

Quad Cities Cable Communications Commission
Anoka City Hall – Council Chambers

November 21, 2019, 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 September 19, 2019 commission meeting and work session minutes.
 - 4.2. Treasurer
 - 4.2.1. August/September Financial Reports and quarterly investment report.
 - 4.3. Executive Director
- 5. General Business**
 - 5.1. 2020 Budget
 - 5.2. Comcast Fee Audit
 - 5.3. Telly Awards Presentation
- 6. Adjourn**

MINUTES OF THE WORK SESSION OF SEPTEMBER 19, 2019

CALL TO ORDER – 1

Chair Heitkamp called the meeting to order at 10:03 a.m. at the Anoka City Hall.

ROLL CALL– 2

Commissioners present were: Erik Skogquist, Anoka; Kurt Ulrich, Ramsey; Jim Dickinson, Andover; Jamie Barthel, Andover; and Bret Heitkamp, Champlin.

Commissioners absent: Megan Thorstad, Ramsey; Greg Lee, Anoka; and Ryan Sabas, Champlin.

Others present included Karen George, Executive Director and John Sommer, Technology Manager.

APPROVAL OF AGENDA – 3

The agenda was approved as presented.

ANNUAL TECHNOLOGY UPDATE – 4

Mr. Sommer reviewed the routine technology duties as well as the contract for service duties. He provided an update on the project to move various storage pools to a single platform with off-site redundancy.

Chair Heitkamp referenced the Xcel power outages and asked if the organization has been able to quantify frequencies and cost related information. He noted that Champlin is attempting to work on the issue with Xcel and would appreciate the additional information.

Ms. George confirmed that she could supply additional information.

Commissioner Ulrich asked the number of years meetings are archived online.

Ms. George stated that since the new website was launched in 2015 all the meetings have remained online in the video on demand feature. She stated that QCTV is a service provider, whereas the City is the responsible party for archiving.

Mr. Sommer highlighted some of the completed projects from the past 12 months.

Commissioner Skogquist referenced the movie in the park events. He noted that while the QCTV promo was nice, perhaps it would be beneficial to have a five- or ten-minute loop of it to generate more interest.

Ms. George stated that she spoke with city staff and gained input on how the promo could be more attention grabbing.

Commissioner Ulrich asked if there were any comments related to setup and takedown of the equipment.

Chair Heitkamp commented that for Champlin the process went smoothly.

Ms. George confirmed that she received positive comments about the setup, takedown, and the equipment. She noted that the cities have been very appreciative of the equipment.

Mr. Sommer continued to highlight completed projects. He reviewed the five-year capital plan which was presented in 2017 and highlighted the progress that has been made. He stated that the intent is to keep the document as a five-year rolling plan.

Ms. George clarified that while this is a plan, the items still continue to come back before the Commission for approval before moving forward. She noted that to date, none of the completed line items have exceeded the projected budget.

Mr. Sommer provided an update on the HD signal transmission and channel designation, as well as options for signal transmission.

Ms. George provided an update and asked for input from the Commission. She confirmed the consensus of the Commission to direct staff to pursue additional signal transmission options. She highlighted items that will appear on the November Commission agenda.

Mr. Sommer summarized the technology visioning.

Ms. George highlighted recent policy updates including legal action related to the 621 rule. She noted that QCTV is declining to be a part of the legal action at this time. She advised that she was recently reelected to the NATOA Board.

Chair Heitkamp thanked staff for the updates.

OTHER - 5

Ms. George referenced the remote meeting participation and the direction provided by the Commission at the last meeting to allocate up to \$7,000 for baseline equipment for each member city. She noted that two cities have expressed interest at this time. She clarified the direction of the Commission to offload those projects to the member cities with the knowledge that QCTV will be contributing \$7,000. She noted that this will allow each member city to move on its own schedule and budget.

ADJOURN – 5

Time of adjournment 10:51 a.m.

Respectfully submitted,

Reviewed for approval,

Amanda Staple
Recording Secretary
TimeSaver Off Site Secretarial, Inc.

Karen George
Executive Director

MINUTES OF THE REGULAR MEETING OF SEPTEMBER 19, 2019

CALL TO ORDER – 1

Chair Heitkamp called the meeting to order at 11:03 a.m. at the Anoka City Hall.

ROLL CALL– 2

Commissioners present were: Erik Skogquist, Anoka; Kurt Ulrich, Ramsey; Jim Dickinson, Andover; Jamie Barthel, Andover; and Bret Heitkamp, Champlin.

Commissioners absent: Megan Thorstad, Ramsey; Greg Lee, Anoka; and Ryan Sabas, Champlin.

Others present included Karen George, Executive Director; Technology Manager John Sommer, and Bob Vose, Commission Attorney.

APPROVAL OF AGENDA – 3

Ms. George noted that the Telly Awards presentation will be moved to the November agenda.

Motion was made by Ulrich and seconded by Barthel to approve the agenda as amended.

5 ayes – 0 nays. Motion carried.

ADMINISTRATIVE REPORTS – 4

4.1 Secretary

4.1.1. Approval of minutes from July 18, 2019 Commission Meeting and the August 5, 2019 Executive Committee Meeting

Motion was made by Dickinson and seconded by Barthel to approve the July 18, 2019 Commission meeting minutes and August 5, 2019 Executive Committee meeting minutes as presented.

5 ayes – 0 nays. Motion carried.

4.2 Treasurer

4.2.1. June/July Financial Reports and Quarterly Investment Report

Commissioner Dickinson provided a brief summary of the June/July Financial Reports as well as the Quarterly Investment Report.

Motion was made by Ulrich and seconded by Barthel to accept the June/July Financial Reports and Quarterly Investment Report.

5 ayes – 0 nays. Motion carried.

4.3 Executive Director

Ms. George stated that the redundancy and off-site backup update was provided in the packet and discussed earlier today at the worksession meeting. She noted that QCTV continues to monitor the 621 rule, as does NATOA. She stated that since adjusting the part-time employee wages, QCTV has seen an increase in availability of part-time staff members and applications.

Motion was made by Dickinson seconded by Barthel to accept the Executive Director's report.

5 ayes – 0 nays. Motion carried.

GENERAL BUSINESS – 5

5.1 Insurance Liability Waiver

Ms. George stated that this action is completed on an annual basis. She noted that this would be the time for the Commission to decide whether to waive or not waive the limits on tort liability.

Motion was made by Dickinson and seconded by Barthel to approve designating that QCCCC does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

5 ayes – 0 nays. Motion carried.

5.2 Strategic Plan

Ms. George thanked the Commission and staff for their involvement throughout this process. She stated that the plan is now available to be approved and highlighted the next steps once approved.

Chair Heitkamp thanked Ms. George for the overall effort in coordinating the experience. He stated that there is a good vision and direction moving forward and he is looking forward to implementation.

Motion was made by Ulrich and seconded by Skogquist to approve the five-year Strategic Plan.

5 ayes – 0 nays. Motion carried.

~~5.3 Telly Awards Presentation~~

Item removed from agenda.

ADJOURN – 6

Time of adjournment 11:10 a.m.

Respectfully submitted,

Reviewed for approval,

Amanda Staple
Recording Secretary
TimeSaver Off Site Secretarial, Inc.

Karen George
Executive Director

Quad Cities Communications Commission
Balance Sheet Summary
As of August 31, 2019

	Total
ASSETS	
Current Assets	
Bank Accounts - QCTV	1,355,754.74
- PayPay acct	1,478.74
- US Bank Reserve	5,000.00
- Petty Cash	250.00
- Investments	1,333,285.70
Accounts Receivable	0.00
Other current assets	0.00
Total Current Assets	\$ 2,695,769.18
Fixed Assets	0.00
TOTAL ASSETS	\$ 2,695,769.18
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	13,751.76
Other Current Liabilities	-0.01
Total Current Liabilities	\$ 13,751.75
Equity	2,682,017.43
TOTAL LIABILITIES AND EQUITY	\$ 2,695,769.18

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

Operating Reserves = \$436,808

Capital Reserves = \$2,258,961.18 (\$3.4 M needed for 5-Year CIP)

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Aug 2019				Total			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Income								
Duplication Revenue	1,216.64	41.67	1,174.97	2919.70%	2,071.99	500.00	1,571.99	414.40%
Equipment Grant		4,833.33	(4,833.33)	0.00%	58,649.78	58,000.00	649.78	101.12%
Franchise Fees	256,980.40	71,500.00	185,480.40	359.41%	511,521.00	858,000.00	(346,479.00)	59.62%
Interest Income	20,288.72	2,500.00	17,788.72	811.55%	42,614.79	30,000.00	12,614.79	142.05%
Miscellaneous Income	90.11	41.67	48.44	216.25%	877.20	500.00	377.20	175.44%
PEG Fee	138,396.64	35,750.00	102,646.64	387.12%	275,705.79	429,000.00	(153,294.21)	64.27%
Total Income	416,972.51	114,666.67	302,305.84	363.64%	891,440.55	1,376,000.00	(484,559.45)	64.78%
Expenses								
A-PERA Expense	4,942.76	3,750.00	1,192.76	131.81%	29,083.95	45,000.00	(15,916.05)	64.63%
A-SS/Medicare Expense	5,140.91	4,160.42	980.49	123.57%	29,221.15	49,925.00	(20,703.85)	58.53%
A-Wages - Full-time	61,665.43	44,391.25	17,274.18	138.91%	339,417.62	532,695.00	(193,277.38)	63.72%
A-Wages - Part-time	6,912.37	9,993.50	(3,081.13)	69.17%	51,137.11	119,922.00	(68,784.89)	42.64%
Accounting / HR Services	2,369.14	1,275.00	1,094.14	185.81%	11,047.57	15,300.00	(4,252.43)	72.21%
Ads/Promos/Sponsorships	75.00	916.67	(841.67)	8.18%	5,763.45	11,000.00	(5,236.55)	52.40%
Andover Capital Equipment		416.67	(416.67)	0.00%	722.27	5,000.00	(4,277.73)	14.45%
Announcers Fees	445.23	1,083.33	(638.10)	41.10%	5,506.60	13,000.00	(7,493.40)	42.36%
Anoka Capital Equipment	222.00	416.67	(194.67)	53.28%	1,965.96	5,000.00	(3,034.04)	39.32%
Audit		1,375.00	(1,375.00)	0.00%	14,582.00	16,500.00	(1,918.00)	88.38%
Bank Fees / CC Fees		20.83	(20.83)	0.00%	0.00	250.00	(250.00)	0.00%
Brand Apparel	1,593.00	208.33	1,384.67	764.65%	2,195.00	2,500.00	(305.00)	87.80%
Building - Cleaning	1,512.45	583.33	929.12	259.28%	5,210.15	7,000.00	(1,789.85)	74.43%
Building - Insurance	3,505.00	250.00	3,255.00	1402.00%	5,289.00	3,000.00	2,289.00	176.30%
Building - Maintenance	4,541.39	833.33	3,708.06	544.97%	9,478.71	10,000.00	(521.29)	94.79%
Building - Supplies	82.64	166.67	(84.03)	49.58%	1,016.88	2,000.00	(983.12)	50.84%
Car Allowance	250.00	250.00	0.00	100.00%	2,000.00	3,000.00	(1,000.00)	66.67%
Cell Phone - Allowance	625.00	625.00	0.00	100.00%	5,000.00	7,500.00	(2,500.00)	66.67%
Champlin Capital Equipment	84.90	416.67	(331.77)	20.38%	1,572.72	5,000.00	(3,427.28)	31.45%
City Sewer & Water	892.37	216.67	675.70	411.86%	1,871.70	2,600.00	(728.30)	71.99%
Commission Expense	680.00	416.67	263.33	163.20%	3,635.44	5,000.00	(1,364.56)	72.71%
Consulting Services	1,380.00	6,250.00	(4,870.00)	22.08%	23,687.50	75,000.00	(51,312.50)	31.58%
Contingency Fund		2,718.17	(2,718.17)	0.00%	0.00	32,618.00	(32,618.00)	0.00%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Aug 2019				Total			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Duplication Expenses	65.60	41.67	23.93	157.43%	186.91	500.00	(313.09)	37.38%
Electric Service	1,514.20	1,500.00	14.20	100.95%	9,871.32	18,000.00	(8,128.68)	54.84%
Emp / Comm Appreciation		208.33	(208.33)	0.00%	143.20	2,500.00	(2,356.80)	5.73%
Equip/Repair/Supply/Software		3,333.33	(3,333.33)	0.00%	3,697.53	40,000.00	(36,302.47)	9.24%
Federal Unempl Expense		70.83	(70.83)	0.00%	0.00	850.00	(850.00)	0.00%
Health Insurance	7,152.03	7,873.33	(721.30)	90.84%	57,461.49	94,480.00	(37,018.51)	60.82%
Insurance - Deductibles		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Insurance - Liability / Bonds	5,030.00	416.67	4,613.33	1207.19%	8,254.00	5,000.00	3,254.00	165.08%
Lawn Service	425.00	416.67	8.33	102.00%	2,795.50	5,000.00	(2,204.50)	55.91%
Legal Fees	598.00	2,083.33	(1,485.33)	28.70%	3,353.38	25,000.00	(21,646.62)	13.41%
Licenses and Permits		166.67	(166.67)	0.00%	200.00	2,000.00	(1,800.00)	10.00%
Meals		83.33	(83.33)	0.00%	695.00	1,000.00	(305.00)	69.50%
Memberships - NATOA / Others	1,000.00	833.33	166.67	120.00%	5,470.00	10,000.00	(4,530.00)	54.70%
Mileage	660.80	750.00	(89.20)	88.11%	4,314.84	9,000.00	(4,685.16)	47.94%
Miscellaneous Expenses		83.33	(83.33)	0.00%	1,099.59	1,000.00	99.59	109.96%
Natural Gas	38.34	566.67	(528.33)	6.77%	1,552.73	6,800.00	(5,247.27)	22.83%
Office Supplies / Equipment	192.54	500.00	(307.46)	38.51%	2,931.41	6,000.00	(3,068.59)	48.86%
Parking Lot Maintenance		266.67	(266.67)	0.00%	0.00	3,200.00	(3,200.00)	0.00%
Payroll Expenses (ADP/HSA)	135.00	200.00	(65.00)	67.50%	1,032.50	2,400.00	(1,367.50)	43.02%
Postage	209.10	83.33	125.77	250.93%	709.66	1,000.00	(290.34)	70.97%
Printing / Copy Services		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Professional Development		1,833.33	(1,833.33)	0.00%	8,243.85	22,000.00	(13,756.15)	37.47%
Publications		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Ramsey Capital Equipment	131.77	416.67	(284.90)	31.62%	1,776.43	5,000.00	(3,223.57)	35.53%
Sales Tax		41.67	(41.67)	0.00%	73.00	500.00	(427.00)	14.60%
Secretary Services		208.33	(208.33)	0.00%	690.75	2,500.00	(1,809.25)	27.63%
Snow Plowing Service		416.67	(416.67)	0.00%	5,856.25	5,000.00	856.25	117.13%
State Unemploy Exp		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
STD / LTD / Life Insurance	578.45	625.00	(46.55)	92.55%	4,677.45	7,500.00	(2,822.55)	62.37%
Studio Sets		833.33	(833.33)	0.00%	0.00	10,000.00	(10,000.00)	0.00%
Subscription Services	448.99	1,833.33	(1,384.34)	24.49%	19,816.81	22,000.00	(2,183.19)	90.08%
Temp Staff Services		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Aug 2019				Total			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Vehicle - Equipment / Repair	(167.17)	1,250.00	(1,417.17)	-13.37%	5,695.34	15,000.00	(9,304.66)	37.97%
Vehicle - Insurance	1,276.00	333.33	942.67	382.80%	2,148.00	4,000.00	(1,852.00)	53.70%
Vehicle - Maintenance / Gas	228.50	666.67	(438.17)	34.27%	5,142.75	8,000.00	(2,857.25)	64.28%
Waste Removal	114.72	166.67	(51.95)	68.83%	905.07	2,000.00	(1,094.93)	45.25%
Web / VOD / Int / CaTV / Phone	1,152.51	1,833.33	(680.82)	62.86%	8,832.99	22,000.00	(13,167.01)	40.15%
Work Comp Insurance		191.67	(191.67)	0.00%	0.00	2,300.00	(2,300.00)	0.00%
Total Expenses	117,703.97	111,445.00	6,258.97	105.62%	717,032.53	1,337,340.00	(620,307.47)	53.62%
Net Income	299,268.54	3,221.67	296,046.87	9289.24%	174,408.02	38,660.00	135,748.02	451.13%

ZCIP - Andover	25,150.63
ZCIP - Anoka	25,150.63
ZCIP - Building	11,200.00
ZCIP - Champlin	24,647.91
ZCIP - Master Control Equipment	38,704.50
ZCIP - Office Equipment	10,950.00
ZCIP - Ramsey	27,901.94
ZCIP - Studio	3,760.00
ZCIP - Truck	80,160.00
	<u>350.00</u>
	<u>247,625.61</u>

QCTV Bank Reconciliation

August 2019

Beginning Balance - 4M Statement	1,071,227.83
Less: Cleared Checks/Withdrawals	(112,382.94)
Plus: 4M Fund Interest	5,555.45
Plus: Bank Deposits/Credits	397,294.40
Bank Balance	\$1,361,694.74
Book Balance	1,361,694.74
Adjusted Book Balance	1,361,694.74
Difference:	\$0.00

