

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

799 G Street, 4<sup>th</sup> Floor ♦ Sacramento, CA 95814-1212 ♦ [www.sacmetroable.tv](http://www.sacmetroable.tv)

Phone: (916) 874-6661 ♦ Fax: (916) 854-9666

ROBERT A. DAVISON, EXECUTIVE DIRECTOR

## AGENDA

### SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION REGULAR BOARD MEETING

Sacramento County Administrative Center  
700 H Street, S. 1450  
Sacramento, California

THURSDAY, JUNE 5, 2014  
2:30 p.m.

Board Members: Steve Detrick (Chair), Roberta MacGlashan, Kevin McCarty, Andy Morin, Don Nottoli, Susan Peters, Jay Schenirer, Phil Serna, Mel Turner, Allen Warren, Jimmie Yee  
Ex Officio: Donald Terry  
Elected Alternates: Bonnie Pannell, Sue Frost, Robert Trigg  
Appointed Alternates: Lisa Nava (Serna), Aaron Chong (Yee), Howard Schmidt (Peters), Ted Wolter (MacGlashan) – Vice Chair

*The Board may take up any agenda item at any time, regardless of the order listed. Members of the public coming for a specific agenda item are encouraged to arrive earlier than the scheduled time. Public comment will be taken on the item at the time that it is taken up by the Board. We ask that members of the public complete a Request to Speak form, submit it to the Clerk of the Board, and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a time limit on individual remarks at the beginning of the discussion. Action may be taken on any item on this agenda.*

*Presentations supplemented with media (video, DVD, PowerPoint, laptop hookup, etc.) must be coordinated in advance with the meeting Clerk. All media must be tested prior to the meeting date by Metro Cable (at 916-874-7685). Untested media will not be allowed on the date of the meeting. It is also highly advisable to bring a paper copy of presentations to the meeting as back up.*

*Meeting facilities are accessible to persons with disabilities. Requests for alternative agenda document formats, meeting assistive listening devices, or other considerations should be made through the Commission office at (916) 874-6662.*

*The meeting of the Commission is cablecast live on Metro Cable 14, the local government affairs channel and webcast at [www.sacmetroable.tv](http://www.sacmetroable.tv). The meeting is closed captioned and will be repeated the following Saturday at Noon on Channel 14.*

## CALL TO ORDER

- A) Roll Call
- B) Pledge of Allegiance

**ITEM NO. 1) RESOLUTION NO. 2014-003, ADOPTING THE FISCAL YEAR 2014-15 PROPOSED GENERAL FUND BUDGET; AND RESOLUTION NO. 2014-004, ADOPTING THE FISCAL YEAR 2014-15 PROPOSED PEG FEE FUND BUDGET**

**Action:**

Approve Resolution No. 2014-003, Adopting the Fiscal Year 2014-15 General Fund Proposed Budget and Resolution No. 2014-004, Adopting the Fiscal Year 2014-15 PEG Fee Fund Proposed Budget, to include the approval of the following documents:

- Fiscal Years 2013-14/2014-15 General Fund Budget Summary
- Fiscal Years 2013-14/2014-15 PEG Fee Fund Budget Summary
- Fiscal Year 2014-15 PEG Fee Funding Proposal
- Resolution No. 2014-005, Confirming the Employer's Contribution under PEMHCA
- Resolution No. 2014-006, Approving an Amendment to the Commission Legal Counsel Services Retainer Agreement
- FY 2014-15 Amendment to Legal Counsel's Retainer Agreement
- Resolution No. 2014-007, Approving an Amendment to the Commission Consulting Services Agreement
- FY 2014-15 Amendment to Consultant Services Agreement
- Resolution No. 2014-008, Approving an Amendment to the Caption Colorado Agreement
- FY 2014-15 Amendment to Closed Captioning Services Agreement
- FY 2014-15 SMCTC Staffing
- FY 2014-15 Annual Funding & Performance Pro Forma Agreement for Channel Licensee
- FY 2014-15 Annual Performance Agreement for RCCTV
- Resolution No. 2014-009, Approving and Authorizing Execution of the PEG Fee Funding Agreements for Member Agencies
- FY 2014-15 PEG Fee Funding Pro Forma Agreement for Member Agency
- FY 2014-15 PEG Fee Funding Requests (Members Agencies)
- FY 2014-15 PEG Fee Funding Requests (Channel Licensees)
- Sacramento County Grant Funding Request – Community Education Video

**ITEM NO. 2) RESOLUTION NO. 2014-010, APPROVING THE FOURTH AMENDMENT TO THE LICENSE & OPERATIONS AGREEMENT PERTAINING TO USE OF COMMUNITY PROGRAMMING CHANNEL(S)**

**Action:**

Adopt Resolution No. 2014-010, Approving the Fourth Amendment to the License & Operations Agreements Pertaining to Use of Community Programming Channel(s), with an amended term ending June 30, 2015.

**ITEM NO. 3      JULY 1, 2013 ACTUARIAL REPORT ON GASB 45 RETIREE BENEFIT VALUATION AND RESOLUTION NO. 2014-011, APPROVING PRE-FUNDING FOR OTHER POST-EMPLOYMENT BENEFITS ADMINISTERED BY THE CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) PROGRAM FOR PRE-FUND ACCOUNTS**

**Action:**

Receive and file the July 1, 2013 Actuarial Report on GASB 45 Retiree Benefit Valuation and Adopt Resolution No. 2014-011, Approving Pre-Funding for Other Post-Employment Benefits Administered by the California Employers' Retiree Benefit Trust (CERBT) Program for Pre-Fund Accounts.

**ITEM NO. 4)      SACRAMENTO COUNTY'S CALENDAR YEAR 2014 INVESTMENT POLICY FOR THE POOLED INVESTMENT FUND**

**Action:**

Receive and file the County of Sacramento's Calendar Year 2014 Investment Policy for the Pooled Investment Fund.

**ITEM NO. 5)      CALENDAR YEAR 2013 SURPLUS PROPERTY (FIXED ASSETS)**

**Action:**

Receive and file the list fixed assets declared to be surplus property in Calendar Year 2013.

**ITEM NO. 6)      CHAIR AND VICE-CHAIR ELECTION**

**Action:**

Elect a Chair and Vice-Chair for Fiscal Year 2014-15.

**ITEM NO. 7)      GENERAL ADMINISTRATIVE REPORT**

**Action:**

Receive a verbal report from staff on Commission matters and miscellaneous items.

**ITEM NO. 8)      STATE FRANCHISEE REPORTS**

**Action:**

Receive verbal reports from State Franchisee representatives:

- A. AT&T
- B. Comcast
- C. SureWest

**ITEM NO. 9) CHANNEL LICENSEE REPORTS**

**Action:**

Receive verbal reports from Channel Licensee representatives:

- A. ACCESS Sacramento
- B. Capital Public Radio
- C. KVIE
- D. Religious Coalition for Cable Television
- E. Sacramento Educational Cable Consortium

**ITEM NO. 10) PUBLIC COMMENTS**

**ADJOURNMENT**

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

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## AGENDA ITEM NO. 1

**DATE:** June 5, 2014

**TO:** Chair and Board of Directors

**FROM:** Robert A. Davison, Executive Director

**SUBJECT:** **RESOLUTION NO. 2014-003, ADOPTING THE FISCAL YEAR 2014-15 PROPOSED GENERAL FUND BUDGET; AND RESOLUTION NO. 2014-004, ADOPTING THE FISCAL YEAR 2014-15 PROPOSED PEG FEE FUND BUDGET**

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### RECOMMENDATION:

It is recommended the Board approve Resolution No. 2014-003 (Attachment 1), Adopting the Fiscal Year 2014-15 General Fund (094A) Proposed Budget and Resolution No. 2014-004 (Attachment 2), Adopting the Fiscal Year 2014-15 PEG Fee Fund (094B) Proposed Budget, to include the approval of the following documents:

- Fiscal Years 2013-14 and 2014-15 General Fund Budget Summary (Exhibit 1)
- Fiscal Years 2013-14 and 2014-15 PEG Fee Fund Budget Summary (Exhibit 2)
- Fiscal Year 2014-15 PEG Fee Funding Proposal (Exhibit 3)
- Resolution No. 2014-005, Confirming the Employer's Contribution under the PEMHCA (Attachment 3)
- Resolution No. 2014-006, Approving an Amendment to the Commission Legal Counsel Services Retainer Agreement (Attachment 4)
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- Fiscal Year 2014-15 SMCTC Staffing (Attachment 10)
- Fiscal Year 2014-15 Annual Funding & Performance Pro Forma Agreement for Channel Licensee (Attachments 11)
- Fiscal Year 2014-15 Annual Performance Agreement for RCCTV (Attachment 12)
- Resolution No 2014-009, Approving and Authorizing Execution of the PEG Fee Funding Agreement for Member Agencies of SMCTC (Attachment 13)
- Fiscal Year 2014-15 PEG Fee Funding Pro Forma Agreement for Member Agency (Attachment 14)
- Fiscal Year 2014-15 PEG Fee Funding Requests – Members Agencies (Attachments 15-20)

- Fiscal Year 2014-15 PEG Fee Funding Requests – Channel Licensees (Attachments 21-24)
- Sacramento County Grant Funding Request – Community Education Video (Attachment 25)

**BACKGROUND/DISCUSSION:**

The Sacramento Metropolitan Cable Television Commission (Commission) consists of two divisions - Administration and Metro Cable. The Commission is funded primarily with Franchise Fees in the General Fund (094A) and Public, Education and Government (PEG) Fees in the PEG Fee Fund (094B). The fees are paid by State cable television franchisees operating within the Commission's jurisdiction.

The proposed Fiscal Year 2014-15 General Fund & PEG Fee Fund Budgets were developed to maintain the effort to carry out the Commission's purposes, while preserving the Franchise Fees revenue distributions to the seven member agencies and utilizing PEG Fee funds to the benefit of the member agencies, the Commission's PEG channels and the community. The General Fund budget reflects prudent levels of spending to maintain the current level of core services which include:

- a) Administering state-issued cable television state franchises in Sacramento County;
- b) Assisting consumers in resolving their cable/video issues and concerns;
- c) Operating Metro Cable 14, the local government channel;
- d) Monitoring community programming of six PEG channels on the local cable system, operated by Access Sacramento, KVIE, Sacramento Educational Cable Consortium, and RCCTV;
- e) Collection and distribution of Franchise Fees to member jurisdictions;
- f) Collection of PEG revenue to fund PEG facilities and equipment projects.

The Commission is financed by Franchise Fees collected from a percentage of the gross revenues of the cable television companies operating in Sacramento. The Operating Budget in the General Fund (094A) funds the administration of the Commission, the operation of Metro Cable 14, and supports six other PEG channels. The balance of the Franchise Fee revenue minus operational costs is distributed annually to the Commission's seven member agencies, which includes the County of Sacramento and the cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova, and Sacramento.

**FISCAL YEAR 2014-15 GENERAL FUND BUDGET (094A)**

The Fiscal Year 2014-15 Budget for the General Fund (094A) proposes \$13,179,003 in expenditures to be funded with \$12.5 million of projected Franchise Fee revenue and the balance of carryover funds from Fiscal Year 2013-14, plus other miscellaneous revenue.

The Commission's General Fund budget is divided into five major components:

**COMPONENT 1 – ADMINISTRATION AND REGULATION**

This is the franchise administration and enforcement arm of the Commission. The part-time Executive Director serves at the pleasure of the Commission. The Administration Division is currently staffed with two full-time employees – an Administrative Services Officer and a Senior Office Assistant. An additional full-time position approved by the Board in Fiscal Year 2012-13 is currently unfilled.

Agenda Item 1

Resolution No. 2014-003, Adopting the Fiscal Year 2014-15 Proposed General Fund Budget; and Resolution No. 2014-004, Adopting the Fiscal Year 2014-15 Proposed PEG Fee Fund Budget

Page 3 of 9

All of the Commission positions are tied to Sacramento County's salary adjustments (including COLA and equity adjustments) approved for certain County positions. It is anticipated a 2% COLA will be approved for the County positions that the Commission positions are tied to for Fiscal Year 2014-15. For each of the past five years, the Commission Board approved one-time 2% Pay-for-Performance increase for four of the Commission's six full-time positions that did not receive a COLA in Fiscal Year 2009-10. Staff is proposing the 2% Pay-for-Performance increase is also approved for this year; however, if the County approves an increase to the positions that the Commission positions are tied to, other than a COLA, then the 2% Pay-for-Performance will be converted to the same for the four positions.

Administration and Regulation Budget Highlights:

- General Counsel and Litigation - \$300,000
- County Auditor/Accounting Services - \$150,000
- Professional & Consultant Services - \$150,000
- Channel Licensees Operations Base - \$833,561
- Addition to Reserves - \$100,000
- CALPERS CERBT Plan - \$60,519
- Sacramento County's Community Educational Video Grant - \$10,000

**COMPONENT 2 – CLOSED CAPTIONING**

The Fiscal Year 2014-15 budget proposes \$110,000 in funding for closed captioning services provided by Caption Colorado. Closed captioning was implemented in June 2006 with Board direction to caption the Commission's JPA member agency meetings and other agency meetings held in the County Board of Supervisors Chambers. Staff is recommending the Caption Colorado Agreement be renewed through June 30, 2015 with the same terms and conditions as the original December 19, 2006 Agreement. An overview of meetings captioned and captioning costs is presented below for Calendar Years 2007-2013.

Calendar Year	# of Meetings	Hours Billed	Total CY Costs (\$120/hour)
2007	265	1,142	\$137,040
2008	363	1,300	\$156,000
2009	366	1,219.75	\$146,370
2010	329	1,074.75	\$128,970
2011	329	981.75	\$117,810
2012	322	599	\$71,880
2013	307	550	\$60,000

### **COMPONENT 3 – METRO CABLE**

Metro Cable is responsible for cablecasting local government meetings and provides gavel-to-gavel coverage of meetings held by the Commission, its seven member agencies, and thirteen other agencies (including eight agencies that meet in the County Board chambers and offsite meetings for five contracted agencies). The Metro Cable budget includes salaries and wages for four (4) full-time employees, including a Production Director, a Program Coordinator, a Technical Coordinator, and a Production Assistant III, as well as nine (9) part-time Production Assistants.

Metro Cable covered 367 meetings, totaling 671 hours in Calendar Year 2013 for 22 entities at 14 different sites. Staff works with Caption Colorado, the closed captioning vendor in the coordination and timing of scheduled services.

Metro Cable staff traditionally supports the member agencies by providing assistance with equipment maintenance, equipment testing, and quality oversight, as well as design/re-design and coordination of work needed to upgrade meeting chambers and control rooms. Staff will continue to do so to insure all PEG Fee funded projects are completed in a timely manner. All eligible PEG equipment/facilities are funded with available PEG Fee funding.

### **COMPONENT 4 – COMMUNITY PROGRAMMING (CHANNEL LICENSEES' OPERATIONS BASE)**

The Commission provides funding support and/or cable channels for four of its five Channel Licensees, which include Access Sacramento, Capital Public Radio, KVIE, the Religious Coalition for Cable Television, and the Sacramento Educational Cable Consortium. There are seven PEG channels available to the community on the local cable systems. These channels are operated by the Commission's Channel Licensees, which are non-profit organizations with their own Board. Metro Cable 14 is operated by the Commission.

As was done in the last several years, Fiscal Year 2014-15 funding requests submitted to the Commission by Channel Licensees were segregated into two categories – operational versus facilities & equipment costs. Operational costs are to be funded by the General Fund, with facilities/equipment costs funded by the PEG Fee fund. The benefit of this strategy is that it moves the facilities and equipment funding from the General Fund to the PEG Fee fund, thereby reducing expenditures from the franchise fees revenue, thus maximizing the revenue distribution to the Commission's seven member agencies.

Commission staff and Legal Counsel reviewed the Channel Licensee Fiscal Year 2014-15 funding requests. The following table identifies the proposed General Fund funding for Channel Licensees' Operations Base, which includes staff's recommendation of a CPI adjustment for Fiscal Year 2014-15. Given the economy over the last several years, increases to the Operations Base have not been recommended since Fiscal Year 2008-09. Per previous practice prior to the downturn, staff is recommending an increase in the Operations Base for Fiscal Year 2014-15 at the same CPI Index used by the County of Sacramento for employees, currently proposed at 2.0%.

Funding for additional items per past practice is decided by the Board on a case-by-case request. Any additional funding granted by the Board will require a like adjustment to other line item expenditures.

GENERAL FUND (094A) CHANNEL LICENSEES – OPERATIONS BASE		
Description	FY 2013-14 Operations Base	FY 2014-15 Proposed Operations Base
FISCAL YEAR 2014-15 (2% CPI Adjustment)		
ACCESS SACRAMENTO		
Operations Base	\$ 392,532	\$ 400,383
HT-TV	\$ 51,700	\$ 52,734
GOTW	\$ 44,979	\$ 45,879
<b>ACCESS SACRAMENTO - TOTAL:</b>	<b>\$ 489,211</b>	<b>\$ 498,996</b>
CAPITAL PUBLIC RADIO (CPR)		
Operations Base	\$ 17,875	\$ 18,233
<b>CAPITAL PUBLIC RADIO - TOTAL:</b>	<b>\$ 17,875</b>	<b>\$ 18,233</b>
SECC		
SECC Operations Base	\$ 254,271	\$ 259,356
BESTNet Operations Base	\$ 55,859	\$ 56,976
<b>SECC - TOTAL:</b>	<b>\$ 310,130</b>	<b>\$ 316,332</b>
<b>GRAND TOTALS:</b>	<b>\$ 817,216</b>	<b>\$ 833,561</b>

**COMPONENT 5 – FRANCHISE FEE REVENUE DISTRIBUTION TO MEMBER AGENCIES**

The Commission’s General Fund Balance, minus the cost of Operations, is allocated to the member agencies based on population. The population percentages used in the chart below is from the State Department of Finance website, as of January 2014.

GENERAL FUND (094A) FRANCHISE FEE REVENUE DISTRIBUTION TO MEMBER AGENCIES					
MEMBER AGENCY	FY 2013-14 Budgeted Rev Distribution	FY 2013-14 Rev Distribution (June 2014)	Population (State Dept. of Finance website)	Population Percentage	FY 2014-15 Proposed Rev Distribution (June 2015)
Citrus Heights	\$597,362	\$616,805	84,544	5.816%	\$601,390
Elk Grove	\$1,126,619	\$1,172,327	160,688	11.055%	\$1,143,028
Folsom	\$512,012	\$539,982	74,014	5.092%	\$526,486
Galt	\$171,287	\$177,205	24,289	1.671%	\$172,775
Rancho Cordova	\$474,001	\$494,931	67,839	4.66%	\$482,562
Sacramento	\$3,353,561	\$3,466,334	475,122	32.686%	\$3,379,702
Sacramento County	\$3,999,105	\$4,137,339	567,095	39.013%	\$4,033,937
<b>TOTAL</b>	<b>\$10,233,947</b>	<b>\$10,604,923</b>	<b>1,453,591</b>	<b>100.00%</b>	<b>\$10,339,880</b>

The Fiscal Year 2013-14 Revenue Distribution to Member Agencies to be distributed in June 2014 will be \$10.6 million (an increase of \$370,976 over the amount budgeted). The proposed revenue distribution for Fiscal Year 2014-15 is \$10.3 million and will be distributed to member agencies in June 2015.

### **FISCAL YEAR 2014-15 PEG FEE FUND BUDGET (094B)**

In 2009, the Commission Board adopted Resolution No. 09-001, determining to implement and collect a fee to support PEG channel facilities in the amount of one percent (1%) of gross revenues. Collection of the PEG Fee was implemented in May 2009 for State cable/video franchisees operating within the Commission boundaries (Comcast, SureWest and AT&T). The PEG Fee Fund (094B) was established in Fiscal Year 2010-11, to account for PEG fees separate from Franchise fees in the Commission's General Fund (094A).

Since federal law restricts the use of PEG funding to capital facilities and equipment costs, the Commission's Legal Counsel developed the working definition of the types of expenses that qualify for the use of PEG Fee funding. The guidelines were provided to all Member Jurisdictions and Channel Licensees that request and receive PEG Fee funding.

#### **DISCUSSION/ANALYSIS:**

The proposed Fiscal Year 2014-15 PEG Fee Budget is based on \$2.5 million of PEG Fee revenue, with expenditures of \$3,271,712. The budget includes carryover funds from FY 2013-14 of \$766,712.

The Commission's Member Agencies and Channel Licensees were advised of available funding for PEG facilities and equipment and asked to submit a funding request for Fiscal Year 2014-15 to the Commission. Staff recommends the Board approve, as to form, the Fiscal Year 2014-15 Funding Agreements prepared by Legal Counsel, and authorize the Executive Director to sign and modify the agreements as needed so long as the changes do not surpass the approved funding amounts.

In addition, Legal Counsel prepared a Fourth Amendment to Channel Licensee's Licensee & Operations Agreements, which extends the Agreement for Fiscal Year 2014-15, along with following items that were the result of Commission staff discussions with Channel Licensee representatives:

- Added definition of capital costs and expenditures;
- Included a process to extend the time frame for PEG projects not completed;
- Added a provision that if there is a pressing need, Channel Licensee can request re-allocation of available PEG Fee funding they have available, for eligible PEG equipment up to \$50,000 based on Executive Director approval;
- Simplified the reporting requirements from two semi-annual reports to one annual report;
- Allows for more flexibility regarding what gets reported;
- Includes provisions where the Executive Director can modify reporting requirements based upon the particular type of services that each Channel Licensee provides.

Exhibit 3 provides a summary of the Fiscal Year 2014-15 funding proposal for all PEG projects, including those of Member Agencies, Metro Cable/Administration, and Channel Licensees.

#### **PEG Fee Funded Projects for Member Agencies**

Since its inception, the PEG Fee fund has been used to fund many projects for the Commission's seven member agencies. Since the May 2009 implementation of the PEG fee, Metro Cable staff continues to

assess member agencies' needs on an annual basis for control room and Board Chamber upgrades and recently met with member agencies to solicit input of PEG equipment and facility needs for Fiscal Year 2014-15.

The proposed funding for identified PEG facilities/equipment needs for each member agency is included in the Fiscal Year 2014-15 PEG Fee Fund budget. The table below identifies PEG funding proposed for each member agency, based on the request submitted from each member agency, along with Metro Cable staff recommendations.

Attachments 15-20 are the FY 2014-15 PEG Fee Funding requests submitted by each Member Agency.

<b>PEG FEE FUND (094B)</b>	
<b>Fiscal Year 2014-15 PEG Fee Funding (Member Agencies)</b>	
MEMBER AGENCY	FY 2014-15 Proposed Funding
Citrus Heights	\$ 85,529
Elk Grove	\$139,703
Folsom	\$96,000
Galt	\$78,235
Rancho Cordova	\$120,457
Sacramento	No Funding Requested
Sacramento County	\$268,142
<b>Fiscal Year 2014-15 PEG Fee Funding Proposal</b>	<b>\$788,066</b>

PEG Fee Funded Projects for Channel Licensees

In addition to the annual base requests, Channel Licensees submitted requests for one-time equipment funding from the PEG Fee Fund. These requests include \$316,822 for Access Sacramento, \$708,744 for KVIE, and \$152,348 for SECC. SECC's request also includes a \$600,000 allocation for Phase III of BESTNet (Year 4 of 5) per the First Addendum to the BESTNet Network Phase II Construction Agreement to provide for connection to identified elementary schools.

Staff reviewed the Channel Licensees' funding request (Attachments 21-24) with Legal Counsel to insure all requests fit within the definition of expenditures that may be funded by the PEG Fees. In some cases, adjustments to the requests were made based upon staff and counsel's opinion that the items were not eligible for funding based on the PEG definition. In addition, SECC deferred the funding request for one SEVA lab until FY 2015-16, and Access Sacramento agreed that rather than request a new production truck with equipment, they would submit a request to prepare the design for such a truck. Commission staff agreed to meet with Access staff over the next year to discuss funding possibilities. Capital equipment purchases will belong to the agency; PEG Fee funding recipients assume full responsibility for maintenance, repair, and replacements of the funded equipment.

The proposed FY 2014-15 funding includes a 2% COLA to the PEG Base.

<b>PEG FEE FUND (094B)</b>			
<b>Fiscal Year 2014-15 PEG Fee Funding (Channel Licensees)</b>			
Channel Licensee	Capital Equipment/ Facilities Base with 2% COLA	One-Time Equipment	<b>FY 2014-15 Proposed Funding</b>
ACCESS SACRAMENTO	\$80,580	\$264,359	\$344,939
ACCESS SACRAMENTO - TOTAL:	\$80,580	\$264,359	\$344,939
KVIE	\$199,417	\$708,744	\$908,161
KVIE - TOTAL:	\$199,417	\$708,744	\$908,161
SECC	\$43,758	\$122,281	\$166,039
BESTNet Phase III (Yr 4 of 5)	--	\$600,000	\$600,000
SECC - TOTAL:	\$43,758	\$722,281	\$766,039
<b>FY 2014-15 PEG FUNDING TOTAL</b>	<b>\$323,755</b>	<b>\$1,695,384</b>	<b>\$2,019,139</b>

PEG Fee Funded Projects for Metro Cable / Administration

<b>PEG FEE FUND (094B)</b>	
<b>Fiscal Year 2014-15 PEG Fee Funding Proposal (Metro Cable/Administration)</b>	
	<b>FY 2014-15 Proposed Funding</b>
<b>ADMINISTRATION</b>	
AT&T VRAD (Monitoring Equipment)	\$50,000
<b>METRO CABLE</b>	
Metro Cable Control Room	\$33,408
Metro Cable Van	\$33,541
Metro Cable Master Control	\$117,822
<b>FY 2014-15 PEG FEE FUNDING TOTAL</b>	<b>\$234,771</b>

Staff recommends the Board adopt Resolution No. 2014-003, Adopting the Fiscal Year 2014-15 General Fund (094A) Proposed Budget and Resolution No. 2014-004, Adopting the Fiscal Year 2014-15 PEG Fee Fund (094B) Proposed Budget, as well as all referenced attachments in this staff report.

I would like to take this opportunity to thank the Commission staff for their dedication and hard work behind the scenes. In addition, I would like to thank the Board for their continued support of the Commission over the years.

Respectfully submitted,



ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

Agenda Item 1

Resolution No. 2014-003, Adopting the Fiscal Year 2014-15 Proposed General Fund Budget; and Resolution

No. 2014-004, Adopting the Fiscal Year 2014-15 Proposed PEG Fee Fund Budget

Page 9 of 9

Attachments:

- Fiscal Years 2013-14 and 2014-15 General Fund Budget Summary (Exhibit 1)
- Fiscal Years 2013-14 and 2014-15 PEG Fee Fund Budget Summary (Exhibit 2)
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- Fiscal Year 2014-15 PEG Fee Funding Requests – Channel Licensees (Attachments 21-24)
- Sacramento County Grant Funding Request – Community Education Video (Attachment 25)

## SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

## RESOLUTION NO. 2014-003

A RESOLUTION ADOPTING THE FISCAL YEAR 2014-15  
PROPOSED GENERAL FUND (094A) BUDGET

**WHEREAS**, hearings have been terminated during which time all additions and deletions to the proposed budget for Fiscal Year 2014-15 were made.

**THEREFORE, IT IS HEREBY RESOLVED** in accordance with Section 29089 of the Government Code, the proposed budget for Fiscal Year 2014-15 for the General Fund (094A) is hereby adopted in accordance with the following:

Salaries and Employee Benefits (Object 10)	\$ 869,298
Services and Supplies (Object 20)	\$896,263
Closed Captioning (Object 20)	\$110,000
Channel Licensees – Operations (Object 30)	\$833,561
Revenue Distribution (Object 30)	\$10,339,881
Support Service - Sac County Educational Video Grant (Object 30)	\$10,000
Fixed Assets – Equipment (Object 43)	\$10,000
Contingency Appropriation (Object 79)	\$10,000
Addition to Reserves	\$100,000
<b>TOTAL BUDGET REQUIREMENTS</b>	<b>\$13,179,003</b>

**FURTHER BE IT RESOLVED AND ORDERED** that the means of financing the expenditures program will be by monies derived from Franchise Fee Revenue and Fund Balance available.

**FURTHER BE IT RESOLVED AND ORDERED** that the Budget be and is hereby adopted in accordance with the listed attachments in the Fiscal Year 2014-15 Budget Staff Report, which show in detail the approved appropriations, revenues and methods of financing, authorized positions, attached hereto and by reference made a part hereof.

**FURTHER BE IT RESOLVED AND ORDERED** that COLAs, equity adjustments, and universal salary increases for contract and non-contract employees, if any, are authorized at the same level as approved by the Board of Supervisors for represented management, clerical, and technical employees of the County of Sacramento, and for positions that did not receive a COLA in Fiscal Year 2009-10 but received a one-time 2% pay-for-performance adjustment in Fiscal Year 2009-10 through Fiscal Year 2013-14, the pay-for-performance adjustment is extended or until a salary adjustment other than a COLA for Fiscal Year 2014-15 of equal or greater amount, is approved for such positions by the County of Sacramento.

**FURTHER BE IT RESOLVED AND ORDERED** that the Channel Licensee Annual Funding and Performance Pro Forma Agreement with Channel Licensees - Sacramento Educational Cable Consortium, Access Sacramento, KVIE, and Capital Public Radio and the Annual Performance Agreement with Religious Coalition for Cable Television are approved and that the Chairperson of the Board of Directors be and is hereby authorized to execute the agreements.

**FURTHER BE IT RESOLVED AND ORDERED** that the Fiscal Year 2014-15 Budget is hereby amended to authorize a revenue distribution of \$10,339,881 to the Commission's member jurisdictions in June 2015.

**FURTHER BE IT RESOLVED AND ORDERED** that the Executive Director is authorized and directed to do and perform everything necessary to carry out the purpose of this resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

## SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

## RESOLUTION NO. 2014-004

A RESOLUTION ADOPTING THE FISCAL YEAR 2014-15  
PROPOSED PEG FEE FUND (094B) BUDGET

**WHEREAS**, hearings have been terminated during which time all additions and deletions to the proposed budget for Fiscal Year 2014-15 were made.

**THEREFORE, IT IS HEREBY RESOLVED** in accordance with Section 29089 of the Government Code, the proposed budget for Fiscal Year 2014-15 for the PEG Fee Fund (094B) is hereby adopted in accordance with the following:

Member Agency Facilities/Equipment (Object 20)	\$788,066
BESTNet Phase III – Year 4 of 5 (Object 30)	\$600,000
Channel Licensees - One Time Facilities/Equipment (Object 30)	\$1,088,634
Channel Licensees – Facilities/Equipment Base (Object 30)	\$330,505
Metro Cable & Administration Projects (Object 40)	\$234,771
Contingencies Appropriation (Object 79)	\$229,736
<b>TOTAL FISCAL YEAR 2014-15 BUDGET REQUIREMENTS</b>	<b>\$3,271,712</b>

**FURTHER BE IT RESOLVED AND ORDERED** that the means of financing the PEG Fee Fund expenditures will be by monies derived from Revenue and Fund Balance available.

**FURTHER BE IT RESOLVED AND ORDERED** that the Fiscal Year 2014-15 PEG Fee Fund Budget is hereby adopted in accordance with the Fiscal Year 2014-15 Budget staff report, which shows in detail the approved appropriations, revenues and methods of financing.

**NOW, THEREFORE, BE IT FURTHER RESOLVED AND ORDERED** that the Executive Director is authorized and directed to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Cable Television Commission this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

**EXHIBIT 1**  
**FISCAL YEAR 2013-14 Estimated Actuals and Fiscal Year 2014-15 Proposed Budget Summary**  
**GENERAL FUND (094A)**

	G/L #	FY 2013-14			FY 2013-14			FY 2014-15		
		Admin	Metro Cable	Budgeted	Admin	Metro Cable	Estimated Actual	Admin	Metro Cable	Proposed
<b>REVENUE</b>										
Interest Income	94941000	\$20,000	\$0	\$20,000	\$10,000	\$0	\$10,000	\$10,000	\$0	\$10,000
Franchise Fees	97978100	\$12,500,000	\$0	\$12,500,000	\$12,870,975	\$0	\$12,870,975	\$12,500,000	\$0	\$12,500,000
Miscellaneous Other Revenue	97979000	\$15,000	\$0	\$15,000	\$8,089	\$0	\$8,089	\$10,000	\$0	\$10,000
Settlement Agreement (AT&T Litigation)	97979032	\$0	\$0	\$0	\$236,368	\$0	\$236,368	\$0	\$0	\$0
Residual Equity Transfer	99999500	\$0	\$0	\$0	\$136	\$0	\$136	\$0	\$0	\$0
<b>REVENUE ACCOUNTS TOTAL</b>		<b>\$12,535,000</b>	<b>\$0</b>	<b>\$12,535,000</b>	<b>\$13,125,568</b>	<b>\$0</b>	<b>\$13,125,568</b>	<b>\$12,520,000</b>	<b>\$0</b>	<b>\$12,520,000</b>
Fund Balance / Carry Forward		\$642,296	\$0	\$642,296	\$642,296	\$0	\$642,296	\$659,003	\$0	\$659,003
<b>GRAND REVENUE TOTAL</b>		<b>\$13,177,296</b>	<b>\$0</b>	<b>\$13,177,296</b>	<b>\$13,767,864</b>	<b>\$0</b>	<b>\$13,767,864</b>	<b>\$13,179,003</b>	<b>\$0</b>	<b>\$13,179,003</b>
<b>EXPENDITURES</b>										
<b>Salaries &amp; Wages / Benefits</b>										
Salaries & Wages - Employees	10111000	\$208,602	\$256,825	\$465,427	\$367,459	\$0	\$367,459	\$203,405	\$259,249	\$462,654
Salaries & Wages - Extra Help	10112100	\$10,000	\$0	\$10,000	\$25,000	\$0	\$25,000	\$25,000	\$0	\$25,000
Salaries & Wages - Commission Members	10112400	\$7,310	\$0	\$7,310	\$5,280	\$0	\$5,280	\$6,600	\$0	\$6,600
Retirement	10121000	\$30,417	\$30,243	\$60,660	\$42,692	\$0	\$42,692	\$33,416	\$32,670	\$66,086
OASHI	10122000	\$18,144	\$22,598	\$40,742	\$30,537	\$0	\$30,537	\$18,043	\$21,810	\$39,853
Group Insurance	10123000	\$150,069	\$61,244	\$211,313	\$210,907	\$0	\$210,907	\$167,049	\$73,977	\$241,026
Workers Comp Insurance	10124000	\$11,900	\$14,354	\$26,254	\$19,295	\$0	\$19,295	\$10,460	\$13,007	\$23,467
SUI Insurance	10125000	\$861	\$3,504	\$4,365	\$2,870	\$0	\$2,870	\$1,066	\$3,546	\$4,612
<b>SALARIES &amp; WAGES / BENEFITS TOTAL</b>	<b>10 TOTAL</b>	<b>\$437,303</b>	<b>\$388,768</b>	<b>\$826,071</b>	<b>\$704,040</b>	<b>\$0</b>	<b>\$704,040</b>	<b>\$465,039</b>	<b>\$404,259</b>	<b>\$869,298</b>
Advertising/Legal Notices	20200500	\$750	\$0	\$750	\$0	\$0	\$0	\$500	\$0	\$500
Books/Periodical Service	20202100	\$275	\$0	\$275	\$250	\$0	\$250	\$250	\$0	\$250
Film Supplies	20202500	\$0	\$25,000	\$25,000	\$0	\$25,000	\$25,000	\$0	\$25,000	\$25,000
Business Travel	20203100	\$15,000	\$2,500	\$17,500	\$15,000	\$2,500	\$17,500	\$15,000	\$5,000	\$20,000
Education & Training Supplies	20203500	\$200	\$50	\$250	\$0	\$285	\$285	\$1,000	\$1,500	\$2,500
Employee Recognition	20203800	\$0	\$100	\$100	\$0	\$100	\$100	\$0	\$290	\$290
Employee Transportation	20203900	\$500	\$2,500	\$3,000	\$0	\$3,000	\$3,000	\$3,000	\$2,000	\$5,000
Insurance Premium	20205200	\$25,000	\$0	\$25,000	\$27,500	\$0	\$27,500	\$30,000	\$0	\$30,000
Membership Dues	20206100	\$2,500	\$250	\$2,750	\$2,700	\$800	\$3,500	\$2,500	\$2,500	\$5,000
Office Supplies	20207600	\$12,000	\$0	\$12,000	\$12,000	\$0	\$12,000	\$15,000	\$0	\$15,000
Postal Services	20208100	\$1,000	\$250	\$1,250	\$1,500	\$0	\$1,500	\$1,750	\$250	\$2,000
Printing Services	20208500	\$2,500	\$0	\$2,500	\$2,000	\$0	\$2,000	\$2,000	\$0	\$2,000
Telephone Services	20219700	\$250	\$250	\$500	\$0	\$0	\$0	\$250	\$250	\$500
Accounting Services	20250500	\$150,000	\$0	\$150,000	\$100,000	\$0	\$100,000	\$150,000	\$0	\$150,000
Legal Services	20253100	\$300,000	\$0	\$300,000	\$75,000	\$0	\$75,000	\$300,000	\$0	\$300,000
Security Service	20257100	\$250	\$0	\$250	\$250	\$0	\$250	\$250	\$250	\$500
Other Professional Services	20259100	\$135,000	\$0	\$135,000	\$120,000	\$0	\$120,000	\$150,000	\$0	\$150,000
Interpreter Svcs (Closed Captioning)	20283200	\$135,000	\$0	\$135,000	\$90,000	\$0	\$90,000	\$110,000	\$0	\$110,000
Other Operational Exp Services (PEG Custom Channel)	20289900	\$0	\$0	\$0	\$175,000	\$0	\$175,000	\$0	\$0	\$0
DTech - County Wide IT Service	20291000	\$2,500	\$0	\$2,500	\$2,000	\$0	\$2,000	\$2,000	\$2,000	\$4,000
DTech - System Development Services	20291100	\$35,000	\$0	\$35,000	\$25,000	\$0	\$25,000	\$25,000	\$25,000	\$50,000
DTech - System Development Supplies	20291200	\$5,000	\$0	\$5,000	\$5,000	\$0	\$5,000	\$2,500	\$5,000	\$7,500

**EXHIBIT 1**  
**FISCAL YEAR 2013-14 Estimated Actuals and Fiscal Year 2014-15 Proposed Budget Summary**  
**GENERAL FUND (094A)**

