

**AGENDA SPECIAL MEETING  
PASADENA COMMUNITY ACCESS CORPORATION  
Wednesday, November 4, 2020**

**BOARD OF DIRECTORS**

Ann Marie Hickambottom (District 1)  
Jan Sanders (District 2)  
Anna Hawkey Jablonski (District 3)  
Perry Helm (District 4)  
Yuny Parada (District 5)  
Ken Chawkins, Vice President (District 6)  
Sally Howell, President (District 7)  
Gail Schaper-Gordon, Treasurer (Mayor's Representative)  
Lisa Derderian (City Manager's Representative)  
Beth Leyden, Secretary (PUSD Representative)  
Alexander Boekelheide (PCC Representative)

**STAFF**

George Falardeau, Executive Director CEO  
Chris Miller, Chief Operations Officer  
Aaron Wheeler, Head of Community Development  
Hannah Ramirez, City/Client Coordinator  
Liza Rodriguez, Office Admin/Asst. to the Executive Director CEO

**MISSION STATEMENT**

The Pasadena Community Access Corporation is dedicated to the community access function of the Pasadena Telecommunications system and shall be operated exclusively for charitable, scientific, literary and educational purposes. In fulfilling these purposes, the corporation shall strive to achieve communication, facilitation, and development of media skills toward the ends of self-expression and community cohesion and improvement.

Item on the agenda may not be called in order listed.

Agendas and supporting documents are available on the Internet at [pasadenamedia.org](http://pasadenamedia.org).

IF YOU NEED A REASONABLE MODIFICATION OR ACCOMODATION PURSUANT TO THE AMERICANS WITH DISABILITIES ACT BECAUSE YOU ARE UNABLE TO PARTICIPATE ELECTRONICALLY AS SET FORTH BELOW, CONTACT PCAC AS SOON AS POSSIBLE AT (626) 794-8585. PROVIDING AT LEAST 72 HOURS ADVANCE NOTICE WILL HELP ENSURE AVAILABILITY.

**DISTRIBUTION:**

PCAC Board of Directors  
City Council  
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Pasadena Star News  
Pasadena Weekly  
La Opinión

**NOTICE OF SPECIAL MEETING**  
**PASADENA COMMUNITY ACCESS CORPORATION (PCAC)**  
**BOARD OF DIRECTORS**

**NOTICE IS HEREBY GIVEN** that pursuant to Executive Order N-29-20 issued by Governor Gavin Newsom on March 17, 2020, a special meeting of the Pasadena Community Access Corporation Operating Company (dba Pasadena Media) is scheduled for **Wednesday, November 4, 2020**, starting at **3:00 p.m.**

PASADENA MEDIA IS CLOSED TO THE PUBLIC UNTIL FURTHER NOTICE. PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR GAVIN NEWSOM ON MARCH 17, 2020, THIS MEETING WILL TAKE PLACE SOLELY BY VIDEOCONFERENCE/TELECONFERENCE.

Members of the public may participate electronically in the open session portion of the meeting by accessing the livestream at <http://pasadenamedia.org>.

In order to facilitate public participation at meetings held solely by electronic means, public comments may be provided through the following webpage: <http://pasadenamedia.org/agenda-comments>.

**AGENDA**

**PUBLIC SESSION**

PUBLIC COMMENT: Public comment is limited to items on this special meeting agenda and will be heard when the items are discussed.

- INTRODUCTION OF MEMBERS/CALL TO ORDER/ROLL CALL
- APPROVAL OF JUNE 25, 2020 BOARD SPECIAL MEETING MINUTES
  - Motion to Approve
- TREASURER REPORT
- EXECUTIVE DIRECTOR REPORT
- NEW BUSINESS
  - AUDIT PRESENTATION: FY 19-20 PCAC FINANCIAL STATEMENT AND WHITE NELSON DIEHL EVANS, LLP'S REPORT
    - Action Item
  - MAP YOUR NEIGHBORHOOD PRESENTATION - PERRY HELM
    - Information Item
- ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF
- ADJOURNMENT

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Sally Howell, President, PCAC Board of Directors

I HEREBY CERTIFY that this notice, in its entirety, was posted on both the Council Chambers Bulletin Board, Room 247, and the Information Kiosk (in the rotunda area), at City Hall, 100 N. Garfield Ave., Pasadena, CA, in Pasadena Community Access Corporation Suite 101, and a copy was distributed to the Central Library for posting on this 30<sup>th</sup> day of October, 2020.

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Liza Rodriguez, Office Administrator



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# Pasadena Community Access Corporation (PCAC)

## MINUTES FOR THE SCHEDULED SPECIAL MEETING OF THE PCAC BOARD OF DIRECTORS FOR JUNE 25, 2020

MEETING HELD VIA ZOOM VIDEOCONFERENCE/TELECONFERENCE.

**NOTICE IS HEREBY GIVEN** that pursuant to Executive Order N-29-20 issued by Governor Gavin Newsom on March 17, 2020, a special meeting of the Pasadena Community Access Corporation Operating Company (dba Pasadena Media) is scheduled for **Thursday, June 25, 2020**, starting at **3:00 p.m.** PASADENA MEDIA IS CLOSED TO THE PUBLIC UNTIL FURTHER NOTICE. PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR GAVIN NEWSOM ON MARCH 17, 2020, THIS MEETING WILL TAKE PLACE SOLELY BY VIDEOCONFERENCE/TELECONFERENCE. Members of the public may participate electronically in the open session portion of the meeting by accessing the livestream at <http://pasadenamedia.org>. In order to facilitate public participation at meetings held solely by electronic means, public comments may be provided through the following webpage: [pasadenamedia.org/agenda-comments](http://pasadenamedia.org/agenda-comments).

RETURN FROM CLOSED SESSION: No reportable action

### Special Meeting

#### 1. INTRODUCTION OF NEW MEMBERS/CALL TO ORDER/ROLL CALL

President Howell called meeting to order at 3:11 p.m.

Board Members Present, Absent or Late, at the time of the call to order:

Ann Marie Hickambottom, District 1, present

Jan Sanders, District 2, present

Anna Hawkey Jablonski, District 3, absent

Perry Helm, District 4, present

Yuny Parada, District 5, present

Ken Chawkins, Vice-President, District 6, present

Sally Howell, President, District 7, present

Gail Schaper-Gordon, Treasurer, Mayor's Representative, absent

Beth Leyden, Secretary, PUSD Representative, absent

Alex Boekelheide, PCC Representative, absent

Lisa Derderian, City/City Manager Representative, present

Staff:

George Falardeau, Executive Director/CEO, present  
Chris Miller, Chief Operations Officer, present  
Javan Rad, Chief Assistant City Attorney, present  
Bobbie Ferguson, Head of Production, present  
Aaron Wheeler, Head of Community Development, present  
Liza Rodriguez, Office Administrator/Asst. to the Exec. Director/CEO, present.

## 2. APPROVAL OF MINUTES FOR JUNE 25, 2020 SPECIAL BOARD MEETING

Motion to approve by Chawkins, Second by Parada; All approved.

## 3. PUBLIC COMMENT

No public comment.

## 4. TREASURER'S REPORT

Presented by COO Chris Miller in the absence of Treasurer Gail Schaper-Gordon per Board agenda packet.

## 5. EXECUTIVE DIRECTOR'S REPORT

As presented by ED Falardeau, and staff, per Board agenda packet. Information item only. Hickambottom asked if the new equipment helps the Charter signal. Chris responded no, but it will enable those who have cable issues to bypass the cable box with a \$30 Roku or Amazon Fire TV device. No public comment.

## 6. NEW BUSINESS

- FY2021 PCAC BOARD OFFICER NOMINATIONS AND ELECTION
  - Action Item – Maintain current officers for FY 2020-2021. Motion by Hickambottom, Second by Chawkins. Unanimous vote.
- APPOINTMENT OF MEMBER TO PCAC'S CITIZENS ADVISORY COMMITTEE: Justin Chapman
  - Action Item – Motion by Chawkins, Second by Parada. (6 Yes, 1 No Answer)
- PCAC FY2021 BUDGET UPDATE
  - Information Item – Hickambottom asked if the cost of living increase was still intact. Falardeau responded yes.
- PASADENA MEDIA FOUNDATION PRESENTATION
  - Information Item – Hopkins unable to attend. Tabled for next board meeting.

