



AGENDA

BOARD OF DIRECTORS
Finance Committee Meeting
April 20, 2023
3:00 P.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://us06web.zoom.us/j/2017133083>

1. Attendance

(Chair) Joe Hall, Tom Manheim, Guy Lasnier, 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

4. Consider Approval of March 2023 Meeting Minutes *

5. Consider Approval of March 2023 Financial Reports *

6. Financial Update

7. 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**



**BOARD OF DIRECTORS
Finance Committee Meeting
March 23, 2023**

325 Soquel Avenue
Santa Cruz, CA 95060

**4:00 PM
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), Keith Gudger, Guy Lasnier, Tom Manheim

Absent: None

Staff: Becca King Reed, Mel Sweet

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

4. Consider Approval of the Minutes of the February 2023 Meeting

Joe Hall opened the discussion and asked if there were any corrections or comments. No comments or corrections were noted. It was then moved by Keith Gudger and seconded by Tom Manheim that the minutes of the February 23, 2023 meeting be approved. The motion passed unanimously on a voice vote.

5. Consider Approval of the meeting February 2023, Financial Report

Joe Hall opened the discussion and asked if Becca King Reed had any comments. During

her comments Becca King Reed mentioned that February revenue in Account 4120 Facility and Equipment was lower than budgeted due to one office becoming vacant. Becca King Reed then mentioned that CTV was now telecasting the meetings of the Soquel Creek Water District. Tom Manheim noted that the revenue from the County Board of Supervisors was lower than projected. Becca King Reed stated that she had researched this and the Board of Supervisors was meeting less and the meetings were shorter. Tom Manheim then shared his spreadsheet which tracks the revenue in Account 4120 Facility and Equipment. The latest report showed that the revenue was ahead of projection. Following several other comments it was then moved by Guy Lasnier and seconded by Keith Gudger that February 2023 Financial Report be approved. The motion passed on a unanimous roll call vote.

6. Review and Consider Approval of Annual Report

Joe Hall opened the item for discussion and asked Becca King Reed for any comments. Becca King Reed explained in past years the CTV Annual Report had been submitted in September to the County of Santa Cruz however, more recently the County had asked that the CTV budget be submitted so that it could be considered during the County's annual fiscal year budget hearings.

The Committee then reviewed with Becca King Reed the proposed CTV FY 2023-24 Operating and Capital Budget. Becca King Reed initially covered the projected revenues explaining that most of the revenue projections were based on actual revenues during the CTV FY 2022-23 with a projection for the remaining time period of the CTV fiscal year budget. She highlighted several items including Activity 4185 Misc. Income/Interest Income which now reflects the increased interest income from the new government bond account with Schwab.

The next area of the Operating Budget reviewed was the Operating Expenses. Several questions on this section were raised by Committee members. Tom Manheim asked if there should not be an increase in Account 7401 Facility Supplies due to the extra space in the CTV building now being used. Becca King Reed mentioned that it did not appear there would be enough extra expenses to warrant an additional budget amount and if there were it could be addressed in the Mid-year Budget Adjustment. It was also mentioned that an amount was missing in Account 7700 Telephone/Telecommunications. Becca King Reed said she would include the missing amount.

In the Contract Services section of the Operating Budget Tom Manheim mentioned that in the Mid-Year Budget Adjustment Account 7110 Legal Services had been increased to \$3,000 and in the proposed FY 2023-24 budget it was proposed as \$2,000. Following a brief discussion it was agreed to increase this amount \$3,000.

Under Staff Development and Fundraising it was pointed out that Activity 7405 Training and Conferences had been increased by \$500 to allow for Media Services Coordinator to attend a professional conference now that the Pandemic restrictions were lifted. The review then proceeded to Operating Salaries/Benefits. Becca King Reed mentioned that in this section she had included a 3% cost of living adjustment for the three CTV employees and that she would like to have her salary adjusted to reflect this increase and the salary she had forgone during the Pandemic. The Committee then discussed this item in detail. It was proposed by Joe Hall that in light of the 8% plus cost of living increase in Santa Cruz County it seemed more appropriate to include a 4% cost of living increase. Keith Gudger, Guy Lanier and Tom Manheim then discussed this matter in detail. As a result of this discussion the Committee agreed that an amount for the 4% cost of living adjustment should

be included in another item of the budget and that the CTV Board Chair and Executive Director would meet separately to arrange the cost of living implementation and to discuss the request of the Executive Director.