Completed by: MK

Quad Cities Communications Commission

BILL PAYMENT LIST

August 2019

DATE	NUM	VENDOR	AMOUNT
Quad Cities Commission			
08/02/2019	12844	Associated Bank	-120.00
08/02/2019	12845	HealthEquity Inc.	-394.62
08/02/2019	W D	Minnesota State Retirement System	-525.50
08/02/2019	W D	PERA	-3,132.96
08/09/2019	12846	ACE Solid Waste, Inc.	-114.72
08/09/2019	12847	Gerald S. Thomson	-240.00
08/09/2019	12848	Greenery Enterprises, Inc.	0.00
08/09/2019	12849	Huebsch	-47.39
08/09/2019	12850	James R. Erickson	-120.00
08/09/2019	12851	Jason Dorow	-60.00
08/09/2019	12852	Kennedy & Graven, Chartered	-467.50
08/09/2019	12853	LiveU Inc.	-104.16
08/09/2019	12854	T-Mobile	-22.72
08/09/2019	12855	Timesavers	-145.00
08/09/2019	12856	TransAlarm, Inc	-402.27
08/09/2019	12857	U.S. Bank Corporate	-2,905.49
08/09/2019	12858	Xcel Energy	-1,624.82
08/16/2019	12859	Associated Bank	-120.00
08/16/2019	12860	AT&T Mobility	-114.69
08/16/2019	12861	CenterPoint Energy	-38.34
08/16/2019	12862	City of Andover	-1,449.66
08/16/2019	12863	City of Champlin	-67.20
08/16/2019	12864	Comcast 2	-468.92
08/16/2019	12865	Comcast Cable	-859.24
08/16/2019	12866	HealthEquity Inc.	-402.27
08/16/2019	12867	Mayo Clinic	-1,214.03
08/16/2019	12868	Peter James Hayes	-195.40
08/16/2019	W D	Minnesota State Retirement System	-524.26
08/16/2019	W D	PERA	-2,993.33
08/26/2019	12869	Amazon	-1,632.21
08/26/2019	12870	Anoka Area Chamber of Commerce	-40.00
08/26/2019	12871	Bret Heitkamp	-80.00
08/26/2019	12872	Erik A Skogquist	-120.00
08/26/2019	12873	Ideal Advertising	-796.50
08/26/2019	12874	James Childs	-257.72
08/26/2019	12875	James Dickinson	-160.00
08/26/2019	12876	Jamie A. Barthel	-120.00
08/26/2019	12877	Kurtis G. Ulrich	-120.00
08/26/2019	12878	League of MN Cities Insurance Trust	-9,811.00
08/26/2019	12879	Maza Technologies, LLC	-1,580.00
08/26/2019	12880	Preferred One Insurance Co.	-7,621.62
08/26/2019	12881	Ryan Sabas	-80.00
08/26/2019	12882	Sprint	-22.99

DATE	NUM	VENDOR	AMOUNT
08/26/2019	12883	The Lincoln National Life Ins. Co.	-578.45
08/30/2019	12884	Associated Bank	-120.00
08/30/2019	12885	HealthEquity inc.	-374.62
08/30/2019	W D	Minnesota State Retirement System	-536.03
08/30/2019	W D	PERA	-3,100.19
Total for Quad Cities Commission			\$ -46,025.82

Quad Cities Communications Commission
Balance Sheet Summary
As of September 30, 2019

	Total
ASSETS	
Current Assets	
Bank Accounts - QCTV	1,274,463.16
- PayPay acct	1,375.40
- US Bank Reserve	5,000.00
- Petty Cash	250.00
- Investments	1,334,494.02
Accounts Receivable	0.00
Other current assets	0.00
Total Current Assets	\$ 2,615,582.58
Fixed Assets	0.00
TOTAL ASSETS	\$ 2,615,582.58
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	30,730.79
Other Current Liabilities	0.01
Total Current Liabilities	\$ 30,730.80
Equity	2,584,851.78
TOTAL LIABILITIES AND EQUITY	\$ 2,615,582.58

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

Operating Reserves = \$436,808

Capital Reserves = \$2,178,774.58 (\$3.4 M needed for 5-Year CIP)

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Sep 2019				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Income								
Duplication Revenue	16.60	41.67	(25.07)	39.84%	2,069.64	500.00	1,569.64	413.93%
Equipment Grant		4,833.33	(4,833.33)	0.00%	58,649.78	58,000.00	649.78	101.12%
Franchise Fees		71,500.00	(71,500.00)	0.00%	511,521.00	858,000.00	(346,479.00)	59.62%
Interest Income	2,921.60	2,500.00	421.60	116.86%	45,536.39	30,000.00	15,536.39	151.79%
Miscellaneous Income	(119.94)	41.67	(161.61)	-287.83%	757.26	500.00	257.26	151.45%
PEG Fee		35,750.00	(35,750.00)	0.00%	275,705.79	429,000.00	(153,294.21)	64.27%
Total Income	2,818.26	114,666.67	(111,848.41)	2.46%	894,239.86	1,376,000.00	(481,760.14)	64.99%
Expenses								
A-PERA Expense	3,439.21	3,750.00	(310.79)	91.71%	32,523.16	45,000.00	(12,476.84)	72.27%
A-SS/Medicare Expense	3,951.71	4,160.42	(208.71)	94.98%	33,172.86	49,925.00	(16,752.14)	66.45%
A-Wages - Full-time	41,362.40	44,391.25	(3,028.85)	93.18%	380,780.02	532,695.00	(151,914.98)	71.48%
A-Wages - Part-time	11,156.00	9,993.50	1,162.50	111.63%	62,293.11	119,922.00	(57,628.89)	51.94%
Accounting / HR Services	70.00	1,275.00	(1,205.00)	5.49%	11,117.57	15,300.00	(4,182.43)	72.66%
Ads/Promos/Sponsorships	395.00	916.67	(521.67)	43.09%	6,158.45	11,000.00	(4,841.55)	55.99%
Andover Capital Equipment		416.67	(416.67)	0.00%	722.27	5,000.00	(4,277.73)	14.45%
Announcers Fees	995.96	1,083.33	(87.37)	91.94%	6,502.56	13,000.00	(6,497.44)	50.02%
Anoka Capital Equipment	222.00	416.67	(194.67)	53.28%	2,187.96	5,000.00	(2,812.04)	43.76%
Audit		1,375.00	(1,375.00)	0.00%	14,582.00	16,500.00	(1,918.00)	88.38%
Bank Fees / CC Fees		20.83	(20.83)	0.00%	0.00	250.00	(250.00)	0.00%
Brand Apparel	292.00	208.33	83.67	140.16%	2,487.00	2,500.00	(13.00)	99.48%
Building - Cleaning	530.45	583.33	(52.88)	90.93%	5,740.60	7,000.00	(1,259.40)	82.01%
Building - Insurance		250.00	(250.00)	0.00%	5,289.00	3,000.00	2,289.00	176.30%
Building - Maintenance	450.00	833.33	(383.33)	54.00%	9,928.71	10,000.00	(71.29)	99.29%
Building - Supplies	254.19	166.67	87.52	152.51%	1,271.07	2,000.00	(728.93)	63.55%
Car Allowance	250.00	250.00	0.00	100.00%	2,250.00	3,000.00	(750.00)	75.00%
Cell Phone - Allowance	625.00	625.00	0.00	100.00%	5,625.00	7,500.00	(1,875.00)	75.00%
Champlin Capital Equipment	84.90	416.67	(331.77)	20.38%	1,657.62	5,000.00	(3,342.38)	33.15%
City Sewer & Water	203.00	216.67	(13.67)	93.69%	2,074.70	2,600.00	(525.30)	79.80%
Commission Expense	680.00	416.67	263.33	163.20%	4,315.44	5,000.00	(684.56)	86.31%
Consulting Services	2,760.00	6,250.00	(3,490.00)	44.16%	26,447.50	75,000.00	(48,552.50)	35.26%
Contingency Fund		2,718.17	(2,718.17)	0.00%	0.00	32,618.00	(32,618.00)	0.00%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Sep 2019				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Duplication Expenses		41.67	(41.67)	0.00%	186.91	500.00	(313.09)	37.38%
Electric Service	1,545.31	1,500.00	45.31	103.02%	11,416.63	18,000.00	(6,583.37)	63.43%
Emp / Comm Appreciation		208.33	(208.33)	0.00%	143.20	2,500.00	(2,356.80)	5.73%
Equip/Repair/Supply/Software	2,747.84	3,333.33	(585.49)	82.44%	6,445.37	40,000.00	(33,554.63)	16.11%
Federal Unempl Expense		70.83	(70.83)	0.00%	0.00	850.00	(850.00)	0.00%
Health Insurance	7,152.03	7,873.33	(721.30)	90.84%	64,585.87	94,480.00	(29,894.13)	68.36%
Insurance - Deductibles		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Insurance - Liability / Bonds		416.67	(416.67)	0.00%	8,254.00	5,000.00	3,254.00	165.08%
Lawn Service	1,240.50	416.67	823.83	297.72%	4,036.00	5,000.00	(964.00)	80.72%
Legal Fees	1,306.46	2,083.33	(776.87)	62.71%	4,659.84	25,000.00	(20,340.16)	18.64%
Licenses and Permits		166.67	(166.67)	0.00%	200.00	2,000.00	(1,800.00)	10.00%
Meals		83.33	(83.33)	0.00%	695.00	1,000.00	(305.00)	69.50%
Memberships - NATOA / Others		833.33	(833.33)	0.00%	5,470.00	10,000.00	(4,530.00)	54.70%
Mileage	439.52	750.00	(310.48)	58.60%	4,754.36	9,000.00	(4,245.64)	52.83%
Miscellaneous Expenses	1,021.45	83.33	938.12	1225.79%	2,121.04	1,000.00	1,121.04	212.10%
Natural Gas	36.23	566.67	(530.44)	6.39%	1,588.96	6,800.00	(5,211.04)	23.37%
Office Supplies / Equipment	318.96	500.00	(181.04)	63.79%	3,250.37	6,000.00	(2,749.63)	54.17%
Parking Lot Maintenance		266.67	(266.67)	0.00%	0.00	3,200.00	(3,200.00)	0.00%
Payroll Expenses (ADP/HSA)	120.00	200.00	(80.00)	60.00%	1,152.50	2,400.00	(1,247.50)	48.02%
Postage		83.33	(83.33)	0.00%	784.66	1,000.00	(215.34)	78.47%
Printing / Copy Services		83.33	(83.33)	0.00%	0.00	1,000.00	(1,000.00)	0.00%
Professional Development	97.19	1,833.33	(1,736.14)	5.30%	8,341.04	22,000.00	(13,658.96)	37.91%
Publications		41.67	(41.67)	0.00%	0.00	500.00	(500.00)	0.00%
Ramsey Capital Equipment	131.77	416.67	(284.90)	31.62%	1,908.20	5,000.00	(3,091.80)	38.16%
Sales Tax		41.67	(41.67)	0.00%	73.00	500.00	(427.00)	14.60%
Secretary Services	180.00	208.33	(28.33)	86.40%	870.75	2,500.00	(1,629.25)	34.83%
Snow Plowing Service		416.67	(416.67)	0.00%	5,856.25	5,000.00	856.25	117.13%
State Unemploy Exp		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%
STD / LTD / Life Insurance	578.45	625.00	(46.55)	92.55%	5,255.90	7,500.00	(2,244.10)	70.08%
Studio Sets		833.33	(833.33)	0.00%	0.00	10,000.00	(10,000.00)	0.00%
Subscription Services	1,286.99	1,833.33	(546.34)	70.20%	21,103.80	22,000.00	(896.20)	95.93%
Temp Staff Services		208.33	(208.33)	0.00%	0.00	2,500.00	(2,500.00)	0.00%

Quad Cities Communications Commission
Budget vs. Actuals: FY 2019 - FY19 P&L
 January - December 2019

	Sep 2019				YTD			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Vehicle - Equipment / Repair	2,026.57	1,250.00	776.57	162.13%	7,721.91	15,000.00	(7,278.09)	51.48%
Vehicle - Insurance		333.33	(333.33)	0.00%	2,148.00	4,000.00	(1,852.00)	53.70%
Vehicle - Maintenance / Gas	115.55	666.67	(551.12)	17.33%	5,258.30	8,000.00	(2,741.70)	65.73%
Waste Removal	115.51	166.67	(51.16)	69.30%	1,020.58	2,000.00	(979.42)	51.03%
Web / VOD / Int / CaTV / Phone	1,224.95	1,833.33	(608.38)	66.82%	10,057.94	22,000.00	(11,942.06)	45.72%
Work Comp Insurance	1,785.00	191.67	1,593.33	931.29%	1,785.00	2,300.00	(515.00)	77.61%
Total Expenses	91,192.10	111,445.00	(20,252.90)	81.83%	808,271.98	1,337,340.00	(529,068.02)	60.44%
Net Income	(88,373.84)	3,221.67	(91,595.51)	-2743.11%	85,967.88	38,660.00	47,307.88	222.37%
ZCIP - Andover	2,134.29				27,284.92			
ZCIP - Anoka	2,134.29				27,284.92			
ZCIP - Building					11,200.00			
ZCIP - Champlin	2,134.29				26,782.20			
ZCIP - Master Control Equipment	79.30				38,783.80			
ZCIP - Office Equipment					10,950.00			
ZCIP - Ramsey	2,262.29				30,036.23			
ZCIP - Studio					3,760.00			
ZCIP - Truck					80,160.00			
	<u>8,744.46</u>				<u>256,242.07</u>			

QCTV Bank Reconciliation
September 2019

Beginning Balance - 4M Statement	1,361,694.74
Less: Cleared Checks/Withdrawals	(84,063.67)
Plus: 4M Fund Interest	1,713.28
Plus: Bank Deposits/Credits	-
Bank Balance	\$1,279,344.35
Book Balance	1,279,344.35
Adjusted Book Balance	1,279,344.35
Difference:	\$0.00

Completed by: MK

Quad Cities Communications Commission

BILL PAYMENT LIST

September 2019

DATE	NUM	VENDOR	AMOUNT
Quad Cities Commission			
09/13/2019	12886	Alliance for Community Media	-1,000.00
09/13/2019	12887	Associated Bank	-120.00
09/13/2019	12888	Commercial Steam Team Inc.	-714.00
09/13/2019	12889	Gerald S. Thomson	-185.19
09/13/2019	12890	Greenery Enterprises, Inc.	-425.00
09/13/2019	12891	HealthEquity Inc.	-374.62
09/13/2019	12892	Holiday Station	-262.04
09/13/2019	12893	Huebsch	-82.64
09/13/2019	12894	Ideal Advertising	-796.50
09/13/2019	12895	Joe G. Ruhland	-260.04
09/13/2019	12896	Kahuna Window Cleaning	-268.00
09/13/2019	12897	Kennedy & Graven, Chartered	-598.00
09/13/2019	12898	League of MN Cities Insurance Trust	-1,785.00
09/13/2019	12899	T-Mobile	-30.56
09/13/2019	W D	Minnesota State Retirement System	-545.00
09/13/2019	W D	PERA	-3,267.60
09/20/2019	12900	ACE Solid Waste, Inc.	-115.51
09/20/2019	12901	Amazon	-804.84
09/20/2019	12902	AT&T Mobility	-114.69
09/20/2019	12903	CenterPoint Energy	-36.23
09/20/2019	12904	City of Andover	-886.98
09/20/2019	12905	City of Champlin	-892.37
09/20/2019	12906	Comcast 2	-468.96
09/20/2019	12907	Comcast Cable	-859.24
09/20/2019	12908	Coordinated Business Systems, LTD	-257.00
09/20/2019	12909	Greenery Enterprises, Inc.	-1,015.50
09/20/2019	12910	HealthEquity Inc.	-27.65
09/20/2019	12911	James Childs	-215.96
09/20/2019	12912	LiveU Inc.	-104.16
09/20/2019	12913	Mayo Clinic	-1,012.46
09/20/2019	12914	Maza Technologies, LLC	-1,580.00
09/20/2019	12915	Monarch Pest Control	-110.00
09/20/2019	12916	Multichannel News	-159.00
09/20/2019	12917	NAC Building Solutions	-4,102.46
09/20/2019	12918	Sprint	-22.99
09/20/2019	12919	The Lincoln National Life Ins. Co.	-578.45
09/20/2019	12920	U.S. Bank Corporate	-984.48
09/20/2019	12921	Vividly Clean Inc.	-530.45
09/20/2019	12922	Xcel Energy	-1,514.20
09/27/2019	W D	Minnesota State Retirement System	-540.65
09/27/2019	W D	PERA	-3,152.22
Total for Quad Cities Commission			\$ -30,800.64

INVESTMENT SCHEDULE

9/30/2019

Description	Cusip Number	Purchase Price	Carrying Cost	Maturity Amount	Interest Rate	Interest Paid	Maturity / Due Date
Investments - Cash Flow Reserves							
4M Fund			-				
4M Plus			450,925.89		1.910%		
			<u>450,925.89</u>				
Investments - Building							
4M Fund			261,348.49		1.830%		
			-				
			<u>261,348.49</u>				
Investments - Capital							
4M Fund			74,219.64		1.830%		
CD - Discover Bank	2546723D8	200,000.00	200,000.00	200,000.00	1.700%	semi-annual	2/18/2020
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	200,000.00	2.028%		8/31/2020
			<u>622,219.64</u>				
			<u>1,334,494.02</u>				

QCCCC Agenda Item

4.3 Executive Director's Report

November 4, 2019

To: Commissioners

From: Karen George, Executive Director

Subject: Executive Director's Report

QCTV in the news

QCTV sent a press release regarding the recent awards received. The Anoka Union Herald printed the article. It is attached to this report.

Strategic Planning

Staff is working on the first 90-day objectives for Year 1 of the plan. Those items include three objectives under Engaging the Community; one objective under Collaborating for Success; and four objectives under Innovating for Impact.

DGI Mini Gimbal Cameras

The Strategic Plan calls for a shift in video production to provide shorter, social media first videos for deployment. Staff purchased and has started experimenting with the DGI mini gimbal cameras. These cameras and gimbal attachment are the perfect blend of quality video production with the ease of a smaller unit like a cell phone; and at a reasonable price of \$400 each.

Innovation on the Football Field

New innovation in technology and staff ingenuity have paid off with these improvements: live referee mic, sideline reporter, new graphics, wireless camera, sharing audio feed with stadium for broadcast to audience. See compliments section at end of the report.

Online Payroll Stub

QCTV has been using QuickBooks payroll integration for about a year. The QuickBooks payroll system now offers online accounts for employees to review payroll information and direct deposit, thus eliminating the need to print and mail paycheck stubs. The new system will be implemented prior to year-end.

Xcel Outages

As requested, a report on the impact of recent Xcel outages was forwarded to the City of Champlin. The city is working with the energy provider to improve service to the industrial park area where QCTV offices are located.

Budget Planning

Staff worked this fall to draft the 2020 Operations Budget. The proposed budget was presented to the Budget Committee in late October. This item is on the November 21 agenda for Commission action.

Health Insurance

The health insurance renewal notice was received. Staff reviewed the premium and age increases, solicited competitive quotes of similar plans, and process renewal with Preferred One. The Open Enrollment period ends on November 15 and plan renewal is December 1, 2019.

Commission Staff Appreciation Event

The annual Commission/Staff appreciation event is scheduled for December 20. An email with details will be forwarded to commissioners.

