



# Cable Commission Agenda

Monday, August 26, 2024 at 6:30 PM

Columbus City Hall – 105 N. Dickason Boulevard

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**Call to Order**

**Roll Call**

**Notice of Open Meeting**

**Approval of Agenda**

**Approval of Minutes**

1. Cable Meeting Minutes from July 29, 2024

**Public Comment**

**Unfinished Business**

2. Review Adjustments to the Proposed 2025 Cable Budget

**New Business**

3. Mayoral Appointments to the Cable Commission

4. Computer Replacement

**Department Reports**

5. August Financial Report

6. August Cable Programming Report

7. July 2024 Cable Industry Report

**Items for Future Agendas**

**Adjourn**



## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** Cable Meeting Minutes from July 29, 2024

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

**Detailed Description of Subject Matter:**

The Cable Commission will review and make any corrections or changes as necessary and approve the minutes from its last meeting on July 29, 2024. Once approved, the minutes will be sent to the Clerk to be included in the Council packet for its consent agenda.

**List all Supporting Documentation Attached:**

Cable Commission minutes from July 29, 2024

**Action Requested of Cable Commission:**

Consider and take action to review, make any corrections as necessary, and approve the minutes from the July 29, 2024 Cable Commission meeting



## Cable Commission Meeting Minutes

Monday, July 29, 2024 at 6:30 PM

Columbus City Hall – 105 N. Dickason Boulevard

### Call to Order

### Roll Call

- Famularo, Pyfferoen, and Roelke were present. Staff liaison Bennett was also present.

### Notice of Open Meeting

- Bennett stated the meeting was properly noticed.

### Approval of Agenda

- Pyfferoen motions to approve the July 29, 2024 Cable Commission meeting agenda. Roelke seconds. Motion carried by unanimous vote.

### Approval of Minutes

- Review minutes from June 24, 2024, make any corrections, changes, etc. if needed and approve
  - Roelke motions to approve the June 24, 2024 minutes as written. Pyfferoen seconds. Motion carried by unanimous vote.

### Public Comment

- No one from the public was present for comments and staff received no correspondence.

### Unfinished Business

- The Cable Commission cited no unfinished business.

### New Business

- 2025 Proposed Cable Budget
  - Bennett presented the 2025 Cable Budget worksheet along with information regarding the budgeting process, 2025 budget goals, and revenue and expenditure trends dating from 2022. The Cable Commission discussed various adjustments for the proposed budget.
  - Roelke motions to approve the projected 2025 Cable Budget excluding the Contribution Programs and Contribution Meetings line items to be worked on with Finance Department and to include notification to the City Administrator and the Cable Commission if those two line items include more than a 10% increase. Pyfferoen seconds. Roll call vote: Pyfferoen – aye, Roelke – aye, Famularo – aye. Motion carried by unanimous vote.

### Department Reports

- Summary and update of revenues and expenditures in June 2024
  - Staff presented the current 2024 budget revenues along with year-to-date and projected amounts. The City has received \$11,809.18 in franchise fees this year and have not received the State Aid Payment either. No additional revenues have been reported.

4. Summary of equipment research, purchases, issues and resolutions
  - Staff presented the current 2024 budget revenues along with year-to-date and projected amounts. Bennett has purchased two Rode Videomic shotgun microphones with cables, windscreens, and a new external hard drive for editing. The new purchases totaled \$627.44. A total of \$23,918.07 has been spent in 2024 with \$41,517.54 remaining in the 2024 budget.
  - Bennett updated the Cable Commission about camera issues during meetings. Since replacing the CAT cable, there has been no new issues. Staff plans to work with Public Works to create a cable drop down cable management system for easier access and maintenance.
  - Bennett informed the commission about the streaming and video-on-demand outage caused by an accidental change in DNS records after updating firewall by the City's new IT provider, Rhyme. Bennett worked with Rhyme and Cablecast to restore the DNS records and resolve the issue. No live meetings were affected.
  - Bennett has purchased two new shotgun microphones with wind screens and connecting cables. These microphones are the replacement of the previous ones.
  - Staff has purchased a new external hard drive for use as storage for editing and is in process of researching for replacement editing computer(s). Famularo would like to have the computer(s) purchased in 2024 if possible and would like additional information at the next meeting.
5. Summary of new programs aired and streaming and video-on-demand analytics
  - Bennett shared that there were 24 new programs aired in June. It is a seasonal decrease due to vacations and lack of school sports.
  - Bennett presented Cablecast analytics for video-on-demand and streaming which showed that only Council and other City meetings made up the majority of 683 views with 162 hours and 48 minutes watched.
  - Bennett shared cable television industry insights with the commission. Notably recapping the 1<sup>st</sup> quarter earnings report from Charter showing large continuing decreases in cable customers and their focus on streaming. Bennett also shared the June report by Nielsen that shows cable and broadcast television declining to 20.5% and 27.2% of all TV watched in the US. Additionally, a highlight included a 2021 PEW Research article citing a decline from 76% of all TV viewership in 2015. Famularo asked how this affects broadcast. Bennett stated that it directly leads to declines in franchise fees – the sole means to pay for the cable operation, as well as Columbus is not on Charter's streaming options due to Charter not upgrading their transmission reception from Columbus. It's also possible Charter ends its cable TV service if it is no longer a viable business.

#### **Items for Future Agendas**

- Mayoral appointments for the two vacant Cable Commission positions
- Editing computer information

#### **Adjourn**

- Roelke motions to adjourn. Pyfferoen seconds. Motion carried by unanimous vote. Meeting is adjourned at 7:33 PM.

