

**AGENDA REGULAR MEETING
PASADENA COMMUNITY ACCESS CORPORATION
Tuesday, April 4, 2017
7:00 p.m. at 150 S. Los Robles Ave., Suite 101**

BOARD OF DIRECTORS

Ann Marie Hickambottom (District 1)
Grant Scott McComb (District 2)
Robert Oltman (District 3)
Howie Zechner, Vice-Chair (District 4)
Yuny Parada (District 5)
Tim Winter, Treasurer (District 6)
Sally Howell (District 7)
Gail Schaper-Gordon, Chair (Mayor's Representative)
William Boyer, Secretary (City Manager's Office Representative)
Beth Leyden (PUSD Representative)
Alexander Boekelheide (PCC Representative)

STAFF

George Falardeau, Executive Director CEO
Chris Miller, Chief Operations Officer

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
<http://www.pasadenamedia.org>

Materials related to an item on this Agenda submitted to Pasadena Media after distribution of agenda packet are available for public inspection in the Pasadena Media Administrative office at 150 S. Los Robles Avenue, Suite 450, Pasadena, during normal business hours.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact PCAC at (626) 794-8585. Notification 24 hours prior to the meeting will enable PCAC to make reasonable arrangements to assure accessibility to this meeting.

DISTRIBUTION:

PCAC Board of Directors
City Council
City Manager
City Attorney
City Clerk
Central Library
Public Information Officer

Los Angeles Times
Pasadena Star News
Pasadena Journal
Pasadena Weekly
Pasadena Now

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

NOTICE IS HEREBY GIVEN that a regular meeting of the Pasadena Community Access Corporation (PCAC) Operating Company (dba Pasadena Media) is scheduled for **Tuesday, April 4, 2017**, starting at **7:00 p.m.**, at **Pasadena Community Access Corporation** located at **150 S. Los Robles Ave., Ste. 101, Pasadena, CA 91101**.

AGENDA

PUBLIC MEETING

- INTRODUCTION OF NEW MEMBERS/CALL TO ORDER/ROLL CALL
- APPROVAL OF MARCH 7, 2017 BOARD MEETING MINUTES
 - Motion to Approve
- PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA - Please limit comments to three minutes each.
- TREASURER REPORT
- EXECUTIVE DIRECTOR REPORT
- OLD BUSINESS
- NEW BUSINESS
 - AUDIT PRESENTATION: FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT FY15-16
 - Information Item
 - PCAC FY18 BUDGET PRESENTATION AND APPROVAL
 - Action Item
 - ADOPTION OF RETIREMENT PLAN POLICY AND EXECUTION OF AGREEMENTS WITH AMERICAN FUNDS DISTRIBUTORS, INC. TO IMPLEMENT RETIREMENT PLAN POLICY
 - Action Item
 - PEG CAPITAL FUND REQUEST FOR SUITE CONSOLIDATION RELATED TENANT IMPROVEMENTS NOT TO EXCEED \$97,500
 - Action Item
 - PROBLEMS WITH CHARTER SIGNALS
 - Information Item
- ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF
- ADJOURNMENT

Gail Schaper-Gordon, Chair, 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 the 31st day of March, 2017.

Liza Rodriguez, Office Administrator

PASADENA COMMUNITY ACCESS CORPORATION (PCAC)

MINUTES FOR THE REGULARLY SCHEDULED MEETING OF THE PCAC BOARD OF DIRECTORS FOR MARCH 7, 2017

MEETING HELD AT PCAC, 150 S. LOS ROBLES AVE., SUITE 101, PASADENA, CALIFORNIA, 91101

REGULAR MEETING

1. CALL TO ORDER/ROLL CALL

Board Chair Gail Schaper-Gordon called meeting to order at 7:04 p.m.

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

Ann Marie Hickambottom, District 1, present
Grant Scott McComb, District 2, present
Robert Oltman, District 3, present
Howie Zechner, Vice Chair & District 4, present
Yuny Parada, District 5, absent
Tim Winter, Treasurer & District 6, present
Sally Howell, District 7, absent
Gail Schaper-Gordon, Chair & Mayor's Representative, present
Beth Leyden, PUSD Representative, present
Alexander Boekelheide, PCC Representative, absent
William Boyer, Secretary, 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

2. APPROVAL OF MINUTES FOR DECEMBER 6, 2016 and JANUARY 3, 2017 REGULAR BOARD MEETINGS

Moved by Vice Chair Zechner; second by Leyden to approve.

Unanimous approval, with Winter and Oltman abstaining. No public comment

3. PUBLIC COMMENT

No public comment

4. TREASURER'S REPORT

Treasurer Winter presented as per board packet info. Information item. No action taken. No public comment.

5. EXECUTIVE DIRECTOR'S REPORT

As presented by Mr. Falardeau, per Board agenda packet information, with additional information as presented by Mr. Miller and other staff present.

Highlight included ongoing update on plans to consolidated 4th Floor Admin with 1st Floor Production; new “wrap” for Pasadena Media van revealed (logo); Miller to attend ACM Regional Conference with report back.

No action taken
No public comment

6. OLD BUSINESS

None

7. NEW BUSINESS

Term Limits of Board Members—Winter read letter into the record his letter about the importance for all Council-appointed Board members to adhere to the term limits for the good of the organization and step away for new members of the community to participate when the time comes. Winter reiterated his intention to do so later this year and encouraged others whose terms expire soon to do the same.

Information item only. No action. No public comment

8. ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF

Misc. announcements per board members
No public comment.

9. ADJOURNMENT

Adjourned 8:38 p.m.

FUTURE MEETING DATES

- April 4, 2017
- May 2, 2017
- June 6, 2017

Pasadena Community Access Corporation
Statement of Financial Position
As of March 31, 2017

	Total	
	As of Mar 31, 2017	As of Jun 30, 2016 (PP)
ASSETS		
Current Assets		
Bank Accounts		
1010 Petty Cash	200	200
1120 Bank of America Checking (1018)	355,703	44,311
1130 Bank of America Capital - Restricted (9451)	153,006	323,431
1140 Bank of America Savings (0990)	100,129	100,089
1150 Pex Debit Card	2,318	3,436
1160 Paypal	4,555	-621
Total Bank Accounts	\$ 615,910	\$ 470,846
Accounts Receivable		
1200 Accounts Receivable	2,282	1,241
Total Accounts Receivable	\$ 2,282	\$ 1,241
Other Current Assets		
1190 Undeposited Funds	125	738
1210 Other Receivables	0	84
1300 Prepaid Expenses	0	29,073
1310 Prepaid Direct Deposits	14,868	14,868
1320 Prepaid Taxes	661	661
1330 Prepaid Insurance	1,902	1,902
Total Other Current Assets	\$ 17,556	\$ 47,326
Total Current Assets	\$ 635,748	\$ 519,413
Fixed Assets		
1600 Production Equipment	286,429	284,864
1650 Accumulated Depreciation	-140,255	-140,255
Total Fixed Assets	\$ 146,174	\$ 144,609
Other Assets		
1800 Security Deposit	1,000	1,000
Total Other Assets	\$ 1,000	\$ 1,000
TOTAL ASSETS	\$ 782,922	\$ 665,021
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 Accounts Payable	55	0
Total Accounts Payable	\$ 55	\$ 0
Other Current Liabilities		
2100 Payroll Liabilities	33,400	30,156
2200 Accrued Vacation	13,767	13,767
2300 Direct Deposit Payable	14,868	0
2400 Accrued Liabilities	24,000	44,000
2800 Deferred Income	153,006	301,493
Total Other Current Liabilities	\$ 239,040	\$ 389,416
Total Current Liabilities	\$ 239,095	\$ 389,416
Total Liabilities	\$ 239,095	\$ 389,416
Equity		
3000 Opening Bal Equity	-36,271	-36,271
3100 Retained Earnings	311,876	311,876
Net Income	268,222	
Total Equity	\$ 543,827	\$ 275,605
TOTAL LIABILITIES AND EQUITY	\$ 782,922	\$ 665,021

Friday, Mar 31, 2017 09:06:48 AM GMT-7 - Accrual Basis

Pasadena Community Access Corporation

Pro Forma P&L

2017 YTD Actual vs 2017 Budget

	Fiscal Year 2017		2017 Actual vs. Full Year Budget		YTD Budget	2017 YTD Actual vs. 9 mo. Budget	
	YTD Actual	2017 Budget	\$	%		\$	%
Income							
City of Pasadena	1,008,000	1,008,000	-	0.0%	756,000	252,000	33.3%
Contributions & Grants	6,434	2,500	3,934	157.3%	1,875	4,559	243.1%
Production Services	14,781	41,300	(26,519)	-64.2%	30,975	(16,194)	-52.3%
Program Services	6,436	10,000	(3,564)	-35.6%	7,500	(1,064)	-14.2%
Other Revenue	857	1,100	(243)	-22.1%	825	32	3.9%
Total Income	1,036,508	1,062,900	(26,392)	-2.5%	797,175	239,333	30.0%
Expenses							
Payroll Expenses	411,248	554,843	143,595	25.9%	416,132	4,884	1.2%
Payroll Taxes	36,297	53,820	17,523	32.6%	40,365	4,068	10.1%
Employee Benefits	65,950	101,657	35,707	35.1%	76,243	10,293	13.5%
Occupancy Expenses	191,688	240,349	48,661	20.2%	180,262	(11,426)	-6.3%
Accounting & Audit	8,467	12,250	3,783	30.9%	9,188	721	7.8%
Advertising & Marketing	2,744	4,000	1,256	31.4%	3,000	256	8.5%
Automobile Expense	267	1,500	1,233	82.2%	1,125	858	76.2%
Bank & Payroll Processing Fees	983	1,500	517	34.5%	1,125	142	12.7%
Board Materials & Expenses	1,718	500	(1,218)	-243.7%	375	(1,343)	-358.2%
Cable Drop Fees	2,153	5,000	2,847	56.9%	3,750	1,597	42.6%
Contract Labor	1,220	5,000	3,780	75.6%	3,750	2,530	67.5%
Dues and Subscriptions	2,270	2,000	(270)	-13.5%	1,500	(770)	-51.3%
Legal & Professional Fees	25,000	38,000	13,000	34.2%	28,500	3,500	12.3%
Licenses, Permits & Other Fees	116	4,100	3,984	97.2%	3,075	2,959	96.2%
Meals & Entertainment	1,309	1,500	191	12.7%	1,125	(184)	-16.4%
Office Expense	3,338	13,500	10,162	75.3%	10,125	6,787	67.0%
Production Expense	9,360	13,000	3,640	28.0%	9,750	390	4.0%
Professional Development	1,355	3,000	1,645	54.8%	2,250	895	39.8%
Travel & Lodging	2,803	4,300	1,497	34.8%	3,225	422	13.1%
Total Expenses	768,286	1,059,819	291,533	27.5%	794,864	26,578	3.3%
Net Operating Income	268,222	3,081	265,141	8605.7%	2,311	265,911	11507.6%
PEG Capital Income Recognized	246,798.00	200,000.00	46,798.00	23.4%	150,000.00	96,798.00	64.5%
PEG Capital Equipment Expense	246,798.00	200,000.00	46,798.00	23.4%	150,000.00	(96,798.00)	-64.5%

EXECUTIVE DIRECTOR CEO REPORT

- Respectfully submitted by George Falardeau

Pasadena Community Access Corporation Board of Directors Meeting

Tuesday, April 4, 2017 - 7:00 PM

ANNOUNCEMENTS - ED/CEO is pleased to announce that Pasadena Media received two Bronze Telly Awards in 38th annual competition. In the category of TV Shows/Segments - Motivational, Bobbie Ferguson and Charles Winners won for *Greg Louganis: 2017 Rose Parade Grand Marshal*. Bobbie Ferguson and Quyen Lovrich won the second in honor of *The Gamble House 50th Anniversary* in the TV Shows/Segments - History category. Both programs aired on KPAS and can be found on YouTube.

Pasadena Media Administrative Staff had a kick-off meeting with Hoyt Hilsman in preparation of our new series, *TALK Pasadena* (working title). The first guest scheduled is the honorable Mayor Terry Tornek. Mr. Hilsman will co-produce and host the program; details forthcoming.

Bobbie Ferguson held a pre-production meeting with ED/CEO and COO to finalize plans for the upcoming magazine style show *What's Up Pasadena!* co-produced and hosted by Bobbie Ferguson.

ED/CEO met with Assemblymember Chris Holden and Phlunte Riddle, Field Representative, to update them on Pasadena Media's community outreach plans. Further discussed Pasadena Media's relevance to the community and overall viewership composition. Also discussed Pasadena Media's poor picture quality from Charter impacting all four channels. Indicated Pasadena's Mayor and City Council's concerns regarding the lack of a high definition picture emanating from Pasadena Media to our community overall. Assemblymember Holden asked that we keep him apprised on this issue as we continue to deal with our cable providers. ED/CEO updated them on our upcoming talk show (*TALK Pasadena*) with hopes that he would one day be our guest.

KEY ACHIEVEMENTS:

Member Relations/Outreach

- ED/CEO and Grant McComb met with District 2 Councilmember Margaret McAustin to discuss current and future plans for Pasadena Media. Other topics discussed were relevancy of programming, educational value and training, social media outreach, cost structure and future program highlights.
- ED/CEO met with Jesus Rivas, Facilities Director of Camino Nuevo Charter Academy to seek advice regarding our upcoming space consolidation and tenant improvements. Discussed were costs associated with construction and fiber optic run connectivity.
- ED/CEO and Production Supervisor Bobbie Ferguson met with Jacqueline Kibler and Board Chair Gail Schaper-Gordon to discuss a potential new program *From the Corner Office*. This show will highlight business leaders in and around the greater Los Angeles area; details forthcoming.
- Pasadena Media successfully covered the 35th Annual Black History Parade which is airing on KPAS. Special thanks to Producer Kevin Bruce, Camera Operator Jarred Hodgdon, Audio Tech Danny Hesse and a host of volunteers that helped make this program possible.
- As part of our marketing and branding campaign, and to increase our visibility within the city, we now have our Pasadena Media logo on our van.
- Pasadena Media hosted a three-day training session with the Aveson Charter Schools as part of their student training program; details forthcoming.

Facilities

- Space Consolidation/Tenant Improvements - see agenda report.
- PCAC Board Chair, Gail Schaper-Gordon, hosted her Vistage Group Meeting here at Pasadena Media. Pasadena Media gave a presentation on the state

of community media television today and provided a two-hour training session with attendees on what does it take to make TV.

Personnel

- ED/CEO and COO submit for the Board's approval a 3% simple IRA matching retirement plan for employees. No cost to employer, and supersedes prior identified plans - see agenda report.

Financial

- Pasadena Media recognizes the generosity of Board Chair Gail Schaper-Gordon and Board Treasurer Tim Winter for their donations to our campaign. The current total is \$6,875.00.
- ED/CEO and COO met with the City Manager, Steve Mermell and his Finance team to present Pasadena Media's Fiscal Budget for 2017-2018. Plan was submitted and accepted by the city with final approval from the Mayor and City Council forthcoming. Overall plan reflects a 7% decrease in operating cost through space consolidation and business efficiencies - see spreadsheet in agenda report.

Board

- ED/CEO and COO met with Board Treasurer Tim Winter and accountant Mike Noll to review LLS Audit for FY 2015-2016. We are pleased to report that we had a "Clean Audit" with no findings.

Attached: Operations Report, Production Services Report, Community Development Report

Operations Report - March 2017

Notable Operations Projects and Their Statuses

Prepared by Chris Miller, Chief Operations Officer

City Council Chamber Meeting Management System Assisted Listening Issue 11/7: Ongoing

The audio distribution system output that feeds the assisted listening devices malfunctioned. We bypassed the port by connecting the assisted listening transmitter directly to an output from our audio board. The vendor attempted to address, but has not yet rectified the issue fully. We have notified DoIT staff.

Suite Consolidation: Ongoing

We received three bids from contractors regarding our suite consolidation plan. A PEG funding request is before you tonight regarding the lowest bid of approximately \$62,000.

City Council Chamber Closed Captioning Installation: Ongoing

The closed captioning system hardware has been assembled and is being tested in suite 101. While the unit works unexpectedly well out of the box, we are in the process of updating it with local terms before installing it permanently at City Hall. We expect it's first production to be the April 18th run-off election coverage.

Charter KPAS Issues 3/20-23: Monitoring

Charter technicians have been working with me over the past couple weeks to identify and address issues affecting all channels, particularly KPAS. Outage reports on these days were due to our testing of channel equipment. The most notable issue, an A/C hum bar, was traced back to our equipment at City Hall. While we were able to lessen the effects, the problem is still present and a solution is still being sought. AT&T and the pasadenamedia.org stream were unaffected by this issue.

Alliance for Community Media Western Region Conference 3/8-10: Attended

I recently attended the ACM West annual conference in Fresno. Beyond communing with others of my kind, I attended sessions entitled "Nurturing Volunteer Developments and Membership Outreach," "Creating New Revenue Streams," and "Building Partnerships with Local Gov't, Schools and Community Organizations." I also moderated the panel on drone use compliance, got information from a number of vendors at the trade show and took part in a roundtable discussion concerning PEG channels in high definition (HD) and on electronic program guides (EPG).

We also were fortunate to visit the local access center, CMAC. Their beautiful facility is, like ours, a gem in the access world. As host to the conference, CMAC didn't just share their city and the spirit of their organization, they also provided coverage of much of the conference. You can find many videos from the conference on the ACM West website: <http://acmwest.org/2017-conference-videos>

I encourage all PCAC stakeholders, particularly anyone interested enough to read my monthly report, to visit that link and watch the Keynote speech by ACM President Mike Wassenaar (direct link: <https://youtu.be/03zLSwuslxQ>). His take on the future of community media is worthy of repeating and we need to take his words to heart if we are to survive.

Pasadena Media Production Report - March 2017

Studio Productions:

3/1: "Take Back the Family"- Anthony McFarland	3/2: "Anybody Can Play Guitar"- James Jones Jr. (PP)
3/2: "Behind the Curtains"- Eric Bailey (PP)	3/2: "Our Music Live"- Billy Mitchell
3/4: "World of Wisdom"- Malika Hendry	3/4: "Behind the Curtains"- Eric Bailey
3/9: "Skeelove's House of Hip Hop"- Lonnie Lee (PP)	3/10: "Power of One"- Brian Biery
3/10: "Sounds Within"- L.V. Smith	3/11: "Skeelove's House of Hip Hop"- Lonnie Lee
3/13: "the Melody Trice Show"- Melody Trice (PP)	3/14: "Is It Reasonable"- Walter Brown
3/15: "Tongues of Fire"- Rob Reyes	3/16: "The Sure Truth"- Alice Muhammad
3/16: "Choices"- Marion Cathcart	3/17: "Smile and Spread a Little Joy"- Debra Johnson
3/17: "Anybody Can Play Guitar"- James Jones Jr.	3/21: "Casa Martinez"- Roberta Martinez (PP)
3/21: "The Conner Bubble"- Joe Conner	3/22: "Nuclear Popcorn"- Maurice Smith
3/22: "Cuttin' Up in the Kitchen"- Barbara Shay	3/23: "Casa Martinez"- Roberta Martinez
3/24: "Eddie's Gospel Hour"- Eddie Fulton	3/25: "The Melody Trice Show"- Melody Trice
3/28: "Korbin's Kode"- Korbin Deary	3/28: "Creative People Podcast"- Keno Deary
3/29: "Riq the Critic"- Wanetta Benton	3/30: "The Nowman Show"- Dan Niswander
3/30: "Thursday Night Live"- M.C. Franklin	

Total Number of Studio Productions/Pre-production Meetings: 29

KPAS/City/Outside Productions:

3/2: One City, One Story 2017	3/2: District 3 Community Meeting
3/10: Art Night 2017	3/13: Pasadena City Council Meeting
3/14: Design Commission Meeting (Audio Only)	3/15: FPRS Meeting (Audio Only)
3/16: Heritage Square Senior Apartments Grand Opening	3/16: First 100 Days- Impact on Women
3/18: Black History Parade 2017	3/21: Pasadena City Council Meeting
3/21: Altadena Town Council Meeting	3/23: District 6 Town Hall Meeting
3/24: Arroyo Seco Weekend Festival- AEG	3/25: Fire Station 37 Open House
3/26: 2017 Women of the Year	3/27: Pasadena City Council Meeting
3/28: Design Commission Meeting (Audio Only)	

Total Number of KPAS/City/Outside Productions: 17

Community Development & Member Services Report for the month of March 2017

New Members	Returning Member(s)	Total Paid Members	Total Active Volunteers
29	2	46	89
New Producers Training	Returning Producer(s)	Total Active Producers	Productions in Development
6	1	41	22

New Series	Local Episodes	Local Bicycled Episodes	New Regional LA County Episodes
2	48	12	4

Media Training Courses:

Orientation	29	Studio Camera	5	TD & Media Mgmt.	2	Teleprompter	5	Editing	4
Producing Training	10	Floor Manager	5	Lighting	6	Character Generation	0	Green Screen	3
Director	0	Audio	0	Field Production	6	Studio Workshop	6		

Organization Training:

Aveson School Youth Media - 15 youth participants

Mentoring & Partnership for Youth Development (MPYD) - In Talks

Pasadena Media Website Analytics

Total Visitors	Device Usage	Peak Visitors: Mar. 28th
1372	Computer 91% / Mobile & Tablet 9%	81

Social Media Marketing:



1537
Followers



982
Likes



795
Followers



55,383
Channel Views

Community Media Networking:

Pasadena Media CoLAB:

Pasadena Media's Official Media Collaboration Meetup Group

Meetup page: www.meetup.com/PasadenaMediaCoLAB

Official Hashtag: #PasadenaMediaCoLAB

Group details: Where Innovation and Media Enthusiasts from across cultures and communities converge. Meetings will include guest speakers, skills training and plenty of networking opportunities. Our mission is media literacy, skills development and freedom of expression.

Total Members: 93

March meeting: 2 participants

February 28, 2017

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

We have audited the financial statements of the Pasadena Community Access Corporation (the Corporation), a component unit of the Corporation of Pasadena, California, for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 24, 2016. 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 the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2015-2016.

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.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

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 auditor's 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 February 28, 2017.



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

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 auditor’s 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 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.

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2015-2016 audit:

GASB Statement No. 72, *Fair Value Measurement and Application*.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2016-2017

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*.

