

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 01-073

Approval of the Mt. Hood Cable Regulatory Commission Budget for Fiscal Year 2001-2002

The Multnomah County Board of Commissioners Finds:

- a. The Mt. Hood Cable Regulatory Commission (MHCRC) was formed by Multnomah County and the cities of Fairview, Gresham, Portland, Troutdale and Wood Village (Cities) to advocate for and protect the public interest in the regulation and development of cable communication systems.
- b. The MHCRC has approved a budget for fiscal year 2001-2002 and forwarded this budget to Multnomah County and the Cities for approval.

The Multnomah County Board of Commissioners Resolves:

1. The Mt. Hood Cable Regulatory Commission budget for fiscal year 2001-2002 is approved.

ADOPTED this 7th day of June, 2001.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

THOMAS SPONSLER, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By
Thomas Sponsler, County Attorney

MT. HOOD CABLE REGULATORY COMMISSION

Representing:

City of Portland
City of Fairview

City of Gresham
City of Wood Village

City of Troutdale
Multnomah County

PROPOSED BUDGET
FISCAL YEAR 2001-02

FEBRUARY 2001

Commission Members

Commission Chair: Norman Thomas	
Alan Alexander III	Rich Goheen
Royal Harshman	Robert Kreinberg
Stan Saunders	Sue Dicile

Bureau Director: David C. Olson

**MT. HOOD CABLE REGULATORY COMMISSION
FY 20001-02 PROPOSED BUDGET**

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1. Multnomah Community Television Budget	
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MT. HOOD CABLE REGULATORY COMMISSION

OVERVIEW

The Mt. Hood Cable Regulatory Commission (MHCRC or Commission) was formed by Multnomah County and the cities of Fairview, Gresham, Portland, Troutdale and Wood Village for the purposes of:

- **Advocating for and protecting the public interest in the regulation and development of cable communications systems;**
- **Monitoring and helping resolve cable subscribers' concerns; and,**
- **Facilitating the planning and implementation of community uses of cable communication technologies that make use of the public right of way.**

Each of the Commission member Jurisdictions appoints citizen representatives to the Commission. Over the past year, these citizen appointees have committed hundreds of volunteer hours to fulfill the Commission's mission and to serve the Jurisdictions. They have attended over 13 Commission and committee meetings, kept abreast of issues of concern to their Jurisdictions, presented information at city council and county commission meetings, and served as liaisons to Portland Cable Access (PCA) and Multnomah Community Television (MCTV).

The Commission contracts for staff through a services agreement with the City of Portland. The Commission funds an equivalent of 3.4 full-time staff positions, plus related materials and services, overhead and capital. Each of the member Jurisdictions provides a portion of their franchise fees from cable services providers to annually fund the operational expenses of the Commission.

ACCOMPLISHMENTS DURING 2000

Processed the First-Ever Competitive Cable and Broadband Services Franchises

The Mt. Hood Cable Regulatory Commission lead a lengthy franchising and public hearing process (including a six-hour, live cablecast public hearing) which resulted in unanimous approval by all Jurisdictions of two new cable and "broadband" Internet/telecommunications service providers entry into the residential market. New competitive service providers not only will provide a significant investment here in new telecommunications infrastructure to serve all area homes, they will also provide a real "choice" in the future for residents in local cable, phone, and telecommunications services for the first time in history. Both companies credited the MHCRC's leadership in the 'open access' debate to sparking their interest in investing here.

Furthered MHCRC's Lead in National Debate over 'Open Access' to Internet via Cable

The MHCRC's leadership in promoting 'open access' to cable Internet services continued to receive national recognition in 2000, as key federal agencies (including both the Federal Communications Commission and the Federal Trade Commission) for the first time launched formal proceedings or took action to advance the issue. The Commission joined other local governments from around the country to file formal comments in the FCC's proceeding. A groundbreaking decision of the 9th

GOALS AND OBJECTIVES

Fiscal Year 2001-2002

Note: The policy and regulatory work of the MHCRC is undertaken in a very dynamic communications technology environment. Consequently, the Commission retains flexibility to revise its Goals and Objectives as may be required from time to time.

Goal I: *Effectively administer cable television franchise agreements to serve our member jurisdictions.*

Objectives:

1. Conduct effective cable rate regulation which meets the spirit and intent of federal legislation and FCC rules.
2. Identify and address franchise compliance issues in response to and, when possible, prior to cable company actions.
3. Provide consumer protection for citizens and subscribers in cable television matters by helping to resolve complaints, enforcing customer service standards and addressing other consumer-related franchise compliance issues.
4. Continue to analyze changes in technology and the mergers of telecommunications and cable companies in order to inform the jurisdictions and other stakeholders about how those changes may affect consumers and the local public benefits of the franchise agreements.
5. Conduct franchise fee and PEG fee financial review to ensure full payment from cable companies.
6. Monitor and oversee RCN and WIN cable systems construction (completion deadline March 31, 2006).

Goal II: *Ensure access to and use of current and new services available through the cable system technology by citizens, local governments and community institutions.*

Objectives

1. Conduct and evaluate grant-making process to allocate capital funds under the cable franchise agreements dedicated for the development of public, educational and governmental uses of the cable system technology in a way, which ensures that the funds are distributed in accordance with the grant purpose and criteria.
2. Monitor projects which have received grant funding to ensure compliance with the project goals and objectives and accountability for grant funds.