-Submitted by David Bennett



## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** Review Adjustments to the Proposed 2025 Cable Budget

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

### Detailed Description of Subject Matter:

The Cable Commission drafted a proposed 2025 Cable Budget to be reviewed by the City's Finance Department at its July 29<sup>th</sup> meeting. After reviewing with the City Treasurer, staff would like to have the updated adjustments reviewed by the commission.

Notable adjustments include decreasing the projected 2025 franchise fee and State aid payment from \$51,223.00 to \$48,000.00 and from \$12,806.00 to \$12,000.00 respectively. This decreases budgeted revenues from \$63,600.70 to \$63,500.00.

The Cable Commission had deferred the Contribution – Programs and Contribution – Meetings line items to the advice of the City Treasurer. Staff met with the Treasurer and was advised to decrease Programs from \$30,964.11 in 2024's budget to \$10,487.07 and decrease Meetings from \$7,404.46 in 2024 down to \$4,766.85. This is due to the increased wages and benefits for the Production Specialist position, decreased revenues, and to better align the job duties of the Communications & Economic Development Coordinator position.

The Treasurer informed staff that there's no need to utilize carryover funds for emergency purposes. In the event of a major issue, staff may utilize the fund balance through either the City Administrator or the Council depending on amount threshold. The Treasurer recommends specific purchase item(s) if utilizing carryover or to plug budget deficits if absolutely necessary.

### List all Supporting Documentation Attached:

July 2024 Cable Budget Summary

### Action Requested of Cable Commission:

Review and discuss adjustments made to the proposed 2025 Cable Budget

## 2025 Proposed Cable Budget Adjustments

## REVENUES

Account	Description	2024 Budget	2024 YTD	2025 Prop.	2025 Adj.
225-434330-000	Franchise Fees	\$ 53,000.00	\$ 23,927.74	\$ 51,223.00	\$ 48,000.00
225-434350-000	State Aid Payment	\$ 12,891.97	\$ 0.00	\$ 12,806.00	\$ 12,000.00
225-484810-000	Misc. Revenues	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
225-484820-000	Interest Earned	\$ 2,000.00	\$ 2,924.72	\$ 2,000.00	\$ 3,500.00
225-494950-000	Transfer Surplus	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>Cable Fund Revenues</b>		<b>\$ 67,891.97</b>	<b>\$ 26,852.46</b>	<b>\$ 63,600.70</b>	<b>\$ 63,500.00</b>

Red = decrease, Blue = increase, Black = no adjustments

Adjusted 2025 Budget total: \$63,500.00

Treasurer's note: No carryover needed as we can either go to the City Administrator or Council depending on the amount if there's an unexpected emergency – i.e. our broadcast units break.

## EXPENDITURES

Account	Description	2024 Budget	2024 YTD	2025 Prop.	2025 Adj.
225-511220-111	Salary/Wages	\$ 3,360.00	\$ 58.80	\$ 6,615.00	\$ 6,614.98
225-511220-151	Soc. Sec./Medicare	\$ 257.04	\$ 4.50	\$ 506.08	\$ 506.05
225-511220-190	Training/Membership	\$ 1,275.00	\$ 0.00	\$ 1,275.00	\$ 1,275.00
225-511220-225	Telephone	\$ 650.00	\$ 557.02	\$ 1,000.00	\$ 1,000.00
225-511220-249	Repair/Maintenance	\$ 1,500.00	\$ 437.93	\$ 1,000.00	\$ 1,000.00
225-511220-291	Professional Service	\$ 3,500.00	\$ 3,202.44	\$ 7,000.00	\$ 7,000.00
225-511220-312	Operating Supplies	\$ 250.00	\$ 3.43	\$ 250.00	\$ 250.00
225-511220-387	Contract Programs	\$ 0.00	\$ 123.22	\$ 0.00	\$ 0.00
225-511220-388	Video/Website	\$ 775.00	\$ 700.22	\$ 1,300.00	\$ 1,300.00
225-511220-389	Contr. Econ. Dev.	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
225-511220-810	Capital Equipment	\$ 15,500.00	\$ 3,745.39	\$ 10,000.00	\$ 10,000.00
225-568000-610	Contr. Programs	\$ 30,964.11	\$ 11,935.15	TBD	\$ 10,487.07
225-568000-620	Contr. Meetings	\$ 7,404.46	\$ 3,149.97	TBD	\$ 4,766.85
<b>Cable Fund Expenditures</b>		<b>\$ 65,435.61</b>	<b>\$ 23,918.07</b>		<b>\$ 44,199.95</b>

Red = decrease, Blue = increase, Black = no adjustments

Adjusted 2025 Budget total: \$44,199.95



## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** Mayoral Appointments to the Cable Commission

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

**Detailed Description of Subject Matter:**

The Mayor appointed with Council approval Chris Behl for the term of 2024 through 2027, a three year term to the Cable Commission at the August 5, 2024, Council meeting.

The Cable Commission has one vacancy to fill.

**List all Supporting Documentation Attached:**

**Action Requested of Cable Commission:**

None



## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** Computer Replacement

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

**Detailed Description of Subject Matter:**

The City has been utilizing Rhyme as its new IT service provider and included in the service is maintenance, troubleshooting, and research of computer equipment. The City has divided departments up into 2024 and 2025 Capital Infrastructure Projects (CIP) with Cable/Media computers in the 2025 group. Staff will be receiving a consultation to determine if Rhyme can adequately support Cable computers in this capacity. If so, the computers will be part of a 3 year replacement program.

