

**M E M O R A N D U M**

October 5, 2026

TO: Government Operations and Fiscal Policy (GO) Committee

FROM: Christine Wellons, Chief Legislative Attorney

SUBJECT: Bill 33-26, Cable Communications - Community Media Organizations – Requirements

PURPOSE: Worksession – recommendation expected

**Expected Attendees**

Joe Webster, Chief Broadband Officer, Technology and Enterprise Business Solutions (TEBS)  
Derrick Kenny, Communication Engagement Manager, TEBS  
Jasmine White, Chief Executive Officer, Montgomery County Media (MCM)  
Alisha Singh, Office of Management and Budget  
Susan Madden, Chief Government Relations Officer, Montgomery College  
Chris Cram, Montgomery County Public Schools (invited)

Bill 33-26, Cable Communications - Community Media Organizations – Requirements, was introduced on July 21, 2026. The Lead Sponsor is Councilmember Stewart. Co-Sponsors are Council Vice-President Balcombe and Councilmembers Katz and Evans.

Bill 33-26 would:

- (1) require a community media organization that contracts with the County to adopt a racial equity and social justice statement;
- (2) require a community media organization that contracts with the County to include certain membership on the organization’s board of directors;
- (3) require a community media organization that contracts with the County to follow certain standards of public ethics and public access; and
- (4) generally amend the law regarding cable communications and community cable organizations.

**BACKGROUND**

As explained by the Lead Sponsor, “This legislation is intended to improve the governance structure of community media organizations in the county. The legislation aligns community

media governance structures with comparable local community media organizations in the region and country...” See Lead Sponsor’s Memorandum at © 7.

### **BILL SPECIFICS**

Bill 33-26 would require a community media organization hired by the County to adopt a racial equity and social justice statement; adhere to certain ethics rules; and include certain members within its board of directors.

The required racial equity and social justice statement would include:

- a statement of commitment to racial equity and social justice as part of the organization’s core values;
- active recruitment of potential board members from diverse backgrounds and outreach to communities of color;
- a formal process to assess organizational culture and identify barriers to inclusion in board participation and leadership;
- communications and business practices that are tailored to the needs of communities of color and other marginalized communities;
- a process to identify and address discriminatory or non-inclusive behaviors;
- organizational policies and procedures that address diversity and inclusion; and
- a clear, realistic, actionable, and measurable commitment to addressing racial equity that is woven into the governance and culture of the community media organization.

Each member of the board of directors of the community organization would be required to file a financial disclosure statement with the Ethics Commission under Chapter 19A.

In terms of board membership, the board would be required to include up to 7 voting members who must be residents of the County, including:

- at least one member who is nominated by the County Council; and
- at least one member who is nominated by the County Executive;

### **SUMMARY OF IMPACT STATEMENTS**

**Fiscal Impact.** According to the Office of Management and Budget, “Bill 33-26 will create both fiscal and operational impacts for TEBS. These new responsibilities cannot be absorbed within current staffing levels and will require additional funding for contractor support. Estimated operating costs include \$7,000 in additional annual contractor hours for the Collaboration Coordinator, increasing workload from 60 to approximately 148 hours per year at the established rate of \$47.75 per hour. This increase is necessary to meet new RESJ oversight requirements, board-composition verification, nominee placement, and expanded documentation and reporting duties. The bill also requires \$1,600 in one-time consultant expenses. Several fiscal impacts remain unquantified, including the potential need for a new part-time position. These costs will depend on the completion of the FY28 Cable Television Strategic Plan and the finalized governance structure of the consolidated media organization.”

**Economic Impact.** The Office of Legislative Oversight (OLO) “anticipates that Bill 33-26 would have an insignificant impact on economic conditions in the County, as measured by the Council's priority economic indicators. The Bill would require community media organizations that contract with the County to adopt a racial equity and social justice (RESJ) policy and meet certain requirements for their board of directors. It is unlikely these changes would meaningfully impact these organizations in terms of the Council's priority indicators.” As such, OLO did not offer any economic related amendments to Bill 33-26.

**Racial Equity and Social Justice Impact.** “The Office of Legislative Oversight (OLO) anticipates Bill 33-26 would have a positive impact on racial equity and social justice (RESJ) in the County. Requiring community media organizations that contract with the County to develop a detailed RESJ policy as proposed in Bill 33-26 could help ensure they are advancing RESJ in their efforts.”

**Climate Assessment.** OLO “anticipates Bill 33-26 will have no impact on the County's contribution to addressing climate change.” As such, OLO does not offer any climate related amendments for this bill.

#### **SUMMARY OF PUBLIC HEARING**

The Chief Executive Officer of MCM, Ms. White, has submitted testimony in support of the bill with amendments. Ms. White explained that the “favorable with amendments” position “recognizes shared Council and MCM goals concerning equity, transparency, accountability, public access, and good governance, while calling for safeguards or modifications to protect MCM’s independence, public trust, and operational effectiveness. The proposed edits reflect that approach by narrowing the provisions that most directly implicate governance independence and public-body treatment while leaving the bill’s other governance and accountability provisions intact.”

Specific amendments requested by MCM are available at © 21.

Vice-President of the MCM Board, Mr. Ricks, testified that he does not support the bill as it was introduced. He indicated that the Council and County Executive should not be able to determine any of the Board’s membership.

On October 2, MCM Board President Jeffrey Slavin submitted a statement to the Committee in support of Bill 33-26. See © 28. Mr. Slavin stated: “In my view, Bill 33-26 was introduced to modernize and help prepare MCM as we head into the future. Since MCM receives the vast majority of its funding from taxpayers as collected through the county cable excise tax and important contracts with the County, this legislative initiative is appropriate and needed at this time.”

#### **ISSUES FOR THE COMMITTEE’S CONSIDERATION**

The Committee might wish to discuss the following issues, and consider the following amendments, in connection with Bill 33-26.

## **1. Current Practice and Code Provisions**

Under Section 8A-32 of the County Code, “The County may contract with one or more community media organizations using funds from the Cable TV Special Revenue Fund or any other funds the County designates for community media in the approved County budget and under the County cable communications plan.”

Since at least 2004, the County has maintained a noncompetitive contract (Contract No. 534600009AA) with the nonprofit organization, Montgomery Community Television, Inc. (d/b/a Montgomery Community Media (“MCM”)), pursuant to Section 8A-32. Under the contract, MCM performs the following functions for the County:

- operating and managing the County’s public access channels;
- providing volunteer support services;
- providing professionally-produced local community programming focused on the County; and
- performing a variety of technical support functions.

The contract between MCM and the County has been extended and amended 21 times as of July 2025.

## **2. MCM Current Structure and Budget**

**MCM organization and purposes.** According to the Bylaws of MCM (adopted August 16, 2019), MCM is a 501(c)(3) organization with “a broad mission to encourage, sponsor, and disseminate public access and community engagement media; and for the express purpose of enhancing the Montgomery County cable communications plan’s relevance in community service to media audiences and media makers; for connecting, informing and educating Montgomery County residents via television, broadband and mobile platforms; for operating digital media facilities, studios and equipment and related service transactions with the general public, government, community organizations and local businesses; for promoting audience awareness of public, educational, and government cable channel content and digital media services; and for advancing media literacy within Montgomery County.”

**Board membership.** The current bylaws of MCM contain the following provisions regarding board membership and terms. The board is nominated by a nominating committee, and members may serve up to 2 consecutive 5-year terms:

- **4.2 Number and Qualifications.** The Board of Directors shall consist of not less than three (3) members and no more than fifteen (15) members so that there are always an odd number of Directors. Of the maximum fifteen (15) Board member seats, no less than one nor more than three (3) Board member seats

shall be reserved for active and qualified Access Users of the Corporation (as certified by the Chief Executive Officer). All members of the Board of Directors shall be bound equally by the same set of Board member agreements or policies as may be approved and adopted by the Board.

- **4.3 Election of Directors.** All Board Directors shall be nominated by the Nominating Committee to serve as Board Directors and appointed by a vote of the Board of Directors.
- **4.4 Term of Directors.** A Director may serve for five (5) consecutive two (2) year terms. Terms shall run from July 1 to June 30. Board member terms shall be staggered.

**Transparency and recordkeeping.** The MCM bylaws contain the following provision regarding record keeping.

- **11.1 Records and Reports.** All of the Corporation's records shall be maintained in written form or in another form capable of conversion into written form within a reasonable time. The Corporation shall keep as permanent records minutes of all meetings of the Board of Directors and a record of all actions taken by the Board of Directors without a meeting. The Corporation shall maintain appropriate accounting records in compliance with policies set forth by the Board of Directors.

**Ethics.** Regarding potential conflicts of interest, the bylaws provide:

- **4.9 Conflict of Interest Policy.** Directors, Officers, committee members, and staff shall adhere to the terms and provisions of a Conflict of Interest Policy as stated in the Board-approved Policies and Procedures Manual.

MCM's current code of ethics, as well as a copy of its annual financial disclosure form completed by Board members, are enclosed at © 69 and © 74.

**Budget.** Under current County law, MCM provides the County with the organization's annual financial statements and an independent audit. *See* Code Section 8A-32(g) ("A community media organization must provide the County with regular and complete financial reports as well as all other reports required under its contract with the County. In addition, it must provide the County with an annual independent audit, including a copy of any accompanying management letter.").

The most recent audited financial statements of MCM are enclosed at © 75.

### 3. Approaches of Other Jurisdictions to Community Media Organizations

State and local governments have a variety approaches to providing community media services and local programming through PEG funding. Some jurisdictions perform community media functions within the government, whereas others contract with outside non-profit entities. Some of the outside entities have boards that are partially or fully comprised of government-appointed board members.

Some examples include:

- **Portland, OR.** Under Portland law, the Mayor of Portland appoints two members of the board of directors of Open Signal, Portland Community Media, a 501(c)(3) organization. *See* Portland City Code Section 3.115.040.; [About / Open Signal](#).

- **District of Columbia.** Under D.C. law, there “shall be established...a nonprofit Public Access Corporation (“Corporation”) in the District for the purpose of facilitating and governing nondiscriminatory use by the public of those specifically designated and reserved noncommercial public access channels of a cable system.” *See* Code of the District of Columbia, § 34–1253.02; [About Us | DCTV](#).

Regarding the D.C. Public Access Corporation’s board of directors, “The bylaws of the Corporation shall provide that 2 members of the Board shall always be persons nominated by the Mayor and confirmed by the Council and that 2 members of the Board shall always be persons nominated by the chairperson of the Council committee having jurisdiction over cable television and confirmed by the Council. The chairperson and the remaining members of the Board shall be elected in accordance with the bylaws of the Corporation.” *Id.*

- **State of Maryland.** Under Maryland law, “The Maryland Public Broadcasting Commission consists of 11 members appointed by the Governor.” Md. Code Ann., Education Article, § 24-202. “The Commission shall operate a system of State, regional, and local facilities to provide educational and cultural radio and television programs in this State.” § 24-205; [Maryland Public Television: MPT](#).

- **Anne Arundel County.** Under Anne Arundel County law, “The County may delegate the responsibility for PEG access channels or facility management to a nonprofit entity that it designates or establishes, including a nonprofit public corporation, a PEG access facility management commission or committee that is appointed by the County Executive and represents a broad spectrum of the community, or an established nonprofit entity with special cable-casting capability, such as a local or regional college or university.” Anne Arundel County Code, § 10-7-203.

In Anne Arundel County, “Anne Arundel Community Television (AACTV) public access provides a medium for individuals, organizations and educational institutions to communicate with the citizens of Anne Arundel County. AACTV is organized and operated by the Anne Arundel County Government.” [Public Access Television | Anne Arundel County Government](#).

**4. Other Non-Profit Entities Subject to Specific Governance Requirements under the County Code**

Council staff has prepared a chart regarding other non-profit entities that are governed in part by the County Code, and that enter into non-competitive service contracts with the County. See © 30. As reflected in the chart, the following non-profit entities are required to comply with open meeting and public information requirements, and are required to include on their boards of directors government appointees:

- Early Care and Education Coordinating Entity;
- Local Management Board – Children, Youth, and Families;
- Arts and Humanities Council;
- Green Bank; and
- Economic Development Corporation.

**5. Potential Amendments re: Board of Directors Composition and Organizational Transparency**

Councilmember Stewart intends to move several amendments that would establish certain qualifications for government-nominated board members, and that would remove the bill's requirement for a community media organization to follow the Maryland Public Information Act as a "public body" under the Act.

The text of the amendments is available at © 95 and restated below.

*Amend lines 98 – 118 to read as follows:*

(f) To be eligible for a contract with the County under this Section, a community media organization must:

(1) include on its board of directors up to 7 voting members who must be residents of the County, including:

(A) at least one member [[who is]] nominated by the County Council who:

(i) should have experience in the administration or financial management of a non-profit organization, a media organization, or a governmental entity; and

(ii) must not hold an elected position in government; and

- (B) at least one member [[who is]] nominated by the County Executive  
who:
- (i) should have experience in the administration or financial  
management of a non-profit organization, a media  
organization, or a governmental entity; and
  - (ii) must not hold an elected position in government;
- (2) require each board member to file a financial disclosure statement with the  
Ethics Commission under Chapter 19A, as amended;
- (3) provide training to its board of directors regarding ethical and fiduciary  
responsibilities; [[and]]
- (4) adhere to the requirements of the Maryland Open Meetings Act, as  
amended, [[and the Maryland Public Information Act, as amended,]] as if  
the organization were a public body under [[those Acts]] the Act; and
- (5) require the organization to publish a detailed annual report of its operations  
and accomplishments, including initiatives undertaken, outcomes,  
objectives, performance measures, and evaluation of effectiveness.
- (g) A community media organization must provide the [[County]] Executive and the  
Council with:
- (1) regular and complete financial reports, at least quarterly, as well as all other  
reports required under its contract with the County[.]; [[and]]
  - (2) [In addition, it must provide the County with] an annual independent audit,  
including a copy of any accompanying management letter; and
  - (3) a copy of the annual report required under paragraph (5) of subsection (f)  
of this Section.

## 6. Potential Amendments re: Independence in News Reporting

Under current County law, Code Section 8A-32, a community media organization must (among other responsibilities):

- (1) determine independently in the public interest and without government interference the content and scheduling of programming for any community media engagement platform; and
- (2) develop and implement policies to ensure fair, non-partisan and unbiased coverage of issues on any community media engagement platform and may not promote the candidacy of any candidate for public office by extending opportunities for use not extended to other candidates for the same office.

Amendments proposed by Council President Fani-González and Councilmember Stewart (© 97) would supplement these existing requirements by requiring the organization to include certain bylaws aimed at preserving the organization's editorial independence.

*Amend lines 98-112 to read as follows:*

- (f) To be eligible for a contract with the County under this Section, a community media organization must:

\* \* \*

- (5) include within its bylaws provisions to:

- (A) prescribe the business, legal, and fiduciary responsibilities of board members;
- (B) prohibit board members from exercising editorial control over news reporting or news publishing decisions;
- (C) ensure independent and unbiased news and political coverage, free from pre-publication review by financial donors, government interference, or political influence; and
- (D) establish a comprehensive editorial independence policy aligned with industry standards.

This packet contains:  
Bill 33-26

Circle #  
1

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Bill No. 33-26  
Concerning: Cable Communications -  
Community Media Organizations -  
Requirements  
Revised: July 28, 2026 Draft No. 1  
Introduced: July 28, 2026  
Expires: December 7, 2026  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: \_\_\_\_\_  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Councilmember Stewart  
Co-Sponsors: Council Vice-President Balcombe and Councilmembers Katz and Evans

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**AN ACT** to:

- (1) require a community media organization that contracts with the County to adopt a racial equity and social justice statement;
- (2) require a community media organization that contracts with the County to include certain membership on the organization's board of directors;
- (3) require a community media organization that contracts with the County to follow certain standards of public ethics and public access; and
- (4) generally amend the law regarding cable communications and community cable organizations.

By amending

Montgomery County Code  
Chapter 8A, Cable Communications  
Section 8A-32

|                              |                                                            |
|------------------------------|------------------------------------------------------------|
| <b>Boldface</b>              | <i>Heading or defined term.</i>                            |
| <u>Underlining</u>           | <i>Added to existing law by original bill.</i>             |
| [Single boldface brackets]   | <i>Deleted from existing law by original bill.</i>         |
| <u>Double underlining</u>    | <i>Added by amendment.</i>                                 |
| [[Double boldface brackets]] | <i>Deleted from existing law or the bill by amendment.</i> |
| * * *                        | <i>Existing law unaffected by bill.</i>                    |

*The County Council for Montgomery County, Maryland approves the following Act:*

**Sec. 1. Section 8A-32 is amended as follows:**

**8A-32. Community media organizations.**

(a) The County may contract with one or more community media organizations using funds from the Cable TV Special Revenue Fund or any other funds the County designates for community media in the approved County budget and under the County cable communications plan. Unless prohibited or otherwise limited under its contract with the County, the cable communications plan, or any executive regulation, a community media organization may also receive revenues from other sources.

(b) The purpose of a community media organization is to provide community media training, equipment, facilities, centers, and community media engagement platforms to enable residents, businesses, and community organizations to engage with, connect to, and inform other residents, businesses, community organizations, governments, and agencies by using community media. Supporting community engagement, communication, and education through community media and use of community media engagement platforms builds better understanding among a diverse population, increases opportunities for participation in and awareness of local culture and government, and promotes quality of life and economic development.

(c) The County may require a community media organization to perform one or more of the following functions as specified in the contract between the County and the community media organization:

- (1) manage the community media engagement platforms, including public access channels assigned to it by the County, community

- media websites and social media, and manage community media centers, facilities, and equipment;
- (2) establish policies and procedures for the use of any community media engagement platform and any community media center, facility, or equipment;
  - (3) train members of the community in the production of community media and use of any community media engagement platform;
  - (4) maintain any community media engagement platform and community media center, facility, or equipment for community use, including use by the general public, any community organization, and the business community;
  - (5) provide technical community media engagement platform and community media center, facility, and equipment assistance and support to the County, any participating municipality, and any educational institution;
  - (6) promote the use and benefits of community media and any community media engagement platform;
  - (7) produce and distribute local community media, including community news, programs and other media content; and
  - (8) undertake any other community media-related activity specified by the County as being in the public interest.
- (d) A community media organization must:
- (1) determine independently in the public interest and without government interference the content and scheduling of programming for any community media engagement platform;
  - (2) develop and implement policies to ensure fair, non-partisan, and unbiased coverage of issues on any community media engagement

platform and may not promote the candidacy of any candidate for public office by extending opportunities for use not extended to other candidates for the same office;

(3) develop and implement policies and programs that promote organizational sustainability and viability;

(4) promote and encourage creation of community media content representing a diversity of community interests and needs; [and]

(5) make a good faith effort to meet the affirmative action and minority, female, and disabled procurement goals that apply to County government; and

(6) adopt a racial equity and social justice policy that applies a racial equity and social justice lens into all aspects of the organization's operations. The policy must include:

(A) a statement of commitment to racial equity and social justice as part of the organization's core values;

(B) active recruitment of potential board members from diverse backgrounds and outreach to communities of color;

(C) a formal process to assess organizational culture and identify barriers to inclusion in board participation and leadership;

(D) communications and business practices that are tailored to the needs of communities of color and other marginalized communities;

(E) a process to identify and address discriminatory or non-inclusive behaviors;

(F) organizational policies and procedures that address diversity and inclusion; and

(G) a clear, realistic, actionable, and measurable commitment to addressing racial equity that is woven into the governance and culture of the community media organization.

[(e) Any officer, director, or executive director of a community media organization must annually disclose, confidentially and in writing, any communications-related activity or interest to the governing board of directors for the community media organization.]

[(f)] (e) A community media organization must provide a copy of its current articles of incorporation and bylaws to the County Executive and the County Council before the organization contracts with the County. Any proposed amendments must be submitted to the County Executive and County Council for review and comment at least 60 days before the organization takes final action on the amendment. The organization must submit a copy of all adopted amendments to the Executive and the Council within 5 working days of adoption. The organization's articles of incorporation and bylaws are subject to all County laws, including those enacted after the County contracts with the organization.

(f) To be eligible for a contract with the County under this Section, a community media organization must:

(1) include on its board of directors up to 7 voting members who must be residents of the County, including:

(A) at least one member who is nominated by the County Council; and

(B) at least one member who is nominated by the County Executive;

(2) require each board member to file a financial disclosure statement with the Ethics Commission under Chapter 19A, as amended;

- 108           (3) provide training to its board of directors regarding ethical and  
 109           fiduciary responsibilities; and
- 110           (4) adhere to the requirements of the Maryland Open Meetings Act, as  
 111           amended, and the Maryland Public Information Act, as amended,  
 112           as if the organization were a public body under those Acts.
- 113       (g) A community media organization must provide the County with:
- 114           (1) regular and complete financial reports as well as all other reports  
 115           required under its contract with the County[.]; and
- 116           (2) [In addition, it must provide the County with] an annual  
 117           independent audit, including a copy of any accompanying  
 118           management letter.

