



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2005-0255

TO: City Council Members
FROM: Pat Somerville, Mayor
DATE: March 31, 2005
SUBJECT: Public Access Funding - 2005

REQUEST:

Request City Council determine the level of funding it wishing to provide CMN for Public access for 2005

BACKGROUND:

Per our franchise agreements with both Comcast and WOW, the city receives 1% of each company's annual revenue for the sole purpose of funding Public, Educational, and/or Government television operations. How much of this money goes where and when has always been at Council's discretion. The city is under no obligation regarding past or future PEG money distributions.

ICCA, the eleven-community consortium, presently contracts with CMN to provide public access. The following is the percentage and approximate corresponding annual dollar amounts contributed in the past by each community:

Community	Percentage	Dollar Amount
Clawson	0 %	\$0.00
Pleasant Ridge	0 %	\$0.00
Huntington Woods – 2004	0 %	\$0.00
Prior to 2004		\$5,000.00
Royal Oak	3/4 %	\$80,000.00
Ferndale	3/4 %	\$28,000.00
Berkley	1 %	\$28,000.00
Rochester	1 %	\$15,000.00
Auburn Hills	1 %	\$37,000.00
Oakland Township	1 %	\$20,000.00
<i>Rochester Hills</i>	1 %	\$112,000.00

In the one-year period from April 2004 through February 2005:

- Rochester Hills residents accounted for 2.5% of CMNs total class registrations.
- Rochester Hills residents accounted for 6% of renewed annual memberships. That equates to seven people.
- CMN facility reservations attributed to Rochester Hills calculates to 4.8% of total facility reservations.

Current Funding:

Eight of the eleven consortium communities have NOT given any money to public access since the 2nd quarter of 2004, near the time that the cash audit of the current public access provider (CMN) was completed. Ferndale, Oakland Township, and Berkley are the only communities that have continued to contribute. The City of Troy has not made a payment since the 1st quarter of 2004. These communities have indicated they are awaiting the signing of the public access contract between the ICCA and CMN before deciding when and at what level to resume funding.

BUDGET:

Any monies not distributed will be booked to the revenue accounts – License & Permits – Comcast and License & Permits – WOW.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	New Budget
General	101.451001	License & Permits – Comcast	\$475,000		
General	101.451002	License & Permits – WOW	\$135,000		

RECOMMENDATION:

It is recommended that Council wait for the ICCA to resolve the public access service issue and/or contract before allocating any public access funding in 2005. It is further recommended that City Council look at PEG Funding on an annual basis as part of its budget process.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		