**List all Supporting Documentation Attached:**

**Action Requested of Cable Commission:**

Discussion, no action requested





## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** August Financial Report

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

**Detailed Description of Subject Matter:**

Staff is providing a monthly summary from the Finance Department regarding the Cable Fund in July, 2024.

Revenues on the year are \$26,852.46 since the addition of \$12,118.56 for 2<sup>nd</sup> quarter Franchise Fee payments along with interest earned. No State Aid payment has been received yet.

Expenditures total \$23,918.07 on the year with no new purchases made since last meeting.

**List all Supporting Documentation Attached:**

July 2024 Cable Statement

**Action Requested of Cable Commission:**

Review and discussion

## July 2024 Cable Fund Statement

## REVENUES

Account	Description	2024 Budget	2024 YTD
225-434330-000	Franchise Fees	\$ 53,000.00	\$ 23,927.74
225-434350-000	State Aid Payment	\$ 12,891.97	\$ 0.00
225-484810-000	Misc. Revenues	\$ 0.00	\$ 0.00
225-484820-000	Interest Earned	\$ 2,000.00	\$ 2,924.72
225-494950-000	Transfer Surplus	\$ 0.00	\$ 0.00
<b>Cable Fund Revenues</b>		<b>\$ 67,891.97</b>	<b>\$ 26,852.46</b>

Added \$12,118.56 to Franchise Fees

No State Aid Payment has been recorded

## EXPENDITURES

Account	Description	2024 Budget	2024 YTD
225-511220-111	Salary/Wages	\$ 3,360.00	\$ 58.80
225-511220-151	Soc. Sec./Medicare	\$ 257.04	\$ 4.50
225-511220-190	Training/Membership	\$ 1,275.00	\$ 0.00
225-511220-225	Telephone	\$ 650.00	\$ 557.02
225-511220-249	Repair/Maintenance	\$ 1,500.00	\$ 437.93
225-511220-291	Professional Service	\$ 3,500.00	\$ 3,202.44
225-511220-312	Operating Supplies	\$ 250.00	\$ 3.43
225-511220-387	Contract Programs	\$ 0.00	\$ 123.22
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225-511220-389	Contr. Econ. Dev.	\$ 0.00	\$ 0.00
225-511220-810	Capital Equipment	\$ 15,500.00	\$ 3,745.39
225-568000-610	Contr. Programs	\$ 30,964.11	\$ 11,935.15
225-568000-620	Contr. Meetings	\$ 7,404.46	\$ 3,149.97
<b>Cable Fund Expenditures</b>		<b>\$ 65,435.61</b>	<b>\$ 23,918.07</b>

No new expenditures beyond staff hours



## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** August Cable Programming Report

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

**Detailed Description of Subject Matter:**

There were 21 new programs aired on the cable TV channel. Notable programs included DailyDodge's WBEV interview with the Columbus Area Historical Society.

24 Video on demand (VOD) files were streamed via Cablecast along with the channel 980 livestream. The files and stream combined for 395 views for a total time viewed of 92 hours and 42 minutes. The City livestream had 167 views for 60.49 hours while City meeting VODs totaled 204 views for 28 hours and 58 minutes.

**List all Supporting Documentation Attached:**

July 29, 2024 – August 25, 2024 Cablecast Analytics

**Action Requested of Cable Commission:**

Discussion, no action requested

## Cablecast Video on Demand and Streaming Analytics

Item ID	Show ID	Live Stream ID	Title	Viewer Count	Hours Viewed
5260		4	City Live Stream	167	60.49
5345	3015		2024-08-05-City-Council_COW	51	13.87
5258	3006		2024-07-18-City-Utility_Commission	44	0.25
5255	3005		2024-07-16-City-Council_COW	38	8.76
5386	3021		2024-08-08-City-Plan_Commission	20	0.83
5252	2988		2024-07-02-City-Council_COW	17	0.29
5405	3025		2024-08-15-City-Utility_Commission	12	1.84
5254	2098		Columbus Stormwater Public Information Meeting, 10-6-22	12	0.01
5382	1862		Columbus Transition Program Promo Video, 2022	8	0.15
5428	3034		2024-08-20-City-Council_COW	3	1.70
5253	2981		2024-06-18-City-Council_COW	3	0.25
5251	2982		2024-06-20-City-Utility_Commission	3	0.25
5417	2927		2024-04-22-CSD-School_Board	2	0.91
5416	3027		2024-06-24-CSD-School_Board	2	0.57
5415	3028		2024-07-22-CSD-School_Board	2	0.48
5300	2202		Tap Into History - G.D. Roberts, Inc., A Story of 150 Years in Columbus	2	0.61
5266	3000		2024-07-11-City-Plan_Commission	2	0.65
5418	2963		2024-05-13-CSD-School_Board	1	0.06
5358	2178		Light to Unite, Veteran's Day Purple Heart Recipient Ceremony, 11-11-22	1	0.04
5347	3020		2024-08-04-ZLC-Worship	1	0.34
5281	2992		2024-07-04-DailyDodge-Columbus_4th_of_July_Parade	1	0.01
5280	2670		2670-1-CAHS-Tap_Into_History-Kurth_Brewery-10-18-2023	1	0.04
5268	2975		2024-06-13-City-Plan_Commission	1	0.14
5262	2969		2024-06-04-City-Council_COW	1	0.14
5425	3032		2024-08-18-NTBC-Worship	1	0.00



## Agenda Item Report

**Meeting Type:** Cable Commission

**Meeting Date:** August 26, 2024

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**Item Title:** July 2024 Cable Industry Report

**Submitted By:** David Bennett, Communications & Economic Development Coordinator

**Detailed Description of Subject Matter:**

Staff is providing insight into the cable industry highlighting Charter – whose cable platform the City is broadcasting to and Nielsen's publication, The Gauge which provides a snapshot of consumers' preferred TV viewing.