GOAL IV: *Advocate for continued local authority regarding cable franchises and use of the public rights of way by communication providers.*

Objectives

1. Continue cross-jurisdictional collaborations for information-sharing and coordinated strategies on issues of common concern.
2. Continue to participate in and encourage advocacy efforts for federal legislative and agency proceedings on behalf of our jurisdictions' and citizens' interests.
3. Participate in statewide committees or groups which address local government authority, management and control of public rights of way.
4. Advocate for open, nondiscriminatory access to cable system broadband technology.

Goal V: *Operate the Cable Regulatory Office and the Commission efficiently and effectively.*

Objectives

1. Fulfill Intergovernmental Agreement and Rules of Procedure administrative responsibilities.
2. Plan and conduct Commission meetings in a way which respects the volunteer nature of Commission positions and keeps Commissioners informed about telecommunications issues.
3. Continue annual strategic planning and evaluation.
4. Assist the Jurisdictions with identifying issues related to regulating and administering the new hybrid cable-telecommunication franchises and facilitate any necessary revisions to the Intergovernmental Agreement.

Third, the Commission administers two programs funded by a percentage of AT&T's gross revenues totaling over \$1.4 million: Access Corporation Capital Fund and the Community Access Capital Grant Fund; and

Fourth, the beginning fund balance and the interest on Commission funds.

The Commission also added a new resource line item, Franchising Deposit – Overbuilds, for FY01-02 in anticipation of potential new revenues paid by competitive service providers.

Expenditures include:

First, franchise fee payments to the Jurisdictions. The franchise fee payments to the Jurisdictions are the total amount of franchise fees the MHCRC collects on behalf of Gresham, Troutdale, Fairview, Wood Village and Multnomah County less the amount each Jurisdiction contributes to the Commission's Operating Budget and the community access payments to MCTV and PCA in accordance with the IGA.

Second, all MHCRC member jurisdictions contribute a portion of franchise fees to the Commission's Operating Budget (\$377,108). This is a 3.3% increase from the current year budget. The net contribution totals \$369,120, after deducting the balance of the FY 1999-2000 budget (\$7,987). Each jurisdiction's net contribution is outlined below:

Fairview	\$ 5,382	Portland	\$250,023
Gresham	\$82,341	Troutdale	\$ 13,221
Multnomah County	\$15,736	Wood Village	\$ 2,418

The proportional funding allocation methodology is based on the methodology adopted in the MHCRC FY 2000-01 Budget. Greater detail is available on the cost allocation worksheet which appears in Appendix Two.

Third, community access and access corporation capital payments to MCTV and PCA for operational and capital budgets of the community programming centers in East Multnomah County and Portland. These payments are made in accordance with the IGA and the cable services franchise agreements; and

Fourth, the Community Access Capital Grant program. These expenditures support the annual grant program.

The MHCRC added a new expenditure line item, Franchising Expenditures – Overbuilds, this year to account for any necessary expenditures related to the potential competitive service providers. Expenditures will only incur if new revenues are received from the providers.

MT. HOOD CABLE REGULATORY COMMISSION

Fiscal Year 2001-02

Financial Summary

RESOURCES	1998-99 Actual	1999-00 Actual	2000-01 Revised	2001-02 Proposed
Beginning Balance	677,516	979,600	1,122,246	845,291
E. County Cable Franch. Fees	734,333	738,801	717,265	728,024
Multnomah West Franch. Fees	29,622	29,339	23,164	23,041
Access Revenue-Annexed PDX	180,557	193,547	0	0
Portland Share of Operataing Bud.	205,722	215,743	239,107	250,023
Franchise Deposit - Overbuilders	0	105,000	75,000	100,000
Interest	58,776	106,519	75,000	32,000
Community Access Grant Capital Revenue	754,803	738,036	719,643	710,271
Access Corporation Capital Revenue	691,370	723,512	719,643	710,271
Miscellaneous	0	148	0	0
Total Resources	\$3,332,699	\$3,830,245	\$3,691,068	\$3,398,921
REQUIREMENTS	1998-99 Actual	1999-00 Actual	2000-01 Revised	2001-02 Proposed
EXPENDITURES				
Franchise Fee Balance to Jurisdictions	224,636	193,415	178,955	181,328
Community Access Payments, E. County(MCTV)	433,237	450,644	430,359	436,814
Community Access Payments, Multnomah West (PCA)	10,490	18,962	13,898	13,825
Community Access Payments, Annexed Portland	180,557	193,547	W/ PCA	W/PCA
MHCRC Operating Budget	312,744	327,539	365,069	377,108
Community Access Capital Grants, Personnel	46,602	47,329	56,844	60,869
Community Access Capital Grants, M&S		123,102	128,825	80,321
Franchise Expenditures - Overbuilders	0	42,249	75,000	100,000
Community Access Capital Grants	136,963	3,307	850,000	700,000
Community Access Capital Grant Encumbrance	496,198	651,205	0	0
Access Corporation Capital payments	511,672	656,700	746,827	771,472
Total Expenditures	\$2,353,099	\$2,707,999	\$2,845,777	\$2,721,737
Unappropriated Ending Balance	979,600	1,122,246	845,291	677,184
Total Requirements	\$3,332,699	\$3,830,245	\$3,691,068	\$3,398,921