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 Rule Making (franchise fee offset). Appeals currently pending in the 9th Circuit Court and the FCC has requested to transfer to the 6th Circuit Court. NATOA has filed a Motion to Intervene in the case.

MACTA Annual Meeting

Attended the MACTA annual meeting reviewing the past year and mapping out the 2020 agenda. This included a brown bag lunch and learn with presentations from QCTV and other stations on different platforms to video bookmark government meetings to match the agenda.

League of Minnesota Cities

Participated in the League's Telecom Task Force providing input of telecom issues for the 2020 legislative session.

NATOA Conference

Attended the annual NATOA conference and participated in NATOA board meetings.

Champlin Communications

Connected the City of Champlin with a social media specialist who submitted a pilot project proposal for a social media strategy to augment current communications activities. QCTV providing member city communications support is referenced in the strategic plan. The Personnel Committee provided direction that QCTV craft a communications role for QCTV and recommended the Budget Committee consider providing increased member city CIP funds. The budget with increase member city CIP payment is on the agenda.

Remote Meeting Participation

Staff has communicated commission direction to city staffers and await direction from the city for implementation and transfer of the \$7,000 CIP contribution for equipment.

Live and Local to Feature Member Cities

The QCTV Live and Local show will feature member cities in 2019!

Q1 – Champlin – Completed

Q2 – Anoka – Completed

Q3 – Ramsey – Completed

Q4 – Andover – Scheduled Dec. 11

Customer Comments

Andover Football coverage

QCTV received a phone call from Cadie Kalmes. Her son, Ethan, former quarterback now wide receiver for the Andover Football team, was interviewed during the game by QCTV. She was ecstatic about what QCTV does for the community. She said that we are professional and do an amazing job; the announcers and the entire crew!

Cadie Kalmes, Proud Mom, Andover

Andover Soccer

Thank you very much-much appreciated. Your team does a great job on the production.

PS: Great crew. Chatting with the sideline reporter and camera guy. They deserve hazardous duty pay - it was cold!

Aaron P. Frederickson, Game Official

Anoka Halloween

Thank you letter attached.

Action Requested: None.

https://www.hometownsource.com/press_and_news/free/qctv-to-celebrate-national-community-media-day/article_a3392dda-f035-11e9-a0c4-373f39345bd7.html

QCTV to celebrate National Community Media Day

Champlin-based television station earns programming awards

Oct 16, 2019

Community Media Day, Oct. 20, is an annual celebration of local television stations that brings awareness to the importance of hyper-local coverage of news and events – telling the stories that matter to area residents.

QCTV celebrates a 38-year history of providing award-winning programming featuring Andover, Anoka, Champlin and Ramsey.

QCTV has received four programming awards in 2019. Three Bronze Telly awards were presented for local programs. Two were for a program called “Live and Local: A Centenary of Armistice” produced at Fort Snelling National Cemetery. One award was in the category for live programming and the other was in the history category for a story on Gold Star Mothers. The third Telly was in the live category for the Cambridge-Isanti at Andover Football game. The fourth award this year was presented by the National Association of Telecommunications Officers and Advisors for the Cambridge-Isanti at Andover football game.

“Government meeting coverage is the core service of QCTV. We produce 22 meetings live each month,” said Karen George, QCTV Executive Director. “Local election coverage is also important.” Watch QCTV’s coverage of Anoka-Hennepin School Board and Ramsey City Council candidate forums.” Check out the web site Elections tab at qctv.org to see election programs affecting local residents.

Community programming on QCTV includes News & Views, a program featuring city news, live high school sports coverage, local history, The Chamber Report featuring area businesses, and festival coverage including Anoka Halloween’s Big Parade of Little People on October 25 and the Grand Day Parade on October 26. Watch them at qctv.org, Facebook, or on Comcast and Century Link channels.



STATE of MINNESOTA

Proclamation

- WHEREAS: Public access television stations and community media organizations are an integral part of communities throughout this country; and
- WHEREAS: Community media provides opportunities to residents, students, and organizations to learn about video and television production in order to practice their First Amendment rights; and
- WHEREAS: The sharing of ideas and information helps build common understanding and common values within a community; and
- WHEREAS: Access to information in today's media environment is critical for the healthy functioning of our society; and
- WHEREAS: Community media organizations provide a means for diverse communities to tell their stories, hear each other's stories, and create new stories together; and
- WHEREAS: Community media organizations provide localized information to their communities that is often not covered by mainstream commercial media; and
- WHEREAS: Communities benefit from increased general awareness of, viewing audiences for, and creators of media content created by and for the community.

NOW, THEREFORE, I, TIM WALZ, Governor of Minnesota, do hereby proclaim Sunday, October 20, 2019, as:

COMMUNITY MEDIA DAY

in the State of Minnesota.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed at the State Capitol this 21st day of October.

GOVERNOR

SECRETARY OF STATE



Halloween Capital of the World

October 3, 2019

QCTV

Dear Karen:

Thank you for your sponsoring of the parades with the live webcast. We are excited to have you as a sponsor again this year. Your support is greatly appreciated!

Please accept this small token of our appreciation. We thought you could display this sticker in your window so customers are aware of your support.

Thanks again,

A handwritten signature in cursive script that reads "Terrie".

Terrie Schommer
Anoka Halloween
Sponsor Chair

Anoka Halloween, Inc.
P.O. Box 128
Anoka, MN 55303
www.anokahalloween.com

QCCCC Agenda Item

4.3.1 Operations Report

September 30, 2019

To: Karen George, Executive Director

From: Katherine Lenaburg, Operations Manager

Subject: Operations Update

Fall football is in full swing and we covered four Friday night games as well as soccer and volleyball games on other nights. Our production values have been optimized as are trying new things this year- improved graphics, putting a mic on the ref, a sideline reporter, we offer the stadiums our audio feed if they like and they can broadcast it to the audience, we use a wireless camera, and are producing half time reports via social media. We also tried going live to Facebook. The new look is impressive! We covered 9 games this month.

Our QCTV production truck was out for live coverage of the Happy Days Parade. It was the first year it rained, but it was fun and the production looked good. Our co-hosts were volunteers Josh Jungling and Scott Siebert.

We held two training sessions for our new and present employees. We spent time in the studio, the production van, and remote equipment. We went over new equipment operations. Technology Manager John Sommer arranged to have a company come in and demonstrate several cameras for potential purchase.

Our regular shows included: "News and Views", "The Chamber Report", and "QC Cooks". "The District Court Show" is back after being on hiatus for the summer. Our 120th episode features two new judges in Anoka County.

We produced three Slow TV's: Yard Work, and two on marathons. One of our new associate producers put together her first PSA on young girls liking themselves as they are. We also produced a PSA called "Be There" about why you shouldn't text and drive. We also produced an episode of "What's New at the Q" promoting our local coverage.

Procured programming includes work produced by a sister station "Inside Health Care" and a concert called "One Voice." We also carried live coverage of the Saint Paul Saints play offs and they won the American Association National Championship.

We covered 16 government meetings and 5 were cancelled.

We produced packages for upcoming episode of "Live and Local" as well as "The Local Show. "

QCCCC Agenda Item

4.3.1 Operations Report

October 31, 2019

To: Karen George, Executive Director

From: Katherine Lenaburg, Operations Manager

Subject: Operations Update

Governor Tim Walz celebrated Manufacturing Month, highlighting work accomplished in Anoka County, by coming to Andover. Governor Walz and others spoke at Safety Speed Manufacturing. The event was sponsored by the Anoka Area Chamber of Commerce Manufacture CoHort. QCTV was there to capture the event for playback on our channel and website.

In conjunction with the AHSD, we produced two candidate forums. One for the school district and the other for the special city council election in Ramsey. They are on our website under the "Election" tab.

Another Anoka Area Chamber of Commerce event was the Chamber's 67th anniversary. The annual event featured guest speaker, award winning TV journalist and storyteller from Kare 11, Boyd Huppert.

We produced "Live and Local" from Ramsey. Guests included city officials and staff members and we produced stories on public works, parks and rec activities, Citizen's Academy, and the Ramsey police.

Fall sports is in full swing and we covered ten games- football, volleyball, and soccer. Play-off games included the Champlin Park Girls soccer game at U.S. Bank on October 28th. They had been undefeated all season but fell to Maple Grove and then played October 29th for fourth place.

We produced a show in conjunction with the LWV called "Transformative Circle- Reaching Across Race, Culture, and Class."

We covered the annual Anti-Crime Breakfast in Anoka. Anoka Police Chief Eric Peterson gave a presentation on crime statistics and the guest speaker was Eddie Miles, the warden at the Minnesota Correctional Facility in St. Cloud.

Regular shows include: "News and Views", "The Local Show", "The Sheriff's Show", "Game Sharks" and "The Chamber Report."

We have increased our Facebook posts and are trying new things and tagging our partners.

We wrote a press release and submitted to the local paper about our recent awards and they ran a story.

We are working on our strategic plan and thinking of how we will do things differently in the future. We all took our smart phones out and did short videos that we could post to social media. It was a good learning experience. Producers have also been using their new DGI cameras to produce short pieces and they are looking very good.

We produced two Slow TV's and a Watch QCTV promo. One of our new associate producers put together a PSA on wearing a helmet while biking.

We produced "Answers to Aging" with our partner Impact Services.

We covered several events for the Anoka Halloween festivities. Live coverage included "The Big Parade of Little People", "The Grande Day Parade" and "The Anoka Royal Ambassador Coronation". We also shot some still photos and video of downtown Anoka to make available for any other media outlets to use as they like.

Procured programming includes work produced by a sister station "Inside Health Care".

QCCCC Agenda Item

4.3.2 Technology Report

November 12th, 2019

To: Karen George, Executive Director

From: John Sommer, Technology Manager

Subject: September 2019 Technology Report



Current Projects:

Equipment Purchases

Staff had a demo on three cinema style video cameras. QCTV is evaluating the purchase of an additional camera to augment the four check out cameras purchased with capital funds in 2018.

Equipment Issues:

Xcel Energy Outages

The first prolonged outage in September happened over a holiday weekend. I worked remotely to restore channel services after Xcel restored power. The VoIP phone system and some network services were still not working when staff returned to work. Tech staff spent several hours bringing everything back online. Production staff had to work without being able to connect to shared network storage.

Second Xcel power outage was at the end of the month. One backup server failed. It will need a replacement hard drive and reinstallation of system software. Staff downtime was lessened as Technology staff had prepared a list of computers and services that needed to be checked after the previous power outage.

QCTV Equipment

Air Conditioner Condenser for AH-2 failed. Received an estimate to repair or replace. Management staff will discuss this as part of the 2020 budget.

City Equipment

Comcast contacted QCTV to exchange the cable modem at Andover City Hall. I met a technician there and we made the change in the Cable Control Room. There have been no issues with new modem.

Comcast Equipment

No issues to report for this period.

CenturyLink Equipment

No issues to report for this period.

Action Requested: None.

QCCCC Agenda Item

4.3.2 Technology Report

November 13th, 2019

To: Karen George, Executive Director

From: John Sommer, Technology Manager

Subject: October 2019 Technology Report



Current Projects:

Technology Purchases

Production staff are using two new DJI mini gimbal cameras. They cost about \$400 each. This may better fit our strategic initiatives for the future.

Equipment Issues:

QCTV Equipment

No issues to report for this period.

City Equipment

No issues to report for this period.

Comcast Equipment

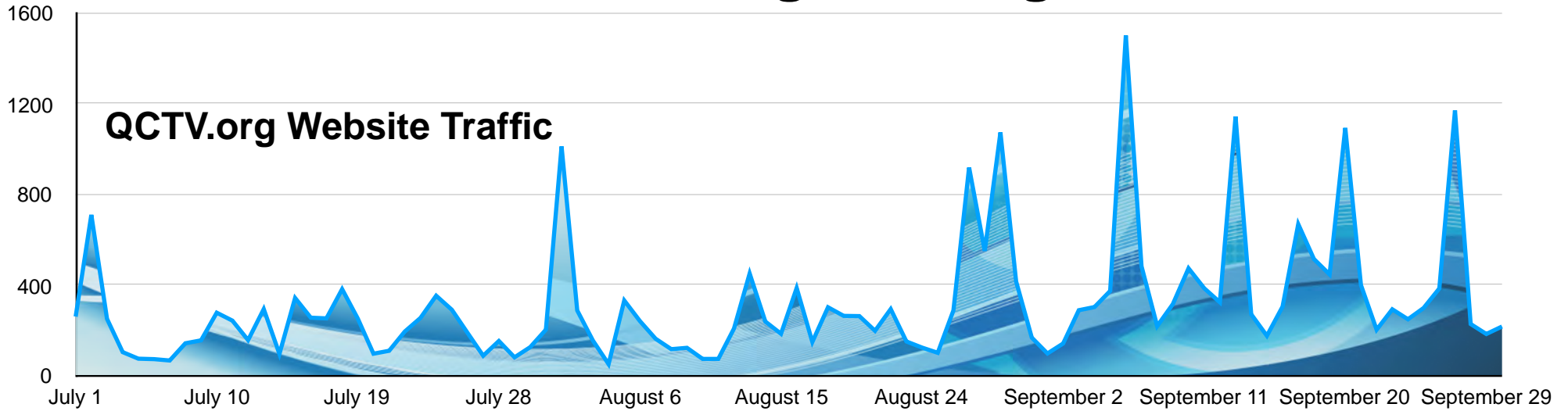
No issues to report for this period.

CenturyLink Equipment

No issues to report for this period.

Action Requested: None.

2019 Quarter 3 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	Direct	46%	1	Homepage	5,976
2	google search	39%	2	Sports	4,186
3	From Facebook	8%	3	Live - Community Channel	3,103
4	From Twitter	2%	4	QCTV Programs	904
5	Sogou search	1%	5	Program Guide	877
6	From mncourts.gov	1%	6	Anoka	817
7	Bing search	0.7%	7	Champlin	723
8	Yahoo search	0.6%	8	Andover	676
9	From Ramsey's website	0.3%	9	Ramsey	546
10	From Champlin's website	0.2%	10	Events Calendar	368