## 8. ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF

Derderian gave the city's COVID-19 update. Hickambottom and Parada expressed concerns about the Pasadena Media Foundation and the way in which it came about.

## 9. ADJOURNMENT

Motion to adjourn by Hickambottom, Second by Helm. Meeting adjourned at 4:15 p.m.

## FUTURE MEETING DATES

- July 7, 2020
- Aug. 4, 2020

**Pasadena Community Access Corporation**  
**Statement of Financial Position**

As of October 31, 2020

	Total	
	As of Oct 31, 2020	As of Jun 30, 2020 (PP)
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
1010 Petty Cash	200	200
1120 Bank of America Checking (1018)	348,018	206,979
1130 Bank of America Capital - Restricted (9451)	224,972	176,207
1160 Paypal	6,497	6,110
1170 PFCU Savings (7181)	75,285	75,275
<b>Total Bank Accounts</b>	<b>\$ 654,972</b>	<b>\$ 464,770</b>
<b>Accounts Receivable</b>		
1200 Accounts Receivable	1,130	1,813
<b>Total Accounts Receivable</b>	<b>\$ 1,130</b>	<b>\$ 1,813</b>
<b>Other Current Assets</b>		
1330 Prepaid Insurance	2,828	2,828
<b>Total Other Current Assets</b>	<b>\$ 2,828</b>	<b>\$ 2,828</b>
<b>Total Current Assets</b>	<b>\$ 658,930</b>	<b>\$ 469,412</b>
<b>Fixed Assets</b>		
1600 Production Equipment	437,419	437,419
1635 Leasehold Improvements	93,898	93,898
1650 Accumulated Depreciation	-312,243	-312,243
1660 Accumulated Depreciation - LHI	-39,125	-39,125
<b>Total Fixed Assets</b>	<b>\$ 179,948</b>	<b>\$ 179,948</b>
<b>Other Assets</b>		
1800 Security Deposit	12,420	12,420
<b>Total Other Assets</b>	<b>\$ 12,420</b>	<b>\$ 12,420</b>
<b>TOTAL ASSETS</b>	<b>\$ 851,297</b>	<b>\$ 661,779</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2000 Accounts Payable	-1,333	0
<b>Total Accounts Payable</b>	<b>-\$ 1,333</b>	<b>\$ 0</b>
<b>Credit Cards</b>		
2050 Chase Visa Credit Card	4,909	5,487
<b>Total Credit Cards</b>	<b>\$ 4,909</b>	<b>\$ 5,487</b>
<b>Other Current Liabilities</b>		
2100 Payroll Liabilities	26,250	19,351
2200 Accrued Vacation	32,291	32,291
2400 Accrued Liabilities	596	3,382
2800 Deferred Income	224,972	176,207
<b>Total Other Current Liabilities</b>	<b>\$ 284,108</b>	<b>\$ 231,230</b>
<b>Total Current Liabilities</b>	<b>\$ 287,683</b>	<b>\$ 236,717</b>
<b>Total Liabilities</b>	<b>\$ 287,683</b>	<b>\$ 236,717</b>
<b>Equity</b>		
3000 Opening Bal Equity	-36,271	-36,271
3100 Retained Earnings	461,334	461,334
Net Income	138,551	
<b>Total Equity</b>	<b>\$ 563,614</b>	<b>\$ 425,063</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 851,297</b>	<b>\$ 661,779</b>

Pasadena Community Access Corporation							
Pro Forma P&L - October 2020							
FY 2021 YTD Actual vs FY 2021 Adopted Budget							
		vs. 4 mo. Budget			vs. Full Year Budget		
	YTD Actual	YTD Budget	\$	%	FY21 Budget	\$	%
<b>Income</b>							
City of Pasadena	483,500	483,500	-	0.0%	967,000	(483,500)	-50.0%
Contributions & Grants	1,908	2,667	(758)	-28.4%	8,000	(6,092)	-76.1%
Production Services	6,185	6,133	52	0.8%	31,900	(25,715)	-80.6%
Program Services	70	1,200	(1,130)	-94.2%	8,000	(7,930)	-99.1%
Other Revenue	9	333	(324)	-97.2%	1,000	(991)	-99.1%
<b>Total Income</b>	<b>491,673</b>	<b>493,833</b>	<b>(2,161)</b>	<b>-0.4%</b>	<b>1,015,900</b>	<b>(524,227)</b>	<b>-51.6%</b>
<b>Expenses</b>							
Payroll Expenses	201,535	205,885	4,350	2.1%	594,779	393,244	66.1%
Payroll Taxes	14,959	17,912	2,953	16.5%	51,746	36,787	71.1%
Employee Benefits	39,401	43,109	3,709	8.6%	106,700	67,299	63.1%
Occupancy Expenses	77,599	77,531	(69)	-0.1%	213,838	136,239	63.7%
Accounting & Audit	7,855	9,050	1,195	13.2%	13,523	5,668	41.9%
Advertising & Marketing	520	1,200	680	56.7%	3,600	3,080	85.6%
Automobile Expense	-	483	483	100.0%	1,450	1,450	100.0%
Bank & Payroll Processing Fees	422	567	145	25.6%	1,700	1,278	75.2%
Board Materials & Expenses	-	40	40	100.0%	120	120	100.0%
Cable Drop Fees	543	605	62	10.3%	8,100	7,557	93.3%
Contract Labor	-	733	733	100.0%	2,200	2,200	100.0%
Dues and Subscriptions	31	80	49	61.7%	3,500	3,469	99.1%
Legal & Professional Fees	-	-	-		20,000	20,000	100.0%
Licenses, Permits & Other Fees	-	-	-		154	154	100.0%
Meals & Entertainment	112	580	468	80.6%	1,740	1,628	93.5%
Office Expense	2,910	2,667	(243)	-9.1%	8,000	5,090	63.6%
Production Expense	6,981	8,706	1,725	19.8%	21,000	14,019	66.8%
Professional Development	255	700	445	63.6%	2,100	1,845	87.9%
Travel & Lodging	-	400	400	100.0%	2,650	2,650	100.0%
<b>Total Expenses</b>	<b>353,121</b>	<b>370,248</b>	<b>17,127</b>	<b>4.6%</b>	<b>1,056,900</b>	<b>703,778</b>	<b>66.6%</b>
<b>Net Operating Income</b>	<b>138,551</b>	<b>123,585</b>	<b>14,966</b>	<b>12.1%</b>	<b>(41,000)</b>	<b>179,551</b>	<b>-438%</b>
PEG Capital Income Recognized	0	63,333	(63,333)	-100.0%	190,000	(190,000)	-100.0%
PEG Capital Equipment Expense	0	63,333	63,333	100.0%	190,000	(190,000)	-100.0%

# PCAC Administrative Report – June to October 2020

Respectfully submitted by George Falardeau, Chris Miller, Aaron Wheeler & Hannah Ramirez

## EXECUTIVE DIRECTOR CEO

- Over-the-top (OTT) Video Distribution Platforms Update – Chris
- Virtual Trainings Update – Aaron
- *Snapshots* replaces Robert Gorski's show *Access For All* – An upcoming new accessibility program by PCAC CAC Member & Arroyo producer Martin Sweeney.
- Enhanced Arroyo channel programming with the addition of *Democracy Now!* - Mondays through Fridays at 4 pm.
- Re-tooled our operations to accommodate the pandemic and our response to the community. ED CEO held several meetings with staff to discuss the new direction of Pasadena Media during the pandemic virus. Questions asked were, are we servicing the community, how can we better provide training to producers and are we providing the best service to the government channel. Review of our overall core business.
- Open Senior Position (Head of Production / Bobbie Ferguson) – Not filled and currently on hold. Hannah Ramirez is temporarily fulfilling the duties of the City/Client Coordinator.
- Pasadena Media continues to have daily virtual meetings and weekly all-staff meetings since the beginning of the pandemic.
- Majority of the staff continues to work at home. In-studio and field work only for special assignments. Pasadena Media also assisted staff in upgrading their internet access and provided computers to continue working remotely.
- We have completed our annual audit as presented.
- Finalized lease. Tenant improvements within the lease agreement forthcoming.