Following this discussion it was mentioned by Becca King Reed that many of the expenses associated with the CTV employees were increased to reflect actual cost increases. Becca King Reed then closed the discussion of the FY 2023-24 Operating Budget by pointing out that operating revenue exceeded operating costs by \$29,000 which would accommodate the few changes suggested by the Finance Committee.

The Committee review then continued to the proposed CTV FY 2023-24 Capital Budget. It was explained that PEG revenues reflected the CTV/County Agreement. The discussion then continued to the Capital Expenditures. Guy Lanier raised a question under Account 7400 Facility Lease whether CTV had a triple-net lease for its building. Becca King Reed explained the lease agreement listed the responsibilities of both the tenant (CTV) and the building owner which was equivalent to a triple-net lease. It was then explained that Account 7215 Copy Machine Lease was increased to reflect the new copy machine and Account 7059 SWAS was decreased since CTV clients would now be responsible for the purchase of their own Zoom accounts.

Under PEG Related Labor: Becca King Reed explained the cost formula for sharing PEG Labor Related costs between the Operating and Capital Budgets and these costs would be increased by the recommended 4%.

The discussion of the proposed CTV FY 2023-24 Operating and Capital Budget was then closed and it was moved by Tom Manheim and seconded by Guy Lasnier that the Finance Committee recommend to the CTV Board the approval of the proposed CTV FY 2023-24 Operating and Capital Budget, with the following revisions:

1. Account 7700 Telephone/Telecommunications include an appropriation of \$2,900.
2. Account 7110 Legal Fees be increased to \$3,000.
3. Operating and Capital Budget salaries be increased by 4% and this adjustment be included in an appropriate section of the proposed budget by the Executive Director.
4. The Executive Director and Board Chair meet to discuss the implementation of the cost of living raise and the Executive Director's salary adjustment request.

The motion was approved by a unanimous roll call vote.

7. Discuss and Reschedule November Meeting

It was noted that the November Finance Committee meeting was on Thanksgiving Day. Following a brief discussion it was agreed to reschedule the meeting to Monday, November 20, 2023 at 5 PM.

8. LPTV Discussion

Becca King Reed reported that the LPTV Report had been prepared. She was further interested in asking the CTV Board to create a LPTV Ad-Hoc Committee to review the report and identify any questions that should be asked of the LPTV Consultants in preparation for any future FCC LPTV channel release. The Committee agreed this was a good approach.

9. Financial Update

Becca King Reed reported that the funds transfer from the Santa Cruz County Bank CDARs to a Schwab Treasury bill account was underway and would result in increased interest income for CTV.

8. Adjournment

A motion was made by Guy Lanier that the meeting adjourns. The motion passed unanimously on a voice vote.

Community Television of Santa Cruz County
 Capital Profit Loss Budget Performance
 March
 2023