GASB Statement No. 77, *Tax Abatement Disclosures*.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*.



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

GASB Statement No. 80, *Blending Requirements for Certain Component Units-an Amendment of GASB Statement No. 14.*

GASB Statement No. 82, *Pension Issues an Amendment of GASB Statements Nos. 67, 68, and 73.*

Fiscal year 2017-2018

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

GASB Statement No. 81, *Irrevocable Split Interest Agreements.*

Restriction on Use

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

Very truly yours,

Brea, California



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

FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE INFORMATION FOR THE
YEAR ENDED JUNE 30, 2015)

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT

Focused
on YOU



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

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2015)

Prepared by:

CHRIS MILLER, INTERIM EXECUTIVE DIRECTOR

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

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, 2016, 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 auditors' 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 Corporation'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 Corporation'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.



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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Pasadena Community Access Corporation as of June 30, 2016, and the respective changes in financial position and cash flows thereof 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 or summarized) prior-year comparative information. Such information does not include all of the information required or sufficient detail 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, 2015, 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 February 28, 2017, on our consideration of the Corporation's internal control over financial reporting and on 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. That 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.

Brea California
February 28, 2017

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, 2016. 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, 2016, was \$275,606, a decrease of \$56,003 or 16.9%.
- During the year, the Corporation had operating expenses that were \$77,860 more than the \$1,016,613 generated from the operating agreement, service contracts, and other revenues from the Corporation's programs from the fiscal year ended June 30, 2016. This compares to last year, when operating expenses exceeded revenues by \$58,163.
- Total cost of all of the Corporation's programs was \$1,094,473. 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 losses to net cash used in 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 decreased from a year ago, from \$331,609 to \$275,606. 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, 2016	June 30, 2015
Current assets	\$520,413	\$498,863
Capital assets, net	144,609	178,104
Total assets	665,022	676,967
Current Liabilities	(389,416)	(345,358)
Net position:		
Net investment in capital assets	144,609	178,104
Unrestricted	130,997	153,505
Total net position	\$275,606	\$331,609

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 \$153,505 at June 30, 2015, to \$130,997 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 these net position to finance continuing operations in the coming fiscal year.

Table 2

	For the Year Ended June 30, 2016	For the Year Ended June 30, 2015	Percentage Change From 2015
Revenues			
Operating revenues:			
Operating Agreement	\$960,000	\$849,000	13.1%
Service contracts	18,000	28,000	-35.7%
Production and other operating revenue	38,613	58,594	-34.1%
Total operating revenues	1,016,613	935,594	8.7%
Nonoperating revenues:			
Public, education, and gov't (PEG) revenue	55,415	187,793	-70.5%
Interest income	67	22	204.5%
Total nonoperating revenues	55,482	187,815	-70.5%
Total revenues	1,072,095	1,123,409	-4.6%
Operating expenses:			
Salaries and benefits	703,699	724,726	-2.9%
Production expense	11,141	2,920	281.5%
Occupancy expense	215,830	157,019	37.5%
Contractual services	35,400	15,797	124.1%
General and administrative	73,118	44,478	64.4%
Depreciation	55,285	48,817	13.2%
Total operating expenses	1,094,473	993,757	10.1%
Nonoperating expenses:			
PEG expense	33,625	119,083	-71.8%
Total expenses	1,128,098	1,112,840	1.4%
Net Income (loss)	(56,003)	10,569	-629.9%
Net position at beginning of year	331,609	321,040	3.3%
Net position at end of year	\$275,606	\$331,609	-16.9%

Although the Corporation's total cost of programs and services had a net increase of 1.4% (\$15,258), a closer look shows that Operating expenditures increased 10.1% (\$100,716), while PEG expenditures decreased 71.8% (\$85,458). The Corporation's revenues decreased by a net 4.6% (\$51,314), resulting from a combination of increased Operating revenues offset by reduced 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 \$1,009,000 for the fiscal year ended June 30, 2016. Actual operating revenues were \$7,613 more than budget, and operating expenses exceeded budget by \$85,473. The Corporation's expenditures were higher due to depreciation and legal fees.

CAPITAL ASSETS

At the end of 2016, the Corporation had \$144,609 invested in production equipment, net of accumulated depreciation. (See Table 3 below.) This amount represents a net decrease (including additions and disposals) of \$33,495 or 18.8% over last year.

Table 3

	June 30, 2016	June 30, 2015
Production equipment	\$284,864	\$263,074
Accumulated depreciation	(140,255)	(84,970)
Property and equipment, net	\$144,609	\$178,104

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 2017 budget. The major expense budget increase was the planned increase in lease costs. Additional increases in payroll and healthcare insurance premiums were also included.

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.

PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF NET POSITION

JUNE 30, 2016 (WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2015)

	<u>2016</u>	<u>2015</u>
Assets		
Current:		
Cash and cash equivalents (Note 2)	\$ 471,467	\$ 376,424
Receivables:		
Accounts	1,325	119,042
Prepaid assets	<u>47,621</u>	<u>3,397</u>
Total Current Assets	<u>520,413</u>	<u>498,863</u>
Noncurrent:		
Capital assets, net of accumulated depreciation (Note 3)	<u>144,609</u>	<u>178,104</u>
Total Noncurrent Assets	<u>144,609</u>	<u>178,104</u>
Total Assets	<u>665,022</u>	<u>676,967</u>
Liabilities		
Current:		
Accounts payable and other liabilities	-	2,009
Related party payables (Note 12)	44,000	-
Advances from other agencies (Note 7)	301,493	298,908
Accrued salaries and benefits	30,156	29,066
Compensated absences (Note 9)	<u>13,767</u>	<u>15,375</u>
Total Current Liabilities	<u>389,416</u>	<u>345,358</u>
Total Liabilities	<u>389,416</u>	<u>345,358</u>
Net Position		
Net investment in capital assets	144,609	178,104
Unrestricted	<u>130,997</u>	<u>153,505</u>
Total Net Position	<u>\$ 275,606</u>	<u>\$ 331,609</u>

The accompanying notes are an integral part of these financial statements.

PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2016 (WITH COMPARATIVE INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015)

	2016	2015
Operating Revenues		
Operating agreement	\$ 960,000	\$ 849,000
Service contracts	18,000	28,000
Production and other operating revenue	38,613	58,594
Total Operating Revenues	1,016,613	935,594
Operating Expenses		
Salaries and benefits	703,699	724,726
Production expense	11,141	2,920
Occupancy expense	215,830	157,019
Contractual services	35,400	15,797
General and administrative	73,118	44,478
Depreciation expense	55,285	48,817
Total Operating Expenses	1,094,473	993,757
Operating Loss	(77,860)	(58,163)
Nonoperating Revenues (Expenses)		
Public, education, and government (PEG) revenue	55,415	187,793
PEG expense	(33,625)	(119,083)
Investment income	67	22
Total Nonoperating Revenues (Expenses)	21,857	68,732
Changes in Net Position	(56,003)	10,569
Net Position		
Beginning of Year	331,609	321,040
End of Year	\$ 275,606	\$ 331,609

The accompanying notes are an integral part of these financial statements.

PASADENA COMMUNITY ACCESS CORPORATION

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2016 (WITH COMPARATIVE INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015)

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities		
Cash received from customers	\$ 38,613	\$ 58,594
Cash received from contracts	1,095,717	985,425
Cash paid to employees for services	(704,217)	(729,184)
Cash paid to suppliers for goods and services	<u>(337,722)</u>	<u>(225,567)</u>
Net Cash Provided by Operating Activities	<u>92,391</u>	<u>89,268</u>
Cash Flows from Capital and Related Financing Activities		
Capital grants received	58,000	230,000
PEG eligible expenses paid	(33,625)	(119,083)
Acquisition of capital assets	(21,790)	(23,277)
Acquisition of capital assets for other agencies	<u>-</u>	<u>(45,433)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>2,585</u>	<u>42,207</u>
Cash Flows from Investing Activities:		
Investment income	<u>67</u>	<u>22</u>
Net Cash Provided by Investing Activities	<u>67</u>	<u>22</u>
Net Increase in Cash and Cash Equivalents	95,043	131,497
Cash and Cash Equivalents at Beginning of Year	<u>376,424</u>	<u>244,927</u>
Cash and Cash Equivalents at End of Year	<u>\$ 471,467</u>	<u>\$ 376,424</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities		
Operating Loss	\$ (77,860)	\$ (58,163)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities		
Depreciation	55,285	48,817
Decrease in accounts receivable	117,717	108,425
Increase in prepaid assets	(44,224)	(182)
Increase (decrease) in accounts payable and accrued expenses	<u>41,473</u>	<u>(9,629)</u>
Total Adjustments	<u>170,251</u>	<u>147,431</u>
Net Cash Provided by Operating Activities	<u>\$ 92,391</u>	<u>\$ 89,268</u>

The accompanying notes are an integral part of these financial statements.

PASADENA COMMUNITY ACCESS CORPORATION

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Note 1: Organization and 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 charges to customers for sales and use of the facilities, with the relating costs considered operating expenses. Nonoperating revenues consist of investment earnings and other nonoperating income.

PASADENA COMMUNITY ACCESS CORPORATION

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note 1: Organization and 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 and 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	5 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, restricted, 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.

PASADENA COMMUNITY ACCESS CORPORATION

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note 1: Organization and Summary of Significant Accounting Policies (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, 2015, in the accompanying financial statements are included to provide a basis for comparison with 2016 and present summarized totals only. Accordingly, the 2015 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, 2015, from which the summarized information was derived.

Note 2: Cash and Cash Equivalents

a. Summary of Cash and Cash Equivalents

As of June 30, 2016, cash and cash equivalents were reported in the accompanying financial statements:

Cash on hand	\$	200
Deposits with financial institutions		<u>471,267</u>
Total cash and cash equivalents	\$	<u><u>471,467</u></u>

b. Deposits

At June 30, 2016, the carrying amount of the Corporation's deposits was \$471,467 and the bank balance was \$501,256. The \$29,789 difference represents outstanding checks and other reconciling items. All of the Corporation's cash and cash equivalents as of June 30, 2016 were collateralized or insured with securities held by pledging financial institutions in the Corporation's name.

PASADENA COMMUNITY ACCESS CORPORATION

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note 2: Cash and Cash Equivalents (Continued)

c. 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.

d. 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

e. 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, 2016.

PASADENA COMMUNITY ACCESS CORPORATION

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note 2: Cash and Cash Equivalents (Continued)

f. 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, 2016.

g. 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 fiscal year ended June 30, 2016.

Note 3: Capital Assets

Capital asset activity for the year ended June 30, 2016 is as follows:

	Balance at June 30, 2015	Additions	Dispositions	Balance at June 30, 2016
Capital assets being depreciated:				
Production Equipment	\$ 263,074	\$ 21,790	\$ -	\$ 284,864
Less accumulated depreciation for:				
Production Equipment	(84,970)	(55,285)	-	(140,255)
Total capital assets being depreciated, net	<u>\$ 178,104</u>	<u>\$ (33,495)</u>	<u>\$ -</u>	<u>\$ 144,609</u>

Depreciation expense for the year ended June 30, 2016, was \$55,285.

Note 4: Defined Contribution Pension Plan

Effective January 1, 2004, the Corporation adopted a defined contribution 403(b)(7) pension plan (the Plan) for which all employees who have completed one year of service (as defined in the plan) 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 provided the Plan does not violate certain conditions as set forth in the Plan document. Each year the Corporation may choose to make a matching contribution to the Plan, for the employees who are contributing to the Plan. In addition, the Corporation may choose to make an additional contribution to the Plan of 2% of compensation for eligible employees. These discretionary contributions are not required. The Corporation and employee contributions are fully vested immediately upon contribution to the Plan.

The Corporation did not contribute to the Plan for the year ended June 30, 2016.

PASADENA COMMUNITY ACCESS CORPORATION

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note 5: Operating Lease

The Corporation leases office and production facilities in Pasadena, California, under an operating lease agreement. The lease term is through 2020. The Corporation is obligated to pay utilities, property taxes, insurance, and normal repairs and maintenance for the space that the Corporation occupies.

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2017	\$ 191,316
2018	142,490
2019	146,035
Total	<u>\$ 479,841</u>

Total rent expense for the year ended June 30, 2016 was approximately \$174,288.

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 years 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. Although the City continues to fund at 2% of the Cable Operator's gross revenues, the funding amount is discretionary.

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.

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.

PASADENA COMMUNITY ACCESS CORPORATION

**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note 6: Other Provisions of Revenue and Contracts (Continued)

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

During the 2015-2016 fiscal year, the Corporation received \$58,000 in PEG funding, while spending \$55,415 on eligible PEG capital expenses, including the purchase of capital assets.

As shown in Note 7, cumulative unspent PEG funding of \$301,493 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 discussed in Note 6, the Corporation received \$58,000 of PEG funding during the year ended June 30, 2016. 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, 2016, advances from other agencies were as follows:

Beginning advances from other agencies	\$	298,908
PEG Grant:		
PEG revenue received		58,000
PEG Capital Equipment Expenses		(55,415)
PEG eligible disbursements		(55,415)
PEG subtotal		2,585
Ending advances from other agencies	\$	301,493

Note 8: Concentrations of Revenue

For the year ended June 30, 2016, income from the Operating Agreement accounted for 90% of total revenue.

Note 9: Compensated Absences

Changes in compensated absences as of June 30, 2016, were as follows:

Balance at June 30, 2015	Incurred	Satisfied	Balance at June 30, 2016	Amount Due Within One Year	Amount Due in More than One Year
\$ 15,375	\$ 14,317	\$ (15,925)	\$ 13,767	\$ 13,767	\$ -

PASADENA COMMUNITY ACCESS CORPORATION

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Note 10: Risk Management

The Corporation is covered under Special Liability, Property and Participant Accident policies through Alliant Insurance Services, Inc. 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.

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 ending June 30, 2016.

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

Note 12: Related Party Transactions

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 years ended June 30, 2016 and 2015, were \$54,000 and \$-0-, respectively. The amount payable to the City as of June 30, 2016 and 2015, was \$44,000 and \$-0-, respectively. These costs are expected to be paid back in full by the Corporation to the City.

Note 13: Office Lease

The Company leases its offices at 150 South Los Robles Avenue, Suite 101 and Suite 450, Pasadena, California, from Pasadena Tri City Ventures (the Landlord). The lease for Suite 101 is for 78 months commencing May 1, 2013 and expiring on October 31, 2019. The lease for Suite 450 is for 26 months commencing March 1, 2015 and expiring May 31, 2017. Notice must be given by the Company to the Landlord 90 days prior to the end of the term to exercise the renewal option. The current combined monthly rent is \$16,291.

PASADENA COMMUNITY ACCESS CORPORATION

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Note 13: Office Lease (Continued)

The combined, future minimum annual lease payments due during the term of the leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 191,316
2018	142,490
2019	<u>146,035</u>
Total	<u>\$ 479,841</u>

Note 14: Subsequent Events

The Corporation has evaluated subsequent events through February 28, 2017, 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
City of 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 business-type activities of the Pasadena Community Access Corporation, (the Corporation) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated February 28, 2017.

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 entity'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. 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*.



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

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.

Lance, Soll & Lingham, LLP

Brea, California
February 28, 2017

FY18 Budget Draft							
revised March 21, 2017							
		FY18 Budget	FY17 Budget	Difference	%	FY17 Forecast	FY16 Actuals
	Income						
1	4200 City of Pasadena	940,000	1,008,000	(68,000)	-7%	1,008,000	960,000
2	4300 Contributions & Grants	5,000	2,500	2,500	100%	7,500	129
3	4700 Production Services	38,300	41,300	(3,000)	-7%	38,116	42,945
4	4800 Program Services	10,000	10,000	-	0%	9,620	8,354
5	4900 Other Revenue	500	1,100	(600)	-55%	878	5,252
	Total Income	993,800	1,062,900	(69,100)	-7%	1,064,114	1,016,680
	Expenses						
6	5100 Salaries & Wages	553,442	554,843	(1,401)	0%	553,823	563,678
7	5200 Payroll Taxes	52,024	53,820	(1,796)	-3%	49,844	50,814
8	5300 Benefits	108,616	101,657	6,959	7%	95,923	89,208
8a	5310 Health Benefits	82,513	75,012	7,501	10%	78,975	80,912
8b	5320 Retirement	16,603	16,645	(42)	0%	8,323	-
8c	5390 Workman's Compensation	9,500	10,000	(500)	-5%	8,626	8,295
9	6000 Occupancy Expenses	181,007	240,349	(59,342)	-25%	231,771	215,829
10	7120 Accounting & Audit	12,500	12,250	250	2%	12,424	12,296
11	7130 Advertising & Marketing	3,500	4,000	(500)	-13%	2,756	2,865
12	7140 Automobile Expense	1,500	1,500	-	0%	1,200	266
13	7150 Bank & Payroll Processing	1,500	1,500	-	0%	1,422	1,613
14	7160 Board Materials & Expense	600	500	100	20%	1,885	548
15	7170 Cable Drop Fees	4,274	5,000	(726)	-15%	2,714	3,832
16	7180 Contract Labor	4,000	5,000	(1,000)	-20%	2,100	1,843
17	7240 Dues and Subscriptions	2,270	2,000	270	14%	2,270	2,220
18	7440 Legal & Professional Fees	28,000	38,000	(10,000)	-26%	45,000	62,000
19	7460 Licenses, Permits & Other	4,100	4,100	-	0%	4,100	161
20	7480 Meals & Entertainment	1,500	1,500	-	0%	1,578	1,600
21	7500 Office Expense	11,000	13,500	(2,500)	-19%	11,500	14,980
22	7600 Production Expense	14,500	13,000	1,500	12%	14,000	11,142
23	7700 Professional Development	2,500	3,000	(500)	-17%	1,875	1,580
24	7800 Travel & Lodging	4,000	4,300	(300)	-7%	3,685	2,716
	Total Expenses	990,833	1,059,819	(68,987)	-7%	1,039,871	1,039,188
	Net Gain or (Loss)	2,967	(3,081)	6,048	N/A	24,243	(22,508)

Agenda Report

PCAC Retirement Plan

April 4, 2017

Recommendation:

It is recommended that the Board of Directors:

- A. Adopt a policy to match each employee's salary reduction contribution on a dollar-for-dollar basis, up to three percent of the employee's compensation; and
- B. Authorize the Executive Director to execute all necessary agreements with American Funds Distributors, Inc., including, but not limited to, a Contribution Agreement and Adoption Agreement, for the purpose of implementing a SIMPLE IRA plan pursuant to the policy described above.

Background:

A company retirement plan was first approved by the board of directors in September 2003.

From Sept. 2003 Minutes:

XIII Employee Benefits

Motion: Ralph McKnight moved that the Executive Director establish a retirement plan as presented this evening. Phil Hopkins seconded the motion. The motion passed with unanimous consent.

From Sept. 2003 ED Report:

Employee Benefits

Geoff Baum and I had a meeting with a Merrill Lynch representative regarding the set up of a retirement plan for Pasadena Community Access Corporation employees. The plan that was discussed is a 403(b)(7) (please see attached [plan] document). After reading over the materials I would suggest that Pasadena Community Access Corporation adopt the plan as an employee retirement benefit. In addition, I would suggest that each current participating employee be given a one-time gift of five hundred dollars (\$500) to be used towards setting up their retirement accounts for fiscal year 2002-2003. At the start of the 2003-2004 fiscal year, PCAC would adopt the practice of matching employee contributions into their retirement accounts not to exceed 2% of the employees annual salary. PCAC has been lacking a retirement plan for many years and most of the employees seem very happy with the concept of developing a plan, as well as participating in the plan.

A 2% match starts with 8/5/2004 paychecks (pay period 7/17-30). The contribution amount became a 3% match starting with the 1/18/2007 paychecks (pay period 12/30/2006-1/12/2007). I've found no documentation (board action or otherwise) regarding the increase.

The last employee that had retirement with PCAC received her last paycheck on 9/11/2014. There have been no contributions made via PCAC since that date. While the current employee handbook makes no mention of retirement benefits, the current ED CEO contract states that he is eligible for a 403(b) plan with a 2% match.

Discussion:

In January 2009, federal requirement changes occurred making 403(b) plans more administratively intensive and expensive. For example, an associate of our health benefits administrator would have charged \$1650 plus \$30 per participant annually in addition to \$1000 to install a new 403(b) account. These costs would include the annual filing of form 5500. PCAC would also be required to maintain former employee accounts. By contrast, a SIMPLE IRA account would cost PCAC nothing (outside of matching contributions) and have no reporting responsibilities (outside of notifying employees annually). Other facts regarding SIMPLE IRAs:

- The company may choose a financial institution to serve as trustee of the SIMPLE IRAs to hold each participant's retirement plan assets, but the participant can transfer his or her balance without cost or penalty to another institution.
- You can set up a SIMPLE IRA plan effective any date from Jan. 1 through Oct. 1 of a year.
- A SIMPLE IRA is funded by:
 - 1) Employee salary reduction contributions (elective deferrals) limited to \$12,500 in 2017 (For employees age 50 or over, a \$3,000 "catch-up" contribution is also allowed in 2017).
 - 2) The employer must annually choose one of the contribution methods:
 - 2% nonelective contribution: 2% of each eligible employee's compensation regardless of whether or how much the employee deferred, or
 - 3% matching contribution: match of employee's elective deferrals on a dollar-for-dollar basis up to 3% of the employee's compensation. (May reduce the 3% limit to a lower percentage, but not lower than 1%. May not lower the 3% limit for more than 2 calendar years out of the 5-year period ending with the calendar year the reduction is effective.)The employer cannot make any other contributions to a SIMPLE IRA plan.
- Employer match is a tax-deductible business expense

Pricing was obtained from the following:

- Pasadena Federal Credit Union (American Funds) - \$10/employee/yr + \$10/empl setup fee
- Putnam - \$15/empl/yr
- Oppenheimer - \$25/empl/yr
- Fidelity - \$350/yr up to 14 employees, then \$25/empl/yr
- Vanguard - \$25/fund/IRA/yr

I have attached the American Funds Plan Sponsor Guide.

Fiscal Impact

PCAC will not pay any fees to the vendor. Ten dollars (\$10) will be deducted from each employee's SIMPLE IRA account every year for a maintenance fee. Ten dollars (\$10) will also be deducted from each employee's initial contribution for a startup fee.

