

**AGENDA REGULAR MEETING  
PASADENA COMMUNITY ACCESS CORPORATION  
Tuesday, September 4, 2018  
7:00 p.m. at 150 S. Los Robles Ave., Suite 101**

**BOARD OF DIRECTORS**

Ann Marie Hickambottom (District 1)  
Grant Scott McComb, Chair (District 2)  
Robert Oltman (District 3)  
Perry Helm, (District 4)  
Yuny Parada (District 5)  
Ken Chawkins (District 6)  
Sally Howell, Vice-Chair (District 7)  
Gail Schaper-Gordon, Treasurer (Mayor's Representative)  
Lisa Derderian (City Manager's 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 101, 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  
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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 closed session and a regular meeting of the Pasadena Community Access Corporation (PCAC) Operating Company (dba Pasadena Media) is scheduled for **Tuesday, September 4, 2018**, 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 AUGUST 7, 2018 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
  - AUTHORIZATION OF PCAC ED/CEO TO WITHDRAW IN AN AMOUNT NOT TO EXCEED \$50,000 FROM PFCU SAVINGS ACCOUNT TO COVER OPERATIONAL EXPENSES
    - Action Item
- ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF
- ADJOURNMENT

\_\_\_\_\_  
Grant McComb, 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 August, 2018.

\_\_\_\_\_  
Liza Rodriguez, Office Administrator

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# Pasadena Community Access Corporation

MINUTES FOR THE SCHEDULED MEETING OF THE PCAC BOARD OF DIRECTORS FOR  
AUGUST 7, 2018

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

## Regular Meeting

### 1. CALL TO ORDER/ROLL CALL

Chair Grant McComb called meeting to order at 7:09 p.m.

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

Ann Marie Hickambottom, District 1, absent

Grant Scott McComb, Board Chair and District 2, present

Robert Oltman, District 3, present

Perry Helm, District 4, absent

Yuny Parada, District 5, present

Ken Chawkins, District 6, present

Sally Howell, Vice-Chair and District 7, present

Gail Schaper-Gordon, Treasurer and Mayor's Representative, present

Beth Leyden, Secretary and PUSC Representative, absent

Alexander Boekelheide, PCC Representative, absent

Lisa Derderian, City/City Manager Representative, absent

Staff:

George Falardeau, Executive Director/CEO, present

Chris Miller, Chief Operations Officer, present

Javan Rad, Chief Assistant City Attorney, present

No public comment.

## 2. APPROVAL OF MINUTES FOR JUNE 5, 2018 BOARD MEETING

Motion by McComb, Second by Parada; Motion approved with amendment that Parada was present at this meeting. No public comment.

## 3. PUBLIC COMMENT

No public comment.

## 4. TREASURER'S REPORT

As presented by Treasurer Schaper-Gordon per Board agenda packet. Information item only. No action. No public comment.

## 5. EXECUTIVE DIRECTOR'S REPORT

As presented by ED Falardeau and staff, per Board agenda packet. Information item only. No public comment.

## 6. OLD BUSINESS

None. No public comment.

## 7. NEW BUSINESS

None. No public comment.

## 8. ANNOUNCEMENTS BY BOARD MEMBERS AND STAFF

Miscellaneous announcements per Board Members.

- Robert Oltman announced that PMCA is going to be closing its doors October 7 and the current exhibitions are the last.

## 9. ADJOURNMENT

Motion to adjourn by Oltman, Second by Schaper-Gordon. Meeting adjourned 8:27 p.m.

