

Present: Armitage, Heldt, McLain - Birmingham
Burry, Pfeifer, Verdi-Hus – Beverly Hills
Ettenson - Bingham Farms
Stakhiv – Franklin

Absent: Kelly, Lurie, Thorsby - Birmingham
Heyman, McFadden – Beverly Hills

Also Present: Borgon – Executive Director
Currier - Attorney for Cable Board
Dr. Hoffman - Birmingham Schools representative
Valentine - Birmingham staff representative
Rota - Bloomfield Community Television representative (in control room)

Chairperson McLain called the meeting to order at 7:45 a.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road.

APPROVE MINUTES OF CABLE BOARD MEETING HELD OCTOBER 17, 2012

The correction was made on page 2, first line under “NATOA Report”, to change “September 26-29, 2012” to read “September 26-~~28~~, 2012”.

Motion by Heldt, second by Pfeifer, that the minutes of a regular Cable Board meeting held on October 17, 2012 be approved as amended.

Motion passed.

APPROVE/AMEND AGENDA

Motion by Heldt, second by Ettenson, to amend the order of the agenda to move the two grant requests ahead of the audit presentation, which will be agenda item #6.

Motion passed.

PUBLIC COMMENTS

None

GRANT REQUEST FROM VILLAGE OF BINGHAM FARMS

Kathryn Hagaman, Clerk/Administrator for Bingham Farms, requested consideration of a grant to offset the costs of maintaining the Village of Bingham Farms website in addition to costs incurred for ordinance hosting as well as search capabilities for the village’s minutes and ordinances. A letter dated October 8, 2012 from Bingham Farms provided details on the grant request for the current and prior two fiscal years. The request contains similar items that previously received funding from the Cable Board. The total amount of the grant request was \$5,885.

A grant for a three year period is requested to recoup expenses that have been incurred in redeveloping the Bingham Farms website, adding search engines to ordinance and meeting minutes to make it easier for the public to access information. Board member Pfeifer commented

that the Cable Board has not provided grant money to Bingham Farms since 2008/09. She consulted with our accountant from Plante Moran and was informed the Board could award grant money for past budgeted items. Pfeifer was in support of the proposal.

Motion by Pfeifer, second by Ettenson, that the Cable Board approve the request from the Village of Bingham Farms for a grant to offset the costs of maintaining the village website, ordinance hosting, and search capabilities for minutes and ordinances for the current and prior two fiscal years in the total amount of \$5,885.

McLain stated that she spoke with a representative from auditing firm Plante Moran and Treasurer McFadden about the grant request. The Board would not generally be in support of approving a grant for multiple years from its member communities or others. However, consideration was given to how funds have been granted historically. McLain noted that the money is available in the budget, and Bingham Farms subscribers have paid into the system. The Board's goal is to return PEG money to residents in the four communities.

Stakhiv asked if there is a Board policy that addresses retroactive grants and whether this issue should be considered in the policy going forward. McLain commented that she would consider this an exception; grants are considered on a case by case basis.

Roll Call Vote:
Motion passed (8 – 0).

Hagaman stated that she will provide the Board with documentation to support this grant request.

GRANT REQUEST – BIRMINGHAM AREA SENIORS COORDINATING COUNCIL

Renee Cortright, Executive Director of the Birmingham Area Senior Center, presented a grant request on behalf of the Birmingham Area Senior Coordinating Council (BASCC) to cover cable service for the center, Internet service for their computer lab, and website expenses for a total amount of \$2,698. She mentioned that BASCC received a one-time grant in the fall of 2011 to update their website; the requested grant money will be used to maintain that website. The Board is in receipt of a letter from Renee Cortright summarizing the grant proposal.

In response to an inquiry, Cortright stated that the Senior Center is under contract with Comcast for cable and Internet service. She reached out to WOW to seek a competitive bid for these services, but a commercial product was not available from WOW for their building.

Board members Pfeifer and Burry asked to abstain from voting on this grant request for the reason that they also serve on the BASCC Board of Directors. It was suggested that this agenda item be postponed to the December meeting because a quorum of the Board is not available without their votes.

Motion by Heldt, second by Stakhiv, to table the grant request from the Birmingham Area Senior Coordinating Council.

Motion passed.

PLANTE/MORAN AUDIT PRESENTATION

Kari Shea and Ali Hajazi of Plante & Moran presented the audit report of the Birmingham Area Cable Board financial statements as of June 30, 2012. The Independent Auditor's Report indicated that the Cable Board's financial statements received an unqualified audit opinion for 2012.

Hajazi presented an overview of the financial statements handout. He talked about the Statement of Governmental Revenue, Expenditures and Changes in Fund Balance, which describe the financial results for the year. The footnotes section describes policies and procedures, reports on deposits and investments, and sets forth upcoming accounting pronouncements. Hajazi commented on the Budgetary Comparison Schedule, comparing the original budget with the actual budget and explaining reasons for variances. Questions from the Board were answered by Hajazi and Borgon.

Shea reviewed the communications letter. There was a deficiency in the government's internal control considered to be a material weakness. During the course of the audit, it was noted that a vendor did not invoice BACB for work done during fiscal year 2012 until notified by BACB. The invoices were not accrued as of year-end. The Board should implement procedures to ensure that invoices have been received for all services and are properly recorded as accounts payable at year-end.

