

**SACRAMENTO COMMUNITY CABLE  
FOUNDATION  
DBA ACCESS SACRAMENTO**

**FINANCIAL STATEMENTS AND  
INDEPENDENT ACCOUNTANT'S  
REVIEW REPORT**

**JUNE 30, 2024**



**Puzdrak and Stortz LLC**

plan-prepare-perform

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO**

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**Puzdrak and Stortz LLC**  
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## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

### **The Board of Directors Sacramento Community Cable Foundation DBA Access Sacramento**

We have reviewed the accompanying financial statements of Sacramento Community Cable Foundation, DBA Access Sacramento (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year 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.

*Puzdrak and Stortz LLC*

Sacramento, California  
December 16, 2024

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 2024**

**ASSETS**

Cash and cash equivalents	\$ 1,236,890
Cash - Reserve Funds	50,191
Prepaid other	72,747
Operating lease right of use asset	80,919
Property and equipment, net	<u>340,054</u>

**TOTAL ASSETS** \$ 1,780,801

**LIABILITIES AND NET ASSETS**

Accounts payable	\$ 13,732
Accrued liabilities	20,312
Refundable advances	949,283
Operating lease liability	<u>83,308</u>

**TOTAL LIABILITIES** 1,066,635

**NET ASSETS**

Without donor restrictions	<u>714,166</u>
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**TOTAL NET ASSETS** 714,166

**TOAL LIABILITIES AND NET ASSETS** \$ 1,780,801

See accompanying notes to the financial statements

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO**

**STATEMENT OF ACTIVITIES**

**For the Year Ended June 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
SMCTC Grant	\$ 804,758	\$ -	\$ 804,758
PEG Capital & Facilities Grant	257,685	-	257,685
Investment income, net	6,261	-	6,261
Memberships	15,315	-	15,315
Film Festival	13,800	-	13,800
Underwriting	7,502	-	7,502
Training Fees	7,128	-	7,128
Donations	35,337	-	35,337
Other Revenue	25,369	-	25,369
Total Support and Revenue	<u>1,173,155</u>	<u>-</u>	<u>1,173,155</u>
Operating expenses:			
Program services	924,341	-	924,341
Supporting services:			
Administrative	284,718	-	284,718
Fundraising	<u>29,342</u>	<u>-</u>	<u>29,342</u>
Total operating expenses	<u>1,238,401</u>	<u>-</u>	<u>1,238,401</u>
Change in net assets	(65,246)	-	(65,246)
Net assets at beginning of year	779,412	-	779,412
Net assets at end of year	<u>\$ 714,166</u>	<u>\$ -</u>	<u>\$ 714,166</u>

See accompanying notes to the financial statements

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended June 30, 2024**

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and benefits	\$ 457,472	\$ 176,454	\$ 19,606	\$ 653,532
Equipment and maintenance	124,580	6,557	-	131,137
Depreciation	147,193	16,355	-	163,548
Occupancy	70,588	23,529	4,954	99,071
Insurance	63,636	21,212	-	84,848
Office expense	24,508	8,169	-	32,677
Professional services	11,512	26,863	-	38,375
Production and programs	19,274	-	-	19,274
Public relations, printing and postage	3,304	3,305	2,833	9,442
Mileage and travel	2,274	2,274	1,949	6,497
	<u>\$ 924,341</u>	<u>\$ 284,718</u>	<u>\$ 29,342</u>	<u>\$ 1,238,401</u>

See accompanying notes to the financial statements

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO**

**STATEMENT OF CASH FLOWS**

**For the Year Ended June 30, 2024**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ (65,246)
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>	
Depreciation	163,548
<i>Cash flows from operating activities:</i>	
Prepays	(4,072)
Operating lease assets and liabilities	(796)
Accounts payable	9,755
Accrued liabilities	(8,375)
Refundable advances	31,496
	<u>191,556</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>126,310</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Capital expenditures	<u>(102,142)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(102,142)</u>
 <b>NET CHANGE IN CASH EQUIVILANTS</b>	 24,168
 <b>CASH AND CASH EQUIVILANTS AT BEGINNING OF YEAR</b>	 <u>1,262,913</u>
 <b>CASH AND CASH EQUIVILANTS AT END OF YEAR</b>	 \$ <u><u>1,287,081</u></u>
 <b><u>SUPPLEMENTAL INFORMATION:</u></b>	
Cash paid for interest	\$ <u><u>-</u></u>
Cash paid for income taxes	\$ <u><u>-</u></u>

See accompanying notes to the financial statements

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO  
NOTES TO FINANCIAL STATEMENTS**

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**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.

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the board of directors.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature: those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are classified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

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 purchased maturity of less than 90 days to be cash and cash equivalents.

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. According, actual results could differ from those estimates.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code for revenue generated from its exempt purpose activities.



**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO  
NOTES TO FINANCIAL STATEMENTS**

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

Uncertainty in Income Taxes: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Foundation to report information regarding its exposure to various tax positions taken. The Foundation has determined whether any tax positions have met the recognition threshold and have measured the exposure to those tax positions. Management believes that the Foundation has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Foundation are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

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.

