



325 Soquel Avenue  
Santa Cruz, CA 95062

**BOARD OF DIRECTORS**  
**Finance Committee Meeting**  
**October 15, 2018**  
**10:30 A.M.**  
**Offices of the Corporation**

## **AGENDA**

1. Attendance

(Chair) Joe Hall, Keith Gudger, Tom Manheim, Maitreya Maziarz

2. Oral Communications

Any person may address the Committee during its Oral Communications period. All Oral Communications must be directed to an item not listed on today's Consent or Regular Agenda, and must be within the jurisdiction of the Committee.

3. Consideration of Late Additions to the Agenda; additions and deletions to the Regular Agenda.

## **REGULAR AGENDA**

4. Consider Approval of August 2018 Financial Reports \*
5. Consider Approval of September 2018 Financial Reports \*
6. Consider Approval of 2015 Annual Compilation \*
7. Consider Approval of 2016 Annual Compilation \*
8. Consider Approval of 2017 Annual Compilation \*
9. Adjournment.

Any person may address the Board Committee during its Public Comment period. Each presentation will be limited to three minutes and individuals may speak only once during Public Comment. A maximum of five minutes will be set aside for this period at this meeting. If the period runs beyond five minutes, the Board may, at its discretion, allow time at the end of the meeting for additional public comment. All comments must be directed to an item NOT listed on today's agenda and must be within the subject matter jurisdiction of the Board. Preference will be given to individuals who did not speak at the previous Board meeting. All speakers must address the entire Board and will not be permitted to engage in dialogue. Speakers are requested to sign the sheet designated for that purpose so that their names may accurately be reflected in the minutes of the meeting. Regular Agenda Items: Members of the public may speak on any item on the agenda. Each presentation will be limited to three minutes. The maximum time devoted to public input on any item will be determined by the Chair.

**\* Material Included in Packet**

Community Television of Santa Cruz County  
Operating Profit Loss Budget Performance  
August  
2018

	Annual Budget 2018-19	August 2018	August Year to Date	% of Annual Budget	Amount Remaining
<b>4300 · OPERATING REVENUE</b>					
4101 · County BOS Meetings	28,000.00	0.00	4,960.00	18%	23,040.00
4103 · City of Capitola Gov. Meetings	7,000.00	462.00	1,176.00	17%	5,824.00
4104 · SCMTD Meetings	2,500.00	0.00	306.00	12%	2,194.00
4106 · City of Santa Cruz Gov. Mtg.	33,000.00	0.00	4,983.25	15%	28,016.75
4108 · SCCRTC Meetings	2,500.00	0.00	510.00	20%	1,990.00
4109 · SCWD Government Meetings	5,200.00	308.00	682.00	13%	4,518.00
4120 · Facility & Equipment Use	126,000.00	11,032.52	25,003.99	20%	100,996.01
4121 · SLVWD Meetings	6,000.00	346.50	618.50	10%	5,381.50
4122 · PVUSD	5,700.00	346.50	958.50	17%	4,741.50
4130 · Classes	1,000.00	0.00	8.00	1%	992.00
4165 · Donations	500.00	0.00	50.00	10%	450.00
4180 · Interest Earned	0.00	103.05	208.91		-208.91
4185 · Misc. Income	1,000.00	0.00	52.00		948.00
4190 · Gain/Loss on Sale of Assets	0.00	0.00	0.00		0.00
4200 · Production Services	6,000.00	1,290.00	2,040.00	34%	3,960.00
4250 · Closed Captioning	59,000.00	0.00	0.00		59,000.00
4260 · Equipment Service	5,000.00	0.00	0.00		5,000.00
<b>Total 4300 · OPERATING REVENUE</b>	<b>288,400.00</b>	<b>13,888.57</b>	<b>41,557.15</b>	<b>14%</b>	<b>246,842.85</b>
<b>TOTAL INCOME</b>	<b>288,400.00</b>	<b>13,888.57</b>	<b>41,557.15</b>	<b>14%</b>	<b>246,842.85</b>
<b>6000 · OPERATING EXPENSES</b>					
6100 · Advertising	12,000.00	1,796.00	2,773.00	23%	9,227.00
6300 · Bank Charges	3,000.00	224.07	418.08	14%	2,581.92
6600 · Dues & Subscriptions	1,500.00	70.00	140.00	9%	1,360.00
7100 · Office Supplies	700.00	114.71	339.22	48%	360.78
7200 · Postage/Freight	500.00	0.00	20.00	4%	480.00
7205 · Printing	1,000.00	0.00	0.00	0%	1,000.00
7401 · Facility Supplies	3,000.00	223.54	362.07	12%	2,637.93
7640 · Licenses/Fees/Misc. Taxes	250.00	0.00	0.00	0%	250.00
7700 · Telephone/Telecommunications/Internet	5,000.00	356.97	713.94	14%	4,286.06
<b>Total 6000 - Operating Expenses</b>	<b>26,950.00</b>	<b>2,785.29</b>	<b>4,766.31</b>	<b>18%</b>	<b>22,183.69</b>
<b>6800 · Contracted Services</b>					
6900 · Contract Services-Audit Services	14,500.00	0.00	0.00	0%	14,500.00
7001 · Contract Services-Production Support	3,000.00	0.00	0.00	0%	3,000.00
7007 · Contract Services-CMAP	34,560.00	0.00	2,880.00	8%	31,680.00
7010 · Contract Services-Consulting	9,000.00	434.00	434.00	5%	8,566.00
7110 · Contract Services-Legal	5,900.00	0.00	0.00	0%	5,900.00
7910 · Contract Services-Equipment Technicians	6,000.00	0.00	0.00	0%	6,000.00
7920 · Contract Services-Captioning	21,000.00	0.00	0.00	0%	21,000.00
<b>Total 6800 · Contracted Services</b>	<b>93,960.00</b>	<b>434.00</b>	<b>3,314.00</b>	<b>4%</b>	<b>90,646.00</b>
<b>7000 · Staff Development &amp; Fundraising</b>					
7405 · Training/conferences	2,000.00	4.99	318.97	16%	1,681.03
7800 · Travel/Meals	1,538.00	0.00	0.00	0%	1,538.00
8600 · Special Events Expense	3,850.00	75.44	75.44	0%	3,774.56
<b>Total 7000 · Staff Development &amp; Fundraising</b>	<b>7,388.00</b>	<b>80.43</b>	<b>394.41</b>	<b>5%</b>	<b>6,993.59</b>