	G/L #	FY 2013-14			FY 2013-14			FY 2014-15		
		Admin	Metro Cable	Budgeted	Admin	Metro Cable	Estimated Actual	Admin	Metro Cable	Proposed
COMPASS Costs	20291500	\$7,500	\$0	\$7,500	\$2,500	\$0	\$2,500	\$7,500	\$0	\$7,500
DTech - Wide Area Network (WAN) Costs	20292100	\$7,500	\$0	\$7,500	\$7,000	\$0	\$7,000	\$7,500	\$7,500	\$15,000
GS - Printing Services	20292100	\$50	\$200	\$250	\$0	\$200	\$200	\$0	\$100	\$100
GS - Messenger Services	20292300	\$3,000	\$500	\$3,500	\$0	\$2,000	\$2,000	\$1,000	\$1,000	\$2,000
GS - Purchasing Svcs Allocation	20292500	\$25	\$25	\$50	\$0	\$50	\$50	\$0	\$50	\$50
GS - Store Charges	20292600	\$25	\$50	\$75	\$0	\$75	\$75	\$0	\$75	\$75
GS - Equipment Rental - Light	20292800	\$500	\$6,500	\$7,000	\$0	\$7,000	\$7,000	\$1,000	\$6,000	\$7,000
MIS IT Allocation	20293400	\$7,500	\$0	\$7,500	\$0	\$0	\$0	\$0	\$0	\$0
GS - Fuel Usage- Light	20293800	\$250	\$500	\$750	\$0	\$500	\$500	\$200	\$300	\$500
County Facility Use (Rent/Lease)	20294200	\$70,000	\$0	\$70,000	\$36,000	\$0	\$36,000	\$30,000	\$45,000	\$75,000
GS -Parking Charges	20296200	\$2,000	\$5,000	\$7,000	\$3,000	\$4,000	\$7,000	\$3,000	\$5,000	\$8,000
DTech - Radio System Services (Pager Svcs)	20298400	\$0	\$250	\$250	\$0	\$0	\$0	\$0	\$0	\$0
D-Tech - Telephone Services	20298700	\$3,500	\$1,500	\$5,000	\$1,000	\$2,000	\$3,000	\$1,500	\$2,500	\$4,000
Telephone Services - Cell Phones	20298701	\$0	\$0	\$0	\$1,000	\$0	\$1,000	\$1,500	\$0	\$1,500
Telephone Services - Land Line	20298703	\$0	\$0	\$0	\$1,000	\$1,500	\$2,500	\$2,000	\$3,000	\$5,000
Telephone Installations	20298900	\$500	\$500	\$1,000	\$0	\$0	\$0	\$0	\$500	\$500
<b>SERVICES AND SUPPLIES TOTAL</b>	<b>20 TOTAL</b>	<b>\$925,075</b>	<b>\$45,925</b>	<b>\$971,000</b>	<b>\$704,700</b>	<b>\$49,011</b>	<b>\$753,710</b>	<b>\$866,200</b>	<b>\$140,065</b>	<b>\$1,006,265</b>
<b>Support Services</b>										
Support Services (Sac County Community Educational Video)	30310400	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$10,000
<b>Contract Services (Chan Licensees)</b>										
Access Sacramento Oper Base	30310500	\$392,532	\$0	\$392,532	\$392,532	\$0	\$392,532	\$400,383	\$0	\$400,383
Access Sac - HT-TV Oper Base	30310500	\$51,700	\$0	\$51,700	\$51,700	\$0	\$51,700	\$52,734	\$0	\$52,734
Access Sac - GOTW Oper Base	30310500	\$44,979	\$0	\$44,979	\$44,979	\$0	\$44,979	\$45,879	\$0	\$45,879
Capital Public Radio Operations Base	30310500	\$17,785	\$0	\$17,785	\$17,785	\$0	\$17,785	\$18,233	\$0	\$18,233
SECC Operations Base	30310500	\$254,271	\$0	\$254,271	\$254,271	\$0	\$254,271	\$259,356	\$0	\$259,356
BESTNet Operations Base	30310500	\$55,859	\$0	\$55,859	\$55,859	\$0	\$55,859	\$56,976	\$0	\$56,976
<b>CONTRACT SERVICES (CHANNEL LICENSEES) TOTAL</b>		<b>\$817,126</b>	<b>\$0</b>	<b>\$817,126</b>	<b>\$817,126</b>	<b>\$0</b>	<b>\$817,126</b>	<b>\$833,561</b>	<b>\$0</b>	<b>\$833,561</b>
<b>Bond/Loan Redemption (Revenue Distribution)</b>										
Citrus Heights	30322000	\$597,362	\$0	\$597,362	\$616,805	\$0	\$616,805	\$601,390	\$0	\$601,390
Elk Grove	30322000	\$1,126,619	\$0	\$1,126,619	\$1,172,327	\$0	\$1,172,327	\$1,143,028	\$0	\$1,143,028
Folsom	30322000	\$512,012	\$0	\$512,012	\$539,982	\$0	\$539,982	\$526,486	\$0	\$526,486
Galt	30322000	\$171,287	\$0	\$171,287	\$177,205	\$0	\$177,205	\$172,776	\$0	\$172,776
Rancho Cordova	30322000	\$474,001	\$0	\$474,001	\$494,931	\$0	\$494,931	\$482,562	\$0	\$482,562
Sacramento	30322000	\$3,353,561	\$0	\$3,353,561	\$3,466,334	\$0	\$3,466,334	\$3,379,702	\$0	\$3,379,702
Sacramento County	30322000	\$3,999,105	\$0	\$3,999,105	\$4,137,339	\$0	\$4,137,339	\$4,033,937	\$0	\$4,033,937
<b>BOND/LOAN REDEMPTION (REVENUE DISTRIBUTION) TOTAL</b>	<b>30 TOTAL</b>	<b>\$10,233,947</b>	<b>\$0</b>	<b>\$10,233,947</b>	<b>\$10,604,922</b>	<b>\$0</b>	<b>\$10,604,923</b>	<b>\$10,339,880</b>	<b>\$0</b>	<b>\$10,339,880</b>
<b>Fund Balance Reserve</b>	<b>7100000</b>	<b>\$229,062</b>	<b>\$0</b>	<b>\$229,062</b>	<b>\$229,062</b>	<b>\$0</b>	<b>\$229,062</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
Equip-SD-Non-Recon (Fixed Assets)	43430300	\$25,000	\$25,000	\$50,000	\$0	\$0	\$0	\$5,000	\$5,000	\$10,000
Contingency Appropriation	79790100	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$10,000	\$0	\$10,000
<b>GRAND EXPENDITURE TOTAL</b>		<b>\$12,717,513</b>	<b>\$459,693</b>	<b>\$13,177,206</b>	<b>\$13,059,850</b>	<b>\$49,011</b>	<b>\$13,108,861</b>	<b>\$12,629,679</b>	<b>\$549,324</b>	<b>\$13,179,003</b>

**EXHIBIT 2**  
**Fiscal Year 2013-14 Estimated Actuals and Fiscal Year 2014-15 Proposed Budget Summary**  
**PEG FEE FUND (094B)**

		FY 2013-14	Actuals	FY 2013-14	FY 2014-15	FY 2014-15	FY 2014-15
	G/L Acct	Approved Budget	(As of 5/31/2014)	Estimated Actuals (6/30/14)	Admin/Metro Cable Requests	Agency Requests	Proposed Budget
<b>REVENUE</b>							
Interest Income	94941000	\$9,000	\$0	\$5,000	\$0	\$0	\$5,000
PEG Fee Revenue	97978200	\$2,500,000	\$2,577,687	\$2,577,687	\$0	\$0	\$2,500,000
Fund Balance / Carry Forward		\$2,032,926	\$2,032,926	\$2,032,926	\$0	\$0	\$766,712
<b>REVENUE TOTAL</b>		<b>\$4,541,926</b>	<b>\$4,610,613</b>	<b>\$4,615,613</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,271,712</b>
<b>EXPENDITURES</b>							
Inventoriable Equipment (Member Agencies)	20226500						
Citrus Heights		\$122,284	\$14,883	\$20,000	\$0	\$64,299	\$85,529
Elk Grove		\$104,876	\$96,621	\$96,621	\$0	\$139,703	\$139,703
Folsom		\$146,803	\$41,840	\$41,840	\$0	\$98,416	\$96,000
Galt		\$155,711	\$0	\$155,711	\$0	\$72,106	\$78,235
Rancho Cordova		\$116,500	\$0	\$116,500	\$0	\$120,457	\$120,457
Sacramento (City Hall)		\$37,035	\$0	\$0	\$0	\$0	\$0
Sacramento (Historic Chambers)		\$69,252	\$58,211	\$69,252	\$0	\$0	\$0
Sacramento County (Council Chambers)		\$1,249,000	\$1,190,832	\$1,190,832	\$0	\$268,142	\$268,142
<b>Invent Equip Subtotal (Memb Agencies)</b>		<b>\$2,001,460</b>	<b>\$1,149,572</b>	<b>\$1,690,756</b>	<b>\$0</b>	<b>\$763,123</b>	<b>\$788,066</b>
<b>G/L Account 2000 Total</b>		<b>\$2,001,460</b>	<b>\$1,149,372</b>	<b>\$1,690,756</b>	<b>\$0</b>	<b>\$763,123</b>	<b>\$788,066</b>
Support Services (Channel Licensees)	30310400						
Access Sac - One-Time Equipment		\$289,000	\$289,000	\$289,000	\$0	\$301,822	\$242,609
Access Sac - One-Time Equip (HD Truck Integration Plan)		\$0	\$0	\$0	\$0	\$15,000	\$15,000
KVIE - One-Time Equipment		\$595,574	\$595,574	\$595,574	\$0	\$708,744	\$708,744
SECC - One Time Equipment		\$5,500	\$5,500	\$5,500	\$0	\$62,149	\$62,149
SECC - One-Time Equipment (2 SEVA Labs)		\$45,000	\$45,000	\$45,000		\$90,199	\$60,132
BESTNet Phase II Rollover (2 Los Rios Sites)		\$88,174	\$67,888	\$67,888	\$0	\$0	\$0
BESTNet Phase III (5-Years: FY 2011-12 to FY 2015-16)		\$1,069,554	\$766,072	\$766,072	\$0	\$600,000	\$600,000
<b>Support Svcs Subtotal (Channel Licensees)</b>		<b>\$2,092,802</b>	<b>\$1,769,035</b>	<b>\$1,769,035</b>	<b>\$0</b>	<b>\$1,777,914</b>	<b>\$1,688,634</b>
Contract Services (Chan Licensees)	30310500						
Access Sac Fac/Equip Base		\$79,000	\$79,000	\$79,000	\$0	\$79,000	\$80,580
Access Sac - Coloma Center Rent		\$0	\$0	\$0	\$0	\$6,750	\$6,750
KVIE - Fac/Equip Base		\$195,507	\$195,507	\$195,507	\$0	\$195,507	\$199,417
SECC - Fac/Equip Base		\$42,900	\$42,900	\$42,900	\$0	\$49,109	\$43,758
<b>Contract Svcs Inst Subtotal (Chan Licensees)</b>		<b>\$317,407</b>	<b>\$317,407</b>	<b>\$317,407</b>	<b>\$0</b>	<b>\$330,366</b>	<b>\$330,505</b>
<b>G/L Account 3000 Total</b>		<b>\$2,410,209</b>	<b>\$2,086,442</b>	<b>\$2,086,442</b>	<b>\$0</b>	<b>\$2,108,280</b>	<b>\$2,019,139</b>

**EXHIBIT 2**  
**Fiscal Year 2013-14 Estimated Actuals and Fiscal Year 2014-15 Proposed Budget Summary**  
**PEG FEE FUND (094B)**

	G/L Acct	FY 2013-14	Actuals	FY 2013-14	FY 2014-15	FY 2014-15	FY 2014-15
		Approved Budget	(As of 5/31/2014)	Estimated Actuals (6/30/14)	Admin/Metro Cable Requests	Agency Requests	Proposed Budget
Equipment SD Non-Recon - Fixed Assets	43430300						
AT&T - VRAD (Monitoring Equipment)		\$0	\$0	\$0	\$50,000	\$0	\$50,000
Metro Cable Control Room		\$40,242	\$14,993	\$40,242	\$33,408	\$0	\$33,408
Metro Cable Van		\$2,273	\$848	\$2,273	\$33,541	\$0	\$33,541
Synergy / Master Control		\$29,189	\$22,178	\$29,189	\$0	\$0	\$0
Metro Cable Master Control		\$0	\$0	\$0	\$117,822	\$0	\$117,822
<b>Equip SD Non-Recon - Fixed Assets Sub-Total</b>		<b>\$71,703</b>	<b>\$23,026</b>	<b>\$71,704</b>	<b>\$234,772</b>	<b>\$0</b>	<b>\$234,771</b>
<b>G/L Account 4000 Total</b>		<b>\$71,703</b>	<b>\$23,026</b>	<b>\$71,704</b>	<b>\$234,772</b>	<b>\$0</b>	<b>\$234,771</b>
Contingency Appropriation	79790100	\$58,554	\$0	\$0	\$0	\$0	\$229,736
<b>EXPENDITURE TOTAL</b>		<b>\$4,541,926</b>	<b>\$3,258,841</b>	<b>\$3,848,901</b>	<b>\$234,772</b>	<b>\$2,871,403</b>	<b>\$3,271,712</b>

**EXHIBIT 3**  
**FISCAL YEAR 2014-15 PEG FEE FUNDING PROPOSAL**  
**MEMBER AGENCIES / ADMINISTRATION & METRO CABLE / CHANNEL LICENSEES**

PROJECT NAME	FUNDING REQUEST	DESCRIPTION OF NEW FUNDING ITEMS
City of Citrus Heights	\$ 85,529	Council Chamber: Move/restore Council Chamber System - \$13,409; Sony BRC Z700 Cameras - \$29,898; Closed Caption Encoder - \$2,200; Sony HD Output Cards - \$7,920, Symetrix Audio System - \$14,775; Portable Led Display - \$4,743; Recorder - 6,248; Sales Tax @ 8% - \$6,335.47
City of Elk Grove	\$ 139,703	Switching System: Card Cage Main Chasis - \$3,560; Twisted Pair Input board - \$2,458 / Output board - \$3,687; STI Input board - \$1,630; DV Input board - \$1,229 - STP Output board - \$1,630; DVI Output board - \$1,630; Audio Extract board - \$980; Wallplate TX - \$2,697; HDMI TX brick - \$3,570; HDMI RX brick - \$5,050. Control Room: DBT-3313 UDCl - \$840; Compact Flash Recorder - \$1,202; HDMI Switcher - \$338; VM-8H - \$689; VP-506 - \$440; VM-4Hxl - \$1,960; TP-580R - \$334; VM-2Hxl - \$870; Twisted Pair Transmitter - \$1,204; Video Switcher - \$14,800; Blu-Ray Disc & HDD Recorder - \$7,580; DVI Dist. Amplifier - \$1,292. Monitor: 12.6" Monitor - \$2,104; 22" Monitor - \$1,999.97; 1x8 HDMI Dist Amplifier - \$640. Lobby: 46" LCD Display - \$1,960; Mount - \$310; HDMI over CAT6 Transmitter - \$360; \$HDMI over CAT6 Receiver - \$400. Misc: Connectors/Plates/Hardware - \$3,490.48; Freight - \$2,402; Design/CAD/Install/Etc. - \$35,210; E-Waste Fees - \$68; Closed Caption Encoder - \$2,200; Distribution amp - \$220; Rack - \$4,400; Character Generator - \$16,500; Sales Tax @ 8% - \$7,768.52.
City of Folsom	\$ 96,000	Projection System Upgrade: Presentation projector, switcher/scaler, CAT 5/6 HDMI Transmitter/Receiver, 22" monitor, HDMI converter, rack - \$22,718.82; Shipping & Handling - \$340.78; Labor - \$5,330.77; AJA Ki Pro Rack - \$4,400 - Sony BRC-Z700 cameras - \$29,898; Encoder - \$2,200; Character Generator - \$16,500; Output card for Sony cameras - \$7,920; Sales Tax @ 8% - \$6,690.95.
City of Galt	\$ 78,235	Closed Caption Encoder - \$7,195.10; Cooling System - \$6,193; AJA Ki Pro Rack - \$4,400 - Character Generator - \$16,500; Sony BRC Z700 cameras - \$29,898; Output cards for Sony cameras - \$7,920; Sales Tax @ 8.5% - \$6,129.02.
City of Rancho Cordova	\$ 120,457	Chambers: Audia Flex Biamp - \$14,875.37; 4-Channel AMP - \$1,464.56; 12" microphones - \$4,691.02; 24" microphones - \$794.62; Encoder - \$10,576.92; Council Board: HD Projector - \$4,400; HD Projector Screen - \$2,453.84; Video Scaler/Switcher - \$1,096.61; Wireless Transmitter - \$1,939.31; Cables/mounts/connectors - \$1,132.13; HDTV - \$1,692.31; Projector HDMI RX/TX - \$630.43; HDMI to VGA Input Feed - \$812.68; American River Room: HD Projector - \$8,800; HD Projector Screen - \$4,907.67; Cables/mounts/connectors - \$698.91; HDMI RX/TX VGA/Audio - \$3,250.72; HDMI Switch - \$2,499.99; Shipping - \$2,036.97; Labor - \$20,645.42; AJA Ki Pro Rack - \$4,400; Character Generator - \$16,500; AMP2-SDA SDI audio monitor - \$2,750; headphones - \$165; Sales Tax @ 8% - \$7,242.57.
City of Sacramento	\$ -	No requests made for FY 14/15.
County of Sacramento	\$ 268,142	Server Room: A/C Units & Install - \$33,000 Server & Hearing Room 1: ASD Project Mgmt - \$18,000 Board Chambers: Lectern cameras/PIP Materials - \$5,778.65; Aux Camera PIP Programming - \$3,075; Lectern cameras/PIP labor - \$8,900; Spare Touch Panel Parts - \$8,937.50; Spare Touch Panel Eng & Labor - \$900; HD Projector Lens & Mount - \$9,585.05; HD Projector Eng & Install - \$1,475; Speaker Sign-in Eng & Programming - \$31,400; Hearing Room 1: Press Kit & Feed Materials - \$6,012.23; Press Broadcast Equipment - \$24,466.08; Press Broadcast Design & Eng - \$17,800; Wharton Lectern - \$4,994; Install power & electrical outlets - \$22,000 Chambers/HR1: D-Tech Project Mgmt - \$20,000; Materials Shipping & Handling - \$2,596.96; Sony HD Camera Body - \$18,700; Camera Control Cable - \$3,300; Sony Camera Control Unit - \$8,800; Robotic camera controller - \$6,352.50; HD LED Widescreen TV - \$4,400; Sales Tax @ 8.5% - 7,669.48.
<b>Member Agency Totals:</b>	<b>\$ 788,066</b>	

PROJECT NAME	FUNDING REQUEST	DESCRIPTION OF NEW FUNDING ITEMS
Administration: AT&T VRAD Monitoring Equipment	\$ 50,000	Equipment to monitor the AT&T Custom PEG Channel 14 @ Admin offices located at 799 G Street.
Administration: Contingency	\$ 229,736	Emergency Equipment Purchases
Metro Cable Control Room	\$ 33,408	AJA Ki Pro Rack \$8,800; AJA KiStor 500 GB Hard Disk Drive w/USB - \$2,178; Character Generator - \$16,500; HD-SDI Distribution Amp - \$440; Sync Generator - \$2,873.20; Sales Tax @ 8.5% - \$2,617.25.
Metro Cable Van	\$ 33,541	AJA Ki Pro Rack \$8,800; AJA KiStor 500 GB Hard Disk Drive w/USB - \$1,270.50; Character Generator - \$16,500; Mic Kit - \$911.90; 24-track audio recorder - \$3,080; 50' mic snake - \$350.90; Sales Tax @ 8.5% - \$2,627.63.
Metro Cable Master Control	\$ 117,822	Tightrope video server - \$30,937.50; Tightrope Carousel - \$3,960; AJA FS2 - \$5,494.50; AJA Dist. Amp - \$220; AJA Hi5, AD-SDI to HDMI - \$1,155; AJA HA5, HDMI to HD-SDI - \$1,155; HD10CEA, HD-SDI to Analog - \$3,080; HD10AVA, Analog to HD-SDI - \$3,080; Audio Embedder - \$1,749; Waveform analyzer - \$10,780; AD/SD-SDI router - \$6,600; KVM adapter - \$330; Compact CG HD - \$16,500; 28-port PoE Switch - \$3,300; AJA Ki Pro Rack - \$4,400; 500GB Hard Disk Drive - \$1,270.50; SSD Storage Module - \$1,534.50; Logo Inserter - \$3,465; fiber optic transmitter cards - \$4,790.50; fiber optic receiver cards - \$4,790.50; Sales Tax @ 8.5% - \$9,230.32.
<b>Metro Cable Project Totals:</b>	<b>\$ 464,507</b>	
Access Sacramento	\$ 344,939	Fac/Equipment Base - \$79,000; 2% COLA - \$1,580; Add'l Room Rental - \$6,750; Mobile Truck/Vehicle Upgrades - \$7,000; Copier - \$5,100; Office Equipment - \$10,685; NNB/AccessLocal.tv - \$39,000; Hub/Spoke Upload Integration - \$24,300; Hub/Spoke Internal Storage - \$13,524; Community Memory Archive - \$27,840; LiveU Connectivity - \$19,530; Tricaster Support - \$1,800; Equipment Storage/Security - \$5,500; Studio/Field Production - \$39,080; Studio tripods - \$15,300; Teleprompter - \$12,800; Digital Media Lab - \$10,750; Digital Video/Office Software - \$5,400; NNB/Wheel Support - \$5,000; HD Truck Integration Plan - \$15,000.
KVIE	\$ 908,161	Fac/Equipment Base - \$195,507; 2% COLA - \$3,910; Post Production HAVC - \$92,756; Production/Master Control Archive - \$250,873; IT Upgrades - \$153,071; Telestream Vantage Upgrade - \$61,435; Multi-view for monitoring - \$45,744; Audio Upgrades - \$19,036; Video Monitor Calibration Set - \$5,452; Mac Books - \$7,263; Graphics workstation upgrade - \$6,134; Edit Room improvements - \$17,943; Production Field Lens additions - \$27,635; Viewfinder - Servo lens control for field camera - \$13,122; Production switcher color corrector - \$8,280.
Sacramento Educational Cable Consortium (SECC)	\$ 766,039	Fac/Equipment Base - \$42,900; 2% COLA - \$858; Tightrope Channel Playback Upgrade - \$62,149; (2) SEVA Studio Labs - \$60,132; BESTNet Elementary Schools Year IV - \$600,000.
<b>Channel Licensee Project Totals:</b>	<b>\$ 2,019,139</b>	
<b>GRAND TOTAL:</b>	<b>\$ 3,271,712</b>	

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**RESOLUTION NO. 2014-005**

**A RESOLUTION CONFIRMING THE EMPLOYER'S CONTRIBUTION  
UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**

**WHEREAS**, GC 22892(a) provides that a local agency contracting under the Public Employee's Medical and Hospital Care Act (PEMHCA) shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22892(b)(2) of the Act, and

**WHEREAS**, the Sacramento Metropolitan Cable Television Commission is a local agency contracting under the Act.

**NOW, THEREFORE, BE IT RESOLVED**, that the employer's contribution for each employee or annuitant shall be the amount necessary to pay the cost of his/her enrollment, including the enrollment of his/her family members, in a health benefit plan, up to a maximum of 80% of the Sacramento Area Region's Kaiser Family Plan premium rate for active employees and retirees, plus administrative fees and Contingency Reserve Fund assessments.

**FURTHER, BE IT RESOLVED** that the Sacramento Metropolitan Cable Television Commission has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and

**FURTHER, BE IT RESOLVED AND ORDERED**, that the Executive Director is authorized and directed to do and perform everything necessary to carry out the purpose of this resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**RESOLUTION NO. 2014-006**

**A RESOLUTION APPROVING AN AMENDMENT TO THE  
COMMISSION LEGAL COUNSEL SERVICES RETAINER AGREEMENT**

**NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION** approves the Amendment to the attached Retainer Agreement with Best Best & Krieger, LLP for general counsel services.

**FURTHER BE IT RESOLVED** that the Chairperson of the Board of Directors be and is hereby authorized to execute the amended agreement in the form hereto attached, on behalf of the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency of the State of California.

**FURTHER BE IT RESOLVED** that the Commission's Executive Director is authorized to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

799 G Street, 4<sup>th</sup> Floor • Sacramento, CA 95814-1212 • [www.sacmetroable.tv](http://www.sacmetroable.tv)

Phone: (916) 874-6661 • Fax: (916) 854-9666

ROBERT A. DAVISON, EXECUTIVE DIRECTOR

ATTACHMENT 5

## FISCAL YEAR 2014-15 AMENDMENT TO LEGAL COUNSEL RETAINER AGREEMENT

**THIS AMENDMENT** is made and entered into this 5<sup>th</sup> day of June 2014, amending that certain Retainer Agreement Amendment dated August 30, 2010, by and between the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency, hereinafter called "Client" and BEST BEST & KRIEGER, LLP, a limited liability partnership, hereinafter called and referred to as "Firm".

**NOW, THEREFORE**, the parties agree to amend the aforementioned Agreement as follows:

1. Section 1. Representation.

"The Firm, by and through Harriet A. Steiner, Esq. undertakes legal representation, consultation and advice of the Client as General Counsel and such other and further matters as the Client may from time to time request of the Firm commencing July 1, 2014 and ending June 30, 2015. Ms. Steiner may delegate assignments to other attorneys of the Firm as she deems necessary and advisable."

2. Section 2. Compensation.

Paragraph A. "The Firm will bill the Client monthly on or about the fifth day of the month for the time and expenses expended during the preceding month at the rate of \$300 for each hour of legal services rendered by Harriet A. Steiner. Legal services provided to the Client by Joshua A. Nelson shall be billed at the rate of \$245 per hour of legal services rendered. Legal services rendered by any other attorney of the Firm shall be billed to Client at that attorney's standard public agency rate."

Paragraph C. "The hourly charges identified in Paragraph A by Firm shall be deemed to include compensation for all costs and expenses incurred by Firm except those for out-of-County travel and filing fees and other litigation expense, if any."

All other terms and conditions of the aforesaid Agreement shall remain in effect and unchanged.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the day, month, and year first stated above.

**BEST BEST & KRIEGER, LLP**

**SACRAMENTO METROPOLITAN CABLE  
TELEVISION COMMISSION**

By:

By:

\_\_\_\_\_  
Harriet A. Steiner, Esq.

\_\_\_\_\_  
Chair

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**RESOLUTION NO. 2014-007**

**A RESOLUTION APPROVING AN AMENDMENT TO THE  
COMMISSION CONSULTING SERVICES AGREEMENT**

**NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION** approves the Amendment to Consultant Services Agreement attached hereto with Richard E. Esposito.

**FURTHER BE IT RESOLVED** that the Chairman of the Board of Directors be and is hereby authorized to execute the amended agreement in the form hereto attached, on behalf of the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency of the State of California.

**FURTHER BE IT RESOLVED** that the Commission's Executive Director is authorized to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
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Sacramento



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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

## ATTACHMENT 7

FISCAL YEAR 2014-15

### AMENDMENT TO CONSULTANT SERVICES AGREEMENT

**THIS AMENDMENT** is made and entered into this 5<sup>th</sup> day of June 2014, amending that certain Consultant Services Agreement dated February 3, 2006, by and between the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION and RICHARD E. ESPOSTO.

**NOW, THEREFORE**, the parties agree to amend the aforementioned Agreement as follows:

1. Section 7 - Term.

“This Agreement shall commence as of July 1, 2014 and shall terminate on June 30, 2015, unless extended by the mutual agreement of the parties or terminated earlier asset forth herein.”

2. Exhibit B – Time and Manner of Payment.

“Esposito shall bill the Commission for services on an hourly basis at the rate of **\$170** dollars per hour.”

3. All other terms and conditions of the aforesaid Agreement shall remain in effect and unchanged.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the day, month, and year first stated above.

**SACRAMENTO METROPOLITAN CABLE  
TELEVISION COMMISSION**

By:

By:

\_\_\_\_\_  
Richard E. Esposito, Consultant

\_\_\_\_\_  
Chair of the Board

SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

RESOLUTION NO. 2014-008

A RESOLUTION APPROVING AN AMENDMENT  
TO THE CAPTION COLORADO AGREEMENT

NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION approves the Amendment to the closed captioning services agreement attached hereto with Caption Colorado.

FURTHER BE IT RESOLVED that the Chairman of the Board of Directors be and is hereby authorized to execute the amended agreement in the form hereto attached, on behalf of the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency of the State of California.

FURTHER BE IT RESOLVED that the Commission's Executive Director is authorized to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

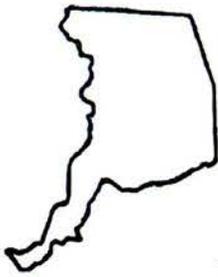
ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

ATTACHMENT 9

## FISCAL YEAR 2014-15 AMENDMENT TO CLOSED CAPTIONING SERVICES AGREEMENT

**THIS AMENDMENT** is made and entered into this 5<sup>th</sup> day of June 2014, amending that certain Agreement for Closed Captioning Services ("Agreement"), dated December 19, 2006, by and between the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency, and CAPTION COLORADO, L.L.C., a Colorado limited liability company.

**NOW, THEREFORE**, the parties agree to amend the aforementioned Agreement as follows:

3. **EFFECTIVE DATE/TERM**

"This Agreement shall be effective July 1, 2014 and shall terminate on June 30, 2015, unless extended by written mutual agreement of the parties executed prior to the expiration of this Agreement, or unless it is sooner terminated or canceled as provided in the Contract Documents. Contractor will commence to provide services within five (5) days from the execution of this Agreement."

All other terms and conditions of the aforesaid Agreement shall remain in effect and unchanged.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the day, month, and year first stated above.

**CAPTION COLORADO**

By:

\_\_\_\_\_  
R.T. Polumbus, President & CEO

**SACRAMENTO METROPOLITAN CABLE  
TELEVISION COMMISSION**

By:

\_\_\_\_\_  
Chair of the Board

REPRESENTING  
 Sacramento County  
 and the Cities of:  
 Citrus Heights  
 Elk Grove  
 Folsom  
 Galt  
 Rancho Cordova  
 Sacramento



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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

ATTACHMENT 10

## SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION FISCAL YEAR 2014-15 STAFFING\*

Contracted Position					
Executive Director	Per Contract with the County of Sacramento				
Full-Time Positions (Administration)					
Job Title	Step 5	Step 6	Step 7	Step 8	Step 9
Admin. Services Officer (Equiv. to County's ASO 3 - Steps 7-9)	--	--	\$7,388.04	\$7,756.92	\$8,144.92
Administrative Assistant (Equiv. to County's Admin Asst - Steps 5-9)	\$4,007.25	\$4,207.33	\$4,417.83	\$4,638.83	\$4,870.25
Senior Office Assistant (Equiv. to County's Sr. OA - Steps 5-9)	\$2,831.00	\$2,971.92	\$3,119.83	\$3,276.42	\$3,440.00
Full-Time Positions (Metro Cable)					
Job Title	Step 1	Step 2	Step 3	Step 4	Step 5
Production Director	\$4,119.00	\$4,325.00	\$4,541.00	\$4,769.00	\$5,007.00
Program Coordinator	\$3,389.00	\$3,558.00	\$3,736.00	\$3,923.00	\$4,119.00
Technical Coordinator	\$3,389.00	\$3,558.00	\$3,736.00	\$3,923.00	\$4,119.00
Production Assistant III	\$2,284.53	\$2,397.20	\$2,515.07	\$2,638.13	\$2,776.40
Part-Time Positions (Metro Cable)					
Job Title	Step 1	Step 2	Step 3	Step 4	Step 5
Production Assistants – I & II	Hourly	Hourly	Hourly	Hourly	Hourly

\*Salaries listed do not include a 2% COLA.

SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

ANNUAL FUNDING AND PERFORMANCE AGREEMENT FOR CHANNEL LICENSEE

FISCAL YEAR 2014-15

**THIS AGREEMENT** is between the **Sacramento Metropolitan Cable Television Commission (“SMCTC”)** and **(INSERT CHANNEL LICENSEE NAME HERE) (“Licensee”)**. It is supplemental to that certain agreement between the same parties entitled **LICENSE AND OPERATIONS AGREEMENT PERTAINING TO USE OF COMMUNITY PROGRAMMING CHANNEL(S)** (the **“Licensing Agreement”**) which was effective as of November 6, 2003, and which was subsequently amended to extend the Agreement through and including June 30, 2015.

This Agreement (the **“Funding Agreement”**) is made with reference to the following facts, among others:

A. SMCTC and Licensee have entered into the Licensing Agreement. The Licensing Agreement provides Licensee the right to use one (or more) cable television channels which SMCTC controls for television programming which is beneficial to the public, subject to certain terms and conditions.

B. The purpose of this Funding Agreement is to provide certain funds to Licensee for the purpose of operating the cable television channel(s) licensed to it under the Licensing Agreement, except to the extent that those funds originate from public, educational, and governmental (PEG) access channel fees, since the use of those PEG funds is restricted as set forth in Section 4 of this Funding Agreement.

C. SMCTC has received a proposal from Licensee for funding. SMCTC hereby approves the proposal as modified based on review by Legal Counsel of eligible PEG equipment/facilities, and as approved by the Board. A copy of the Licensee proposal which is in the possession of SMCTC is hereby incorporated by this reference.

**WHEREFORE, THE PARTIES AGREE:**

1. Payment to Licensee.

(a) For and in consideration of Licensee operating the cable channel(s) for which it is licensed according to the approved proposal, SMCTC hereby agrees to pay Licensee in two semi-annual installments the total sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) as follows:

<b>FISCAL YEAR 2014-15</b>	
(INSERT LICENSEE NAME) – Operations	\$ _____
(INSERT LIC. NAME) – Capital Facilities (PEG Fees)	\$ _____
(LICENSEE PROJECT NAME) Base - Operations	\$ _____
(LICENSEE PROJECT NAME) Base - Operations	\$ _____
Capital and Facilities (PEG Fees)	\$ _____
<b>TOTAL FISCAL YEAR 2014-15 FUNDING</b>	<b>\$ _____</b>

The above payments will be made on or about August 15, 2014 and February 15, 2015.

2. Licensing Agreement. In addition to operating in accordance with the approved proposal, Licensee agrees to be bound by all terms and conditions of the Licensing Agreement, which are incorporated by this reference, as though they were fully set forth herein. A breach of the Licensing Agreement shall automatically be considered a breach of this Funding Agreement and vice versa.

3. Payment Contingent on Receipt of Fees. Licensee understands that the amount specified in Section 1 will be paid to Licensee out of the franchise and/or licensing fees and/or PEG fees collected by SMCTC from cable television operators. SMCTC shall be under no obligation to pay to Licensee the amount stated in Section 1, or any other amount, unless SMCTC receives sufficient fees to make such payment. Licensee further understands that other licensees may, or have, submitted proposals for operation of the channel(s) licensed to them and that SMCTC may, or has, approved such proposals, and that SMCTC may sign, or has signed, funding agreements with them.

In the event SMCTC receives some, but not all, of the fees necessary to fund all funding agreements, each licensee shall receive its *pro rata* share of the available funds based on the percentage each individual licensee's approved dollar amount under its funding agreement bears to the total dollar amount of all funding agreements.

4. Use of PEG Fee Funding. Licensee understands that a portion of the amount specified in Section 1 may be paid to Licensee from money that originated from public, educational, and governmental (PEG) access channel fees, which portion, if any, is reflected in the table in Section 1(a). As a condition of accepting PEG fee funds, Licensee agrees to use those funds only for capital expenditures and facilities and for no other purpose. Licensee shall provide for such fiscal control and funding accounting procedures as reasonably necessary to assure proper disbursement, accounting, and expenditure of PEG fee funds. Notwithstanding Licensee's acceptance of PEG fee funds, Licensee shall be subject to all of the provisions of the Licensing Agreement, including reporting requirements, except those provisions that conflict with this Section 4 with respect to the use of PEG fee funds. At SMCTC's discretion, PEG fee funds may be disbursed to Licensee upon SMCTC's receipt of invoices from Licensee for qualifying expenditures.

Since applicable law does not specifically define those expenses that qualify as capital costs, SMCTC has developed a working definition of the types of expenses that it believes qualify for the use of PEG Fee Funding. SMCTC reserves the right to modify its working definition as the law on this topic develops. In accordance with SMCTC's working definition, PEG Fee funding may be used for the following expenditures: purchase of equipment, rental of facilities, purchase of software, and tangible goods provided that a CPA certifies that the tangible goods qualify as capital expenditures pursuant to standard accounting practices. PEG Fee funding may not be used for the following expenditures: operations, training, maintenance, employment of staff, and hiring of persons to perform services.

Licensee further understands and agrees that certain of the PEG Fee funding provided by SMCTC was awarded based on a request from Licensee and that the use of the PEG funds are limited to the expenditures outlined in that request as approved by SMCTC. If Licensee determines that it will not proceed with the expenditures as set forth in the request approved by SMCTC during the current fiscal year, then Licensee shall notify SMCTC if the Licensee would like to re-submit the PEG Fee Funding in the next fiscal year.

The Executive Director shall consider and may approve any request for an extension to the next fiscal year pursuant to this section. Any request beyond the next fiscal year shall be submitted to the Commission for its consideration. Further, Licensee may determine that it has critical or pressing needs that it would prefer to direct the funding towards than the approved

request. Should such occur, Licensee may submit such a request, in writing, to the Executive Director with the rationale for this request. The Executive Director may consider and approve the request provided that he/she determines that (1) it is the type of expenditure that would have been eligible for PEG Funding, (2) the need expressed is critical or pressing and (3) the amount does not exceed \$50,000 dollars. Any request above this amount must be approved by the Commission Board.

The Executive Director may also elect to seek direction or action by the Commission Board on any requests made pursuant to this section. Neither the Executive Director nor the Commission Board is required to approve any request for modification made pursuant to this section. If the request is not approved and the Licensee does not use the funds for the purpose and within the time frames, as approved by the Commission, such funding approval shall be cancelled and may be reallocated as the Commission deems appropriate.

If Licensee is able to complete an approved PEG Fee project for less than the approved PEG Fee funding, the Licensee may so notify SMCTC and request that the Licensee be authorized to retain the allocation of PEG Fees not required for a future project that would be otherwise eligible for PEG Fee funding. Such request shall be approved by the Executive Director provided that the Licensee has completed the approved project and agrees to use the remaining funding for an eligible project within the then current or the next fiscal year. Funds not used within the next fiscal year shall be remitted to the SMCTC or will be deducted from future approved allocations.

5. Re-payment of Remaining Funds on Demand; Freezing Expenditures. Licensee understands that pursuant to the Licensing Agreement, its license may be revoked or terminated under certain conditions. Licensee agrees that if its license is revoked or terminated it will, immediately upon demand of SMCTC, pay to SMCTC any and all amounts then held by it from the funds provided to it by SMCTC under this Funding Agreement. Licensee further agrees that SMCTC may, at any time, order Licensee to cease, and Licensee shall cease, spending any of the funds provided to Licensee by SMCTC under this Funding Agreement in order for SMCTC to make a determination whether to revoke or terminate Licensee's license.

6. No Right of Action. Licensee understands and agrees that it has no right of judicial action against SMCTC for the failure of SMCTC to pay any or all of the funds to Licensee under this Funding Agreement. Such judicial actions include those at law and/or equity, including, but not limited to, any action to compel payment of the funds, any action for general or special damages, or otherwise.

7. Effective Date of Agreement. This Funding Agreement shall be first executed by the Licensee. It shall be effective on the date next to the signature of the Chair of SMCTC after the Chair has been authorized to execute it by SMCTC.

8. Term. The term of the Funding Agreement ends June 30, 2015.

(INSERT CHANNEL LICENSEE NAME)

SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION

By: \_\_\_\_\_

By:

Title: \_\_\_\_\_

Title: Chair, Board of Directors

Date: \_\_\_\_\_

Date:

FISCAL YEAR 2014-15  
**ANNUAL PERFORMANCE AGREEMENT**

**THIS AGREEMENT** is between the Sacramento Metropolitan Cable Television Commission ("SMCTC") and **Interfaith Service Bureau, DBA Religious Coalition for Cable Television ("Licensee")**. It is supplemental to that certain agreement between the same parties entitled **LICENSE AND OPERATIONS AGREEMENT PERTAINING TO USE OF COMMUNITY PROGRAMMING CHANNEL(S)** ("the Licensing Agreement") which was effective as of November 6, 2003, and which was subsequently amended on June 1, 2006, on June 3, 2010, and June 7, 2012.

This Agreement ("the Agreement") is made with reference to the following facts, among others:

A. SMCTC and Licensee have entered into the Licensing Agreement. The Licensing Agreement provides Licensee the right to use one (or more) cable television channels which SMCTC controls for television programming which is beneficial to the public, subject to certain terms and conditions.

B. The purpose of this Agreement is to approve Licensee's operation of the cable television channel licensed to it under the Licensing Agreement.

C. SMCTC has reviewed a proposal from Licensee for operations. SMCTC hereby approves the proposal. A copy of the approved proposal which is in the possession of SMCTC is hereby incorporated by this reference.

**WHEREFORE, THE PARTIES AGREE:**

1. Licensing Agreement. In addition to operating in accordance with the approved proposal, Licensee agrees to be bound by all terms and conditions of the Licensing Agreement, which are incorporated by this reference, as though they were fully set forth herein. A breach of the Licensing Agreement shall automatically be considered a breach of this Agreement and vice versa.

2. No right of action. Licensee understands and agrees that it has no right of judicial action against SMCTC under this Agreement. Such judicial actions include those at law and/or equity, including, but not limited to, any action to compel payment of any funds, any action for general or special damages, or otherwise.

3. Effective Date of Agreement. This Agreement shall be first executed by the Licensee. It shall be effective on the date next to the signature of the Chair of SMCTC after the Chair has been authorized to execute it by SMCTC.

4. Term. The term of the Agreement ends June 30, 2015.

INTERFAITH COUNCIL OF  
GREATER SACRAMENTO, DBA  
RELIGIOUS COALITION FOR CABLE TELEVISION

SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**RESOLUTION NO. 2014-009**

**A RESOLUTION APPROVING AND AUTHORIZING EXECUTION  
OF THE PEG FEE FUNDING AGREEMENT FOR MEMBER AGENCIES OF  
SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**NOW THEREFORE, BE IT RESOLVED AND ORDERED** that the Board of Directors of the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency of the State of California, hereby approves the Funding Agreement for Member Agencies of the Sacramento Metropolitan Cable Television Commission as recommended by staff; and

**FURTHER BE IT RESOLVED AND ORDERED** that the Commission's Board of Directors hereby approves the FY 2014-15 PEG Fee Funding Plans as submitted for the purpose of providing funding for the Member Agencies for the period of July 1, 2014 to June 30,2015; and

**FURTHER BE IT RESOLVED AND ORDERED** that the Commission's Executive Director is hereby authorized and directed to execute the Agreements with the Member Agencies of the Sacramento Metropolitan Cable Television Commission, with the allowance for changes within the budget authority; and

**FURTHER BE IT RESOLVED AND ORDERED** that the Commission's Executive Director is authorized to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION  
PEG FEE FUNDING AGREEMENT FOR MEMBER AGENCY**

**FISCAL YEAR 2014-15**

**THIS AGREEMENT** is entered into this \_\_\_\_ day of \_\_\_\_\_, 2014, by and between the **Sacramento Metropolitan Cable Television Commission** (“SMCTC”) and the \_\_\_\_\_, **[\*\*\*municipal corporation (city) or political subdivision of the State of California (County)\*\*\*]**, a political subdivision of the State of California (“Member Agency”).