ANDOVER | ANOKA | CHAMPLIN | RAMSEY

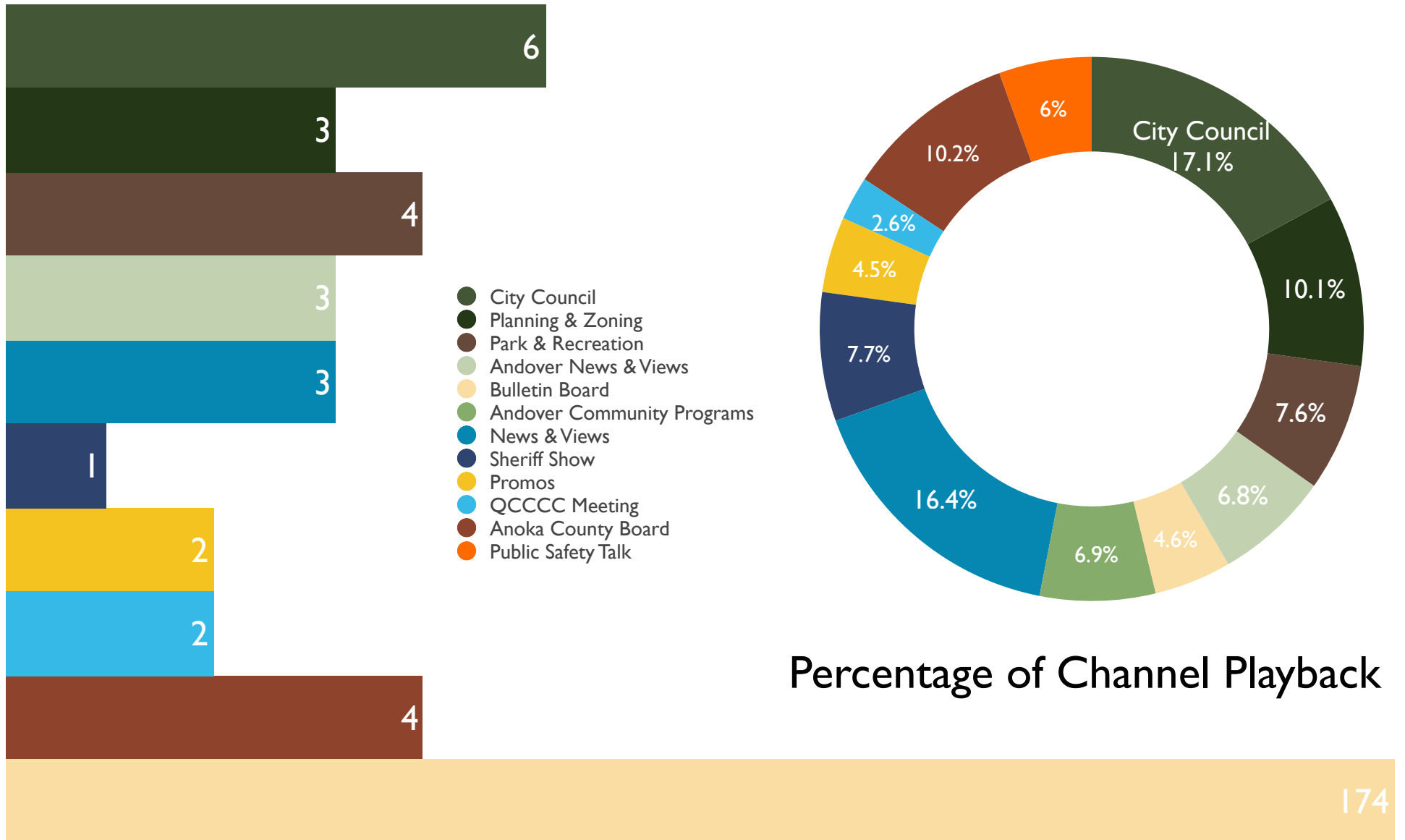


DETRACTORS (0-6)	PASSIVES (7-8)	PROMOTERS (9-10)	NET PROMOTER® SCORE
2%	5%	93%	90
1	2	38	

2019Q3

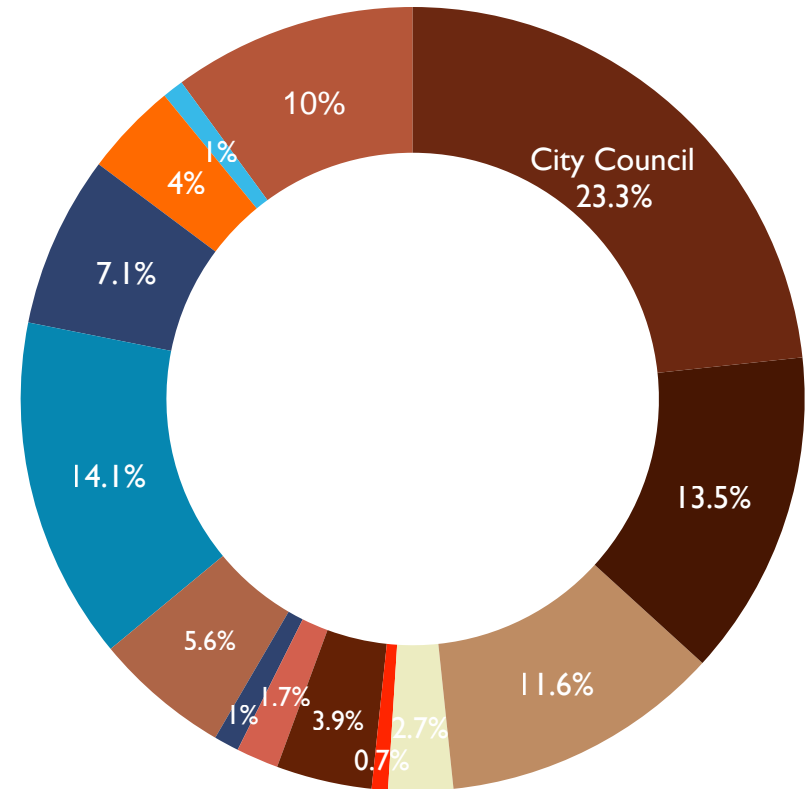
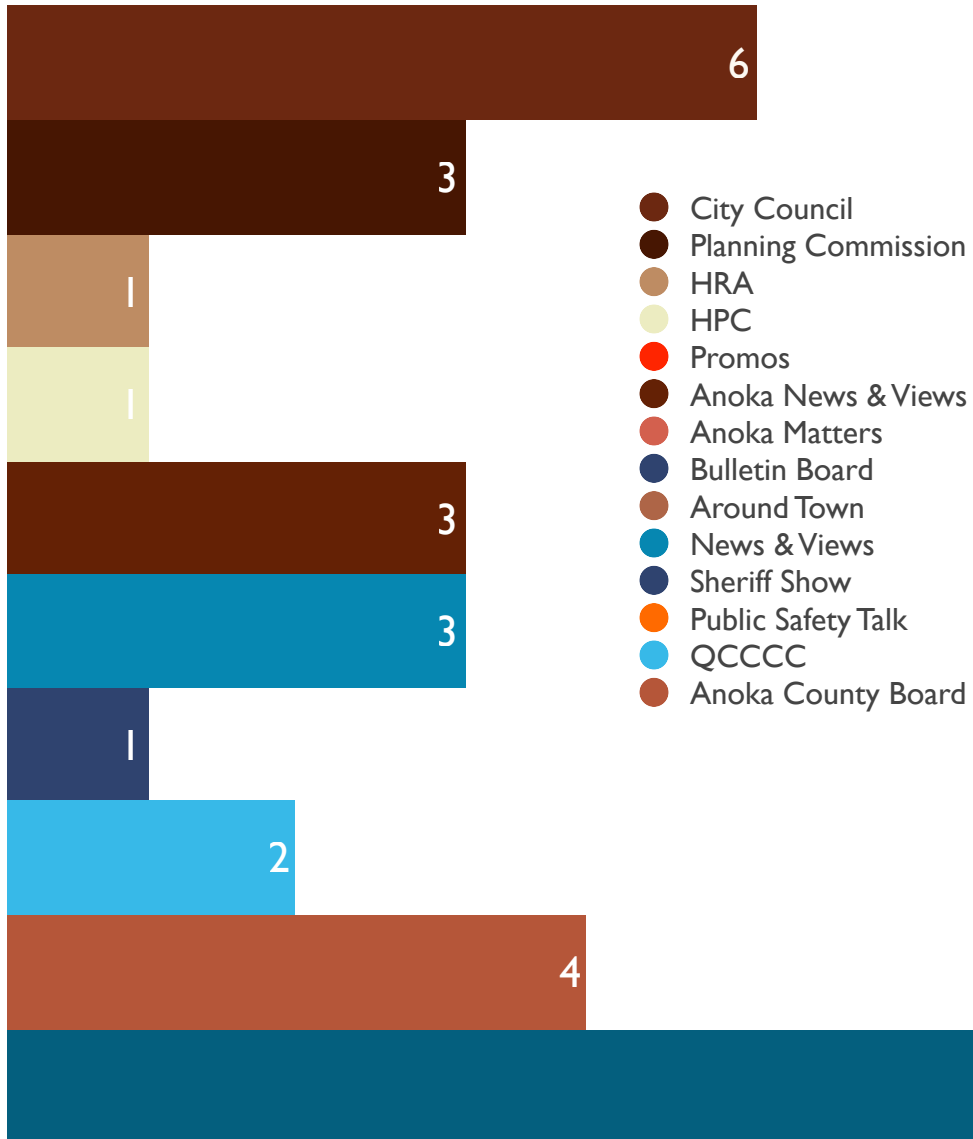


Channel Programming Stats



Number of New Shows - 28

2019Q3



Percentage of Channel Playback

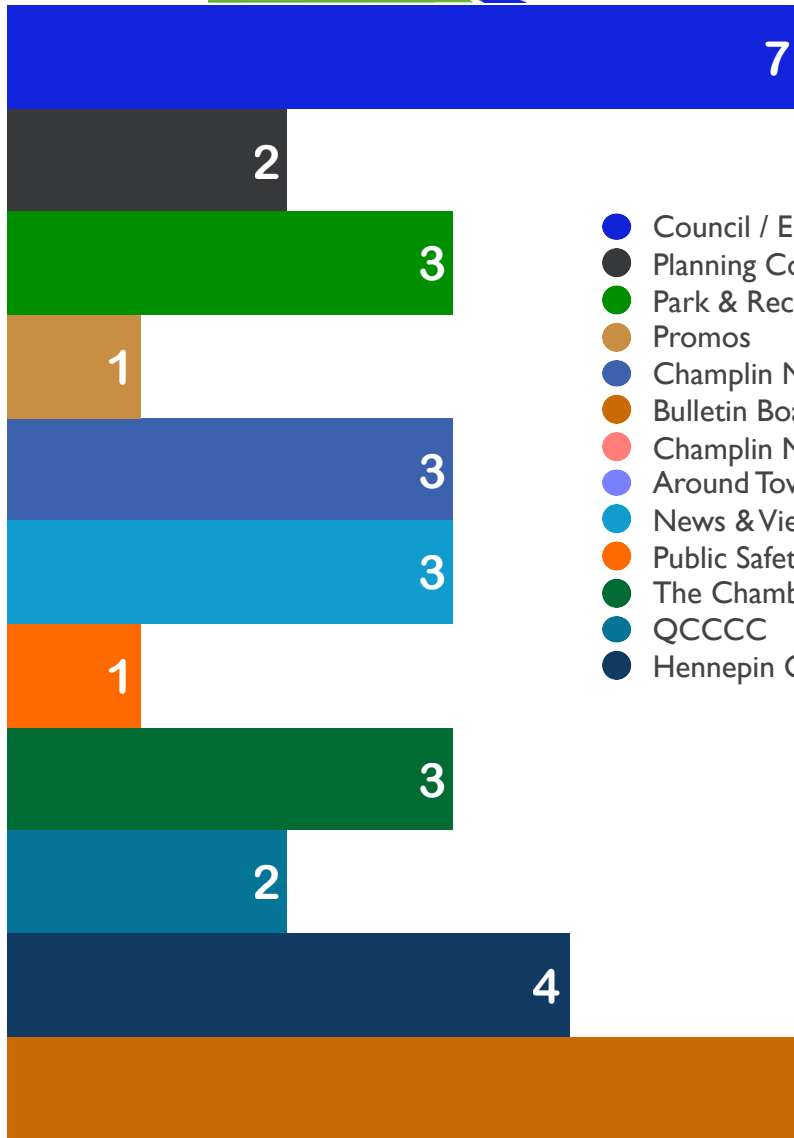
Number of New Shows - 24

164

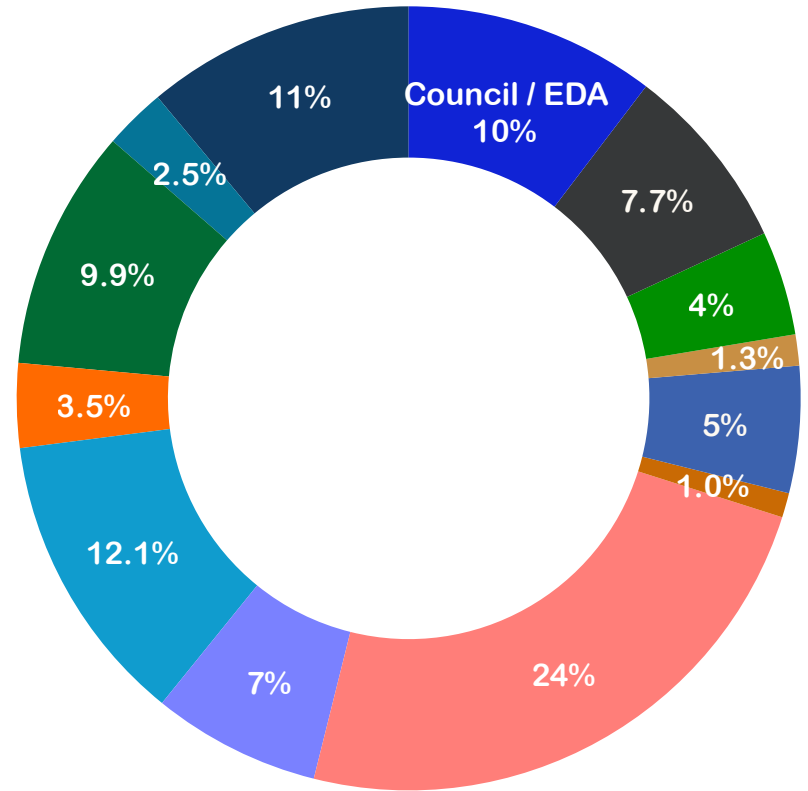
2019Q3



City of Champlin Channel Programming Stats



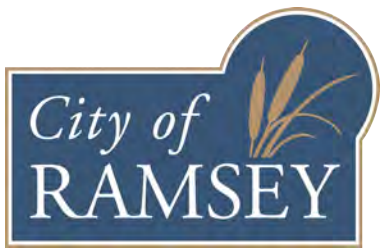
- Council / EDA
- Planning Commission
- Park & Rec
- Promos
- Champlin News & Views
- Bulletin Board
- Champlin Matters
- Around Town
- News & Views
- Public Safety Talk
- The Chamber Report
- QCCCC
- Hennepin County Board



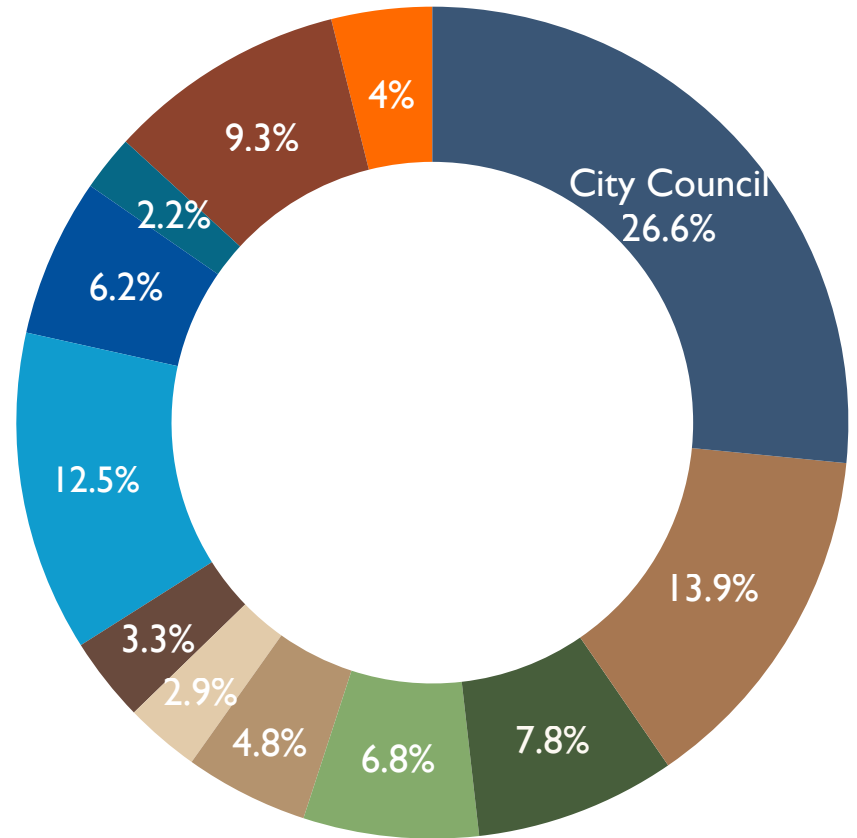
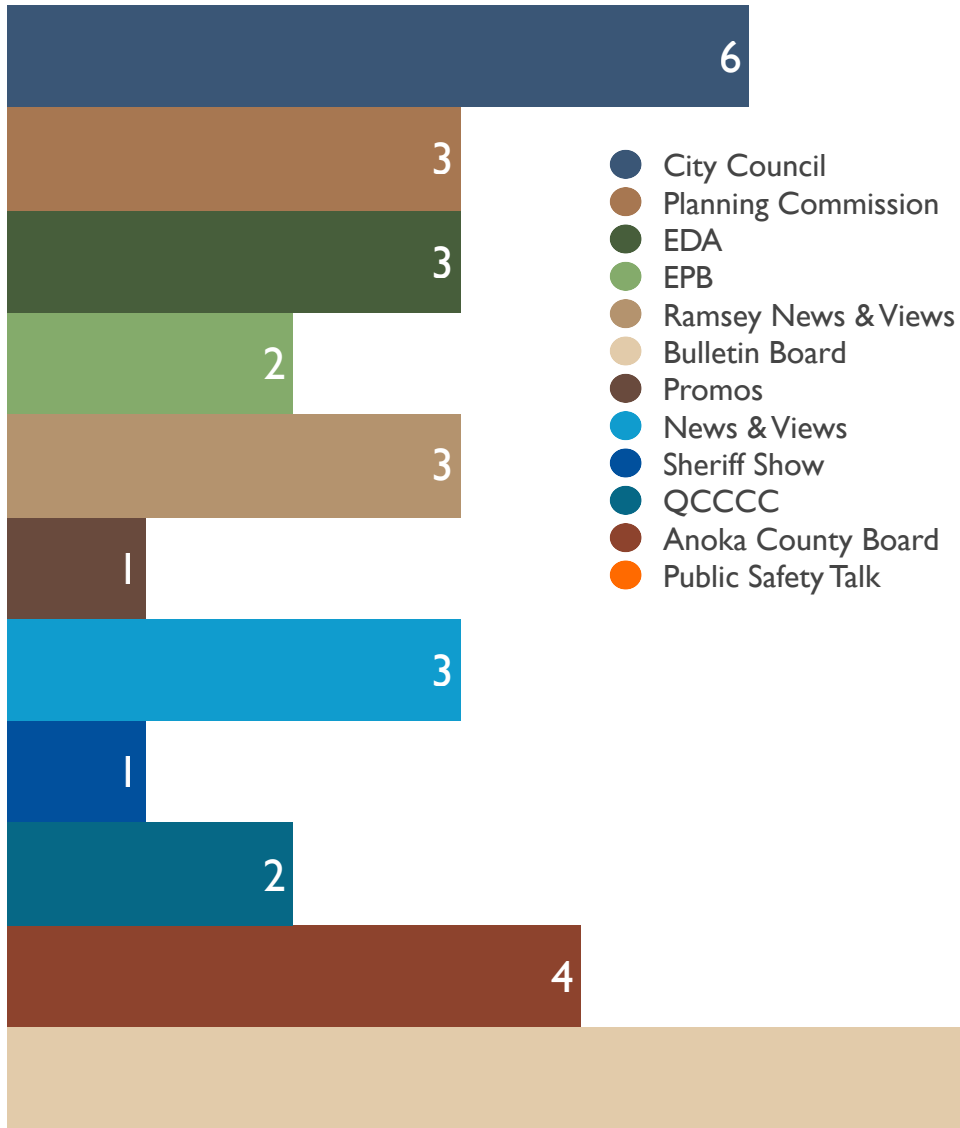
Percentage of Channel Playback

Number of New Shows - 28

2019Q3



Channel Programming Stats



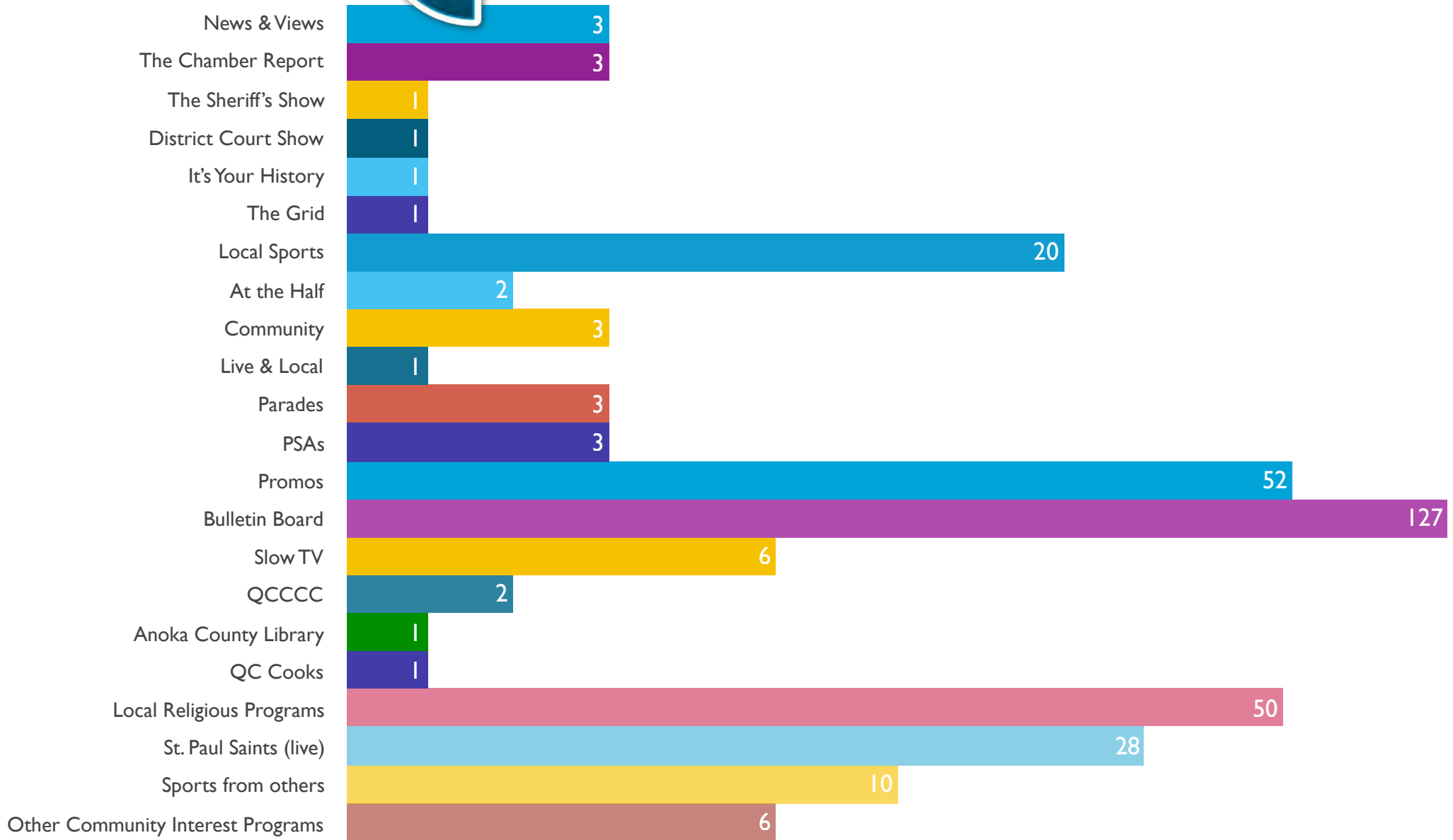
Percentage of Channel Playback

Number of New Shows - 28

2019Q3



Channel Programming Stats



Number of New Shows - 198

2019Q3

QCCCC Agenda Item

5.1 2020 Budget and 5-year Capital Plan

November 6, 2019

To: Commissioners

From: Karen George, Executive Director

Subject: 2020 Budget and 5-year Capital Plan

The 2020 Proposed Operating Budget is attached for your review and action. The proposed budget was reviewed in detail at a budget committee meeting and is recommended for approval.

