

MEMORANDUM

TO: Roger L. Stancil, Town Manager

FROM: Kenneth C. Pennoyer, Director of Business Management

SUBJECT: The Peoples Channel 2008-09 Annual Report

DATE: January 25, 2010

PURPOSE

The purpose of this memorandum is to present The Peoples Channel's Annual Report 2008-09. The Annual Report is included as Attachment 1.

BACKGROUND AND DISCUSSION

The Peoples Channel has submitted through Executive Director Chad Johnston its Annual Report to the Town of Chapel Hill for Fiscal Year 2008-09 (Attachment 1). The Peoples Channel is a non-profit corporation organized by area citizens to provide community access television in Chapel Hill. The Channel is a tax-exempt, non-profit 501(c)(3) corporation.

The Peoples Channel receives funding from several sources, primarily subscriber fees and supplemental PEG support based on the Video Service Competition Act. Prior to the termination of the Time Warner Franchise Agreement, the primary source of funding for The Peoples Channel were access fees collected by Time Warner. Due to the overlap in Time Warner Access Fees and PEG Subscriber Fees distributed in accordance with the Video Service Competition Act, The Peoples Channel received \$233,677 in total funding from the Town of Chapel Hill during 2008-09 fiscal year. The Channel received \$122,290 in public access fees from the Town in 2007-08.

The Peoples Channel's Audited Financial Statements for the 2008-09 Fiscal Year are included as Attachment 2. In the past, this report was submitted for the calendar year, and this has been changed to reflect activities for the fiscal year.

RECOMMENDATION

We believe that The Peoples Channel Annual Report 2008-09 meets the requirements of the performance agreement with the Town. We recommend that the Council receive the attached Annual Report.

ATTACHMENTS

1. Annual Report (p. 2).
2. Financial Statements: June 30, 2009 (p. 15).