**WHEREAS**, SMCTC is a joint powers agency comprised of seven member jurisdictions, one of which is deemed Member Agency;

**WHEREAS**, commencing with the 2009-2010 fiscal year, SMCTC began collecting a 1% Public, Educational, and Governmental (“PEG”) access channel fees (“PEG Fee funding”) from cable television operators to support PEG facilities;

**WHEREAS**, SMCTC anticipates that PEG Fee funds will be available to provide to its Member Agencies to support projects, programming, and services relating to PEG access facilities;

**WHEREAS**, SMCTC has received a request(s) for PEG Fee funding from Member Agency and hereby approves that request(s). A copy of Member Agency’s approved request(s) is hereby incorporated by this reference;

**WHEREAS**, federal law currently restricts the use of PEG Fee funding to capital costs and facilities; and

**WHEREAS**, SMCTC and Member Agency desire to enter into this Agreement to memorialize the terms under which SMCTC will provide PEG Fee funding to Member Agency, and to expressly set forth the restrictions on Member Agency’s use of such funding.

**NOW, THEREFORE**, SMCTC and Member Agency agree as follows:

1. Funding to Member Agency. SMCTC hereby agrees to provide to Member Agency the total not to exceed sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), which consists of PEG Fee funding to be used solely for the purposes summarized in the table below and detailed in Exhibit “A” attached hereto and incorporated by this reference.

MEMBER AGENCY PROJECT	
PEG Equipment / Facilities List	\$
TOTAL FY 2014-15 PEG FEE FUNDING REQUEST	\$
The PEG Fee funding will be available during the FY 2014-15 as set forth below.	

## PEG Fee funding Agreement for Member Agency

Fiscal Year 2014-15

Page 2

2. Payment Contingent on Receipt of PEG Fees. Member Agency understands that the funding amount set forth in Section 1 will be made to Member Agency solely out of PEG fees collected by SMCTC from cable television operators. Such PEG fees are received in quarterly payments and SMCTC shall be under no obligation to pay to Member Agency the amount stated in Section 1, or any other amount, unless SMCTC receives sufficient PEG fees to make such payment. If actual revenue received through PEG Fees is less than anticipated, SMCTC is not obligated to pay Member Agency. Payments to member agency will occur during the fiscal year and will be prioritized by the SMCTC based upon facility needs and available revenue; Member Agency will be reimbursed based on actual expenditures.

Member Agency further understands that SMCTC may enter, or has already entered, into similar funding agreements with other member agencies and with channel licensees that operate one or more of the SMCTC PEG channels. In the event SMCTC receives some, but not all of the PEG fees necessary to fund all such funding agreements, each member agency and channel licensee shall receive available PEG funds based on the criteria set forth above. If there are insufficient PEG fees to satisfy all funding requests during this fiscal year, members agencies not receiving all identified funding shall be entitled to a higher priority in the next fiscal year before any funding for new projects for the next year fiscal year is approved.

3. Use of PEG Fee funding. Member Agency understands that the funding provided to it pursuant to this Agreement originated from PEG access channel fees. As a condition of accepting the PEG Fee funding, Member Agency agrees to use those funds only for capital expenditures and facilities related to the provision of cablecasting on the PEG channels and for no other purpose. SMCTC has both the responsibility and the right under this Agreement to monitor and audit the use of the funding allocated under this Agreement. Member Agency shall agree to cooperate fully with any audit requested by SMCTC.

Since applicable law does not specifically define those expenses that qualify as capital costs, SMCTC has developed a working definition of the types of expenses that it believes qualify for the use of PEG Fee funding. SMCTC reserves the right to modify its working definition as the law on this topic develops. In accordance with SMCTC's working definition, PEG Fee funding may be used for the following expenditures: purchase of equipment, rental of facilities, purchase of software, and tangible goods provided that a CPA certifies that the tangible goods qualify as capital expenditures pursuant to standard accounting practices. PEG Fee funding may not be used for the following expenditures: operations, training, maintenance, employment of staff, and hiring of persons to perform services. Member Agency shall provide for such fiscal control and funding accounting procedures as reasonably necessary to assure proper disbursement, accounting, and expenditures of PEG Fee funding.

## PEG Fee funding Agreement for Member Agency

Fiscal Year 2014-15

Page 3

Member Agency further understands and agrees that the PEG Fee funding provided by SMCTC was awarded based on a request from Member Agency and that the use of the PEG funds are limited to the expenditures outlined in that request as approved by SMCTC. If Member Agency determines that it will not proceed with the expenditures as set forth in the request approved by SMCTC during the current fiscal year, then Member Agency shall notify SMCTC that the Member Agency will re-submit the PEG Fee funding in the next fiscal year. The Member Agency may also request to modify the approved use of the funding. The Executive Director may consider and approve requests up to a total of \$50,000 in the fiscal year if the requested change(s) is an allowable PEG Funding expenditure. Requests above a total of \$50,000 will require Commission consideration and action. The Executive Director may consider and approve any request as authorized by this section. The Executive Director may also elect to seek direction or action by the Commission on any such requests.

4. Indemnification. Member Agency shall, at its sole expense, fully indemnify, defend and hold harmless SMCTC and its member agencies, and in their capacity as such, the officers, agents and employees thereof, from and against any and all claims, suits, actions, liability and judgments for damages including reasonable attorneys' fees or otherwise.

For actual or alleged injury to persons or property, including loss of use of property due to an occurrence, whether or not such property is physically damaged or destroyed, directly or indirectly arising out of or attributable to, in whole or in part, the acts or omissions of Member Agency in connection with, related to, or in any way arising out of Member Agency's use of the PEG Fee funding provided to it under this Agreement.

Directly or indirectly arising out of or attributable to, in whole or in part, Member Agency's failure to comply with the provisions of any statute, regulation, or ordinance of the United States, the State of California, SMCTC or any local agency in connection with, related to, or in any way arising out of Member Agency's use or expenditure of the PEG Fee funding provided to it under this Agreement.

5. Attorneys' Fees. If any party to this Agreement commences any legal action against another party to this Agreement which arise out of this Agreement or the performance thereof, the prevailing party in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses and attorneys' fees.

6. Reimbursement Requirement; Record Retention. No later than sixty (60) days after incurring expenses to be reimbursed by funds provided to it under this Agreement, Member Agency shall submit to SMCTC a copy of all invoices and receipts reflecting the expenditures made with such funds, a request for reimbursement from funds identified in Section 1 above and such other

**PEG Fee funding Agreement for Member Agency**

**Fiscal Year 2014-15**

**Page 4**

information as SMCTC may require. SMCTC shall reimburse Member Agency within a reasonable time of receipt of such documentation subject to the provisions of this Agreement, including Sections 2 and 3. Member Agency shall retain all records related to the expenditure of PEG Fee funds for a period of no less than three (3) years from the last expenditure reimbursed under this Agreement.

7. Unauthorized Use of PEG Fee funding. If SMCTC determines that Member Agency has used the PEG Fee funds provided to it under this Agreement for purposes other than capital expenditures and facilities, Member Agency shall return to SMCTC the total sum of those unauthorized expenditures within sixty (60) days of receipt of written notice from SMCTC.

8. Ownership of Facilities and Equipment. Member Agency shall own and be solely responsible for any facilities, equipment, or other items that it acquires with PEG Fee funding provided to it pursuant to this Agreement. SMCTC shall have no obligations, and shall bear no costs, with respect to any facilities, equipment, or other items that Member Agency acquires with such PEG Fee funding.

9. No Right of Action. Member Agency understands and agrees that it has no right of judicial action against SMCTC for the failure of SMCTC to pay any or all of the funds to Member Agency under this Agreement. Such judicial actions include those at law and/or equity, including, but not limited to, any action to compel payment of the funds, any action for general or special damages, or otherwise.

10. Agreement Contains All Understanding. This document represents the entire and integrated agreement between the Parties, and supersedes all prior negotiations, representations or agreements, either written or oral regarding the subjects addressed herein. This document may be amended only by written instrument, signed by all Parties.

11. Effective Date of Agreement. This Agreement shall be effective on the date next to the signature of the Executive Director of the SMCTC, as authorized by the SMCTC Board on the 5<sup>th</sup> of June 2014.

12. Terms. The term of the PEG Fee funding Agreement ends June 30, 2015.

**MEMBER AGENCY**

**SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**

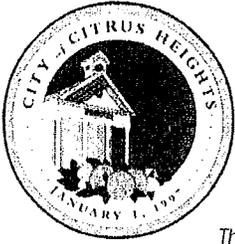
**MEMBER AGENCY  
FY 2014-15 PEG FEE FUNDING REQUEST**

**ATTACHMENTS 15-20**

**FISCAL YEAR 2014-15  
PEG FEE FUNDING REQUESTS**

**(MEMBER AGENCIES)**

# **CITY OF CITRUS HEIGHTS**



## CITY OF CITRUS HEIGHTS

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6237 Fountain Square Drive • Citrus Heights, CA 95621-5577 • (916) 725-2448  
Fax (916) 725-5799 • TDD (916) 725-6185 • [www.citrusheights.net](http://www.citrusheights.net)

*The City of Citrus Heights is committed to providing high quality economical, responsive city services to our community.*

April 25, 2014

Robert A. Davison  
Executive Director  
Sacramento Metropolitan Cable Television Commission  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

RE: Fiscal Year 2014-15 Funding Request for Public, Education, and Government (PEG)  
Equipment Projects

Dear Robert Davison:

On behalf of the City of Citrus Heights, I am submitting our request for FY 14-15 PEG Fee Funding to be considered by the Commission Board. The City of Citrus Heights is in need of relocating our current City Council Chambers for a period of approximately 18 months. The items requested will supplement existing equipment to be used at the temporary location as well as replace outdated equipment which is reaching its end-of-life and should be replaced. Attached is an itemized list of equipment being requested for FY 14-15 totaling \$64,299.31.

Please contact me at (916) 727-4704 or [avan@citrusheights.net](mailto:avan@citrusheights.net) if you have any questions or need additional information.

Sincerely,

Amy Van  
City Clerk

cc: Henry Tingle, City Manager  
Mel Turner, Mayor  
Craig Fetter, Metro Cable Production Director  
Chris Myers, Facilities & Grounds Manager  
Brian Koski, IT Manager  
Patrick Lew, IT Analyst  
Stefani Daniell, Finance Director

## Liu. Karen

---

**From:** Van, Amy <avan@citrusheights.net>  
**Sent:** Friday, April 25, 2014 4:52 PM  
**To:** Liu. Karen  
**Cc:** Davison. Bob; Turner, Mel; Van, Amy; Myers, Chris; Koski, Brian; Lew, Patrick; Daniell, Stefani; Fetter. Craig; Riggs. Kristin; SacMetro; Tingle, Henry  
**Subject:** Citrus Heights FY 2014-15 PEG Equipment & Facilities Funding Request  
**Attachments:** Cover Letter PEG Funding FY 14-15.pdf; PEG Fee Funding - FY 2014-15 Request Citrus Heights.pdf

Hello Karen,

Attached is the City of Citrus Heights FY 2014-15 PEG Fee Funding Request. Please contact me if you have any questions.

Thank you,  
Amy



### **Amy Van**

City Clerk  
City of Citrus Heights  
6237 Fountain Square Drive | Citrus Heights, CA 95621  
916-727-4704 (voice) | 916-727-5799 (fax)  
[avan@citrusheights.net](mailto:avan@citrusheights.net)  
[www.citrusheights.net](http://www.citrusheights.net)

 Please be green--don't print this e-mail unless you really need to. Thanks!

CITY OF CITRUS HEIGHTS  
PEG FEE FUNDING REQUEST - FY 2014-15

Line #	Project Location	Equipment Description	Quantity	Unit Price	10% Contingency	Total	FY 2013-14 Outstanding Item(s) "X"	FY 2014-15 New Item(s) "X"
<b>MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>								
1	Citrus Heights	Deferred Project from FY 13/14 - Move Restore Council Chambers Sound Sys.	1	\$ 12,190.00	\$ 1,219.00	\$ 13,409.00	X	
2	Citrus Heights	Sony BRC-Z700	4	\$ 6,795.00	\$ 2,718.00	\$ 29,898.00		X
3	Citrus Heights	EEG EN530 HDTV Smart Encoder IV - HD/SD Closed Caption Encoder	1	\$ 2,000.00	\$ 200.00	\$ 2,200.00		X
4	Citrus Heights	Sony BRBKHS D1 HD/SD SDI Output Card for BRC-Z700 P/T/Z Camera	4	\$ 1,800.00	\$ 720.00	\$ 7,920.00		X
5	Citrus Heights	Symetrix DSP Audio Mixing and Conferencing- Microphone Mixing	1	\$ 13,432.00	\$ 1,343.20	\$ 14,775.20		x
6	Citrus Heights	Portable LED Display for Council Members	1	\$ 4,312.00	\$ 431.20	\$ 4,743.20		X
7	Citrus Heights	Dedidated Recorder for Council Chambers	1	\$ 5,680.00	\$ 568.00	\$ 6,248.00		X
Sub-Total:						\$ 59,536.40		
Sales Tax (8.0%) - Use Tax Rate for City of Citrus Heights:						\$ 4,762.91		
<b>MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 64,299.31</b>		

Please attach vendor quotes for all items requested above.

Signature Amy Van

Date 4-25-14

Name & Title Amy Van, city clerk

# **CITY OF ELK GROVE**



April 25, 2014

Robert Davison  
Executive Director  
Sacramento Metropolitan Cable Television Commission  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

Dear Mr. Davison

After meeting with Spinitar and Metro Cable staff, we submit these items for approval for the 2014-2015 Peg Funding request. The City of Elk Grove would like to propose replacing existing equipment to correct the signal strength issues that have been occurring over the last several months. We would also like to propose replacing the dais displays as well as the two displays in the lobby to be more energy efficient and provide a better viewing screen for overflow meetings. Over the years, we have upgraded to higher quality equipment that is now being downgraded due to outdated displays.

As requested by Metro Cable, we also agree that a new character generator, distribution amp, new rack, and smart encoder. These have all been included in the quote provided.

The total cost of the request is \$139,703.00 for the 14-15 fiscal year. This project will ensure that all the various parts in the AV system are all working in harmony and will eliminate many of the issues we have had over the last year. We also anticipate that this will be our last large request for a while since everything will be up to speed at the completion of this project.

Should you have any questions, or would like to discuss the attached proposals, please let me know.

Thank you,

*Nicole Guttridge*

Nicole Guttridge  
IT Manager  
City of Elk Grove

**CITY OF ELK GROVE**  
**PEG FEE FUNDING REQUEST FORM - FY 2014-15**

Line #	Project Location	Equipment Description	Qty.	Unit Price	10% Contingency	Total	FY 2013-14 Outstanding Item(s) "X"	FY 2014-15 New Item(s) "X"
<b>MEMBER AGENCY REQUESTS</b>								
<b>SWITCHING SYSTEM</b>								
1	Elk Grove Chambers	ENOVA CARD CAGE MAIN CHASIS	1	\$3,560.00		\$ 3,560.00		X
2	Elk Grove Chambers	Twisted Pair Input board	2	\$1,229.00		\$ 2,458.00		X
3	Elk Grove Chambers	Twisted Pair Output board	3	\$1,229.00		\$ 3,687.00		X
4	Elk Grove Chambers	STP Input board	1	\$1,630.00		\$ 1,630.00		X
5	Elk Grove Chambers	DV Input board	1	\$1,229.00		\$ 1,229.00		X
6	Elk Grove Chambers	STP Output board	1	\$1,630.00		\$ 1,630.00		X
7	Elk Grove Chambers	DVI Output board	1	\$1,630.00		\$ 1,630.00		X
8	Elk Grove Chambers	Audio Extract Board	1	\$980.00		\$ 980.00		X
9	Elk Grove Chambers	Wallplate TX	3	\$899.00		\$ 2,697.00		X
10	Elk Grove Chambers	HDMI TX brick	3	\$1,190.00		\$ 3,570.00		X
11	Elk Grove Chambers	HDMI RX Brick	5	\$1,010.00		\$ 5,050.00		X
<b>CONTROL ROOM</b>								
12	Elk Grove Chambers	DBT-3313UDCI	1	\$840.00		\$ 840.00		X
13	Elk Grove Chambers	Compact Flash Recorder	1	\$1,202.00		\$ 1,202.00		X
14	Elk Grove Chambers	HDMI Switcher	1	\$338.00		\$ 338.00		X
15	Elk Grove Chambers	VM-8H	1	\$689.00		\$ 689.00		X
16	Elk Grove Chambers	VP-506	1	\$440.00		\$ 440.00		X
17	Elk Grove Chambers	VM-4Hxl	4	\$490.00		\$ 1,960.00		X
18	Elk Grove Chambers	TP-580R	1	\$334.00		\$ 334.00		X
19	Elk Grove Chambers	VM-2Hxl	3	\$290.00		\$ 870.00		X
20	Elk Grove Chambers	Twisted Pair Transmitter	4	\$301.00		\$ 1,204.00		X
21	Elk Grove Chambers	Multi Format Video Switcher	1	\$14,800.00		\$ 14,800.00		X
22	Elk Grove Chambers	Blu-Ray Disc & HDD Recorder with HD-SDI	2	\$3,790.00		\$ 7,580.00		X
23	Elk Grove Chambers	DVI Distribution Amplifier	1	\$1,292.00		\$ 1,292.00		X
<b>MONITOR RECOMMENDATIONS</b>								
24	Elk Grove Chambers	15.6" 1920 x 1080 Monitor	8	\$263.00		\$ 2,104.00		X

25	Elk Grove Chambers	22" 1920 x 1080 Monitor	7	\$285.71		\$ 1,999.97		X
26	Elk Grove Chambers	1 x 8 HDMI Distribution Amplifier	1	\$640.00		\$ 640.00		X
	Elk Grove Chambers	<b>LOBBY RECOMMENDATIONS</b>						
27	Elk Grove Chambers	46" LCD Display	2	\$980.00		\$ 1,960.00		X
28	Elk Grove Chambers	Medium Tilt Mount	2	\$155.00		\$ 310.00		X
29	Elk Grove Chambers	HDMI over CAT6 Transmitter	2	\$180.00		\$ 360.00		X
30	Elk Grove Chambers	HDMI over CAT6 Reciever	2	\$200.00		\$ 400.00		X
		<b>SAC METRO RECOMMENDATIONS</b>						
31	Elk Grove Chambers	HDTV Smart Encoder IV - HD/SD Closed Caption Encoder	1	\$2,000.00	\$200.00	\$2,200.00		X
32	Elk Grove Chambers	AJA-HD5DA HD-SDI distribution amp	1	\$200.00	\$20.00	\$220.00		X
33	Elk Grove Chambers	AJA Ki Pro Rack w/HDD	1	\$4,000.00	\$400.00	\$4,400.00		X
34	Elk Grove Chambers	Character Generator	1	\$15,000.00	\$1,500.00	\$16,500.00		X
		<b>MISCELLANEAOUS</b>						
35		Connectors, Plates, Hardware	1	\$3,490.48		\$ 3,490.48		X
36		Freight	1	\$2,402.00		\$ 2,402.00		X
37		Design, CAD, Project Management, Installation and Programming	1	\$ 35,210.00		\$ 35,210.00		X
38		E-Waste Fees	1	\$ 68.00		\$ 68.00		X
Sub-Total:						\$ 131,934.48		
Sales Tax (8.0%) - Use Tax Rate for City of Elk Grove:						\$ 7,768.52		
<b>MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 139,703.00</b>		

  
 \_\_\_\_\_  
 Signature

4/28/14  
 \_\_\_\_\_  
 Date

Nicole Guthrie  
 \_\_\_\_\_  
 Name & Title IT Administrator

Please attach vendor quotes for all items requested above.

**CITY OF FOLSOM**



Efrem Richardson  
Information Systems Supervisor



April 23, 2014

Sacramento Metropolitan Cable Television Commission  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

RE: Peg Funding Request 2014

To Whom It May Concern,

Please consider this letter from the City of Folsom requesting PEG Funding for the 2014 -2015 funding year for replacing the aging podium presentation equipment in our Council Chambers. I have attached a quote from Proud Audio-Visual. I am enclosing a quote as well from your Metro Cable Staff requesting replacement or enhancement of broadcasting equipment for City of Folsom Council Meetings.

We are requesting \$32,624.64 in funding, which includes a 10% contingency for the project. Metro Cable on behalf of the City of Folsom is requesting an additional \$65,791.44 for broadcasting upgrades or replacements. The grand total being requested for FY 2014-15 is \$98,416.00 for the project.

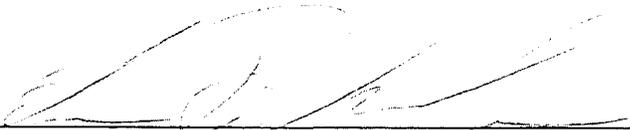
Thank you for your consideration of this request.

Sincerely,

Efrem Richardson  
Information Systems Supervisor  
City of Folsom

**CITY OF FOLSOM  
PEG FEE FUNDING REQUEST FORM - FY 2014-15**

Line #	Project Location	Equipment Description	Quantity	Unit Price	10% Contingency	Total	FY 2013-14 Outstanding Item(s) "X"	FY 2014-15 New Item(s) "X"
<b>MEMBER AGENCY REQUESTS</b>								
1	CITY OF FOLSOM	PROJECTION SYSTEM UPGRADE	1	27,462.00	\$ 2,746.20	\$ 30,208.20		X
2					\$ -	\$ -		
3					\$ -	\$ -		
4					\$ -	\$ -		
5					\$ -	\$ -		
Sub-Total:						\$ 30,208.20		
Sales Tax (8.0%) - Use Tax Rate for City of Folsom:						\$ 2,416.66		
<b>MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 32,624.86</b>		

  
\_\_\_\_\_  
Signature

23 APRIL 2014  
\_\_\_\_\_  
Date

IT FORNITURE SYSTEMS INC. VENDOR  
\_\_\_\_\_  
Name & Title

Please attach vendor quotes for all items requested above.

**CITY OF FOLSOM  
PEG EQUIPMENT RECOMMENDED - FY 2014-15**

Line #	Project Location	Equipment Description	Quantity	Unit Price	10% Contingency	Total
<b>PEG EQUIPMENT RECOMMENDED FOR MEMBER AGENCY</b>						
1	Control Room	AJA Ki Pro Rack w/HDD	1	\$4,000	\$ 400.00	\$ 4,400.00
2	Board Chambers	Sony BRC-Z700	4	\$6,795	\$ 2,718.00	\$ 29,898.00
3	Control Room	EEG EN530 HDTV Smart Encoder IV - HD/SD Closed Caption Encoder	1	\$2,000	\$ 200.00	\$ 2,200.00
4	Control Room	Character Generator	1	\$15,000	\$ 1,500.00	\$ 16,500.00
5	Board Chambers	SonyBRBKHSD1 HD/SD SDI Output Card for BRC-Z700 P/T/Z Camera	4	\$1,800	\$ 720.00	\$ 7,920.00
Sub Total:						\$ 60,918.00
Sales Tax (8.0%) - Use Tax Rate for City of Folsom:						\$ 4,873.44
<b>METRO CABLE RECOMMENDED FOR MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 65,791.44</b>

Please attach vendor quotes for all items requested above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name & Title

# **CITY OF GALT**



Office of the City Manager

April 28, 2014

Sacramento Metropolitan Cable Television Commission  
Ms. Karen Liu, Administrative Services Officer  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

**DELIVERED VIA EMAIL**

[liuk@saccounty.net](mailto:liuk@saccounty.net)

Re: Public, Education, and Government (PEG) Facilities and Equipment  
Funding Request Fiscal Year 2014-15

Dear Ms. Liu:

This letter constitutes the City of Galt's PEG funding request for FY 2014-15. Based on feedback and recommendations we received from MetroCable engineers who operate the video system during Council meetings as well as from our viewers, we are proposing modifications to improve both the viewer experience and protect prior equipment investments. The City proposes the following new requests for funding:

**#1 FY 14-5 Request – Control Room Improvements: \$4,400**

(Per attached budgetary estimate from Markertek for one (1) AJA Ki Pro Rach w/HDD Rackmount for \$4,000 plus 10% contingency of \$400)

**Goal:** Improve overall video experience and manageability by MetroCable and city staff as well as protect equipment investments:

**Plan:** Overhaul/Replace video capture, character generation and closed captioning equipment for more efficient recording and higher quality output.

**#2 FY 14-15 Request – Control Room Improvements: \$16,500**

(Per attached budgetary estimate for a Character Generator from Spinitar for \$15,000 plus a 10% contingency of \$1,500)

**Goal:** Improve overall video experience and manageability by MetroCable and city staff as well as protect equipment investments:

**Plan:** Overhaul/Replace video capture, character generation and closed captioning equipment for more efficient recording and higher quality output.

**#3 FY 14-15 Request – Control Room Improvements: \$7,195**

(Per attached budgetary estimate from EEG for one (1) EN530 HDTV Smart Encoder IV – HD/SD Closed Caption Encoder from Heartland Video for \$6,541 each plus 10% contingency of \$654)

**Goal:** Improve overall video experience and manageability by MetroCable and city staff as well as protect equipment investments:

**Plan:** Overhaul/Replace video capture, character generation and closed captioning equipment for more efficient recording and higher quality output.

**#4 FY 14-15 Request – Control Room Improvements: \$6,193**

(Per attached budgetary estimate from Thompson Heating and Cooling Services for a three phase cooling system for the control room for \$5,630 each plus 10% contingency of \$563)

**Goal:** Improve stability, preserve equipment and protect equipment investments in the control room:

**Plan:** Installation of a split wall mount air conditioning unit to keep the control room equipment operating at a recommended temperature.

**#5 FY 14-15 Request – Chamber Improvements: \$29,898**

(Per attached budgetary estimate from Markertec.com for four (4) Sony BRC-Z700 video cameras for \$6,792 each for \$29,898 plus 10% contingency of \$2,718)

**Goal:** Improve video quality by replacing camera equipment with high definition cameras. This includes adding a 4<sup>th</sup> camera to Council Chambers.:

**Plan:** Replace existing 3 cameras and add a 4<sup>th</sup> camera to the Council Chambers. The new cameras would be Sony Hi definition cameras recommended by Metro Cable staff.

**#6 FY 14-15 Request – Chamber Improvements: \$7,920**

(Per attached budgetary estimate from Markertec.com for four (4) Sony BRBKHSK1 HD/SD SDK Output Card for BRC-Z700 Cameras for \$1,800 each plus 10% contingency of \$720)

**Goal:** To improve video quality by replacing camera equipment:

**Plan:** Improve overall video quality as recommended by Metro Cable staff.

**Total Requests for FY 2014-15 Funding: \$72,106.00**

**FY 2014-15 PEG Fee Funding Requests**

<b>Project Location</b>	<b>Description</b>	<b>Total</b>	<b>Status</b>
1. Council Chambers	Control Room Improvements	\$ 4,400	Unfunded
2. Council Chambers	Control Room Improvements	\$16,500	Unfunded
3. Council Chambers	Control Room Improvements	\$ 7,195	Unfunded
4. Council Chambers	Control Room Improvements	\$ 6,193	Unfunded
5. Council Chambers	Chamber Improvements	\$29,898	Unfunded
6. Council Chambers	Chamber Improvements	\$ 7,920	Unfunded
Sub-Total:		\$72,106	
Sales Tax (8.5%) – Use Tax Rate for City of Galt		\$ 5,768	
<b>Member Agency Requests Total for FY 2014-15</b>		<b>\$77,874</b>	

**Status of FY 13-14 Projects**

While the city fully expects to complete its FY 13-14 projects in 2014, the city nonetheless respectfully requests that any remaining FY 2013-14 funds be carried forward into the new fiscal year as the projects will be underway at the end of the current fiscal year and may conclude shortly after the start FY 2014-2015. Regardless, the city will submit invoices for current FY 2013-14 projects by June 30<sup>th</sup>. The status of these projects are listed below:

**Current FY 2013-14 Funding: \$ 155,710**

<b>Item #</b>	<b>Project Location</b>	<b>Description</b>	<b>Total</b>	<b>Status</b>
<b>Member Agency Requests</b>				
	Council			
1	Chambers Council	Sound System	\$87,972.00	RFP by 5/2 – invoice by 6/30
2	Chambers Council	Chamber Improvements	\$67,738.00	RFP by 5/2 – invoice by 6/30
<i>Member Agency Requests Total</i>			\$155,710.00	
<b>Grand Total FY 2013-14 PEG Fee Funding:</b>			<b>\$155,710.00</b>	

Please contact Matthew Marcotte, IT Coordinator at 209-366-7108 or [mmarcotte@ci.galt.ca.us](mailto:mmarcotte@ci.galt.ca.us) for additional information or questions related to this request.

Sincerely,



CITY OF GALT

Jason Behrmann  
City Manager

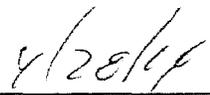
c: Matthew Marcotte, IT Coordinator  
Elizabeth Aguire, City Cl

**CITY OF GALT**  
**PEG EQUIPMENT RECOMMENDED - FY 2014-15**

Line #	Project Location	Equipment Description	Quantity	Unit Price	10% Contingency	Total
<b>PEG EQUIPMENT RECOMMENDED FOR MEMBER AGENCY</b>						
1	Control Room	AJA Ki Pro Rack w/HDD	1	\$4,000	\$400	\$4,400
2	Control Room	Character Generator	1	\$15,000	\$1,500	\$16,500
3	Control Room	EEG EN530 HDTV Smart Encoder IV - HD/SD Closed Caption Encoder	1	\$6,541	\$654	\$7,195
4	Control Room	Three phase cooling system	1	\$5,630	\$563	\$6,193
5	Board Chambers	Sony BRC-Z700	4	\$6,795	\$2,718	\$29,898
6	Board Chambers	SonyBRBKHSD1 HD/SD SDI Output Card for BRC-Z700 P/T/Z Camera	4	\$1,800	\$720	\$7,920
Sub-Total:						\$ 72,106
Sales Tax (8.5%) - Use Tax Rate for City of Galt:						\$ 5,768
<b>MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 77,874</b>

Please attach vendor quotes for all items requested above.

  
 \_\_\_\_\_  
 Signature

  
 \_\_\_\_\_  
 Date

\_\_\_\_\_  
 Name & Title

# **CITY OF RANCHO CORDOVA**



April 29, 2014

Robert Davison, Executive Director  
Sacramento Cable Television Cable Commission  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

**Subject: 2014-2015 Peg Funding Request**

We are requesting funding to replace some aging equipment and update equipment. Since the last two years we have been upgrading the Council Chambers with equipment to move into the High Definition area of recording and broadcasting our meetings, this year's request continues that effort. Total Funding Request for 14-15 is: \$120,457.03

The goal in the 14-15 Fiscal Year is to replace some aging equipment such as the amplifiers and encoder in the Control Room as well as update the Microphones at the DIAS with a better sound quality. In our Council Board Room we would like to replace the projector with an HD projector as well as the screen. This room is for staff to stage for their part of the Council Meeting and they view the council meeting from this room. This is also used for closed session for the council as well as a break area for the Council. Maintaining a live viewing of the council meeting is essential use of this room.

We would also like to update the projectors and screens in our American River Room as this is for the public to watch live council meetings and is used for overflow seating during council meetings.

The work will require programming of the AMX system for control as well as installation of all components.

Attached you will find the breakdown and vendor quote

Thank you,

A handwritten signature in black ink, appearing to read "Jay Hadley".

Jay Hadley  
IT Manager  
City of Rancho Cordova

**CITY OF RANCHO CORDOVA  
PEG EQUIPMENT RECOMMENDED - FY 2014-15**

Line #	Project Location	Equipment Description	Quantity	Unit Price	10% Contingency	Total
<b>PEG EQUIPMENT RECOMMENDED FOR MEMBER AGENCY</b>						
1	Council Chambers	AJA Ki Pro Rack w/HDD	1	\$ 4,000.00	\$ 400.00	\$ 4,400.00
2	Council Chambers	Character Generator	1	\$ 15,000.00	\$ 1,500.00	\$ 16,500.00
3	Council Chambers	Wholer AMP2-SDA SDI audio monitor	1	\$ 2,500.00	\$ 250.00	\$ 2,750.00
4	Council Chambers	Sony MDR-7510 headphones	1	\$ 150.00	\$ 15.00	\$ 165.00
5	Council Chambers	Audia Flex Biamp	2	\$ 6,761.53	\$ 1,352.31	\$ 14,875.37
6	Council Chambers	QSC 4 Channel AMP	1	\$ 1,331.42	\$ 133.14	\$ 1,464.56
7	Council Chambers	Audio Technica 21" Microphones	12	\$ 355.38	\$ 426.46	\$ 4,691.02
8	Council Chambers	Audio Technica 24" Microphones	2	\$ 361.19	\$ 72.24	\$ 794.62
9	Council Chambers	Video Streaming Encoder	1	\$ 9,615.38	\$ 961.54	\$ 10,576.92
10	Council Board Room	Barco 4,750 Lumens HD Projector	1	\$ 4,000.00	\$ 400.00	\$ 4,400.00
11	Council Board Room	HD Projector Screen	1	\$ 2,230.76	\$ 223.08	\$ 2,453.84
12	Council Board Room	Video Scaler/Switcher	1	\$ 996.92	\$ 99.69	\$ 1,096.61
13	Council Board Room	Wireless Video Transmitter	1	\$ 1,763.01	\$ 176.30	\$ 1,939.31
14	Council Board Room	Misc Cables, mounts, and connectors	1	\$ 1,029.21	\$ 102.92	\$ 1,132.13
15	Council Board Room	HD TV Replacement	1	\$ 1,538.46	\$ 153.85	\$ 1,692.31
16	Council Board Room	Projector Feed HDMI RX/TX VGA/Audio	1	\$ 573.12	\$ 57.31	\$ 630.43
17	Council Board Room	HDMI to VGA Input Feed HDMI RX/TX VGA/Audio	1	\$ 738.80	\$ 73.88	\$ 812.68
18	American River Room	Barco 4,750 Lumens HD Projector	2	\$ 4,000.00	\$ 800.00	\$ 8,800.00
19	American River Room	HD Projector Screen	2	\$ 2,230.76	\$ 446.15	\$ 4,907.67
20	American River Room	Misc Cables, mounts, and connectors	1	\$ 635.37	\$ 63.54	\$ 698.91
21	American River Room	HDMI RX/TX VGA/Audio	4	\$ 738.80	\$ 295.52	\$ 3,250.72
22	American River Room	4x4 HDMI Matrix Switch	1	\$ 2,272.72	\$ 227.27	\$ 2,499.99
23	Project Whole	Shipping	1	\$ 1,851.79	\$ 185.18	\$ 2,036.97
24	Project Whole	Labor	1	\$ 18,768.56	\$ 1,876.86	\$ 20,645.42
<b>Equipment Total</b>						\$ 90,532.08
<b>Labor Total</b>						\$ 20,645.42
Sub-Total:						\$ 113,214.46
Sales Tax (8.0%) - Use Tax Rate for City of Rancho Cordova:						\$ 7,242.57
<b>METRO CABLE RECOMMENDED FOR MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 120,457.03</b>

Please attach vendor quotes for all items requested above.

Signature  \_\_\_\_\_

4-28-14 \_\_\_\_\_  
Date

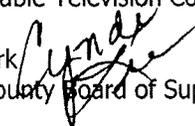
Jay Hadley - IT Manager  
Name & Title

**COUNTY OF SACRAMENTO**

**COUNTY OF SACRAMENTO  
INTER-DEPARTMENTAL CORRESPONDENCE**

April 23, 2014

**TO:** Bob Davison, Executive Director  
Metropolitan Cable Television Commission

**FROM:** Cyndi Lee, Clerk   
Sacramento County Board of Supervisors

**SUBJECT:** Detailed Information for Request for Consideration of FY 2014-15 PEG Funding for  
Modifications to the Sacramento County Board of Supervisors' Chambers  
and Hearing Room No. 1 Alterations to Accommodate Press Conferences

**RECEIVED**

APR 28 2014 3:35 P.M.  


SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION

The attached estimates provided by Anderson Audio, the vendor providing sound and presentation services in the Board of Supervisors' Chambers, and Sacramento County Architectural Services Division are for further alterations/refinements to the chamber's remodel project completed in December of 2013.

The estimates also include construction of a broadcast-ready press conference area located in Hearing Room No. 1 adjacent to the Board chambers. These projects are proposed to enhance broadcast functionality in the chambers, address a concern about equipment overheating and provide a venue capable of accommodating live broadcast press conferences and media advisories.

In addition, MetroCable 14 Production has included list of recommended equipment replacements due to the high volume of usage of the chambers and the aging out of current equipment.

**The estimated project total is \$268,141.98. It includes the following:**

- Purchase and installation of air conditioning units in the server room to prevent overheating of equipment
- Addition of dual lectern camera and video wall picture-in-picture
- Public "Request to Speak" sign-in through web browser
- Spare touch panel parts and cables
- HD projector and mount
- Necessary cameras, equipment and connectivity to construct a press conference area in Hearing Room No. 1
- Recommended equipment upgrades to replace aging out camera and production equipment

These estimates are a collaborative effort of Anderson Audio, Sacramento County ASD, the Department of Technology, and the Clerk of the Board and staff of MetroCable 14.

## **JUSTIFICATION:**

Sacramento County received funding from PEG grants awarded in 2011 and 2013 to renovate the Board of Supervisors' chambers to provide better broadcast quality, accessibility and replace very old equipment and technology. These improvements benefit the multiple hearing bodies who utilize the chambers for their meetings.

Since these improvements were made, problems have arisen with heat accumulating in the server room causing some hardware failures. It was also recognized that a minimum supply of spare equipment needs to be readily available to avoid inconvenience to hearing body members or meeting stoppage if there is a hardware failure during a meeting.

After holding several meetings in the remodeled chambers it was realized that programming of an auxiliary feed from an existing camera/switcher and installation of dual lectern cameras would be beneficial to the viewing audience both in chambers and watching on MetroCable 14. This would provide the capability, in addition to broadcasting the many video and PowerPoint presentations on the video walls, to project the speaker/presenter by way of a picture-in-picture image.

The addition of an HD projector will enable all hearing bodies meeting in the chambers to have their organization name and logo projected behind them on the dais making it readily apparent what hearing body is in session. This is especially helpful for JPA's meeting in the chambers.

Members of the audience wishing to speak at meeting will have the ability to input their requests in the back of the chambers via a web browser application; the information, including name, address, organization/affiliation, and if they are in support or opposition, would be permanently saved for later reference/recordkeeping. The individual's name will be sent to the monitors at the Chair's station and the Clerk's station to call on audience members to speak. This information would also be sent to MetroCable 14 production thereby providing them with the correct spelling and ability to provide the viewing audience with identification of who is speaking before the hearing body.

The County currently does not have an area designated to conduct press conferences or provide media advisories. Adding a fixed location in Hearing Room 1 for press events would provide an area displaying a County presence with live broadcast capability, proper lighting and media connectivity. In addition, with the proper lighting and camera equipment, it will provide a convenient space for MetroCable 14 to use for additional broadcast needs.

Attached is a breakdown of the cost estimates.