Community Television of Santa Cruz County  
Operating Profit Loss Budget Performance  
August  
2018

	Annual Budget 2018-19	August 2018	August Year to Date	% of Annual Budget	Amount Remaining
<b>7500 · Operating Salaries &amp; Benefits</b>					
7530 · Salaries - Coworking Community Coordinator	34,000.00	3,144.25	5,866.46	17%	28,133.54
7535 · Salaries - Accountant	15,900.00	1,296.24	1,767.47	11%	14,132.53
7542 · Salaries - Media Services Coordinator	50,000.00	4,281.15	8,434.73	17%	41,565.27
7585 · Salaries - Government Technicians	19,690.00	1,508.30	1,905.71	10%	17,784.29
7589 · Salaries - Extra Help Trainers, Technicians	10,000.00	48.52	402.71	4%	9,597.29
7621 · Payroll Taxes	12,000.00	830.80	1,482.64	12%	10,517.36
7635 · Workers Comp	2,012.00	268.17	536.34	27%	1,475.66
7630 · Health/Dental/Vision	12,000.00	959.86	1,919.72	16%	10,080.28
7632 · Severance/Vacation Payouts	4,500.00	0.00	0.00	0%	4,500.00
<b>Total 7500 · Operating Salaries &amp; Benefits</b>	<b>160,102.00</b>	<b>12,337.29</b>	<b>22,315.78</b>	<b>14%</b>	<b>137,786.22</b>
<b>TOTAL EXPENSES</b>	<b>288,400.00</b>	<b>15,637.01</b>	<b>30,790.50</b>	<b>11%</b>	<b>257,609.50</b>
<b>NET INCOME/LOSS</b>	<b>0.00</b>	<b>-1,748.44</b>	<b>10,766.65</b>	<b>25.9%</b>	

Community Television of Santa Cruz County  
Capital Profit Loss Budget Performance  
August  
2018

	Annual Budget 2018-19	August 2018	August Year to Date	% of Annual Budget	Amount Remaining
<b>4000 · CAPITAL REVENUE</b>					
<b>4100 · County PEG Fees</b>	<b>500,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0%</b>	<b>500,000.00</b>
<b>4106 · County PEG Fees</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0%</b>	<b>100,000.00</b>
<b>TOTAL INCOME</b>	<b>600,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0%</b>	<b>600,000.00</b>
<b>5000 · CAPITAL EXPENDITURES</b>					
<b>5100 · Facility</b>					
7400 · Facility Lease	239,124.00	15,063.03	30,446.06	13%	208,677.94
6701 · Facility /Equip. Insurance	9,300.00	776.60	1,553.20	17%	7,746.80
7058 · Leasehold Improvements /Capital	30,000.00	0.00	250.00		29,750.00
7300 · Facilities & Equipment Rental	1,000.00	38.29	76.58	8%	923.42
<b>Total 5100 · Facility</b>	<b>279,424.00</b>	<b>15,877.92</b>	<b>32,325.84</b>	<b>12%</b>	<b>247,098.16</b>
<b>5200 · Equipment</b>					
6650 · Interest on Leased Equip	0.00	25.27	52.71		-52.71
7215 · Copy Machine Lease	5,000.00	196.47	406.75	8%	4,593.25
7051 · Equipment Repair	5,000.00	0.00	0.00	0%	5,000.00
7056 · Equipment - Depreciated	140,596.00	2,977.19	3,972.19	3%	139,195.86
7057 · Equipment - Non Depreciated	15,000.00	88.95	2,063.59	14%	7,104.62
7060 · Equipment Grant Program - Depreciated	100,000.00	0.00	0.00	0%	100,000.00
7061 · Equipment Leases	50,000.00	0.00	0.00	0%	49,890.00
7062 · SWAS	4,320.00	1,400.14	1,400.14	32%	2,919.86
<b>Total 5200 · Equipment</b>	<b>319,916.00</b>	<b>4,688.02</b>	<b>7,895.38</b>	<b>2%</b>	<b>312,020.62</b>
<b>5300 · Media Licensing</b>					
7059 · Music Library	660.00	55.00	110.00	17%	550.00
<b>Total 5300 · Media Licensing</b>	<b>660.00</b>	<b>55.00</b>	<b>110.00</b>	<b>17%</b>	<b>550.00</b>
<b>Total 5000 · CAPITAL EXPENDITURES</b>	<b>600,000.00</b>	<b>20,620.94</b>	<b>40,331.22</b>	<b>7%</b>	<b>559,668.78</b>
<b>NET INCOME/LOSS</b>	<b>0.00</b>	<b>-20,620.94</b>	<b>-40,331.22</b>		

# Community Television of Santa Cruz County

## BALANCE SHEET As of August 31, 2018

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1010 Checking-SCCCU	5,416.64
1015 PayPal Checking-SCCCU	3,685.69
1020 Savings-SCCCU	31,552.69
1021 Petty Cash Fund	194.89
1070 CD 12 month Cert SCCC	48,141.80
1075 Checking - Lighthouse Bank	769,232.30
1080 Savings - Lighthouse Bank	503.18
1099 Cash Box	0.00
<b>Total Bank Accounts</b>	<b>\$858,727.19</b>
Accounts Receivable	
1114 Temp A/R	0.00
1115 Accounts Receivable	8,341.75
1116 Grants Receivable	0.00
<b>Total Accounts Receivable</b>	<b>\$8,341.75</b>
Other Current Assets	
1117 A/R - Temp. Restricted	0.00
1125 County Reserve Acct. Restricted	0.00
1200 Prepaid Insurance	
1201 Health	0.00
1202 Accident	0.00
1203 Crime Coverage	0.00
1206 Workers Comp Deposit	355.91
1209 Liability / D&O (SLIP)	0.00
1210 Property Liability (SPIP)	5,448.95
<b>Total 1200 Prepaid Insurance</b>	<b>5,804.86</b>
1260 Prepaid Expenses	23,020.00
1300 PFG Common Stock	4,931.00
1400 Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$33,755.86</b>
<b>Total Current Assets</b>	<b>\$900,824.80</b>
Fixed Assets	
1600 Production Equipment	776,969.81
1700 Accum Depr-Production Equipment	-493,235.15
<b>Total 1600 Production Equipment</b>	<b>283,734.66</b>
1620 Office Furniture/Equipment	99,615.17
1720 Accum Depr-Furniture/Equipment	-83,663.58
<b>Total 1620 Office Furniture/Equipment</b>	<b>15,951.59</b>
1625 Leasehold Improvement	188,719.87
1725 Accum Depr-Leasehold Improv.	-114,773.76
<b>Total 1625 Leasehold Improvement</b>	<b>73,946.11</b>