McLain commented on the invoice in question and affirmed that the correct procedure has been implemented.

Shea referred to the paragraph regarding difficulties encountered in performing the audit. Mention was made of a reporting issue with Multi-Bank Securities, Inc. again this year. Plante Moran received a statement from MBS confirming the value of Board held securities as of June 30, 2012. Multi-Bank Securities, Inc. only performs the task of recordkeeping; Pershing LLC is the custodian. Plante Moran was unable to confirm the existence of those assets with Pershing LLC due to their policy of not providing third party audit confirmations. Plante Moran is required under auditing standards to receive confirmation from the actual holder of the investments and would prefer to receive direct confirmation from Pershing.

McLain responded that our consortium is among many municipalities that have this ongoing issue with Pershing LLC. She and Treasurer McFadden will direct another letter to Pershing asking for confirmation of assets next year. Board members discussed whether to insist that Pershing provide direct confirmation of the value of Board held securities as a condition for continued participation.

Shea referred to a schedule that summarizes uncorrected misstatements of the financial statements. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate to the financial statements taken as a whole. The uncorrected misstatement is a small amount of accounts payable that is on an adjustment list attached to the opinion letter.

There was one other recommendation. In some instances, it was noted that the Board's member communities did not submit with their quarterly remittances documentation received directly

from the cable providers supporting the amount of PEG and franchise fees received by the Board. Plante Moran recommends that the Board encourage its member communities to submit this documentation along with their quarterly remittances to the Village of Beverly Hills. Attorney Currier addressed this recommendation in some detail, noting the difficulty in securing the required information from the providers in a timely manner.

McLain thanked Shea and Hajazi for their presentation. The audit report will be forwarded to the member municipalities with a link posted on the Cable Board website.

COMMITTEE REPORTS

Cable Action Committee

McLain commented that the website update was a topic of discussion at the recent Cable Action Committee meeting. Verdi-Hus reported that she spoke with staff from Municipal Web Services about the beta-test website that is available for Board review. Members can review the layout without accessing the links. MuniWeb is waiting for the go ahead from the Board to complete the website redesign.

PEG Committee

Heldt stated that there will be a PEG Committee meeting following the regular Board meeting. Because BCTV staff member Steve Rota was taping the meeting, Heldt presented the BAMA/BAPA report dated November 14, 2012.

Heldt highlighted programming outlined in the written report from Bloomfield Community Television on programming taped for Municipal Channel 15 (BAMA), PA Channel 18 (BAPA), and programming from BACB area organizations during the last month (information included in BCTV monthly report for October 18, 2012 – November 21, 2012). The next camera workshop is scheduled for Thursday, January 24, 2013 with a morning and evening session.

Heldt reported that BCTV is waiting for the arrival of a new camera viewfinder purchased with the approval of the Cable Board at its last meeting.

Personnel Committee

Armitage stated that the Personnel Committee did not meet in the last month, but action was taken to post the job description, responsibilities, and qualifications for the Executive Director position on the BACB website. The job posting was also forwarded to NATOA and the Michigan Municipal League for publication.

Motion by Pfeifer, second by Armitage, to renew the Executive Director contract with Bob Borgon for one month.

Motion passed.

Grant Policy Committee

Pfeifer stated that the Board continues to issue grants, and the committee continues to refine the policy for issuing grants.

EXECUTIVE DIRECTOR’S REPORT

Borgon reported that there were six new official complaints this month with five for Comcast and one for BCTV. Comcast complaints dealt with service and technical issues. A concern about the BCTV program schedule complaint was handled by Steve Rota. All complaints have been resolved or are in the process of being resolved. Borgon referred to the financial reports included in the Board meeting packets.

Comcast has announced several channel changes effective December 12, 2012 as outlined in their letter dated October 22, 2012. Another Comcast letter announced that customers will soon receive notices of enhancements to XFINITY Signature Support, which provides tech support and warranty protection for home electronic equipment. A letter dated November 1, 2012 stated that Comcast will take the final step in its digital network enhancement on or shortly after December 5, 2012. They will convert all Limited Basic service channels including PEG channels in the community to be transmitted exclusively in digital format. Comcast customers may call this number with questions about the best solution for their home (1-877-634-4434) or go online at www.comcast.com/digitalnow.

WOW submitted a letter dated October 29, 2012 announcing a change in its Michigan office. Rob DiNardo will be their Vice President/General Manager in the Southeast Region. Kathy Armstead will continue to serve as Customer Advocate/Executive Administrator for WOW reporting directly to Rob.

PROVIDER RELATED TOPICS

McLain stated that none of the providers were able to attend today’s meeting. She commented on several of the complaints received.

OLD BUSINESS

None

NEW BUSINESS

None

BOARD COMMENTS

Pfeifer questioned the response to a complaint regarding the BCTV program schedule, which was addressed earlier by Borgon.

Stakhiv said that she had a comment about Comcast’s digital network enhancement, but would direct it to the Comcast representative at next month’s meeting.

McLain stated that Mark Armitage, Mel Ettenson and she attended a informational session with the Executive Service Corps and the Ross School of Business Alumni Club last week regarding best board practices and opportunities.

The meeting was adjourned at 8:36 a.m.