

Special Meeting of May 22, 2004 Law Office of Arthur Gatzoulis, Stark & Canal Sts.

This meeting was called to discuss/brainstorm matters prior to a special meeting with Department Representatives of the City of Manchester including Bill Sanders, Tom Arnold, Kevin Clougherty, and Mike Colby set for Monday, 4:00 p.m.

Second Meeting of the MCAM Board of Directors (not full board)

Present: Joseph Lahr, June Craig, John St. Hilaire and Arthur Gatzoulis. Attempts to contact James Stewart by Joe and John were unsuccessful.

Joe Lahr and John St. Hilaire went over our facts, figures and scenarios to be discussed on Monday the 24th

Joe Lahr sent packets of information and documents to City representatives who are expected to attend Monday's meeting; they are Bill Sanders, Tom Arnold, Kevin Clougherty, Mike Colby.

Grace, Joe, John, James, Arthur, June, are expected to attend from MCAM.

MCTV started up in 1990 – PEG

Grace is no longer paid by the School Department. MCTV pays Grace. Her six employees are a budgetary item.

There is a possibility that the Government coverage could be taken over by the Mayor's office. Mike Colby, who took Scannell place, would like to run it along with another media person working for him. New York and Boston's Government coverage is out of the Mayor's Office. Mayor Menino in Boston is listed as the Executive Producer.

Grace is willing to give up the Government coverage.

The current formula is 2.5% of the franchise fee.

Proposal –

July 2005	- 3%	1/3 Mayor's Office – Government	200,000.
		1/3 School Dept. – Education	200,000.
		1/3 MCAM – Public Access	200,000.
July 2006	3%	1/3 Mayor's Office – Government	320,000.
		1/3 School Dept. – Education	320,000.
		1/3 MCAM – Public Access	320,000.

July 2007	3%	1/3 Mayor's Office – Government	400,000.
		1/3 School Dept. – Education	400,000.
		1/3 MCAM – Public Access	400,000.

Kevin Clougherty is sure to ask where is the liability protection if contracted employees still work for the City; if Joe Lahr works under a special division through the supervision of human resources.

The community access operations out of Bedford, Londonderry and Concord run under guaranteed percentage, have autonomy and no repercussions for content.

The best scenario for Joe

- A. He be a city employee contracted to MCAM
- B. That MCAM have a lease and a promise by the City to pay for 5 years

Mike Colby's plan is a good possibility

John would like a copy of the Lowell, MA annual budget. Lowell has 7,000 Comcast customers, (see page 2) and they have eleven (11 full time employees

It is generally easier to get a Grant as a non-profit organization.

MCAM is not a CTC – Community Tech Center. In Manchester the tech center is on Lake Avenue where disadvantages persons can go to that facility and receive technical help creating a resume, for example.

John says the Finance Committee will set the tone. He does not see the City subcontracting two employees to be a problem. The City can, the School Board can't.

A non-profit corporation needs paid employees for – money in – money out - concept. Subcontracting employees works – push for agreement in writing to fund MCAM for a minimum of five years.

City has contract with Comcast until 2015

Joe is concerned with third issue under the May 25th budget agenda: *“That \$400,000 of the current separate fund be transferred to a fund for MCAM to be utilized under the discretion of the Board of Mayor and Aldermen.”* Joe says \$400,000 is inflated, it is actually \$70,000.

Kevin Clougherty has \$ figures. How much money has the City made on the \$900,000?

Issues we need resolved:

Money has to come to MCAM - not the City, other than the subcontracted employees.

Because Lowell and Worcester have programs that are a good model for us, Joe will contact folks down there to receive a copy of their fiscal program.

We need commitment from Paul Smith for the lease of Elm Street location. Paul did not accept the Letter of Intent to Lease when it was presented to him a month ago. John will call Paul

Paul Smith has a possibility he can use the space himself if a certain bill passes in the Senate. He would be able to increase the size of his company. That news of Senate decision is due within a week or two.

Focus on Monday

Will the Mayor go for Mike Colby's idea?
What is the Federal law precedent?

We need Joe's excel spreadsheet for equipment which includes minor space fit up totaling \$243,000

There are two lists for equipment consideration

1. MCTV to give MCAM
2. MCAM to purchase

Equipment and facilities - \$330,000 with \$191,000 budget operation

Paul Smith quoted: Insurance, heat and electricity -part of \$9.00 NNN less \$1. sq ft discount. The Intent to Lease Agreement was negotiated with a 4% yearly increase based on the \$8.00 sq. ft. NNN

John spoke with Joe Bourque who works at WMUR TV as the Art Director. Joe Bourque is starting up his own business in Weare, NH. Joe Bourque is interested in being a board member and is willing to donate his time.

Depending on what space we end up with, MCAM can possibly rent out editing time and space. Who would be our market to rent space and time? Wedding guys, access producers.

A restriction would be that their end product can not be sold.

MCAM Board will develop a questionnaire to eliminate money makers. The end product can not sell anything on the air. It is OK as long as they put the content on TV such as Carlos Gonzales did for his wedding.

There are four popular editing programs. What will ours be. We will have 7 low cost work stations and one staff work station – editing suite.

To make money

Sponsorship Rules

- levels of looks – time, month or quarter

PBS and WGBH builds sets for studios

PEG lives and dies on the franchise fee

2015 for Comcast one time donation

2007 – TV systems will be digital per the Federal Government.

HDTV – high definition cable will need to do also

Raise money – Golf tournament

Equipment constantly needs to be replaced – after 1 ½ to 2 years equipment is obsolete. Even a non-profit organization can write off old equipment if it is donated to a school, etc.

Who will our accountant be? \$8,000 is line item budget amount.

We will set Chris Proulx up with QuickBooks 2004. He could come in once a week to keep up. We will need to hire a bookkeeper. If Sarah come over, she does work with mom. John to see if his Dad will donate time. His Dad will also come up with names who will be prospective accountants for our use.

Insurance - \$ set aside.

There is no money set aside for theft. We need to insure for our own equipment, contents of our leased space.

Respectfully submitted,

June Craig, Secretary
MCAM Board of Directors

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