

City of Blaine

Communications Fund

2021 Proposed Budget

October 12, 2020

2021 Proposed Communications Budget

Accounts for the operations of the City's Communications Fund

Funding Sources

➤ Franchise Fees

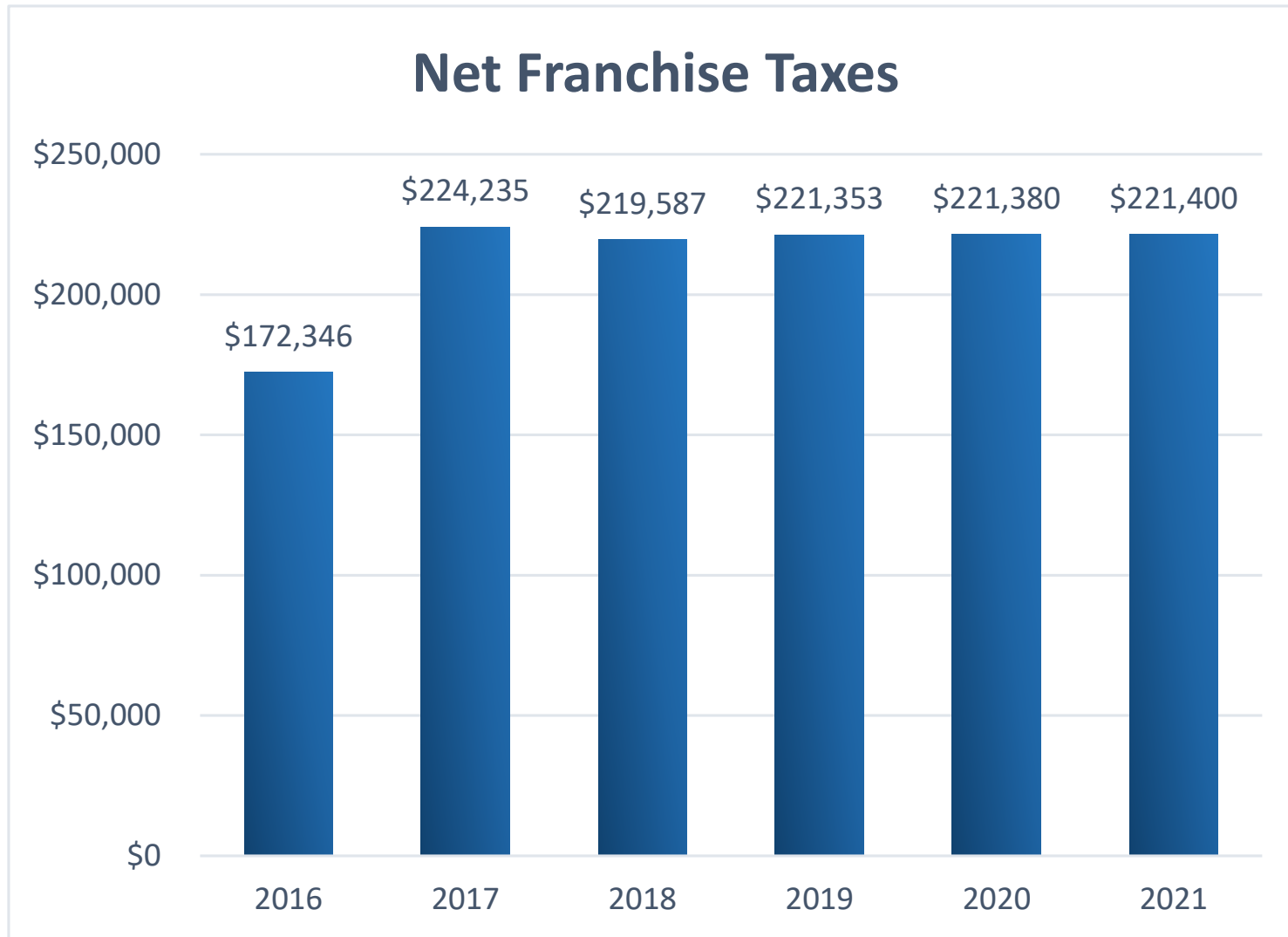
- Gross fees paid by subscribers used to fund NMTC operations
- Net (amount remaining after NMTC is paid its share) distributed to member cities based on number of subscribers

2021 Proposed Communications Budget

Franchise Fees

- Cable Service Providers are Comcast
- North Metro Telecommunications Commission (NMTC):
 - Regulatory body that oversees the area franchise
 - City is one of seven members of NMTC
 - Franchise extended through 2020.

