

## **Quad Cities Cable Communications Commission**

Anoka City Hall – Council Chambers

May 21, 2020, 11:00 AM

### **Agenda**

#### **1. Call to Order**

#### **2. Roll Call**

#### **3. Approval of Agenda**

#### **4. Administrative Reports**

##### 4.1. Secretary

4.1.1. Approval of the March 19, 2020, commission meeting minutes.

##### 4.2. Treasurer

4.2.1. February - March Financial Reports

##### 4.3. Executive Director

#### **5. General Business**

##### 5.1. 2019 Audit Presentation

##### 5.2. Member City CIP

##### 5.3. Drone Presentation – Policy/Purchase

##### 5.4. LiveU Planned Replacement Purchase

##### 5.5. Other

#### **6. Adjourn**

**QCTV has declared a local emergency effective March 17, 2020. The regular meeting of the Quad Cities Cable Communications Commission will meet at Anoka City Hall Council Chambers, 11 am. Some or all commissioners will be attending remotely. The City of Anoka has also declared a local emergency and closed city hall to the public. The public may watch the QCCCC meeting at [www.qctv.org](http://www.qctv.org) on the main page streaming live the Community Channel or on Comcast Channels 859 and 15 and CenturyLink Channels 8940 and 8440.**

## **MINUTES OF THE REGULAR MEETING OF MARCH 19, 2020**

### **CALL TO ORDER – 1**

Chair Ulrich called the meeting to order at 11:00 a.m. at the Anoka City Hall.

### **ROLL CALL– 2**

Commissioners present were: Erik Skogquist, Anoka (via video); Greg Lee, Anoka; Jeff Menth, Ramsey (via video); Kurt Ulrich, Ramsey; Jim Dickinson, Andover; and Jamie Barthel, Andover.

Commissioners absent: Ryan Sabas, Champlin; and Bret Heitkamp, Champlin.

Others present included Karen George, Executive Director; and Bob Vose, Commission Attorney (via telephone).

### **APPROVAL OF AGENDA – 3**

Ms. George request to add an item to the agenda, COVID-19 Update.

Motion was made by Dickinson and seconded by Skogquist to approve the agenda as amended.

**6 ayes – 0 nays. Motion carried.**

### **ADMINISTRATIVE REPORTS – 4**

#### **4.1 Secretary**

##### **4.1.1. Approval of meeting minutes from January 16, 2020 Commission Meeting and February 11, 2020 Executive Committee Meeting**

Motion was made by Dickinson and seconded by Barthel to approve the January 16, 2020 Commission meeting minutes and February 11, 2020 Executive Committee meeting minutes as presented.

**6 ayes – 0 nays. Motion carried.**

#### **4.2 Treasurer**

##### **4.2.1. December and January Financial Report**

Commissioner Dickinson stated that the year end pre-audit report was included in the packet, along with the January report and provided a highlight. He anticipated that the audit would be completed in May, or after.

Motion was made by Lee and seconded by Barthel to accept the December and January Financial Report.

**6 ayes – 0 nays. Motion carried.**

#### **4.3 Executive Director**

Ms. George stated that her report was included in the packet and she could address any questions.

### **GENERAL BUSINESS – 5**

#### **5.1 Designate Depository**

Ms. George stated that the Board designates a depository each year and read aloud the proposed action before the Board.

Motion was made by Dickinson and seconded by Barthel to designate US Bank as the official depository for 2020; that the PMA Financial Network, Inc. (Minnesota Municipal Money Market Fund) be designated as additional depository for 2020 for investment and cash management purposes only; and, that the Commission Board of Directors is hereby designated as the approval authority for the release and acceptance of all collateral to be held by the organization in conjunction with Commission funds on deposit with authorized institutions.

**6 ayes – 0 nays. Motion carried.**

#### **5.2 Strategic Plan – Lexica Communications Project Consultant**

Ms. George stated the worksession scheduled earlier today was canceled due to the COVID-19 situation. She stated that staff has been working diligently on the social media element of the Strategic Plan and planned to provide a presentation at that worksession. She stated that the proposal from Lexica Communications

was included in the packet and could be completed in phases or all three phases could be authorized at once with a total project cost up to \$13,000.

Commissioner Lee asked if staff is confident that the up to cost estimated would not be exceeded for each phase.

Ms. George stated that she has met with the consultant and asked for the proposal to be split into phases with a cost not to exceed.

Chair Ulrich asked if the current COVID-19 situation would be a reason to delay this action.

Ms. George replied that this is an opportunity for QCTV to be consumed by a wider range of viewers and provide information to more people, therefore she would recommend to keep this moving.

Commissioner Dickinson noted that the first phase is planned to take three months and could be completed off-site by electronic means, therefore he believed it would be beneficial to begin work on that phase. He stated that he would prefer to begin work on phase one and noted that the second and third phases could be authorized once the check in after phase one is completed.

Motion was made by Dickinson and seconded by Barthel to authorize phase one with Lexica Communications in an amount not to exceed \$5,000.

**6 ayes – 0 nays. Motion carried.**

### **5.3 Planned Computer Replacement Purchase**

Ms. George stated that this proposed purchase is part of the planned replacement within the operational budget. She asked the Board to authorize the funds to make the purchase of four Dell workstations at a cost of up to \$2,700 each for a total cost not to exceed \$10,800.

Commissioner Skogquist asked the age of the computers that are being replaced.

Ms. George replied that the computers to be replaced are five years old, noting that the replacement window within the scheduled replacement plan is three to five years.

Motion was made by Dickinson and seconded by Skogquist to approve purchase of four Dell workstations at up to \$2,700 each; not to exceed \$10,800.

**6 ayes – 0 nays. Motion carried.**

#### **5.4 Resolution: Protecting Community Television Act**

Ms. George stated that there has been an erosion of fiscal support for community television. She stated that two Representatives have brought forth legislation to restore longstanding protections in the Federal law to ensure that local communities with PEG access, such as QCTV, can continue to provide service to communities. She asked the Board to adopt the resolution in support.

Chair Ulrich stated that he believes that local community television will continue to be a resource in the current climate.

Motion was made by Dickinson and seconded by Barthel to approve the resolution in support of the Protecting Community Television Act.

**6 ayes – 0 nays. Motion carried.**

#### **5.5 COVID-19 Update**

Ms. George thanked all the QCTV staff that have continued to work diligently and have focused their efforts on COVID-19. She stated that Channel 19 is now focused on COVID-19, noting that the information continues to shift dynamically as new updates are provided. She noted that QCTV has also worked with member cities to provide remote coverage of meetings. She stated that prior to the meeting a statement and determination of meetings being conducted by electronic means was sent out to the Board, which was executed by legal counsel.

Mr. Vose stated that he has taken action, which is before the Board, to invoke a statute that allows municipalities and joint powers entities to declare, in emergency situations, that meetings can be held electronically and without access by the public. He noted that several cities have already enacted similar actions, given the declaration of the emergency and pandemic.

Commissioner Dickinson asked if there is a requirement for the Board to take action to extends this until a specific date.

Mr. Vose replied that some cities have invoked local emergency declarations and provided additional details, noting that action requires extensions. He stated that QCTV does not need to invoke that type of action. He explained that the ability to conduct a meeting electronically does not require an extension.

Ms. George presented the COVID-19 operation plan, which identifies the critical and essential services, along with non-essential services, and the staff needed

for each. She reviewed the other information including communications. She noted that no action is needed.

Commissioner Skogquist stated that the plan lists services, identified as essential and non-essential, noting that some services are not identified under either category.

Ms. George provided additional information on which services are considered critical or essential and the staff identified to deliver those services. She explained that the priority would be critical, essential, and then non-essential.

Commissioner Skogquist stated that the plan mentions employees' access for government meetings and asked if the QCTV employees have access to the buildings, should they be locked and no staff present.

Ms. George confirmed that QCTV has secured access and permission to enter each of the City Hall locations for each member city. She provided a COVID-19 leave policy which addresses how the organization will address employee sickness and leave during this time. She stated that the Executive Director can currently approve leaves of 30 days or less, but that currently interrupts benefits. She asked that the health and wellness benefits would continue while PTO accrual would be suspended during leave. She stated that leaves over 30 days currently require Commission approval, but she would request that could be approved by the Executive Committee.

Commissioner Dickinson stated that at the Federal level, they are looking to make this type of policy a requirement for businesses over 50 employees. He explained that because QCTV falls under that threshold, the amended policy would be necessary.

Ms. George reviewed the updated guidelines for channel and daily operations during this time along with a request to allow capital expenditures related to COVID-19.

Commissioner Dickinson provided additional details on the capital expenditures specific to COVID-19, which were not necessarily identified in the operating budget or capital improvement plan. He stated that the Executive Committee believes that this action approving these capital expenditures should go forward. He stated that the additional equipment purchases will be needed to ensure that QCTV can continue to provide critical services, including assistance with local government meetings for the cities.

Motion was made by Dickinson and seconded by Barthel to approve the temporary amended leave policy and operational guidelines as discussed and allow the Executive Director to proceed with capital expenditures related to

COVID-19 and bring forward a report to be ratified by the Commission at the next regular meeting; capital expenditures should be limited to a cost of \$10,000 each, with an aggregate limit of \$50,000.

**6 ayes – 0 nays. Motion carried.**

Chair Ulrich thanked QCTV staff for their efforts in continuing to provide service to the member cities during this time.

Commissioner Skogquist asked if QCTV has been receiving requests from churches, and other organizations that hold large gatherings, for additional coverage.

Ms. George replied that once the Governor declared a local emergency, one of the first calls from QCTV was to local churches, offering to act as a partner during this time. She explained that churches could still deliver their messages. She stated that QCTV has also reached out to other local partners, such as the Chamber of Commerce. She noted that some segments will be taped using the social distancing guidelines and others have chosen to cancel. She stated that if large events cancel, QCTV will offer service in attempt to virtually connect people.

## **ADJOURN – 6**

Time of adjournment 11:44 a.m.

Respectfully submitted,

Reviewed for approval,

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Amanda Staple  
Recording Secretary  
*TimeSaver Off Site Secretarial, Inc.*

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Karen George  
Executive Director

**Quad Cities Communications Commission**  
**Balance Sheet Summary**  
As of February 29, 2020

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts - QCTV</b>	1,561,370.01
- PayPay acct	534.40
- US Bank Reserve	5,000.00
- Petty Cash	250.00
- Investments	1,341,195.37
<b>Accounts Receivable</b>	0.00
<b>Other current assets</b>	0.00
<b>Total Current Assets</b>	<b>\$ 2,908,349.78</b>
<b>Fixed Assets</b>	0.00
<b>TOTAL ASSETS</b>	<b>\$ 2,908,349.78</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	44,823.08
<b>Other Current Liabilities</b>	216.55
<b>Total Current Liabilities</b>	<b>\$ 45,039.63</b>
<b>Equity</b>	2,863,310.15
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 2,908,349.78 *</b>

\* Equity: QCTV allocates fund reserves in two areas:

Operating Reserves = \$436,808

Capital Reserves = \$2,471,541.78 (\$3.4 M needed for 5-Year CIP)



**Quad Cities Communications Commission**  
**Budget vs. Actuals: FY 2020 - FY20 P&L**  
 January - December 2020

	Feb 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
<b>Income</b>								
Duplication Revenue	\$ (1.50)	\$ 41.67	\$ (43.17)	-3.60%	\$ 140.06	\$ 500.00	\$ (359.94)	28.01%
Equipment Grant		4,916.67	(4,916.67)	0.00%	60,116.02	59,000.00	1,116.02	101.89%
Franchise Fees	888.98	71,500.00	(70,611.02)	1.24%	-	858,000.00	(858,000.00)	0.00%
Interest Income	6,907.85	2,500.00	4,407.85	276.31%	9,293.17	30,000.00	(20,706.83)	30.98%
Miscellaneous Income		83.33	(83.33)	0.00%	950.00	1,000.00	(50.00)	95.00%
PEG Fee	533.39	35,750.00	(35,216.61)	1.49%	-	429,000.00	(429,000.00)	0.00%
<b>Total Income</b>	<b>8,328.72</b>	<b>114,791.67</b>	<b>(106,462.95)</b>	<b>7.26%</b>	<b>70,499.25</b>	<b>1,377,500.00</b>	<b>(1,307,000.75)</b>	<b>5.12%</b>
<b>Expenses</b>								
A-PERA Expense	3,394.87	4,210.83	(815.96)	80.62%	8,418.96	50,530.00	(42,111.04)	16.66%
A-SS/Medicare Expense	3,847.60	4,295.58	(447.98)	89.57%	7,215.77	51,547.00	(44,331.23)	14.00%
A-Wages - Full-time	42,904.00	46,142.75	(3,238.75)	92.98%	81,357.04	553,713.00	(472,355.96)	14.69%
A-Wages - Part-time	8,316.00	10,000.00	(1,684.00)	83.16%	14,971.50	120,000.00	(105,028.50)	12.48%
Accounting / HR Services	70.00	1,333.33	(1,263.33)	5.25%	2,124.32	16,000.00	(13,875.68)	13.28%
Ads/Promos/Sponsorships		916.67	(916.67)	0.00%	1,100.00	11,000.00	(9,900.00)	10.00%
Andover Capital Equipment		1,083.33	(1,083.33)	0.00%	-	13,000.00	(13,000.00)	0.00%
Announcers Fees	828.06	1,083.33	(255.27)	76.44%	1,848.06	13,000.00	(11,151.94)	14.22%
Anoka Capital Equipment	222.00	1,083.33	(861.33)	20.49%	444.00	13,000.00	(12,556.00)	3.42%
Audit		1,375.00	(1,375.00)	0.00%	2,201.00	16,500.00	(14,299.00)	13.34%
Bank Fees / CC Fees		20.83	(20.83)	0.00%	-	250.00	(250.00)	0.00%
Brand Apparel		208.33	(208.33)	0.00%	-	2,500.00	(2,500.00)	0.00%
Building - Cleaning	546.36	583.33	(36.97)	93.66%	1,076.81	7,000.00	(5,923.19)	15.38%
Building - Insurance		316.67	(316.67)	0.00%	2,337.00	3,800.00	(1,463.00)	61.50%
Building - Maintenance	2,042.27	1,458.33	583.94	140.04%	2,042.27	17,500.00	(15,457.73)	11.67%
Building - Supplies	47.39	125.00	(77.61)	37.91%	94.78	1,500.00	(1,405.22)	6.32%
Car Allowance	250.00	250.00	-	100.00%	500.00	3,000.00	(2,500.00)	16.67%
Cell Phone - Allowance	525.00	525.00	-	100.00%	1,050.00	6,300.00	(5,250.00)	16.67%
Champlin Capital Equipment	84.90	1,083.33	(998.43)	7.84%	169.80	13,000.00	(12,830.20)	1.31%
City Sewer & Water		216.67	(216.67)	0.00%	104.43	2,600.00	(2,495.57)	4.02%
Commission Expense	20.00	416.67	(396.67)	4.80%	230.00	5,000.00	(4,770.00)	4.60%

**Quad Cities Communications Commission**  
**Budget vs. Actuals: FY 2020 - FY20 P&L**  
 January - December 2020

	Feb 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Consulting Services	1,380.00	6,250.00	(4,870.00)	22.08%	1,380.00	75,000.00	(73,620.00)	1.84%
Contingency Fund		2,891.17	(2,891.17)	0.00%	-	34,694.00	(34,694.00)	0.00%
Duplication Expenses		41.67	(41.67)	0.00%	-	500.00	(500.00)	0.00%
Electric Service		1,333.33	(1,333.33)	0.00%	1,034.84	16,000.00	(14,965.16)	6.47%
Emp / Comm Appreciation		208.33	(208.33)	0.00%	667.92	2,500.00	(1,832.08)	26.72%
Equip/Repair/Supply/Software	1,899.32	2,500.00	(600.68)	75.97%	2,757.68	30,000.00	(27,242.32)	9.19%
Federal Unempl Expense		70.83	(70.83)	0.00%	-	850.00	(850.00)	0.00%
Health Insurance	7,651.48	8,413.67	(762.19)	90.94%	14,929.69	100,964.00	(86,034.31)	14.79%
Insurance - Deductibles		41.67	(41.67)	0.00%	-	500.00	(500.00)	0.00%
Insurance - Liability / Bonds		441.67	(441.67)	0.00%	3,354.00	5,300.00	(1,946.00)	63.28%
Lawn Service		416.67	(416.67)	0.00%	-	5,000.00	(5,000.00)	0.00%
Legal Fees	358.75	2,083.33	(1,724.58)	17.22%	358.75	25,000.00	(24,641.25)	1.44%
Licenses and Permits	200.00	250.00	(50.00)	80.00%	200.00	3,000.00	(2,800.00)	6.67%
Meals	35.73	83.33	(47.60)	42.88%	35.73	1,000.00	(964.27)	3.57%
Memberships - NATOA / Others	5,970.00	833.33	5,136.67	716.40%	5,970.00	10,000.00	(4,030.00)	59.70%
Mileage	212.90	750.00	(537.10)	28.39%	1,157.40	9,000.00	(7,842.60)	12.86%
Miscellaneous Expenses		83.33	(83.33)	0.00%	-	1,000.00	(1,000.00)	0.00%
Natural Gas	394.41	500.00	(105.59)	78.88%	394.41	6,000.00	(5,605.59)	6.57%
Office Supplies / Equipment	440.84	500.00	(59.16)	88.17%	464.78	6,000.00	(5,535.22)	7.75%
Parking Lot Maintenance		500.00	(500.00)	0.00%	-	6,000.00	(6,000.00)	0.00%
Payroll Expenses	127.50		127.50		127.50	-	127.50	
Payroll Expenses (ADP/HSA)	20.00	200.00	(180.00)	10.00%	147.50	2,400.00	(2,252.50)	6.15%
Postage		83.33	(83.33)	0.00%	40.20	1,000.00	(959.80)	4.02%
Printing / Copy Services		83.33	(83.33)	0.00%	-	1,000.00	(1,000.00)	0.00%
Professional Development	3,155.98	1,833.33	1,322.65	172.14%	4,408.26	22,000.00	(17,591.74)	20.04%
Publications		41.67	(41.67)	0.00%	-	500.00	(500.00)	0.00%
Ramsey Capital Equipment	131.77	1,083.33	(951.56)	12.16%	263.54	13,000.00	(12,736.46)	2.03%
Reimbursements	-		-		-	-	-	
Sales Tax		41.67	(41.67)	0.00%	63.00	500.00	(437.00)	12.60%
Secretary Services	148.00	208.33	(60.33)	71.04%	296.00	2,500.00	(2,204.00)	11.84%
Snow Plowing Service	500.00	500.00	-	100.00%	1,715.00	6,000.00	(4,285.00)	28.58%