MT. HOOD CABLE REGULATORY COMMISSION
FISCAL YEAR 2001-02
LINE ITEM BUDGET

Expenditure Classification	Actual FY 98-99	Actual FY 99-00	Adopted FY 2000-01	Proposed FY 2002-02
511000 Full-Time Employees	173,353	193,420	194,805	218,944
521000 Part-Time Employees	1,025	3,451	0	0
514000 Overtime	1,188	1,519	1,200	1,500
517000 Benefits	66,162	79,356	80,565	80,427
Total Personal Services	\$241,728	\$277,746	\$276,570	\$300,871
521000 Professional Services *	429,804	832,340	1,746,927	125,800
Access and Capital Grants	In Prof. Svcs.	In Prof. Svcs.	In Prof. Svcs.	1,539,472
524000 Repair & Maintenance	2,000	103	1,500	1,500
529000 Miscellaneous Services **	1,104,417	859,055	725,006	3,500
Pass Through Payments	In Misc. Svcs.	In Misc. Svcs.	In Misc. Svcs.	631,967
531000 Office Supplies	1,082	523	1,500	2,000
532000 Operating Supplies	5,601	3,932	3,350	2,500
541000 Education	1,475	2,320	2,400	2,400
542000 Local Travel	0	81	600	600
543000 Out-of-Town Travel	4,041	6,076	4,000	4,000
549000 Miscellaneous	5,202	4,951	5,550	4,915
Total External Materials & Svcs	\$1,553,623	\$1,709,381	\$2,490,833	\$2,318,654
551000 Fleet Services	35	27	415	309
552000 Printing/Distribution	9,829	9,675	10,984	13,818
553000 Facilities Services	15,526	20,218	14,129	18,278
554000 Communications	5,431	6,146	11,231	5,380
555000 Data Processing	3,922	5,254	11,176	13,522
556000 Insurance	4,852	5,026	10,924	10,906
558000 Treasury Services	1,188	828	768	0
558312 Legal	1,336	1,450	1,541	1,950
Total Internal Materials & Svcs	\$42,118	\$48,624	\$61,168	\$64,163
Total Materials & Services	\$1,595,741	\$1,758,004	\$2,552,001	\$2,382,817
556000 Capital Replacement Fund			3,000	\$3,000
572101 General Fund Transfer	19,432	21,044	18,031	14,122
571100 Contingency	0	0	19,169	20,926
Total	\$1,856,901	\$2,056,794	\$2,868,771	\$2,721,737
Less Access, Grants and Pass Through	1,544,157.44	1,729,255.14	2,503,702	\$2,344,629
Operating Budget	312,744	327,539	\$365,069	\$377,108

Professional Services *	Miscellaneous Services **
Administration	FY 2001-02
Operating Budget	25,800
Overbuilder Franchises	100,000
Admin. Total	125,800
Access and Capital Grants	Pass Through Payments
Access Corporation Capital Payments	771,472
Community Access Capital Grants & I-Net Admin.	68,000
Community Access Capital Grants	700,000
Total Professional Services	\$1,665,272
	Total Miscellaneous
	\$635,467
Total Access Capital, Grants, PEG and Pass Through (Excluding - MHCRC Operating Budget)	
\$2,344,629	

MT HOOD CABLE REGULATORY COMMISSION

**MHCRC LINE ITEM EXPENDITURES
(Less DEDICATED FUNDS AND RESOURCES*)
FY 2001-02**

Acct.	Title	FY 98-99 Actual	FY 99-00 Actual	FY 2000-01 Revised	FY 2001-02 Proposed
5110	Full-Time Employees	173,353	193,420	199,219	218,944
5120	Part-Time Employees	1,025	3,451		0
5140	Overtime	1,188	1,519	1,235	1,500
5170	Benefits	66,162	79,356	76,117	80,427
Personnel Services		\$241,728	\$277,746	\$276,570	\$300,871
5210	Professional Services	34,972	12,662	150,100	193,800
5240	Repair & Maintenance	2,000	103	1,500	1,500
5290	Miscellaneous Services	2,417	2,053	3,800	3,500
5310	Office Supplies	1,082	523	1,500	2,000
5320	Operating Supplies	5,601	3,762	3,350	2,500
5410	Education	1,327	2,246	2,400	2,400
5420	Local Travel	0	81	600	600
5430	Out-of-Town Travel	4,041	6,076	4,000	4,000
5490	Miscellaneous	4,927	3,843	5,550	4,915
External Materials and Services		\$56,367	\$31,349	\$172,800	\$215,215
5510	Fleet Services	35	27	415	309
5520	Print/Distribution	9,528	9,088	10,984	13,818
5530	Facilities Services	15,526	20,218	14,129	18,278
5540	Communications Services	5,431	6,146	11,231	5,380
5550	Data Processing Services	3,922	5,254	11,176	13,522
5560	Insurance	4,852	5,026	10,924	10,906
559307	Treasury Services	1,188	828	768	0
558312	Rate Regulation Legal Advice	1,336	1,450	1,541	1,950
Internal Services		\$41,818	\$48,037	\$61,168	\$64,163
5640	Capital Outlay	\$0	\$0	\$3,000	\$3,000
T O T A L		\$339,913	\$357,132	\$513,538	\$583,249
Overhead		19,432	17,737	18,031	14,122
Contingency		0	0	19,169	20,926
Tot. Budget Plus OH & Conting.		\$359,345	\$374,869	\$550,738	\$618,297
Less PEG, I-NET, and Overbuild. Admin.		46,602	47,329	185,669	241,189
MHCRC Operating Budget		\$312,743	\$327,539	\$365,069	\$377,108
Percentage Increase/ -Decrease			4.7%	11.5%	3.3%

