

Akaku: Maui Community Television

2009 Operating Budget

Narrative Summary

Akaku's goal for FY2009 is to continue implementing our mission statement: "Empowering Our Community's Voice Through Access to Media" by offering a wide-range of programs and activities designed to support and upgrade the skills of current Akaku Community Producers, bring in new community producers and provide a wide-range of venues to offer a "voice" to community members that would not ordinarily participate in becoming a community producer.

We are proud to offer the following services:

- √ Educational programs that include training in Introduction to Television, Studio Production, Field Production and Post Production including Final Cut Pro for both youth and adults in Maui County.
- √ Educational programs that offer advanced production skills in field, studio and post production to both youth and adults in Maui County.
- √ The Around Maui Nui Project that targets the five rural/high risk communities including Hana, Molokai, Lanai, West Side and MCCC beginning and advanced skills classes training community producers and establishing a media equipment center in each community to enable the producers access to cameras and equipment for on-air content.
- √ Educational programs with partners in the Maui County Community such as Maui County Correctional Center, Aloha House Substance Abuse Programs, Maui Drug Court, Big Brothers/Big Sisters, Maui Economic Opportunity's Best Reintegration Program Center, Maui Economic Development Board's Focus Maui Nui, Kamehameha Schools and several of Maui's public schools such as King Kekaulike and Hana High School.
- √ Improved Facility Use for Akaku Certified Producers including a full-service Studio and a one-man video booth for daily "hot sets".
- √ Equipment Use for Akaku Certified Producers at Akaku center and five rural and at risk venues.
- √ A Media Lab with upgraded editing bays for Akaku Certified Producers
- √ Video posting support to the internet for Akaku Certified Producers and viewers at large on the Akaku website and Producer.Net.
- √ Evening Producer salons that offer workshops in a wide range of advanced skills training and lively discussions about film and video media with community leaders in media.
- √ A Maui Daily Program that will offer opportunities for Akaku Production Staff and Community members to submit timely short pieces for daily broadcasts about events and ideas that concern the broad spectrum of the Maui Community with a mentoring program that helps new Akaku Producers to produce content under supervision to enhance skills.
- √ Programming for Non-Commercial Private Production Submittal

- √ Community Speak-Out Programs in a daily “Hot Set” venue.
- √ PSA “Hot Sets” daily and Media Support for Non-Profits
- √ Offering a venue for series productions including Live Call-In Shows.
- √ Production for viewing of County Council Meetings, Mayor’s Office Conferences and Boards & Commissions Meetings
- √ Remote production for viewing of Boards & Commissions Meetings, Candidate Forums, Budget meetings in various communities and community events.
- √ Airing of meetings at the State Legislature.
- √ Increased coverage of marine ecosystem.
- √ Utilizing and developing new internet two- way video compatibility to improve outreach communication to rural areas through technologies such as “streaming” and remote testimonies.
- √ Increased focus on library and asset management.
- √ Expansion of community radio programming.
- √ Increased focus on grant writing and fund raising to offset the 25% payment to our Educational partners at University of Hawaii and Maui District Department of Education.
- √ Production for viewing of non-profit organization events by request.
- √ Offering the Candidates running for elected offices a venue to speak on the issues.
- √ Live mobile remote origination capability
- √ Ground breaking “Immersive News” coverage using new media technology

In FY2008, Akaku faced many challenges and has continued to provide the community with quality service consistently. Our Technical Director passed away in the middle of a major technology upgrade. Fortunately, we were able to employ another Technical Director and an IT Administrator to improve all technologies and solidify and stabilize our equipment inventory and IT network.