## **Cable Communications - Community Media Organizations - Requirements**

### **Councilmember Kate Stewart**

#### Purpose:

This legislation is intended to improve the governance structure of community media organizations in the county. The legislation aligns community media governance structures with comparable local community media organizations in the region and country, as we as align with structure and requirements of similar organizations in the county.

The bill would:

- Require a community media organization that contracts with the County to adopt a racial equity and social justice statement;
- Require a community media organization that contracts with the County to include members nominated by the County Council and County Executive on the organization's board of directors; and
- Require a community media organization that contracts with the County to follow certain standards of public ethics and public access

#### Background:

A 2023 OLO [report](#) and multiple discussions at the GO Committee with media organizations supported by county Cable Fund dollars (including MCT/MCM, MCPS-TV, and MC-TV at the College) have indicated the urgent need to change the funding and oversight structure of these organizations as cable funds rapidly dwindle. The report also acknowledges there is overlap between the public media activities of these organizations.

Currently, each organization receives direct cable funds that are distributed to them by TEBS, and MCT/MCM also receives county contractual grant funding.

During last's year budget, the FY26 Budget Resolution under the section for "Cable Communication Plans" reads:

*"Future Cable Plan strategy: The Executive must submit to the County Council's Government Operations and Fiscal Policy Committee a Strategic Plan that will frame the FY2027 budget allocations from the Cable Fund."*

On February 19, 2026 the GO Committee reviewed a Strategic Plan provided by the TEBS regarding next steps for managing the funds and the County's cable stations. The plan outlines the direction the Executive branch will take regarding the Cable Fund and its distributions to

entities in FY27 and beyond. However, the Committee was left with many unanswered questions about how the changes would be implemented.

During this year's budget process, the full Council decided to maintain the current funding and governance pending more specific planning for community media governance post-transition.

As the Executive's office and the community media organizations work on a new governance structure, the current legislation is intended to update the structure and requirements for a community media organization in the county. This legislation requires one of the seven board members to be appointed by the Council and one by the Executive, requires the organization to have an RESJ statement and policy governing the board and services the organization provides for our diverse community, and requires the organization's board to meet as a public body and comply with public records, open meetings, and ethics laws.

# Economic Impact Statement

Montgomery County, Maryland

## Bill 33-26, Cable Communications - Community Media Organizations – Requirements

### Summary

The Office of Legislative Oversight (OLO) anticipates that Bill 33-26 would have an insignificant impact on economic conditions in the County, as measured by the Council’s priority economic indicators. The Bill would require community media organizations that contract with the County to adopt a racial equity and social justice (RESJ) policy and meet certain requirements for their board of directors. It is unlikely these changes would meaningfully impact these organizations in terms of the Council’s priority indicators.

### Background and Purpose of Bill 33-26

County law allows the County to contract with community media organizations to provide services that help engage and inform the community.<sup>1</sup> Currently, the County contracts with [Montgomery Community Media \(MCM\)](#) for these services. With funding support from the County, MCM:<sup>2</sup>

- Operates two community media channels on cable television (Access 19 and Montgomery Channel 21);
- Provides media, television production, and technology training to County residents and community organizations; and
- Produces independent, diverse, and informative cable programming for County residents.

The purpose of Bill 33-26 is to update requirements for community media organizations that contract with the County. Currently, this applies to MCM. If enacted, Bill 33-26 would require a community media organization to:<sup>3</sup>

- **Adopt a racial equity and social justice (RESJ) policy.** The policy would have to apply a RESJ lens into all aspects of the organization’s operations. It would have to outline specific information, such as communications practices to meet needs of communities of color and organizational policies that address diversity and inclusion. Figure A in the Appendix includes the full list of requirements for the RESJ policy.

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<sup>1</sup> [Montgomery County Code Sec. 8A-32.](#)

<sup>2</sup> <sup>ii</sup> [Cable Television Communications Plan – Montgomery Community Media Program](#), Montgomery County MD Operating Budget.

<sup>3</sup> Bill 33-26, [Introduction Staff Report for Bill 33-26](#), Montgomery County Council, Introduced July 28, 2026.

- **Meet certain requirements for its board of directors.** The organization’s board of directors would have to include up to seven voting members who are County residents. At least one member would have to be nominated by the County Council and one by the County Executive. The board would also have to meet publicly and comply with public records, open meetings, and ethics laws.

According to its lead sponsor, Bill 33-26 aims to “align community media governance structures with comparable local community media organizations in the region and country.”<sup>4</sup>

The Council introduced Bill 33-26 on July 28, 2026.

## Information Sources, Methodologies, and Assumptions

As required by Section 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill 33-26 on residents and private organizations, using the Council’s priority economic indicators as the measure. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.<sup>5</sup>

OLO does not anticipate that requiring community media organizations that contract with the County to adopt a RESJ policy and meet certain requirements for their board of directors would meaningfully impact these organizations in terms of the Council’s priority economic indicators. Therefore, the Bill is expected to have an insignificant economic impact.

## Variables

Not applicable

## Impacts

**WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS**

Not applicable

## Discussion Items

Not applicable

<sup>4</sup> Councilmember Kate Stewart, Cable Communications – Community Media Organizations – Requirements, [Introduction Staff Report for Bill 33-26](#), pg. 10.

<sup>5</sup> Montgomery County Code, “[Sec. 2-81B, Economic Impact Statements](#).”

## Caveats

Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

## Contributions

Stephen Roblin, PhD (OLO) prepared this report.

# Climate Assessment

## Office of Legislative Oversight

### BILL 33-26: CABLE COMMUNICATIONS – COMMUNITY MEDIA ORGANIZATIONS - REQUIREMENTS

#### SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 33-26 will have no impact on the County's contribution to addressing climate change as it is proposing changes to contract requirements for local community media organizations.

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#### BACKGROUND AND PURPOSE OF BILL 33-26

County law allows the County to contract with community media organizations to provide services that help engage and inform the community.<sup>1</sup> Currently, the County contracts with [Montgomery Community Media \(MCM\)](#) for these services. With funding support from the County, MCM:<sup>2</sup>

- Operates two community media channels on cable television (Access 19 and Montgomery Channel 21);
- Provides media, television production, and technology training to County residents and community organizations; and
- Produces independent, diverse, and informative cable programming for County residents.

The purpose of Bill 33-26 is to update requirements for community media organizations that contract with the County. Currently, this applies to MCM. If enacted, Bill 33-26 would require a community media organization to:<sup>3</sup>

- **Adopt a racial equity and social justice (RESJ) policy.** The policy would have to apply a RESJ lens into all aspects of the organization's operations. It would have to outline specific information, such as communications practices to meet needs of communities of color and organizational policies that address diversity and inclusion. Figure A in the Appendix includes the full list of requirements for the RESJ policy.
- **Meet certain requirements for its board of directors.** The organization's board of directors would have to include up to seven voting members who are County residents. At least one member would have to be nominated by the County Council and at least one by the County Executive. The board would also have to meet publicly and comply with public records, open meetings, and ethics laws.

According to its lead sponsor, Bill 33-26 aims to "align community media governance structures with comparable local community media organizations in the region and country."<sup>4</sup>

The Council introduced Bill 33-26 on July 28, 2026.

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## ANTICIPATED IMPACTS

As the Bill is proposing changes to contract requirements for local community media organizations, OLO anticipates Bill 33-26 will have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions and community climate resilience.

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## RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.<sup>5</sup> OLO does not offer recommendations or amendments as Bill 33-26 is likely to have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions and community climate resilience.

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## CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

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## PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help increase the County's community climate resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

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## CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

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## Figure A. Bill 33-26 RESJ Policy Requirements for Community Media Organizations

A community media organization must adopt a racial equity and social justice policy that applies a racial equity and social justice lens into all aspects of the organization's operations. The policy must include:

- A statement of commitment to racial equity and social justice as part of the organization's core values;
- Active recruitment of potential board members from diverse backgrounds and outreach to communities of color;
- A formal process to assess organizational culture and identify barriers to inclusion in board participation and leadership;
- Communications and business practices that are tailored to the needs of communities of color and other marginalized communities;
- A process to identify and address discriminatory or non-inclusive behaviors;
- Organizational policies and procedures that address diversity and inclusion; and
- A clear, realistic, actionable, and measurable commitment to addressing racial equity that is woven into the governance and culture of the community media organization.

Source: Bill 33-26, [Introduction Staff Report for Bill 33-26](#), pgs. 4-5.

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<sup>1</sup> [Montgomery County Code Sec. 8A-32](#).

<sup>2</sup> [Cable Television Communications Plan – Montgomery Community Media Program](#), Montgomery County MD Operating Budget.

<sup>3</sup> Bill 33-26, [Introduction Staff Report for Bill 33-26](#), Montgomery County Council, Introduced July 28, 2026.

<sup>4</sup> Councilmember Kate Stewart, Cable Communications – Community Media Organizations – Requirements, [Introduction Staff Report for Bill 33-26](#), pg. 10.

<sup>5</sup> Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022

# Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

## BILL 33-26: CABLE COMMUNICATIONS - COMMUNITY MEDIA ORGANIZATIONS - REQUIREMENTS

### SUMMARY

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The Office of Legislative Oversight (OLO) anticipates Bill 33-26 would have a positive impact on racial equity and social justice (RESJ) in the County. Requiring community media organizations that contract with the County to develop a detailed RESJ policy as proposed in Bill 33-26 could help ensure they are advancing RESJ in their efforts.

### PURPOSE OF RESJ IMPACT STATEMENTS

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RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is essential to achieve RESJ.<sup>1</sup> This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.<sup>2</sup>

### PURPOSE OF BILL 33-26

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County law allows the County to contract with community media organizations to provide services that help engage and inform the community.<sup>3</sup> Currently, the County contracts with [Montgomery Community Media \(MCM\)](#) for these services. With funding support from the County, MCM:<sup>4</sup>

- Operates two community media channels on cable television (Access 19 and Montgomery Channel 21);
- Provides media, television production, and technology training to County residents and community organizations; and
- Produces independent, diverse, and informative cable programming for County residents.

The purpose of Bill 33-26 is to update requirements for community media organizations that contract with the County. Currently, this applies to MCM. If enacted, Bill 33-26 would require a community media organization to:<sup>5</sup>

- **Adopt a racial equity and social justice (RESJ) policy.** The policy would have to apply a RESJ lens into all aspects of the organization's operations. It would have to outline specific information, such as communications practices to meet the needs of communities of color and organizational policies that address diversity and inclusion. Figure A in the Appendix includes the full list of requirements for the RESJ policy.
- **Meet certain requirements for its board of directors.** The organization's board of directors would have to include up to seven voting members who are County residents. At least one member would have to be nominated by the County Council and one by the County Executive. The board would also have to meet publicly and comply with public records, open meetings, and ethics laws.

According to its lead sponsor, Bill 33-26 aims to "align community media governance structures with comparable local community media organizations in the region and country."<sup>6</sup>

# RESJ Impact Statement

## Bill 33-26

The Council introduced Bill 33-26 on July 28, 2026.

This RESJIS builds on the one for Bill 4-26, Buildings – Task Force on Data Centers – Established, published in February 2026, which provides racial equity context on community engagement and boards, committees, and commissions (BCCs).<sup>7</sup>

### ANTICIPATED RESJ IMPACTS

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The media is a powerful institution. It conveys narratives that reflect, influence, and challenge a society's culture, values, and worldviews.<sup>8</sup> These forces shape policies and institutions. As Race Forward explains, "[c]ultural change precedes social change. Narrative drives policy...Narrative is the space in which energies are activated to preserve a destructive system or build a better world for us all."<sup>9</sup>

To consider the anticipated impact of Bill 33-26 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

**All community members**, regardless of race or ethnicity, could benefit from proposed changes to the governance structure of community media organizations that contract with the County. These could help improve transparency and accountability in their operations to the community.

As previously noted, Bill 33-26 would require community media organizations to adopt and implement a RESJ policy. Figure A includes the text of the RESJ policy within the Bill. Proposed requirements for the RESJ policy of community media organizations include:

- Active recruitment of potential board members from diverse backgrounds and outreach to communities of color;
- Communications and business practices tailored to the needs of communities of color and other marginalized communities; and
- Organizational policies and procedures that address diversity and inclusion, among others.

Requiring community media organizations to develop a detailed RESJ policy as proposed in Bill 33-26 could help ensure they are advancing RESJ in their efforts.

Therefore, OLO anticipates Bill 33-26 would have a positive impact on RESJ in the County.

### RECOMMENDED AMENDMENTS

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The County's RESJ Act requires OLO to consider whether to recommend amendments to bills that could reduce racial and social inequities and advance RESJ.<sup>10</sup> OLO anticipates Bill 33-26 would have a positive impact on RESJ in the County. As such, OLO does not offer recommended amendments. However, should the Council seek to improve the RESJ impact of this Bill, OLO offers one policy option for Council consideration:

# RESJ Impact Statement

## Bill 33-26

- **Require community media organizations to develop a RESJ Action Plan as part of RESJ policy.** Specifically, the Council could require community media organizations to develop an action plan with priorities, goals and metrics for applying a RESJ lens to their media content (e.g. news articles, cable programming) and services (e.g., community media training, production services). This plan could incorporate resources such as the Journalism for Black Lives Reporting Guide from the Movement for Black Lives<sup>11</sup> and the Race Reporting Guide from Race Forward.<sup>12</sup>

## CAVEATS

Two caveats to this RESJIS should be noted. First, predicting the impact of bills on RESJ is challenging due to data limitations, uncertainty, and other factors. Second, this RESJIS is intended to inform the Council's decision-making process rather than determine it. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

## APPENDIX

### Figure A. Bill 33-26 RESJ Policy Requirements for Community Media Organizations

A community media organization must adopt a racial equity and social justice policy that applies a racial equity and social justice lens into all aspects of the organization's operations. The policy must include:

- (A) A statement of commitment to racial equity and social justice as part of the organization's core values;
- (B) Active recruitment of potential board members from diverse backgrounds and outreach to communities of color;
- (C) A formal process to assess organizational culture and identify barriers to inclusion in board participation and leadership;
- (D) Communications and business practices that are tailored to the needs of communities of color and other marginalized communities;
- (E) A process to identify and address discriminatory or non-inclusive behaviors;
- (F) Organizational policies and procedures that address diversity and inclusion; and
- (G) A clear, realistic, actionable, and measurable commitment to addressing racial equity that is woven into the governance and culture of the community media organization.

Source: Bill 33-26, [Introduction Staff Report for Bill 33-26](#), pgs. 4-5.

<sup>1</sup> Definition of racial equity and social justice adopted from M. Gamblin et al., ["Applying Racial Equity to U.S. Federal Nutrition Programs,"](#) Bread for the World and [Racial Equity Tools](#).

<sup>2</sup> Ibid.

<sup>3</sup> [Montgomery County Code Sec. 8A-32](#).

<sup>4</sup> [Cable Television Communications Plan – Montgomery Community Media Program](#), Montgomery County MD Operating Budget.

<sup>5</sup> Bill 33-26, [Introduction Staff Report for Bill 33-26](#), Montgomery County Council, Introduced July 28, 2026.

<sup>6</sup> Councilmember Kate Stewart, Cable Communications – Community Media Organizations – Requirements, [Introduction Staff Report for Bill 33-26](#), pg. 10.

<sup>7</sup> [RESJIS for Bill 4-26](#), Office of Legislative Oversight, February 5, 2026.

<sup>8</sup> ["Working with the Media,"](#) Racial Equity Tools.

<sup>9</sup> N. Viquiera, ["Messages to Grow and Uproot: Narrative Strategy Amid Attacks on Diversity, Equity, Inclusion, and Racial Justice,"](#) Race Forward, pg. 2.

# RESJ Impact Statement

## Bill 33-26

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<sup>10</sup> [Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established](#), Montgomery County Council.

<sup>11</sup> [“Journalism for Black Lives: A Reporting Guide,”](#) Movement for Black Lives.

<sup>12</sup> [“Race Reporting Guide,”](#) Race Forward.



# Fiscal Impact Statement

Office of Management and Budget

**Bill 33-26**

**Cable Communications - Community Media Organizations - Requirements**

**Bill Summary**

Bill 33-26 updates governance and accountability requirements for community media organizations contracting with Montgomery County. The legislation requires these organizations to adopt a Racial Equity and Social Justice (RESJ) policy, include board members nominated by both the County Council and the County Executive, and ensure board members complete financial disclosures and ethics training. The bill expands the Department of Technology and Enterprise Business Solutions (TEBS) oversight responsibilities by requiring additional monitoring for RESJ compliance, increased documentation tracking, and a larger MPIA workload to collect and maintain archival compliance records, including audited financial statements and board disclosures. It also mandates adherence to Maryland's Open Meetings Act (OMA) and Public Information Act (PIA), further strengthening transparency and public access.

**Fiscal Impact Summary**

Bill 33-26 will create both fiscal and operational impacts for TEBS. These new responsibilities cannot be absorbed within current staffing levels and will require additional funding for contractor support. Estimated operating costs include \$7,000 in additional annual contractor hours for the Collaboration Coordinator, increasing workload from 60 to approximately 148 hours per year at the established rate of \$47.75 per hour. This increase is necessary to meet new RESJ oversight requirements, board-composition verification, nominee placement, and expanded documentation and reporting duties. The bill also requires \$1,600 in one-time consultant expenses. Several fiscal impacts remain unquantified, including the potential need for a new part-time position. These costs will depend on the completion of the FY28 Cable Television Strategic Plan and the finalized governance structure of the consolidated media organization.

| Fiscal Year        | 27        | 28        | 29        | 30        | 31        | 32        | Total      |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Personnel Costs    | \$0       | \$0       | \$0       | \$0       | \$0       | \$0       | \$0        |
| Operating Expenses | \$8,600   | \$7,000   | \$7,000   | \$7,000   | \$7,000   | \$7,000   | \$43,600   |
| Total Expenditures | \$8,600   | \$7,000   | \$7,000   | \$7,000   | \$7,000   | \$7,000   | \$43,600   |
| Revenues           | \$0       | \$0       | \$0       | \$0       | \$0       | \$0       | \$0        |
| Total Impact       | (\$8,600) | (\$7,000) | (\$7,000) | (\$7,000) | (\$7,000) | (\$7,000) | (\$43,600) |
| FTE                | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      |            |

**Fiscal Impact Analysis**

TEBS anticipates increased contractor hours and staff time to support RESJ oversight, governance verification, and coordination with ORESJ to confirm Community Media Organizations' compliance. The bill's governance requirements will necessitate board structure revisions, adoption of ethics disclosure processes, and compliance with Maryland's OMA and PIA. These obligations introduce ongoing administrative and legal costs, including staff training, record-keeping, meeting preparation, public records processing, and additional workload related to verifying board residency. These expanded documentation requirements and new OMA and PIA responsibilities may slow public records response times. Because Montgomery Community Media has



not yet submitted its governance strategy, TEBS cannot quantify major long-term fiscal impacts, leaving both revenue and expenditure projections indeterminate.

|                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Staff Impact</b>                                                                          | The additional MPIA workload will require collecting and maintaining archival compliance records, including audited financials and board documentation. Although the department cannot quantify the hours required, a meaningful increase in staff workload is anticipated. Current staffing cannot absorb these duties, so additional funding for contractor support will be necessary to ensure compliance and timely record management. |
| <b>Actuarial Analysis</b>                                                                    | The bill is not expected to impact retiree pension or group insurance costs.                                                                                                                                                                                                                                                                                                                                                               |
| <b>Information Technology Impact</b>                                                         | The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.                                                                                                                                                                                                                                                                                                                   |
| <b>Other Information</b>                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <i>Later actions that may impact revenue or expenditures if future spending is projected</i> | The bill does not authorize future spending.                                                                                                                                                                                                                                                                                                                                                                                               |
| <i>Ranges of revenue or expenditures that are uncertain or difficult to project</i>          | Several fiscal impacts under Bill 33-26 remain uncertain. The FY28 Strategic Plan will determine future staffing needs and organizational structure, while new RESJ, governance, and Open Meetings/PIA requirements may add staffing, consultant, or system-upgrade costs. Potential restructuring may also shift workloads and future expenses. Full fiscal impacts cannot be assessed until strategic planning is complete.              |
| <b>Contributors</b>                                                                          | Karen Randolph, Department of Technology and Enterprise Business Solutions<br>Leny Bautista, Department of Technology and Enterprise Business Solutions<br>Derrick Kenny, Department of Technology and Enterprise Business Solutions<br>Alicia Singh, Office of Management and Budget                                                                                                                                                      |



## **Bill 33-26 – Summary of MCM’s Proposed Edits**

### *Comparison of Introduced Bill 33-26 and MCM Draft Edits*

This document identifies the substantive changes MCM proposes to the July 28, 2026 version of Bill 33-26, introduced before the Montgomery County Council by lead sponsor Councilmember Kate Stewart. It distinguishes language MCM proposes to delete from the introduced bill, identifies replacement language MCM proposes to add, and notes major provisions MCM recommends leaving unchanged.