* Dedicated Funds and Resources

Community Access Capital Grant

Franchise Fee Balance to Jurisdictions

Access Corporation Capital Grant

Community Access Payments to MCTV & PCA

MT HOOD CABLE REGULATORY COMMISSION

**OPERATING BUDGET
Funded by Jurisdictions
FY 2001-02**

Acct.	Title	FY 2001-02 Proposed
5110	Full-Time Employees	174,638
5120	Part-Time Employees	0
5140	Overtime	1,500
5170	Benefits	63,865
Personnel Services		\$240,003
5210	Professional Services	25,800
5240	Repair & Maintenance	1,500
5290	Miscellaneous Services	3,500
5310	Office Supplies	2,000
5320	Operating Supplies	2,500
5410	Education	2,400
5420	Local Travel	600
5430	Out-of-Town Travel	4,000
5490	Miscellaneous	4,615
External Materials and Services		\$46,915
5510	Fleet Services	309
5520	Print/Distribution	9,818
5530	Facilities Services	16,096
5540	Communications Services	5,046
5550	Data Processing Services	11,005
5560	Insurance	9,601
558312	Rate Regulation Legal Advice	1,950
Internal Services		\$53,825
5640	Capital Outlay	\$3,000
TOTAL		\$343,743
Overhead		12,439
Contingency		20,926
Tot. Budget Plus OH & Conting.		\$377,108

MT. HOOD CABLE REGULATORY COMMISSION

LINE ITEM DETAIL

		FY 2001-02			FY 2000-01		
Line Item No.	Description	Operating	Grants / I-Net/Overbid	Proposed W/Grant	Revised Operating	Grants / I-Net	Revised with Grant
5420	Local Travel	600	0	600	600	0	600
5430	Out-of-Town Travel :		0				
	NATO Regional	1,200	0	1,200	1,200	0	1,200
	NATO National Conference	1,600	0	1,600	1,600	0	1,600
	Alliance for Community Media	1,200	0	1,200	1,200	0	1,200
	Total	\$4,000	\$0	\$4,000	\$4,000	0	\$4,000
5490	Miscellaneous:						
	NATO - Membership	695	0	695	650	0	650
	ACM - Membership	550	0	550	550	0	550
	Subscriptions:						
	Multichannel News	750	0	750	650	0	650
	Oregonian	80	0	80	80	0	80
	Gresham Outlook	40	0	40	40	0	40
	Cable Television Law	700	0	700	700	0	700
	Cable TV Fact Book	0	0	0	700	0	700
	Cable Monitor	400	0	400	400	0	400
	Community Media Review	0	0	0	100	0	100
	Parking; MHCRC & Customers	1,000	0	1,000	900	0	900
	Refreshments for MHCRC meetings	400	300	700	480	300	780
	Total	\$4,615	\$300	\$4,915	\$5,250	\$300	\$5,550
	Total, External M & S	\$46,915	\$168,300	\$215,215	\$54,500	\$118,300	\$172,800
	Internal Service:						
5510	Fleet Services	309	0	309	415	0	415
5520	Print/Distribution	9,818	4,000	13,818	6,984	4,000	10,984
5530	Facilities Services	16,096	2,182	18,278	12,445	1,684	14,129
5540	Communications Services:						
	Assigned Equipment	2,223	334	2,557	2,670	361	3,031
	Long Distance	1,253	0	1,253	1,600	0	1,600
	Cellular Phone	689	0	689	1,200	0	1,200
	Telecomm., Billable	881	0	881	5,400	0	5,400
5550	Data Processing Services:						
	Corporate Applications	3,498	950	4,448	4,177	565	4,742
	Bureau Specific Services	7,507	1,567	9,074	4,667	1,767	6,434
5560	Insurance/Worker's Comp.	9,601	1,305	10,906	10,924	0	10,924
	Treasury Services				768	0	768
	In General Fund Overhead						
558312	Rate Regulation Legal Advice	1,950	0	1,950	1,541	0	1,541
	Total, Internal Svcs	\$53,825	\$10,338	\$64,163	\$52,791	\$8,377	\$61,168
5640	Capital Replacement Fund	3,000	0	3,000	3,000	0	3,000
572101	Overhead	12,439	1,683	14,122	15,882	2,149	18,031
571100	Contingency	20,926	0	20,926	19,169	0	19,169
	Total Other	\$33,365	\$1,683	\$35,048	\$35,051	\$2,149	\$37,200
	Operating Budget	\$377,108			\$365,069		
	Dedicated Fund Resources		\$241,189			\$ 185,669	
	TOTAL			\$618,297			\$550,738

APPENDIX TWO

COST ALLOCATION BY JURISDICTION

All member Jurisdictions contribute to the operation of the MHCRC. For FY01-02, the Commission used the funding methodology adopted by the Jurisdictions for the current year budget. The methodology is based on an agreed upon shared percentage of the Commission's operating costs between Portland and the East County Jurisdictions. The East County share is then allocated among Fairview, Gresham, Troutdale, Wood Village and Multnomah County based on the number of cable subscribers in each jurisdiction.

APPENDIX THREE

FRANCHISE FEE REVENUE AND DISBURSEMENT DETAIL

Detail of franchise fee revenues and disbursements is attached.

APPENDIX FOUR AND FIVE

ACCESS DISBURSEMENT DETAIL (MCTV AND PCA)

The Commission administers two contracts with the community access providers that serve the Jurisdictions. Appendix Four presents the FY01-02 budget for Multnomah Community Television (MCTV). MCTV serves the East Multnomah County area. Appendix Five presents the FY01-02 budget for Portland Cable Access (PCA). PCA serves the City of Portland area.

