

Petaluma Community Access, Inc.

Annual Report

Fiscal Year 2008-2009

Prepared by John Bertucci, Executive Director

Approved by the PCA Board of Directors

December 15, 2009

Mission Statement

“To promote freedom of expression in a public voice,
to provide access to communication tools,
and to foster the use of media.”

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The Fiscal Year

PCA began its Fiscal Year 2008/2009 (FY08/09) in a very precarious position. It had lost the MOU regarding occupancy of the Media Center on the Casa Grande High School campus and was still in the process of vacating PCA's home for twelve years. Although a new office had been secured, no preparations for the move had been initiated when the previous Executive Director and five members of Board of Directors, including the Chairman and the Treasurer, resigned on May 27. There were many unpaid bills discovered in the abandoned files; if not missing, important administrative documents were in complete disorder; considerable sums of money had been spent in the preceding three months.

For the first two weeks of FY08/09, between the mass resignation and the hire of an Interim Executive Director June 13, PCA faced total collapse as an organization. Loyal staff shared one set of keys to maintain PCA's three channel broadcasts and serve member producers as best they could. If the remnants of the PCA Board had not moved quickly to hire an interim ED, the organization would have probably ceased to function, its three channels gone dark at the start of FY08/09.

FY08/09 thus represents a radical "new beginning" for PCA, an imposed renewal of the operation in many deep and daily ways. Accounts were gradually balanced, public services reestablished, cable broadcast servers relocated and reconnected with assistance from the City's IT staff, and the move to the new location at 205 Keller St. Suite 102 accomplished entirely with volunteered labor from PCA members. PCA began this fiscal year with a whole new baseline, confronted with both the opportunity and the obligation to reset the clocks.

New Offices

Considering the drastic reduction of available space they represent, PCA's new offices offer much to be happy about. Being located in close proximity to historic Downtown Petaluma, two doors from the Phoenix Theater, has allowed for greater integration into the life of the community, and made circulation for members and staff easier. For those who remember the old location, the fact that PCA now has windows is a breakthrough; perhaps this new aspect of openness will permit PCA to move beyond the "bunker mentality" it's been prone to in the past. The new PCA offers a modest but friendly space, with room enough for plenty of creativity, given the limited scale of activities now within its reach.

There are no private offices at the new PCA: there is an equipment room, a radio booth, an office storeroom, and a long main room that accommodates: the Executive Director's desk, the Front Desk, a production desk, programming desk, access assistant desk, dubbing and download racks, and four editing stations for member use. Space is severely limited, as were PCA's resources at the start of FY08/09, yet PCA has managed to function remarkably well in its new offices.

The most important asset that PCA lost in its move to the new offices was the fully equipped television studio built into the Casa Grande facilities. Over the years, member productions generated many hours of live broadcasts from the PCA studio. An attempt was made to produce a studio show in our present location, but it failed; a rudimentary live signal has, however, been successfully broadcast from the Keller St. location. For the present, PCA has decided to focus on other types of production in the media access it offers to the public.

New Operation

Petaluma Community Access, Inc. (PCA) is a non-profit membership organization open to residents of Petaluma and surrounding unincorporated areas, employees of Petaluma businesses and members of Petaluma non-profit organizations. Helping citizens produce television shows for broadcast in their community is the primary reason that Public Access stations were established across the nation. PCA embraces this responsibility to its members as its primary mission.

Without the studio and access to live productions, PCA shifted its operating structure and resources to maximize its ability to provide two other types of media access: digital field production (cameras, sound equipment and tripods, etc) and computerized editing (Final Cut Pro) and training on the use of both.

During the first part of FY08/09, as PCA struggled to recover financial stability, there was no expansion or deep review of normal operating procedures; members and staff made do with what was available and what functioned. There were disruptions in our broadcasts, and PCA was cautious in gradually regaining its equilibrium, yet classes in digital editing were offered and member Marcelle Guy's first PCA production won an award (2008 WAVE Award).

In late Fall, a program was initiated to upgrade all PCA equipment for the specific type of television production PCA was best suited to offer. During FY08/09, five (5) new Sony digital cameras three (3) new playback decks, ten (10) new portable hard drives, and four (4) new iMac computers were purchased for member and staff use. Capital Expense funds were likewise used to upgrade office equipment (computers, monitors) and the programming and broadcast equipment installed at City Hall (see below).