	TOTAL
1670 Broadcasting Equipment	28,933.89
<b>Total Fixed Assets</b>	<b>\$402,566.25</b>
<b>TOTAL ASSETS</b>	<b>\$1,303,391.05</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable	4,507.47
<b>Total Accounts Payable</b>	<b>\$4,507.47</b>
Other Current Liabilities	
2110 Sales Tax Payable	0.00
2111 Sales Tax (Manual entry)	0.00
2140 Accrued Vacation	3,249.28
24000 Payroll Liabilities	1,034.98
CA PIT / SDI	152.40
CA SUI / ETT	-839.25
Federal Taxes (941/944)	2,118.28
<b>Total 24000 Payroll Liabilities</b>	<b>2,466.41</b>
Board of Equalization Payable	0.00
Direct Deposit Payable	0.00
<b>Total Other Current Liabilities</b>	<b>\$5,715.69</b>
<b>Total Current Liabilities</b>	<b>\$10,223.16</b>
Long-Term Liabilities	
2400 Businees Equipment Loan 33736	6,218.45
<b>Total Long-Term Liabilities</b>	<b>\$6,218.45</b>
<b>Total Liabilities</b>	<b>\$16,441.61</b>
Equity	
3000 Opening Bal Equity	0.00
3015 Net Assets-Temp Restricted	0.00
3900 Retained Earnings	862,661.92
3905 Retained Earnings - Capital Reserves	453,852.31
Net Revenue	-29,564.79
<b>Total Equity</b>	<b>\$1,286,949.44</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$1,303,391.05</b>

Community Television of Santa Cruz County  
Operating Profit Loss Budget Performance  
September  
2018

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<b>4300 · OPERATING REVENUE</b>					
4101 · County BOS Meetings	28,000.00	1,278.75	6,238.75	22%	21,761.25
4103 · City of Capitola Gov. Meetings	7,000.00	500.50	1,676.50	24%	5,323.50
4104 · SCMTD Meetings	2,500.00	385.00	691.00	28%	1,809.00
4106 · City of Santa Cruz Gov. Mtg.	33,000.00	2,635.00	7,618.25	23%	25,381.75
4108 · SCCRTC Meetings	2,500.00	693.00	1,203.00	48%	1,297.00
4109 · SCWD Government Meetings	5,200.00	308.00	990.00	19%	4,210.00
4120 · Facility & Equipment Use	126,000.00	14,718.90	39,722.89	32%	86,277.11
4121 · SLVWD Meetings	6,000.00	442.75	1,061.25	18%	4,938.75
4122 · PVUSD	5,700.00	346.50	1,305.00	23%	4,395.00
4130 · Classes	1,000.00	0.00	8.00	1%	992.00
4165 · Donations	500.00	0.00	50.00	10%	450.00
4180 · Interest Earned	0.00	96.84	305.75		-305.75
4185 · Misc. Income	1,000.00	0.00	52.00		948.00
4190 · Gain/Loss on Sale of Assets	0.00	0.00	0.00		0.00
4200 · Production Services	6,000.00	0.00	2,040.00	34%	3,960.00
4250 · Closed Captioning	59,000.00	900.00	900.00	2%	58,100.00
4260 · Equipment Service	5,000.00	0.00	0.00		5,000.00
<b>Total 4300 · OPERATING REVENUE</b>	<b>288,400.00</b>	<b>22,305.24</b>	<b>63,862.39</b>	<b>22%</b>	<b>224,537.61</b>
<b>TOTAL INCOME</b>	<b>288,400.00</b>	<b>22,305.24</b>	<b>63,862.39</b>	<b>22%</b>	<b>224,537.61</b>
<b>6000 · OPERATING EXPENSES</b>					
6100 · Advertising	12,000.00	1,294.00	4,067.00	34%	7,933.00
6300 · Bank Charges	3,000.00	189.62	607.70	20%	2,392.30
6600 · Dues & Subscriptions	1,500.00	70.00	210.00	14%	1,290.00
7100 · Office Supplies	700.00	0.00	339.42	48%	360.58
7200 · Postage/Freight	500.00	15.00	35.00	7%	465.00
7205 · Printing	1,000.00	0.00	0.00	0%	1,000.00
7401 · Facility Supplies	3,000.00	274.59	636.66	21%	2,363.34
7640 · Licenses/Fees/Misc. Taxes	250.00	0.00	0.00	0%	250.00
7700 · Telephone/Telecommunications/Internet	5,000.00	306.69	1,020.63	20%	3,979.37
<b>Total 6000 - Operating Expenses</b>	<b>26,950.00</b>	<b>2,149.90</b>	<b>6,916.41</b>	<b>26%</b>	<b>20,033.59</b>
<b>6800 · Contracted Services</b>					
6900 · Contract Services-Audit Services	14,500.00	0.00	0.00	0%	14,500.00
7001 · Contract Services-Production Support	3,000.00	0.00	0.00	0%	3,000.00
7007 · Contract Services-CMAP	34,560.00	2,880.00	5,760.00	17%	28,800.00
7010 · Contract Services-Consulting	9,000.00	282.00	716.00	8%	8,284.00
7110 · Contract Services-Legal	5,900.00	0.00	0.00	0%	5,900.00
7910 · Contract Services-Equipment Technicians	6,000.00	0.00	0.00	0%	6,000.00
7920 · Contract Services-Captioning	21,000.00	0.00	0.00	0%	21,000.00
<b>Total 6800 · Contracted Services</b>	<b>93,960.00</b>	<b>3,162.00</b>	<b>6,476.00</b>	<b>7%</b>	<b>87,484.00</b>
<b>7000 · Staff Development &amp; Fundraising</b>					
7405 · Training/conferences	2,000.00	-437.51	-118.54	-6%	2,118.54
7800 · Travel/Meals	1,538.00	30.96	30.96	2%	1,507.04
8600 · Special Events Expense	3,850.00	0.00	75.44	0%	3,774.56
<b>Total 7000 · Staff Development &amp; Fundraising</b>	<b>7,388.00</b>	<b>-406.55</b>	<b>-12.14</b>	<b>0%</b>	<b>7,400.14</b>

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Operating Profit Loss Budget Performance  
September  
2018