The attachments detail:

- 2020 Proposed Revenue and Expense – includes 2019 budget comparison with comments
- 2015-2018 Revenue History
- 2015-2018 Expense History
- 5-Year Capital Equipment Spending Plan

Commission policy calls for 25% of revenues to be held for operational reserve. Based on unaudited actual 2018 income, therefore, \$432,041 is the operations reserve minimum.

The Commission provided direction to staff to begin member city capital funds payments in 2017. This historically has been \$20,000 per member city per year. Following the 2018 audit, the Budget Committee met to review CIP payments to member cities and recommended city capital fund payments for 2019 be \$40,000 each to come from the capital plan reserves. The Budget Committee will meet following the 2019 audit to determine a recommended amount for 2021..

The 5-Year Capital Plan approved November 2017 is enclosed for your review. No changes at this time and requests for capital funds are approved by the commission as projects are scheduled.

The Budget Committee also recommends that adequate reserve funds be available for future needs. The investment plan adopted in 2017 continues with the categories of: cash flow reserve, city capital investment fund, QCTV building

investment fund, QCTV capital investment fund, emergency fund, and unrestricted fund. Details may be found in the quarterly investment report.

Action Requested:

Approval of the 2020 Operating Budget and CIP.

Approve operational reserve of \$436,041.

Financial Records Disclosure

Financial records of the Quad Cities Cable Communications Commission (QCCCC) are maintained at Andover City Hall, 1685 Crosstown Boulevard NW, Andover, MN 55304. Financial custodians are Karen George, Executive Director, and Lee Brezinka, Andover Assistance Finance Director. The financial statements are audited annually by Redpath and Company.

2020 Proposed

2019 Budget

Difference

Income			
Duplication Revenue	\$ 500.00	\$ 500.00	No change
Equipment Grant	\$ 59,000.00	\$ 58,000.00	Increase - based on CPI
Franchise Fees *	\$ 858,000.00	\$ 858,000.00	No change
Interest Income	\$ 30,000.00	\$ 30,000.00	No change - low interest rates
Miscellaneous Income	\$ 1,000.00	\$ 500.00	Increase - Strategic Plan Q4 2020
PEG Fee	\$ 429,000.00	\$ 429,000.00	No change
Total Income	\$ 1,377,500.00	\$ 1,376,000.00	

Expenses			
PERA	\$ 50,530.00	\$ 45,000.00	Increase - based on actual (PT- PERA Eligible)
SS/Medicare Expense	\$ 51,547.00	\$ 49,925.00	Increase - based on actual
Wages - Full-time	\$ 553,713.00	\$ 532,695.00	Increase - based on actual
Wages - Part-time	\$ 120,000.00	\$ 119,922.00	No change
Accounting/ HR Services	\$ 16,000.00	\$ 15,300.00	Increase - based on actual
Ads/Promos/Sponsorships	\$ 11,000.00	\$ 11,000.00	No change
Andover CIP	\$ 13,000.00	\$ 5,000.00	Increase - based on actual
Announcers Fees	\$ 13,000.00	\$ 13,000.00	No change
Anoka CIP	\$ 13,000.00	\$ 5,000.00	Increase - based on actual
Audit	\$ 16,500.00	\$ 16,500.00	No change
Bank Fees / CC Fees	\$ 250.00	\$ 250.00	No change
Brand Apparel	\$ 2,500.00	\$ 2,500.00	No change
Building - Cleaning	\$ 7,000.00	\$ 7,000.00	No Change (assuming 3% cost increase)
Building - Insurance	\$ 3,800.00	\$ 3,000.00	Increase - based on actual
Building - Maintenance	\$ 17,500.00	\$ 10,000.00	Increase - based on estimate
Building - Supplies	\$ 1,500.00	\$ 2,000.00	Decrease - based on actual
Car Allowance	\$ 3,000.00	\$ 3,000.00	No change
Cell Phone - Allowance	\$ 6,300.00	\$ 7,500.00	Decrease - elimination of stipend for PT AP
Champlin CIP	\$ 13,000.00	\$ 5,000.00	Increase - based on actual
City Sewer & Water	\$ 2,600.00	\$ 2,600.00	No change
Commission Expense	\$ 5,000.00	\$ 5,000.00	No change
Consulting Services	\$ 75,000.00	\$ 75,000.00	No change
Contingency Fund	\$ 34,694.00	\$ 32,618.00	2.5% of Expenditures
Duplication Expenses	\$ 500.00	\$ 500.00	No change
Electric Service	\$ 16,000.00	\$ 18,000.00	Decrease - based on actual
Emp / Comm Appreciation	\$ 2,500.00	\$ 2,500.00	No change
Equip/Repair/Supply/Software	\$ 30,000.00	\$ 40,000.00	Decrease - based on actual
Federal Unempl Expense	\$ 850.00	\$ 850.00	No change
Health Insurance	\$ 100,964.00	\$ 94,480.00	Increase - new age-based rate
Insurance - Deductibles	\$ 500.00	\$ 500.00	No change
Insurance - Liability / Bonds	\$ 5,300.00	\$ 5,000.00	Increase - based on actual
Lawn Service	\$ 5,000.00	\$ 5,000.00	No change
Legal Fees	\$ 25,000.00	\$ 25,000.00	No change
Licenses and Permits	\$ 3,000.00	\$ 2,000.00	Increase - based on MSHSL Live Broadcast
Meals	\$ 1,000.00	\$ 1,000.00	No change
Memberships - NATOA / Others	\$ 10,000.00	\$ 10,000.00	No change
Mileage	\$ 9,000.00	\$ 9,000.00	No change
Miscellaneous Expenses	\$ 1,000.00	\$ 1,000.00	No change
Natural Gas	\$ 6,000.00	\$ 6,800.00	Decrease - based on actual
Office Supplies / Equipment	\$ 6,000.00	\$ 6,000.00	No change
Operating Transfer Out			
Parking Lot Maintenance	\$ 6,000.00	\$ 3,200.00	Increase - based on project completion summer2020
Payroll Expenses	\$ 2,400.00	\$ 2,400.00	No change

Postage	\$ 1,000.00	\$ 1,000.00	No change
Printing/ Copy Services	\$ 1,000.00	\$ 1,000.00	No change
Professional Development	\$ 22,000.00	\$ 22,000.00	No change
Publications	\$ 500.00	\$ 500.00	No change
Ramsey CIP	\$ 13,000.00	\$ 5,000.00	Increase - based on actual
Reimbursements	\$ -	\$ -	
Sales Tax	\$ 500.00	\$ 500.00	No change
Secretary Services	\$ 2,500.00	\$ 2,500.00	No change
Snow Plowing Service	\$ 6,000.00	\$ 5,000.00	Increase - based on rate increase
State Unemploy Exp	\$ 2,500.00	\$ 2,500.00	No change
STD / LTD / Life Insurance	\$ 7,000.00	\$ 7,500.00	Decrease - based on actual
Studio Sets	\$ 30,000.00	\$ 10,000.00	Increase - Strategic Plan City Program
Subscription Services	\$ 22,000.00	\$ 22,000.00	No change
Temp Staff Services	\$ 2,500.00	\$ 2,500.00	No change
Vehicle - Equipment / Repair	\$ 15,000.00	\$ 15,000.00	No change
Vehicle - Insurance	\$ 2,000.00	\$ 4,000.00	Decrease - based on actual
Vehicle - Maintenance / Gas	\$ 8,000.00	\$ 8,000.00	No change
Waste Removal	\$ 1,500.00	\$ 2,000.00	Decrease - based on actual
Web / VOD / Int / CaTV / Phone	\$ 22,000.00	\$ 22,000.00	No change
Work Comp Insurance	\$ 2,000.00	\$ 2,300.00	Decrease - based on actual
Total Expenses	\$ 1,422,448.00	\$ 1,337,340.00	
Net Operating Income	\$ (44,948.00)	\$ 38,660.00	

* FCC Rule Impact (in-kind services value deducted from franchise payments)

	2018		2017		2016		2015	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Income								
Duplication Revenue	\$ 1,317.38	\$ 1,500.00	\$ 2,356.62	\$ 1,500.00	\$ 1,949.80	\$ 2,500.00	\$ 2,784.70	\$ 2,500.00
Equipment Grant	\$ 57,275.18	\$ 57,549.00	\$ 56,428.75	\$ 56,980.00	\$ 55,870.85	\$ -		\$ 55,000.00
Franchise Fees	\$ 1,054,553.84	\$ 874,248.00	\$ 1,117,505.49	\$ 874,248.00	\$ 1,063,320.43	\$ 874,248.00	\$ 1,040,622.54	\$ 874,248.00
Interest Income	\$ 39,048.85	\$ 12,000.00	\$ 15,370.59	\$ 100.00	\$ 2,710.01	\$ 100.00	\$ 222.85	\$ 100.00
Miscellaneous Income	\$ 8,389.09	\$ 1,500.00	\$ 7,242.73		\$ 33,057.82	\$ -	\$ 61,153.64	\$ 5,000.00
PEG Fee	\$ 567,581.19	\$ 437,125.00	\$ 629,727.29	\$ 437,125.00	\$ 531,660.76	\$ 437,125.00	\$ 521,986.05	\$ 437,125.00
Total Income	\$ 1,728,165.53	\$ 1,383,922.00	\$ 1,828,631.47	\$ 1,369,953.00	\$ 1,688,569.67	\$ 1,313,973.00	\$ 1,626,769.78	\$ 1,373,973.00

Expenses Account	2018		2017		2016		2015	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Accounting / HR Services	\$ 15,480.02	\$ 15,300.00	\$ 15,770.39	\$ 15,300.00	\$ 12,697.26	\$ 14,000.00	\$ 12,662.56	\$ 18,000.00
Ads/Promos/Sponsorships	\$ 8,537.52	\$ 11,000.00	\$ 7,762.46	\$ 11,000.00	\$ 6,674.50	\$ 6,850.00	\$ 6,252.76	\$ 6,850.00
Andover Capital Equipment	\$ 134.98	\$ 5,000.00	\$ 693.53	\$ 5,000.00	\$ 78.98	\$ 6,000.00	\$ 3,957.05	\$ 5,000.00
Announcers Fees	\$ 11,750.53	\$ 13,000.00	\$ 11,438.50	\$ 15,000.00	\$ 8,152.00	\$ 10,000.00	\$ 5,985.00	\$ 10,000.00
Anoka Capital Equipment	\$ 2,061.18	\$ 5,000.00	\$ 2,500.06	\$ 5,000.00	\$ 1,739.83	\$ 6,000.00	\$ 5,124.66	\$ 5,000.00
Audit	\$ 14,150.00	\$ 16,000.00	\$ 14,150.00	\$ 14,000.00	\$ 13,075.00	\$ 13,500.00	\$ 12,750.00	\$ 13,000.00
AV Equip / Repair / Supply / Software							\$ 18,203.58	\$ 24,000.00
Bank Fees / CC Fees		\$ 250.00		\$ 500.00		\$ 500.00		\$ 500.00
Brand Apparel	\$ 1,090.00	\$ 2,500.00	\$ 2,149.00	\$ 2,500.00	\$ 1,878.00	\$ 2,000.00		\$ 2,000.00
Building - Cleaning	\$ 6,135.00	\$ 7,000.00	\$ 6,082.96	\$ 7,000.00	\$ 7,748.04	\$ 6,300.00	\$ 5,310.63	\$ 6,000.00
Building - Insurance	\$ 2,724.00	\$ 5,500.00	\$ 2,408.00	\$ 2,500.00	\$ 2,114.00	\$ 2,500.00	\$ 2,498.00	\$ 2,900.00
Building - Maintenance	\$ 16,856.27	\$ 10,000.00	\$ 10,806.61	\$ 10,000.00	\$ 6,739.29	\$ 7,000.00	\$ 10,683.81	\$ 7,000.00
Building - Supplies	\$ 1,466.91	\$ 2,000.00	\$ 823.66	\$ 2,500.00	\$ 1,646.27	\$ 2,000.00	\$ 1,758.91	\$ 3,000.00
Car Allowance	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Cell Phone - Allowance	\$ 7,350.00	\$ 7,500.00	\$ 7,475.00	\$ 6,940.00	\$ 5,860.00	\$ 6,660.00	\$ 5,100.00	\$ 6,660.00
Cell Phone - Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Champlin Capital Equipment	\$ 1,492.27	\$ 5,000.00	\$ 1,555.30	\$ 5,000.00	\$ 1,072.51	\$ 6,000.00	\$ 3,303.65	\$ 5,000.00
City Sewer & Water	\$ 2,594.82	\$ 2,600.00	\$ 2,691.25	\$ 2,600.00	\$ 2,576.12	\$ 2,600.00	\$ 2,342.34	\$ 3,500.00
Commission Expense	\$ 1,640.36	\$ 5,000.00	\$ 2,251.64	\$ 7,200.00	\$ 1,929.26	\$ 7,200.00	\$ 4,398.90	\$ 3,500.00
Computer Equip / Repair / Supply / Software							\$ 32,235.05	\$ 37,340.00
Consulting Services	\$ 20,088.50	\$ 75,000.00	\$ 30,518.00	\$ 75,000.00	\$ 27,899.09	\$ 38,000.00	\$ 41,435.32	\$ 50,000.00
Contingency Fund		\$ 31,083.00		\$ 30,622.00		\$ 24,690.00		\$ 26,000.00
Duplication Expenses	\$ 126.16	\$ 500.00	\$ 61.54	\$ 1,000.00	\$ 136.94	\$ 1,000.00	\$ 402.07	\$ 2,500.00
Electric Service	\$ 15,722.91	\$ 18,000.00	\$ 13,925.32	\$ 19,152.00	\$ 14,578.16	\$ 19,152.00	\$ 13,758.18	\$ 18,000.00
Emp / Comm Appreciation	\$ 697.49	\$ 2,500.00	\$ 1,143.94	\$ 2,500.00	\$ 1,568.94	\$ 2,500.00	\$ 77.14	\$ 2,500.00
Equip/Repair/Supply/Software	\$ 39,322.37	\$ 40,000.00	\$ 40,799.78	\$ 45,812.00	\$ 37,014.61	\$ 45,812.00	\$ 274.53	
Federal Unempl Expense		\$ 850.00		\$ 850.00	\$ 800.83	\$ 750.00	\$ 686.35	\$ 1,500.00
Health Insurance	\$ 79,601.68	\$ 78,000.00	\$ 68,962.10	\$ 74,652.00	\$ 60,759.82	\$ 69,768.00	\$ 63,172.25	\$ 67,609.00
Health Insurance - Opt Out				\$ -		\$ -		\$ -
Insurance - Deductibles		\$ 500.00		\$ 500.00		\$ 500.00		\$ 500.00
Insurance - Liability / Bonds	\$ 4,934.00	\$ 5,000.00	\$ 5,247.00	\$ 6,500.00	\$ 5,581.00	\$ 6,000.00	\$ 5,929.00	\$ 6,964.00
Lawn Service	\$ 4,550.25	\$ 5,000.00	\$ 4,595.00	\$ 5,500.00	\$ 4,801.01	\$ 4,500.00	\$ 4,516.73	\$ 5,000.00
Legal Fees	\$ 8,257.76	\$ 25,000.00	\$ 8,689.57	\$ 15,000.00	\$ 17,189.71	\$ 30,000.00		\$ 1,660.00
Legislative Lobbying (Leg Lobbying)				\$ -		\$ 1,940.00	\$ 23,270.37	\$ 30,000.00
Licenses and Permits	\$ 649.00	\$ 2,000.00	\$ 1,025.00	\$ 1,000.00		\$ 1,000.00		\$ 1,000.00
Meals	\$ 644.54	\$ 1,000.00	\$ 353.85	\$ 1,000.00	\$ 137.70	\$ 1,000.00	\$ 673.50	\$ 1,000.00
Memberships - NATOA / Others	\$ 6,960.00	\$ 8,000.00	\$ 6,855.00	\$ 8,000.00	\$ 9,018.60	\$ 5,520.00	\$ 1,358.00	\$ 5,480.00
Mileage	\$ 8,258.61	\$ 8,000.00	\$ 8,230.15	\$ 7,200.00	\$ 6,116.98	\$ 7,200.00	\$ 6,572.43	\$ 6,000.00
Miscellaneous Expenses		\$ 1,000.00		\$ 1,000.00	\$ 9.00	\$ 1,000.00		\$ 1,000.00
Natural Gas	\$ 4,408.21	\$ 6,000.00	\$ 3,875.89	\$ 4,000.00	\$ 2,711.70	\$ 3,800.00	\$ 2,466.46	\$ 3,500.00
Office Supplies / Equipment	\$ 5,156.08	\$ 6,000.00	\$ 3,314.93	\$ 6,000.00	\$ 5,368.67	\$ 5,000.00	\$ 6,571.34	\$ 10,000.00
Operating Transfer Out				\$ -		\$ -		\$ -
Parking Lot Maintenance	\$ -	\$ 3,200.00		\$ 3,200.00		\$ 3,200.00		\$ 5,000.00
Payroll Expenses (ADP)	\$ 1,057.50	\$ 2,400.00	\$ 1,366.50	\$ 5,900.00	\$ 5,029.65	\$ 5,900.00	\$ 4,970.30	\$ 5,200.00
PERA	\$ 41,097.38	\$ 43,000.00	\$ 37,669.91	\$ 41,320.00	\$ 33,540.60	\$ 38,982.00	\$ 32,140.80	\$ 43,317.00
Postage	\$ 632.44	\$ 1,000.00	\$ 1,068.09	\$ 1,000.00	\$ 798.70	\$ 1,300.00	\$ 1,395.75	\$ 1,000.00