MCM’s “Favorable with Amendments” position, recognizes shared Council and MCM goals concerning equity, transparency, accountability, public access, and good governance, while calling for safeguards or modifications to protect MCM’s independence, public trust, and operational effectiveness. The proposed edits reflect that approach by narrowing the provisions that most directly implicate governance independence and public-body treatment while leaving the bill’s other governance and accountability provisions intact.

#### **MCM’s draft makes two substantive changes to the introduced bill:**

1. It removes the requirement for County Council and County Executive nominees on the community media organization’s board; and
2. It replaces mandatory compliance with the Maryland Open Meetings Act and Maryland Public Information Act “as if the organization were a public body” with a requirement that the organization’s bylaws provide for meetings open to the public, reasonable provisions for closed sessions, and reasonable advance public notice.

#### **1. Board Composition - County Council and County Executive Nominated Members**

The introduced bill would require a community media organization, as a condition of eligibility for a County contract, to include up to seven voting board members who are County residents, including at least one member nominated by the County Council and at least one member nominated by the County Executive.

#### **Deleted by MCM:**

“(A) at least one member who is nominated by the County Council; and”

“(B) at least one member who is nominated by the County Executive;”

**Resulting MCM language:** The provision would still require ethical and fiduciary training and disclosures, and that up to 7 voting members must be residents of the County but would not require Council or Executive nominated board members.

#### **2. Open Meetings and Public Information Requirements**

The introduced bill would subject a community media organization to the Maryland Open Meetings Act and Maryland Public Information Act as though the nonprofit organization were a public body under those laws.

**Deleted by MCM:**

“adhere to the requirements of the Maryland Open Meetings Act, as amended, and the Maryland Public Information Act, as amended, as if the organization were a public body under those Acts.”

**Added by MCM:**

“have bylaws that provide for board meetings to be conducted in a manner open to the public, which may include reasonable provisions for closed sessions, and with reasonable advanced public notice.”

**Effect of the change:** MCM’s proposal preserves a public-meeting and notice requirement but removes the introduced bill’s blanket application of the Maryland Open Meetings Act and Maryland Public Information Act to the organization as if it were a governmental public body.

**3. Provisions MCM Does Not Propose to Remove**

MCM’s draft otherwise retains the following new requirements introduced in the bill, including:

- The racial equity and social justice policy and its seven specified components,
- That up to seven voting board members be County residents,
- That each board member file a financial disclosure statement with the Ethics Commission under Chapter 19A,
- The organization must provide training to its board regarding ethical and fiduciary responsibilities, and
- The bill’s changes concerning regular financial reports and the annual independent audit.

**4. At-a-Glance Comparison**

| Issue                           | Introduced in Bill 33-26                                              | MCM Proposed Edit                                                                                                                     |
|---------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| County Council board nominee    | Requires at least one board member nominated by the County Council.   | Delete requirement.                                                                                                                   |
| County Executive board nominee  | Requires at least one board member nominated by the County Executive. | Delete requirement.                                                                                                                   |
| Maryland Open Meetings Act      | Requires compliance as if the organization were a public body.        | Delete blanket statutory application; replace with bylaw-based public meeting requirement.                                            |
| Maryland Public Information Act | Requires compliance as if the organization were a public body.        | Delete requirement.                                                                                                                   |
| Public board meetings           | Addressed through mandatory Open Meetings Act compliance.             | Require bylaws providing for meetings open to the public, reasonable closed-session provisions, and reasonable advance public notice. |

Key:

*Text that is [bracketed] represents language the Bill would delete*

*Text that is underlined represents language the Bill would add*

**Sec. 1. Section 8A-32 is amended as follows:**

**8A-32. Community media organizations.**

- (a) The County may contract with one or more community media organizations using funds from the Cable TV Special Revenue Fund or any other funds the County designates for community media in the approved County budget and under the County cable communications plan. Unless prohibited or otherwise limited under its contract with the County, the cable communications plan, or any executive regulation, a community media organization may also receive revenues from other sources.
- (b) The purpose of a community media organization is to provide community media training, equipment, facilities, centers, and community media engagement platforms to enable residents, businesses, and community organizations to engage with, connect to, and inform other residents, businesses, community organizations, governments, and agencies by using community media. Supporting community engagement, communication, and education through community media and use of community media engagement platforms builds better understanding among a diverse population, increases opportunities for participation in and awareness of local culture and government, and promotes quality of life and economic development.
- (c) The County may require a community media organization to perform one or more of the following functions as specified in the contract between the County and the community media organization:
  - (1) manage the community media engagement platforms, including public access channels assigned to it by the County, community media websites and social media, and manage community media centers, facilities, and equipment;
  - (2) establish policies and procedures for the use of any community media engagement platform and any community media center, facility, or equipment;
  - (3) train members of the community in the production of community media and use of any community media engagement platform;
  - (4) maintain any community media engagement platform and community media center, facility, or equipment for community use, including use by the general public, any community organization, and the business community;
  - (5) provide technical community media engagement platform and community media center, facility, and equipment assistance and support to the County, any participating municipality, and any educational institution;
  - (6) promote the use and benefits of community media and any community media engagement platform;

- (7) produce and distribute local community media, including community news, programs and other media content; and
  - (8) undertake any other community media-related activity specified by the County as being in the public interest.
- (d) A community media organization must:
- (1) determine independently in the public interest and without government interference the content and scheduling of programming for any community media engagement platform;
  - (2) develop and implement policies to ensure fair, non-partisan, and unbiased coverage of issues on any community media engagement platform and may not promote the candidacy of any candidate for public office by extending opportunities for use not extended to other candidates for the same office;
  - (3) develop and implement policies and programs that promote organizational sustainability and viability;
  - (4) promote and encourage creation of community media content representing a diversity of community interests and needs; [and]
  - (5) make a good faith effort to meet the affirmative action and minority, female, and disabled procurement goals that apply to County government; and
  - (6) adopt a racial equity and social justice policy that applies a racial equity and social justice lens into all aspects of the organization's operations. The policy must include:
    - (A) a statement of commitment to racial equity and social justice as part of the organization's core values;
    - (B) active recruitment of potential board members from diverse backgrounds and outreach to communities of color;
    - (C) a formal process to assess organizational culture and identify barriers to inclusion in board participation and leadership;
    - (D) communications and business practices that are tailored to the needs of communities of color and other marginalized communities;
    - (E) a process to identify and address discriminatory or non-inclusive behaviors;
    - (F) organizational policies and procedures that address diversity and inclusion; and
    - (G) a clear, realistic, actionable, and measurable commitment to addressing racial equity that is woven into the governance and culture of the community media organization.
- [(e) Any officer, director, or executive director of a community media organization must annually disclose, confidentially and in writing, any communications-related activity or interest to the governing board of directors for the community media organization.]

[(f)] (e) A community media organization must provide a copy of its current articles of incorporation and bylaws to the County Executive and the County Council before the organization contracts with the County. Any proposed amendments must be submitted to the County Executive and County Council for review and comment at least 60 days before the organization takes final action on the amendment. The organization must submit a copy of all adopted amendments to the Executive and the Council within 5 working days of adoption. The organization's articles of incorporation and bylaws are subject to all County laws, including those enacted after the County contracts with the organization.

(f) To be eligible for a contract with the County under this Section, a community media organization must:

- (1) include on its board of directors up to 7 voting members who must be residents of the County;
- (2) require each board member to file a financial disclosure statement with the Ethics Commission under Chapter 19A, as amended;
- (3) provide training to its board of directors regarding ethical and fiduciary responsibilities; and
- (4) have bylaws that provide for board meetings to be conducted in a manner open to the public, which may include reasonable provisions for closed sessions, and with reasonable advanced public notice.

(g) A community media organization must provide the County with:

- (1) regular and complete financial reports as well as all other reports required under its contract with the County[.]; and
- (2) [In addition, it must provide the County with] an annual independent audit, including a copy of any accompanying management letter.

The Honorable Natali Fani-González, Council President  
And Members of the Montgomery County Council  
100 Maryland Avenue, 6th Floor  
Rockville, MD 20850

September 30, 2026

Dear President Fani-González and Members of the Council:

On Tuesday, September 15, 2026, I provided in-person testimony at the public hearing on Bill 33-26. This written testimony provides additional context that testimony.

I'd like to begin by reiterating my appreciation for this collaborative process that has allowed MCM to engage in constructive conversations regarding the bill. Ultimately, I believe we share the same fundamental goal of ensuring a sustainable future for community media in Montgomery County. My hope remains that this process will lead to consensus that advances that goal while preserving the independence of community media and the ability of a nonprofit organization to govern itself.

MCM recognizes that transparency, accountability, and public access are essential to maintaining the trust of the communities we serve and should coexist with appropriate nonprofit governance. With that framework in mind, MCM supports many of Bill 33-26's core provisions, including the following requirements:

- adopting racial equity and social justice policy and its seven specified components;
- that up to seven voting Board members must be County residents;
- that Board members file financial disclosure statements with the Ethics Commission;
- that the organization provide Board members with training regarding their ethical and fiduciary responsibilities; and
- the bill's provisions regarding financial reporting and an annual independent audit.

While there is common ground on these provisions, other language in the bill could have significant unintended consequences. The intent behind government-appointed Board members may be well-meaning, but for an organization with a news function, it raises concerns about perceived editorial interference, potential political pressure and retaliation, or undue influence within a community media organization like MCM.

It should be noted that MCM has, in fact, invited elected officials to serve on its Board in the past, but those officials were municipal mayors who did not exercise authority over the Montgomery County budget process or the Cable Fund allocation that supports MCM. That is materially different from appointing representatives of the County Council or County Executive, both of which play direct roles in decisions affecting MCM's funding.

As outlined in MCM's bylaws, the Board of Directors has an established process for recruiting, vetting, and approving community members to serve on the Board based on their skills, experience, commitment to the mission, and willingness to support the organization, including fundraising. That vetting process also gives the Board an opportunity to assess potential conflicts, understand a prospective director's interests, and ensure alignment with the responsibilities of Board service.

I am asking this Council to preserve a community media organization's ability to exercise this important due diligence by ensuring that every individual who serves on their board is subject to the same established process for vetting, approval, and accountability, rather than creating a separate pathway for certain directors through legislation.

To address these concerns, I respectfully urge the Council to adopt MCM's proposed amendments to Bill 33-26, distributed to Council and staff on September 14, 2026. The amendments make two substantive changes to the original bill introduced on July 28, 2026:

1. It removes the language for County Council and County Executive to appoint seats on the community media organization's board; and
2. It replaces mandatory compliance with the Maryland Open Meetings Act and Maryland Public Information Act with a requirement that the organization's governance structure provide for meetings open to the public, provisions for closed sessions, public notice, and access to information.

If the goal of any effective legislation is to solve a public problem, MCM's proposed amendments answer the question of how community media organizations need to be accountable and transparent as stewards of public resources.

The future of community media in Montgomery County, and MCM's future in particular, depends on a trusted and supportive partnership with the County. That partnership is strongest when grounded in mutual respect and collaboration, while recognizing the importance of MCM's organizational independence and the Board's responsibility for governing the organization. MCM deeply values our longstanding partnership with the County and remains committed to working together to navigate changing financial realities, strengthen community media, and ensure residents continue to have access to independent, local information and to MCM as a vibrant community media center.

As the Council continues to deliberate Bill 33-26, we respectfully ask that it carefully consider MCM's proposed amendments and pursue an approach that advances transparency and accountability while preserving the independence and governance structure of community media organizations.

Thank you for your consideration and continued, positive engagement in this process. We look forward to continuing this dialogue and working together toward a constructive path forward for MCM and community media in Montgomery County.

**From:** Jeffrey Z. Slavin <[jzslavin@aol.com](mailto:jzslavin@aol.com)>

**Sent:** Friday, October 2, 2026 8:31 AM

**To:** Marc Elrich <[Marc.Elrich@montgomerycountymd.gov](mailto:Marc.Elrich@montgomerycountymd.gov)>; Fani-Gonzalez's Office, Councilmember <[Councilmember.Fani-Gonzalez@montgomerycountymd.gov](mailto:Councilmember.Fani-Gonzalez@montgomerycountymd.gov)>; Balcombe's Office, Councilmember <[Councilmember.Balcombe@montgomerycountymd.gov](mailto:Councilmember.Balcombe@montgomerycountymd.gov)>; Stewart's Office, Councilmember <[Councilmember.Stewart@montgomerycountymd.gov](mailto:Councilmember.Stewart@montgomerycountymd.gov)>

**Subject:** Support for Bill 33-26 as amended

**[EXTERNAL EMAIL]**

Dear County Executive Elrich, Council President Fani-Gonzalez, Council Vice President Balcombe, Government Operations and Fiscal Policy Committee Chair Stewart and Councilmembers,

I am writing today in strong support of Bill 33-26, Cable Communications - Community Media Organizations – Requirements.

As most of you know, I have served as the President of the Board of Directors of Montgomery Community Media (MCM) since 2014 and appreciate the mission and goals of this essential nonprofit. I have also been a financial supporter personally.

In my view, Bill 33-26 was introduced to modernize and help prepare MCM as we head into the future. Since MCM receives the vast majority of its funding from taxpayers as collected through the county cable excise tax and important contracts with the County, this legislative initiative is appropriate and needed at this time. As the cable fund winds down due to a shifting landscape of digital television and internet based applications, I

completely understand the need to more closely consider our governance structure in partnership with the County Government. Over the last four years, MCM has worked closely with TEBS and the GO Committee to do this work and I see Bill 33-26 as an extension of those conversations.

The MCM Board's role is to ensure the financial stability of the organization, to communicate the value of this still under appreciated County asset (aka marketing), and to educate the public, especially County youth, on how to access the important technology MCM owns. Let me emphasize that it is not the board's role to get involved with content.

Please note that during my twelve years in leadership of MCM I have also served as an elected official and as Vice Chair of the Maryland Democratic Party, among many public positions. At no time have I tried to influence a story, contact a reporter or assign coverage in order to promote an idea or a cause. However, until now there have been no clear guardrails in place in the law or in our bylaws to have prevented me from doing so.

Along the same line, I completely share the concerns of our CEO Jasmine White and our Board Vice President Vernon Ricks that no bill should pass that would allow for government interference in the dissemination of information. Sadly, that is happening too frequently these days at the national level.

For all these reasons, and more, urge you to vote to approve Bill 33-26.

Thank you for your consideration

Jeffrey Z. Slavin

President, Board of Directors, Montgomery Community Media

For discussion purposes.

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September 17, 2026

***“Quasi-Governmental” Entities in the County***

| <b>Entity</b>                                                                                                                 | <b>Purpose</b>                                                                                                                                                                     | <b>Designation / Procurement</b>                                                | <b>MPIA and OMA</b>                                                                                                                                                                             | <b>Ethics Requirements</b>                                                                                                                                                                                                                                       | <b>Membership; Voting</b>                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Early Care and Education Entity</b><br>(Designee: Children’s Opportunity Alliance)<br><br>Montgomery County Code, § 10A-12 | Nonprofit to ensure community priorities are reflected in building a robust system that supports all residents having access to high quality, affordable early care and education. | Designation by Council resolution.<br><br>Non-competitive contract with County. | Bylaws must require adherence to Maryland Public Information Act (MPIA) and the Open Meetings Act (OMA).                                                                                        | A member is not subject to Chapter 19A {Ethics} because of serving on the Board. The Entity’s bylaws must protect against any conflict of interest or similar impropriety by members of the Board of Directors or the Executive Director or any other employees. | 9 <i>ex-officio</i> voting members and 12 other voting members.<br><br>All members are appointed by the CE and confirmed by the Council.       |
| <b>Local Management Board</b><br>(Designee: Collaboration Council)<br><br>Montgomery County Code, §§ 2-117 <i>et seq.</i>     | State law requires the County to establish or designate a local management board for interagency service delivery system for children, youth, and families.                        | Designation by Council resolution.<br><br>Non-competitive contract with County. | Bylaws must require the board of directors to comply with the state open meetings law as if the corporation were a public body and each action by the board were a quasi-legislative functions. | The corporation’s bylaws must contain ethics provisions to prohibit conflicts of interest, require financial disclosures, and include appropriate remedies.                                                                                                      | 21 voting members, including 12 public members and 9 private members.<br><br>All members are appointed by the CE and confirmed by the Council. |

For discussion purposes.

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| Entity                                                                                     | Purpose                                                                                                                                                                      | Designation / Procurement                                                       | MPIA and OMA                                                                                                                                                                                                                                                               | Ethics Requirements                                                                                                                                                                                                                                                 | Membership; Voting                                                                                                                         |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Arts &amp; Humanities Council</b><br><br>Montgomery County Code, §§ 5A-1 <i>et seq.</i> | County-based, nonprofit organization to develop, promote, advocate, and coordinate efforts to support, investigate, encourage, and present arts and humanities in the County | Designation by Council resolution.<br><br>Non-competitive contract with County. | Bylaws must require the Arts and Humanities Council to comply with the Maryland Open Meetings Act and the Maryland Public Information Act.                                                                                                                                 | Each officer and Director, and the executive director of the Arts and Humanities Council is a public employee under Sections <a href="#">19A-11</a> and <a href="#">19A-14</a> for any matter in which the person participates for the Arts and Humanities Council. | No fewer than 11 and no more than 15 voting members.<br><br>All are appointed by the County Executive and confirmed by the County Council. |
| <b>Green Bank</b><br><br>Montgomery County Code, §§ 18A-44 <i>et seq.</i>                  | Promote and support investment in climate change mitigation and adaptation activities and provide financing for climate change mitigation and adaptation activities.         | Designation by Council resolution.<br><br>Non-competitive contract with County. | The bylaws must require the Green Bank to comply with the Maryland Open Meetings Act and provide that all meetings of the Board of Directors must be open to the public except when closed on a recorded vote of the Board for a reason expressly listed in the state law. | A member is not subject to Chapter 19A {Ethics} because of serving on the Board. The Bank's bylaws must include provisions defining and regulating conflicts of interest by Board members and Bank staff.                                                           | No more than 15 voting members. Bylaws specify the County Executive may appoint up to 5 board members, confirmed by the County Council.    |

For discussion purposes.

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| Entity                                                                                                                   | Purpose                                                                                                                                                                                                                                                                                               | Designation / Procurement                                                       | MPIA and OMA                                                                                                                   | Ethics Requirements                                                                                                                                                                            | Membership; Voting                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Montgomery County Economic Development Corporation (MCEDC)</b><br><br>Montgomery County Code, §§ 15A-1 <i>et seq.</i> | Periodically develop a draft Economic Development Strategic Plan and submit it to the Executive and the Council.<br><br>Recommend economic development programs and associated performance measures to the Executive and Council.<br><br>May administer a culturally proficient microlending program. | Designation by Council resolution.<br><br>Non-competitive contract with County. | The bylaws must require the Corporation to comply with the Maryland Open Meetings law and the Maryland Public Information Act. | A member is not subject to Chapter 19A {Ethics} because of serving on the Board. The Corporation's bylaws must protect against any conflict of interest and address other ethics requirements. | - 13 voting members appointed by the County Executive and confirmed by the County Council.<br>- 2 non-voting, ex officio members<br>- Additional non-voting members: one appointed by the County Council; one appointed by the County Executive; and one appointed by the Maryland Secretary of Commerce. |

**MONTGOMERY COUNTY, MARYLAND  
DEPARTMENT OF TECHNOLOGY & ENTERPRISE BUSINESS SOLUTIONS  
CONTRACT WITH MONTGOMERY COMMUNITY MEDIA**

This Contract is between Montgomery County, Maryland (the County) and Montgomery Community Television, Inc. d/b/a Montgomery Community Media (the “Contractor”).

**INTRODUCTION**

The County has the need for media production services for the Department of Technology and Enterprise Solutions (TEBS) as described in Solicitation - Request for Proposal #1108840, Media Production Services (the “RFP”).

The Contractor submitted a proposal dated, May 16, 2023, in response to the RFP.

The County Awarded this Contract to the Contractor in accordance with the RFP.

The Contractor represents that it is willing and able to provide the goods and services set forth in this Contract, the RFP, and the Proposal to the satisfaction of the County.

