



# **Annual Report**

**of the Board of Directors**

**March 2010**

**Batavia Access Television, Inc.  
1201 Main Street  
PO BOX 731  
Batavia, Illinois 60510  
(630) 937-5413  
[www.batv.us](http://www.batv.us)**

***The mission of Batavia Access Television is to educate, entertain, celebrate, engage, and inspire the community through programming that enhances the quality of life for all.***



Greetings to the Greater Batavia Community!

As members of the BATV Board of Directors, we have the privilege of working with a dynamic organization that meets a variety of vital needs within our community. The mission of community-based cable television in the greater Batavia area is to educate, entertain, celebrate, engage, and inspire the community through programming that enhances the quality of life for all. BATV proudly contributes to this by offering community-based programming 24 hours a day, 365 days a year.

It is in this spirit of communication and transparency that we have prepared the first ever BATV Annual Report to provide readers with an increased understanding of the operations, achievements, and goals of Batavia Access Television. We hope that this is the first of many such annual reports in the years to come.

We are exceptionally proud of what BATV has been able to accomplish since its inception nearly three decades ago. Numerous members of the greater Batavia community, including volunteers, employees, Board members, and staff from multiple organizations have made all of this possible over many years. Thank you!

We look forward to the bright future of this wonderful community and to the important role BATV will play!

Sincerely,

The BATV Board of Directors:

Doug Drexler, BATV President  
Batavia Public Schools

Alan Wolff, BATV Vice President  
City of Batavia/City Council

Craig Foltos, BATV Treasurer  
At-Large Member

Allison Sohr, BATV Secretary  
Batavia Park District

Kermit Carlson  
At-Large Member

Jim Dillenburg  
At-Large Member

Jeff Matter  
At-Large Member

George Scheetz  
Batavia Public Library

John West  
Batavia Township



## Quick Facts-At-A-Glance

### Did you know that BATV in the past year has:

- Aired over **1,300** hours of new programming?
- Benefitted from over **1000** volunteer hours from community members?
- Broadcast over **50** events LIVE to the community.
- Supported the education of more than **120** high school students in the broadcasting program at Batavia High School?
- Published over **400** community bulletins for a wide variety of local organizations?
- Broadcast and archived over **150** government meetings?
- Awarded the Peggy Haines annual college scholarship to a BHS student pursuing broadcasting at the college level?
- Provided over **30** station tours for community groups (Scouts, etc.)
- Received over **11,000** visits to the redesigned [www.batv.us](http://www.batv.us) website since August?
- Partnered with over **80** community organizations, groups, and businesses in and around Batavia?



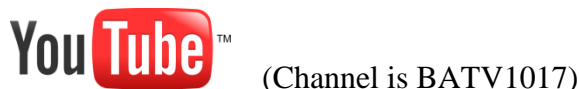
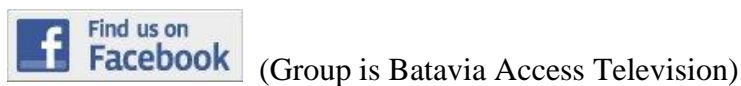
## About BATV

Batavia Access Television (BATV) is an Illinois Not-for-Profit Organization that provides two channels of broadcast programming to over 8,500 households and businesses extending into service areas including the City of Batavia, Batavia Public School District #101, Batavia Public Library District, and the Batavia Park District. BATV is also broadcast to Campton, Plato, and Rutland Townships in unincorporated Kane County. BATV provides residents, organizations, agencies, and institutions with free, non-commercial television production. The station is organized exclusively for literary, artistic, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

BATV-10, the government channel, airs coverage of local government board meetings, including those of Batavia City Council, Batavia Park District, Batavia Public Library, Batavia Public Schools, Batavia Township, Kane County Board, and the Kane County Forest Preserve. BATV-17, the public access channel, airs programming such as local church services, athletic events, community submitted programs, and BATV-produced shows such as the recently developed *Out & About Batavia* program. BATV-17 also provides a Community Video Bulletin Board that displays announcements during time periods when scheduled programming is not being broadcast. Non-commercial use of the Bulletin Board by community groups is available at no cost.

Batavia Access Television is governed by a Board of Directors with representation from a variety of community groups. This Board is responsible for the organization's finances and for the formulation of policies. The Board appoints the Station Manager who is responsible for the day-to-day operation of BATV. Board meeting highlights are posted on the website, and full meeting minutes are available to anyone upon request.

BATV has also recently branched out and started to communicate through a variety of social media. Follow us on these sites, and look for more to come in the future!





