



325 Soquel Avenue
Santa Cruz, CA 95062

**BOARD OF
DIRECTORS**
Finance Committee Meeting
November 19, 2020
9:30 A.M.
Zoom Video Conference

****PLEASE NOTE****: Due to concerns regarding the current COVID-19/Novel Coronavirus outbreak, this CTV Finance Committee meeting will be held virtually using the Zoom online platform. To participate, please download the zoom app and join the meeting at:
<https://zoom.us/j/4083159302>

AGENDA

1. Attendance

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

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

1. Consider Approval of the Finance Committee Meeting Minutes of October 22, 2020 *
2. Consider Approval of October 2020 Financial Reports *
3. Financial Update
4. 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**



325 Soquel Avenue
Santa Cruz, CA 95060

BOARD OF DIRECTORS
Special Finance Committee Meeting
October 22, 2020
9:30 AM
Zoom Video Conference

MINUTES

Please Note: This meeting was held virtually via Zoom due to the COVID-19 virus outbreak and was permitted by an Executive Order Issued by Governor Gavin Newsom allowing virtual meetings of governing boards to be in compliance with the Brown Act during the duration of the COVID-19 Emergency. The public notice of the meeting provided the Zoom login information for the meeting if any public member wished to attend or comment. All meeting votes were taken verbally.

1. Attendance (All attendees participated virtually and roll was taken verbally.)

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

Staff: Mel Sweet, Becca King Reed

Guests: None

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.

There were no public comments.

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

There were no late additions or deletions to the Regular Agenda.

REGULAR AGENDA

1. Consider Approval of the Finance Committee Meeting Minutes of September 24, 2020

The minutes of the meeting of September 24, 2020 were approved on the motion of Keith Gudger and second of Tom Manheim with the abstention of Maitreya Maziarz due to his absence at the meeting. The motion passed on a roll call vote.

2. Consider Approval of the Finance Committee Meeting Minutes of September 28, 2020

The minutes of the meeting of September 28, 2020 were approved on the motion of Keith Gudger and second of Tom Manheim. The motion passed on a roll call vote.

3. Consider Approval of July 2020 Financial Report

Joe Hall opened the discussion and asked Mel Sweet and Becca King Reed to comment on the report.

Mel Sweet had a number of comments on various Operating Budget items. On Item 7110 Contract Services - Legal the reported September costs were for review of the draft lease for the proposed Aptos location. Item 7635 Workers Comp the September cost increased due the budgeting of an amount below the actual Workers Comp cost and reflecting the increase of the Executive Director position to full time. Future budgets will be increased to reflect an increase in cost in this item. Item 7630 this cost increase reflects a payment for a Medicare supplement. Item 7589 Extra Help costs increased in September which reflected extra hours for covering various CZU fire reporting activities and time to fill in for previously scheduled staff vacation. Maitreya Maziarz commented that his questions had been answered in the earlier conversation and questions.

Tom Manheim then shared his September 2020 update of the Item 4120 Facility and Equipment Use revenue spreadsheet. Tom Manheim stated that as of the September 2020 report revenue was ahead of projections. Following this discussion he asked if the SBA Payroll Projection Program loan had been forgiven. Becca King Reed stated that CTV had just received approval to start the loan forgiveness process. Tom Manheim and Keith Gudger then discussed how the PPP should be categorized on the monthly report so that it is not confused with the CTV surplus carried over for the current fiscal year to balance the budget for FY 2019-20. Mel Sweet stated that she would separate these two items to avoid confusion.

The discussion then turned to the Capital Budget. The main point of discussion on the Capital Budget was Item 7057 Equipment – Non Depreciated. Becca King Reed discussed how the use of this item had evolved over time. Keith Gudger stated this item should under normal circumstances be for equipment below a certain value which was then not depreciated. Tom Manheim asked how much work it would be to correct this item to better reflect its normal usage. Met Sweet stated that she could separate the various items to reflect the smaller equipment items normally reflected in this item.