- Two-part *ELECTION 2020 – From City Hall to the White House* hosted by Hoyt Hilsman with guests Fred Register (owner of Fred Register & Associates), Lori Cox Han & Dr. John Compton (Chapman Univ. Political Science professors).
- LevelUP4/Pasadena Media Youth Virtual Conference - Provided virtual workshops in partnership with Collaborate PASadena students & faculty.
- Renewal of benefits and provided UNUM life insurance to all staff.
- ED CEO participated in various board, committee and community virtual meetings including: Rotary, Pasadena Chamber of Commerce, Pasadena Executive Roundtable, Adam Schiff's Town Hall, SoCalGas Community Advisory Committee and Friends In Deed Advisory Board Committee.
- Facilitated the live Mayoral Debate in collaboration with the Pasadena Chamber of Commerce held at City Hall.
- Facilitated numerous Altadena Town Council virtual meetings.
- Continuously support the increase coverage for KPAS, Commission & Community Meetings, Virtual Town Halls for Councilmembers and various PSA's from city officials and non-profit organizations.
- Ray Ealy's STEAM:CODERS event. This non-profit event is to raise money for at-risk students providing them computers and internet accessibility. - \$3800
- Western Justice Center project - \$3480 (Chris to provide details)
- Latino Heritage Parade 2020 Virtual Event - Staff created "best of" compilation.
- Veterans Day 2020 Virtual Event.
- Dining in Pasadena PSA with Tyron Hampton.
- Peter Drier was a guest on a special edition of *NewsRap* and reviewed all of California's Ballot Measures. It was well received by the community.

*Attached: Cable Complaints, Operations Report, Community Development Report & Production Services Report*



## Operations Report - June-October 2020

Respectfully submitted by Chris Miller, Chief Operations Officer

- **UPDATE - PEG Equipment Installation: Completed**  
Since installation we have used many of the features I talked about when we were choosing this system. We announced the release of our Roku, Amazon Fire TV and Apple TV apps on June 11, which includes our channel streams and many shows available on demand. We have carried approximately 80 hours of streaming shows via the internet live on the channels including nearly all of our election coverage. We utilize the automatic retrieval and scheduling tools to carry morning pre-tapes of *Democracy Now!* on weekday afternoons. The advanced series scheduling has allowed us to automate much of the scheduling of regular series as well as the repeats of many shows that have been dark during the pandemic. One additional benefit that we've unlocked is a workflow to take automated captioning generated by our YouTube or Facebook accounts and insert it into on demand shows as well as live shows on our website. We are told that this may extend to the live channels in the OTT in the future.
- **UPDATE - City Council Meeting Support: Ongoing**  
Our staff continues to work with DoIT and City Clerk staff to conduct Council and committee meetings with Councilmembers participating remotely while ensuring public participation. In addition, we've been able to leverage the temporary setup at City Hall to cover virtual District meetings and a socially-distanced Mayoral election forum in the Council Chamber.
- **Audio Issue Affecting KPAS on Charter: Completed**  
KPAS audio on Charter channel 3 degraded in early June to a point where we received complaints during the Public Safety committee meeting June 10. Prior to the June 11 Finance committee meeting, we confirmed that our gear was operating normally. A Charter field technician confirmed June 16 that audio from the City Hall control room to their box outside on Euclid was good. An action taken at the Charter hub site that night rectified the issue.
- **FY20 Audit: Completed**  
As this was the first year with the City's new auditor White Nelson Diehl Evans LLP, the process was quite a bit longer than a normal year. Next year, we intend to have the financial statements ready in late September. I'll also note that WNDE merged with CliftonLarsonAllen since this process began, so future statements will be from CLA.
- **Enhanced Operations for Prolonged COVID-19 Pandemic: Ongoing**  
In June, we prepared a phased reopening that would include curbside equipment checkouts, online instruction and assisted production, as well as the possibility of very limited studio and edit bay reservations. We posted signage throughout the space and stocked up on personal protective equipment and cleaning supplies. As COVID-19 cases rose faster in early July, we scaled back reopening plans, continued to modify procedures, and prepared to only utilize one staff member in any location at a time. In the last two weeks of the month, only three productions occurred with two people socially distanced. All others were conducted with staff separated in remote locations.

Any staff who didn't already have adequate editing and switching equipment in their home were provided with computers and training. We implemented a new phone system at this time as well that allows all extensions to be accessible via computer or smartphone, as well as includes text capability and a new vanity number for call-in shows (747-32-ARROYO).

- **COVID-19 Testing Among Staff and Precautions Taken: Ongoing**  
Since June, most of our staff has been tested for COVID-19 at some point. One staff member contracted the virus in early October. Fortunately, we have followed all of the Pasadena Public Health Department's guidelines closely and she did not come in close contact with anyone while at the studio. We worked with the PPHD on contact tracing and ensured that all visitors were notified. Out of an abundance of caution, we also conducted a thorough cleaning of the space. While the employee resumed working remotely after 10 calendar days, she has not yet returned to the studio.
- **Altadena Town Council Coverage: Ongoing**  
After discussions with LA County and the Altadena Town Council, we resumed production of ATC meetings via our annual contract in August. The ATC had resumed meeting using the Altadena Library's Zoom account, which we now provide. In addition to running the virtual meeting, they air live on Arroyo for the first time.
- **Pro Services Non-profit Fundraisers: Ongoing**  
We successfully hosted a Zoom fundraiser with socially-distanced talent and crew in the studio on October 16. The event, which also included segments we pre-taped, is a partial replacement of WJC's annual gala. It was our first pro service in the COVID era of this nature. Similarly, we created videos for a STEAM:CODERS event and have booked an event with PCDA in November.
- **PCCTv Charter Outage 8/24: Completed**  
A converter failed at City Hall on August 24 that caused PCCTv to go off the air on Charter. When we put in a backup converter, it also failed. I came up with a temporary workaround to pass the webstream to the channel via a laptop. Two replacement converters arrived on August 26 and were installed that day.
- **Election Coverage: Completed**  
In a normal year, we would have camera crews out capturing election forums for later cablecast. This year, most forums were held via Zoom which provided a unique opportunity for us to carry them live with fewer staff hours. In addition to seven candidate forums and a forum on ballot measures, we also created two live election specials, all of which can be found on demand via OTT and our Election 2020 YouTube playlist.
- **Head of Production Departure: Completed**  
In the run up to Bobbie Ferguson's last day on September 1, we made numerous adjustments to staffing with a goal of not hiring during our augmented operations due to the pandemic. Several staff members were given temporary assignments from the Head of Production job description, which will be evaluated in the new year.



Chris Miller <chris@pasadenamedia.org>

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**RE: Cable Complaint: C\*\*\*\*\* H\*\*\*\*\* | 4684166694716626159**

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**Regulatory.Complaints** <Regulatory.Complaints@charter.com>  
To: "chris@pasadenamedia.org" <chris@pasadenamedia.org>

Mon, Jun 29, 2020 at 3:40 PM

Good Afternoon Mr. Miller,

On June 24, 2020, with Ms. H\*\*\*\*\*'s authorization, we deployed a technician to her residence to address her service concern. After replacing the digital receiver, the technician verified that Charter's On Demand video feature was operating as expected.

We apologize for the miscommunications that Ms. H\*\*\*\*\* received from prior agents regarding the necessary service appointment. Please note that feedback was provided to those agents for coaching and retraining purposes. We have confirmed that a prior agent applied a courtesy credit to her account for the time that the video feature was not functional.

We regret any inconvenience Ms. H\*\*\*\*\* may have experienced. Please do not hesitate to contact us if you have any questions.

Regards,

Rainbow



**Rainbow Burhenn** | Paralegal |

6360 S Fiddlers Green Circle | Greenwood Village CO 80111

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**From:** Chris Miller <chris@pasadenamedia.org>  
**Sent:** Friday, June 19, 2020 7:04 PM

Ms. H\*\*\*\*\* contacted us via phone this morning regarding service and billing issues. Please see notes in the webform below. She requests a call as soon as possible.

----- Forwarded message -----  
Date: Fri, Jun 19, 2020 at 3:57 PM

Name	C***** H*****
Address	Street Address: ##### N Michillinda Ave City: Pasadena, CA 91107
E-mail	h*****@aol.com
Phone Number	(626) ###-####
Location where the problem occurred.	Home
Choose your Cable Provider	Charter Spectrum
Type of Issue	Billing
Description of Issue	Have not been able to use on demand functionality since March. A technician indicated that he could fix issues without entering the residence, but within a few minutes changed his story. Could not allow access, so issue is not rectified. Also concerned about billing misrepresentation. Was convinced by Charter phone reps that she needed to upgrade from "legacy" Charter plan to a Spectrum plan, adding \$5 to monthly bill. The additional expense has not alleviated issues.
Resolution Requested	Please fix the functionality issue and restore pricing.