## **BATV Staff**

### Holly Deitchman, Station Manager

As a resident of Batavia, Holly has been part of the BATV organization since 2004, first as the Treasurer of the Board of Directors. Her business background in accounting, working knowledge of the station, and vision for the future of BATV have made a positive impact.

### Jennifer Brens, Program Director

Jennifer returned to her roots in Batavia after spending a number of years in California working for major television networks such as The Discovery Channel, Food Network, and HGTV. Jennifer's degree in broadcasting, professional television experience, and familiarity with the community have been great assets for BATV.

### Jon Benditz, Technical Director

An alumni of the Batavia High School broadcasting program, Jon has been involved in a multitude of projects behind the scenes. Jon works on a part time basis to maintain and upgrade equipment, the BATV computer network and website, and assists with the production of programming.

# BATV “Premier” Sponsors

(as of March 1, 2010)



## Batavia Insurance Agency

121 East Wilson Street

Batavia, Illinois 60510

(630) 879-1405

[www.bataviainsurance.net](http://www.bataviainsurance.net)



## Batavia MainStreet

4 ½ West Wilson Street

Batavia, Illinois 60510

(630) 761-3528

[www.downtownbatavia.com](http://www.downtownbatavia.com)



## Confident Aire, Inc.

338 McKee Street

Batavia, Illinois 60510

(630) 761-9007

[www.confidentaire.com](http://www.confidentaire.com)

FinditLocal 411

[www.FindItLocal411.com](http://www.FindItLocal411.com)



## Funway

1335 South River Street (Route 25)

Batavia, Illinois 60510

(630) 879-8717

[www.funway.com](http://www.funway.com)

# BATV “Premier” Sponsors

(as of March 1, 2010)



**K. W. Kraft & Sons, Inc.**

**Plumbing Contractors**

923 First Street

Batavia, Illinois 60510

(630) 879-5507

[www.kraftplumbing.com](http://www.kraftplumbing.com)



**Prairie Path Cycles**

122 West Wilson Street

Batavia, Illinois 60510

(630) 406-9749

[www.prairiepathcycles.com](http://www.prairiepathcycles.com)



**Shelter Insurance**

**Mike Hanrahan, Agent**

14 North Island Avenue

Batavia, Illinois 60510

(630) 879-6100

[www.shelterinsurance.com/michaelhanrahan](http://www.shelterinsurance.com/michaelhanrahan)



**Spare Wheels Transportation**

33W480 Fabyan Parkway

West Chicago, Illinois 60185

(630) 377-4637

[www.sparewheels.com](http://www.sparewheels.com)

# BATV “Stimulus” Sponsors

(as of March 1, 2010)

## **Buttrey-Wulff-Mammaing Insurance** *Insurance Professionals Since 1926*

355 First Street  
Batavia, Illinois 60510  
Tel: (630) 879-0111 Fax: (630) 879-0216  
[www.bwmins.com](http://www.bwmins.com)

*Auto - Home - Business - Health - Life*

Buttrey-Wulff-Mammaing Insurance

355 First Street  
Batavia, Illinois 60510  
(630) 879-0111  
[www.bwmins.com](http://www.bwmins.com)



Music Matters

222 East Wilson Street  
Batavia, Illinois 60510  
(630) 406-8742  
[www.musicmattersschool.com](http://www.musicmattersschool.com)



Dr. Brian Rooney, PhD  
335 North River Street, Suite 210  
Batavia, Illinois 60510  
(630) 879-8175  
[www.drbrrianrooney.com](http://www.drbrrianrooney.com)



Wieland, Kennedy & Company, CPA's  
235 East Wilson Street  
Batavia, Illinois 60510  
Phone: (630) 761-8199  
[www.wielandcpas.com](http://www.wielandcpas.com)



## **Program Sponsorship at BATV**

Programming on BATV-17 is brought to you in part by local businesses and organizations through a recent initiative to offer sponsorship opportunities. By sponsoring programming, businesses show their support for a rich variety of community television and the value that it adds to the residents of our community. Please patronize the fine businesses that appear in this report as a thank you for helping us provide you with the highest quality community television.

If you are interested in positioning your business or organization in the spotlight through the use of a promotional video or a digital bulletin announcement, BATV can help you determine the right programming mix for your business based on your timing, budget, and target audience. We have the unique ability to specifically target households in and around Batavia, hitting an incredibly desirable audience of over 8,500 households and businesses in Batavia Township as well as Campton, Plato, and Rutland Townships in Kane County.