**Quad Cities Communications Commission**  
**Budget vs. Actuals: FY 2020 - FY20 P&L**  
 January - December 2020

	Feb 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
State Unemploy Exp		208.33	(208.33)	0.00%	-	2,500.00	(2,500.00)	0.00%
STD / LTD / Life Insurance	600.13	583.33	16.80	102.88%	1,221.94	7,000.00	(5,778.06)	17.46%
Studio Sets		2,500.00	(2,500.00)	0.00%	-	30,000.00	(30,000.00)	0.00%
Subscription Services	11,454.55	1,833.33	9,621.22	624.79%	11,554.54	22,000.00	(10,445.46)	52.52%
Temp Staff Services		208.33	(208.33)	0.00%	-	2,500.00	(2,500.00)	0.00%
Vehicle - Equipment / Repair	53.55	1,250.00	(1,196.45)	4.28%	275.35	15,000.00	(14,724.65)	1.84%
Vehicle - Insurance		166.67	(166.67)	0.00%	848.00	2,000.00	(1,152.00)	42.40%
Vehicle - Maintenance / Gas	103.43	666.67	(563.24)	15.51%	236.17	8,000.00	(7,763.83)	2.95%
Waste Removal	123.85	125.00	(1.15)	99.08%	247.70	1,500.00	(1,252.30)	16.51%
Web / VOD / Int / CaTV / Phone	1,187.12	1,833.33	(646.21)	64.75%	2,224.74	22,000.00	(19,775.26)	10.11%
Work Comp Insurance		166.67	(166.67)	0.00%	-	2,000.00	(2,000.00)	0.00%
<b>Total Expenses</b>	<b>99,247.76</b>	<b>118,537.29</b>	<b>(19,289.53)</b>	<b>83.73%</b>	<b>183,660.38</b>	<b>1,422,448.00</b>	<b>(1,238,787.62)</b>	<b>12.91%</b>
<b>Net Income</b>	<b>\$ (90,919.04)</b>	<b>\$ (3,745.62)</b>	<b>\$ (87,173.42)</b>	<b>2427.34%</b>	<b>\$ (113,161.13)</b>	<b>\$ (44,948.00)</b>	<b>\$ (68,213.13)</b>	<b>251.76%</b>

ZCIP - Andover  
 ZCIP - Anoka  
 ZCIP - Ramsey

\$ 40,000.00  
 40,000.00  
 40,000.00  
\$ 120,000.00

## QCTV Bank Reconciliation

*February 2020*

Beginning Balance - 4M Statement	1,754,099.53
Less: Cleared Checks/Withdrawals	(166,864.71)
Plus: 4M Fund Interest	4,225.41
Plus: Bank Deposits/Credits	1,422.37
<b>Bank Balance</b>	<b>\$1,592,882.60</b>
Book Balance	1,592,882.60
<b>Adjusted Book Balance</b>	<b>1,592,882.60</b>
<b>Difference:</b>	<b>\$0.00</b>

Completed by:     MK

# Quad Cities Communications Commission

## BILL PAYMENT LIST

February 2020

DATE	NUM	VENDOR	AMOUNT
Quad Cities Commission			
02/07/2020	13102	ACE Solid Waste, Inc.	-123.85
02/07/2020	13103	Anoka Area Chamber of Commerce	-1,100.00
02/07/2020	13104	AT&T Mobility	-114.69
02/07/2020	13105	City of Roseville	-600.60
02/07/2020	13106	Gerald S. Thomson	-420.00
02/07/2020	13107	Greenery Enterprises, Inc.	-290.00
02/07/2020	13108	Holiday Station	-132.74
02/07/2020	13109	Ian R. Cobb	-1,000.00
02/07/2020	13110	James Childs	-180.00
02/07/2020	13111	James R. Erickson	-240.00
02/07/2020	13112	LiveU Inc.	-104.16
02/07/2020	13113	Maza Technologies, LLC	-1,580.00
02/07/2020	13114	NAC Building Solutions	-1,640.00
02/07/2020	13115	Timesavers	-148.00
02/07/2020	13116	Timothy Anderson	-240.00
02/07/2020	13117	Xcel Energy	-1,034.84
02/14/2020	13118	Alliance for Community Media	-2,000.00
02/14/2020	13119	Associated Bank	-120.00
02/14/2020	13120	CenterPoint Energy	-394.41
02/14/2020	13121	City of Andover	-42,024.52
02/14/2020	13122	City of Champlin	-104.43
02/14/2020	13123	City of Ramsey	-40,000.00
02/14/2020	13124	Gerald S. Thomson	-300.00
02/14/2020	13125	HealthEquity Inc.	-376.54
02/14/2020	13126	Joe G. Ruhland	-180.00
02/14/2020	13127	Minnesota Association of Community Telecommunications Administrators	-1,840.00
02/14/2020	13128	NATOA	-3,245.00
02/14/2020	13129	Peter James Hayes	-120.00
02/14/2020	13130	TransAlarm, Inc	-402.27
02/14/2020	13131	U.S. Bank Corporate	-2,820.93
02/14/2020	13132	Vividly Clean Inc.	-546.36
02/14/2020	W D	Minnesota State Retirement System	-526.78
02/14/2020	W D	PERA	-3,211.42
02/27/2020	13133	Abacus Plus Services, Inc.	-188.50
02/27/2020	13134	Amazon	-646.95
02/27/2020	13135	Anoka Area Chamber of Commerce	-20.00
02/27/2020	13136	BizzyWeb, LLC	-149.50
02/27/2020	13137	CDW Direct	-11,005.56
02/27/2020	13138	Comcast 2	-471.63
02/27/2020	13139	Comcast Cable	-859.24
02/27/2020	13140	Greenery Enterprises, Inc.	-500.00
02/27/2020	13141	HealthEquity Inc.	-23.70
02/27/2020	13142	Huebsch	-47.39

DATE	NUM	VENDOR	AMOUNT
02/27/2020	13143	Kennedy & Graven, Chartered	-358.75
02/27/2020	13144	NATOA	-750.00
02/27/2020	13145	Office Depot	-95.69
02/27/2020	13146	Preferred One Insurance Co.	-8,084.12
02/27/2020	13147	Redpath and Company	-2,201.00
02/27/2020	13148	Sprint	-22.99
02/27/2020	13149	The Lincoln National Life Ins. Co.	-600.13
02/27/2020	13150	Timesavers	-148.00
02/28/2020	13151	Associated Bank	-120.00
02/28/2020	13152	HealthEquity Inc.	-376.54
02/28/2020	W D	Minnesota State Retirement System	-512.90
02/28/2020	W D	PERA	-3,125.65
<b>Total for Quad Cities Commission</b>			<b>\$ -137,469.78</b>

**Quad Cities Communications Commission**  
**Balance Sheet Summary**  
As of March 31, 2020

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts - QCTV</b>	1,456,363.88
- PayPay acct	427.90
- US Bank Reserve	5,000.00
- Petty Cash	250.00
- Investments	1,342,028.29
<b>Accounts Receivable</b>	0.00
<b>Other current assets</b>	0.00
<b>Total Current Assets</b>	<b>\$ 2,804,070.07</b>
<b>Fixed Assets</b>	0.00
<b>TOTAL ASSETS</b>	<b>\$ 2,804,070.07</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	13,491.70
<b>Other Current Liabilities</b>	216.55
<b>Total Current Liabilities</b>	<b>\$ 13,708.25</b>
<b>Equity</b>	2,790,361.82
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 2,804,070.07 *</b>

\* Equity: QCTV allocates fund reserves in two areas:

Operating Reserves = \$436,808

Capital Reserves = \$2,367,262.07 (\$3.4 M needed for 5-Year CIP)

**Quad Cities Communications Commission**  
**Budget vs. Actuals: FY 2020 - FY20 P&L**  
 January - December 2020

	Mar 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
<b>Income</b>								
Duplication Revenue	\$ 184.75	\$ 41.67	\$ 143.08	443.36%	\$ 324.81	\$ 500.00	\$ (175.19)	64.96%
Equipment Grant		4,916.67	(4,916.67)	0.00%	60,116.02	59,000.00	1,116.02	101.89%
Franchise Fees		71,500.00	(71,500.00)	0.00%	0.00	858,000.00	(858,000.00)	0.00%
Interest Income	2,150.18	2,500.00	(349.82)	86.01%	11,443.35	30,000.00	(18,556.65)	38.14%
Miscellaneous Income		83.33	(83.33)	0.00%	950.00	1,000.00	(50.00)	95.00%
PEG Fee		35,750.00	(35,750.00)	0.00%	0.00	429,000.00	(429,000.00)	0.00%
<b>Total Income</b>	<b>2,334.93</b>	<b>114,791.67</b>	<b>(112,456.74)</b>	<b>2.03%</b>	<b>72,834.18</b>	<b>1,377,500.00</b>	<b>(1,304,665.82)</b>	<b>5.29%</b>
<b>Expenses</b>								
A-PERA Expense	3,392.04	4,210.83	(818.79)	80.56%	11,811.00	50,530.00	(38,719.00)	23.37%
A-SS/Medicare Expense	3,544.70	4,295.58	(750.88)	82.52%	10,760.47	51,547.00	(40,786.53)	20.88%
A-Wages - Full-time	42,904.00	46,142.75	(3,238.75)	92.98%	124,261.04	553,713.00	(429,451.96)	22.44%
A-Wages - Part-time	4,356.00	10,000.00	(5,644.00)	43.56%	19,327.50	120,000.00	(100,672.50)	16.11%
Accounting / HR Services	1,778.92	1,333.33	445.59	133.42%	3,903.24	16,000.00	(12,096.76)	24.40%
Ads/Promos/Sponsorships	600.00	916.67	(316.67)	65.45%	1,700.00	11,000.00	(9,300.00)	15.45%
Andover Capital Equipment		1,083.33	(1,083.33)	0.00%	0.00	13,000.00	(13,000.00)	0.00%
Announcers Fees	1,035.00	1,083.33	(48.33)	95.54%	2,883.06	13,000.00	(10,116.94)	22.18%
Anoka Capital Equipment	459.16	1,083.33	(624.17)	42.38%	903.16	13,000.00	(12,096.84)	6.95%
Audit		1,375.00	(1,375.00)	0.00%	2,201.00	16,500.00	(14,299.00)	13.34%
Bank Fees / CC Fees		20.83	(20.83)	0.00%	0.00	250.00	(250.00)	0.00%
Brand Apparel		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
Building - Cleaning	546.36	583.33	(36.97)	93.66%	1,623.17	7,000.00	(5,376.83)	23.19%
Building - Insurance		316.67	(316.67)	0.00%	2,337.00	3,800.00	(1,463.00)	61.50%
Building - Maintenance		1,458.33	(1,458.33)	0.00%	2,042.27	17,500.00	(15,457.73)	11.67%
Building - Supplies		125.00	(125.00)	0.00%	94.78	1,500.00	(1,405.22)	6.32%
Car Allowance	250.00	250.00	0.00	100.00%	750.00	3,000.00	(2,250.00)	25.00%
Cell Phone - Allowance	525.00	525.00	0.00	100.00%	1,575.00	6,300.00	(4,725.00)	25.00%
Champlin Capital Equipment	169.80	1,083.33	(913.53)	15.67%	339.60	13,000.00	(12,660.40)	2.61%
City Sewer & Water	110.84	216.67	(105.83)	51.16%	215.27	2,600.00	(2,384.73)	8.28%
Commission Expense		416.67	(416.67)	0.00%	230.00	5,000.00	(4,770.00)	4.60%



**Quad Cities Communications Commission**  
**Budget vs. Actuals: FY 2020 - FY20 P&L**  
**January - December 2020**

	Mar 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Consulting Services	1,380.00	6,250.00	(4,870.00)	22.08%	2,760.00	75,000.00	(72,240.00)	3.68%
Contingency Fund		2,891.17	(2,891.17)	0.00%	0.00	34,694.00	(34,694.00)	0.00%
COVID-19	3,305.61		3,305.61		3,305.61	0.00	3,305.61	
Duplication Expenses		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Electric Service	2,007.20	1,333.33	673.87	150.54%	3,042.04	16,000.00	(12,957.96)	19.01%
Emp / Comm Appreciation		208.33	(208.33)	0.00%	667.92	2,500.00	(1,832.08)	26.72%
Equip/Repair/Supply/Software	497.11	2,500.00	(2,002.89)	19.88%	3,358.95	30,000.00	(26,641.05)	11.20%
Federal Unempl Expense		70.83	(70.83)	0.00%	0.00	850.00	(850.00)	0.00%
Health Insurance	(432.64)	8,413.67	(8,846.31)	-5.14%	14,497.05	100,964.00	(86,466.95)	14.36%
Insurance - Deductibles		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Insurance - Liability / Bonds		441.67	(441.67)	0.00%	3,354.00	5,300.00	(1,946.00)	63.28%
Lawn Service		416.67	(416.67)	0.00%	0.00	5,000.00	(5,000.00)	0.00%
Legal Fees	975.75	2,083.33	(1,107.58)	46.84%	1,334.50	25,000.00	(23,665.50)	5.34%
Licenses and Permits		250.00	(250.00)	0.00%	200.00	3,000.00	(2,800.00)	6.67%
Meals	196.00	83.33	112.67	235.21%	231.73	1,000.00	(768.27)	23.17%
Memberships - NATOA / Others		833.33	(833.33)	0.00%	5,970.00	10,000.00	(4,030.00)	59.70%
Mileage	878.53	750.00	128.53	117.14%	2,035.93	9,000.00	(6,964.07)	22.62%
Miscellaneous Expenses		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Natural Gas	389.64	500.00	(110.36)	77.93%	784.05	6,000.00	(5,215.95)	13.07%
Office Supplies / Equipment	109.21	500.00	(390.79)	21.84%	573.99	6,000.00	(5,426.01)	9.57%
Parking Lot Maintenance		500.00	(500.00)	0.00%	0.00	6,000.00	(6,000.00)	0.00%
Payroll Expenses	125.00		125.00		252.50	0.00	252.50	
Payroll Expenses (ADP/HSA)		200.00	(200.00)	0.00%	147.50	2,400.00	(2,252.50)	6.15%
Postage	38.00	83.33	(45.33)	45.60%	78.20	1,000.00	(921.80)	7.82%
Printing / Copy Services		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Professional Development	313.80	1,833.33	(1,519.53)	17.12%	4,722.06	22,000.00	(17,277.94)	21.46%
Publications		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Ramsey Capital Equipment	264.14	1,083.33	(819.19)	24.38%	527.68	13,000.00	(12,472.32)	4.06%
Sales Tax		41.67	(41.67)	0.00%	63.00	500.00	(437.00)	12.60%
Secretary Services	148.00	208.33	(60.33)	71.04%	444.00	2,500.00	(2,056.00)	17.76%

**Quad Cities Communications Commission**  
**Budget vs. Actuals: FY 2020 - FY20 P&L**  
 January - December 2020

	Mar 2020				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Snow Plowing Service		500.00	(500.00)	0.00%	1,715.00	6,000.00	(4,285.00)	28.58%
State Unemploy Exp		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
STD / LTD / Life Insurance	600.13	583.33	16.80	102.88%	1,822.07	7,000.00	(5,177.93)	26.03%
Studio Sets		2,500.00	(2,500.00)	0.00%	0.00	30,000.00	(30,000.00)	0.00%
Subscription Services	2,349.99	1,833.33	516.66	128.18%	13,904.53	22,000.00	(8,095.47)	63.20%
Temp Staff Services		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
Vehicle - Equipment / Repair	526.57	1,250.00	(723.43)	42.13%	801.92	15,000.00	(14,198.08)	5.35%
Vehicle - Insurance		166.67	(166.67)	0.00%	848.00	2,000.00	(1,152.00)	42.40%
Vehicle - Maintenance / Gas	283.25	666.67	(383.42)	42.49%	519.42	8,000.00	(7,480.58)	6.49%
Waste Removal	173.85	125.00	48.85	139.08%	421.55	1,500.00	(1,078.45)	28.10%
Web / VOD / Int / CaTV / Phone	1,378.14	1,833.33	(455.19)	75.17%	3,602.88	22,000.00	(18,397.12)	16.38%
Work Comp Insurance		166.67	(166.67)	0.00%	0.00	2,000.00	(2,000.00)	0.00%
<b>Net Operating Income</b>	<b>(72,844.17)</b>	<b>(3,745.62)</b>	<b>(69,098.55)</b>	<b>1944.78%</b>	<b>(186,109.46)</b>	<b>(44,948.00)</b>	<b>(141,161.46)</b>	<b>414.06%</b>
<b>Net Income</b>	<b>\$ (72,844.17)</b>	<b>\$ (3,745.62)</b>	<b>\$ (69,098.55)</b>	<b>1944.78%</b>	<b>\$ (186,109.46)</b>	<b>\$ (44,948.00)</b>	<b>\$ (141,161.46)</b>	<b>414.06%</b>
ZCIP - Andover					40,000.00			
ZCIP - Anoka					40,000.00			
ZCIP - Office Equipment					10,688.00			
ZCIP - Ramsey					40,000.00			
					<u>\$ 130,688.00</u>			

## QCTV Bank Reconciliation *March 2020*

Beginning Balance - 4M Statement	1,592,882.60
Less: Cleared Checks/Withdrawals	(137,510.69)
Plus: 4M Fund Interest	1,317.26
Plus: Bank Deposits/Credits	291.25
<b>Bank Balance</b>	<b>\$1,456,980.42</b>
Book Balance	1,456,980.42
<b>Adjusted Book Balance</b>	<b>1,456,980.42</b>
<b>Difference:</b>	<b>\$0.00</b>

Completed by:     MK

# Quad Cities Communications Commission

## BILL PAYMENT LIST

March 2020

DATE	NUM	VENDOR	AMOUNT
<b>Quad Cities Commission</b>			
03/09/2020	13153	ACE Solid Waste, Inc.	-123.85
03/09/2020	13154	City of Anoka	-40,000.00
03/09/2020	13155	Holiday Station	-102.48
03/09/2020	13156	Huebsch	-47.39
03/09/2020	13157	James R. Erickson	-120.00
03/09/2020	13158	Jason Dorow	-180.00
03/09/2020	13159	Joe G. Ruhland	-348.06
03/09/2020	13160	Maza Technologies, LLC	-1,580.00
03/09/2020	13161	T-Mobile	-30.56
03/13/2020	13162	Associated Bank	-120.00
03/13/2020	13163	HealthEquity Inc.	-376.54
03/13/2020	W D	Minnesota State Retirement System	-522.15
03/13/2020	W D	PERA	-3,207.35
03/19/2020	13164	AT&T Mobility	-114.69
03/19/2020	13165	CenterPoint Energy	-389.64
03/19/2020	13166	City of Andover	-1,062.67
03/19/2020	13167	City of Champlin	-110.84
03/19/2020	13168	Comcast 2	-471.63
03/19/2020	13169	Gerald S. Thomson	-120.00
03/19/2020	13170	HealthEquity Inc.	-23.70
03/19/2020	13171	Peter James Hayes	-255.00
03/19/2020	13172	Timothy Anderson	-180.00
03/19/2020	13173	U.S. Bank Corporate	-2,419.90
03/19/2020	13174	Verus Corporation	-1,750.00
03/19/2020	13175	Vividly Clean Inc.	-546.36
03/19/2020	13176	Xcel Energy	-1,047.94
03/27/2020	13177	Associated Bank	-120.00
03/27/2020	13178	HealthEquity Inc.	-376.54
03/27/2020	W D	Minnesota State Retirement System	-512.90
03/27/2020	W D	PERA	-3,124.44
<b>Total for Quad Cities Commission</b>			<b>\$ -59,384.63</b>

## INVESTMENT SCHEDULE

3/31/2020

Description	Cusip Number	Purchase Price	Carrying Cost	Maturity Amount	Interest Rate	Interest Paid	Maturity / Due Date
Investments - Cash Flow Reserves							
4M Fund			-				
4M Plus			454,269.47		1.270%		
			<u>454,269.47</u>				
Investments - Building							
4M Fund			263,176.93		1.150%		
			<u>263,176.93</u>				
Investments - Capital							
4M Fund			76,581.89		1.150%		
CD - Corporate One Federal Credit Union		148,000.00	148,000.00	154,114.21	2.747%		8/17/2020
CD - Bank of China		200,000.00	200,000.00	204,077.65	2.028%		8/31/2020
CD - Preferred Bank	2546723D8	200,000.00	200,000.00	202,910.92	1.459%		3/2/2021
			<u>624,581.89</u>				
			<u>1,342,028.29</u>				

4.3 Executive Director's Report

May 11, 2020

To: Commissioners

From: Karen George, Executive Director

Subject: Executive Director's Report

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**2019 Audit**

Redpath and Company completed the audit and it is on the May agenda for presentation and acceptance. Redpath representative Andy Hering will make a presentation to the Commission.

