

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

**FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 and 2016**

**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 financial statements of Sacramento Community Cable Foundation, DBA Access Sacramento, a California Nonprofit Corporation, which comprise the statement of financial position as of June 30, 2017 and 2016, and the related statements of activities, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountant's Conclusion**

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 accordance with accounting principles generally accepted in the United States of America.



Balarsky & Associates, CPA's  
Carmichael, CA  
November 16, 2017

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

**STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2017 and 2016**

<b>ASSETS</b>	<b>2017</b>	<b>2016</b>
Current Assets		
Cash	\$ 314,304	\$ 480,315
Cash - Reserve Funds (Note 5)	50,000	50,000
Total Current Assets	364,304	530,315
Other Assets		
Advance to Employee	-	400
Total Other Assets	-	400
Furniture and Equipment (Notes 1 and 6)		
Furniture and Equipment	2,815,440	2,380,397
Less Accumulated Depreciation	1,679,253	1,402,262
Net Property and Equipment	1,136,187	978,135
<b>TOTAL ASSETS</b>	<b>\$ 1,500,491</b>	<b>\$ 1,508,850</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts Payable	1,581	7,551
Accounts Payable- HD Truck	-	204,049
Grant Liability	12,500	12,500
Accrued Vacation (Note 8)	\$ 17,243	\$ 19,560
Total Current Liabilities	31,324	243,660
Net Assets		
Unrestricted	1,207,960	1,076,209
Temporarily Restricted	261,207	188,981
Total Net Assets	1,469,167	1,265,190
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 1,500,491</b>	<b>\$ 1,508,850</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, 2017 and 2016**

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and Revenue</b>						
SMCTC Grant (Note 3)	\$ 581,879	\$ -	\$ 581,879	\$ 539,036	\$ -	\$ 539,036
SMCTC One Time Install	-	-	-	-	-	-
Grants Foundation	26,800	-	26,800	34,583	-	34,583
PEG Capital & Facilities Grant (Note 7)	525,478	261,207	786,685	851,763	188,981	1,040,744
Release of Restriction - Current Year (Note 7)	188,981	(188,981)	-	105,348	(105,348)	-
Interest Income	282	-	282	345	-	345
Memberships	22,037	-	22,037	20,326	-	20,326
Film Festival	10,050	-	10,050	6,950	-	6,950
Underwriting	4,165	-	4,165	4,000	-	4,000
User/Rental Fees	15,091	-	15,091	17,724	-	17,724
Training Fees	9,921	-	9,921	6,736	-	6,736
Contracted Production	17,178	-	17,178	24,529	-	24,529
Donations	2,372	-	2,372	3,255	-	3,255
In-Kind Donations	15,000	-	15,000	15,000	-	15,000
Fundraising	1,609	-	1,609	2,354	-	2,354
<b>Total Support and Revenue</b>	<b>1,420,843</b>	<b>72,226</b>	<b>1,493,069</b>	<b>1,631,949</b>	<b>83,633</b>	<b>1,715,582</b>
<b>Operating Expenses</b>						
<b>Personnel</b>						
Executive Director	94,679	-	94,679	91,669	-	91,669
Executive Director- Retired	-	-	-	-	-	-
Office Coordinator	35,569	-	35,569	25,916	-	25,916
Director/Trainer	14,232	-	14,232	4,737	-	4,737
Programming Director	43,936	-	43,936	40,881	-	40,881
Chief Technician	12,868	-	12,868	15,205	-	15,205
Hometown TV Salary/Contracted	44,577	-	44,577	38,949	-	38,949
Digital Media Coordinator	28,303	-	28,303	26,809	-	26,809
On-Call Production/Office	28,585	-	28,585	54,610	-	54,610
Radio Production Coordinator	36,232	-	36,232	33,166	-	33,166
Playback Operator and Assistant	25,365	-	25,365	24,106	-	24,106
Production Director - #1	48,853	-	48,853	44,720	-	44,720
Multi-Media Projects Coordinator	29,567	-	29,567	28,035	-	28,035
Temp Help	16,229	-	16,229	31,153	-	31,153
NNB Project	22,634	-	22,634	15,348	-	15,348
Fundraising/Underwriter Coordinator	-	-	-	-	-	-
<b>Total Personnel</b>	<b>481,629</b>	<b>-</b>	<b>481,629</b>	<b>475,304</b>	<b>-</b>	<b>475,304</b>
<b>Burden</b>						
Payroll Tax Expense	40,461	-	40,461	36,737	-	36,737
Medical Insurance	36,065	-	36,065	55,411	-	55,411
Retirement Plan	14,542	-	14,542	14,579	-	14,579
Workers' Compensation	4,049	-	4,049	7,645	-	7,645
<b>Total Burden</b>	<b>95,117</b>	<b>-</b>	<b>95,117</b>	<b>114,372</b>	<b>-</b>	<b>114,372</b>

See accompanying notes and independent accountant's review report.

