

Present: Bozell, Eick, McLain – Birmingham
Borgon, Maly, Verdi-Hus – Village of Beverly Hills
Ettenson – Village of Bingham Farms
Stakhiv – Village of Franklin

Absent: Heldt, McAlear – Birmingham
Gugni – Village of Beverly Hills

Also Present: White – Executive Director
Currier – Attorney for Cable Board
Rota – Bloomfield Community Television
Mazurek – Comcast
Ali Hijazi and Spencer Tawa – Plante & Moran

McLain called the meeting to order at 7:45 AM in the Birmingham Public Schools' Education & Administration Center, Evergreen Room, 31301 Evergreen Road, Beverly Hills, MI.

AMEND AGENDA

Motion by Ettenson, seconded by Stakhiv to amend the agenda to remove one item: **6. Treasurer's Report.**

Motion passed.

This item will be placed on the agenda of December's meeting.

APPROVE MINUTES OF CABLE BOARD MEETING HELD October 19, 2016

Motion by Ettenson, seconded by Bozell to approve the minutes of the Regular Cable Board Meeting on October 19, 2016, as presented.

Motion passed.

PUBLIC COMMENTS

None

PEG GRANT REQUEST – NEXT for upgraded audio/visual equipment etc.

Cris Braun, Executive Director of NEXT, gave a brief background of the organization and updates on recent activities: increasing its hours of operation including transportation, expanding its Support Services, and programs. There has been a 67% increase in new memberships over the previous year and 15% overall, bringing the total members to 1,500. Due to the popularity of the different and diverse programs, the Activities Room where they are held is filled almost to capacity. The audio and visual equipment in this room is outdated and unreliable which makes for poor quality presentations. NEXT is requesting financial support to help replace and purchase technology equipment, including a laptop for presentations, in order to provide quality programming and services to its members. Out of four bids received she has selected Sound Engineering as it was highly recommended by the Birmingham Public Schools, is familiar with

the building where NEXT is located, and is the company that equipped the room where this BACB meeting is being held this morning. Also included in the proposal is the purchase of another laptop which would increase the efficiency in the front office.

Stakhiv suggested that NEXT look into sound system equipment that is geared especially for those who are hearing impaired. Braun remarked that the project would include the updating of the four speaker system which NEXT already has but she would look into a system Stakhiv referenced.

Borgon asked for an explanation of the different monthly bills for its Comcast Cable. McLain explained that the Michigan taxes and PEG fees fluctuate depending on how many people are accessing the system. Borgon suggested Braun look into this matter.

McLain clarified that one (1) computer was to run the equipment and the second was for the use in the front office. In the past the computer for the front office would not be funded as it is a communication device, as opposed to the other one which is part of the technology support services. Would this be setting precedence for other entities? Ettenson agreed with her concern.

As a Point of Procedure, Currier brought up a legal issue. Since several members of the Cable Board are also members of the NEXT Board (McLain and Borgon), it would be conflict of interest for them to be participating in the discussion, making the motion, or participating in the vote of the grant request and should recuse themselves. A simple majority of the members remaining would pass the motion.

Motion by Bozell, seconded by Ettenson to approve the PEG Grant request in an amount not to exceed \$9,257.47 to NEXT for an upgrade of the audio/visual equipment in the activities room, including a laptop for presentations and one additional laptop for the front office, and cable/internet service for the building.

Roll Call Vote:

Motion Passed (6-0)

Ms. McLain and Mr. Borgon recused themselves.

AUDIT PRESENTATION FOR FY 2015-16 BY PLANTE & MORAN

Ali Hijazi, Senior Manager, and Spencer Tawa, Auditor in charge of the Cable Board's audit, from Plante & Moran presented FY 2016 Audit Report of the Birmingham Area Cable Board and the financial statements as of June 30, 2016. Beth Bialy, Plante & Moran partner, was unable to attend the presentation.

The Cable Board was presented with two (2) documents: a Financial Statement (19 pages) and an End of Audit communication (4 pages). Hijazi reminded the Board that earlier it had received a four (4) page pre-audit communication discussing Plant & Moran's plan for the audit. The Independent Auditor's Report indicated that the Cable Board's financial statements received an unmodified audit opinion for 2016, which meant that the financial records were in compliance with accounting rules.

Spencer Tawa presented an overview of the financial statements and supplemental information. The Footnotes are relatively the same as last year with the exception of a new accounting pronouncement, GASB Statement 72, *Fair Value Measurement and Application* upon Fair Value Measurement (page 14). The Board's investments were CDs and Bonds and were valued at Level 2 inputs. On page 18, Budgetary Comparison Schedule – General Fund, he pointed out that the Board was within its budget.

Borgon asked for a clarification about the Fund Balance – Unassigned on page 7. On page 5, under **The Board as a Whole**, 4th bullet point, Ettenson inquired about 2015 expenditure with BCTV. Tawa gave an estimate.