**COUNTY OF SACRAMENTO  
PEG FEE FUNDING REQUEST FORM - FY 2014-15**

Line #	Project Location	Equipment Description	Quantity	Unit Price	10% Contingency	Total	FY 2013-14 Outstanding Item(s) "X"	FY 2014-15 New Item(s) "X"
<b>MEMBER AGENCY REQUESTS</b>								
1	Server Room	Air Conditioning Units & Install	1	\$ 30,000.00	\$ 3,000.00	\$ 33,000.00		X
2	Hearing Room 1	Install Power & Electrical Outlets	1	\$ 20,000.00	\$ 2,000.00	\$ 22,000.00		X
3	Server & HR 1	ASD Project Management	1	\$ 18,000.00		\$ 18,000.00		X
4	Board Chambers	Lectern Cameras/PIP Materials	1	\$ 5,253.32	\$ 525.33	\$ 5,778.65		X
5	Board Chambers	Aux Camera PIP Programming	1	\$ 3,075.00		\$ 3,075.00		X
6	Board Chambers	Lectern Cameras/PIP Labor	1	\$ 8,900.00		\$ 8,900.00		X
7	Board Chambers	Spare Touch Panel Parts	1	\$ 8,125.00	\$ 812.50	\$ 8,937.50		X
8	Board Chambers	Spare Touch Panel Eng & Labor	1	\$ 900.00		\$ 900.00		X
9	Board Chambers	HD Projector, Lens & Mount	1	\$ 8,713.68	\$ 871.39	\$ 9,584.68		X
10	Board Chambers	HD Projector Eng & Installation	1	\$ 1,475.00		\$ 1,475.00		X
11	Board Chambers	Sony HXCD70K, HD Camera Body	1	\$ 17,000.00	\$ 1,700.00	\$ 18,700.00		X
12	Board Chambers	Fujinon remote control camera lens	1	included w/11				
13	Board Chambers	AMX AXB-PT30 Pan-Tilt robotic hds	5	included w/11				
14	Board Chambers	Camera Control Cable	1	\$ 3,000.00	\$ 300.00	\$ 3,300.00		X
15	Board Chambers	Sony HXCUD70 Camera Ctrl Unit	1	\$ 8,000.00	\$ 800.00	\$ 8,800.00		X
16	Board Chambers	AMX NXP-PLV Robotic camera controller	1	\$ 5,775.00	\$ 577.50	\$ 6,352.50		X
17	Board Chambers	HD LED Widescreen TV	2	\$ 2,000.00	\$ 400.00	\$ 4,400.00		X
11	Board Chambers	Spkr Sign-in Eng & Programming	1	\$ 31,400.00		\$ 31,400.00		X
10	Hearing Room 1	Press Kit & Feed Materials	1	\$ 5,465.66	\$ 546.57	\$ 6,012.13		X
11	Hearing Room 1	Press Broadcast Equipment	1	\$ 22,241.89	\$ 2,224.19	\$ 24,466.08		X
12	Hearing Room 1	Press Broadcast Design & Eng	1	\$ 17,800.00		\$ 17,800.00		X
13	Hearing Room 1	Wharton Lectern	1	\$ 4,994.00		\$ 4,994.00		X
14	Chambers/HR1	D-Tech Project Management, support, training and documentation	200	\$ 100.00		\$ 20,000.00		X
15	Chambers/HR1	Materials Shipping & Handling	1	\$ 2,596.96		\$ 2,596.96		X
<b>Sub-Total:</b>						\$240,472.50		
<b>Sales Tax (8.5%) On Materials Only</b>						\$ 7,669.48		
<b>MEMBER AGENCY GRAND TOTAL - FY 2014-15:</b>						<b>\$ 268,141.98</b>		

Signature Cyndi Lee

4/28/14  
Date

CLERK OF THE BOARD OF SUPERVISORS  
Name & Title

Please attach vendor quotes for all items requested above.

**ATTACHMENTS 21-24**

**FISCAL YEAR 2014-15  
PEG FEE FUNDING REQUESTS**

**(CHANNEL LICENSEES)**

**ACCESS SACRAMENTO**

**REVISED REQUEST DATED 5/21/14**

**MAKING A DIFFERENCE ONE VOICE AT A TIME.....**

Gary Martin, Executive Director

**BOARD OF DIRECTORS**

JoAnn Fuller, Chair  
Lori Easterwood Vice-Chair  
Edward Fletcher, Programming Chair  
Nahid Kabbani, Finance Chair  
Edgar Calderon, Nominations Chair  
Stephanie Cook  
Debra Ichimura (Esq.)  
Sally Phonthachack  
M. Ester Gordillo  
Simone Vianna Eben  
E.B. Burgoon  
Mary Farr  
Eiana Mathews  
Jo Anna Davis

**ADVISORS**

Gary Malkasian, Chief Financial Officer  
Peter Brixie, Legal Advisor  
George Hall, Business Advisor  
Carl Burton, Board Advisor

**ANNUAL FUNDRAISERS**

\*A Place Called Sacramento  
Film Festival  
\*Sacramento Has Talent

**HOURS OF OPERATION**

(Subject to Change)

**OFFICE**

Monday - Friday 9am - 6pm

**PRODUCTION**

Monday - Thursday Noon - 9pm

Saturday 9am - 9pm

**MEDIA LAB**

Monday & Thursday 12pm - 9pm

Tuesday & Wednesday 9am - 6pm

May 21, 2014

To: Robert A. Davison, Executive Director  
Sacramento Metropolitan Cable Television Commission

From: Gary Martin, Executive Director  
Access Sacramento

**SUBJECT: Requested Budget Documentation**

Following our meeting Monday, May 19, 2014, the following additional explanation is provided for the line items specified and notated in the Access Sacramento 2014-15 Operational Equipment and Facilities Funding request, here attached.

**General Fund Request**

Thank you for the explanation of your intention to recommend a flat 2% Cost of Living Allowance increase in the *Lines 1,2 3* General Fund allocation to Access Sacramento for 2014-15. [2% of \$489,211 = \$9784.22.]

I was sorry to hear you were unwilling to consider the four specific augmentations included in the Access Sacramento request:

- 1) *Line 4* \$2,000 to cover personnel costs forced by increase of the state minimum wage.
- 2) *Line 5* Fixed personnel cost increases in the area of benefits including Health, Workers Compensation insurance etc.
- 3) *Line 6* COLA at 5%; and
- 4) *Line 7* Growth FTE

Before you send your proposal of a flat 2% rate forward, I'm hoping you'll consider a modification to the formula you plan to use.

Cost of Living is provided in the recognition that annual economic inflation causes goods and services to cost more and therefore, spending power declines without additional income increases.

In the area of COLA however, there is a difference between COLA for capital outlay and for personnel costs. In labor negotiations, the formulas used for Cost of Living Allowances always take into consideration the Total Cost of Ownership for each proposal.

This Total Cost of Ownership then recognizes that for the employee to see a spendable 2% in take home pay, the allocated line item amount must also include the requisite taxes and other costs associated with helping to improve the employee's spending power, otherwise the effective spending power is significantly reduced.

Therefore, as you consider that Sacramento County is providing a 2% COLA to its employees, I ask you to also consider that the unions and County will have agreed to pay approximately 2.60-2.75% in order to cover the Total Cost of Ownership of the employee's 2% improvement in spending power.

Personnel costs, as you understand, are a major portion of the non-capital General Fund allocations in Access Sacramento's budget. In the last 10 budget cycles, the Cost of Living in Sacramento has gone up 21.3%. In that same amount of time, SMCTC has provided two COLA adjustments totaling 8.3%

The Access Sacramento Accountant's figure to me was that each 1% COLA's true cost of ownership against the annual recurring personnel costs is \$6182. On personnel costs alone then, for the Cable Commission to offer a 2% COLA to Access Sacramento's employees, a minimum of \$12,364 would need to be provided in order for Access Sacramento's employees to have the same increased buying power as County employees.

### **PEG FEE FUND**

Eligible capital facilities and equipment include items that are reasonably necessary for, and related to, the cablecasting of PEG programs, and for PEG Channel facilities and equipment, including BESTNet (the local I-net for schools.)

### **PEG EQUIPMENT/FACILITIES BASE**

Thank you for the 2% COLA offer on the *Line 8* \$79,000 Base amount (\$1,580) and for considering a pass through of the *Line 9* increased rental costs at the Coloma Community Center (\$6,750) as a direct payment to the City of Sacramento thereby restoring new and replacement equipment capabilities as originally provided. New Base: \$87,330.

## **PEG ONE-TIME EQUIPMENT**

### *Line 10. Low Power FM*

The primary argument for this one-time purchase is to enhance the effective monitoring of cablecast radio/audio during all day parts. Access Sacramento's current (and on-going) cable broadcasting of bulletin board messages with audio has been a function of our partnership with the cable commission since 1986. As technology has changed, and with the restrictive nature the cable providers in handled the shift from analog to digital audio transmission, we have had increased tracking problems with the cable services---primarily in the area of SAP (secondary audio program) and Lang.2 functionality of the transmission. This readily available retransmission of our signal from the SAP/Lang 2 source will create the accountability, reliability and overall service to the Sacramento County region. [Note: There is a work order in again (even now) with the Comcast Head End to again sort out the SAP problem for Channel 18.]

### *Line 11. Tower & ISP Control*

Establishing the cable service audio feed and control connectivity, and tower rental, are all integral to the set up of this monitoring station in initial use and testing phase. In year two, this would be an on-going cost, and Access Sacramento pledges to take on the on-going cost in year two and beyond after the system has been established.

### *Line 12. Mobile Truck/Vehicle ~~Repairs/Maintenance~~ (Upgrades)*

The Mobile Truck and Van that transport equipment to off site locations for Hometown TV and Game of the Week are reasonably necessary for and related to the cablecasting of PEG programs. I can understand how repairs and maintenance are considered operational. However, this appar to be my labeling error. My hope is that this line item would be approved to cover such things (as have happened in the past) like replacing a failed generator, Compix character generator computer/software after on-air failure, and RV remodeling for Air Conditioning insufficiency. Historically, this amount has been the amount needed, although the most recent year (as the truck has gotten older) seems to be on the increase. It would be great to put this one-time costs, into a PEG one-time line item.

### *Line 28. PEG Contingency*

Although this would be good accounting, I can see where your recommendation to move this into our unrestricted side is acceptable.

Line 29 & 30 HD Truck Replacement

Based on our discussion Monday, I understand the number of requests that have come in must be balanced against all needs. Since any type of HD installation would still not be ready for Football season, and being a supportive partner to all of the franchisees, I would modify this request to be:

**NEW - Line 30 \$15,000 – HD Truck Integration Plan**

For the purpose of working with the cable commission staff, other franchisees on the needs of the entire PEG community to unify an HD truck's outfitting and to then propose a joint use (and possible multiple year) buy out plan that would not hardship any one fiscal cycle. I accept your offer to meet in late summer and early in this fiscal year to determine what type of discussions and partnerships would be need to facilitate this need.

**Budget Hearing on June 5, 2014**

Can you provide me with some indication of what form our budget proposal will move forward to the cable commissioners? Will the whole packet including vendors bids 1 and 2, plus this memo be provided to the entire cable commission?

It is my intention to bring both a DVD/Video and a PowerPoint presentation to the Budget Hearing on June 5.

CHANNEL LICENSEE NAME:		Access Sacramento					
Fiscal Year 2014-15 Funding Requests (Operations & PEG Equipment/Facilities)							
Description	Equipment Description (if applicable)	GENERAL FUND		PEG FEE FUND			GENERAL & PEG FEE FUNDS GRAND TOTAL
		Operations / Capital Fac. / Equip. Base	GENERAL FUND TOTAL	PEG Equipment / Facilities Base	One-Time PEG Equipment	PEG FEE FUND TOTAL	
1. (General) Operations Base			\$ 392,532.00			\$ -	\$ 392,532.00
2. (General) Hometown TV [HTTV]			\$ 51,700.00			\$ -	\$ 51,700.00
3. (General) Game of the Week [GOTW]			\$ 44,979.00				\$ 44,979.00
4. (General) Minimum Wage Increase	Request: State Law Min. Wage July 1, 2014		\$ 2,000.00				\$ 2,000.00
5. (General) Fixed Benefit Costs	Request: Fixed Costs Increases Health/Worker'sComp/SS/SDI/Ret		\$ 17,500.00				\$ 17,500.00
6. (General) COLA	Request: Cost of Living Increase	[1%=\$6182] -->5% =	\$ 30,910.00				\$ 30,910.00
7. (General) Growth	Request: 0.40 FTE Growth (10 hrs Radio / 6 hours engineering)		\$ 16,981.38				\$ 16,981.38
8. (PEG) Facilities / Equipment Base	Original Base: Rent 48,000/New Equip 5000/ Replacment 11,000/ office equip 10000/Office Software 5000			\$ 79,000.00		\$ 79,000.00	\$ 79,000.00
9. (PEG) City of Sacramento 2012 Rent Increase	Request: City of Sac Support of Coloma Community Center - Rental of add'l room			\$ 6,750.00		\$ 6,750.00	\$ 6,750.00
10. (PEG) One-Time Equipment	Low-Power FM Installation				\$ 51,413.00	\$ 51,413.00	\$ 51,413.00
11. (PEG) One-Time Equipment	Radio Connectivity Leases (Tower/ISP control)				\$ 7,800.00	\$ 7,800.00	\$ 7,800.00
12. (PEG) One-Time Equipment	Mobile Truck/Vehicle Repair/Maintenance				\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
13. (PEG) One-Time Equipment	Coloma Office Copier				\$ 5,100.00	\$ 5,100.00	\$ 5,100.00
14. (PEG) One-Time Equipment	Coloma Office Equipment				\$ 10,685.00	\$ 10,685.00	\$ 10,685.00
15. (PEG) One-Time Equipment	NNB/AccessLocal.tv				\$ 39,000.00	\$ 39,000.00	\$ 39,000.00
16. (PEG) One-Time Equipment	Hub/Spoke Upload Integration				\$ 24,300.00	\$ 24,300.00	\$ 24,300.00
17. (PEG) One-Time Equipment	Hub/Spoke Internal Storage				\$ 13,524.00	\$ 13,524.00	\$ 13,524.00
18. (PEG) One-Time Equipment	Community Memory Archive				\$ 27,840.00	\$ 27,840.00	\$ 27,840.00
19. (PEG) One-Time Equipment	LiveU Connectivity				\$ 19,530.00	\$ 19,530.00	\$ 19,530.00
20. (PEG) One-Time Equipment	Tricaster Support				\$ 1,800.00	\$ 1,800.00	\$ 1,800.00
21. (PEG) One-Time Equipment	Equipment Storage/Security				\$ 5,500.00	\$ 5,500.00	\$ 5,500.00
22. (PEG) One-Time Equipment	Coloma Studio/Field Production				\$ 39,080.00	\$ 39,080.00	\$ 39,080.00
23. (PEG) One-Time Equipment	Coloma Studio Tripods				\$ 15,300.00	\$ 15,300.00	\$ 15,300.00
24. (PEG) One-Time Equipment	Coloma Studio TelePrompter				\$ 12,800.00	\$ 12,800.00	\$ 12,800.00
25. (PEG) One-Time Equipment	Digital Media Lab				\$ 10,750.00	\$ 10,750.00	\$ 10,750.00
26. (PEG) One-Time Equipment	Digital Video/Office Software				\$ 5,400.00	\$ 5,400.00	\$ 5,400.00
27. (PEG) One-Time Equipment	NNB / Wheel Support				\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
28. (PEG) One-Time Equipment	Contingency 1.5%/288,000				\$ -	\$ -	\$ -
29. Removed by agreement							
30. (PEG) One-Time Equipment	HD Truck Vehicle Integration Plan				\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
<b>TOTAL FISCAL YEAR 2014-15 FUNDING REQUEST:</b>			\$ 556,602.38	\$ 85,750.00	\$ 316,822.00	\$ 402,572.00	\$ 959,174.38

**ACCESS SACRAMENTO**

**REQUEST DATED 4/28/14**



CHANNEL LICENSEE NAME: Access Sacramento

Fiscal Year 2014-15 Funding Requests (Operations & PEG Equipment/Facilities)

Description	Equipment Description (if applicable)	GENERAL FUND		PEG FEE FUND			GENERAL & PEG FEE FUNDS GRAND TOTAL
		Operations / Capital Fac. / Equip. Base	GENERAL FUND TOTAL	PEG Equipment / Facilities Base	One-Time PEG Equipment	PEG FEE FUND TOTAL	
1. (General) Operations Base			\$ 392,532.00			\$ -	\$ 392,532.00
2. (General) Hometown TV [HTTV]			\$ 51,700.00			\$ -	\$ 51,700.00
3. (General) Game of the Week [GOTW]			\$ 44,979.00				\$ 44,979.00
4. (General) Minimum Wage Increase	Request: State Law Min. Wage July 1, 2014		\$ 2,000.00				\$ 2,000.00
5. (General) Fixed Benefit Costs	Request: Fixed Costs Increases Health/Worker's Comp/SS/SDI/Ret		\$ 17,500.00				\$ 17,500.00
6. (General) COLA	Request: Cost of Living Increase	[1%=\$6182] --> 5% =	\$ 30,910.00				\$ 30,910.00
7. (General) Growth	Request: 0.40 FTE Growth (10 hrs Radio / 6 hours engineering)		\$ 16,981.38				\$ 16,981.38
8. (PEG) Facilities / Equipment Base	Original Base: Rent 48,000/New Equip 5000/ Replacment 11,000/ office equip 10000/Office Software 5000			\$ 79,000.00		\$ 79,000.00	\$ 79,000.00
9. (PEG) City of Sacramento 2012 Rent Increase	Request: City of Sac Support of Coloma Community Center - Rental of add'l room			\$ 6,750.00		\$ 6,750.00	\$ 6,750.00
10. (PEG) One-Time Equipment	Low-Power FM Installation			\$ 51,413.00		\$ 51,413.00	\$ 51,413.00
11. (PEG) One-Time Equipment	Radio Connectivity Leases (Tower/ISP control)			\$ 7,800.00		\$ 7,800.00	\$ 7,800.00
12. (PEG) One-Time Equipment	Mobile Truck/Vehicle Repair/Maintenance			\$ 7,000.00		\$ 7,000.00	\$ 7,000.00
13. (PEG) One-Time Equipment	Coloma Office Copier			\$ 5,100.00		\$ 5,100.00	\$ 5,100.00
14. (PEG) One-Time Equipment	Coloma Office Equipment			\$ 10,685.00		\$ 10,685.00	\$ 10,685.00
15. (PEG) One-Time Equipment	NNB/AccessLocal.tv			\$ 39,000.00		\$ 39,000.00	\$ 39,000.00
16. (PEG) One-Time Equipment	Hub/Spoke Upload Integration			\$ 24,300.00		\$ 24,300.00	\$ 24,300.00
17. (PEG) One-Time Equipment	Hub/Spoke Internal Storage			\$ 13,524.00		\$ 13,524.00	\$ 13,524.00
18. (PEG) One-Time Equipment	Community Memory Archive			\$ 27,840.00		\$ 27,840.00	\$ 27,840.00
19. (PEG) One-Time Equipment	LiveU Connectivity			\$ 19,530.00		\$ 19,530.00	\$ 19,530.00
20. (PEG) One-Time Equipment	Tricaster Support			\$ 1,800.00		\$ 1,800.00	\$ 1,800.00
21. (PEG) One-Time Equipment	Equipment Storage/Security			\$ 5,500.00		\$ 5,500.00	\$ 5,500.00
22. (PEG) One-Time Equipment	Coloma Studio/Field Production			\$ 39,080.00		\$ 39,080.00	\$ 39,080.00
23. (PEG) One-Time Equipment	Coloma Studio Tripods			\$ 15,300.00		\$ 15,300.00	\$ 15,300.00
24. (PEG) One-Time Equipment	Coloma Studio TelePrompter			\$ 12,800.00		\$ 12,800.00	\$ 12,800.00
25. (PEG) One-Time Equipment	Digital Media Lab			\$ 10,750.00		\$ 10,750.00	\$ 10,750.00
26. (PEG) One-Time Equipment	Digital Video/Office Software			\$ 5,400.00		\$ 5,400.00	\$ 5,400.00
27. (PEG) One-Time Equipment	NNB / Wheel Support			\$ 5,000.00		\$ 5,000.00	\$ 5,000.00
28. (PEG) One-Time Equipment	Contingency 1.5%/288,000			\$ 4,320.00		\$ 4,320.00	\$ 4,320.00
29. (PEG) One-Time Equipment	HD Truck Vehicle			\$ 100,000.00		\$ 100,000.00	\$ 100,000.00
30. (PEG) One-Time Equipment	HD Remote Truck Equipment			\$ 250,000.00		\$ 250,000.00	\$ 250,000.00
<b>TOTAL FISCAL YEAR 2014-15 FUNDING REQUEST:</b>			\$ 556,602.38	\$ 85,750.00	\$ 656,142.00	\$ 741,892.00	\$ 1,298,494.38

Signature Gary Martin

Date 4-28-2014

Name & Title Gary Martin, Executive Director

## 2014-15 Budget Request Detail

### GENERAL FUND – OPERATIONAL BASE [Spreadsheet # 1, 2, 3]

#### Historical Background

Changes in state and federal law, economic strength and commission policy over the last decade have resulted in a shift in funding dollars for Access Sacramento away from general fund money and more toward capital outlay funds. Overall funding, then, is substantially higher based on categorical capital outlay funding, while the operational dollars for personnel and general operations continues to shrink.

This shift means Access Sacramento has been a good steward with commission money in the last three years, while utilizing the lowest base operational funding amount it has ever received since 1996. This base funding is supplemented by two special production grants for the creation of 50 televised events under the categories of HomeTown TV (HTTV) and Game of the Week (GOTW). These grants existed at \$93,500 for two years (2006-2008) but received a 3.4% COLA and have been consistent at \$96,679 since that time. [SEE APPENDIX A.]

When the COLA was approved in 2008, Access Sacramento’s operational funding base was \$440,532. However, in 2011, the base fund was reduced \$48,000 without any subsequent reduction in the production requirements of the HTTV and GOTW grants during the last three years.

After three years of absorbing fixed cost increases in both Operational and Facility categories, Access Sacramento requests \$556, 602.38, including four defined line-item increases in its General Fund allocation for 2014-15. These increases total \$67,391.38 from its status quo budget of \$489,211 since 2011.

Description	Equipment Description (if applicable)	GENERAL FUND	
		Operations Capital Fac. Equip. Base	GENERAL FUND TOTAL
(General) Operations Base			\$392,532.00
(General) Hometown TV			\$51,700.00
(General) Game of the Week [GOTW]			\$44,979.00
(General) Minimum Wage Increase	<b>Request:</b> State Law Min. Wage July 1, 2014		\$2,000.00
(General) Fixed Benefit Costs	<b>Request:</b> Fixed Costs Increases Health/Worker'sComp/SS/SDI/Ret		\$17,500.00
(General) COLA	<b>Request:</b> Cost of Living Increase	[1%=\$6182] 5%=-	\$30,910.00
(General) Growth	<b>Request:</b> 0.40 FTE Growth (10 hrs Radio / 6 hours engineering)		\$16,981.38

## **Minimum Wage Increase [Spreadsheet #4]**

### **Request One: \$2,000**

The State minimum wage goes up to \$9.00 per hour on July 1, 2014, the first day of the fiscal year. To meet this state mandate while still meeting the requirement for 50 events for Hometown TV and Game of the Week, a \$2,000 permanent increase in the General Fund Allocation is requested. Although many of the on-call part-time production staff for Hometown TV and Game of the Week are above minimum wage, many are not. This \$2,000 request constitutes a 2% increase in personnel costs for those staff who need to be increased to the new California minimum wage.

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## **Fixed Payroll Cost Increases [Spreadsheet #5]**

### **Request Two: \$17,500**

Since 2011-12, the cost of for payroll associated benefits has increased 23.8%. Access Sacramento has covered these costs but with additional increases already known for 2014-15, Access Sacramento respectfully asks for an increase in operational support to restore balance to the overall budget.

#### Fixed cost Detail:

Payroll Taxes (SDI/Unemployment Ins)	\$4,000
Medical Insurance	\$7,000
Retirement	\$3,000
Worker's Comp Insurance	\$3,500

Note: This medical insurance request also will cover increased costs of a replacement employee after the anticipated retirement of a non-covered employee. Retirement increases will help cover costs of two newly qualified enrollees who will require equity with existing employees.

## 5% Cost of Living Increase [Spreadsheet #6]

### Request Three: \$30,910

Access Sacramento's staff has operated under six funding-cycles with status quo salary funding through the economic downturn with no additional payroll support from SMCTC since 2008-09 when a 3.4% COLA was provided.

Access Sacramento currently has four full-time employees and five three-quarter time employees, plus a varying number of on-call hourly production staff called as needed. Research for Non-Profit Salaries in Northern California in 2013 reveals Access Sacramento's dedicated staff is among the lowest paid among employees at non-profit foundations with a budget the size of Access Sacramento's. The Executive Director is in the 25<sup>th</sup> percentile (75% get paid more), and most of the office and program/production management staff are in the 10<sup>th</sup> percentile (90% get paid more).<sup>1</sup>

The only other COLA offered in this decade was a 5% boost in 2006.

California's inflation from 2001 to now:

California <sup>2</sup>	Access COLA
2001 2.72%	
2002 1.80%	
2003 2.16%	
2004 2.65%	
2005 3.64%	
2006 3.82%	5.0%
2007 1.97%	
2008 5.37%	3.4%
2009 -1.48%	
2010 1.15%	
2011 3.77%	
2012 2.10% <sup>3</sup>	
2013 <sup>4</sup>	

<sup>1</sup> Fair Pay for Northern California Nonprofits: The 2013 Compensation & Benefits Survey Report. Oakland, CA: Nonprofit Compensation Associates. [www.nonprofitcomp.com](http://www.nonprofitcomp.com). 2013.

<sup>2</sup> <http://www.bizjournals.com/bizjournals/on-numbers/scott-thomas/2011/10/inflation-rate-hits-657-for-past-50.html?appSession=264134433324617&RecordID=&PageID=2&PrevPageID=1&cpipage=5&CPISortType=&CPIorderBy=> April 20, 2014.

<sup>3</sup> [http://www.dot.ca.gov/hq/tpp/offices/eab/socio\\_economic\\_files/2012/Sacramento.pdf](http://www.dot.ca.gov/hq/tpp/offices/eab/socio_economic_files/2012/Sacramento.pdf)

<sup>4</sup> <http://www.deptofnumbers.com/income/california/sacramento/> Not expected until September, 2014.

## **0.40 FTE Growth (10 Hours Radio-6 Hours Radio Engineering) [Spreadsheet #7]**

**Request Four: \$16,981**

At the time when Access Sacramento's "The Voice" audio service for cable cast and on the Internet was also being broadcast on KYDS 91.5 FM in conjunction with El Camino Fundamental High School in the San Juan Unified School District, Access Sacramento had a full time radio coordinator and three part-time radio assistants. Since 2003 however, our radio operation has been handled by a 30-hour a week employee. With the granting of a FCC License to operate low-power FM Radio station KUBU-LP at 96.5 FM from midtown Sacramento, Access Sacramento respectfully asks for 0.40 FTE funding in growth to assure both start up and maintenance engineering and to insure FCC compliance for both programming and reporting. Access Sacramento currently has a part-time general purpose engineer (formerly fulltime) at 10 hours a week.

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## **PEG FEE FUND – PEG Equipment / Facilities Base [Spreadsheet #8]**

### **Historical Background**

Prior to 2008, all approved equipment requests were funded by general fund franchise fees. Beginning in 2008, Access Sacramento began receiving \$31,000 per year for three years as a base amount to pay for rent and basic equipment expenses. After a year of research, the SMCTC agree in 2011 to provide a base of \$79,000 to handle facilities and a consistent level of basic support for PEG related expenditures.

### **Coloma Community Center Rent Increase [Spreadsheet #9]**

**Request: \$6,750**

At the request of the City of Sacramento in 2012, Access Sacramento agreed to support the historic Coloma Community Center by increasing our rent by \$6750 annually to occupy additional office space after the City of Sacramento's IT/Engineering Department moved to another facility.

Access Sacramento, as a good steward of the Cable Commission's funds, has absorbed the cost of this rental increase by the City of Sacramento, and has maintained a status quo budget during the last two years. Access Sacramento respectfully asks for a permanent increase to its PEG Equipment / Facilities Base to cover this fixed cost increase, thereby restoring original base amounts for new and replacement equipment and office equipment and software.

## PEG FEE FUND – One-Time PEG Equipment

•*Vendor bids for spreadsheet line items are contained in Appendix B*•

### Historical Background

Prior to 2005, all funding was handled within the General Fund Franchise structure. In 2005, 2006, and 2007, Access Sacramento received the SMCTC General Fund grant, plus special one-time dollars for specific purchases (\$55,000 to \$66,000) over and above the Franchise Base. In 2008, a \$31,000 PEG Equipment base was established, with One-Time additional monies being requested on a year-by-year basis. In 2011, the PEG Equipment base was increased to \$79,000 and was supported for the last three years by an additional \$289,000 for one-time purchases.

The Access Sacramento Board of Directors thanks the Cable Commission for its on-going support of the community projects that support the mission of “Making a Difference, One Voice at a Time.”

### Low-Power FM Radio Installation [Spreadsheet #10]

**Request: \$51,413**

As announced for the last several years, the ability to support the community voice in radio/audio this year resulted in our application and approval to own and operate a low-power FM radio station, KUBU-LP based in midtown Sacramento at 96.5 FM. This purchase allows Access Sacramento staff, the commission and the public to better monitor and enjoy the valuable radio broadcasts that have been part of our cablecast and internet outreach since 1986. This bid includes quotes for \$35, 413 in equipment, plus an estimated \$16,000 noted here for site modifications and antenna installation by a crane/installer company.

The programming notes to the FCC include our intention to negotiate to broadcast live the Sacramento City Council meetings and to provide hyper-local Sacramento County coverage of special events. The overall interest in having the radio station is proving to be a major draw for new membership at Access Sacramento and demonstrates a fantastic opportunity for our broadcasters to reach even more residents. With this additional outreach, it creates more opportunities to do simulcasts with the cable broadcasts, and to partner with the local business community for underwriting and program support.

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### **Radio Connectivity Leases [Spreadsheet #11]**

**Request:** \$7,800

The antenna is intended to be placed atop an existing tower/mast at 2020 L. Street in downtown Sacramento in a Pappas Investments six story office complex. By using this existing tower with a local developer, the rental cost will be about half what a commercial rental would be if, for example, sharing tower space with a Cell Phone company's tower was necessary. With this item's approval, we will complete negotiations for monthly rental to be between \$300-\$350, with additional fees including the internet connectivity for control of the transmitter and delivery of the audio signal.

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### **Mobile Truck Vehicle Repair & Maintenance [Spreadsheet #12]**

**Request:** \$7,000

Equipment repair and maintenance of the three Access Sacramento vehicles typically costs about \$7,000. This primarily includes costs associated with such things as generator repair for use during Hometown TV and Game of the Week, Lift Gate and stair maintenance, and transportation of crew to and from production sites.

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### **Coloma Office Copier [Spreadsheet #13]**

**Request:** \$5,100

This is a renewal of our leased Ricoh copiers in the main office and the executive office previously supported by SMCTC.

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### **Coloma Office Equipment [Spreadsheet #14]**

**Request:** \$10,685

This is a renewal of the line item from last year that equips the main office with computer support, software, TV monitors to observe the daily broadcasts, internet connectivity for the office upload station, and contract for the FACIL database that maintains membership records, equipment inventory and checkout, room and edit station reservations.

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### **NNB/AccessLocal.TV [Spreadsheet #15]**

**Request:** \$39,000

This is the broadcast and encoder hardware expansion located at Access Sacramento's server closet to support computer digital video storage. This is the foundation of the member upload system for encoding video directly into the playback server. As the number of online viewers and services available under AccessSacramento.org and Accesslocal.tv continues to expand, the hardware requirements to support this continued expansion and capacity of the hardware and software systems is required. In addition to expansion of the capacity of the systems, a number of new features are being added to the systems that further enhance its ability to support new capacities and capabilities including video blogging and podcast hardware and software support.

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### **Hub/Spoke Upload Integration [Spreadsheet #16]**

**Request:** \$24,300

This item supports the Community Center Green Studio Hardware Integration and ongoing installation involving the Sacramento Public Library, Asian Resources Center, Nonprofit Resource Center, and new Eastern Sacramento County location. This is a continuation and expansion of the hub and spoke concept created several years ago by former Executive Director Ron Cooper. This allows the new community media centers to have hardware, software and facilities integration that are unique to each of the five community centers currently completed or contemplated for installation in the five major boroughs within Sacramento County. Each of these centers has special characteristics and hardware needs that are addressed by this line item.



The latest center nearly ready to open is at the Nonprofit resource center inside the Sierra Health Foundation's Innovation Center on the Garden Highway. Sierra Health has invested \$22,000 of its own money to support the Access Sacramento Tricaster broadcast equipment to create informational videos, discussions and webinar-style trainings that support the entire Sacramento County nonprofit community.

### **Hub/Spoke Internal Storage [Spreadsheet #17]**

**Request:** \$13,524

Access Sacramento specific server internal video hardware and video storage specifically meets the needs of internet based collection development and video playback. In concert with the expansion of the encoder hardware (Item #15 above), this line item covers the expansion of the video storage hardware necessary to keep up with the rapidly expanding volume of video and audio content being produced by the community centers, Accesslocal.tv, the membership producer community, and the playback system that operates cable channels 17 & 18 24 hours a day.

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### **Community Memory Archive Storage System [Spreadsheet #18]**

**Request:** \$27,840

As a component of the previously approved community memory project, this line item covers the expanded computer storage necessary to allow all of the expanding indexed video content in the community memory project to be stored and accessed by the public. This expanded storage system will simplify the means and the speed by which the public can readily access indexed content of television station video archives. This line item covers hardware warranties and recurring annual software licenses for the community memory project.

This is particularly valuable for the word index data base that will be automatically created and will be developed over the next year. The Access Sacramento programming committee is considering the rules by which members and the public will have access to the archive (fees or free) and the extent to which an automated internet video on demand type of availability will be possible given the desire to have no staffing dollars spent on the system's usability.

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### **LiveU Connectivity [Spreadsheet #19]**

**Request:** \$19,530

This is the lease device that allows Access Sacramento to broadcast video LIVE for Hometown TV and Game of the Week. This item has an increase in this year's price after this line item of year ago was under funded by \$1,530.

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### **Tricaster Support [Spreadsheet #20]**

**Request:** \$1,800

This line item provides transport functionality and safety for the tricaster broadcasting equipment purchased in previous years. While transportable, the computer style equipment is also cumbersome and difficult to manhandle. This case storage and battery system will protect our gear and make its transport much more reliable.

---

### **Equipment Storage and Security [Spreadsheet #21]**

**Request:** \$5,500

This line item acknowledges that part of the equipment used or intended for surplus by Access Sacramento is stored at an off-site storage unit with a monthly rental. This site, our offices and production facilities in the Coloma Community Center are protected by a monitored alarm-system to protect the equipment that's been purchased on behalf of the Cable Commission.

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### **Coloma Studio & Field Production [Spreadsheet #22]**

**Request:** \$39,080

This item is the foundation of the upgrades intended for studio and field video and audio work out of the Coloma Community Center. The list and vendor bids attached in Appendix B were generated by staff and by the membership during our Focus 14-15 event, wherein our strategic plan was validated and wish lists were created to allow members to drive the purchases in this current building cycle.

Items include a replacement studio grey drape, monitors for the studio, a wireless microphone system, high quality video projector, hard drive playback record system for the studio and media lab, SDI routers, dolly wheels and floor mic stands.

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### **Coloma Studio Tripods (Camera Pedestals) [Spreadsheet #23]**

**Request:** \$15,300

Two of the older tripods in the Coloma Studio have no height adjustments and should be pedestals. These are also in need of upgrade to support the weight of the TelePrompter systems requested in Item # 24.

### **Coloma Studio Teleprompter System [Spreadsheet #24]**

**Request:** \$12,800

The studio currently has a single camera teleprompter that uses older software and a smaller mirror/screen. This request places a full-fledged TV studio prompter system in place with appropriate computer support, making the studio fully functional for all cameras.

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### **Digital Media Lab (Hardware) [Spreadsheet #25]**

**Request:** \$10,750

These advancements again were generated by staff and members during the Focus 14-15 strategic plan review and validation.

Specific items include staff only video editing storage, two computer workstations, networking server software and loaner headphones for the editing stations.

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### **Digital Video & Office Software [Spreadsheet #26]**

**Request:** \$5,400

This line item allows a staff and media lab switch to the Adobe line of video editing and element creation tools including Photoshop, Premiere and After Effects. It also updates the Coloma Center to the latest Office software version since the facility is not consistent in its software versions.

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### **NNB/Wheel Support [Spreadsheet #27]**

**Request:** \$5,000

This item specifically supports the youth correspondents in the Neighborhood News Bureau's with equipment for video news reports, podcasts, and the preparation of news stories and blogs on AccessLocal.TV. Stipends for these young writers in training are provided on a grant from the California Endowment, and this hardware provides the technology they use to fulfill the grant and provide videos that air on Channel 17.

### **Contingency [Spreadsheet #28]**

**Request:** \$4,320

A minimum recommended standard for capital outlay budgeting is to have a 1.5% contingency allowance for underbids, shipping or unexpected needs. PEG equipment funding for the last three years has been \$288,000. 1.5% of that amount is requested for contingencies.

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### **HD Truck Vehicle & HD Remote Truck Equipment [Spreadsheet #29 & 30]**

**Request:** \$100,000 + \$250,000

This request is modified after an initial request last year for \$250,000 in equipment and no vehicle. The request last year proposed using NewTek Tricaster gear in an HD truck update. This design has been determined as not viable for Sacramento County's use and need.

- 1) Remodeling the existing SD truck prevents its on-going use as a training tool and obsolesces the equipment. Access Sacramento proposes partnering for several years with a local college who would maintain and store the vehicle providing programming for the community without dismantling the working gear.
- 2) Providing a new vehicle with integrated a/c, generator and capacity guarantees production reliability and sustainability for more than a decade.
- 3) Using a system integrator who would build the truck provides warranty and viability beyond what the existing Access Sacramento Engineering staff can provide.

# **CAPITAL PUBLIC RADIO**



April 28, 2014

Robert Davidson, Executive Director  
Sacramento Metro Cable Television Commission  
799 G Street, 4th Floor  
Sacramento, CA 95814-1212

Re: FY 2014-15 Funding Opportunity

Dear Bob,

Please find attached our request for general operating funds in the amount \$17,785 for FY2014-2015 Funding Opportunity. I have also attached a proposed budget including matching funds and our most recent financial audit.

We are so grateful for this opportunity and thank you for the many years of financial support. Funding through the Sacramento Metropolitan Cable Television Commission provides the support that helps us bring superior quality programs and services every day to the greater Sacramento community.

Please let me know if you have any questions or need additional information.

Very truly yours,

A handwritten signature in cursive script that reads "Arla Gibson".

Arla Gibson  
Director of Development

Attachments



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April 25, 2014

Mr. Robert Davison, Executive Director  
Sacramento Metropolitan Cable Television Commission  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

Re: Request for funding FY 2014-2015

Dear Mr. Davison & Sacramento Metropolitan Cable Television Commissioners,

The Sacramento Metropolitan Cable Television Commission has provided substantial annual support to Capital Public Radio since 1989. Your financial commitment continues to support the quality and diversity of programs and services that we are able to bring every day to the greater Sacramento community.

Capital Public Radio started as a single station in 1979, and today is a seven-station network broadcasting to more than 420,000 listeners each week and an ever-increasing global audience through the Internet. Essential to our everyday lives, Capital Public Radio enriches the experience of listeners in the Sacramento region with engaging discussions, lively debates, cutting-edge multimedia arts programs, and inspiring classical and jazz music.

In addition to signature programs such as *Morning Edition*, *All Things Considered*, *Fresh Air*, *Marketplace* and *Car Talk* from NPR, American Public Media and Public Radio International, Capital Public Radio has its own award winning news department and produces its own daily public affairs program, *Insight*. On the music side, Capital Public Radio offers locally originated classical, jazz, and blues music each week including *Excellence in Jazz*, *Mick Martin's Blues Party*, and *At the Opera with Sean Bianco*.

Annual funding from the Sacramento Metro Cable Television Commission helps Capital Public Radio to proudly provide, not only the very best in NPR programming, but also includes:

- ◆ 24 hour music programming including daily classical music, evening jazz and local music programs such as *Excellence in Jazz*, and *At the Opera with Sean Bianco*, a weekly locally hosted show providing opera music and educational commentary.
- ◆ Our award winning, locally produced daily news reports.
- ◆ Our award winning, locally produced award documentaries.
- ◆ Our locally produced and innovative daily public affairs program, *Insight* with host, Beth Ruyak.
- ◆ Our Capitol News Bureau and the Capital Public Radio Network, an innovative and well-respected news bureau that covers both the state legislature and local government providing reports to more than 60 stations in California, Southern Oregon, and Western Nevada.
- ◆ Locally produced music programs like *Mick Martin's Blues Party*, *Blue Dog Jam*, *Acid Jazz*, *Connections*; and
- ◆ 24 hour online streaming of Jazz and Classical Music in addition to streaming our regular broadcasts.



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*The View From Here*, our multimedia documentary unit, recently won the national Sigma Delta Chi Award for best documentary from the Society of Professional Journalists for Autism Grows Up. *The View From Here* will release its next documentary, Who Cares - a one hour feature about family caregivers on Friday, May 9th.

Two of our News reporters, Bob Moffitt, Sacramento Region Reporter and Pauline Bartolone, Healthcare Reporter, also won prestigious Edward R Murrow awards for Sports Reporting and Hard News categories respectively.

In order to maintain our local programming at the current level, Capital Public Radio is requesting a grant in the amount of **\$17,875** from the Sacramento Metropolitan Cable Television Commission for general operations.

The request for funding for **general operations** will support the following services:

- Approximately 6% of our music programming personnel cost including *Excellence in Jazz*, *Mick Martin's Blues Party* (weekly four hour show), *Blue Dog Jam with Nick Brunner* (weekly four hour show of AAA and Indie music including local bands) and *At the Opera with Sean Bianco* (weekly four hour show).