**COVID-19 Expenditures**

At the March 19 meeting, the commission adopted temporary policy and operational guidelines. This included authorization to spend up to \$50,000 on COVID-19 outside of the operational and capital budget approval process by the Executive Director in consultation with commission chair and treasurer. Purchases have included FirstNet iPads and nighthawks, a laptop, a printer, LiveU Smart devices, and a few miscellaneous low cost items. We have also incurred charges for upgraded software services such as LogMeIn, VPN, Zoom, etc. Total Equipment expenditures so far are \$35,700. Ongoing operational expenses including unemployment, legal service, cleaning, supplies is currently \$3,288.94. The treasurer recommends the commission, in accepting this report, authorizes these expenditures and provides for approval of the budget amendment for these expenditures.

**Strategic Planning**

Staff has moved quickly into implementing the Social Media First strategy with the COVID-19 Response. This has been our focus and now that we are learning to live and work with the virus, we will re-engage with other elements of the plan.

**Programming Review**

The Programming Review scheduled for the work session in March, was canceled due to COVID-19. Staff continues to implement the Strategic Plan shifting video production to shorter, social media first videos for deployment. Staff has been diligently working on reviewing current programming, crafting a pilot program proposal for News & Views replacement, and new set considerations. The new show, The Post, will debut in mid-June. The set construction has been delayed due to COVID-19 and will be revisited in the future.

**City CIP Payments- 2020**

The member city CIP payments of \$40,000 each were processed. To date, three cities have submitted signed requests and the payments have been sent. Awaiting one city request paperwork.

### **City CIP Target for 2021**

The Budget Committee met and is recommending staff allocate \$20,000 per member city CIP payable in January 2021. This is based on declining revenue and COVID-19 expected impact. The Budget Committee will review again in the fall to determine if additional funds can be added.

### **Franchise Fee Audit of Comcast**

Ashpaugh & Sculco, CPAs (A&S) are making progress on the audit of Comcast fees. In consultation with A&S and the impact of COVID-19 on data gathering with Comcast, I have executed a toll agreement requested by Comcast. A&S and Comcast have agreed that delay in production of the audit documents will not prejudice the Commission and its member cities' rights to pursue remedies in the event the audit reveals underpayments; and Commission wishes to memorialize the understanding between A&S and Comcast, and agree to forbear franchise violation notices or litigation, and toll the statute of limitations or other timeliness defenses for a limited period of time. As a result, expected timeline for completion is late fall.

### **CenturyLink Prism Exit**

CenturyLink has provided notice of their intent to shut down Prism TV service. The company's exit strategy is based on other franchises in the Twin Cities market ending December 2020 or January 2021. The Quad Cities Cable Communications Commission franchise is for 10 years. Legal Counsel Vose has been in contact with company representatives and Commission Chair Ulrich has been informed of communication.

### **E.D. Performance Review**

In process. Commissioner appraisal reports have been received. No new update.

### **COVID-19 Plan**

QCTV is monitoring the situation and has a response plan in place. Monthly updates have been provided to commissioners via email.

### **Programming Pivot with Pandemic**

QCTV was quick to pivot programming with the cancellation of standard events, the staple of community programming. Staff crafted an outreach plan to convert event coverage into virtual event programming. Notable are Youth First Mayors' Prayer Breakfast, The Relief Sessions (weekly live music), Library Story Time, North Artists Virtual Studio Art Crawl, Northern Starz Theater Fundraiser, Rum River Art Center virtual services. Addendum to this report are the viewership statistics for The Relief Sessions.

Governor's Pandemic Briefings; As of Sunday, April 5, the video briefings and state addresses are now carried live by QCTV on channel and online. This feed is also shared with other community cable tv stations in the metro.

A major undertaking is working with local schools for virtual graduation and scholarship events. Staff is working closely with Anoka-Hennepin School District for virtual graduation programming for Andover, Anoka, and Champlin Park High Schools.

### **2020 Election**

There are 30 candidate forums planned for the late summer and early fall election cycle. The LWV is requesting virtual forums and staff are working to accommodate that request. QCTV also has protocols in place for studio shoots for those organization planning to do a traditional candidate forum. Production staff is working with Gretchen Sabel on a show called "How to Conduct an Election in a Time of Pandemic".

### **Lexica Communications Contract**

The commission authorized Phase I of the communication review. Contractor Tami Wendt of Lexica Communications has begun work on the project.

### **NATOA**

There are numerous regulatory, court, legislative and market changes occurring in the industry and NATOA is the leader in addressing these changes on behalf of local jurisdictions. Continued monitoring of the FCC 621 Order (franchise fee offset). See attached updates.

### **Customer Comments**

#### **The Relief Sessions**

Hi Karen,

I saw in the ACM newsletter that you are doing concerts for musicians and have been raising money for them as well. That is fantastic. What a great idea. Good job to you and your team.

*Bonnie Schumacher, Associate Director, Saint Paul Neighborhood Network*

You guys are really amazing....

I love all you do. Big up and maintain the pace!!!!!!!!!!

*Henry Wakabinga, viewer*

#### **ABC Newspapers Coverage of The Relief Sessions**

[https://www.hometownsource.com/abc\\_newspapers/free/the-relief-sessions-concert-series-brings-aid-to-music-community/article\\_8f7c22fc-7866-11ea-96e3-b7492d46f989.html](https://www.hometownsource.com/abc_newspapers/free/the-relief-sessions-concert-series-brings-aid-to-music-community/article_8f7c22fc-7866-11ea-96e3-b7492d46f989.html)

#### **100<sup>th</sup> Birthday Celebration**

Thank you for participating in the 100th birthday parade for Lauraine Blaska this afternoon! Whether you lead the parade or brought up the rear; whether you wrote the proclamation that declared today Lauraine Blaska Day in Anoka, signed it, or presented it on behalf of the city; whether you sent cars or trucks, or came yourself; whether you videotaped a special interview or took pictures; please know that your participation created a very special event that will never be forgotten! Thank you for helping us celebrate this day!

*Pat Schommer, viewer*



### Facebook Recommendation



### School District Collaboration

Karen and Katherine,

I was happy to read in the packet about your efforts to work with the school district on their Digital Media Production class and starting to integrate our organization with students. It is important for not only future staff recruitment but also that they know who is behind that truck at the football games or at graduation.

Keep up the good work!

*Erik Skogquist, Anoka City Council member*

### **Action Requested:**

Accept Executive Director's report including the approval of COVID-19 expenditures and the budget amendments.

## Addendum

### Statistics on The Relief Sessions:

#### **Saturday March 28<sup>th</sup>** - Episode 1.

Web site: 1,622 pageviews; 1,227 unique visitors. (Some of the viewers loaded the page more than once.) Average time on page was 6 minutes and 29 seconds.

Facebook: Post reached 6,100 people. 1,700 people clicked on it and 414 reacted, commented or shared it. Peak live viewership was 109 people during GB Leighton's performance.

#### **Saturday April 4<sup>th</sup>** - Episode 2.

Web site: 610 pageviews; 439 unique visitors. (Some of the viewers loaded the page more than once.) Average time on the page was 7 minutes and 5 seconds.

Facebook: Post reached 2,800 people. 744 people clicked on it and 308 reacted, commented or shared it. Peak live viewership was 37 at the beginning of the program.

#### **Saturday April 11<sup>th</sup>** - Episode 3.

Website: 296 pageviews; 209 unique visitors. (Some of the viewers loaded the page more than once.) Average time on page was 4 minutes and 58 seconds.

Facebook: Post reached 1,907 people. 279 people clicked on it and 76 reacted, commented or shared it. Peak live viewership was 26 people during PK Mayo's performance.

#### **Wednesday April 15<sup>th</sup>** – Episode 4.

Website: 334 pageviews; 240 unique visitors. (Some of the viewers loaded the page more than once.) Average time on the page was 5 minutes and 41 seconds.

Facebook: Post reached 1,472 people. 206 people clicked on it and 129 reacted, commented or shared it. Peak live viewership was 26 people during Cole Allen & Sena Ehrhardt's performance.

#### **Wednesday April 22<sup>nd</sup>** – Episode 5.

Website: 333 pageviews; 270 unique visitors. (Some of the viewers loaded the page more than once.) Average time on the page was 3 minutes and 44 seconds.

Facebook: Post reached 1,765 people. 289 people clicked on it and 72 reacted, commented or shared it. Peak live viewership was 22 people during Johnnie Brown's performance

#### **Wednesday April 29<sup>th</sup>** – Episode 6.

Website: 587 pageviews; 417 unique visitors. (Some of the viewers loaded the page more than once.) Average time on the page was 4 minutes and 54 seconds.

Facebook: Post reached 992 people. 389 people clicked on it and 164 reacted, commented or shared it. Peak live viewership was 25 people during Josh Alfaro's performance

NATOA Legislative and Regulatory Update  
Congress

- **Streamlining Permitting to Enable Efficient Deployment of Broadband Infrastructure Act of 2020** ([H.R. 6488](#)) – Introduced on 4/14/20 by Rep. Shimkus to provide that the FCC is not required to perform any review under NEPA or NHPA, effectively reinstating the FCC’s 2018 order that the D.C. Circuit Court threw out, which exempted some SWFs from environmental and historic preservation review. No co-sponsors to date.
- **Protecting Community Television Act** ([H.R. 5659](#)) ([S. 3218](#)) – Would modify the definition of “franchise fee” in the Cable Act to effectively reverse the FCC’s interpretation of that term to allow “in-kind” deductions from cable franchise fees. Currently 35 co-sponsors in the House; 17 co-sponsors in the Senate.
- **Accelerating Broadband Development by Empowering Local Communities Act of 2019** ([H.R. 530](#)) – Bill states that the FCC’s August moratorium order and September small wireless order would have no force or effect. Introduced by Rep. Eshoo; 59 co-sponsors to date.
- **Restoring Local Control Over Public Infrastructure Act** ([S. 2012](#)) – Sen. Feinstein companion to H.R. 530. 8 co-sponsors to date.
- **State Cyber Resiliency Act** ([H.R. 2130](#)) ([S. 1065](#)) – Would provide grants to assist states in developing and implementing plans to address cybersecurity threats or vulnerabilities; portions of implementation grants would be available to local and tribal governments.
- **Connecting Communities Post-Disasters Act** ([S.2645](#)) ([H.R. 4741](#)) – Introduced by Sen. Blackburn and Rep. Olson. Provides a five year categorical exclusion for communications service providers from certain provisions of the National Environmental Policy Act of 1969 and the National Historic Preservation Act with respect to the construction, rebuilding, or hardening of communications facilities following a major disaster or an emergency declared by the President.
- **Don’t Break Up the T-Band Act** ([S. 2748](#)) ([H.R. 451](#)) – Refiled in the Senate on 10/30; repeals provision of the Middle Class Tax Relief and Job Creation Act of 2012 that requires public safety users to relocate from the T-Band spectrum by 2021.
- **Broadband Speed Act** ([H.R. 4641](#)) ([S. 3093](#)) – Requires broadband providers to annually report to the FCC broadband speeds with data to demonstrate that the provider is capable of performing at the speed reported to the Commission on Form 477; also requires any broadband infrastructure built with USF funds provide broadband service with a download speed of at least 100 mbps.
- **Community Broadband Mapping Act** ([H.R. 4642](#)) – Allows RUS grants to be provided to certain units of local government, economic development or other community organizations, and electric cooperatives to collect data on where broadband infrastructure is located and homes served.
- **STREAMLINE Act (Thune/Schatz)** ([S. 1699](#)) has been reintroduced. No additional cosponsors and no action in Senate.
- **Improving Broadband Mapping Accuracy Act** ([S. 842](#)) – Introduced by Sens. Capito, Klobuchar, Manchin and Hoeven. Directs the FCC to initiate a rulemaking to

consider using consumer-reported data and data from state, local and tribal government entities to improve broadband mapping accuracy and to consider ways coverage data can be challenged.

- **Transparency for Cable Consumers Act** ([H.R. 1555](#)) – Rep. Brendisi (D-NY) introduced bill to require cable operators that are fined by a state utility/service commission to disclose certain information on a county-wide basis, including average cable and broadband charges and broadband speeds.
- **Digital Equity Act** – ([S. 1167](#)) – Introduced by Sen. Murray (D-WA). Funds grants for digital equity planning and implementation. 17 co-sponsors to date.
- **Save the Internet Act of 2019** ([H.R. 1644](#)) ([S. 682](#)) – Would restore FCC's 2015 net neutrality rules and bar the FCC from repealing the rules again unless specifically authorized by law to do so. House passed H.R. 1644 April 10<sup>th</sup>; no action in Senate.

## FCC

- **Net Neutrality (WC Docket Nos. 17-108, 17-287, 11-42):** The FCC issued a [Public Notice](#) to address the issues remanded by the DC Circuit in the *Mozilla* decision, which includes comments on the *Restoring Internet Freedom Order's* impact on public safety, pole attachments and the Lifeline program. Comment deadlines have been extended and are now due by April 20, 2020; Reply Comments are now due by May 20, 2020.
- **ROW Fee Dispute (WC Docket No. 20-46):** [Public Notice](#) for comments on a [Petition](#) for preemption and declaratory ruling related to ROW fees imposed by several Missouri cities. Industry comments ask the FCC to declare that wireline ROW fees must be cost-based, among other things. Reply Comments were due April 7, 2020. NATOA filed [Reply Comments](#).
- **Rural Digital Opportunity Fund (WC 19-126)** established at the January 30, 2020 FCC meeting, with a two-phase reverse auction mechanism to distribute up to \$20.4 billion over ten years. The first phase is to begin later this year with up to \$16 billion for census blocks that are wholly unserved with fixed broadband at speeds of at least 25/3 Mbps where existing data shows there is no such service available. The FCC release a [Public Notice](#) with a preliminary list of census blocks and a map of areas that have been deemed initially eligible for the Rural Digital Opportunity Fund Phase I auction. There is a limited challenge process open until April 10, 2020, which can be used to challenge the inclusion of an area as eligible but cannot be used to try to get an excluded area declared eligible. The FCC also released a [Public Notice](#) seeking comment on auction procedures. Comments were due March 27, 2020, Reply Comments due by April 10, 2020.
- **Collocation Petitions (WT Docket No. 19-250; RM-11849; WC Docket No. 17-84):** WIA's [Petition for Declaratory Ruling and Petition for Rulemaking](#) and CTIA's [Petition for Declaratory Ruling](#) asking the FCC to make clarifications and changes to the 6409(a) rules regarding collocations are still pending. NATOA filed an [ex parte](#) with NLC and USCM on March 2<sup>nd</sup> challenging the use of a declaratory ruling in this proceeding. Industry has been active in this docket (see [American Tower](#), [CTIA](#), [Crown Castle](#) and [WIA](#) *ex partes* filed in January). [We need more local government participation in this docket.](#)
- **Cable Franchise Regulations/Section 621(a) Docket (MB Docket No. 05-311):** [Final Order](#) effective September 26, 2019; FCC's Media Bureau [denied](#) request

for stay filed by NATOA *et al.* Media Bureau issued a [Reconsideration Order](#) modifying the denial order per NCTA's [Petition for Clarification](#) of the denial order.

- **Keep America Connected Pledge:** Over 500 companies have taken an FCC [Pledge](#) for 60 days to (1) not terminate service to any residential or small business customers because of their inability to pay their bills due to the disruptions caused by the coronavirus pandemic; (2) waive any late fees that any residential or small business customers incur because of their economic circumstances related to the coronavirus pandemic; and (3) open its Wi-Fi hotspots to any American who needs them.
- **FCC Open Meeting is May 13, 2020** at 10:30 am Eastern. The tentative agenda is posted [here](#).

#### Courts/Challenges

- Appeals of the Third Report and Order in the cable franchise/Section 621 docket (05-311) in the 6<sup>th</sup> Circuit as requested by the FCC. Briefing to take place May 15<sup>th</sup> through October 14<sup>th</sup>; oral argument not likely until 2021.
- Appeals pending in 9<sup>th</sup> Circuit challenging the FCC's September [Declaratory Ruling and Third Report and Order](#) and the August [Moratorium Declaratory Ruling](#). Oral argument was held February 10, 2020. [Here](#) is a link to NATOA and NYC's joint intervenor brief.

#### State Franchise and Broadband Legislation Updates

- **States Wireless Bills Tracking:** 27 States and Puerto Rico have acted thus far. Bills active in Alabama, New Jersey, South Carolina, and Pennsylvania. New York did not include wireless provisions in budget bill.
- **State Net Neutrality Bills Tracking:** WA, OR, VT, CA, CO and ME have passed legislation; 6 states have executive orders requiring ISPs that do business with the state to follow NN principles.

# Legislative Report

## April 8, 2020

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### In General

This has been a month like none other in our life-times.

### Timeline

February 27 Minnesota Management and Budget issued the forecast which the Governor and Legislature would use as the guide to making their taxing and spending decisions for the remainder of the session. The forecast showed a small increase in the expected surplus of \$181 million dollars for a total surplus of \$1.53 billion for the FY 2020-21 biennium. [Link to February Forecast Documents](#)

The forecast summary stated:

*Minnesota's budget and economic outlook remain stable. As in November, the economic outlook is stable but a slowdown remains in the forecast. The small budgetary improvement continues into the next biennium and the structural balance is improved, but budget challenges remain.*

*IHS expects temporary and modest impacts on the US economy from COVID-19. Therefore, they do not include adjustment to the February outlook for disruptions caused by the disease.*

March 12	Three weeks later – the Legislature cancelled in-person committee hearings.
March 13	Governor Walz declared a peace time emergency.
March 15	Governor Walz closed the schools.
March 16	Governor Walz closed all bars and restaurants.
March 19	Governor Walz prohibited all elective surgeries.
March 25	Governor Walz issues “Stay at Home” order to April 14.
April 8	Governor Walz issues “Stay at Home” order to May 1.