PCAC budgeted \$16,645 for this fiscal year's retirement contribution for employees. This plan will begin retroactively on January 1, 2017. So if all employees take full advantage, PCAC will contribute \$8,323 for the current fiscal year. We are budgeting \$16,603 for next fiscal year.

Respectfully submitted,
Chris Miller
COO



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Plan Sponsor Guide

Everything you
need to establish
an American Funds
SIMPLE IRA at
your company

Thank you for choosing an American Funds SIMPLE IRA

We appreciate your confidence in entrusting us with your company's SIMPLE IRA retirement plan. Use this brochure to establish your plan and put our decades of experience to work for you.

American Funds is a key provider for your SIMPLE IRA plan:

- Since 1931, American Funds, part of Capital Group, has invested with a long-term focus and attention to risk.
- American Funds has more than \$1.3 trillion in assets under management (as of 12/31/16).
- American Funds understands that investors need help with retirement planning; that's why its funds are distributed through financial professionals.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

To establish your plan:

1. **Complete the two required forms in this booklet** – the *Online Group Investments (OGI) Contributions Agreement* and the *SIMPLE IRA Adoption Agreement* – and send them to American Funds.
2. **Use the Notification to Eligible Employees to inform eligible employees about the plan.** They must be given 60 days to enroll after they receive this notification.
3. **Conduct an enrollment meeting.** You may wish to request the assistance of your financial advisor. Be sure to distribute the following materials to all eligible employees:
 - *SIMPLE IRA Employee Guide**
 - Prospectuses for all of the plan's investment options
 - A copy of the Summary Description (in the back of this booklet; be sure to complete the information at the top before distributing this document)
4. **Send a completed *SIMPLE IRA Application** for each eligible employee.** If the company is paying the account setup fees, include a check for \$10 for each new participant establishing an account.
5. **In preparation for your plan's first contribution, review the contribution information that follows on the next page.**

* If you wish to establish a plan with Class F-2 shares and your advisor's firm allows for this share class, employees will need to complete the *F-2 Share Account Application* and *SIMPLE IRA F-2 Share Class Supplement*.

Next steps

- Once the Contributions Agreement and the Adoption Agreement (both required) are completed and received, we will establish your retirement plan and provide you access to our OGI website.
- The employer contacts (and third-party remitter, if applicable) will be sent an email providing the website address, user IDs and instructions for getting started.

Contribution information

Employer contributions

Annual employer contributions are required.

You can choose:

- a) Dollar-for-dollar match made for each eligible employee who is contributing to the plan (limited to 3% of the eligible employee's compensation)

You can even adjust the match contribution to as little as 1% of participating employees' compensation – but for no more than two calendar years in any five-year period.

OR

- b) Nonelective contribution equal to 2% of each eligible employee's compensation per year (up to a \$270,000 compensation limit for 2017). This contribution is made even for those eligible employees who don't make contributions on their own.

You can also switch between the match option and nonelective contribution option annually.

Employee qualifications and contributions

Employees who earned at least \$5,000 per year during any two preceding years and who are expected to earn at least \$5,000 in the current year are eligible to participate in the plan.

Participants may contribute up to \$12,500 in 2017 as indexed for inflation in future years. Those 50 and older may contribute an additional \$3,000. The IRS does not tax these contributions or any earnings until they are withdrawn.

All accounts are immediately vested.

Remitting contributions online

Your new American Funds SIMPLE IRA **requires** that you remit contributions through the OGI website, which makes your payroll contribution process secure and efficient. Complete the Contributions Agreement to establish online access.

Funding deadlines

The Department of Labor requires employers to remit employee contributions in a timely manner. For SIMPLE IRA plans, employee contributions must be remitted as soon as they can be reasonably segregated from company assets, but in no event later than 30 days after the last day of the month the contributions were withheld. For plans with fewer than 100 participants, employee contributions deposited no later than the 7th business day following withholding by the employer will be considered timely.

Employer matching or nonelective contributions must be made by the employer's tax filing deadline (including extensions) for the applicable tax year.

Everything you need

On the pages that follow, you'll find the forms and documents you need to establish and operate your SIMPLE IRA plan.

Documents required to set up your plan

We need to receive both the Contributions Agreement and the Adoption Agreement at the same time. Keep a copy of each for your files.

5 | Contributions Agreement

SIMPLE IRA plan contributions are submitted electronically through the OGI website. Use this form to set up electronic submission via Automated Clearing House (ACH).

- Designate the contacts who will have access to the OGI website. User IDs will be created for each designated contact. A separate user ID will be issued to the third-party remitter, if requested.
- An email providing the OGI website address, user IDs and instructions for signing on will be sent to the designated contacts after we receive this form and the completed Adoption Agreement. After signing on to the OGI website, the contacts will have access to all of the tools they need to submit contributions and maintain plan information.

7 | SIMPLE IRA Adoption Agreement

This form is required to either move an existing SIMPLE IRA plan or establish a new SIMPLE IRA plan with Capital Bank and Trust CompanySM (CB&T) as the new custodian. A SIMPLE plan that has previously been established but is being moved to American Funds is an amended and restated plan. For additional information you'll need to understand before completing this form, read the Terms and Conditions document within this booklet.

Documents to assist you with operating your plan

9 | SIMPLE IRA Notification to Eligible Employees

This model document is provided to inform the appropriate employees of their eligibility to participate in the plan. Simply pre-fill this form and provide it, along with the other required documentation, to your employees.

10 | Summary Description for the SIMPLE IRA Plan

This document is a summary of the Terms and Conditions. You'll need to complete this document and provide a copy to each eligible plan participant.

11 | SIMPLE IRA Salary Deferral Election

12 | Terms and Conditions

This document defines the provisions of the American Funds SIMPLE IRA plan. Keep this document with your records to help employees understand the plan and to help answer their questions.

Please mail or fax these forms to the appropriate service center.

(If you live outside the U.S., mail the form to the Indiana Service Center.)



Indiana Service Center

American Funds Service Company
P.O. Box 6164
Indianapolis, IN 46206-6164

Overnight mail address
12711 N. Meridian St.
Carmel, IN 46032-9181

Fax (888) 421-4371



Virginia Service Center

American Funds Service Company
P.O. Box 2560
Norfolk, VA 23501-2560

Overnight mail address
5300 Robin Hood Rd.
Norfolk, VA 23513-2430

Fax (888) 421-4371

If you have questions or require more information, contact your financial advisor or call American Funds Service Company at (800) 421-4225.

- Submit this form together with a completed *Adoption Agreement* and all completed employee applications.
- An email will be sent to the OGI contacts with instructions for getting started.
- If additional updates are needed after the Plan is established, the Plan Sponsor may call us at **(800) 421-4225, ext. 45** to add or remove OGI contacts.

1 Fax cover

Please type or print clearly.

To: American Funds Date _____ Number of pages (including this page) _____
(888) 421-4371 Fax

From: _____
Contact name

2 Contact information

Designate the Employer contacts who will have access to the OGI website. User ID and password should not be shared with others.

Name of company

Name of Plan Administrator (the individual authorized to act on behalf of the plan)

() Ext.
Daytime phone

Email address*

Name of Plan Sponsor (the Employer/business owner responsible for plan oversight)

() Ext.
Daytime phone

Email address*

3 Third-party remitter

Complete this section only if you are designating a third party to have access to Plan information and make contributions to the Plan. A separate user ID will be assigned.

Name of third-party remitter (business name)

() Ext.
Daytime phone

Name of third-party contact

Email address*

Address

City

State

ZIP

Relationship to the company (payroll company, advisor, CPA, etc.)

Existing OGI User ID (if applicable)

*We require an email address to send you a user ID and a link to the OGI website so that you can submit contributions online. We respect your privacy. For more information on our privacy policy, visit www.americanfunds.com.

Confidential and legally privileged information may be contained in this fax; it is intended only for the addressee. If you are not the addressee, you are prohibited from disclosing, copying, distributing or taking any action based on the contents of this material. If you receive this fax by mistake, please call the sender immediately. Thank you.

4 Bank information

If not attaching a voided check here, you can submit bank information on the OGI website after receiving a user ID. If attaching a check, the unsigned, voided check you attach below **must** be preprinted with the bank name, registration, routing number and account number. **Please do not staple.**

Tape your check here.

<div style="border: 1px solid black; padding: 2px; display: inline-block;">Acme Incorporated</div> Bank account registration	DATE _____
PAY TO THE ORDER OF _____ \$ <div style="border: 1px solid black; width: 100px; height: 20px; display: inline-block;"></div>	
_____ DOLLARS	
<div style="border: 1px solid black; padding: 2px; display: inline-block;">Anytown Bank</div> Bank name	
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> : 999999999 :</div> Bank routing number	<div style="border: 1px solid black; padding: 2px; display: inline-block;">0000000000 : </div> Bank account number

5 Employer authorization

By signing below, I agree to submit contributions electronically via ACH through the OGI website.

I understand that **1)** the OGI contacts designated on this form are authorized users of the OGI website and will have access to the website to update employee investment allocations and to instruct CB&T to initiate the ACH transaction to fund the contributions; **2)** immediate notification to CB&T is needed if a contact is to be removed and/or replaced; **3)** and a unique user ID will be provided to the contacts via email (as indicated within this form).

CB&T is hereby authorized to access the account listed on this form on behalf of the Plan to withdraw money in respect of contributions via ACH.

In consideration of CB&T acting on such instructions and processing such transactions, I agree to hold harmless and indemnify CB&T; any of their affiliates or mutual funds managed by such affiliates; and each of their respective directors; trustees; officers; employees; and agents from any losses, expenses, costs or liability (including attorney fees) that may be incurred as a result of CB&T establishing these privileges or acting on such instructions.

Name (print)

Title

X _____
Authorized signature

_____/_____/_____
Date (mm/dd/yyyy)

**If you have any questions about submitting contributions,
call (800) 421-4225, ext. 45, for more information.**

1 Employer and Plan information

Please type or print clearly.

Employer's name _____ () _____ Ext. _____
Daytime phone _____ TIN _____

Address _____ City _____ State _____ ZIP _____

Form of business: ☐ Sole proprietor ☐ Corporation ☐ Partnership ☐ S corporation ☐ Other _____

2 Effective dates

Please complete either A or B.

A. ☐ This is a **new Plan** that is effective as of _____
Date (mm/dd/yyyy) (insert any date between January 1 and October 1)

B. ☐ This is an **amended and restated Plan**.
The effective date of the amended and restated Plan is _____
Date (mm/dd/yyyy)

Note: Any amendments to Sections 3 or 4 below can become effective **only** on January 1 of a calendar year and must conform to the content of the Plan notice for the calendar year.

3 Eligibility requirements

*Not to exceed \$5,000. If left blank, \$5,000 will apply. †Provide 0, 1 or 2 only. Not to exceed 2 years. If left blank, "2" will apply.

A. All Employees receiving at least \$ _____* in Compensation, as defined in the Plan, during any _____† prior years

and who are reasonably expected to receive at least \$ _____* in Compensation during the current year are eligible to participate in the Plan pursuant to the terms of the Plan, unless any such Employees are members of a properly excluded class.

B. The following Employees will be excluded from participation in the Plan unless you check the box below to include them:

☐ Employees covered by a collective bargaining agreement under which retirement plan benefits have been the subject of good-faith bargaining

Note: If this box is checked, the special rule for the one-plan requirement in Section 2.1 of the Terms and Conditions does not apply.

☐ Employees who are nonresident aliens with no U.S. income from the Employer

4 Salary deferral elections

*If left blank, "Monthly" will apply. †If left blank, "may" will apply.

A. In addition to the 60-day period preceding the first day of the Plan Year, a Participant may make or amend his or her Salary Deferral Election*:

☐ Not applicable ☐ Weekly ☐ Biweekly ☐ Semimonthly ☐ Monthly

☐ Quarterly ☐ Semiannually ☐ Other _____

B. A Participant who terminates his or her Salary Deferral Election during the year† ☐ may **OR** ☐ may not enter into a new Salary Deferral Election as provided above.

5 Financial advisor information

Name _____ Rep number _____ Branch number _____ () _____ Ext. _____
Daytime phone _____

6 Reducing the sales charge on Class A shares

Complete only if Class A shares were selected. Purchases in the money market fund do not apply toward a Class A share SOI or Rights of Accumulation.

Rights of Accumulation (cumulative discount)

Please list the Plan Sponsor's other American Funds retirement plan accounts:

Statement of Intention (SOI)

To establish an SOI, obtain a *Statement of Intention (SOI)* form from your financial advisor. Submit the completed form with this Adoption Agreement.

7 Signatures

To review the tax consequences of adopting this Plan, the Sponsor recommends that you consult your attorney or tax advisor prior to executing this Adoption Agreement.

The undersigned Employer hereby establishes a SIMPLE IRA Plan ("Plan") for the exclusive benefit of eligible Employees and appoints the Custodian as the Designated Financial Institution for the Plan. A related Employer must jointly co-sponsor the Plan by signing the Co-Sponsor adoption section. The terms of the Plan are set forth in the accompanying Plan document.

A. By the Employer: The undersigned Employer is an Eligible Employer.

Signed for the Employer by _____
Name (print) Title

X

Authorized signature

Date (mm/dd/yyyy)

B. By the Designated Financial Institution: The undersigned agrees to serve as the Designated Financial Institution, receiving all contributions made pursuant to this Plan and depositing those contributions to the SIMPLE IRA of each Participant.

For the Custodian by Denise Cassin 6455 Irvine Center Dr., Irvine, CA 92618
Denise Cassin, President Address

8 Co-Sponsor information (if applicable)

Each related Employer (as described under Section 1.6 of the Terms and Conditions) must execute the following and adopt the Plan as a Co-Sponsor. If there is more than one related Employer, each one must execute a separate Co-Sponsor adoption section. Any reference to the Employer in this Agreement is also a reference to the Co-Sponsor unless otherwise noted.

Name of Co-Sponsor company

-
TIN of Co-Sponsor

9 Co-Sponsor adoption

By signing below, the Co-Sponsor agrees to adopt (or continue its participation in) the Plan identified in Section 1 of this Adoption Agreement.

Name (print) Title

X

Authorized signature

Date (mm/dd/yyyy)

1 General information

- -
Date (mm/dd/yyyy)

Name of plan

Employer contact

2 Notice of eligibility

You are eligible to make elective deferrals to the SIMPLE IRA Plan. This notice and the attached Summary Description provide you with information that you should consider before you decide whether to start, continue or change your Salary Deferral Election.

3 Employer contribution

Please choose one.

- ☐ A matching contribution equal to 100% of your elective deferrals, up to a limit of 3% of your compensation for the calendar year
- ☐ A matching contribution equal to 100% of your elective deferrals, up to _____% (between 1% and 3%) of your compensation for the calendar year
- ☐ A contribution equal to 2% of your compensation for the calendar year (The maximum amount of your compensation used to calculate contributions is limited to \$270,000 for 2017, as indexed for inflation in future years.)

4 Administrative procedures

If you decide to start or change your Salary Deferral Election, you must complete and return it by:

- -
Date (mm/dd/yyyy)

(within 60 days of the date this notice is provided)

Summary Description for the SIMPLE IRA Plan

I. Plan Information

Employer

Address

EIN

Plan benefits contact name

II. Eligibility Requirements

You are eligible to participate in this Savings Incentive Match Plan for Employees ("SIMPLE") IRA Plan (the "Plan") if

- you received at least \$5,000 (or a lesser amount if noted here \$ _____) in compensation as defined under the terms of the Plan ("Compensation") from your employer during any two (or lesser number if noted here _____) prior years and
- you are reasonably expected to receive at least \$5,000 (or a lesser amount if noted here \$ _____) in Compensation during the current year.

You are not eligible to participate in this SIMPLE Plan if you fall into one of the categories listed below unless the box next to the description has been checked.

- A. ☐ **Collectively Bargained Employees**
Employees who are part of a collective bargaining unit may be excluded from participation in this Plan if retirement benefits have been the subject of good faith bargaining between the collective bargaining unit and the employer.
- B. ☐ **Nonresident Aliens**
Employees who are nonresident aliens who receive no taxable income from sources within the United States.

III. Contributions

Contributions made to your SIMPLE Individual Retirement Account ("SIMPLE IRA") can be Employee pre-tax deferrals and your employer's Matching Contributions or Nonelective Contributions, as described below. No other contributions may be made to your SIMPLE IRA. All contributions made to the Plan, and the earnings, are fully vested and nonforfeitable.

A. Employee Pre-Tax Deferrals

Once you are eligible, you may direct your employer to contribute a percentage of your Compensation on a pre-tax basis to your SIMPLE IRA by completing a Salary Deferral Election. The applicable limits are shown on the election.

B. Employer Contributions

Your employer must also make contributions to each eligible Employee's SIMPLE IRA. Your employer will notify you each year of the type and amount of contribution.

Matching Contributions

If your employer chooses to provide Matching Contributions, your employer will match your pre-tax deferrals on a dollar-for-dollar basis up to 3% (but not less than 1%) of your Compensation for any year. Your employer may contribute less than a 3% match (but not less than 1%) in no more than two out of every five years.

Example

Here is an example of a valid election to provide a reduced match in no more than two out of every previous five years. Please note that in every grouping of five years, the 3% match was provided to Employees at least three times.

Year 1	3% of Compensation
Year 2	1% of Compensation
Year 3	2% of Compensation
Year 4	3% of Compensation
Year 5	3% of Compensation
Year 6	3% of Compensation
Year 7	1% of Compensation

Nonelective Contributions

In lieu of Matching Contributions, your employer may elect to contribute 2% of Compensation to your SIMPLE IRA, whether you elect to make pre-tax contributions or not.

IV. Employee Elections

The enrollment period for each Plan Year runs from November 2 through December 31. During this time, once you are eligible, you will have the opportunity to make an election to participate in the Plan or, in subsequent years, to change your deferral percentage. You may elect to stop participating in the Plan at any time during the year. Your Plan may require you to wait until the beginning of the following year to restart contributions once you stop. Check with the Plan benefits contact listed in Section I of this summary for the Plan rules.

V. Withdrawals, Rollovers and Transfers From the Plan

Contributions made on your behalf to a SIMPLE IRA may be withdrawn, rolled over into another IRA or transferred to another IRA as provided below. To initiate a withdrawal, rollover or transfer, call (800) 421-4225 to request the appropriate form.

A. Withdrawals

You may withdraw the Employee and employer contributions made to your SIMPLE IRA, including the earnings thereon, at any time. However, if you take a distribution prior to the time that you attain age 59½, you may be subject to a penalty of either 25% or 10%, depending on how long you have been a participant in the Plan. There are certain exceptions to the 25% and 10% early withdrawal penalties. In addition, withdrawals from your SIMPLE IRA are taxed as ordinary income. For more information on withdrawals, you may obtain IRS Publication 590-B by calling (800) TAX-FORM or by accessing the IRS website at www.irs.gov.

B. Rollovers

You may roll over your SIMPLE IRA held with Capital Bank and Trust CompanySM (CB&T) to another SIMPLE IRA with another custodian at any time. You may roll over your SIMPLE IRA to a Traditional IRA only after the two-year period beginning from the time you first participated in this Plan.

C. Transfers

When CB&T is the designated financial institution of your employer's SIMPLE IRA Plan, you may transfer your contributions (both your salary deferrals and your employer's contributions) to another trustee or custodian without cost or penalty by notifying CB&T when you initially establish your SIMPLE IRA account, or at any other time, by using the CB&T SIMPLE Transfer Election Form. CB&T will process this request without cost or penalty, provided you meet certain transfer requirements.

Prior to the transfer, the contributions (both your salary deferrals and your employer's contribution) that you want to transfer may only be invested in A shares of American Funds U.S. Government Money Market FundSM so that the transfer may occur without cost or penalty to you. If you elect not to invest in A shares of American Funds U.S. Government Money Market Fund but in another American Funds mutual fund or share class for which a sales charge or a contingent deferred sales charge is applicable, you may also transfer these contributions, but the transfer cannot be made without cost or penalty, since the sales charge will not be refunded.

To initiate such a transfer, contact the new trustee or custodian to obtain the appropriate forms. CB&T will complete a "custodian to custodian," or similar transfer, of all or a portion of your SIMPLE IRA account balance upon receipt of the recipient institution's acceptance of the SIMPLE IRA account. If your contribution was invested in a mutual fund class of shares subject to a sales charge or a contingent deferred sales charge, then the sales charges will not be refunded.

VI. Limitations of Description

This Summary Description is intended to provide general information about the Plan. However, the details of the form and features of the Plan are provided in the Plan document. Any discrepancies between this Summary Description and the Plan Document shall be determined in favor of the Plan Document. You may obtain a copy of the Plan Document from your employer, who may charge you a reasonable fee for copying the Plan Document.

VII. Custodian Information

Name: Capital Bank and Trust Company

Address: 6455 Irvine Center Drive
Irvine, CA 92618-4518

SIMPLE IRA

Salary Deferral Election

For employer/employee use only

Important information

- If you are opening a new account, you must attach a completed application to this form. Your employer will forward the completed forms to American Funds Service Company® on your behalf.
- Return this completed form to your employer. **Do not send this form to American Funds Service Company or Capital Bank and Trust Company.SM**

General information

Please type or print clearly.

Name of employee _____

Name of employer _____

Payroll election

See the chart at the bottom of this page for deferral and catch-up limits. Select one of the following five options.

- A. ☐ **New election for NEW accounts** — I am opening a new account (the application is attached) and elect to participate in the SIMPLE IRA Plan. (Specify your election and effective date below.)

Pre-tax deferrals of ☐ _____% **OR** ☐ \$ _____ Effective date _____ (mm/dd/yyyy)

- B. ☐ **Change deferrals** — I am currently participating in a SIMPLE IRA Plan and wish to change my election. (Specify your election and effective date below.)

Pre-tax deferrals of ☐ _____% **OR** ☐ \$ _____ Effective date _____ (mm/dd/yyyy)

- C. ☐ **Maintain deferrals** — I am participating in a SIMPLE IRA plan and wish to maintain my current deferral election.

- D. ☐ **Suspend deferrals** — I wish to stop participating in the SIMPLE IRA Plan as of the effective date specified below.

Effective date _____ (mm/dd/yyyy)

- E. ☐ I do not wish to participate in the SIMPLE IRA Plan at this time.