Program sponsors can receive a BATV-produced video spotlighting the business or organization. This video will air on BATV, and the sponsoring business will retain rights to use it as they see fit. Many sponsors have placed this video on their websites with great success. In addition, sponsors can have their promotional video, company website link, and company logo added to the BATV website.

For additional information on program sponsorships please contact Holly Deitchman, BATV Station Manager, at (630) 937-5413 or [holly@batv.us](mailto:holly@batv.us)

### **Testimonials**

*"Holly and the crew helped my business reach residents on a consistent basis. Being a big believer in keeping your business at home, it is nice to know my neighbors are hearing about us at every BHS home game, not to mention the great video on channel 17 all weekend long."*

**-Thomas M. Wangler Jr., Comfort Consultant/Energy Strategist, Confident Aire, Inc.**

*"K.W. Kraft & Sons, Inc. would like to express our complete satisfaction with Holly and the entire staff at BATV. They made filming our sponsorship video truly enjoyable and their hard work accomplished a great representation of our company. We greatly appreciate their efforts."*

**-John A. Kraft, President, K.W. Kraft & Sons, Inc.**



## Highlights of Recent Accomplishments

- Improved BATV sound and picture quality with equipment upgrades
- Developed new community-based programming such as the new *Out & About Batavia*, *Business Bulldogs*, and *Municipal Minute*
- Enhanced the capacity to broadcast live events on BATV – one of the few community access stations with this capability!
- Rolled out sponsorship opportunities to local businesses and organizations
- Added representation from Batavia Township to the Board of Directors
- Hosted a Chamber of Commerce Open House
- Restored archived programming such as *Conversations with Batavians* for future rebroadcast
- Upgraded from an analog to a digital program playback system
- Reduced expenditures to achieve a balanced budget in light of reduced revenue
- Fundraised over \$700 for the Access Toy Drive.
- Developed an internship program for students interested in the field of broadcasting



## Looking Ahead to the Future

**While we are very proud of what BATV has been able to achieve, we have a number of goals as we continue to move forward, including:**

- Beginning BATV broadcasts on AT&T U-verse (scheduled for April 2010)
- Diversify programming, with a focus on locally produced programs and a spotlight on the businesses community and families
- Expand services such as the on-demand streaming of programs and other web-based features
- Increase the number of groups that film their events in the community, as well as the number of volunteers
- Branch out to new sponsorships within the Fox Valley communities
- Engage in a strategic planning process to help guide the station into the future
- Air historical local programming that has been archived at BATV
- Expand our presence on social networking media, such as Facebook, Twitter, and others
- With Batavia, Geneva, and St. Charles high schools moving into the same athletic conference beginning in Fall 2010, continue to develop the infrastructure to broadcast these games throughout the Tri-Cities.
- Continue to be an integral part of the communication network in the greater Batavia community



## Opportunities at BATV

### **Volunteers**

Lights, camera, action! If these words sound like music to your ears, launch your television career locally at Batavia Access Television (BATV)! As a community based organization, BATV offers a number of opportunities for citizens, community organizations, and youth clubs to become involved. BATV currently organizes community volunteers for most productions, and as BATV volunteerism increases, so do the events recorded and broadcast. If you are interested in broadcasting, sports commentary, talk show hosting, voice-overs, live sports broadcasts, video editing, or anything else related to television production, please contact us! We have lots of projects for people to work on.

### **Attend a Producer Certification Session (they are FUN and FREE!)**

Now is the best time to become a BATV certified producer! Currently all it takes is 90 minutes of your time to meet at the BATV studio. You will tour the facilities, complete a producer profile, and receive a copy of the station's policies and procedures. It doesn't get much easier than that! Producer certification sessions are available upon request; simply contact BATV to register.

### **Internships**

BATV offers internship opportunities to individuals with an interest in pursuing a career in the field of broadcasting. The internship program at BATV is a hands-on, real world program to help train future industry professionals in all aspects of television broadcasting.

### **Group Tours and Events**

BATV would be glad to provide your organization, club, or other community group with a tour of the station, provide an overview of how the station operates, and even have members of the group create a station identification announcement for BATV!

For more information on any of these opportunities, contact the station at (630) 937-5413.



## **A Brief History of BATV**

Batavia Access Television traces its roots back to 1981, when the Batavia City Council approved the Batavia Social Services Corporation (BSSC) board. The primary function of the BSSC was to have a controlling interest in 200 shares of Multimedia Cablevision stock. In 1990 the BSSC was dissolved, leaving stock worth over \$360,000. The City of Batavia acquired the BSSC funds and made them available as grants to community organizations, clubs, and groups. Batavia Community Television (BCTV) evolved from the BSSC and was awarded a grant to buy equipment and supplies.