**ARTICLE 1 – ORDER OF PRECEDENCE**

The following documents are incorporated into and made a part of this Contract by reference. In the event of any inconsistency among the documents comprising this Contract, the inconsistency shall be resolved by interpreting the documents in the following order of precedence:

1. This Contract document;
2. The General Conditions of Contract Between County and Contractor (County's Terms and Conditions) (Attachment A);
3. Montgomery County Administrative Procedure 6-1, Use of County-Provided Technology (AP 6-1) (Attachment B)
4. Montgomery County Administrative Procedure 6-7 – Information Security (AP 6-7) (Attachment C)
5. Montgomery County’s Request for Proposal (RFQ) #1108840 dated April 5, 2023 (Attachment D); and
6. The Contractor’s proposal dated May 16, 2023 (Attachment E).

**ARTICLE 2 – SCOPE OF SERVICES**

Upon the Contractor’s receipt of a purchase order from the County, the Contractor must provide all the necessary labor, equipment, materials, supplies, services, and supervision, unless expressly stated otherwise, for the performance of the work as set forth in the RFP, Section B, Scope of Services, and the Contractor’s Proposal, to include the following services:

**A. CONTRACTOR STAFFING**

1. The Contractor must provide a dedicated production/project manager to serve as the contact person for all County requests. This person is responsible for providing all aspects of the goods and services described in this Contract on the Contractor's behalf, including all supervision, monitoring, and performance review of all assigned personnel working under this Contract.
2. The Contractor must be available to provide services during normal work hours (7:00 am – 6:00pm), evenings (6:00 pm – 11:00pm), weekends and holidays, and within seventy-two (72) hours after receipt of notice except in emergency situations as addressed below: (Note: Evening meetings may be held in various locations around the County.)
  - a. The County observes the following holidays:
    - New Year's Day (observed)
    - Martin Luther King Jr.'s Birthday
    - President's Day
    - Memorial Day
    - Juneteenth (observed)
    - Independence Day (observed)
    - Labor Day
    - Veteran's Day (observed)
    - Thanksgiving Day
    - Christmas Day (observed)
  - i. The Contractor may be asked to provide personnel on a holiday or on weekends.
  - ii. In the event of a County-wide emergency as declared by the County Executive Office (such as inclement weather and/or unexpected incident(s) or occurrence(s) that requires an immediate reaction or assistance for emergency situations faced by the County), the Contractor must provide services within four hours of receipt of notice.
3. The Contractor must recruit, select, hire, train and supervise all necessary staff for its performance of this Contract. The Contractor must ensure staff is qualified and professional.
4. The Contractor must provide, upon execution of the Contract, a list of qualified full-time staff assigned to this Contract. Staff changes of full-time staff, those assigned to perform services to the County for more than twenty hours per week, must be approved in advance by the County's Contract Administrator. The Contractor must provide replacement staff that is proficient in the assigned responsibilities when said full-time staff is unavailable due to vacations, sick leave, or other absences.

5. If the County determines that a Contractor's staff member is not proficient in performing the assigned duty, the Contractor must immediately provide a proficient substitute staff member. The Contractor must credit the County for lost production time rounded to the quarter hour due to staff arriving late and reflect such credit on the appropriate monthly invoice pursuant to Article 8, "Liquidated Damages,"
6. The Contractor must assume the cost of any additional training for Contractor's staff until they are deemed proficient by the County. When the County determines that advanced training is needed for the Contractor's staff due to the specific and unique equipment or production requirements of the County under this Contract, the County will pay for advance training. This advanced training must be approved in advance, and in writing, by the County.
7. The County will observe and provide comments to the Contractor on the quality of service and/or performance of the Contractor's staff on an as needed basis. The County and the Contractor will conduct a quarterly Contract performance meeting.
8. When the County determines that an issue exists regarding Contractor's performance, and the County provides Contractor with written notice of that issue, the Contractor must meet with the County to discuss the Contractor's unsatisfactory service or performance within five (5) business days. The Contractor must resolve the issue within ten (10) business days of meeting with the County.
9. The Contractor must replace within ten (10) business days: staff performing at an unsatisfactory level; staff that resigns; or staff that becomes incapacitated; or is otherwise unable to continue to provide services required by this Contract.
10. Upon the County's request, staff services must include:
  - a) Editing - responsible for coordinating all technical requirements to complete successfully all assigned post-production projects. The request may be for a person who is fluent in Spanish and has command of the Spanish language. The Contractor's Editors must edit using creativity, editorial judgment, and expertise, whether working with a producer or using the County's Edit decision list. The County must approve the final production prior to Contractor distributing or duplicating the production.
  - b) Videography - responsible for capturing audio/visual media as needed with or without supervision by the County or its representatives as determined in the County's sole discretion.
  - c) Production Support - responsible for technical aspects of a production including site surveys, equipment packing, loading and unloading, set up, production, strike and equipment storage. Positions may include director, assistant director, camera operator (electronic field production [EFP], studio), audio operator (EFP, studio, podcast), technical director, robotic (PTZ) camera operator, lighting technician, floor director, character generator, production assistant or other duties as assigned.

- d) Traffic Coordinator- responsible for creating, inputting, and maintaining programming schedules; archive and descriptions; monthly and quarterly programming reports and assists with creation of programming policies and procedures.

## **B. COMMUNITY ENGAGEMENT SERVICES**

1. The Contractor must provide community engagement services that include the production of content designed to increase engagement with multicultural communities through multiple media forms. Services are to include research and creation of original stories for distribution through multiple media forms including, but not limited to, cable television programs, the internet, or social media.
  - a. The Contractor must provide the following deliverables:
    - i. Monthly - One (1) advance assignment seven (7) day planning memo; written and emailed to update the Contract Administrator or designee;
    - ii. Listing of a minimum of four (4) byline website posts (400-800 words) including Search engine optimization meta-tags/photos/graphics; twenty (20) separate social media posts - Facebook/ or Twitter posts; ten to fifteen (10-15) online Events/Calendar posts - research, post and maintain local multicultural events on MCM website events calendar;
    - iii. Blog-research/write Blog, include interviews with newsmakers; and
    - iv. Monthly - Two (2) produced video story packages, 2 minutes in length, repackaged for use in a County Cable Montgomery program; and the preparation and posting of additional web video content of various lengths.
    - v. Quarterly - One (1) written report to the County with a listing of content produced and lessons learned. Report must be delivered to the Contract Administrator within thirty days of the end of the quarter.
    - vi. As needed- Host/moderate public forum and/or community event concerning issues relevant to a targeted community (various host venues) including setting agenda, booking guests.  
(Onsite/Offsite/Virtually)

## **C. PRODUCER/ANCHOR SERVICES**

The Contractor must provide producer/co-anchor services, at the County's request, for the County's weekly news program or other identified program. Services include hosting, producing content, writing scripts, and participating in production meetings to develop the rundown and discuss upcoming storylines.

## **D. PRODUCTION AND POST - PRODUCTION SERVICES**

- (1) The Contractor must provide staffing based upon the County's production requests. Such scheduling will occur on at least a weekly basis and will be made available to the Contractor by the County as soon as possible. It is the goal of the County to provide

- the Contractor with a notice of live business days for production and post-production requests. Regardless of the County's goals, however, the Contractor must meet all production requests when the County has provided seventy-two (72) hours' notice. However, in cases of emergency or urgency, the County reserves the right to require a response with a notice period of 48 hours or less in accordance with Article 2 Section A (2)(a)(ii), allowing for a more expedited process. The Contractor must provide an assigned crew list twenty-four hours (24) before the scheduled production.
- (2) When productions are cancelled by the County with less than forty-eight (48) hour notice, with the exception of productions scheduled for a Monday, which must be cancelled by 5 p.m. on the preceding Thursday, the County will pay the Contractor's assigned production personnel for four (4) hours. The assigned Contractor's staff must perform any alternative work requested by the County that is within this Contract's scope of services during this four (4) hour paid timeframe.
  - (3) The County may direct the Contractor's Production Manager/Project Manager to seek and arrange additional resources from the Contractor or from other Public, Education and Government (PEG) channels whose replacement equipment is titled to the Montgomery County government under the terms of the Cable Communications Plan approved by the County Council each fiscal year. The PEG channels so designated are Montgomery County Public Schools, Montgomery College, and Montgomery Community Television, Inc. Conversely, if the Contractor has an emergency and needs to borrow equipment on a short-term basis for Contractor's staff to use, the Contractor may request equipment from the County. The County will attempt to make the equipment available if scheduling permits.

## **E. PRODUCTION FACILITIES**

### **(1) County's Use of Contractor's Studios**

The Contractor must provide the County with the use of the Contractor's Studio for live event(s), event recording, production activities for up to 10 hours per month as long as the County uses Contractor personnel to provide the associated production services. Studio use must be in conjunction with productions in which staffing is supplied under this Contract. Scheduling must be done at the County's request. The County will attempt to provide, but does not guarantee, a minimum of two weeks lead time. The County may reserve the Contractor's Studios in accordance with Article 2 Section E of this Contract. All cancellations by the County that occur with less than five (5) business days' notice prior to the scheduled date are subject to a \$200.00 cancellation fee payable within thirty days of said cancellation.

### **(2) County's Use of Contractor's Post-Production Facilities**

The Contractor must provide the County with free use of its post-production facilities. Such use shall be in conjunction with programs for which the County is paying production fees under this Contract for up to 10 hours per month as long as the County uses Contractor personnel to provide the associated production services. The County may make reservations for the use of the Contractor's post-production

facilities for the entire term of this Contract. The Contractor must submit a written response to the County's request for the utilization of the Contractor's post-production facilities within seventy-two (72) hours of receiving the request. However, in cases of emergency or urgency, the County reserves the right to require a response with a notice period of forty-eight (48) hours or less in accordance with Article 2 Section A(2)(a)(ii), allowing for a more expedited process.

### **(3) Other Direct Services**

Upon receipt of a written task order for time and materials on a not-to-exceed basis or a fixed price, from the County along with a properly executed purchase order for the work detailed in the task order, Contractor must provide additional production and consulting services for a variety of tasks related to this Contract. Task Orders shall be written on a time and materials or a fixed fee basis. The County shall specify the services required, compensation, and any applicable deadlines. The task order will indicate the cost(s) for the additional services. The Contractor may subcontract the services requested by the County in accordance with this Article 2, Section E (3), "Other Direct Services" with professional consultants, if the Contractor receives the prior written approval of the County's Director, Office of Procurement and specifically designates in Contractor's contract with the subcontractor that the County is the intended beneficiary of the services provided by the subcontractor. The Contractor must ensure that all deadlines are met. If any deadlines are not met, the Contractor is subject to liquidated damages as provided in Article 8 of this Contract, in addition to any other remedies available to the County. The Contractor must be responsible for and must provide administration and supervision of any persons or entities provided for outside consulting services.

## **ARTICLE 3 – ACCEPTANCE OF CONTRACTOR'S SERVICES AND WORK**

### **A. ACCEPTANCE OF PRODUCTION AND POST-PRODUCTION SERVICES**

For all production and post-production services required by the County under this Contract, as indicated by the County's production schedule and as ordered by task order or purchase order, the County will submit a request/itinerary in advance of the production to include the following information:

- Date and time of production
- Type of production
- Location
- Position and number of crew members required;
- Equipment needed; and
- Additional information/comments

If the service provided is accepted by the County, the corresponding production itinerary will be signed by County and delivered to the Contractor within three (3) business days. The cost of any service must be billed to the County and will not be paid by the County until the

County representative (e.g. Executive Producer, Producer) signs the corresponding production itinerary. If the County finds the Contractor's service is not acceptable, the Contractor is subject to the liquidated damages provisions specified in Article 8, in addition to other remedies available to the County.

## **B. ACCEPTANCE OF WORK**

Upon completion of each service, specified under this Contract, the County will review each service for acceptability. The County may reject any of Contractor's work product deemed by the County to be of such poor quality as to be unsuitable for use by the County. If Contractor's work product is rejected, the Contractor must meet with the County within one (1) business day of the County's written notice of rejection to determine remedial action. The Contractor must not bill the County for any costs associated with a rejected product. The Contractor must pay the County liquidated damages as specified in the Article 8, in addition to any other remedies available to the County.

## **ARTICLE 4 – COUNTY CONTRIBUTIONS**

The County must provide the Contractor with the following facilities, equipment and services necessary to perform the work described in the Scope of Services.

### **A. FACILITIES AND EQUIPMENT**

(1) The County will provide the Contractor with access to the County's on-line production and postproduction schedule as well as production updates via email. The Contractor may be afforded remote access privileges to County Information Resources, or otherwise work on, or interface with, County Information Resources, and must ensure that the County Information Resources, including electronic data assets, are protected from theft, unauthorized destruction, use, modification, or disclosure as deemed necessary under the Montgomery County Administrative Procedure 6-1 - Use of County-Provided Technology (AP 6-1) which is expressly incorporated by reference as Attachment B. The Contractor must adhere to any and all policies and procedures under, or related to, the Montgomery County Administrative Procedure 6-7– Information Security (AP 6-7), which is expressly incorporated by reference and attached to this Contract as Attachment C.

(2) The County will provide production and post-production equipment and production supplies for the production of programming for County Cable Montgomery. The Contractor is familiar with the County's equipment and agrees that it is adequate for Contractor to perform its production and post-production services under this Contract.

(3) The Contractor must keep track of County equipment used and report any malfunctioning, broken or nonfunctioning County equipment to the County's Media Services Manager or designee.

### **B. COUNTY PROVIDED EQUIPMENT**

The County must provide and insure, at no cost to the Contractor, all County equipment used by the government access channel. The Contractor must be responsible for the security and proper use of the County's equipment. Equipment that is damaged, lost or stolen due to Contractor negligence, intentional act or omission, or breach of contract, as determined by the County, must be repaired or replaced in a timely manner at the Contractor's expense.

## **ARTICLE 5 - TERM**

The effective date of this Contract begins upon signature by the Director, Office of Procurement. The period in which the Contractor must perform all work under the Contract begins on the Contract's effective date and ends after a one (1) year period. The Contractor must also perform all work in accordance with time periods stated in the Scope of Work. Before this term for performance ends, the Director at his/her sole option may (but is not required to) renew the term. The Contractor's satisfactory performance does not guarantee a renewal of the term. The Director may exercise this option to renew this term four (4) times for one (1) year each.

## **ARTICLE 6 – COMPENSATION**

### **A. RATES OF PRODUCTION SERVICES**

All prices quoted in this Contract are fully burdened and include compensation for the Contractor's overhead, general and administrative costs (including without limitation employee recruitment, company car use, copying, and travel reimbursement), and all employee benefits. The County will not pay any additional amount for incidental expenses or services necessary for the proper performance of the Contractor's obligations under this Contract, or for other Contractor expenses. The Contractor may bill an initial four-hour block for services up to four hours per professional. Each hour thereafter will be billed for actual additional time.

Prices quoted are firm for two (2) years after the execution of this Contract. Requests for price adjustments after the initial two (2) year period must be in accordance with Article 7, "Price Adjustments."

| <b>Service</b>                        | <b>Hourly Rate</b><br>*Fully Burdened Hourly<br>Rate Prorated to ¼ Hour |
|---------------------------------------|-------------------------------------------------------------------------|
| Director                              | \$46.63                                                                 |
| Assistant Director                    | \$38.28                                                                 |
| Technical Director                    | \$38.28                                                                 |
| Videographer                          | \$46.63                                                                 |
| Camera operator                       | \$38.28                                                                 |
| Electronic Field Production (EFP)     | \$46.63                                                                 |
| Studio Supervisor                     | \$49.40                                                                 |
| Robotic camera operator               | \$46.63                                                                 |
| Audio operator (EFP, Podcast, Studio) | \$38.28                                                                 |

|                                                                                            |         |
|--------------------------------------------------------------------------------------------|---------|
| Lighting Director                                                                          | \$49.40 |
| Lighting Assistant                                                                         | \$38.28 |
| Production Assistant                                                                       | \$38.28 |
| Character Generator Operator                                                               | \$38.28 |
| Floor Director                                                                             | \$38.28 |
| Editor (Adobe Premiere Pro)                                                                | \$42.64 |
| Producer (production manager/project manager)                                              | \$53.80 |
| Anchor/Interviewer                                                                         | \$52.01 |
|                                                                                            |         |
| <b>Additional Services:</b>                                                                |         |
| Virtual Event Coordinator                                                                  | \$60.66 |
| Production Technician Level 2                                                              | \$38.38 |
| Production Technician Level 3                                                              | \$46.63 |
| Use of Contractor Facility (Production Services in excess of 10 - hour monthly allowances) | \$375   |
|                                                                                            |         |

## **B. OVERTIME APPROVAL BY THE COUNTY**

Contractor must obtain advance, written approval for any overtime pay (hours worked in excess of 40 hours), calculated at 1.5 times the listed hourly rate for Contractor's staff, from the County's Contract Administrator or their designee.

## **C. PURCHASE ORDERS**

All work required under this Contract, will be ordered by purchase orders issued by the County.

The Contractor will be paid for services rendered and accepted according to the aforesaid fully burdened hourly rate.

## **ARTICLE 7 – PRICE ADJUSTMENTS**

Prices quoted are firm for a period of two years after execution of the Contract. Any request for a price adjustment, after this two-year period is subject to the following:  
Approval or rejection by the Director, Office of Procurement, or designee.

- Submitted in writing to the Director, Office of Procurement and accompanied by supporting documentation justifying the Contractor's request. A request for any price adjustment may not be approved unless the Contractor submits to the County sufficient justification to support that the Contractor's request is based on its net increase in costs in delivering the goods/services under the Contract.
- Submitted sixty (60) days prior to Contract expiration date if the Contract is being amended.
- May not be approved which exceeds the amount of the annual percentage change of the Consumer Price Index (CPI) for the twelve-month period immediately prior to the date of the request. The request shall be based upon the CPI for all urban consumers

- issued for the Washington-Baltimore, DC- MD-VA-WV Metropolitan area by the United States Department of Labor, Bureau of Labor Statistics, for ALL ITEMS.
- The County will approve only one price adjustment for each Contract term if a price adjustment is approved.
  - Should be effective sixty (60) days from the date of receipt of the Contractor's request.
  - Executed by written Contract amendment.

## **ARTICLE 8 – LIQUIDATED DAMAGES**

The Contractor must respond to and perform in accordance with all County requests for production services as defined in this Contract. If, as a result of any failure to perform by the Contractor or Contractor's subcontractor, including but not limited to, failing to provide adequate production staffing, canceling a production due to insufficient, unqualified or non-proficient staffing, no audio or video suitable for airing, or failure to timely complete a production by a mutually agreed upon date in writing, the County must not be billed for any costs for services associated with that production.

Additionally, the County must be credited as liquidated damages an amount equal to 1.5 times the hourly charges for the appropriate type of production or consulting services, or for 1.5 times the cost of an alternative contractor staff for the production if the event can be recreated and the County desires to proceed.

If after scheduling a production, the Contractor fails to provide the County with the scheduled production staff, the Contractor shall pay liquidated damages of \$50.00 per hour for each individual service provider who fails to report as scheduled.

The parties agree that if the County is damaged by the Contractor's failure to perform the services covered under this Contract, the amount of those damages will be difficult to determine. The parties further agree that the amount of liquidated damages provided for in this paragraph is a fair and reasonable estimate of damage to the County for the Contractor's (or its subcontractor's) failure to perform. These liquidated damages are not considered a penalty.

## **ARTICLE 9 – METHOD OF PAYMENT**

The Contractor must submit true and correct invoices in a format approved by the County. Invoices must be submitted no later than the 20<sup>th</sup> day of each month following the month in which services were rendered, or in which payment was authorized (in the case of fixed-price task orders). Invoices must be submitted to the Contract Administrator, who will verify that billed services were received. In no case will the Contractor be paid an amount greater than that approved by the Contract Administrator. The Contractor's invoices must be submitted with documentation of all properly performed services provided during the invoiced period. The invoice must be standardized in a format that includes monthly activities report that includes the following:

- A listing of all services by type for the month including the hourly rate prorated to the quarter hour, total number of hours, any approved overtime charges and the total amount for each production;
- Any applicable production itineraries with the signature of a County representative pursuant to Article 3(A) above;
- Credits to the County due to staffing issues;
- Hours of free studio time provided by the Contractor to the County with the location identified;
- Any approved additional charges including item, actual cost and the date the expenses were approved in writing by the County;
- The monthly billing for the Executive branch, Legislative branch, Community Engagement and Anchor services;
- Year to date expenditures by the County under the Contract and the percent of the total Contract funds expended; and
- The total amount due for the billing period.

The County agrees to pay undisputed invoices 30 days after receipt, acceptance and approval of the invoice by the County.

## **ARTICLE 10 – OWNERSHIP OF MEDIA**

The Contractor agrees that all media produced under the terms of this Contract is the property of the County and shall remain the property of the County upon termination of this Contract or completion of the work performed pursuant to this Contract.