	Annual Budget 2018-19	September 2018	September Year to Date	% of Annual Budget	Amount Remaining
<b>7500 · Operating Salaries &amp; Benefits</b>					
7530 · Salaries - Coworking Community Coordinator	34,000.00	3,735.47	9,601.93	28%	24,398.07
7535 · Salaries - Accountant	15,900.00	1,491.27	3,258.74	20%	12,641.26
7542 · Salaries - Media Services Coordinator	50,000.00	3,802.21	12,236.94	24%	37,763.06
7585 · Salaries - Government Technicians	19,690.00	1,727.09	3,632.80	18%	16,057.20
7589 · Salaries - Extra Help Trainers, Technicians	10,000.00	110.10	512.81	5%	9,487.19
7621 · Payroll Taxes	12,000.00	1,000.42	2,483.08	21%	9,516.92
7635 · Workers Comp	2,012.00	268.17	804.51	40%	1,207.49
7630 · Health/Dental/Vision	12,000.00	87.00	2,006.72	17%	9,993.28
7632 · Severance/Vacation Payouts	4,500.00	0.00	0.00	0%	4,500.00
<b>Total 7500 · Operating Salaries &amp; Benefits</b>	<b>160,102.00</b>	<b>12,221.73</b>	<b>34,537.53</b>	<b>22%</b>	<b>125,564.47</b>
<b>TOTAL EXPENSES</b>	<b>288,400.00</b>	<b>17,127.08</b>	<b>47,917.80</b>	<b>17%</b>	<b>240,482.20</b>
<b>NET INCOME/LOSS</b>	<b>0.00</b>	<b>5,178.16</b>	<b>15,944.59</b>	<b>25.0%</b>	

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<b>4000 · CAPITAL REVENUE</b>					
<b>4100 · County PEG Fees</b>	<b>500,000.00</b>	<b>125,000.00</b>	<b>125,000.00</b>	<b>25%</b>	<b>375,000.00</b>
<b>4106 · County PEG Fees</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0%</b>	<b>100,000.00</b>
<b>TOTAL INCOME</b>	<b>600,000.00</b>	<b>125,000.00</b>	<b>125,000.00</b>	<b>21%</b>	<b>475,000.00</b>
<b>5000 · CAPITAL EXPENDITURES</b>					
<b>5100 · Facility</b>					
7400 · Facility Lease	239,124.00	15,063.03	45,509.09	19%	193,614.91
6701 · Facility /Equip. Insurance	9,300.00	776.60	2,329.80	25%	6,970.20
7058 · Leasehold Improvements /Capital	30,000.00	515.00	765.00		29,235.00
7300 · Facilities & Equipment Rental	1,000.00	38.29	114.87	11%	885.13
<b>Total 5100 · Facility</b>	<b>279,424.00</b>	<b>16,392.92</b>	<b>48,718.76</b>	<b>17%</b>	<b>230,705.24</b>
<b>5200 · Equipment</b>					
6650 · Interest on Leased Equip	0.00	22.18	74.89		-74.89
7215 · Copy Machine Lease	5,000.00	189.88	596.63	12%	4,403.37
7051 · Equipment Repair	5,000.00	0.00	0.00	0%	5,000.00
7056 · Equipment - Depreciated	140,596.00	981.32	4,953.51	4%	139,028.86
7057 · Equipment - Non Depreciated	15,000.00	2,634.23	4,697.82	31%	3,110.01
7060 · Equipment Grant Program - Depreciated	100,000.00	0.00	0.00	0%	100,000.00
7061 · Equipment Leases	50,000.00	0.00	0.00	0%	49,835.00
7062 · SWAS	4,320.00	167.00	1,567.14	36%	2,752.86
<b>Total 5200 · Equipment</b>	<b>319,916.00</b>	<b>3,994.61</b>	<b>11,889.99</b>	<b>4%</b>	<b>308,026.01</b>
<b>5300 · Media Licensing</b>					
7059 · Music Library	660.00	55.00	165.00	25%	495.00
<b>Total 5300 · Media Licensing</b>	<b>660.00</b>	<b>55.00</b>	<b>165.00</b>	<b>25%</b>	<b>495.00</b>
<b>Total 5000 · CAPITAL EXPENDITURES</b>	<b>600,000.00</b>	<b>20,442.53</b>	<b>60,773.75</b>	<b>10%</b>	<b>539,226.25</b>
<b>NET INCOME/LOSS</b>	<b>0.00</b>	<b>104,557.47</b>	<b>64,226.25</b>		

# Community Television of Santa Cruz County

## STATEMENT OF FINANCIAL POSITION

As of September 30, 2018

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1010 Checking-SCCCU	4,525.27
1015 PayPal Checking-SCCCU	3,685.69
1020 Savings-SCCCU	31,553.73
1021 Petty Cash Fund	146.03
1070 CD 12 month Cert SCCC	48,142.59
1075 Checking - Lighthouse Bank	746,535.37
1080 Savings - Lighthouse Bank	503.28
1099 Cash Box	0.00
<b>Total Bank Accounts</b>	<b>\$835,091.96</b>
Accounts Receivable	
1114 Temp A/R	0.00
1115 Accounts Receivable	138,176.00
1116 Grants Receivable	0.00
<b>Total Accounts Receivable</b>	<b>\$138,176.00</b>
Other Current Assets	
1117 A/R - Temp. Restricted	0.00
1125 County Reserve Acct. Restricted	0.00
1200 Prepaid Insurance	
1201 Health	0.00
1202 Accident	0.00
1203 Crime Coverage	0.00
1206 Workers Comp Deposit	87.74
1209 Liability / D&O (SLIP)	0.00
1210 Property Liability (SPIP)	5,257.85
<b>Total 1200 Prepaid Insurance</b>	<b>5,345.59</b>
1260 Prepaid Expenses	23,565.00
1300 PFG Common Stock	4,931.00
1400 Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$33,841.59</b>
<b>Total Current Assets</b>	<b>\$1,007,109.55</b>
Fixed Assets	
1600 Production Equipment	776,969.81
1700 Accum Depr-Production Equipment	-493,235.15
<b>Total 1600 Production Equipment</b>	<b>283,734.66</b>
1620 Office Furniture/Equipment	99,615.17
1720 Accum Depr-Furniture/Equipment	-83,663.58
<b>Total 1620 Office Furniture/Equipment</b>	<b>15,951.59</b>
1625 Leasehold Improvement	188,719.87
1725 Accum Depr-Leasehold Improv.	-114,773.76
<b>Total 1625 Leasehold Improvement</b>	<b>73,946.11</b>