Capital Public Radio has delivered superior-quality news and music programming to Northern California for more than 35 years. Capital Public Radio is a private, nonprofit, community based organization, and we are affiliated with California State University, Sacramento (Sac State). However, it is important to note, we receive no funding from Sac State.

As part of our recognition for your support, the Sacramento Metropolitan Cable Television Commission is acknowledged a minimum of once per month on our stations, 90.9 FM and 88.9 FM and is linked on our website, [capradio.org](http://capradio.org).

On behalf of all of us at Capital Public Radio, I wish to express my appreciation for the many years of faith you have placed in us, and for this opportunity to request your continued support.

Please feel free to contact me at your earliest convenience if you need additional information or have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Rick Eytcheson", with a stylized flourish at the end.

Rick Eytcheson  
President & General Manager

Attachments (1): Proposed Budget

CHANNEL LICENSEE NAME: CAPITAL PUBLIC RADIO

Fiscal Year 2014-15 Funding Requests (Operations & PEG Equipment/Facilities)

Description	Equipment Description (if applicable)	GENERAL FUND		PEG FEE FUND			GENERAL & PEG FEE FUNDS GRAND TOTAL
		Operations / Capital Fac. / Equip. Base	GENERAL FUND TOTAL	PEG Equipment / Facilities Base	One-Time PEG Equipment	PEG FEE FUND TOTAL	
(General) Operations Base		\$ 17,785.00	\$ 17,785.00			\$ -	\$ 17,785.00
(General) Capital Facilities/Equip Base			\$ -			\$ -	\$ -
(PEG) Facilities / Equipment Base			\$ -			\$ -	\$ -
(PEG) One-Time Equipment (list items in Equip. Description column)			\$ -			\$ -	\$ -
<b>TOTAL FISCAL YEAR 2014-15 FUNDING REQUEST:</b>			\$ 17,785.00			\$ -	\$ 17,785.00



\_\_\_\_\_  
Signature

April 28, 2014  
\_\_\_\_\_  
Date

Rick Eytcheson  
\_\_\_\_\_  
Name & Title

Please attach vendor quotes / supporting documentation for all of the items requested above.

**Sacramento Metropolitan Cable Television Commission**  
**Funding Request for Fiscal Year 2014-2015**  
*Capital Public Radio: Proposed Budget*  
**April 28, 2014**

<b>CAPITAL PUBLIC RADIO</b>	<b>General Fund Operations Base</b>	<b>PEG Fee Fund</b>	<b>Capital Public Radio Match (cash &amp; inkind)</b>	<b>TOTALS including Match</b>
<b>Operations Base</b>				
<u>Salaries &amp; Benefits</u> Approximately 6% of the personnel cost of our music department: Salaries & Benefits	\$ 17,875	\$ -	\$ 313,750	\$ 331,625
<u>Other Expenses</u> To provide monthly on air messages on Capital Public Radio stations, "We get support from..." and web link for SMCTC One message /month on 90.9 & 88.9 X \$100/ message X 12 months plus 52 weeks web link and SMCTC logo on capradio.org			\$ 12,000	\$ 12,000
<b>General Operations Total</b>	<b>\$ 17,875</b>	<b>\$ -</b>	<b>\$ 325,750</b>	<b>\$ 343,625</b>
<b>PEG Fee Funding Request</b>	\$ -	\$ -	\$ -	
<b>PEG Fee Total</b>	\$ -	\$ -	\$ -	\$ -
<b>GRAND TOTAL</b>	<b>\$ 17,875</b>	<b>\$ -</b>	<b>\$ 325,750</b>	<b>\$ 343,625</b>
<b>TOTAL Funding Request Fiscal Year 2014/2015:</b>	<b>\$ 17,875</b>			

**KVIE**



KVIE Public Television  
1000 W. Capitol Mall  
Sacramento, CA 95814  
916.486.1177  
www.kvie.org

April 28, 2014

Sacramento Metropolitan Cable Television Commission  
799 G Street, 4th Floor  
Sacramento, CA 95814

Dear Commission:

Because of the generosity of the Sacramento Metropolitan Cable Television Commission, Sacramento County is able to be served by two public television channels at the most-available tier for cable subscribers. This is an opportunity for our residents that is unlike most other counties in the nation.

Your annual grant continues to be one of the largest grants from any one funder during our year and helps us to continue to invest in our service for the benefit of our community.

As with recent years, KVIE proposes an all-PEG eligible capital purchase budget request in order to provide the Commission with greater flexibility in distributing general funds to its member agencies. In addition to requesting our base of \$195,507 through necessary capital facilities and equipment purchases, we are requesting an additional \$708,744 in one-time equipment request funds. We are submitting a budget request that totals \$904,251 that is consistent with capital items designed for purchase through the 1% PEG fee.

Our request includes three project areas relating to our facility, production/content creation, and technical core/program dissemination for our KVIE2 service:

- **Facility** – We have been able to replace our failing, outdated HVAC system through a unit replacement schedule. There is no option for repairs on the 20+ year old system. Total replacement cost for the production and post-production HVAC units is \$97,674. Information technology needs include additional computer server storage, replacement for an outdated phone system, and network security (firewall). Total cost for IT items is \$153,071.
- **Production/Content Creation** – A new transcoding system will provide for faster output of post-production content to the air server for dissemination. Included will be more capacity to handle multiple projects at once. Total cost is \$61,435. Our multi-viewer used to monitor incoming/outgoing content has reached input/output capacity. An upgrade is needed that can provide monitoring of KVIE2 on Comcast and Surewest. Total cost is \$45,744. Production audio control needs new software and hardware that adds loudness monitoring. Cost is \$19,036. A new monitor calibration set is needed to ensure that monitors used by production staff are accurately adjusted and reproducing correct colors that will be seen by viewers at home. Cost is \$5,452. New Mac Book Pros used by field production staff will replace other end of life units. Cost is \$7,263. Replacement monitors and video

graphics equipment are needed to keep the video graphics workstation current with today's technology and needs. Cost is \$6,134. Multiple edit bays are in need of audio and video monitoring improvements. Cost is \$17,943. For field production, we are in need of a wide angle lens to provide new videography opportunities that we don't currently have. Cost is \$27,635. New lens controls are needed for field production to allow rear controls and standup operation when a camera is on a tripod. Cost is \$13,122. Our current video production switcher does not have color correction capability. Cost is \$8,280.

- **Technical Core/Program Dissemination** – Two systems that provide program storage and program dissemination are both at end of life. A new production/master control archive will replace an archive robot used to store and archive programs. A new automated robotic system will integrate with production edit systems and allow editors to retrieve archive material more quickly. This also increases the storage capacity for archiving. Total project cost is \$250,873. For program dissemination, an 8-year-old disc storage array is failing and past end of life. A new system will provide reliability and approximately double the program storage capacity. Total project cost is \$190,859.

Our PEG funding request will show our PEG facilities/equipment base at previous annual levels. That line item will include our air server upgrade and a portion of an HVAC project to equal the \$195,507 base level. The remainder of the project will be included with the rest of the requests for the one-time equipment requests in the additional PEG funding request.

Again, thank you for supporting KVIE with continued funding for KVIE2 that provides Sacramento County residents with quality, educational television that unites them and connects them to the world around them.

Sincerely,



David Lowe  
President & General Manager

Attachment: KVIE Budget, PEG Fee Funding Request, Vendor/Equipment Price Quotes

**KVIE Budget Report**  
**Fiscal Year 2014/2015**

<b>KVIE Total</b>	<b>FY2015 DRAFT Budget</b>
<b>Revenue Sources</b>	
SMCTC (PEG) One-Time Equip	\$ 904,251
Dues/Memberships/Fees	\$ 6,107,474
Interest	\$ 90,000
Other	\$ 5,819,670
<b>Total</b>	<b>\$ 12,921,395</b>
<b>Expenditures</b>	
Personnel	\$ 4,449,197
Services & Supplies/Operations/G&A	\$ 8,333,905
Grants/Scholarships	\$ -
Fixed Assets/Equipment	\$ 1,046,251
<b>Total</b>	<b>\$ 13,829,353</b>

**Please Note:**

Staff is developing the FY15 Budget and plans to submit a balanced budget to the KVIE Board for expected approval by 6/30/2014. Please see the accompanying cover letter for explanations of the equipment grant requests.

**CHANNEL LICENSEE NAME: KVIE**

**Fiscal Year 2014-15 Funding Requests (Operations & PEG Equipment/Facilities)**

Description	Equipment Description (if applicable)	GENERAL FUND		PEG FEE FUND			GENERAL & PEG FEE FUNDS GRAND TOTAL
		Operations / Capital Fac. / Equip. Base	GENERAL FUND TOTAL	PEG Equipment / Facilities Base	One-Time PEG Equipment	PEG FEE FUND TOTAL	
(General) Operations Base			\$ -			\$ -	\$ -
(General) Capital Facilities/Equip Base			\$ -			\$ -	\$ -
(PEG) Facilities / Equipment Base	Air Server upgrade (\$190,589) Production - Post Production HVAC (\$4,918)		\$ -	\$ 195,507.00		\$ 195,507.00	\$ 195,507.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Production - Post Production HVAC (portion not in PEG Facilities / Equipment Base)				\$ 92,756.00	\$ 92,756.00	\$ 92,756.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Production / Master Control Archive				\$ 250,873.00	\$ 250,873.00	\$ 250,873.00
(PEG) One-Time Equipment (list items in Equip. Description column)	IT Upgrades				\$ 153,071.00	\$ 153,071.00	\$ 153,071.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Telestream Vantage upgrade.				\$ 61,435.00	\$ 61,435.00	\$ 61,435.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Multi View for monitoring				\$ 45,744.00	\$ 45,744.00	\$ 45,744.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Audio Upgrades				\$ 19,036.00	\$ 19,036.00	\$ 19,036.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Video Monitor Calibration Set				\$ 5,452.00	\$ 5,452.00	\$ 5,452.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Mac Books				\$ 7,263.00	\$ 7,263.00	\$ 7,263.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Video Graphics workstation upgrade				\$ 6,134.00	\$ 6,134.00	\$ 6,134.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Edit Room improvements				\$ 17,943.00	\$ 17,943.00	\$ 17,943.00

(PEG) One-Time Equipment (list items in Equip. Description column)	Production Field Lens additions				\$ 27,635.00	\$ 27,635.00	\$ 27,635.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Viewfinder - Servo lens control for Field Camera. (2 sets)				\$ 13,122.00	\$ 13,122.00	\$ 13,122.00
(PEG) One-Time Equipment (list items in Equip. Description column)	Production switcher Color Corrector				\$ 8,280.00	\$ 8,280.00	\$ 8,280.00
<b>TOTAL FISCAL YEAR 2014-15 FUNDING REQUEST:</b>					\$ -	\$ 904,251.00	\$ 904,251.00



Signature

April 28, 2014

Date

David Lowe, President & General Manager

Name & Title

Please attach vendor quotes / supporting documentation for all of the items requested above.

**SACRAMENTO EDUCATIONAL CABLE CONSORTIUM**



**RECEIVED**

APR 30 2014

SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION

April 28, 2014

Bob Davison  
Executive Director  
Sacramento Metropolitan Cable Television Commission  
799 G Street, 4th Floor  
Sacramento, CA 95814

RE: SECC BUDGET & ONE TIME PEG FEE REQUEST

Dear Bob:

Attached is the Sacramento Educational Cable Consortium's (SECC) 2014-2015 Budget and One Time PEG Fee Funding request. SECC is requesting \$449,529 in funding from the SMCTC PEG Fee and General Funds. Specifically:

- **\$152,349** in **one time** PEG Facilities and Equipment funding
- **\$49,109** for **SECC general operations (part of operational grant)** from PEG Fee Fund
- **\$248,071** from the General fund (**SECC operational grant**) to supplement the SECC \$527,000 budget (approximately \$230,000 additional revenue generated by SECC)

**ONE TIME PEG FEE FUND REQUEST:**

- \$62,159 Replacement of an SECC Channel Automated Playback Unit
- \$90,199 SEVA Studio Labs "match" for student/teacher media facilities at the following school sites in these districts:
  - San Juan USD
  - Twin Rivers USD
  - Elk Grove USD or Galt Joint Union Elementary

Each site will provide programming produced by students for the educational channels, enhancing the educational offerings to Sacramento.

**Replacement of SECC Automated Playback Unit to Comcast Headend - \$62,149**  
*(Budget specifics are attached)*

The Tightrope System units at CSUS, Sacramento City College, San Juan Unified School District and the Comcast Headend were originally purchased and installed six years ago for use by SECC and its partners. The units are used to schedule and manage playback operations with multiple origination locations. After six years of constant operation, full maintenance and support, the manufacturer no longer offers maintenance coverage since they cannot source parts for the aging machines. Advancements have been made in operating systems (SECC's machines are still using Windows XP) and Microsoft recently announced that they were discontinuing software security patches/updates to the Windows XP platform. Portions of the units have been failing over the past two years.

The new equipment would be placed at the Comcast Headend and connected to the SECC existing Sierra Video Systems router and network connection. SECC would replace two Carousel playback units, one Cablecast Pro scheduling unit and add two live streaming units and one SX playback server, a two channel output/one channel input playback server. The update also includes converters, adapters, cabling and a keyboard/monitor solution so that one keyboard and monitor can serve all six computer systems at the Headend.

The Tightrope equipment would be installed and supported by Media Control Systems whom we've worked with for the past six years.

**SEVA Studio Labs - \$90,199 (Three labs at \$30,066 each)**

*(Budget specifics are attached)*

Rooted in the belief that the video production process engages students in a variety of content areas, and with the implementation of the Common Core State Standards (CCSS), Sacramento's generation of learners need to communicate with technology. The proposed SEVA Studio Labs will continue the progress initiated with the implementation of the PEG funded labs at Taylor Street School (Robla USD) and Fern Bacon Middle School (Sacramento City USD) by integrating these skills into the classroom curriculum.

In addition, the SEVA Studio Labs expand the 25 year old local SEVA (Student Educational Video Awards) program that joins students, teachers and businesses and provides extensive training and assistance to Sacramento county schools. The program's objective has always been to enhance academic achievement while students learn to work collaboratively in teams and engage in projects that motivate them to remain in school.

SECC is requesting \$90,199 for three labs. One lab would be placed in the San Juan District as promised last year during the PEG funding cycle when the San Juan's USD requested was placed on hold. The second lab would be placed in the Twin Rivers USD. A third lab would be placed in either the Galt or Elk Grove District. Both districts have requested a lab and committed to the project. Decisions on specific

school sites have not been finalized or announced due to the experience from 2013-2014 funding cycle. If not totally funded, SECC does not want to disappoint the school site and the teacher.

The districts and school sites are committed to this project and will assist with installation, facilities, maintenance, program and curriculum development and ongoing program support.

These labs, as described below, will enhance programming content on the educational channels as well as growing the county-wide SEVA program which has provided countless hours of student produced content for the Sacramento community.

### **Studio**

The studio setup in this proposal would support, in addition to school productions, a daily morning news show scenario. Three HD camcorders are tethered to an entry level HD/SD Newtek Tricaster unit. The Tricaster offers in one box professional level live switching, character generation, video playback, audio mixing and final output recording. Simple to operate by students and teachers, the system uses extensive green screen technology to place the talent in virtual sets. A series of efficient fluorescent lights illuminate two different green screen backdrop systems - one for the fixed talent and one for walk-ons. Audio is a mix of wireless and wired audio solutions for anchors and walk-on talent. Two of the cameras have a teleprompter to help on-camera talent deliver information smoothly and efficiently.

### **Field Kits**

Based on SECC's previous DV Starter Kits, each lab kit includes a compact HD camcorder shooting H264, a UHF wireless mic setup, video tripod, spare battery, headphones and protective camera case. Five kits are included in this proposal.

### **Computers**

Two Apple iMac computers with Adobe Premiere Elements and Photoshop software would serve as edit stations for packages/stories shot by the field kit units. The completed stories would be sent over the network to the Tricaster unit for inclusion in the morning program.

### **District/School Match: Facility/Maintenance/Installation**

The districts and schools are committed to these labs and will contribute facilities, installation, maintenance and resources to the program. These contributions are valued at a minimum of a 100% match to the PEG funds requested.

### **SECC OPERATIONS**

*(Budget specifics are attached)*

During FY 2013-2014, SECC has continued to evaluate and shift to new and unique uses of Sacramento's education channels. Members are increasing the content to reflect a new use of the channels in a changing educational environment. Blended learning, the adult learner, general educational content and outreach to the Sacramento community are becoming more the norm, replacing some of the standard classroom courses. Through ongoing partnerships, efficiencies and creative expenditures SECC is proposing the attached conservative 2014-2015 budget that includes:

- Estimate of carryover funds from 2013-2014 due to increased external grant funding/projects
- Basic status quo in expenditures from 2013-2014
- No major changes in operations and staffing
- No increase in membership fees
- Full time (24/7) operation of the educational channels focused on locally produced content and educational content geared specifically for Sacramento community.

SECC leverages funds from the SMCTC to supplement the operations of the educational channels. The total 2014-2015 SECC operational budget is \$527,000, of which \$297,291 is requested from the SMCTC. The \$230,000 balance is generated by the SECC membership.

SECC appreciates your consideration of its request and your continued support.

A handwritten signature in black ink that reads "Elizabeth Rhodes". The signature is written in a cursive, flowing style.

Elizabeth Rhodes  
Executive Director

Encls.

CHANNEL LICENSEE NAME: SECC

**Fiscal Year 2014-15 Funding Requests (Operations & PEG Equipment/Facilities)**

Description	Equipment Description (if applicable)	GENERAL FUND		PEG FEE FUND			GENERAL & PEG FEE FUNDS GRAND TOTAL
		Operations / Capital Fac. / Equip. Base	GENERAL FUND TOTAL	PEG Equipment / Facilities Base	One-Time PEG Equipment	PEG FEE FUND TOTAL	
(General) Operations Base	General operations/salaries/supplies	\$248,071.00	\$ 248,071.00			\$ -	\$ 248,071.00
(General) Capital Facilities/Equip Base						\$ -	\$ -
(PEG) Facilities / Equipment Base	Rent, Office Equipment, Production Equip			\$49,109.00		\$ 49,109.00	\$ 49,109.00
(PEG) One-Time Equipment (list items in Equip. Description column)	See attached lists and quotes for Tightrope Channe Playback Upgrade, SEVA Studio Labs		\$ -		152,349.00	\$ 152,349.00	\$ 152,349.00
<b>TOTAL FISCAL YEAR 2014-15 FUNDING REQUEST:</b>			<b>\$ 248,071.00</b>			<b>\$ 201,458.00</b>	<b>\$ 449,529.00</b>

*Elizabeth Rhodes*

Signature

April 28, 2014

Date

Elizabeth Rhodes, Executive Director

Name & Title

Please attach vendor quotes / supporting documentation for all of the items requested above.

SECC 2014-2015  
PROPOSED BUDGET  
4/28/14

<u>REVENUE</u>	<u>ACTUAL YR END</u> <u>2012-13</u>	<u>BUDGET</u> <u>2013-14</u>	<u>ACTUAL YTD</u> <u>2013-14</u>	<u>Proposed</u> <u>2014-2015</u>
<b>Fiscal Year Revenue</b>				
Incoming Cash Balance	\$80,424.00	\$70,000.00	\$95,513.00	\$80,000.00
SMCTC Grant	\$297,171.00	\$297,171.00	\$297,171.00	\$297,171.00
SMCTC - Capital Expense Grant		\$65,500.00	\$65,500.00	
Interest Income	\$10.55	\$10.00	\$8.40	\$10.00
Membership Dues	\$122,405.86	\$120,000.00	\$126,607.28	\$120,000.00
SEVA/Award Night	\$0.00	\$3,000.00	\$3,000.00	\$3,000.00
SEVA Training Events	\$3,898.00	\$3,000.00	\$3,224.00	\$3,500.00
Other(Projects/Grants/Royalties)	\$39,506.44	\$35,000.00	\$78,286.00	\$30,000.00
<b>Total Revenue</b>	<b>\$543,415.85</b>	<b>\$593,681.00</b>	<b>\$669,309.68</b>	<b>\$533,681.00</b>
<b><u>EXPENDITURES</u></b>				
<b>Personnel:</b>				
Executive Director	\$75,590.00	\$78,490.00	\$78,490.00	\$78,490.00
Production Coordinator	\$48,415.78	\$54,575.00	\$54,575.00	\$54,575.00
Promotional Coordinator	\$37,723.84	\$41,900.00	\$41,900.00	\$41,900.00
Office Manager	\$52,310.00	\$55,210.00	\$55,210.00	\$55,210.00
Videographer/Editor	\$13,325.77	\$15,238.00	\$12,158.06	\$12,158.00
Production Assistants	\$1,605.00	\$5,000.00	\$11,801.00	\$11,000.00
Program Assistant	\$13,260.00	\$13,860.00	\$13,860.00	\$13,860.00
Consultants/Training		\$2,000.00	\$0.00	\$2,000.00
Benefits	\$121,881.97	\$135,000.00	\$122,664.93	\$125,000.00
COLA				\$8,000.00
<b>Total Personnel</b>	<b>\$364,112.36</b>	<b>\$401,273.00</b>	<b>\$390,658.99</b>	<b>\$402,193.00</b>
<b>Services and Supplies:</b>				
Facility Rent	\$33,185.70	\$35,500.00	\$38,607.60	\$37,000.00
Insurance	\$14,917.01	\$17,000.00	\$14,249.00	\$17,000.00
Office supplies	\$5,623.79	\$5,500.00	\$4,607.54	\$5,500.00
Telephone	\$2,228.69	\$2,300.00	\$2,454.55	\$2,500.00
Internet (Web Page)	\$3,652.96	\$4,000.00	\$703.30	\$1,500.00
Postage and Delivery	\$244.36	\$500.00	\$492.16	\$500.00
Promotion/Printing	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Bank Charges	\$134.54	\$200.00	\$0.00	\$200.00
Payroll Service	\$1,712.67	\$2,000.00	\$1,867.83	\$2,000.00
Software and Upgrades	\$1,039.90	\$2,500.00	\$0.00	\$2,500.00
Accounting	\$5,700.00	\$5,700.00	\$5,700.00	\$5,700.00
Maintenance	\$3,226.04	\$4,000.00	\$3,620.92	\$9,550.00
Production Supplies	\$4,422.66	\$2,210.00	\$1,415.98	\$2,000.00
Channel Operations	\$360.63	\$1,500.00	\$55.68	\$1,900.00
Program Acquisitions	\$75.00	\$5,000.00	\$0.00	\$5,000.00
Conferences & Seminars	\$395.00	\$1,500.00	\$175.00	\$1,500.00
Travel	\$1,593.24	\$3,000.00	\$2,953.82	\$3,000.00
Mileage	\$1,866.42	\$4,000.00	\$3,475.55	\$4,000.00
Entry Fees, Dues, Books/Subscriptic	\$0.00	\$500.00	\$0.00	\$500.00
<b>Total Services and Supplies</b>	<b>\$80,378.61</b>	<b>\$97,910.00</b>	<b>\$80,378.93</b>	<b>\$102,850.00</b>
<b>Fixed Asset Acquisitions:</b>				
Production Equipment	\$908.52	\$3,400.00	\$0.00	\$7,600.00
Capital Expense SMCTC Grant	\$42,036.02	\$65,500.00	\$65,602.21	
Playback System	\$0.00	\$1,000.00	\$1,776.65	\$1,500.00
Office Equipment	\$468.25	\$3,000.00	\$1,776.65	\$3,000.00
<b>Total Asset Acquisitions</b>	<b>\$43,412.79</b>	<b>\$72,900.00</b>	<b>\$69,155.51</b>	<b>\$12,100.00</b>
<b>PROJECTS:</b>				
Awards Night	\$5,801.71	\$5,000.00	\$5,000.00	\$6,000.00
SEVA Training	\$2,487.46	\$3,000.00	\$3,285.89	\$3,500.00
<b>Total Projects</b>	<b>\$8,289.17</b>	<b>\$8,000.00</b>	<b>\$8,285.89</b>	<b>\$9,500.00</b>
Contingency		\$13,000.00		\$7,038.00
<b>TOTAL EXPENDITURES</b>	<b>\$496,192.93</b>	<b>\$593,083.00</b>	<b>\$548,479.32</b>	<b>\$526,643.00</b>



Broadband Education Services  
Technology Network

RECEIVED

APR 30 2014

SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION

April 28, 2014

RE: SECC/BESTNET OPERATIONAL AND PEG FEE REQUEST

Bob Davison  
Executive Director  
Sacramento Metropolitan Cable Television Commission  
799 G Street, 4th Floor  
Sacramento, CA 95814

Dear Bob:

Attached is the Sacramento Educational Cable Consortium's (SECC) BESTNet Phase 3 2014-2015 PEG Fee Funding request:

\$600,000 for Phase 3 School Connections  
\$55,859 from the general fund for operations

The BESTNet Phase 3 Elementary School build is one year behind. Comcast was late in completing year one and therefore there are funds encumbered by the SMCTC that have been carried over into subsequent years. Comcast is currently working on Year 3 schools that will be completed by 2014 Year End. Year 3 funds have been encumbered by SMCTC and the School Districts, but have not received by SECC and therefore carried over for expenditure in 2014-2015.

The funds requested from SMCTC for the BESTNet Operational Grant will be used as indicated in the budget for the general operations of BESTNet. The districts will continue to operate and support their sections of BESTNet and operations county-wide continue with few outages. BESTNet is a very reliable network.

**2014-2015 Network Construction:** Phase III Elementary Schools: Year 3 schools will be completed December 2014 and Year 4 will begin construction in January 2014. A priority list of Year 4 and 5 schools is being established in cooperation with Comcast.

SECC appreciates your consideration of this BESNet request. Please let us know if there are questions.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth Rhodes".

Elizabeth Rhodes  
Executive Director

Encls.

CHANNEL LICENSEE NAME: BESTNet

Fiscal Year 2014-15 Funding Requests (Operations & PEG Equipment/Facilities)

Description	Equipment Description (if applicable)	GENERAL FUND		PEG FEE FUND			GENERAL & PEG FEE FUNDS GRAND TOTAL
		Operations / Capital Fac. / Equip. Base	GENERAL FUND TOTAL	PEG Equipment / Facilities Base	One-Time PEG Equipment	PEG FEE FUND TOTAL	
(General) Operations Base		\$55,859.00	\$ 55,859.00			\$ -	\$ 55,859.00
(General) Capital Facilities/Equip Base			\$ -			\$ -	\$ -
(PEG) Facilities / Equipment Base			\$ -			\$ -	\$ -
(PEG) One-Time Equipment (list items in Equip. Description column)	BESTNet Elementary Schools Year III (carryover is not included - see attached budget for full figures)		\$ -		\$ 600,000.00	\$ 600,000.00	\$ 600,000.00
<b>TOTAL FISCAL YEAR 2014-15 FUNDING REQUEST:</b>			\$ 55,859.00			\$ 600,000.00	\$ 655,859.00

*Elizabeth Rhodes*

Signature

April 28, 2014

Date

Elizabeth Rhodes, Executive Director

Name & Title

Please attach vendor quotes / supporting documentation for all of the items requested above.

BESTNet  
2014-2015 Proposed Budget  
4/28/14

<u>REVENUE</u>	<u>PROJECT TOTAL TO DATE</u>	<u>ACTUAL YR END 2012-13</u>	<u>BUDGET 2013-14</u>	<u>PROJECTED YE 2013-14</u>	<u>PROPOSED 2014-2015</u>
Incoming Carryover Balance					
SMCTC BESTNet Grant		\$55,859.00	\$55,859.00	\$55,859.00	\$55,859.00
Network Construction Phase II Carryover			\$98,560.00	\$78,274.20	\$0.00
Phase 3 Construction - SMCTC	\$1,467,010.00	\$730,466.16	\$600,000.00	\$736,564.00	\$600,000.00
Phase 3 Construction - SECC Members	\$1,467,010.02	\$730,446.02	\$600,000.00	\$736,564.00	\$600,000.00
<b>Total Revenue</b>		<b>\$1,516,771.18</b>	<b>\$1,354,419.00</b>	<b>\$1,607,261.20</b>	<b>\$1,255,859.00</b>
 <u>EXPENDITURES</u>					
<u>Personnel:</u>					
Executive Director		\$23,325.00	\$23,325.00	\$23,325.00	\$23,325.00
Production Coordinator		\$10,325.00	\$10,325.00	\$10,325.00	\$10,325.00
Promotional Coordinator		\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
<b>Total Personnel</b>		<b>\$53,650.00</b>	<b>\$53,650.00</b>	<b>\$53,650.00</b>	<b>\$53,650.00</b>
<u>Services and Supplies:</u>					
Accounting		\$750.00	\$750.00	\$750.00	\$750.00
Insurance		\$209.00	\$209.00	\$209.00	\$209.00
Internet/Website		\$500.00	\$500.00	\$500.00	\$500.00
Software		\$250.00	\$250.00	\$250.00	\$250.00
Network Hardware Supplies		\$500.00	\$500.00	\$500.00	\$500.00
<b>Total Services and Supplies</b>		<b>\$2,209.00</b>	<b>\$2,209.00</b>	<b>\$2,209.00</b>	<b>\$2,209.00</b>
<b>Sub Total Operating Expenses</b>		<b>\$55,859.00</b>	<b>\$55,859.00</b>	<b>\$55,859.00</b>	<b>\$55,859.00</b>
<u>One-Time Capital Expenditures:</u>					
Refresh (from PEG Funded Reserve )		\$0.00	\$0.00	\$21,500.00	
Network Construction: Schools & Commission		\$1,345,248.01	\$2,159,880.08	\$1,521,421.74	\$1,200,000.00
<b>TOTAL EXPENDITURES</b>		<b>\$1,401,107.01</b>	<b>\$2,215,739.08</b>	<b>\$1,598,780.74</b>	<b>\$1,255,859.00</b>
 <b>BESTNet Restricted Reserve - PEG Fees</b>	<b>\$228,651.41</b>				

**ATTACHMENTS 25**

**SACRAMENTO COUNTY  
GRANT FUNDING REQUEST**

**COMMUNITY EDUCATIONAL VIDEO**

County Executive  
Bradley J. Hudson



Board of Supervisors  
Phillip R. Serna, District 1  
Jimmie Yee, District 2  
Susan Peters, District 3  
Roberta MacGlashan, District 4  
Don Nottoli, District 5

## County of Sacramento

January 20, 2014

Sacramento Metropolitan Cable Television Commission  
Robert Davison, Executive Director  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

### **SUBJECT: PEG FUNDING REQUEST – COMMUNITY EDUCATIONAL VIDEO**

Dear Mr. Davison:

The citizens of Sacramento County have expressed a great deal of interest in the impact Governor Brown's Prison Re-alignment Program (Assembly Bill 109) implemented in October 2011 is having on their communities. Prison Re-alignment has shifted hundreds of criminals previously housed in state prison to our county jails for extended sentences. The Sacramento County Sheriff's Department, in partnership with several community based organizations, has developed several unique approaches to this challenge maximizing the offender's chances for successful release and reintegration back into our communities. The goal of these Re-entry Services is to transition offenders from a cycle of criminal behavior to become and remain successful parents, spouses and citizens. The goals of these programs include reduced recidivism and safer communities.

Please consider this request for \$10,000 in funding from the Public Education and Government (PEG) Channel Facilities Fee budget to create a community education video. This production will showcase Prison Realignment/AB-109 Vocational and Educational programs currently being offered to inmates in custody at the Rio Cosumnes Correctional Center (RCCC). This is an important educational piece for the public to understand what Prison Realignment is, how it affects their community and the innovative approach Sacramento County is taking to successfully meet the challenges of a growing inmate population, increased prison sentences and ever-aging facilities.

The proposed community education video will document what is different and even unique about RCCC's programs, including individual inmate assessment tools used to create customized treatment plans, staff and the overall institution. The video will feature interviews, classroom and program settings, and other significant examples of what is happening at RCCC. This documentary will also feature collaborative partners

and related organizations who are partnering with RCCC and Sacramento County in the area of Re-Entry and Rehabilitation.

Featured topics would include; Vocational Training Programs such as; Welding and Manufacturing, Custodial Training/Safety and Sanitation, Ornamental Horticulture, Computer Applications for the Workplace, Culinary Arts, and Engineering Design/Technology Program. The documentary would also showcase Educational and Treatment Programs teaching Cognitive Behavioral Therapy, Gang Diversion, Parenting Skills, Substance Abuse and Relapse Prevention, anger management skills, career development through the Points of Entry Program, General Education Development (GED), Adult Basic Education (ABE), English as a Second Language (ESL), and Continuing Technical Education courses.

The Command staff at RCCC has identified an individual to produce a series of segments, as described above, which will be suitable to be broadcasted on cable television. Our goal is to air this educational video on Channel 14, Access TV then possibly KVIE and other local public education channels, as well as You-Tube and links on both the County and Sheriff's websites.

The public needs this type of educational video to inform them of the strategies that are being implemented to help these individuals attain educational and vocational goals while working on their psychological, behavior and addiction issues to break these destructive cycles thereby increasing public safety. Through an educational campaign we hope to increase the partnerships already developed with the community and businesses in our region and to bring awareness to our citizens of the work underway.

Respectfully submitted,



BRADLEY HUDSON  
County Executive

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

799 G Street, 4<sup>th</sup> Floor • Sacramento, CA 95814-1212 • [www.sacmetro.cable.tv](http://www.sacmetro.cable.tv)

Phone: (916) 874-6661 • Fax: (916) 854-9666

ROBERT A. DAVISON, EXECUTIVE DIRECTOR

---

## AGENDA ITEM NO. 2

**DATE:** June 5, 2014

**TO:** Chair and Board of Directors

**FROM:** Robert A. Davison, Executive Director

**SUBJECT:** **RESOLUTION NO. 2014-010, APPROVING THE FOURTH AMENDMENT TO THE LICENSE AND OPERATIONS AGREEMENTS PERTAINING TO USE OF COMMUNITY PROGRAMMING CHANNEL(S)**

---

### RECOMMENDATION:

It is recommended the Board approve Resolution No. 2014-010, Approving the Fourth Amendment to the License and Operations Agreements Pertaining to Use of Community Programming Channel(s).

### BACKGROUND/DISCUSSION:

With the implementation and collection of 1% of PEG fees incorporated into the Commission's Fiscal Year 2010-11 budget, Legal Counsel was asked at that time to review and update the License and Operations (L&O) Agreements, pertaining to the Use of Community Programming Channel(s), dated November 6, 2003 and amended on June 1, 2006.

Based on recommendations made by Legal Counsel in 2010, the Board approved Resolution No. 2010-006, Approving the Second Amendment to L&O Agreements. Resolution No. 2012-014, Approving the Third Amendment to the L&O Agreements was approved in October 2012.

Staff is now recommending the Board adopt Resolution No. 2014-010, Approving the Fourth Amendment to the License and Operations Agreements Pertaining to Use of Community Programming Channel(s) with the Commission's Channel Licensees - Access Sacramento, KVIE, Interfaith Service Bureau DBA Religious Coalition for Cable Television, and Sacramento Educational Cable Consortium, with an amended term ending June 30, 2015.

Respectfully submitted,

---

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

**Agenda Item No. 2**

**Resolution No. 2014-010, Approving the Fourth Amendment to the L& O Agreements**

**Page 2**

Attachments:

- Resolution No. 2014-010
- Fourth Amendment to License and Operations Agreements for Channel Licensees (Exhibit A)
- License & Operations Agreement Pertaining to Use of Community Programming Channel(s): Access Sacramento (November 6, 2013)

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**RESOLUTION NO. 2014-010**

**RESOLUTION APPROVING THE FOURTH AMENDMENT TO THE  
LICENSE AND OPERATIONS AGREEMENTS  
PERTAINING TO USE OF COMMUNITY PROGRAMMING CHANNEL(S)**

**WHEREAS**, on November 6, 2003, the Commission approved new License and Operations Agreements Pertaining to Use of Community Programming Channel(s), which re-allocated channels and provided a three-year term through June 30, 2006; and

**WHEREAS**, on June 1, 2006, by Resolution No. 06-012, the Commission amended those Agreements to amending the term by three years ending June 30, 2009; and

**WHEREAS**, on June 3, 2010, by Resolution No. 2010-006, the Commission amended those Agreements to extend the term by two years ending June 30, 2012; and

**WHEREAS**, on October 4, 2012, by Resolution No. 2012-014, the Commission amended those Agreements to extend the term for two years ending June 30, 2012; and

**WHEREAS**, the Commission desires to further extend the term of those Agreements through June 30, 2015; and

**WHEREAS**, new language is proposed in the Agreements related to the use of PEG Fee Funding and reporting requirements.

**NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION** that the Commission approves the Fourth Amendment to the License and Operations Agreements Pertaining to Use of Community Programming Channel(s) with Sacramento Community Cable Foundation DBA Access Sacramento, KVIE, Inc., Interfaith Service Bureau DBA Religious Coalition for Cable Television, and Sacramento Educational Cable Consortium, with an amended term ending June 30, 2015.

**FURTHER, BE IT RESOLVED** that the Chairman of the Board of Directors be and is hereby authorized to execute the Fourth Amendment to License and Operations Agreements for all Channel Licensees in the form hereto attached as Exhibit A, on behalf of the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION, a Joint Powers Agency of the State of California.

**FURTHER, BE IT RESOLVED AND ORDERED** that the Executive Director is authorized and directed to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Cable Television Commission this 5<sup>th</sup> day of June 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest By:

By:

\_\_\_\_\_  
Clerk/Secretary of the Board

\_\_\_\_\_  
Chair, Sacramento Metropolitan  
Cable Television Commission

## EXHIBIT A

### FOURTH AMENDMENT TO LICENSE AND OPERATIONS AGREEMENT PERTAINING TO USE OF COMMUNITY PROGRAMMING CHANNELS

THIS FOURTH AMENDMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ amending that certain Channel License and Operations Agreement Pertaining to Use of Community Programming Channel(s) dated November 6, 2003, first amended on June 1, 2006, second amended on June 3, 2010 and third amended on October 4, 2012, by and between the SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION AND \_\_\_\_\_, hereinafter called and referred to as "Licensee."

NOW, THEREFORE, the parties agree to amend the aforementioned Agreement as follows:

1. Paragraph A of Section 2 – Term of License, License Fee, Renewal – of said Agreement shall be amended by deleting from there the date " June 30, 2014" and inserting in lieu thereof the date " June 30, 2015."
2. Paragraph 8 - Reporting is hereby amended to read as follows:

Reporting. Annually, beginning on December 1, 2014 for the Fiscal Year 2013-14, and thereafter, annually each December 1, for the prior fiscal year during the term of this License, Grantee shall file a report with SMCTC, containing the following information for reporting fiscal year, and any other additional information reasonably requested by the Executive Director, so that SMCTC will be fully informed concerning the activities and viability of the Grantee:

A. If the Grantee prepares an Annual Report for other purposes that includes the information required by this Agreement, the Grantee may submit that Annual Report to SMCTC for the reporting period. If the Grantee's Annual Report is by calendar year, the Executive Director may determine that the Grantee may report on a calendar year basis as opposed to a fiscal year so that the Grantee's Annual Report may be submitted in compliance with this Agreement's reporting requirements.

B. If the Grantee's Annual Report does not provide the information required by this Agreement and/or the Grantee does not prepare an annual report, then the Grantee shall provide the following:

I. Fiscal Reporting Requirements:

- a. A Statement of Financial Activity including both Revenues and Expenditures.
  - i. The Statement shall delineate all revenues received by the Grantee by category (i.e. gifts, grants, donations) and shall provide the dollar amount per source for all sources in excess of \$10,000 in the fiscal year; and all revenue received from fees, including but not limited to fees received in consideration of cablecasting any program, service announcement or other information or

from other sources and any real or personal property received from any third party with a monetary value in excess of \$10,000.

ii. The Statement shall delineate all expenditures by category and shall provide detailed information for expenditures in excess of \$5,000. Grantee shall segregate and separately report expenses from general revenues and expenditures from PEG Fee Funding, if any.

b. The financial position of Grantee, including assets, liabilities, cash on hand and other information sufficient for SMCTC to determine whether the Grantee has the resources necessary to fulfill its obligations under its license.