The Contractor is expressly prohibited from utilizing, either in whole or in part, the media created under this Contract without obtaining prior written permission from the County. However, it is noted that the Contractor is permitted to repurpose previously approved material for marketing or the creation of social media content, subject to the terms and conditions outlined in the Contract.

## **ARTICLE 11 – INSURANCE**

The General Conditions of Contract between the County and Contractor (“General Conditions”) and the Minority-owned Business Addendum, if appropriate, are incorporated by reference into, and made a part of, this Contract as Attachment A, except that the following mandatory insurance requirements supersede the insurance requirements set forth in Paragraph 21 of the General Conditions.

Prior to the execution of the contract by the County, the proposed awardee/contractor, and their contractors (if requested by County) must obtain, at their own cost and expense, the following *minimum* (not maximum) insurance coverage with an insurance company/companies licensed to conduct business in the State of Maryland and acceptable to the Division of Risk Management. This insurance must be kept in full force and effect during the term of this contract, including all extensions. The insurance must be evidenced by a certificate of insurance, and if requested by the County, the proposed awardee/contractor shall provide a copy of the insurance policies and additional insured endorsements. The minimum limits of coverage listed below shall not be construed as the maximum as required by contract or as a limitation of any potential liability on the part of the proposed awardee/contractor to the County nor shall failure to request evidence of this insurance in any way be construed as a waiver of proposed awardee / contractor's primary.

**MANDATORY INSURANCE REQUIREMENTS – Media Production Services - Cable Television Production Services for the County Cable Montgomery (CCM – the government access channel) Channel (Using County Owned Equipment) Live and Recorded Events -Informative Programming**

Prior to the execution of the contract by the County, the proposed awardee/contractor and their contractors (if requested by County) must obtain, at their own cost and expense, the following *minimum* (not maximum) insurance coverage with an insurance company/companies licensed to conduct business in the State of Maryland and acceptable to the Division of Risk Management. This insurance must be kept in full force and effect during the term of this contract, including all extensions. The insurance must be evidenced by a certificate of insurance, and if requested by the County, the proposed awardee/contractor shall provide a copy of the insurance policies and additional insured endorsements. The minimum limits of coverage listed below shall not be construed as the maximum as required by contract or as a limitation of any potential liability on the part of the proposed awardee/contractor to the County nor shall failure to request evidence of this insurance in any way be construed as a waiver of proposed awardee / contractor's obligation to provide the insurance coverage specified. The Contractor's insurance shall be primary. Coverage pursuant to this Section shall not include any provision that would bar, restrict, or preclude coverage for claims by Montgomery County against Contractor, including but not limited to "cross-liability" or "insured vs insured" exclusion provisions.

**Commercial General Liability**

A minimum limit of liability of ***one million dollars (\$1,000,000), per occurrence***, for bodily injury, personal injury and property damage coverage per occurrence including the following coverages:

- Contractual Liability
- Premises and Operations
- Independent Contractors & Subcontractors
- Products and Completed Operations

**Professional Liability (Media Errors and Omissions Liability)**

The policy shall cover professional errors and omissions, negligent acts, misconduct or lack of ordinary skill during the period of contractual relationship and services rendered with the County with a limit of liability of at least:

***Each Claim                      \$1,000,000***

*In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.*

**Worker's Compensation/Employer's Liability**

Meeting all statutory requirements of the State of Maryland Law and with the following minimum Employers' Liability limits:

*Bodily Injury by Accident - \$100,000 each accident*

*Bodily Injury by Disease - \$500,000 policy limits*

*Bodily Injury by Disease - \$100,000 each employee*

Additional Insured

Montgomery County, Maryland, its elected and appointed officials, officers, consultants, agents and employees must be named as an additional insured on Contractor's Commercial and Excess/Umbrella Insurance for liability arising out of contractor's products, goods and services provided under this contract.

Policy Cancellation

Should any of the above policies be cancelled before the expiration date thereof, written notice must be delivered to the County in accordance with the policy provisions.

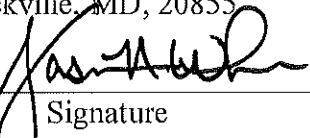
Certificate Holder

Montgomery County, Maryland  
Dept. Technology / Cable Office / Derrick Kenny  
100 Maryland Ave.  
Rockville, Maryland 20850

**SIGNATURES**

**MONTGOMERY COMMUNITY  
TELEVISION, INC. d/b/a  
MONTGOMERY COMMUNITY  
MEDIA**

7548 Standish Place  
Rockville, MD, 20855

By: 

Signature

JASMINE N. White

Please Print

Title: CEO

Date: 5.28.24

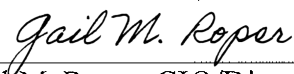
**MONTGOMERY COUNTY, MARYLAND**

By: \_\_\_\_\_

Avinash G. Shetty, Director  
Office of Procurement

Date: \_\_\_\_\_

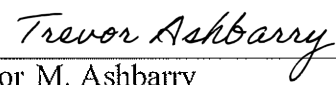
**APPROVAL RECOMMENDED:**

By: 

Gail M. Roper, CIO/Director  
Department of Technology & Enterprise  
Business Solutions

Date: 6.13.2024

**APPROVED AS TO FORM AND LEGALITY  
OFFICE OF THE COUNTY ATTORNEY:**

By: 

Trevor M. Ashbarry  
Division Chief, County Attorney

Date: 6/12/24

# CORPORATE CHARTER APPROVAL SHEET

**\*\* EXPEDITED SERVICE \*\***

**\*\* KEEP WITH DOCUMENT \*\***

DOCUMENT CODE 13 BUSINESS CODE \_\_\_\_\_

# 1001763341



1000362007561105

Close \_\_\_\_\_ Stock \_\_\_\_\_ Nonstock \_\_\_\_\_

P.A. \_\_\_\_\_ Religious \_\_\_\_\_

Merging (Transferor) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Surviving (Transferee) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## FEES REMITTED

Base Fee: 100  
Org. & Cap. Fee: 50  
Expedite Fee: \_\_\_\_\_  
Penalty: \_\_\_\_\_  
State Recordation Tax: \_\_\_\_\_  
State Transfer Tax: \_\_\_\_\_  
Certified Copies: \_\_\_\_\_  
Copy Fee: \_\_\_\_\_  
Certificates: \_\_\_\_\_  
Certificate of Status Fee: \_\_\_\_\_  
Personal Property Filings: \_\_\_\_\_  
Mail Processing Fee: \_\_\_\_\_  
Other: \_\_\_\_\_

TOTAL FEES: 150

Credit Card \_\_\_\_\_ Check X Cash \_\_\_\_\_

\_\_\_\_\_ Documents on \_\_\_\_\_ Checks

Approved By: [Signature]

Keyed By: \_\_\_\_\_

COMMENT(S): Attach all pages

Doc. # 1001763341 ACK # 1000362007561105  
PAGES: 0010  
MONTGOMERY COMMUNITY TELEVISION, INC.

01/26/2015 AT 07:45 A WO # 0004422935

New Name \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Change of Name  
Change of Principal Office  
Change of Resident Agent  
Change of Resident Agent Address  
Resignation of Resident Agent  
Designation of Resident Agent  
and Resident Agent's Address  
Change of Business Code

Adoption of Assumed Name \_\_\_\_\_

Other Change(s) \_\_\_\_\_

\_\_\_\_\_

Code \_\_\_\_\_

Attention: \_\_\_\_\_

Mail: Names and Address

PASTERNAK & FIDIS P.C.  
SARAH A. HASSON, PARALEGAL  
SUITE 1100  
7735 OLD GEORGETOWN ROAD  
BETHESDA MD 20814-6183

## Stamp Work Order and Customer Number HERE

CUST ID: 0003206355  
WORK ORDER: 0004422935  
DATE: 02-10-2015 06:12 PM  
AMT. PAID: \$150.00

**ARTICLES OF AMENDMENT AND RESTATEMENT  
OF  
MONTGOMERY COMMUNITY TELEVISION, INC.**

RECEIVED  
DEPARTMENT OF  
ASSESSMENTS & TAXATION  
2015 JAN 26 A 7:45

MONTGOMERY COMMUNITY TELEVISION, INC., a Maryland corporation, having its principal office at 7548 Standish Place, Rockville, Montgomery County, Maryland (hereinafter called the "**Corporation**"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

- A. The Corporation desires to amend and restate the Charter of the Corporation as currently in effect.
- B. The Charter of the Corporation is hereby amended and restated in its entirety to read as follows:

**FIRST:** The name of the Corporation (which is hereinafter called the "**Corporation**") is:

**MONTGOMERY COMMUNITY TELEVISION, INC.**

The Corporation may adopt and use such trade names as the Board of Directors may authorize from time to time.

**SECOND:** The Corporation is formed to further and promote exclusively, charitable, religious, educational and scientific purposes and the business and objects to be carried on and promoted by it are:

(a) to engage in a broad mission to encourage, sponsor, and disseminate public access and community engagement media; and for the express purpose of enhancing the Montgomery County cable communications plan's relevance in community service to media audiences and media makers; for connecting, informing and educating Montgomery County residents via television, broadband and mobile platforms; for operating digital media facilities, studios and equipment and related service transactions with the general public, government, community organizations and local businesses; for promoting audience awareness of public, educational, and government cable channel content and digital media services; and for advancing media literacy within Montgomery County. These purposes are exclusively charitable within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law). In furtherance of such purposes, the Corporation shall have full power and authority to:

- (i) Develop and implement charitable programs;
- (ii) Make distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1986, as

amended;

- (iii) Make distributions for other charitable purposes;
- (iv) Receive and accept property, whether real, personal, or mixed, by way of gift, bequest, or devise, from any person, firm, trust, or corporation, to be held, administered and disposed of in accordance with and pursuant to the governing instruments of the Corporation, as the same shall be amended from time to time; and
- (v) Perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Directors, to carry out any of the purposes of the Corporation, as described in the Articles of Incorporation and the Bylaws of the Corporation, including the exercise of all other power and authority enjoyed by corporations within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

(b) to perform other activities permitted corporations under the General Laws of the State of Maryland, to the extent such activities are permitted of organizations which are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) and contributions to which are deductible under sections 170(c)(2), 2055(a)(2) and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) and also including the making of distributions to states, territories, or possessions of the United States, any political subdivision of any of the foregoing, or to the United States or the District of Columbia, but only for charitable purposes. As used in the previous sentence, "charitable purposes" shall be limited to and shall include only religious, charitable, scientific, literary, or educational purposes within the meaning of those terms as used in Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

**THIRD:** The present address of the principal office of the Corporation in this State is 7548 Standish Place, Rockville, Maryland 20855. ✓

**FOURTH:** The name and address of the resident agent of the Corporation in this State is The Corporation Trust Incorporated, located at 351 West Camden Street, Baltimore City, Maryland. Said resident agent is Maryland corporation. ✓

**FIFTH:** The Corporation is not authorized to issue capital stock.

**SIXTH:** The directors of the Corporation also constitute the members of the Corporation and, when meeting as directors, may exercise the rights and powers of members.

**SEVENTH:** The number of directors of the Corporation shall be at least three, which number may be increased as authorized by the Board of Directors in the Bylaws of the Corporation from time to time but shall never be less than the minimum number permitted by the General Laws of the State of Maryland now or hereafter in force. The directors shall be determined and elected in the manner authorized by the Board of Directors in the Bylaws from time to time. The current number of directors of the Corporation is 12 and the names of those directors in office are Miriam Bowden, Kenge Malikidogo-Fludd, Linda Macklin, Marion Hayes Hull, Nancy Poole, Elizabeth Suarez, Paul Silverman, William Stuart, Roger Conner, Monica Costa, Aida Flores and Bill Lynch.

**EIGHTH:** The following provisions are hereby adopted for defining, adopting, limiting, and regulating the powers of the Corporation and of the directors and the members:

(a) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article SECOND hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), or (ii) by a corporation, contributions to which are deductible under sections 170(c)(2), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

(b) Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation (i) to an organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) contributions to which are deductible under sections 170(c)(2), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), or (ii) to states, territories, or possessions of the United States, any political subdivision of any of the foregoing, or to the United States or the District of Columbia, but only for charitable purposes. The Board of Directors shall determine how the Corporation's assets will be distributed in accordance with the foregoing sentence. Any of the Corporation's assets not so disposed of shall be disposed of by the Circuit Court of Montgomery County, Maryland or such other court sitting in equity in the political subdivision in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

(c) The Corporation may indemnify its directors, officers, employees and agents for expenses, including attorneys' fees (and, in case of actions other than those by or the right of the Corporation, judgments, fines and amounts paid in settlement), actually and reasonably incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative with respect to which such person was or is a party by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise, for services whether serving or having served the Corporation or at its request any other entity, to the full extent permitted by Maryland law now or hereafter in force, including the advance of expenses under the procedures and to the extent permitted by law as authorized by the Board of Directors in the Bylaws of the Corporation from time to time; provided, however, that such indemnification shall only be to the extent permitted of organizations which are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) and contributions to which are deductible under sections 170(c)(2), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

(d) The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Corporation would have to indemnify such person as may be authorized by the Board of Directors in the Bylaws of the Corporation from time to time; provided, however, that such insurance shall only be to the extent permitted of organizations which are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) and contributions to which are deductible under sections 170(c)(2), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

(e) During any fiscal year of the Corporation that it is determined to be a private foundation as defined in section 509(a) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law):

- (i) The Corporation shall distribute its income for such taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by section 4942 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).
- (ii) The Corporation shall not engage in any act of self-dealing as defined in section 4941(d) of the Internal Revenue Code of 1986 (or the

corresponding provisions of any future United States Internal Revenue Law).

- (iii) The Corporation shall not retain any excess business holdings as defined in section 4943(c) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).
- (iv) The Corporation shall not make any investments in such manner as to subject it to tax under section 4944 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).
- (v) The Corporation shall not make any taxable expenditures as defined in section 4945(d) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

(f) The Corporation retains the right to further amend its corporate purposes so that they may embrace any activity which may properly be engaged in by any organization which is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) and contributions to which are deductible under sections 170(c)(2), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), and all contributions to the Corporation are made subject to this provision unless otherwise specifically stated in writing at the time of making the contribution.

The enumeration and definition of particular powers of the Board of Directors included in the foregoing shall in no way be limited or restricted by reference to or inference from the terms of any other clause of this or any other Article of the charter of the Corporation, or construed as or deemed by inference or otherwise in any manner to exclude or limit any powers conferred upon the Board of Directors under the General Laws of the State of Maryland now or hereafter in force, except to the extent that the General Laws of the State of Maryland permit activities which are not permitted under Federal Law for any organization which is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) and contributions to which are deductible under sections 170(c)(2), 2055(a)(2) and 2522(a)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions under any future United States Internal Revenue Law).

**NINTH:** The duration of the Corporation shall be perpetual.

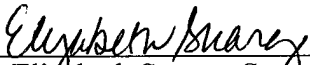
- C. The foregoing amendment and restatement to the Charter of the Corporation has been approved by a majority of the Board of Directors also acting as its members.

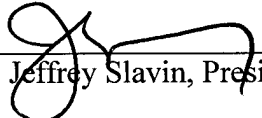
D. The provisions set forth in the foregoing articles of amendment and restatement are all of the provisions of the Charter of the Corporation currently in effect.

IN WITNESS WHEREOF, I have signed these Articles of Amendment and Restatement, acknowledging the same to be my act, on January 14, 2015.

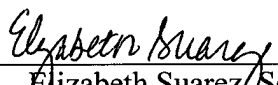
ATTEST:

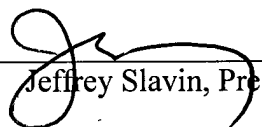
MONTGOMERY COMMUNITY  
TELEVISION, INC.

  
Elizabeth Suarez, Secretary

By:   
Jeffrey Slavin, President

THE UNDERSIGNED, President of MONTGOMERY COMMUNITY TELEVISION, INC., who executed on behalf of the Corporation the foregoing Articles of Amendment and Restatement of which this certificate is made a part, hereby acknowledges in the name and on behalf of said Corporation the foregoing Articles of Amendment and Restatement to be the corporate act of said Corporation and hereby certifies that to the best of his knowledge, information, and belief the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects under the penalties of perjury.

  
Elizabeth Suarez, Secretary

  
Jeffrey Slavin, President

=====

**CONSENT OF RESIDENT AGENT**

THE UNDERSIGNED HEREBY CONSENTS TO ACT AS RESIDENT AGENT IN MARYLAND FOR MONTGOMERY COMMUNITY TELEVISION, INC.

THE CORPORATION TRUST INCORPORATED,  
A MARYLAND CORPORATION

By: \_\_\_\_\_  
Stephanie Butterfield, Resident Agent

\_\_\_\_\_  
Date

D. The provisions set forth in the foregoing articles of amendment and restatement are all of the provisions of the Charter of the Corporation currently in effect.

IN WITNESS WHEREOF, I have signed these Articles of Amendment and Restatement, acknowledging the same to be my act, on \_\_\_\_\_, 2014.

ATTEST:

MONTGOMERY COMMUNITY  
TELEVISION, INC.

\_\_\_\_\_, Secretary                      By: \_\_\_\_\_, President

THE UNDERSIGNED, President of MONTGOMERY COMMUNITY TELEVISION, INC., who executed on behalf of the Corporation the foregoing Articles of Amendment and Restatement of which this certificate is made a part, hereby acknowledges in the name and on behalf of said Corporation the foregoing Articles of Amendment and Restatement to be the corporate act of said Corporation and hereby certifies that to the best of his knowledge, information, and belief the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects under the penalties of perjury.

\_\_\_\_\_, Secretary                      \_\_\_\_\_, President

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#### CONSENT OF RESIDENT AGENT

THE UNDERSIGNED HEREBY CONSENTS TO ACT AS RESIDENT AGENT IN MARYLAND FOR MONTGOMERY COMMUNITY TELEVISION, INC.

THE CORPORATION TRUST INCORPORATED,  
A MARYLAND CORPORATION

By: Stephanie Butterfield  
Stephanie Butterfield, Resident Agent

1-15-2015  
Date

**MONTGOMERY COMMUNITY TELEVISION, INC.**

**RESOLUTION OF THE BOARD OF DIRECTORS**  
(Adoption of Amended and Restated Articles of Incorporation)

*Resolution*

A special meeting of the Board of Directors of Montgomery Community Television, Inc. (the "Corporation") having been duly convened on October 10, 2014 in which the directors responded to the proposal that the Board of Directors approve and adopt Articles of Amendment and Restatement; and,

After a vote in which at least two-thirds of the directors in office voted to approve and adopt the Articles of Amendment and Restatement as required by the current Charter of the Corporation in accordance with the following resolutions:

RESOLVED, that the Articles of Amendment and Restatement as presented are hereby approved and adopted and the secretary shall maintain a copy as approved among the records of the Corporation;

RESOLVED, that the President of the Board of Directors or such other person(s) to which (s)he may delegate the responsibility shall obtain the approval of the Articles of Amendment and Restatement by the County Executive and County Council as required by applicable law and regulation;

RESOLVED, that, upon obtaining said governmental approvals, the President and Secretary are hereby authorized to execute, acknowledge and deliver the Articles of Amendment and Restatement as provided for therein and the President is further authorized and directed to take such further actions as may be necessary to cause the Articles of Amendment and Restatement to be filed with the Maryland State Department of Assessments and Taxation and to otherwise take such actions as may be necessary to cause said articles to be placed into full force and effect.

WITNESS my hand on 10/13/14



Linda Macklin, Secretary

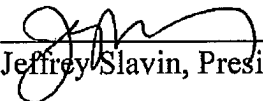
**MONTGOMERY COMMUNITY TELEVISION, INC.**

**RESOLUTION OF THE BOARD OF DIRECTORS**  
(Adoption of Amended and Restated Articles of Incorporation)

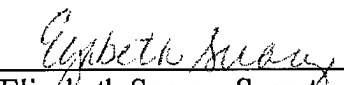
*Resolution*  
**ADDENDUM**

THE UNDERSIGNED, President of MONTGOMERY COMMUNITY TELEVISION, INC., who executed on behalf of the Corporation the *Articles of Amendment and Restatement* dated as of January 14, 2015, hereby acknowledges in the name and on behalf of said Corporation that the said *Articles of Amendment and Restatement* to be the corporate act of said Corporation, and hereby certifies that said *Articles of Amendment and Restatement* were adopted and approved by the Board of Directors of said Corporation in accordance with the *Resolution of the Board of Directors* dated as of October 10, 2014, of which this certification is made a part, and that there were no members of the Corporation entitled to vote on the matter at the time of approval, and further certifies that to the best of his knowledge, information, and belief the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects under the penalties of perjury.