**Sacramento Community Cable Foundation  
DBA Access Sacramento  
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**STATEMENT OF FINANCIAL ACTIVITY (Continued)  
FOR THE YEAR ENDED JUNE 30, 2017 and 2016**

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Occupancy						
Building - Rent Expense	59,302	-	59,302	50,179	-	50,179
Security	7,861	-	7,861	5,131	-	5,131
Utilities	13,901	-	13,901	13,800	-	13,800
Insurance	14,699	-	14,699	21,702	-	21,702
Total Occupancy	<u>95,763</u>	<u>-</u>	<u>95,763</u>	<u>90,812</u>	<u>-</u>	<u>90,812</u>
General Administration						
Office Expense	6,871	-	6,871	3,264	-	3,264
Telephone	11,150	-	11,150	6,952	-	6,952
Postage	2,176	-	2,176	2,321	-	2,321
Printing	939	-	939	1,453	-	1,453
Subscriptions & Publications	1,309	-	1,309	1,482	-	1,482
Legal & Accounting	28,273	-	28,273	25,704	-	25,704
Community Relations	8,796	-	8,796	14,017	-	14,017
Mileage, Parking & Travel	6,647	-	6,647	4,651	-	4,651
Promo & Advertising	3,241	-	3,241	6,984	-	6,984
Training	3,990	-	3,990	2,065	-	2,065
Film Festival & Talent Show	13,683	-	13,683	14,903	-	14,903
Total General Administration	<u>87,075</u>	<u>-</u>	<u>87,075</u>	<u>83,796</u>	<u>-</u>	<u>83,796</u>
Production						
Tape Stock	2,950	-	2,950	584	-	584
Program Guide / Viewfinder	865	-	865	780	-	780
Maintenance, Parts, etc.	53,311	-	53,311	21,605	-	21,605
Total Production	<u>57,126</u>	<u>-</u>	<u>57,126</u>	<u>22,969</u>	<u>-</u>	<u>22,969</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						
Cloud Storage/Software	160,854	-	160,854	117,508	-	117,508
Leased Equipment	19,537	-	19,537	17,903	-	17,903
Depreciation	276,991	-	276,991	149,408	-	149,408
Total Operating Expenses	<u>1,289,092</u>	<u>-</u>	<u>1,289,092</u>	<u>1,087,072</u>	<u>-</u>	<u>1,087,072</u>
Change in Net Assets - Unrestricted	<u>\$ 131,751</u>	<u>\$ 72,226</u>	<u>\$ 203,977</u>	<u>\$ 544,877</u>	<u>\$ 83,633</u>	<u>\$ 628,510</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, 2017 and 2016**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
Net Assets, July 1, 2015	\$ 531,332	105,348	\$ 636,680
Increase (Decrease) in Net Assets	544,877	83,633	628,510
Net Assets, July 1 2016	1,076,209	\$ 188,981	1,265,190
Increase (Decrease) in Net Assets	131,751	72,226	203,977
Total Net Assets, June 30, 2017	\$ 1,207,960	\$ 261,207	\$ 1,469,167

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, 2017 AND 2016**

<b>Cash Flows from Operating Activities</b>	<b>2017</b>	<b>2016</b>
Increase / (decrease) in Net Assets	\$ 203,977	\$ 628,510
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	276,991	149,408
Increase (Decrease) in Vacation Accrual	(2,317)	2,005
Increase (Decrease) in Accounts Payable	(5,971)	192
Increase (Decrease) in Accounts Payable- Truck	(204,049)	204,049
Net Cash Provided by Operating Activities	268,631	984,164
<b>Cash Flows from Investing Activities</b>		
Deposit on Fixed Asset	-	50,000
Purchase of Fixed Assets	(435,043)	(766,066)
Net Cash Provided by Investing Activities	(435,043)	(716,066)
<b>Cash Flows from Financing Activities</b>		
Advance to Employee	400	1,680
Net Increase in Cash	(166,012)	269,778
Cash, Beginning of Year	530,316	260,537
Cash, End of Year	\$ 364,304	\$ 530,315

See accompanying notes and independent accountant's review report.



**Sacramento Community Cable Foundation  
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**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

**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 on two cable TV channels and on cable radio in Sacramento County. The Foundation also operates an over-the-air low-power FM radio station, TV and radio studios, and a computer media lab in the Sacramento area. The TV, radio studios and 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, 2014, 2015, and 2016, 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, 2017**

**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, 2017.

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 \$988,100, the cost of support services was \$270,315, the cost of fundraising was \$30,677, bringing the total expenses to \$1,289,092.

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**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, 2017 was \$59,302. Future minimum rental payments under this operating lease are as follows:

<u>Year Ended June 30</u>	<u>Minimum Rental Payment</u>
2018	\$ 54,740
2019	59,717
2020	59,717
2021	59,717
2022	59,717
	<u>\$ 293,608</u>

**NOTE 3 - CONCENTRATION OF RISK**

The Foundation 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 93% of the Foundation's revenues were provided by The Sacramento Metropolitan Cable Television Commission. The Foundation received a total of \$1,395,364 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, 2017, the Foundation's contributions to the plan were \$14,542.

**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**  
**DBA Access Sacramento**  
**(A California Nonprofit Corporation)**

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 6 – FIXED ASSETS**

The following is a summary of the foundations fixed assets as of June 30, 2017.

<u>Description</u>	<u>Useful Life</u>	<u>Amount</u>
Production Vans	5 years	\$ 56,641
HD Truck	5 to 7 years	707,744
Production and Office Equipment	5 to 10 years	<u>2,051,055</u>
Total Fixed Assets		2,815,440
Less Accumulated Depreciation		<u>1,679,253</u>
Net Fixed Assets		<u><u>\$ 1,136,187</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 \$786,685 and had carryover of \$188,981 from the prior year. The Foundation spent \$714,459 on qualifying expenditures leaving a balance of \$261,207. The Foundation expects to spend the remainder of the funds in the next fiscal year on capital acquisitions. As such, \$261,207 remains temporarily restricted as of June 30, 2017.

**NOTE 8 – COMPENSATED ABSENCES**

The Foundation has a 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, 2017**

**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 16, 2017, the date the financial statements were available to be issued.