Charter has lost an additional 405,000 video (cable) subscribers in the 2<sup>nd</sup> quarter of 2024. On the year, it has lost 813,000 subscribers. Year-over-year (July 2023 through July 2024), Charter has seen a decline of 1,353,000 video subscribers dropping from 14,071,000 residential video customers to 12,718,000.

Nielsen's analytics show that the Summer Olympics drove increases to broadcast and streaming since June's report. YouTube becomes the first streaming platform to break 10% of total TV viewing. Cable decreased from 27.2% of total TV viewing in June to 26.7% in July. In July 2023, cable held a 29.6% share.

**List all Supporting Documentation Attached:**

Charter Communications Q2 2024 Financial Addendum

Nielsen's The Gauge article

**Action Requested of Cable Commission:**

None

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED RECONCILIATION OF NON-GAAP MEASURES TO GAAP MEASURES**  
(dollars in millions)

Item #7.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to Charter shareholders	\$ 1,231	\$ 1,223	\$ 2,337	\$ 2,244
Plus: Net income attributable to noncontrolling interest	192	190	366	352
Interest expense, net	1,328	1,298	2,644	2,563
Income tax expense	427	444	873	818
Depreciation and amortization	2,170	2,172	4,360	4,378
Stock compensation expense	153	168	367	376
Other, net	164	27	215	141
Adjusted EBITDA <sup>(a)</sup>	<u>\$ 5,665</u>	<u>\$ 5,522</u>	<u>\$ 11,162</u>	<u>\$ 10,872</u>
Net cash flows from operating activities	\$ 3,853	\$ 3,311	\$ 7,065	\$ 6,634
Less: Purchases of property, plant and equipment	(2,853)	(2,834)	(5,644)	(5,298)
Change in accrued expenses related to capital expenditures	296	191	233	(4)
Free cash flow <sup>(a)</sup>	<u>\$ 1,296</u>	<u>\$ 668</u>	<u>\$ 1,654</u>	<u>\$ 1,332</u>

The above schedule is presented in order to reconcile Adjusted EBITDA and free cash flow, non-GAAP measures, to the most directly comparable GAAP measures in accordance with Section 401(b) of the Sarbanes-Oxley Act.

**UNAUDITED ALTERNATIVE PRESENTATION OF ADJUSTED EBITDA**  
(dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
REVENUES:						
Internet	\$ 5,806	\$ 5,733	1.3 %	\$ 11,632	\$ 11,451	1.6 %
Video	3,867	4,188	(7.7)%	7,775	8,442	(7.9)%
Voice	350	365	(4.2)%	724	738	(1.9)%
Mobile service	737	539	36.9 %	1,422	1,036	37.4 %
Residential revenue	10,760	10,825	(0.6)%	21,553	21,667	(0.5)%
Small and medium business	1,101	1,094	0.6 %	2,189	2,185	0.2 %
Enterprise	721	690	4.5 %	1,429	1,372	4.2 %
Commercial revenue	1,822	1,784	2.1 %	3,618	3,557	1.7 %
Advertising sales	397	384	3.3 %	788	739	6.5 %
Other	706	666	6.0 %	1,405	1,349	4.2 %
Total Revenues	<u>13,685</u>	<u>13,659</u>	0.2 %	<u>27,364</u>	<u>27,312</u>	0.2 %
COSTS AND EXPENSES:						
Programming	2,472	2,740	(9.8)%	5,042	5,539	(9.0)%
Other costs of revenue	1,538	1,367	12.6 %	2,996	2,695	11.2 %
Costs to service customers	1,981	2,069	(4.2)%	4,075	4,164	(2.1)%
Sales and marketing	912	895	1.9 %	1,832	1,841	(0.5)%
Other expense <sup>(b)</sup>	1,117	1,066	4.7 %	2,257	2,201	2.5 %
Total operating costs and expenses <sup>(b)</sup>	<u>8,020</u>	<u>8,137</u>	(1.4)%	<u>16,202</u>	<u>16,440</u>	(1.4)%
Adjusted EBITDA <sup>(a)</sup>	<u>\$ 5,665</u>	<u>\$ 5,522</u>	2.6 %	<u>\$ 11,162</u>	<u>\$ 10,872</u>	2.7 %

All percentages are calculated using whole numbers. Minor differences may exist due to rounding.