Signature

If electing salary deferrals, I authorize my employer to withhold the amount/percentage specified above from each paycheck as of the effective date provided, which will reduce my compensation under this election (my elective deferral contributions). I may revoke or update this election at any time as permitted by my employer. My elective deferral contributions are not subject to federal (or state, if applicable) income tax until distributed from the Plan. If I revoke this election, I acknowledge that, contingent upon the terms of the SIMPLE IRA Plan, I may be prohibited from submitting another Salary Deferral Election until the enrollment period immediately preceding the next plan year. The revocation or update will be effective as soon as administratively possible by my employer after they have received the notice. I also understand that my elective deferral contributions are subject to gain or loss in accordance with my selected investments.

X

Signature of employee _____

_____/_____/_____
Date (mm/dd/yyyy)

Year	Deferral limit	Catch-up limit*
2016	\$12,500	\$3,000
2017	\$12,500	\$3,000

*You must be at least 50 years old to make a catch-up contribution.

Savings Incentive Match Plan for Employees for use with a SIMPLE Retirement Account

Internal Revenue Service Letter Serial No. K901972b

Terms and Conditions

American Funds Distributors, Inc. hereby establishes this Savings Incentive Match Plan for Employees ("SIMPLE") for use by eligible Employers who wish to establish a SIMPLE for their Employees. Upon execution of an Adoption Agreement by an Employer, a SIMPLE IRA Plan, which incorporates by reference both this document and the American Funds SIMPLE Individual Retirement Account Custodial Agreement ("SIMPLE IRA Plan"), collectively referred to as ("SIMPLE IRA Plan"), is established. The Custodian will serve as the Designated Financial Institution for the SIMPLE IRA Plan and as Custodian of each SIMPLE IRA that must be established by or on behalf of Participants. This SIMPLE IRA Plan is intended to comply with §408(p) of the Internal Revenue Code of 1986 ("Code"), as amended, and the applicable provisions of the Employee Retirement Income Security Act of 1974, including all regulations thereunder.

Article I — Definitions

1.1 "Adoption Agreement" means the document attached to this Plan through which the Employer establishes a SIMPLE IRA Plan.

1.2 "Compensation" means wages, tips and other compensation from the Employer that are subject to federal income tax withholding under Code §3401(a), and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code §§6041(d) and 6051(a)(3). Compensation must be determined without regard to any rules under Code §3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed.

Compensation also includes the Elective Deferrals made under this SIMPLE IRA Plan and, if applicable, compensation deferred under a Code §457 plan. Compensation does not include any amounts deferred by the Employee pursuant to a Code §125 cafeteria plan.

In determining an Employee's Compensation for prior years, the Employee's elective deferrals under a Code §401(k) plan, SARSEP or Code §403(b) arrangement are also counted as Compensation.

For Self-Employed Individuals, Compensation is Earned Income from self-employment. "Earned Income" means the net earnings from self-employment with respect to the Employer determined under Code §1402(a), without regard to Code §1402(c)(6), prior to subtracting any contributions made pursuant to the plan on behalf of the Individual.

1.3 "Effective Date" means the date on which the SIMPLE IRA Plan, or an amendment thereto, becomes effective. The Effective Date must be January 1 of the applicable year. If this is the first year for which the Employer is adopting a SIMPLE IRA Plan, the Effective Date may be any date between January 1 and October 1, inclusive of the applicable year.

1.4 "Elective Deferrals" means the employer contributions made at the election of a Participant via a Salary Deferral Agreement in lieu of cash Compensation. Elective Deferrals must be made pursuant to a Salary Deferral Agreement.

No Elective Deferrals may be made by an Employee on the basis of Compensation that the Employee received or had a right to receive before the date on which the Employee commences participation in the SIMPLE IRA Plan and the Employee's execution of a Salary Deferral Agreement.

1.5 "Employee" means any individual, including a Self-Employed Individual, who is determined to be an Employee, including leased employees described under Code §414(n) and employees described under Code §414(o) of the Employer, as defined in paragraph 1.6.

1.6 "Employer" means the eligible entity adopting this SIMPLE IRA Plan, including any eligible entity that succeeds the Employer and adopts this SIMPLE IRA Plan. For the purpose of this SIMPLE IRA Plan, Employer shall also mean the Employer that adopts this SIMPLE IRA Plan and all members of a controlled group of corporations (as defined in Code §414(b)), all commonly controlled trades or businesses (as defined in Code §414(c)) and all affiliated service groups (as defined in Code §414(m)) of which the adopting Employer is a part. Employer shall also include any other entity required to be aggregated with the Employer pursuant to Code §414(o).

1.7 "Matching Contributions" means employer contributions to a Participant's SIMPLE IRA on his or her behalf attributable to the amount of his or her Elective Deferrals under the SIMPLE IRA Plan.

1.8 "Nonelective Contributions" means employer contributions that are contributed to a Participant's SIMPLE IRA on his or her behalf in proportion to their Compensation under the SIMPLE IRA Plan.

1.9 "Plan Year" means the calendar year.

1.10 "Salary Deferral Agreement" means the written agreement between the Employer and a Participant in which the Participant authorizes the Employer to withhold and deposit a portion of his or her Compensation to his or her SIMPLE IRA.

1.11 "Self-Employed Individual" means a person who has Earned Income for the taxable year from the trade or business for which the SIMPLE IRA Plan is established including an individual who would have had Earned Income but for the fact that the trade or business had no net profits for the taxable year.

1.12 "SIMPLE IRA" means an American Funds SIMPLE Individual Retirement Account is established pursuant to the terms of the American Funds SIMPLE Individual Retirement Account Custodial Agreement upon execution of an American Funds SIMPLE IRA Application by or on behalf of a Participant.

1.13 "SIMPLE IRA Plan" means this Savings Incentive Match Plan for Employees, including the attached Adoption Agreement.

1.14 "Sponsor" means American Funds Distributors, Inc. or any successor(s) or assign(s).

1.15 "Custodian" means Capital Bank and Trust Company or any successor thereto.

Article II — Eligibility Requirements

2.1 Eligible Employer. The Employer will be an eligible Employer if, with respect to any year, the Employer had no more than 100 Employees who received at least \$5,000 of Compensation from the Employer for the preceding calendar year. Additionally, the Employer may not maintain any other qualified plan (as defined in Code §219(g)(5)(A) or (B)) with respect to which contributions were made, or benefits were accrued, in any year in the period beginning with the year this SIMPLE IRA Plan became effective and ending with the year for which a determination is being made. Except this one-plan requirement is not violated if the Employer maintains another qualified plan that limits participation to Employees covered under a collective bargaining agreement described in Code §410(b)(3)(A) and eligibility to participate in this SIMPLE IRA Plan is limited to other Employees.

2.2 Two-Year Grace Period. An Employer who properly establishes and maintains this SIMPLE IRA Plan for one or more years, and who subsequently fails to be an Eligible Employer in a calendar year pursuant to paragraph 2.1, shall be treated as an Eligible Employer for the two years following the last year the Employer was eligible. During this period, employees who would be employed by another employer involved in the transaction, had the transaction not occurred, are not eligible to participate in this SIMPLE IRA Plan unless the other employer executes a Co-Sponsor Adoption Page as a Co-Sponsor. If, after expiration of the two-year grace period, the Employer fails to comply with the eligibility requirement of paragraph 2.1, the Employer must terminate this SIMPLE IRA Plan. However, if such failure is due to an acquisition, disposition or similar transaction involving the Employer, the preceding sentence shall apply only in accordance with rules similar to the rules of Code §410(b)(6)(C)(i).

2.3 Participation. Employees shall be eligible to participate in this SIMPLE IRA Plan the first day of the first Plan Year after they have met the SIMPLE IRA Plan's eligibility requirements as set forth in the Adoption Agreement. In no event shall an Employee receiving at least \$5,000 in Compensation (or such lesser amount, if provided in the Adoption Agreement) from the Employer during any two prior years, or such lesser period if provided in the Adoption Agreement, and who is reasonably expected to receive at least \$5,000 in Compensation, or such lesser amount, if provided in the Adoption Agreement, during the current year be excluded from the SIMPLE IRA Plan unless he or she is a member of a class that has been excluded by the Employer in the Adoption Agreement. There are no age or service requirements for an Employee to participate in this SIMPLE IRA Plan.

2.4 Exclusions From Eligibility. If elected in the Adoption Agreement, the following classification of Employees may be excluded from participation in the SIMPLE IRA Plan:

- (a) Employees who are part of a collective bargaining unit if retirement benefits have been the subject of good faith bargaining, and/or
- (b) Nonresident aliens with no taxable income from U.S. sources.

Savings Incentive Match Plan for Employees for use with a SIMPLE Retirement Account

2.5 Change in Employment Class. If an Employee who is not a member of an eligible class of Employees becomes a member of such class, the Employee shall participate as of the date the Employee changes to an eligible class, provided that he or she has satisfied the eligibility requirements under paragraph 2.3, if any. If a Participant becomes ineligible because he or she is no longer a member of an eligible class of Employees, such Participant shall participate as of the date the Employee returns to an eligible class of Employees. A former Participant shall again become a Participant as of the date of his or her rehire by the Employer.

2.6 Employment Rights. Participation in the SIMPLE IRA Plan shall not confer upon a Participant any employment rights, nor shall it interfere with the Employer's right to terminate the employment of any Employee.

2.7 Plan Notice. The Employer shall notify each Eligible Employee immediately before each 60-day Enrollment Period of the Employee's opportunity to make an election. The notice shall include a copy of the summary description as described in Code §408(l)(2)(B). Code §6693(c)(1) provides that, if an Employer fails to provide one or more notices, such Employer may be subject to a penalty of \$50 per day for each day there is a failure to provide such notice.

Article III — Employee Contributions

3.1 Elective Deferral. A Participant may make Elective Deferrals to this SIMPLE IRA Plan by executing a Salary Deferral Agreement. The amount that a Participant may elect to contribute may be expressed as a percentage of Compensation.

Elective Deferrals may not be based on Compensation a Participant has received, or had a right to receive, prior to the date on which such Participant commenced participation in this SIMPLE IRA Plan and the execution of the Participant's Salary Deferral Agreement.

Each Participant may elect to participate in the SIMPLE IRA Plan and, in subsequent years, change his or her deferral percentage during the "Enrollment Period" or as otherwise provided in the Adoption Agreement.

"Enrollment Period" means for the first Plan Year of the SIMPLE IRA Plan, a 60-day period that includes or extends beyond the Effective Date and begins no later than the Effective Date, or, a 60-day period that begins before the Effective Date and concludes no sooner than the day before the Effective Date. For any Plan Year, other than the first Plan Year of the SIMPLE IRA Plan, in which an Employee first becomes eligible to participate, the Enrollment Period is the 60-day period that ends on the date the Employee becomes eligible. The Enrollment Period for all subsequent years is the 60-day period immediately preceding the first day of the Plan Year.

In the case of an Employee who becomes an eligible Employee other than at the beginning of a calendar year because 1) this plan does not impose a prior-year-compensation requirement, 2) the Employee satisfied this plan's prior-year-compensation requirement during a prior period of employment with the Employer or 3) this plan is first effective after the beginning of a calendar year, the eligible Employee must be permitted to make or modify a salary reduction election during the 60-day period

that begins on the day Plan Notice is provided to the Employee and that includes the day the Employee becomes an eligible Employee or the day before.

The Salary Deferral Agreement will become effective as soon as practical after receipt by the Employer (or, if later, the date specified by the Participant in the Salary Deferral Agreement), but any election made by the Participant may be modified prospectively any time during the 60-day period.

In addition to the elections allowed above, a Participant may make or change his or her deferral election as provided in the Adoption Agreement. If an election is made or modified during one of these other election periods, it will become effective as soon as practical after the receipt of the election by the Employer or if later, the date specified by the Participant in the Salary Deferral Agreement. A Participant may elect to stop participating in the SIMPLE IRA Plan at any time during the year. If elected in the Adoption Agreement, a Participant who terminates his or her Salary Deferral Agreement may resume participation prior to the beginning of the next Plan Year.

A Participant who would attain age 50 or over by the end of the year can elect to have his or her Compensation reduced by an additional amount of \$500 for 2002, \$1,000 for 2003, \$1,500 for 2004, \$2,000 for 2005, and \$2,500 for 2006 and later years. After 2006, the maximum additional amount will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code §414(v)(2)(C). Such adjustments will be in multiples of \$500.

3.2 Contribution of Elective Deferrals. The Employer must deposit the Elective Deferrals to each Participant's SIMPLE IRA as of the earliest date on which those contributions can reasonably be segregated from the Employer's general assets, but in no case later than the close of the 30-day period following the last day of the month to which such Elective Deferrals relate.

3.3 Limit on Elective Deferrals. A Participant's total annual Elective Deferrals are limited to \$7,000 for 2002, \$8,000 for 2003, \$9,000 for 2004, and \$10,000 for 2005 and later years. After 2005, the maximum amount will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code §408(p)(2)(E). Such adjustments will be in multiples of \$500.

Article IV — Employer Contributions

4.1 Contribution Requirement. The Employer is required to make a contribution on behalf of eligible Participants in accordance with the requirements of either paragraph 4.2 or 4.3 below.

4.2 Matching Contribution. The Employer may elect to match each Participant's Elective Deferrals on a dollar-for-dollar basis up to 3% of each Participant's Compensation. As an alternative, the Employer may elect to match Elective Deferrals on a dollar-for-dollar basis on a lower percentage of Compensation (not less than 1%) for any Plan Year. If the Employer makes this election for any Plan Year, the Employer must notify Employees of the election within a reasonable period before the 60th day preceding the beginning of such Plan Year.

The election to match on a lower percentage for any Plan Year may not result in the Matching Contribution being less than 3% of Compensation for more than two of the years in the period of five calendar years ending with such Plan Year. If any year in the five-year period is a year prior to the Effective Date of this SIMPLE IRA Plan or any year the Employer makes nonelective contributions to a SIMPLE IRA Plan, the Employer shall be treated as if it had made a 3% Matching Contribution for such Plan Year.

4.3 Nonelective Contribution. In lieu of the Matching Contribution described in paragraph 4.2, the Employer may elect to make a Nonelective Contribution of 2% of Compensation for each eligible Employee for the current year. For purposes of the 2% Nonelective Contribution, the Compensation taken into account for any year shall not exceed the compensation limit in effect for such year under §401(a)(17) of the Code as adjusted by the Secretary of the Treasury for increases in the cost-of-living in accordance with Code §417(a)(17)(B). Such adjustments will be in multiples of \$5,000. (The Compensation limit for 2016 is \$265,000.) If the Employer makes this election for any Plan Year, the Employer must notify Employees of the election within a reasonable period before the 60th day preceding the beginning of such Plan Year.

4.4 Timing of Employer Contributions. Matching Contributions and Nonelective Contributions must be deposited to each Participant's SIMPLE IRA by the Employer's tax filing due date, plus extensions. Matching Contributions and Nonelective Contributions are deductible in the taxable year of the Employer that ends with or within the Plan Year for which such contributions were made. Matching and Nonelective Contributions shall be treated as made for a taxable year if they are made on account of the taxable year and made not later than the Employer's tax filing due date, plus extensions.

4.5 No Other Contributions. Employee Elective Deferrals under paragraph 3.1, Matching and Nonelective Contributions under paragraphs 4.2 and 4.3, respectively, are the only contributions that may be made to this SIMPLE IRA Plan.

Article V — Vesting

A Participant's interest in his or her Elective Deferrals, Matching Contributions and Nonelective Contributions, including the earnings thereon, is 100% vested and nonforfeitable at all times.

Article VI — Treatment of Excess Contributions

The maximum amount of Elective Deferrals that may be contributed to each Participant's SIMPLE IRA in a Plan Year is limited to \$12,500, as adjusted. If excess Elective Deferrals are made to a Participant's SIMPLE IRA for a Plan Year, he or she must withdraw the excess from the SIMPLE IRA (plus investment earnings thereon) by the April 15 immediately following the end of the Plan Year in which the excess was deferred.

If the excess Elective Deferrals (plus investment earnings thereon) are distributed within the time period provided above, the excess Elective Deferrals are included in the Participant's gross income for the calendar year in which contributed and any income

Savings Incentive Match Plan for Employees for use with a SIMPLE Retirement Account

thereon is taxable in the calendar year withdrawn. If the excess Elective Deferrals (plus investment earnings thereon) are not distributed within the specified time period, the excess Elective Deferrals are subject to the contribution limits of Code §§219 and 408 and may be considered an excess contribution to the Participant's SIMPLE IRA. Such excess Election Deferrals may be subject to the 6% tax on excess contributions pursuant to Code §4973. Income on the excess Elective Deferrals withdrawn from the SIMPLE IRA after the time period provided above may be subject to the 10% tax on early distributions pursuant to Code §72(t) if the recipient Participant has not attained age 59½.

If less than 100% of the excess Elective Deferrals and any income thereon is distributed, the distribution is treated as if ratably received from the excess Elective Deferrals and the income thereon.

Article VII — Participant Accounts

7.1 SIMPLE Retirement Accounts. This SIMPLE IRA Plan must be used in conjunction with a SIMPLE IRA. Each Employee, upon becoming a Participant under the SIMPLE IRA Plan, shall establish a SIMPLE IRA in accordance with the rules and regulations established by agreement between the Custodian and the Employer.

7.2 Determination of Deposit. When making a contribution under the SIMPLE IRA Plan, the Employer shall calculate each Participant's proportionate share of the Employer's contribution for that Plan Year. The Employer shall then deliver the contribution to the Custodian indicating the amount to be credited to each Participant's SIMPLE IRA.

7.3 Control of the Account. All contributions made under the SIMPLE IRA Plan by the Employer shall be irrevocable. After allocation to a Participant's SIMPLE IRA, the Employer shall have no further control of such contribution and the terms of the Participant's SIMPLE IRA shall be fully effective and controlling.

7.4 Allocation of Elective Deferrals. The Employer shall contribute to each Participant's SIMPLE IRA the amount of the Elective Deferrals designated in his or her Salary Deferral Agreement, up to the contribution limits allowed by applicable law.

Article VIII — Administration

8.1 Plan Administrator. The Employer shall be the Plan Administrator, unless such duties are designated to another party. The duties of the Plan Administrator shall include:

- (a) carrying out the provisions of the SIMPLE IRA Plan, including determining eligibility of Employees, allocating contributions and interpreting the SIMPLE IRA Plan when necessary;
- (b) delivering all contributions to the Custodian, showing the amount to be allocated to each Participant's SIMPLE IRA;
- (c) communicating with Employees regarding their participation and benefits under the SIMPLE IRA Plan;
- (d) advising Employees in writing of all contributions to their SIMPLE IRAs;

- (e) performing any other duties required of the Plan Administrator;
- (f) insuring that no contribution exceeds the limits imposed by Code §408(p) or any other applicable law, regulation or order;
- (g) executing necessary documents to establish a SIMPLE IRA with the Custodian for eligible Employees; and
- (h) providing the Plan notice described in paragraph 2.7 to eligible Employees.

8.2 Custodian. The Custodian shall be depository for individual SIMPLE IRAs, established by or on behalf of Participants. As depository, the Custodian shall:

- (a) accept for deposit contributions transmitted by the Employer; and
- (b) administer each individual SIMPLE IRA in accordance with the provisions of the SIMPLE IRA agreement.

The Custodian shall not need to verify the amount of the contributions received or the amounts allocated to individual SIMPLE IRAs.

8.3 Designated Financial Institution. The Custodian agrees to serve as the Designated Financial Institution, receiving all contributions made pursuant to this SIMPLE IRA Plan and depositing those contributions to the SIMPLE IRA of each Participant as soon as practicable. Upon request of any Participant, the Custodian also agrees to transfer the Participant's balance in the SIMPLE IRA established hereunder to another SIMPLE IRA without cost or penalty to the Participant, if such SIMPLE IRA's investments meet the requirements of the Custodian for transfer without cost or penalty.

8.4 Withdrawals. A Participant may withdraw contributions made to the Participant's SIMPLE IRA, including the earnings thereon, at any time. However, if the Participant makes any withdrawals prior to the time he or she attains age 59½, the Participant will be subject to a penalty unless an exception applies. The penalty is contingent on the Participant's period of participation in the SIMPLE IRA Plan. If the Participant has been participating in the SIMPLE IRA Plan for two years or less, withdrawals prior to age 59½ will be subject to a 25% penalty, unless an exception applies under the Code. Similarly, if the Participant has been participating in the SIMPLE IRA Plan for more than two years, withdrawals prior to age 59½ will be subject to a 10% penalty, unless an exception applies under the Code.

8.5 Rollovers. A Participant may roll over contributions made to the Participant's SIMPLE IRA, including the earnings thereon, to another SIMPLE IRA at any time. If the Participant is under age 59½ and such Participant would like to roll over his or her SIMPLE IRA to an IRA, the Participant may only do so after a two-year period beginning from the time he or she first participated in the SIMPLE IRA Plan.

8.6 Use of IRS Compliance Programs. Nothing in this SIMPLE IRA Plan should be construed to limit the availability of the IRS' voluntary compliance programs, the Employee Plans Compliance Resolution System (which encompasses the Administrative Policy Regarding Self-Correction, the Walk-in CAP, Audit CAP, and the Voluntary Compliance Resolution Program).

Article IX — Amendment and Termination

9.1 Amendment by Sponsor. The Sponsor may amend this SIMPLE IRA Plan at any time without obtaining the approval or consent of the Employer or Participant(s) provided that no amendment shall authorize or permit any SIMPLE IRA Plan asset to be used for or diverted to purposes other than the exclusive benefit of Participants and their beneficiaries. The Sponsor will inform each adopting Employer of any amendments to or termination of the SIMPLE IRA Plan.

9.2 Amendment by Employer. The Employer may amend any option elected in the Adoption Agreement provided that no amendment shall authorize or permit any part of the Employer's contribution to be used for or diverted to purposes other than for the exclusive benefit of Participants.

9.3 Plan Amendments. Any amendment to this SIMPLE IRA Plan can become effective only at the beginning of a calendar year and must conform to the content of the Plan notice for the calendar year.

9.4 Termination. The Employer may terminate the Plan upon 60 days' written notice to the Custodian. In such event, the Custodian, if applicable, shall continue to administer each Participant's SIMPLE IRA as provided under the SIMPLE IRA agreement. The Sponsor may also terminate the SIMPLE IRA Plan upon written notice to the Employer.