WITNESS my hand on February 3, 2015

  
\_\_\_\_\_  
Jeffrey Slavin, President

WITNESS my hand on February 3, 2015

  
\_\_\_\_\_  
Elizabeth Suarez, Secretary

972868 2

CUST ID: 0003206355  
WORK ORDER: 0004422935  
DATE: 02-10-2015 06:12 PM  
AMT. PAID: \$150.00

**BYLAWS**  
**OF**  
**MONTGOMERY COMMUNITY MEDIA**

**ARTICLE ONE**  
**NAME, LOCATION, AND OFFICES**

- 1 .1 Name. The name of this corporation shall be the MONTGOMERY COMMUNITY TELEVISION, INC., doing business as MONTGOMERY COMMUNITY MEDIA (the "Corporation").
- 1 .2 Registered Office and Agent. The Corporation shall maintain its Registered Office in the State of Maryland, and shall maintain a Registered Agent as required by applicable law.

**ARTICLE TWO**  
**PURPOSES**

- 2.1 Nonprofit Corporation. The Corporation shall be organized and operated as a nonprofit corporation.
- 2.2 Purposes. The Corporation is a nonprofit charitable entity, the purposes of which are set forth in the Articles of Incorporation, with a broad mission to encourage, sponsor, and disseminate public access and community engagement media; and for the express purpose of enhancing the Montgomery County cable communications plan's relevance in community service to media audiences and media makers; for connecting, informing and educating Montgomery County residents via television, broadband and mobile platforms; for operating digital media facilities, studios and equipment and related service transactions with the general public, government, community organizations and local businesses; for promoting audience awareness of public, educational, and government cable channel content and digital media services; and for advancing media literacy within Montgomery County. These purposes are exclusively charitable within the meaning of 501 of the Internal Revenue Code of 1986, as amended (the "Code"). In furtherance of such purposes, the Corporation shall have full power and authority to:
  - a. Develop and implement charitable programs;

- b. Make distributions to organizations that qualify as exempt organizations under 501 (c)(3) of the Internal Revenue Code;
- c. Make distributions for other charitable purposes;
- d. Receive and accept property, whether real, personal, or mixed, by way of gift, bequest, or devise, from any person, firm, trust, or corporation, to be held, administered and disposed of in accordance with and pursuant to the governing instruments of the Corporation, as the same shall be amended from time-to-time; and
- e. Perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Directors, to carry out any of the purposes of the Corporation, as described in the Articles of Incorporation and these Bylaws, including the exercise of all other power and authority enjoyed by corporations (within and subject to the limitations of 501 of the Code).

### **ARTICLE THREE**

#### **MEMBERSHIP**

- 3.1 Members. The Board of Directors may, from time-to-time, develop a membership structure of patrons of the Corporation including setting dues, contribution amounts, levels and benefits and delegate such authority to the Chief Executive Officer for the development and implementation thereof as the Board may deem appropriate.
- 3.2 Access Users. The services of the Corporation shall include services to “Access Users” who are those individuals who pay annual fees to use the Corporation's production equipment and facilities including television studios and edit suites. The qualifications for an individual to participate as an Access User, the scope and extent to which any such individual may use the Corporation's production equipment and facilities, and the amount of annual fees, shall be determined by the Chief Executive Officer.

### **ARTICLE FOUR**

#### **BOARD OF DIRECTORS**

- 4.1 General Powers. The Board of Directors shall be responsible for the overall policy and direction of the Corporation, and the business and affairs of the Corporation shall be overseen by the Board of Directors. The Board may participate in outreach to new constituencies such as nonprofit organizations, foundations, and underrepresented groups, development of new revenue

streams and partnerships, and other important functions which would benefit the Corporation. The Board of Directors may hire and fix the compensation of the Chief Executive Officer. The Corporation may at its pleasure by a vote of the Board of Directors change its name. The Board of Directors shall only act in the name of the Corporation when it shall be convened by its President after due notice to all the Directors of such meeting.

- 4.2 Number and Qualifications. The Board of Directors shall consist of not less than three (3) members and no more than fifteen (15) members so that there are always an odd number of Directors. Of the maximum fifteen (15) Board member seats, no less than one nor more than three (3) Board member seats shall be reserved for active and qualified Access Users of the Corporation (as certified by the Chief Executive Officer). All members of the Board of Directors shall be bound equally by the same set of Board member agreements or policies as may be approved and adopted by the Board.
- 4.3 Election of Directors. All Board Directors shall be nominated by the Nominating Committee to serve as Board Directors and appointed by a vote of the Board of Directors.
- 4.4 Term of Directors. A Director may serve for five (5) consecutive two (2) year terms. Terms shall run from July 1 to June 30. Board member terms shall be staggered.
- 4.5 Resignation. A Director may resign at any time by communicating his or her resignation to the Board of Directors, its presiding officer, or to the Corporation in writing. A resignation is effective upon receipt unless the notice specifies a later effective date or subsequent event upon which it will become effective unless a majority of the Board of Directors votes to accept an earlier date.
- 4.6 Removal. An affirmative vote of two-thirds of the Directors then in office may, subject to any limitation in the Articles of Incorporation or Bylaws, remove any Director elected by the Board of Directors for cause at any time.
- 4.7 Vacancies. Any vacancy occurring in the Board of Directors, including, without limitation, a vacancy resulting from the death, resignation, incapacity, or removal before the expiration of a Director's term, shall be filled by the Directors. The term of a Director elected to fill a vacancy shall expire upon the next annual election of Directors. A partial term shall not be counted against a Director's limit of service set forth in Section 4.4.

- 4.8 Compensation. The Directors shall not receive any stated salary or compensation for their services as such, but the Board of Directors may provide for the payment of all reasonable expenses incurred by Directors in attending meetings of the Board and the reimbursement of reasonable expenses incurred on behalf of the Corporation.
- 4.9 Conflict of Interest Policy. Directors, Officers, committee members, and staff shall adhere to the terms and provisions of a Conflict of Interest Policy as stated in the Board-approved Policies and Procedures Manual.

## **ARTICLE FIVE**

### **MEETINGS OF DIRECTORS**

- 5.1 Regular Meetings. Meetings of the Board of Directors shall be held no fewer than once per quarter of each year. Meetings shall be held at the Corporation's principal place of business, or at such other location, either within or outside of the State of Maryland, as the Board of Directors may by resolution provide.
- 5.2 Special Meetings. Special meetings of the Board of Directors may be called only by or at the request of the Board President or any two (2) Directors. Such meetings may be held either within or outside of the State of Maryland, as fixed by the person or persons calling the meeting, if agreeable to the Board of Directors, otherwise to be held at the principal office of the Corporation.
- 5.3 Notice of Meetings. Regularly scheduled meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least five (5) days prior to the meeting, give notice thereof by any usual means of communication, including by telephone, mail, electronic mail, private carrier, facsimile transmission, or other form of wired or wireless communication.
- 5.4 Voting. Each Director shall have one vote and such voting may not be done by proxy.
- 5.5 Quorum. A majority of the members of the Board of Directors in office at the time of a regular or special meeting shall constitute a quorum.
- 5.6 Manner of Acting. The affirmative majority vote of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless a different vote is required by the Articles of Incorporation or these

Bylaws. The number of abstentions may not exceed the number of affirmative votes.

- 5.7 Participation in Meetings. The Board of Directors may permit any or all Directors to participate in any meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.
- 5.8 Rules of Meetings. The Board of Directors may make such rules and regulations covering its meetings as it may, in its discretion, determine necessary. In the event that the rules and regulations for meetings set by the Board of Directors do not address a specific procedural question, the latest edition of the Roberts Rules of Order shall apply.
- 5.9 Action Without a Meeting. Action which may be taken at a Board of Directors meeting may be taken without a meeting following the Board-approved policy for Board email protocol. Such action is effective when the last Director signs the consent, unless the consent specifies a different effective date. Such actions shall be ratified in the minutes of the next regular or special Board meeting.
- 5.10 Attendance at Meetings. Any Board member failing to attend three consecutive regular Board meetings shall be deemed to have automatically resigned.

## **ARTICLE SIX**

### **OFFICERS OF THE CORPORATION**

- 6.1 Officers of the Corporation; Term of Office. The Officers of the Corporation must be members of the Board of Directors and shall consist of the President, Vice President, Secretary, and Treasurer. Officers' terms shall run from July 1 to June 30. Officers shall serve a term of one (1) year and be subject to renewal.
- 6.2 President. The President shall preside at all meetings of the Board of Directors, appoint all committees, temporary or permanent, and be the primary Board liaison to communicate with the Chief Executive Officer on behalf of the Board as a whole. The President's primary residence must be in Montgomery County, Maryland.

- 6.3 Vice President. The Vice President shall principally assist the President in the performance of his or her duties, and perform such other functions as from time-to-time may be assigned by the President or by the Board of Directors. The Vice President shall, in the event of the absence or inability of the President to exercise his/her office, become acting President of the Corporation with all the rights, privileges and powers as if he/she had been duly appointed the President.
- 6.4 Secretary. The Secretary ensures the maintenance of the records of the Board; the management of minutes of Board meetings; and that a draft of the minutes is distributed to members shortly after each meeting.
- 6.5 Treasurer. The Treasurer ensures the development, Board review, and monitoring of financial policies and procedures. The Treasurer shall ensure the disclosure and transparency of the Corporation's financial position.
- 6.6 Compensation of Officers. The Officers of the Corporation shall serve as volunteers and as such, are not compensated. However, they may be reimbursed for reasonable expenses incurred on behalf of the Corporation.
- 6.7 Election of Officers. The Officers of the Corporation shall be recommended by the Executive Committee and appointed by the Board of Directors annually.
- 6.8 Resignation. An Officer may resign at any time by communicating his/her resignation to the President of the Corporation. A resignation is effective when it is communicated unless it specifies in writing a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.
- 6.9 Execution of Contracts. The Board of Directors may authorize the Chief Executive Officer, in the name and on behalf of the Corporation, to enter into any contract or execute and satisfy any instrument, and any such authority may be general or confined to specific instances, or otherwise limited.

## **ARTICLE SEVEN**

### **CHIEF EXECUTIVE OFFICER**

- 7.1 Chief Executive Officer. The Chief Executive Officer is appointed by the Board of Directors. The Chief Executive Officer shall be the general manager and executive director of the Corporation and shall, subject to the control of the

Board of Directors, have general supervision, direction, and control of the business of the Corporation and its staff. The Chief Executive Officer shall have the general powers and duties of management usually vested in the office of top staff position of a corporation, and shall have such other powers and duties as may be prescribed and held accountable by the Board of Directors. The Chief Executive Officer may participate in executive sessions of the Board as determined by the President. The Chief Executive Officer shall ensure support for the logistical and reporting needs of the Board, collectively and individually in order for it to carry out its fiduciary responsibilities. The Chief Executive Officer shall be an ex-officio member of the Board and shall not have voting rights.

- 7.2 Compensation of Chief Executive Officer. The compensation of the Chief Executive Officer shall be fixed annually by authority of the Board of Directors.

## **ARTICLE EIGHT COUNCILS**

- 8.1 Advisory Council. The Board of Directors must establish an Advisory Council to assure community connection and stakeholder representation, which serves in an advisory role to the Board. The President shall designate a Chair of the Advisory Council and its members subject to the approval of the Board of Directors. The Advisory Council members will have no Board voting rights by reason of such membership alone. The Advisory Council will have regular meetings and report semiannually to the Board of Directors the stakeholders' view of the state of the Corporation. The scope and purpose of the Advisory Council shall otherwise be determined from time-to-time by the Board of Directors.
- 8.2 Honorary Board of Trustees. The Board of Directors may establish an Honorary Board of Trustees from time-to-time including determining the constituency and qualifications of the membership and the scope of purpose and duties of such board. Members of the Honorary Board of Trustees shall have no Board voting rights by reason of such membership alone.

## **ARTICLE NINE COMMITTEES**

- 9.1 Executive Committee. The members of the Executive Committee shall be the President, Vice President, Secretary and Treasurer of the Corporation and such other members as appointed by the President and approved by the

Board of Directors. The President shall be the Chair of the Executive Committee. Appointed Members of the Executive Committee will be members of the Board of Directors, shall serve a term of one (1) year, and be subject to renewal. The Executive Committee may operate in lieu of the full board. The work of the committee is to set agendas, oversee board policies and facilitate decision making as well as help create Board roles and responsibilities; recommend Board Directors annually; encourage Board development; prepare Board leadership; and assess Board effectiveness..

- 9.2 Finance Committee. The Chair of the Finance Committee shall be the Treasurer of the Corporation. Additional members of the Finance Committee may only be Board Directors. The President shall appoint additional members of the committee and approved by the Board of Directors. The Finance Committee shall consist of not less than three (3) persons. Members of the Finance Committee shall serve a term of three (3) years and be subject to renewal. The Finance Committee is responsible for assisting the Board in ensuring the organization is in good fiscal health. The work of the Committee revolves around safeguarding the organization's assets and helping the full Board understand the organization's financial affairs.
- 9.3 Audit Committee. The President shall designate a Chair of the Audit Committee who shall be a member of the Board of Directors and approved by the Board of Directors. The Chair shall serve a term of three (3) years and be subject to renewal. The President shall appoint additional members of the committee and approved by the Board of Directors. Members of the Audit Committee may or may not be members of the Board of Directors and, to ensure independence, members of the Finance Committee shall not serve on the Audit Committee. The Audit Committee shall consist of not less than three (3) persons. Members of the Audit Committee shall serve a term of three (3) years and be subject to renewal. The Audit Committee recommends appointment or reappointment of the independent auditor. The Audit Committee approves the audit process as recommended by the independent auditor employed by the Corporation, and serves as the liaison with the audit firm, instructing the firm on issues to monitor in consultation with the recommendations of the firm, and debriefing the Board on its reports. The Committee, or its delegate, meets annually, in private, with the auditor. The Committee reviews the annual audit and reviews a copy of the annual IRS Form 990 and recommends approval of the final audit and Form 990 to the full Board for its approval. The Audit Committee performs other oversight functions as requested by the President or the Board of Directors.

- 9.4 Compensation Committee. The President shall designate a Chair of the Compensation Committee who shall be a member of the Board of Directors and approved by the Board of Directors. The Chair shall serve a term of three (3) years and be subject to renewal. The President shall appoint additional members of the committee who shall be approved the Board of Directors. Members of the Compensation Committee may or may not be members of the Board of Directors. The Compensation Committee shall consist of not less than three (3) persons. Members of the Compensation Committee shall serve a term of three (3) years and be subject to renewal. The Compensation Committee is responsible for developing the annual compensation and benefits package to be provided to the Chief Executive Officer of the Corporation, which the Committee recommends to the full Board for its approval.
- 9.5 Development Committee. The President shall designate a Chair of the Development Committee who shall be a member of the Board of Directors and approved by the Board of Directors. The Chair shall serve a term of three (3) years and be subject to renewal. The President shall appoint additional members of the committee who shall be approved by the Board of Directors. Members of the Development Committee may or may not be members of the Board of Directors. The Development Committee shall consist of not less than three (3) persons. Members of the Development Committee shall serve a term of three (3) years and be subject to renewal. The Development Committee is responsible for developing strategies to raise funds and contributions for the Corporation, recommend to the Board of Directors action plans for such purposes, and to implement such plans as approved by the Board of Directors from time-to-time.
- 9.6 Nominating Committee. The members of the Nominating Committee shall be Board Directors appointed by the President and approved by the Board of Directors. The President shall designate one of the members as the Chair of the Nominating Committee who shall be approved by the Board of Directors. Members shall serve a term of three (3) years and be subject to renewal. The Chair shall serve a term of three (3) years in that position and be subject to renewal. At least three (3) members serving may not be eligible for re-election to an Officers' position during any election cycle. The Nominating Committee is responsible for identifying and nominating Officers of the Board annually for approval by the Board of Directors.
- 9.7 Other Committees and Task Forces. The Board of Directors may create other committees, including ad hoc advisory committees or task forces, consisting

of at least one (1) Board member as Chair and other persons as necessary or appropriate for specific, time-delineated purposes.

## **ARTICLE TEN INDEMNIFICATION**

- 10.1 Indemnification. The Corporation shall indemnify and hold harmless each current and former Officer and Director (“Indemnified Person”) from and against any loss, expense, damage or injury suffered or sustained by such Indemnified Person by reason of any acts or omissions or alleged acts or omissions arising out of his/her activities on behalf of the Corporation or in furtherance of the interests of the Corporation, including, but not limited to, any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim, provided that the act or omissions, or alleged acts or omissions, upon which such actual or threatened action, proceeding or claim is based were performed or omitted in good faith and in a manner reasonably believed by the Indemnified Person to be within the scope of the authority conferred upon such person and in the best interests of the Corporation. Such indemnification shall be made only to the extent of assets of the Corporation and shall not extend to conduct by the Indemnified Person adjudged to be a breach of his fiduciary or other duties to the Corporation.
- 10.2 Payment. If an Indemnified Person becomes involved in any capacity in any matter to which he/she is entitled to indemnification, then the Corporation shall reimburse such person for his/her reasonable legal and other reasonable out-of-pocket expenses (including, but not limited to, the cost of any investigation and preparation and establishing a right to indemnification; “Defense Costs”) as they are incurred in connection therewith; provided that such Indemnified Person shall have executed an agreement satisfactory to the Corporation agreeing to promptly repay the Corporation the amount of any such reimbursed expenses paid to it if it shall ultimately be determined that such Indemnified Person was not entitled to be indemnified by the Corporation in connection with such action, proceeding, or investigation. If such conditions are not satisfied, then reimbursement of Defense Costs shall be made after successful defense of matter to which the foregoing indemnification provisions apply.
- 10.2 Indemnification Not Exclusive of Other Rights. The indemnification provided in this Article 10 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of

Incorporation or these Bylaws, or any agreement, vote of disinterested Directors, or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, Officer, employee, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such person.

- 10.3 Insurance. The Corporation shall purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as Director, Officer employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Corporation would have the power to indemnify such person.

## **ARTICLE ELEVEN**

### **GENERAL PROVISIONS**

- 11.1 Records and Reports. All of the Corporation's records shall be maintained in written form or in another form capable of conversion into written form within a reasonable time. The Corporation shall keep as permanent records minutes of all meetings of the Board of Directors and a record of all actions taken by the Board of Directors without a meeting. The Corporation shall maintain appropriate accounting records in compliance with policies set forth by the Board of Directors.
- 11.2 Fiscal Year. The fiscal year of the Corporation shall begin on July 1 of each year and shall end on June 30, unless otherwise determined by the Board of Directors.
- 11.3 Severability. Should any provision of these Bylaws become ineffective or be declared to be invalid for any reason, such provision shall be severable from the remainder of these Bylaws and all other provisions of these Bylaws shall continue to be in full force and effect.
- 11.4 Amendments. These Bylaws may be altered, amended, repealed or added to by an affirmative vote of not less than two-thirds of the Board of Directors.

## **ARTICLE TWELVE**

### **TAX-EXEMPT STATUS**

- 12.1 Tax-Exempt Status. The Affairs of the Corporation at all times shall be conducted in such a manner as to assure the Corporation's status as an organization qualifying for exemption from taxation pursuant to Section 501 (c)(3) of the Internal Revenue Code.
- 12.2 Distribution Upon Dissolution. In the event of the dissolution of the Corporation, all assets owned by Montgomery County will be returned to the County and all assets owned by the Corporation shall be distributed according to a policy in conformance with the Articles of Incorporation for one or more exempt purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. Any such assets not so disposed shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

### **ARTICLE THIRTEEN**

#### **ADOPTION OF BYLAWS**

Montgomery Community Media was organized under the laws of the State of Maryland on September 5, 1984. The original Bylaws were adopted by the Board of Directors of the Corporation and became effective as of September 5, 1984. The Bylaws were amended and adopted by the Board of Directors of the Corporation as of October 10, 2014 and August 16, 2019.

Approved:

**MONTGOMERY COMMUNITY MEDIA**  
A Maryland nonprofit corporation

By 

**Jeffrey Slavin**  
**Board of Directors President**

MCM BOD\By-Laws\Bylaws Amended\Bylaws Amend - Final.docx

## **Montgomery Community Television Code of Ethics**

### **Adopted September 17, 2007**

#### **Preamble**

This Code is a guide for MCT stakeholders, who include Board members, management staff, employees, interns, corporate and public access volunteers, certified members, facility users, contractors and any other persons designated as stakeholders by the Executive Committee of the Board of Directors. The Code does not cover every situation but serves as a guide to the ethical behavior expected of MCT stakeholders.

In addition to this Code of Ethics, MCT stakeholders are expected to behave in a way that reflects MCT's *Core Values*, and members of the Board are expected to adhere to the *Board of Directors' Role* statement, both adopted in June 2007.