	TOTAL
1670 Broadcasting Equipment	28,933.89
<b>Total Fixed Assets</b>	<b>\$402,566.25</b>
<b>TOTAL ASSETS</b>	<b>\$1,409,675.80</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable	2,246.66
<b>Total Accounts Payable</b>	<b>\$2,246.66</b>
Other Current Liabilities	
2110 Sales Tax Payable	0.00
2111 Sales Tax (Manual entry)	0.00
2140 Accrued Vacation	2,283.20
24000 Payroll Liabilities	1,034.98
CA PIT / SDI	252.09
CA SUI / ETT	-744.00
Federal Taxes (941/944)	2,568.54
<b>Total 24000 Payroll Liabilities</b>	<b>3,111.61</b>
Board of Equalization Payable	0.00
Direct Deposit Payable	0.00
<b>Total Other Current Liabilities</b>	<b>\$5,394.81</b>
<b>Total Current Liabilities</b>	<b>\$7,641.47</b>
Long-Term Liabilities	
2400 Businees Equipment Loan 33736	5,349.26
<b>Total Long-Term Liabilities</b>	<b>\$5,349.26</b>
<b>Total Liabilities</b>	<b>\$12,990.73</b>
Equity	
3000 Opening Bal Equity	0.00
3015 Net Assets-Temp Restricted	0.00
3900 Retained Earnings	862,661.92
3905 Retained Earnings - Capital Reserves	453,852.31
Net Revenue	80,170.84
<b>Total Equity</b>	<b>\$1,396,685.07</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$1,409,675.80</b>

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**  
**JUNE 30, 2015**  
**TOGETHER WITH**  
**INDEPENDENT COMPILATION REPORT**

**COMMUNITY TELEVISION OF SANTA CRUZ  
COUNTY  
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Michael J Hadzipanajotis, CPA  
CPA & Consulting Services

## **INDEPENDENT COMPILATION REPORT**

To The Board of Directors of  
Community Television of  
Santa Cruz County

We have compiled the accompanying statements of financial position of Community Television of Santa Cruz County, (a non-profit corporation) as of June 30, 2015 and the related statements of activities for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

*Michael J Hadzipanajotis, CPA*

Belmont, MA  
Sep 28, 2018

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2015**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	212,351	239,159
Accounts Receivable (Net)	53,253	17,121
Temporarily Restricted A/R	416,065	416,065
Other Current Assets	34,178	11,245
<b>Total Current Assets</b>	<b>725,848</b>	<b>683,591</b>
<b>Property &amp; Equipment</b>		
Production Equipment	677,766	673,429
Board of Supervisors Equipment	58,957	58,957
Office Furniture/Equipment	95,916	95,338
Leasehold Improvement	183,561	183,561
Future Equipment Replacement	22,096	22,096
Production Vehicle	106,109	106,108
Broadcasting Equipment	29,934	26,312
Accumulated Depreciation	(879,633)	(832,786)
<b>Total Property &amp; Equipment</b>	<b>294,525</b>	<b>333,014</b>
<b>Other Assets</b>	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,020,373</b>	<b>\$ 1,016,604</b>
<b>LIABILITIES &amp; OWNERS EQUITY</b>		
Accounts Payable	5,344	31,154
Other Current Liabilities	9,693	2,363
<b>Total Current Liabilities</b>	<b>15,236</b>	<b>33,517</b>
Equipment Loan	37,108	47,144
<b>Total Non Current Liabilities</b>	<b>37,108</b>	<b>47,144</b>
<b>Total Liabilities</b>	<b>52,344</b>	<b>80,661</b>
<b>Net Assets</b>		
Unrestricted Assets	519,215	539,372
Restricted Assets	416,064	416,064
Net Income	32,749	(19,494)
<b>Total Net Assets</b>	<b>968,029</b>	<b>935,943</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 1,020,373</b>	<b>\$ 1,016,604</b>

*The accompanying notes are an integral part of these financial statements.*

COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE PERIOD ENDING JUNE 30, 2015

	Temporarily Restricted	Unrestricted	Total
	Year Ended June 30, 2015		
<b>Revenue</b>			
County Grants	-	252,930	252,930
Production Income	-	24,877	24,877
Gain (Loss) on Sale of Assets	-	-	-
Other Revenue	-	47,705	47,705
<b>Total Revenue</b>	-	325,512	325,512
<b>Cost of Goods Sold</b>	-	-	-
<b>Total Gross Margin</b>	-	325,512	325,512
<b>Expense</b>			
Advertising/ Promotional	-	2,076	2,076
Payroll & Benefits	-	161,804	161,804
Equipment Expense	-	(72,032)	(72,032)
Telephone Expenses	-	2,178	2,178
Occupancy Expense	-	16,910	16,910
Contract Expenses	-	111,373	111,373
Bank & Service Charges	-	715	715
Misc Expense	-	69,739	69,739
<b>Total Expense</b>	-	292,763	292,763
<b>Net Income Before Taxes</b>	-	32,749	32,749

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE PERIOD ENDING JUNE 30, 2015**

	Year Ending June 30, 2015			Total
	Program Services	Fundraising	Management	
Advertising/ Promotional	-	2,076	-	2,076
Payroll & Benefits	161,804	-	-	161,804
Equipment Expense	(72,032)	-	-	(72,032)
Telephone Expenses	-	-	2,178	2,178
Occupancy Expense	-	-	16,910	16,910
Contract Expenses	111,373	-	-	111,373
Bank & Service Charges	-	-	715	715
Misc Expense	69,739	-	-	69,739
<b>Total Expenses</b>	<b>270,884</b>	<b>2,076</b>	<b>19,803</b>	<b>292,763</b>

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED JUNE 30, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATING ACTIVITIES</b>		
Net Revenue	32,740	(19,494)
Adjustments Needed To Reconcile To Net Cash Provided By Operations:		
Accounts Receivable	(46,132)	(485)
Accounts Receivable (Restricted)	=	46,450
Accounts Payable	(25,811)	26,221
Other Current Assets/ Liabilities	(15,403)	(17,185)
Net Cash Provided By Operations	(54,597)	35,497
<b>INVESTING ACTIVITIES</b>		
Depreciation	46,047	84,257
Fixed Assets Purchased/Sold	(7,558)	(55,735)
Net Cash Used By Investing Activities	38,489	8,521
<b>FINANCING ACTIVITIES</b>		
Equipment Loan	(10,037)	11,768
Other Financing/ Equity Adjustments	(863)	(79,545)
Net Cash Used By Financing Activities	(10,700)	(67,777)
Net Cash Increase For Period	(26,808)	(23,759)
Cash Beginning Of Period	239,159	262,918
Cash End Of Period	212,351	239,159

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies**

**Nature of Activities**

Community Television of Santa Cruz County (CTV) is a 501c3 non-profit organization. Its mission is to foster community dialogue and individual self-expression through television, the internet, and other electronic media. Their co-working space, media center, cable channel, and online stream help Santa Cruz County residents share their passions, knowledge, skills, information, and imagination with the world.

