

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

**FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015 and 2014**

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

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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, 2015 and 2014 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 18, 2015

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

**STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015 and 2014**

ASSETS	2015	2014
Current Assets		
Cash	\$ 210,537	\$ 256,590
Cash - Reserve Funds (Note 5)	50,000	50,000
Prepaid Insurance	-	-
Total Current Assets	260,537	306,590
Other Assets		
Advance to Employee	2,080	-
Deposit on Fixed Asset (Note 9)	50,000	-
Total Other Assets	52,080	-
Furniture and Equipment (Notes 1 and 6)		
Furniture and Equipment	1,614,331	1,518,902
Less Accumulated Depreciation	1,252,852	1,108,802
Net Property and Equipment	361,479	410,100
TOTAL ASSETS	\$ 674,096	\$ 716,690
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	19,861	15,599
Accrued Vacation (Note 8)	\$ 17,555	\$ 19,502
Total Current Liabilities	37,416	35,101
Net Assets		
Unrestricted	531,332	531,901
Temporarily Restricted	105,348	149,688
Total Net Assets	636,680	681,589
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 674,096	\$ 716,690

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, 2015 and 2014**

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support and Revenue						
SMCTC Grant (Note 3)	\$ 503,996	\$ -	\$ 503,996	\$ 489,211	\$ -	\$ 489,211
SMCTC One Time Install	51,324	-	51,324	-	-	-
Grants Foundation	33,025	-	33,025	13,307	-	13,307
PEG Capital & Facilities Grant (Note 7)	239,591	105,348	344,939	217,312	149,688	367,000
Release of Restriction - Current Year (Note 7)	149,688	(149,688)	-	203,316	(203,316)	-
Interest Income	322	-	322	378	-	378
Memberships	19,283	-	19,283	19,168	-	19,168
Film Festival	9,260	-	9,260	9,360	-	9,360
Underwriting	3,800	-	3,800	2,000	-	2,000
User/Rental Fees	8,986	-	8,986	12,251	-	12,251
Training Fees	8,706	-	8,706	10,857	-	10,857
Contracted Production	18,475	-	18,475	15,750	-	15,750
Donations	3,522	-	3,522	5,341	-	5,341
In-Kind Donations	15,000	-	15,000	15,000	-	15,000
Fundraising	13,384	-	13,384	6,922	-	6,922
Total Support and Revenue	1,078,362	(44,340)	1,034,022	1,020,173	(53,628)	966,545
Operating Expenses						
Personnel						
Executive Director	86,033	-	86,033	81,697	-	81,697
Executive Director- Retired	-	-	-	21,769	-	21,769
Office Coordinator	26,334	-	26,334	27,380	-	27,380
Director/Trainer	10,710	-	10,710	-	-	-
Programming Director	39,845	-	39,845	39,326	-	39,326
Chief Technician	14,635	-	14,635	16,632	-	16,632
Hometown TV Salary/Contracted	41,123	-	41,123	50,358	-	50,358
Digital Media Coordinator	25,250	-	25,250	26,337	-	26,337
On-Call Production/Office	44,119	-	44,119	57,371	-	57,371
Radio Production Coordinator	26,832	-	26,832	25,891	-	25,891
Playback Operator and Assistant	22,896	-	22,896	23,760	-	23,760
Production Director - #1	39,542	-	39,542	44,468	-	44,468
Multi-Media Projects Coordinator	27,189	-	27,189	27,211	-	27,211
Temp Help	22,170	-	22,170	30,167	-	30,167
NNB Project	13,472	-	13,472	-	-	-
Fundraising/Underwriter Coordinator	3,400	-	3,400	11,679	-	11,679
Total Personnel	443,550	-	443,550	484,046	-	484,046
Burden						
Payroll Tax Expense	35,141	-	35,141	40,767	-	40,767
Medical Insurance	38,246	-	38,246	42,377	-	42,377
Retirement Plan	10,912	-	10,912	11,634	-	11,634
Workers' Compensation	11,214	-	11,214	8,857	-	8,857
Total Burden	95,513	-	95,513	103,635	-	103,635