See footnotes on page 7.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(dollars in millions, except per share data)

Item #7.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
REVENUES	\$ 13,685	\$ 13,659	\$ 27,364	\$ 27,312
COSTS AND EXPENSES:				
Operating costs and expenses (exclusive of items shown separately below)	8,173	8,305	16,569	16,816
Depreciation and amortization	2,170	2,172	4,360	4,378
Other operating (income) expenses, net	79	(58)	41	(48)
	10,422	10,419	20,970	21,146
Income from operations	3,263	3,240	6,394	6,166
OTHER INCOME (EXPENSES):				
Interest expense, net	(1,328)	(1,298)	(2,644)	(2,563)
Other expenses, net	(85)	(85)	(174)	(189)
	(1,413)	(1,383)	(2,818)	(2,752)
Income before income taxes	1,850	1,857	3,576	3,414
Income tax expense	(427)	(444)	(873)	(818)
Consolidated net income	1,423	1,413	2,703	2,596
Less: Net income attributable to noncontrolling interests	(192)	(190)	(366)	(352)
Net income attributable to Charter shareholders	\$ 1,231	\$ 1,223	\$ 2,337	\$ 2,244
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:				
Basic	\$ 8.58	\$ 8.15	\$ 16.24	\$ 14.89
Diluted	\$ 8.49	\$ 8.05	\$ 16.03	\$ 14.69
Weighted average common shares outstanding, basic	143,329,828	150,091,880	143,920,073	150,761,406
Weighted average common shares outstanding, diluted	144,914,860	151,975,698	145,742,397	152,727,540

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(dollars in millions)

Item #7.

	June 30, 2024 (unaudited)	December 31, 2023
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 602	\$ 709
Accounts receivable, net	3,000	2,965
Prepaid expenses and other current assets	531	458
Total current assets	<u>4,133</u>	<u>4,132</u>
<b>INVESTMENT IN CABLE PROPERTIES:</b>		
Property, plant and equipment, net	41,256	39,520
Customer relationships, net	1,319	1,745
Franchises	67,444	67,396
Goodwill	29,668	29,668
Total investment in cable properties, net	<u>139,687</u>	<u>138,329</u>
<b>OTHER NONCURRENT ASSETS</b>	<u>4,791</u>	<u>4,732</u>
Total assets	<u>\$ 148,611</u>	<u>\$ 147,193</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable, accrued and other current liabilities	\$ 10,726	\$ 11,214
Current portion of long-term debt	—	2,000
Total current liabilities	<u>10,726</u>	<u>13,214</u>
<b>LONG-TERM DEBT</b>	<u>96,692</u>	<u>95,777</u>
<b>EQUIPMENT INSTALLMENT PLAN FINANCING FACILITY</b>	<u>873</u>	<u>—</u>
<b>DEFERRED INCOME TAXES</b>	<u>18,927</u>	<u>18,954</u>
<b>OTHER LONG-TERM LIABILITIES</b>	<u>4,679</u>	<u>4,530</u>
<b>SHAREHOLDERS' EQUITY:</b>		
Controlling interest	12,879	11,086
Noncontrolling interests	3,835	3,632
Total shareholders' equity	<u>16,714</u>	<u>14,718</u>
Total liabilities and shareholders' equity	<u>\$ 148,611</u>	<u>\$ 147,193</u>



**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(dollars in millions)

Item #7.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Consolidated net income	\$ 1,423	\$ 1,413	\$ 2,703	\$ 2,596
Adjustments to reconcile consolidated net income to net cash flows from operating activities:				
Depreciation and amortization	2,170	2,172	4,360	4,378
Stock compensation expense	153	168	367	376
Noncash interest, net	8	7	16	4
Deferred income taxes	(34)	(40)	(13)	(63)
Other, net	90	83	105	187
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:				
Accounts receivable	6	(13)	(33)	57
Prepaid expenses and other assets	101	(25)	(265)	(361)
Accounts payable, accrued liabilities and other	(64)	(454)	(175)	(540)
Net cash flows from operating activities	<u>3,853</u>	<u>3,311</u>	<u>7,065</u>	<u>6,634</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchases of property, plant and equipment	(2,853)	(2,834)	(5,644)	(5,298)
Change in accrued expenses related to capital expenditures	296	191	233	(4)
Other, net	(172)	(207)	(225)	(287)
Net cash flows from investing activities	<u>(2,729)</u>	<u>(2,850)</u>	<u>(5,636)</u>	<u>(5,589)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Borrowings of long-term debt	8,822	3,944	14,743	11,048
Borrowings of equipment installment plan financing facility	876	—	876	—
Repayments of long-term debt	(10,068)	(3,995)	(15,784)	(10,735)
Payments for debt issuance costs	(25)	—	(27)	(18)
Purchase of treasury stock	(361)	(326)	(877)	(1,238)
Proceeds from exercise of stock options	—	3	2	5
Purchase of noncontrolling interest	(46)	(54)	(141)	(176)
Distributions to noncontrolling interest	(61)	(80)	(64)	(83)
Other, net	(280)	(9)	(224)	(15)
Net cash flows from financing activities	<u>(1,143)</u>	<u>(517)</u>	<u>(1,496)</u>	<u>(1,212)</u>
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(19)	(56)	(67)	(167)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	661	534	709	645
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period	<u>\$ 642</u>	<u>\$ 478</u>	<u>\$ 642</u>	<u>\$ 478</u>
CASH PAID FOR INTEREST	<u>\$ 1,362</u>	<u>\$ 1,243</u>	<u>\$ 2,598</u>	<u>\$ 2,432</u>
CASH PAID FOR TAXES	<u>\$ 569</u>	<u>\$ 845</u>	<u>\$ 647</u>	<u>\$ 906</u>

As of June 30, 2024, cash, cash equivalents and restricted cash includes \$40 million of restricted cash included in prepaid expenses and other current assets in the consolidated balance sheets.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED SUMMARY OF OPERATING STATISTICS**  
(in thousands, except per customer and penetration data)

Item #7.