PCA is currently open to the public from 3:00pm to 9:00pm on Mondays, Tuesdays, Thursdays, Fridays, and 11:00am to 3:00pm on Saturdays. Administrative hours are flexible but take advantage of the periods when the office is closed to the public. City meetings and PCA coverage of local events (parades, graduations, etc) are produced as required.

Another factor in how PCA operated in this fiscal year deserves mention: there was a concentrated effort to enhance the image and reputation of the station. March 2009 was proclaimed PCA month by the City of Petaluma, and a downtown window display, letters and articles in the press, and an open house were there to celebrate it. PCA has also reached out to the local public service community; participating in the formation of the Petaluma Non-Profit Alliance and helping fellow organizations produce Public Service Announcements (Petaluma Bounty, Petaluma Arts Center, the North Bay Rowing Club).

PCA Staff

The progressive stability that PCA established in its new location in FY08/09 is entirely due to the enthusiastic participation of its staff. Employed by PCA the previous fiscal year, Francisco Morales, Lisa Moody and Zach Smith stayed on and proved invaluable to the survival of the station. From making everything fit in the new space, to assuring continuity in the daily duties to serve our community, PCA has coped with these challenges because its staff is fully invested in the Public Access mission; they really care about it.

As PCA gradually recovered from the difficult situation it inherited at the start of this fiscal year, areas of improvement began to be addressed. Staff performance came under review; the position of Office Manager was eventually filled by Rachel Moran who joined the team with equal commitment to making PCA the best it could be. Each department in the organization (Administration, Programming, Production) was functioning but called for technical improvements, back-up training and critical attention. With only the technical upgrades actually being addressed in FY08/09, this remains an on-going project.

Reserving some flexibility in staff work schedules has been necessary to effectively meet the shifting range of procedures, projects, structural emergencies and regular services that PCA presently offers members and the City. Media work is notorious for its demanding schedules; maximizing the work accomplished by shifting staff hours to meet the need.

Government Services

The relationship between PCA and the City of Petaluma is more than contractual; it is an intimate exchange of mutual responsibilities, shared administrative duties and constant procedural interaction. Besides compliance requirements and authority in dealings with the cable provider, the City administers the Capital Expense fund for PCA, reimbursing the receipts that PCA generates in purchasing capital assets (advances have been authorized on two occasions).

A new dimension of PCA's relationship with the City was instituted in FY 08/09: PCA now houses its three broadcast servers in a small booth at City Hall. It is from these servers, connected by fiber cable to the Comcast head-end, that PCA's three channels are broadcast. There are inconveniences to this arrangement (increased noise and activity, limited access, etc.) but it is a crucial arrangement upon which the survival of PCA depends.

PCA also provides and operates the cameras and equipment necessary to record and broadcast most of the City's public meetings (see below). As these video documents constitute the primary public record of the meetings stored on Granicus, the extreme degree of attention this service stipulates has proven a challenge. PCA bills the City for staff time and materials but at a nominal fee.

This fiscal year, great and steady effort has been made to clarify the lines of communication between the City and PCA in order to better organize, monitor and constantly refine the procedures and responsible performance levels required of PCA in providing this important Government Service.

Franchise Agreements

PCA continues to program and broadcast three channels of television content, 24 hours per day, on the local Comcast Cable network (channels 26, 27, 28). These channels are now available as well on the Internet for subscribers of AT&T U-verse (scroll to channel 99).

Public Access Channel 26 - the P of PEG Access

The public channel airs locally produced and viewer-sponsored programming from outside sources. It is on this channel that community members, professional and non-professional alike, as well as local non-profit organizations and institutions, have the opportunity to make their voice heard or get their message out. Most of PCA's educational, technical and member support resources are geared toward facilitating production of programming for this channel. Public Service Announcements and the Community Bulletin Board appear between scheduled programs (on all three channels).

Educational Access Channel 27 - the E of PEG Access

The educational channel presents the Petaluma School Board meetings, district high school graduations, PCA supported productions as requested, and submitted announcements to the Bulletin Board broadcast on all three channels throughout the day. This, of course, does not fill 24 hours 7 days a week. As a result, other content is often programmed on Channel 27: UCTV, FSTV, the PCA Radio Project, Public Service videos and educationally informative submissions from local or sponsored outside sources.

Government Access Channel 28 - the G of PEG Access

Government channel programming includes LIVE cablecast and taped repeats of all regular and special meetings of the local Government: the City Council, Airport Commission, Planning Commission, Recreation, Music and Parks Commission, the Transit Advisory and the Technology and Telecommunications Advisory Commissions, as well as taped Sonoma County Board of Supervisors meetings.

