



Mt. Hood Cable Regulatory Commission

Serving Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale & Wood Village

MEETING NOTIFICATION

December 19, 2022

6:30 p.m.

In-Person: MetroEast, 829 NE 8th Street, Gresham, OR 97030

- Or -

Virtually: Join Zoom Meeting

<https://us02web.zoom.us/j/87375984202?pwd=TW5EN040S0tDYXBCcmVHSC9sVHY0UT09>

Meeting ID: 873 7598 4202

Passcode: 509880

One tap mobile

+14086380968,,87375984202#,,,,*509880# US (San Jose)

+16694449171,,87375984202#,,,,*509880# US

AGENDA

- Roll Call
- Agenda Review
- Disclosures
- Public Comment (non-agenda items)
- Community Media Center Updates
 - MetroEast
 - Open Signal
- Franchisee Activity Report
 - Ziplly
 - Comcast

***CONSENT AGENDA – NO DISCUSSION**

All items listed below may be enacted by one motion and approved as consent agenda items. Any item may be removed from the consent agenda and considered separately if a member of the Commission so requests.

- C1. October 17, 2022 Meeting Minutes
- C2. Awarding Grant Dollars through Amendments Policy, 2022-2023 (Renewal)

REGULAR AGENDA



MHCRC 1120 SW 5th Ave. Suite 405 Portland, Oregon 97204
503.823.5385 info@mhcr.org www.mhcr.org

*R1. MHCRC FY 2020-21 Fund Audit

45 min

- Moss Adams Presentation
- Commission Discussion

- Staff Activity Reports and Updates
 - Comcast Cable Franchise Renewal Negotiations
 - Comcast Rate Increases
 - Community Technology Grant Process
 - MHCRC Annual Planning Retreat
 - MHCRC FY23-24 Budget Process
 - OCT Bureau Transition

- Committee Reports
 - Finance Committee
 - Equity Committee
 - Policy Committee
 - Open Signal Board Appointee
 - MetroEast Board Appointee

- New Business; Commissioner Open Comment Meeting Schedule:
 - January 23, 2023 (*4th Monday due to holiday*) - Hybrid: In-person hosted by Open Signal
 - February, 4 2023 – Annual Planning Retreat
 - March 20th, 2023 – Hybrid: In-person hosted by MetroEast
 - April 2023: Recess
 - May 15, 2023 – Hybrid: In-person space hosted by Open Signal
 - June 26, 2023 (*4th Monday due to holiday*) – Hybrid In-person hosted by MetroEast

- Public Comment

- Adjourn

*Denotes possible action item

Please notify the MHCRC no less than five (5) business days prior to our event for ADA accommodations at 503-823-5385, by the City of Portland's TTY at 503-823-6868, or by the Oregon Relay Service at 1-800-735-2900.

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CONSENT AGENDA – NO DISCUSSION

All items listed on the consent agenda may be enacted by one motion and approved as consent agenda items. Any item may be removed from the consent agenda and considered separately if a member of the Commission so requests.



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MT. HOOD CABLE REGULATORY COMMISSION

Hybrid – virtual or Open Signal – Portland OR

October 17, 2022 Meeting Minutes – [DRAFT](#)

SUMMARY MINUTES

Call to Order 6:33 PM

Roll Call

Present: Commissioner DeGraw, Commissioner Thomas, Commissioner Goodlow,
Commissioner Roche, Commissioner Wagner, Vice Chair Dennerline

Absent: Chair Studenmund

Agenda Review

- Disclosures: None reported.
- Public Comment (non-agenda items): No public comment.
- Community Media Center Updates:
 - John Lugton, MetroEast, shared a PowerPoint and reported that MetroEast received a clean independent audit. On the operations side, MetroEast is in the final phase of installing new cameras in Studio A. On the programming side, MetroEast is continuing with elections coverage with the League of Women Voters – conducting 13 candidate interviews and covering 4 forums, and working on a traffic safety video with the County and City of Troutdale. MetroEast continues to partner with the Rosewood Initiative – hosting wellness Wednesday group sessions and recruiting for a digital literacy club that is scheduled to start next week and run for 16 weeks. Through the Rosewood partnership, MetroEast is providing digital skills training with Spanish, Nepali, and Rohingya speakers. MetroEast staff were present at the Digital Inclusion Fund community event hosted by OCT and Comcast. Lugton said staff were there to share information about MetroEast programs and services and to connect with the people that won computing devices. Lugton said programming staff are continuing to transition services to a cohort training model to better serve the needs of the community. Lastly, Lugton said MetroEast education program has been working with Gresham Barlow High School and Gordon Russell Middle School to create student videos.
 - Rebecca Burrell, Open Signal Director of Strategy and Ifanyi Bell, Executive Producer of Open Signal Labs presented. Burrell shared a PowerPoint presentation.





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Bell said Open Labs began at Open Signal in 2017 and the vision for the program was to have a significant impact on media landscape in Portland. Bell soon realized that this was an ambitious vision that would take a lot longer to achieve than he had originally thought, but he is here tonight to share with the Commission that at least part of the vision is being realized now. Bell said that Open Labs is completing principal photography on a major independent motion picture called Outdoor School! Bell said they have just finished filming. Bell said shared a little bit about what the process was like to shoot the film and to talk a little bit about how the support from MHCRC helped make this happen and could be replicated with lessons learned. Bell said the goal for the film was to create something similar to what we see in theaters - to identify and develop talent similar to a feature film. Bell said another goal was to increase the presence of people of color on film sets. Bell said Paloma, film talent engaged in the project through a partnership with Outside the Frame to find Black filmmakers. Bell said they worked to leveraged private funding to support the project in addition to MHCRC funding. Bell said the program is making progress in creating pathways for people come into projects like this and is marrying traditional filmmaking with new ways of doing things that is more diverse and more accepting. Bell said the project and its design in terms of who is involved and how things get decided and move forward is an experiment in how to do things differently. Bell said planning for the next project is underway now and filming would begin in next year. Bell said Outdoor School editing is underway with the goal to submit it to a film festival. A premier is also being planned locally. Bell said the goal was to have an entirely BIPOC crew. Bell said that while they didn't hit every mark that they wanted to, the film and the process to create it showed that it can be achievable. Bell said he's excited to lead the branding of Portland as an innovator and a place for BIPOC film.

In response to a question from Wagner regarding the status of the film and the plans for distribution, Bell said the goal is to get the film to a place where it can be shared at festivals – so that people can see a film that comes from a place that surprises people – the story of how the film came to be and who is behind it is almost more important than the film itself. Don't see feature level films from a community media center in Portland, or from a full BIPOC led production crew. Wagner – would you share it with students? Bell, yes definitely. Outdoor School is for 6th graders to expose them to STEM. Will use film to educate people about the value of outdoor school, black resilience, history, and opportunities.

- Franchisee Activity Reports
 - Ziplly: No Report Provided.
 - Comcast: Tim Goodman, Comcast, said Comcast was please to host the Digital Inclusion Fund Digital Navigator community event in partnership with the City of Portland. Goodman said Comcast is continuing its title sponsorship of the Big Brothers, Big Sisters Gala, the Urban League celebration, the Portland Film Festival, and the NAYA Gala at the





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Portland Art Museum. Goodman said Comcast subscribers can use the voice prompt on the remote to access film festival movies. Goodman said Comcast was recently named in the list of top workplaces by the Oregonian. Goodman reported that Comcast executive teams in the Portland and Seattle regions are merging to form a Pacific NW Region. Goodman said staff liaison to the Commission will remain the same.

***CONSENT AGENDA – NO DISCUSSION**

All items listed below may be enacted by one motion and approved as consent agenda items. Any item may be removed from the consent agenda and considered separately if a member of the Commission so requests.