Printing / Copy Services	\$	-	\$	1,000.00	\$	59.90	\$	1,000.00	\$	721.93	\$	1,000.00	\$	172.38	\$	2,000.00
Professional Development	\$	16,008.95	\$	18,000.00	\$	13,407.82	\$	18,000.00	\$	14,309.57	\$	17,000.00	\$	9,660.12	\$	17,100.00
Publications	\$	199.00	\$	500.00	\$	64.00	\$	500.00	\$	38.00	\$	500.00	\$		\$	500.00
Ramsey Capital Equipment	\$	1,693.49	\$	5,000.00	\$	2,585.36	\$	5,000.00	\$	1,645.48	\$	6,000.00	\$	3,585.48	\$	5,000.00
Sales Tax	\$	167.62	\$	500.00	\$	125.00	\$	500.00	\$	216.26	\$	500.00	\$	262.00	\$	2,000.00
Secretary Services	\$	990.00	\$	2,500.00	\$	1,075.00	\$	2,992.00	\$	1,262.35	\$	2,992.00	\$	2,054.55	\$	1,800.00
Snow Plowing Service	\$	5,831.25	\$	4,500.00	\$	2,211.25	\$	4,500.00	\$	2,065.00	\$	4,500.00	\$	2,156.25	\$	5,000.00
SS/Medicare Expense	\$	43,574.65	\$	48,600.00	\$	41,186.70	\$	47,432.00	\$	38,545.53	\$	44,747.00	\$	36,274.05	\$	49,055.00
State Unemploy Exp	\$	196.75	\$	2,500.00			\$	2,500.00	\$	1,220.49	\$	2,500.00	\$	227.32	\$	5,000.00
STD / LTD / Life Insurance	\$	6,781.90	\$	7,500.00	\$	6,557.46	\$	8,000.00	\$	5,509.29	\$	7,520.00	\$	5,995.44	\$	6,054.00
Studio Sets	\$	6,986.76	\$	10,000.00	\$	1,175.00	\$	10,000.00	\$	9,496.31	\$	7,000.00	\$	4,467.55	\$	2,000.00
Subscription Services/Electronic	\$	15,542.33	\$	20,000.00	\$	16,862.31	\$	20,000.00	\$	13,147.61	\$	16,017.00	\$	495.00	\$	-
Temp Staff Services	\$	369.50	\$	2,500.00			\$	2,500.00			\$	2,500.00			\$	5,000.00
Vehicle - Equipment / Repair	\$	11,022.62	\$	15,000.00	\$	12,153.14	\$	12,500.00	\$	37,053.94	\$	10,000.00	\$	10,170.94	\$	17,000.00
Vehicle - Insurance	\$	2,973.00	\$	4,000.00	\$	3,804.00	\$	4,000.00	\$	3,027.00	\$	3,500.00	\$	2,767.00	\$	3,000.00
Vehicle - Maintenance / Gas	\$	21,697.33	\$	6,000.00	\$	5,843.83	\$	6,000.00	\$	4,070.26	\$	8,000.00	\$	2,367.56	\$	8,000.00
Wages - Full-time	\$	505,128.29	\$	503,730.00	\$	476,354.79	\$	492,900.00	\$	449,837.55	\$	464,977.00	\$	426,179.77	\$	550,246.00
Wages - Part-time	\$	73,327.18	\$	119,922.00	\$	66,892.19	\$	119,922.00	\$	56,152.86	\$	119,922.00	\$	48,887.46	\$	90,979.00
Waste Removal	\$	1,220.63	\$	1,500.00	\$	1,353.60	\$	1,200.00	\$	1,038.08	\$	1,200.00	\$	999.63	\$	2,000.00
Web / VOD / Int / CaTV / Phone	\$	14,333.13	\$	22,000.00	\$	21,162.08	\$	22,000.00	\$	15,290.33	\$	19,830.00	\$	13,315.80	\$	16,000.00
Work Comp Insurance	\$	1,744.00	\$	1,500.00	\$	1,411.00	\$	2,300.00	\$	1,475.00	\$	2,500.00	\$	2,770.00	\$	3,100.00
Operating Income	\$	1,728,165.53	\$	1,383,922.00	\$	1,828,631.47	\$	1,369,953.00	\$	1,688,569.67	\$	1,313,973.00	\$	1,626,769.78	\$	1,373,973.00
Total Expenses	\$	1,068,417.12	\$	1,275,435.00	\$	1,003,544.36	\$	1,255,494.00	\$	966,165.61	\$	1,163,329.00	\$	918,045.72	\$	1,247,814.00
Net Operating Income*	\$	659,748.41	\$	108,487.00	\$	825,087.11	\$	114,459.00	\$	308,512.96	\$	150,644.00	\$	708,724.06	\$	126,159.00

*Net Income allocated to fund reserves in two areas: Operation Reserves and Capital Reserves.
5-Year Capital Improvement Plan is \$3.4 Million



QCTV Five Year Capital Equipment Spending Plan

	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	Extended
Building	\$ 55,000.00	\$ 67,000.00	\$ 170,000.00	\$ 55,000.00	\$ 5,000.00	\$ 352,000.00
Portable Field Equipment	\$ 47,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 38,000.00	\$ 95,000.00
City Equipment	\$ 692,755.00	\$ 205,000.00	\$ 86,000.00	\$ 86,000.00	\$ 166,000.00	\$ 1,235,755.00
Office	\$ 15,000.00	\$ 14,500.00	\$ 38,500.00	\$ 23,500.00	\$ 10,000.00	\$ 101,500.00
Studio	\$ 329,200.00	\$ 5,000.00	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 369,200.00
Mobile - Vehicles and Equipment	\$ 205,000.00	\$ 110,000.00	\$ 45,000.00	\$ 82,500.00	\$ 375,000.00	\$ 817,500.00
Master Control Equipment	\$ 92,000.00	\$ 51,000.00	\$ 122,000.00	\$ 37,000.00	\$ 40,000.00	\$ 342,000.00
Total	\$ 1,435,955.00	\$ 452,500.00	\$ 491,500.00	\$ 294,000.00	\$ 639,000.00	\$ 3,312,955.00

Presented to the Quad Cities Cable Communications Commission

Category Building

Project Infrastructure needs assessment and action

Description Architectural study to determine maintenance, improvements and future needs of QCTV infrastructure.
Capital investment planning and budgeting.

Justification The QCTV facilities are 17 years old and requires a systemic review to plan for maintenance and improvements.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
Architectural Study	\$ 25,000.00					
Roof Replacement		\$ 52,000.00				
Building Furniture			\$ 35,000.00			
Carpet (office & studio)		\$ 15,000.00				
HVAC Replacement			\$ 85,000.00			
Parking Lot			\$ 50,000.00			
Building Lighting (interior/exterior/studio)				\$ 50,000.00		
Network/Video Cabling/Security	\$ 30,000.00			\$ 5,000.00		
Other					\$ 5,000.00	
Total	\$ 55,000.00	\$ 67,000.00	\$ 170,000.00	\$ 55,000.00	\$ 5,000.00	\$ 352,000.00

Category Portable Field Equipment
Project Equipment Replacement
Description Planned replacement of field equipment from 2013 used by staff for News and Views, packages, PSAs, and other community programming.
Justification HD Camera upgrade with Remo unit expands multicam field productions with greater efficiency and lower cost than a full truck shoot.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
Field ENG Cameras/Tripods	\$ 21,000.00				\$ 18,000.00	
Robotic PTZ Cameras*	\$ 20,000.00				\$ 20,000.00	
Microphones	\$ 6,000.00					
Other			\$ 5,000.00	\$ 5,000.00		
Total	\$ 47,000.00		\$ 5,000.00	\$ 5,000.00	\$ 38,000.00	\$ 95,000.00

*PTZ Cameras could be purchased in 2017 from the Operating Budget.

Category City Equipment

Project Council Chambers HD Upgrade

Description Needs assessment and equipment infrastructure for maintenance improvements and future needs of city meeting coverage.

Justification Government meeting coverage is a core service and the HD upgrades improve program quality and exploit new technologies for presentations.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
Presentation System						
Audio System						
Lighting System						
HD video transmission	\$ 63,105.00		\$ 6,000.00	\$ 6,000.00		
Production Video Switchers		\$ 120,000.00	\$ -			
PTZ Cameras					\$ 85,000.00	
Conversion and Distribution	\$ 6,000.00	\$ 5,000.00			\$ 1,000.00	
Andover	\$ 150,550.00					
Anoka	\$ 119,850.00					
Champlin	\$ 119,300.00					
Ramsey	\$ 153,950.00					
Member City Payments (\$20K per City)	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	
Total	\$ 692,755.00	\$ 205,000.00	\$ 86,000.00	\$ 86,000.00	\$ 166,000.00	\$ 1,235,755.00

*Note: \$5,000 is allocated annually for each city in the Operating Budget for miscellaneous equipment repairs and minor replacements.

Category Office
Project Equipment Replacement
Description Planned replacement of office support equipment.
Justification Industry standard office resources to fulfill the mission of QCTV.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
Laptop Computers		\$ 3,500.00	\$ 3,500.00	\$ 3,500.00		
Network Switches	\$ 5,000.00	\$ 5,000.00		\$ 20,000.00		
Network Printer / Scanner	\$ 5,000.00				\$ 5,000.00	
Building Monitors/Displays		\$ 6,000.00				
Website Updates/Upgrades	\$ 5,000.00		\$ 35,000.00		\$ 5,000.00	
Other						
Total	\$ 15,000.00	\$ 14,500.00	\$ 38,500.00	\$ 23,500.00	\$ 10,000.00	\$ 101,500.00

Category Studio

Project Equipment replacement and upgrades.

Description Equipment upgrades to studio and control room.

Justification Upgrade Studio to industry standards. Improve production quality and efficiency, and expand live broadcast capabilities.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
Three Studio Cameras	\$ 186,000.00					
PTZ Bump Cam and contoller	\$ 10,000.00					
Video Playback	\$ 20,000.00					
Video Switcher	\$ 31,000.00					
Program Capture Devices	\$ 4,000.00					
Main Graphics Computer	\$ 18,000.00					
Digital Audio Board	\$ 3,000.00					
Intercom	\$ 18,000.00					
Monitors (Multiviewers)	\$ 1,200.00					
Waveform/Vectorscope	\$ 2,000.00					
Smaller Rackmount Monitors	\$ 1,000.00					
Video/Audio Cabling	\$ 5,000.00					
Audio/Video Distribution/Conversion	\$ 10,000.00					
40 x 40 Video Router	\$ 4,000.00					
Router Control Panels, two	\$ 1,000.00					
Set/Curtain/Furniture			\$ 20,000.00			
Teleprompter System, three cameras	\$ 10,000.00					
Other	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Total	\$ 329,200.00	\$ 5,000.00	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 369,200.00

Category Mobile - Vehicles and Equipment

Project Equipment replacement and upgrades.

Description Planned equipment upgrades and replacement.

Justification Upgrades the truck to current broadcasting standards and replaces equipment at the end of its life.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
Replay System	\$ 135,000.00					
Audio		\$ 30,000.00				
Camera(s), CCU, RCP and Accesories	\$ 60,000.00				\$ 360,000.00	
Microphones	\$ 5,000.00					
Main Graphics Computer		\$ 30,000.00				
Tripod Replacements		\$ 20,000.00				
Fiber optic upgrades		\$ 10,000.00				
Wireless Video Equipment		\$ 15,000.00				
Scorebox Replacement			\$ 15,000.00			
LiveU Replacement			\$ 10,000.00			
POV Camera Replacements			\$ 5,000.00			
Venue Prewiring - Locations TBD			\$ 10,000.00			
Video Switcher				\$ 35,000.00		
Truck Rewiring/ Conversion Cards/ Distribution Amps				\$ 15,000.00		
Video Router				\$ 20,000.00		
Truck Graphics Wrap Replacement				\$ 7,500.00		
Monitor Display Replacement					\$ 5,000.00	
Master and back-up Recording Decks					\$ 5,000.00	
Ford F550 Production Truck*						
Other	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Total	\$ 205,000.00	\$ 110,000.00	\$ 45,000.00	\$ 82,500.00	\$ 375,000.00	\$ 817,500.00

*Note: Production Truck may need to be replaced as soon as 2023 at an approximate cost of \$200,000.00

Category Master Control Equipment

Project Playback and signal delivery

Description Planned equipment replacement and upgrades to signal delivery. Required for HD programming.

Justification Fiber signal delivery industry standard and required for carrying city HD government meetings. Initiate offsite redundancy and expand live signal delivery.

Item	Year One	Year Two	Year Three	Year Four	Year Five	
	2018	2019	2020	2021	2022	
HD File Playback Machine(s)	\$ 30,000.00		\$ 30,000.00		\$ 30,000.00	
Fiber access to Connect Anoka County	\$ 30,000.00					
SAN, DAM, Back-up Storage		\$ 30,000.00				
Off-site Redundancy	\$ 5,000.00			\$ 20,000.00		
Video Patchbays and Wiring	\$ 2,000.00		\$ 2,000.00			
Video Router			\$ 60,000.00			
Conversion/Distribution Amps	\$ 5,000.00		\$ 5,000.00		\$ 5,000.00	
Live Channel Encoders		\$ 16,000.00				
Channel CG/ Bulletin Board			\$ 20,000.00			
Digital Waveform/Vectroscope w. eye	\$ 15,000.00					
Multiviewer Replacement				\$ 12,000.00		
Other	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Total	\$ 92,000.00	\$ 51,000.00	\$ 122,000.00	\$ 37,000.00	\$ 40,000.00	\$ 342,000.00

QCCCC Agenda Item

5.2 Comcast Fee Audit

November 4, 2019

To: Commissioners

From: Karen George, Executive Director

Subject: Comcast Fee Audit

The Commission has engaged in Comcast franchise extension/renewal negotiations since a standstill agreement was executed in September of 2017. In August of 2019, Comcast changed the deal points agreed to over two years. Commission legal counsel Bob Vose sent written notification to Comcast regarding the standstill agreement and the impact of the August 2019 negotiation change. Although neither party has invoked formal franchise negotiations, the commission is taking the opportunity to review franchise performance (financial and technical) and determine community needs.

A review of fiscal performance includes an audit of fees paid as outlined in the franchise agreement. The commission's last review of the franchisee was in 2015 in conjunction with the proposed Comcast/TimeWarner transfer of ownership process.

Attached is a proposal from Ashpaugh & Sculco, CPAs, PLC. The proposal outlines experience and qualification; past performance highlighting recoveries paid; clients and projects list; scope of work; and, proposed costs.

Scope of Work – Page 12

The audit that will be performed is not a traditional audit like the one annually performed for the commission. This audit is limited in scope to review of gross revenues and calculation of fees as outlined in the franchise agreement. Ashpaugh & Sculco will not express an opinion on Comcast's or the Commission's financial statements or any elements, accounts, or items thereof. The enumerated scope of work outlined on pages 12-13 will provide an overview of the audit process.

Proposed Costs – Page 14

The proposed cost of the audit is \$20,000. Any required travel will be additional, although travel is not anticipated for this audit (see Travel Costs and Other Services on page 14). The proposal options a lower price based on additional participants

involved in a similar audit of Comcast in Minnesota. The cost will decrease by \$2,000 if there are two participants, and by \$4,000 if there are three or more participants. At this time, I am aware of three other organizations in Minnesota very interested in participating. Note: A number of other Minnesota organizations just completed a collaborative audit of Comcast with this same consultant and have provided positive reviews.

Action Requested:

Motion to approve contract with Ashpaugh & Sculco, CPAs, PLC to engage in an audit of Comcast payments to the Quad Cities Cable Communications Commission in an amount not to exceed \$25,000.



ASHPAUGH & SCULCO, CPAs, PLC
 Certified Public Accountants and Consultants

**Representative List of
 A&S Clients**

**WHO ARE
 WE?**

Ashpaugh & Sculco, CPAs, PLC (A&S) is a nationally-recognized Certified Public Accounting firm located in Winter Park, Florida. Garth Ashpaugh and Carolyn Sculco are the principal owners of the firm. A&S provides cost-effective consulting services to local government entities. A&S brings over 70 years of combined experience with documented results, and has achieved recoveries exceeding \$50 million for over 200 local governments.

**WHAT DO
 WE DO?**

A&S provides a broad spectrum of financial and management services, with an emphasis on franchise and franchise-related issues. Our services include but are not limited to: reviews of franchise and PEG fees, right-of-way analyses, litigation support, and expert testimony.

**WHAT
 SETS US
 APART?**

Experience with Cable Operators - We have worked extensively with AT&T, CenturyLink, Charter, Comcast, Cox, Time Warner Cable, Verizon, and other companies throughout the country. We have executed non-disclosure agreements with many companies for over a decade.