Article X — Governing Law

Construction, validity and administration of this SIMPLE IRA Plan shall be governed by federal law. Where there is no applicable federal law, this SIMPLE IRA Plan shall be governed by, construed in accordance with and administered under the laws of the State of California. Each party agrees that all actions or proceedings instituted by the Custodian, Employer, Participant, Beneficiary or any interested party arising under or growing out of this Agreement shall be brought in the state or federal courts of California. In the event of reasonable doubt respecting the proper course of action to be taken with respect to the SIMPLE IRA Plan, the Custodian may, in its sole and absolute discretion, resolve such doubt by judicial determination that shall be binding on all parties who may claim any interest in the SIMPLE IRA Plan. A judicial determination may include, but not be limited to, the Custodian petitioning the appropriate court to remain as Custodian over the SIMPLE IRAs in order to preserve the SIMPLE IRA's federal tax-deferred status pending the court's resolution of the SIMPLE IRA Plan. In the event of any such judicial determination, all court costs, legal expenses, reasonable compensation for the time expended by the Custodian and any other expenses and costs, including reasonable attorney's fees, shall be collected by the Custodian from the SIMPLE IRA(s) in accordance with the terms of the SIMPLE IRA(s).

Channel Managers Conference Call - March 30, 2017

PEG Fund Allocation Re: Space Consolidation

Prepared by Chris Miller

Alexander Boekelheide, PCC Representative / PCC-TV, present
William Boyer, City Manager Representative / KPAS, present
George Falardeau, PCAC ED CEO / Arroyo Channel, present
Beth Leyden, PUSD Representative / KLRN, present
Chris Miller, PCAC COO, present

The Channel Managers met with PCAC staff for the purpose of discussing the PEG capital fund request for suite consolidation related tenant improvements. The following list was provided prior to the meeting:

1. Tenant Improvements (\$74,000)

Consolidate suite 450 office space into suite 101 studio space

- Construction: approx. \$62,000
- Design: approx. \$9,000
- Construction Contingency (4.8%): \$3,000

2. Fiber Connectivity between suite 101 & City Hall (\$21,000)

Allows transfer of live video and files to eliminate secondary playout system and deliver live video from studio to Charter

- Cable/Connectors: approx. \$5,000
- Design/Labor: approx. \$5,000
- Hardware: approx. \$11,000

3. Multi-viewer Monitoring System (\$2,500)

Allows continuous simultaneous monitoring of 16 signals including all four Charter channels and replaces failing DPS units

- Blackmagic MultiView 16: \$1,500
- Converters/Adapters: approx. \$1,000

4. Live Multi-camera Field Production Kit (\$2,300)

Repurposes 3 robotic cameras in mobile kit and eliminates lengthy setup process for mobile TriCaster Mini system

- *Robotic Camera Pedestals (3) / Cases: approx. \$1,200*
- *TriCaster Mini Road Case / Accessories: approx. \$1,100*

5. Pro Services (\$8,900)

Allows PCAC to be competitive in the marketplace to capture alternate sources of revenue and produce high-quality content for community and City departmental productions

- Canon C100: \$2,500
- Canon Lens 24-70mm f/2.8L II: \$1,750
- Ikan Flyweight Camcorder Shoulder Rig: \$500
- Axler CS-HCS-30 Slider: \$500
- Aputure Amaran AL-H198: \$50
- Cinema 4D Studio software: \$3,600

6. Audio (\$1,300)

Improves audio quality in studio and in the field

- Sennheiser MKE-600 Shotgun Mic Kit w/ Boompole, Bag & Shockmount: \$700
- Behringer USB Audio Mixer XENYX 302USB: \$50
- ALPHAENVIRO PVC Sound Baffle for Ceiling (Box of 8): \$220
- Zoom Recorder: \$160
- DBX 166XS Compressor/Limiter: \$170

After COO Miller's description of the project, Leyden expressed near future needs of KLRN including a van and equipment for new studio under construction at John Muir High School. ED CEO Falardeau suggested that needs 4, 5 and 6 be tabled in favor of banking PEG funds for upcoming KLRN needs.

Motion by Boyer, Second by Boekelheide as follows:

Approve proposal set forth by PCAC ED CEO Falardeau and COO Miller to allocate PEG funding for:

1. Tenant Improvements: \$74,000
2. Fiber Project: \$21,000
3. Monitoring System \$2,500
4. Set-aside earmark not to exceed of \$35,000 for new KLRN-only "transit" van for KLRN

Motion modified by Miller/Falardeau to include that Channel Managers further resolve and agree that no other PEG funding requests to be brought forth for approval, unless clearly demonstrated as an emergency, until 2018 to allow KLRN / Leyden to develop PEG funding proposal for a vehicle and/or new studio equipment at John Muir High School.

The motion passed by unanimous vote.

Channel Managers further agreed to ask ED CEO Falardeau to research specific dollar amount agreed upon as a PEG reserve for emergency contingencies in the PEG account. 20 percent of the annual \$200,000 allocation (\$40,000) was suggested, but it will be up to the ED CEO to recommend.

Channel Managers agreed that codified written rules and processes need to be set in place.

ED CEO Falardeau to look into more frequent, non-regular meetings for the Ad Hoc Channel Managers Committee.

150 LOS ROBLES BLVD.

14. THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING MEETING MINUTES FOR ALL MEETINGS.

#	NUMBER	POUND	FA	FIRE ALARM	OC	ON CENTER
@			FA	FIRE ANNUNCIATOR PANEL	OD	OUTSIDE DIAMETER
AB	ANCHOR BOLT	FD	FLOOR DRAIN		OF	OFFICE
ABV	ABOVE	FE	FOUNDATION		OH	ON
ACOUS	ACOUSTICAL	FE	FIRE EXTINGUISHER	OPNG	OPENING	
ACT	ACOUSTICAL CEILING TILE	FEC	FIRE EXTINGUISHER CABINET	OPP	OPPOSITE	
AD	AREA DRAIN	FG	FINISH GROUP	OPT	OPTIONAL	
ADJ	ADJUSTABLE	FH	FIRE HYDRANT	ORIG.	ORIGINAL	
AFT	AFTER FINISH FLOOR	FHC	FIRE HOSE CABINET			
AGGR.	AGGREGATE	FIN	FINISH	P.I.P.	PROTECT IN PLACE	
ALT.	ALTERNATE	FIN FL.	FINISH FLOOR	PART	PARTITION	
ALUM	ALUMINUM	FLASH.	FLASHING	PERM	PERMITTER	
APPROX	APPROXIMATE	FLR	FLOOR	PS	PAINT GRADE	
ARCH	ARCHITECT	FLOS	FLORESKENT	PL	PLATE	
ASPH.	ASPHALT	FUR	FACE OF STUD	PLAM	PLASTIC LAMINATE	
		FT	FOOT OR FEET	PLS	PLASTIC	
B.O.	BOTTOM OF	FTG	FOOTING	PLS	PLASTER	
BAL.C	BALCONY	FURR	FURRING	PLYWD	PLYWOOD	
BD	BOARD	FUT	FUTURE	PR	PAIR	
BETW	BETWEEN	GA	GAUGE	PRCST.	PRECAST	
BTUM	BITUMINOUS	GA	GALLON	PT	PAINT	
BLDG.	BUILDING	GAL	GALLON	PTD	PAINTED	
BLKG	BLOCKING	GALV	GALVANIZED	PTN	PARTITION	
BLKHD	BULKHEAD	GB	GRAB BAR			
BLW	BELOW	GC	GENERAL CONTRACTOR	R	RISER	
BM	BEAM	GL	GLASS	RAD	RADIUS	
BOT	BOTTOM	GLB	GLUE LAMINATED BEAM	RCP	REFLECTED CEILING PLAN	
BRKT	BRACKET	GRD	GROUND	RO	ROOM DRAIN	
BU	BUILT UP	GR	GRADE	RE	REFER	
BULKHD	BULK HEAD	GR BM.	GRADE BEAM	REF	REFRIGERATOR	
BUR	BURIED UP ROOF	GYSM	GYSMUM BOARD	REF	REFERENCE	
		GYSMP	GYSMP	REINF	REINFORCED	
		GYP BD.	GYSMPUM BOARD	REQD	REQUIRED	
C.B.	CATCH BASIN			RESIL	RESILIENT	
C.C.	CORNER GROUT	H.B.	HOLE BIB	R1	RAMP	
C.I.	CAST IRON	H.C.	HOLLOW CORE	RO	ROUGH OPENING	
C.M.U.	CONCRETE MASONRY UNIT	H.W.H.	HOT WATER HEATER	RT	RIGHT	
CAB	CABINET	H.C.H	HAND CAPPED	RTU	ROOF TOP UNIT (MECH)	
CALK	CALKING	HC	HEADER	RUB.	RUBBER	
CEM	CEMENT	HDR	HARDWOOD			
CER	CERAMIC	HDWR	HARDWARE	S	SOUTH	
CEJ	CONTROL JOINT	HOM	HOLLOW METAL	S.C.	SOLID CORE	
CL	CENTER LINE	HORIZ	HORIZONTAL	SABF	SOUND ATTENUATION FIBER	
CLG	CEILING	HR	HOUR	BATT	BATT	
CLOS	CLOSET	HT	HEIGHT	SC	SCUPPER	
CLR	CLEAR			SCHED	SCHEDULE	
COL	COLUMN	ID	INSIDE DIAMETER	SEAL	SEALANT	
CONC	CONCRETE	IN	INCH	SECT	SECTION	
CONN	CONNECTION	INCAN	INCANDESCENT	SF	SQUARE FOOT	
CONST.	CONSTRUCTION	INSUL	INSULATION	SHR.	SHOWER	
CONT	CONTINUOUS	INSUL	INSULATION	SHT	SHEET	
CORR	CORROSION	INT	INTERIOR	SM	SIMILAR	
CP	CONTROL PANEL	INV.	INVERT	SPEC	SPECIFICATION	
CPT	CARPET			SQ	SQUARE	
CT	CERAMIC TILE	J-BOX	JUNCTION BOX	SS	STAINLESS STEEL	
CTR	CENTER	JAN	JANITOR	STD	STANDARD	
CTSK	COUNTERSINK	JOIST	JOIST	STL	STEEL	
		JOINT	JOINT	STOR	STORAGE	
				STRUCT	STRUCTURAL	
D.F.	DRINKING FOUNTAIN			SUSP	SUSPENDED	
DBL	DOUBLE	KD	KNOCK DOWN	SYN	SYNTHETICAL	
DEMO	DEMOLITION	KIT.	KITCHEN			
DEPT	DEPARTMENT	KO	KNOCK OUT			
DET	DETAIL			T	TREAD	
DIA	DIAMETER	LAB	LABORATORY	T&G	TONGUE & GROOVE	
DIAG	DIAGONAL	LAM	LAMINATE	T.C.	TOP OF CURB	
DIF	DIFFUSER	LAV	LAVATORY	T.O.P.	TOP OF PARAPET	
DIM	DIMENSION	LSB	POUNDS	T.O.R.	TOP OF ROOF	
DISP	DISPENSER	LDR	LANDING	TEL	TOP OF PAVEMENT	
DN	DOWN	LOG	LOCKER	T.P.	TELEPHONE	
DOCS.	DOCUMENTS	LT	LIGHT	TERP	TERPAZZO	
DR	DOOR			THR	THICK	
DS	DOWNSPOUT	MACH	MACHINE	THR	THRESHOLD	
DWG	DRAWING	MAX	MAXIMUM	TO	TOP OF	
		MECH	MECHANICAL	TYP	TYPICAL	
(E)	EXISTING	MEMB	MEMBRANE			
E	EAST	MEZZ	MEZZANINE	UC	UNDERCUT	
E.J.	EXPANSION JOINT	MFG	MANUFACTURING	UNFN	UNFINISHED	
EFS	EACH	MFR	MANUFACTURER		UNLESS NOTED OTHERWISE	
EIA	EXTERIOR INSULATION & FINISH SYSTEM	MNL	MANHOLE	UN	UNLESS OTHERWISE NOTED	
		MIN	MINIMUM	UTIL	UTILITY	
EL	ELEVATION	MIR	MIRROR			
ELEC	ELECTRICAL	MISC.	MISCELLANEOUS	VT	VINYL COMPOSITION TILE	
ELEV	ELEVATOR	METAL LATH	METAL LATH	VERT	VERTICAL	

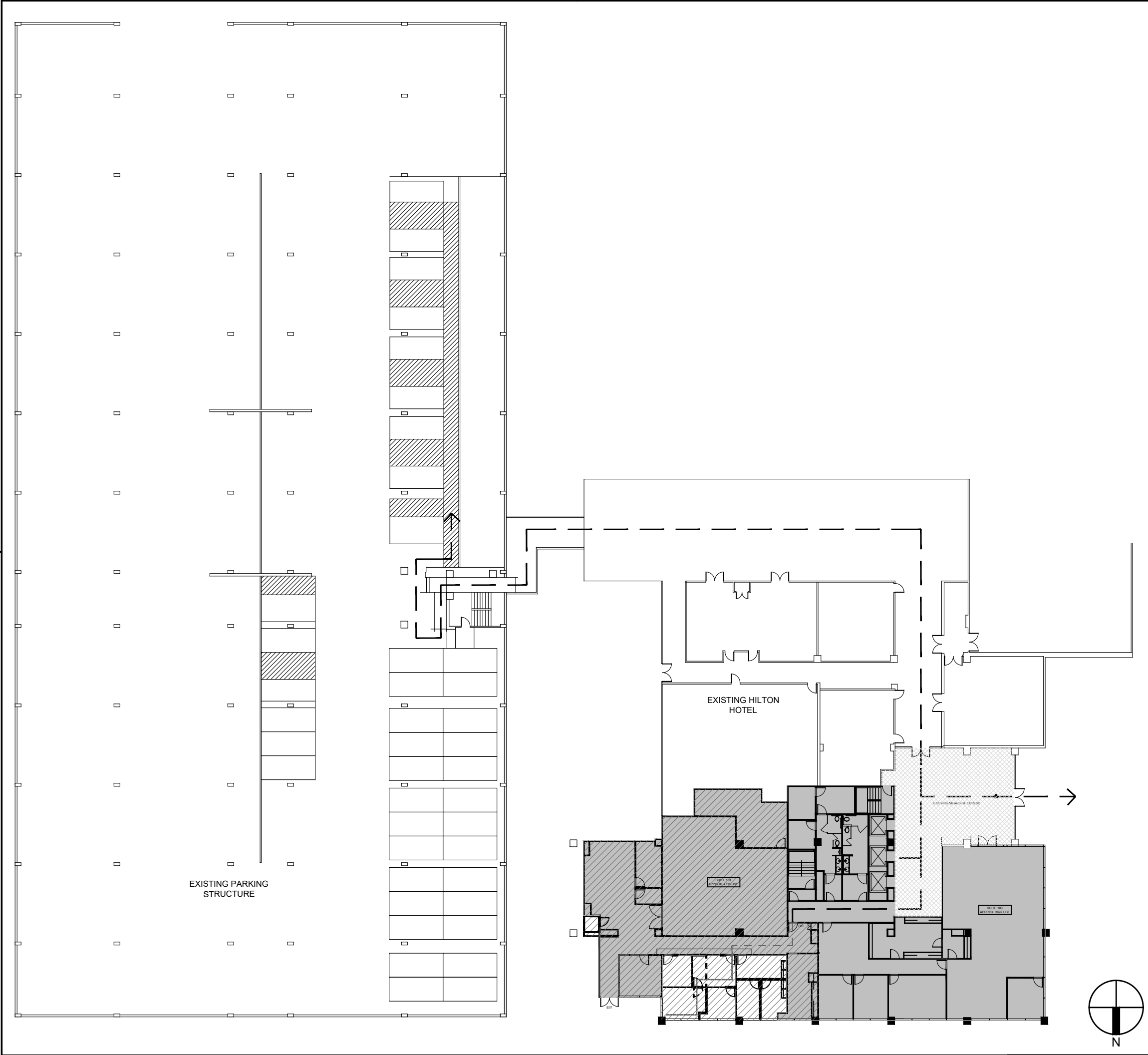
NFPA 101 - LIFE SAFETY CODE

FIRE SPRINKLERS MODIFICATIONS
FIRE ALARM MODIFICATIONS

GKKWORKS
151 S. FAIR OAKS AVENUE
PASADENA, CA 91105
PHONE: 626.666.6906
DAVID HUNT, ARCHITECT OF RECORD
DHUNT@GKKWORKS.COM
SEAN KIM, PROJECT MANAGER
SKCIMG@GKKWORKS.COM

SHEET NO.		SHEET NAME	
ARCHITECTURAL			
G000	COVER SHEET		
G003	ACCESSIBILITY NOTES		
A101	PATH OF TRAVEL AND EGRESS PLAN		
G101	OVERALL PROPOSED FLOOR PLAN & DEMOLITION FLOOR PLAN		
A102	ENLARGED PROPOSED FLOOR PLAN & FURNITURE FLOOR PLAN		
A103	ENLARGED PROPOSED POWER VOICE DATA FLOOR PLAN		
A201	PROPOSED RCP PLAN & DEMOLITION RCP PLAN		
A501	DETAILS		
A101	ENLARGED PROPOSED FINISH FLOOR PLAN & FINISH SCHEDULE		
I-1	EXISTING RESTROOMS (FOR REFERENCE ONLY)		

PROJECT SITE



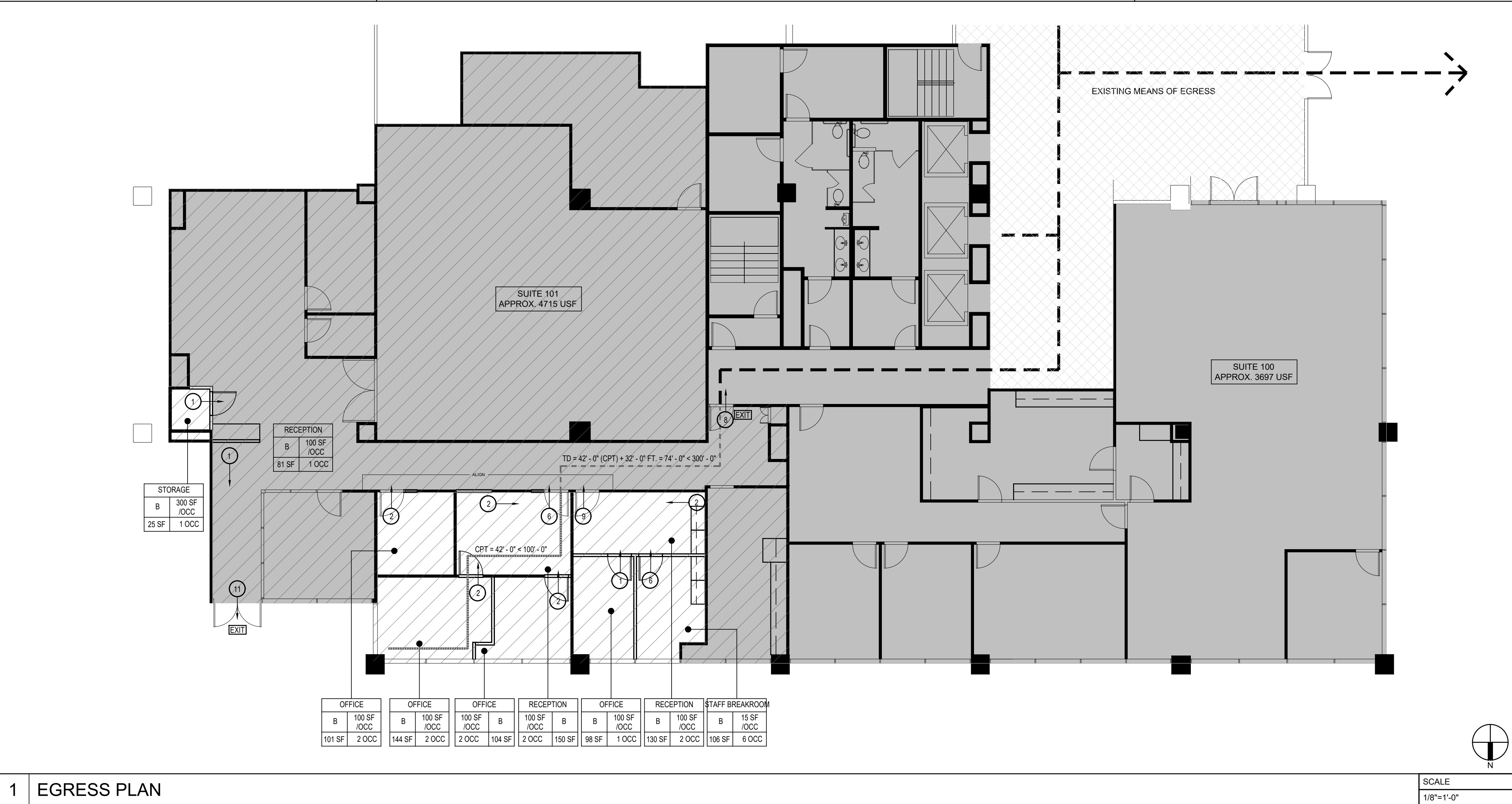
3 PATH OF TRAVEL

PROJECT CODE ANALYSIS
I. EXISTING BUILDING INFORMATION:
1. OCCUPANCY GROUPS - PER CBC SECTION 302
GROUP B BUSINESS (ADMINISTRATIVE OFFICES)
2. FLOOR AREA
FIRST FLOOR AREA: 9,787 SF (AREA UNDER SCOPE OF WORK: 880 SF)
3. TYPE OF CONSTRUCTION - PER CBC SECTION 602
TYPE I - B EXISTING BUILDING IS SPRINKLERED

II. DETERMINATION OF MEANS OF EGRESS ACCESS PROVISIONS
1. EXIT ACCESS TRAVEL DISTANCE
- PER CBC TABLE 1017.2
GROUP B, SPRINKLERED - 300 FT. MAX.
2. COMMON PATH OF TRAVEL (CPT)
- PER CBC TABLE 1006.2.1
GROUP B, SPRINKLERED - 100 FT. MAX.
3. OCCUPANT LOAD FACTOR
- PER CBC TABLE 1004.1.2
- SEE PLAN

III. EXISTING PLUMBING FIXTURE COUNT :

EXISTING PLUMBING FIXTURE COUNT			
OCCUPANT BY FIXTURE	OCCUPANT COUNT	REQUIRED FIXTURES	EXISTING FIXTURES
MEN			
LAVATORIES (1:75)			3
WATER CLOSETS (1:50) *			2
URINALS (1:100) *			2
WOMEN			
LAVATORIES (1:50)			3
WATER CLOSETS (1:15) *			3
MEN AND WOMEN			
DRINKING FOUNTAINS (1:150)			



1 EGRESS PLAN

PATH OF TRAVEL DEFINITION:
PATH OF TRAVEL (P.O.T.) AS INDICATED IS A COMMON BARRIER FREE ACCESSIBLE ROUTE WITHOUT ANY ABRUPT LEVEL CHANGES EXCEEDING 1/8" BEVELED AT A SLOPE NOT STEEPER THAN 1:2, EXCEPT THAT LEVEL CHANGES ARE 1/4" MAXIMUM VERTICAL AND AT LEAST 48" WIDE.
SURFACE SHALL BE STABLE FIRM AND SLIP RESISTANT. CROSS-SLOPE SHALL NOT BE STEEPER THAN 1:48 (APPROX. 2%) AND RUNNING SLOPE SHALL BE STEEPER THAN 1:20 (5%) UNLESS OTHERWISE INDICATED (SECTION 11B-403.3).
P.O.T. SHALL BE MAINTAINED FREE OF OVERHANGING OBSTRUCTION TO 80" MINIMUM (SECTION 11B-307.4) AND PROTRUDING OBJECTS GREATER THAN 4" PROJECTION FROM WALL SURFACE BETWEEN 27" AND 80" ABOVE FINISH FLOOR OR GROUND (SECTION 11B-307.2).
PROVIDE FLUSH TRANSITIONS AT ANY ADJOINING JOINTS BETWEEN NEW AND EXISTING (E) WALK SURFACES IN P.O.T. ARCHITECT TO VERIFY THAT THERE ARE NO BARRIERS IN THE P.O.T. AND ALL P.O.T. COMPLY WITH CBC SECTION 11B-206.
THE WHOLE BUILDING IS BARRIER FREE: PROVIDE ISA SYMBOL AT EACH ENTRANCE.