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, 2015 and 2014**

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Occupancy						
Building - Rent Expense	54,740	-	54,740	53,899	-	53,899
Security	4,331	-	4,331	4,405	-	4,405
Utilities	12,560	-	12,560	11,877	-	11,877
Insurance	22,030	-	22,030	23,095	-	23,095
Total Occupancy	<u>93,661</u>	<u>-</u>	<u>93,661</u>	<u>93,276</u>	<u>-</u>	<u>93,276</u>
General Administration						
Office Expense	6,330	-	6,330	5,021	-	5,021
Telephone	7,275	-	7,275	7,821	-	7,821
Postage	3,236	-	3,236	2,743	-	2,743
Printing	729	-	729	958	-	958
Subscriptions & Publications	1,576	-	1,576	2,032	-	2,032
Legal & Accounting	29,090	-	29,090	20,834	-	20,834
Community Relations	15,022	-	15,022	9,444	-	9,444
Mileage, Parking & Travel	8,193	-	8,193	3,067	-	3,067
Promo & Advertising	9,779	-	9,779	5,500	-	5,500
Training	1,479	-	1,479	3,017	-	3,017
Film Festival & Talent Show	11,972	-	11,972	2,779	-	2,779
Total General Administration	<u>94,681</u>	<u>-</u>	<u>94,681</u>	<u>63,216</u>	<u>-</u>	<u>63,216</u>
Production						
Tape Stock	908	-	908	1,813	-	1,813
Program Guide / Viewfinder	738	-	738	891	-	891
Maintenance, Parts, etc.	77,396	-	77,396	67,645	-	67,645
Total Production	<u>79,042</u>	<u>-</u>	<u>79,042</u>	<u>70,349</u>	<u>-</u>	<u>70,349</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	93,904	-	93,904	62,982	-	62,982
Leased Equipment	19,526	-	19,526		-	
Depreciation	144,054	-	144,054	133,855	-	133,855
Total Operating Expenses	<u>1,059,405</u>	<u>-</u>	<u>1,078,931</u>	<u>1,026,359</u>	<u>-</u>	<u>1,026,359</u>
Change in Net Assets - Unrestricted	<u>\$ 18,957</u>	<u>\$ (44,340)</u>	<u>\$ (44,909)</u>	<u>\$ (6,186)</u>	<u>\$ (53,628)</u>	<u>\$ (59,814)</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, 2015 and 2014**

	Unrestricted	Temporarily Restricted	Total
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>
Net Assets, Beginning of Year 2015	531,901	\$ 149,688	681,589
Prior Year Net Assets Released from Restriction	149,688	(149,688)	-
Increase (Decrease) in Net Assets	<u>(150,257)</u>	<u>105,348</u>	<u>(44,909)</u>
Total Net Assets, End of Year 2015	<u>\$ 531,332</u>	<u>\$ 105,348</u>	<u>\$ 636,680</u>

See accompanying notes and independent accountant's review report.

**Sacramento Community Cable Foundation
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015**

Cash Flows from Operating Activities	2015	2014
Increase / (decrease) in Net Assets	\$ (44,909)	\$ (59,814)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	144,054	133,855
Increase in Vacation Accrual	(1,947)	(3,758)
Increase (Decrease) in Accounts Payable	4,262	7,986
Net Cash Provided by Operating Activities	101,460	78,269
Cash Flows from Investing Activities		
Deposit on Fixed Asset	(50,000)	-
Purchase of Fixed Assets	(95,429)	(188,493)
Net Cash Provided by Investing Activities	(145,429)	(188,493)
Cash Flows from Financing Activities		
Advance to Employee	(2,084)	-
Net Increase in Cash	(46,053)	(110,224)
Cash, Beginning of Year	306,590	416,814
Cash, End of Year	\$ 260,537	\$ 306,590

See accompanying notes and independent accountant's review report.

**Sacramento Community Cable Foundation
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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Sacramento Community Cable Foundation dba Access Sacramento (the Foundation) is a publicly supported organization, incorporated in 1984. 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, 2013, 2014, and 2015, 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, 2015**

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, 2015.

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 \$794,274, the cost of support services was \$245,278, the cost of fundraising was \$39,379, and the total expenses were \$1,078,931.

**Sacramento Community Cable Foundation
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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

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, 2015 was \$54,740. Future minimum rental payments under this operating lease are as follows:

<u>Year ended June 30</u>	<u>Minimum Rental Payment</u>
2016	54,740
2017	<u>45,617</u>
	<u>\$ 100,357</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 \$933,284 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, 2015, the Foundation's contributions to the plan were \$10,912.

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, 2015

NOTE 6 – FIXED ASSETS

The following is a summary of the foundations fixed assets as of June 30, 2015.

<u>Description</u>	<u>Useful Life</u>	<u>Amount</u>
Production Vans	5 years	\$ 56,641
Production and Office Equipment	5 to 10 years	1,557,690
Total Fixed Assets		<u>1,614,331</u>
Less Accumulated Depreciation		<u>1,252,852</u>
Net Fixed Assets		<u><u>\$ 361,479</u></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 \$344,939 and had carryover of \$149,688 from the prior year. The Foundation spent \$389,279 on qualifying expenditures leaving a balance of \$105,348. The Foundation expects to spend the remainder of the funds in the next fiscal year on capital acquisitions. As such, \$105,348 remains temporarily restricted as of June 30, 2015.

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.

**Sacramento Community Cable Foundation
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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 9 – DEPOSIT ON FIXED ASSET

During the current fiscal year the Foundation entered into a contract to purchase a High Definition mobile satellite truck at an estimated cost of \$700,000. The Foundation entered into this contract after receiving approval for funding of the truck from the Sacramento Metropolitan Cable Commission.

As of June 30, 2015 the Foundation has paid a \$50,000 deposit towards the truck and expects to complete the purchase during the next fiscal year.

NOTE 10 – 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 18, 2015, the date the financial statements were available to be issued.