	Approximate as of			
	June 30, 2024 <sup>(c)</sup>	March 31, 2024 <sup>(c)</sup>	December 31, 2023 <sup>(c)</sup>	June 30, 2023 <sup>(c)</sup>
<b>Footprint</b>				
Estimated Passings <sup>(d)</sup>	57,774	57,351	56,986	56,209
<b>Customer Relationships <sup>(e)</sup></b>				
Residential	29,615	29,797	29,904	30,009
SMB	2,222	2,219	2,222	2,219
Total Customer Relationships	31,837	32,016	32,126	32,228
Residential	(182)	(107)	(108)	13
SMB	3	(3)	(2)	4
Total Customer Relationships Quarterly Net Additions	(179)	(110)	(110)	17
Total Customer Relationship Penetration of Estimated Passings <sup>(f)</sup>	55.1 %	55.8 %	56.4 %	57.3 %
Monthly Residential Revenue per Residential Customer <sup>(g)</sup>	\$ 120.77	\$ 120.48	\$ 119.41	\$ 120.25
Monthly SMB Revenue per SMB Customer <sup>(h)</sup>	\$ 165.28	\$ 163.44	\$ 162.38	\$ 164.56
<b>Residential Customer Relationships Penetration</b>				
One Product Penetration <sup>(i)</sup>	47.7 %	47.3 %	46.7 %	46.0 %
Two Product Penetration <sup>(i)</sup>	33.2 %	33.0 %	33.1 %	33.0 %
Three or More Product Penetration <sup>(i)</sup>	19.2 %	19.7 %	20.2 %	20.9 %
% Residential Non-Video Customer Relationships	57.1 %	56.0 %	54.8 %	53.1 %
<b>Internet</b>				
Residential	28,318	28,472	28,544	28,549
SMB	2,049	2,044	2,044	2,037
Total Internet Customers	30,367	30,516	30,588	30,586
Residential	(154)	(72)	(62)	70
SMB	5	—	1	7
Total Internet Quarterly Net Additions	(149)	(72)	(61)	77
<b>Video</b>				
Residential	12,718	13,111	13,503	14,071
SMB	591	606	619	635
Total Video Customers	13,309	13,717	14,122	14,706
Residential	(393)	(392)	(248)	(189)
SMB	(15)	(13)	(9)	(11)
Total Video Quarterly Net Additions	(408)	(405)	(257)	(200)
<b>Voice</b>				
Residential	6,170	6,438	6,712	7,248
SMB	1,276	1,288	1,293	1,294
Total Voice Customers	7,446	7,726	8,005	8,542
Residential	(268)	(274)	(248)	(225)
SMB	(12)	(5)	(3)	4
Total Voice Quarterly Net Additions	(280)	(279)	(251)	(221)
<b>Mobile Lines <sup>(j)</sup></b>				
Residential	8,531	7,992	7,519	6,410
SMB	278	260	247	216
Total Mobile Lines	8,809	8,252	7,766	6,626
Residential	539	473	532	628
SMB	18	13	14	20
Total Mobile Lines Quarterly Net Additions	557	486	546	648
<b>Enterprise <sup>(k)</sup></b>				
Enterprise Primary Service Units ("PSUs")	312	308	303	294
Enterprise Quarterly Net Additions	4	5	5	6

See footnotes on page 7.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CAPITAL EXPENDITURES**  
(dollars in millions)

Item #7.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Customer premise equipment <sup>(l)</sup>	\$ 562	\$ 576	\$ 1,197	\$ 1,113
Scalable infrastructure <sup>(m)</sup>	362	353	690	707
Upgrade/rebuild <sup>(n)</sup>	389	392	870	681
Support capital <sup>(o)</sup>	421	431	809	825
Capital expenditures, excluding line extensions	1,734	1,752	3,566	3,326
Subsidized rural construction line extensions	565	529	992	900
Other line extensions	554	553	1,086	1,072
Total line extensions <sup>(p)</sup>	1,119	1,082	2,078	1,972
Total capital expenditures	\$ 2,853	\$ 2,834	\$ 5,644	\$ 5,298
Capital expenditures included in total related to:				
Commercial services	\$ 382	\$ 409	\$ 757	\$ 776
Subsidized rural construction initiative <sup>(q)</sup>	\$ 567	\$ 541	\$ 994	\$ 932
Mobile	\$ 64	\$ 82	\$ 123	\$ 159

See footnotes on page 7.