Expert Testimony - Garth Ashpaugh, CPA has provided expert testimony before city and county councils, public utility commissions, and state and federal courts.

Unique Tools - We have proprietary software and methods that will accurately identify the franchise fee base and analyze the correct amount of franchise fees due to local franchising authorities.

Forefront of Current Issues - We continue to be on the cutting edge of identifying and quantifying issues related to the determination of gross revenues and associated franchise fees. Some of the issues we have identified include the following: administrative fees, subscriber revenues, advertising revenues, contra-expenses, and bundled products.

Personal Service - A&S is dedicated to personal and cost-effective service. We are the individuals who perform the actual work and will be in contact with the local government to discuss issues and resolutions. This intimate level of personal service is the trademark of our firm.

- Amherst Media, MA
- Anne Arundel County, MD
- Arlington County, VA
- Bergman Dacey Goldsmith
- Bernalillo County, NM
- Best Best & Kreiger LLC
- Bradley Hagen & Guillifson
- Carroll Cable Regulatory Commission, MD
- Charter Township of Canton, MI
- Charter Township of Meridian, MI
- City of Albuquerque, NM
- City of Austin, TX
- City of Bellevue, WA
- City of Cape Coral, FL
- City of Carson, CA
- City of Coon Rapids, MN
- City of Dearborn, MI
- City of Federal Way, WA
- City of Gillette, WY
- City of Memphis, TN
- City of Milwaukee, WI
- City of Napa, CA
- City of Northampton, MA
- City of Omaha, NE
- City of San Antonio, TX
- City of San Jose, CA
- City of Santa Clara, CA
- City of Seattle, WA
- City of Sheridan, WY
- City of Southfield, MI
- City of Springfield, OR
- City of Wallingford Electric Division, CT
- City of White Plains, NY
- City of Wilmington, DE
- County of Los Angeles, CA
- Cuddy & McCarthy
- DeKalb County, GA
- Fairfax County, VA
- Florida Public Utilities Co, FL
- Howard County, MD
- Jefferson County, MO
- Kenyon District
- King County, WA
- LLCS, OR
- Los Angeles County, CA
- MACTA, MN
- MTA, CA
- MACC, OR
- Metro Govt of Nashville and Davidson County, TN
- Mid Comm Media Center, CA
- Montgomery County, MD
- NDCCCC, MN
- NNMTC, MN
- NSCCC, MN
- Prince George's County, MD
- Ramsey-Washington Suburban Cable Commission, MI
- SACTC, CA
- Stelzner, Winter, Warburton, Flores, Sanchez & Dawes, PA
- Tennessee Attorney General
- Town of Bedford, NY
- Town of Greenburgh, NY
- Town of Greenfield, MA
- Town of Lewisboro, NY
- Town of North Castle, NY
- Town of Somers, NY
- Town of Yorktown, NY
- Town/Village of Harrison, NY
- Township of Addison, MI
- Township of Canton, MI
- Township of Meridian, MI
- Township of Orion, MI
- Township of Oxford, MI
- Township of Van Buren, MI
- Township of Waterford, MI
- Village of Lake Orion, MI
- Village of Mount Kisco, NY



ASHPAUGH & SCULCO, CPAs, PLC
Certified Public Accountants and Consultants

November 4, 2019

Karen George
Executive Director
Quad Cities Communications Commission
12254 Ensign Ave N
Champlin, MN 55316

Subject: Proposal for a Review of the Franchise and PEG Fees Paid by Comcast to the Quad Cities Communication Commission, Minnesota

Dear Ms. George:

Ashpaugh & Sculco, CPAs, PLC (A&S) is pleased to provide this proposal for a review of the franchise and PEG fees paid by Comcast to the Quad Cities Communication Commission, Minnesota (Commission). We are confident that our service, analytical expertise, and proprietary software will not only meet but also exceed your expectations. We continue to be on the cutting edge of identifying and quantifying issues related to gross revenues and franchise fees. As you know, A&S has successfully performed reviews of Comcast nationally as well as for several commissions in Minnesota. We have taken several steps to expedite the review process.

- Comcast requires us to sign a non-disclosure (NDA) agreement before they release any data to us. We have recently agreed to NDAs with Comcast in Minnesota, which will expedite the review process.
- We have established relationships with Comcast's staff and have been successful in obtaining the data needed to timely complete our review.

We take pride in our reputation and are equally proud of our cost-effective services. A&S has included the following information: client listing, scope of work, proposed costs, labor rates, resumes, and references. Our objective is to provide consulting services that reflect the highest standard of quality. Thank you for the opportunity to provide you with this proposal. If you need any additional information, please feel free to call.

Sincerely,

ASHPAUGH & SCULCO, CPAs, PLC

A handwritten signature in blue ink that reads 'Carolyn Sculco'.

Carolyn Sculco, CPA
Vice-President & Member

Cc: Garth Ashpaugh, Ashpaugh & Sculco, CPAs, PLC

SECTION 1
EXPERIENCE AND QUALIFICATIONS

Ashpaugh & Sculco, CPAs, PLC (A&S) is a Certified Public Accounting firm located in Winter Park, Florida. We provide a broad spectrum of rate, financial and management services, primarily to local government entities, with special emphasis on franchise and franchise-related issues including assistance in cable television, telephone, and telecommunications franchise fee and regulatory matters. A&S has completed over 200 cable franchise and PEG fee projects.

Garth Ashpaugh has over 40 years of accounting and utility regulatory experience. He has worked for over 200 cities and counties on municipal utility contract and franchise-related matters related to telecommunications, cable, electric, and natural gas utilities. He has worked for cities and counties as an independent consultant providing expert services since 1991, including reviews of franchise fees, as well as litigation support.

Carolyn Sculco has over 30 years of accounting experience and is an expert in reviewing franchise fees, PEG fees, telecommunications, and INET payments. She has been performing franchise and PEG fee reviews of companies since 1995. These projects encompass multiple years, transfers of franchises, and varying definitions of gross revenues.

We have listed the following reasons why we are the most qualified choice for the Commission, and what differentiates us from our competition. These strengths include:

- **Unparalleled Expertise** – A&S brings over 70 years of combined experience with documented results. The project manager, Garth Ashpaugh, is recognized nationally as an expert in local franchise fees and has provided expert testimony before city and county councils, public utility commissions, and state and federal courts on the same or similar issues that we anticipate we will find for the Commission.
- **Personal Service** – A&S is dedicated to personal service and excellence. We are the individuals that will do the actual work and will be in contact with the Commission to discuss issues, resolutions, and any concerns. This intimate level of personal service is the trademark of our firm.
- **Experience with Companies** – A&S has significant experience reviewing the records of companies such as AT&T, Comcast, Time Warner Cable, Verizon, and Cox. We have executed non-disclosure agreements with the various companies for over a decade.
- **Successful Results** – A&S has experience in meeting the needs of our clients in these areas that has resulted in retaining several major clients for well over a decade. Our combined experience has achieved recoveries exceeding \$30 million.
- **Unique Tools** – We have proprietary software and methods that will accurately identify the revenue base and analyze the correct amount due to the Commission.

We have included several case studies and references, with contact information, for which similar services were provided. We have also provided you with a recent client listing. We would encourage you to contact any of our clients to confirm that we have an excellent reputation. We have also included our resumes at the end of this proposal.

CITY OF LOS ANGELES, CALIFORNIA

Since 1995, Ashpaugh & Sculco, CPAs has been continuously engaged by the City of Los Angeles. We have reviewed the franchise and PEG fees paid by the various companies in the City's rights-of-way. During that time, the companies that serve the City have merged, transferred, and acquired different franchise areas. We have enabled the City to recover additional payments from companies due to miscoded subscribers, clerical errors, methodology differences, incorrect reporting of revenues, and incorrect accounting methods.

Over time, the companies have cleaned up their accounting records because of our ongoing reviews and resolution of findings. Now the City receives more accurate franchise fee payments. In its detailed reviews of each company, A&S performed the following:

- submitted detailed information requests, and negotiated and executed confidentiality agreements to obtain the data needed to review the revenues and payments,
- analyzed revenues, including comparing reported revenue streams to the requirements of the franchise agreements, ordinances, and state law,
- determined discrepancies, and computed amounts owed including interest & penalties,
- provided a report to the City with our findings and recommendations, and assisted the City in negotiating a resolution with the companies.

Recoveries Paid to the City

A&S has had a successful relationship with the City. Because of our audits, the City has recovered at least \$8,000,000.

Findings Identified in Audit Reports

We have demonstrated expertise working for the City and have listed our recent projects and associated findings:

Cable/Video TV Service Providers	Review Period	Project Costs	Findings
AT&T	2008 - 2016	\$89,075	\$1,565,711
Cox	2010 - 2015	\$55,538	\$29,159
TWC [1]	2008 - 2013	\$168,118	\$9,289,514
Verizon	2010 - 2015	\$33,836	\$0
Total Audit Costs and Findings		\$346,567	\$11,445,795

[1] – The TWC project costs included A&S providing expert testimony.

We are currently reviewing the franchise and PEG fees paid to the City by AT&T, Charter, Cox, Frontier, and Race.

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

MONTGOMERY COUNTY, MARYLAND

When regulation of cable television rates went into effect in 1992, Montgomery County turned to Garth Ashpaugh. Over the 20 years since, Garth has assisted the County in franchise fee reviews, franchise transfers, franchise renewals, local ordinance language (franchise renewal), cost studies and other matters that have required his financial expertise. This work has included reviews of Comcast, Verizon, and RCN.

For over 20 years, Garth Ashpaugh and Carolyn Sculco have provided consulting and analytical services to Montgomery County, Maryland. The County has utilized their services to audit and analyze franchise fees and cable service and equipment rates, evaluate the costs of the County managing its rights-of-way, and to draft rate regulation orders, financial settlements, proposed revisions to franchise language. We rely on Garth and his extensive expertise in cable television and telecommunication matters in these situations. In addition, Garth recently helped analyze the impact on local governments of proposed reform of Maryland's communications tax structure and his analysis was instrumental in shaping the recommendations of the tax reform commission.

I have also had the pleasure of working with Garth in his capacity as Secretary-Treasurer of the National Association of Telecommunications Officers and Advisors (NATOA). He is a tireless champion for local governments when it comes to the national scope of issues in cable and telecommunications, including comments he has filed at the Federal Communications Commission in matters pertinent to local governments and consumers. A benefit of dealing with the personal touch of a small firm, Garth and Carolyn have been and continue to be responsive to our needs, available when we need them, and have provided us with excellent service.

Mitsuko R. Herrera, Cable & Broadband Communications Administrator

The County received the following from our review of franchise fees:

Company	Recoveries Paid to the County
Comcast for the review period of 2006 through 2008	\$900,000

Reference

Mitsuko R. Herrera
ultraMontgomery Program Director
Office of Broadband Programs
Montgomery County, Maryland
100 Maryland Avenue, Suite 250
Rockville, Maryland 20850
(240) 773-8111 main
(240) 777-2928 direct
mitsuko.herrera@montgomerycountymd.gov

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

CITY OF LINCOLN, NEBRASKA

The City of Lincoln required our expertise in the review of franchise fees paid by Time Warner Cable and of occupation taxes paid by its 18 telecommunications companies to the City. The City engaged A&S for these projects, from the year 2000 to the present to evaluate whether the payments complied with the franchise agreements, ordinances and law. We have completed many of the reviews, and some are still underway. When required, the City took legal action to pursue recoveries due to the City utilizing our litigation experience to obtain recoveries. A&S undertook detailed reviews of each company consisting of:

- negotiated and executed confidentiality agreements,
- compared revenue streams to the franchise agreements and City ordinances,
- recomputed customer bills to determine items taxed as opposed to items claimed being taxed by the companies,
- determined discrepancies, computed amounts owed including interest and penalties,
- provided a report to the City of our findings from each company review,
- assisted the City in negotiating resolution with the companies, and
- provided recommendations to assist the City with future payments.

The City received the following recoveries from A&S's work:

Company	Recoveries
Franchise Fee Reviews	
Time Warner Cable: reviewed May 1995 - Sep 2001, Jan 2007 - Dec 2011	\$1,000,000
Telecommunications Occupation Tax Reviews	
Windstream Telecommunications Company: reviewed Aug 2005 - Dec 2010	\$2,437,500
Alltel Wireless (now part of Verizon Wireless): reviewed Jan 2002 - Dec 2006	\$4,360,181
Sprint Spectrum: reviewed Jan 2005 through Dec 2010	\$450,000
Cingular (AT&T Wireless): reviewed Jan 2005 - Dec 2010	\$532,000
Cricket Communications: reviewed Jan 2005 - Dec 2010; found an error for Aug 2010 - May 2011, resulting in additional payment of \$192,000, not included in \$406,000	\$406,000

References

Steven J. Huggenberger, Esq.
Assistant City Attorney
555 S. 10th Street, Suite 300
Lincoln, NE 68508
Phone: (402) 441-7286
shuggenberger@lincoln.ne.gov

Jocelyn W. Golden, Esq.
Assistant City Attorney
555 S. 10th Street, Suite 300
Lincoln, NE 68508
Phone: (402) 441-7281
jgolden@lincoln.ne.gov

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

City of Austin, Texas

Rondella Hawkins, Director
Telecommunications & Regulatory Affairs
(213) 974-2711
Rondella.Hawkins@austintexas.gov

A&S reviewed the franchise and PEG fees paid by AT&T to the City. A&S recently completed a review of the franchise and PEG fees paid by Charter/Time Warner Cable, which resulted in a significant payment to the City.

City of Seattle, Washington

Alice Lawson
Broadband and Cable Program Manager
Office of Cable Communications
(206) 684-5957
Alice.Lawson@seattle.gov

A&S reviewed the franchise fees paid by Wave. Previously, A&S reviewed the franchise fees paid by Comcast and Broadstripe. Also, we reviewed the financial qualifications of Wave Broadband in the transfer of the cable television franchise from Broadstripe to Wave. All projects were resolved in favor of the City. Currently, we are reviewing Comcast franchise fees and utility taxes.

Howard County, Maryland

Donna Richardson
Howard County Cable Administrator
(410) 313-0669
drichardson@howardcountymd.gov

A&S is currently reviewing the franchise fees paid by Comcast and Verizon. Previously, A&S reviewed the franchise fees paid by Comcast, which resulted in a significant payment to the County. Also, we have reviewed the American Tower fees and a review of the dark fiber project. All matters were resolved in favor of the County.

King County, Washington

Christina Jaramillo
Cable Compliance Officer
(206) 263-7880
chris.jaramillo@kingCity.gov

A&S reviewed the franchise fees paid by Wave. Also, we reviewed the financial qualifications of Wave in the transfer of the cable television franchise from Broadstripe to Wave. A&S assisted the County in negotiating the new franchise agreement with Comcast. Previously, A&S reviewed franchise and PEG fees paid by Comcast and Millennium. All projects were resolved in favor of the County.

**Sacramento Metropolitan Cable TV
Commission, California**

Robert Davison, Executive Director
(916) 874-6926
davisonb@SacCounty.NET

A&S completed reviews of the franchise and PEG fees paid by AT&T, Comcast, and Consolidated Communications. Previously, A&S reviewed the franchise and PEG fees paid by AT&T. All projects resulted in payments to the SMCTC.

CLIENT LISTING OF PROJECTS COMPLETED OR IN PROGRESS WITHIN PAST FIVE YEARS

We have listed projects that have either been completed or are currently in progress within the past five years.

Amherst Media, Massachusetts and Two Communities

Project: Franchise and PEG Fee Review of Comcast
Contact: Jim Lescault, Director of Amherst Media
Phone: (413) 259-3300
Email: director@amherstmedia.org

Anne Arundel County, Maryland

Projects: Review of Telecommunication Taxes Paid by Broadstripe and Verizon,
Review of Franchise and PEG Fees Paid by Broadstripe
Contact: Gail Karish, Esq., Best Best & Krieger
Phone: (909) 466-4916
Email: Gail.Karish@bbklaw.com

Arlington County, Virginia

Project: Feasibility Analysis of Fiber
Contact: Rob Billingsley, IT Procurement and Franchise Manager
Phone: (703) 228-3195
Email: retired December 31, 2016

Arlington County, Virginia

Project: Review of PEG Payments by Comcast
Contact: Matt Ames, Esq., Hubacher & Ames, PLLC
Phone: (703) 279-6526
Email: mames@hubacherames.com

Bergman Dacey Goldsmith, California

Project: Expert Analysis and Testimony in City of Inglewood v. Time Warner
Contact: Richard Fond, Esq.
Phone: (310) 470-6110
Email: rfond@bdgfirm.com

Bernalillo County, New Mexico

Project: Right-of-Way Cost Analysis, Litigation Support
Contact: Nann Winter, Esq., Stelzner, Winter, Warburton, Flores, Sanchez & Dawes, PA
Phone: (505) 937-7770
Email: nwinter@stelznerlaw.com

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

Carroll County Regulatory Commission, Maryland

Project: Analysis of Franchise and PEG Fees Paid by Comcast
Contact: Carol Shawver, Cable Administrator
Phone: (410) 386-2095
Email: cshawver@carr.org

City of Albuquerque, New Mexico

Project: Analysis of Franchise and PEG Fees Paid by Comcast
Contact: Jane Yee, Esq., Assistant City Attorney
Phone: (505) 768-4657
Email: jyee@cabq.gov

City of Cape Coral, Florida

Project: Analysis of Franchise Fees and PST Paid by LCEC
Contact: Connie Barron, Assistant City Manager
Phone: (239) 574-0448
Email: cbarron@capecoral.net

City of Carson, California

Projects: Analysis of Franchise and PEG Fees Paid by AT&T and TWC
Contact: Trinidad Catbagan, City Controller
Phone: (310) 952-1749
Email: TCatbaga@carson.ca.us

Cities of Gillette and Sheridan and Town of Jackson, Wyoming

Project: Analysis of Franchise and PEG Fees Paid by Cablevision
Contact: Joe Van Eaton, Esq., Best Best & Krieger
Phone: (202) 370-5306
Email: Joseph.VanEaton@bbklaw.com

City of Greenburgh, New York

Projects: Analysis of Franchise and PEG Fees Paid by Cablevision and Verizon
Contact: David Fried, Esq., First Deputy Town Attorney
Phone: (914) 989-1620
Email: drfried@greenburghny.com