## FUTURE MEETING DATES

- September 4, 2018
- October 2, 2018

<b>Pasadena Community Access Corporation</b>		
<b>Statement of Financial Position</b>		
<b>As of August 31, 2018</b>		
	<b>Total</b>	
	<b>As of Aug 31, 2018</b>	<b>As of Jun 30, 2018 (PP)</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
1010 Petty Cash	200	200
1120 Bank of America Checking (1018)	225,766	145,188
1130 BofA Capital - Restricted (9451)	84,702	84,702
1150 Pex Debit Card	9,246	10,689
1160 Paypal	581	0
1170 PFCU Savings (7181)	100,202	100,202
<b>Total Bank Accounts</b>	<b>\$ 420,697</b>	<b>\$ 340,982</b>
<b>Accounts Receivable</b>		
1200 Accounts Receivable	100	800
<b>Total Accounts Receivable</b>	<b>\$ 100</b>	<b>\$ 800</b>
<b>Other Current Assets</b>		
1210 Other Receivables	0	18,263
1300 Prepaid Expenses	-217	6,728
1330 Prepaid Insurance	8,403	11,377
<b>Total Other Current Assets</b>	<b>\$ 8,186</b>	<b>\$ 36,368</b>
<b>Total Current Assets</b>	<b>\$ 428,983</b>	<b>\$ 378,150</b>
<b>Fixed Assets</b>		
1600 Production Equipment	340,369	340,369
1635 Leasehold Improvements	93,898	93,898
1650 Accumulated Depreciation	-251,511	-251,511
<b>Total Fixed Assets</b>	<b>\$ 182,756</b>	<b>\$ 182,756</b>
<b>Other Assets</b>		
1800 Security Deposit	1,000	1,000
<b>Total Other Assets</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>
<b>TOTAL ASSETS</b>	<b>\$ 612,738</b>	<b>\$ 561,905</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2000 Accounts Payable	-425	0
<b>Total Accounts Payable</b>	<b>-\$ 425</b>	<b>\$ 0</b>
<b>Other Current Liabilities</b>		
2100 Payroll Liabilities	1,321	21,010
2200 Accrued Vacation	20,538	20,538
2400 Accrued Liabilities	8,000	11,226
2800 Deferred Income	80,879	80,879
<b>Total Other Current Liabilities</b>	<b>\$ 110,738</b>	<b>\$ 133,654</b>
<b>Total Current Liabilities</b>	<b>\$ 110,313</b>	<b>\$ 133,654</b>
<b>Total Liabilities</b>	<b>\$ 110,313</b>	<b>\$ 133,654</b>
<b>Equity</b>		
3000 Opening Bal Equity	-36,271	-36,271
3100 Retained Earnings	464,522	464,522
Net Income	74,174	
<b>Total Equity</b>	<b>\$ 502,425</b>	<b>\$ 428,251</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 612,738</b>	<b>\$ 561,905</b>
Friday, Aug 31, 2018 04:14:53 PM GMT-7 - Accrual Basis		