	Amended Budget 2022-23	February 2023	March 2023	March Year to Date	% of Annual Budget	Amount Remaining
4000 · CAPITAL REVENUE						
4100 · County PEG Fees	500,000.00	0.00	125,000.00	375,000.00	75%	125,000.00
4105 · County PEG Fees - Youth Grant	100,000.00	0.00	25,000.00	75,000.00	75%	25,000.00
TOTAL INCOME	600,000.00	0.00	150,000.00	450,000.00	75%	150,000.00
5000 · CAPITAL EXPENDITURES						
5100 · Facility						
7400 · Facility Lease	290,396.00	20,562.60	29,485.91	199,527.18	69%	90,868.82
6701 · Facility / Equip. Insurance	13,105.00	1,082.18	1,082.18	9,653.62	74%	3,451.38
7058 · Leasehold Improvements / Capital	12,196.00	4,575.65	0.00	4,575.65	38%	7,620.35
7300 · Facilities & Equipment Rental	1,000.00	61.39	61.39	532.43	53%	467.57
Total 5100 · Facility	316,697.00	26,281.82	30,629.48	214,288.88	68%	102,408.12
5200 · Equipment						
7215 · Copy Machine Lease	2,480.00	298.34	298.34	3,158.84	127%	(678.84)
7051 · Equipment Repair	4,564.00	0.00	0.00	250.11	5%	4,313.89
7056 · Equipment - Depreciated	90,928.00	0.00	7,386.90	88,104.00	97%	2,824.00
7057 · Equipment - Non Depreciated	24,306.00	9.38	611.39	21,165.88	87%	3,140.12
7060 · Equipment Grant Program	100,000.00	0.00	0.00	47,137.74	47%	52,862.26
7061 · Equipment Leases	0.00	0.00	0.00	0.00	0%	0.00
7062 · Software as a Service	17,250.00	1,651.50	1,673.96	13,225.29	77%	4,024.71
7700 · Telephone / Telecommunications / Internet	0.00	863.19	863.19	7,768.71		(7,768.71)
Total 5200 · Equipment	239,528.00	2,822.41	10,833.78	180,810.57	75%	58,717.43
Capital Maintenance & Repair						
7063 - Building Maintenance	7383.00	566.77	632.74	5,327.91	72%	2,055.09
7064 - Equipment Maintenance	12694.00	1030.37	1277.66	9,520.62	75%	3,173.38
7065 - Equipment Repair	23038.00	1867.49	2039.94	17,119.30	74%	5,918.70
Total Capital Maintenance & Repair	43115.00	3464.63	3950.34	31,967.83	74%	11,147.17
5300 · Media Licensing						
7059 · Music Library	660.00	0.00	0.00	330.00	50%	330.00
Total 5300 · Media Licensing	660.00	0.00	0.00	330.00	50%	330.00
Total 5000 · CAPITAL EXPENDITURES	600,000.00	32,568.86	45,413.60	427,397.28	71%	172,602.72
NET INCOME/LOSS	0.00	(32,568.86)	104,586.40	22,602.72		

Community Television of Santa Cruz County
 Operating Profit Loss Budget Performance
 March
 2023