Review of alleged violations by a member of the Board of Directors of this Code of Ethics, Core Values and Board of Directors Role statements is the responsibility of the Executive Committee. Appeals of the Executive Committee's decision may be taken to the full Board of Directors. Review of alleged violations of this Code of Ethics by other stakeholders are the responsibility of the Executive Director or appropriate Board committee.

#### **1. Conflict of Interest**

MCT stakeholders should avoid conflict of interest. A conflict of interest may arise if a stakeholder's personal interests clash with the best interest of MCT and endanger his or her impartiality. Even in the absence of improper actions, a perceived conflict of interest can create an appearance of impropriety that can undermine confidence in the stakeholder's ability to make ethical decisions<sup>i</sup>.

A variety of situations may give rise to a conflict of interest, for example: Considering the purchase or lease of goods, services, or properties from a relative<sup>ii</sup> or business associate or considering such a person for MCT employment; receiving gifts, gratuities or favors of a substantial nature<sup>iii</sup> from a person or entity that does business, or seeks to do business with MCT; giving business to a relative, business associate or an organization that employs the stakeholder or that they represent.

#### ***Disclosure of Actual or Potential Conflicts of Interest***

Stakeholders are obliged to disclose to the Executive Committee any actual, perceived, or potential conflict of interest as soon as it is known, in writing, within 15 days of discovery. The Executive Committee will recommend appropriate organizational response to the Board of Directors<sup>iv</sup>.

#### **2. Privacy and Confidentiality**

MCT Stakeholders respect and honor MCT's and its stakeholders' right to privacy and confidentiality<sup>v</sup>.

In their dealings with each other, the public and the media, stakeholders may not disclose confidential or proprietary company business, personnel, or financial information to anyone outside of the organization unless required to do so in the course of normal MCT business or legally authorized to do so<sup>vi</sup>. Nor may they disclose original material developed or created by or

for stakeholders, including after their involvement with MCT has ended. Stakeholders maintain the confidentiality of personal information in accordance with MCT's security procedures and must not release it without expressed agreement of the individual/s concerned.

### **3. Lobbying and Political Advocacy**

MCT and its stakeholders may engage in advocacy including lobbying to achieve improvements for the people and communities it serves. In their personal capacity, stakeholders may take part in partisan political activity and as producers of programming they may articulate partisan opinions on MCT channels.

In MCT programs and activities (including "Get out the Vote" drives, candidate forums and debates, issues advertisements and other activities) MCT must remain scrupulously nonpartisan, inclusive, and objective.

### **4. Fiduciary Responsibility**

MCT stakeholders should act in good faith, in a manner that is in the best interests of MCT, with the care that an ordinarily prudent person would exercise under similar circumstances.

#### **Board Members:**

To fulfill his or her fiduciary responsibilities, it is generally understood that a Board member must:

- Attend and participate in Board meetings,
- Stay informed about the affairs of MCT,
- Put MCT's interest first and not use his or her position for the benefit of personal interest.

- 
- i A conflict of interest may be avoided by disclosing the facts to the Executive Committee in advance and receiving a favorable opinion, or avoiding the situation if the opinion is unfavorable.
  - ii For purposes of this Code family relationships include: spouse, partner, parent, guardian. child -- natural, foster or adopted--- niece, nephew, grandparents, grandchild, aunt, uncle, foster parent, immediate family in-laws, and siblings, or other relative or person who is a member of your household.
  - iii Valued at \$50 or more per event.
  - iv If the Board of Directors determines the stake holder has failed to disclose an actual or potential conflict of interest, it shall inform him or her of the basis for the decision and afford the person an opportunity to appeal the alleged failure to disclose. After hearing the appeal, the Board will determine appropriate disciplinary and corrective action.
  - v As a nonprofit organization, MCT is required to make available to members of the public upon request: (i) The original Form 1023 (application for tax exempt status); (ii) the IRS determination letter, granting tax-exempt status; (iii) the three most recent Form 990s, the federal information tax returns.
  - vi Board members must not disclose non-public information to non-Board members.

**Violations of the Code of Ethics, Core Values, or Board of Directors Role  
Policy-and Procedures**

Approved March 15, 2010

**Policy**

Review of alleged violations of the Code of Ethics, Core Values, or Board of Directors Role by a member of the Board of Directors is the responsibility of the Executive Committee. Decisions of the Executive Committee may be appealed as described in the MCT Bylaws Article III, Section 9, Removal of Directors. Review of alleged violations of the Code of Ethics or Core Values by other stakeholders including but not limited to MCT employees and volunteers is the responsibility of the Executive Director.

**Procedures**

Alleged violations by a Board of Directors Member will be handled as follows:

1. An employee or volunteer submits his/her allegation of violation of the Code of Ethics, Core Values, or Board of Directors Role in writing to the appropriate MCT department manager who forwards the allegation to the Executive Director. The Executive Director then refers the allegation to the Board President.
2. A Board Member submits his/her allegation of violation of the Code of Ethics, Core Values, or Board of Directors Role to the Board President.
3. The Board President notifies the alleged violator of the specific allegation(s), discusses it with him/her and the President may then begin an investigation, if warranted.
4. The Board President informs the Executive Committee of his/her findings.
5. If the Executive Committee determines that the alleged violation is not true, it sends the Board Member and Executive Director a written notice dismissing the allegation. The Executive Director shares the decision with the department manager who then informs the employee or volunteer.
6. If the Executive Committee determines that the alleged violation is true, it sends the offending Board Member a written notice outlining the violation and recommendation for corrective action.
7. The violation is announced and briefly described in the President's Report at the next Board of Directors meeting. The names of the individuals involved are not disclosed.
8. If the Executive Committee determines that the violation is serious enough to warrant immediate removal from the Board of Directors, it implements the MCT Bylaws, Article III, Section 9, Removal of Directors.

9. While the Executive Committee may determine that the violation is not serious enough to warrant immediate removal from the Board of Directors, if the Board Member commits a second violation that the Executive Committee finds to be true, the Executive Committee then implements the MCT Bylaws, Article III, Section 9, Removal of Directors.

Alleged violations by an employee or volunteer will be handled as follows:

An employee or volunteer submits his/her allegation of violation of the Code of Ethics or Core Values in writing to the appropriate MCT department manager who then forwards the allegation to the Executive Director for his/her review and action in accordance with the MCT Employees Handbook or the Statement of Public Access Policy, revised September 20, 2004.



**Montgomery Community Television Board of Directors  
Conflict of Interest Policy and Disclosure Form**

As a member of the MCT Board of Directors, I recognize that I have a general duty to avoid conflict of interest with the organization. The purpose of the Conflict of Interest Policy is to help inform the Board about what constitutes a conflict of interest, assist the Board in identifying and disclosing actual and potential conflict, and help ensure the avoidance of conflict of interest where necessary. This policy may be enforced against individual Board Members as described:

**Confidentiality**

**All confidential information and draft documents** that I receive from the organization and others in connection with my service with the Board will be treated with strict confidentiality. This includes forms, oral, written, or electronic information contained or stored in computers. Neither the contents nor the existence of this information or documentation will be shared with anyone other than Board Members, Committee Members, or appropriate employees.

**Fiduciary**

Board Members have a fiduciary duty to conduct themselves without conflict to the interests of MCT. In their capacity as Board Members, they must act in accordance with the best interest of the organization.

**Disclosure**

All conflicts of interest are not necessarily prohibited or harmful to the organization. However, a Board Member must promptly make full disclosure of all actual and potential conflicts to the Board on any personal or outside interest, relationship or responsibility (financial, professional or otherwise) that may deleteriously affect the organization.

**Recusal**

Any Board Member with such an interest, relationship or responsibility which conflicts with the interest of MCT, shall recuse himself or herself from any discussions or voting on motions that may be affected by the conflict of interest.

On an annual basis, all Board Members shall be provided a copy of this policy and required to complete and sign this acknowledgment and disclosure form.

### Montgomery Community Media Financial Disclosure

- ☐ I have **relevant relationship(s)** with the following communications companies (i.e. Comcast, Verizon, RCN etc.):

Name of communication company(s):

Brief description of interest(s) or activity:

or

- ☐ I have **no relevant relationship(s)** to disclose.

Full Name Printed

Signature

Date

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**Montgomery Community  
Television, Inc.**

**Financial Statements and  
Independent Auditor's Reports**

**For the Years Ended  
June 30, 2025 and 2024**

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**CERTIFIED PUBLIC ACCOUNTANTS  
& BUSINESS ADVISORS**



## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Montgomery Community Television, Inc.

### **Opinion**

We have audited the accompanying financial statements of Montgomery Community Television, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Montgomery Community Television, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Montgomery Community Television, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Montgomery Community Television, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute

assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Montgomery Community Television, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Montgomery Community Television, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*LSWG, P.A.*

Rockville, Maryland  
October 28, 2025

**Montgomery Community Television, Inc.**

**Statements of Financial Position**

**June 30,**

**Assets**

|                                     | <b>2025</b>                | <b>2024</b>                |
|-------------------------------------|----------------------------|----------------------------|
| <b>Current Assets</b>               |                            |                            |
| Cash and cash equivalents           | \$ 1,527,890               | \$ 1,698,388               |
| Grants receivable                   | 238,094                    | 22,751                     |
| Accounts receivable                 | 52,789                     | 37,780                     |
| Prepaid expenses                    | 16,668                     | 37,114                     |
| Deposits                            | 15,695                     | 15,695                     |
| Other assets                        | <u>1,569</u>               | <u>1,569</u>               |
| Total Current Assets                | 1,852,705                  | 1,813,297                  |
| Investments                         | 1,421,835                  | 1,339,003                  |
| Right of use operating lease assets | 1,314,371                  | 1,521,615                  |
| Property and equipment, net         | <u>484,852</u>             | <u>616,265</u>             |
| <b>Total Assets</b>                 | <u><u>\$ 5,073,763</u></u> | <u><u>\$ 5,290,180</u></u> |

**Liabilities and Net Assets**

|                                                      |                            |                            |
|------------------------------------------------------|----------------------------|----------------------------|
| <b>Current Liabilities</b>                           |                            |                            |
| Accounts payable                                     | \$ 60,805                  | \$ 92,114                  |
| Accrued vacation                                     | 67,936                     | 69,143                     |
| Accrued salaries                                     | 42,381                     | 42,495                     |
| Deferred revenue                                     | -                          | 7,500                      |
| Operating lease liabilities - current portion        | <u>204,713</u>             | <u>201,647</u>             |
| Total Current Liabilities                            | 375,835                    | 412,899                    |
| <b>Long-Term Liabilities</b>                         |                            |                            |
| Operating lease liabilities - net of current portion | <u>1,217,081</u>           | <u>1,421,794</u>           |
| Total Liabilities                                    | <u>1,592,916</u>           | <u>1,834,693</u>           |
| <b>Net Assets</b>                                    |                            |                            |
| Without donor restrictions                           | <u>3,480,847</u>           | <u>3,455,487</u>           |
| Total Net Assets                                     | <u>3,480,847</u>           | <u>3,455,487</u>           |
| <b>Total Liabilities and Net Assets</b>              | <u><u>\$ 5,073,763</u></u> | <u><u>\$ 5,290,180</u></u> |

The accompanying notes are an integral part of these statements.

**Montgomery Community Television, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended June 30, 2025**

|                                       | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b> |
|---------------------------------------|---------------------------------------|------------------------------------|--------------|
| <b>Revenue and Other Support</b>      |                                       |                                    |              |
| County contracts                      | \$ 3,084,048                          | \$ -                               | \$ 3,084,048 |
| Production services                   | 25,352                                | -                                  | 25,352       |
| Grants and contributions              | 124,676                               | -                                  | 124,676      |
| Investment income, net of fees        | 109,984                               | -                                  | 109,984      |
| Other income                          | 12,815                                | -                                  | 12,815       |
| In kind contributions                 | 5,574                                 | -                                  | 5,574        |
| Net assets released from restriction  | -                                     | -                                  | -            |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| Total Revenue and Other Support       | 3,362,449                             | -                                  | 3,362,449    |
| <b>Expenses</b>                       |                                       |                                    |              |
| Program services                      |                                       |                                    |              |
| News & public information             | 558,171                               | -                                  | 558,171      |
| Education & community engagement      | 467,302                               | -                                  | 467,302      |
| Technology & network                  | 154,061                               | -                                  | 154,061      |
| Production & creative services        | 1,005,617                             | -                                  | 1,005,617    |
| Total Program Services                | 2,185,151                             | -                                  | 2,185,151    |
| Supporting services                   |                                       |                                    |              |
| General & administrative              | 990,548                               | -                                  | 990,548      |
| Fundraising                           | 161,390                               | -                                  | 161,390      |
| Total Supporting Services             | 1,151,938                             | -                                  | 1,151,938    |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| Total Expenses                        | 3,337,089                             | -                                  | 3,337,089    |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| <b>Changes in Net Assets</b>          | 25,360                                | -                                  | 25,360       |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| <b>Net Assets - Beginning of Year</b> | 3,455,487                             | -                                  | 3,455,487    |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| <b>Net Assets - End of Year</b>       | \$ 3,480,847                          | \$ -                               | \$ 3,480,847 |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |

The accompanying notes are an integral part of this statement.

**Montgomery Community Television, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended June 30, 2024**

|                                       | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b> |
|---------------------------------------|---------------------------------------|------------------------------------|--------------|
| <b>Revenue and Other Support</b>      |                                       |                                    |              |
| County contracts                      | \$ 3,270,655                          | \$ -                               | \$ 3,270,655 |
| Production services                   | 68,849                                | -                                  | 68,849       |
| Grants and contributions              | 175,921                               | -                                  | 175,921      |
| Investment income, net of fees        | 134,064                               | -                                  | 134,064      |
| Other income                          | 13,486                                | -                                  | 13,486       |
| In kind contributions                 | 641                                   | -                                  | 641          |
| Net assets released from restriction  | -                                     | -                                  | -            |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| Total Revenue and Other Support       | 3,663,616                             | -                                  | 3,663,616    |
| <b>Expenses</b>                       |                                       |                                    |              |
| Program services                      |                                       |                                    |              |
| Content                               | 755,674                               | -                                  | 755,674      |
| Education & community engagement      | 515,177                               | -                                  | 515,177      |
| Technology & network                  | 253,863                               | -                                  | 253,863      |
| Production services                   | 740,908                               | -                                  | 740,908      |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| Total Program Services                | 2,265,622                             | -                                  | 2,265,622    |
| Supporting services                   |                                       |                                    |              |
| General & administrative              | 1,000,063                             | -                                  | 1,000,063    |
| Fundraising                           | 162,956                               | -                                  | 162,956      |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| Total Supporting Services             | 1,163,019                             | -                                  | 1,163,019    |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| Total Expenses                        | 3,428,641                             | -                                  | 3,428,641    |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| <b>Changes in Net Assets</b>          | 234,975                               | -                                  | 234,975      |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| <b>Net Assets - Beginning of Year</b> | 3,220,512                             | -                                  | 3,220,512    |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |
| <b>Net Assets - End of Year</b>       | \$ 3,455,487                          | \$ -                               | \$ 3,455,487 |
|                                       | <hr/>                                 | <hr/>                              | <hr/>        |

The accompanying notes are an integral part of this statement.

**Montgomery Community Television, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2025**

|                                | Program Services                |                                          |                         |                                      | Supporting Services         |             |              |
|--------------------------------|---------------------------------|------------------------------------------|-------------------------|--------------------------------------|-----------------------------|-------------|--------------|
|                                | News<br>& Public<br>Information | Education and<br>Community<br>Engagement | Technology<br>& Network | Production<br>& Creative<br>Services | General &<br>Administrative | Fundraising | Total        |
| Salaries                       | \$ 328,310                      | \$ 308,699                               | \$ 52,594               | \$ 644,213                           | \$ -                        | \$ 89,016   | \$ 1,861,340 |
| Benefits and payroll tax       | 87,751                          | 59,245                                   | 7,062                   | 145,110                              | 105,602                     | 26,137      | 430,907      |
| Rent and property tax          | 42,409                          | 40,725                                   | 10,359                  | 101,004                              | 52,977                      | 10,100      | 257,574      |
| Contract and professional fees | 44,115                          | 1,516                                    | 48,268                  | 4,140                                | 57,435                      | 5,956       | 161,430      |
| Depreciation and amortization  | 22,895                          | 24,287                                   | 7,911                   | 69,196                               | -                           | 15,921      | 140,210      |
| Repairs and maintenance        | -                               | 466                                      | 21,490                  | 2,779                                | 175,256                     | -           | 199,991      |
| Utilities                      | 8,021                           | 7,118                                    | 1,716                   | 16,074                               | 35,347                      | 1,607       | 69,883       |
| Equipment and software         | 6,701                           | 10,457                                   | 3,150                   | 11,183                               | 26,119                      | 2,005       | 59,615       |
| Insurance                      | -                               | -                                        | -                       | -                                    | 38,509                      | -           | 38,509       |
| Bank fees                      | -                               | 578                                      | -                       | 42                                   | 5,756                       | 157         | 6,533        |
| Dues and subscriptions         | 180                             | 514                                      | -                       | 925                                  | 7,285                       | 1,014       | 9,918        |
| Supplies                       | 1,373                           | 9,952                                    | 811                     | 6,677                                | (570)                       | 783         | 19,026       |
| Travel                         | 1,450                           | 831                                      | -                       | 4,200                                | 4,855                       | 1,045       | 12,381       |
| Other human resources          | 1,702                           | 1,648                                    | 700                     | 74                                   | 12,998                      | 520         | 17,642       |
| Advertising and promotion      | 13,264                          | 1,266                                    | -                       | -                                    | 2,782                       | 1,055       | 18,367       |
| In-kind                        | -                               | -                                        | -                       | -                                    | -                           | 5,574       | 5,574        |
| Credit losses                  | -                               | -                                        | -                       | -                                    | 16,720                      | -           | 16,720       |
| Board expense                  | -                               | -                                        | -                       | -                                    | 4,404                       | -           | 4,404        |
| Tax expense                    | -                               | -                                        | -                       | -                                    | 6,565                       | -           | 6,565        |
| Sponsorship and contributions  | -                               | -                                        | -                       | -                                    | -                           | 500         | 500          |
| Total Expenses                 | \$ 558,171                      | \$ 467,302                               | \$ 154,061              | \$ 1,005,617                         | \$ 990,548                  | \$ 161,390  | \$ 3,337,089 |

**Montgomery Community Television, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2024**

|                                | Program Services        |            |                      |                  | Supporting Services      |       |              |
|--------------------------------|-------------------------|------------|----------------------|------------------|--------------------------|-------|--------------|
|                                | Education and Community |            | Technology & Network |                  | General & Administrative |       | Total        |
|                                | Content                 | Engagement | Production Services  | Program Services | Fundraising              |       |              |
| Salaries                       | \$ 454,797              | \$ 309,227 | \$ 50,435            | \$ 487,565       | \$ 88,112                | \$    | \$ 1,826,253 |
| Benefits and payroll tax       | 132,727                 | 90,434     | 2,531                | 97,062           | 24,405                   |       | 434,232      |
| Rent and property tax          | 64,180                  | 37,684     | 25,725               | 66,881           | 11,319                   |       | 257,236      |
| Contract and professional fees | 19,414                  | 9,852      | 112,299              | 3,833            | 21,519                   |       | 249,627      |
| Depreciation and amortization  | 46,205                  | 26,040     | 17,408               | 47,873           | 7,544                    |       | 145,070      |
| Repairs and maintenance        | -                       | -          | 32,966               | -                | 170,790                  | -     | 203,756      |
| Utilities                      | 12,485                  | 6,649      | 4,732                | 11,612           | 39,952                   | 1,964 | 77,394       |
| Equipment and software         | 3,668                   | 21,089     | 6,400                | 7,981            | 39,482                   | 25    | 78,645       |
| Insurance                      | -                       | -          | -                    | -                | 36,479                   | -     | 36,479       |
| Bank fees                      | -                       | 313        | -                    | 73               | 1,732                    | 17    | 2,135        |
| Dues and subscriptions         | 319                     | 759        | -                    | 576              | 15,406                   | 2,563 | 19,623       |
| Supplies                       | 1,905                   | 6,262      | 1,367                | 10,214           | 6,400                    | 3,321 | 29,469       |
| Travel                         | 2,201                   | 3,645      | -                    | 6,167            | 3,367                    | 942   | 16,322       |
| Other human resources          | 1,935                   | 1,539      | -                    | 236              | 22,911                   | 520   | 27,141       |
| Advertising and promotion      | 15,838                  | 1,684      | -                    | 194              | 259                      | 550   | 18,525       |
| In-kind                        | -                       | -          | -                    | 641              | -                        | -     | 641          |
| Board expense                  | -                       | -          | -                    | -                | 1,872                    | -     | 1,872        |
| Tax expense                    | -                       | -          | -                    | -                | 3,066                    | -     | 3,066        |
| Sponsorship and contributions  | -                       | -          | -                    | -                | 1,000                    | 155   | 1,155        |
| Total Expenses                 | \$ 755,674              | \$ 515,177 | \$ 253,863           | \$ 740,908       | \$ 162,956               | \$    | \$ 3,428,641 |

The accompanying notes are an integral part of this statement.