Community television in Batavia saw many changes between 1981 and 2000. The first studio was built in 1983 in a Batavia industrial park on the east side of town. The actual channel number shifted multiple times, and the name was changed from BCTV to BATV in 1996. The franchise agreement between the City of Batavia and the cable company was re-negotiated in 1996. This agreement provides funding to the City of Batavia, a portion of which is then allocated to BATV to fund the operational expenses (primarily equipment and staff) of the station. This allowed BATV an opportunity to provide for the future growth of the PEG (Public, Education, Government) access channels on the cable television system.

In 1999, BATV partnered with Batavia Public Schools to develop a new studio within Batavia High School. BATV continues to operate from this facility today, alongside high school students taking a full complement of television broadcasting courses that expose them to a wide variety of skills, including script writing, pre-production work, running studio cameras as well as in-the-field cameras, and post-production work. Not only are the broadcasting courses very popular among students, the communication and technical skills acquired in these courses are increasingly able to be applied to college and career success in a variety of areas. The BATV studio space will be growing once again in the near future as part of the high school expansion project to be completed by 2012.

May 1998 brought the efforts of governmental and civic bodies to BATV. The BATV Volunteer Board of eight years was transformed into the current BATV Board of Directors with representation from the City of Batavia, Batavia Public Schools, Batavia High School student body, Batavia Park District, Batavia Library District, Batavia Chamber of Commerce, Batavia Township, and four at-large community members.



## **BATV Finances**

Annually, the BATV Board of Directors develops and approves a budget for the operation of the station. As was the case with many organizations, 2009 was a challenging budget year. In addition to approving the annual budget, the Board of Directors has chosen to conduct external audits of the station's finances on an annual basis. Additionally, all payroll is processed by an external firm. The firm of Wieland & Company, Inc. of Batavia is currently the accounting firm that handles both of these functions. The 2009 Audit is part of this annual report.

The primary source of funding for BATV originates from franchise fees paid by Comcast cable subscribers. The City of Batavia is the recipient of these funds, a portion of which is then provided to BATV for the operation of the station. Tax dollars are not used to support the operation of BATV.

Due to the recent economic downturn, the City of Batavia reduced by roughly 30% the amount of franchise fees that they pass on to BATV. As a result, the BATV Board of Directors reduced a number of expenditures to achieve a balanced budget. These measures included freezing the salaries of all employees, deferring equipment repairs and purchases to future years when possible, and minimizing the day-to-day operational expenses.

On paper, BATV appears to have significant budget reserves. However, this amount includes over \$250,000 in funds long earmarked for the purchase of critical equipment to replace aging, outdated broadcasting equipment (some of it from 1982). The funds for these equipment purchases originated from one-time allocations from Comcast in 2003 and 2008 that will not likely be repeated in the future. BATV is waiting to purchase most of this equipment until the reconfiguration of the control room is complete in the summer of 2011. These funds are not part of the operating reserves of BATV, and after factoring in this equipment, BATV has very limited operating reserves of only a few months.

For the past two years, the purchase of critical equipment has been deferred, staff salaries have been frozen, and day-to-day expenses have been reduced by the Board of Directors. Despite these setbacks, we will continue striving during these challenging economic times to provide and improve on the services that our community deserves.



**For more information, please contact the station at:**

**Batavia Access Television, Inc.  
1201 Main Street  
PO BOX 731  
Batavia, Illinois 60510  
(630) 937-5413  
[www.batv.us](http://www.batv.us)**

**BATAVIA ACCESS TELEVISION, INC.  
AN ILLINOIS NOT FOR PROFIT CORPORATION**

**FINANCIAL STATEMENTS**

**Year Ended June 30, 2009**

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# **Wieland & Company, Inc.**

Certified Public Accountants

12 West Wilson Street, Suite 2A  
Batavia, Illinois 60510

Phone (630) 406-4490  
Fax (630) 406-4491

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Batavia Access Television, Inc.  
An Illinois Not For Profit Corporation  
Batavia, Illinois

We have audited the accompanying statements of financial position of Batavia Access Television, Inc. an Illinois Not For Profit Corporation, as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Batavia Access Television, An Illinois Not For Profit Corporation as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