	Amended Budget 2022-23	February 2023	March 2023	March Year to Date	% of Annual Budget	Amount Remaining
4300 · OPERATING REVENUE						
4101 · County BOS Meetings	23,732.00	1,085.00	1,317.50	8,811.00	37%	14,921.00
4103 · City of Capitola Gov. Meetings	10,314.00	1,243.00	1,045.25	9,147.75	89%	1,166.25
4104 · SCMTD Meetings	3,440.00	395.50	339.00	3,064.65	89%	375.35
4106 · City of Santa Cruz Gov. Mtg.	35,238.00	1,588.75	3,557.25	33,417.25	95%	1,820.75
4108 · SCCRTC Meetings	5,058.00	452.00	367.25	4,622.00	91%	436.00
4120 · Facility & Equipment Use	105,750.00	8,061.47	10,047.14	85,662.64	81%	20,087.36
4121 · SLVWD Meetings	7,859.00	565.00	847.50	5,853.75	74%	2,005.25
4122 · PVUSD	12,072.00	590.00	1,211.50	7,453.00	62%	4,619.00
4130 · Classes	0.00	0.00	0.00	0.00	0%	0.00
4165 · Donations	3,645.00	1,004.99	0.00	2,582.40	71%	1,062.60
4180 · Interest Earned	0.00	539.66	121.45	5,161.06	0%	(5,161.06)
4185 · Misc. Income	30,840.00	700.00	0.00	1,496.00	5%	29,344.00
4190 · Gain/Loss on Sale of Assets	0.00	0.00	0.00	0.00	0%	0.00
4200 · Production Services	4,000.00	0.00	0.00	4,250.00	106%	(250.00)
4250 - Closed Captioning	34,920.00	1,725.00	1,875.00	17,437.50	50%	17,482.50
4260 - Equipment Lease	8,600.00	567.42	567.42	5,690.10	66%	2,909.90
4700 - CA Relief Grant	0.00	0.00	0.00	0.00	0%	0.00
CTV Reserves	0.00	0.00	0.00	0.00	0%	0.00
Total 4300 · OPERATING REVENUE	285,468.00	18,517.79	21,296.26	194,649.10	68%	90,818.90
TOTAL INCOME	285,468.00	18,517.79	21,296.26	194,649.10	68%	90,818.90
6000 · OPERATING EXPENSES						
6100 · Advertising	8,000.00	25.00	40.00	244.24	3%	7,755.76
6300 · Bank Charges	2,000.00	259.94	230.41	2,072.27	104%	(72.27)
6350 · Interest Expense - EIDL	0.00	648.00	0.00	1,944.00	0%	(1,944.00)
6600 · Dues & Subscriptions	1,000.00	52.15	0.00	609.63	61%	390.37
7100 · Office Supplies	800.00	21.42	27.29	153.14	19%	646.86
7105 - Production Expenses	200.00	0.00	0.00	0.00	0%	200.00
7200 · Postage/Freight	500.00	179.81	0.00	796.81	159%	(296.81)
7205 · Printing	100.00	0.00	0.00	18.51	19%	81.49
7401 · Facility Supplies	2,000.00	201.91	276.35	1,028.23	51%	971.77
7640 · Licenses / Fees / Misc. Taxes	100.00	0.00	0.00	17.00	17%	83.00
7700 · Telephone / Telecommunications / Internet	2,920.00	298.98	299.15	2,647.36	91%	272.64
Total 6000 - Operating Expenses	17,620.00	1,687.21	873.20	9,531.19	54%	8,088.81
6800 · Contracted Services						
6900 · Contract Services-Audit Services	1,500.00	0.00	0.00	0.00	0%	1,500.00
7001 · Contract Services-Production Support	0.00	0.00	0.00	0.00	0%	0.00
7007 · Contract Services-CMAP	0.00	0.00	0.00	0.00	0%	0.00
7010 · Contract Services-Consulting	3,500.00	0.00	629.40	629.40	18%	2,870.60
7110 · Contract Services-Legal	2,000.00	0.00	356.00	1,826.00	91%	174.00
7910 - Contract Services-Equipment Technicians	2,520.00	0.00	0.00	0.00	0%	2,520.00
7920 · Contract Services-Captioning	12,000.00	225.76	867.67	11,454.66	95%	545.34
Total 6800 · Contracted Services	21,520.00	225.76	1,853.07	13,910.06	65%	7,609.94
7000 · Staff Development & Fundraising						
7405 · Training / conferences	1,500.00	0.00	0.00	0.00	0%	1,500.00
7800 · Travel / Meals	100.00	0.00	37.34	70.97	71%	29.03
8600 · Special Events Expense	1,000.00	0.00	0.00	0.00	0%	1,000.00
Total 7000 · Staff Development & Fundraising	2,600.00	0.00	37.34	70.97	3%	2,529.03

Community Television of Santa Cruz County
 Operating Profit Loss Budget Performance
 March
 2023

	Amended Budget 2022-23	February 2023	March 2023	March Year to Date	% of Annual Budget	Amount Remaining
7500 · Operating Salaries & Benefits						
7525 · Salaries - Executive Director	80,720.00	6,729.33	6,729.33	60,563.97	75%	20,156.03
7530 · Salaries - Coworking Community Coordinator	29,535.00	2,267.08	2,530.95	21,311.62	72%	8,223.38
7535 · Salaries - Accountant	11,032.00	740.66	1,430.46	7,913.30	72%	3,118.70
7542 · Salaries - Media Services Coordinator	50,778.00	4,121.47	5,110.63	38,082.39	75%	12,695.61
7585 · Salaries - Government Technicians	20,000.00	1,395.71	2,271.77	14,383.85	72%	5,616.15
7589 · Salaries - Extra Help Trainers, Technicians	2,000.00	0.00	0.00	994.33	50%	1,005.67
7621 · Payroll Taxes	24,429.00	1,803.23	1,953.36	15,890.01	65%	8,538.99
7635 · Workers Comp	2,034.00	125.40	125.40	1,128.60	55%	905.40
7630 · Health/Dental/Vision	18,200.00	1,503.81	1,663.23	11,948.54	66%	6,251.46
7632 · Severance/Vacation Payouts	5,000.00	0.00	0.00	0.00	0%	5,000.00
Total 7500 · Operating Salaries & Benefits	243,728.00	18,686.69	21,815.13	172,216.61	71%	71,511.39
TOTAL EXPENSES	285,468.00	20,599.66	24,578.74	195,728.83	69%	89,739.17
NET INCOME/LOSS	0.00	(2,081.87)	(3,282.48)	(1,079.73)	-0.6%	

