

Agenda Item #5 – Cherry Capital Cable Council

The following information is being provided for you as an update to the 4 C's item on the agenda.

Thank you,

Susanne M. Courtade, Clerk

Communication

Cherry Capital Cable Council

CHERRY CAPITAL CABLE COUNCIL MEETING OF FEBRUARY 20, 2008

DATE: FEBRUARY 12, 2008

FROM: RICHARD I. LEWIS, CITY MANAGER 

SUBJECT: STATUS OF CHERRY CAPITAL CABLE COUNCIL

Attached is a comprehensive report explaining the detailed accounting of the funds of the Cherry Capital Cable Council as requested by the Council at the last meeting of December 12, 2007. Although only the remaining voting members can vote on the following motion: Elmwood, Garfield, and the City; we need input from the non-voting members (Kingsley and Paradise) and all of the former members.

Also at that meeting, the Council agreed to reimburse the City for the staff time to prepare this comprehensive report, which totaled \$1,814.30; based on the following hours: City Manager = 20 hours; City Clerk = 9 hours; Deputy City Clerk = 2 hours.

Finally, it will be necessary to microfiche the Council records for permanent retention. Since the Council's operational/office supplies budget will no longer exist, the City will need reimbursement of the actual cost paid to the vendor for such microfiche service. We estimate \$3,000 for this service.

Both the \$1,814.30 for the Report and \$3,000 for microfiche will be paid to the City from the Cable Council's budget *prior* to disbursement. Therefore, all members including the City will have paid its proportionate share for these two services - which is reflected in a lower disbursement amount to everyone.

The following motion is appropriate for discussion and consideration.

That the Cherry Capital Cable Council approves the Cable Council Accounting Report as outlined by the City Manager in his memo dated February 12, 2008, relating to the disbursements and closing out of funds for the Cherry Capital Cable Council; and further approves

adjusting the funds to reflect the approved request from East Bay Township in the amount of \$19,110; to reflect the approved reimbursement to the City of Traverse City for its cost to prepare the Accounting Report in the amount of \$1,814.30; and to reflect reimbursement to the City for actual cost to microfiche the Council's records for permanent retention, estimated at \$3,000.

ril/dc

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The City of Traverse City

Office of the City Manager

Governmental Center
400 Boardman Avenue
Traverse City, MI 49684
(231) 922-4440
(231) 922-4476 Fax
tcmanage@traversecitymi.gov



To: Cherry Capital Cable Council Members – Present and Past

From: Richard I. Lewis, City Manager

Date: February 12, 2008

Re: Cable Council Accounting

At our meeting, it had been requested that a more detailed accounting of the funds that had been collected and expended since the inception of the Council be provided. Attached are the following spreadsheets:

- **Cherry Capital Cable Council Operational Accounting – FY 1993/94 through FY 2004/05.** This spreadsheet accounts for the income and expenditures of the yearly contribution provided by each of the members for the general operation of the Council.
- **Cherry Capital Cable Council Public Access Television Revenue & Expenditures – FY 1993/04 through FY 2004/05.** This spreadsheet accounts for the income and expenditures for Public Access Television from all sources.
- **Contribution & Expenditures from July 1, 2005 to June 30, 2007.** This spreadsheet accounts for the contributions, the allocation of the contributions and the expenditures made over the past two years. In addition, there is a column to show what is anticipated to take place this fiscal year.
- **Calculations of .30 Fee Collected and Expended Between July 2005 to Present.** This spreadsheet accounts for the revenue collected over the past two fiscal years and the expenditures made from these funds to date.
- **Cherry Capital Cable Council Public Access Television Revenue and Expenditures – Fiscal Years 1993/04 through 2007/08.** This is an extension to the second spreadsheet mentioned above with three additional years added.

There are three categories: Operational, Public Access Television and the .30 Monthly Fee. In these three areas, as of June 30, 2007, the Operational portion had a surplus of \$59,859; the Public Access Television had a surplus of \$50,889; and the .30 Monthly Fee currently has a balance of \$34,949. I have calculated what could be distributed if everything was shut down today. The only two categories that could be undertaken would be the Operational and the .30

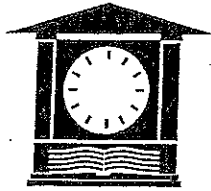
Monthly Fee. We should wait until TADL closes its operation and provides a refund from its operations and sale of equipment (if there is not any other organization to take over).