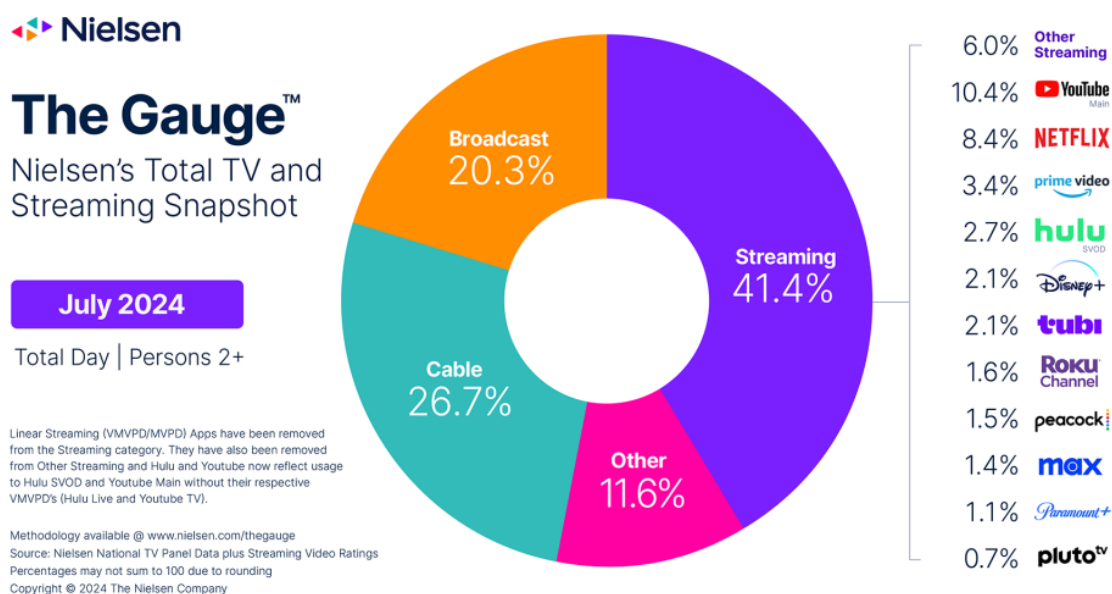
- (a) Adjusted EBITDA is defined as net income attributable to Charter shareholders plus net income attributable to noncontrolling interest, net interest expense, income taxes, depreciation and amortization, stock compensation expense, other (income) expenses, net and other operating (income) expenses, net such as special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or special items, and is unaffected by our capital structure or investment activities. Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.
- (b) Other expense excludes stock compensation expense. Total operating costs and expenses excludes stock compensation expense, depreciation and amortization and other operating (income) expenses, net.
- (c) We calculate the aging of customer accounts based on the monthly billing cycle for each account in accordance with our collection policies. On that basis, at June 30, 2024, March 31, 2024, December 31, 2023 and June 30, 2023, customers included approximately 79,400, 110,000, 135,800 and 128,600 customers, respectively, whose accounts were over 60 days past due, approximately 10,000, 42,600, 54,700 and 47,000 customers, respectively, whose accounts were over 90 days past due and approximately 13,500, 283,100, 286,000 and 229,200 customers, respectively, whose accounts were over 120 days past due. The decrease in accounts past due is predominately due to revisions to customer account balances associated with the end of the Affordable Connectivity Program, including balance write-offs and conversion to payment plans. Bad debt expense associated with these past due accounts was predominantly reflected in our consolidated statements of operations in prior periods.
- (d) Passings represent our estimate of the number of units, such as single family homes, apartment and condominium units and SMB and enterprise sites passed by our cable distribution network in the areas where we offer the service indicated. These estimates are based upon the information available at this time and are updated for all periods presented when new information becomes available.
- (e) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video, voice and mobile services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units ("MDUs") and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (f) Penetration represents residential and SMB customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (g) Monthly residential revenue per residential customer is calculated as total residential quarterly revenue divided by three divided by average residential customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (h) Monthly SMB revenue per SMB customer is calculated as total SMB quarterly revenue divided by three divided by average SMB customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (i) One product, two product and three or more product penetration represents the number of residential customers that subscribe to one product, two products or three or more products, respectively, as a percentage of residential customer relationships, excluding mobile-only customers.
- (j) Mobile lines include phones and tablets which require one of our standard rate plans (e.g., "Unlimited" or "By the Gig"). Mobile lines exclude wearables and other devices that do not require standard phone rate plans.
- (k) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.
- (l) Customer premise equipment includes equipment and devices located at the customer's premise used to deliver our Internet, video and voice services (e.g., modems, routers and set-top boxes), as well as installation costs.
- (m) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers or provide service enhancements (e.g., headend equipment).
- (n) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including our network evolution initiative.
- (o) Support capital includes costs associated with the replacement or enhancement of non-network assets (e.g., back-office systems, non-network equipment, land and buildings, vehicles, tools and test equipment).
- (p) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (q) The subsidized rural construction initiative subcategory includes projects for which we are receiving subsidies from federal, state and local governments, excluding customer premise equipment and installation.

## July Exhibits Rare Upswing in TV Viewing, Amplified by Streaming and First Days of Summer Olympics, According to Nielsen's The Gauge™

Summer Olympics drive increases for broadcast and streaming, with Peacock up 33%.

Streaming hits 41.4% of TV, largest share for any viewing format in The Gauge's history.

YouTube becomes first streaming platform to break 10% of total TV viewing.



**NEW YORK – August 20, 2024** – Streaming made TV history for a second consecutive month in July as it notched the most dominant performance by a single viewing category ever in Nielsen's The Gauge™, accounting for 41.4% of TV viewing. Streaming levels were over 5% higher in July compared to June, leading streaming to grow its share of TV by more than a point (+1.1 pt.) and shatter the [previous record](#) it set just last month.

July also ushered in the beginning of the Summer Olympics in Paris, and despite only three days of coverage included in the July Gauge report, the impact the Games had on TV viewing was evident. Total TV usage was up 2.3% in July compared to the previous month, and up 3.5% compared to July 2023. Broadcast viewing increased slightly this month to 20.3% of TV, but was up 5% compared to a year ago. The category also finished 0.3 points higher than July 2023 when it recorded its lowest share ever (20.0% of TV). When TV usage is isolated by week, the start of Olympics coverage in the final week of July pushed the broadcast average up to over 22% of total TV. This is further emphasized by the fact that the Olympics accounted for the top five, and seven of the top 10, broadcast telecasts in the July report, with the largest audience averaging 19 million viewers on NBC on Sunday, July 28.

