

## MINUTES

### Meeting of the CCTV Board of Directors

Time: **Tuesday 18 February 2020 - 12 - 1 p.m.**

Location: **CCTV/ Channel 17 HQ**

[Upcoming Meetings](#) | [Board Contact Information](#)

*The mission of CCTV Center for Media & Democracy is to open the door for democratic social change to happen. We aim to be a trusted provider of free speech training, tools and channels. We serve activists, civic leaders, nonprofits and community members who want to increase their reach and impact.*

**Present:** Erin Malone, Mary Simons, Shay Totten

**Staff:** LG Davitian

**Guest:** Aden Haji and his colleague from Spectrum, Rabin

**Approval of CCTV / Trustees Minutes:** [January 2020](#) - Approved

**Approval of CCTV Financials:** [January 2020](#) & December 2019 - Approved

**Channel 17 Merger Discussion** - Recap and report on research completed since last meeting. To recap the discussion of last CCTV/ Channel 17 Board meeting the following issues were identified to work through more fully: Process of Merger, Costs for Merger, Savings, Governance Model, Confirmation of Mission Overlap/ Advocacy Positions.

In the last month, we have spoken with MGTV, our auditor Todd Wimette and the lawyer for Champlain Housing Trust merger (Neil Mickenberg, now retired). Based on those discussions and assessment of pros and cons, the Board members present agree that we move the conversation from sharing of services to consideration of merger, coinciding with our fiscal year, October 1st. We will share these with the Trustees in preparation for their 2/24 Board meeting.

### Pros/ Opportunities

- Missions overlap
- Infrastructures overlap
- Advocacy positions overlap
- External forces compel us to generate economies through simplified operations (reduce duplication, increase efficiency) and governance

- Put us into a better position to work as one toward community relevance and sustainability
- Relative simplicity of merger, no employees or corporate culture to converge
- Both governance bodies open to pursuing

### **Cons/ Challenges**

- Hard to come up with. Could be discussed further. Thoughts?

### **Next Steps to Propose to Trustees**

- If the Trustees agree to pursue a merger, we would draft / sign and MOU (see outline of what would be included [here](#)). - March
- 
- Governance model could include seating municipal representatives on the CCTV Board (5) per Champlain Housing Trust model.
- Visit municipal bodies with “trial balloon” overview of prospective merger, in order to field questions, identify areas to delve into further in order to gain support for the effort. - April
- Prepare FY21 Budgets based on merged organization (and also keep budgets for independent operations available). - June
- Develop Plan of Merger - must be clear on lines of accountability for receipt and expenditure of cable and municipal revenue - June/ July
- Revisit municipal bodies with Plan of Merger for ratification - July/ August/ Sept
- If approved, file Plan of Merger with necessary bodies. - September/ October
- Dissolve Channel 17 Trust. File IRS paperwork within time frame. - October/ November

Our financial people don't see any red light to the merger. [Here are the comments from Todd Wimette, our auditor.](#)

- There do not appear to be any accounting related cons to CCTV and Town Meeting TV to merging. You have always thought of them as de facto one operation.
- Regarding the question of "arms length" relationship between contractor (CCTV) and Town Meeting TV, it is not unusual for a contractor to assume accounting responsibilities, given the small number of transactions.
- What is important is the systems of accountability (the "controls") in place to keep track of revenue and assets.
- Town Meeting TV has few transactions, and three categories that require attention: Revenue (cable and municipal), Capital Asset Management, Financial Investments.

- It would not be onerous for CCTV to take over the management of this revenue and expenses from MGV. The Auditor could take care of the 990's annually.
- Ideally, the transition from MGV to CCTV QBs would take place at the beginning of the month (March 1 OK). Todd would review and establish the opening balance numbers.
- A "merger" could happen at any time. Ideally, at the end of the fiscal year. Note that a timely tax return must be filed if either organization is dissolved.

To make transition in bookkeeping services from MGV, we identified the following steps. If we plan to merge by 10/1, it makes sense to wait until then to move the books to CCTV. If we think it will be longer, we would set up a new set of QB and continue to operate two sets of books. Given MGV's workload, June/ July would be soonest.

- Determine version of QB Desktop as MGV can provide a complete file converted from Sage 50. (CCTV)
- There are two money accounts: Community bank and VCF Investment Account.
- Cash flow report is fairly straightforward and can be recreated.
- Keeping track of Comcast Revenue, spreadsheet done in order to true up difference between budget and actual. Sarah also keeps track of this for true up purposes.
- MGV also receives and deposits municipal income.
- Revenue from Comcast from settlement is listed as restricted.
- If transition happens, we need to change addresses of where checks arrive.

**Board Recruitment** - State of Board recruitment in light of possible Town Meeting TV Merger. Aden Haji attended part of the Board meeting, today. He is interested but also running for School Board. We will follow up with him after March 3d to see if he is still interested.

Goal is to add two more members by October. This will result in a seven member board. If we do merge with Channel 17, 4-5 municipal members (Burlington, South Burlington, Essex/ Jct, Winooski, Williston, maybe Colchester) will be added to the Board.

**Policy Update -**

- PEG Study - \$100 Appropriation H. 744 and S. 318 - [Link](#)
- [Recent Testimony](#)

**Adjourn: 1 p.m.**