ROOM OCCUPANCY TAG

ROOM NAME

OCCUPANT LOAD

ROOM OCCUPANCY

OCCUPANCY GROUP

ROOM AREA

EGRESS TAG

NUMBER OF OCCUPANTS

EXITING IN

DIRECTION OF TRAVEL

PATH OF TRAVEL

COMMON PATH OF TRAVEL (CPT)

TRAVEL DISTANCE (TD)

gkkworks
next 25

155 S. Fair Oaks
Pasadena California 91105

DAVID HUNT
NO. C-28367
REN. 10-31-17
STATE OF CALIFORNIA

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PASADENA MEDIA - 1ST FLOOR REMODEL

A PROJECT FOR:
PASADENA MEDIA, 150 LOS ROBLES BLVD, PASADENA, CA 91101

PROJECT NUMBER:
75055-000-00

DRAWN: Author
CHECKED: GC
ISSUE/REVISION:
XXXXXX CITY SUBMITTAL

DATE:
PATH OF TRAVEL AND EGRESS PLAN

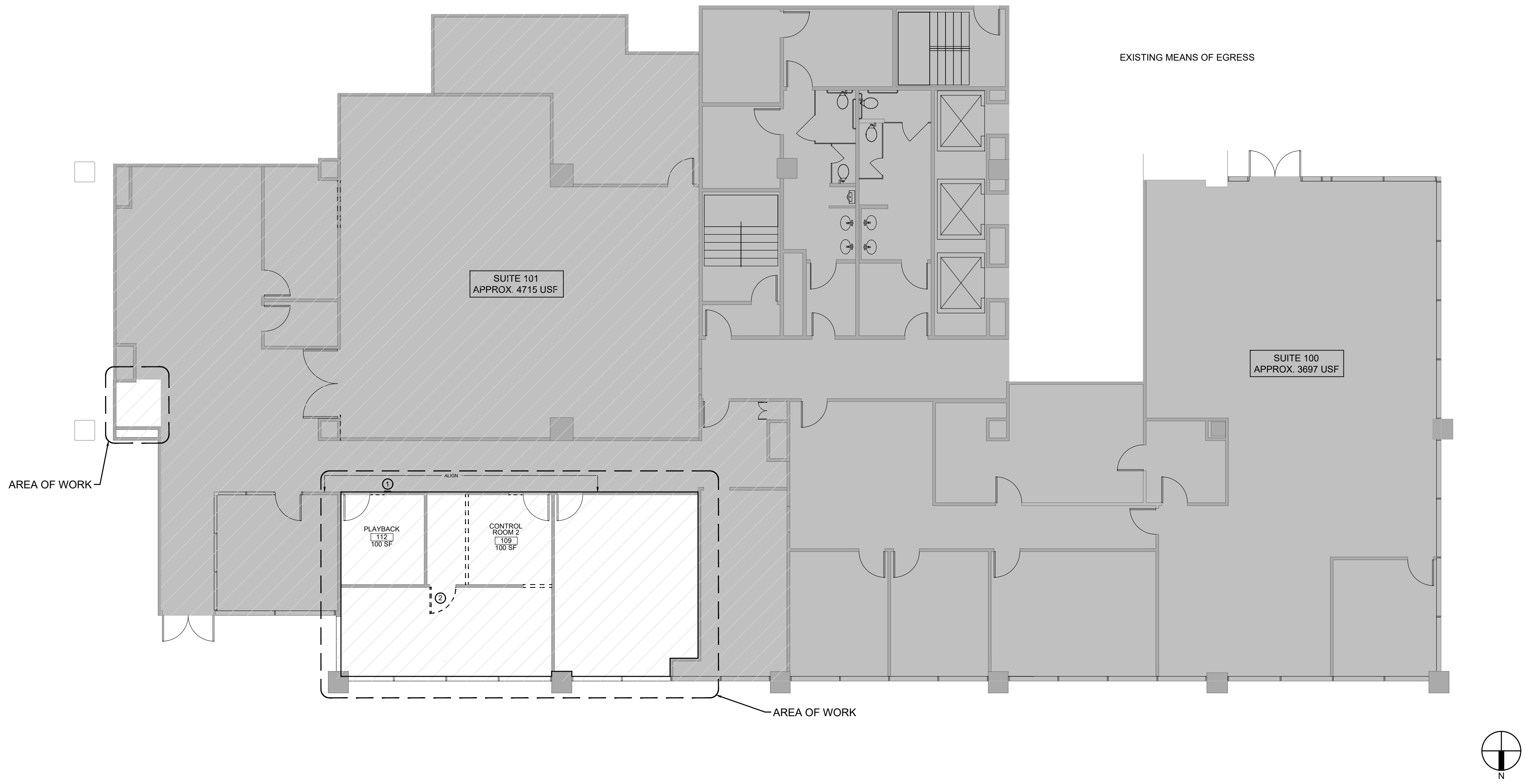
G101

2 SITE PLAN

2

OVERALL DEMOLITION FLOOR PLAN

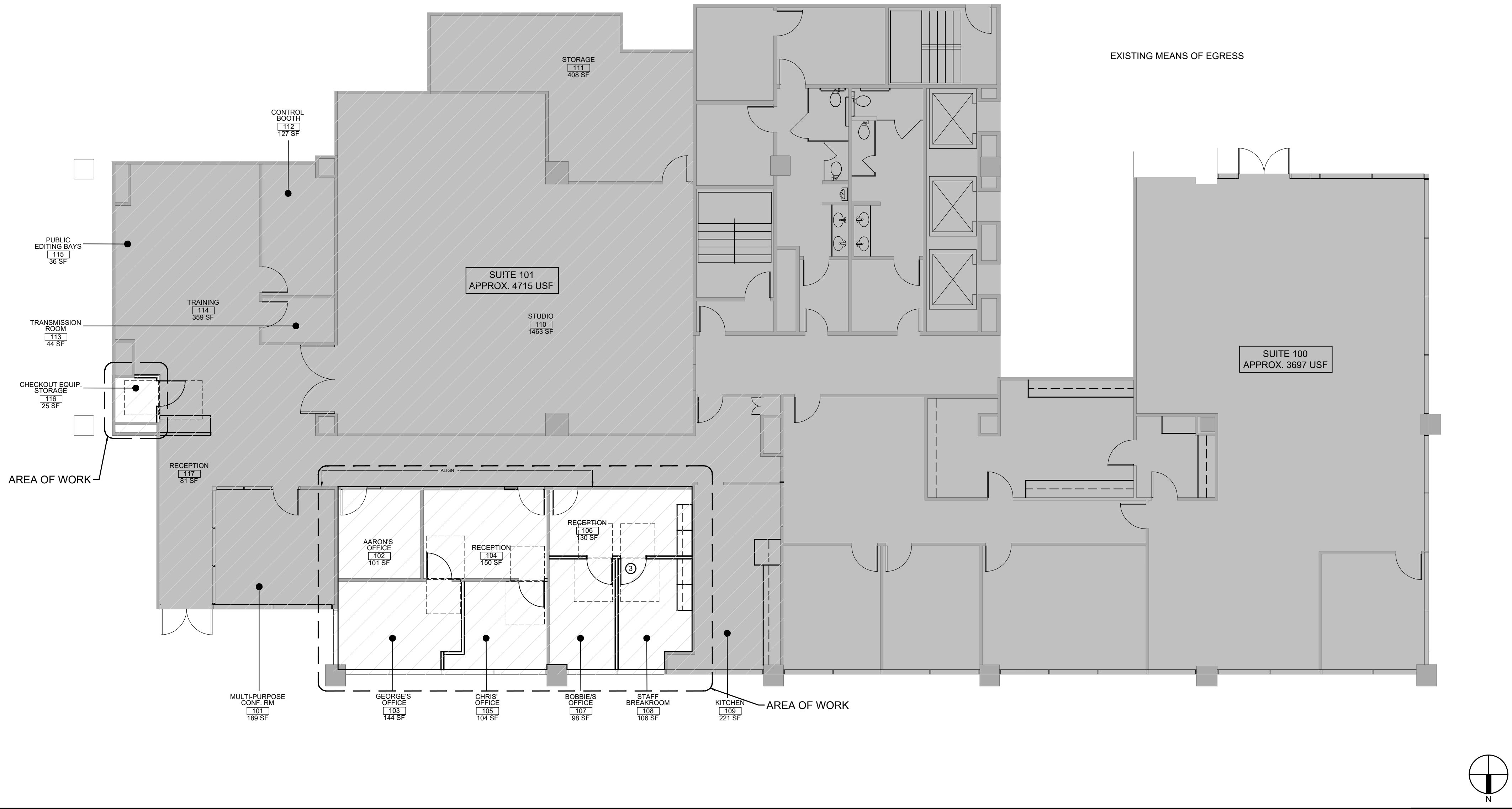
SCALE
1/8"=1'-0"



1

OVERALL PROPOSED FLOOR PLAN

SCALE
1/8"=1'-0"



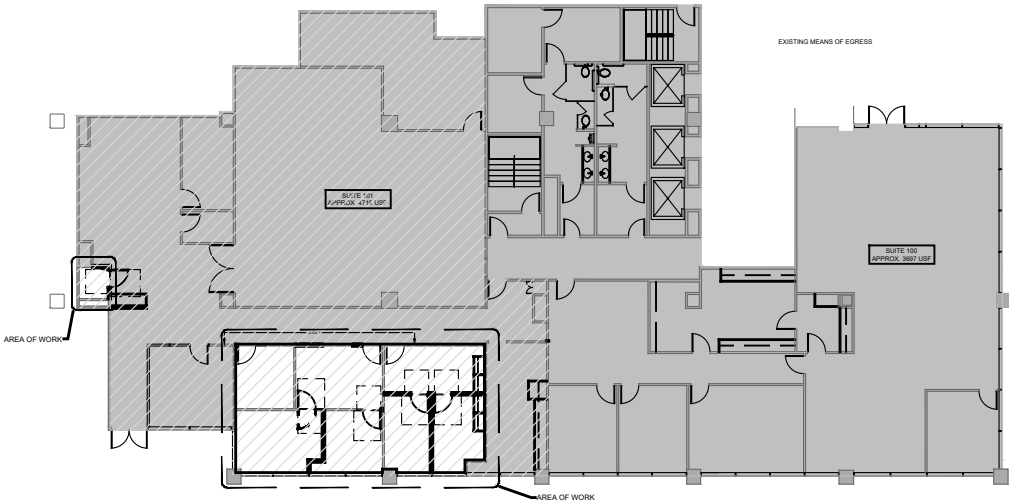
KEYNOTES

- ① RELOCATE KEY PAD ACCESS PANEL (FROM ROOM 102 TO 106)
- ② EXISTING DOOR FRAME TO REMAIN, RELOCATE EXISTING DOOR TO ROOM 106
- ③ NEW DOOR FRAME ONLY, DOOR PANEL RELOCATED FROM EDIT ROOM

PLAN LEGEND

- EXISTING WALL, TO REMAIN
- EXISTING WALL, TO BE DEMOLISHED
- EXISTING DOOR, TO BE DEMOLISHED
- NEW WALL
- NOT IN CONTRACT
- AREA OF WORK

KEY PLAN



PASADENA MEDIA - 1ST FLOOR REMODEL

gkkworks

next 25

155 S. Fair Oaks
Pasadena California 91105

LICENSED ARCHITECT

DAVID HUNT

NO. C-28367

REN. 10-31-17

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PASADENA MEDIA, 150 LOS ROBLES BLVD, PASADENA, CA 91101

PROJECT NUMBER:
75055-000-00

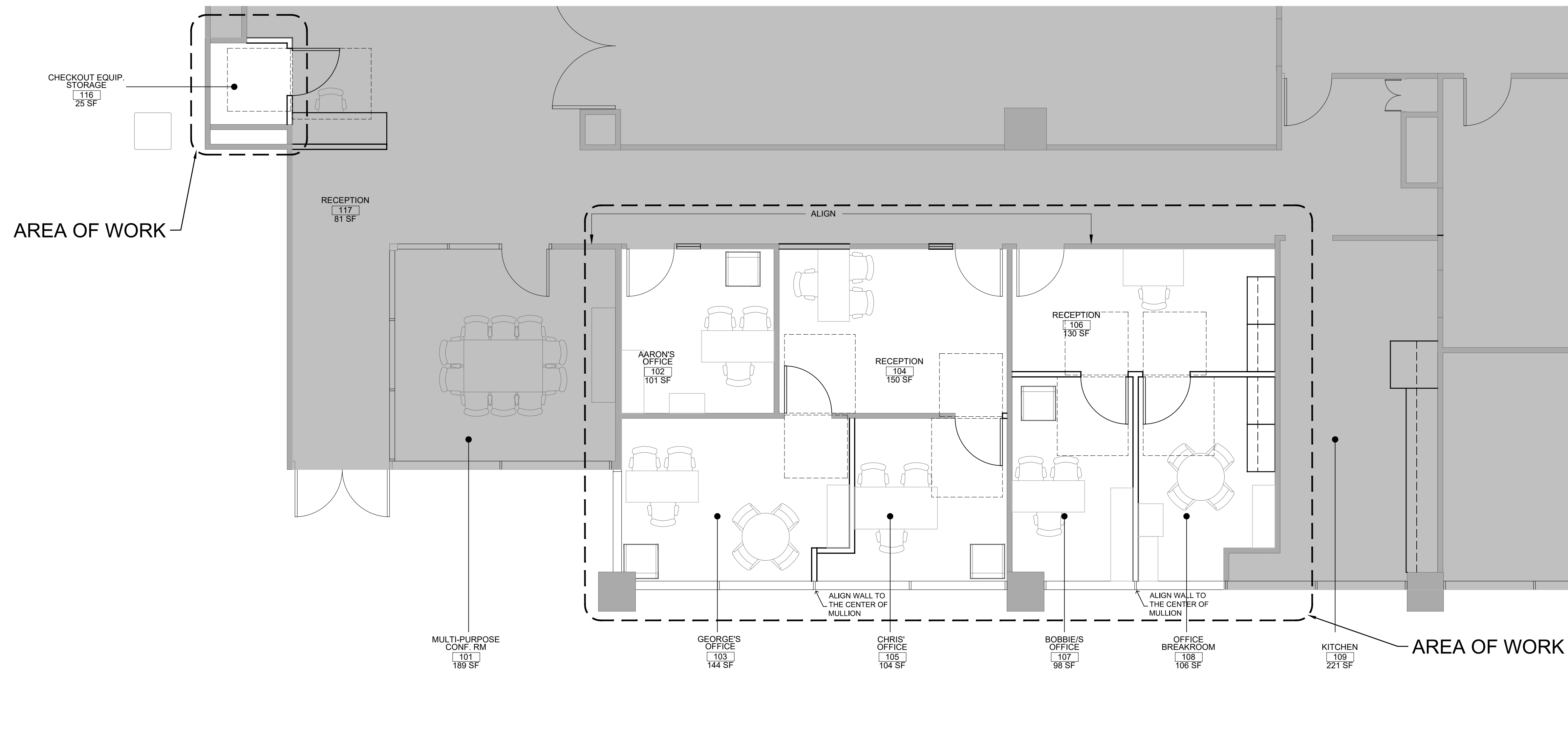
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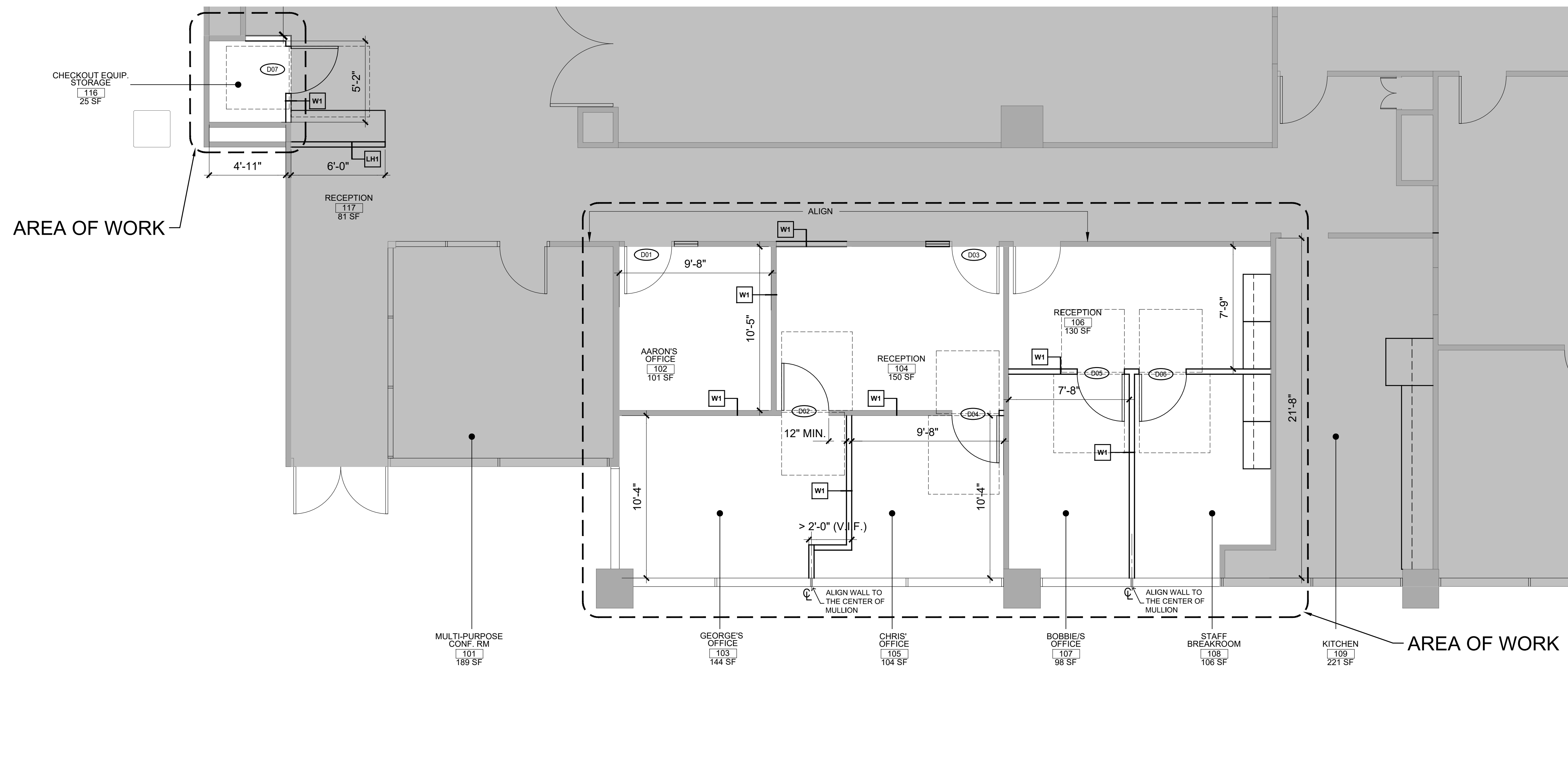
DATE:
OVERALL PROPOSED FLOOR PLAN & DEMOLITION FLOOR PLAN

A101



2 ENLARGED FURNITURE FLOOR PLAN

SCALE
1/4"=1'-0"



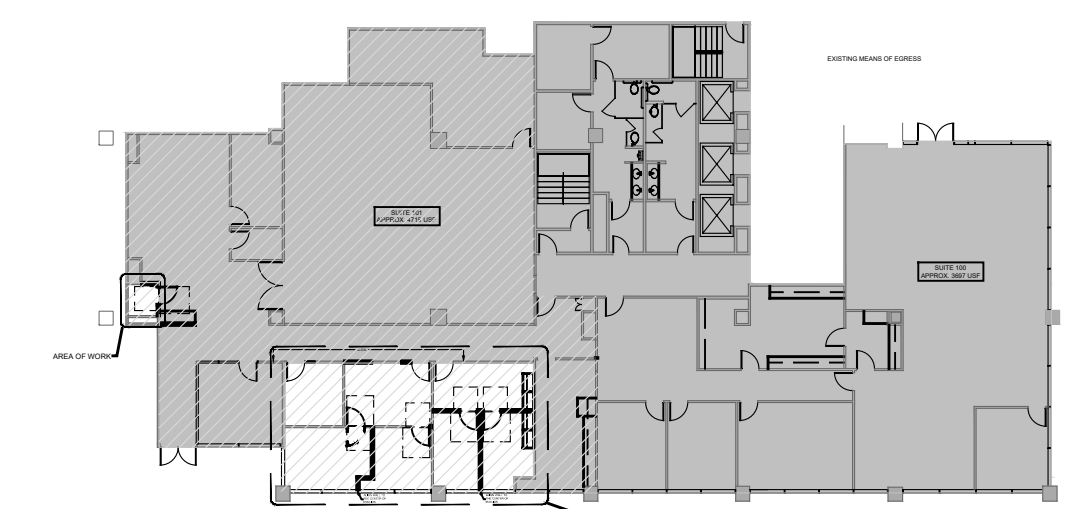
1 ENLARGED PROPOSED FLOOR PLAN

SCALE
1/4"=1'-0"