City of Greensboro, North Carolina

Project: Right-of-Way Cost Analysis
Contact: John Gribble, Engineering & Inspections Department
Phone: (336) 373-2464
Email: John.Gribble@ci.greensboro.nc.us

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

City of Jefferson, West Virginia

Project: Review of Comcast
Contact: Joe Van Eaton, Esq., Best Best & Krieger
Phone: (202) 370-5306
Email: Joseph.VanEaton@bbklaw.com

City of Los Angeles, California - Law Department

Project: Time Warner Litigation Expert and Support
Contact: Michael Dundas, Esq., Deputy City Attorney
Phone: (213) 978-8147
Email: mike.dundas@lacity.org

City of Memphis, Tennessee

Project: Right-of-Way Cost Analysis with Litigation
Contact: Allan Wade, Esq., Wade Law Firm
Phone: (901) 322-8005
Email: awade@thewadefirm.com

City of Minneapolis, Minnesota

Project: Financial Review of TWC-Comcast-Charter-Spinco
Contact: Michael Bradley, Esq., Bradley Hagen & Gullikson
Phone: (651) 379-0900
Email: mike@bradleylawmn.com

City of Napa, California

Projects: Analysis of Franchise and PEG Fees Paid by AT&T and Comcast
Contact: Tracy Thompson, Revenue Operations Supervisor
Phone: (707) 257-9399
Email: TThomпсо@cityofnapa.org

City of Omaha, Nebraska

Project: Review of Telecommunication Occupation Taxes for Five Companies
Contact: Donna Waller, Treasurer
Phone: (402) 444-5472
Email: donna.waller@cityofomaha.org

City of Santa Clara, California

Project: Analysis of Franchise and PEG Fees Paid by AT&T
Contact: Harriet Steiner, Esq., Best Best & Krieger
Phone: (916) 551-2821
Email: Harriet.Steiner@bbklaw.com

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

City of Santa Fe, New Mexico

Project: Litigation Support & Expert Testimony, Qwest v. City of Santa Fe
Contact: Patricia S. Ives, Esq.
Phone: (505) 988-4476
Email: PIves@cuddymccarthy.com

City of Southfield, Michigan

Project: Financial Review of TWC-Comcast-Charter-Spinco
Contact: Joe Van Eaton, Esq., Best Best & Krieger
Phone: (202) 370-5306
Email: Joseph.VanEaton@bbklaw.com

City of Wallingford, Connecticut

Project: Electric Division, Rate Review/Litigation Support/Expert Testimony
Contact: Robert O'Neil, Esq.
Phone: (202) 296-2960
Email: roneil@McCarter.com

City of White Plains, New York

Projects: Analysis of Franchise and PEG Fees Paid by Cablevision and Verizon
Contact: Leslie Maron, Esq., Special Counsel
Phone: (914) 422-1240
Email: Imaron@whiteplainsny.gov

City of Yuma, Arizona

Project: Financial Review of TWC-Comcast-Charter-Spinco
Contact: Joe Van Eaton, Esq., Best Best & Krieger
Phone: (202) 370-5306
Email: Joseph.VanEaton@bbklaw.com

DeKalb County, Georgia

Project: Franchise Fee Review of Comcast
Contact: Gerard Lederer, Esq., Best Best & Krieger
Phone: (202) 370-5304
Email: Gerard.Lederer@bbklaw.com

District of Columbia

Project: ABRY (RCN) Transfer to TPG (RCN)
Contact: Gail Karish, Esq., Best Best & Krieger
Phone: (213) 617-7491
Email: Gail.Karish@bbklaw.com

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

Fairfax County, Virginia

Projects: Analysis of franchise fees, PEG fees and CST Paid by Comcast, Cox and Verizon
Contact: Fredrick Ellrod, Esq., Director of Communications Policy and Regulation Division
Phone: (703) 324-5904
Email: frederick.ellrod@fairfaxcounty.gov

Kenyon Disend, Washington

Project: ATT Mobility Refund Claims
Contact: Chris D. Bacha, Esq.
Phone: (425) 392-7090, ext. 2193
Email: Chris@kenyondisend.com

Lane Council of Governments, Oregon

Project: Analysis of Franchise and PEG Fees Paid by Comcast
Contact: Anne Davies, Esq.
Phone: (541) 682-4283
Email: adavies@Lcog.org

Marin Telecommunications Agency, California

Projects: Analysis of Franchise and PEG Fees Paid by AT&T and Comcast
Contact: Jean Bonander, Executive Officer
Phone: (415) 446-4427
Email: jbonander@marinjpas.org

Metropolitan Area Communications Commission, Oregon

Project: Review of Franchise Fees Paid by Frontier
Contact: Darryl Willis, Finance Manager
Phone: (503) 645-7365
Email: dwillis@maccor.org

Metropolitan Government of Nashville and Davidson County, Tennessee

Project: Right-of-Way Cost Study and Litigation
Contact: Lora Fox, Esq., City of Nashville
Phone: (615) 862-6310
Email: lora.fox@nashville.gov

Midpeninsula Community Media Center, California

Project: Review of PEG and PEG Expenditures, Analysis of Capital and Capital Policy
Contact: Joe Van Eaton, Esq., Best & Krieger
Phone: (202) 370-5306
Email: Joseph.VanEaton@bbklaw.com

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

Northern Dakota County Cable Communications Commission, Minnesota

Project: Review of Franchise and PEG Fees Paid by Comcast
Contact: Jodie Miller, Executive Director
Phone: (651) 450-9891
Email: jmiller@townsquare.tv

Prince George's County, Maryland

Projects: Analysis of Franchise Fees, PEG Fees, and Telecom Tax Payments Paid by Verizon
Financial Review of TWC-Comcast-Charter-Spinco
Contact: Lakisha Pingshaw, ICBN Program Manager
Phone: (301) 883-5194 Email: lpingshaw@co.pg.md.us

Ramsey-Washington Suburban Cable Commission, Minnesota

Project: Analysis of PEG Subscriber Recovery
Contact: Timothy Finnerty, Executive Director
Phone: (651) 779-7144
Email: timfinnerty@rwcable.com

St. Paul, Minnesota

Project: Comcast Bundle Pricing Analysis
Contact: Lisa Veith, City Attorney- City Finance Accounting, City of St. Paul
Phone: (651) 266-8723
Email: lisa.vieth@ci.stpaul.mn.us

Town of Lewisboro, New York and Seven Communities

Project: Franchise Fee Review of Cablevision
Contact: Joe Van Eaton, Esq., Best Best & Krieger
Phone: (202) 370-5306
Email: Joseph.VanEaton@bbklaw.com

SECTION 2 SCOPE OF WORK

Ashpaugh & Sculco, CPAs, PLC (A&S) is providing this proposal to the Quad Cities Communication Commission, Minnesota (Commission) for a review of the franchise and PEG fees paid by Comcast for the most recent three-year review period. The Scope of Work is for Agreed-Upon Procedures and is not a traditional audit of financial statements as defined by Generally Accepted Auditing Standards (GAAS). A traditional audit includes the issuance of an opinion stating whether the financial statements are presented fairly in conformity with Generally Accepted Accounting Principles (GAAP). Because the procedures listed in the Scope of Work do not constitute a traditional audit, A&S will not express an opinion on Comcast's, or the Commission's financial statements or any elements, accounts, or items thereof. Our analysis and reports are Agreed-Upon Procedures and will relate only to an analysis of Comcast's gross revenues.

SCOPE OF WORK

The Scope of Work identifies the steps that we will perform to ensure that Comcast accurately reported gross revenues to the Commission in accordance with the franchise agreement.

1. Contact the Commission to obtain the documentation required to kick-off the project.
2. Review the franchise agreement to gain an understanding of the definition of gross revenues and determination of franchise and PEG fees.
3. Submit a data request to Comcast. As needed, submit additional data requests to Comcast.
4. Execute a non-disclosure agreement with Comcast.
5. Correspond with the Commission and Comcast, via phone and email, to obtain documentation, and resolve issues.
6. Recalculate the franchise and PEG fees paid to the Commission for the review period.
7. Review gross revenues to determine which revenues Comcast did not include in the determination of franchise and PEG fees.
8. Reconcile subscriber revenues reported to the Commission to data provided by Comcast.
9. Review administrative fees, including late fees and NSF fees, to ensure that they were correctly included in the gross revenues reported to the Commission.
10. Review bad debt expense and bad debt recoveries reported to the Commission.
11. Recalculate the allocation of non-subscriber revenues, including home shopping and advertising revenues. Identify any differences.
12. Reconcile the amount of the equipment grant with the amount recovered by Comcast's line itemization on subscriber bills. Identify any over or under-collections. In the case of an under-collection, estimate when the total will be recovered by Comcast.

PROPOSAL FOR A REVIEW OF FRANCHISE AND PEG FEES PAID BY
COMCAST TO THE QUAD CITIES COMMUNICATION COMMISSION

13. Develop spreadsheet models that include the following:
 - a. Analyze franchise and PEG fees paid to the Commission, by category of revenues.
 - b. Calculate the amount due to the Commission and associated interest charges.
14. Submit a report with the amount due to the Commission, plus applicable interest.

**SECTION 3
PROPOSED COSTS**

Ashpaugh & Sculco, CPAs, PLC (A&S) proposes to review the franchise and PEG fees paid by Comcast to the Quad Cities Communication Commission, Minnesota (Commission) and any other Minnesota communities or commissions. A&S will issue a final report to each community or commission that summarizes our findings, interest, and penalties.

The proposed cost for one participant (either a single community or a commission) is \$20,000. For additional participants, the cost decreases by \$2,000, as shown in the table below.

Review of Franchise and PEG Fees for a Three-Year Review Period	One Participant	Two Participants	Three or More Participants
Cost per Participant	\$20,000	\$18,000	\$16,000

While a certain level of effort is required for a review of franchise and PEG fees whether there are one or more participants, we are able to reduce the cost per participant with additional participating communities or commissions. By having more participants, it allows us to provide a deeply-discounted price because there are certain efficiencies that we gain by having concurrent reviews. It may also allow us to recognize more issues when we concurrently review Comcast's accounting data.

TRAVEL COSTS AND OTHER SERVICES

It has been our experience that it is more cost-effective to communicate via email, and courier rather than perform extensive on-site visits. Our proposed costs assume that Comcast will send responses to our data requests to our offices and not require any out-of-town visits. Our proposed costs do not include any onsite visits, presentations or litigation.

TIMELINE

A&S anticipates completing the projects within six months of the award of the contract. However, our work depends on data provided by the Commission and Comcast. If the responses from Comcast are incomplete and or not provided timely, it may impact our anticipated schedule. We will notify the Commission if our schedule is affected in such a manner.

INFORMATION REQUIRED FROM THE COMMISSION

The Commission will need to send us the amounts of the quarterly franchise and PEG fee payments during the review period, as well as any true-up payments.

GARTH T. ASHPAUGH, CPA

Education	BS, Business Administration, University of Missouri, 1977
Professional Registration	Certified Public Accountant, State of Florida #0023193 Certified Public Accountant, State of Florida #007098
Professional Affiliations	American Institute of Certified Public Accountants National Association of Telecommunications Officers and Advisors

QUALIFICATIONS AND EXPERIENCE

Mr. Ashpaugh has been engaged in utility matters and regulation full-time for over 40 years. His previous experience includes consulting since 1991 and working as Audit Supervisor with the Missouri Public Service Commission. He holds licenses as a Certified Public Accountant in the states of Missouri and Florida. He is a member of NATOA's Board of Directors and has been awarded a lifetime membership.

Cable Rate Regulation and Franchise Negotiation

Mr. Ashpaugh has performed cable rate reviews and assisted in cable franchise renewals and transfers for franchisers in Arizona, California, Florida, Maryland, Michigan, New Mexico, New York, Pennsylvania, Virginia, Wisconsin, and Wyoming. He has reviewed and recalculated franchise fees paid to the local authorities and performed detailed financial analyses related to franchise renewals and transfers. He has analyzed the rate filings of cable operators, provided detailed reports of the analyses to the franchising authorities, and recommended new cable rates to the franchising authorities that either have been implemented or are under consideration. He has assisted in the filing of comments with the Federal Communications Commission (FCC) regarding rate regulation of cable. He has made presentations in Florida, Georgia, Hawaii, Massachusetts, New Mexico, Oklahoma, Oregon, and South Carolina on cable matters. He is a member of the National Association of Telecommunications Officers and Advisors (NATOA).

Litigation Support and Expert Testimony

- Cost of Service Mergers and Acquisitions
- Cost of Service Issues and Analysis
- Construction Audits

Mr. Ashpaugh has an extensive background in providing litigation support and expert testimony. In addition to his presentations to local authorities in cable rate matters, he has assisted clients in evaluating proposed mergers including Kansas City Power and Light and UtiliCorp, Baltimore Gas and Electric Company, and Potomac Electric Power Company. He also filed testimony addressing the issues developed in the BGE/PEPCO merger.

He has reviewed the filings, developed cost analyses, and workout proposals regarding bankruptcies of electric utilities. He has analyzed accounting and rate issues regarding most current issues before the Federal Energy Regulatory Commission (FERC), including the 1990 Amendments to the Clean Air Act and pronouncements of the Financial Accounting Standards Board (FASB). He has provided expert testimony in twenty-nine Missouri rate cases regarding

GARTH T. ASHPAUGH, CPA

cost of service, mergers and acquisitions, and construction audits; these included telephone, electric, gas, and water utility companies.

Telecommunications

Mr. Ashpaugh has assisted local governments for many years regarding: ordinances addressing users of rights-of-way; telecommunications planning and design for their internal uses and for the local government; strategic planning regarding telecommunications, the community, economic development, and quality of life issues; contract negotiation and franchise renewals; and regulatory matters. He has made presentations regarding telecommunications for the American Public Power Association, Northwest Public Power Association, Massachusetts Municipal Wholesale Electric Corporation, Municipal Electric Authority of Georgia and Florida Municipal Power Agency. He organized and chaired a conference and seminar on telecommunications for the Orlando Utilities Commission. He has participated in performing initial feasibility studies, helped local authorities in evaluating requests by cable operators for rate increases or changes in service offerings, and provided expert testimony before County councils and other regulatory bodies.

Retail and Wholesale Rates

- Cost of Service Studies
- Electric Rate Audits
- Nuclear Power Plant Audits

Mr. Ashpaugh has worked extensively in the area of rates. He has analyzed wholesale electric rate filings, assisted in the negotiation of electric rates and charges under contract rates, and testified on electric cost of service. He performed and supervised cost of service studies in over thirty cases before the Missouri Commission. While at the Commission, he served as the lead auditor for electric rate case audits, and project coordinator for the construction audit of a nuclear plant. This required the supervision and coordination of the efforts of fifteen auditors with the Commission's engineering, legal, and rate design departments. Mr. Ashpaugh also developed the phase-in model methodology utilized by the Missouri Commission in ordering phase-ins of Union Electric's Callaway Nuclear Plant, Kansas City Power and Light's portion of the Wolf Creek Nuclear Plant, and Arkansas Power and Light Company's allocation of costs associated with the Middle South's Grand Gulf Nuclear Plant.

CAROLYN A. SCULCO, CPA

Education	BA, Business Administration, Stetson University, 1986
Professional Registration	Certified Public Accountant, State of Florida #0020217
Professional Affiliation	National Association of Telecommunications Officers and Advisors

QUALIFICATIONS AND EXPERIENCE

Ms. Carolyn Sculco has been performing franchise fee reviews since 1995. She is a Certified Public Accountant with over 30 years of experience. Her previous experience includes consulting since 1993, public accounting with Ernst & Young, and internal audit with New England Electric System. She graduated from Stetson University with a BBA in Accounting.

Franchise Fee Reviews

- Compliance with Franchise Agreements/Ordinances
- Review of Gross Revenues and Franchise Fee Calculations
- Dollar Impact of Unreported Revenues

Ms. Sculco's area of expertise is focused on franchise and PEG fee reviews. These reviews encompass multiple years, transfers of cable operators, and varying definitions of gross revenues. She has performed or is in the process of performing cable franchise fee reviews for franchisers in Arizona, California, Florida, Maryland, Michigan, Minnesota, Nebraska, New Jersey, New York, New York, Tennessee, and Virginia. Her collective findings have resulted in unreported revenues exceeding \$10,000,000. These findings are a result of reviewing historical revenues and do not include the impact of unreported revenues on future years. These findings have been utilized to obtain additional revenues from the cable operators, modify franchise agreements during the franchise renewal or transfer process, and ensure that future years are reported accurately.

These franchise and PEG fee reviews have included the following procedures:

- recalculated gross revenues reported by cable operators to the local regulatory bodies and reconciled gross revenues to source accounting documents;
- analyzed components of the franchise fee calculations to determine compliance with provisions of the franchise agreement, ordinances, and applicable statutes;
- developed spreadsheet models to analyze the franchise fees reported by the cable operators as compared to the franchise fees calculated by A&S; recalculated allocation factors used to determine non-subscriber revenues;
- reviewed treatment of non-traditional revenue sources, advertising revenues, and contra-expenses to ensure proper inclusion in gross revenues;
- prepared report discussing the methodology used by the cable operators, whether the method complied with the franchise agreement, any clerical errors noted, and any differences between the gross revenues reported by the cable operators as compared to the gross revenues calculated by A&S.

CAROLYN A. SCULCO, CPA

Management Services

- Financial Analyses of Cable Operators
- Management Audits
- Financial and Operational Reviews

Ms. Sculco has reviewed several transfers of cable operators. The purpose of the reviews was to determine the feasibility of the transfers and assist the local regulatory bodies with the negotiation process. Ms. Sculco developed a computer model to project revenues and expenditures to determine the viability of the cable operators.

Ms. Sculco has performed management audits for municipal utilities to review current operations and procedures. She proposed recommendations for streamlining procedures and policies to improve the utilities' efficiencies. She reviewed internal controls, reorganized management structure, developed salary pay grades and job descriptions, conducted employee surveys, developed standard operating procedures, and prepared reports and recommendations.

Ms. Sculco has performed financial and operational audits for an investor-owned utility with over \$5 billion in assets. Her audit reports included recommendations for reducing costs and improving overall efficiency and effectiveness in the areas under review. Projects included a review of a \$500 million repowering project, an \$80 million participant support agreement, and several joint-ownership projects.

Ms. Sculco has reviewed customer service functions for investor-owned and municipal utilities. These reviews included areas such as cash receipts and deposits, revenues, and application of rates. The reports identified weaknesses in internal controls and provided overall recommendations to improve the efficiency of current procedures.