Pasadena Community Access Corporation							
Pro Forma P&L - August 2019							
FY 2019 YTD Actual vs FY 2019 Adopted Budget							
		vs. 2 mo. Budget			vs. Full Year Budget		
	YTD Actual	YTD Budget	\$	%	2019 Budget	\$	%
<b>Income</b>							
City of Pasadena	240,000	240,000	-	0.0%	960,000	(720,000)	-75.0%
Contributions & Grants	506	1,333	(828)	-62.1%	8,000	(7,494)	-93.7%
Production Services	826	3,417	(2,591)	-75.8%	38,500	(37,675)	-97.9%
Program Services	726	1,000	(274)	-27.4%	10,000	(9,274)	-92.7%
Other Revenue	0	50	(50)	-100.0%	300	(300)	-100.0%
<b>Total Income</b>	<b>242,057</b>	<b>245,800</b>	<b>(3,743)</b>	<b>-1.5%</b>	<b>1,016,800</b>	<b>(774,743)</b>	<b>-76.2%</b>
<b>Expenses</b>							
Payroll Expenses	86,992	95,574	8,582	9.0%	573,442	486,450	84.8%
Payroll Taxes	6,776	8,411	1,634	19.4%	50,463	43,687	86.6%
Employee Benefits	15,719	17,555	1,836	10.5%	114,429	98,710	86.3%
Occupancy Expenses	49,278	31,338	(17,940)	-57.2%	184,682	135,404	73.3%
Accounting & Audit	2,100	900	(1,200)	-133.3%	12,999	10,899	83.8%
Advertising & Marketing	75	600	525	87.5%	3,600	3,525	97.9%
Automobile Expense	-	242	242	100.0%	1,450	1,450	100.0%
Bank & Payroll Processing Fees	213	250	37	14.8%	1,500	1,287	85.8%
Board Materials & Expenses	9	20	11	53.8%	120	111	92.3%
Cable Drop Fees	389	712	323	45.4%	4,274	3,885	90.9%
Contract Labor	160	583	423	72.6%	3,500	3,340	95.4%
Dues and Subscriptions	80	80	-	0.0%	2,270	2,190	96.5%
Legal & Professional Fees	-	-	-		28,000	28,000	100.0%
Licenses, Permits & Other Fees	-	683	683	100.0%	4,100	4,100	100.0%
Meals & Entertainment	294	250	(44)	-17.7%	1,500	1,206	80.4%
Office Expense	553	1,517	964	63.6%	9,100	8,547	93.9%
Production Expense	4,815	4,430	(385)	-8.7%	15,000	10,185	67.9%
Professional Development	184	200	16	8.1%	2,000	1,816	90.8%
Travel & Lodging	247	1,300	1,053	81.0%	4,000	3,753	93.8%
<b>Total Expenses</b>	<b>167,884</b>	<b>164,645</b>	<b>(3,239)</b>	<b>-2.0%</b>	<b>1,016,429</b>	<b>848,545</b>	<b>83.5%</b>
<b>Net Operating Income</b>	<b>74,174</b>	<b>81,155</b>	<b>(6,982)</b>	<b>-8.6%</b>	<b>371</b>	<b>73,803</b>	<b>19893%</b>
PEG Capital Income Recognized	0	33,333	(33,333)	-100.0%	200,000	(200,000)	-100.0%
PEG Capital Equipment Expense	0	33,333	33,333	100.0%	200,000	(200,000)	-100.0%

## **Executive Director CEO Report**

- Respectfully submitted by George Falardeau

## **Pasadena Community Access Corporation Board of Directors Meeting**

**Tuesday, September 4, 2018 - 7:00 PM**

- Pasadena Media's lease at 150 S. Los Robles, Suite 101, expires on Oct. 31, 2019. Per the lease agreement, we will notify the landlord on or after Feb. 1, 2019, our intentions regarding our lease renewal. Will contact the Business Development team at the city for assistance in negotiating and establishing the current fair market value of our space; details forthcoming.
- PCAC has commenced our annual independent audit by Lance, Soll & Lunghard, LLP for the City of Pasadena. Completion date TBA.
- Attended the Taste of Rotary at The Maxwell House to assist in raising funds to support local projects such as Holiday Bikes for Kids, Adopt-A-School, Done-In-A-Day, Toy Drive, Youth Leadership Awards and more.
- Met with Mark Breitenberg, Director of Business Development at Interactivism, LLC and Vice President of Innovate Pasadena Board of Directors, to discuss Pasadena Media's on-going relationship and programming collaboration with IP.
- Successfully taped new episodes of *IMPACT Pasadena* with guest Jennifer DeVoll, CEO of Pasadena Community Foundation.
- Met with PCAC Citizens Advisory Committee Chair Phil Hopkins and CAC member Sheryl Turner to discuss Pasadena Media's relevance and continued service to the community; details forthcoming.
- Attended the Chamber of Commerce Legislative Committee Meeting during which Mayor Tornek and City Manager Mermell reviewed the upcoming  $\frac{3}{4}$  percent sales tax increase on the November ballot for Pasadena voters.
- Met with PCAC Citizens Advisory Committee member Robert Gorski to discuss his new program, *Access for All*. Details are forthcoming regarding

this program, which will air on the Arroyo channel and outline issues in the disabled community.