C1. September 19, 2022 Meeting Minutes

MOTION: Commissioner Goodlow moved to approve the September 19, 2022 Meeting Minutes. Commissioner Wagner seconded.

VOTE: 6-0 passed

REGULAR AGENDA

R1. FY2020-21 MHCRC Year-End Financial Report (unaudited) (information only)

Michael Wong, MHCRC Financial Manager, said the Commission has an agency fund (MHCRC Fund) to fiscally manage its revenues and expenditures. The MHCRC Fund includes the revenue collection and expense disbursement of cable franchise fees, the PEG/I-Net Fee, and the MHCRC annual operations budget. Wong said the purpose of the Annual Year-End Financial Report-Unaudited is to provide the MHCRC an informal report about the MHCRC's financial activities and status of certain elements of the MHCRC's Fund at year end. This report is intended as informational only. Highlights from the report include:

- The MHCRC oversaw the collection of \$7,077,453 in cable franchise fees for FY 2021-22
- Both Portland and the East Multnomah County jurisdictions continued the decline in franchise fees, which began in FY 2017-18 and is now less than the amount collected ten years ago.
- The MHCRC collected \$4,246,471 in PEG/I-Net Fee revenues from the cable franchises, a 2.1% decrease from the previous fiscal year.
- The MHCRC Fund gained \$58,380 in interest revenue for FY 2021-22.

Wong reviewed the charts showing revenue and cable subscribership trends, franchise fee disbursement categories, and PEG fund expenditure categories.

*R2. Contract Amendment: Pacific Research & Evaluation

DeBey said staff is recommending that the Commission approve an amendment to the current contract with consultant Pacific Research & Evaluation (PRE). Due to a shift in the previously agreed upon scope of work as stated in PRE's previous Amendment, PRE now has available





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funds on their contract. At the same time, staff recognized some related community engagement activities not previously identified. In order to capture these already allocated resources, staff is proposing that PRE now further their engagement with current and previous grantees around future funding initiatives through leading a series of focus groups and a subsequent community-wide survey.

DeBey said PRE is uniquely qualified to undertake this work on behalf of the Commission. They were originally contracted to assist the Commission in the design and implementation of evaluation activities related to (at the time) the Commission's new funding program, the TechSmart Initiative for Student Success. They were asked to work collaboratively with MHCRC staff to gather and analyze data, and to prepare and present reports about findings for the Commission's benefit, and we have had a successful working relationship with them since 2014. They also performed a program review of the Community Technology Grants Program under a separate contract with the Commission in 2021. As such, PRE has substantial experience with the MHCRC programs and grantee community. DeBey said the Amendment requires no additional funding.

MOTION: Commissioner Roche moved to approve the Pacific Research & Evaluation contract amendment. Commissioner Goodlow seconded.

VOTE: 6-0 passed

- Staff Updates
 - Comcast and Ziplly Cable Franchise Renewal Negotiations: Elisabeth Perez, MHCRC Director, said the City Bureau of Technology Services (BTS) and Comcast have reached agreement on the terms of the I-Net roll off. Perez said staff will now focus on the resolving the remaining elements in the franchise document. Perez said staff is working with the MHCRC legal and technical consultants on the Ziplly franchise renewal and will have more to report at the end of the year.
 - NATOA Conference: Perez said 2 staff members attended the NATOA annual conference in Denver at the end of September. Perez said there continues to be a lot of discussion regarding cable vs. over-the-top services. Perez said she has been connecting with other local and regional jurisdictions on cable franchise authority and regulation topics.
 - Staffing/Operations: Perez said staff is finalizing the recruitment for the MHCRC Policy Coordinator position. Perez said cable franchise compliance work is transitioning to Melvin Riddick and the currently vacant Franchise and Utility Program manager position.

- Committee Reports
 - Finance Committee: Commissioner Thomas said the Finance Committee is scheduled to meet on November 17 to review the financial statements for the audit.
 - Equity Committee: Commissioner Roche said the Equity Committee is scheduled to meet on October 19.
 - Policy Committee: nothing to report.





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- Open Signal Board Appointee: DeGraw said the September Board meeting was inclusive and engaging. DeGraw praised the culture of the Open Signal Board and their relationship with staff. DeGraw said a new Board Treasure was brought onboard.
- MetroEast Board Appointee: Commissioner Dennerline said the board and organization continues to be doing well.

- New Business; Commissioner Open Comment
 - Vice Chair Dennerline reviewed the meeting schedule.

- Public Comment: None

Adjourned: 7:31 PM

Respectfully submitted,

Rebecca Gibbons

Strategic Initiatives Manager





Mt. Hood Cable Regulatory Commission

Serving Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale & Wood Village

COVER SHEET – AGENDA ITEM #C2

For Commission Meeting: December 19, 2022

“Awarding Grant Dollars Through Amendments Policy - Renewed”

Recommendation

Staff recommends that the MHCRC accept the proposed policy as shared understanding and direction to staff.

Background

In response to identified need, MHCRC staff proposed a *temporary* policy for reviewing and processing amendments to current grant contracts which are requesting additional grant dollars. With MHCRC support, staff have piloted this policy beginning December 1, 2021 and is set to “expire” on December 31, 2022. This trial period was designed to allow the Commission to be responsive to community need and a continuously changing landscape in which grantees are being required to pivot due to ongoing COVID-19 complications, supply chain delays, and impacts of economic inflation.

During this time, the Commission awarded the following grant dollars through these types of Amendments:

<u>Organization</u>	<u>Amount</u>
The Old Church	\$21,735
CETI	\$41,000
Outside the Frame	\$70,330
Total	\$133,065

As the initial trial period has ended, staff have reviewed the policy and deemed it a success. The reasons for implementing the policy are still relevant at this time. **Staff recommends that the policy be renewed until at minimum through June 30, 2023.**

Attachment: Awarding Grant Dollars through Amendments Policy

Prepared By: Rana DeBey
November 30, 2022



Awarding Grant Dollars through Amendments

Proposed Temporary Policy,
December 2021 - June 30, 2023



Why amend current grants with additional grant dollars? Why not just have applicants re-apply?

- **It helps the MHCRC to remain grantee-centered and responsive to the needs of our communities.** The MHCRC has a reputation amongst our community partners of being as flexible and responsive as possible. By putting a simple written amendment on current grant agreements, we can help nonprofits use our grant dollars to alleviate unforeseen burdens or address other unexpected needs due to the ongoing COVID-19 pandemic.
- **Grant amendments require less administrative work** on the part of the grantee, freeing up their capacity to stay focused on project implementation as opposed to paperwork.
- **Current grantees have already been vetted by MHCRC staff during the application process.** Supporting current grantees that are in good standing with additional grant dollars helps to support our shared community-focused goals: to support use of technology resources for a public benefit, to increase production of video content shared with the CMCs and to ultimately reduce disparities among underserved communities.
- **The COVID-19 pandemic has made for uncertainty** about organizational capacity, equipment costs/needs, ability to access specific equipment due to supply chain issues, and/or proposed target community's level of engagement. Grantees did their best in a very uncertain time to propose well thought out projects. However, as the pandemic continues into its second year, many grantees from this time period have communicated that either elements of their project have had to pivot, they are struggling to source certain types of equipment, or they are experiencing a higher-than-expected participation rate.
- **Funding:** as noted in the unaudited financial report, the MHCRC has a remaining balance of grant funds as a result of reduced funding to I-Net projects due to the 621 Order in 2019 and more conservative grant making during the initial COVID-19 shut down. *It benefits all of our communities to get these public benefit dollars to the people and programs that need it most.*

Eligibility Requirements:

1. Grantee must be in good standing with the MHCRC (i.e. responsive to MHCRC staff, up to date on required reporting, providing necessary financial documentation as requested, and reporting project implementation progress/successes)
2. Rationale for additional requested grant dollars must be clearly documented and well justified.
3. Grant dollars must clearly support the originally proposed project goals and activities of the originally approved grant project.

