

**SACRAMENTO COMMUNITY CABLE  
FOUNDATION  
DBA ACCESS SACRAMENTO  
(A California Nonprofit Corporation)**

**FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2014 and 2013**

**Sacramento Community Cable Foundation  
DBA Access Sacramento  
(A California Nonprofit Corporation)**

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 **Balarsky & Associates, CPA's**

6920 FAIR OAKS BLVD., SUITE 105  
CARMICHAEL, CALIFORNIA 95608

Phone: (916) 921-2600 • Fax: (916) 921-1485

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**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To The Board of Directors  
Sacramento Community Cable Foundation  
DBA Access Sacramento  
(A California Nonprofit Corporation)

We have reviewed the accompanying statement of financial position of Sacramento Community Cable Foundation, DBA Access Sacramento (A California Nonprofit Corporation) as of June 30, 2014 and 2013 and the related statements of activity, changes in net assets and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Balarsky & Associates, CPA's  
Carmichael, CA

November 10, 2014

**Sacramento Community Cable Foundation  
DBA Access Sacramento  
(A California Nonprofit Corporation)**

**STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2014 and 2013**

<b>ASSETS</b>	<b>2014</b>	<b>2013</b>
Current Assets		
Cash	\$ 256,590	\$ 366,814
Cash - Reserve Funds (Note 5)	50,000	50,000
Prepaid Insurance	-	-
Total Current Assets	306,590	416,814
Furniture and Equipment (Notes 1 and 6)		
Furniture and Equipment	1,518,902	1,330,409
Less Accumulated Depreciation	1,108,802	974,947
Net Property and Equipment	410,100	355,462
<b>TOTAL ASSETS</b>	<b>\$ 716,690</b>	<b>\$ 772,276</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	15,599	7,613
Accrued Vacation (Note 7)	\$ 19,502	\$ 23,260
Total Current Liabilities	35,101	30,873
Net Assets		
Unrestricted	531,405	538,087
Temporarily Restricted	150,184	203,316
Total Net Assets	681,589	741,403
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 716,690</b>	<b>\$ 772,276</b>

See accompanying notes and independent accountant's review report.

**Sacramento Community Cable Foundation  
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**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2014 and 2013**

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and Revenue						
SMCTC Grant (Note 3)	\$ 489,211	\$ -	\$ 489,211	\$ 490,861	\$ -	\$ 490,861
Grants Foundation	13,307	-	13,307	4,270	-	4,270
PEG Capital & Facilities Grant (Note 7)	217,312	149,688	367,000	163,684	203,316	367,000
Release of Restriction - Current Year (Note 7)	203,316	(203,316)	-	88,886	(88,886)	-
Interest Income	378	-	378	679	-	679
Memberships	19,168	-	19,168	23,262	-	23,262
Film Festival	9,360	-	9,360	12,705	-	12,705
Underwriting	2,000	-	2,000	5,702	-	5,702
User/Rental Fees	12,251	-	12,251	4,885	-	4,885
Training Fees	10,857	-	10,857	11,007	-	11,007
Contracted Production	15,750	-	15,750	9,657	-	9,657
Donations	5,341	-	5,341	5,020	-	5,020
In-Kind Donations	15,000	-	15,000	15,000	-	15,000
Fundraising	6,922	-	6,922	11,850	-	11,850
<b>Total Support and Revenue</b>	<b>1,020,173</b>	<b>(53,628)</b>	<b>966,545</b>	<b>847,468</b>	<b>114,430</b>	<b>961,898</b>
Operating Expenses						
Personnel						
Executive Director	81,697	-	81,697	80,903	-	80,903
Executive Director Retirement	21,769	-	21,769	-	-	-
Office Coordinator	27,380	-	27,380	27,039	-	27,039
Programming Director	39,326	-	39,326	40,876	-	40,876
Chief Technician	16,632	-	16,632	15,533	-	15,533
Community Outreach Coordinator	-	-	-	517	-	517
Hometown TV Salary/Contracted	50,358	-	50,358	64,505	-	64,505
Digital Media Coordinator	26,337	-	26,337	24,638	-	24,638
On-Call Production/Office	57,371	-	57,371	62,362	-	62,362
Radio Production Coordinator	25,891	-	25,891	23,788	-	23,788
Playback Operator and Assistant	23,760	-	23,760	23,230	-	23,230
Production Director - #1	44,468	-	44,468	45,391	-	45,391
Multi-Media Projects Coordinator	27,211	-	27,211	25,437	-	25,437
Temp Help	30,167	-	30,167	20,003	-	20,003
Fundraising/Underwriter Coordinator	11,679	-	11,679	11,250	-	11,250
<b>Total Personnel</b>	<b>484,046</b>	<b>-</b>	<b>484,046</b>	<b>465,472</b>	<b>-</b>	<b>465,472</b>
Burden						
Payroll Tax Expense	40,767	-	40,767	40,028	-	40,028
Medical Insurance	42,377	-	42,377	35,339	-	35,339
Retirement Plan	11,634	-	11,634	16,438	-	16,438
Workers' Compensation	8,857	-	8,857	4,099	-	4,099
<b>Total Burden</b>	<b>103,635</b>	<b>-</b>	<b>103,635</b>	<b>95,904</b>	<b>-</b>	<b>95,904</b>

See accompanying notes and independent accountant's review report.