Thus, in just under four weeks, the state government, and the population at large, went from believing that COVID-19 was something akin to the Ebola virus to understanding that this virus was something far more threatening in every possible way.

Currently, since mid-March approximately 350,000 people have filed for unemployment insurance. That represents 11.4% of labor force, and in this four week period more people than filed all last year.

The February forecast indicated that the United States GDP would grow by 2.1%; the most recent estimates indicate that it will be a negative 4.5%.

## **Legislative Action**

The legislature relatively quickly established ground rules on what items could be brought to the floor for a vote: only legislation that has been agreed to by all four caucus leaders and the Governor. Thus, the bar is very high. Additionally, rule changes were implemented in each body to allow for remote voting on the floor and in committees.

In general, the legislature is currently only considering legislation that is COVID related. However, legislative leaders have indicated that they will also consider legislation that is non-controversial that they is agreeable to all. One example of that type of legislation is an insulin bill that has been a source of friction since the 2019 session, where agreement was reached today. It will likely be voted on this coming Monday.

March 16     **First COVID Bill - \$200 million.** On the Monday, after the Governor had declared a peacetime emergency, the legislature met and passed a bill to provide \$200 million essentially or health care providers in need of support to fight COVID-19. [Link to Story on Legislation.](#) [Link to Bill Summary](#)

March 26     **Second COVID Bill - \$330 million.** After agreement by all four caucuses and the Governor, the legislature approved \$330 million for a variety of items including grants for small business loans and funding for food shelves. The largest item was an appropriation of \$200 million for the commissioner of management and budget to disperse “to state agencies as necessary to (1) protect Minnesotans from the COVID-19 outbreak, and (2) maintain state government operations throughout the duration of the peacetime emergency.” The legislation also included a number of policy changes to allow for increased flexibility for licensing issues that had specific timelines or license were to expire. [Link to Bill Summary](#)

The Legislature has met additionally to address workers compensation for first responders impacted by COVID, and are expected to act on additional non-financial issues in the coming weeks.

## **Federal Action**

On March 27, Congress passed a \$2 trillion plus relief package in what was the biggest economic rescue package in American history. For comparison, the stimulus package passed under President Obama was \$831 billion. The legislation included the following:

- \$150 billion to state and local governments. Each state receiving at least 1.25 billion
- \$58 billion to airlines
- \$10 billion to airports
- \$100 billion to hospitals
- \$500 billion in loan guarantees

Real ID Deadline – The deadline to obtain a Real ID was extended until Sept. 2021.



Local Units of Government – Of the \$150 billion appropriated to state and local governments, Minnesota is expected to receive \$2.187 billion. Of this amount \$1.8 billion goes directly to the state and \$317 million goes to Hennepin and Ramsey Counties.

MMB Commissioner Myron Frans has indicated that he expects more federal guidance for these dollars by April 14 and expects the dollars to be available by April 24. The current guidance is that these dollars can only be used for: 1) expenditure incurred as a result of COVID-19; 2) expenses that were not accounted for in the current budget; and 3) expenses that were incurred between March 1, and December 30, 2020.

Airports – Of the dollars appropriated to Airports, the Minneapolis-St. Paul Airport expects to receive approximately \$100 million. Currently, the Airport is operating at about 10% of normal passengers. All revenues are off a minimum of 90%. The attached link is to a TSA site that shows a comparison of air travelers by day from 2019 to 2010. It is stunning. [TSA 2020-2019 Comparison](#)

### **Walz Administration**

Since declaring the peacetime emergency, Governor Walz and cabinet members have had daily press conferences which generally consists of him announcing any new executive orders and projecting command and optimism, very much like the coach he was in the past. Additionally, Health Commissioner Malcolm provides grim statistics as to the virus' progress, Employment and Economic Development Commissioner discusses unemployment statistics and others providing relevant information.

The Administration has created a variety of links, which include:

[Dashboard link](#) – Department of Health link describing the virus' progress and includes PPE, medical supplies, hospital capacity, more)

[Executive Orders](#) (new EOs may take several hours to be posted following announcement)

Additionally, there has been an evolving list of industries that are exempt from the "Stay at Home" order. Meaning, employees should stay at home, but are not required to do so. This list has been updated several times. It's found here [modified list of critical sectors](#).

On Sunday, April 5, the Governor gave a very short State of the State from the Governor's Residence that essentially was an exhortation that we would get through this. He used the analogy that we were in a winter; that we had been through hard winters; but spring would come.

On Wednesday, April 8, the Governor extended the "Stay at Home" order to May 4. Here is the [Governor's press release, full text of the executive order](#).

### **Other Legislative Issues**

Bonding Bill. All legislative leaders continue to indicate that there will be a bonding bill. However, there are a variety of considerations to take into consideration. On one hand, some



– usually Democrats – argue that interest rates are really low and we should borrow to help people to work, and thus the bonding bill should be robust. On the other hand, some – usually Republicans – argue that our finances are a mess as a result of COVID and we should be very cautious about incurring debt. Most continue to believe that some sort of bonding bill will occur. However, it will occur very close to the end of the legislative session: May 18.

Tax Bill. The session started with the Governor Walz and the Democrats stating that despite projected surpluses, a tax bill was not necessary. Republican, by contrast, were pushing for a tax bill with tax reductions. While most still believe a tax bill will occur, it will likely neither contain any tax relief, nor provide local governments with any additional local government aid. All recognize that tax revenues will be significantly decreased and could be for some time.

Legislators are talking about tax provisions that may help businesses and state governments without spending state resources. Additionally, any items that do not have any fiscal impact may be considered.

In the coming weeks, changes being considered include:

- Delaying quarterly estimated payments for 2020 income tax year
- Extending February and March sales tax deadlines
- Delaying May 15 statewide business property tax and local property tax

The Legislature will continue discussing other tax issues as well, including potential conformity with provisions in the federal CARES Act.

## QCCCC Agenda Item

### 4.3.1 Operations Report

**March 31, 2020**

**To:** Karen George, Executive Director

**From:** Katherine Lenaburg, Operations Manager

**Subject: Operations Update**

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The first part of the month was business as usual. We had a play-off game Quarter Finals for Section 5AAA Boys Basketball- Champlin Park vs. Osseo. Since Champlin Park lost, that was the end of our play-off games. Spring Sports were postponed due to the Coronavirus situation.

We produced 19 live government meetings and 7 were cancelled. We adapted to the “new normal” which involved unique scenarios at our member cities. Our cities are using different platforms and we are learning how to accommodate each city and their remote meetings. We continue to work on this as it evolves each week.

We produced our regular shows: “News and Views”, “The Chamber Report” and “the Sheriff’s Show.” We also produced a show on the Annual Sheriff’s Award Ceremony.

We put into place new safety procedures for van shoots, studio shoots, remote shoots, and city meetings. For “News and Views” we offered the option of phoning in for an interview and two people did this for our show. Next month, we plan on offering our guests the option of a teleconference interview.

We developed a new channel called “COVID-19 Resources” using our Channel 19 Electronic Program Guide. We produced 54 bulletin boards with local news on what is open and what is closed, etc. We produced 19 stories on how local city halls, police departments, businesses are faring during the COVID-19 situation. We are updating on a daily basis.

We are using Facebook to showcase The COVID 19 Channel stories that feature local businesses and city government, tagging our partners.

We started a series called “Project Cheerful” with uplifting local stories.

We worked with The Anoka County Library to produce four “Storytime” programs. We produced new banners for our website, showcasing our new programs. We produced several promos including “What’s News at the Q”. We also produced two spring Slow TV’s.

QCTV teamed up with the 30-Days Foundation to assist local musicians and stagehands during the pandemic. Due to the recent shutdown of bars and concert venues, performers and stagehands are finding themselves without a paycheck, like many other people. Our first live show took place on 3/28 with six live performances as well as an interview with The 30-Days Foundation Executive Director Mick Sterling. Audience members were encouraged to donate to the 30-Days Foundation and then forwarded 100% of the donations to the performers. The first show raised \$1,675.00 for local performers and \$500.00 for stagehands. QCTV will continue to produce the show through April.

## QCCCC Agenda Item

### 4.3.1 Operations Report

**April 30, 2020**

**To:** Karen George, Executive Director

**From:** Katherine Lenaburg, Operations Manager

**Subject: Operations Update**

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April was an unprecedented month at QCTV. Our office continues to stay closed as we work from home. We still go in for studio shows and to get the mail, etc. but mostly we are teleworking. It is going well and we are busy. This has allowed us to assist our member cities to get virtual government meetings up and running. We shifted from traditional to “virtual” quickly, using platforms like Zoom to move meetings online and onto cable TV while still allowing residents to participate as much as possible. Technology Manager John Sommer has been training our producers and working with city staff to re-configure existing equipment and purchasing new and helps to test and train staff on new technology. We produced live coverage of fifteen government meetings that were mostly virtual meetings. Our member cities each do it differently and we are adapting to their individual needs. Ten meetings in April were cancelled.

We produced “News and Views” this month with some people coming to the studio and others opting to do interviews via Zoom. We also produced “The Chamber Report” with guests coming to the studio in a safe fashion. We also produced three “Storytime” shows with the Anoka County Library. We also added to our Slow TV library with five new spring shows.

We continue to produce stories for our “COVID-19 Resources” channel and website. We produced 58 bulletin boards with local news as well as 36 stories on what is happening locally. We update this daily as circumstances keep changing.

We are working with our local non-profit partners and produced live coverage of “The Mayors’ Prayer Breakfast”.

We continued with “The Relief Sessions” producing five live shows to raise money for The 30 Days Foundation to assist local musicians and stagehands during the pandemic. We produced two promos to run during the show- one on how to contribute and the other a QCTV promo.

We carried 5 of Governor Walz's press conferences as well as his State-of-the-State address.

We also carried live coverage of an Easter Good Friday service on April 10<sup>th</sup>, live from the St. Paul Cathedral.

Other procured programming includes "Your Legislators" featuring local senators. We also played back a recording of Senator Smith and Representative Craig briefing with the Minnesota Department of Employment and Small Business Association personnel. We also downloaded a show from our sister station called "Recognizing and Reducing Our Impact on Ocean Life".

We are working with our local school district to produce "Scholarship Night" for three of our high schools as well as "Virtual Graduations".

We worked with the local League of Women Voters to produce a show called "How to Conduct an Election in the time of a Pandemic". LWV ABC President Gretchen Sabel interviewed two senators via Zoom on what people can expect going forward in an election year.

**QCCCC Agenda Item**  
**4.3.2 Technology Report**

**May 11, 2020**

**To: Karen George, Executive Director**  
**From: John Sommer, Technology Manager**  
**Subject: March 2020 Technology Report**

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**Current Projects - Remote Meeting Participation:**

Met with Anoka staff and an Anoka City Council member for training and testing with a single Zoom participant at a city meeting. Training went well and results were positive. Due to travel changes, no Anoka City Council members were remote at March 16<sup>th</sup> meeting; all were present.

I connected equipment at Ramsey March 24<sup>th</sup> to allow the Ramsey City Council to hold their meeting remotely using LogMeIn. Alpha Video installed and programmed new remote equipment at the City of Ramsey the three days after the meeting. I was present at the equipment commissioning and everything went well. Ramsey held an emergency City Council Meeting March 30<sup>th</sup> using the new equipment and all members and staff attended the meeting remotely.

**COVID-19 Items:**

I prepared equipment for QCTV producers and other employees to take home. We were all able to get up and running in a remote working environment within a few days.

**Equipment Issues:**

**QCTV Equipment**

No issues to report for this period.

**City Equipment**

No issues to report for this period.

**Comcast Equipment**

No issues to report for this period.

**CenturyLink Equipment**

CenturyLink resolved the video issue for Andover SD channel 8443.

**Action Requested: None.**

**QCCCC Agenda Item**  
**4.3.2 Technology Report**

**May 11, 2020**

**To: Karen George, Executive Director**  
**From: John Sommer, Technology Manager**  
**Subject: April 2020 Technology Report**

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**Current Projects - Remote Meeting Participation:**

Anoka City Council held their April 6<sup>th</sup> City Council meeting with all Council members and one staff person meeting remotely. Some staff were present in the Council Chambers. Communication between remote attendees and physically present attendees was good. The City of Anoka has continued to have regular meetings using this hybrid of present and remote attendees.

City of Ramsey has continued to hold meetings using remote meeting equipment.

At the end of April Alpha Video installed remote meeting equipment at Champlin City Hall. That equipment is scheduled to be programmed and tested in the beginning of May. Champlin Staff hope to use the remote meeting equipment for city meetings beginning in mid-May.

**General Items:**

I deployed six new FirstNet iPads to staff. Taylor worked with AT&T to purchase them. The iPads are remotely managed and are configured without staff needing to bring the devices to the QCTV office.

**Equipment Issues:**

**QCTV Equipment**

No issues to report for this period.

**City Equipment**

No issues to report for this period.

**Comcast Equipment**

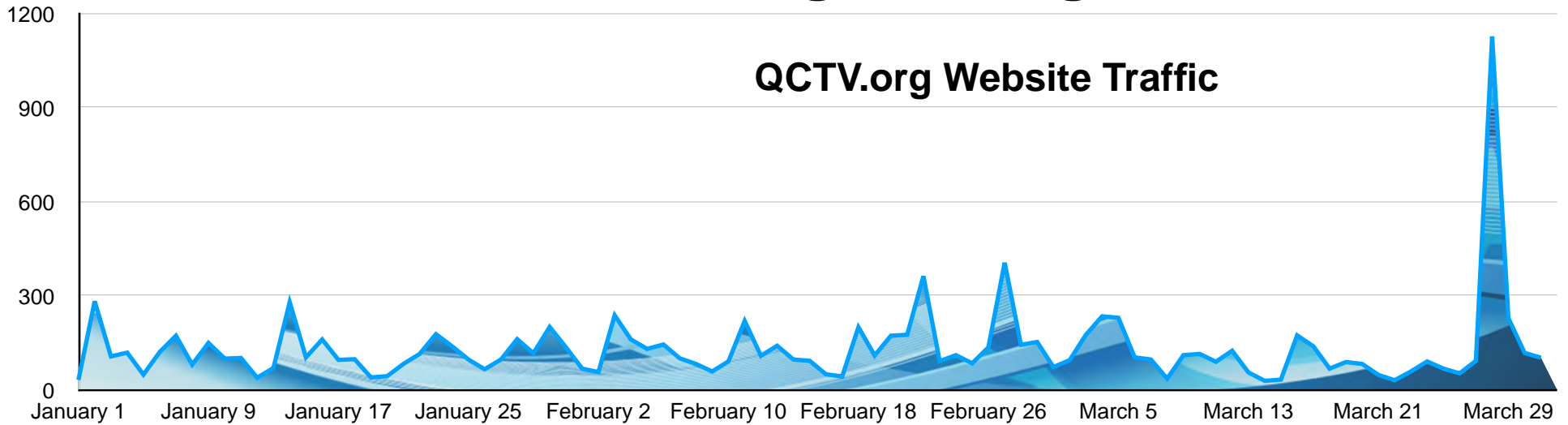
No issues to report for this period.

**CenturyLink Equipment**

No issues to report for this period.

**Action Requested: None.**

# 2020 Quarter 1 Programming Stats



## How did people find us and what page did they go to most?

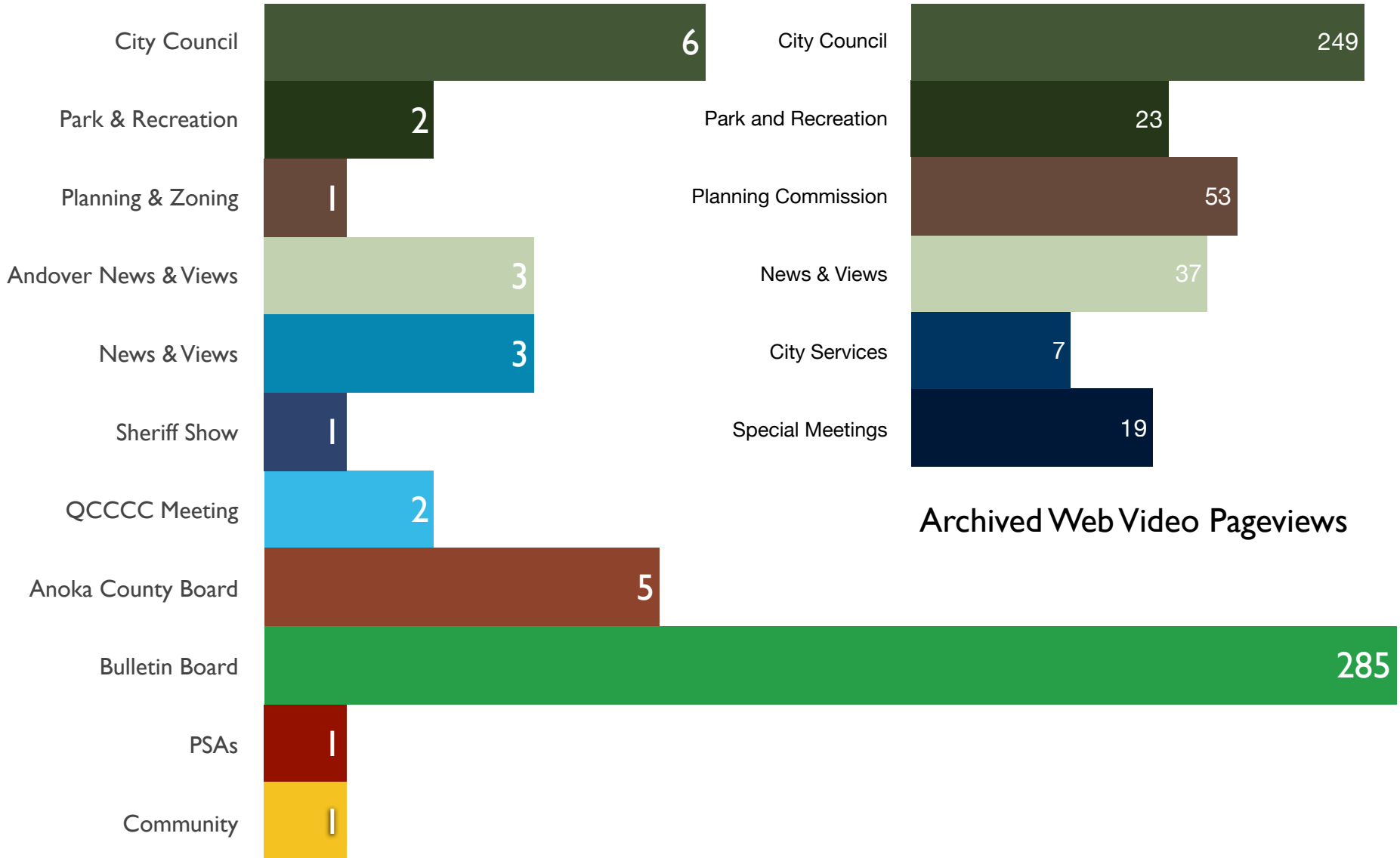
Top 10 Ways Users Find QCTV			Top 10 Pages		
1	google search	44%	1	Sports	5,625
2	Direct	37%	2	Homepage	5,601
3	From Facebook	15%	3	Live - Community Channel	2,678
4	From Twitter	1.3%	4	The Relief Sessions	1,723
5	Yahoo search	0.7%	5	Program Guide	892
6	From <a href="http://mncourts.gov">mncourts.gov</a>	0.6%	6	Anoka	873
7	Bing search	0.4%	7	Andover	703
8	From Ramsey's website	0.3%	8	Champlin	626
9	duckduckgo search	0.13%	9	Ramsey	509
10	From an email	0.05%	10	COVID-19	402