Process:

Awarding additional grant dollars through amendments will not be advertised.

At times, current grantees reach out to MHCRC staff to ask if an amendment is possible due to an identified increased need for additional grant dollars to support the approved project purpose. If this occurs, and grantee meets above requirements, then:

- Requests will be evaluated on a case-by-case basis.
- Community Grants Manager will confirm with supervisory staff that there are sufficient funds to consider the grant Amendment.
- MHCRC staff will ask grantee to submit documentation indicating:
 - Rationale for increased grant award amount
 - Revisions to Measurable Project Outcomes
 - Revisions to Implementation Plan (project timeline), if warranted
 - Revisions to Line-Item Budget table
 - Revisions to Matching Resources
 - List of requested equipment
- MHCRC staff will share the initial documentation with members of the Equity Committee. The Equity Committee members will provide staff with input indicating support for bringing a formal amendment as a Committee recommendation to the MHCRC for approval.
- Equity Committee presents the Amendment along with supporting documentation at a public MHCRC meeting for approval.

Funding Availability:

As noted in the FY20-21 unaudited financial report, the MHCRC has a grant fund balance due to reduced funding for I-Net projects as a result of the 621 Order in 2019, and more conservative grant making during the initial COVID-19 community-wide shut down. **We now have funding available to easily be responsive to the changing needs of our current grantee community.**

This is a trial period (December 2021 to June 30, 2023). If this policy is renewed, in each year thereafter, the availability of funds to support an Amendment will be evaluated by both MHCRC staff and Commissioners.

REGULAR AGENDA



Mt. Hood Cable Regulatory Commission

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STAFF REPORT – AGENDA ITEM #R1

For Commission Meeting: December 19, 2022

“MHCRC FY 2021-22 Fund Audit”

Recommendation

Staff recommends that the Commission acknowledge receipt of the MHCRC FY21-22 Fund Audit prepared by Moss Adams and direct MHCRC staff to submit the Audit to the Secretary of State by December 31, 2022.

Background

Under MHCRC Resolution 2013-03, the MHCRC delegated to the MHCRC Finance Committee the authority to review and approve the annual MHCRC Financial Statements, to proceed with a timely MHCRC Fund audit as required under Oregon law.

At the November 17th, 2022 meeting, the Finance Committee approved the FY21-22 MHCRC Fund Financial Statements, prepared by the Accounting Division of the City of Portland through an interagency with the MHCRC.

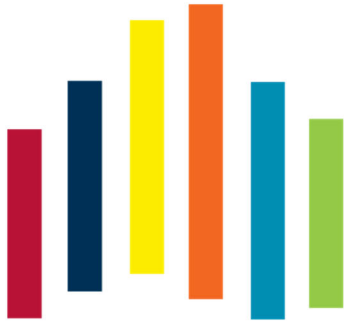
Moss Adams, the MHCRC independent audit firm, completed its audit of the MHCRC Fund Financial Statements and will make a detailed presentation of the results at the December MHCRC meeting.

Once the MHCRC reviews and acknowledge the audit, the MHCRC staff will submit it to the Oregon Secretary of State along with the annual filing fee.

Attachment: MHCRC FY21-22 Financial Statements with Audit and OMS Report, Moss Adams
MHCRC SAS Letter, Moss Adams

Prepared By:
Michael Wong, Finance Manager
December 12, 2022





MHCRC

*Serving Multnomah County and the Cities of
Fairview, Gresham, Portland, Troutdale & Wood Village*

Financial Statements

And

Auditor's Report

Fiscal Year Ended June 30, 2022

Mt. Hood Cable Regulatory Commission
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INTRODUCTORY SECTION

Mt. Hood Cable Regulatory Commission

June 30, 2022

Administration Offices

1120 SW 5th Ave, Suite 405
Portland, Oregon 97204

Commission Members as of June 30, 2022

Carol Studenmund	Chair – Multnomah County Representative
Scott Harden	Vice Chair – Wood Village Representative
Jeff Dennerline	Fairview Representative
Cherri Wagner	Gresham Representative
Leslie Goodlow	Portland Representative
Julia DeGraw	Portland Representative
Rich Roche	Portland Representative
Norm Thomas	Troutdale Representative

Director

Elisabeth Perez

Program Manager

Rebecca Gibbons

Finance Manager

Michael Wong

Accounting Staff

Cynthia Carlile

(City of Portland Bureau of Revenue & Financial Services)



December --, 2022

The Mt. Hood Cable Regulatory Commission (MHCRC) is pleased to submit the MHCRC Audit for the fiscal year ended June 30, 2022.

This report is published to provide the member jurisdictions - the cities of Fairview, Gresham, Portland, Troutdale and Wood Village and Multnomah County - as well as our residents, stakeholders and other readers with detailed information concerning the financial position and activities of the MHCRC. The MHCRC is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the MHCRC as measured by the financial activity of its fund. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the MHCRC's financial affairs.

THE FINANCIAL STATEMENTS

This financial statement report has three main sections: introductory, financial, and comments and disclosures. The introductory section includes this transmittal letter and a list of MHCRC members and staff.

The financial section is prepared in accordance with accounting principles generally accepted in the United States of America. This section includes the Management's Discussion and Analysis (MD&A), which can be found immediately following the report of the independent auditors. These are followed by the basic financial statements and required supplementary information.

The MD&A provides a narrative introduction, overview, and analysis to accompany the basic financial statements and should be read in conjunction with this letter of transmittal. The basic financial statements include both the government-wide and fund level financial statements as well as a separate column for MHCRC's component unit, MetroEast Community Media.

MHCRC PROFILE

The Mt. Hood Cable Regulatory Commission (MHCRC) was created by Multnomah County and the cities of Fairview, Gresham, Portland, Troutdale and Wood Village (“Jurisdictions”) for the purposes of:

- Advocating for and protecting the public interest in the regulation and development of cable communication systems;
- Monitoring and helping resolve cable subscribers’ concerns; and
- Facilitating the planning and implementation of community uses of cable communication technologies.

Each Jurisdiction appoints resident representatives to the MHCRC. Over the past year, these appointees have committed hundreds of volunteer hours to fulfill the MHCRC’s mission on behalf of the Jurisdictions. They participated in approximately eight MHCRC meetings and numerous committee meetings, kept abreast of issues of concern to their Jurisdictions, presented information at city council and county commission meetings, and served as Board members for MetroEast Community Media (MetroEast).

The MHCRC regulates and oversees cable services franchises with two companies, serving the following areas:

Comcast: Portland, Gresham, Troutdale, Fairview, Wood Village and Multnomah County
Zipty: Gresham, Troutdale, Fairview and Wood Village

The MHCRC contracts for staff and other administrative support services through an agreement with the City of Portland. The MHCRC funds an equivalent of five full-time staff positions plus related materials, services and overhead. Each member Jurisdiction provides a portion of its franchise fees from cable services providers to annually fund Commission operational expenses.

OUTLOOK

The primary revenues and expenses of the MHCRC are related to cable services franchise agreements with the cable companies. Revenues are fees paid to the MHCRC by the companies based on a percentage of the company’s gross annual revenues derived from cable TV services. Cable fee revenues to the Jurisdictions peaked in FY 2016-17. Since that time however, fee revenues declined steadily at a pace of approximately 5.5% overall each year. Portland’s fees decreased by 2.1% in FY 2021-22 with East County Jurisdictions franchise fees decreasing by 2.1% in FY 2021-22 as well. The MHCRC anticipates this decline in revenues to continue as people move from subscribing to traditional cable TV services to video delivered over the internet. This will impact the MHCRC resources from franchise fees and PEG/I-Net fees collected from cable companies and also MHCRC expenditures made to support the community media providers, community technology grantees, and I-Net stakeholders.