**Nonprofit Status**

As mentioned above, Community Television of Santa Cruz County is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c) (3) of the Internal Revenue Code. Donors may deduct contributions made to Community Television of Santa Cruz County within the requirements of the Internal Revenue Code. Under Accounting Standards Codification (ASC) Section 740, the tax status of tax-exempt entities is an uncertain tax position, since events could potentially occur that jeopardize the tax-exempt status. Management of Community Television of Santa Cruz County is not aware of any events that could jeopardize the tax-exempt status. Therefore, no liability or provision for income tax has been reflected in the financial statements. Community Television of Santa Cruz County's federal exempt organization tax returns for the years ended June 30, 2013, 2014 and 2015 are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

**The following are the more significant accounting policies used in the preparation of the accompanying financial statements:**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under this method, revenue is recognized when earned and expenses are recognized when incurred.

**Financial Statement Presentation**

Financial statement presentation follows the requirements of the Financial Accounting Standards Board. Community Television of Santa Cruz County reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(1) Nature of Activities, Nonprofit Status and Significant Accounting Policies (cont)**

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, Community Television of Santa Cruz County considers all highly liquid investments available for current use with an initial maturity date of three months or less to be cash equivalents.

**Estimates**

The preparation of financial statements in accordance with accounting standards generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Accounts Receivable**

Accounts Receivable represents fees for production services and PEG fees from the County of Santa Cruz. Community Television of Santa Cruz County has provided an allowance for doubtful accounts for all accounts receivable that management estimates to be uncollectible. Management estimates the uncollectible receives based upon historical collection experience coupled with a review of the current status of existing receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

**Functional Allocation of Expenses**

The costs of providing the 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 program and supporting services benefited.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(1) Nature of Activities, Nonprofit Status and Significant Accounting Policies (cont)**

**Contributed Services and Facilities**

Community Television of Santa Cruz County records various types of contributed support, including services and facilities. Contributions of tangible and intangible assets are recognized at fair value when received. America Gives, Inc. recognizes certain services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. The amounts reflected in the accompanying financial statements as contributed services are offset by like amounts included in expenses.

**Subsequent Events**

Community Television of Santa Cruz County has evaluated subsequent events through Sep 28, 2018 which is the date these financial statements were available to be issued.

**Income Taxes**

Community Television of Santa Cruz County is a nonprofit organization and is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code and a similar section of the state code.

**(2) Concentrations of Credit and Market Risk**

Community Television of Santa Cruz County operates in the greater Santa Cruz, CA area and is subject to fluctuations in the local economy, which could impact contributions, specifically grants and donations.

Financial instruments that potentially expose the chapter to concentrations of credit and market risk consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained at financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2015, the organization did not observe any uninsured balances at these institutions.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(3) Property and Equipment**

Property & Equipment are stated at cost less accumulated depreciation. Depreciation is computed using straight-line methods of cost recovery over the estimated useful lives of the assets. Expenditures for major renewals and betterments, which extend the useful lives of property and equipment, are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**  
**JUNE 30, 2016**  
**TOGETHER WITH**  
**INDEPENDENT COMPILATION REPORT**

**COMMUNITY TELEVISION OF SANTA CRUZ  
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Michael J Hadzipanajotis, CPA  
CPA & Consulting Services

## **INDEPENDENT COMPILATION REPORT**

To The Board of Directors of  
Community Television of  
Santa Cruz County

We have compiled the accompanying statements of financial position of Community Television of Santa Cruz County, (a non-profit corporation) as of June 30, 2016 and the related statements of activities for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

*Michael J Hadzipanajotis, CPA*

Belmont, MA  
Sep 28, 2018

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2016**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	455,757	212,351
Accounts Receivable (Net)	12,540	63,253
Temporarily Restricted A/R	416,065	416,065
Other Current Assets	35,867	34,178
<b>Total Current Assets</b>	<b>930,329</b>	<b>725,848</b>
<b>Property &amp; Equipment</b>		
Production Equipment	677,786	677,786
Board of Supervisors Equipment	58,957	58,957
Office Furniture/Equipment	95,916	95,916
Leasehold Improvement	183,561	183,561
Future Equipment Replacement	22,096	22,096
Production Vehicle	106,108	106,108
Broadcasting Equipment	28,934	28,934
Accumulated Depreciation	(878,833)	(878,833)
<b>Total Property &amp; Equipment</b>	<b>294,525</b>	<b>294,525</b>
<b>Other Assets</b>	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,224,854</b>	<b>\$ 1,020,373</b>
<b>LIABILITIES &amp; OWNERS EQUITY</b>		
Accounts Payable	30,263	5,344
Other Current Liabilities	11,630	9,893
<b>Total Current Liabilities</b>	<b>42,093</b>	<b>15,236</b>
Equipment Loan	27,794	37,108
<b>Total Non Current Liabilities</b>	<b>27,794</b>	<b>37,108</b>
<b>Total Liabilities</b>	<b>69,887</b>	<b>52,344</b>
<b>Net Assets</b>		
Unrestricted Assets	551,984	519,215
Restricted Assets	416,064	416,064
Net Income	186,938	32,749
<b>Total Net Assets</b>	<b>1,154,966</b>	<b>968,029</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 1,224,854</b>	<b>\$ 1,020,373</b>

*The accompanying notes are an integral part of these financial statements.*

COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE PERIOD ENDING JUNE 30, 2016