## II. Programming, Training and Operations Reporting Requirements

a. Programming Activity: The number of hours and types of programming cablecast by Grantee with a description of the subject matter of the programming and the number of hours devoted to each type of programming; whether the programming was cablecast once or multiple times and, if so, the number of times it was cablecast; a description of whether the programming was locally produced (with program titles and hours of programming); a description of programming that specifically relates to events within Sacramento or was produced specifically for the Sacramento region. The Grantee may provide a programming matrix or report that is tailored to provide information related to the Grantee's type of programming. The Executive Director may request that the Grantee expand or modify its programming matrix so that SMCTC can have a full description of the programming provided by Grantee.

b. Training Activity: A report on the programs, classes or other training mechanism, including the number of persons enrolled and any fees paid, sponsored, supported or given by Grantee to persons interested in learning about producing, directing, taping or otherwise creating a program for cablecasting on a community channel, or a statement that Grantee does not provide such training as part of its operation and use of the License.

c. Other Events: A report on all other additional events, programs, classes, newsletters, or other mechanisms sponsored, supported or given by Grantee for the support of the Channels, and/or to promote the channel(s) or raise funds for the Grantee's activities, whether or not designed for programmers, producers, members of the Grantee or the general community.

III. Modifications of Reporting Requirements. The Grantee may request modifications to the reporting categories if such modifications would more clearly show the Grantee's operations and its use of the License. The Executive Director may approve or deny the requested modifications as he deems proper with the goal of providing accurate and understandable information to SMCTC of the Grantees' finances, financial position, and programming and operations and use of the License.

IV. Audits. SMCTC may, at its cost, audit the financial and other records of Grantee for the purpose of determining whether Grantee is in compliance with this Agreement and with the Grantee's Annual Funding and Performance Agreement. Should the audit determine that Grantee has failed to properly expend or keep proper records of expenditures of SMCTC funding provided to Grantee, including but not limited to, proper expenditure and records for PEG Fee Funding, if any, such failure may be grounds for the Executive Director to recommend revocation of the License and the SMCTC to revoke the License pursuant to Section 10 of this Agreement.

3. All other terms and conditions of the aforesaid Agreement shall remain in effect and unchanged.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day, month and year first stated above.

SACRAMENTO METROPOLITAN  
CABLE TELEVISION COMMISSION

CHANNEL LICENSEE:

By: \_\_\_\_\_

By: \_\_\_\_\_

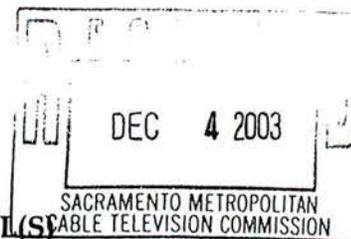
Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**LICENSE AND OPERATIONS AGREEMENT**  
**PERTAINING TO**  
**USE OF COMMUNITY PROGRAMMING CHANNEL(S)**



**THIS AGREEMENT** is between the Sacramento Metropolitan Cable Television Commission ("SMCTC") and **Sacramento Community Cable Foundation, DBA Access Sacramento** ("Grantee")

This Agreement ("the License Agreement" or "Agreement") is made with reference to the following facts, among others:

A. SMCTC regulates the delivery of cable television services in the Sacramento Metropolitan Area.

B. In connection with agreements with various cable television providers, SMCTC has rights to approximately seven (7) cable television channels as frequency spectrum space on the various systems owned and operated by those providers. These channels are dedicated to the delivery of public, educational, and governmental programming and are commonly referred to as community programming channels.

C. Grantee, a public benefit corporation of the State of California, which is a not for profit organization, wishes to operate a community programming channel(s) under license from SMCTC.

D. SMCTC has determined that Grantee has the knowledge, experience and resources necessary to operate a community channel(s) so as to cablecast programming which is in the public interest.

E. This Agreement sets forth the duties and responsibilities of both SMCTC and Grantee in connection with the use of such channel(s).

**THEREFORE, THE PARTIES AGREE:**

1. License Granted. SMCTC hereby grants a revocable license to Grantee to use and operate community programming channel number(s) at the times and current channel designations on the cable systems franchised and/or licensed by SMCTC listed below (or their equivalent as carried on the lowest tier of service on various systems):

<u>Channel</u>	<u>Time</u>
17	Seven (7) days per week twenty-four (24) hours per day EXCEPT from 7 a.m. to 5 p.m. Monday through Friday from August 1 <sup>st</sup> through and including May 31 <sup>st</sup> .

18 Seven (7) days per week twenty-four (24) hours per day EXCEPT from 8 a.m. to 2 p.m. Monday through Friday from August 1<sup>st</sup> through and including May 31<sup>st</sup>.

With the mutual agreement of the respective governing boards of the Licensees, the channel allocations may be changed, modified, traded or otherwise adjusted to improve services to subscribers and the public.

2. Term of License; License Fee; Renewal.

A. The term of the license ends June 30, 2006, subject to the provisions relating to the revocation of the license as provided in section 10.

B. The license fee is One Dollar (\$1.00) per year. SMCTC acknowledges receipt from Grantee of Three Dollars (\$3.00) for the entire license term. No part of the license fee is refundable if the license is surrendered by Grantee or revoked pursuant to Section 10.

C. A license is not automatically renewable. To retain a license after the expiration of the initial term, or any subsequent term, SMCTC must approve a new license agreement with Grantee. Grantee may apply for renewal in a form approved by the Executive Director not earlier than six (6) months prior to the expiration of the current term. In the event the SMCTC decides not to renew a current license, it will provide ninety (90) days written notice to Grantee.

3. No Property Interest Created. In granting this license, SMCTC does not intend to create any property interest (whether real or personal) in favor of Grantee, and Grantee specifically acknowledges that no property interest is being created in its favor in the community programming channel(s) which it is authorized to use under this Agreement, in any of the real or personal property of SMCTC which Grantee uses as part of its operations, or for any other reason.

4. No Agency Relationship Created. The grant of a license under this Agreement creates no agency between SMCTC and Grantee. Grantee is a wholly separate legal entity from SMCTC. Except as may be expressly provided herein, or as otherwise agreed to by the parties in writing, neither SMCTC nor Grantee shall have the power or authority to act on behalf of the other.

5. Funding Process; No Funding Guaranteed.

A. Grantee is aware that SMCTC has in the past provided funding to various non-profit organizations operating community programming channels under channel use agreements. To the extent SMCTC determines to make funds available to community programming channel licensees in the future, Grantee shall be eligible to apply for such funds. It is anticipated that funds will be allocated annually to community programming channel licensees as part of the SMCTC budget process. The method and manner of applying for funds shall be determined by SMCTC from time to time. Funds, if allocated, will be subject to a separate Annual Funding

**and Performance Agreement** which sets forth the obligations of Grantee in accepting funding and the programming and other services Grantee will provide.

B. Notwithstanding subsection 5A., above, the grant of a license under this Agreement does not guarantee to Grantee any monetary funding by SMCTC nor the use of any video telecommunications equipment or other property (whether real or personal) owned, leased, or otherwise possessed by SMCTC.

6. Programming Obligations of Grantee. The programming provided by the Grantee shall meet the requirements of the then current **Policies for Community Programming Licensees** adopted by SMCTC. A copy of the **Policies for Community Programming Licensees** in force at the time of the execution of this Agreement is attached hereto as **Exhibit A** and is hereby incorporated by this reference.

7. No Content Regulation. In granting a license to Grantee under this Agreement, SMCTC is not attempting to regulate, censor, or otherwise determine the content of any broadcast over the community programming channel(s) used and operated by the Grantee; provided, however, that Grantee shall comply with the **Policies for Community Programming Licensees** as set forth in Section 6.

8. Reporting. Beginning on May 1<sup>st</sup> and November 1<sup>st</sup> following the beginning of the term of this Agreement and for every May 1<sup>st</sup> and November 1<sup>st</sup> thereafter during the term of this License, Grantee shall file a report ("the semi-annual report") with SMCTC, containing the following information for the period ending March 31 and September 30, respectively, and any additional information reasonably requested by the Executive Director, so that SMCTC will be fully informed concerning the activities and viability of Grantee:

A. The source of all revenues in the form of gifts, donations, or grants from any third party, other than from SMCTC, and the dollar amount received from each source.

B. An accounting of all revenue from fees and fundraising identified by type, purpose, and event.

C. An accounting of all revenues received from any third party in consideration of cablecasting any program, service announcement, or other information.

D. The monetary value of any real or personal property received from any third party.

E. The number and types of programs cablecast by Grantee, broken down by subject matter, and stating by whom and where produced.

F. The number of hours of cablecasting, including the number of hours of programming not previously cablecast by Grantee and the number of hours of programming previously cablecast by Grantee.

G. The financial position of Grantee, including revenues and expenditures for the previous six (6) months, assets, liabilities, cash on hand, and other information sufficient for SMCTC to determine whether Grantee has the resources necessary to fulfill its obligations under its license.

H. The number of persons, firms, or entities which pay dues or other consideration to be members of, or participants in, the non-profit organization of Grantee.

I. A list of all programs, classes, or other training mechanisms, including number of persons enrolled in each and any training fee paid, sponsored, supported, or given by Grantee to persons interested in learning about producing, directing, taping, or otherwise creating a product / video program suitable for cablecasting on a community programming channel.

J. A list of all other additional events, associations, programs, classes, or other mechanisms sponsored, supported, or given by Grantee which are in addition to those listed in I above and which are **not** specifically for persons interested in learning about the operations of a community programming channel, or in learning about producing, directing, taping, or otherwise creating a product / video program suitable for cablecasting on a community programming channel.

K. Copies of any newsletter or other publication of Grantee which is distributed to its members, and/or members of the public generally, regarding the activities of Grantee as such activities pertain to the operation of its channel(s).

L. An accounting of the distribution of all Grantee funds, equipment, staff services, gifts, donations, or grants provided to any third party by Grantee.

9. Indemnity and Insurance. Grantee agrees to be bound by the terms and conditions of the then current policy re: **Community Programming Insurance Requirements** adopted by SMCTC. A copy of the **Policy for Community Programming Insurance Requirements** in force at the time of the execution of this Agreement is attached hereto as **Exhibit B** and is hereby incorporated by this reference.

A. Indemnification. Grantee shall, at its sole expense, fully indemnify, defend and hold harmless the SMCTC, the County of Sacramento and the municipalities of Sacramento, Folsom, Galt, Elk Grove, Citrus Heights and Rancho Cordova, and any other municipality within the County of Sacramento that is a member of the Cable Television Commission, and in their capacity as such, the officers, agents and employees thereof, from and against any and all claims, suits, actions, liability and judgments for damages including reasonable attorney's fees or otherwise:

(1) For actual or alleged injury to persons or property, including loss of use of property due to an occurrence, whether or not such property is physically damaged or destroyed, in any way arising out of or through or alleged to arise out of or through the acts or omissions of the Grantee or its officers, agents, employees, or contractors or to which the

Grantee's or its officers, agents, employees or contractors acts or omissions in any way contribute;

(2) Arising out of, or alleged to arise out of, any claim for damages for invasion of the right of privacy, defamation of any person, firm or corporation, or the violation or infringement of any copyright, trade mark, trade name, service mark or patent, or of any other right of any person, firm or corporation in any way arising out of or through or alleged to arise out of or through the acts or omissions of the Grantee or its officers, agents, employees, or contractors or to which the Grantee's or its officers, agents, employees or contractors acts or omissions in any way contribute; and

(3) Arising out of, or alleged to arise out of, Grantee's failure to comply with the provisions of any statute, regulation, or ordinance of the United States, State of California, or any local agency applicable to the Grantee in its business.

Nothing herein shall be deemed to prevent the parties indemnified and held harmless herein from participating in the defense of any litigation by their own counsel at the Grantee's sole expense. Indemnified parties' reimbursements shall be limited to those which are reasonable in light of the circumstances and Grantee is authorized to use funds received under this Agreement to pay such costs if other sources are insufficient. Such participation shall not under any circumstances relieve the Grantee from its duty of defense against liability or of paying any judgment entered against such party.

B. Insurance. Without limiting Grantee indemnification, Grantee shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance as specified in Exhibit B. It is the responsibility of Grantee to notify its insurance agent or insurance carrier(s) regarding coverage, limits, forms and other insurance requirements specified in Exhibit B.

#### 10. Revocation of License for Specific Violations of this Agreement.

A. SMCTC may revoke the license granted to Grantee at any time if Grantee fails to abide by any provision of this Agreement. A non-exhaustive list of reasons for revocation includes the following:

1. Failure to comply with any provision of this Agreement, including but not limited to the requirement to maintain insurance coverage as provided by Section 9.

2. Failure to comply with any policy of SMCTC applicable to Grantee under this Agreement or otherwise.

3. Failure to maintain adequate funding, resources, or technical expertise necessary to provide programming which meets the requirements under this License or of the **Policies for Community Programming Licensees (Exhibit A)**.

B. In accepting the license, Grantee agrees that, pursuant to Section 3 of this Agreement, it is not acquiring a property interest in its license and no formal due process is required to revoke the license.

C. The Executive Director may recommend to the members of SMCTC ("the Commission") that a license be revoked. Except where the public health, safety, or general welfare require immediate action by the Commission, prior to making any such recommendation to the Commission regarding a license termination, the Executive Director shall meet with the Grantee in an effort to remediate any condition which constitutes a reason for termination of the license. The Executive Director shall specify a time in which action must be taken by the Grantee to correct the condition(s).

D. Notwithstanding the preceding subsection B of this section 10, SMCTC shall provide notice to the Grantee of its intent to revoke the license at least ten (10) calendar days before the meeting of the members of SMCTC ("the Commission meeting") at which action will be taken. Grantee may appear at the Commission meeting and present reasons why the license should not be revoked.

E. SMCTC shall determine whether to revoke the license. The action of SMCTC regarding the license shall be final and binding upon Grantee.

F. Should SMCTC determine that, based upon the reasons stated by the Grantee, there needs to be additional facts available for it to make a decision on revocation, it may appoint a sub-committee of SMCTC or a third party to act as a fact finder and render a report to SMCTC at a subsequent Commission meeting.

11. Termination or Modification of License for the General Welfare. SMCTC may, at any time, determine that it is in the best interests of SMCTC that a license be terminated or modified. Such termination or modification will be for reasons other than a violation of this Agreement as set forth in Section 10 (e.g., lack of available funding, need to reduce the number of channels a licensee may operate, etc.). Except in situations necessary to protect the public health, safety, or welfare, SMCTC shall provide to a licensee ninety (90) calendar days notice of termination or modification of a license.

The decision of SMCTC to terminate or modify a license under this section 11 shall be final and binding on the Grantee.

12. Discrimination. Grantee shall not discriminate in employment, in educational opportunities to third parties, in the production of programming (including in the hiring of third parties to produce, or assist in the production of, any program intended to be cablecast by Grantee), or in membership of its non-profit organization, on the basis of race, national origin, religion, sex, gender, sexual preference, political affiliation, age (over 40), or disability.

13 Miscellaneous.

A. Integrated Agreement. This Agreement contains all the understandings of the parties. All prior understandings, whether written or oral, are superceded hereby and of no further force or effect. All modifications hereto shall be in writing.

B. State, Federal and Local Laws; Policies Generally Applicable to Licensees.

1) Grantee agrees to abide by all State, Federal, and municipal laws applicable to it.

2) Grantee agrees to be bound by all current and future policies of SMCTC generally applicable to all community programming licensees. If there is a conflict between a policy and this Agreement, the provisions of this Agreement shall prevail.

C. Choice of Law; Venue. This Agreement shall be interpreted according to the laws of the State of California. Venue of any action regarding this Agreement shall be in the Superior Court of Sacramento County, or, if applicable, the United States District Court for the Eastern District of California.

D. Agreement Voluntarily Entered Into. Each party represents that it has entered into this Agreement with full knowledge of its contents and having had the opportunity to consult with legal counsel of its choice. No extraneous inducement has been offered by either party to the other to enter into this Agreement.

E. Section Headings. The headings on each section or subsection of this Agreement are for the convenience of the parties only and are not intended to change the substance of any portion of this Agreement.

F. Partial Invalidity. If a portion of this Agreement is held invalid by a court of competent jurisdiction, and the remainder of the Agreement may be carried out without material detriment to either party, the remainder of the Agreement shall remain in full force and effect.

G. Ambiguity. For purposes of interpreting this Agreement, or any section of it, neither party shall be considered to have drafted or authored the Agreement or section.

H. Assignment. This Agreement is considered to be an agreement for Grantee to provide special and unique services. As a consequence, neither the Agreement, any part of it, or the license issued under it, may be assigned by Grantee.

I. Waiver. A waiver of one provision of this Agreement by either party shall not be construed as a waiver of any other provision.

J. Effective Date. This Agreement is effective on the date signed by the Chairman of the Commission after it has been signed by Grantee and forwarded to the Commission for approval.

Dated: 11/6/03

Sacramento Metropolitan Cable  
Television Commission

By: [Signature]  
Chairman

Attest:

[Signature]  
Secretary

Dated: 12/2/03

Sacramento Community Cable  
Foundation, DBA Access Sacramento

By: [Signature]  
Its: Executive Director

Exhibit A - Policies for Community Programming Licensees

Exhibit B - Policies for Community Programming Insurance Requirements

## Exhibit A: Policies for Community Programming Licensees

### GENERAL POLICY

Licensee operations shall further the development, implementation, acquisition and presentation of community programming programs for cablecast on the channel(s) provided under license are for the benefit of the greater Sacramento community.

- Cablecasting of instructional and educational programs for in-school and at-home use to serve the complete age range of pre-school through adult including university, community college, and/or high school academic credit courses for all educational levels and programs and service needs identified by the local educational community. Instructional programs may include staff development, in-service and promotional activities, and training in video production for community members, teachers and students and educational programs to inform and enrich including public affairs and government programming; health, consumer and business information; religion; and other societal issues.
- Simple, readily available public access to the cable system(s) with not less than a 72-hour delay.
- Low cost training of the public in media production for the purpose of generating programming for cablecast.
- Cablecasting entertainment programs that provide the opportunity for creative and free expression including the performing and visual arts.
- Audio program services including cultural, news and public affairs programming.
- Cablecasting entertainment and historical programs about the Sacramento region.
- Administration, promotion, and evaluation to support community.

"Community Programming" – means cablecasts which consist of topics of special interest to the Sacramento community or defined element thereof and which are not "obscene" under the laws of California and/or other applicable laws; including matters of a political, governmental, sociological, religious, educational, instructional, cultural, artistic, health oriented, ethnic, economic, recreational, charitable and philanthropic nature. Community Programming does not include:

- a) advertising by and on behalf of candidates for public office;
- b) a lottery as defined by FCC regulation or any advertisement of or information concerning a lottery; or
- c) libelous or slanderous material.

Brown Act. Licensee, as a condition of accepting a License and/or funding SMCTC shall, regardless of its organizational structure, comply with the provisions of the Ralph M. Brown Act (Govt. Code § 54950 *et seq.*), as it now exists and may hereafter be amended, as to any discussions and/or decisions of Licensee's governing board relating to the expenditure of all or any portion of the funds provided pursuant to this Agreement.

Conflict of Interest. Licensee shall not, directly or indirectly, purchase goods or services or otherwise fund any person or entity in which any of Licensee's directors, officers, agents or employees, have or will acquire any direct or indirect interest.

User Fees and Charges. Use of channel(s), facilities and equipment shall be provided to members of the general public and representatives of non-profit organizations and public agencies by Licensee at its sole cost and expense, without fees or charges, subject to the licensee retaining the right to reasonably regulate how, where, and when such items may be used. The preceding sentence does not apply to licensees operating in educational facilities (i.e., public or private primary, secondary, and post-secondary schools).

However, upon the prior approval of SMCTC, Licensee may establish and levy reasonable user fees and charges in connection with the use of such facilities and equipment.

Licensee may conduct fund-raising activities such as telethons, auctions, and membership drives on the channels whose use is authorized by SMCTC if the activity meets the following criteria:

- (1) All funds generated from such activity shall be used in support of Licensee's cablecasting activities on the channel(s).
- (2) Licensee may not use the channel(s), facilities or equipment whose use is authorized by SMCTC to raise funds for any other organization or any purpose other than those stated above without the prior approval of SMCTC.

Programming Liability. Notwithstanding the requirements imposed on Licensee, Licensee shall be fully responsible for all programs cablecast on channels licensed herein. Licensee agrees to indemnify and hold harmless SMCTC, the County of Sacramento, and the municipalities of Sacramento, Folsom, Galt, Citrus Heights, Elk Grove and Rancho Cordova, and any other municipality within the County of Sacramento that is a member of SMCTC, from any and all claims or other injury (including reasonable cost of defending claims or litigation) arising from or in connection with claims of loss or damage to person or property arising out of the failure to comply with any applicable laws, rules, regulations, or other requirements of local, state, or federal authorities, for claims of libel, slander, invasion of privacy, or infringement of common law or statutory copyright, for breach of contract or other injury or damage in law or equity which claims result from Licensee's use of channels, funds, equipment, facilities, or staff provided under the auspices of the SMCTC.

Copyright Clearance.

- a) Before cablecasting any program Licensee shall make all appropriate arrangements to obtain all rights to all material cablecast and clearances from broadcast stations, networks, sponsors, music licensing organizations' representatives, and without limitation from the foregoing, any and all other persons as may be necessary to transmit its or their program material over Licensee's authorized channel(s).

- b) Before cablecasting transmissions for audio use only, Licensee shall obtain all required rights to all material cablecast and shall obtain all required clearances from broadcast stations, networks, sponsors, music licensing organizations' representatives, and without limitation from the foregoing, all other persons as may be necessary to transmit its or their program material over a SMCTC authorized cable television system.

Copyright and Ownership. Licensee shall have an ownership interest in the copyright of all programs and materials sufficient to control distribution and re-presentation and shall own such an interest in all programs and materials produced by Licensee with funds, equipment, or staff provided under by the SMCTC.

Distribution Rights.

- a) Licensee shall require that, except with SMCTC's permission, all programs produced in whole or in part with equipment, facilities, or staff granted under the auspices of the SMCTC shall be distributed only on the channel(s) whose use is authorized by this Agreement.
- b) Additional payments required to obtain cable television distribution rights for programs acquired primarily for broadcast use may be made by Licensee from funds granted under this Agreement.
- c) At the beginning and end of each day that video programming is cablecast on the channel(s) whose use is authorized by SMCTF, Licensee shall display a credit stating "Funds for the operation of this channel are provided in part by the Sacramento Metropolitan Cable Television Commission". The current address and telephone number of the Commission shall also be displayed.
- d) Licensee may exchange programming with commercial broadcast channels provided that:
  - (1) Licensee obtains permission from all persons who have an interest or right in the programming;
  - (2) the commercial broadcast channel credits the programming to Licensee under the auspices of SMCTC;
  - (3) the programming has first been cablecast on the channels provided under the auspices of the SMCTC.

Authority of Licensee. Unless otherwise stated herein, Licensee shall have sole discretion to resolve the following types of issues and questions with regard to Community Programming:

- a) The time or date on which a particular program will be cablecast;
- b) Whether the production quality of a particular program is sufficient to warrant cablecasting to subscribers;

- c) In the event of a demand to program channels or time thereon allocated to Community Programming which exceeds the capacity of the channels (i.e., a demand for programming which exceeds the volume which can be accommodated by twenty-four (24) hours per day, seven (7) days per week cablecasting), the determination of which programs are to be cablecast and which are not;
- d) The permissible length of a program;
- e) The appropriateness of the content of a program;
- f) The monopolization by particular users of channel time, facilities or equipment;
- g) In the event of a demand to utilize production facilities or equipment which exceeds capacity, determination of who will be permitted use and who will not be;
- h) Denial of the use of facilities or equipment on the basis of past abuse, misuse, or inadequate care thereof; and,
- i) Determination of staffing levels to assist particular parties in the production of programming or assist in the production of particular types of programming.

Equipment Ownership. . Licensee shall not sell or transfer equipment or facilities provided under the auspices of the SMCTC without the prior written approval of SMCTC.

Upon the termination, revocation, or cancellation of a License Agreement, Licensee shall immediately, at Licensee's option, either deliver to SMCTC all equipment, exclusive of fixtures, then in Licensee's possession or reimburse SMCTC for the then fair market value of all funded equipment or the proportional interest of the Commission-funded portion thereof then in Licensee's possession.

Financial Records; Audit. The financial records of Licensee shall be available at all times for inspection by SMCTC or its authorized representatives.

A Licensee shall provide, as part of the semi-annual reports required by Section 8 of the License Agreement, an unaudited financial report.

SMCTC may, at any time, at the sole expense of SMCTC cause the books and records of the License to be audited by a duly qualified professional.

Litigation- Expenditure of SMCTC Funds against SMCTC Prohibited. Licensee shall not expend any funds received from SMCTC to pay costs or attorney's fees in any litigation in which Licensee asserts or attempts to assert any cause of action whatsoever against SMCTC, the County of Sacramento, the municipalities of Sacramento, Folsom, Galt, Citrus Heights, Elk Grove or Rancho Cordova, and any other municipality within the County of Sacramento that is a member of the SMCTC, and/or the directors, employees, or officers of such entities.

(1) COMMERCIAL GENERAL LIABILITY AND COMMERCIAL AUTOMOBILE COVERAGES.

- (a) The SMCTC and SMCTC's officers, officials, employees, agents, and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Licensee; services, products and completed operations of the Licensee; premises owned, occupied or used by the Licensee; and automobiles owned, leased, hired or borrowed by the Licensee. The coverage shall contain no special limitations on the scope of protection afforded to the SMCTC or SMCTC's officers, officials, employees, or volunteers, except as shall have the prior written approval of SMCTC.
- (b) For any claims related to the activities of Licensee, the Licensee's insurance coverage shall be primary insurance as respects the SMCTC and SMCTC's officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the SMCTC or SMCTC's officers, officials, employees, agents or volunteers shall be excess of the Licensee's insurance and shall not contribute with Licensee's insurance.
- (c) The Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(2) WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY COVERAGE. The insurer shall agree to waive all its rights of subrogation against the SMCTC and SMCTC's officers, officials, employees, agents and volunteers, which might arise by reason of payment under such policy in connection with the activities of the Licensee.

(3) ALL COVERAGES. The Licensee shall maintain all insurance coverages in place at all times and provide the SMCTC with evidence of each policy's renewal ten (10) days in advance of its anniversary date. Each insurance policy shall be endorsed to state that coverage shall not be canceled by either party except after thirty (30) days' written notice for cancellation or sixty (60) days' written notice for non-renewal has been given to SMCTC. For non-payment of premium 10 days prior written notice of cancellation is required.

- (a) ACCEPTABILITY OF INSURERS. Insurance is to be placed with insurers with a current rating of no less than A-: VII by A.M. Best's Insurance Services. SMCTC's Risk Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of SMCTC and the general public are adequately protected.
- (b) VERIFICATION OF COVERAGE. Prior to performing any other term or condition of this Agreement Licensee shall furnish SMCTC with current certificates of insurance for the duration of this Agreement evidencing coverage required by this Agreement. Certified copies of required endorsements shall be

attached to the certificates provided. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in SMCTC's sole and absolute discretion, approved by SMCTC before any act is performed by Licensee and before any funds are released by SMCTC to Licensee. SMCTC reserves the right to require complete, certified copies of all required insurance policies including endorsements, effecting coverage required by this Agreement.

- (c) **SUBCONTRACTORS.** Licensee shall be responsible for the acts and omissions of all its subcontractors and shall require all its subcontractors to maintain adequate insurance
- (d) **INSURANCE LIMITS DO NOT LIMIT LICENSEE LIABILITY.** The limits of insurance described herein shall not limit the liability of the Licensee and Licensee's agents, representatives, employees or subcontractors.
- (e) **SMCTC FUNDS MAY BE USED.** SMCTC funds may be used for purchase of any insurance required by this Agreement. Current certificates evidencing the maintenance of Licensee's insurance shall be filed with SMCTC.
- (f) **COPIES TO BE FURNISHED.** Upon written request by SMCTC, a duplicate original of each insurance policy required to be purchased or maintained hereunder and all endorsements shall be furnished to SMCTC.
- (g) **COVERAGE REVIEW AND ADEQUACY.** SMCTC retains the right at any time to review the coverage, form and amount of the insurance required herein. If, in the opinion of SMCTC's Risk Manager, the insurance provisions in these requirements do not provide adequate protection for SMCTC or the public, SMCTC may require Licensee to obtain insurance sufficient in coverage, form and amount to provide adequate protection from and against the kind and extent of risks that exist at the time a change in insurance is required.
- (h) **NOTICE OF CLAIMS.** If any claim for damages is filed with Licensee or if any lawsuit is instituted against Licensee, that arise out of or are in any way connected with Licensee's acts or omissions that in any way, directly or indirectly, contingently or otherwise, affect or might reasonably affect SMCTC, Licensee shall give prompt and timely notice thereof to SMCTC. Notice shall not be considered prompt and timely if not given within thirty (30) days following the date of receipt of a claim or ten (10) days following the date of service of process of a lawsuit.

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

799 G Street, 4<sup>th</sup> Floor • Sacramento, CA 95814-1212 • [www.sacmetroable.tv](http://www.sacmetroable.tv)

Phone: (916) 874-6661 • Fax: (916) 854-9666

ROBERT A. DAVISON, EXECUTIVE DIRECTOR

## AGENDA ITEM NO. 3

**DATE:** June 5, 2014

**TO:** Chair and Board of Directors

**FROM:** Robert A. Davison, Executive Director

**SUBJECT:** **JULY 1, 2013 ACTUARIAL REPORT ON GASB 45 RETIREE BENEFIT VALUATION AND RESOLUTION NO. 2014-011, APPROVING PRE-FUNDING FOR OTHER POST-EMPLOYMENT BENEFITS ADMINISTERED BY THE CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) FOR PRE-FUNDED ACCOUNTS**

### RECOMMENDATION:

It is recommended the Board receive and file the July 1, 2013 Actuarial Report on GASB 45 Retiree Benefit Valuation and adopt Resolution No. 2014-011, Approving Pre-Funding for Other Post-Employment Benefits Administered by the California Employers' Retiree Benefit Trust (CERBT) for Pre-funded Accounts.

### BACKGROUND/DISCUSSION:

In July 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pension, which mandates disclosure of Other Post-Employment Benefits (OPEB) liabilities for public employees. GASB 45 establishes a standard for measuring and reporting the liability of retirement benefits other than pension; it does not require funding the liability.

As suggested by the County Auditor during the last audit of the Commission's financial statements, Bickmore was retained to perform valuations of the Commission's OPEB program, which provides continuation of only medical coverage through the CalPERS Health Plan Program to its retired employees.

- The July 1, 2009 actuarial valuation was presented to the Board on October 4, 2012.
- Staff was directed to proceed with completing back-to-back valuations through FY 2015-16.
- The July 1, 2012 Actuarial Report providing results of the Commission's accrued OPEB liabilities through June 30, 2013 was presented to the Board in May 2013.

### Agenda Item No. 3

#### July 1, 2013 Actuarial Report on GASB 45 Retiree Benefit Valuation & Resolution No. 2014-011

#### Page 2

- The Board adopted Resolution No. 2013-004 in May 2013, Authorizing the Commission's Participation in the CalPERS CERBT, a collective, irrevocable trust through which local governments may pool and invest funds for other Post-Employment benefits.
- The Board adopted Resolution No. 2013-014 in June 2013, Approving the Agreement with CalPERS to Provide CERBT Services to the Commission, along with other pertinent documents to fund OPEB.
- The Board reaffirmed the initial funding of \$58,200 to establish the CERBT Plan in the FY 2013-14 General Fund Budget.

CalPERS requires an actuarial valuation every two years from its CERBT Pool Program participants.

As performed by Bickmore, the primary purposes of the July 1, 2013 Actuarial Report are to develop the value of future OPEB expected to be provided by the Commission, and the current OPEB liability and the annual OPEB expense to be reported in the Commission's financial statements for the fiscal years ending June 30, 2016 and June 30, 2017.

The valuation was performed with the understanding that:

- 1) the Commission will continue to pre-fund its OPEB liabilities through the irrevocable trust account with the CERBT;
- 2) the Commission will continue to invest in CERBT asset allocation Strategy 2, using a Margin for Adverse Deviation of .06%; accordingly, liabilities were calculated based on a 7.0% discount rate.
- 3) there have been no changes to benefits since the 2012 valuation was prepared;
- 4) benefits will continue to be those described in the existing PEMCHA resolutions on file with CalPERS; and
- 5) the valuation was based on employee data and plan information provided by the Commission.

Highlights of the July 1, 2013 Actuarial Report are as follows:

- **Liabilities valued:** This valuation includes liabilities arising from explicit (direct) subsidy of retiree medical premiums for retirees and their dependents. Please refer to *Section C* on page 4 and *Table 3A* on page 16 of the report for further details of what was valued and why.
- **Assumption and other changes:** The mortality assumption was updated by anticipating continued future improvements in life expectancy for both males and females, in accordance with recent recommendations in actuarial standards of practice. The report also included projection of future increases in medical premiums. The impact of these changes is discussed on page 7 of the report.
- **ARC:** The annual required contribution (ARC) is calculated on June 30, 2016, to be \$83,601.
- **Commission contributions:** Commission contributions are assumed to equal the ARC. We assume that the Commission will pay its portion of retiree premiums during the period (estimated to total \$42,986), and contribute the balance of the ARC to CERBT.
- **OPEB Obligation:** Based on the calculations and contributions described in the report, a net OPEB obligation of \$282,866 is projected on June 30, 2016.

### FISCAL IMPACT

The Annual Required Contribution (ARC) for the fiscal year ending June 30, 2015 (as originally developed from the July 2012 valuation) is \$94,816. Retiree benefits during this year are estimated

**Agenda Item No. 3**

**July 1, 2013 Actuarial Report on GASB 45 Retiree Benefit Valuation & Resolution No. 2014-011**

**Page 3**

to total \$34,297, leaving an estimated contribution to the OPEB Trust for FY 2014-15 of \$60,519 to fully fund the ARC (Appendix 1 on page 23 of the July 1, 2013 Actuarial Report). Staff recommends the Board receive and file the July 1, 2013 Actuarial Report as presented and adopt Resolution No. 2014-011, Approving the Pre-Funding for Other Post-Employment Benefits Administered by the California Employers' Retirement Benefit Trust (CERBT) for Pre-Funded Accounts, in the amount of \$60,519.

For agencies with fewer than 200 members, GASB 45 requires that a valuation be prepared no less frequently than every three years. However, participation in CERBT requires that valuations be performed every two years. The Commission's next valuation is scheduled to be prepared as of July 1, 2015 based on that requirement for continued participation in CERBT.

Respectfully submitted,



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ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

Attachments:

- Resolution No. 2014-011, Approving Pre-Funding for OPEB Administered by CERBT
- July 1, 2013 Actuarial Report on GASB 45 Retiree Benefit Valuation

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**

**RESOLUTION NO. 2014-011**

**A RESOLUTION APPROVING PRE-FUNDING FOR OTHER POST-EMPLOYMENT BENEFITS ADMINISTERED BY THE CALIFORNIA EMPLOYERS' RETIREE BENEFITS TRUST FOR PRE-FUNDED ACCOUNTS**

**WHEREAS**, Governmental Standards Board Statement Number 45, dealing with Other Post-Employment Benefits (OPEB), requires that governments report the annual cost of OPEB and the unfunded actuarial accrued liabilities for past service costs; and

**WHEREAS**, the Sacramento Metropolitan Cable Television Commission (Commission) provides eligible retired employees with medical benefits subsequent to their retirement from the Commission; and

**WHEREAS**, the Commission has deemed it to be in its best financial interest and the most financially prudent action to pre-fund Post-Employment health benefits past service liabilities and fund current year contributions; and

**WHEREAS**, the actuarially determined costs for Fiscal Year 2014-15 to pre-fund OPEB is a contribution of \$94,816, including an estimated \$34,297 in retiree benefit payments and an estimated \$60,519 in additional contributions required to fully fund the ARC; and

**WHEREAS**, the California Employers' Retiree Benefits Trust (CERBT), part of the California Public Employees Retirement System (CalPERS), is a trust fund that allows public employers to pre-fund the future cost of retiree benefits;

**NOW, THEREFORE, BE IT RESOLVED**, that the Sacramento Metropolitan Cable Television Commission hereby approves and directs staff to pre-fund the Fiscal Year 2014-15 Annual Contribution of \$60,519 in the General Fund Budget; and

**FURTHER, BE IT RESOLVED AND ORDERED** that the Executive Director is authorized and directed to do and perform everything necessary to carry out the purpose of this resolution.

On a motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Governing Board of the Sacramento Metropolitan Cable Television Commission, State of California, this 5<sup>th</sup> day of June 2014 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Clerk/Secretary of the Board



May 30, 2014

Karen Liu  
Administrative Services Officer  
Sacramento Metropolitan Cable Television Commission  
799 G Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

Re: July 1, 2013 Actuarial Report on GASB 45 Retiree Benefit Valuation

Dear Karen:

We are pleased to enclose our report providing the results of the July 1, 2013 actuarial valuation of other post-employment benefit (OPEB) liabilities for the Sacramento Metropolitan Cable Television Commission (the Commission). The report's text describes our analysis and assumptions in detail.

The primary purposes of the report are to develop the value of future OPEB expected to be provided by the Commission, and the current OPEB liability and the annual OPEB expense to be reported in the Commission's financial statements for the fiscal years ending June 30, 2016 and June 30, 2017.

This valuation was prepared with the understanding that:

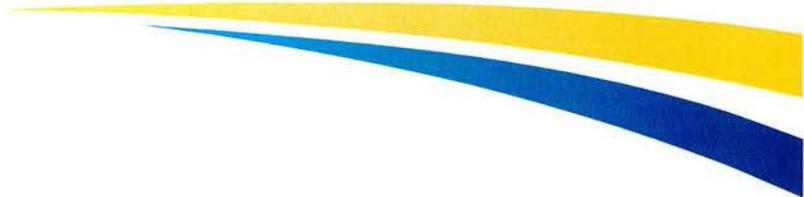
- The Commission will prefund its OPEB liabilities through the irrevocable trust account with the California Employers' Retiree Benefit Trust (CERBT). The Commission has indicated to us that it will continue to invest in CERBT asset allocation Strategy 2, using a Margin for Adverse Deviation of .06%. Accordingly, liabilities were calculated based on a 7.0% discount rate.
- There have been no changes to benefits since the 2012 valuation was prepared; benefits will continue to be those described in the existing PEMHCA resolutions on file with CalPERS. We have based our valuation on employee data and plan information provided by the Commission. Please review the summary of employee data shown in Table 2 and the benefits described in Table 3A to be comfortable that we have captured this information correctly.

We appreciate the opportunity to work on this analysis and acknowledge the efforts of the Commission's staff, who provided valuable information and assistance to enable us to perform this valuation. Please let us know if we can be of further assistance.

Sincerely,

Catherine L. MacLeod, FSA, EA, MAAA  
Director, Health and Benefit Actuarial Services

Enclosure



# Bickmore

Sacramento Metropolitan  
Cable Television Commission

Actuarial Valuation of the Other  
Post-Employment Benefit Programs  
As of July 1, 2013

Submitted May 2014



## Table of Contents

A. Executive Summary.....	1
B. Requirements of GASB 45 .....	3
C. Sources of OPEB Liabilities.....	4
OPEB Obligations of the Commission .....	4
D. Valuation Process.....	5
E. Basic Valuation Results .....	6
Changes Since the Prior Valuation .....	6
F. Funding Policy .....	8
Determination of the ARC .....	8
Decisions Affecting the Amortization Payment .....	8
Funding Policy Illustrated in This Report.....	8
G. Choice of Actuarial Funding Method and Assumptions.....	9
Factors Impacting the Selection of Funding Method.....	9
Factors Affecting the Selection of Assumptions.....	9
H. Certification.....	10
Table 1A Roll Forward of 2013 Valuation Results.....	11
Table 1B Calculation of the Annual Required Contribution .....	12
Table 2 Summary of Employee Data.....	14
Table 3A Summary of Retiree Benefit Provisions .....	16
Table 3B General CalPERS Annuitant Eligibility Provisions .....	17
Table 4 Actuarial Methods and Assumptions .....	18
Table 5 Projected Benefit Payments .....	22
Appendix 1 Expected Disclosures for Fiscal Years End June 30, 2014 and 2015 .....	23
Appendix 2 OPEB Disclosure Information.....	24
Glossary.....	25

## A. Executive Summary

This report presents the results of the July 1, 2013 actuarial valuation of the Sacramento Metropolitan Cable Television Commission (the Commission) other post-employment benefit (OPEB) programs. Briefly, benefits include subsidized medical coverage for eligible retirees. The purpose of this valuation is to assess the OPEB liabilities and provide disclosure information as required by Statement No. 45 of the Governmental Accounting Standards Board (GASB 45) and to provide information to be reported to the California Employers' Retiree Benefit Trust (CERBT).

How much the Commission contributes each year affects the calculation of liabilities. The Commission recently initiated a policy of prefunding its OPEB obligations and intends to consistently make contributions greater than or equal to the Annual Required Contribution (ARC) each year. The trust account was established with the California Employers' Retiree Benefit Trust (CERBT) with the initial contribution deposited in October 2013. The Commission selected Asset Allocation Strategy 2 with a corresponding discount rate assumed of 7.0%. Please note that use of this rate is not a guarantee of future investment performance, but rather an assumption about the expected long term rate of return.