I would like to have a meeting next Wednesday, February 20 at 2:00pm at Garfield Township Hall to discuss our next steps.

Attachments:

Copy: City Commission w/o attachments
Attorney Richard W. Ford

copy to CI



TRAVERSE AREA DISTRICT
LIBRARY

CITY MANAGER'S OFFICE

JAN 02 2008

*Jan 2, 2008
Commission Packet -
Reports.*

2007 December 27

Richard Lewis, City Manager
Cherry Capital Cable Council
400 Boardman Avenue
Traverse City, MI 49684

Dear Richard:

Thank you for keeping me informed of recent actions by the Cherry Capital Cable Council. It's my understanding that that the Cable Council approved limited funding for the last half of 2007 and the first half of 2008 at its recent December meeting. I also understand that the Cable Council declared its intent to stop funding the operation of tctv2, effective June 30, 2008.

At its December 13, 2007 meeting, the Board of Trustees of the Traverse Area District Library authorized me to communicate notice of its intent to terminate the August 8, 2005 "Agreement For Public, Educational, And Governmental Access To Cable Television" in TADL's role as a party to the Agreement and fiscal agent for operations of tctv2. This notice is given at least six months in advance of termination as provided in, and pursuant to, paragraph 5 of the Agreement, and will be considered to establish an effective termination on June 30, 2008 unless otherwise agreed to by the Cable Council and TADL.

I anticipate that there may be final accounting matters pertaining to income and expenses from the operational and capital accounts for tctv2.

On behalf of TADL, I am hopeful that the Cable Council will be able to seek alternatives for the continuation of public access television in the Grand Traverse area and have enjoyed working with you and the Cable Council over the past nine years. Please don't hesitate to contact me to review these matters at your convenience. If you have any questions, please feel free to give me a call.

Sincerely,

Mike McGuire, Director

610 Woodmere Avenue
Traverse City, MI 49686
(231) 932-8500 phone
(231) 932-8578 fax
tadl.tcnnet.org

Cherry Capital Cable Council Operational Accounting - Fiscal Year 1993/1994 through Fiscal Year 2004/2005
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	FY 00/01		FY 01/02		FY 02/03		FY 03/04		FY 04/05		Total (Net)	
	Income	Refund	Income	Refund	Income	Refund	Income	Refund	Income	Refund		
Acme Township	\$1,054	(\$624)	\$1,054	\$0	\$1,028	(\$339)	\$1,743	\$0	\$3,429	\$0	\$12,452	6.6%
Bingham Township	493	(292)	602	0	512	(168)	842	0	1,500	0	5,371	2.8%
Blair Township	1,020	(603)	1,042	0	1,023	(335)	1,699	0	3,054	0	11,437	6.0%
East Bay Township	2,244	(1,328)	2,257	0	2,271	(749)	3,758	0	6,858	0	24,658	13.0%
Elmwood Township	1,020	(603)	1,017	0	1,050	(346)	1,642	0	2,786	0	10,509	5.6%
Garfield Township	3,349	(1,981)	3,376	0	3,368	(1,106)	5,871	0	11,733	0	39,426	20.8%
Green Lake Township	1,071	(634)	1,112	0	1,165	(305)	1,862	0	3,321	0	11,502	6.1%
Long Lake Township	1,564	(925)	1,578	0	1,600	(525)	2,666	0	4,714	0	17,053	9.0%
Peninsula Township	1,326	(785)	1,295	0	1,321	(436)	2,141	0	3,804	0	13,940	7.4%
Traverse City	3,859	(2,283)	3,755	0	3,661	(1,201)	5,951	0	11,091	0	42,997	22.7%
Sub-total	17,000	(10,058)	16,998	0	16,999	(5,508)	28,175	0	52,290	0	189,345	
Interest	4,146		1,887		1,289		1,085		1,588		23,302	
Affiliate Fees	400		400		400		674		1,286		4,810	
Sub-total	21,546	(10,058)	19,285	0	18,688	(5,508)	29,934	0	55,134	0	217,457	
Net Operational Income:	11,488		19,285		13,182		29,934		55,134		217,457	
Expenditure:	11,488		11,416		12,103		40,858		37,707		193,974	
Surplus:	0		7,869		1,079		(10,924)		17,427		\$23,483	
Balance:	\$ 8,032		\$ 15,901		\$ 16,980		\$ 6,056		\$ 23,483			