2021 Proposed Communications Budget

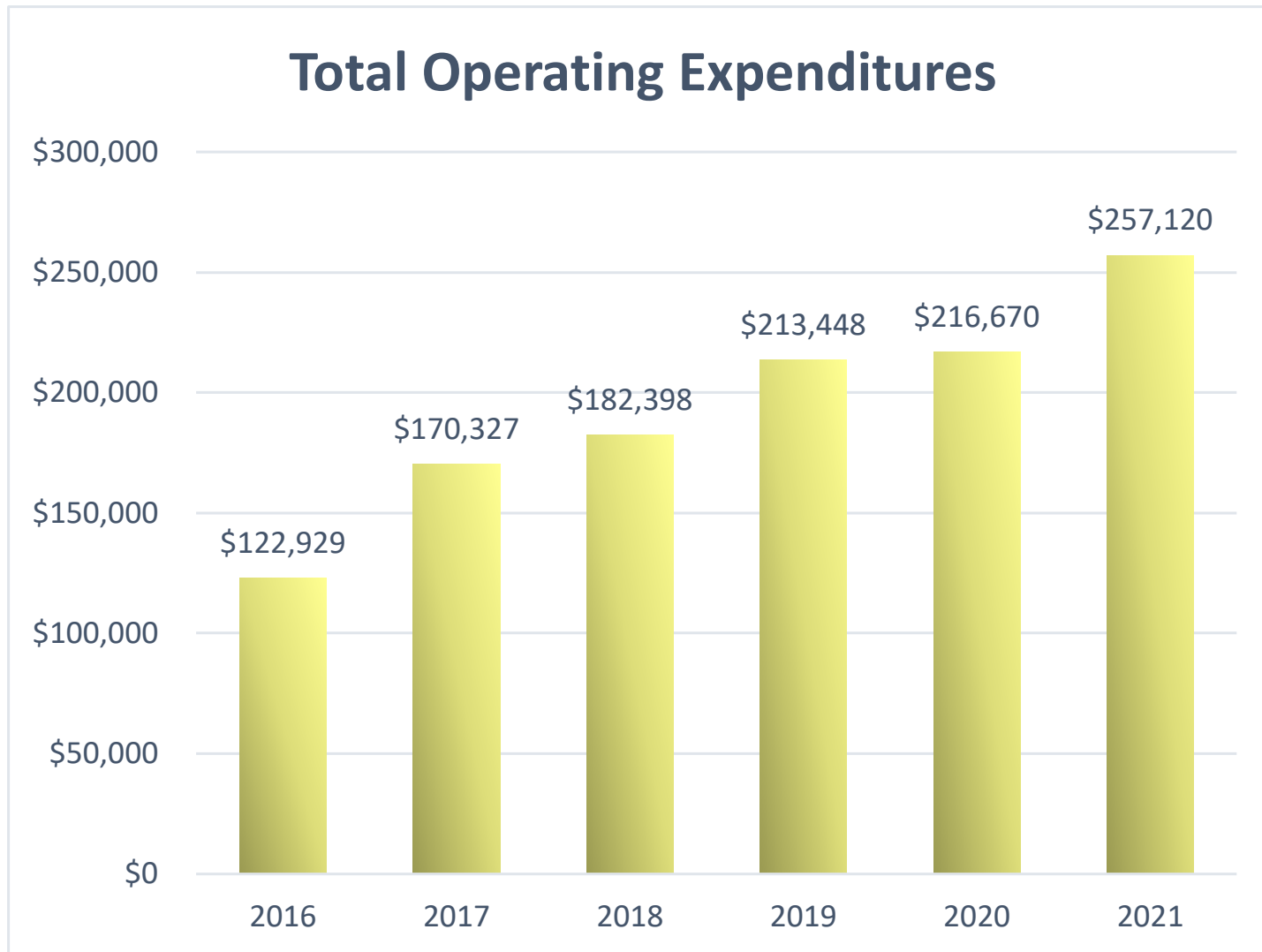


2021 Proposed Communications Budget - Revenue

COMMUNICATIONS FUND - 230	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Proposed
FUND RESERVE AT BEGINNING OF YEAR	\$ 293,682	\$ 322,795	\$ 254,410	\$ 254,410	\$ 252,720
<u>REVENUES AND OTHER SOURCES</u>					
Franchise taxes	\$ 219,587	\$ 221,353	\$ 223,400	\$ 221,380	\$ 221,400
Interest	6,535	9,706	4,500	7,600	4,900
Total revenues and other sources	226,122	231,059	227,900	228,980	226,300