In early 2008, Jay April was offered a two-year contract as the Chief Executive Officer of Akaku by the Board of Directors based on an extremely favorable first year performance as the interim CEO. Jay continued the plan to simultaneously upgrade the facility, upgrade the channel signal and equipment, begin outreach opportunities with community partners, improve all administrative functions, complete the audits for FY07, revitalize the Akaku Producer base through volunteer opportunities and Producer Salons, improve training opportunities for staff and Akaku Producers, organize a media library, improve the Akaku Media Lab by installing Final Cut Pro, facilitate the badly needed major repairs to Akaku Center Building and recruit a professional and stable staff. He spearheaded bold programming initiatives incorporating new media into community television live event reporting and has set the stage for live remote broadcasting capability. He also was a major force in the legislative strategy to provide relief from the RFP process with the culmination of the work resulting in a House Resolution to further study the issue.

In FY2009, Akaku will prepare for a statewide task force on issues relating to the designation of PEG access, complete the development of the new strategic plan, develop and implement Board and Staff training programs, develop outreach programs with community partners to train new Producers with a focus on rural and high risk areas and increase efforts in Fund Development. Although very challenging, the staff and Board of Directors are focused to work together to accomplish all that is planned.

Operating Income

Franchise Fees

\$774,391.00

Akaku's FY2009 Operating Franchise Fees are derived from revenues generated by Oceanic Time Warner Cable in the year 2007 for the locations of Lahaina and Kahului in accordance with the Decision and Order 261. There is a 25% decrease in the amount listed in our operating budget due to payments made to the Maui District Department of Education and Maui Community College in accordance to the Educational Access Agreement dated April 7, 2005.

County Grants

\$274,454.00

There are two basic contracts with the County of Maui; one is the County Council meetings and the other is for the Boards and Commissions meetings as requested. In addition, the Mayor's Office, the County Office of Economic Development and the Office on Aging have all expressed interest in productions in this fiscal year but no contracts are in place to date.

Private Grant Funding

\$ 205,305.00

Akaku will be working with several Hawaii Community Foundation Grant sources, the Office of Hawaiian Affairs, the Hawaii Peoples Fund, and others. Development of Private Grant funding will be a priority of our Chief Executive Officer.

Akaku Production

\$ 26,050.00

Akaku Productions staff has established a network with other Maui County Non-Profit Organizations by producing programs by request. There is a steady increase in the need for this service and it is only limited by staff availability. Akaku offers the Non-Profit sector an In-Kind discount for production in keeping with our mission to empower our community's voice. This sector has increased income potential.

Interest Income/Dividends

\$ 20,462.00

Interest income and dividends are realized through the accounts that hold the Franchise Fees, Non-Franchise Fees and Capital Income not yet expensed through a daily sweep.

Training Fees

\$ 77,000.00

Training Fees are derived from fees collected for many classes in video production. With a new Education Director, an experienced instructor in classes in Final Cut Pro, Field Production and Studio Production, Akaku has significantly increased training program in regular bi-monthly offerings and youth camp opportunities.

Donations **\$ 15,500.00**

Donations are increasing due to increased community vitality and exposure, an engaged Board of Directors and printed media created by an extremely talented Communications Director.

Fund Raising **\$ 35,000.00**

Akaku will continue in the celebration of fifteen (15) years of service to the Maui Community this year and will be holding several Fund Raisers to request support as well as possible underwriting opportunities.

Other Income **\$ 21,000.00**

Other Income refers to sale of production media supplies such as DVD, CD, MiniDV tapes, merchandise sales, projector rentals, equipment damage fees, reimbursements and shipping/postage fees.

Total Operating Income **\$1,449,162.00**

Operating Expenses

Accounting **\$ 16,000.00**

This expense includes CPA quarterly mini-audits, the annual audit and tax preparations for both Akaku.

Advertising and Promotions **\$ 25,800.00**

This allocation is for classified advertising, print media such as brochures and quarterly newsletters and radio media.

Auto Expense **\$ 12,100.00**

This allocation is for auto supplies, repairs, registration, inspection and gas for both the Akaku van and the new remote production van. Also, includes gas and mileage for off-site production and administrative tasks.

Bank Charges **\$ 3,000.00**

This expense includes all bank servicing fees, Ceridian payroll service and merchant credit card processing fees.