The impact of COVID on MHCRC finances and internal operations had little to no effect, although the financial impact does not ostensibly reduce cable subscribers short of a prolonged economic recession. Cable demand is assumed to continue at current trends, and will continue to be

monitored in the upcoming fiscal year. Areas of concern continue to be a minimal amount of redundancy and backup support, which will be mitigated as much as possible by leveraging available city support with attention to relationship building and support structures if backup or additional support is necessary.

OTHER INFORMATION

A. Independent audit

According to Oregon Revised Statutes 190, the MHCRC is required to secure an independent audit every year.

B. Acknowledgments

We would like to express our sincere gratitude to the City of Portland personnel who contributed to this report, especially personnel in the Financial Reporting Division and Accounting staff in the Revenue Division, both within the Bureau of Revenue and Financial Services.

Respectfully submitted,



Elisabeth Perez
Director
Mt. Hood Cable Regulatory Commission

FINANCIAL SECTION

Report of Independent Auditors

The Board of Commissioners
Mt. Hood Cable Regulatory Commission

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Mt. Hood Cable Regulatory Commission (“the Commission”), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commission’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Commission as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of MetroEast Community Media, which represent 100% of the assets, net position and revenues of the discretely presented component unit of the Commission as of June 30, 2022. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for MetroEast Community Media, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of revenues, expenditures and changes in fund balance – budget and actual on pages 4 through 7, and 23, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section on pages i through iv is presented for purposes of additional analysis, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated December 12, 2022, on our consideration of the Commission's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Keith Simovic, Partner
For Moss Adams LLP
Portland, Oregon
December 12, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Mt. Hood Cable Regulatory Commission ("MHCRC"), we offer readers of MHCRC's Annual Financial Report this narrative overview and analysis of the financial activities of MHCRC for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

The following are MHCRC's financial highlights for fiscal year ending June 30, 2022:

- The assets of MHCRC exceeded its liabilities at the close of FY 2021-22 by \$12,413,544 (*net position*).
- MHCRC's total net position increased by \$416,195 from FY 2021-22. The key factor for this increase was a decrease in the amount of program expenditures during the year. Given the nature of the MHCRC grant agreements, sizable year-to-year expense fluctuations are customary.
- The MHCRC's governmental fund reported an ending fund balance of \$12,413,544 an increase of \$416,195.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to MHCRC's basic financial statements. MHCRC's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

A. Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of MHCRC's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of MHCRC's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of MHCRC is improving or deteriorating.

The *statement of activities* presents information showing how MHCRC's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

In addition to MHCRC (primary government), the government-wide financial statements include MetroEast Community Media (MetroEast) for which the MHCRC is financially accountable. Financial information for MetroEast is reported separately from the financial information presented for the primary government.

B. Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources segregated for specific activities or objectives. MHCRC, like other state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements. MHCRC only has one governmental fund.

- **Governmental fund.** *The governmental fund is used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on spendable resources, near-term inflows, outflows and balances available at fiscal year end. Such information may be useful in evaluating a government's near-term financing requirements.*

Because the focus of a governmental fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions. The statements "*Governmental Fund Balance Sheet / Statement of Net Position*" and "*Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities*" show the governmental fund perspective and the governmental activities perspective.

C. Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

D. Required supplementary information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning MHCRC's budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position serves as a useful indicator of a government's financial position. For the MHCRC, assets exceeded liabilities by \$12,413,544 at the close of FY 2021-22.

A. Analysis of net position

The largest portions of MHCRC's net position consist of \$9,450,213 in cash and investments, \$2,011,597 of grant advances, and \$1,422,272 in receivables.

All of MHCRC's assets are restricted by intergovernmental agreements.

Mt. Hood Cable Regulatory Commission Summary of Net Position Balances as of

	June 30, 2022	June 30, 2021	Change
Assets	\$ 12,884,082	\$ 12,322,127	\$ 561,955
Liabilities	470,538	324,778	145,760
Net Position			
Restricted Net Position	12,413,544	11,997,349	416,195
Total Net Position	\$ 12,413,544	\$ 11,997,349	\$ 416,195

B. Analysis of changes in net position

Mt. Hood Cable Regulatory Commission Summary of Changes in Net Position For the years ended

	June 30, 2022	June 30, 2021	Change
Revenues			
Program revenues:			
Intergovernmental	\$ 6,069,429	\$ 6,580,747	\$ (511,318)
General revenues:			
Investment earnings	58,381	95,194	(36,813)
Total revenues	6,127,810	6,675,941	(548,131)
Expenses			
Community development	5,711,615	5,081,334	630,281
Changes in net position	416,195	1,594,607	(1,178,412)
Net position - beginning	11,997,349	10,402,742	1,594,607
Net position - ending	\$ 12,413,544	\$ 11,997,349	\$ 416,195

Net position increased by \$416,195 due to an excess of revenues over expenses in FY 2021-22. Given the nature of the MHCRC grant agreements, sizable year-to-year expense fluctuations are customary.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the MHCRC uses fund accounting to ensure compliance with finance-related legal requirements.

A. Governmental fund

The focus of MHCRC's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing MHCRC's financing requirements.

As of the end of the current fiscal year, MHCRC's governmental fund reported an ending fund balance of \$12,413,544 which is an increase of \$416,195. The General Fund is the only fund of MHCRC.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues were \$93,219 less than the final budget which is a decrease over the final budget of 1.5%. Actual expenditures were \$3.8 million less than the final budget due to under expenditures for program expenditures. These under expenditures are largely attributable to the assurance of sufficient funding for projects performed by contracted public agencies and non-profit organizations.

Although MHCRC is exempt from state budget law per ORS 294.316 (14), a budget was adopted for MHCRC for FY 2021-22. During FY 2021-22, General Fund expenditures did not exceed budgetary estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The MHCRC has no debt. Capital Assets consist of internally generated grants management software and are fully depreciated.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Cable fee revenues to the Jurisdictions peaked in FY 2016-17. Since that time however, fee revenues declined steadily at a pace of approximately 5.5% overall each year. Portland's fees decreased 2.1% in FY 2021-22 with East County Jurisdictions franchise fees decreasing by 2.1% in FY 2021-22. The MHCRC anticipates this decline in revenues to continue as people move from subscribing to traditional cable TV services to video delivered over the Internet. This will impact the MHCRC resources from franchise fees and PEG/I-Net fees collected from cable companies and also MHCRC expenditures made to support the community media providers, community technology grantees, and I-Net stakeholders.

The sustained declining revenues are not expected to materially change at this time, and will continue to be monitored to determine if the steady decline will continue and what action this prompts. Reductions to the operational budget are still an option, but have not been taken at this time. Cable activity and associated franchise fees and other revenues will continue to be monitored and discussions with stakeholders will continue regarding long term plans to administer MHCRC within forecasted resources.

The impact of COVID has resulted in reduced expenditures due to limited capacity on new capital projects from non-profits and public agencies. Franchise fee revenue will be monitored in the upcoming fiscal year to determine actual impacts of COVID once first and second quarter revenues are received. At the time of this audit, first quarter revenues have not been received and processed. Additional budget information can be obtained at <http://www.mhcr.org/about-the-mhcr/>.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of MHCRC's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to: Office for Community Technology / MHCRC, PO Box 745, Portland, OR 97207-0745.

