

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

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# Communication

Cherry Capital Cable Council

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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

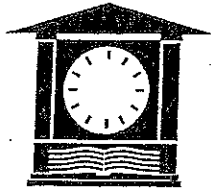
Monthly Fee. We should wait until TADL closes its operation and provides a refund from its operations and sale of equipment (if there is not any other organization to take over).

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	(10,056)	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	(10,056)	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
<b>Total</b>	<b>\$23,483</b>



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	48,868	50,584	63,068	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	
<b>Income:</b>							
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	
<b>Public Access Expenditure:</b>	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	
<b>Distribution:</b>							
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	

**Contribution & Expenditures from July 1, 2005 to June 30, 2007**

	FY 05/06		FY 06/07		Two Year Total		June 30, 2008 FY 07/08	
<b>Income:</b>								
Acme Township	\$15,866	7.2%	\$16,614	8.9%	\$32,480	8.0%	\$0	0.0%
Blair Township	14,833	6.7%	15,834	8.5%	30,667	7.5%	0	0.0%
East Bay Township	16,564	7.5%	0	0.0%	16,564	4.1%	0	0.0%
Elmwood Township	13,951	6.3%	14,492	7.8%	28,443	7.0%	15,200	12.3%
Garfield Township	46,245	21.0%	48,072	25.9%	94,317	23.2%	51,100	41.4%
Green Lake Township	15,757	7.1%	16,412	8.8%	32,169	7.9%	0	0.0%
Kingsley Village	2,363	1.1%	2,478	1.3%	4,841	1.2%	1,000	0.8%
Long Lake Township	22,569	10.2%	18,162	9.8%	40,731	10.0%	0	0.0%
Paradise Township	3,509	1.6%	3,470	1.9%	6,979	1.7%	2,500	2.0%
Peninsula Township	18,491	8.4%	0	0.0%	18,491	4.6%	0	0.0%
Traverse City	50,255	22.8%	50,352	27.1%	100,607	24.8%	53,650	43.5%
Subtotal	<u>220,403</u>		<u>185,886</u>		<u>406,290</u>		<u>123,450</u>	
<b>Expenditures:</b>								
PA TV - TADL	\$195,892	88.9%	\$155,325	83.6%	\$351,218	86.4%	\$110,000	89.1%
Balance for CCCC Ops	24,511	11.1%	30,561	16.4%	55,072	13.6%	13,450	10.9%
Less Actual Expenditures	<u>(15,190)</u>		<u>(18,794)</u>		<u>(33,984)</u>		<u>(13,450)</u>	
Subtotal	<u>9,321</u>		<u>11,767</u>		<u>21,088</u>		<u>0</u>	
<b>Surplus:</b>								
Interest	<u>6,078</u>		<u>9,210</u>		<u>15,288</u>		<u>5,000</u>	
Balance for distribution	<u>\$15,399</u>		<u>\$20,977</u>		<u>\$36,376</u>		<u>\$5,000</u>	

	FY 05/06 Allocation Split		FY 06/07 Allocation Split		Two Year Total		FY 05/06 Allocation	
	Operations	PA TV	Operations	PA TV	Operations	PA TV	CCCC Ops	PA TV
Acme Township	\$1,764	\$14,102	\$2,731	\$13,883	\$4,496	\$27,984	\$0	\$0
Blair Township	1,650	13,183	2,603	13,231	4,253	26,414	0	0
East Bay Township	1,842	14,722	0	0	1,842	14,722	0	0
Elmwood Township	1,551	12,400	2,383	12,109	3,934	24,509	1,656	13,544
Garfield Township	5,143	41,102	7,903	40,169	13,046	81,271	5,567	45,533
Green Lake Township	1,752	14,005	2,698	13,714	4,451	27,718	0	0
Kingsley Village	263	2,100	407	2,071	670	4,171	109	891
Long Lake Township	2,510	20,059	2,986	15,176	5,496	35,235	0	0
Paradise Township	390	3,119	570	2,900	961	6,018	272	2,228
Peninsula Township	2,056	16,435	0	0	2,056	16,435	0	0
Traverse City	5,589	44,666	8,278	42,074	13,867	86,740	5,845	47,805
Total	<u>\$24,511</u>	<u>\$195,892</u>	<u>\$30,561</u>	<u>\$155,325</u>	<u>\$55,072</u>	<u>\$351,217</u>	<u>\$13,450</u>	<u>\$110,000</u>

	FY 05/06	FY 06/07	Total	FY 05/06
<b>Distribution:</b>				
Acme Township	\$1,109	\$1,875	\$2,983	\$0
Blair Township	1,036	1,787	2,823	0
East Bay Township	1,157	0	1,157	0
Elmwood Township	975	1,635	2,610	616
Garfield Township	3,231	5,425	8,656	2,070
Green Lake Township	1,101	1,852	2,953	0
Kingsley Village	165	280	445	41
Long Lake Township	1,577	2,050	3,626	0
Paradise Township	245	392	637	101
Peninsula Township	1,292	0	1,292	0
Traverse City	3,511	5,682	9,193	2,173
Total	<u>\$15,399</u>	<u>\$20,977</u>	<u>\$36,376</u>	<u>\$5,000</u>

## 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				Jul-Aug 06	Oct-Dec 06	Jan-Mar 07	Apr-Jun 07				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%	0	0	0	0	0	0.0%	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%	0	0	0	0	0	0
TCAPS	6,000	6,000	12,000	18,000	\$42,000	51.6%	0	0	0	0	0	0
TCAPS	10,000	10,000	20,000	30,000	\$60,000	74.3%	0	0	0	0	0	0
TADL	14,506	14,506	29,012	43,518	\$107,546	133.0%	0	0	0	0	0	0
TADL	16,405	16,405	32,810	49,215	\$124,835	155.2%	0	0	0	0	0	0
TADL	12,180	12,180	24,360	36,540	\$93,260	115.5%	0	0	0	0	0	0
City of TC	39,464	39,464	78,928	118,392	\$306,848	379.3%	0	0	0	0	0	0
Elmwood Twsp	1,500	1,500	3,000	4,500	\$12,000	14.9%	0	0	0	0	0	0
TCAPS	15,373	15,373	30,746	46,119	\$122,501	151.6%	0	0	0	0	0	0
Total Expenditures	\$119,427	\$119,427	\$238,854	\$358,281	\$677,108	838.0%	\$18,931	\$18,984	\$18,976	\$16,637	\$73,527	10.9%

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

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
<b>Total</b>	<b>\$34,949</b>

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.

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	
<b>Public Access Income:</b>																	
Aacme Township	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.9%
Birgiam 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	9.3%
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	0	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%
<b>Cable Company</b>																	
Total	47,000	49,350	51,818	54,408	57,129	59,985	62,985	66,134	69,441	72,912	76,558	0	0	0	0	1,937,425	65.4%
<b>Public Access Expenditure:</b>																	
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	
Retund	0	0	0	0	0	0	0	51,284	0	0	0	0	0	0	0	51,284	
<b>Balance</b>	<b>\$23,500</b>	<b>\$23,992</b>	<b>\$25,226</b>	<b>\$26,566</b>	<b>\$27,927</b>	<b>\$29,356</b>	<b>\$30,842</b>	<b>\$32,070</b>	<b>\$33,744</b>	<b>\$35,484</b>	<b>\$37,162</b>	<b>\$50,889</b>	<b>\$50,889</b>	<b>\$50,889</b>	<b>\$50,889</b>	<b>50,889</b>	

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
Birgiam 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>