# Channel Programming Stats

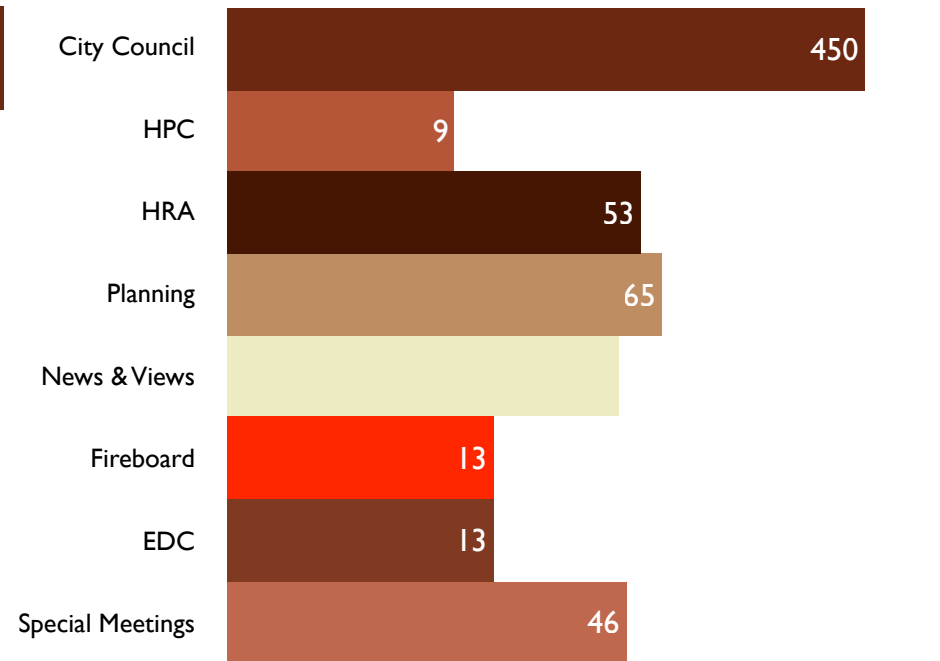
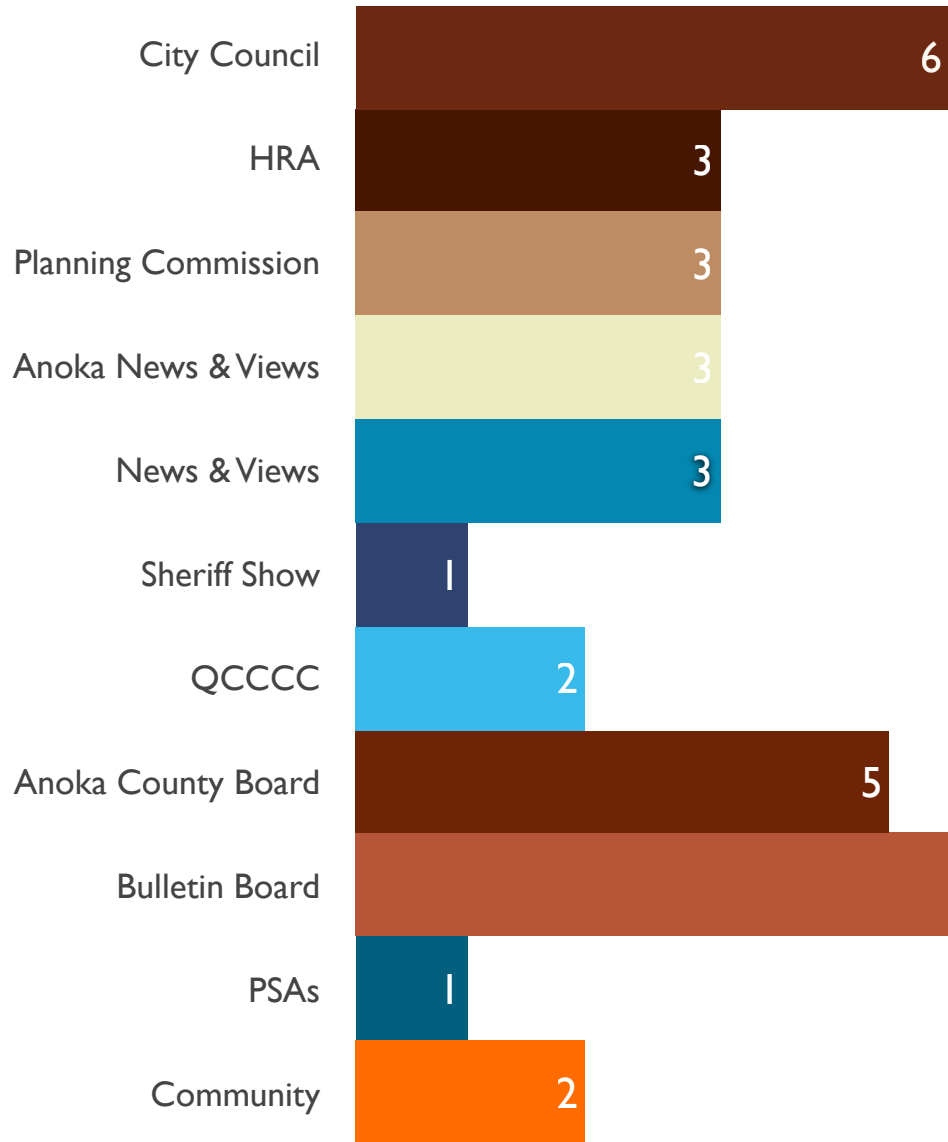


Number of New Shows - 25

2020Q1



# Channel Programming Stats



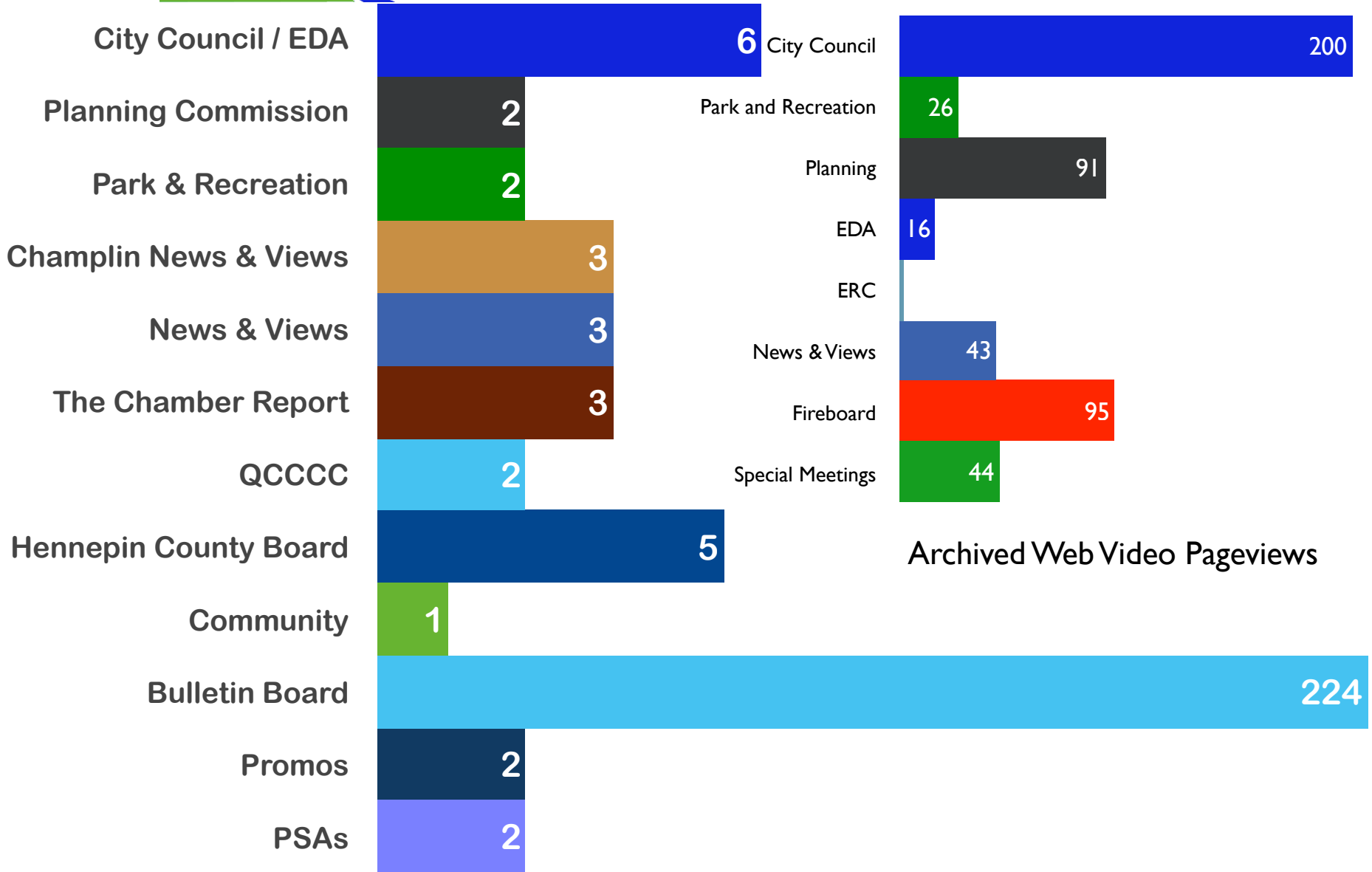
Archived Web Video Pageviews

Number of New Shows - 28

2020Q1

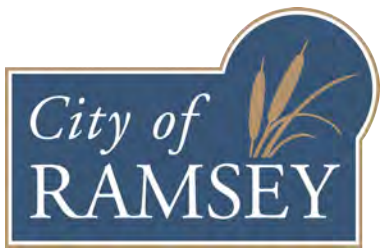


# City of Champlin Channel Programming Stats

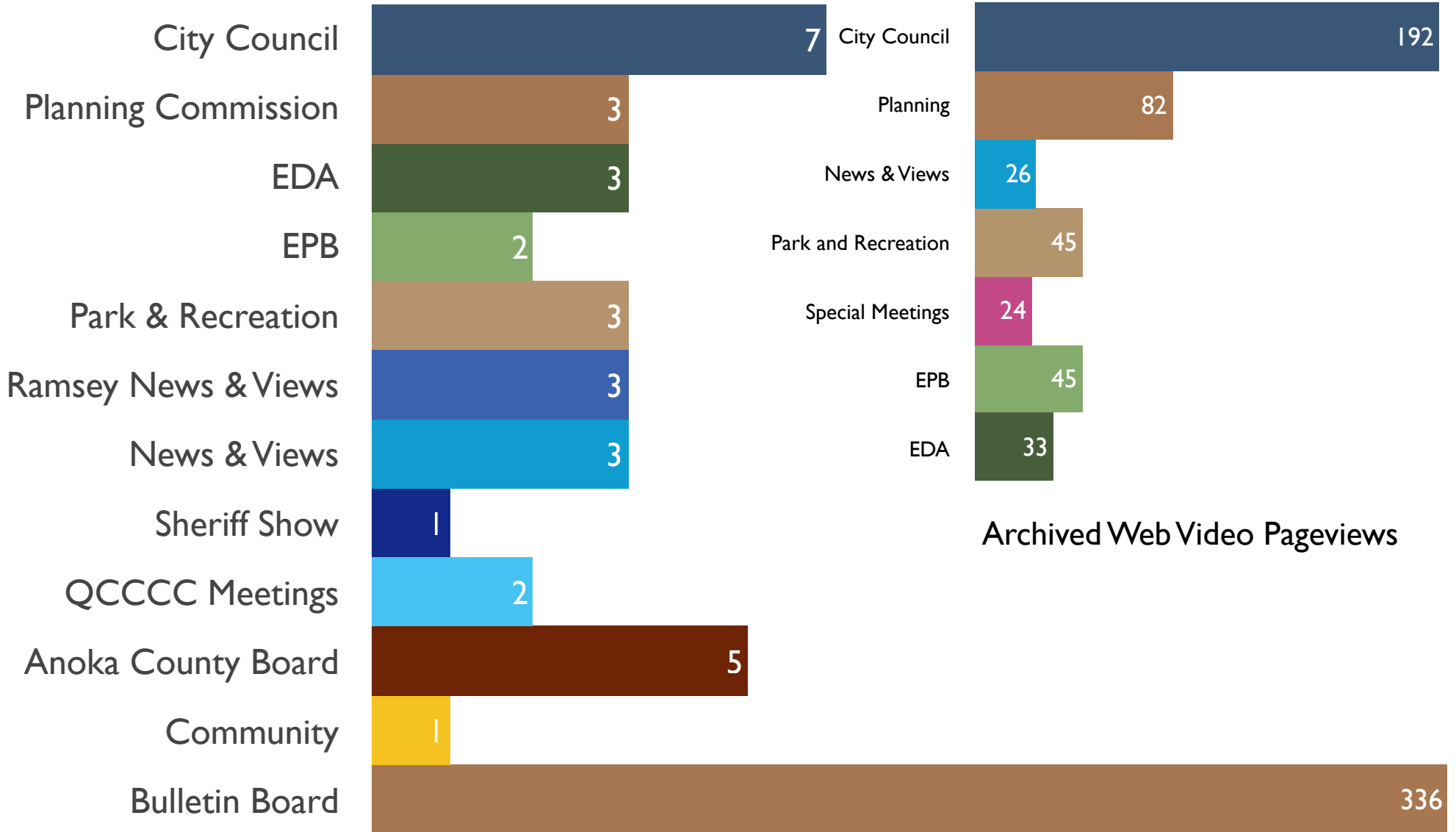


Number of New Shows - 31

2020Q1



# Channel Programming Stats

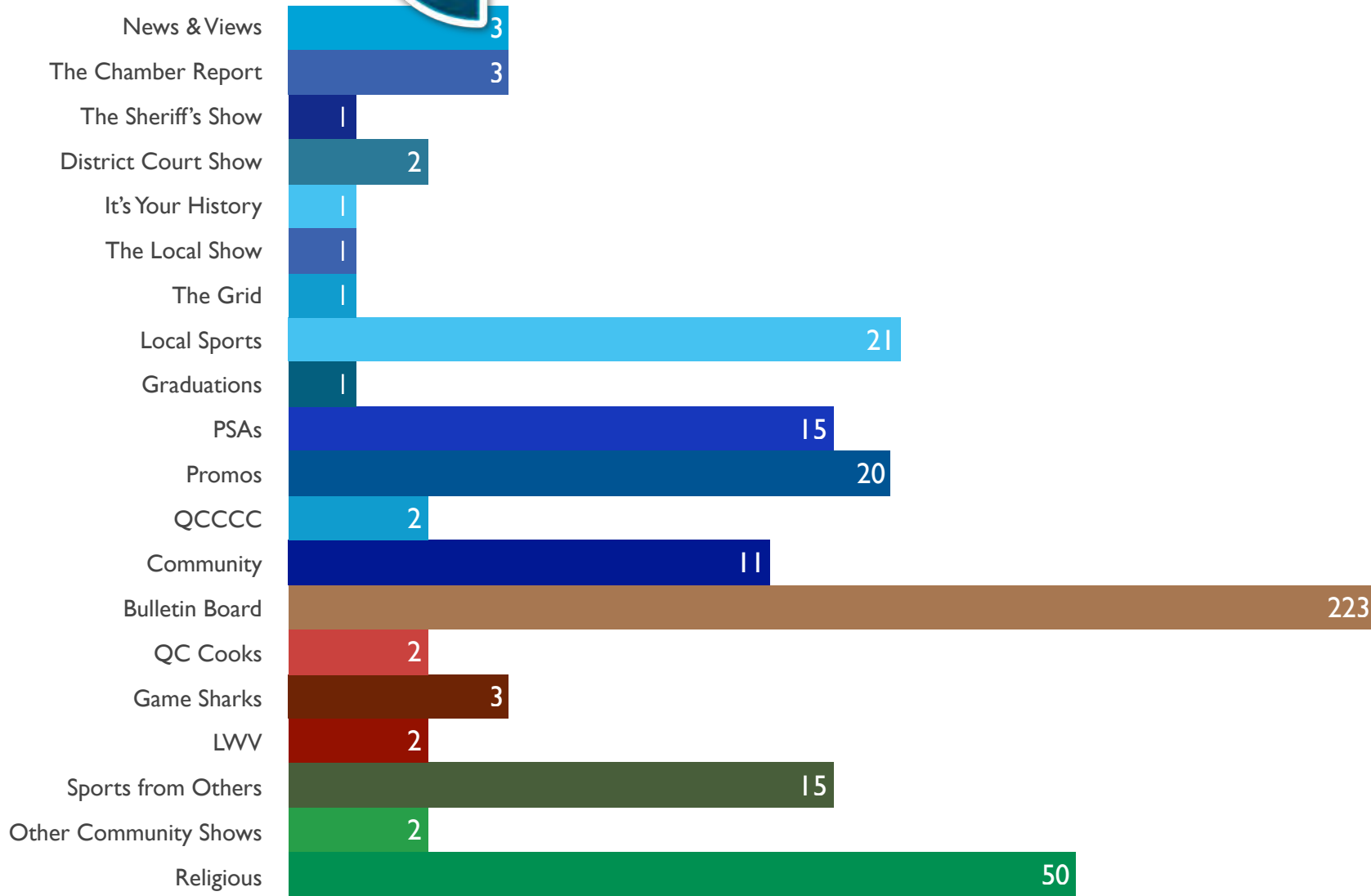


Number of New Shows - 33

2020Q1



# Channel Programming Stats



Number of New Shows - 89

New Submitted Shows - 67

2020Q1

**QCCCC Agenda Item**

**5.1 2019 Audit Report**

**May 8, 2020**

**To:** Commissioners

**From:** Karen George, Executive Director

**Subject:** 2019 Audit Report

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The 2019 Audit Report for QCCCC, prepared by Redpath & Company, Ltd., is attached for your review. Representatives from Redpath & Company, Ltd., will present the audit report.