The access providers receive funding for both operations and capital expenditures. The majority of PCA's operational resources is based on a contract between PCA and the City of Portland and is not included in the MHCRC's budget. MCTV receives operational resources, in accordance with the IGA that created the Commission, based on 60 percent of the franchise fees for the East County area. Both organizations receive access corporation capital funding from franchise resources dedicated for this use.

A summary chart of Access Resources is included below.

MCTV:	Community Access Payment:	
	60 % of East County Cable Franchise Fees	\$ 436,814.
	Access Corporation Capital	\$ 343,388.
PCA:	Community Access Payment:	
	City of Portland General Fund	\$ 970,063
	60% of West Multnomah County	\$ 13,825
	Access Corporation Capital	\$ 428,084

**MUTLTNOMAH COMMUNITY TELEVISION BUDGET
(MCTV)**



MCTV

**Multnomah
Community
Television**

*Serving East
Multnomah County*

*Located at Mt. Hood
Community College*

26000 S.E. Stark St.
Gresham, OR 97030
503/491-7636
FAX 503/491-7417
www.mctv.org

**Programming
Services:**

- Public Access
- Educational
- Government
- Community

MCTV Channels
Seen on AT&T Cable:

11

CAN

Community Access
Network

21

MCTV

Multnomah Community
Television

22

Community Bulletin Board
Live NASA Missions

23

Portland Cable Access

27

Educational Access
MHCC Telecourses
(East County Only)

28

Educational Access

29

MCTV Program Guide
Video Newsletter
(East County Only)

30

MPAC

Multnomah Public
Affairs

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DEC 21 2000

21 December 2000

**OFFICE OF CABLE COMMUNICATIONS
CITY OF PORTLAND**

To: MHCRC Finance Committee

From: Rob Brading

Re: Proposed MCTV FY 2001-02 Budget

MCTV's proposed FY 2001-02 budget is attached. The MCTV Finance Committee reviewed a preliminary version of this budget in September. The budget was to be considered at the December Board meeting but that meeting was cancelled because the Finance Committee meeting, scheduled for December 13, was cancelled due to the weather. The MCTV Board will consider the budget at their January 17 meeting.

REVENUES

MCTV franchise-related revenues will continue to decrease in FY 2001-02, continuing the decline that began in FY 1998-99. In FY 1998-99, monies from the Settlement Fund, which was created when Rogers Cable sold its franchise to Paragon and was to be spent to zero at the end of the old franchise, ran out. Settlement Fund monies were invested by MCTV to pay for additional services during the current franchise

Current projections for FY 2000-01 are almost 10 percent less than initial figures. FY 2001-02 funding is expected to drop even further due to fewer cable subscribers.

With the rebuild of the cable system, the annexed areas of east Multnomah County are served by Portland Cable Access. MCTV continues to provide educational access services to the five school districts which straddle the Portland city limit and, through an agreement with PCA, receives 25% of the revenues (4140) from the annexed areas in payment for these services.

**SUMMARY OF MCTV FRANCHISE OPERATING FUNDING
FY 1997-98 – FY 2001-02**

FY 1997-98	\$1,180,473	
FY 1998-99	\$ 654,601	
FY 1999-00	\$ 644,192	
FY 2000-01	\$ 476,033	(projected)
FY 2001-02	\$ 467,426	(projected)

Investment Fund Withdrawal (4162) comes from the Settlement Funds saved and invested by MCTV. Current plans allow for the Investment