Chris Miller <chris@pasadenamedia.org>

**RE: : Cable Complaint: | 4698798434718985659 | B\*\*\*\*\***

**Regulatory.Complaints** <Regulatory.Complaints@charter.com>  
To: "chris@pasadenamedia.org" <chris@pasadenamedia.org>

Wed, Jul 22, 2020 at 1:08 PM

Good Afternoon Mr. Miller,

On July 18, 2020, we deployed a team of technicians to Mr. B\*\*\*\*\*'s residence to address his service concern. Aer replacing` exterior lines, the internet equipment, and mulple line fings,` the technicians verified that Mr. B\*\*\*\*\*'s service was operang at the expected level of service. Please note that Mr. B\*\*\*\*\* had not contacted us regarding any service issues since 2017.

Please do not hesitate to contact us if you have any quesons.

Regards,

Rainbow



Rainbow Burhenn | Paralegal |

6360 S Fiddlers Green Circle | Greenwood Village CO 80111

**From:** Chris Miller <chris@pasadenamedia.org>

**Sent:** Monday, July 6, 2020 5:27 PM

Mr. B\*\*\*\*\* contacted us via phone this afternoon regarding service issues. Please see notes in the webform below. He requests a call as soon as possible.

----- Forwarded message -----

Date: Mon, Jul 6, 2020 at 2:24 PM

Name	R***** B*****
Address	Street Address: #### Lundy Ave City: Pasadena, CA 91104
E-mail	b*****@yahoo.com
Phone Number	(626) ###-####
Location where the problem occurred.	Home
Choose your Cable Provider	Charter Spectrum
Type of Issue	Customer Service
Description of Issue	Haven't been able to get a resolution about his poor internet service, nor his past poor cable TV service which got so bad that he canceled it. Routing customers to Charter website that has no relevant information is not helpful.
Resolution Requested	rectify internet connectivity issues



Chris Miller <chris@pasadenamedia.org>

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**RE: Cable Complaint: | 4700555270796193289**

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**Regulatory.Complaints** <Regulatory.Complaints@charter.com>  
To: "chris@pasadenamedia.org" <chris@pasadenamedia.org>

Thu, Jul 30, 2020 at 6:04 AM

Good Morning –

During our monitoring and troubleshooting, we were never able to duplicate the problem. All wiring inside and outside the home is new. There are no plant impairments and the customer's node is confirmed to be effectively working. Several trouble calls have been completed with a maintenance referral to monitor and troubleshoot outside the residence, but no problem was ever detected. Multiple test calls were made without the ability to duplicate the reported issue.

Mr. E\*\*\*\* has been provided credit totaling \$59.98 for this issue. \$20.00 was posted on 7/19/20 and \$39.98 was posted on 7/6/20. On 7/27/20, the customer spoke with the Field Operations manager and expressed his satisfaction with his services following all the work and monitoring performed to assist with the resolution. The customer requested no further action at this time and will follow up with the manager if he's able to provide requested documentation of numbers, carriers, and the date where calls are made that experience a drop.

Please do not hesitate to contact us with any further questions.

Regards,

Bill



**William C. Wesselman** | Sr. Director, Law - Regulatory |

6360 S Fiddlers Green Circle | Greenwood Village CO 80111

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**From:** Regulatory.Complaints <Regulatory.Complaints@charter.com>

**Sent:** Thursday, July 23, 2020 8:00 AM

Mr. Miller –

I wanted to provide an update on this issue. We are still working with the consumer to replicate and identify any potential issues. We anticipate having another update for you no later than July 31, 2020.

Please do not hesitate to contact us with any further questions.

Regards,

Bill



**William C. Wesselman** | Sr. Director, Law - Regulatory |

6360 S Fiddlers Green Circle | Greenwood Village CO 80111

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**From:** Chris Miller <chris@pasadenamedia.org>

**Sent:** Wednesday, July 8, 2020 6:16 PM

Please find the contact form submitted by one of your customers this afternoon. Please respond to them directly and keep us apprised of the resolution.

----- Forwarded message -----

Date: Wed, Jul 8, 2020 at 3:12 PM

Subject: Cable Complaint: | 4700555270796193289

Name	M E****
Address	Street Address: ##### GLEN OAKS BLVD City: PASADENA, CA 91105
E-mail	MH*****@YAHOO.COM
Phone Number	(626) #####
Location where the problem occurred.	Home
Choose your Cable Provider	Charter Spectrum
Type of Issue	Poor Audio Quality
Description of Issue	<p>I have been having service issues with Charter, now Spectrum, for years. The most recent 6 months, conversations I start disconnect frequently within 15 to 20 minutes. Last Sunday it did that 12 times in 3 hours. There is static, then silence, then disconnect, or I can hear them, but not vice versa, etc. When I called last weekend, the customer rep heard it himself, it disconnected while we were talking, he had my numbers (incl cell just in case of that) and never called back. They have promised me credits everytime and never before two days ago, and that is less than code authorizes. When they send someone out they say a - the problem is in the vault, not your home, so they should have sent a lineman, I (service tech) can't do that) b when I call the next timee and repeat that, they say, I (customner service rep) have no way to do that, I can only send a service rep.</p> <p>The last call I had, despite being barely able to use the phones, I have to wait 9 days for someone (most likely the wrong someone) to look at it. That is extreme. They said because of COVID many people don't want tech's in their house so are passing up repairs, so I said, that means that you are less busy, not more busy, (no denial or response) I have had to wait on hold not the 30 or 90 seconds but hours, and been transferred back and forth, despite request for hot transfer, to voice mail, the que, the wrong que, and mysteriously strange things start to occur, like my phones for some calls were forwarded to my other line, it is simply painful to call them and hear the recording about how all they care about is providing excellent service, they don't (ie care or provide) they know they essentially have no competition and get away with it. AT&amp;T orignially provided service, but they pulled out long ago when they said it was to costly to maintain their lines up Glen Oaks. That is why Im stuck with them.</p>
Resolution Requested	<p>In a perfect world, I would just want mostly perfect service.</p> <p>In the real world, they can provide a linesman everytime this is a similar issue, within 48 hours, not rearrange the time by hours in either direction or pull someone unfamiliar and send them up so they can say they came, and each</p> <p>time the service goes out, I get a credit until they realize that allowing me to sit paying the price and not getting the service is not acceptable. Is AT&amp;T coming back? PS I dont know if this is covered, but there internet prices keep going up because they keep raising the theoretical speed, which never really makes a difference, is this regulated? Does Charter ever turn in their stats on time called, responded to. I know they always hit me up with a five question survey which is never followed up on.</p> <p>Maybe they need a new vault or a new line to the vault, as it is always much worse when it rains, or people sprinklers are on to long, etc. Maybe you can suggest something Im not aware of.</p> <p>Thanks</p>



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**RE: Re: Cable Complaint: | 4791226539919422940 - P\*\*\*\***

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**Regulatory.Complaints** <Regulatory.Complaints@charter.com>  
To: "chris@pasadenamedia.org" <chris@pasadenamedia.org>

Mon, Nov 2, 2020 at 9:51 AM

Good Morning Mr. Miller,

On October 22 and October 23, 2020, we deployed technicians to the exterior local plant to address Mr. P\*\*\*\*'s service concern. After moving the exterior service line for his residence to a different port, the technicians verified that his service was restored. The technicians also completed additional necessary maintenance to the exterior plant. Following the repairs, a representative spoke with Mr. P\*\*\*\*, and he confirmed that his Charter service was operating at the expected level.

We regret any inconvenience Mr. P\*\*\*\* may have experienced. Please do not hesitate to contact us if you have any questions.

Regards,

Rainbow



Rainbow Burhenn | Paralegal |

6360 S Fiddlers Green Circle | Greenwood Village CO 80111

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**From:** Chris Miller <chris@pasadenamedia.org>

**Sent:** Wednesday, October 21, 2020 4:58 PM

I spoke with Mr. P\*\*\*\* via telephone a few minutes ago after receiving the following complaint. This gentleman had submitted a complaint in March 2020 regarding intermittent outages and poor customer service that he felt had been rectified. This time around, he has no internet connection and as he is working from home cannot wait two weeks for a resolution. Please contact the customer as soon as possible to address.

