%)	(4.9%)
DEPRECIATION (non-cash)	\$15,300	\$0	\$0	\$0	\$0	na	na
<p>Rent, Postage Meter, Telephone -- 20% allocation. (Rent increased from \$7.50 to \$8.50/SF on 13,571 SF in 2016.)</p> <p>Insurance -- Various allocations between NSCC and NSAC.</p> <p>Legal Fees -- In 2016 and 2017, reflects work on Comcast franchise renewal. In 2018, we expect to begin work on the CenturyLink franchise renewal.</p> <p>Misc. Contractual -- Includes allocation of network maintenance services from the City of Roseville's IT staff, Executive Director's cable service reimbursement, bank fees, and consulting not related to franchise renewal.</p> <p>Advertising & Public Information -- Primarily for public notices.</p> <p>Scholarships/Internships -- The amount increases by the percentage increase in basic rates for the previous year.</p> <p>-----</p> <p>Depreciation -- (Not an operating expense.) Non-cash accounting for the change in value of capital items.</p>							

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CAPITAL EXPENSES							
Capital Improvements	\$0	\$1,000	\$0	\$9,000	\$0	(100.0%)	(100.0%)
Office Furniture & Equipment	\$941	\$1,000	\$0	\$0	\$2,000	100.0%	na
I-Net Equipment	\$0	\$5,000	\$0	\$5,000	\$8,000	60.0%	60.0%
Total Capital Expenses	\$941	\$7,000	\$0	\$14,000	\$10,000	42.9%	(28.6%)
<div style="border: 1px solid black; padding: 5px;"> <p>Capital Improvements -- For NSCC share (20%) of tenant improvements on building. In 2017, NSCC will pay 20% of the installation of a 10GB fiber connection to Roseville city hall.</p> <p>Office Furniture & Equipment -- For office equipment and furniture.</p> <p>I-Net Equipment -- In 2016 and 2017, we included a contingency amount for the purchase of a replacement network switch for video transport. In 2018, staff recommends purchasing another I-Net encoder/decoder to act as a spare since staff plans to drop the equipment maintenance fee on this equipment.</p> </div>							