PLAN LEGEND

- EXISTING WALL, TO REMAIN
- EXISTING WALL, TO BE DEMOLISHED
- EXISTING DOOR, TO BE DEMOLISHED
- NEW WALL
- NOT IN CONTRACT
- AREA OF WORK

KEY PLAN



PASADENA MEDIA - 1ST FLOOR REMODEL

A PROJECT FOR:
PASADENA MEDIA, 150 LOS ROBLES BLVD, PASADENA, CA 91101

PROJECT NUMBER:
75055-000-00

DRAWN: Author

CHECKED: GC

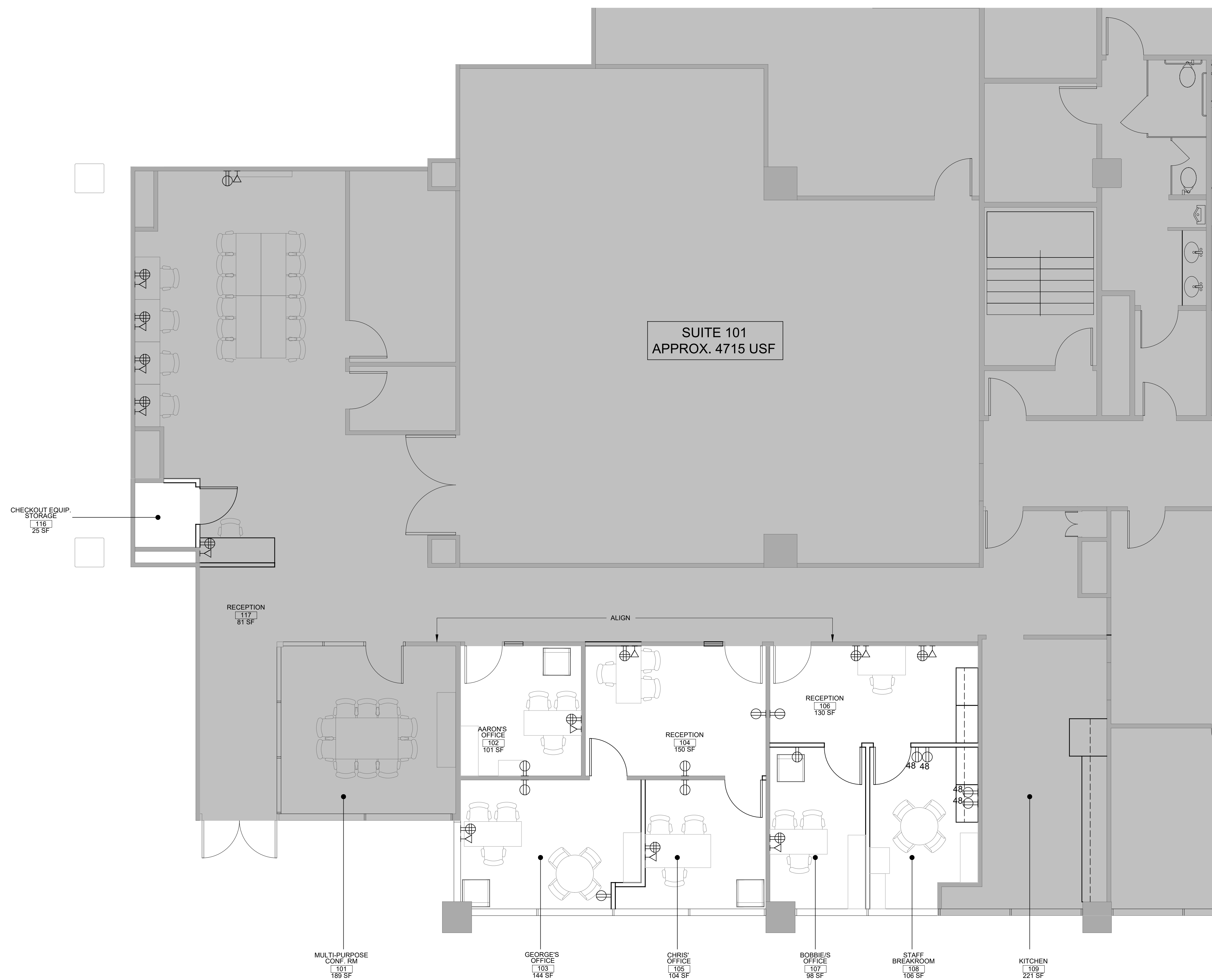
ISSUE/REVISION:

XXXXXX CITY SUBMITTAL

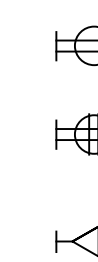
DATE:

ENLARGED PROPOSED
FLOOR PLAN &
FURNITURE FLOOR PLAN

A102



ELECTRICAL SYMBOLS

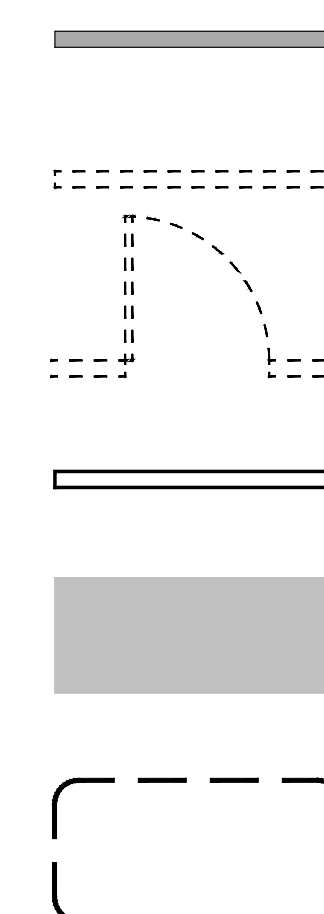


DUPLEX CONVENIENCE RECEPTACLE PER SPECIFICATION,
WALL MOUNTED, INSTALLED AT +15" A.F.F. (U.O.N.)

QUADRUPLE CONVENIENCE RECEPTACLE PER SPECIFICATION,
WALL MOUNTED, INSTALLED AT +15" A.F.F. (U.O.N.)

SINGLE DATA OUTLET PER SPECIFICATION, WALL
MOUNTED AT +15" AFF (UON)

PLAN LEGEND



EXISTING WALL, TO REMAIN

EXISTING WALL, TO BE DEMOLISHED

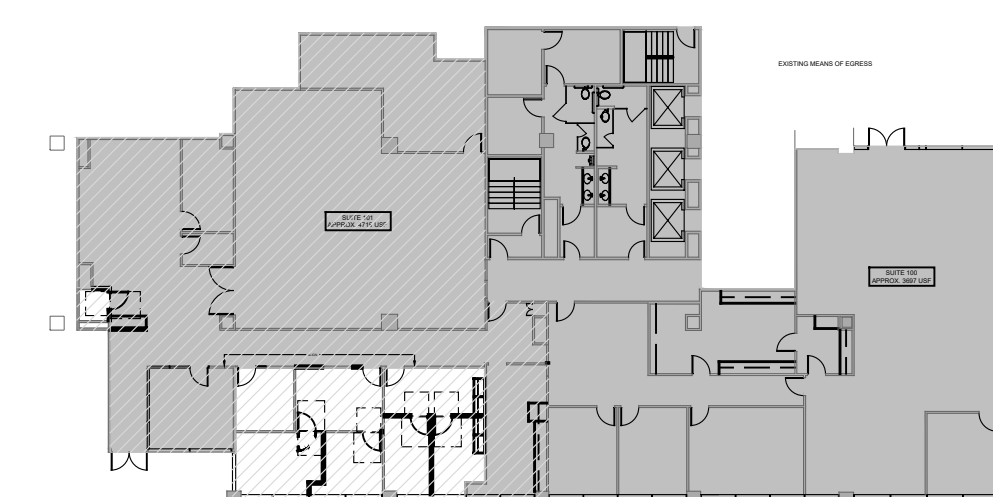
EXISTING DOOR, TO BE DEMOLISHED

NEW WALL

NOT IN CONTRACT

AREA OF WORK

KEY PLAN



PASADENA MEDIA - 1ST FLOOR REMODEL

PROJECT FOR:

A PROJECT FOR:
PASADENA MEDIA, 150 LOS ROBLES BLVD, PASADENA, CA 91101

PROJECT NUMBER:
75055-000-00

DRAWN: _____ Author: _____

CHECKED: GC

ISSUE/REVISION:

XX/XX/XX CITY SUBMITTAL

DATE:

ENLARGED PROPOSED
POWER VOICE DATA FLOOR

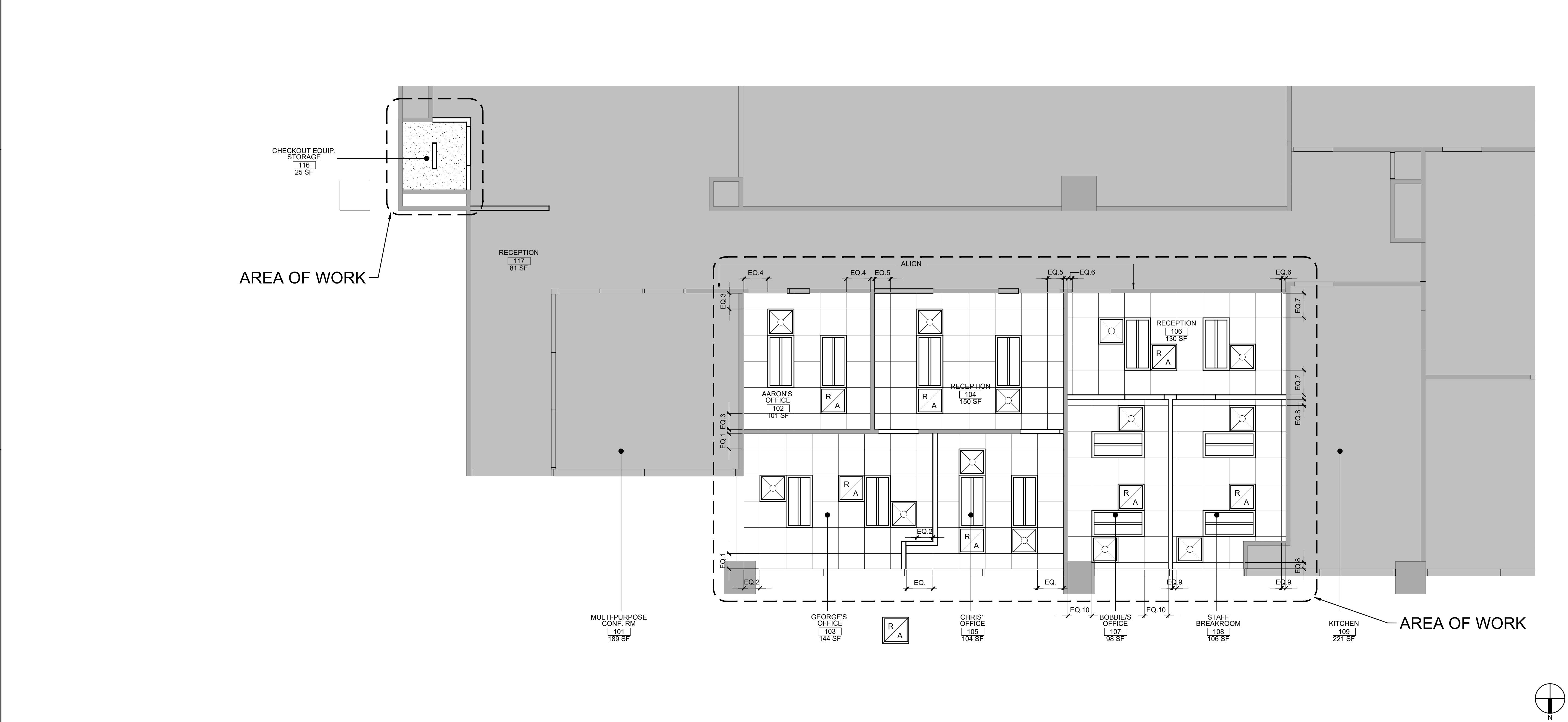
POWER VOICE BREATHER
PLAN

A103

A103

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2 | DEMOLITION REFLECTED CEILING PLAN



1 | PROPOSED REFLECTED CEILING PLAN

RCP DEMOLITION NOTES

1. DEMOLISH ALL (E) HVAC AND ELECTRICAL EQUIPMENTS.

PLAN LEGEND

- EXISTING WALL, TO REMAIN
- EXISTING WALL, TO BE DEMOLISHED
- EXISTING DOOR, TO BE DEMOLISHED
- NEW WALL
- NOT IN CONTRACT
- AREA OF WORK

RCP LEGEND

- 2' x 2' ACOUSTICAL TILE CEILING
- (E) 2' x 4' ACOUSTICAL TILE CEILING TO BE DEMOLISHED
- DRYWALL CEILING
- CEILING HEIGHT
- (E) 2' x 4' LED RECESSED LIGHT FIXTURE TO BE REMOVED
- (E) JUNO TC LED 6" 900 LUMEN DOWNLIGHT, RECESSED HOUSING TC922 LEDG3- 3000K - BLACK BAFFEL AND BLACK TRIM, TO BE REMOVED
- (E) JUNO TC LED 6" 900 LUMEN DOWNLIGHT, RECESSED HOUSING TC922 LEDG3- 3000K - WH BLACK TRIM BLACK BAFFEL, SCOOP WALL WASH, TO BE REMOVED
- NEW 2' x 4' LED RECESSED LIGHT FIXTURE
- 2' x 2' LED RECESSED LIGHT FIXTURE (L-1)
- 2' x 4' LED RECESSED LINEAR LIGHT FIXTURE (L-4C)
- 4" LED ROUND DOWNLIGHT FIXTURE (L-5)
- (E) SUPPLY DIFFUSER TO BE RETAINED/ RELOCATED. REFER MEP.
- (E) RETURN GRILLE TO BE RETAINED/ RELOCATED. REFER MEP.
- NEW SUPPLY DIFFUSER
- NEW RETURN GRILLE

KEY PLAN



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PASADENA MEDIA - 1ST FLOOR REMODEL

PROJECT NUMBER:
75055-000-00

DRAWN: Author
CHECKED: GC
ISSUE/REVISION:
XXXXXX CITY SUBMITTAL

DATE:
PROPOSED RCP PLAN
&
DEMOLITION RCP PLAN

A201

TAG	MANUFACTURER	TYPE/STYLE	COLOR REFERENCE	DESCRIPTION	LOCATION/COMMENTS	CONTACT
DIV. 09 - CARPET						
CPT-1	BENTLEY MILLS	BROADLOOM	CAMINO PALMS 801514	24"x24" CARPET TILE -INSTALL QUARTER TURNED	RECEPTION/WAITING	BENTLEY MILLS BRENDAN COTTER BRENDAN.COTTER@BENTLEYMILLS.COM
						BRENDAN COTTER
DIV. 09 - PAINT						
PT-1	DUNN EDWARDS		DEW338 WHITE HEAT	EGGSHELL		DUNN EDDWARDS SUSAN GIAMPIETRO
PT-2	DUNN EDWARDS		DET673 MISSION WHITE	EGGSHELL	ACCENT	SUSAN.GIAMPIETRO@DUNNEDWARDS.COM
PT-3	DUNN EDWARDS		DET614 SO CHICI	EGGSHELL	ACCENT	323.826.2650
PT-4	DUNN EDWARDS		DE6228 PLAY ON GRAY	EGGSHELL	ACCENT	
PT-5	DUNN EDWARDS		DE5499 DULL SAGE	EGGSHELL	ACCENT	
DIV 09 - RUBBER BASE						
RB-1	JOHNSONITE	TRADITIONAL WALL BASE	STEEL I 179	4" RESILIENT BASE		JOHNSONITE ELLEN WREN
RB-2	JOHNSONITE	TRADITIONAL WALL BASE	STEEL I 179	4" CARPET BASE		ELLEN.WREN@JOHNSONITE.COM
						213 842 0158
DIV 09 - FLOORING TRANSITIONS						
TR-1	SCHLUTER	SCHIENE	A-XX-ACB	LVT TO RSF TRANSITION	CORRIDOR	SCHLUTER
			BRIGHT CHROME ANODIZED ALUM	FEATHER RSF TO MEET LVT	CONTRACTOR TO CONFIRM THICKNESS OF FLOORING MATERIAL	SEAN CARSE
						SCARSE@SCHLUTER.COM
TR-2	SCHLUTER	SCHIENE	A-XX-ACB	LVT TO CARPET TRANSITION		385.225.0790
			BRIGHT CHROME ANODIZED ALUM		CONTRACTOR TO CONFIRM THICKNESS OF FLOORING MATERIAL	

1. ENSURE SURFACES TO RECEIVE FINISHES ARE CLEAN, TRUE, AND FREE OF IRREGULARITIES. DO NOT PROCEED WITH WORK UNTIL UNSATISFACTORY CONDITIONS HAVE BEEN CORRECTED.

2. PROVIDE WALL BASE AT ALL SPACES. U.O.N. PROVIDE STRAIGHT, FLUSH RESISTANT BASE (RB-2) AT CARPETED AREAS, AND COVERED RESISTANT BASE (RB-1) AT CONCRETE FLOORING. U.N.O.

3. NO FINISH SUBSTITUTIONS MAY BE MADE WITHOUT PRIOR WRITTEN AUTHORIZATION BY ARCHITECT.

4. ALL FINISHES SHALL BE APPLIED IN STRICT ACCORDANCE WITH MANUFACTURER'S SPECIFICATIONS.

5. GENERAL CONTRACTOR (G.C.) TO PROVIDE TEMPORARY PROTECTION FOR ALL INSTALLED FINISHES AS WORK PROGRESSES.

6. G.C. SHALL SUBMIT PRODUCT INFORMATION AND SAMPLES, AS SPECIFIED IN THESE PLANS AND/OR PROJECT MANUAL, FOR ALL FINISHES TO GKKWORKS FOR APPROVAL PRIOR TO INSTALLATION.

7. SUBMITTALS MUST BE APPROVED BEFORE PLACING ORDERS WHERE MATERIALS ARE NOT RETURNABLE. GENERAL CONTRACTOR TO NOTIFY GKKWORKS OF ITEMS WITH LONG LEAD TIMES.

8. INTERIOR WALL & CEILING FINISH SHALL INCLUDE: WOOD PANELS, OR OTHER FINISH APPLIED FOR DECORATION, ACOUSTICAL, OR SIMILAR PURPOSES, AND SHALL CONFORM TO CALIFORNIA BUILDING CODE AND FIRE RESISTIVE STANDARDS FOR FIRE PROTECTION.

9. APPLICATION OF CONTROLLED INTERIOR FINISHES SHALL BE IN ACCORDANCE WITH CHAPTER 8 OF THE 2013 CALIFORNIA BUILDING CODE.

10. THE MAXIMUM FLAME SPREAD CLASSIFICATION OF FINISH MATERIALS USED ON INTERIOR WALLS AND CEILINGS SHALL NOT EXCEED THAT SET FORTH IN TABLE 8-6 OF THE 2013 CALIFORNIA BUILDING CODE.

11. THE SMOKE DENSITY OF MATERIALS SHALL BE NOT GREATER THAN 450 WHEN TESTED IN ACCORDANCE WITH 2013 CBC.

12. ALL PAINT SHALL BE APPLIED IN ACCORDANCE WITH THE MANUFACTURER'S SPECIFICATION FOR THAT PARTICULAR SURFACE. TYPICAL WALL PAINT TO BE PT-1 & B.O.

13. ALL WALLS SHALL BE RECEIVE ONE (1) PRIMER COAT & TWO (2) COATS OF PAINT. PAINT FINISH SHALL HAVE CONSISTENT COVERAGE, FREE OF ROLLER OR BRUSH MARKS, USE LATEX PAINT FOR ALL WET AREAS INCLUDING TOILET ROOMS, BEHIND THE SINKS, AND WATER FOUNTAINS.

14. PAINTING SUBCONTRACTOR SHALL EXAMINE WALLS TO ENSURE PROPER PREPARATION BEFORE APPLICATION. BEGINNING WORK IMPLIES ACCEPTANCE OF THE CONDITIONS.

15. PAINT FINISH ON SURFACES INCLUDING: DOORS, DOOR DOORJAMBES, ELEVATOR DOORJAMBES, ELEVATOR DOORS, ELEVATOR COORDINATING C.B. SHALL BE FACTORY FINISHED, SEMI-GLOSS, U.O.N. IF PAINTING OVER EXISTING PAINT, THE SURFACE MUST BE PREPARED AND PRIMED TO ACCEPT NEW PAINT.

16. ALL METAL ACCESS DOORS SHALL BE PAINTED TO MATCH ADJACENT WALL OR CEILING FINISH U.O.N. ANY GRAPHICS ON EXISTING DOORS SHALL BE REPAINTED OR REAPPLIED TO MATCH EXISTING.

17. CONTRACTOR TO FIELD VERIFY EXISTING CONDITION OF FLOORS RECEIVING NEW FINISH. CONTRACTOR SHALL INCLUDE ALL REQUIRED FLOOR PREPARATION IN BID INCLUDING COST TO FLOAT FLOOR WHERE NECESSARY TO ACHIEVE TOLERANCE 1/8" MAXIMUM IN 10'-0" SPAN. INFORM ARCHITECT OF DEVIATIONS FROM THIS STANDARD.