Distribution:

Acme Township	\$1,544
Bingham Township	666
Blair Township	1,418
East Bay Township	3,058
Elmwood Township	1,303
Garfield Township	4,890
Green Lake Township	1,427
Long Lake Township	2,115
Peninsula Township	1,729
Traverse City	5,333
Total	\$23,483

Cherry Capital Cable Council Public Access Television Revenue and Expenditures - Fiscal Year 1993/1994 through Fiscal Year 2004/2005
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	FY 93/94	FY 94/95	FY 95/96	FY 96/97	FY 97/98	FY 98/99	FY 99/00
Income:							
Acme Township	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bingham Township	0	0	0	0	0	1,128	1,267
Blair Township	0	0	0	0	0	2,741	3,030
East Bay Township	0	0	0	0	0	12,451	13,650
Elmwood Township	0	0	0	0	0	4,580	5,056
Garfield Township	0	0	0	0	0	16,109	18,054
Green Lake Township	0	0	0	0	0	0	0
Long Lake Township	0	0	0	0	0	3,806	4,000
Peninsula Township	0	0	0	0	0	0	0
Traverse City	0	0	0	0	0	20,865	23,025
Sub-total	0	0	0	0	0	61,680	68,082
Cable Company	47,000	49,350	51,818	54,408	57,129	59,985	62,985
Total	47,000	49,350	51,818	54,408	57,129	121,665	131,067
Public Access Expenditure:	23,500	48,858	50,584	63,088	55,768	120,236	129,581
Surplus:	23,500	492	1,234	1,340	1,361	1,429	1,486
Refund:	0	0	0	0	0	0	0
Balance:	\$23,500	\$23,992	\$25,226	\$26,566	\$27,927	\$29,356	\$30,842

Cherry Capital Cable Council Public Access Television Revenue and Expenditures - Fiscal Year 1993/1994 through Fiscal Year 2004/2005
Page 2

	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	Total	
Income:							
Acne Township	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Bingham Township	1,105	1,422	1,627	2,054	1,109	9,712	0.8%
Blair Township	3,032	3,460	4,018	4,815	2,431	23,527	2.0%
East Bay Township	13,523	14,610	18,002	20,287	10,591	103,114	8.7%
Elimwood Township	4,783	5,889	6,937	8,698	4,584	40,627	3.4%
Garfield Township	19,220	21,473	25,407	30,118	15,010	145,391	12.2%
Green Lake Township	0	0	0	0	0	0	0.0%
Long Lake Township	4,000	4,000	4,000	4,000	2,000	25,806	2.2%
Peninsula Township	0	0	0	0	0	0	0.0%
Traverse City	23,997	26,029	29,637	33,198	16,452	173,203	14.6%
Sub-total	69,660	76,883	89,628	103,170	52,177	521,280	43.8%
Cable Company	66,134	69,441	72,912	76,558	0	687,720	56.2%
Total	135,794	146,324	162,540	179,728	52,177	1,189,000	
Public Access Expenditure:	135,850	144,650	160,800	178,050	88,450	1,189,395	
Surplus:	(56)	1,674	1,740	1,678	(36,273)	(395)	
Refund:	51,284	0	0	0	0	51,284	
Balance:	\$82,070	\$83,744	\$85,484	\$87,162	\$50,889	\$50,889	
Distribution:							
Acne Township						\$0	
Bingham Township						416	
Blair Township						1,007	
East Bay Township						4,413	
Elimwood Township						1,735	
Garfield Township						6,223	
Green Lake Township						0	
Long Lake Township						1,104	
Peninsula Township						0	
Traverse City						7,413	
Cable Company						28,678	
Total						\$50,889	