Peacock's coverage of the Olympics vaulted the streamer to 1.5% of TV (+0.3 pt.) and its second best share of TV ever (behind 1.6% in Jan. 2024). Also boosted by viewing to *Love Island USA*, Peacock's 33% monthly usage increase in July was the largest for any streaming platform in The Gauge. It was followed by two more streamers with double-digit monthly increases: Amazon Prime Video viewing was up 12% from June to notch 3.4% of TV (+0.3 pt.), its best since November 2023. The Roku Channel was up 10% and added 0.1 point to achieve a platform best 1.6% of TV.

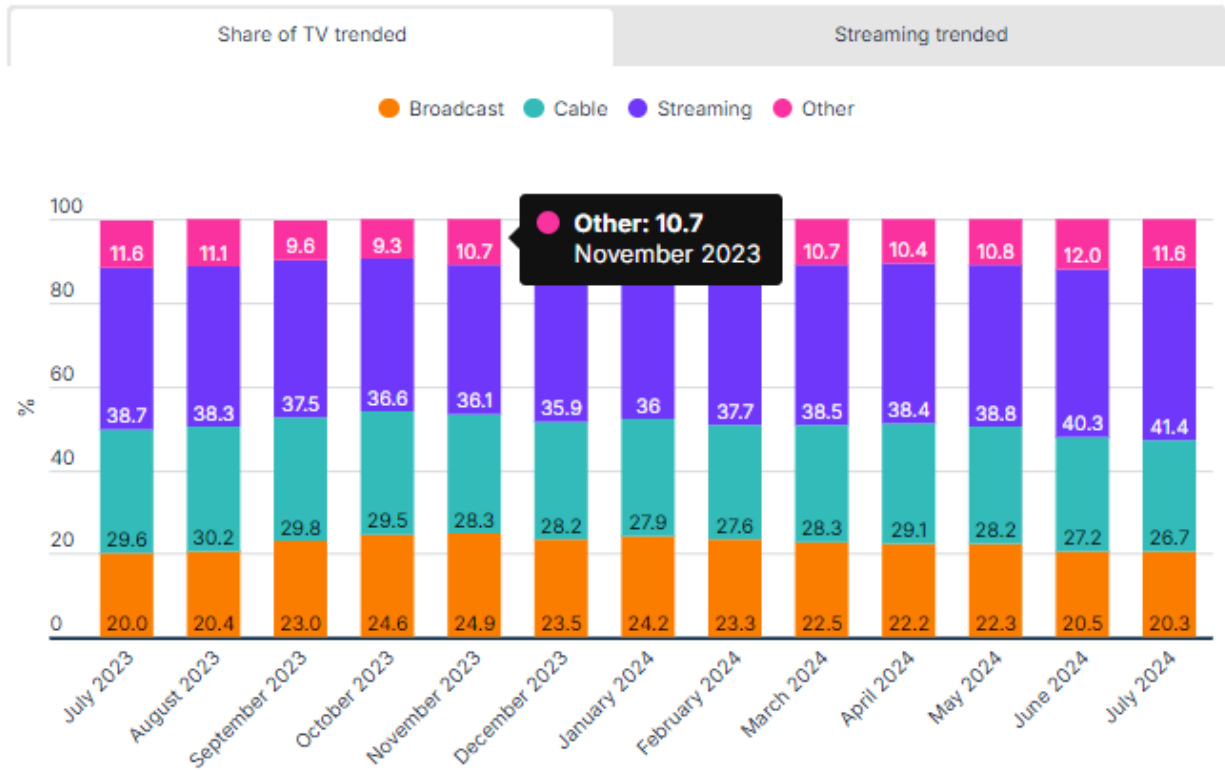
July is typically a peak month for streaming usage, and this year, each week of the July interval\* led to the top four most streamed weeks ever reported by Nielsen. The streaming fireworks kicked off with a notable week in Nielsen's Streaming Top 10 when, for the first time ever, [10 titles exceeded 1 billion viewing minutes](#). What's more, July 2024 now holds four of the top 10 most streamed days on record.

YouTube became the first streaming platform ever to exceed 10% of total TV usage in July. The most popular streamer shot up 7% versus last month, accounting for 10.4% of TV usage (+0.5 pt.). This comes after [YouTube hit 9.9% of TV in June](#) and secured the second largest share of TV viewing among all media distributors.

*House of the Dragon* on Max topped streaming programs in July with 4.7 billion viewing minutes, also helping to drive an increase of over 4% for the streamer to retain its 1.4% share of TV. It was followed by *Bluey* on Disney+ with 4.3 billion viewing minutes in July. Disney+ usage was up 9.2% this month to finish with a platform best 2.1% of TV. Prime Video's original series *The Boys* was third among streaming programs with 4.2 billion viewing minutes.

Cable viewing in July was even compared to June, but due to the larger increase of overall TV usage, the category lost half a share point and ended the month with 26.7% of TV. Cable news viewing saw a strong increase in July, driven by the Republican National Convention and coverage of the assassination attempt on former President Trump. The news genre was up 23% compared to June, and up 52% compared to July 2023. Of July's top 25 cable telecasts, Fox News Channel owned 24 of them.

## Trended view



\* The measurement month of July 2024 included four weeks: 07/01/2024 through 07/28/2024. Nielsen measurement weeks begin on Mondays and run through the following Sunday.