The installation inside City Hall of the Leightonix servers fundamental to these broadcasts did not go smoothly; the previous administration of PCA had not taken steps to transfer this operating equipment before they resigned. For the first few months of FY08/09, a large part of PCA's efforts were accordingly devoted to securing the broadcast signal to Comcast and adapting to the new programming procedures. The technical infrastructure inside City Hall for the AT&T U-verse connection was completed in October and November 2008.

The AT&T franchise was the subject of a City ordinance that effectively imposed a quarterly return due upon U-verse revenues: 5% to the City and 1% to PCA. This was necessary because AT&T is operating under a state franchise agreement and did not need to negotiate with the City for the Petaluma market. There was an active public campaign to urge AT&T to include local Public Access TV in their U-verse menu, and the Petaluma City Council moved with efficiency to approve the ordinance.

The Access funding stream is different in the case of Comcast, having been determined in direct negotiations with the City. In an Extension of the City Franchise Agreement dated January 12, 2006, it is specified that PCA is to collect a mandatory \$.25 fee attached to each monthly cable subscriber bill, to be augmented with an optional monthly fee of \$2.00. Quarterly paid checks under these terms average about \$56,000, so it would appear that

quite a few citizens of Petaluma contribute \$27 annually to PCA via their Comcast bills (\$2x12 + \$.25x12). This agreement, and the funding stream it underwrites, expires in the third quarter of 2010 and the PCA Board of Directors began discussing possible approaches to this transition in FY 08/09.

Unfortunately, given the disruption of programming procedures in the move to City Hall and the effort required to stabilize the general operation and develop priority projects, PCA was not able to gather the scheduling data for an exact comparison of local to imported content. If, however, these proportions were not consistent with the proper broadcast ratio PCA has always maintained, it would surely be the locally produced broadcasts that increased, due to a greater disruption in the processing of submissions from outside the community.

Board of Directors

The Board of Directors had to be substantially reconstituted in FY 08/09. While five Directors resigned on May 27th, three did not: Jorge Panana, Bruno Marin, and Octaviano Lopez. The City and School designates to the PCA Board (Steven Carmichael and Dave Rose) were not at liberty to resign. These five Directors hired the interim Executive Director at a special Board meeting one week after the resignations. Cindy Thomas and Richard Squaglia joined the remaining Directors at the Regular June 2008 Board meeting and the new Board and Executive Director set out to rebuild the new PCA.

The Executive Committee at the start of FY 08/09 was: Cindy Thomas, Chairperson; Bruno Marin, Vice Chair; Jorge Panana, Secretary; Richard Squaglia, Treasurer. Their thoughtful and enthusiastic direction galvanized the rest of the Board, and the dedicated commitment of each to the Public Access mission literally saved PCA. The new organizational structure initiated by the interim Executive Director was guided by their vision.

Steven Carmichael eventually left his position for the City and was replaced on the Board by Tim Williamsen. Marcelle Guy was appointed to the board and eventually replaced Jorge Panana as PCA Secretary. The existing Board had a retreat November 2, 2008, to review and renew their commitment to the national Public Access mission, and their participation in PCA's pursuit of it.

Finances

The first two quarters of FY 08/09 were fraught with the risk of not making payroll. The periods after the quarter ended, while PCA waited for the check from Comcast, were quite uncomfortable. By the third quarter, enough financial stability had been won to make this a more relaxed period, and in the last quarter, enough was saved to place \$20,000 in a liquid CD, gaining interest.

Total Current Assets at the end of FY 08/09 were \$97,459; they were \$71,932 at the end of the previous fiscal year, representing a net gain. Cash in Bank in both cases was dangerously low, although at the end of FY 08/09 there was the liquid CD in reserve.

The attached Financial Reports for July 2008 and July 2009 do not represent the massive confusion in the processing of bills and invoices that marked the start of the fiscal year.

From a cancelled Insurance Policy immediately recovered, to the many puzzling expenses attached to the purchase of the Mobile Production Trailer, understanding the financial situation and managing the cash flow was a serious challenge.

There were gradual purchases of capital equipment made in the third and fourth quarters of FY 08/09; as PCA's stability grew, they became necessary. Much attention was also devoted to the issue of ultimately reconciling the assembled receipts related to the purchase of the Trailer with the advance of \$73,331 made by the City in March 2008 for its purchase. This reconciliation was accomplished with the assistance of the City Manager's office in the process of reimbursing the newly accumulated capital expenses.