**Sacramento Community Cable Foundation  
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**STATEMENT OF FINANCIAL ACTIVITY (Continued)  
FOR THE YEAR ENDED JUNE 30, 2014 and 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Occupancy						
Building - Rent Expense	53,899	-	53,899	56,033	-	56,033
Security	4,405	-	4,405	3,000	-	3,000
Utilities	11,877	-	11,877	11,429	-	11,429
Insurance	23,095	-	23,095	16,188	-	16,188
Total Occupancy	<u>93,276</u>	<u>-</u>	<u>93,276</u>	<u>86,650</u>	<u>-</u>	<u>86,650</u>
General Administration						
Office Expense	5,021	-	5,021	5,105	-	5,105
Telephone	7,821	-	7,821	5,609	-	5,609
Postage	2,743	-	2,743	2,616	-	2,616
Printing	958	-	958	409	-	409
Subscriptions & Publications	2,032	-	2,032	1,108	-	1,108
Legal & Accounting	20,834	-	20,834	18,884	-	18,884
Community Relations	9,444	-	9,444	13,115	-	13,115
Scholarships	-	-	-	450	-	450
Mileage, Parking & Travel	3,067	-	3,067	1,645	-	1,645
Promo & Advertising	5,500	-	5,500	6,568	-	6,568
Training	3,017	-	3,017	10,508	-	10,508
Festival	2,779	-	2,779	4,823	-	4,823
Total General Administration	<u>63,216</u>	<u>-</u>	<u>63,216</u>	<u>70,840</u>	<u>-</u>	<u>70,840</u>
Production						
Tape Stock	1,813	-	1,813	2,854	-	2,854
Program Guide / Viewfinder	891	-	891	589	-	589
Maintenance, Parts, etc.	67,645	-	67,645	69,544	-	69,544
Total Production	<u>70,349</u>	<u>-</u>	<u>70,349</u>	<u>72,987</u>	<u>-</u>	<u>72,987</u>
In-Kind Expenses	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Equipment						
Leased Server Storage	62,982	-	62,982	72,877	-	72,877
Depreciation	133,855	-	133,855	118,497	-	118,497
Total Operating Expenses	<u>1,026,359</u>	<u>-</u>	<u>1,026,359</u>	<u>998,227</u>	<u>-</u>	<u>998,227</u>
Change in Net Assets - Unrestricted	<u>\$ (6,186)</u>	<u>\$ (53,628)</u>	<u>\$ (59,814)</u>	<u>\$ (150,759)</u>	<u>\$ 114,430</u>	<u>\$ (36,329)</u>

See accompanying notes and independent accountant's review report.

**Sacramento Community Cable Foundation  
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**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2014 and 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net Assets, Beginning of Year 2013	\$ 688,846	88,886	\$ 777,732
Prior Year Net Assets Released from Restriction	88,886	(88,886)	-
Increase (Decrease) in Net Assets	<u>(239,645)</u>	<u>203,316</u>	<u>(36,329)</u>
Net Assets, Beginning of Year 2014	538,087	\$ 203,316	741,403
Prior Year Net Assets Released from Restriction	203,316	(203,316)	-
Increase (Decrease) in Net Assets	<u>(209,502)</u>	<u>149,688</u>	<u>(59,814)</u>
Total Net Assets, End of Year 2014	<u><u>\$ 531,901</u></u>	<u><u>\$ 149,688</u></u>	<u><u>\$ 681,589</u></u>

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2014**

<b>Cash Flows from Operating Activities</b>	<b>2014</b>	<b>2013</b>
Increase / (decrease) in Net Assets	\$ (59,814)	\$ (36,329)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	133,855	118,497
(Increase) in Prepaid Insurance	-	4,613
Increase in Vacation Accrual	(3,758)	(2,011)
Increase (Decrease) in Accounts Payable	7,986	(373)
Net Cash Provided by Operating Activities	78,269	84,397
<b>Cash Flows from Investing Activities</b>		
Purchase of Fixed Assets	(188,493)	(90,808)
Net Increase in Cash	(110,224)	(6,411)
<b>Cash, Beginning of Year</b>	416,814	423,225
<b>Cash, End of Year</b>	\$ 306,590	\$ 416,814

See accompanying notes and independent accountant's review report.

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**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

General

Sacramento Community Cable Foundation dba Access Sacramento (the Foundation) is a publicly supported organization, incorporated in 1985. The Foundation's objective is to support, manage, produce and distribute noncommercial, community-based media programs in the Sacramento area. In addition, the Foundation operates a computer media lab that provides digital production and editing assistance as well as computer media and web design classes to the public in the Sacramento area. The Media Lab's main source of support is from fundraising, grants, and membership fees.