	Temporarily Restricted	Unrestricted	Total
	Year Ended June 30, 2016		
<b>Revenue</b>			
County Grants	-	869,906	869,906
Production Income	-	65,519	65,519
Gain (Loss) on Sale of Assets	-	16,253	16,253
Other Revenue	-	69,792	69,792
<b>Total Revenue</b>	-	1,021,469	1,021,469
<b>Cost of Goods Sold</b>	-	-	-
<b>Total Gross Margin</b>	-	1,021,469	1,021,469
<b>Expense</b>			
Advertising/ Promotional	-	2,105	2,105
Payroll & Benefits	-	250,404	250,404
Equipment Expense	-	175,615	175,615
Telephone Expenses	-	4,214	4,214
Occupancy Expense	-	315,573	315,573
Contract Expenses	-	41,027	41,027
Bank & Service Charges	-	795	795
Misc Expense	-	44,799	44,799
<b>Total Expense</b>	-	834,531	834,531
<b>Net Income Before Taxes</b>	-	186,938	186,938

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE PERIOD ENDING JUNE 30, 2016**

	Year Ending June 30, 2016			
	Program Services	Fundraising	Management	Total
Advertising/ Promotional	-	2,105	-	2,105
Payroll & Benefits	250,404	-	-	250,404
Equipment Expense	175,615	-	-	175,615
Telephone Expenses	-	-	4,214	4,214
Occupancy Expense	-	-	315,573	315,573
Contract Expenses	41,027	-	-	41,027
Bank & Service Charges	-	-	795	795
Misc Expense	44,799	-	-	44,799
<b>Total Expenses</b>	<b>511,845</b>	<b>2,105</b>	<b>320,582</b>	<b>834,531</b>

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2016**

	<u>2016</u>	<u>2015</u>
<b>OPERATING ACTIVITIES</b>		
Net Revenue	186,938	32,749
Adjustments Needed To Reconcile To Net Cash Provided By Operations:		
Accounts Receivable	50,613	(46,132)
Accounts Receivable (Restricted)	-	-
Accounts Payable	24,919	(25,811)
Other Current Assets/ Liabilities	249	(15,403)
Net Cash Provided By Operations	262,719	(54,597)
<b>INVESTING ACTIVITIES</b>		
Depreciation	-	46,047
Fixed Assets Purchased/Sold	-	(7,558)
Net Cash Used By Investing Activities	-	38,489
<b>FINANCING ACTIVITIES</b>		
Equipment Loan	(9,314)	(10,037)
Other Financing/ Equity Adjustments	-	(663)
Net Cash Used By Financing Activities	(9,314)	(10,700)
Net Cash Increase For Period	253,406	(26,808)
Cash Beginning Of Period	212,351	239,159
Cash End Of Period	465,757	212,351

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies**

**Nature of Activities**

Community Television of Santa Cruz County (CTV) is a 501c3 non-profit organization. Its mission is to foster community dialogue and individual self-expression through television, the internet, and other electronic media. Their co-working space, media center, cable channel, and online stream help Santa Cruz County residents share their passions, knowledge, skills, information, and imagination with the world.

**Nonprofit Status**

As mentioned above, Community Television of Santa Cruz County is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c) (3) of the Internal Revenue Code. Donors may deduct contributions made to Community Television of Santa Cruz County within the requirements of the Internal Revenue Code. Under Accounting Standards Codification (ASC) Section 740, the tax status of tax-exempt entities is an uncertain tax position, since events could potentially occur that jeopardize the tax-exempt status. Management of Community Television of Santa Cruz County is not aware of any events that could jeopardize the tax-exempt status. Therefore, no liability or provision for income tax has been reflected in the financial statements. Community Television of Santa Cruz County's federal exempt organization tax returns for the years ended June 30, 2014, 2015 and 2016 are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

**The following are the more significant accounting policies used in the preparation of the accompanying financial statements:**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under this method, revenue is recognized when earned and expenses are recognized when incurred.

**Financial Statement Presentation**

Financial statement presentation follows the requirements of the Financial Accounting Standards Board. Community Television of Santa Cruz County reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(1) Nature of Activities, Nonprofit Status and Significant Accounting Policies (cont)**

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, Community Television of Santa Cruz County considers all highly liquid investments available for current use with an initial maturity date of three months or less to be cash equivalents.

**Estimates**

The preparation of financial statements in accordance with accounting standards generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Accounts Receivable**

Accounts Receivable represents fees for production services and PEG fees from the County of Santa Cruz. Community Television of Santa Cruz County has provided an allowance for doubtful accounts for all accounts receivable that management estimates to be uncollectible. Management estimates the uncollectible receives based upon historical collection experience coupled with a review of the current status of existing receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

**Functional Allocation of Expenses**

The costs of providing the 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 program and supporting services benefited.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(1) Nature of Activities, Nonprofit Status and Significant Accounting Policies (cont)**

**Contributed Services and Facilities**

Community Television of Santa Cruz County records various types of contributed support, including services and facilities. Contributions of tangible and intangible assets are recognized at fair value when received. America Gives, Inc. recognizes certain services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. The amounts reflected in the accompanying financial statements as contributed services are offset by like amounts included in expenses.

**Subsequent Events**

Community Television of Santa Cruz County has evaluated subsequent events through Sep 28, 2018 which is the date these financial statements were available to be issued.

**Income Taxes**

Community Television of Santa Cruz County is a nonprofit organization and is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code and a similar section of the state code.

**(2) Concentrations of Credit and Market Risk**

Community Television of Santa Cruz County operates in the greater Santa Cruz, CA area and is subject to fluctuations in the local economy, which could impact contributions, specifically grants and donations.

Financial instruments that potentially expose the chapter to concentrations of credit and market risk consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained at financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2016, the organization did not observe any uninsured balances at these institutions.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(3) Property and Equipment**

Property & Equipment are stated at cost less accumulated depreciation. Depreciation is computed using straight-line methods of cost recovery over the estimated useful lives of the assets. Expenditures for major renewals and betterments, which extend the useful lives of property and equipment, are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY**  
**(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**  
**JUNE 30, 2017**  
**TOGETHER WITH**  
**INDEPENDENT COMPILATION REPORT**

**COMMUNITY TELEVISION OF SANTA CRUZ  
COUNTY  
TABLE OF CONTENTS  
JUNE 30, 2017**

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Michael J Hadzipanajotis, CPA  
CPA & Consulting Services

## **INDEPENDENT COMPILATION REPORT**

To The Board of Directors of  
Community Television of  
Santa Cruz County

We have compiled the accompanying statements of financial position of Community Television of Santa Cruz County, (a non-profit corporation) as of June 30, 2017 and the related statements of activities for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