Exhibits presented in this report are based on our understanding that the results of this July 1, 2013 valuation will be applied in determining the annual OPEB expense for the fiscal years ending June 30, 2016 and 2017. The ARC for the fiscal years ending June 30, 2014 and 2015 were developed from the results of the July 1, 2012 valuation. Please refer to Appendix 2 for our projection of the Commission's net OPEB obligation on June 30, 2015.

We calculate the GASB 45 actuarial accrued liability (AAL) to be \$795,197 and the normal cost to be \$29,197 as of July 1, 2013. There were no plan assets on July 1, 2013 to offset these liabilities. Thus, the unfunded accrued liability as of this date is \$795,197, and the funded ratio is 0.0%.

These results have been adjusted to be applicable to the years for which the annual OPEB expense will be developed, including recognition of contributions made after July 1, 2013 and those expected to be made prior to June 30, 2015. Assuming the Commission continues to follow its recently established policy of prefunding its OPEB liabilities, the following summarizes results for the fiscal year ending June 30, 2016:

- We calculate the annual required contribution (ARC) to be \$83,601.
- Commission contributions are assumed to equal the ARC. We assume that the Commission will pay its portion of retiree premiums during the period (estimated to total \$42,986), and contribute the balance of the ARC to CERBT.
- Based on the calculations and contributions described above, we project a net OPEB obligation of \$282,866 on June 30, 2016.

These results are shown in tables beginning on page 11. Projected results for the fiscal year ending June 30, 2017 are also shown in these tables.

## **Executive Summary (Concluded)**

The liabilities shown in the report reflect assumptions regarding continued future employment, rates of retirement and survival, and elections by future retirees to retain coverage for themselves and their dependents. To the extent that actual experience is not what we assumed, future results will be different. Due to the relatively small size of the Commission's employee group, differences from what we project are more likely to occur and should be expected to result in some volatility in results from one valuation to the next. We also note that this valuation has been prepared on a closed group basis, with no provision made for new employees. However, new employees generally create little, if any, unfunded actuarial accrued liability at the time they join the program and their future annual costs will be funded beginning at that time.

Details of our valuation process and the various disclosures required by GASB 45 are provided on the succeeding pages.

The next valuation is scheduled to be prepared as of July 1, 2015 as required for continued participation in CERBT. If there are any significant changes in the employee data, benefits provided or the funding policy, please contact us to discuss whether an earlier valuation is appropriate.

## B. Requirements of GASB 45

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. We understand that the Commission retroactively implemented GASB 45 for the fiscal year ended June 30, 2010.

For agencies with fewer than 200 members covered by or eligible for plan benefits, GASB 45 requires that a valuation be prepared no less frequently than every three years. However, participation in CERBT requires that valuations be performed every two years. GASB 45 disclosures include the determination of an annual OPEB cost. For the first year, the annual OPEB cost is equal to the annual required contribution (ARC) as determined by the actuary.

- If the Commission's OPEB contributions equal the ARC each year, the net OPEB obligation will equal \$0.
- If the Commission's actual contribution is less than (greater than) the ARC, then a net OPEB obligation (asset) amount is established. In subsequent years, the annual OPEB expense will reflect adjustments made to the net OPEB obligation, in addition to the ARC (see Table 1C).

GASB 45 provides for recognition of payments as contributions if they are made (a) directly to retirees or beneficiaries, (b) to an insurer, e.g., for the payment of premiums, or (c) to an OPEB fund set aside toward the cost of future benefits. Funds set aside for future benefits should be considered contributions to an OPEB plan only if the vehicle established is one that is capable of building assets that are separate from and independent of the control of the employer and legally protected from its creditors. Furthermore, the sole purpose of the assets should be to provide benefits under the plan. These conditions generally require the establishment of a legal trust, such as the Commission's OPEB trust account with CERBT. Earmarked assets or reserves may be an important step in financing future benefits, but they may not be recognized as an asset for purposes of reporting under GASB 45.

The decision whether or not to prefund, and at what level, is at the discretion of the Commission, as are the manner and term for paying down the unfunded actuarial accrued liability. Once a funding policy has been established, however, the Commission's auditor may have an opinion as to the timing and manner of any change to such policy in future years. The level of prefunding also affects the selection of the discount rate used for valuing the liabilities.

We note that various issues in this report may involve legal analysis of applicable law or regulations. The Commission should consult counsel on these matters; Bickmore does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend the Commission consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.

### C. Sources of OPEB Liabilities

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are:

- Medical
- Dental
- Prescription drug
- Vision
- Life insurance

Other possible post-employment benefits may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include vacation, sick leave<sup>1</sup> or COBRA benefits, which fall under other GASB accounting statements.

A direct employer payment toward the cost of OPEB is referred to as an “explicit” subsidy and these are included in the determination of OPEB liabilities. In addition, if claims experience of employees and retirees are pooled when determining premiums, the retirees pay a premium based on a pool of members that, on average, are younger and healthier. For certain types of coverage, such as medical, payment of the same premium rate results in an “implicit” subsidy of retiree claims by active employee premiums since the retiree premiums are lower than they would have been if the retirees were insured separately. Paragraph 13.a. of GASB 45 generally requires an implicit subsidy of retiree premium rates be valued as an OPEB liability.

Exceptions may exist when the plan is part of a “community-rated” program. Current GASB guidance<sup>2</sup> may allow an agency whose membership is a very small portion (e.g., less than 1%) of the total coverage of a multiple employer plan to reasonably conclude that any change in their group’s mix of retirees and active employees would not affect the premium rates for the plan. In those circumstances, while an implicit subsidy may exist, it is not required to be disclosed.

#### OPEB Obligations of the Commission

The Commission provides continuation of medical coverage to its retiring employees. For retirees and their dependent(s) who have chosen to retain this coverage:

- The Commission contributes directly to the cost of retiree medical coverage. These benefits are described in Table 3 and liabilities have been included in this valuation.
- Employees are covered by the CalPERS medical program. The experience of public agency employer membership in this program is community-rated (“OPEB Assumption Model”, April 2010) and the Commission’s membership in this program is incidental relative to the total number of members covered. As currently permitted by GASB 45, this report does not make age-related premium adjustments or compute an implicit rate subsidy for employees covered under this program.

<sup>1</sup> When a terminating employee’s unused sick leave credits are converted to provide or enhance a defined benefit OPEB, e.g., healthcare benefits, such converted sick leave credits should be valued under GASB 45.

<sup>2</sup> A change in Actuarial Standards of Practice was recently adopted and a new GASB Statement for reporting of OPEB liabilities is under development. One important change is the elimination of the exception for disclosing the implicit subsidy liability for community rated plans. This change could impact the OPEB liability to be reported by the Commission beginning in 2016 or 2017.

## D. Valuation Process

The valuation has been based on employee census data initially submitted to us by the Commission in January 2014 and clarified in various related communications. Summaries of that data are provided in Table 2. While the individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the Commission as to its accuracy. A summary of the benefits provided under the Plan is provided in Table 3, based on information supplied to Bickmore by the Commission. The valuation described below has been performed in accordance with the actuarial methods and assumptions described in Table 4.

In the specific development of the projected benefit values and liabilities, we first determine an expected premium or benefit stream over the employee's future retirement. We then calculate a present value of these benefits as of the valuation date.

- These present value determinations discount the value of each future expected benefit payment back to the valuation date, using the discount rate. The present value calculations also reflect assumptions for the likelihood that an employee may not continue in service with the Commission to receive benefits.
- For those that do continue in service with the Commission, assumptions are made regarding the probability of retirement at various ages.
- After adjustments for the probabilities of whether and when an employee may retire from the Commission, we then apply an assumption about whether or not the retiree will elect coverage for themselves and/or dependents.
- To the extent an employee is assumed to qualify for and elect coverage in retirement, the calculated liability reflects expected trends in the cost of their benefits and the assumptions as to the expected date(s) those benefits will cease.
- These benefit projections and liabilities have a very long time horizon. The final payments for currently active employees may not be made for 70 years or more.

The resulting present value for each employee is allocated as a level percent of payroll each year over the employee's career using the entry age normal cost method. This creates a cost expected to increase each year as payroll increases. Amounts attributed to prior fiscal years form the "actuarial accrued liability" (AAL). The amount of future OPEB cost for active employees allocated to the current year is referred to as the "normal cost". The remaining cost to be assigned to future years is called the "present value of future normal costs".

In summary:

Actuarial Accrued Liability	Past Years' Costs	\$ 795,197
<i>plus</i> Normal Cost	Current Year's Cost	29,197
<u><i>plus</i> Present Value of Future Normal Costs</u>	<u>Future Years' Costs</u>	<u>209,659</u>
<i>equals</i> Present Value of Future Benefits	Total Benefit Costs	\$ 1,034,053

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets is applied to offset the AAL. The value of assets invested in the Commission's CERBT account on June 30, 2013 was \$0, with the first contribution deposited in October 2013. The portion of the AAL not covered by assets is referred to as the unfunded actuarial accrued liability (UAAL).

### E. Basic Valuation Results

The following chart compares the results of the July 1, 2013 valuation of OPEB liabilities to the results of the July 1, 2012 valuation.

Valuation date	Pay-As-You-Go	Prefunding	Prefunding
	7/1/2012		7/1/2013
Discount rate	7.00%	7.00%	7.00%
<b>Number of Covered Employees</b>			
Actives	7	7	6
Retirees	2	2	3
Total Participants	9	9	9
<b>Actuarial Present Value of Projected Benefits</b>			
Actives	\$ 1,160,772	\$ 622,885	\$ 534,378
Retirees	504,207	357,603	499,675
Total APVPB	1,664,979	980,488	1,034,053
<b>Actuarial Accrued Liability (AAL)</b>			
Actives	464,356	287,914	295,522
Retirees	504,207	357,603	499,675
Total AAL	968,563	645,517	795,197
<b>Actuarial Value of Assets</b>	-	-	-
<b>Unfunded AAL (UAAL)</b>	968,563	645,517	795,197
<b>Normal Cost</b>	74,927	43,506	29,197
<b>Benefit Payments</b>			
Actives (in retirement)	-	-	-
Retirees	29,272	29,272	37,795
Total	29,272	29,272	37,795

The funded ratio (the ratio of the Actuarial Value of Assets divided by the Actuarial Accrued Liability) is 0.0% as of July 1, 2013. Covered payroll as of July 1, 2013 was reported to be \$610,255. The Unfunded Actuarial Accrued Liability, expressed as a percentage of payroll, is 130.3% as of this date.

#### Changes Since the Prior Valuation

Even if all of our previous assumptions were met exactly as projected, liabilities generally increase over time as active employees get closer to the date their benefits are expected to begin. With the uncertainties involved and the long term nature of these projections, our prior assumptions were not and are likely never to be exactly realized. The relatively small size of the Authority's employee group makes it more likely that differences from what we anticipate will occur. Nonetheless, it is helpful to review why results are different than we anticipated.

## **Basic Valuation Results (Concluded)**

In comparing results shown in the exhibit above, we can see that the Unfunded Actuarial Accrued Liability (UAAL), developed on a prefunding basis, increased by approximately \$150,000 over the one year period between July 1, 2012 and July 1, 2013. We expected the prefunding UAAL to increase by only \$60,000, from new costs accrued for active employees and interest accrual on future benefits, offset by benefits expected to be paid to retirees. The difference (between the actual increase of \$150,000 and the expected increase of \$60,000) is an increase of \$90,000 in the UAAL. This difference is attributable primarily to the following:

- A \$52,000 increase in the UAAL from plan experience, which includes changes in plan population and premium rates other than anticipated. For example, we note that Kaiser premium rates (the most popular plan selected) increased by 9% between 2012 and 2013 and by an additional 11% between 2013 and 2014.
- A \$17,000 increase in the UAAL from additional projection of future mortality improvements (i.e., longer life expectancies); and
- A \$21,000 increase in the UAAL from changes in assumed future increase in medical premium levels.

Despite the higher than anticipated increase in the UAAL, however, the normal cost for active employees decreased by about \$13,000. This is due to the fact that the average age of active employees is now three years younger (age 42) than one year ago, where the average age was 45 years. This change allows for more years over which to spread the cost of future OPEB benefits for active employees, reducing the cost per year.

Combining the impact of the UAAL increase, which is amortized over a long period, with the decrease in the normal cost, the overall impact on the ARC for the fiscal year ending June 30, 2016 is roughly an \$11,000 decrease from the ARC developed for the fiscal year ending June 30, 2015. Compare the results of Column 1 in Table 1B on page 12 with Column 2 in Appendix 1.

## F. Funding Policy

The specific calculation of the ARC and annual OPEB expense for an employer depends on how the employer elects to fund these benefits. Contributing an amount greater than or equal to the ARC each year is referred to as “prefunding”. Prefunding generally allows the employer to have the liability calculated using a higher discount rate, which in turn lowers the liability. In addition, following a prefunding policy does not build up a net OPEB obligation because the contribution equals or exceeds the annual OPEB cost each year.

### Determination of the ARC

The Annual Required Contribution (ARC) consists of two basic components, which have been adjusted with interest to the Commission’s fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the unfunded actuarial accrued liability (UAAL).

The ARCs for the fiscal years ending June 30, 2016 and June 30, 2017 are developed in Table 1B.

### Decisions Affecting the Amortization Payment

The period and method for amortizing the AAL can significantly affect the ARC. GASB 45:

- Prescribes a maximum amortization period of 30 years and requires no minimum amortization period (except 10 years for certain actuarial gains). Immediate full funding of the liability is also permitted, where the expected employer contribution is shown as the interest-adjusted sum of the normal cost and the entire amount of the unfunded accrued liability. Expected contributions in future years are then reduced to the expected normal cost (as a percentage of payroll) plus amortization of any new changes in the unfunded AAL.
- Allows amortization payments to be determined (a) as a level percentage of payroll, designed to increase over time as payroll increases, or (b) as a level dollar amount much like a conventional mortgage, so that this component of the ARC does not increase over time. Where a plan is closed and has no ongoing payroll base, a level percent of payroll basis is not permitted.
- Allows the amortization period to decrease annually by one year (closed basis) or to be maintained at the same number of years (open basis).

### Funding Policy Illustrated in This Report

It is our understanding that the Commission’s prefunding policy includes amortization of the unfunded AAL over a closed 30-year period initially effective July 1, 2009. As of July 1, 2013, 4 years of amortization have occurred and 26 years remain. The remaining amortization period used to develop the ARC for the fiscal years ending June 30, 2016 and June 30, 2017 are 24 and 23 years, respectively. Amortization payments are determined on a level percent of pay basis.

## **G. Choice of Actuarial Funding Method and Assumptions**

Ultimately, the real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method. The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the "incidence of cost". Methods that produce higher initial annual (prefunding) costs will produce lower annual costs later. Conversely, methods that produce lower initial costs will produce higher annual costs later relative to the other methods. GASB 45 allows the use of any of six actuarial funding methods; a brief description of each is in the glossary.

### **Factors Impacting the Selection of Funding Method**

While the goal of GASB 45 is to match recognition of retiree medical expense with the periods during which the benefit is earned, the funding methods differ because they focus on different financial measures in attempting to level the incidence of cost. Appropriate selection of a funding method contributes to creating intergenerational equity between generations of taxpayers. The impact of potential new employees entering the plan may also affect selection of a funding method, though this is not a factor in this plan.

We believe it is most appropriate for the plan sponsor to adopt a theory of funding and consistently apply the funding method representing that theory. This valuation was prepared using the entry age normal cost method with normal cost determined on a level percent of pay basis. The entry age normal cost method often produces initial contributions between those of the other more common methods and is generally regarded by pension actuaries as the most stable of the funding methods and is one of the most commonly used methods for GASB 45 compliance.

### **Factors Affecting the Selection of Assumptions**

Special considerations apply to the selection of actuarial funding methods and assumptions for the Commission. The "demographic" actuarial assumptions used in this report were chosen, for the most part, to be the same as the actuarial assumptions used for the most recent actuarial valuations of the retirement plans covering Commission employees. CalPERS has previously issued a set of standardized actuarial methods and assumptions to be used by entities participating in CERBT and many assumptions used in this report for GASB 45 analysis are also consistent with that assumption model. Other assumptions were selected based on demonstrated plan experience and/or our best estimate of expected future experience.

In selecting an appropriate discount rate, GASB states that the discount rate should be based on the expected long-term yield of investments used to finance the benefits. CERBT provides participating employers with three possible asset allocation strategies; a maximum discount rate is assigned to each of these strategies, which may be rounded or reduced to include a margin for adverse deviation. As requested by the Commission and permitted by CERBT where its asset allocation Strategy #2 is employed, the discount rate used in this valuation is 7.0%.

## H. Certification

This report presents the results of our actuarial valuation of the other post employment benefits provided by the Sacramento Metropolitan Cable Television Commission. The purpose of this valuation was to provide the actuarial information required for the Commission's reporting under Statement 45 of the Governmental Accounting Standards Board. The calculations were focused on determining the plan's funded status as of the valuation date, developing the Annual Required Contribution and projecting the Net OPEB Obligations for the years to which this report is expected to be applied.

We certify that this report has been prepared in accordance with our understanding of GASB 45. To the best of our knowledge, the report is complete and accurate, based upon the data and plan provisions provided to us by the Commission. We believe the assumptions and method used are reasonable and appropriate for purposes of the financial reporting required by GASB 45. The results may not be appropriate for other purposes.

The undersigned individual is a Fellow in the Society of Actuaries and Member of the American Academy of Actuaries who satisfies the Academy Qualification Standards for rendering this opinion.

Signed: May 30, 2014



Catherine L. MacLeod, FSA, EA, MAAA

**Table 1A**  
**Roll Forward of 2013 Valuation Results**

The basic valuation results are presented in Section E. The following summarizes the results of the July 1, 2013 valuation adjusted to be applicable for the fiscal years ending June 30, 2016 and 2017. These adjusted results become the basis for calculating the annual required contribution for these years, shown in Table 1B on the following page.

The results shown below and on the following two pages reflect our understanding that the Commission intends to contribute 100% of the ARC for each fiscal year up to and including the years to which this report is expected to be applied. Should those contributions differ by more than an immaterial amount, some of the results in this report will need to be revised.

Valuation date	Prefunding Basis	
	7/1/2013	
For fiscal year beginning	7/1/2015	7/1/2016
For fiscal year ending	6/30/2016	6/30/2017
Discount rate	7.00%	7.00%
<b>Number of Covered Employees*</b>		
Actives	6	6
Retirees	3	3
Total Participants	9	9
<b>Actuarial Present Value of Projected Benefits</b>		
Actives	\$ 609,157	\$ 647,983
Retirees	492,960	488,296
Total APVPB	1,102,117	1,136,279
<b>Actuarial Accrued Liability (AAL)</b>		
Actives	401,375	458,961
Retirees	492,960	488,296
Total AAL	894,335	947,257
<b>Actuarial Value of Assets</b>	122,817	172,029
<b>Unfunded AAL (UAAL)</b>	771,518	775,228
<b>Normal Cost</b>	31,126	32,138
<b>Benefit Payments</b>		
Actives (in retirement)	3,815	6,653
Retirees	39,171	36,323
Total	42,986	42,976

\* The numbers of active employees and retirees shown above are as of the valuation date and are not necessarily the number expected in the years shown above. Because this valuation has been prepared on a closed group basis, no potential future employees are included and, based on assumptions outlined in Table 4, we recognize the possibility that active employees may leave employment, some may retire and elect benefits and coverage for some of the retired employees may cease.

**Table 1B**  
**Calculation of the Annual Required Contribution**

The following exhibit calculates the amortization payments and the annual required contribution (ARC) on a prefunding basis for the fiscal years ending June 30, 2016 and June 30, 2017.

Fiscal Year End	Prefunding Basis	
	6/30/2016	6/30/2017
<b>Funding Policy</b>		
Discount rate	7.00%	7.00%
Amortization method	Level % of Pay	Level % of Pay
Initial amortization period (in years)	30	30
Remaining period (in years)	24	23
<b>Determination of Amortization Payment</b>		
UAAL	\$ 771,518	\$ 775,228
Factor	16.4133	15.9731
Payment	47,006	48,533
<b>Annual Required Contribution (ARC)</b>		
Normal Cost	31,126	32,138
Amortization of UAAL	47,006	48,533
Interest to 06/30	5,469	5,647
<b>Total ARC at fiscal year end</b>	<b>83,601</b>	<b>86,318</b>

While the following is not intended to be used to determine the normal cost or ARC in future years, this information may be of value for planning purposes:

Valuation date	7/1/2013	
	6/30/2016	6/30/2017
Projected covered payroll	\$ 650,566	\$ 671,710
Normal Cost as a percent of payroll	4.8%	4.8%
ARC as a percent of payroll	12.9%	12.9%
ARC per active ee	13,934	14,386

**Table 1C**  
**Expected OPEB Disclosures**

The exhibit below develops the annual OPEB expense, estimates the expected OPEB contributions and projects the net OPEB obligation for the fiscal years ending June 30, 2016 and June 30, 2017. The calculations assume the Commission continues to follow the prefunding approach outlined on the prior page.

Fiscal Year End	Prefunding Basis	
	6/30/2016	6/30/2017
<b>1. Calculation of the Annual OPEB Expense</b>		
a. ARC for current fiscal year	\$ 83,601	\$ 86,318
b. Interest on Net OPEB Obligation (Asset) at beginning of year	19,706	19,801
c. Adjustment to the ARC	(18,352)	(18,949)
d. <b>Annual OPEB Expense (a. + b. + c.)</b>	84,955	87,170
<b>2. Calculation of Expected Contribution</b>		
a. Estimated payments on behalf of retirees	42,986	42,976
b. Estimated contribution to OPEB trust	40,615	43,342
c. <b>Total Expected Employer Contribution</b>	83,601	86,318
<b>3. Change in Net OPEB Obligation (1.d. minus 2.c.)</b>	1,354	852
Net OPEB Obligation (Asset), beginning of fiscal year	281,512	282,866
<b>Net OPEB Obligation (Asset) at fiscal year end</b>	282,866	283,718

Please note that the expected payments to retirees for the fiscal year ending June 30, 2016 and 2017 shown above are projections and should be replaced with the actual payments in order to determine the portion of the ARC to be contributed to the OPEB trust.

*Should total Commission contributions (the sum of actual premiums paid and contributions to CERBT) be less than the ARC, the next valuation will likely require use of a lower discount rate for valuing the liabilities.*

**Table 2  
Summary of Employee Data**

The Commission reported 6 active employees; of these, 5 are currently participating in the medical program while 1 employee is waiving coverage as of the valuation date. Age and service information for the reported individuals is provided below:

<b>Distribution of Benefits-Eligible Active Employees</b>								
<b>Current Age</b>	<b>Years of Service</b>						<b>Total</b>	<b>Percent</b>
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25		1					1	17%
25 to 29							0	0%
30 to 34							0	0%
35 to 39	1						1	17%
40 to 44	1			1			2	33%
45 to 49							0	0%
50 to 54			1		1		2	33%
55 to 59							0	0%
60 to 64							0	0%
65 to 69							0	0%
70 & Up							0	0%
<b>Total</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>6</b>	<b>100%</b>
<b>Percent</b>	<b>33%</b>	<b>17%</b>	<b>17%</b>	<b>17%</b>	<b>17%</b>	<b>0%</b>	<b>100%</b>	

(Percentages adjusted to total 100%)

Annual Covered Payroll	\$610,255
Average Attained Age for Actives	42.3
Average Years of Service	6.2

There are also 3 retirees receiving benefits, whose ages are summarized in the chart below.

<b>Retirees by Age</b>		
<b>Current Age</b>	<b>Number</b>	<b>Percent</b>
Below 50	0	0%
50 to 54	0	0%
55 to 59	1	33%
60 to 64	1	33%
65 to 69	1	33%
70 to 74	0	0%
75 to 79	0	0%
80 & up	0	0%
<b>Total</b>	<b>3</b>	<b>100%</b>
Average Attained Age for Retirees:		62.7

**Table 2- Summary of Employee Data  
 (Concluded)**

The chart below reconciles the number of actives and retirees included in the July 1, 2013 valuation of the Commission plan with those included in the July 1, 2012 valuation:

<b>Reconciliation of Commission Plan Members Between Valuation Dates</b>				
<b>Status</b>	Covered Actives	Waiving Actives	Covered Retirees	Total
Number reported as of July 1, 2012	6	1	2	9
New employees	1	-	-	1
Terminated employees	-	(1)	-	(1)
New retiree, elected coverage	(1)	-	1	0
Previously covered, now waiving	(1)	1	-	0
<b>Number reported as of July 1, 2013</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>9</b>

**Table 3A**  
**Summary of Retiree Benefit Provisions**

**OPEB provided:** The Commission reports that the only OPEB provided is medical coverage.

**Access to coverage:** Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital and Care Act (PEMHCA).

- This coverage requires the employee to satisfy the requirements for retirement under CalPERS, which requires attainment of age 50 (age 52, if a new member on or after January 1, 2013) with 5 years of State/ or public agency service or approved disability retirement.
- If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement or during any future open enrollment period.
- Coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.
- The employee must commence his or her retirement warrant within 120 days of terminating employment with the Commission to be eligible to continue medical coverage through the Commission and be entitled to the employer subsidy described below.

**Benefits provided:** As a PEMHCA employer, the Commission is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. The Commission maintains an "equal contribution" resolution with CalPERS (executed in 2011) which defines the level of the Commission's contribution toward the cost of medical plan premiums for both active and retired employees. Specifically, the Commission contributes 100% of the premium for the employee and his or her dependents up to, but not more than 80% of the Kaiser (pre-Medicare) family premium rate in the Sacramento area region. This provided a maximum monthly subsidy of \$1,276 per month during 2013, which increased to \$1,418 per month in 2014.

**Current premium rates:** The 2014 CalPERS monthly medical plan rates in the Sacramento Area rate group are shown in the table below. If different rates apply where the member resides outside of this area, those rates are reflected in the valuation, but not listed here. The additional CalPERS administration fee is assumed to be separately expensed each year and has not been projected as an OPEB liability in this valuation.

Sacramento 2014 Health Plan Rates						
Plan	Actives and Pre-Med Retirees			Medicare Eligible		
	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Anthem HMO Select	\$750.27	\$1,500.54	\$1,950.70	\$341.12	\$682.24	\$1,132.40
Anthem HMO Traditional	840.43	1680.86	2185.12	341.12	682.24	1186.50
Blue Shield Access/ Adv HMO	734.87	1469.74	1910.66	298.21	596.42	1037.34
Blue Shield NetValue/ Adv HMO	618.39	1236.78	1607.81	298.21	596.42	967.45
Kaiser HMO	681.59	1363.18	1772.13	294.97	589.94	998.89
UnitedHealthcare HMO	643.34	1286.68	1672.68	193.33	386.66	772.66
PERS Choice PPO	665.99	1331.98	1731.57	307.23	614.46	1014.05
PERS Select PPO	637.85	1275.70	1658.41	307.23	614.46	997.17
PERSCare PPO	694.26	1388.52	1805.08	327.36	654.72	1071.28

### Table 3B General CalPERS Annuitant Eligibility Provisions

The content of this section has been drawn from Section C, Summary of Plan Provisions, of the State of California OPEB Valuation as of June 30, 2012, issued February 2013, to the State Controller from Gabriel Roeder & Smith. It is provided here as a brief summary of general annuitant and survivor coverage.

#### Health Care Coverage

##### *Retired Employees*

A member is eligible to enroll in a CalPERS health plan if he or she retires within 120 days of separation from employment and receives a monthly retirement allowance. If the member meets this requirement, he or she may continue his or her enrollment at retirement, enroll within 60 days of retirement, or enroll during any Open Enrollment period. If a member is currently enrolled in a CalPERS health plan and wants to continue enrollment into retirement, the employee will notify CalPERS and the member's coverage will continue into retirement.

Eligibility Exceptions: Certain family members are not eligible for CalPERS health benefits:

- Children age 26 or older
- Children's spouses
- Former spouses
- Never enrolled or disabled children over age 26
- Grandparents
- Parents
- Children of former spouses
- Other relatives

##### *Coordination with Medicare*

CalPERS retired members who qualify for premium-free Part A, either on their own or through a spouse (current, former, or deceased), must sign up for Part B as soon as they qualify for Part A. A member must then enroll in a CalPERS sponsored Medicare plan. The CalPERS-sponsored Medicare plan will pay for costs not paid by Medicare, by coordinating benefits.

##### *Survivors of an Annuitant*

If a CalPERS annuitant satisfied the requirement to retire within 120 days of separation, the survivor may be eligible to enroll within 60 days of the annuitant's death or during any future Open Enrollment period. Note: A survivor cannot add any new dependents; only dependents that were enrolled or eligible to enroll at the time of the member's death qualify for benefits.

Surviving registered domestic partners who are receiving a monthly annuity as a surviving beneficiary of a deceased employee or annuitant on or after January 1, 2002, are eligible to continue coverage if currently enrolled, enroll within 60 days of the domestic partner's death, or enroll during any future Open Enrollment period.

Surviving enrolled family members who do not qualify to continue their current coverage are eligible for continuation coverage under COBRA.

**Table 4**  
**Actuarial Methods and Assumptions**

Valuation Date	July 1, 2013
Funding Method	Entry Age Normal Cost, level percent of pay <sup>3</sup>
Asset Valuation Method	Market value of assets
Long Term Return on Assets	7.0%
Discount Rate	7.0%
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.25% per year, used only to allocate the cost of benefits between service years
Assumed Increase for Amortization Payments	3.25% per year where determined on a percent of pay basis
General Inflation Rate	3.0% per year

*The demographic actuarial assumptions used in this valuation are based on the (demographic) experience study of the California Public Employees Retirement System using data from 1997 to 2007. Rates for selected age and service are shown below and on the following pages.*

Mortality Before Retirement      Mortality rates in the table below were projected by applying Scale AA on a fully generational basis.

CalPERS Public Agency Miscellaneous Non- Industrial Deaths only		
Age	Male	Female
15	0.00045	0.00006
20	0.00047	0.00016
30	0.00053	0.00036
40	0.00087	0.00065
50	0.00176	0.00126
60	0.00395	0.00266
70	0.00914	0.00649
80	0.01527	0.01108

<sup>3</sup> The level percent of pay aspect of the funding method refers to how the normal cost is determined. Use of level percent of pay cost allocations in the funding method is separate from and has no effect on a decision regarding use of a level percent of pay or level dollar basis for determining amortization payments.

**Table 4 - Actuarial Methods and Assumptions  
(Continued)**

Mortality After Retirement Mortality rates in each of the tables below were projected by applying Scale AA on a fully generational basis.

Healthy Lives			Disabled Lives		
CalPERS Public Agency Miscellaneous, Police & Fire Post Retirement Mortality			CalPERS Public Agency Disabled Miscellaneous Post Retirement Mortality		
Age	Male	Female	Age	Male	Female
40	0.00093	0.00062	20	0.00664	0.00478
50	0.00239	0.00125	30	0.00790	0.00512
60	0.00720	0.00431	40	0.01666	0.00674
70	0.01675	0.01244	50	0.01632	0.01245
80	0.05270	0.03749	60	0.02293	0.01628
90	0.16747	0.12404	70	0.03870	0.03019
100	0.34551	0.31876	80	0.08388	0.05555
110	1.00000	1.00000	90	0.21554	0.14949

Termination Rates

*For miscellaneous employees:* sum of CalPERS Terminated Refund and Terminated Vested rates for miscellaneous employees – Illustrative rates

Attained Age	Years of Service					
	0	3	5	10	15	20
15	0.1812	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1742	0.1193	0.0946	0.0000	0.0000	0.0000
25	0.1674	0.1125	0.0868	0.0749	0.0000	0.0000
30	0.1606	0.1055	0.0790	0.0668	0.0581	0.0000
35	0.1537	0.0987	0.0711	0.0587	0.0503	0.0450
40	0.1468	0.0919	0.0632	0.0507	0.0424	0.0370
45	0.1400	0.0849	0.0554	0.0427	0.0347	0.0290

Service Retirement Rates

*For miscellaneous employees hired before 1/1/2013:*  
CalPERS Public Agency 2% @ 55 – Illustrative rates

Attained Age	Years of Service					
	5	10	15	20	25	30
50	0.0150	0.0200	0.0240	0.0290	0.0330	0.0390
55	0.0500	0.0640	0.0780	0.0940	0.1070	0.1270
60	0.0720	0.0920	0.1120	0.1340	0.1530	0.1820
65	0.1740	0.2210	0.2690	0.3230	0.3690	0.4390
70	0.1380	0.1760	0.2140	0.2570	0.2930	0.3490
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

**Table 4 - Actuarial Methods and Assumptions  
(Continued)**

Service Retirement Rates  
(concluded)

*For miscellaneous employees hired on or after 1/1/2013:  
CalPERS Public Agency 2% @ 62 – Illustrative rates*

Attained Age	Years of Service					
	5	10	15	20	25	30
50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
55	0.0440	0.0560	0.0680	0.0800	0.0920	0.1040
60	0.0616	0.0784	0.0952	0.1120	0.1288	0.1456
65	0.1287	0.1638	0.1989	0.2340	0.2691	0.3042
70	0.1254	0.1596	0.1938	0.2280	0.2622	0.2964
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Disability Retirement Rates

Illustrative rates:

CalPERS Public Agency Miscellaneous Disability		
Age	Male	Female
25	0.00010	0.00010
30	0.00021	0.00020
35	0.00063	0.00088
40	0.00145	0.00164
45	0.00252	0.00243
50	0.00331	0.00311
55	0.00366	0.00306
60	0.00377	0.00253

Healthcare Trend Rate

Medical plan premiums are assumed to increase once each year. The increases over the prior year's levels are assumed to be effective on the dates shown in the chart below:

Effective Jan 1	Premium Increase	Effective Jan 1	Premium Increase
2014	Actual	2020	6.00%
2015	8.50%	2021	5.50%
2016	8.00%	2022	5.00%
2017	7.50%	2023	4.50%
2018	7.00%	2024	4.50%
2019	6.50%	2025 & later	4.64%

**Table 4 - Actuarial Methods and Assumptions  
(Concluded)**

Participation Rate	<p><i>Participating actives:</i> 100% are assumed to continue their current plan election in retirement.</p> <p><i>Non-participating actives:</i> 90% are assumed to elect coverage at a later date, thus gaining access to subsidized coverage in retirement.</p> <p><i>Retired participants:</i> Existing medical plan elections are assumed to be continued until the retiree's death.</p>
Spouse Coverage	<p><i>Active employees:</i> 85% are assumed to be married and elect coverage for their spouse in retirement. Surviving spouses are assumed to retain coverage until their death. Husbands are assumed to be 3 years older than their wives.</p> <p><i>Retired participants:</i> Existing elections for spouse coverage are assumed to continue until the spouse's death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.</p>
Dependent Coverage	<p><i>Active employees:</i> 30% are assumed to cover dependents other than a spouse under age 26 at retirement; eligibility for coverage for the youngest dependent is assumed to end at the retiree's age 63.</p> <p><i>Retired participants</i> covering dependent children are assumed to end such coverage when the youngest currently covered dependent reaches age 26.</p>
Medicare Eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65.

**Changes Since the Prior Valuation:**

Mortality	Future improvement in mortality rates was projected by applying Scale AA on a fully generational basis to the rates published in the 1997-2007 CalPERS Experience Study.
Healthcare trend	Medical plan premiums are assumed to increase at slightly higher rates than were assumed in the prior valuation.

**Table 5**  
**Projected Benefit Payments**

The following is an estimate of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from the Commission.

- No benefits expected to be paid on behalf of current active employees prior to retirement are considered in this projection.
- No benefits for potential future employees have been included.

Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Table 4.

<b>Projected Annual Benefit Payments</b>			
<b>Fiscal Year Ending June 30</b>	<b>Current Retirees</b>	<b>Future Retirees</b>	<b>Total</b>
2014	\$ 37,795	\$ -	\$ 37,795
2015	34,297	-	34,297
2016	39,171	3,815	42,986
2017	36,323	6,653	42,976
2018	38,595	9,614	48,209
2019	40,783	12,957	53,740
2020	42,861	17,222	60,083
2021	44,800	22,147	66,947
2022	39,329	27,891	67,220
2023	32,893	31,429	64,322
2024	33,719	39,121	72,840
2025	34,520	45,912	80,432
2026	35,294	46,443	81,737
2027	36,002	44,610	80,612
2028	36,633	50,260	86,893
2029	37,154	56,309	93,463
2030	37,558	54,347	91,905
2031	37,840	55,582	93,422
2032	37,973	60,909	98,882
2033	37,930	66,720	104,650

## Appendix 1 Expected Disclosures for Fiscal Years End June 30, 2014 and 2015

The annual OPEB expense and net OPEB obligation (asset) for the fiscal year ending June 30, 2014 were projected in the July 1, 2012 valuation and reflected Bickmore's understanding of OPEB contributions prior to that date.

The following exhibit restates the development of the annual OPEB expense and net OPEB obligation, providing the information assumed to be reported in the Commission's financial statements for the fiscal years ending June 30, 2014 and June 30, 2015.

Fiscal Year End	Prefunding	
	6/30/2014	6/30/2015
<b>1. Calculation of the Annual OPEB Expense</b>		
a. ARC for current fiscal year	\$ 91,832	\$ 94,816
b. Interest on Net OPEB Obligation (Asset) at beginning of year	19,715	19,579
c. Adjustment to the ARC	(17,472)	(17,774)
d. <b>Annual OPEB Expense (a. + b. + c.)</b>	94,075	96,621
<b>2. Calculation of Expected Contribution</b>		
a. Estimated payments on behalf of retirees	37,795	34,297
b. Estimated contribution to OPEB trust	58,222	60,519
c. <b>Total Expected Employer Contribution</b>	96,017	94,816
<b>3. Change in Net OPEB Obligation (1.d. minus 2.c.)</b>	(1,942)	1,805
Net OPEB Obligation (Asset), beginning of fiscal year	281,649	279,707
<b>Net OPEB Obligation (Asset) at fiscal year end</b>	279,707	281,512

## Appendix 2 OPEB Disclosure Information

The Information necessary to complete the OPEB footnote in the Commission's financial reports is summarized below, or we note the location of the information contained elsewhere in this report:

Summary of Plan Provisions:	See Table 3A
OPEB Funding Policy:	See Section F; details are provided also at the top of the exhibit in Table 1B
Annual OPEB Cost and Net OPEB Obligation:	See Table 1C
Actuarial Methods and Assumptions:	See Table 4.
Funding Status and Funding Progress:	See Section E – Basic Valuation Results

### Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2009	\$ -	\$ 855,188	\$ 855,188	0%	\$ 341,856	250.16%
7/1/2012	\$ -	\$ 968,563	\$ 968,563	0%	\$ 391,020	247.70%
7/1/2013	\$ -	\$ 795,197	\$ 795,197	0%	\$ 610,255	130.31%

Required Supplementary Information: Three Year History of Amounts Funded  
See chart below:

### OPEB Cost Contributed

Fiscal Year Ended	Annual OPEB Cost	Employer OPEB Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2010	\$ 84,094	\$ 24,185	29%	\$ 59,909
6/30/2011	\$ 89,035	\$ 24,604	28%	\$ 124,344
6/30/2012	\$ 94,209	\$ 26,045	28%	\$ 192,507
6/30/2013	\$ 118,414	\$ 29,272	25%	\$ 281,649
6/30/2014	\$ 94,075	\$ 96,017	102%	\$ 279,707
6/30/2015	\$ 96,621	\$ 94,816	98%	\$ 281,512
6/30/2016	\$ 85,215	\$ 83,861	98%	\$ 282,866
6/30/2017	\$ 87,439	\$ 86,587	99%	\$ 283,718

*Italicized values above are estimates which may change if contributions are other than projected.*

## Glossary

Actuarial Accrued Liability (AAL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; see “Actuarial Present Value”

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability

Actuarial Present Value (APV) – The amount presently required to fund a payment or series of payments in the future, it is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

Aggregate – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Annual Required Contribution (ARC) – The amount the employer would contribute to a defined benefit OPEB plan for a given year, it is the sum of the normal cost and some amortization (typically 30 years) of the unfunded actuarial accrued liability

Annual OPEB Expense – The OPEB expense reported in the Agency’s financial statement, which is comprised of three elements: the ARC, interest on the net OPEB obligation at the beginning of the year and an ARC adjustment.

Attained Age Normal Cost (AANC) – An actuarial funding method where, for each plan member, the excess of the actuarial present value of benefits over the actuarial accrued liability (determined under the unit credit method) is levelly spread over the individual’s projected earnings or service forward from the valuation date to the assumed exit date

CalPERS – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member’s account are determined and the terms of distribution of the account after separation from employment

## **Glossary (Continued)**

Entry Age Normal Cost (EANC) – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to assumed exit age

Frozen Attained Age Normal Cost (FAANC) – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability (determined under the unit credit method) is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Frozen Entry Age Normal Cost (FEANC) – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability (determined under the entry age normal cost method) is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Financial Accounting Standards Board (FASB) – A private, not-for-profit organization designated by the Securities and Exchange Commission (SEC) to develop generally accepted accounting principles (GAAP) for U.S. public corporations

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments; like FASB, it is part of the Financial Accounting Foundation (FAF), which funds each organization and selects the members of each board

Net OPEB Obligation (Asset) - The net OPEB obligation (NOO) represents the accumulated shortfall of OPEB funding since GASB 45 was implemented. If cumulative contributions have exceeded the sum of the prior years' annual OPEB expenses, then a net OPEB asset results.