It is instructive to compare numbers on some of the Income line items in the attached Financial Reports: Access Fees increased almost \$10,000; Contributions grew from \$132 to \$875; Government Taping Fees doubled; Membership Dues increased slightly; only income from Production Services suffered a decrease, dropping from \$1,410 to \$45. This important decrease was the result of an administrative decision to eliminate Production Services as a potential revenue stream. Offering "for hire" services diverted PCA staff hours, generated expenses that far exceeded the actual Income recovered, and seriously compromised PCA's duty to direct its limited resources to best serve its membership.

The annual Audit of Fiscal Year 2007/2008 was completed in FY 08/09, confirming PCA's fiscal compliance in its accounts and procedures. This audit included a NOTE regarding PCA's due diligence in the legal matter then being pursued (see below).

A considerable amount of PCA material assets sat in a large storage unit rented during the move, initially to serve as a clearing station for equipment and supplies on their way to the new offices. Old documents, videocassettes, excess equipment, and the bulk of the studio and control room material (lights, light board, grid, racks, etc) have remained there in storage. The studio cameras, tripods and controls had earlier been transferred to the Mobile Production Trailer. Apart from one collective attempt to make that technical production unit function, they too have sat unused for the year, along with the brand new equipment purchased to outfit the Trailer.

Propositions to trade or donate old studio equipment were made to the Phoenix Theater and Petaluma High School, but proved unsuccessful. The City of Petaluma has permitted free long-term parking for the Truck and Trailer on a secure City lot. Given the demands of simply maintaining PCA's daily operation, efforts to sell or eventually use this material were discussed but not undertaken in FY 08/09.

Legal Matter

Concerns about the events and decisions that led to the near collapse of PCA in May 2008 generated considerable legal activity for PCA in FY08/09. Demanding particular attention was an alleged settlement payment of \$50,000 to the departing Executive Director, with no relevant documentation in PCA records. Moreover, close to \$100,000 had been spent in the month of May alone, a sum comparable approximately 40% of PCA's annual budget.

A three-month long internal investigation was conducted by the Executive Director, and attorney Irv Piotrkowski was engaged in November 2008 to assemble the documents

necessary for filing an Insurance Claim on the alleged settlement payment of \$50,000. This effort has been stymied, despite persistent legal correspondence, by the fact that none of those most responsible for the alleged settlement (John Shribbs, Tom Vasgird, James Allen, Julie Akins) was able to produce a copy of the signed Settlement Agreement and Release that would presumably justify this payment.

This troubling matter was pursued in all due diligence by the current administration of PCA, which subsequently brought its legal efforts in the matter to a close in November 2009 with the filing of a formal Complaint to the Attorney General of California, outlining the financial improprieties that did occur in the delivery of a \$50,000 check to the departing Executive Director in May 2008. This complaint is available for public reading at PCA.

Current Fiscal Year

In the four months that have elapsed since Fiscal Year 2008/2009 expired, PCA has again rebounded from a series of challenges. There was another spasm of turmoil among the membership; PCA's Programming Director, Francisco Morales went on extended medical leave; and Office Manager Rachel Moran resigned in September. PCA was very lucky to promptly hire Lorena Gomez-Barris who has brought equal skill and enthusiasm to the position of Office Manager; and Kate Gratto-Bachman and Max Piepenbrink have joined the dedicated staff of PCA as Access Assistants working to assure coverage of City meetings and the programming of PCA broadcasts.

Efforts were also launched in this current fiscal year to liquidate the dormant assets, and new capital equipment purchases continue to augment the robust inventory of production material available for PCA members for field production and digital editing. Strenuous efforts continue to optimize all departments of PCA as it strives to maintain and constantly improve its ability to serve Petaluma, providing media access and support to those who want to make, and watch, local television.

Attachments:

Financial Statement for June 2008	6 pgs.
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Petaluma Community Access, Inc.

Board of Directors

Cindy Thomas, Chair
Eric Adams, Vice Chair
Richard Squaglia, Treasurer
Marcelle Guy, Secretary
Jorge Panana
Matt Pearson
Tim Williamsen, City Designate
Dave Rose, School Designate

Staff

John Bertucci, Executive Director
Lorena Gomez-Barris, Office Manager
Zach Smith, Production Manager
Kate Gratto-Bachman, Access Assistant
Max Piepenbrink, Access Assistant

Hours

Monday, Tuesday, Thursday, Friday
3:00 - 9:00 pm
Saturday
11:00 am - 3:00 pm

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