**Action Requested:** Accept the 2019 Audit report.



## COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Honorable Members of  
Quad Cities Cable Communications Commission  
Champlin, Minnesota

We have audited the financial statements of the governmental activities and each major fund of Quad Cities Cable Communications Commission (the Commission) for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 27, 2019. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the governmental activities financial statements are estimates used to calculate the net pension liability, the pension related deferred outflows and inflows of resources, and pension expense. These estimates are based on actuarial studies. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. Determining sensitivity is subjective, however, we believe the

disclosures most likely to be considered sensitive are Note 7 – Defined Benefit Pension Plans and Note 12 – Subsequent Events and Uncertainties.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements that have an effect on our opinion on the financial statements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in aggregate, to each opinion unit's financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 21, 2020.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Commission's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.



*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the budgetary comparison schedule and the pension information which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory section, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reports

Various reports on compliance and internal controls are contained in the Other Reports section of the audited financial statements document.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of Quad Cities Cable Communications Commission, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Redpath and Company, Ltd.*

REDPATH AND COMPANY, LTD.  
St. Paul, Minnesota

April 21, 2020

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

ANNUAL FINANCIAL REPORT

December 31, 2019

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**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION  
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## **INTRODUCTORY SECTION**

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**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION  
ORGANIZATION**  
December 31, 2019

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**Commission Members:**

Representing:

Andover:

Jamie Barthel - Personnel Committee  
Jim Dickinson - Treasurer and Budget Committee

Anoka:

Erik Skogquist - Secretary and Personnel Committee  
Greg Lee - Budget Committee

Champlin:

Ryan Sabas - Personnel Committee  
Bret Heitkamp - Chair and Budget Committee

Ramsey:

Kurt Ulrich - Vice-Chair and Personnel Committee  
Jeff Menth - Budget Committee



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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the  
Quad Cities Cable Communications Commission  
Champlin, Minnesota

We have audited the accompanying financial statements of the governmental activities and each major fund of Quad Cities Cable Communications Commission, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Quad Cities Cable Communications Commission's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Quad Cities Cable Communications Commission, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited the Quad Cities Cable Communications Commission's 2018 financial statements, and we expressed an unmodified audit opinion on the respective financial statements of the governmental activities and each major fund in our report dated April 1, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule and the pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the

information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Quad Cities Cable Communications Commission's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Redpath and Company, Ltd.*

REDPATH AND COMPANY, LTD.  
St. Paul, Minnesota

April 21, 2020

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## **BASIC FINANCIAL STATEMENTS**



**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 1**

STATEMENT OF NET POSITION

December 31, 2019

With Comparable Totals for December 31, 2018

	Governmental Activities	
	2019	2018
Assets:		
Cash and investments	\$2,753,839	\$2,382,585
Franchise and PEG fees receivable	396,138	415,287
Prepaid items	6,539	5,880
Capital assets - net:		
Nondepreciable	66,131	66,131
Depreciable	952,845	1,002,053
Total assets	<u>4,175,492</u>	<u>3,871,936</u>
Deferred outflows of resources:		
Related to pensions	<u>56,580</u>	<u>112,733</u>
Liabilities:		
Accounts payable	60,044	48,626
Compensated absences payable:		
Due within one year	47,703	48,834
Net pension liability:		
Due in more than one year	436,773	443,807
Total liabilities	<u>544,520</u>	<u>541,267</u>
Deferred inflows of resources:		
Related to pensions	<u>87,550</u>	<u>118,809</u>
Net position:		
Investments in capital assets	1,018,976	1,068,184
Unrestricted	2,581,026	2,256,409
Total net position	<u>\$3,600,002</u>	<u>\$3,324,593</u>

The accompanying notes are an integral part of these financial statements.

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 2**

STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2019

With Comparable Totals for The Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities Totals	
					2019	2018
Governmental activities:						
General government	<u>\$1,423,138</u>	<u>\$1,022</u>	<u>\$1,583,456</u>	<u>\$58,650</u>	<u>\$219,990</u>	<u>(\$258,188)</u>
General revenues:						
Unrestricted investment earnings					52,984	39,049
Miscellaneous					2,435	8,389
Total general revenues					<u>55,419</u>	<u>47,438</u>
Change in net position					275,409	(210,750)
Net position - January 1					<u>3,324,593</u>	<u>3,535,343</u>
Net position - December 31					<u>\$3,600,002</u>	<u>\$3,324,593</u>

The accompanying notes are an integral part of these financial statements.

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 3**

BALANCE SHEET  
GOVERNMENTAL FUNDS

December 31, 2019

With Comparative Totals For December 31, 2018

	General Fund	
	2019	2018
Assets:		
Cash and investments	\$2,753,839	\$2,382,585
Franchise and PEG fees receivable	396,138	415,287
Prepaid items	6,539	5,880
Total assets	<u>\$3,156,516</u>	<u>\$2,803,752</u>
Liabilities:		
Accounts payable	<u>\$60,044</u>	<u>\$48,626</u>
Fund balance:		
Nonspendable	6,539	5,880
Unassigned	3,089,933	2,749,246
Total fund balance	<u>3,096,472</u>	<u>2,755,126</u>
Total liabilities and fund balance	<u>\$3,156,516</u>	<u>\$2,803,752</u>
Fund balance reported above	\$3,096,472	\$2,755,126
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	1,018,976	1,068,184
Deferred outflows of resources-pension related are not current financial resources and, therefore, are not reported in the funds	56,580	112,733
Deferred inflows of resources-pension related are associated with long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds	(87,550)	(118,809)
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences payable	(47,703)	(48,834)
Net pension liability	<u>(436,773)</u>	<u>(443,807)</u>
Net position of governmental activities	<u>\$3,600,002</u>	<u>\$3,324,593</u>

The accompanying notes are an integral part of these financial statements.

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 4**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS

For The Year Ended December 31, 2019

With Comparative Totals For The Year Ended December 31, 2018

	General Fund	
	2019	2018
Revenues:		
Franchise fees	\$1,028,693	\$1,054,554
PEG fees	553,740	567,581
Equipment and support grants	58,650	57,275
Investment income	52,984	39,049
Miscellaneous	3,457	9,706
Total revenues	<u>1,697,524</u>	<u>1,728,165</u>
Expenditures:		
General government:		
Salaries, taxes and benefits	807,608	751,452
Professional and franchise application fees	85,582	70,786
Repairs and maintenance	35,462	68,330
Supplies	8,239	6,245
Travel/conferences/continuing education	11,929	16,009
Mileage	6,874	8,259
Dues, subscriptions and printing	28,841	23,459
Insurance	7,852	7,658
Commission per diem	4,682	1,640
Utilities	35,654	37,128
Advertising	8,108	8,538
Equipment purchases	83,078	652,388
City CIP payments	80,000	80,000
Web hosting	17,104	14,333
Meals and lodging	1,920	1,217
Vehicle maintenance	9,765	24,670
Car allowance	3,000	3,000
Miscellaneous	4,133	2,177
Capital outlay	116,347	249,625
Total expenditures	<u>1,356,178</u>	<u>2,026,914</u>
Revenues over (under) expenditures	341,346	(298,749)
Fund balance - January 1	<u>2,755,126</u>	<u>3,053,875</u>
Fund balance - December 31	<u><u>\$3,096,472</u></u>	<u><u>\$2,755,126</u></u>

The accompanying notes are an integral part of these financial statements.

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 5**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS

For The Year Ended December 31, 2019

With Comparable Totals for The Year Ended December 31, 2018

	<u>2019</u>	<u>2018</u>
Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:		
Net changes in fund balance - total governmental funds (Statement 4)	\$341,346	(\$298,749)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlay	116,347	249,625
Depreciation expense	(165,555)	(190,133)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences payable	1,131	(6,424)
Governmental funds report pension contributions as expenditures, however, pension expense is reported in the Statement of Activities. This is the amount by which pension expense differed from pension contributions:		
Pension contributions	\$43,084	
Pension expense	(60,944)	34,931
Change in net position of governmental activities (Statement 2)	<u>\$275,409</u>	<u>(\$210,750)</u>

The accompanying notes are an integral part of these financial statements.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

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**Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Quad Cities Cable Communications Commission (the Commission) was formed by the Cities of Andover, Anoka, Champlin and Ramsey. The Commission was formed to administer and enforce a cable communications franchise in the member municipalities.

The Commission was officially formed in March of 1981 with the signing of the Joint Powers Agreement.

Member cities appoint two representatives. Officers are elected bi-annually.

The financial statements of the Commission have been prepared in conformity with generally accepted accounting principles as applied to government units by the Governmental Accounting Standards Board (GASB). The Commission accounting policies are described below.

**A. FINANCIAL REPORTING ENTITY**

In accordance with GASB pronouncements and generally accepted accounting principles, the financial statements of the reporting entity include those of the Commission (the primary government) and its component units. The Commission does not have any component units.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. There are no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

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current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Commission.

The Commission reports the following major governmental fund:

General Fund – is the general operating fund of the Commission and is used to account for all financial resources and activity.

**D. BUDGETS**

Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles. During the budget year, supplemental appropriations and deletions may be authorized by the Commission. There were no budget amendments in 2019.

The General Fund expenditures exceed final budgeted appropriations by \$51,456 at December 31, 2019.

**E. CASH AND INVESTMENTS**

Cash and investment balances are invested to the extent available in authorized investments.

Investments are stated at fair value, except for investments in external investment pools that meet GASB 79 requirements, which are stated at amortized cost. Investment income is accrued at balance sheet date.

**F. INVENTORIES**

The original cost of materials and supplies have been recorded as expenditures at the time of purchase (purchases method). The Commission does not maintain material amounts of inventories of goods and supplies.

**G. CAPITAL ASSETS**

Capital assets, which include building, furniture, fixtures, equipment and intangible assets such as website design are reported in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

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Capital assets of the Commission are depreciated using the straight-line method over the following estimated useful lives.

Furniture, fixtures and equipment	3 – 10 years
Building	39 years
Intangibles – website	4 years

**H. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, long-term liabilities such as compensated absences payable are reported as liabilities in the applicable governmental activities.

**I. FUND BALANCE CLASSIFICATIONS**

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

*Nonspendable* - consists of amounts that are not in spendable form, such as prepaid items.

*Restricted* - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

*Committed* - consists of internally imposed constraints. These constraints are established by Resolution of the Commission Board.

*Assigned* - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the Commission's intended use. These constraints are established by the Commission Board.

*Unassigned* - is the residual classification for the general fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, it is the Commission's policy to use resources in the following order: 1) committed 2) assigned and 3) unassigned.

**J. USE OF ESTIMATES**

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

**K. PREPAID ITEMS**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.



**L. COMPENSATED ABSENCES**

It is the Commission's policy to permit employees to accumulate earned but unused PTO benefits. All PTO that is payable at termination is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of Statement of Government Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive PTO benefits.

**M. COMPARATIVE TOTALS**

The basic financial statements and required supplementary information include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Commission's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

**N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will *not* be recognized as an outflow of resources (expense) until then. The Commission has one item that qualifies for reporting in this category. It is the pension related deferred outflows reported in the government-wide Statement of Net Position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has pension related deferred inflows of resources reported in the government-wide Statement of Net Position.

**O. DEFINED BENEFIT PENSION PLANS**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019

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**Note 2 DEPOSITS AND INVESTMENTS**

**A. DEPOSITS**

In accordance with Minnesota Statutes, the Commission maintains deposits at depository banks authorized by the Commission's Board, all of which are members of the Federal Reserve System.

Minnesota Statutes require that all of the Commission's deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds.

Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the Commission's Treasurer or in a financial institution other than that furnishing the collateral. Authorized collateral includes the following:

- a) United States government treasury bills, treasury notes and treasury bonds;
- b) Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- c) General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- d) General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- e) Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation; and
- f) Time deposits that are fully insured by any federal agency.

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it.

At December 31, 2019, the entire bank balance was covered by federal depository insurance surety bonds or perfected collateral held by the Commission's agent in the Commission's name.

**B. INVESTMENTS**

Minnesota Statutes authorize the Commission to invest in the following:

- a) Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities or organizations created by an act of congress, excluding mortgage-backed securities defined as high risk.
- b) Shares of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described in (a) above, general obligation tax-exempt securities, or repurchase or reverse repurchase agreements.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

- c) Obligations of the State of Minnesota or any of its municipalities as follows:
  - 1) any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;
  - 2) any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service; and
  - 3) a general obligation of the Minnesota Housing Finance Agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating agency.
- d) Bankers acceptances of United States banks.
- e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.
- f) Repurchase or reverse repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; certain Minnesota securities broker-dealers; or, a bank qualified as a depositor.
- g) General obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7; 469.178, subdivision 5; or 475.61, subdivision 6.

As of December 31, 2019, the Commission had the following investments and maturities:

Investment Type	Rating	Fair Value	Investment Maturities	
			Less Than 6 Months	6 Months to 1 Year
External investment pool - 4M Liquid Asset Fund	Not rated	\$1,286,228	\$1,286,228	\$ -
External investment pool - 4M Plus Fund	Not rated	713,967	713,967	-
Brokered certificates of deposit	Not rated	748,000	300,000	448,000
<b>Total investments</b>		<b>2,748,195</b>	<b>\$2,300,195</b>	<b>\$448,000</b>
Deposits		5,000		
Petty cash		644		
<b>Total cash and investments</b>		<b>\$2,753,839</b>		

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets; Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly; Level 3 investments are valued using inputs that are unobservable.

The Commission's brokered certificates of deposit are categorized as Level 2 investments. Amounts held in external investment pools are stated at amortized cost, and therefore, are not categorized within the fair value hierarchy.

**C. INVESTMENT RISKS**

Interest rate risk – Interest rate risk is the risk that changes in the interest rates of debt investments could adversely affect the fair value of an investment. The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. State law limits investments in municipal bonds to those rated “A” or better by a national bond rating service for general obligation and rated “AA” or better for a revenue obligation. Mutual funds or money market funds are limited to those investments that are restricted to securities described in MS 118A.04. The Commission follows State Statutes in regards to credit risk of investments. The Commission does not have a formal investment policy which places further restrictions on investment options.

The Commission’s external investment pool investment with the 4M Fund is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M Fund is an unrated pool and the fair value or the position in the pool is the same as the value of pool shares. The pool is managed to maintain a portfolio weighted average maturity of no greater than 60 days and seeks to maintain a constant net asset value (NAV) per share of \$1. The pool measures its investments at amortized cost in accordance with Government Accounting Standards Board Statement No. 79.

The 4M Liquid Asset Fund has no redemption requirements. The 4M Plus Fund requires funds to be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period are subject to a penalty equal to seven days interest on the amount withdrawn.

Custodial credit risk – For investments in securities, custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, the Commission will not be able to recover the value of its investment securities that is in the possession of an outside party. The Commission does not have a formal investment policy which addresses custodial credit risk. As of December 31, 2019, \$2,000,195 of the Commission’s investments are invested in external investment pools. Investments in external investment pools and money markets are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk disclosures.

Concentration of credit risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the Commission’s investment in a single issuer. The Commission places no limit on the amount the Commission may invest in any one issuer.

**Note 3 RECEIVABLES**

All receivables are expected to be collected within one year of December 31, 2019.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

**Note 4 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2019 is as follows:

<b>Primary Government</b>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	<u>\$66,131</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$66,131</u>
Capital assets, being depreciated:				
Building	1,064,667	-	-	1,064,667
Equipment	1,065,311	116,347	(52,274)	1,129,384
Intangible-website	27,999	-	-	27,999
Total capital assets, being depreciated	<u>2,157,977</u>	<u>116,347</u>	<u>(52,274)</u>	<u>2,222,050</u>
Less accumulated depreciation for:				
Building	438,625	27,299	-	465,924
Equipment	695,716	131,840	(52,274)	775,282
Intangible-website	21,583	6,416	-	27,999
Total less accumulated depreciation	<u>1,155,924</u>	<u>165,555</u>	<u>(52,274)</u>	<u>1,269,205</u>
Total capital assets being depreciated - net	<u>1,002,053</u>	<u>(49,208)</u>	<u>-</u>	<u>952,845</u>
Governmental activities capital assets - net	<u>\$1,068,184</u>	<u>(\$49,208)</u>	<u>\$0</u>	<u>\$1,018,976</u>

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	<u>\$165,555</u>

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

**Note 5 COMPENSATED ABSENCES PAYABLE**

Activity related to compensated absences payable for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Compensated absences payable	\$48,834	\$64,192	(\$65,323)	\$47,703	\$47,703

**Note 6 FRANCHISE FEES**

The Commission receives franchise fees equal to five percent of the cable company's annual gross revenue. These revenues are to be considered compensation for the use of the member municipalities' public property.

The cable company considers their gross revenue to be trade secret information not for public disclosure. Accordingly, cable company gross revenue amounts are not disclosed in these financial statements. In accordance with the franchise agreement, \$1,028,693 was recognized as earned franchise fees for the Commission. Franchise fees earned but not received at December 31, 2019 were \$257,621.

**Note 7 DEFINED BENEFIT PENSION PLANS**

**A. PLAN DESCRIPTION**

The Commission participates in the General Employees Retirement Fund, which is a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

All full-time and certain part-time employees of the Commission are covered by the General Employees Retirement Fund (GERF). GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**B. BENEFITS PROVIDED**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated Plan members is 1.2% of average salary for each of the first ten years of service and 1.7% of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% of average salary for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989 normal retirement age is the age for unreduced Social Security benefits capped at 66.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**C. CONTRIBUTIONS**

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2019; the Commission was required to contribute 7.50% for Coordinated Plan members. The Commission's contributions to the GERV for the year ended December 31, 2019, were \$43,084. The Commission's contributions were equal to the required contributions as set by state statute.

**D. PENSION COSTS**

At December 31, 2019, the Commission reported a liability of \$436,773 for its proportionate share of the GERV's net pension liability. The Commission's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million to the fund in 2019. The State of Minnesota is considered a non-employer contributing entity and the state contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the commission totaled \$13,666. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportionate share of the net pension liability was based on the Commission's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the Commission's proportion was .0079% which was a decrease of .0001% from its proportion measured as of June 30, 2018.

Commission's proportionate share of the net pension liability	\$436,773
State of Minnesota's proportionate share of the net pension liability associated with the Commission	13,666
Total	<u>\$450,439</u>

For the year ended December 31, 2019, the Commission recognized pension expense of \$60,944 for its proportionate share of the GERV's pension expense. In addition, the Commission recognized an additional \$1,023 as pension expense (and grant revenues) for its proportionate share of the State of Minnesota's contribution of \$16 million to the GERV.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

At December 31, 2019, the Commission reported its proportionate share of the GERS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$12,069	\$ -
Changes in actuarial assumptions	-	34,225
Net collective difference between projected and actual investment earnings	-	43,798
Changes in proportion	22,683	9,527
Contributions paid to PERA subsequent to the measurement date	<u>21,828</u>	<u>-</u>
Total	<u>\$56,580</u>	<u>\$87,550</u>

\$21,828 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Pension Expense</u>
2020	(\$17,932)
2021	(25,273)
2022	(10,296)
2023	703
2024	-
Thereafter	-

**E. ACTUARIAL ASSUMPTIONS**

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year for the General Employees Plan.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019.