Becca King Reed then discussed the equipment lease for the closed captioning of Santa Cruz City Council meetings. Funds for payment for this service had been included in the City of Santa Cruz City FY 2021. It was agreed that since this equipment was on a lease it should not be on a depreciation schedule.

Joe Hall asked the status of the office rentals to Dignity Health. Becca King Reed stated that it appeared based on the computer connection improvements paid for by Dignity Health that the offices would be used for a longer term.

It was then moved by Tom Manheim and seconded by Keith Gudger that the September 2020 Financial Report be approved and the motion passed on a roll call vote.

4. Financial Update

Joe Hall opened the discussion and asked if Becca King Reed had any comments. Prior to comments by Becca King Reed it was mentioned that a question had been raised at the last meeting on the costs associated with any potential new locations and what the CTV financial capability was to fund a new location. As part of this discussion it had been pointed out by

Keith Gudger that the cost of the CTV/Satellite agreement had increased rather rapidly. Becca King Reed then explained that the original CTV/Satellite agreement had a monthly service fee of \$15,000 per month and the current cost being charged by Satellite was \$25,000 per month. Becca King Reed then reviewed her understanding on how the monthly costs had increased from \$15,000 to \$20,000 per month but stated that she had not agreed to the \$25,000 per month service fee.

A thorough discussion then ensued on how to address this discrepancy. At the end of this discussion Keith Gudger suggested that three points needed to be discussed with Satellite. The Committee agreed that this discussion needed to be initiated by Becca King Reed and if a mutually satisfactory agreement was reached on how to resolve this matter it would need to be approved by the CTV Board. If no agreement was reached this item would need to be scheduled for a closed session of the CTV Board.

It was mentioned that Kevin Bolling the County IT Director was retiring. Becca King Reed had previously requested a meeting with Mr. Bolling and it was stated when this meeting takes place Tom Manheim had been designated to attend the meeting on behalf of the CTV Board. At this meeting the future County IT Director would be introduced.

2. Adjournment

On the motion of Keith Gudger and second of Tom Manheim the Committee adjourned and a roll call vote the motion passed.

Community Television of Santa Cruz County
 Capital Profit Loss Budget Performance
 October
 2020

	Annual Budget 2020-21	September 2020	October 2020	October Year to Date	% of Annual Budget	Amount Remaining
4000 · CAPITAL REVENUE						
4100 · County PEG Fees	500,000.00	150,000.00	0.00	150,000.00	30%	350,000.00
4105 · County PEG Fees - Youth Grant	100,000.00	0.00	0.00	0.00	0%	100,000.00
TOTAL INCOME	600,000.00	150,000.00	0.00	150,000.00	25%	450,000.00
5000 · CAPITAL EXPENDITURES						
5100 · Facility						
7400 · Facility Lease	247,364.00	20,243.56	20,990.81	78,986.84	32%	168,377.16
6701 · Insurance	11,143.00	926.59	926.59	3,640.36	33%	7,502.64
7058 · Leasehold Improvements/Capital	20,000.00	270.00	5,137.62	10,883.38	54%	9,116.62
7300 · Facilities & Equipment Rental	1,000.00	46.34	46.34	185.36	19%	814.64
Total 5100 · Facility	279,507.00	21,486.49	27,101.36	93,695.94	34%	185,811.06
5200 · Equipment						
7215 · Copy Machine Lease	5,000.00	185.26	166.15	779.17	16%	4,220.83
7051 · Equipment Repair	5,000.00	158.33	435.83	1,007.07	20%	3,992.93
7054 · Captioning Equipment Lease	0.00	0.00	9,496.00	9,496.00	0%	-9,496.00
7056 · Equipment - Depreciated	109,353.00	0.00	0.00	0.00	0%	109,353.00
7057 · Equipment - Non Depreciated	10,000.00	6,419.97	-4,842.94	10,203.00	102%	-203.00
7060 · Equipment Grant Program - Depreciated	100,000.00	0.00	0.00	0.00	0%	100,000.00
7061 · Equipment Leases	36,800.00	0.00	0.00	0.00	0%	36,800.00
7062 · Software as a Service	16,500.00	1,060.14	1,278.73	4,519.51	27%	11,980.49
Total 5200 · Equipment	282,653.00	7,823.70	6,533.77	26,004.75	9%	256,648.25
Capital Maintenance & Repair						
7063 - Building Maintenance	6,400.00	591.18	566.49	2,264.50	35%	4,135.50
7064 - Equipment Maintenance	10,600.00	892.67	892.67	3,570.68	34%	7,029.32
7065 - Equipment Repair	20,180.00	2,032.99	1,924.88	7,763.08	38%	12,416.92
Total 5200 · Equipment	37,180.00	3,516.84	3,384.04	13,598.26	37%	23,581.74
5300 · Media Licensing						
7059 · Music Library	660.00	55.00	55.00	220.00	33%	440.00
Total 5300 · Media Licensing	660.00	55.00	55.00	220.00	33%	440.00
Total 5000 · CAPITAL EXPENDITURES	600,000.00	32,882.03	37,074.17	133,518.95	22%	466,481.05
NET INCOME/LOSS	0.00	117,117.97	-37,074.17	16,481.05		