➤ Blaine's share roughly 54%

2021 Proposed Communications Budget



2021 Proposed Communications Budget - Operating Expenditures

COMMUNICATIONS FUND - 230	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Proposed
<u>OPERATING EXPENDITURES</u>					
General government:					
Personal services	17,517	13,975	17,350	3,220	1,000
Supplies	299	468	350	350	500
Contractual services	97,982	108,435	124,000	119,100	139,500
Other services and charges	66,600	90,570	94,000	94,000	116,120
Total operating expenditures	182,398	213,448	235,700	216,670	257,120

Adjustments:

- NMTV staff to produce meetings reduce Blaine salaries, benefits.
- Administrative charge payment to General Fund increased to compensate for more digital communications activity.
- Additional media monitoring and analytics; a survey platform; and enhanced remote meeting software (Zoom) features.
- Development of comprehensive communications plan.

2021 Proposed Communications Budget - Capital/Equipment Upgrade Plan

Established in 2007

To Replace Aging Equipment

- Most equipment in use for 5 to 10 years
- Replace/upgrade prior to failure

Funding Source

- Franchise fees collected and held in reserve

2021 Proposed Communications Budget

- Capital/Equipment Upgrade Plan

- Installation of video/technology updates in two conference rooms related to 3rd floor expansion
- Annual fund reserve target includes \$15,000 for major component replacement.

2021-25 Communications Fund Projection

COMMUNICATIONS FUND - 230	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Proposed	2022 Estimate	2023 Estimate	2024 Estimate	2025 Estimate
FUND RESERVE AT BEGINNING OF YEAR	\$ 293,682	\$ 322,795	\$ 254,410	\$ 254,410	\$ 252,720	\$ 181,900	\$ 149,250	\$ 115,570	\$ 81,060
<u>REVENUES AND OTHER SOURCES</u>									
Franchise taxes	\$ 219,587	\$ 221,353	\$ 223,400	\$ 221,380	\$ 221,400	\$ 223,600	\$ 225,800	\$ 228,100	\$ 230,400
Retained by the Commission			-	-	-	-	-	-	-
Net Franchise Taxes	219,587	221,353	223,400	221,380	221,400	223,640	225,830	228,080	230,390
Interest	6,535	9,706	4,500	7,600	4,900	3,500	2,800	2,200	-
Total revenues and other sources	226,122	231,059	227,900	228,980	226,300	227,100	228,600	230,300	230,400
<u>OPERATING EXPENDITURES</u>									
General government:									
Personal services	17,517	13,975	17,350	3,220	1,000	1,050	1,080	1,110	1,140
Supplies	299	468	350	350	500	500	500	500	500
Contractual services	97,982	108,435	124,000	119,100	139,500	142,000	144,500	147,000	149,500
Other services and charges	66,600	90,570	94,000	94,000	116,120	116,200	116,200	116,200	116,200
Total operating expenditures	182,398	213,448	235,700	216,670	257,120	259,750	262,280	264,810	267,340
Capital Program:									
Computers and Printers	4,126	1,496	15,000	14,000	-	-	-	-	-
Technology buildout (Conference Room)	10,485	84,500	20,000	-	40,000	-	-	-	-
Total Capital	14,611	85,996	35,000	14,000	40,000	-	-	-	-
Total expenditures and other uses	197,009	299,444	270,700	230,670	297,120	259,750	262,280	264,810	267,340
Increase (decrease) in fund balance	29,113	(68,385)	(42,800)	(1,690)	(70,820)	(32,650)	(33,680)	(34,510)	(36,940)
FUND RESERVE AT END OF YEAR	\$ 322,795	\$ 254,410	\$ 211,610	\$ 252,720	\$ 181,900	\$ 149,250	\$ 115,570	\$ 81,060	\$ 44,120
FUND RESERVE TARGET									
Cash Flow Reserve	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Major System Component Replacement	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Unrestricted Fund Balance	282,795	214,410	171,610	212,720	141,900	109,250	75,570	41,060	4,120



2021 Proposed Communications Budget

- ◆ 10/12 Workshop – Council Review;
Conceptual Approval
- ◆ 11/02 CC Meeting – Council Adoption