- Met with Andre Coleman, co-host of *NewsRap*, to discuss content for upcoming programs.
- Met with Mic Hansen, PCAC Citizens Advisory Committee member and a former member of the City of Pasadena Planning Commission, to discuss various city related issues.
- Participated in Pasadena Rotary's 4<sup>th</sup> annual "Shop with a Cop" event in partnership with the Pasadena Police Department. Approximately 20 students were greeted by Rotarians and Police Officers who shopped with each student to help them purchase a \$100 worth of school supplies funded by the Pasadena Rotary.
- PCAC Strategic Plan Meeting is set for Thursday, September 13<sup>th</sup> from 2:00 p.m. – 5:00 p.m. at WeWork Pasadena, Conference Room 2H (2<sup>nd</sup> floor). As a reminder, the board has yet to identify a facilitator for this meeting. The board is anticipated to review PCAC's strengths, weaknesses, opportunities and threats in order to establish a 3-5 year plan for PCAC.

*Attached: Operations Report, Cable Complaint, Community Development Report and Production Services Report*



# **Operations Report - August 2018**

Notable Operations Projects and Their Statuses - Prepared by Chris Miller, Chief Operations Officer

## **New Website Optimization: Jericho Road Project Completed**

I have worked with Jericho Road volunteers on search engine optimization (SEO) since the launch of the site a few months ago. We completed the project last week, though I have a list of improvements yet to be implemented and fine tuning will be continual.

## **Streaming Issues: Monitoring**

Since the launch of the new site, we have had intermittent reports of streaming problems. We believe that the main two factors affecting streaming are browser issues and the way the new site loads data. We are seeking expert volunteers to help us optimize the user experience.

## **Arroyo Charter Issue: Solved**

On the afternoon of August 16, the Arroyo channel on Charter began experiencing brief dropouts indicating a weak signal. Charter technicians verified that their equipment was receiving a low signal. We swapped out our modulator with a spare at approximately 6pm, which rectified the issue.

## **HVAC Issue: Solved**

A condensate line was clogged, resulting in water overflowing from the drain pan above the wall separating my office and George's office. Fortunately, the water did little damage but did cause nearly a week of disruption as the building fixed the issue, cleaned up and replaced ceiling tiles.



Chris Miller &lt;chris@pasadenamedia.org&gt;

## Re: Complaint regarding Charter Spectrum

**Chris Miller** <chris@pasadenamedia.org>  
 To: Xxxx Xxxxx <cxxx@mxxxxxxx.com>

Thu, Aug 9, 2018 at 5:02 PM

Thank you for the updates. I will provide these to the board at the next meeting.

**Chris Miller**  
**Chief Operations Officer**  
**Pasadena Media**  
 150 S. Los Robles Ave., Suite 101  
 Pasadena, CA 91101  
 626-794-8585 x 105

On Thu, Aug 9, 2018 at 4:15 PM, Xxxx Xxxxx <cxxx@mxxxxxxx.com> wrote:

Chris,

Additional updates:

1. Mr Holden's office is now investigating. His assistant is currently researching the DIVCA agreement with Charter Communications to see if selective supply of optic fiber services based on zoning status is an issue for the state's franchising contract. At this stage she is trying to find out who is responsible for DIVCA at the state level. CPUC has said they do not have jurisdiction.
2. Notwithstanding Spectrum's selective supply policy (the core of this complaint), it seems their somewhat wild offer below to provide service to certain parts of Pasadena if and only if "other commercial customers agree to absorb the above-mentioned one-time build-out cost" may in itself be unlawful. Apparently, franchised utilities are not permitted to make service supply conditional on groups of customers absorbing their build-out costs. This may be an issue for the City attorney. You will I'm sure have a better perspective on this than me.
3. The FCC responded. More favorably than I expected. Based on the content of the email forwarded to them from Spectrum Enterprise, the FCC has decided to open a case. It is currently in the informal stage under ticket reference 2680426. I'm not hopeful this will be successful however, because it's unlikely Spectrum will simply admit the existence of a selective supply policy to the FCC. In which case the only recourse would be action in federal court. I continue to believe it's better to resolve this amicably at the local level.