Development **\$26,500.00**

This allocation is for fees for annual conferences, Board Training, continued development of an improved Strategic Plan and Staff Training.

Dues and Subscriptions**\$ 5,845.00**

This allocation includes membership fees for trade organizations, monthly, quarterly and annual subscriptions to publications such as newspapers, human resource and community organizations and fees associated with internet website and access.

Employee Benefits**\$87,174.00**

This allocation includes all medical and dental insurance costs with Kaiser and HMSA for employees and has factored in anticipated increases.

Employee Incentives**\$ 6,000.00**

This allocation allows for employees to celebrate occasions such as birthdays, holidays, feed production crews and other staff gatherings in appreciation of staff efforts.

Employee Insurance**\$ 16,130.00**

This allocation pays for workers compensation and temporary disability insurance.

Employee Payroll Taxes**\$81,880.00**

This allocation is for the expenses of Employer FICA/Medicare, SUI (State Unemployment Insurance) and FUTA (Federal Unemployment Insurance) costs.

Employee Retirement**\$ 39,950.00**

Employee retirement is an employee incentive to build and enhance the morale and longevity of Akaku employees. The employee pension plan includes a mandatory 1% participation by employees with a match by Akaku of 5%.

Employee Salaries and Wages**\$838,968.00**

Employees' salary and wages are paid semi-monthly in compliance with all Federal and State laws.

Fund Raising and Grant Writing**\$ 16,240.00**

This expense will enable Akaku to pay professional fund development specialists to help develop a Fund Development Plan and assist in the writing of new grants.

Insurance**\$ 22,000.00**

Akaku has insurance policies for Auto, Property, General Liability, Professional, Directors and Officers Liability, Employee Dishonesty and Event Insurance.

License & Fees**\$ 5,500.00**

This expense is for any license and fees that are associated with the operation of both the television and radio stations.

Operating (Overhead Expense)**\$ 12,980.00**

This expense includes monthly or quarterly maintenance fees such as janitorial, air conditioning, pest control, security, facility maintenance supplies and toiletries.

Outside Services **\$ 25,904.00**
This allocation is designed to provide funding for temporary work to assist in production and administrative tasks as needed.

Postage/Delivery **\$ 6,800.00**
This expense includes all shipping costs, stamps and mailings for newsletters and administrative functions associated with the needs of Akaku.

Printing **\$ 11,050.00**
This allocation is for the printing of checks, brochures, newsletters, forms associated with the needs of Akaku.

Professional Services **\$ 46,000.00**
This allocation has been increased to include legal fees for service in review of contracts, to provide parliamentary support at Board of Directors meetings, to provide support to the Board of Directors in all legal matters and to assist Akaku in developing legislative strategies.

Rent **\$ 10,200.00**
This allocation is for rent paid for the Molokai Media Center, 40 Ala Malama St., #209, Kaunakakai, Molokai 96748.

Repairs and Maintenance - Equipment **\$ 8,200.00**
This allocation includes all equipment maintenance repairs for Akaku.

Repairs and Maintenance – Facility **\$ 5,985.00**
This allocation includes all facility maintenance repairs for Akaku.

Supplies - Office **\$ 10,500.00**
This allocation includes general office supplies, printer and copy machine ink and the monthly maintenance fee for the Xerox machine.

Supplies - Production **\$ 12,500.00**
This allocation includes all production media supplies such as tapes and disks, cables, batteries, gaffing tape and other miscellaneous production supplies.

Taxes – General Excise **\$ 3,750.00**
General Excise tax of 4% must be paid on revenues generated from merchandise sales, production service, fund raising gross sales and taxable interest income.

Travel **\$ 27,806.00**
This allocation includes air travel to and from Molokai and Lanai; air travel associated with meetings on Oahu, air travel to annual conferences on the mainland, lodging, vehicle rental and ground transportation as needed.

Utilities**\$ 57,400.00**

Utilities include monthly expenses of electric, phone, fax, internet access and cell phones.

Total Operating Expenses:**\$1,449,162.00**