

RAMSEY-WASHINGTON SUBURBAN CABLE COMMISSION

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April 30, 2014

To: Dean Zuleger, City of Lake Elmo
From: Tim Finnerty, Executive Director, Ramsey/Washington Cable Commission
Subject: Redistribution Payment; Annual Report of Audit & Activity; Annual Franchise Fee

Annual Franchise Fee Distribution

Please find enclosed our check number 16447 in the amount of \$39,323.71 representing the City of Lake Elmo's redistribution payment from Ramsey/Washington Cable Commission.

The Joint and Cooperative Agreement of the Ramsey/Washington Cable Commission specifies that franchise fees collected in excess of the amount needed for the Cable Commission's annual budget shall be redistributed to the member municipalities in good standing according to a formula using a proportionate share of the total revenues subject to franchise fees derived from each member municipality.

With the help of an outside auditing firm, CliftonLarsonAllen, the Commission reviewed its 2013 financial records at the March 13, 2014, meeting of the Commission and determined a total of \$720,584.00 to be redistributed.

The following table shows the calculation of the City of Lake Elmo's share, \$39,323.71.

2013 revenues subject to franchise fees as reported by Comcast—collected from all Ramsey/Washington subscribers.	\$33,275,598.55
2013 revenues subject to franchise fees as reported by Comcast—collected from subscribers in the City of Lake Elmo.	\$1,815,908.62
Percentage of 2013 revenues subject to franchise fees as reported by Comcast—derived from subscribers in the City of Lake Elmo.	5.4572%
Minus 2013 webstreaming costs, if participating.	0.00
Calculation of payment amount: $\$720,584.00 \times 5.4572\% - \0.00 .	\$39,323.71

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The table above shows that in 2013 Comcast collected \$33,275,598.55 in revenues subject to franchise fees from cable system subscribers. Of this total, \$1,815,908.62 was collected from subscribers residing within the City of Lake Elmo. That means 5.4572% of such revenues collected came from cable subscribers in the City of Lake Elmo.

Therefore, the City of Lake Elmo receives a payment of \$39,323.71. This payment is enclosed.

Annual Audit Report

Attached please find the report of CliftonLarsonAllen regarding that firm's audit of the governmental activities and each major fund of Ramsey/Washington Counties Suburban Cable Communications Commission II for the year ended December 31, 2013.

Annual Activity Report

Please also find attached an annual activity report covering the 2013 Cable Commission activities, as well as current and future business on the Commission's agenda.

Please feel free to contact me if you should have any questions about this at 651-747-3802. Thank you.