Website Development Costs

Costs incurred to develop the Foundation's website are capitalized and amortized over the estimated useful life, generally three years. Costs related to the design or maintenance of website development and internal-use software are expensed as incurred. The Company periodically reviews capitalized website development costs to determine whether the projects will be completed, placed in service, removed from service, or replaced by other internally-developed or third-party software. If an asset is not expected to provide any future use, the asset is retired and any unamortized cost is expensed.

Capitalized website development costs are included in property and equipment, net within the statement of financial position.

Functional Allocation of Expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or service. Expenses associated with more than one program or supporting service are allocated to functional categories using allocation methods appropriate to the nature of the expense.

Contributions and Grants

Contributions and grants are recognized when cash, securities, or other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Some grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Assets received with donor-imposed conditions are reported as "Refundable Advances" in the Statements of Financial Position until the conditions have been substantially met.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. All donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO  
NOTES TO FINANCIAL STATEMENTS**

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

Revenue and Revenue Recognition

We recognize revenue from sales of advisory and training products and services when the performance obligations of transferring the products and providing the services are met. Membership dues, which are nonrefundable, are comprised of an exchange element based on the benefits received. We recognize the exchange portion of membership dues over the membership period. Payments are required at the time of start of the membership period; amounts received in advance are deferred to the applicable period.

Advertising Costs

Advertising costs are expensed as incurred and approximated \$844 during the fiscal year ended June 30, 2024.

**NOTE 2 - OPERATING LEASE COMMITMENT**

The Foundation elected the practical expedient options of not reassessing (i) expired or existing contracts for whether they are or contain a lease (ii) the lease classification of any existing leases or (iii) initial direct costs for existing leases. The Foundation has also elected the policy exemption allowing lessees to combine lease and non-lease components by class of underlying asset and has applied this expedient to all relevant asset classes. We have elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

The weighted-average discount rate is based on the discount rate implicit in the lease. We have elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. We have applied the risk-free rate option to the all leases.

The Foundation leases office and production space under a non-cancellable lease expiring in October 2025. The Foundation includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. Future minimum lease payments under these operating leases as of June 30, 2024 were as follows:

	2025	\$	62,703
	2026		<u>20,901</u>
Total future minimum lease payments			83,604
Less: imputed interest			<u>(296)</u>
Present value of operating lease liabilities	\$		<u><u>83,308</u></u>

Operating leases costs were \$63,897 during the fiscal year ended June 30, 2024. As of June 30, 2024, the weighted-average remaining lease term is 1.3 years, and the weighted average discount rate is 0.38%. The weighted-average discount rate is based on the discount rate implicit in the lease. We have elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for the leases.

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
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NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3 - CONCENTRATION OF RISK**

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. The Foundation has not experienced any losses in such accounts, nor does the Foundation believe it is exposed to any significant credit risk on cash deposits.

Approximately 91% of the Foundation’s revenues were provided by The Sacramento Metropolitan Cable Television Commission. During fiscal year ending June 30, 2024 the Foundation received a total of \$1,076,143 from SMCTC for operations and equipment.

**NOTE 4 – PROPERTY AND EQUIPMENT, NET**

The following is a summary of the Foundation’s property and equipment as of June 30:

Description	Useful Life	2024
Production vans	5 Years	\$ 56,641
HD truck	5 to 7 Years	782,436
Production and office equipment	5 to 10 Years	2,558,665
Website development	3 Years	8,000
Total		3,405,742
Less accumulated depreciation		3,065,688
Property & equipment, net		\$ 340,054

**NOTE 5 - RETIREMENT PLAN**

The Foundation adopted the Access Sacramento 403(b) retirement plan. The Foundation’s contributions are 4% of the annual salary of eligible employees. During the fiscal year ended June 30, 2024, the Foundation’s contributions to the plan were \$15,248.

**NOTE 6 – REFUNDABLE ADVANCES**

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, and any unspent funds are to be returned the following year. During fiscal year ending June 30, 2024 the Foundation received PEG grant funding totaling \$308,652 and spent \$257,685 on qualifying expenditures. As of June 30, 2024 the ending refundable advances were \$949,283.

**NOTE 7 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

As part of The Foundation’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**SACRAMENTO COMMUNITY CABLE FOUNDATION  
DBA ACCESS SACRAMENTO  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE 7 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS – Continued**

The following represents the Foundation's financial assets at June 30, 2024:

Financial assets at year-end:	
Cash and cash equivalents	\$ <u>1,287,081</u>
Total financial assets	<u>1,287,081</u>
Less amounts not available to be used within one year, due to:	
Contractual or donor-imposed restrictions:	
Refundable advances	<u>949,283</u>
	<u>949,283</u>
Financial assets available to meet general expenditures within one year	\$ <u><u>337,798</u></u>

**NOTE 8 – 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 December 16, 2024, the date the financial statements were available to be issued.