Hijazi reviewed the "Management" letter, a 4 page document from Plante & Moran, dated November 3, 2016. **Section I – Internal Control Related Matters Identified in an Audit.** He noted three (3) material weaknesses which the firm had identified as deficiencies in the Board's internal control and gave its recommendations. 1. Implement a process at year end to compute and include this activity in the financial records prior to the commencement of the financial statement audit. 2. Implement formal procedures, such as using an Excel spreadsheet, to track each community's revenue throughout the year and timely follow-ups, when necessary. 3. Implement additional preventive measures for internal control of online banking access and transactions. Banks and Credit Unions can work with the Board to strengthen the internal controls. **Section II – Required Communications with Those Charged with Governance.** This is similar to the prior year, with the exception of the new accounting pronouncement, GASB Statement 72. In summary, this was a fiscally responsible good year for the Cable Board.

There were no questions from the Board. McLain thanked Hijazi and Tawa for their presentation.

PAYMENT OF ADMINISTRATIVE GRANTS FOR FY 2015-16

White referred to the report that was in the Board's packet, Calculation of Administrative Grants November 2016. This sheet breaks down each communities' total revenues and percentage of the total Committed Franchise fees which can be found on page 7 of the Audit under **Fund Balance**.

She remarked that this had been discussed in detail with the Treasurer, the Chairperson, and Maly.

Motion by Ettenson, seconded by Eick to approve the Administrative Grants for the FY2015-16 in the following amounts: Birmingham- \$143,401.68, Beverly Hills- \$57,693.06, Franklin- \$24,929.10, and Bingham Farms- \$11,158.74.

Roll Call Vote:
Motion Passed (8-0)

COMMITTEE REPORTS

Cable Action Committee

Verdi-Hus stated that Maly, White, McLain, and she met on November 3, 2016 in the Baldwin Library in Birmingham. One topic of discussion dealt with the unused grant money. It was noted

that the Beverly Hills Village Hall's audio equipment might need to be upgraded when the new room is completed. Another discussion was about the Cable Board taking a pro-active approach to the communities and inquiring what their future needs might be. McLain mentioned that even a ballpark figure would be helpful to the Board in its planning of how money is used. McLain also mentioned that it had been suggested that a Board Representative reach out to the communities at the beginning of the fiscal year. Verdi-Hus suggested that a letter could be sent to the communities. Online banking was also discussed and is something the Board might want to look into in light of what the Auditors had just said. The next Cable Action meeting will be Thursday, December 1 at 5:30 PM in the Baldwin Library.

PEG Committee

McAlear, Chairman, was not able to attend the meeting today. White reported that they had received an email from BCTV regarding the upcoming winter sports activities. They have proposed covering seven (7) different sporting events (boys and girls) which would cost \$2,500 per event, totaling \$17,500.

Motion by Borgon, seconded by Stakhiv to approve payment to BCTV in an amount not to exceed \$17,500 for the filming of seven (7) winter sporting events at the cost of \$2,500 per event.

Roll Call Vote:
Motion passed (8-0)

There will be a brief PEG meeting following the Board meeting.

EXECUTIVE DIRECTOR'S REPORT

White referred to her monthly report dated November 10, 2016. One complaint that was pending from her last report has been resolved. Besides a problem with Comcast TV service, it also involved issues with repeated attempts to contact the Comcast office, the language barrier, the rude behavior of Customer Service, and the long wait times to reach a representative. An apology was issued to the customer for the problems he had experienced and those issues were referred to the local Comcast leaders for review as well.

Since the last meeting there have been four (4) complaints: a Birmingham resident complained about the placement of an AT&T Uverse TV dish directly outside of his condo. The resident had not ordered this service and felt there were more appropriate locations for it, such as in a common area. (The complaint is pending); a Birmingham resident had cancelled his Comcast service, returned the equipment, but was still being billed. (The billing issue has been resolved and the case is closed); a Beverly Hills resident was being billed by Comcast for two (2) inactive modems. His bill has been adjusted to reflect the appropriate corrections. (This case is closed); since 2008 a Beverly Hills couple who have Comcast internet service, have also been billed for Comcast cable TV service when, in fact, they actually have Dish Network. They are asking for reimbursement for what they have paid. (The complaint is pending).

Ettenson complimented Michelle Plummer and Kyle Mazurek of Comcast on the handling of the multiple issues associated with the first pending complaint.

The account balances for the MBS, BBCU, and Beverly Hills accounts were provided to the Board, in addition to the Revenue and Expense Budget reports for the month of October, 2016.

Since her last report, White has written four (4) checks which included a large one for quarterly payments on behalf of the BACB to the Charter Township of Bloomfield for October-December 2016 and two (2) payments to the Charter Township of Bloomfield on behalf of the BACB in the amounts of \$10,000 and \$5,000 for BCTV filming September and October sports events.