**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

The following changes in actuarial assumptions and plan provisions occurred in 2019:

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

The State Board Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	35.5%	5.10%
Private Markets	25.0%	5.90%
Fixed Income	20.0%	0.75%
International Equity	17.5%	5.90%
Cash Equivalents	2.0%	0.00%
Total	100%	

**F. DISCOUNT RATE**

The discount rate used to measure the total pension liability in 2019 was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**G. PENSION LIABILITY SENSITIVITY**

The following presents the Commission's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
Commission's proportionate share of the net pension liability	\$718,032	\$436,773	\$204,539

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

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**H. PENSION PLAN FIDUCIARY NET POSITION**

Detailed information about each pension plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

**Note 8 FUND BALANCE**

**A. CLASSIFICATION**

At December 31, 2019, a summary of the governmental fund balance classifications are as follows:

	<u>General Fund</u>
Nonspendable for:	
Prepaid items	\$6,539
Unassigned	<u>3,089,933</u>
Total	<u><u>\$3,096,472</u></u>

**B. MINIMUM UNASSIGNED FUND BALANCE POLICY**

The Board of Commissioner’s has formally adopted a policy regarding the minimum unassigned fund balance for the General Fund.

The policy establishes a year end targeted unassigned fund balance amounts for cash flow timing needs of not less than 25% of the subsequent year’s budgeted revenues. At December 31, 2019, the unassigned fund balance of the General fund was in compliance with their policy.

In addition to the minimum fund balance policy, the Commission has informally allocated fund balance for the following purposes:

City capital investment	\$100,000
QCTV Building Investment	250,000
QCTV Capital Investment	600,000
Emergency Funds	<u>50,000</u>
Total	<u><u>\$1,000,000</u></u>

**Note 9 RISK MANAGEMENT**

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Commission carries commercial insurance policies. The Commission retains risk for the deductible portions of the insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

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**Note 10 CONTINGENCIES**

Management is not aware of any existing or pending lawsuits, claims or other actions in which the Commission is a defendant.

**Note 11 RECENTLY ISSUED ACCOUNTING STANDARDS**

The Governmental Accounting Standards Boards (GASB) recently approved the following statements which were not implemented for these financial statements:

**Statement No. 87 *Leases*.** The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

**Statement No. 91 *Conduit Debt Obligations*.** The provisions of this Statement are effective for reporting periods beginning after December 15, 2020.

**Statement No. 92 *Omnibus 2020*.** The provisions of this Statement are effective for reporting periods beginning after June 15, 2020, except the requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.

**Statement No. 93 *Replacement of Interbank Offered Rates*.** The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020.

The effect these standards may have on future financial statements is not determinable at this time.

**Note 12 SUBSEQUENT EVENTS AND UNCERTAINTIES**

The COVID-19 pandemic continues to cause rapidly changing disruptions world-wide. Management has evaluated these conditions and believes that it is not possible to reasonably estimate the financial impact, if any, of COVID-19 on the District's financial statements at December 31, 2019.

**REQUIRED SUPPLEMENTARY INFORMATION**

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 6**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
For The Year Ended December 31, 2019  
With Comparative Actual Amounts For The Year Ended December 31, 2018

	2019		Actual Amounts	Variance with Final Budget - Positive (Negative)	2018 Actual Amounts
	Budgeted Amounts				
	Original	Final			
<b>Revenues:</b>					
Franchise fees	\$858,000	\$858,000	\$1,028,693	\$170,693	\$1,054,554
PEG fees	429,000	429,000	553,740	124,740	567,581
Equipment and support grants	58,000	58,000	58,650	650	57,275
Investment income	30,000	30,000	52,984	22,984	39,049
Miscellaneous	1,000	1,000	3,457	2,457	9,706
Total revenues	<u>1,376,000</u>	<u>1,376,000</u>	<u>1,697,524</u>	<u>321,524</u>	<u>1,728,165</u>
<b>Expenditures:</b>					
General government:					
Salaries, taxes and benefits	855,172	855,172	807,608	47,564	751,452
Professional and franchise application fees	147,200	147,200	85,582	61,618	70,786
Repairs and maintenance	67,200	67,200	35,462	31,738	68,330
Supplies	8,500	8,500	8,239	261	6,245
Travel/conferences/continuing education	22,000	22,000	11,929	10,071	16,009
Mileage	9,000	9,000	6,874	2,126	8,259
Dues, subscriptions and printing	35,000	35,000	28,841	6,159	23,459
Insurance	8,500	8,500	7,852	648	7,658
Commission per diem	5,000	5,000	4,682	318	1,640
Utilities	41,900	41,900	35,654	6,246	37,128
Advertising	11,000	11,000	8,108	2,892	8,538
Equipment purchases	45,000	45,000	83,078	(38,078)	652,388
City CIP payments	-	-	80,000	(80,000)	80,000
Web hosting	22,000	22,000	17,104	4,896	14,333
Meals and lodging	3,500	3,500	1,920	1,580	1,217
Vehicle maintenance	12,000	12,000	9,765	2,235	24,670
Car allowance	3,000	3,000	3,000	-	3,000
Miscellaneous	8,750	8,750	4,133	4,617	2,177
Capital outlay	-	-	116,347	(116,347)	249,625
Total expenditures	<u>1,304,722</u>	<u>1,304,722</u>	<u>1,356,178</u>	<u>(51,456)</u>	<u>2,026,914</u>
Revenues over (under) expenditures	<u>\$71,278</u>	<u>\$71,278</u>	341,346	<u>\$270,068</u>	(298,749)
Fund balance - January 1			<u>2,755,126</u>		<u>3,053,875</u>
Fund balance - December 31			<u>\$3,096,472</u>		<u>\$2,755,126</u>

See accompanying notes to the required supplementary information.

**QUAD CITIES CABLE**  
**COMMUNICATIONS COMMISSION**  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -  
 GENERAL EMPLOYEES RETIREMENT FUND  
 For The Last Ten Years

Statement 7

Measurement Date June 30	Fiscal Year Ending December 31	Commission's Proportionate (Percentage) of the Net Pension Liability	Commission's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with District (b)	Commission's Proportionate Share of the Net Pension Liability Associated with District (a+b)	Covered Payroll (c)	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a+b)/c	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.0074%	\$383,506	\$ -	\$383,506	\$432,343	88.7%	78.2%
2016	2016	0.0075%	608,963	7,955	616,918	463,120	133.2%	68.9%
2017	2017	0.0074%	472,411	5,962	478,373	467,226	102.4%	75.9%
2018	2018	0.0080%	443,807	14,448	458,255	528,120	86.8%	79.5%
2019	2019	0.0079%	436,773	13,666	450,439	561,240	80.3%	80.2%

The schedule is provided prospectively beginning with the Commission's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

**QUAD CITIES CABLE  
COMMUNICATIONS COMMISSION**

**Statement 8**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PENSION CONTRIBUTIONS - GENERAL EMPLOYEES RETIREMENT FUND  
For The Last Ten Years

Fiscal Year Ending December 31	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
2015	\$33,988	\$33,988	\$ -	\$453,177	7.5%
2016	33,541	33,541	-	447,213	7.5%
2017	38,515	38,515	-	513,533	7.5%
2018	41,033	41,033	-	547,107	7.5%
2019	43,084	43,084	-	574,453	7.5%

The schedule is provided prospectively beginning with the Commission's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

See accompanying notes to the required supplementary information.

**QUAD CITIES CABLE COMMUNICATIONS COMMISSION**  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO RSI  
December 31, 2019

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**Note A LEGAL COMPLIANCE – BUDGETS**

The General Fund budget is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level for the General Fund.

**Note B PENSION INFORMATION**

**PERA – General Employees Retirement Fund**

*2019 Changes*

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2017 to MP-2018

Changes in the Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

*2018 Changes*

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.50% per year thereafter to 1.25% per year.

*2017 Changes*

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

*2016 Changes*

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.



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## **OTHER REPORTS**

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## REPORT ON INTERNAL CONTROL

To the Honorable Members and Management of  
Quad Cities Cable Communications Commission  
Champlin, Minnesota

In planning and performing our audit of the financial statements of the governmental activities and each major fund of Quad Cities Cable Communications Commission as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered Quad Cities Cable Communications Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Quad Cities Cable Communications Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Quad Cities Cable Communications Commission's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, Quad Cities Cable Communications Commission's Board, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Redpath and Company, Ltd.*

REDPATH AND COMPANY, LTD.  
St. Paul, Minnesota

April 21, 2020

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## MINNESOTA LEGAL COMPLIANCE REPORT

To the Honorable Members of  
Quad Cities Cable Communications Commission  
Champlin, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities and each major fund of Quad Cities Cable Communications Commission as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Quad Cities Cable Communications Commission's basic financial statements, and have issued our report thereon dated April 21, 2020.

In connection with our audit, nothing came to our attention that caused us to believe that Quad Cities Cable Communications Commission failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions* promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, except as described in the attached schedule of findings as item 2019-001. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Quad Cities Cable Communications Commission's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of those charged with governance and management of Quad Cities Cable Communications Commission and the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

*Redpath and Company, Ltd.*

REDPATH AND COMPANY, LTD.  
St. Paul, Minnesota

April 21, 2020

## **2019-001 Designation of Depositories**

*Criteria:* Per Minnesota Statute 118A.02, the Commission is required to designate a financial institution as the depository of its funds. MS 118A.02 reads in part as follows:

### **118A.02 DEPOSITORIES; INVESTING; SALES, PROCEEDS, IMMUNITY.**

Subdivision 1. **Designation; delegation.** (a) The governing body of each government entity shall designate, as a depository of its funds, one or more financial institutions.

*Condition and Cause:* The Commission's practice is to annually designate financial institutions as depositories of its funds. Because the designation states a specific year, the designation should be approved by the Commissioners annually. Per review of Commission meeting minutes, a depository was not designated for 2019.

*Effect:* The Commission may be out of compliance with Minnesota Statute 118A.02.

*Recommendation:* We recommend the Commission designate a depository for its funds annually, when other organizational designations are made at the beginning of each year.

*Views of Responsible Officials and Planned Corrective Action:* We agree with the finding. The depository will be designated at the first meeting of each calendar year going forward.



Quad Cities Cable Communications Commission

2019 Audit Review

May 21, 2020

**Andy Hering, CPA**

651.407.5877

[ahering@redpathcpas.com](mailto:ahering@redpathcpas.com)



# Reports Issued

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Annual  
Financial  
Report

Report on  
Internal  
Control

State Legal  
Compliance  
Report

Communication  
With Those  
Charged With  
Governance

# Annual Financial Report

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- Commission's financial statements
- Independent Auditor's Report on the fair presentation of the financial statements
- "Clean opinion" on the 2019 financial statements

# Financial Highlights

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- General Fund
  - Fund balance increased \$341,346 during 2019.

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenue	\$1,376,000	\$1,697,524	\$321,524
Expenditures	<u>1,304,722</u>	<u>1,356,178</u>	<u>(51,456)</u>
Increase in General Fund balance	<u><u>\$71,278</u></u>	<u><u>\$341,346</u></u>	<u><u>\$270,068</u></u>

# Financial Highlights

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- Revenues

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>
Franchise fees	\$1,028,693	\$1,054,554	(\$25,861)
PEG fees	553,740	567,581	(13,841)
Equipment grant	58,650	57,725	925
Investment income	52,984	39,049	13,935
Miscellaneous	<u>3,457</u>	<u>9,706</u>	<u>(6,249)</u>
Total revenues	<u>\$1,697,524</u>	<u>\$1,728,615</u>	<u>(\$31,091)</u>

# Financial Highlights

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- Expenditures

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>
Salaries, taxes, and benefits	\$807,608	\$751,452	\$56,156
City CIP payments	80,000	80,000	-
Equipment purchases	83,078	652,388	(569,310)
Other current	269,145	293,449	(24,304)
Capital outlay	<u>116,347</u>	<u>249,625</u>	<u>(133,278)</u>
Total expenditures	<u>\$1,356,178</u>	<u>\$2,026,914</u>	<u>(670,736)</u>

# Financial Highlights

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- General Fund
  - For the Quad Cities Cable Communications Commission, the General Fund's fund balance at December 31, 2019 was as follows:

Nonspendable:	
Prepaid items	\$6,539
Unassigned	<u>3,089,933</u>
Total	<u><u>\$3,096,472</u></u>

# Management Letter

---

- General Fund:
  - The General Fund’s recommended unassigned fund balance per your policy is calculated as follows:

2020 General Fund budgeted revenue	<u>\$1,377,500</u>
Minimum General Fund unassigned balance for cash flow (25% of total)	<u>\$344,000</u>
General Fund unassigned fund balance at December 31, 2019	<u>\$3,089,933</u>

## Report on Internal Control

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- Consideration of internal control as a basis for designing audit procedures. No opinion on internal control.
- No internal control findings in 2019.



# State Legal Compliance Report

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- Required by Minnesota Statute §6.65
- OSA audit guide covers 5 applicable categories:
  - 1) contracting and bidding
  - 2) deposits and investments
  - 3) conflicts of interest
  - 4) claims and disbursements
  - 5) miscellaneous provisions
- One compliance finding – bank not designated as an official depository for 2019.

# Communication With Those Charged With Governance

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- Required Communication
  - Audit firm responsibility under U.S. audit standards
  - Planned scope and timing of audit
  - Sensitive footnotes
    - Defined Benefit Pension Plans
    - Subsequent Events and Uncertainties
  - Difficulties encountered in performing the audit (none)
  - Disagreements with management (none)
  - Representation letter

**QCCCC Agenda Item**

**5.2 2021 Member City CIP**

**May 8, 2020**

**To:** Commissioners

**From:** Karen George, Executive Director

**Subject:** 2021 Member City CIP

---

The Budget Committee is recommending that the commission take action to set the 2021 member city CIP payments in May. This earlier decision by the commission is to provide a budget allocation now, rather than the fall QCTV budgeting timeline, in order for member cities to more accurately plan for this revenue in the city budgeting process.

The budget committee recommends the 2021 payment amount be \$20,000 per member city payable in the first quarter of 2021.

**Action Requested:** Approve budget committee recommendation.

## QCCCC Agenda Item

### 5.3 Drone Policy and Purchase

**May 11, 2020**

**To:** Commissioners

**From:** Karen George, Executive Director

**Subject:** Drone Policy and Purchase

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Attached is a report from Taylor Johnson, Mobile Production Coordinator, with a Drone Policy for adoption and authorization to purchase a drone. Staff has been monitoring the ROI of drone purchase and use for a few years. Regulations have changed making it more affordable and practical for QCTV to own and operate a drone. In particular, the requirement for a pilot's license has been removed and replaced with other FAA certifications.

**Action Requested:**

**Action Item 1: Approval of QCTV Drone Policy**

Motion to approve the QCTV Drone Policy as presented.

Option: Take no action and set a date to revisit during a future meeting.

**Action Item 2: Approval to purchase a DJI Inspire 3 drone**

Motion to purchase the DJI Inspire 3 when released (or same/similar) for a not to exceed amount of \$4,000 +/- 5% using capital plan funds.

Option: Delegate purchase approval to Board Chair and/or Treasure when three quotes can be obtained after the release of the DJI Inspire 3.

Option: Take no action and set a date to revisit during a future meeting.

**May 4, 2020**

To: Karen George, Executive Director

From: Taylor Johnson, Mobile Production Coordinator/Producer

Subject: QCTV Drone Policy

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QCTV staff has developed a policy for the safe and legal operation of a drone in order to capture aerial video. The policy covers elements such as public privacy, FAA Part 107 compliance, and safety protocols to ensure that staff operates a drone in a manner that adheres to strict protocol. This policy was adapted from a policy used by one of our local sister stations, North Metro Television who has been operating under their own drone policy for a number of years. QCTV's Drone Policy has been reviewed and approved by QCTV legal counsel, Scott Lepak.

QCTV Staff would request the purchase of a drone upon acceptance of the QCTV Drone Policy. After research, staff found the DJI has the best reputation in both the professional and hobbyist drone market. DJI would provide a drone that is user friendly while providing the feature set we are looking for in order to satisfy our production requirements. DJI is expected to announce their new Inspire 3 drone in mid-2020. This will replace the Inspire 2 which was released back in 2016. The expected pricing for the Inspire 3 is between \$3,000 - \$4,000. In order to take advantage of the new unit's expanded feature set, staff recommends waiting for the release of the Inspire 3 until later this year. Before purchasing, staff will obtain three different quotes for the unit to ensure competitive pricing has been taken advantage of.

**Action Item 1: Approval of QCTV Drone Policy**

- Motion to approve the QCTV Drone Policy as presented
- Take no action and set a date to revisit during a future meeting.

**Action Item 2: Approval to purchase a DJI Inspire 3 drone**

- Motion to purchase the DJI Inspire 3 when released for a not to exceed amount of \$4,000 +/- 5% using capital plan funds.
- Delegate purchase approval to Board Chair and/or Treasure when three quotes can be obtained after the release of the DJI Inspire 3.
- Take no action and set a date to revisit during a future meeting.

# QCTV Drone Policy

May 1, 2020

A joint powers agreement to operate a cable television franchise and local programming organization on behalf of the member cities: Andover, Anoka, Champlin, Ramsey.

**Table of Contents**

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- II. Definitions ..... 4
- III. Summary of Policy Requirements ..... 4
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      - b. Drone Requirements..... 7
        - 1. Registration ..... 7
        - 2. Weight Restrictions ..... 7
        - 3. Maintenance ..... 7

## I. Scope and Purpose

This policy applies to all employees of Quad Cities Community Television("QCTV").

The purpose of this policy is to set forth procedures and operating principles whereby QCTV can ensure safe and reliable operation of drones. Safe drone operation requires that every Operation(see definition on page 4) team member understand this policy and other applicable laws and regulations to limit potential injuries, property damage, and privacy infringement. While this policy specifically addresses drone usage, this policy's core tenets and principles should be applied to operation of any Unmanned Aircraft at QCTV.

The United States Federal Aviation Administration ("FAA") has enacted its own regulations governing recreational, educational, and commercial use of drones. These regulations differ based on the operator and type of aircraft being flown. This policy creates processes and procedures for ensuring safe drone usage by QCTV, and ensuring compliance with FAA regulations. While this policy is specific to QCTV, it is QCTV's goal to comply with federal law to create a policy that is easy to understand and follow. Accordingly, as federal regulations are updated, this policy will be changed to reflect those updates.



## II. Definitions

“Administrator” means a designated QCTV employee whose duties include overseeing the QCTV’s drone operations.

“Unmanned Aircraft” means an aircraft that is operated without direct human intervention from within or on the aircraft.

“Small Unmanned Aircraft” or “Drone” means an Unmanned Aircraft weighing less than 55 pounds, including any attachments such as cameras, batteries, or additional sensors.