Mt. Hood Cable Regulatory Commission
Governmental Fund Balance Sheet / Statement of Net Position
June 30, 2022

	Primary Government			Component Unit
	General Fund	Reconciliation Governmental Fund Balance	Statement of Net Position	MetroEast Community Media
ASSETS				
Cash and investments	\$ 9,450,213	\$ -	\$ 9,450,213	\$ 1,282,501
Receivables:				
Accounts, net	1,398,089	-	1,398,089	-
Accrued interest	24,183	-	24,183	1,413
Due from Mt. Hood Cable Regulatory Commission	-	-	-	280,019
Advances - MetroEast Community Media	626,541	-	626,541	-
Advances - others	1,385,056	-	1,385,056	-
Inventories	-	-	-	-
Prepaid expense	-	-	-	27,724
Capital assets, not being depreciated				
Land	-	-	-	210,330
Intangible assets:				
FCC license	-	-	-	78,000
Capital assets, being depreciated				
Buildings	-	-	-	3,273,774
Equipment	-	12,000	12,000	1,886,670
Vehicles	-	-	-	98,488
Accumulated depreciation	-	(12,000)	(12,000)	(2,747,260)
Total assets	12,884,082	-	12,884,082	4,391,659
LIABILITIES				
Accounts payable	190,519	-	190,519	37,763
Due to MetroEast Community Media	280,019	-	280,019	-
Refundable advances - MHCRC	-	-	-	626,541
Accrued payroll	-	-	-	37,622
Compensated absences	-	-	-	51,660
Long-term debt	-	-	-	683,323
Total liabilities	470,538	-	470,538	1,436,909
FUND BALANCE / NET POSITION				
Fund balance:				
Restricted	12,413,544			
Total liabilities and fund balance	\$ 12,884,082			
Net position:				
Restricted		-	12,413,544	36,067
Unrestricted		-	-	2,918,683
Total net position		\$ -	\$ 12,413,544	\$ 2,954,750

The accompanying notes are an integral part of the basic financial statements.

Mt. Hood Cable Regulatory Commission
Statement of Governmental Fund Revenues, Expenditures, and
Changes in Fund Balance/Statement of Activities
For the Year Ended June 30, 2022

	Primary Government			Component Unit
	General Fund	Reconciliation Governmental Fund Balance	Statement of Activities	MetroEast Community Media
Expenditures / Expenses:				
Community development	\$ 5,711,615	\$ -	\$ 5,711,615	\$ 2,187,988
Total expenditures / expenses	<u>5,711,615</u>	<u>-</u>	<u>5,711,615</u>	<u>2,187,988</u>
Program revenues:				
Intergovernmental	6,069,429	-	6,069,429	-
Grants	-	-	-	1,561,846
Membership income	-	-	-	3,757
Service charges	-	-	-	275,958
In-kind contributions	-	-	-	23,200
Total program revenues	<u>6,069,429</u>	<u>-</u>	<u>6,069,429</u>	<u>1,864,761</u>
Net program (expense) revenue		<u>-</u>	<u>357,814</u>	<u>(323,227)</u>
General revenues:				
Investment earnings (losses)	<u>58,381</u>	<u>-</u>	<u>58,381</u>	<u>(136,591)</u>
Excess of revenues over expenditures	416,195	-		
Change in net position	-	-	416,195	(459,818)
Fund balances / net position				
Beginning of the year	<u>11,997,349</u>	<u>-</u>	<u>11,997,349</u>	<u>3,414,568</u>
End of the year	<u>\$ 12,413,544</u>	<u>\$ -</u>	<u>\$ 12,413,544</u>	<u>\$ 2,954,750</u>

The accompanying notes are an integral part of the basic financial statements.

I. Summary of significant accounting policies:

A. Reporting entity:

In 1992 Multnomah County, Oregon, and the Cities of Fairview, Wood Village, Troutdale, Gresham, and Portland entered into an intergovernmental agreement under ORS 190 to form a unified regulatory commission called the Mt. Hood Cable Regulatory Commission (MHCRC) to serve the public interest by jointly regulating and administering franchise agreements within their boundaries. The MHCRC negotiates and enforces cable service franchise agreements; manages the public benefit resources and assets derived from the franchises; and advocates on behalf of the public interest on communications policy issues at the local, state and federal levels. The public benefits include:

- Community Grants Program which provides funds for technology projects to community organizations, libraries, educational institutions and local government agencies throughout Multnomah County. This program assists local entities in using cable system technology for enhanced communications, including video, data and voice applications;
- Institutional Network (I-Net) which is an advanced, fiber based communications network connecting government, educational and community institutions that is capable of carrying video, data and voice applications; and
- Public Education Governmental (“PEG”) access resources, which include both operating and capital funds for two community media centers (Open Signal and MetroEast Community Media) and other assets, such as channels on the cable system, digital capacity, and sites throughout the community used to originate programming.

Appointments to the MHCRC are made by the elected bodies of the participating jurisdictions.

MHCRC is reported as a Custodial Fund within the City of Portland’s Annual Comprehensive Financial Report but they are not recognized as a component unit of the City of Portland.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Criteria indicating financial accountability include, but are not limited to, the following:

- Fiscal dependency by the organizations on MHCRC.

The discretely presented component unit is reported in a separate column in the government-wide statements to emphasize that they are legally separate from MHCRC, their governing boards are not the same as the MHCRC’s, and they do not provide services entirely or exclusively to MHCRC.

Discretely presented component unit – MetroEast Community Media (MetroEast)

MetroEast is a non-profit organization that uses media to invigorate civic engagement, inspire diverse voices, and strengthen community life. MetroEast’s services are generally targeted to the areas within the Cities of Gresham, Troutdale, Fairview and Wood Village and unincorporated Multnomah County. The MHCRC contracts with MetroEast for community media services. Through government and education programs broadcast on public access cable TV channels, underrepresented neighborhoods and groups are able to participate in and be aware of community and government activities and services. MetroEast provides gavel-to-gavel coverage of City Council and County Commission meetings on the citywide Government Access Channel (30). Substantially all of MetroEast’s funding is received from MHCRC. Audited financial statements are prepared for MetroEast and can be obtained by contacting them at: 829 NE 8th Street, Gresham, OR 97030.

I. Summary of significant accounting policies, continued:

B. Government-wide and fund financial statements:

The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all of the activities of the primary government and its component unit. *Governmental activities*, which normally are supported by intergovernmental revenues, are reported. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues. *Direct expenses* are those that are clearly identifiable.

Program revenues include franchise fees and public, education and government (PEG) fees due to the jurisdictional partners of MHCRC from the cable providers. Investment earnings are properly included among general revenues.

C. Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, MHCRC considers revenues to be available if they are collected within *sixty days* of the end of the current fiscal period.

Significant measurable and available revenues for the fiscal year ended June 30, 2022, under the modified accrual basis of accounting, were as follows:

- Franchise fees
- Charges for services

Expenditures generally are recorded when a liability is incurred.

MHCRC reports the following major governmental fund:

- The General Fund is MHCRC's only fund. It accounts for all financial transactions of the general government.

D. Assets, liabilities, and net position:

1. Cash and investments

MHCRC's cash is held in the City of Portland's cash and investment pool. Cash and investments are presented on the balance sheet in the basic financial statements at fair value in accordance with GASB Statement No. 31 and GASB Statement No. 72.

All investment pool cash purchases and sales are part of the City of Portland's cash management activity and are considered cash and cash equivalents. In general, interest earned from pooled investments is allocated to MHCRC based on the average earnings rate and daily cash balance.

I. Summary of significant accounting policies, continued:

D. Assets, liabilities, and net position, continued:

Oregon Revised Statutes (ORS) 294, authorizes the City of Portland to invest primarily in general obligations of the United States (U.S.) Government and its agencies and instrumentalities, of the U.S. or enterprises sponsored by the U.S. Government and obligations whose payment is guaranteed by the U.S., agencies and instrumentalities of the U.S. or enterprises sponsored by the U.S. Government, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade commercial paper, and the State Treasurer's Local Government Investment Pool (LGIP).

For MetroEast, investments in marketable securities with readily determinable fair values are valued at their fair values. Certificates of deposits are valued at cost. Unrealized gains and losses are included in the increase (decrease) in net position.

2. Receivables

MHCRC records monies due from other governmental agencies as receivables.

3. Advances

MHCRC contracts with other entities to provide a variety of services. Since those entities are small non-profit organizations, MHCRC advances monies for grants and contracted services to enable the organizations to implement capital projects and/or provide services in accordance with their grant contracts with MHCRC. Advances represent amounts that have been paid by MHCRC, but for which no services have yet been provided.

4. Restricted amounts

All of MHCRC's assets are restricted because their use is limited by the external governments that created MHCRC. If both restricted and unrestricted resources were available for use, it is MHCRC's policy to use restricted resources first and then unrestricted resources, as they are needed.

5. Capital assets

Primary Government

MHCRC capital assets consist of internally generated software and is reported in the applicable columns of the government-wide financial statements. Internally generated software are capitalized with total costs of \$10,000 or more. Other computer software (not internally generated) with a cost of \$5,000 or greater are capitalized.

Capital assets are recorded at historical cost or estimated historical cost when actual cost is not available. The cost of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. Management evaluates capital assets for impairment and retirement biannually, or as circumstances warrant.

Upon disposal of capital assets, historical cost or estimated historical cost is removed. Proceeds from sales are generally recorded as revenue.

Depreciation and amortization of capital assets are computed on the straight-line method over their estimated useful lives. Depreciation and amortization are not taken during the year of acquisition and no salvage values are used.

I. **Summary of significant accounting policies**, continued:

D. **Assets, liabilities, and net position**, continued:

The estimated useful lives of capital assets are:

- Computer software – internally generated – 7 to 17 years
- Computer software – other – 1 to 10 years

Component Unit

MetroEast follows the practice of capitalizing, at cost, all expenditures for property, equipment, and leasehold improvements in excess of \$1,000. Property and equipment received through donation or transfer are recorded at estimated fair value at the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which range from 5 to 30 years.

6. Accounts payable

Accounts payable to vendors and contractors include general accounts payable and other accrued contingent liabilities not included in short-term or long-term liabilities.

7. Use of estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America (GAAP), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

8. Net position and fund balances

In the financial statements, assets in excess of liabilities are presented in one of two ways depending on the measurement focus of the statement.

On the *Statement of Net Position* for government-wide reporting, net position is segregated into three categories:

Net investment in capital assets represents total capital assets less accumulated depreciation.

Restricted net position represents net position that is *not* subject solely to the government's own discretion. Restrictions may be placed on net position by an external third party that provided the resources, from laws or regulations of other governments, from enabling legislation, from endowments agreements, or by the nature of the asset.

Unrestricted net position represents amounts not restricted.

On the *Balance Sheet – Governmental Fund*, assets in excess of liabilities are reported as fund balance and are reported in the classification indicating the extent to which MHCRC is bound to honor constraints on the specific purposes for which those funds can be spent.

Fund balance is reported as **Restricted** when the constraints placed on the use of resources are either: (a) externally imposed by grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, MHCRC's policy is to use restricted resources first and then unrestricted resources, as they are needed.

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

I. Summary of significant accounting policies, continued:

E. Adoption of new GASB pronouncements:

The following pronouncements were implemented during the year:

GASB Statement No. 87, Leases. This statement was issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments and increases the usefulness of governments' financial statements. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement No. 87 was implemented for the MHCRC, fiscal year ending June 30, 2022. There is no effect on the MHCRC's financial statements as a result of this statement.

GASB Statement No. 91, Conduit Debt Obligations. This statement was issued May 2019. This statement establishes accounting requirements for conduit debt obligations by issuers. The objectives of this statement are to eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 was implemented for the MHCRC for fiscal year ending June 30, 2022. There is no effect on the MHCRC's financial statements as a result of this statement.

GASB Statement No. 92, Omnibus 2020. This statement was issued January 2020, this Statement enhances comparability and financial reporting to improve the consistency of authoritative literature to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, postemployment benefits (pensions and other postemployment benefits [OPEB]), asset retirement obligations, risk pool and fair value measurements. GASB Statement No. 92 was implemented for the MHCRC for fiscal year ending June 30, 2022. There is no effect on the MHCRC's financial statements as a result of this statement.

GASB Statement No. 93 Replacement of Interbank Offered Rates (IBOR). This Statement was issued March 2020 to address accounting and financial reporting implications that result from the replacement of an IBOR. GASB Statement No. 93 was implemented for the MHCRC for the fiscal year ending June 30, 2022. There is no effect on the MHCRC's financial statements as a result of this statement.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32. This Statement was issued June 2020. The primary objectives are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component unit in fiduciary fund financial statement; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meets the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 was implemented for the MHCRC for the fiscal year ending June 30, 2022. There is no effect on the MHCRC's financial statements as a result of this statement.

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

I. Summary of significant accounting policies, continued:

F. Future adoption of GASB pronouncements:

The following GASB pronouncements have been issued, but are not yet effective as of June 30, 2022:

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. This Statement was issued March 2020 to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB Statement No. 94 will be effective for the MHCRC for the fiscal year ending June 30, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). This statement was issued May 2020 to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlay other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB Statement No. 96 will be effective for the MHCRC for the fiscal year ending June 30, 2023.

GASB Statement No. 99, Omnibus 2022. This statement was issued April 2022 and enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, nonmonetary transactions, public-private and public-public partnerships and availability payment arrangements, subscription-based information technology arrangements, LIBOR, SNAP and other terminology updates. Specifically, the paragraphs for future adoption address the following topics:

- Classification and reporting of derivative instruments within the scope of Statement No. 53
- Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives
- Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset
- Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a shortterm SBITA, and recognition and measurement of a subscription liability

GASB Statement No. 99 paragraphs 11-25 will be effective for the MHCRC for the fiscal year ending June 15, 2023 and paragraphs 4-10 will be effective for the MHCRC for fiscal year ending June 30, 2024.

I. Summary of significant accounting policies, continued:

F. Future adoption of GASB pronouncements, continued:

GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62. This statement was issued June 2022 to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. GASB Statement No. 100 will be effective for the MHCRC for the fiscal year ending June 30, 2024.

GASB Statement No. 101, Compensated Absences. This statement was issued June 2022 to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Other requirements include that a liability for certain types of compensated absences not be recognized until the leave commences, and that a liability for specific types of compensated absences not be recognized until the leave is used. GASB Statement No. 101 will be effective for the MHCRC for the fiscal year ending June 30, 2024.

II. Stewardship, compliance, and accountability:

A. Budgetary information:

Although state law does not require MHCRC to adopt a budget, it has done so. The budget is approved by the governmental entities that founded MHCRC. Total resources in MHCRC equal total expenditures and requirements. Appropriations lapse at fiscal year end.

MHCRC's budget was adopted prior to July 1st, after being approved by every member jurisdiction. This budget authorizes and establishes appropriations for the fiscal year for the MHCRC's major categories of expenditures. The level of appropriation is established for program expenses and contingencies. MHCRC program expenses include the following major object categories: materials and services, and capital outlay.

MHCRC budgets on the modified accrual basis of accounting. Budgets may be modified during the fiscal year through different means. MHCRC managers may transfer appropriations between line items within major object categories. In addition, MHCRC may transfer appropriations between major object categories with the permission of the MHCRC, provided the adjustments do not affect total appropriations.

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

III. Detailed notes:

A. Cash and investments:

MHCRC's cash and investments are maintained in a cash and investment pool run by the City of Portland. MHCRC's cash and cash equivalents are represented by participation in this pool rather than specific, identifiable securities. Interest earned on pooled investments is allocated monthly based on the average participation of the funds in relation to total investments in the pool. It is not practical to determine the investment risk, collateral or insurance coverage for the MHCRC's share of these pooled investments. Information about the pooled investments is included in the City's Annual Comprehensive Financial Report (ACFR). The City's ACFR can be found at: <http://www.portlandonline.com/omf/index.cfm?c=26053>.

The City accounts for cash and investments in accordance with the provisions of GASB Statement No. 31: *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, which requires governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet and to recognize the corresponding change in the fair value of investments in the year in which the change occurred. Disclosures regarding risks associated with cash and investments required by GASB Statement No. 3: *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, and GASB Statement No. 40: *Deposit and Investment Risk Disclosures* are included in the City's financial statements.

	Primary Government	Component Unit MetroEast	Total
City of Portland external investment pool	\$ 9,450,213	\$ -	\$ 9,450,213
Cash and cash equivalents	-	507,625	507,625
Equity securities	-	512,529	512,529
Government and fixed income securities	-	246,373	246,373
Certificates of deposit	-	15,974	15,974
Total	\$ 9,450,213	\$ 1,282,501	\$ 10,732,714

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

III. Detailed notes, continued:

A. Cash and investments, continued:

Component Unit disclosures

Investments of the component unit are exposed to various risks such as interest rate, market, and credit risk. The value, liquidity, and related income of these investments are sensitive to changes in economic conditions and may be adversely affected by shifts in the market's perception of the issuers and interest rates. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, which could materially affect account balances and amounts reported in the financial statements.

Accounting principles generally accepted in the United States of America for governmental entities establish a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data.

The fair-value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1: Quoted prices are available in active markets for identical investments as of the reporting date.
- Level 2: Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1. Fair value is determined through the use of models or other valuation methodologies.
- Level 3: Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

<u>MetroEast</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity securities	\$ 512,529	\$ -	\$ -	\$ 512,529
Government and fixed income securities	-	246,373	-	246,373
Total	<u>\$ 512,529</u>	<u>\$ 246,373</u>	<u>\$ -</u>	<u>\$ 758,902</u>

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

III. Detailed notes, continued:

B. Receivables:

Receivables as of June 30, 2022, are as follows:

	Primary Government	Component Unit MetroEast	Total
Franchise fees receivable	\$ 1,398,089	\$ -	\$ 1,398,089
Due from MHCRC	-	280,019	280,019
Accrued interest receivable	24,183	1,413	25,596
Total	\$ 1,422,272	\$ 281,432	\$ 1,703,704

All of MHCRC's receivables are short term in nature.

C. Prepaid items and advances:

MHCRC works with a variety of entities that require advances in order to accomplish the work they contract with MHCRC to do. At June 30, 2022 advance balances were:

	Primary Government
MetroEast	\$ 626,541
Other entities	1,385,056
Total	\$ 2,011,597

MetroEast had \$27,724 of prepaid expenses at June 30, 2022.

D. Payables:

Payables and other accrued liabilities at June 30, 2022 are as follows:

	Primary Government	Component Unit MetroEast	Total
Payable to vendors and contractors	\$ 190,519	\$ 37,763	\$ 228,282
Due to component units	280,019	-	280,019
Total	\$ 470,538	\$ 37,763	\$ 508,301

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

III. Detailed notes, continued:

E. Fund balances, governmental funds:

The fund balance is reported in the aggregate in the classifications defined by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The entire fund balance is restricted due to intergovernmental agreements which specify the uses of the funds.

F. Capital assets:

Capital assets activity for the component units, for the year ended June 30, 2022, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>MHCRC</u>				
Capital Assets, being depreciated				
Computer software	\$ 12,000	\$ -	\$ -	\$ 12,000
Accumulated amortization	(12,000)	-	-	(12,000)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>MetroEast</u>				
Capital assets, not being depreciated				
Land	\$ 210,330	\$ -	\$ -	\$ 210,330
Intangible assets:				
FCC license	78,000	-	-	78,000
Capital assets, being depreciated				
Buildings	3,164,067	109,707	-	3,273,774
Equipment	1,791,845	107,235	(12,410)	1,886,670
Vehicles	87,428	11,060	-	98,488
Accumulated depreciation	(2,312,637)	(443,454)	8,831	(2,747,260)
Capital assets, net	<u>\$ 3,019,033</u>	<u>\$ (215,452)</u>	<u>\$ (3,579)</u>	<u>\$ 2,800,002</u>

Some of the equipment listed for MetroEast would revert to MHCRC if the contracts between the entities were terminated.

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

III. Detailed notes, continued:

G. Debt:

MetroEast has a debt agreement with Bank of America. The note is due in monthly installments of \$6,954, including interest at 4.75% through the July 2023 maturity date of the note. The note is secured by land and building with a net book value of \$1,457,323.

Payments as disclosed in the notes to the MetroEast's financial statements are:

Fiscal Year Ending June 30,	Amount
2023	\$ 52,350
2024	<u>630,973</u>
Total	<u><u>\$ 683,323</u></u>

Debt and long-term liability activity of the two entities for the year ended June 30, 2022, was:

<u>MetroEast:</u>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Note payable	\$ 732,567	\$ -	\$ 49,244	\$ 683,323	\$ 52,350
Compensated absences	63,484	51,660	63,484	51,660	51,660
Total MetroEast	<u>\$ 824,985</u>	<u>\$ 51,660</u>	<u>\$ 141,662</u>	<u>\$ 734,983</u>	<u>\$ 104,010</u>

Mt. Hood Cable Regulatory Commission
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

IV. Other information:

A. Risk management:

MHCRC is exposed to various risks of loss related to theft, damage and destruction of assets, tort claims (general and fleet liability), acts of terrorism, and natural disasters. MHCRC participates in the City of Portland’s risk pool for general liability claims through a monthly overhead charge paid to the City. The City is responsible for all costs of claims. There have been no claims in excess of coverage or a significant reduction in coverage during the last three years.

B. Employee retirement system and pension plan:

MetroEast sponsors a 401(k) profit sharing plan (the plan). Eligible participants have the opportunity to defer a portion of their salary into the plan, as well as receive an employer contribution that will be discretionarily determined annually by the Board of Directors. Requirements for eligibility are a minimum of employment during the last six months of the plan year and participants must be at least 18 years of age. Pension expense under this plan for the years ended June 30, 2022 and 2021 was \$60,341 and \$52,145 respectively.

C. Commitments:

MHCRC has entered into multiple contractual agreements to provide future grants to various community based agencies. These obligations are not expected to be fully paid from current financial resources and are not recognized as a liability until performance under the contract has occurred. These agreements are represented by open purchase orders with balances at June 30, 2022 as follows:

Organization	Project Description	Commitments
ELSO, Inc	Increase STEAM Opps for BIPOC Youth	\$ 66,150
NAAME	Keys, Beats, Bars: From Pier to Peer	95,627
PSU	50 Years After Title IX: Portland Women in Sports	85,675
Somali American Council of Oregon	Transforming Community Through Technology	43,835
Black Community of Portland	Day One Tech Variety Show	34,790
Curious Comedy Theater	Amplifying Marginalized Voices	255,621
Centennial School District	CSD TechSmart Grant	304,907
Multnomah County Library	Mobile Computing Device Checkout	49,787
Reynolds School District	TechSmart: Reynolds School District Expansion	35,736
Gresham Barlow School District	TechSmart 2: Middle School Math	126,497
Portland Community College	Equitable Access to Ed Programs	56,136
		\$ 1,154,761

REQUIRED SUPPLEMENTARY INFORMATION

Mt. Hood Cable Regulatory Commission
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts					
	Original	Final	Actual	Amounts	Variance with	Final Budget -
					Positive	(Negative)
REVENUES						
Intergovernmental revenue	\$ 6,162,648	\$ 6,162,648	\$ 6,069,429	\$	(93,219)	
Other:						
Investment earnings	97,914	97,914	58,380		(39,534)	
Total revenues	6,260,562	6,260,562	6,127,809		(132,753)	
EXPENDITURES						
Current:						
Program expenditures	7,739,839	7,739,839	3,978,353		3,761,486	
Total expenditures	7,739,839	7,739,839	3,978,353		3,761,486	
Revenues over (under) expenditures	(1,479,277)	(1,479,277)	2,149,457		3,628,734	
Fund balance - beginning	6,336,748	6,336,748	13,371,974		7,035,226	
Fund balance - ending	\$ 4,857,471	\$ 4,857,471	15,521,431	\$	10,663,960	
Adjustment to generally accepted accounting principles (GAAP) basis:						
Non-budgetary advance recovery			(3,107,887)			
Net position - GAAP basis			\$ 12,413,544			

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Commissioners
Mt. Hood Cable Regulatory Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Mt. Hood Cable Regulatory Commission (the "Commission"), which comprise the financial statements of the governmental activities, the major fund, and the discretely presented component unit as of and for the year ended June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated December 9, 2022. Our report includes a reference to other auditors who audited the financial statements of MetroEast Community Media as described in our report on the Commission's financial statements. The financial statements of MetroEast Community Media were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the discretely presented component unit or that are reported on separately by those auditors who audited the financial statements of MetroEast Community Media.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Portland, Oregon
December 12, 2022

INFORMATION ONLY

Upcoming price changes to Xfinity services

Changes coming on January 1, 2023

Dear

We know you count on Xfinity for the ultimate, most reliable internet and entertainment experience. That's why we're constantly working to enhance your service and offer the latest technology and features. Looking ahead, we've recently begun a nationwide rollout of multi-gig internet speeds - making it the largest and fastest-ever multi-gig deployment in the United States.

As we strive to bring you the best services possible, we must also periodically review our prices and update them in response to increases in expenses impacting our services. These updates will go into effect January 1, 2023. Additional details about the upcoming price changes are available on the Important Information notice enclosed.

We're committed to providing you the best value for your services. That is why we have recently increased speeds on most of our internet packages. And with Xfinity Mobile, we provide the fastest mobile service with 5G and millions of WiFi hotspots and the best price for unlimited customers that have more than one line. We have thousands of shows and movies and add new, free entertainment all the time. Plus, we offer special perks and experiences with Xfinity Rewards. It's free, easy to join, and you'll unlock more rewards the longer you are with us. These are just a few ways we are connecting you to more of what you love.

Payment options that support you when you need it.

Xfinity is also proud to participate in the Affordable Connectivity Program (ACP), which provides qualified customers with a credit of up to \$30/mo (up to \$75/mo in Tribal Lands) towards internet and mobile service. Learn if you qualify and how to enroll at xfinity.com/acp.

Additionally, we offer flexible payment options for eligible customers. Chat with Xfinity Assistant in the Xfinity app to learn more.

If you have any questions about these changes or your service, please visit xfinity.com/pricechange for Frequently Asked Questions.

As always, thank you for being an Xfinity customer.

Fastest mobile service: Based on consumer testing of mobile WiFi and cellular data performance from Ookla Speedtest Intelligence data in Q3 2022 for Comcast service areas, verified by Ookla for Comcast analysis. If you currently have a promotional offer or minimum term contract with your services, those prices will stay the same throughout your promotional period or contract term. Equipment charges, charges for additional features, taxes, and other fees (including the Regional Sports Network Fee and Broadcast TV Fee), however, may change during your promotional period or contract term. When your promotion or contract term ends, your bill will reflect the then current standard package prices. Additionally, this notice is based on your subscription and services as of your current billing statement. Any changes made to your services after this bill date are not reflected.

Important information regarding your Xfinity services and pricing

Effective January 1, 2023

XFINITY TV	Current	New
Broadcast TV Fee	\$22.65	\$28.95
Choice TV Select	\$32.50	\$37.50
Choice TV Select - with TV Box (Flex upgrade)	\$40.00	\$46.50

Pay-Per-View and On Demand Subscription Services	Current	New
Acorn TV On Demand	\$5.99	\$6.99

Xfinity Internet	Current	New
Connect	\$60.00	\$61.00
Connect More	\$70.00	\$73.00
Fast	\$80.00	\$83.00
Superfast	\$90.00	\$93.00
Gigabit	\$100.00	\$103.00
Gigabit Extra	\$110.00	\$113.00
Internet/Voice Equipment Rental	\$14.00	\$15.00

Xfinity Discounts	Current	New
Autopay and Paperless Billing Discount (Credit or Debit Card) - Effective 10/25/2022	\$10.00	\$5.00

Xfinity Equipment	Current	New
TV Box (Includes Remote)	\$7.50	\$9.00
TV Adapter for Primary TV (Includes Remote)	\$7.50	\$9.00

Installation	Current	New
Professional Installation	\$99.99	\$100.00

Miscellaneous	Current	New
Regional Sports Fee	\$7.55	\$8.00

Clackamas County, Damascus, Fair View, Gresham, Happy Valley, Hollywood, Hyden Island, Maywood Park, Multnomah County, Portland, St. Johns, Troutdale, Wood Village, OR

87781000 (2140-2150, 4020-4040, 4130-4200, 4220, 4250)

P008AS23

December 13, 2022

Sent via electronic mail to rebecca.gibbons@portlandoregon.gov

Rebecca Gibbons
Mt. Hood Cable Regulatory Commission
1120 SW 5th Avenue, Suite 405
Portland, OR 97204

ZiPLY Fiber Cable Franchising Authorities:

In accordance with the requirements of Cable Franchise Agreement between your community and ZiPLY Fiber Northwest, LLC dba ZiPLY Fiber, we hereby provide notice of service changes, effective February 1, 2023. The following message will be published in subscribers' bills beginning January 1, 2023:

Basic/Select Package Customers: Video Price Changes Beginning February 1, 2023

Beginning on your February 2023 bill statement you will see a price increase of \$13.09 on your Fiber TV package.

ZiPLY Fiber is committed to transparency, so we want to explain why the cost of your ZiPLY Fiber TV package is increasing. While ZiPLY Fiber continually negotiates with TV networks to bring you great entertainment at the best possible price, the unfortunate reality is that programmers continue to demand price increases to distribute their content. Please know, our goal is not to drive profit on TV content, as in most cases we break even, while in some scenarios we provide this content at a cost greater than the fee to you.

If you're frustrated by the rate changes from content providers, we are as well and we're happy to work with you to find streaming alternatives. Streaming TV gives you greater choice and control over the channels you receive. For more information about streaming options visit ziplyfiber.com/cutthecord. Thanks for choosing ZiPLY Fiber. Questions? Please contact us at 1-866-MYZIPLY.

All Other Packages EXCEPT Basic/Select Package Customers: Video Price Changes Beginning February 1, 2023

Beginning on your February 2023 bill statement you will see a price increase of \$14.09 on your Fiber TV package.

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Basic/Select Package Customers Leasing a Set-top Box: Video Price Changes Beginning February 1, 2023

Beginning on your February 2023 bill statement you will see a price increase of \$13.09 on your Fiber TV package and a \$2.00 increase per video set top box(es).

ZiPLY Fiber is committed to transparency, so we want to explain why the cost of your ZiPLY Fiber TV package is increasing. While ZiPLY Fiber continually negotiates with TV networks to bring you great entertainment at the best possible price, the unfortunate reality is that programmers continue to demand price increases to distribute their content. Please know, our goal is not to drive profit on TV content, as in most cases we break even, while in some scenarios we provide this content at a cost greater than the fee to you.

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If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



Jessica Epley
VP - Regulatory & External Affairs