MCTV BUDGETS, 1997-2001

		ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	PROPOSED
		1997-98	1998-99	1999-00	2000-01	12/31/00	BUDGET
							2001-02
INCOME:							
4152	Access Support	\$ 588,355					
4130	Franchise Fees, Multnomah	403,763	\$ 433,237	\$ 450,644	\$ 477,956	\$ 215,015	\$ 421,752
4140	Franchise Fees, Portland	188,355	221,364	193,548	50,500	12,616	45,674
4090	Interest	14,188	15,580	17,299	10,000	6,442	12,000
4270	Activity Fees/Fees for Service	4,702	5,711	11,902	5,997	23,748	40,000
4200	Other	13,975	43,439	41,103	35,000	1,840	10,000
4120	Administration-LO	20,000	0		0		
4172	Capital Funds		377,628	323,616	325,250	163,434	343,388
4800	Equipment Loan		247,988		0		
4162	Investment Fund Withdrawal		0	\$ 0	223,277		307,798
4182	Funds from LO		230	0	6,000		6,000
	TOTAL OPERATING INCOME	\$ 1,233,338	\$ 1,345,177	\$ 1,038,112	\$ 1,133,980	\$ 423,095	\$ 1,186,612
		ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	PROPOSED
		1997-98	1998-99	1999-00	2000-01	12/31/00	BUDGET
							2001-01
EXPENSES:							
PERSONNEL							
7020	Full-Time Salaries	\$ 534,179	\$ 390,468	\$401,906	\$ 441,824	\$ 195,516	\$ 451,440
7030	Part-Time Salaries	47,262	37,529	51,791	54,126	23,799	64,491
7050	Taxes & Fringe Benefits	121,346	106,290	109,596	123,988	48,055	128,983
	Total Personal Services	\$ 702,787	\$ 534,287	\$563,293	\$ 619,938	\$ 267,370	\$ 644,914
OPERATIONS							
6020	Accounting	\$ 10,677	\$ 15,727	\$17,650	\$ 12,000	\$ 13,622	\$ 14,000
6030	Books	286					
6041	Consulting	13,420	5,423	9,489	12,000	1,400	12,000
6051	Dues & Subscriptions	7,070	10,643	12,854	10,200	2,337	10,500
6060	Educational Program Acquisition	519	240	0	800	0	500
6061	Education & Training	13,888	9,166	15,176	9,500	5,191	9,500
6062	Business Meals/Related	2,471	2,254	2,700	2,000	1,203	2,250
6063	Ed. Tuition Reimbursement	0	0	0	400	0	400
6064	Events	0	0	0	0	0	0
6070	Food	5,125	5,471	5,266	5,500	2,159	5,500
6080	Graphics	0	0	462	0	0	0
6100	Insurance	25,121	28,777	25,670	30,792	19,581	27,800
6110	Janitorial	8,255	6,420	6,420	6,600	2,675	7,000
6130	Legal	1,899	5,590	1,976	5,000	658	5,000
6131	Local Travel & Mileage	3,224	3,140	2,730	3,100	905	3,100
6140	Maintenance Supplies	6,970	1,674	6,452	5,000	2,430	5,000
6160	Office Supplies	5,809	4,944	4,531	5,500	2,082	5,000
6161	Operation Supplies	5,449	6,443	5,037	6,750	2,388	5,500
6170	Personnel Recruitment	355	671	2,138	1,000	350	1,000
6171	Phones	9,588	8,304	8,162	9,000	2,899	8,500
6172	Postage	9,580	8,406	6,566	9,000	2,340	8,000
6173	Printing	12,505	11,214	9,661	12,000	4,857	11,000
6174	Marketing/Promotion	6,143	8,806	8,279	7,000	1,691	7,500
6190	Repairs & Maintenance	3,697	1,642	2,523	3,200	1,879	3,200
6200	Rent, Utilities, Maintenance	22,464	26,568	38,844	27,600	16,720	41,210
6211	Travel	3,458	3,416	5,910	4,250	2,452	4,250
6230	Vehicle Maintenance	453	535	374	600	0	600
6231	Videotape	6,225				0	
	Total Materials & Services	\$ 184,651	\$ 175,474	\$198,869	\$ 188,792	\$ 89,818	\$ 198,310

MULTNOMAH COMMUNITY TELEVISION
FY 2001-02 PEG BUDGET
LINE ITEM EXPLANATION

INCOME:

4152 Special Access Funding

Portion of Settlement Funds from the sale of Rogers Cable to Paragon. All funds dispersed to MCTV during the life of previous franchise.

4130 Franchise Fees, Multnomah

5% of gross revenue of Paragon Cable for East Multnomah County system, of which MCTV receives 60%.

4140 Franchise Fees, Portland

MCTV provides educational services to six East County school districts that overlap into Portland. Through an agreement with Portland Cable Access, MCTV receives a portion of franchise fees from this area.

4090 Interest

Income projected on current interest rates.

4200 Other

Tape duplication, refunds, special events, underwriting.

4270 Activity/Fees for Service

Moneys from activity fees and charging for MCTV services.

4172 Capital Funds

Moneys from franchise capital revenues dedicated to PEG access providers.

4162 Investment Withdrawal

Withdrawals from MCTV's investment fund.

4182 Fund from LO

Funds from LO (4182) is the residue from the LO contract that the MHCRC transferred to MCTV for LO projects.

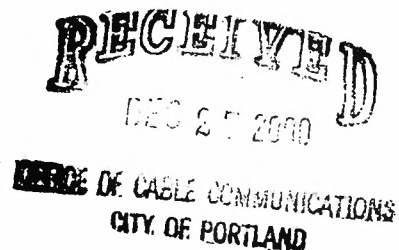
EXPENSES:

7020 Full-time Salaries.

Salaries for full-time employees.

7030 Part-time Salaries

Salaries for part-time employees.



6131 Local Travel and Mileage

Employee reimbursement for business-related mileage and parking.

6140 Maintenance Supplies

Supplies used to repair and maintain equipment that last less than one year.

6160 Office Supplies

Items that are less than \$100 and that last less than one year.

6161 Operating Supplies

Production-related items that are less than \$100 and last less than one year.

6170 Personnel Recruitment

Advertising for position openings.

6171 Phones

Includes regular and cellular service.

6172 Postage:

All outgoing postage, express services, parcel shipping and other shipping.

6173 Printing

Printing done outside including newsletter, invitations, handbook, forms.

6174 Marketing and Promotion

Advertising (except job openings), promotional items, marketing surveys and services.

6190 Repairs and Maintenance

Routine and emergency maintenance.

6200 Rent, Utilities and Maintenance

Payments made to Mt. Hood Community College for building (includes utilities and College services.)

6211 Travel

Transportation to regional and national conferences and seminars.

6230 Vehicle Maintenance

Maintenance and repairs for two vehicles.

6231 Videotape

Blank videotape (Digital, VHS, SVHS, 3/4", 3/4" SP).

8002 Books

Training books, videos, and other books.

8003 Maintenance Supplies

Supplies used to repair and maintain equipment that last less than one year.