On Wed, Oct 21, 2020 at 1:50 PM:

Name	J**** P****
Address	Street Address: ### E. California Blvd., ### City: Pasadena State / Province: CA Postal / Zip Code: 91106
E-mail	J****.P****@gmail.com
Phone Number	(720) #####
Location where the problem occurred.	Home
Choose your Cable Provider	Charter Spectrum
Type of Issue	Customer Service
Description of Issue	Charter service is completely down. Called to request repair and received soonest available date for a technician two weeks away. Working from home, so must have internet restored ASAP.
Resolution Requested	Send technician ASAP

## Community Development Report: June - October 2020

Respectfully submitted by Aaron B. Wheeler, Head of Community Development

MEMBERS	New Volunteers (Free)	Active Trainees & Producers (Paid)
2020 Season 2 (July-current)	12	52
2020 Season 1 (Jan.- June)	39	46

PROGRAMMING	New Series	Local Episodes	Bicycled Episodes	Community Productions in Progress
June - Oct	7	163	98	4
April / May	-	32	21	-

TRAINING	Orientation	Other Classes
2020 Season 2: July - Oct	12	23

**Total Class Enrollments - 2020 Total Year: 237**

### Highlights:

#### Pasadena Media News

- Produced 178 Hyper-Local News and Video News Release Clips

#### Special Community Productions:

- *Election 2020 - From City to the White House*
  - Two-part special hosted by Hoyt Hilsman
- *NewsRap Election Special - Local & California Propositions: What Are They?*
  - Special Guest Peter Drier

#### Special Training:

- Exploring The Arts' Learning Lab Workshop

#### Business/Personal Development

- Aaron Wheeler now sits on the Board of Directors of the Pasadena Chamber of Commerce.
- Aaron Wheeler nominated as the 3rd Vice-President of the NAACP Pasadena, running unopposed



## Social Media Analytics

Facebook Page	Apr/May 2020	June 2020	July-Oct 2020	Year To Date	Definition
Reach	51,242	15,209	56,910	157.3k	The number of unique individuals who have actually seen any content related to your Facebook Page.
Views	1,253	453	2,482	5,794	The total number of times your Facebook Page was viewed.
Engagement	2,638	899	3,121	8,995	A Like, Comment, Share or click received on a post from your Page.
Clicks	2,721	882	2,921	8,984	The number of clicks on links within the ad/post that led to destinations or experiences, on or off Facebook.
Likes	82	26	50	224	People who Like your Facebook Page.

YouTube Channel	Apr/May 2020	June 2020	July-Oct 2020	Year To Date	Definition
Views	15,319	7,006	28,055	71,536	The total number of times the YouTube channel was viewed during the time period you select.
Comments	24	15	126	203	The number of comments received on the channel.
Likes	228	71	284	828	People who Like a video in your channel.
Subscribers	64	34	109	314	People who have chosen to “follow” your channel to stay updated with your latest videos.

Followers	Current	Change YTD
Instagram	3,759	-1 %
Twitter	2,006	+4 %

## Production Report - June 2020

Respectfully submitted by Hannah Ramirez, City/Client Coordinator

Type of Production	Monthly Total
Studio Productions and Preproduction Meetings	12
Arroyo Originals - Studio	9
Arroyo Originals - Field	0
KPAS/City Productions	25
Pro Services	0

- Completed Programs:
  - Continued to record weekly briefings with Mayor Terry Tornek
  - Recorded Census PSA in English and Spanish with Councilmember Victor Gordo
  - Recorded a Fireworks PSA with Vice Mayor Tyron Hampton
  - Recorded several new episodes of *Telling Tales* with Nick Smith from the Library
  - Covered the Phos Chek Press Conference
  - Covered the Aquatic Center Press Conference
  - Staff has continued the increased coverage of city commission/committee meetings and broadcast live on KPAS

## Production Report - July through October 2020

Respectfully submitted by Hannah Ramirez, City/Client Coordinator

Type of Production	Monthly Total
Studio Productions and Preproduction Meetings	65
Arroyo Originals - Studio	29
Arroyo Originals - Field	8
KPAS/City Productions	78
Pro Services	9

- Completed Programs:
  - Continued to record weekly briefings with Mayor Terry Tornek
  - Recorded Census PSAs with Councilmembers Victor Gordo, Tyron Hampton, John Kennedy, Margret McAustin and Mayor Tornek
  - Partnered with PWP to create an internal video for their staff on their new PACE project
  - Recorded an informational video for businesses with the Pasadena Public Health Department staff on what to do if there is one or more cases of COVID in the workplace
  - Pro-service with Western Justice Center involving multiple recordings & editing of testimonials and field pieces for their live Zoom fundraiser which was hosted from our studio
  - Recorded several new episodes of *Telling Tales*, a handful of which are “spooky” themed for October
  - Aired two District 6 Town Halls live on KPAS with Councilmember Steve Madison
  - Aired multiple live election forums on Arroyo including four for the Pasadena Mayoral candidates, two for PUSD Board of Education candidates, one for Altadena Town Council candidates and one from the League of Women Voters regarding pros and cons of each ballot measure
  - Recorded two different PSAs with Health Department staff on lead poisoning and flu shots in English & Spanish
  - Recorded a message for the Pasadena Community Foundation with Councilmember John Kennedy
  - Recorded a message with Dr. Goh for the YWCA, during the taping of which Dr. Goh noted that Pasadena Media is truly an essential business

- Put together a “Best of” special in place of the canceled Latino Heritage Parade, as well as recorded two additional segments for Latino Heritage Month (author reading and cooking video)
- Recorded with PWP for a Water Conservation Landscape video project
- Partnered with Vice Mayor Hampton & Christine Susa from the Convention Center to record a promo for outdoor dining in Pasadena
- Staff has continued the increased coverage of city commission/committee meetings and broadcast live on KPAS
- Pro-service with Lena Kennedy for a ‘We Voted’ 360+ photo collage video

To the Board of Directors  
of the Pasadena Community Access Corporation  
Pasadena, California

We have audited the financial statements of the Pasadena Community Access Corporation (the “Corporation”), a component unit of the City of Pasadena, for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter on planning matters to you dated July 15, 2020. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Corporation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2019-2020. We noted no transactions entered into by the Corporation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimate affecting the Corporation’s financial statements was:

- Management’s estimate of the useful lives of capital assets for depreciation purposes is based on industry standards.

We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

## **Significant Audit Findings (Continued)**

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any known and likely misstatements that were required to be communicated to management as a result of audit procedures.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 30, 2020.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Corporation's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Corporation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Other Matters**

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

## **Restriction on Use**

This information is intended solely for the use of the Board of Directors and management of the Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

*White Nelson Dickel Evans LLP*

Irvine, California

October 30, 2020

**PASADENA COMMUNITY ACCESS CORPORATION  
(A COMPONENT UNIT OF THE  
CITY OF PASADENA, CALIFORNIA)**

**FINANCIAL REPORT**

**WITH REPORT ON AUDIT  
BY INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR THE YEAR ENDED  
JUNE 30, 2020**

**PREPARED BY:  
GEORGE FALARDEAU, EXECUTIVE DIRECTOR**



**PASADENA COMMUNITY ACCESS CORPORATION**

**Financial Report**

**For the Fiscal Year Ended June 30, 2020**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Pasadena Community Access Corporation  
Pasadena, California

We have audited the accompanying financial statements of the Pasadena Community Access Corporation (the Corporation), a component unit of the City of Pasadena, California, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

### **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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pasadena Community Access Corporation, as of June 30, 2020, and the changes in its financial position and, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Prior Year Comparative Information*

The financial statements include partial prior-year comparative information. Such information does not include all of the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2019, from which such partial information was derived.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2020, on our consideration of the Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

*White Nelson Diehl Evans LLP*

Irvine, California  
October 30, 2020

## **PASADENA COMMUNITY ACCESS CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the Pasadena Community Access Corporation's (a component unit of the City of Pasadena, California) (the Corporation) financial performance provides an overview of the Corporation's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Corporation's financial statements, which begin on page 7.