Additional Notes:

White informed the Board of AT&T's new streaming service, "DirecTV Now", which is expected to be launched this quarter. Hulu is expected to launch its competitive service in early 2017. Google's parent company has decided to discontinue its high-speed fiber internet expansion. It has found that wireless delivery methods are cheaper. However, Google Fiber will continue service in those cities where it is already installed. There has been news in the trade journals about discussions between AT&T and Time Warner about a possible merger. AT&T would like to add more content for the new DirecTV Now which Time Warner could provide. White listed numerous Comcast channel lineup changes.

For the benefit of the public, McLain had some comments about the complaint process. If a customer submits a complaint to BACB, either online or on the phone, it goes immediately to the provider who makes an effort to reach out to the customer. Please provide the appropriate contact phone number. If someone from the provider returns the call and needs to leave a message it will include direct contact information. Please return that call because after several unsuccessful attempts to contact you they automatically send a letter. If a resident has any questions about an installation of satellite equipment through AT&T and are in a multi-dwelling unit, such as a condo, you should go directly to the Condo Association. If the service is for you and you have a question, please go directly to AT&T first.

PROVIDER RELATED TOPICS

Comcast

Kyle Mazurek, Comcast representative was in attendance. He had three (3) updates: For those subscribers with the X1 platform which is the new video platform, Netflix came aboard in late October, early November; about 2 weeks ago Comcast rolled out 1G high speed internet service for the residents in Detroit, which makes it the first community in Michigan to receive it. Service to other parts of southeast Michigan might be launched in late 2017; Comcast has ended its nationwide annual United Way campaign and its employees pledged large amounts of money for local United Ways and non-profits.

McLain expressed appreciation to the Escalation Team of all three (3) providers, and as White had noted in her report, Comcast has been responding very quickly to the residents and to BACB.

AT&T/Uverse/Direct TV

There was no representative present. There were no other updates other than the merger is progressing.

Stakhive related that a Franklin resident with AT&T TV service was having difficulty getting into the Governmental channels and had complained about the numerous steps required, as compared to that of Comcast. She inquired if there could be a conversation with AT&T about streamlining the process. McLain explained that AT&T has now been updated: hit “99” to get to the Governmental channels.

WOW

There was no representative present.

BAPA/BAMA REPORT

Steve Rota referred to his memo to BACB, dated November 9, 2016, and pointed out the seven (7) completed **BAMA** Programs which were regularly scheduled municipal meetings, Board of Zoning Appeals meeting, the Birmingham Advisory Board meeting, Multi Modal Transportation meeting, and the BACB meeting.

For the **BAPA** Programs, from the BACB area individual producers and organizations, twenty-nine (29) programs were taped. He listed all the programs.

Regarding the **PRODUCER WORKSHOP**, Rota reminded the Board that one-on-one sessions are offered for those who are interested in producing their own show and to those who want to learn how to run the equipment. This change in format seems to be working out better. Residents can contact BCTV at 248-433-7790 to schedule an appointment date and time. There is no fee for those living in one of the four BACB communities.

The Program Development Committee met a couple weeks ago and approved two (2) new shows: one (1) will highlight non-profit organizations and the other will highlight financial planning. The first one will be in production in late November and both should be on air late December or at the beginning of the year.

As mentioned earlier in the meeting, BCTV was approved to cover seven (7) winter sports events which is about average per season: Girls Basketball, Boys Wrestling, Unified Team Hockey, two (2) Boys Basketball games, Boys Swim and Dive, and Girls Water Polo.

Rota stated that he had been working with Ellen Marshall, Village of Beverly Hills Clerk. The Village Hall has been under construction and there had been some disruption in the control room where BCTV houses its equipment. Originally all of it was kept in that room but the contractors were unable to work around that scenario so Rota moved the equipment into the kitchen area. There was also problem with some fiber lines so with assistance from Comcast the box was moved to a separate spot in the office. Once the construction is completed, all the equipment will be re-installed in the control room. Since the contractor had not anticipated this work, McLain posed the question of who would be financially responsible for the several moves of this expensive and fairly new equipment. Rota suggested that BCTV staff might be able to put some of it in place but would probably need to contact the original vendor, Advanced Lighting and Sound, to get everything up and running.

Borgon clarified that the coverage of the sporting events are between Seaholm and Groves. Rota explained that the hockey is a unified team and the game is chosen depending on the availability of the BCTV staff who would be filming it. In response to Borgon's inquiry about the two new programs which had been discussed last meeting, Rota stated that one (1) would start production on Monday and the other would start production pretty soon.

Referring to an earlier discussion and in light of the construction in the Beverly Hills building, Maly wondered if Rota was aware of anything that might be needed which would fall under BACB's capabilities. Rota replied that the equipment in the control room was new and installed only 1-2 years ago. There might be a few things to discuss in the PEG meeting.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENTS

None

BOARD COMMENTS

None.

The meeting was adjourned at 8:48 AM.