Best regards  
 Xxxx Xxxxx

On 8/8/2018 8:29 AM, Xxxx Xxxxx wrote:

Hi Chris,

Thanks for forwarding. Just to let you know:

1. No attempt has been made to contact me by Spectrum to deny or clarify the policy in question.
2. As you know, the Spectrum Enterprise policy of prohibiting business accounts at a residential addresses is in writing and is specific to fiber (does not apply to other commercial services). The existence of the policy has been confirmed by their corporate office directly and you have seen the relevant correspondence. Denying the existence of the policy whenever a city complains, doesn't make the policy go away.
3. The one time cost to supply service to the address below is irrelevant to the complaint. This complaint is about supply policy in areas where the service is available; it's not about service availability at a specific address.

Best regards  
 -Xxxx



PASADENA MEDIA

## Community Development Report August 2018

Members Tiers	New Volunteer For August	Total Volunteers Year to Date	Total Active Trainees & Producers Year to Date
Volunteers - Free Trainees - Paid Producers - Paid	16	199	61

### Monthly Programming:

New Series	Local Episodes	Bicycled Episodes	Community Productions in Progress
4	72	20	60

### Media Training Courses:

Orientation	16	Studio Camera	4	TD & Media Mgmt.	3	Teleprompter	2	Editing A	3
Producing Training	5	Floor Manager	4	Lighting	6	Character Generation	0	Editing B	3
Director	3	Audio	5	Field Production	5	Arroyo Profiles TV Training	11	Green Screen Training	3

**Total Class Enrollments - Year to date: 553**

### Community Outreach & Networking:

- Submitted for the Exploring The Arts Internship Program
- Represented Pasadena Media at Councilmember Tyron Hampton District 1 Block Party
- Represented Pasadena Media at Pasadena Chamber/PUSD Career Internship Celebration
- Executive Director CEO George Falardeau and Head of Community Development Aaron Wheeler met with Anyel Fields, KPFK Radio General Manager and Kiyana Williams, KPFK Event Producer/Engineer concerning content collaboration and sponsorship.
- PCAC Board Chair Grant McComb and Head of Community Development Aaron Wheeler represented Pasadena Media at Innovate Pasadena 626 Tech Mixer
- In discussion:
  - Introduction by PCAC Board Chair Grant McComb - a Pasadena Junior Chamber of Commerce Collaboration meeting - TBA

### Social Media Marketing:



1734  
Followers



1203  
Likes



1249  
Followers



Channel Views - 140,525

**Pasadena Media CoLAB MeetUp:** Total Members: 148 - [www.meetup.com/PasadenaMediaCoLAB](http://www.meetup.com/PasadenaMediaCoLAB)

## Pasadena Media Production Report - August 2018

### Studio Productions:

8/2: <b>"NewsRap" - Pasadena Media (Pre-pro)</b>	8/3: "Skeelove House of Hip Hop" - Lonnie Lee (Pre-pro)
8/3: <b>"NewsRap" - Pasadena Media</b>	8/4: "Yeshua Ministries" - Denise Maiden
8/7: "The Adventures of Roya Rocket In Outer Space"- Roya Bryant (Pre-pro)	8/10: <b>"NewsRap" - Pasadena Media</b>
8/10: "Skeelove House of Hip Hop" - Lonnie Lee	8/13: <b>"Maryl Today" - Maryl Celiz Paz</b>
8/15: "Tongues of Fire"- Rob Reyes	8/15: "Everyday Life Latino Talk"- Jesse Estevez (Pre-pro)
8/16: "Truth Noir" - Norman Davis	8/17: <b>"NewsRap" - Pasadena Media</b>
8/17: "Sounds Within"- L.V. Smith	8/18: "Nuclear Popcorn"- Maurice Smith
8/20: <b>"Innovate Pasadena Presents" - Ka-Yun Lau</b>	8/21: "Late Nite Bride"- Peggy Kelley
8/22: "The Nowman Show"- Dan Niswander (Pre-pro)	8/22: "The Sure Truth"- Alice Muhammad
8/23: "Global View with Julia Zhang"- Julia Zhang (Pre-pro)	8/23: "What the HEA...LTH are you talking about?"- Eva Zolotova
8/24: "The Adventures of Roya Rocket In Outer Space"- Roya Bryant (Pre-pro)	8/24: <b>"NewsRap" - Pasadena Media</b>
8/24: "The Nowman Show"- Dan Niswander	8/25: "The Christina Cooper Show"- Christina Cooper
8/25: "Buzz'd Out"- Roe Moore (Pre-pro)	8/27: "Buzz'd Out"- Roe Moore
8/28: "Buzz'd Out"- Roe Moore	8/29: "Buzz'd Out"- Roe Moore
8/30: <b>"Impact Pasadena" - Pasadena Media</b>	8/30: <b>"Arroyo Profiles" - Pasadena Media</b>
8/31: "Global View with Julia Zhang"- Julia Zhang (Pre-pro)	8/31: "Tongues of Fire"- Rob Reyes (Pre-pro)
8/31: <b>"NewsRap" - Pasadena Media</b>	