Community Television of Santa Cruz County
 Operating Profit Loss Budget Performance
 October
 2020

	Annual Budget 2020-21	September 2020	October 2020	October Year to Date	% of Annual Budget	Amount Remaining
4300 · OPERATING REVENUE						
4101 · County BOS Meetings	21,000.00	4,960.00	2,092.50	12,399.50	59%	8,600.50
4103 · City of Capitola Gov. Meetings	7,000.00	559.00	580.50	2,967.00	42%	4,033.00
4104 · SCMTD Meetings	2,500.00	408.50	365.50	1,268.50	51%	1,231.50
4106 · City of Santa Cruz Gov. Mtg.	45,000.00	4,396.75	4,726.50	16,056.75	36%	28,943.25
4108 · SCCRTC Meetings	4,500.00	301.00	430.00	1,462.00	32%	3,038.00
4109 · SCWD Government Meetings	4,200.00	0.00	100.00	100.00	2%	4,100.00
4120 · Facility & Equipment Use	100,000.00	10,648.94	5,076.03	37,595.47	38%	62,404.53
4121 - SLVWD Meetings	4,600.00	236.50	651.48	1,898.48	41%	2,701.52
4122 - PVUSD	2,500.00	0.00	0.00	0.00	0%	2,500.00
4130 · Classes	0.00	0.00	0.00	0.00	0%	0.00
4165 · Donations	250.00	0.00	0.00	0.00	0%	250.00
4180 · Interest Earned	0.00	397.06	271.86	1,416.60		-1,416.60
4185 · Misc. Income	1,000.00	0.00	56.00	112.00		888.00
4190 · Gain/Loss on Sale of Assets	0.00	0.00	0.00	0.00		0.00
4200 · Production Services	6,000.00	0.00	0.00	0.00	0%	6,000.00
4250 - Closed Captioning	42,000.00	3,187.50	1,575.00	8,512.50	20%	33,487.50
4260 - Equipment Lease	5,000.00	651.28	651.28	2,481.37	50%	2,518.63
PPP Loan	32,390.00	0.00	0.00	0.00	0%	32,390.00
CTV Surplus	14,999.50	0.00	0.00	0.00	0%	14,999.50
Total 4300 · OPERATING REVENUE	292,939.50	25,746.53	16,576.65	86,270.17	29%	206,669.33
TOTAL INCOME	292,939.50	25,746.53	16,576.65	86,270.17	29%	206,669.33
6000 · OPERATING EXPENSES						
6100 · Advertising	11,000.00	314.64	404.09	1,708.08	16%	9,291.92
6300 · Bank Charges	2,500.00	201.74	106.69	712.06	28%	1,787.94
6600 · Dues & Subscriptions	1,500.00	147.95	87.95	411.80	27%	1,088.20
7100 · Office Supplies	1,000.00	1.09	74.29	91.57	9%	908.43
7105 - Production Expenses	500.00	0.00	0.00	5.00		495.00
7200 · Postage/Freight	375.00	20.99	0.00	249.75	67%	125.25
7205 · Printing	250.00	0.00	0.00	0.00	0%	250.00
7401 · Facility Supplies	3,000.00	245.91	83.82	535.94	18%	2,464.06
7640 · Licenses/Fees/Misc. Taxes	100.00	0.00	0.00	44.00	44%	56.00
7700 · Telephone/Telecommunications/Internet	1,920.00	160.05	160.04	649.68		1,270.32
Total 6000 - Operating Expenses	22,145.00	1,092.37	916.88	4,407.88	20%	17,737.12
6800 · Contracted Services						
6900 · Contract Services-Audit Services	2,500.00	-515.00	0.00	-515.00	-21%	3,015.00
7001 · Contract Services-Production Support	0.00	0.00	0.00	0.00	0%	515.00
7007 · Contract Services-CMAP	0.00	0.00	0.00	0.00	0%	0.00
7010 · Contract Services-Consulting	2,000.00	0.00	0.00	0.00	0%	2,000.00
7110 · Contract Services-Legal	3,000.00	2,700.00	0.00	2,700.00	90%	300.00
7910 - Contract Services-Equipment Technicians	0.00	0.00	0.00	0.00	0%	0.00
7920 · Contract Services-Captioning	21,000.00	678.70	478.50	3,588.20	17%	17,411.80
Total 6800 · Contracted Services	28,500.00	2,863.70	478.50	5,773.20	20%	22,726.80
7000 · Staff Development & Fundraising						
7405 · Training/conferences	2,000.00	147.50	147.50	590.00	30%	1,410.00
7800 · Travel/Meals	800.00	0.00	41.03	41.03	5%	758.97
8600 · Special Events Expense	1,000.00	0.00	0.00	0.00	0%	1,000.00
Total 7000 · Staff Development & Fundraising	3,800.00	147.50	188.53	631.03	17%	3,168.97