18. FLOORING SUBCONTRACTORS TO SUBMIT SEAMING AND JOINT BID PACKAGE SUBMITTAL.

19. SEE DETAILS FOR ALL INTERIOR FINISH MATERIAL TRANSITIONS.

20. TO PORCELAIN TILE TO THE FULL TILE FROM TRANSITION AT DOOR AND WALL TILE FROM WALL PERPENDICULAR TO DOOR U.O.N. SEE PLAN FOR LAYOUT CONTROL POINT(S) WHERE APPLICABLE.

21. ALL SURFACES RECEIVING WALL COVERING SHALL BE FINISHED TO LEVEL 5 AND SHALL BE PROPERLY PREPARED WITH LATEX ACRYLIC PRIMER PER MANUFACTURER'S SPECIFICATIONS. PRIMER AND ADHESIVE SHALL BE FROM SAME MANUFACTURER OR OTHER APPROVED/COMPATIBLE PRODUCTS.

22. G.C. TO COORDINATE ANY WALL COVERING INSTALLATION IN OR ON MILLWORK WITH SUB-CONTRACTORS.

23. WALL COVERINGS TO BE HUD FROM THE SAME DYE LOT.

24. PROVIDE HAMILTON'S "FIRST COAT" AT ALL GYPSUM BOARD CEILING AND LIGHT COVES.

25. ALL GYPSUM BOARD CEILINGS AND SOFFITS TO RECEIVE TWO (2) COATS OF SEALANT (PT-1A) & U.O.N. ALL EXPOSED METAL CEILINGS TO RECEIVE TWO COATS OF PAINT (PT-1B) U.O.N.

26. ALL SQUARED JOINTS IN GYPSUM BOARD SHALL BE FILL FILL PRESSED TYPE FACTORY FINISH COVER PLATES.

27. GROUT JOINT AT TILES SHALL BE MINIMAL - 1/16" MAX. U.O.N. GROUT SHALL BE SEALED WITH AQUAMIX "SEALERS CHOICE".

28. THE CONTRACTOR SHALL INSTALL WALL COVERING PER MANUFACTURER'S SPECIFICATIONS, WHERE INDICATED ON FINISH PLANS. WALL COVERING SHALL BE INSTALLED SMOOTH, WITHOUT WRINKLES, BUBBLES OR LOOSE EDGES. ALL PASTE AND BRUSH MARKS SHALL BE REMOVED. WALL COVERING ADJOINING WOOD AND METAL TRIM SHALL BE CUT STRAIGHT AND SQUARE. WALL COVERING AT REVEALS SHALL BE CUT TO MATCH REVEAL. WORKMANSHIP WHICH IS NOT JUDGED TO BE FIRST QUALITY BY GKKWORKS WILL BE REJECTED.

29. FLOORING SHALL MEET ALL CURRENT SLIP STANDARDS AND REQUIREMENTS (WET AND DRY CONDITION) SPECIFIED BY APPLICABLE CODES AND/OR AUTHORITIES. CONTRACTOR SHALL PROVIDE NON-SLIP COATINGS AS NECESSARY TO MEET THESE REQUIREMENTS.

30. WHEN DIRECTED, AFTER CLEANING, THE CONTRACTOR SHALL PROVIDE TWO (2) APPLICATIONS OF AN APPROVED NON-SLIP MATTE FINISH TO RESILIENT TILE FLOOR, WHICH SHALL BE THOROUGHLY MACHINE-BUFFED AND LEFT IN CONDITION ENTIRELY ACCEPTABLE TO CLIENT AND ARCHITECT.

31. ALL FINISHES SHALL BE INSTALLED WITH THE FOLLOWING QUALITY: WHEN WORK IS COMPLETE, IT SHALL BE FREE FROM BUCKLES, BUBBLES, OPEN JOINTS, OR IMPERFECTIONS. SEAMS SHALL BE IN ACCURATE ALIGNMENT ALONG BOTH COORDINATES. TILES HAVING CHIPPED OR ROUNDED CORNERS WILL BE REJECTED, AND IF INSTALLED, SHALL BE REMOVED AND REPLACED WITH ACCEPTABLE TILES AT CONTRACTOR'S EXPENSE.

SCALE
1/4"=1'-0"



SCALE
1/4"=1'-0"

EXISTING WALL, TO REMAIN

EXISTING WALL, TO BE DEMOLISHED

EXISTING DOOR, TO BE DEMOLISHED

NEW WALL

NOT IN CONTRACT

AREA OF WORK

FINISH LEGEND'S

CPT - 1

TR - X

FLOOR TRANSITION

XX - X ← BASE

XX - X ← FLOORING

XX - X ← FINISH TAG

GRAIN DIRECTION

[illegible]

DATE:

**ENLARGED PROPOSED
FINISH FLOOR PLAN &
FINISH SCHEDULE**

1101

All drawings and written specifications appearing on this document, may not be duplicated or used without prior written consent of the owner. Construction drawings are subject to owner's approval and compliance to municipal building codes.

EXISTING RESTROOMS



No.	Date	Issues and Revisions	By	Checked
	01-02-13	PRELIMINARY REVIEW	LS	GM
	03-20-13	PLAN CHECK	LS	GM
	05-24-13	ADDENDUM A	LS	GM
	06-05-13	ISSUE FOR BID	LS	GM
	06-12-13	ADDENDUM B	LS	GM
	06-19-13	PLAN CHECK CORRECTIONS	LS	GM

Tenant Approval
Date
Owner Approval
Date

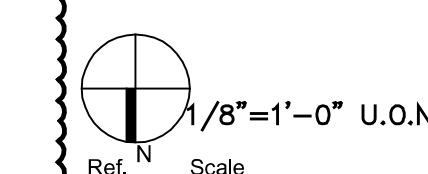


Peer Review 03-21-13

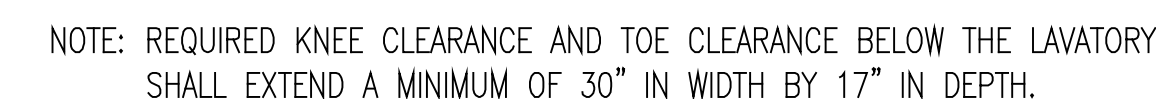
Description

Project No. 3843

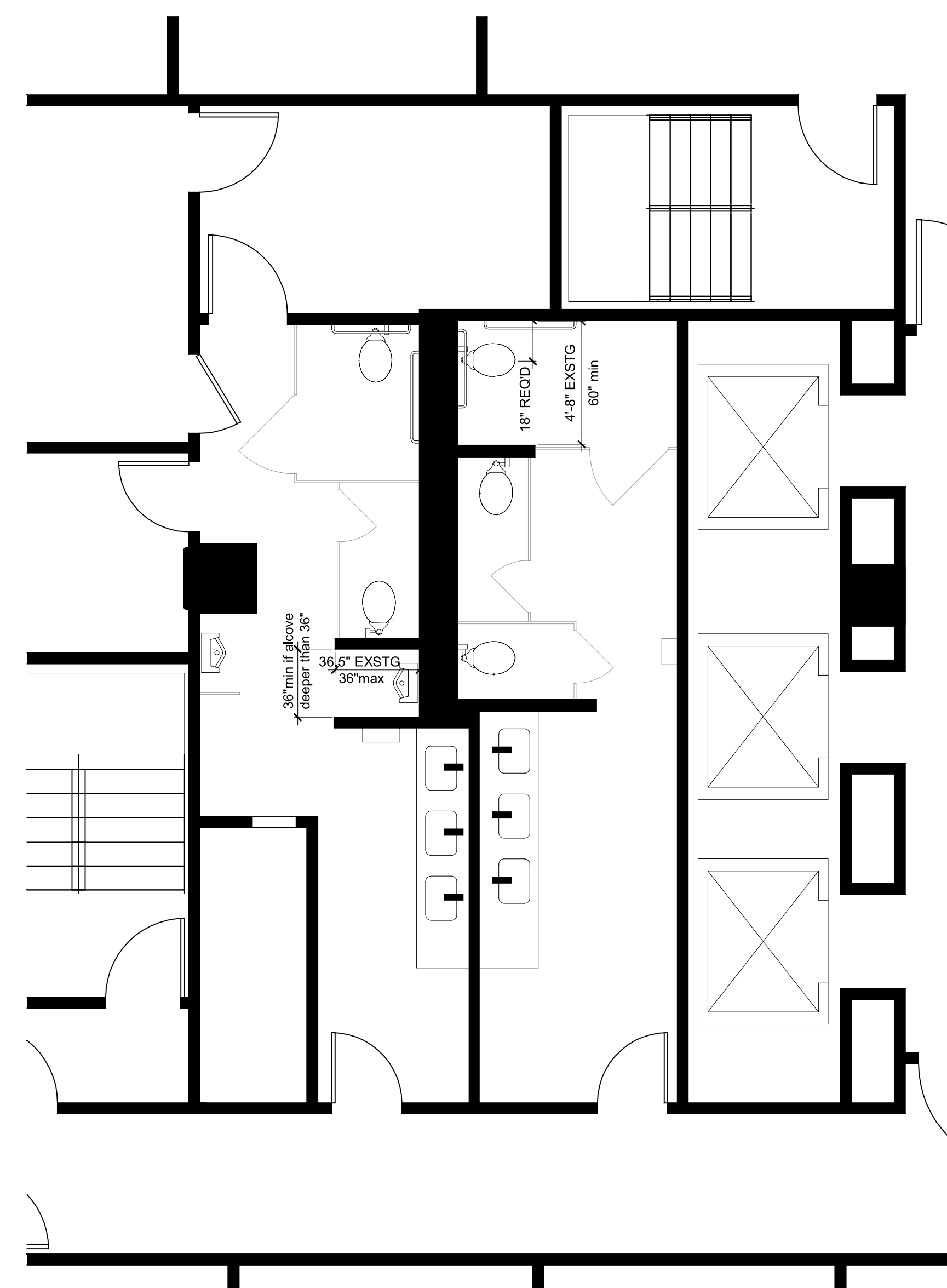
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A-1



SCALE	2
N.T.S.	



EXISTING RESTROOMS

SCALE	1
N.T.S.	

FOR REFERENCE

HALSTED CONSTRUCTION, INC.

4180 Klump Ave.
 Studio City, CA 91602
 310.435.0302
 General Contractors LIC #882486

PROJECT SUMMARY PAGE			
Halsted Job Number: 022417		858	
Job Name: Pasadena Media Office TI		PRICE PER SQ. FT.	
Client: Pasadena Media		\$	72.27
Date: February 24, 2017			
NOTES: ALL PRICING BASED ON DRAWING BY gkk works ENTITLED CITY SUBMITTAL NOT DATED			
PROJECT SECTOR:		TOTAL BIDS	
TRADE ITEMS			
SEC.	PARAMETER	BID AMOUNT	
B	PRECONSTRUCTION		
	Halsted Construction Precon Effort		NIC
	Permit Fees		NIC
	Building Permit Pick up and Processing		\$250
	DIRECT COST - PRECONSTRUCTION		\$250
Division	BUILDING		
01	GENERAL CONDITIONS	\$	5,100.00
02	DEMO	\$	2,400.00
08	DOORS/FRAMES/HARDWARE/GLASS	\$	9,550.00
09	FLOORING	\$	2,695.00
09	PAINTING	\$	3,500.00
09	FRAMING/DRYWALL	\$	16,529.00
15	HVAC	\$	4,500.00
16	ELECTRICAL/DATA/ACCESS CONTROLS	\$	11,850.00
	DIRECT COST - BUILDING	\$	56,124.00
	DIRECT COST - PRECON & BUILDING	\$	56,374.00
20	10% CONTRACTOR FEE	\$	5,637.40
	GRAND TOTAL PROJECT COST	\$	62,011.40
ACCEPTANCE OF PROPOSAL			
The above pricing, exclusions, and terms of payment are accepted. You are authorized to proceed with the described work outlined in the budget sheet.			

DATE:**SIGNATURE:**

HALSTED CONSTRUCTION, INC.

4180 Klump Ave.
 Studio City, CA 91602
 310.435.0302
 General Contractors LIC # 882486

PARAMETER / ITEM OF WORK	QUAN	UNIT	\$/UNIT	TOTAL
DIVISION COMMERCIAL - OFFICE	858	GSF		
0100 GENERAL CONDITIONS				
Temporary Site Protection and Dust Control	1	LSUM	500.00	500
Part Time Site Superintendent	1	LSUM	2,400.00	2,400
Project Manager	10	HOURS	85.00	850
Field Office - copier/computer/fax/supplies/cell phone	1	WEEKS	0.00	0
Dumpsters	1	EACH	650.00	650
Temp Power	1	LSUM	0.00	0
Scissor lift	0	EACH	800.00	0
Final Construction Cleaning	1	LSUM	500.00	500
Reimbursable Expenses for plans/printing	1	LSUM	0.00	0
Fuel Expense	1	WEEK	200.00	200
Total			5.94	\$ 5,100.00
2100 DEMO				
Demo carpet in offices 103 and 105 only. Remove walls as indicated and cut in new door rough openings per plan. All demo trash to be hauled off site	1	LSUM	2,400.00	2,400
Total			2.80	\$ 2,400.00
8100 DOORS/FRAMES/HARDWARE/GLASS				
Furnish new door frame for staff break room. Install new frame and existing door and hardware	1	LSUM	300.00	300
Relocate door to room 106	1	LSUM	100.00	100
Provide new 3-0 x 7-0 hollow metal door frame and 2-0 x 7-0 side lite with solid core pre-primed door for reception and Arron's office	2	EACH	1,200.00	2,400
Provide new 3-0 x 7-0 hollow metal door frame with solid core pre-primed door for George's office, Chris's office, Equipment Storage, and Bobbie's office	4	EACH	725.00	2,900
Furnish and install new 2-0 x 3-0 vision lite with 1/4" clear tempered glass	7	EACH	300.00	2,100
No specification provided for hardware. We will provide an allowance for Doormerica or equal heavy duty cylindrical levers, hager square butt hinges and Trimco floor or wall door stops all brushed chrome finish	7	EACH	250.00	1,750

HALSTED CONSTRUCTION, INC.

4180 Klump Ave.
 Studio City, CA 91602
 310.435.0302
 General Contractors LIC # 882486

		Total	11.13	\$ 9,550.00
9100 FLOORING				
Offices 103 and 105 ONLY: Provide approximately 250 square feet of Bentley Mills Carpet Tile - Camino Palms 24x24 Hollywood Sequel Tile with next step Cushion and Johnsonite 4" cove base	1	LSUM	2,545.00	2,545
Schluter transitions	1	LSUM	150.00	150
		Total	3.14	\$ 2,695.00
9200 PAINTING				
Prime and paint	1	LSUM	3,500.00	3,500
		Total	4.08	\$ 3,500.00
9300 FRAMING/DRYWALL/INSULATION				
Metal Stud Framing/Drywall with Level 4 finish. New walls to underside of existing t-bar ceiling. New walls to be braced to deck with kickers	1	LSUM	15,396.00	15,396
R-11 Insulation in new walls only	1	LSUM	1,133.00	1,133
		Total	19.26	\$ 16,529.00
15000 HVAC				
New flex ducting with louvered grills/diffusers. Price excludes air balance report	1	LSUM	4,500.00	4,500
		Total	5.24	\$ 4,500.00
16000 ELECTRICAL/DATA/ACCESS CONTROLS				
Electrical; Power and lighting per plans	1	LSUM	9,600.00	9,600
Relocate existing access control key pad	1	LSUM	850.00	850
Single Cat5e network cable with 1 port in wall and terminated to existing owner provided patch panel in data closet	7	EACH	200.00	1,400
		Total	13.81	\$ 11,850.00
SUB TOTAL			65.41	\$ 56,124.00

ALTERNATES:

- 1 Provide (4) new standard 20 amp circuits for lighting and power, if required add...\$1,500
- 2 Provide Fire Alarm design, engineering and permit to add (1) smoke detector per city of Pasadena Fire Code, if required add...\$4,355
- 3 Provide carpet and base in other offices, if required add...\$7,300

HALSTED CONSTRUCTION, INC.

4180 Klump Ave.
Studio City, CA 91602
310.435.0302
General Contractors LIC # 882486

EXCLUSIONS:

- 1 Any work not listed above
- 2 Any new circuits for power and lighting
- 3 Any work to existing T-bar ceiling
- 4 All pricing is for standard working hours. Price excludes any overtime or weekend, off hours work
- 5 Deputy or special inspections, permit or plan check fees, business license fees
- 6 Any work to existing Plumbing, fire alarm and fire sprinklers

Proposal: for Tenant Improvements

Glowtex Builders

Bus: 324 South Beverly Drive Suite 342
Beverly Hills, Ca 90212
Mailing: P O Box 90892
Pasadena, CA 91109
Contractor Mailing P O Box 90892
Pasadena, CA 91109

Date 3/15/2017

Proposal
submitted
to:

Chris Miller Chief
Operations Officer

Job
address

150 Los Robles
Blvd Pasadena, CA
91101

Ref#

3103/26

Job site visited

Contact
Property
owner:

Made with Chris Miller COO
626 794-8585

Proposal valid 30
days till date 4-
15-2017

Number
of
pages1
Of 1

This proposal is
Glowtex Builders
Exhibit A

Glowtex Builders propose to perform the following services: Construct per tenant improvements per Architectural drawing designed by David Hunt C-28367, approximately 880sf. Contractor will adhere to noted addendums per A-1 dated August 19, 2017; in addition contractor will carry out construction per cover sheet G000. Glowtex relevant has read the following: notes located on accessibility notes G003, path of travel notes G101, overall proposed floor plan A101, A102 enlarged floor plans, A103, enlarged power plan, A201 proposed RCP.

Contractor would like to bring to customer attention, electrical feeder will need deferred pricing, Contractor will continue tenant improvements per relevant details A501, contractor continues enlarge proposed finished plans l 101 and bathroom sections A-1 can only be estimated; sit condition may require a decrease or increase in fixture relocation.

Scope of services to be rendered:

Contractor will follow demolition plan reference A201 and A101 to construct tenant improvements to conclude per customers finish plan, reference l101; in addition to demolition contractor will adhere to G000 project schedule and defer submittals for fire sprinklers; per subcontract with fire sprinkler company .

Contractor will also build project per all relevant general notes located on G003, moreover, Glowtex will incorporate necessary details located on A501 all relevant details for wall sections are included in this quote, G101 plan layout detail (1) is included, contractor will need further discussion regarding any parking lot stripping, not in quote, A101 contractor has included demolition per detail (2) , door scheduled installations are included in quotation, per detail (1).

Reference A103 Contractor has not included detail (1) furniture schedules, Ref A103 we will coordinate telecommunication installing with customer & appropriate subcontractor per detail (1), we will install all electrical receptacles per plan to accommodate detail (1)., G003 Alarms contractor will coordinate and subcontract alarms sections per (general notes).

A201 RCP will be installed per plan detail (2) an (1) are included: T-bar ceilings, light fixture. Contractor will need to consult with mechanical engineer regarding all changes to HAVC systems. Reference l 101 Fixture will need to be priced separately

Inclusion are listed in scope of work section:

Note: all measurements will need to be field verified; before Glowtex Builders can began project.

Exclusions: Firer sprinklers, Mechanical Engineering Architectural Plan insurance, additional wiring for main electrical feeder, floor core drilling from one floor to next,

Contractor carries two million in general liability insurance and one million in workercompesation

Project can be completed in three to four weeks minus unforeseen conditions

Warranty on all services provided one year

We hereby propose to furnish material and labor to complete the job as per the above specifications for a lump sum of:

\$77, 480.00

With the terms of payments as follows: Schedule of value will be determined at a later date along with application of payment

Please revert project estimator for any clarification / further details.

Authorized Signatory: Name _____ Signature: _____
Glowtex Builders

Acceptance of Proposal

I/We have reviewed your proposal and hereby indicate our acceptance of the same, as per the details, specifications and amounts mentioned in the proposal form. I/We agree to the proposed terms of payment and will release the funds as per agreed herein.

Authorized Signatory: Name _____ Signature: _____ Date _____
Pasadena Media



DANIEL WEIR CONSTRUCTION INC

428 E. Bougainvillea Ln ~ Glendora, CA 91741

Phone (626) 826-3626 ~ Email: danweirconstruction@yahoo.com

To: Pasadena Media
150 Los Robles Blvd
Pasadena, CA 91101

Date: March 3, 2017
Phone:
Fax:

Job Address:

PROPOSAL and CONTRACT

Dear Sirs,

I propose to furnish all materials and labor necessary to complete the following:

Office tennant improvement based on the construction documents provided by gkkworks issue version, city submittal

Exclusions:

1. Permits and city fees
2. Any work outside of area of work
3. Window coverings

All work to be done during normal business hours

All work is bid per prevailing wage pay scale

All of the above work to be done in a substantial and workmanlike manner for the sum of \$ 92,700.00

Payment to be made as follows: \$ 1,000.00 On acceptance, bi weekly progress payments up to 90% of the contract, balance upon completion

This proposal is valid for 15 days.

Any alteration or deviation from the above specifications involving extra costs of material and/or labor will only be executed upon written orders for same, and will become an extra charge over the sum mentioned in this contract. All agreements must be made in writing. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, flood and all other necessary insurance. Contractors are required by law to be licensed and regulated by the Contractor's State License Board. Any questions concerning a contractor may be referred to the registrar of the board whose address is:

Contractor's State License Board
1020 N. Street
Sacramento, CA 95814

Respectfully submitted,
By _____
California State License No. 1008816

You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction.

ACCEPTANCE

You are hereby authorized to furnish all materials and labor required to complete the work mentioned in the above proposal, for which I, the buyer, agree to pay the amount in said proposal.

Accepted by _____ Dated: _____

COST BREAKDOWN

1. Demolition and protection	\$2,750.00
2. Metal framing and drywall	8,200.00
3. Insulation Walls only	1,500.00
4. Electrical Per plan with LED light fixtures	18,500.00
5. HVAC Rework duct for all offices and supply new registers	6,500.00
Air balance the new area	1,200.00
6. Fire sprinklers Rework as needed 13 heads	6,500.00
Plans for fire sprinkler system	1,200.00
7. T bar ceilings 2 X 2 grid with Cirrus tile	5,200.00
8. Doors Match existing doors and frames/ use building standard hdwr	6,250.00
9. Paint All area's affected by construction	4,975.00
10. Carpet and rubber carpet base	9,985.00
11. Clean up	1,400.00
12. Contractors fees including supervision,overhead, and profit	<u>18,540.00</u>
	\$92,700.00