

Function: Culture and Recreation	Department: City Administrator
Activity: Cable Television Operations	

GENERAL INFORMATION

In July 1979 the City Council awarded a 15 year cable television franchise to ATC and Muscatine Cablevision Corporation. In 1984 the City approved the transfer of the franchise from ATC and Muscatine Cablevision to Heritage Cablevision. This franchise was later transferred to TCI, then AT&T and then Mediacom. The original franchise required a franchise fee to be paid to the City of Muscatine in the amount of 3% of its annual gross receipts. The original franchise agreement expired in 1994 and it was renewed for another 15 years on September 7, 1994. The new agreement provided for an increase in the franchise fee paid to the City to 5% of the annual gross receipts. In addition, Muscatine Power & Water (MP&W) began offering cable television services in 1999. MP&W also pays a cable franchise fee to the City. In December 2002, MP&W purchased the local Mediacom operation and became the sole cable provider in the City. Under the current arrangement with Muscatine Power & Water, the City receives approximately \$236,000 in cable franchise fees annually.

A portion of the funds received from the franchise fee has been utilized to purchase equipment and develop governmental programs to be aired on the government information access channel. The City's cablecasting is provided through a contract with Muscatine Community College's (MCC) audio-visual department. As part of this contract, regular City Council meetings and other special programs have been broadcast which have informed citizens of available municipal services. Cable broadcast services are also provided by the community college for the Muscatine Community School District and Muscatine County.

CURRENT TRENDS AND ISSUES

The revised estimate for 2011/2012 is the same as the original budget at \$17,500.

The 2012/2013 budget is \$8,000 higher than the 2011/2012 budget primarily due to a \$7,500 capital outlay allocation for media improvements for the City Council Chambers. The budget also allows for the annual 3% increase in the base fee paid to MCC for cable broadcast services as specified in the agreement between the City and MCC.

GOAL STATEMENT

To inform and educate the community about the operation of and services provided by their City government and to offer programs of appeal to specific audiences presently not served by broadcast television.

PERFORMANCE MEASURES

	Actual 2008/2009	Actual 2009/2010	Actual 2010/2011	Estimated 2011/2012	Estimated 2012/2013
Cable Franchise Fees	\$239,039	\$236,192	\$236,253	\$236,300	\$236,300
City Council Meetings Broadcast	35	35	35	35	35

OBJECTIVES TO BE ACCOMPLISHED IN 2012/2013

- * To continue providing cable television access to Muscatine's citizens through Muscatine Power & Water.
- * To continue providing Muscatine with public access channels that showcase the many and varied activities and interests in Muscatine.

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	Actual 2009/2010	Actual 2010/2011	Budget 2011/2012	Revised Estimate 2011/2012	Budget 2012/2013	Percent Change
Expenditure Summary						
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Commodities	\$ 87	\$ -	\$ -	\$ -	\$ -	
Contractual Services	\$ 15,001	\$ 14,515	\$ 17,500	\$ 17,500	\$ 18,000	2.86%
Capital Outlay	\$ -	\$ 22,777	\$ -	\$ -	\$ 7,500	
Transfers	\$ 11,500	\$ -	\$ -	\$ -	\$ -	
Total Expenditures	\$ 26,588	\$ 37,292	\$ 17,500	\$ 17,500	\$ 25,500	45.71%
Funding Sources						
Cable Franchise Fees	<u>\$ 26,588</u>	<u>\$ 37,292</u>	<u>\$ 17,500</u>	<u>\$ 17,500</u>	<u>\$ 25,500</u>	<u>45.71%</u>

Capital Outlay		
<i>Item</i>	<i>Replacement</i>	<i>Amount</i>
Council Chambers Media Improvements	Yes	\$ 7,500