MCTV FY 2001-02 CAPITAL PURCHASE PLAN

Building Costs	\$ 125,000
Video Server	80,000
Mini-Mobile Rebuild	50,000
IS Hardware/Software Upgrades	17,700
Oscilloscope	2,500
Maintenance tools	8,500
Studio lighting	12,000
Audio board	5,000
Switcher	12,000
Office chairs	2,000
Dimmer	7,000
Bulletin Board software	2,500
Risers for camera operators	9,000
Production Equipment Improvements/Upgrades	<u>10,188</u>
 TOTAL CAPITAL EXPENDITURES	 \$ 343,388

Capital funding available in the new franchise has allowed MCTV to purchase labor-saving technology that is allowing MCTV to increase services. MCTV has also used capital funding to upgrade existing equipment and to move into the digital age. In the past year, capital funds have been used for:

- computer upgrades, giving staff more powerful tools for post production
- digital copier/printer providing faster, more efficient and less expensive copying and printing
- robotic camera systems in Troutdale City Council and and Multnomah County Commission Chambers, allowing increased coverage of East Metro local governments

Capital expenditures for FY 2001-02 will be used for preliminary building costs and to upgrade equipment and to purchase equipment that frees staff for production services.

Building Costs

MCTV, in collaboration with East Multnomah County school districts and the Mt. Hood Repertory Theatre is exploring the possibility of constructing a new building, closer to public transportation and located more centrally than the current facility.

\$125,000

**PORTLAND CABLE ACCESS BUDGET
(PCA)**



PORTLAND CABLE ACCESS TELEVISION

January 12, 2001

Office of Cable Communications & Franchise Management
1120 SW Fifth Avenue, #704
Portland, Oregon 97204

PCA CHANNELS

11
Community Access Network
Serving the metro area

22
Public Access
Serving Portland

23
Public Access
Serving Multnomah County

30
CityNet 30
Serving the City of Portland

Re: Portland Cable Access Annual Operating Budget FY 2001-2002

Organizational Budget = \$1,094,211.00

Capital Budget = \$428,084.00

TOTAL = \$1,522,295.00

To Whom It May Concern:

I respectfully submit to you the PCA draft budget for FY 2001-2002. The draft budget will be reviewed and sent for ratification to the PCA Board of Directors at their next regularly scheduled meeting, February 6, 2001.

PCA has previously adopted by Board motion, on November 7, 2000, a budget that is very similar to the submitted budget in this document. I have discussed informally with the PCA Executive Committee the new provisions of this budget. I do not anticipate any difficulties in the formal adoption process, set for February 2001.

I hope that the PCA Board of Director, formalized adoption process, will not encumber the City of Portland budget process, set for February, 2001.

I wish to sincerely thank the Cable Regulatory Commission for the stable access corporation capital operating funding that was adopted on December 18, 2000.

The PCA budget is presented for your review in two sections. The first is the PCA Organizational Budget for FY 2001-02, and the second is the PCA Capital Budget for FY 2001-02.

PCA Organizational Budget for FY 2001-02

The PCA Organizational Budget for FY 2001-02 is \$1,094,221 of which \$970,063 is derived from the contract for services with the City of Portland. An additional source of revenue is \$13,348 derived from the Multnomah West franchise area. I have included a large format spreadsheet detailing our organizational budget, line by line, so that comparisons can be made with our current fiscal year budget. Also included is a description of our line item definitions.

BOARD

Kohel Haver, President
Celeste Carey, V. President
Currin Snipes, Secretary
Diane Nudelman, Treasurer
Sylvia Gercke
Steve Jolin
Jim Lockhart
Michelle Neal
Rod Pitman
Dr. David Ritchie

EXECUTIVE DIRECTOR

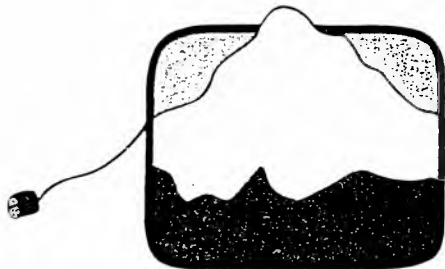
Robert Skelton

*The mission of
Portland Cable Access
is to promote broad
participation in civic and
cultural life by encouraging
effective use and
understanding of
community media.*

Portland Cable Access

FY 2001-2002
Capital Purchase Plan

A- Production Department Cameras	\$34,000
B- Public Access Production Cameras	\$44,000
C- Digital Video Decks for Playback	\$48,000
D- Channel Distribution Router	\$75,000
E- Public Access Studio Monitors	\$11,000
F- Workspace Lighting	\$15,000
G- Office Floor Coverings	\$20,000
H- Computer Server and File System	\$45,400
I- New Addition Project Pay Down	\$32,000
K- Building maintenance reserve fund	\$7,882
L- Building Exterior Painting	\$10,600
M- Studio Lighting – dimmers	\$20,000
N- Vehicle – rolling stock	\$30,000
O- Parking Lot resurfacing	\$10,000
P- Graham & MLK sidewalk replacement	\$ 5,000
Q- Office furnishing, chairs	\$10,000
R- Character Generator upgrades	\$10,192
Total 2001-2002 Capital Projects	\$428,084



MT. HOOD CABLE REGULATORY COMMISSION

1120 SW Fifth Ave. #704 • Portland, OR 97204

Phone: (503) 823-5385 • Fax (503) 823-5370

Email: www.mhcr.org

Serving Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village

January 3, 2001

Rob Skelton, Director
Portland Cable Access
2766 NE MLK JR. BLVD.
Portland, OR 97212

RE: FY 2001-2002 PEG Operating Funding - Final

The following is PCA's FY 2001-02 Operating funding based on the final subscribership numbers received from AT & T for East and West Portland and a 3.3 percent CPI increase in accordance with PCA's contract with the City of Portland. According to the subscriber numbers, the percentage of subscribership decline is only down two percent.