Total Number of Studio Productions: 33

**Bold= Pasadena Media Production**

**KPAS/City/Outside Productions:**

8/7: What's Up Pasadena- Friends In Deed	8/7: Public Service- National Night Out
8/8: Map Your Neighborhood	8/8: What's Up Pasadena- Southern California Children's Museum
8/9: What's Up Pasadena- Formula E Race	8/11: What's Up Pasadena- First Tee of Pasadena
8/11: Public Service- PPD Open House	<i>8/14: Design Commission Meeting</i>
8/18: Pasadena In Focus- Adaptive Art Program	8/18: District 1 Community Breakfast
8/20: Pasadena City Council Meeting	8/21: Altadena Town Council Meeting
8/22: Pasadena In Focus- Adaptive Art Program	<i>8/22: Planning Commission Meeting</i>
<i>8/22: Horace Wormely Retirement Party</i>	8/24: Recreation Rundown- Centennial Square Boxing Show
8/27: Pasadena City Council Meeting	<i>8/28: Design Commission Meeting</i>
8/28: What's Up Pasadena: School of Rock	8/29: PWP- A Day in the Life

Total Number of KPAS/City/Outside Productions: 20

*Italic= Audio Coverage Only*

# **Agenda Report**

## **PCAC Reserve Account Withdrawal**

### **September 4, 2018**

#### **Recommendation**

It is recommended that the Board of Directors:

- A. Authorize the Executive Director to transfer up to \$50,000 from the PCAC Pasadena Federal Credit Union savings account to the PCAC Bank of America operating checking account.

#### **Background**

In November 2014, the Board of Directors voted to open an interest bearing account as a “rainy day” fund. A savings account was created in April 2015 with an opening balance of \$100,000. The account has never had a withdrawal and has a current balance of \$100,202.37

On August 20, 2018 the City Council approved the City Manager’s recommendation to reduce the General Fund contribution for PCAC’s FY19 operating budget by \$50,000. The following language was provided in the City Manager’s Staff Report:

*“3 PCAC to draw down reserve thereby reducing General Fund contributions \$50,000*

Priority 3 - Pasadena Community Access Corporation (PCAC) draw down of reserves. The PCAC currently has an operating budget reserve of \$100,000. The Executive Director/CEO has indicated that these funds are not designated for any particular purpose and could be used, in part, to offset this year's General Fund contribution to the PCAC. As it would be prudent to retain half of this amount for any unforeseen expenditures, staff recommends utilizing half the amount, \$50,000, to reduce total General Fund contributions. This one-time action would have no impact on City or PCAC service levels.”

#### **Discussion**

The FY19 PCAC budget of \$1,016,800 includes \$960,000 from the General Fund. This budget, adopted by City Council, is balanced and a \$50,000 reduction will leave operations significantly in the red. While staff will reduce costs when possible, an infusion will be necessary to maintain services. If approved, the Executive Director will transfer funds when needed.

#### **Fiscal Impact**

The drawdown will reduce our reserve account funds to no less than \$50,202.37, or approximately 5% of our FY19 operating budget.

Respectfully submitted,  
Chris Miller  
COO