Calculations of .30 Fee Collected and Expended Between July 2005 to present

Income	Fiscal Year 2005-2006				Total	% to Total	Fiscal Year 2006-2007				Total	% to Total	2 Year	
	Aug-Dec 05	Jan-Mar 06	Apr-Jun 06	Total			Jul-Aug 06	Oct-Dec 06	Jan-Mar 07	Apr-Jun 07			Total	% to Total
Acme Township	\$2,589	\$1,562	\$1,557	\$5,708	7.1%	1,550	1,542	1,553	1,571	6,217	8.5%	\$11,924	7.7%	
Blair Township	2,470	1,493	1,539	5,502	6.8%	1,574	1,566	1,583	1,632	6,355	8.6%	11,856.9	7.7%	
East Bay Township	5,431	0	0	5,431	6.7%	0	0	0	0	0	0.0%	5,431.2	3.5%	
Elmwood Township	2,382	1,350	1,396	5,128	6.3%	1,442	1,419	1,416	1,442	5,718	7.8%	10,845.6	7.0%	
Garfield Township	7,872	4,671	4,729	17,272	21.4%	4,798	4,856	4,883	4,894	19,430	26.4%	38,702.6	23.8%	
Green Lake Township	2,730	1,586	1,633	5,959	7.4%	1,654	1,637	1,630	1,667	6,588	9.0%	12,546.9	8.1%	
Kingsley Village	407	241	238	886	1.1%	237	235	244	254	971	1.3%	1,856.7	1.2%	
Long Lake Township	3,974	2,361	2,380	8,715	10.8%	2,386	2,378	2,376	367	7,140	9.7%	15,855.0	10.3%	
Paradise Township	537	338	344	1,238	1.5%	341	347	357	0	1,412	1.9%	2,649.9	1.7%	
Peninsula Township	3,180	1,871	1,895	6,947	8.6%	4,948	5,005	4,933	4,811	19,697	26.8%	6,946.5	4.5%	
Traverse City	8,142	4,985	4,968	18,065	22.3%	4,931	5,005	4,933	4,811	19,697	26.8%	37,761.0	24.5%	
Quarter Totals	39,734	20,438	20,678	\$80,849		\$18,931	\$18,984	\$18,976	\$16,637	\$73,527		\$154,376		

Expenditures	Fiscal Year 2005-2006				Total	% to Total	Fiscal Year 2006-2007				Total	% to Total
	Jun-06	Sep-06	Mar-07	Apr-07			Jul-Aug 06	Oct-Dec 06	Jan-Mar 07	Apr-Jun 07		
TCAPS	\$5,000	5,000	10,000	14,506	\$34,512	42.7%	1,550	1,542	1,553	1,571	6,217	8.5%
TCAPS	5,000	5,000	10,000	14,506	\$34,512	42.7%	1,574	1,566	1,583	1,632	6,355	8.6%
TCAPS	10,000	10,000	10,000	14,506	\$34,512	42.7%	0	0	0	0	0	0.0%
TADL	14,506	14,506	14,506	14,506	\$57,524	71.4%	0	0	0	0	0	0.0%
TADL	16,405	16,405	16,405	16,405	\$65,620	81.1%	1,442	1,419	1,416	1,442	5,718	7.8%
TADL	12,180	12,180	12,180	12,180	\$49,626	61.4%	4,798	4,856	4,883	4,894	19,430	26.4%
City of TC	39,464	39,464	39,464	39,464	\$157,856	195.2%	1,654	1,637	1,630	1,667	6,588	9.0%
Elmwood Twsp	1,500	1,500	1,500	1,500	\$6,000	7.4%	237	235	244	254	971	1.3%
TCAPS	15,373	15,373	15,373	15,373	\$61,492	76.1%	2,386	2,378	2,376	367	7,140	9.7%
Total Expenditures	\$119,427	\$119,427	\$119,427	\$119,427	\$475,726	587.8%	\$18,931	\$18,984	\$18,976	\$16,637	\$73,527	9.5%

Allocation Split:	Total
Acme Township	\$2,700
Blair Township	2,684
East Bay Township	1,230
Elmwood Township	2,455
Garfield Township	8,309
Green Lake Township	2,841
Kingsley Village	420
Long Lake Township	3,589
Paradise Township	600
Peninsula Township	1,573
Traverse City	8,549
Total	\$34,949

The allocation split is figured by taking the percentage contributed by each governmental unit over the two year period against the amount that remains in the account.