### **FINANCIAL HIGHLIGHTS**

- The Corporation's net position for the fiscal year ending June 30, 2020, was \$425,231, an increase of \$56,769 or 15%.
- During the year, the Corporation had operating expenses that were \$40,319 less than the \$1,014,619 generated from the operating agreement, service contracts, and other revenues from the Corporation's programs from the fiscal year ended June 30, 2020. This compares to last year, when operating expenses exceeded revenues by \$70,479. Excluding depreciation, this year's operating expenses were \$465 less than revenue, while last year's operating expenses exceeded revenues by \$16,788.
- Total cost of all the Corporation's programs was \$1,054,938. The programmatic activities of the Corporation remained unchanged.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position (on pages 7 and 8) provide information about the activities of the Corporation as a whole and present a long-term view of the Corporation's finances. As the Corporation operates as a business-type activity, no additional fund statements are necessary. When the Corporation charges customers for the services it provides—whether to outside customers or to the City of Pasadena or other governments—these services are reported similarly to the way a business operates.

A Statement of Cash Flows is also presented using the direct method, which portrays inflows and outflows for specific classes of operations along with an indirect reconciliation of increases to net cash provided by operations. There were no non-cash entries during the year.

#### *Reporting the Corporation's Results as a Whole*

Our analysis of the Corporation as a whole begins on page 4. One of the most important questions asked about the Corporation's finances is, "Is the Corporation as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Corporation as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Corporation's *net position* and changes in them. You can think of the Corporation's net position—the difference between assets and liabilities—as one way to measure the Corporation's financial health, or *financial position*. Over time, *increases or decreases* in the Corporation's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Corporation's long-term contractual revenues and the condition of the Corporation's equipment and other assets, to assess the *overall health* of the Corporation.

## THE CORPORATION AS A WHOLE

The Corporation's net position increased from a year ago, from \$368,462 to \$425,231. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Corporation's activities.

**Table 1**

	June 30, 2020	June 30, 2019
Current and other assets	\$481,832	\$517,898
Capital assets, net	180,114	123,848
Total assets	661,946	641,746
Current Liabilities	(236,715)	(273,284)
Net position:		
Net investment in capital assets	180,114	123,848
Unrestricted	245,117	244,614
Total net position	\$425,231	\$368,462

*Unrestricted* net position—the part of net position that can be used to finance day-to-day operations without constraints established by debts, contribution restrictions, or other legal requirements—changed from \$244,614 at June 30, 2019, to \$245,117 at the end of this fiscal year. Unless restricted by donation or grant covenant (of which the Corporation has no such restrictions at the present time), the Corporation generally can use this net position to finance continuing operations in the coming fiscal year.

**Table 2**

	For the Year Ended June 30, 2020	For the Year Ended June 30, 2019	Percentage Change From 2019
<b>Revenues</b>			
<b>Operating revenues:</b>			
Operating Agreement	\$967,000	\$910,000	6.3%
Service contracts	18,000	18,000	0.0%
Production and other operating revenue	29,619	26,542	11.6%
Total operating revenues	1,014,619	954,542	6.3%
<b>Nonoperating revenues:</b>			
Public, education & gov't (PEG) revenue	300,050	-	100%
Interest income	38	486	-92.2%
Total nonoperating revenues	300,088	486	61646.5%
Total revenues	1,314,707	955,028	37.7%
<b>Operating expenses:</b>			
Salaries and benefits	740,741	719,577	2.9%
Production expense	17,307	16,158	7.1%
Occupancy expense	197,713	175,819	12.5%
Contractual services	26,225	27,170	-3.5%
General and administrative	32,168	32,606	-1.3%
Depreciation	40,784	53,691	-24.0%
Total operating expenses	1,054,938	1,025,021	2.9%
<b>Nonoperating expenses:</b>			
PEG expense	203,000	-	100.0%
Total nonoperating expenses	203,000	-	100.0%
Total expenses	1,257,938	1,025,021	22.7%
<b>Net Income (loss)</b>	56,769	(69,993)	-181.1%
Net position at beginning of year	368,462	438,455	-15.9%
Net position at end of year	\$425,231	\$368,462	15.4%

Although the Corporation's total cost of programs and services had a net increase of 22.7% (\$232,917), a closer look shows that Operating expenditures increased 2.9% (\$29,917), while PEG expenditures increased from \$0 to \$203,000. The Corporation's revenues increased by a net 37.7% (\$359,679), resulting from a combination of increased Operating revenues and increased deferred revenue recognition in Nonoperating revenue.

#### *Budgetary Highlights*

Over the course of the year, the Board of Directors reviewed the budget during regular monthly meetings. There were no budget reforecasts submitted for approval.

The Corporation's adopted operating budget was \$1,024,400 for the fiscal year ended June 30, 2020. Actual operating revenues were \$9,781 less than budget, and operating expenses exceeded budget by \$30,538.

## CAPITAL ASSETS

At the end of 2020, the Corporation had \$180,114 invested in capital assets, net of accumulated depreciation. (See Table 3 below.) This amount represents a net increase (including additions and disposals) of \$56,266 or 45% over last year.

**Table 3**

	June 30, 2020	June 30, 2019
Production equipment	\$437,420	\$340,370
Leasehold improvements	93,897	93,897
Accumulated depreciation	(351,203)	(310,419)
Property and equipment, net	\$180,114	\$123,848

More detailed information about the Corporation's capital assets is presented in Note 3 to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Corporation's Board of Directors considered many factors when setting the fiscal year 2021 budget. Significant budget expense increases include occupancy costs as a new lease takes effect and personnel cost-of-living increases. Significant revenue budget decreases in program services are related to the reduction of community access to the facility while closed during the COVID-19 pandemic. Revenue from the Operating Agreement is also expected to be flat due to the pandemic. A transfer from the emergency reserve account is necessary to balance the budget.

## CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our stakeholders including donors, customers, and the City of Pasadena's officials with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Corporation Office at 150 S. Los Robles Avenue, Suite 101, Pasadena, California, 91101. Our main office number is 626-794-8585 and our email is [info@pasadenamedia.org](mailto:info@pasadenamedia.org).

## PASADENA COMMUNITY ACCESS CORPORATION

## STATEMENT OF NET POSITION

June 30, 2020

(With Comparative Information as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS:		
CURRENT ASSETS:		
Cash (Note 2)	\$ 288,564	\$ 273,114
Accounts receivables	1,813	1,948
Prepaid assets	2,828	3,136
Deposits	12,420	12,420
Restricted cash	<u>176,207</u>	<u>227,280</u>
TOTAL CURRENT ASSETS	<u>481,832</u>	<u>517,898</u>
NONCURRENT ASSETS:		
Capital assets, net of accumulated depreciation (Note 3)	<u>180,114</u>	<u>123,848</u>
TOTAL NONCURRENT ASSETS	<u>180,114</u>	<u>123,848</u>
TOTAL ASSETS	<u>661,946</u>	<u>641,746</u>
LIABILITIES:		
CURRENT LIABILITIES:		
Accounts payable	8,869	6,147
Accrued salaries and benefits	19,348	18,234
Compensated absences (Note 9)	32,291	21,623
Liabilities payable from restricted assets:		
Advances from other agencies (Note 7)	<u>176,207</u>	<u>227,280</u>
TOTAL CURRENT LIABILITIES	<u>236,715</u>	<u>273,284</u>
TOTAL LIABILITIES	<u>236,715</u>	<u>273,284</u>
NET POSITION:		
Investment in capital assets	180,114	123,848
Unrestricted	<u>245,117</u>	<u>244,614</u>
TOTAL NET POSITION	<u>\$ 425,231</u>	<u>\$ 368,462</u>

See accompanying notes to basic financial statements.



## PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION

Year Ended June 30, 2020  
(With Comparative Information as of June 30, 2019)

	2020	2019
OPERATING REVENUES:		
Operating agreement	\$ 967,000	\$ 910,000
Service contracts	18,000	18,000
Production and other operating revenue	29,619	26,542
	<u>1,014,619</u>	<u>954,542</u>
TOTAL OPERATING REVENUES		
	<u>1,014,619</u>	<u>954,542</u>
OPERATING EXPENSES:		
Salaries and benefits	740,741	719,577
Production expense	17,307	16,158
Occupancy expense	197,713	175,819
Contractual services	26,225	27,170
General and administrative	32,168	32,606
Depreciation expense	40,784	53,691
	<u>1,054,938</u>	<u>1,025,021</u>
TOTAL OPERATING EXPENSES		
	<u>1,054,938</u>	<u>1,025,021</u>
OPERATING INCOME (LOSS)	<u>(40,319)</u>	<u>(70,479)</u>
NONOPERATING REVENUES (EXPENSES):		
Public, education and government (PEG) revenue	300,050	-
PEG capital grants	(203,000)	-
Interest income	38	486
	<u>97,088</u>	<u>486</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>97,088</u>	<u>486</u>
CHANGES IN NET POSITION	<u>56,769</u>	<u>(69,993)</u>
NET POSITION:		
BEGINNING OF YEAR	<u>368,462</u>	<u>438,455</u>
END OF YEAR	<u>\$ 425,231</u>	<u>\$ 368,462</u>

See accompanying notes to basic financial statements.