**Montgomery Community Television, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended June 30,**

|                                                                                                           | <u>2025</u>         | <u>2024</u>         |
|-----------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>                                                               |                     |                     |
| Changes in net assets                                                                                     | \$ 25,360           | \$ 234,975          |
| Adjustments to reconcile changes in net assets to<br>net cash provided by (used in) operating activities: |                     |                     |
| Depreciation and amortization                                                                             | 140,210             | 145,070             |
| Amortization of right of use operating lease assets                                                       | 250,700             | 259,394             |
| Net unrealized gain on investments                                                                        | (50,832)            | (113,069)           |
| Credit losses                                                                                             | 16,720              | -                   |
| Changes in assets and liabilities                                                                         |                     |                     |
| Grants receivable                                                                                         | (215,343)           | -                   |
| Accounts receivable                                                                                       | (31,729)            | 131,805             |
| Prepaid expenses                                                                                          | 20,446              | (4,391)             |
| Other assets                                                                                              | -                   | (55)                |
| Accounts payable                                                                                          | (31,309)            | (12,560)            |
| Accrued vacation                                                                                          | (1,207)             | (9,504)             |
| Accrued salaries                                                                                          | (114)               | 4,787               |
| Deferred revenue                                                                                          | (7,500)             | (57,794)            |
| Operating lease liabilities                                                                               | <u>(245,103)</u>    | <u>(247,974)</u>    |
| <b>Net Cash Provided by (Used in) Operating Activities</b>                                                | <u>(129,701)</u>    | <u>330,684</u>      |
| <b>Cash Flows from Investing Activities</b>                                                               |                     |                     |
| Purchase of property and equipment                                                                        | (8,798)             | (17,076)            |
| Purchase of investments                                                                                   | (168,217)           | (175,778)           |
| Proceeds from sale of investments                                                                         | <u>136,218</u>      | <u>168,405</u>      |
| <b>Net Cash Provided by (Used in) Investing Activities</b>                                                | <u>(40,797)</u>     | <u>(24,449)</u>     |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>                                                   | (170,498)           | 306,235             |
| <b>Cash and Cash Equivalents - Beginning of Year</b>                                                      | <u>1,698,388</u>    | <u>1,392,153</u>    |
| <b>Cash and Cash Equivalents - End of Year</b>                                                            | <u>\$ 1,527,890</u> | <u>\$ 1,698,388</u> |
| <b>Supplemental Disclosures:</b>                                                                          |                     |                     |
| Interest paid                                                                                             | <u>\$ -</u>         | <u>\$ -</u>         |
| Income taxes paid                                                                                         | <u>\$ 2,319</u>     | <u>\$ 2,755</u>     |

The accompanying notes are an integral part of these statements.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**1. Nature of Organization**

Montgomery Community Television, Inc. (“MCT”) (d/b/a Montgomery Community Media) was formed in 1984 as a nonprofit organization. The principal function of MCT is to facilitate public access programming over the cable television system in Montgomery County, Maryland (“the County”).

**2. Summary of Significant Accounting Policies**

- (a) **Basis of Accounting** – The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized in the period in which they are earned. Expenses are recognized when the obligation is incurred.
- (b) **Basis of Presentation** - Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of MCT are classified in the following two classes:

Net Assets Without Donor Restrictions – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Board-designated net assets are net assets without donor restrictions that are used only for the specific purpose by board resolution. At June 30, 2025 and 2024, MCT did not have any board-designated or restricted net assets.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. MCT treats all contributions in which the restrictions are met in the current year as net assets without donor restrictions.

- (c) **Cash and Cash Equivalents** - For purposes of the statements of cash flows, MCT considers all highly liquid investments initially purchased with a maturity of three months or less to be cash equivalents.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**2. Summary of Significant Accounting Policies (continued)**

- (d) **Receivables** – Grants and accounts receivable consist primarily of noninterest bearing amounts due for contract and production services. Accounts receivables are reported net of an allowance for credit losses. The Organization's estimate of the allowance is based on historical collection experience and a review of the current status of accounts receivable. Management believes all grants receivable are collectible therefore no allowance for credit losses has been established. Credit loss expense totaled \$16,720 for the year ended June 30, 2025. There were no credit losses for the year ended June 30, 2024.

Unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discount is included in contribution revenue in the statements of activities and changes in net assets. We determine the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions and a review of subsequent collections. Promises to give are written off when deemed uncollectible. There is no allowance account at June 30, 2025 and 2024.

- (e) **Investments** – Investments are reported at their fair values in the statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.
- (f) **Property and Equipment** - Property and equipment are recorded at cost, or if donated, the assets are recorded at the estimated fair value at the date of receipt. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of 3 to 7 years, with no salvage value. Leasehold improvements are recorded at cost and are amortized on a straight-line basis over the lesser of the remaining life of the lease or the estimated useful lives of the improvements.

MCT capitalizes all expenditures for property and equipment over \$2,000. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities and changes in net assets. Expenditures for major repairs and improvements are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**2. Summary of Significant Accounting Policies (continued)**

(g) **Revenue Recognition** - MCT recognizes contribution revenue (cash, securities or other assets) when there is an unconditional promise to give; or when a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Amounts received in advance are recorded as deferred revenue until the condition is met. In-kind donations have been recorded based on estimated fair value at the point in time received.

(h) **County Contracts and Grants and Contributions** - Under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (ASU 2018-08)*, County contracts constitute contributions since the customer does not receive commensurate value or the consideration received by MCT; rather the purpose of the arrangement is for the benefit of the general public. Therefore, management concluded the agreements are conditional when a right of return/release and barriers to entitlements to funds exist.

Revenue is recognized when an unconditional promise is made or when the condition is satisfied. The nature of the conditions is based on incurring qualifying expenses or satisfying a deliverable; thus, the pattern of revenue recognition remained consistent with previous years. As of June 30, 2025 and 2024, MCT received conditional promises to give of \$3,084,048 and \$3,270,655, respectively, that was recognized once allowable expenses under the award agreements were incurred.

(i) **Contributed Goods and Services** - Contributed goods are recorded at their fair value at the date of receipt.

During the years ended June 30, 2025 and 2024, MCT received approximately 5,978 hour and 3,565 hours, respectively of volunteer independent producing services for programing that is cablecast on MCT's channels. The value of these volunteer hours is not reflected in these financial statements since the services provided did not require specialized skills and there is no objective basis available to measure the value of the services.

(j) **Advertising and Promotion** – Advertising and promotion costs are expensed as incurred. During the years ended June 30, 2025 and 2024, advertising and promotion costs totaled \$18,367 and \$18,525, respectively.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**2. Summary of Significant Accounting Policies (continued)**

- (k) Functional Allocation of Expenses** – The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of MCT are reported as direct expenses and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis. Although these allocation estimates are reasonable, actual expenses by function may differ. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of MCT.
- (l) Leases** – MCT previously adopted Topic 842, *Leases*, which requires lessees to recognize a ROU asset and lease liability on the statements of financial position for all leases with a term longer than 12 months. Leases will be classified as finance or operating leases, with the classification affecting the pattern and classification of expense recognition in the statements of activities and changes in net assets. MCT has applied the practical expedient which allows the use of a risk-free rate to determine the present value of the lease liability. MCT has chosen to separate lease and non-lease components in determining the ROU asset and lease liability; therefore, charges for common area maintenance (CAM) have not been included with the ROU asset and lease liability on the statements of financial position. Lastly, MCT has chosen not to apply Topic 842 to low value assets.
- (m) Use of Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from those estimates.
- (n) Income Taxes** – MCT is exempt from federal income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been designated by the Internal Revenue Service as a publicly supported organization under Section 509 (a)(1) of the Code. Although MCT is generally exempt from income tax, MCT is subject to unrelated business income taxes under Section 512 of the IRC. MCT believes it has appropriate support for any tax position taken and, as such, does not have any uncertain tax positions that are material to the financial statements. Unrelated business income tax for the years ended June 30, 2025 and 2024 was \$2,319 and \$2,755, respectively.

As of June 30, 2025, the statute of limitations for tax years 2022 through 2024 remains open with the U.S. federal jurisdiction or the various states and any local jurisdictions in which MCT files tax returns.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**3. Concentrations and Credit Risk**

**Financial Instruments and Credit Risk**

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. MCT has never experienced any losses related to these balances and believes the organization is not exposed to any significant credit risk related to cash and cash equivalents. Amounts on deposit in excess of federally insured limits as of June 30, 2025 and 2024 were approximately \$1,267,492 and \$1,455,000, respectively.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

MCT's receivable balances consist primarily of amounts due from the County. Historically, MCT has not experienced significant losses related to the accounts receivable balances and, therefore, believes that the credit risk related to them is minimal.

**Major Contributors**

MCT receives a substantial portion of its support from a contract with Montgomery County. MCT relies on this contract to ensure the continuing operations. Any significant reduction in funding from the County may affect MCT's ability to carry out its program and other activities. Approximately 93% and 92% of MCT's total revenues for the years ended June 30, 2025 and 2024, respectively, is provided by Montgomery County through two separate contracts, namely, the Master Contract and the Combined Services Contract. Below is a summary description of each:

**Master Contract**

The Master Contract provides funds to MCT from the County's Cable TV Fund for the main purpose of operating two community access channels. The contract also specifies that MCT is to provide training services and equipment to community members for use in developing locally produced or locally sponsored programming. The Master Contract has been renewed through fiscal year 2026.

**Combined Services Contract**

The Combined Services Contract provides funds to MCT to provide certain technical assistance with cable television production to the Executive and Legislative Branch of the County Government in order to create programming on the Montgomery County government access channel. The Combined Services Contract has been renewed for fiscal year 2026 with three one year renewal options. The County has the option to terminate these two contracts ten days after written notice is provided to MCT.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**3. Concentrations and Credit Risk (continued)**

A summary of revenue by contract recognized by MCT is as follows for the years ended June 30:

|                            | 2025                | 2024                |
|----------------------------|---------------------|---------------------|
| Master contract            | \$ 2,857,084        | \$ 3,046,830        |
| Combined services contract | 226,964             | 223,825             |
|                            | <u>\$ 3,084,048</u> | <u>\$ 3,270,655</u> |

**4. Investments and Fair Value Measurements**

The FASB ASC 820, *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value for assets and liabilities subject fair value measurement. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 – Inputs to the valuation methodology include the following:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Inputs to valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used as of June 30, 2025 and 2024.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**4. Investments and Fair Value Measurements (continued)**

*Exchange Traded Funds* - Valued at quoted market prices in an exchange and active market.

*Common Stocks* - Valued at the closing share price reported on the active market on which the individual securities are traded.

*Corporate Bonds* - Valued at fair value based on quoted market prices for similar securities in active markets that MCT has the ability to access at the measurement date.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although MCT believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, MCT's investments at fair value as of June 30, 2025:

| Description                      | Level 1             | Level 2           | Level 3     | Total              |
|----------------------------------|---------------------|-------------------|-------------|--------------------|
| Exchange traded funds            | \$ 407,738          | \$ -              | \$ -        | \$ 407,738         |
| Common stocks                    | 876,071             | -                 | -           | 876,071            |
| Other assets                     | -                   | 78,148            | -           | 78,148             |
| Corporate bonds                  | -                   | 59,878            | -           | 59,878             |
| Total investments, at fair value | <u>\$ 1,283,809</u> | <u>\$ 138,026</u> | <u>\$ -</u> | <u>\$1,421,835</u> |

The following table sets forth by level, within the fair value hierarchy, MCT's investments at fair value as of June 30, 2024:

| Description                      | Level 1             | Level 2           | Level 3     | Total              |
|----------------------------------|---------------------|-------------------|-------------|--------------------|
| Exchange traded funds            | \$ 390,867          | \$ -              | \$ -        | \$ 390,867         |
| Common stock                     | 843,623             | -                 | -           | 843,623            |
| Other assets                     | -                   | 69,704            | -           | 69,704             |
| Corporate bonds                  | -                   | 34,809            | -           | 34,809             |
| Total investments, at fair value | <u>\$ 1,234,490</u> | <u>\$ 104,513</u> | <u>\$ -</u> | <u>\$1,339,003</u> |

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**5. Property and Equipment**

Property and equipment consisted of the following on June 30:

|                                                 | 2025              | 2024              |
|-------------------------------------------------|-------------------|-------------------|
| Furniture and equipment                         | \$ 162,243        | \$ 162,244        |
| Office and video equipment                      | 821,602           | 812,804           |
| Leasehold improvement                           | 512,501           | 512,501           |
| Website                                         | 49,690            | 49,690            |
| Property and equipment not yet in service       | 8,962             | 8,962             |
|                                                 | 1,554,998         | 1,546,201         |
| Less: accumulated depreciation and amortization | (1,070,146)       | (929,936)         |
|                                                 | <u>\$ 484,852</u> | <u>\$ 616,265</u> |

During the years ended June 30, 2025 and 2024, MCT recorded depreciation and amortization expense related to property and equipment of \$140,210 and \$145,070, respectively.

The County government purchases certain video and other equipment that is essential to the activities related to its contract with MCT. Substantially all video and other equipment MCT uses is provided without charge by the County. The value of this equipment, though substantial, is not determinable since the County currently does not provide MCT with cost information, as such this in-kind contribution has not been reflected in the financial statements nor as property and equipment within the statements of financial position.

Under the terms of the Master Contract (as described at Note 3), MCT may not use video equipment purchased with County funds after November 14, 1986 as collateral without prior County approval. MCT may not sell or dispose of any of the video equipment purchased after November 14, 1986 without first offering such equipment back to the County. Additionally, all furniture, office equipment, video equipment, vehicles and other similar types of personal property purchased with funds provided by the County under the Master Contract is to become the property of the County upon the termination or expiration of the contract.

**6. Defined Contribution Retirement Plan and Tax Deferred Annuity Plan**

MCT maintains two separate retirement plans. The first is a defined contribution retirement plan that covers employees that meet one year of service. Employees must complete at least 1,000 hours of service within that twelve-month period. Employer contributions to this plan equal 5% of each covered employee's compensation. The contributions vest over a five-year period at 20% per year. Non-vested retirement contributions are credited back to the plan upon termination of an employee thereby reducing MCT's annual contribution. For the years ended June 30, 2025 and 2024, MCT's contribution to the defined contribution retirement plan totaled \$61,029 and \$71,899, respectively.

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**6. Defined Contribution Retirement Plan and Tax Deferred Annuity Plan (continued)**

The second plan is a 403(b) tax-deferred annuity plan. The 403(b) plan is available for all employees of MCT and has no age or length of service requirements. All participant contributions under the 403(b) plan are made on a pre-tax basis and are fully and immediately vested. MCT makes no contributions to the 403(b) plan.

**7. Leases**

MCT has two leasing agreements for its office spaces and production studio spaces. The first lease expires on September 30, 2031 and provides for rental of 12,152 square feet. Monthly payments under the lease were \$18,126 for the year ended June 30, 2025 and escalate 2.75% annually. MCT has the option to extend the term of the lease for two consecutive periods of (5) years each.

The second lease expires on February 28, 2028 and provides for rental of 2,486 square feet. Monthly payments under the lease were between \$1,500 and \$1,575 for the year ended June 30, 2025 and escalate 5% every five years. MCT has the option to extend the term for one additional period of ten years.

MCT entered into a 63 month copier lease agreement in September 2019 for the rental of three copiers. Monthly payments under the lease were \$1,449 for the year ended June 30, 2025. The lease expired during the year and was not renewed. MCT purchased the copiers at the end of the lease term.

The operating lease liabilities consisted of the following at June 30:

|                                                      | 2025                | 2024                |
|------------------------------------------------------|---------------------|---------------------|
| Operating lease liabilities - current portion        | \$ 204,713          | \$ 201,647          |
| Operating lease liabilities - net of current portion | 1,217,081           | 1,421,794           |
| Total operating lease liabilities                    | <u>\$ 1,421,794</u> | <u>\$ 1,623,441</u> |

Future lease payments under the operating leases are as follows at June 30:

|                               |                     |
|-------------------------------|---------------------|
| 2026                          | \$ 242,391          |
| 2027                          | 248,537             |
| 2028                          | 248,552             |
| 2029                          | 242,440             |
| 2030                          | 249,106             |
| Thereafter                    | <u>321,707</u>      |
| Total undiscounted cash flows | 1,552,733           |
| Less: present value discount  | <u>(130,939)</u>    |
| Total lease liabilities       | <u>\$ 1,421,794</u> |

**Montgomery Community Television, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2025 and 2024**

**7. Leases (continued)**

Additional information regarding these leases is summarized below.

|                                                                     |       |
|---------------------------------------------------------------------|-------|
| Weighted-average remaining lease term in years for operating leases | 6.13  |
| Weighted-average discount rate for operating leases                 | 2.88% |

**8. Liquidity and Availability of Financial Assets**

MCT regularly monitors liquidity to meet its annual operating budget and other contractual commitments. Financial assets available for general expenditure within one year of the statement of financial position date consisted of the following at June 30:

|                                                                                    | 2025                | 2024                |
|------------------------------------------------------------------------------------|---------------------|---------------------|
| Financial assets:                                                                  |                     |                     |
| Cash and cash equivalents                                                          | \$ 1,527,890        | \$ 1,698,388        |
| Grants receivable                                                                  | 238,094             | 22,751              |
| Accounts receivable                                                                | 52,789              | 37,780              |
| Investments                                                                        | <u>1,421,835</u>    | <u>1,339,003</u>    |
|                                                                                    | 3,240,608           | 3,097,922           |
| Less amounts unavailable for general expenditure within one year due to:           |                     |                     |
| With donor restrictions                                                            | <u>-</u>            | <u>-</u>            |
| Financial assets available to meet cash needs for general expenses within one year | <u>\$ 3,240,608</u> | <u>\$ 3,097,922</u> |

As part of MCT's liquidity management, MCT has a policy to structure its financial assets to be available and liquid as its obligations become due. MCT has no debt on the statements of financial position as of June 30, 2025 and 2024, and typically pays its obligations using cash.

**9. Subsequent Events**

Management has evaluated subsequent events and transactions through October 28, 2025, the date that the financial statements were available to be issued. There were no events that required recognition or disclosure in the financial statements.

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**Amendments by Councilmember Stewart**

**Bill 33-26, Cable Communications - Community Media Organizations – Requirements**

*Amend lines 98 – 118 to read as follows:*

- (f) To be eligible for a contract with the County under this Section, a community media organization must:
  - (1) include on its board of directors up to 7 voting members who must be residents of the County, including:
    - (A) at least one member [[who is]] nominated by the County Council who:
      - (i) should have experience in the administration or financial management of a non-profit organization, a media organization, or a governmental entity; and
      - (ii) must not hold an elected position in government; and
    - (B) at least one member [[who is]] nominated by the County Executive who:
      - (i) should have experience in the administration or financial management of a non-profit organization, a media organization, or a governmental entity; and
      - (ii) must not hold an elected position in government;
  - (2) require each board member to file a financial disclosure statement with the Ethics Commission under Chapter 19A, as amended;
  - (3) provide training to its board of directors regarding ethical and fiduciary responsibilities; [[and]]
  - (4) adhere to the requirements of the Maryland Open Meetings Act, as amended, [[and the Maryland Public Information Act, as amended,]] as if the organization were a public body under [[those Acts]] the Act; and
  - (5) require the organization to publish a detailed annual report of its operations and accomplishments, including initiatives undertaken, outcomes, objectives, performance measures, and evaluation of effectiveness.

(g) A community media organization must provide the [[County]] Executive and the Council with:

- (1) regular and complete financial reports, at least quarterly, as well as all other reports required under its contract with the County[.]; [[and]]
- (2) [In addition, it must provide the County with] an annual independent audit, including a copy of any accompanying management letter; and
- (3) a copy of the annual report required under paragraph (5) of subsection (f) of this Section.

**Amendments by Council President Fani-González and Councilmember Stewart**

**Bill 33-26, Cable Communications - Community Media Organizations – Requirements**

*Amend lines 98-112 to read as follows:*

(f) To be eligible for a contract with the County under this Section, a community media organization must:

\* \* \*

(5) include within its bylaws provisions to:

- (A) prescribe the business, legal, and fiduciary responsibilities of board members;
- (B) prohibit board members from exercising editorial control over news reporting or news publishing decisions;
- (C) ensure independent and unbiased news and political coverage, free from pre-publication review by financial donors, government interference, or political influence; and
- (D) establish a comprehensive editorial independence policy aligned with industry standards.