Community Television of Santa Cruz County
 Operating Profit Loss Budget Performance
 October
 2020

	Annual Budget 2020-21	September 2020	October 2020	October Year to Date	% of Annual Budget	Amount Remaining
7500 · Operating Salaries & Benefits						
7525 · Executive Director	80,720.00	6,729.33	6,729.33	26,917.32	33%	53,802.68
7530 · Salaries - Coworking Community Coordinator	31,820.00	2,364.70	2,265.94	9,057.93	28%	22,762.07
7535 · Salaries - Accountant	16,377.00	1,402.63	970.20	4,135.03	25%	12,241.97
7542 · Salaries - Media Services Coordinator	42,848.00	3,570.67	3,570.67	14,282.68	33%	28,565.32
7585 · Salaries - Government Technicians	18,488.00	1,880.25	1,844.58	7,116.73	38%	11,371.27
7589 · Salaries - Extra Help Trainers, Technicians	3,000.00	918.81	0.00	1,354.74	45%	1,645.26
7621 · Payroll Taxes	20,029.50	1,625.56	1,531.70	6,157.02	31%	13,872.48
7635 · Workers Comp	2,012.00	503.33	111.33	837.32	42%	1,174.68
7630 · Health/Dental/Vision	18,200.00	1,306.27	900.01	5,816.14	32%	12,383.86
7632 · Severance/Vacation Payouts	5,000.00	0.00	0.00	0.00	0%	5,000.00
Total 7500 · Operating Salaries & Benefits	238,494.50	20,301.55	17,923.76	75,674.91	32%	162,819.59
TOTAL EXPENSES	292,939.50	24,405.12	19,507.67	86,487.02	30%	206,452.48
NET INCOME/LOSS	0.00	1,341.41	-2,931.02	-216.85	-0.3%	