There are no changes in the Multnomah West projection or PCA's Capital funding.

PEG Operating Funds:

Portland (Includes Annexed areas)	\$ 970,063
<u>Multnomah West</u>	<u>\$ 13,348</u>
TOTAL	<u>\$ 983,411</u>

PEG Access Corporation Capital Fund: **\$ 428,084**

Please call me if you have further questions.

Sincerely,


Sebastian Rodriguez

Financial Analyst

CC: Julie Omelchuck
Mary Beth Henry

\\pcafunding2001-02-Final

- 1.3.1 Produce a "outline" program of topics of community interest as a live call-in show to guest speakers from different community organizations.
- 1.3.2 Create and update quarterly an NPO and other community organizations database.
- 1.3.3 Conduct periodic PCA orientations for NPO and other community organizations.
- 1.3.4 Continue to expand involvement of NPOs, NGOs, and CDCs in addition to those already listed above under 1.1.
- 1.3.5 Develop grant application process to the board-established community project fund for programming that meets board criteria for diverse programming.
- 2.0 Increase the accessibility of PCA to citizens and community organizations.
- 2.1 Train community members on an ongoing basis to utilize PCA effectively and efficiently.
- 2.1.1 Provide minimum of two hours of introductory training to new and volunteer producers so that they can easily make programs that demonstrate technical excellence.
- 2.1.2 Increase number of youth-produced programs, including, for example: the one week Boys and Girls Summer 2000 Video Project for 30 youths ages 11-14 interested in television production and community media; and, develop a Portland Public Schools art contest by grade level.
- 2.1.3 Expand hosting of teleconferences requested by various non-profit, educational, and government agencies in the PCA studios.
- 2.1.4 Increase number of senior and differently-abled programs produced.
- 2.2 Technological planning should serve accessibility goals.
- 2.2.1 Videostream Channel 23 by December, 2000, and conduct public access classes in video streaming.
- 2.2.2 Provide "video guide" listings. Alternatives include: specific time listings; vertical blanking interval; web listings; pursue preview channel with cable providers.
- 2.2.3 Reinvigorate technology needs committee. Conduct semi-annual capital review sessions with engineers.
- 2.2.4 Apply for a grant for additional editing equipment for an additional edit room.
- 3.0 Build a reputation for high technical standards and production values in programming that meets the diversity of interests in the cable audience.

4.2.3 Produce Mt. Hood Cable Regulatory Commission Meetings and annual video.

4.2.4 Assist other cable access centers around the country to improve PEG services.

4.3 Diversify and expand PCA funding.

4.3.1 Apply for grants to support PCA activities; for example, preserve and document historical aspects of local communities, such as oral and/or visual histories of North and Northeast Portland.

5.0 Assure effective governance and management of PCA.

5.1 Develop systems and procedures to maximize effective use of human and material resources.

5.1.1 Review board materials, including budget, to better match audience needs, and, where possible, reduce quantity of paperwork for board review.

5.2 Base PCA decisions and choices on this strategic plan.

5.2.1 Create a long-term facilities development plan.

5.3 Enhance Board Effectiveness.

5.3.1 Develop and implement a process for recruiting board members which maintains an effective board (management, finance, fundraising, public relations, planning, etc.).

5.3.2 Provide leadership training for board members, including fundraising and planning.

5.3.3 Develop a new board member orientation.

5.3.4 Encourage and support board members to maintain close working relationships with their City Council sponsors and other external groups and agencies.

PROPOSED BUDGET
July 1, 2001 - June 30, 2002
PCA D#6

PRESENT		CURRENT	DRAFT
ACCOUNT		PCA	PCA
		Current BUDGET	Draft BUDGET
		FY 00/01	FY 01/02
#	REVENUE	TOTAL	TOTAL
EQUIPMENT RELATED		-	-
7000	repair, parts	10,600	10,600
7010	repair, small tools	3,000	3,000
7015	repair, sub-contractor	25,000	23,000
7020	Replacement Bulbs	4,500	4,500
7030	replacement batteries	1,500	1,500
BUILDING RELATED		-	-
7500	Janitorial Service	5,500	5,500
7510	janitorial supplies	3,500	2,500
7620	Electricity	16,000	17,510
7635	garbage removal	1,200	1,200
7640	Other Utilities	1,100	1,100
7645	natural gas	1,500	1,500
7650	maintain vehicles	1,700	2,000
7670	maintain building	3,000	3,000
7660	maintain landscape	2,200	2,200
7680	Security Service	1,000	1,000
DIRECT VIDEO PRODUCTION		-	-
8030	Script writer	-	-
8040	On air talent	38,623	38,000
8050	videographer	-	-
8060	photographic services	-	-
8070	graphic design	-	-
8071	CLOSED CAPTION	-	-
8072	AUDIO SWEETEN	-	-
8111	cable signal distribution	-	-
8121	Equipment Rental	-	-
8201	PROPS	230	230
OWNERSHIP COSTS		-	-
9000	Insurance - LIAB.	17,015	17,008
9820	Interest Exp. Self-financed	5,390	5,390
TOTAL OF EXPENSES		1,082,974	1,111,001
net before depreciation		0	(0)