“Remote Pilot in Command” or “Remote Pilot” means a QCTV employee authorized by the FAA to operate a drone.

“Operation” means a single organized drone flight or activity. As the term is used in this policy, an Operation should always be interpreted to mean the smallest or shortest possible activity.

“Visual Observer” means a member of the Operation whose duty is to maintain visual contact with the drone at all times.

## III. Summary of Policy Requirements

There are three key components to ensuring a safe and effective Operation: (1) a drone that is in good, working order; (2) a skilled and knowledgeable Remote Pilot; and (3) Operating Guidelines that align with the QCTV’s goals, objectives, and other policies. Before an Operation, a Remote Pilot must: (1) be authorized to operate a drone, (2) create an operational Flight Plan, and (3) perform a preflight inspection. After an Operation, a Remote Pilot must: (1) create a Flight Report and (2) submit a Flight Packet to the Administrator. These steps are key to ensuring that QCTV is operating drones in a way that is ethical, respectful, and, most importantly, benefits the public.

## IV. Municipal Drone Operations

The following sections and subsections discuss QCTV’s policy governing its own drone Operations. These sections outline the processes and procedures QCTV must follow to ensure that QCTV is operating drones in a safe and ethical manner and to comply with federal and state law.

### A. Operating Requirements

This section describes how a drone should be operated by QCTV personnel. It is important for QCTV to not only ensure that a drone is safe for flight prior to every Operation, but also to maintain a written or electronic record of every Operation. Not only does Minnesota state law require QCTV to maintain these records, but these records are critical to providing transparency to the public about QCTV’s drone Operations. These records are maintained in a Flight Packet, which is the recording tool that QCTV will use to determine whether QCTV is complying with this policy and conducting Operations in a safe and ethical manner

#### 1. Flight Packet

A Flight Packet is the recording of all information related to an Operation. The purpose of a Flight Packet is to create an open, transparent record of QCTV’s drone usage. All Flight Packets must contain:

- a written record of the Remote Pilot’s preflight inspection;
- a Flight Plan;

- a Flight Report;
- any other information deemed relevant by the Remote Pilot.

A Flight Packet must be created for every Operation QCTV undertakes. An Operation's Remote Pilot is responsible for ensuring a Flight Packet is properly prepared and submitted to the Administrator, but it is every Operation team member's responsibility to assist the Remote Pilot in any way necessary.

#### *a) Flight Plan*

A Flight Plan must be completed by a Remote Pilot as part of an Operation's preflight activities and ultimately be included in the Operation's Flight Packet. A Flight Plan's purpose is to show QCTV's residents how their health, safety, and welfare were considered prior to an Operation. To that end, every Flight Plan must contain at least the following information.

- a statement of the Operation's purpose or objective;
- a summary of how this purpose or objective will be achieved;
- an impact statement showing consideration of surrounding buildings and other topography;
- an impact statement showing consideration of weather patterns; and
- an impact statement showing consideration of nearby airports, hospitals, schools, and special events.

A sample Flight Plan can be found in Appendix A of this document.

#### *b) Preflight Inspection*

A preflight inspection is a written document whose purpose is to show that a drone is safe to use in an Operation. Immediately prior to conducting an Operation, a Remote Pilot must conduct a preflight inspection of a drone's air worthiness, including all associated equipment, such as remote controls. A preflight inspection should also address environmental concerns, such as weather conditions, and assess how those concerns are expected to impact an Operation. In accordance with federal law, a Remote Pilot must review at least the following as part of their preflight inspection:

- local weather conditions;
- local airspace and flight restrictions;
- the location of people and property near a drone's expected flightpath; and
- other ground-level hazards.<sup>1</sup>

A sample preflight inspection can be found in Appendix B of this document.

#### *c) Flight Report*

After conclusion of an Operation, the Remote Pilot must complete a Flight Report at the Remote Pilot's earliest possible convenience. A Flight Report's purpose is to document whether an Operation was successful and any unexpected issues that the Remote Pilot encountered. Over time, as these issues are documented, QCTV and its Remote Pilots will be able to more effectively develop Flight Plans to avoid these issues. Examples of issues that must be included in a Flight Report include:

- how damage to a drone occurred;
- how damage to personal property occurred; and

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<sup>1</sup> 14 C.F.R. § 107.49(a)

- the cause of any deviations from the Flight Plan.

### A. Pilot Requirements

No Operation may occur without a Remote Pilot approved and assigned to the Operation by the Administrator. To qualify as a Remote Pilot under this policy, an individual must hold a valid Remote Pilot Airman Certificate granted by the FAA, and a copy of this certificate must be provided to QCTV prior to any Operation. Typically, this will be a Part 107 authorization but may vary from time to time. All Remote Pilots should have a copy of their authorization certificate with them during an Operation.

It is QCTV's policy that all Remote Pilots must participate in annual flight training to ensure Remote Pilots are educated and trained in how to safely and ethically operate drones. It is important that all Remote Pilots not only maintain their FAA authorizations but continue to grow their skills as well.

As previously discussed, a Remote Pilot is responsible for creating an Operation's Flight Plan and Flight Report and for performing a preflight inspection. In addition, during an Operation, the Remote Pilot is responsible for piloting the drone and ensuring that the Operation's purpose or objective are achieved in a manner that complies with this policy. When piloting a drone, the Remote Pilot must comply with the Operating Guidelines discussed in this policy and is responsible for ensuring that all Operation team members comply as well. It is permissible under this policy and federal law for an Operation team member other than a Remote Pilot to pilot a drone, but such piloting must be done under the direct supervision of the Remote Pilot.

Finally, consistent with federal law, during an Operation, either the Remote Pilot or another designated Operation team member ("Visual Observer") must maintain visual line-of-sight with the drone at all times. Assistive technologies such as virtual reality headsets may not be used to create or maintain visual line-of-sight between a Remote Pilot or their designee and a drone.<sup>2</sup> If an individual does utilize an assistive technology when piloting a drone, then another Operation team member must act as a Visual Observer. In any instance where a Visual Observer is utilized, the Visual Observer must be able to communicate quickly and effectively with the Remote Pilot at all times during an Operation (i.e., through the use of walkie-talkies).

#### (1) Operating Limitations – Waivers

If an Operation's purpose or objective cannot be completed without the Remote Pilot violating their FAA authorization, the Remote Pilot should identify whether a waiver can be obtained from the FAA. If a waiver can be obtained, the Remote Pilot must obtain an operational waiver prior to conducting the Operation. If a waiver cannot be obtained, the Remote Pilot must suspend the Operation until such time as a waiver becomes available. The following is a list of activities prohibited by the FAA under a Part 107 authorization but for which a waiver is obtainable:

- nighttime operation;
- operation without visual line of sight;
- use of a Visual Observer not in compliance with federal law;
- simultaneous operation of multiple drones;
- yielding the right of way;
- operation over people;
- operation in certain airspace;
- exceeding groundspeed of more than 100 miles per hour;

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<sup>2</sup> Under federal law, prescription glasses and contact lenses are the only assistive technologies that may be used to maintain visual line-of-sight with a drone. 14 C.F.R. § 107.31.

- exceeding altitude of 400 feet AGL (when not within 400 feet of a structure);
- maintain a flight visibility of less than 3 statute miles; and
- flying within 500 feet below a cloud or within 2,000 feet horizontally from a cloud.<sup>3</sup>

## (2) Privacy Considerations

QCTV is committed to protecting and respecting the privacy of its residents and visitors. In creating a Flight Plan, all Remote Pilots must consider the impact an Operation will have on individual privacy and should seek to eliminate or minimize this impact. If an Operation will impact an individual's privacy, the Remote Pilot should consult with the Administrator before commencing the Operation. Whenever practical, QCTV strongly encourages a Remote Pilot to inform any affected third parties if the Remote Pilot believes the third party's privacy will be violated.

## B. Drone Requirements

### 1. Registration

As required by federal law, all drones owned by QCTV must be registered with the FAA under Part 107.<sup>4</sup> It is the Administrator's responsibility to ensure that all QCTV-owned drones are registered with the FAA and that these registrations are properly maintained. No unauthorized drones may be operated by or on behalf of QCTV.

### 2. Weight Restrictions

All drones operated by or on behalf of QCTV must weigh less than 55 lbs. including any attachments, such as cameras or other data collection equipment, that will be used during an Operation. If a Remote Pilot determines that a drone weighing more than 55 lbs. must be used for an Operation, the Remote Pilot must seek approval from the Administrator before beginning the Operation. Drones weighing more than 55 lbs. require a separate FAA authorization that QCTV may need to obtain if the use of such a drone is mandatory for completing an Operation.<sup>5</sup> Alternatively, the Administrator may suspend the Operation until such time as use of a drone weighing less than 55 lbs. becomes viable for the Operation.

### 3. Maintenance

All QCTV-owned drones must be periodically inspected and maintained in accordance with FAA and manufacturer recommendations to ensure that every drone remains safe and reliable to operate in public. It is the Administrator's responsibility to ensure these activities are undertaken on at least a bi-monthly basis. Inspection and maintenance activities should occur more frequently as a drone is being used more frequently. Key inspection and maintenance activities include:

- updating drone firmware or software;
- updating drone equipment firmware or software;
- charging batteries to at least 50% or greater based on manufacturer recommendations;
- inspecting and cleaning motors and propellers;

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<sup>3</sup> 14 C.F.R. § 107.205

<sup>4</sup> <https://faadronezone.faa.gov/#/>

<sup>5</sup> FAA Modernization and Reform Act of 2012, Pub. L. 112-95, 126 Stat. 11, 13 (2012).

- calibrating inertia sensors, compasses, camera gimbals, and remote controllers; and
- performing routine maintenance activities in accordance with manufacturer recommendations.

**Quad Cities Community Television  
Acknowledgment  
of the  
QCTV Drone Policy**

This is to acknowledge that I have received a copy of the QCTV Drone Policy and understand that it contains important information and obligations I must follow as a QCTV employee. I acknowledge that I am expected to read, understand, and adhere to these policies and will familiarize myself with the material in the policy. Additionally, I agree to abide by any new or revised policy.

I understand that I am governed by the contents of the policy and that QCTV may change, rescind, or add to any policies or practices described in this policy from time to time in its sole and absolute discretion with or without prior notice. QCTV will advise employees of material changes within a reasonable time.

I further acknowledge and agree that employment with QCTV may be terminated for not abiding by the rules and policies set forth in the QCTV Drone Policy.

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Employee Signature

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Date

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Print or Type Name

**Important Note:** I understand it is my responsibility to read, understand, and comply with the provisions contained in the QCTV Drone Policy. If I am unable to understand any part of this manual, I will arrange to have it translated or explained to me. I further understand that if I am unable to arrange such help, I will immediately notify my supervisor who will make arrangements for needed assistance.

## Appendix A: Sample Flight Plan

### Remote Pilot

Click or tap here to enter text.

### Remote Pilot Certificate Number

Click or tap here to enter text.

### Flight Team Members

Click or tap here to enter text.

Click or tap here to enter text.

Click or tap here to enter text.

### Drone Model

Click or tap here to enter text.

### Drone FAA Registration Number

Click or tap here to enter text.

### Operation Date

Click or tap to enter a date.

### Operation Time

Click or tap here to enter text.

### Operation Purpose or Objective

### Operation Description

### Surrounding Buildings and Other Topography Impact Statement

**Weather Patterns Impact Statement**

**Nearby Hospitals, Schools, and Special Events Impact Statement**



## Appendix B: Sample Preflight Inspection Checklist

### Remote Pilot

Click or tap here to enter text.

### Remote Pilot Certificate Number

Click or tap here to enter text.

### Flight Team Members

Click or tap here to enter text.

Click or tap here to enter text.

Click or tap here to enter text.

### Drone Model

Click or tap here to enter text.

### Drone FAA Registration Number

Click or tap here to enter text.

### Operation Date

Click or tap to enter a date.

### Operation Time

Click or tap here to enter text.

### Preflight Checklist

Using the checklist below, please indicate whether each of the following conditions has been satisfied. If a condition has not been satisfied, please explain in the Notes section of this document.

Item	Acceptable Condition	
Airspace	The airspace is unrestricted, or an appropriate authorization has been obtained.	<input type="checkbox"/>
	Potential obstructions near the intended flight path have been identified.	<input type="checkbox"/>
	People and property near the intended flight path have been identified.	<input type="checkbox"/>
Weather	Visibility is at least 3 miles, wind is less than 15 mph, and there is no precipitation.	<input type="checkbox"/>
Physical Inspection	Airframe	<input type="checkbox"/>
	Propellers	<input type="checkbox"/>
	Drone Battery	<input type="checkbox"/>
	Controller Battery	<input type="checkbox"/>
	Display Device Battery	<input type="checkbox"/>
	Memory Card	<input type="checkbox"/>
Visual Observer	A Visual Observer is being utilized in the Operation, the Visual Observer is present, has been briefed, and is ready.	<input type="checkbox"/>
Take-Off Location	The take-off location is clear of obstructions, including overhead obstructions.	<input type="checkbox"/>

### Notes

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**Appendix C: Sample Flight Report**

**Remote Pilot**

Click or tap here to enter text.

**Remote Pilot Certificate Number**

Click or tap here to enter text.

**Operation Date**

Click or tap to enter a date.

**Operation Time**

Click or tap here to enter text.

**Variances from Operation Description in Flight Plan**

Variation	Description	Time

**Covered Data**

Description	Location	Time

**Damage to Persons or Property**

Description	Location	Time

---

**FOR ADMINISTRATOR USE ONLY**

Date Received: Click or tap to enter a date.

---

Administrator's Printed Name

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Administrator's Signature

## QCCCC Agenda Item

### 5.4 LiveU Replacement

**May 11, 2020**

**To:** Commissioners

**From:** Karen George, Executive Director

**Subject:** LiveU Replacement

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Attached is a report from Taylor Johnson, Mobile Production Coordinator, outlining the planned replacement of the mobile production truck LiveU unit. This equipment is at the end of life cycle and is scheduled for replacement this year.

**Action Requested:** Approve purchase of LiveU live broadcasting hardware for a total of \$4,885 +/- 5% or \$5,130.

This is a planned replacement in the five-year capital plan with a budgeted amount of \$10,000. Alpha Video is the only third-party vendor in our area that sells LiveU products. Staff recommends purchasing from Alpha Video as directed in past board action.

**May 8<sup>th</sup>, 2020**

**To:** Karen George, Executive Director

**From:** Taylor Johnson, Mobile Production Coordinator

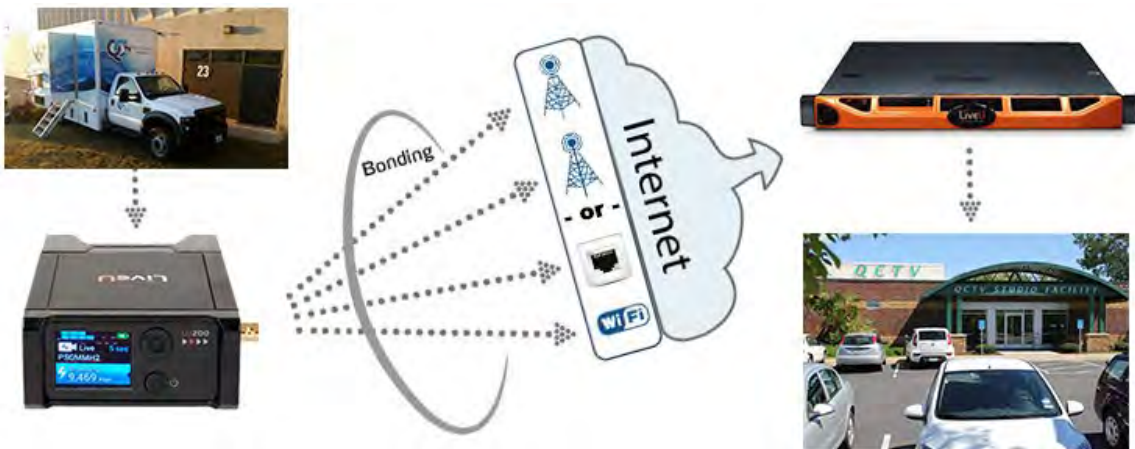
**Subject:** LiveU LU200 Planned Replacement

---

The mobile production truck requires utilizes LiveU to deliver HD content from our mobile productions back to the studio and ultimately out to our channel and the web. Our current LU200 is past its expected life and is now showing signs of failure. QCTV would recommend purchasing the same LU200 product in order to continue utilizing the other LiveU infrastructure already in place at QCTV.

Mobile Live Broadcasting Solution:

A cellular live streaming device allows for the encoding of an HD-SDI signal which then sends that signal through either an existing network at the remote broadcast location or through the bonding of several cellular data networks(AT&T, Verizon, etc.) back to a head-end location(e.g. QCTV's studio). When using the cellular network, the device splits up the data load onto multiple cellular network cards in order to get all of the necessary data back to the stations head-end. It then goes through a receiver and gets converted to the necessary format needed by the playback system for use on the channel and website. With this technology, we are able to broadcast live from any location with a reliable cellular data network.



Staff Recommendation:

Our recommendation is to purchase LiveU's live broadcasting hardware for a total of \$4,885. This is a planned replacement in the five-year capital plan with a budgeted amount of \$10,000. Alpha Video is the only third-party vendor in our area that sells LiveU products. Staff recommends purchasing from Alpha Video as directed in past board action.

Action Options:

- Purchase as presented for a subtotal of \$4,885.00 +/- 5%
- Delay pending further review



# Quotation

7690 Golden Triangle Drive, Eden Prairie, MN 55344  
 Phone: 952-896-9898 - Fax 952-896-9899 - Visit us at www.alphavideo.com

Date	Quote #	Cust #
05/07/20	AAAQ47553	

We are an equal opportunity employer

Prepared For:	Sales Representative:
Taylor Johnson Quad Cities TV 12254 Ensign Ave 1351 S Riverfront Dr Champlin, MN 55313 USA  <b>Phone:</b> (763)276-9862 <b>Fax:</b> <b>Terms:</b> NET 30 <b>Ship via:</b> Best Way	<b>Mike Pouh</b> Sales Executive 952-841-3365 mike.pouh@alphavideo.com

ID #	Item	Description	Qty	Unit Price	Ext. Price
1	LU200-DVB	LiveU LU200 3 Modems LU200 camera-mount unit with dedicated pouch. LiveU 4G LTE/3G internal antenna array with 3 modems. SDI+HDMI Inputs. Servers and data plans, sold separately	1	\$4,885.00	\$4,885.00

Shipping charges are not included and will be billed at actual cost.  
 Sales tax is not included and will be billed at actual.  
 A 3% convenience will be added for credit card payments.

Sub Total	\$4,885.00
Sales Tax	\$0.00
Shipping	\$0.00
<b>Total</b>	<b>\$4,885.00</b>

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_ PO: \_\_\_\_\_

All information contained within this quote is valid for the next 90 days. Thereafter, all prices and applicable charges are subject to change.  
 MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING.