

M E M O R A N D U M

TO: Chief Administrative Officer

FROM: City Comptroller

RE: Vision Statement from the C-U Cable TV Public Access Study
Committee

DATE: February 3, 2006

I wish to bring to your attention some concerns I have about certain aspects of the Vision Statement:

The City of Urbana currently imposes a 7% tax on cable television bills. This 7% raises approximately \$400,000 year. All of this amount is currently being used for the City's general fund or to pay for the City's public television program. Any additional costs for new television services will require raising the tax rate or cutting a current service. I am advised by the City Attorney that the proposed cable legislation in Congress will cap the rate at 5% in the future.

It appears to me that the services that are called for in the Vision Statement could be very expensive to accomplish: establishment of a center to house a production and editing studio, equipment, and materials, hiring of a professional staff to operate the center and provide training to the public, and a portable production unit and van for use by the community. I wonder where do these enhanced services stand in comparison to the other identified needs of the City.

I am also wondering whether this is the best and most efficient method to provide some of these services; by establishing another government entity with duplication of staff, equipment, etc.

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