Community Television of Santa Cruz County

Balance Sheet

As of March 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1021 Petty Cash Fund	709.08
1075 Checking - Santa Cruz County Bank	400,589.11
1080 Savings - Santa Cruz County Bank	143,227.90
1081 CDAR 1025929272	0.00
1082 CDAR 1025929809	0.00
1083 ICS Santa Cruz County Bank	250,026.60
1084 CDAR 1026064054	0.00
1085 CDAR 1026064062	0.00
1086 Schwab	1,000,000.00
Total Bank Accounts	\$1,794,552.69
Accounts Receivable	
1114 Temp A/R	0.00
1115 Accounts Receivable	13,733.08
1116 Grants Receivable	0.00
Total Accounts Receivable	\$13,733.08
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	75.00
1203 Crime Coverage	0.00
1206 Workers Comp Deposit	882.40
1209 Liability / D&O (SLIP)	0.00
1210 Property Liability (SPIP)	3,002.53
Total 1200 Prepaid Insurance	3,959.93
1260 Prepaid Expenses	26,324.27
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	\$35,215.20
Total Current Assets	\$1,843,500.97

Community Television of Santa Cruz County

Balance Sheet

As of March 31, 2023

	TOTAL
Fixed Assets	
1600 Production Equipment	1,323,471.84
1700 Accum Depr-Production Equipment	-1,107,756.25
Total 1600 Production Equipment	215,715.59
1602 Board of Supervisors Equipment	0.00
1620 Office Furniture/Equipment	122,181.80
1720 Accum Depr-Furniture/Equipment	-120,741.54
Total 1620 Office Furniture/Equipment	1,440.26
1625 Leasehold Improvement	207,697.15
1725 Accum Depr-Leasehold Improv.	-162,208.48
Total 1625 Leasehold Improvement	45,488.67
1670 Broadcasting Equipment	28,933.89
Total Fixed Assets	\$291,578.41
TOTAL ASSETS	\$2,135,079.38
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable	1,383.25
Total Accounts Payable	\$1,383.25
Credit Cards	
2120 American Express	5,016.45
Total Credit Cards	\$5,016.45
Other Current Liabilities	
2110 Sales Tax Payable	-153.15
2111 Sales Tax (Manual entry)	0.00
2140 Accrued Vacation	10,583.72
2150 PPP Loan	0.00
24000 Payroll Liabilities	1,034.98
CA PIT / SDI	616.70
CA SUI / ETT	635.14
Federal Taxes (941/944)	2,897.47
Total 24000 Payroll Liabilities	5,184.29
Board of Equalization Payable	0.00
Direct Deposit Payable	0.00
Total Other Current Liabilities	\$15,614.86
Total Current Liabilities	\$22,014.56

Community Television of Santa Cruz County

Balance Sheet

As of March 31, 2023

	TOTAL
Long-Term Liabilities	
2400 Business Equipment Loan 33736	0.00
2410 EIDL Loan	0.00
Total Long-Term Liabilities	\$0.00
Total Liabilities	\$22,014.56
Equity	
3000 Opening Bal Equity	0.00
3015 Net Assets-Temp Restricted	0.00
3900 Retained Earnings	532,346.07
3905 Retained Earnings - Capital Reserves	1,559,195.76
Net Income	21,522.99
Total Equity	\$2,113,064.82
TOTAL LIABILITIES AND EQUITY	\$2,135,079.38

EQUITY:	
Capital Reserves.	\$1,266,147.27
Capital Reserves - Youth Grant	\$315,651.21
Operating Reserves.	\$212,754.21
Other Assets.	\$318,512.13
TOTAL.	\$2,113,064.82