## PASADENA COMMUNITY ACCESS CORPORATION

## STATEMENT OF CASH FLOWS

Year Ended June 30, 2020  
(With Comparative Information as of June 30, 2019)

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 29,619	\$ 26,542
Cash received from contracts	985,135	945,115
Cash paid to employees for services	(728,959)	(717,269)
Cash paid to suppliers for goods and services	(270,383)	(241,862)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>15,412</b>	<b>12,526</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Capital grants received	248,977	146,401
PEG-eligible capital grants made	(203,000)	-
Acquisition of capital assets	(97,050)	-
<b>NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(51,073)</b>	<b>146,401</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment income	38	486
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>38</b>	<b>486</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(35,623)</b>	<b>159,413</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>500,394</b>	<b>340,981</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 464,771</b>	<b>\$ 500,394</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (40,319)	\$ (70,479)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	40,784	53,691
(Increase) decrease in accounts receivable	135	17,115
(Increase) decrease in prepaid assets	308	15,187
Increase (decrease) in accounts payable and accrued expenses	14,504	(2,988)
<b>Total Adjustments</b>	<b>55,731</b>	<b>83,005</b>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 15,412</b>	<b>\$ 12,526</b>

See accompanying notes to basic financial statements.

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

**A. Reporting Entity**

The Pasadena Community Access Corporation (the Corporation) was organized in 1983 as a nonprofit, telecommunications resource for the City of Pasadena, California (the City). The Corporation was organized to perform the community access function of the Pasadena telecommunications system pursuant to the Cable Communications Ordinance of the City. In 2011, the City Council determined that the Corporation should be reported as a discretely presented component unit of the City in accordance with accounting principles generally accepted in the United States of America (GAAP).

The Board of Directors consists of eleven members with representatives from each of the seven City Council Districts, the Mayor, the City Manager, Pasadena Community College (PCC), and Pasadena Unified School District (PUSD). Residency is required except for the City Manager, PCC, and PUSD representatives. These operations constitute part of the overall financial reporting entity of the City and are accounted for as a discretely presented component unit in the City's Comprehensive Annual Financial Report consistent with GAAP. Revenues and expenses of the Corporation include direct revenues and expenses and certain allocations from the City.

**B. Basis of Presentation**

The Corporation's basic financial statements are presented in conformance with Governmental Accounting Standards Board (GASB) Statement No. 34, which established standards for external financial reporting for all state and local governmental entities. The basic financial statements include the statement of net position, statement of revenues, expenses, and changes in net position, and statement of cash flows.

**C. Basis of Accounting**

The Corporation is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Corporation utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

**D. Classification of Revenues and Expenses**

The Corporation classifies its revenues and expenses into the following classifications: operating revenues, operating expenses, nonoperating revenues, and nonoperating expenses.

Operating revenues consist of management and operating fees, production services fees, and program services fees, with relating costs to provide these services considered operating expenses. Nonoperating revenues consist of capital grants revenue and investment earnings. Nonoperating expenses consist of capital grants made to PCC and PUSD for cable telecommunications equipment.

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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

**E. Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less.

**F. Prepaid Assets**

Certain payments to vendors, which reflect costs applicable to future accounting periods, are recorded as prepaid assets.

**G. Capital Assets**

The Corporation capitalizes capital assets having an estimated useful life in excess of one year and acquisition cost of at least \$5,000. Capital assets, which include production equipment are recorded at cost and are depreciated over the estimated useful life of the asset using the straight-line method of depreciation. Donated capital assets are recorded at estimated fair value as of the date of the donation. All significant expenditures exceeding \$5,000 for repairs, renewals, and betterments that materially prolong the useful lives of the assets are capitalized.

The estimated useful lives of the assets are as follows:

Leasehold improvements	6 years
Furniture and fixtures	5 years
Production equipment	5 years

**H. Compensated Absences**

Regular full-time and part-time employees accrue vacation. Vacation time is accrued two to four weeks per year, depending on how long an employee has been with the Corporation. Part-time employees who work 20 hours per week or more are eligible to accrue vacation on a pro rata basis. It is the Corporation's policy to permit employees to accumulate earned but unused vacation benefits from year to year up to a maximum of two times a full-time employee's annual vacation amount.

All accumulated compensated absences are recorded as an expense and a liability at the time the benefit is earned.

**I. Net Position**

Net position represents the difference between assets and liabilities on the Statement of Net Position. Net positions were classified in the following categories: net investment in capital assets and unrestricted.

Net investment in capital assets consists of the cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets, as applicable.

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

**I. Net Position (Continued)**

Net position is reported as restricted when there are limitations imposed on the use either through the enabling legislation adopted by the Corporation's Board of Directors, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

When both restricted and unrestricted resources are available for use, it is the Corporation's policy to use unrestricted resources first, and then restricted resources as they are needed.

**J. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**K. Comparative Data**

The amounts shown for the year ended June 30, 2019, in the accompanying financial statements are included to provide a basis for comparison with 2020 and present summarized totals only. Accordingly, the 2019 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

**L. GASB Pronouncements**

**Current Year Standards**

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authority Guidance*, which was effective immediately. This Statement provided temporary relief to governments and other stakeholders in light of the COVID-19 pandemic and postponed the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

In June 2020, GASB issued Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84*, and a supersession of GASB Statement No. 32. Paragraph 4 of this Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

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

L. GASB Pronouncements (Continued)

Current Year Standards (Continued)

Paragraph 5 of this Statement requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities*, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans*, or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, respectively.

The requirements of paragraphs 4 and 5 of Statement No. 97 did not impact the Corporation.

Pending Accounting Standards

GASB has issued the following statements, which may impact the Corporation's financial reporting requirements in the future:

In June 2017, GASB issued Statement No. 87 – *Leases*. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset for leases with a term of more than 12 months. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. For leases with a term of 12 months or less, lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021, early application is encouraged.

In May 2020, GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Early application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented.

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**NOTE 2 – CASH AND INVESTMENTS**

**Summary of Cash**

As of June 30, 2020, cash were reported in the accompanying financial statements:

Cash on hand	\$ 200
Deposits with financial institutions	288,364
Deposits with financial institutions -restricted	<u>176,207</u>
Total cash	<u>\$ 464,771</u>

**Deposits**

At June 30, 2020, the carrying amount of the Corporation's deposits was \$464,571 and the bank balance was \$469,156. The \$4,585 difference represents outstanding checks and other reconciling items. Balances in the bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Included in the bank balance, the Corporation had a funds in a credit union totaling \$75,275. This amount is insured by the National Credit Union Administration (NCUA) up to \$250,000.

**Restricted Deposits**

Restricted deposits, as further described in Notes 6c and 7, are to be utilized for eligible PEG expenditures. The total amount of restricted deposits at June 30, 2020 was \$176,207.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Corporation's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2020, the Corporation had uncollateralized deposits in excess of FDIC coverage of \$143,881.

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**Investments Authorized by the California Government Code**

The table below identifies the investment types that are authorized for the Corporation by the California Government Code. Other than what is in the Government Code, the Corporation has no other investment policy.

Investment Types Authorized by the California Government Code	Authorized by Investment Policy	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	Yes	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Bankers' Acceptances	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	Yes	1 year	None	None
Reverse Repurchase Agreements	Yes	92 days	20%	None
Medium-Term Notes	Yes	5 years	30%	None
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None
Joint Power Agency Pools (other investment pools)	Yes	N/A	None	None

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Corporation manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The Corporation held no investments as of the year ended June 30, 2020.

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Corporation held no investments as of the year ended June 30, 2020.