*Michael J Hadzipanajotis, CPA*

Belmont, MA  
Sep 28, 2018

COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2017

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	550,549	485,757
Accounts Receivable (Net)	137,459	12,640
Temporarily Restricted A/R	-	416,065
Other Current Assets	36,801	35,867
<b>Total Current Assets</b>	<b>724,809</b>	<b>930,329</b>
<b>Property &amp; Equipment</b>		
Production Equipment	776,970	677,786
Board of Supervisors Equipment	-	58,957
Office Furniture/Equipment	98,515	95,916
Leasehold Improvement	188,720	183,561
Future Equipment Replacement	-	22,098
Production Vehicle	-	108,108
Broadcasting Equipment	28,934	28,934
Accumulated Depreciation	(691,672)	(878,833)
<b>Total Property &amp; Equipment</b>	<b>402,566</b>	<b>294,525</b>
<b>Other Assets</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,127,375</b>	<b>\$ 1,224,854</b>
<b>LIABILITIES &amp; OWNERS EQUITY</b>		
Accounts Payable	2,280	30,263
Other Current Liabilities	4,356	11,830
<b>Total Current Liabilities</b>	<b>6,636</b>	<b>42,093</b>
Equipment Loan	18,079	27,794
<b>Total Non Current Liabilities</b>	<b>18,079</b>	<b>27,794</b>
<b>Total Liabilities</b>	<b>24,715</b>	<b>69,887</b>
<b>Net Assets</b>		
Unrestricted Assets	738,902	551,964
Restricted Assets	-	416,064
Net Income	363,758	186,936
<b>Total Net Assets</b>	<b>1,102,660</b>	<b>1,154,964</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 1,127,375</b>	<b>\$ 1,224,854</b>

*The accompanying notes are an integral part of these financial statements.*

COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE PERIOD ENDING JUNE 30, 2017

	Temporarily Restricted	Unrestricted	Total
	Year Ended June 30, 2017		
<b>Revenue</b>			
County Grants	-	600,000	600,000
Production Income	-	11,856	11,856
Gain (Loss) on Sale of Assets	-	2,253	2,253
Other Revenue	-	185,068	185,068
<b>Total Revenue</b>	-	799,176	799,176
<b>Cost of Goods Sold</b>	-	-	-
<b>Total Gross Margin</b>	-	799,176	799,176
<b>Expense</b>			
Advertising/ Promotional	-	3,999	3,999
Payroll & Benefits	-	145,322	145,322
Equipment Expense	-	26,747	26,747
Telephone Expenses	-	8,921	8,921
Occupancy Expense	-	188,128	188,128
Contract Expenses	-	52,788	52,788
Bank & Service Charges	-	2,086	2,086
Misc Expense	-	7,427	7,427
<b>Total Expense</b>	-	435,418	435,418
<b>Net Income Before Taxes</b>	-	363,758	363,758

*The accompanying notes are an integral part of these financial statements.*

COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE PERIOD ENDING JUNE 30, 2017

	Year Ending June 30, 2017			
	Program Services	Fundraising	Management	Total
Advertising/ Promotional	-	3,999	-	3,999
Payroll & Benefits	145,322	-	-	145,322
Equipment Expense	26,747	-	-	26,747
Telephone Expenses	8,921	-	-	8,921
Occupancy Expense	-	-	188,128	188,128
Contract Expenses	52,788	-	-	52,788
Bank & Service Charges	-	-	2,086	2,086
Misc Expense	7,427	-	-	7,427
<b>Total Expenses</b>	<b>241,205</b>	<b>3,999</b>	<b>190,214</b>	<b>435,418</b>

*The accompanying notes are an integral part of these financial statements.*

COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED JUNE 30, 2017

	<u>2017</u>	<u>2016</u>
<b>OPERATING ACTIVITIES</b>		
Net Revenue	363,758	186,938
Adjustments Needed To Reconcile To Net Cash Provided By Operations:		
Accounts Receivable	(124,819)	50,613
Accounts Receivable (Restricted)	416,065	-
Accounts Payable	(27,983)	24,919
Other Current Assets/ Liabilities	(8,409)	249
Net Cash Provided By Operations	<u>618,614</u>	<u>262,719</u>
<b>INVESTING ACTIVITIES</b>		
Depreciation	(167,161)	-
Fixed Assets Purchased/Sold	79,119	-
Net Cash Used By Investing Activities	<u>(108,042)</u>	<u>-</u>
<b>FINANCING ACTIVITIES</b>		
Equipment Loan	(9,716)	(9,314)
Other Financing/ Equity Adjustments	(416,064)	-
Net Cash Used By Financing Activities	<u>(425,780)</u>	<u>(9,314)</u>
Net Cash Increase For Period	<u>84,792</u>	<u>253,406</u>
Cash Beginning Of Period	<u>465,757</u>	<u>212,351</u>
Cash End Of Period	<u>550,549</u>	<u>465,757</u>

*The accompanying notes are an integral part of these financial statements.*

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

(1) **Nature of Activities, Nonprofit Status and Significant Accounting Policies**

**Nature of Activities**

Community Television of Santa Cruz County (CTV) is a 501(c)(3) non-profit organization. Its mission is to foster community dialogue and individual self-expression through television, the internet, and other electronic media. Their co-working space, media center, cable channel, and online stream help Santa Cruz County residents share their passions, knowledge, skills, information, and imagination with the world.

**Nonprofit Status**

As mentioned above, Community Television of Santa Cruz County is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code. Donors may deduct contributions made to Community Television of Santa Cruz County within the requirements of the Internal Revenue Code. Under Accounting Standards Codification (ASC) Section 740, the tax status of tax-exempt entities is an uncertain tax position, since events could potentially occur that jeopardize the tax-exempt status. Management of Community Television of Santa Cruz County is not aware of any events that could jeopardize the tax-exempt status. Therefore, no liability or provision for income tax has been reflected in the financial statements. Community Television of Santa Cruz County's federal exempt organization tax returns for the years ended June 30, 2015, 2016 and 2017 are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

**The following are the more significant accounting policies used in the preparation of the accompanying financial statements:**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under this method, revenue is recognized when earned and expenses are recognized when incurred.

**Financial Statement Presentation**

Financial statement presentation follows the requirements of the Financial Accounting Standards Board. Community Television of Santa Cruz County reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**(1) Nature of Activities, Nonprofit Status and Significant Accounting Policies (cont)**

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**COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS**

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COMMUNITY TELEVISION OF SANTA CRUZ COUNTY  
NOTES TO FINANCIAL STATEMENTS

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