Basis of Accounting

The accounts of the Foundation are maintained on the basis of cash receipts and disbursements; however, the accompanying financial statements have been adjusted to reflect the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

Since the Foundation is exempt from federal and state income tax liability, no provision is made for current or deferred income taxes. The Foundation uses the same accounting methods for tax and financial reporting. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Foundation in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Foundation's returns for years ended June 30, 2012, 2013, and 2014, are subject to examination by federal and state taxing authorities, generally for three years after they are filed.

**Sacramento Community Cable Foundation  
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**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Furniture and Equipment

Furniture and equipment purchased by the Foundation are recorded at cost. The Foundation uses the straight-line method in computing depreciation over the estimated useful lives of the assets. The Foundation capitalizes property and equipment with a purchase price of \$1,000 or more.

Financial Statement Presentation

Under GAAP, the Foundation is required to report 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. In addition, the Foundation is required to present a statement of cash flows. There were no permanently restricted net assets at June 30, 2014.

Cash and Cash Equivalents

For purposes of statement of financial position presentation and reporting of cash flows, the Foundation considers all unrestricted demand deposits, money market funds and highly liquid debt instruments with a maturity of less than 90 days to be cash and cash equivalents.

Contributions

In accordance with GAAP, contributions to be received in the future are to be recorded at their present value.

Functional Expense Reporting

The costs of providing the Foundation's programs have been summarized by natural classification in the financial statements. Based on estimates developed by management, the cost of program services was \$749,886, the cost of support services was \$232,094, the cost of fundraising was \$44,379, and the total expenses were \$1,026,359.

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 2 - OPERATING LEASE COMMITMENT**

The Foundation leases office and production space under a non-cancelable operating lease expiring in October 2017. Rent expense for the twelve months ended June 30, 2014 was \$53,899. Future minimum rental payments under this operating lease are as follows:

<u>Year ended June 30</u>	<u>Minimum Rental Payment</u>
2015	54,740.40
2016	54,740.40
2017	<u>45,617.00</u>
	<u>\$ 155,097.80</u>

**NOTE 3 - CONCENTRATION OF RISK**

The Foundations maintains its cash in bank accounts that, at times, may not be covered by federal insurance. The Foundation has not experienced any losses in such accounts. Management believes the Foundation is not exposed to any significant credit risks related to cash.

Approximately 90% of the Foundation's revenues were provided by The Sacramento Metropolitan Cable Television Commission. The Foundation received a total of \$869,518 from SMCTC for operations and equipment.

**NOTE 4 - RETIREMENT PLAN**

The Foundation adopted the Access Sacramento 403(b) retirement plan. The Foundation's contributions are 5% of the annual salary of eligible employees. During the year ended June 30, 2014, the Foundation's contributions to the plan were \$11,634.

**NOTE 5 - CASH - RESERVE FUNDS**

The Foundation has restricted these funds for emergency purposes as defined by the Board of Directors. These funds are held with unencumbered funds in the Foundation's cash accounts.

**Sacramento Community Cable Foundation**  
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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 6 – FIXED ASSETS**

The following is a summary of the foundations fixed assets as of June 30, 2014.

<u>Description</u>	<u>Useful Life</u>	<u>Amount</u>
Production Vans	5 years	\$ 56,641
Production and Office Equipment	5 to 10 years	<u>1,462,261</u>
Total Fixed Assets		1,518,902
Less Accumulated Depreciation		<u>1,108,802</u>
Net Fixed Assets		<u>\$ 410,100</u>

**NOTE 7 – TEMPORARILY RESTRICTED FUNDS**

The Foundation received grant money from Sacramento Metropolitan Cable Television Commission (SMCTC), a portion of which is designated as PEG (Public, Educational and Governmental Access Channel Fees) grant money with a donor restriction that it be spent specifically on Capital and Facility improvements and acquisitions. The Foundation received PEG grant funding totaling \$367,000 and had carryover of \$203,316 from the prior year. The Foundation spent \$420,628 on qualifying expenditures leaving a balance of \$149,688. The Foundation expects to spend the remainder of the funds in the next fiscal year on capital acquisitions. As such, \$149,688 remains temporarily restricted as of June 30, 2014.

**NOTE 8 – COMPENSATED ABSENCES**

The Foundation has paid vacation and sick leave policy based on length of employment and other factors. The expense and related liability is recognized as the benefit accrues to the employee under the paid vacation policy. The paid sick leave policy is non-vesting and no expense or liability is recorded.

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**NOTE 9 – SUBSEQUENT EVENTS**

In preparing these financial statements, Sacramento Community Cable Foundation, dba Access Sacramento has evaluated events and transactions for potential recognition or disclosure through November 10, 2014, the date the financial statements were available to be issued.