**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**NOTE 2 - CASH AND INVESTMENTS (CONTINUED)**

**Concentration of Credit Risk**

In accordance with GASB Statement No. 40 requirements, the Corporation is considered to be exposed to concentration of credit risk whenever they have invested more than 5% of their total investments in any one issuer. Investments guaranteed by the U.S. Government and investments in mutual funds and external investment pools are excluded from this requirement. The Corporation held no investments as of the year ended June 30, 2020.

**NOTE 3 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2020, is as follows:

	July 1, 2019	Additions	Dispositions	June 30, 2020
Capital assets being depreciated:				
Production equipment	\$ 340,370	\$ 97,050	\$ -	\$ 437,420
Leasehold improvements	93,897	-	-	93,897
Less accumulated depreciation for:				
Production equipment	(286,944)	(25,134)	-	(312,078)
Leasehold improvements	(23,475)	(15,650)	-	(39,125)
Total capital assets	<u>\$ 123,848</u>	<u>\$ 56,266</u>	<u>\$ -</u>	<u>\$ 180,114</u>

Depreciation expense for the year ended June 30, 2020, was \$40,784.

**NOTE 4 - DEFINED CONTRIBUTION RETIREMENT PLAN**

Effective April 4, 2017, the Corporation adopted a Savings Incentive Match Plan for Employees Individual Retirement Account plan (the Plan) for which all employees who have completed ninety days of service are eligible to participate. The employees of the Corporation may elect to contribute to the Plan (subject to overall limits) in any one plan year. Each year the Corporation will make a matching contribution to the Plan on a dollar-for-dollar basis up to 3% of the employee's compensation, for the employees who are contributing to the Plan.

The Corporation contributed \$14,156 to the Plan for the year ended June 30, 2020.

**NOTE 5 - OPERATING LEASE**

The Corporation leases office and production facilities in Pasadena, California, under an operating lease agreement. The lease term expires August 31, 2023. The Corporation is obligated to pay utilities, property taxes, insurance, and normal repairs and maintenance for the space that the Corporation occupies. The current monthly rent, including common area maintenance charge is \$12,420. The monthly rent is scheduled to increase to \$13,388 effective September 1, 2020.

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**NOTE 5 - OPERATING LEASE (CONTINUED)**

The minimum annual lease payments due during the term of the lease are as follows:

Fiscal Year Ending June 30	Amount
2021	\$ 158,714
2022	164,666
2023	169,606
2024	28,406
Total	<u>\$ 521,392</u>

Total rent expense, including common area maintenance charges, for the year ended June 30, 2020 was \$166,144 and is included in the occupancy expenses reported in the statement of revenues, expenses and changes in net position.

**NOTE 6 - OTHER PROVISIONS OF REVENUE AND CONTRACTS**

**A. Franchise Fees**

On December 2, 1983, a 15-year cable franchise agreement (the Agreement) was entered into by and between the City and a cable communications operator (Cable Operator). According to the terms of the Agreement, the Corporation is entitled to receive 2% of the Cable Operator's gross revenues (as defined in the Agreement) in return for providing the public access and public service programming function of the Cable Operator's communications system. This agreement expired during the year ended June 30, 1999. The City committed to continue to fund the agreement, after expiration, until a new agreement could be reached.

Effective October 1, 2000, the City and the Cable Operator entered into a new nonexclusive franchise agreement to operate a cable television system in the City. The agreement expired on October 17, 2005, and was extended on a month-to-month basis under mutual agreement with the Cable Operator while negotiating a franchise renewal. This agreement ended prior to statewide franchising that took effect in 2008.

The City now receives 5% of the state franchise holders' gross revenues derived from the provision of video service pursuant to California Public Utilities Code Section 5840. The franchise fee is considered General Fund revenue for the City and, although the City continues to fund the Corporation at approximately 75% of the franchise fee revenue, the funding amount is at the discretion of the Pasadena City Council.

**B. Management and Operating Agreement**

On February 10, 2015, the Corporation entered into an agreement with the City to provide operation and day-to-day management of the local PEG access system, for a period of twenty-five (25) years, commencing as of the date of the Agreement, and ending July 1, 2040.

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**NOTE 6 - OTHER PROVISIONS OF REVENUE AND CONTRACTS (CONTINUED)**

**C. 1% Public, Education, and Government (PEG) Allocation**

Pursuant to Pasadena Municipal Code 18.04.060, it was established that a fee would be paid to the City for the support of public, educational, and governmental access facilities and activities within the City. The Pasadena Municipal Code states that this fee shall be one percent (1%) of a cable provider's gross revenues, as defined in California Public Utilities Code Section 5860.

The Corporation serves as a receiving, holding, and disbursing entity for monies intended to promote non-commercial uses of the cable telecommunication medium. These funds are allocated as grants solely for PEG related purposes.

During the 2019-2020 fiscal year, the Corporation received \$248,977 in PEG funding, while spending \$300,050 on eligible PEG capital expenses, including the purchase of capital assets.

As shown in Note 7, cumulative unspent PEG funding of \$176,207 has been classified as advances from other agencies within these financial statements.

**D. Other Contracts**

The Corporation earns additional service contract revenue by providing various production services to Los Angeles County for Altadena Town Council Meetings.

**NOTE 7 - ADVANCES FROM OTHER AGENCIES**

As described in Note 6, the Corporation received \$248,977 of PEG funding during the year ended June 30, 2020. Any PEG funds that have not been spent on approved capital expenditures will be deferred until earned. These unearned amounts are classified as advances from other agencies within these financial statements.

As of June 30, 2020, advances from other agencies were as follows:

Beginning advances from other agencies	<u>\$ 227,280</u>
PEG Grant	
PEG revenue received	248,977
PEG capital equipment expense	(203,000)
Capitalized production equipment	<u>(97,050)</u>
PEG subtotal	<u>(51,073)</u>
Ending advances from other agencies	<u><u>\$ 176,207</u></u>

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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**NOTE 8 - CONCENTRATIONS OF REVENUE**

For the year ended June 30, 2020, revenues derived from the City of Pasadena from the management and operating agreement described in Note 6B and the 1% PEG Allocation described in Note 6C accounted for 96% of the Corporation's total revenue.

**NOTE 9 - COMPENSATED ABSENCES**

Changes in compensated absences as of June 30, 2020, were as follows:

Balance July 1, 2019	Incurred	Satisfied	Balance June 30, 2020	Amount Due Within One Year	Amount Due in More than One Year
\$ 21,623	\$ 31,206	\$ (20,538)	\$ 32,291	\$ 32,291	\$ -

**NOTE 10 - RISK MANAGEMENT**

The Corporation is covered under Special Liability, Property and Participant Accident policies through Nonprofits Insurance Alliance of California (NIAC). Liability and Participant Accident claims are insured for up to \$1,000,000 per occurrence for any amount over the Corporation's deductible amount of \$1,000. Property claims are insured for up to \$25,000,000 per occurrence for any amount over the Corporation's deductible amount of \$1,000.

Workers' Compensation claims are covered under a purchased policy through Hartford Accident and Indemnity Company for claims up to \$1,000,000 for each occurrence for any amount over the Corporation's deductible amount of \$1,000.

Settled claims have not exceeded any of the Corporation's coverage amounts in any of the last three fiscal years.

**NOTE 11 - INCOME TAXES**

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Corporation may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Corporation and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year ended June 30, 2020.

The Corporation files Form 990 in the U.S. federal jurisdiction and Form 199 in the State of California.

**PASADENA COMMUNITY ACCESS CORPORATION**  
**Notes to Basic Financial Statements**  
**June 30, 2020**

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***NOTE 12 - RELATED PARTY TRANSACTIONS***

As part of the management and operating agreement discussed in Note 6B, the City of Pasadena (the City) bills the Corporation for advances and services rendered on the Corporation's behalf. Advances and services provided to the Corporation for the year ended June 30, 2020, was \$20,000. The Corporation did not have an amount payable to the City as of June 30, 2020.

***NOTE 13 - SUBSEQUENT EVENTS***

The Corporation has evaluated subsequent events through October 30, 2020, the date on which the financial statements were available to be issued.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors  
Pasadena Community Access Corporation  
Pasadena, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Pasadena Community Access Corporation (the Corporation), a component unit of the City of Pasadena, California, as of and for the year ended June 30, 2020 and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 30, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*White Nelson Dick Evans LLP*

Irvine, California  
October 30, 2020