Community Television of Santa Cruz County

BALANCE SHEET

As of October 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1010 Checking-SCCCU	0.00
1015 PayPal Checking-SCCCU	0.00
1020 Savings-SCCCU	0.00
1021 Petty Cash Fund	64.31
1070 CD 12 month Cert SCCC	0.00
1075 Checking - Lighthouse Bank	660,209.67
1080 Savings - Lighthouse Bank	887,677.75
1085 CD 12-23 Month - Lighthouse Bank	0.00
1099 Cash Box	0.00
Total Bank Accounts	\$1,547,951.73
Accounts Receivable	
1114 Temp A/R	0.00
1115 Accounts Receivable	16,153.23
1116 Grants Receivable	0.00
Total Accounts Receivable	\$16,153.23

Community Television of Santa Cruz County

BALANCE SHEET

As of October 31, 2020

	TOTAL
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	459.18
1209 Liability / D&O (SLIP)	0.00
1210 Property Liability (SPIP)	6,425.80
Total 1200 Prepaid Insurance	6,884.98
1260 Prepaid Expenses	26,925.39
1300 PFG Common Stock	4,931.00
1400 Undeposited Funds	0.00
Repayment	
Health Insurance	0.00
Total Repayment	0.00
Total Other Current Assets	\$38,741.37
Total Current Assets	\$1,602,846.33
Fixed Assets	
1600 Production Equipment	1,096,176.28
1700 Accum Depr-Production Equipment	-975,061.08
Total 1600 Production Equipment	121,115.20
1620 Office Furniture/Equipment	122,181.80
1720 Accum Depr-Furniture/Equipment	-117,880.79
Total 1620 Office Furniture/Equipment	4,301.01
1625 Leasehold Improvement	207,697.15
1725 Accum Depr-Leasehold Improv.	-148,503.06
Total 1625 Leasehold Improvement	59,194.09
1670 Broadcasting Equipment	28,933.89
Total Fixed Assets	\$213,544.19
TOTAL ASSETS	\$1,816,390.52

Community Television of Santa Cruz County

BALANCE SHEET As of October 31, 2020

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable	-10,015.10
Total Accounts Payable	\$ -10,015.10
Other Current Liabilities	
2110 Sales Tax Payable	0.00
2111 Sales Tax (Manual entry)	0.00
2140 Accrued Vacation	9,133.15
2150 PPP Loan	32,390.00
24000 Payroll Liabilities	1,034.98
CA PIT / SDI	475.80
CA SUI / ETT	-590.35
Federal Taxes (941/944)	4,215.54
Total 24000 Payroll Liabilities	5,135.97
Board of Equalization Payable	0.00
Direct Deposit Payable	0.00
Total Other Current Liabilities	\$46,659.12
Total Current Liabilities	\$36,644.02
Long-Term Liabilities	
2400 Business Equipment Loan 33736	0.00
Total Long-Term Liabilities	\$0.00
Total Liabilities	\$36,644.02
Equity	
3000 Opening Bal Equity	0.00
3015 Net Assets-Temp Restricted	0.00
3900 Retained Earnings	549,780.90
3905 Retained Earnings - Capital Reserves	1,213,701.40
Net Income	16,264.20
Total Equity	\$1,779,746.50
TOTAL LIABILITIES AND EQUITY	\$1,816,390.52

EQUITY:	
Capital Reserves	\$ 998,352.39
Capital Reserves - Youth Grant	\$ 231,830.06
Operating Reserves	\$ 190,699.81
PPP Loan	\$ 32,390.00
Other Assets	\$ 326,474.24
TOTAL	\$ 1,779,746.50