Non-Industrial Disability (NID) – Unless specifically contracted by the individual Agency, PAM employees are assumed to be subject to only non-industrial disabilities.

Normal Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the chosen funding method; also called current service cost

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due

## **Glossary (Concluded)**

PEMHCA – The Public Employees' Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that medical insurance contributions for retired annuitants and paid for by a contracting Agency be equal to the medical insurance contributions paid for its active employees, and that a contracting Agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.

Projected Unit Credit (PUC) – An actuarial funding method where, for each individual, the projected plan benefit is allocated by a consistent formula from entry date to assumed exit date

Public Agency Miscellaneous (PAM) – Actuarial assumptions used by CalPERS for most non-safety public employees.

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate)

Trend – The healthcare cost trend rate, defined as the rate of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments

Unfunded Actuarial Accrued Liability (UAAL) – The excess of the actuarial accrued liability over the actuarial value of plan assets

Unit Credit (UC) -- An actuarial funding method where, for each individual, the unprojected plan benefit is allocated by a consistent formula from entry date to assumed exit date

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

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## AGENDA ITEM NO. 4

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** SACRAMENTO COUNTY'S CALENDAR YEAR 2014 INVESTMENT POLICY FOR THE POOLED INVESTMENT FUND

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### RECOMMENDATION:

Receive and file the County of Sacramento's Calendar Year 2014 Investment Policy for the Pooled Investment Fund.

### DISCUSSION:

On December 10, 2013, the Sacramento County (County) Board of Supervisors approved the Calendar Year 2014 Investment Policy of the Pooled Investment Fund.

As the Commission is a Pooled Investment Fund participant, it is recommended our Board receive and file this policy; the action to do so constitutes consideration at a public meeting, as recommended by Government Code Section 53646(a)(2).

As stipulated in the attached cover letter from the County, there were no changes to the investment policy for 2014. Additional investment-related reports are also available at the County's Investment Division webpage at [www.finance.saccounty.net/investments](http://www.finance.saccounty.net/investments).

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert A. Davison", written over a horizontal line.

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

Attachment:  
Calendar Year 2014 Investment Policy for the Pooled Investment Fund

**Internal Services Agency**

**Department of Finance**

Julie Valverde, Director



Bradley J. Hudson,  
County Executive  
David Villanueva,  
Chief Deputy County Executive

## County of Sacramento

December 31, 2013

To: Pooled Investment Fund Participant Agency Board Chairs

Subject: **CALENDAR YEAR 2014 INVESTMENT POLICY FOR THE POOLED INVESTMENT FUND**

Since 1987, the Director of Finance has submitted a statement of investment policy to the Sacramento County Board of Supervisors for consideration and adoption. The Board of Supervisors approved the enclosed calendar year 2014 investment policy on December 10, 2013.

There are no changes to the investment policy for 2014. I recommend that the legislative body of your agency receive and file the enclosed Sacramento County Annual Investment Policy of the Pooled Investment Fund — Calendar Year 2014 at its next regular meeting. Your action to receive and file the policy constitutes consideration at a public meeting as recommended by Government Code section 53646(a)(2). The investment policy is also available on the Department of Finance – Investment Division webpage at [www.finance.saccounty.net/investments](http://www.finance.saccounty.net/investments).

The following investment-related reports are also available on the Investment Division webpage:

- Pooled Investment Fund Monthly Review;
- Quarterly Pooled Investment Fund Report; and
- Non-Pooled Investment Funds Portfolio Reports.

If you have any questions about the investment policy or management of the Pooled Investment Fund portfolio, please call me at (916) 874-6744 or Chief Investment Officer Bernard Santo Domingo at (916) 874-7320.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie Valverde", is written over a faint, larger version of the same signature.

**Julie Valverde**

Director of Finance

Enclosure



**SACRAMENTO COUNTY**

**Annual Investment Policy  
of the Pooled Investment Fund**

**CALENDAR YEAR 2014**

*Approved by the  
Sacramento County Board of Supervisors*

December 10, 2013  
Resolution No. 2013-0818

# Table of Contents

I.	Authority .....	1
II.	Policy Statement.....	1
III.	Standard of Care.....	1
IV.	Investment Objectives .....	1
	A. Safety of Principal.....	1
	B. Liquidity .....	2
	C. Public Trust .....	2
	D. Maximum Rate of Return .....	2
V.	Pooled Investment Fund Investors .....	2
VI.	Implementation .....	2
VII.	Internal Controls.....	3
VIII.	Sacramento County Treasury Oversight Committee.....	4
IX.	Investment Parameters .....	4
	A. Investable Funds.....	4
	B. Authorized Investments .....	5
	C. Prohibited Investments.....	5
	D. Credit Requirements.....	5
	E. Maximum Maturities.....	6
	F. Maximum Concentrations.....	7
	G. Repurchase Agreements .....	8
	H. Community Reinvestment Act Program .....	8
	I. Criteria and Qualifications of Brokers/Dealers and Direct Issuers .....	8
	J. Investment Guidelines, Management Style and Strategy .....	9
	K. Approved Lists .....	9
	L. Calculation of Yield and Costs.....	9
X.	Reviewing, Monitoring and Reporting of the Portfolio .....	10
XI.	Withdrawal Requests for Pooled Fund Investors .....	10
XII.	Limits on Honoraria, Gifts and Gratuities.....	10
XIII.	Terms and Conditions for Outside Investors.....	11
	Appendix A – Comparison and Interpretation of Credit Ratings .....	12

SACRAMENTO COUNTY

**Annual Investment Policy  
of the Pooled Investment Fund**

CALENDAR YEAR 2014

**I. Authority**

Under the Sacramento County Charter, the Board of Supervisors established the position of Director of Finance and by ordinance will annually review and renew the Director of Finance's authority to invest and reinvest all the funds in the County Treasury.

**II. Policy Statement**

This Investment Policy (Policy) establishes cash management and investment guidelines for the Director of Finance, who is responsible for the stewardship of the Sacramento County Pooled Investment Fund. Each transaction and the entire portfolio must comply with California Government Code and this Policy. All portfolio activities will be judged by the standards of the Policy and its investment objectives. Activities that violate its spirit and intent will be considered contrary to the Policy.

**III. Standard of Care**

The Director of Finance is the Trustee of the Pooled Investment Fund and therefore, a fiduciary subject to the prudent investor standard. The Director of Finance, employees involved in the investment process, and members of the Sacramento County Treasury Oversight Committee (Oversight Committee) shall refrain from all personal business activities that could conflict with the management of the investment program. All individuals involved will be required to report all gifts and income in accordance with California state law. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the Director of Finance shall act with care, skill, prudence, and diligence to meet the aims of the investment objectives listed in Section IV, Investment Objectives.

**IV. Investment Objectives**

The Pooled Investment Fund shall be prudently invested in order to earn a reasonable return, while awaiting application for governmental purposes. The specific objectives for the Pooled Investment Fund are ranked in order of importance.

**A. Safety of Principal**

The preservation of principal is the primary objective. Each transaction shall seek to ensure that capital losses are avoided, whether they be from securities default or erosion of market value.

**B. Liquidity**

As a second objective, the Pooled Investment Fund should remain sufficiently flexible to enable the Director of Finance to meet all operating requirements that may be reasonably anticipated in any depositor's fund.

**C. Public Trust**

In managing the Pooled Investment Fund, the Director of Finance and the authorized investment traders should avoid any transactions that might impair public confidence in Sacramento County and the participating local agencies. Investments should be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived.

**D. Maximum Rate of Return**

As the fourth objective, the Pooled Investment Fund should be designed to attain a market average rate of return through budgetary and economic cycles, consistent with the risk limitations, prudent investment principles and cash flow characteristics identified herein. For comparative purposes, the State of California Local Agency Investment Fund (LAIF) will be used as a performance benchmark. The Pooled Investment Fund quarterly performance benchmark target has been set at or above LAIF's yield. This benchmark was chosen because LAIF's portfolio structure is similar to the Pooled Investment Fund.

**V. Pooled Investment Fund Investors**

The Pooled Investment Fund investors are comprised of Sacramento County, school and community college districts, districts directed by the Board of Supervisors, and independent special districts whose treasurer is the Director of Finance. Any local agencies not included in this category are subject to California Government Code section 53684 and are referred to as outside investors.

**VI. Implementation**

In order to provide direction to those responsible for management of the Pooled Investment Fund, the Director of Finance has established this Policy and will provide it to the Oversight Committee and render it to legislative bodies of local agencies that participate in the Pooled Investment Fund. In accordance with California Government Code section 53646, et seq., the Board of Supervisors shall review and approve this Policy annually.

This Policy provides a detailed description of investment parameters used to implement the investment process and includes the following: investable funds; authorized instruments; prohibited investments; credit requirements; maximum maturities and concentrations; repurchase agreements; Community Reinvestment Act Program; criteria and qualifications of broker/dealers and direct issuers; investment guidelines, management style and strategy; Approved Lists; and calculation of yield and costs.

## **VII. Internal Controls**

The Director of Finance shall establish internal controls to provide reasonable assurance that the investment objectives are met and to ensure that the assets are protected from loss, theft, or misuse. To assist in implementation and internal controls, the Director of Finance has established an Investment Group and a Review Group.

The Investment Group, which is comprised of the Director of Finance and his/her designees, is responsible for maintenance of the investment guidelines and Approved Lists. These guidelines and lists can be altered daily, if needed, to adjust to the ever-changing financial markets. The guidelines can be more conservative or match the policy language. In no case can the guidelines override the Policy.

The Review Group, which is comprised of the Director of Finance and his/her designees, is responsible for the monthly review and appraisal of all the investments purchased by the Director of Finance and staff. This review includes bond proceeds, which are invested separately from the Pooled Investment Fund and are not governed by this Policy.

The Director of Finance shall establish a process for daily, monthly, quarterly, and annual review and monitoring of the Pooled Investment Fund activity. The following articles, in order of supremacy, govern the Pooled Investment Fund:

1. California Government Code
2. Annual Investment Policy
3. Current Investment Guidelines
4. Approved Lists (see page 9, Section IX.K)

The Director of Finance shall review the daily investment activity and corresponding bank balances.

Monthly, the Review Group shall review all investment activity and its compliance to the corresponding governing articles and investment objectives.

Quarterly, the Director of Finance will provide the Oversight Committee with a copy of the Pooled Investment Fund activity and its compliance to the annual Policy and California Government Code.

Annually, the Oversight Committee shall cause an annual audit of the activities within the Pooled Investment Fund to be conducted to determine compliance to the Policy and California Government Code. This audit will include issues relating to the structure of the investment portfolio and risk.

All securities purchased, with the exception of time deposits, money market mutual funds, LAIF and Wells Fargo's overnight investment fund, shall be delivered to the independent third-party custodian selected by the Director of Finance. This includes all collateral for repurchase agreements. All trades, where applicable, will be executed by delivery versus payment by the designated third-party custodian.

### **VIII. Sacramento County Treasury Oversight Committee**

In accordance with California Government Code section 27130 et seq., the Board of Supervisors, in consultation with the Director of Finance, has created the Sacramento County Treasury Oversight Committee (Oversight Committee). Annually, the Director of Finance shall prepare an Investment Policy that will be forwarded to and monitored by the Oversight Committee and rendered to Boards of all local agency participants. The Board of Supervisors shall review and approve the Policy during public session. Quarterly, the Director of Finance shall provide the Oversight Committee a report of all investment activities of the Pooled Investment Fund to ensure compliance to the Policy. Annually, the Oversight Committee shall cause an audit to be conducted on the Pooled Investment Fund. The meetings of the Oversight Committee shall be open to the public and subject to the Ralph M. Brown Act.

A member of the Oversight Committee may not be employed by an entity that has contributed to the campaign of a candidate for the office of local treasurer, or contributed to the campaign of a candidate to be a member of a legislative body of any local agency that has deposited funds in the county treasury, in the previous three years or during the period that the employee is a member of the Oversight Committee. A member may not directly or indirectly raise money for a candidate for local treasurer or a member of the Sacramento County Board of Supervisors or governing board of any local agency that has deposited funds in the county treasury while a member of the Oversight Committee. Finally, a member may not secure employment with, or be employed by bond underwriters, bond counsel, security brokerages or dealers, or financial services firms, with whom the treasurer is doing business during the period that the person is a member of the Oversight Committee or for one year after leaving the committee.

The Oversight Committee is not allowed to direct individual investment decisions, select individual investment advisors, brokers or dealers, or impinge on the day-to-day operations of the Department of Finance treasury and investment operations.

### **IX. Investment Parameters**

#### **A. Investable Funds**

Total Investable Funds (TIF) for purposes of this Policy are all Pooled Investment Fund moneys that are available for investment at any one time, including the estimated bank account float. Included in TIF are funds of outside investors, if applicable, for which the Director of Finance provides investment services. Excluded from TIF are all bond proceeds.

The Cash Flow Horizon is the period in which the Pooled Investment Fund cash flow can be reasonably forecasted. This Policy establishes the Cash Flow Horizon to be one (1) year.

Once the Director of Finance has deemed that the cash flow forecast can be met, the Director of Finance may invest funds with maturities beyond one year. These securities will be referred to as the Core Portfolio.

#### **B. Authorized Investments**

Authorized investments shall match the general categories established by the California Government Code sections 53601 et seq. and 53635 et seq. Authorized investments shall

include, in accordance with California Government Code section 16429.1, investments into LAIF. Authorization for specific instruments within these general categories, as well as narrower portfolio concentration and maturity limits, will be established and maintained by the Investment Group as part of the Investment Guidelines. As the California Government Code is amended, this Policy shall likewise become amended.

### **C. Prohibited Investments**

No investments shall be authorized that have the possibility of returning a zero or negative yield if held to maturity. These shall include inverse floaters, range notes, and interest only strips derived from a pool of mortgages.

All legal investments issued by a tobacco-related company are prohibited. A tobacco-related company is defined as an entity that makes smoking products from tobacco used in cigarettes, cigars, or snuff or for smoking in pipes. The tobacco-related issuers restricted from any investment are any component companies in the Dow Jones U.S. Tobacco Index or the NYSE Arca Tobacco Index. Annually the Director of Finance and/or his designee will update the list of tobacco-related companies.

### **D. Credit Requirements**

Except for municipal obligations and Community Reinvestment Act (CRA) bank deposits and certificates of deposit, the issuer's short-term credit ratings shall be at or above A-1 by Standard & Poor's, P-1 by Moody's, and, if available, F1 by Fitch, and the issuer's long-term credit ratings shall be at or above A by Standard & Poor's, A2 by Moody's, and, if available, A by Fitch. There are no credit requirements for Registered State Warrants. All other municipal obligations shall be at or above a short-term rating of SP-1 by Standard & Poor's, MIG1 by Moody's, and, if available, F1 by Fitch. In addition, domestic banks are limited to those with a Fitch Viability rating of a or better, without regard to modifiers. The Investment Group is granted the authority to specify approved California banks with Fitch Viability ratings of bbb+ but they must have a Support rating of 1 where appropriate. Foreign banks with domestic licensed offices must have a Fitch Sovereign rating of AAA and a Fitch Viability rating of a or better, without regard to modifiers; however, a foreign bank may have a rating of bbb+ but they must have a Support rating of 1. Domestic savings banks must be rated a or better, without regard to modifiers, or may have a rating of bbb+ but they must have a Support rating of 1.

*Community Reinvestment Act Program Credit Requirements*

Maximum Amount	Minimum Requirements
Up to the FDIC- or NCUSIF-insured limit for the term of the deposit	<b><u>Banks</u></b> — FDIC Insurance Coverage
	<b><u>Credit Unions</u></b> — NCUSIF Insurance Coverage <i>Credit unions are limited to a maximum deposit of the NCUSIF-insured limit since they are not rated by nationally recognized rating agencies and are not required to provide collateral on public deposits.</i>
Over the FDIC- or NCUSIF-insured limit to \$10 million  Collateral is required	<i>(Any 2 of 3 ratings)</i> S&P:           A-2 Moody's:       P-2 Fitch:           F-2

Eligible banks must have Community Reinvestment Act performance ratings of “satisfactory” or “outstanding” from each financial institution’s regulatory authority. In addition, deposits greater than the federally-insured amount must be collateralized. Banks must place securities worth between 110% and 150% of the value of the deposit with the Federal Reserve Bank of San Francisco, the Home Loan Bank of San Francisco, or a trust bank.

Since credit unions do not have Community Reinvestment Act performance ratings, they must demonstrate their commitment to meeting the community reinvestment lending and charitable activities, which are also required of banks.

All commercial paper and medium-term note issues must be issued by corporations operating within the United States and having total assets in excess of one billion dollars (\$1,000,000,000).

The Investment Group may raise these credit standards as part of the Investment Guidelines and Approved Lists. Appendix A provides a Comparison and Interpretation of Credit Ratings by Standard & Poor’s, Moody’s, and Fitch.

**E. Maximum Maturities**

Due to the nature of the invested funds, no investment with limited market liquidity should be used. Appropriate amounts of highly-liquid investments, such as Treasury and Agency securities, should be maintained to accommodate unforeseen withdrawals.

The maximum maturity, determined as the term from the date of ownership to the date of maturity, for each investment shall be established as follows:

U.S. Treasury Notes and Agency Obligations .....	5 years
Bonds issued by local agencies .....	5 years
Registered State Warrants and Municipal Notes .....	5 years
Bankers Acceptances .....	180 days
Commercial Paper .....	270 days
Negotiable Certificates of Deposit .....	180 days
CRA Bank Deposit/Certificates of Deposit .....	1 year
Repurchase Agreements .....	1 year
Reverse Repurchase Agreements .....	92 days
Medium Term Corporate Notes .....	180 days
Shares of a Money Market Mutual Fund .....	(per SEC regulations) <sup>1</sup>
Collateralized Mortgage Obligations .....	180 days

The Investment Group may reduce these maturity limits to a shorter term as part of the Investment Guidelines and the Approved Lists.

The ultimate maximum maturity of any investment shall be five (5) years. The dollar-weighted average maturity of all securities shall be equal to or less than three (3) years.

#### F. Maximum Concentrations

No more than 80% of the portfolio may be invested in issues other than United States Treasuries and Government Agencies. The maximum allowable percentage for each type of security is set forth as follows:

U.S. Treasury and Agency Securities .....	100%
Bonds issued by local agencies .....	80%
Registered State Warrants and Municipal Notes .....	80%
Bankers Acceptances .....	40%
Commercial Paper .....	40%
Negotiable or CRA Bank Deposit/Certificates of Deposit .....	30%
Repurchase Agreements .....	30%
Reverse Repurchase Agreements .....	20%
Medium Term Corporate Notes .....	30%
Shares of a diversified Money Market Mutual Fund .....	20%
Collateralized Mortgage Obligations .....	20%
Local Agency Investment Fund (LAIF) .....	(per State limit) <sup>2</sup>

The Investment Group may reduce these concentrations as part of the Investment Guidelines and the Approved Lists.

<sup>1</sup> Money Market mutual funds are regulated by the Securities and Exchange Commission under §270.2a-7 and are required to maintain a dollar-weighted average portfolio maturity of 60 days or less.

<sup>2</sup> LAIF current maximum allowed is \$50 million.

No more than 10% of the portfolio, except Treasuries and Agencies, may be invested in securities of a single issuer including its related entities.

Where a percentage limitation is established above, for the purpose of determining investment compliance, that maximum percentage will be applied on the date of purchase.

#### **G. Repurchase Agreements**

Under California Government Code section 53601, paragraph (j) and section 53635, the Director of Finance may enter into Repurchase Agreements and Reverse Repurchase Agreements. The maximum maturity of a Repurchase Agreement shall be one year. The maximum maturity of a reverse repurchase agreement shall be 92 days, and the proceeds of a reverse repurchase agreement may not be invested beyond the expiration of the agreement. The reverse repurchase agreement must be "matched to maturity" and meet all other requirements in the code.

All repurchase agreements must have an executed Sacramento County Master Repurchase Agreement on file with both the Director of Finance and the Broker/Dealer. Repurchase Agreements executed with approved broker-dealers must be collateralized with either: (1) U.S. Treasuries or Agencies with a market value of 102% for collateral marked to market daily; or (2) money market instruments which are on the Approved Lists of the County and which meet the qualifications of the Policy, with a market value of 102%. Since the market value of the underlying securities is subject to daily market fluctuations, investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102% no later than the next business day. Use of mortgage-backed securities for collateral is not permitted. Strictly for purposes of investing the daily excess bank balance, the collateral provided by the Sacramento County's depository bank can be Treasuries or Agencies valued at 110%, or mortgage-backed securities valued at 150%.

#### **H. Community Reinvestment Act Program**

The Director of Finance has allocated within the Pooled Investment Fund, a maximum of \$90 million for the Community Reinvestment Act Program to encourage community investment by financial institutions, which includes community banks and credit unions, and to acknowledge and reward local financial institutions which support the community's financial needs. The Director of Finance may increase this amount, as appropriate, while staying within the investment policy objectives and maximum maturity and concentration limits. The eligible banks and savings banks must have Community Reinvestment Act performance ratings of "satisfactory" or "outstanding" from each financial institution's regulatory authority. The minimum credit requirements are located on page 5 of Section IX.D.

#### **I. Criteria and Qualifications of Brokers/Dealers and Direct Issuers**

All transactions initiated on behalf of the Pooled Investment Fund and Sacramento County shall be executed through either government security dealers reporting as primary dealers to the Market Reports Division of the Federal Reserve Bank of New York or direct issuers that directly issue their own securities which have been placed on the Approved List of

brokers/dealers and direct issuers. Further, these firms must have an investment grade rating from at least two national rating services, if available.

Brokers/Dealers and direct issuers which have exceeded the political contribution limits, as contained in Rule G-37 of the Municipal Securities Rulemaking Board, within the preceding four year period to the Director of Finance or any member of the governing board of a local agency or any candidate for those offices, are prohibited from the Approved List of brokers/dealers and direct issuers.

Each broker/dealer and direct issuer will be sent a copy of this Policy and a list of those persons authorized to execute investment transactions. Each firm must acknowledge receipt of such materials to qualify for the Approved List of brokers/dealers and direct issuers.

Each broker/dealer and direct issuer authorized to do business with Sacramento County shall, at least annually, supply the Director of Finance with audited financial statements.

#### **J. Investment Guidelines, Management Style and Strategy**

The Investment Group, named by the Director of Finance, shall issue and maintain Investment Guidelines specifying authorized investments, credit requirements, permitted transactions, and issue maturity and concentration limits which are consistent with this Policy.

The Investment Group shall also issue a statement describing the investment management style and current strategy for the entire investment program. The management style and strategy can be changed to accommodate shifts in the financial markets, but at all times they must be consistent with this Policy and its objectives.

#### **K. Approved Lists**

The Investment Group, named by the Director of Finance, shall issue and maintain various Approved Lists. These lists are:

1. Approved Domestic Banks for all legal investments.
2. Approved Foreign Banks for all legal investments.
3. Approved Commercial Paper and Medium Term Note Issuers.
4. Approved Money Market Mutual Funds.
5. Approved Firms for Purchase or Sale of Securities (Brokers/Dealers and Direct Issuers).
6. Approved Banks / Credit Unions for the Community Reinvestment Act Program.

#### **L. Calculation of Yield and Costs**

The costs of managing the investment portfolio, including but not limited to: investment management; accounting for the investment activity; custody of the assets; managing and accounting for the banking; receiving and remitting deposits; oversight controls; and indirect and overhead expenses are charged to the investment earnings based upon actual labor hours worked in respective areas. Costs of these respective areas are accumulated by specific cost

accounting projects and charged to the Pooled Investment Fund on a quarterly basis throughout the fiscal year.

The Department of Finance will allocate the net interest earnings of the Pooled Investment Fund quarterly. The net interest earnings are allocated based upon the average daily cash balance of each Pooled Investment Fund participant.

#### **X. Reviewing, Monitoring and Reporting of the Portfolio**

The Review Group will prepare and present to the Director of Finance at least monthly a comprehensive review and evaluation of the transactions, positions, performance of the Pooled Investment Fund and compliance to the California Government Code, Policy, and Investment Guidelines.

Quarterly, the Director of Finance will provide to the Oversight Committee and to any local agency participant that requests a copy, a detailed report on the Pooled Investment Fund. Pursuant to California Government Code section 53646, the report will list the type of investments, name of issuer, maturity date, par and dollar amount of the investment. For the total Pooled Investment Fund, the report will list average maturity, the market value, and the pricing source. Additionally, the report will show any funds under the management of contracting parties, a statement of compliance to the Policy and a statement of the Pooled Investment Fund's ability to meet the expected expenditure requirements for the next six months.

Each quarter, the Director of Finance shall provide to the Board of Supervisors and interested parties a comprehensive report on the Pooled Investment Fund.

Annually, the Director of Finance shall provide to the Oversight Committee the Investment Policy. Additionally, the Director of Finance will render a copy of the Investment Policy to the legislative body of the local agencies that participate in the Pooled Investment Fund.

#### **XI. Withdrawal Requests for Pooled Fund Investors**

The Director of Finance will honor all requests to withdraw funds for normal cash flow purposes that are approved by the Director of Finance at a one dollar net asset value. Any requests to withdraw funds for purposes other than immediate cash flow needs, such as for external investing, are subject to the consent of the Director of Finance. In accordance with California Government Code Sections 27133(h) and 27136, such requests for withdrawals must first be made in writing to the Director of Finance. When evaluating a request to withdraw funds, the Director of Finance will take into account the effect of a withdrawal on the stability and predictability of the Pooled Investment Fund and the interests of other depositors. Any withdrawal for such purposes will be at the market value of the Pooled Investment Fund on the date of the withdrawal.

#### **XII. Limits on Honoraria, Gifts, and Gratuities**

In accordance with California Government Code Section 27133(d), this Policy establishes limits for the Director of Finance; individuals responsible for management of the portfolios; and members of the Investment Group and Review Group who direct individual investment decisions, select individual investment advisors and broker/dealers, and conduct day-to-day investment

trading activity. The limits also apply to members of the Oversight Committee. Any individual who receives an aggregate total of gifts, honoraria and gratuities in excess of \$50 in a calendar year from a broker/dealer, bank or service provider to the Pooled Investment Fund must report the gifts, dates and firms to the designated filing official and complete the appropriate State forms.

No individual may receive aggregate gifts, honoraria, and gratuities in a calendar year in excess of the amount specified in Section 18940.2(a) of Title 2, Division 6 of the California Code of Regulations. This limitation is \$440 for the period January 1, 2013, to December 31, 2014. Any violation must be reported to the State Fair Political Practices Commission.

### **XIII. Terms and Conditions for Outside Investors**

Outside investors may invest in the Pooled Investment Fund through California Government Code Section 53684. Their deposits are subject to the consent of the Director of Finance. The legislative body of the local agency must approve the Sacramento County Pooled Investment Fund as an authorized investment and execute a Memorandum of Understanding. Any withdrawal of these deposits must be made in writing 30 days in advance and will be paid based upon the market value of the Pooled Investment Fund. If the Director of Finance considers it appropriate, the deposits may be returned at any time to the local agency.

## Appendix A

### Comparison and Interpretation of Credit Ratings

<b>Long Term Debt &amp; Individual Bank Ratings</b>				
<b>Rating Interpretation</b>	<b>Moody's</b>	<b>S&amp;P</b>	<b>Fitch</b>	<b>Fitch Viability Rating</b>
<i>Best-quality grade</i>	Aaa	AAA	AAA	aaa
<i>High-quality grade</i>	Aa1	AA+	AA+	aa+
	Aa2	AA	AA	aa
	Aa3	AA-	AA-	aa-
<i>Upper Medium Grade</i>	A1	A+	A+	a+
	A2	A	A	a
	A3	A-	A-	a-
<i>Medium Grade</i>	Baa1	BBB+	BBB+	bbb+
	Baa2	BBB	BBB	bbb
	Baa3	BBB-	BBB-	bbb-
<i>Speculative Grade</i>	Ba1	BB+	BB+	bb+
	Ba2	BB	BB	bb
	Ba3	BB-	BB-	bb-
<i>Low Grade</i>	B1	B+	B+	b+
	B2	B	B	b
	B3	B-	B-	b-
<i>Poor Grade to Default</i>	Caa	CCC+	CCC	ccc
<i>In Poor Standing</i>	-	CCC	-	
	-	CCC-	-	
<i>Highly Speculative Default</i>	Ca	CC	CC	cc
	C	-	-	c
<i>Default</i>	-	-	DDD	f
	-	-	DD	f
	-	D	D	f

<b>Short Term / Municipal Note Investment Grade Ratings</b>			
<b>Rating Interpretation</b>	<b>Moody's</b>	<b>S&amp;P</b>	<b>Fitch</b>
<i>Superior Capacity</i>	MIG-1	SP-1+/SP-1	F1+/F1
<i>Strong Capacity</i>	MIG-2	SP-2	F2
<i>Acceptable Capacity</i>	MIG-3	SP-3	F3

## Appendix A

<b>Short Term / Commercial Paper Investment Grade Ratings</b>			
<b>Rating Interpretation</b>	<b>Moody's</b>	<b>S&amp;P</b>	<b>Fitch</b>
<i>Superior Capacity</i>	P-1	A-1+/A-1	F1+/F1
<i>Strong Capacity</i>	P-2	A-2	F2
<i>Acceptable Capacity</i>	P-3	A-3	F3

<b>Fitch Support Ratings</b>	
<i>Rating</i>	<i>Interpretation</i>
1	A bank for which there is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question. This probability of support indicates a minimum Long-Term Rating floor of 'A-'.
2	A bank for which there is a high probability of external support. The potential provider of support is highly rated in its own right and has a high propensity to provide support to the bank in question. This probability of support indicates a minimum Long-Term Rating floor of 'BBB-'.
3	A bank for which there is a moderate probability of support because of uncertainties about the ability or propensity of the potential provider of support to do so. This probability of support indicates a minimum Long-Term Rating floor of 'BB-'.
4	A bank for which there is a limited probability of support because of significant uncertainties about the ability or propensity of any possible provider of support to do so. This probability of support indicates a minimum Long-Term Rating floor of 'B'.
5	A bank for which external support, although possible, cannot be relied upon. This may be due to a lack of propensity to provide support or to very weak financial ability to do so. This probability of support indicates a Long-Term Rating floor no higher than 'B-' and in many cases no floor at all.

## Appendix A

<b>Fitch Sovereign Risk Ratings</b>	
<i>Rating</i>	<i>Interpretation</i>
AAA	<b>Highest credit quality.</b> 'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	<b>Very high credit quality.</b> 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	<b>High credit quality.</b> 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
BBB	<b>Good credit quality.</b> 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for timely payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.
BB	<b>Speculative.</b> 'BB' ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.
B	<b>Highly speculative.</b> 'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.
CCC	<b>High default risk.</b> Default is a real possibility.
CC	<b>Very high levels of credit risk.</b> Default of some kind appears probable.
C	<b>Exceptionally high levels of credit risk.</b> Default appears imminent or inevitable.
D	<p><b>Default.</b> Indicates a default. Default generally is defined as one of the following:</p> <ul style="list-style-type: none"> <li>• Failure to make payment of principal and/or interest under the contractual terms of the rated obligation;</li> <li>• The bankruptcy filings, administration, receivership, liquidation or other winding-up or cessation of the business of an issuer/obligor; or</li> <li>• The coercive exchange of an obligation, where creditors were offered securities with diminished structural or economic terms compared with the existing obligation.</li> </ul>

REPRESENTING  
Sacramento County  
and the Cities of:  
Citrus Heights  
Elk Grove  
Folsom  
Galt  
Rancho Cordova  
Sacramento



# SACRAMENTO METROPOLITAN Cable Television Commission

799 G Street, 4<sup>th</sup> Floor ♦ Sacramento, CA 95814-1212 ♦ [www.sacmetroable.tv](http://www.sacmetroable.tv)

Phone: (916) 874-6661 ♦ Fax: (916) 854-9666

ROBERT A. DAVISON, EXECUTIVE DIRECTOR

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## AGENDA ITEM NO. 5

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** CALENDAR YEAR 2013 SURPLUS PROPERTY (FIXED ASSETS)

---

### RECOMMENDATION:

It is recommended the Board receive and file the list of fixed assets declared to be surplus property in Calendar Year 2013.

### DISCUSSION:

As recommended by the Commission Auditor from a previous audit, staff implemented the practice of conducting a physical inventory of fixed assets annually in order to maintain an accurate list of inventory and control of Commission-owned equipment and furnishings.

The items on the attached list of fixed assets were declared to be surplus property as of and for the calendar year ended December 31, 2013 and will be disposed of based on the Commission's Fixed Assets Disposal Policy. This refers to fixed assets with the following characteristics:

- 1) It does not function in whole or in part.
- 2) It is beyond repair.
- 3) It is technologically obsolete.
- 4) It is no longer needed by the Commission.
- 5) It has fully depreciated and has no residual value.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert A. Davison", written over a horizontal line.

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

Attachment:  
Calendar Year 2013 Surplus Property List

<b>Metro Cable Surplus Property (CY 2013)</b>					
County Tag #	Make	Model	Serial #	Description	Location
154675	Shure	M267	CA575322	4x1 Audio mixer	700 H Basement
170121	Sigma	VDA-100A	3870170	Video Distribution Amplifier	700 H Basement
171954	Diamond	Studio Master 8-2	17202398	8x2 Audio Mixer	700 H Basement
178294	Sony	VO-5850	26844	3/4" Tape Recording Deck	700 H Basement
190030	Shure	M367	953130014	6x1 Audio Mixer	700 H Basement
195634	Tiltrac	VV1308	SB81320758	TV monitor	700 H Basement
195669	Sony	DXC-D35	10552/21292	SD camera with Multi-core back	700 H Basement
195673	Sony	DXC-D35	10560/21294	SD camera with Multi-core back	700 H Basement
204959	EEG	470DA	470DA-103	Closed Captioning Encoder	700 H Basement
204973	JVC	TM-1011Q	17111329	9" Monitor	700 H Basement
204974	JVC	TM-1011Q	17111364	9" Monitor	700 H Basement
204975	Furman	PL-8 PRO2	12233001849	20 AMP Power Conditioner	700 H Basement
204976	Hotronic	AP41-SW	70036	Time Base Corrector	700 H Basement
204977	Furman	SP-20AB	2273000378	Audio Amp	700 H Basement
204978	AJA	FR1		3 D-A Converters, 1 A-D Converter	700 H Basement
205004	EEG	EN470DA	470DA-111	Closed Captioning Encoder	700 H Basement
205007	Videotek	VTM-100	30800196	Waveform / Vectorscope	700 H Basement
212104	Sony	DXC-D35	18021/22031	SD camera with Multi-core back	700 H Basement
212105	Sony	DXC-D35	18032/22029	SD camera with Multi-core back	700 H Basement
212114	HP	Q8071A	CN85EFV28F	Printer	700 H Basement
212122	Echolab	OVERTURE 1 SD	A910287	Switcher 8A 8D	700 H Basement
212123	Echolab	OVERTURE 1 SD PANEL	A910286	Switcher Panel	700 H Basement
212143	JVC	SR-MV45U	093C0442	DVD/VHS Recorder	700 H Basement
212147	JVC	HR-XVC12	103R1848	DVD/VHS Recorder	700 H Basement
212152	APC	SC 1500		UPS	700 H Basement
212166	AJA	SDI To Analog Audio	A18365	SDI To Analog Audio	700 H Basement
213833	Rane	AD22S	(21)00802491	Audio Delay	700 H Basement

# SACRAMENTO METROPOLITAN

## Cable CTC television Commission



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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

---

### AGENDA ITEM NO. 6

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** CHAIR AND VICE-CHAIR ELECTION

---

#### **RECOMMENDATION:**

It is recommended the Board elect a Chair and Vice-Chair for Fiscal Year 2014-15.

#### **BACKGROUND**

The Commission's By-Laws state the Board of Directors shall annually elect its Chairperson. Traditionally, assumption of duties and responsibilities of the new Chair occurs with the new fiscal year. In the absence of the Chair, the Vice-Chair shall preside at said meetings in which the Chair is absent and shall perform any other duties of the Chair if the Chair is not available.

The attached chart of Chairs and Vice-Chairs (April 1982 - June 2014) is provided to assist in the deliberations for the election to fill those two seats for Fiscal Year 2014-15.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "R.A. Davison", written over a horizontal line.

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

Attachment:  
Chair/Vice-Chair History (April 1982 - June 2014)

**SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION**  
**CHAIR / VICE-CHAIR HISTORY**  
**(1982 – JUNE 2014)**

Effective Date	CHAIR		VICE-CHAIR	
	Jurisdiction	Name	Jurisdiction	Name
June 2013	Elk Grove	Detrick	Sac County	Wolter
June 2012	Citrus Heights	Turner	Elk Grove	Detrick
June 2011	Folsom	Morin	Citrus Heights	Turner
March 2011	Folsom	Morin	Citrus Heights	Turner
June 2010	Folsom	Morin	Citrus Heights	Miller
June 2009	City	Waters	Folsom	Morin
February 2009	Sac County	Nottoli	Sacramento	Waters
June 2008	Elk Grove	Leary	Citrus Heights	Miller
June 2007	Elk Grove	Leary	Sac County	MacGlashan
April 2006	Sacramento	Sheedy	Elk Grove	Leary
April 2005	Sac County	Nottoli	Sacramento	Sheedy
April 2004	Sacramento	Waters	Sac County	Nottoli
March 2003	Sacramento	Waters	Sac County	Nottoli
February 2002	Sacramento	Waters	Sac County	Nottoli
March 2001	Sacramento	Waters	Sac County	Nottoli
March 2000	Citrus Heights	Shelby	Sacramento	Waters
March 1999	Sac County	Collin	Citrus Heights	Shelby
March 1998	Sac County	Collin	Sacramento	Waters
March 1997	Sacramento	Pannell	Sac County	Collin
March 1996	Folsom / Galt	Pratt	Sacramento	Pannell
Jan. 1995	Sac County	Dickinson	Folsom / Galt	Pratt
April 1994	Sacramento	Pane	Sac County	Dickinson
April 1993	Sac County	T. Johnson	Sacramento	Yee
April 1992	Folsom / Galt	Fletcher	Sac County	Collin
April 1991	Folsom / Galt	Fletcher	Sacramento	Kastanis
May 1990	Sacramento	Ferris	Sac County	G. Johnson
Dec. 1989	Sac County	Streng	Sacramento	Ferris
April 1989	Sacramento	Pope	Sac County	Streng
April 1988	Sac County	T. Johnson	Folsom / Galt	Fletcher
April 1987	Sacramento	Kastanis	Sac County	T. Johnson
April 1986	Sac County	Collin	Sacramento	Kastanis
April 1985	Folsom / Galt	Fletcher	Sacramento	Robie
April 1984	Sacramento	Kastanis	Sac County	Collin
April 1982	Sac County	Bryan	Sacramento	Kastanis

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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

---

## AGENDA ITEM NO. 7

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** GENERAL ADMINISTRATIVE REPORT

---

### RECOMMENDATION:

It is recommended the Board receive a verbal report from the Executive Director on matters pertaining to the Commission.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert A. Davison", with a long horizontal flourish extending to the right.

---

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

---

## AGENDA ITEM NO. 8

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** STATE FRANCHISEE REPORTS

---

### RECOMMENDATION:

It is recommended the Board receive verbal reports from representatives of the following state franchisees who may be present:

- A) AT&T
- B) Comcast
- C) SureWest

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "R.A. Davison", written over a horizontal line.

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

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ROBERT A. DAVISON, EXECUTIVE DIRECTOR

---

## AGENDA ITEM NO. 9

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** CHANNEL LICENSEE REPORTS

---

### RECOMMENDATION:

It is recommended the Board receive verbal reports from the representatives of the following Channel Licensees who may be present:

- A) Access Sacramento
- B) Capital Public Radio
- C) KVIE
- D) Religious Coalition for Cable Television
- E) Sacramento Educational Cable Consortium

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "R. A. Davison", written over a horizontal line.

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission

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## AGENDA ITEM NO. 10

**DATE:** June 5, 2014  
**TO:** Chair and Board of Directors  
**FROM:** Robert A. Davison, Executive Director  
**SUBJECT:** PUBLIC COMMENTS

---

### RECOMMENDATION:

It is recommended the Board receive comments from the public on matters that are not on the agenda.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "R.A. Davison", written over a horizontal line.

ROBERT A. DAVISON, Executive Director  
Sacramento Metropolitan Cable Television Commission