Total Income	\$154,376
Total Expenditures	119,427
Balance	\$34,949

Cherry Capital Cable Council Public Access Television Revenue and Expenditures - Fiscal Years 1993-1994 through 2007/2008

	FY 93/94	FY 94/95	FY 95/96	FY 96/97	FY 97/98	FY 98/99	FY 99/00	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	Total	
Public Access Income:																	
Aacme Township	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.9%
Birmingham Township	0	0	0	0	0	1,128	1,267	1,105	1,422	1,627	2,054	1,109	0	0	0	\$27,569	0.3%
Blair Township	0	0	0	0	0	2,741	3,030	3,032	3,460	4,018	4,815	2,431	12,653	13,376	0	9,712	0.3%
East Bay Township	0	0	0	0	0	12,451	13,650	13,523	14,610	18,002	20,287	10,591	14,129	14,129	0	49,556	1.7%
Elmwood Township	0	0	0	0	0	4,580	5,056	4,763	5,889	6,937	8,688	4,684	11,900	12,242	0	117,243	4.0%
Garfield Township	0	0	0	0	0	16,109	18,054	19,220	21,473	25,407	30,178	15,010	39,447	40,610	0	13,644	2.7%
Green Lake Township	0	0	0	0	0	0	0	0	0	0	0	0	13,441	13,864	0	27,305	0.9%
Kingsley Village	0	0	0	0	0	0	0	0	0	0	0	0	2,016	2,093	891	5,000	0.2%
Long Lake Township	0	0	0	0	0	3,806	4,000	4,000	4,000	4,000	4,000	2,000	19,251	13,638	0	58,685	2.0%
Paradise Township	0	0	0	0	0	0	0	0	0	0	0	0	2,993	2,931	2,228	8,152	0.3%
Peninsula Township	0	0	0	0	0	0	0	0	0	0	0	0	23,660	0	0	23,660	0.8%
Traverse City	0	0	0	0	0	20,865	23,025	23,997	26,029	29,637	33,198	16,452	42,868	42,536	47,804	306,411	10.5%
Sub-total	0	0	0	0	0	61,680	68,082	69,660	76,883	89,628	103,170	52,177	188,892	155,325	110,000	982,497	33.6%
Cable Company	47,000	49,350	51,818	54,408	57,129	59,985	62,885	66,134	69,441	72,912	76,558	0	0	0	0	1,937,425	65.4%
Total	47,000	49,350	51,818	54,408	57,129	121,665	131,067	135,794	146,324	162,540	179,178	52,177	188,892	155,325	110,000	2,919,922	
Public Access Expenditure:																	
Surplus	23,500	492	1,234	1,340	1,381	1,429	1,486	(56)	1,674	1,740	1,678	(36,273)	0	0	0	-395	
Refund	0	0	0	0	0	0	0	51,284	0	0	0	0	0	0	0	51,284	
Balance	\$23,500	\$23,992	\$25,226	\$26,566	\$27,927	\$29,356	\$30,842	\$32,070	\$33,744	\$35,484	\$37,162	\$50,889	\$50,889	\$50,889	\$50,889	50,889	

Public Access TV began through a contract with Northwestern Michigan College. That contract expired on June 30, 1999. On July 1, 1999, a contract with Traverse Area District Library was entered into and Public Access TV has been provided through that agreement. The contract is due to expire on June 30, 2008.

Reimbursement:

Aacme Township	\$480
Birmingham Township	169
Blair Township	864
East Bay Township	2,043
Elmwood Township	1,363
Garfield Township	4,723
Green Lake Township	476
Kingsley Village	87
Long Lake Township	1,023
Paradise Township	142
Peninsula Township	412
Traverse City	5,340
Cable Company	33,766
	<u>\$50,889</u>