January 25, 2010

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2009 and 2008**

	2009	2008
<b>ASSETS</b>		
Cash	\$ 356,295	\$ 323,325
Grant receivable, City of Batavia	37,173	47,273
Prepaid expenses	2,760	2,216
Accrued interest income	735	-
Deposit	26,641	-
Property and equipment	173,221	151,127
<b>TOTAL ASSETS</b>	<b>\$ 596,825</b>	<b>\$ 523,941</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 7,904	\$ 3,402
<b>NET ASSETS</b>		
Unrestricted	582,416	515,078
Temporarily restricted	6,505	5,461
<b>TOTAL NET ASSETS</b>	<b>588,921</b>	<b>520,539</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 596,825</b>	<b>\$ 523,941</b>

See accompanying notes to financial statements.

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2009 and 2008**

	2009	2008
UNRESTRICTED SUPPORT AND REVENUE		
Grants, City of Batavia	\$ 265,437	\$ 186,236
In-kind exchange transactions	40,000	40,000
Interest income	9,623	8,526
Sponsorship income	2,625	-
Miscellaneous income	2,135	1,131
	319,820	235,893
TOTAL UNRESTRICTED SUPPORT AND REVENUE	319,820	235,893
NET ASSETS RELEASED FROM RESTRICTIONS		
Restrictions satisfied by payments	-	500
	-	500
TOTAL UNRESTRICTED SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS	319,820	236,393
EXPENSES		
Program services	221,590	164,670
Supporting services	28,219	25,852
Fundraising expenses	1,673	-
	251,482	190,522
TOTAL EXPENSES	251,482	190,522
INCREASE IN UNRESTRICTED NET ASSETS	68,338	45,871
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Scholarship fund contributions	-	4,000
Interest income	44	22
Net assets released from restrictions	-	(500)
	44	3,522
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	44	3,522
INCREASE IN NET ASSETS	68,382	49,393
NET ASSETS AT BEGINNING OF YEAR	520,539	471,146
NET ASSETS AT END OF YEAR	\$ 588,921	\$ 520,539

See accompanying notes to financial statements.

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2009 and 2008**

	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 68,381	\$ 49,393
Adjustments to reconcile net increase in net assets to net cash provided by operating activities		
Depreciation	46,127	41,017
Decrease (increase) in grant receivable, City of Batavia	10,100	(1,622)
Increase in prepaid expenses	(544)	(1,620)
Increase in interest receivable	(735)	-
Increase in deposits	(26,641)	-
Increase (decrease) in accounts payable and accrued expenses	4,503	(735)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>101,191</b>	<b>86,433</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash payments for property and equipment	(68,221)	(39,813)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(68,221)</b>	<b>(39,813)</b>
<b>NET INCREASE IN CASH</b>	<b>32,970</b>	<b>46,620</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>323,325</b>	<b>276,705</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 356,295</b>	<b>\$ 323,325</b>

See accompanying notes to financial statements.

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended June 30, 2009 and 2008**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Batavia Access Television, An Illinois Not For Profit Corporation (the Organization), was incorporated on August 22, 2000, to facilitate and support cable television access to the Batavia community at large including operation of the public television studio. The Organization's primary cash funding is derived from grants by the City of Batavia.

The Organization is governed by a Board of nine members consisting of four at-large directors and one member appointed by the Batavia Chamber of Commerce, Batavia Public Library District, Batavia School District #101, Batavia Park District and the City of Batavia.

Grants, Contributions and Exchange Transactions

Grants and contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. At June 30, 2009 and 2008, \$6,005 and \$5,461 respectively, are restricted for the use of a scholarship fund in memory of a long-time volunteer of the Organization.

Reciprocal transfers in which the Organization receives and expends amounts of approximately equal value are recorded as exchange transactions and the related revenues and costs are recorded when earned and when incurred.

Promises to Give

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. At June 30, 2009 and 2008, the Organization had no uncollectible promises receivable.

Noncash Contributions

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

The usage of two programming channels for public access and governmental awareness is supplied to the Organization at no charge by the community's cable television service provider. No related amounts have been recorded in the financial statements as the estimated value of the usage is not determinable.

No amounts have been reflected in the financial statements for volunteer services because the criteria for recognition under SFAS 116 have not been satisfied or the amount of volunteer services that meets the criteria for recognition in the financial statements was not material.

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**Years Ended June 30, 2009 and 2008**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

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

Property and Equipment

Leasehold improvements are being amortized in equal amounts over the remaining term of the Organization's facility lease in effect at the date of acquisition. Fixtures and equipment are being depreciated using the straight-line method over the estimated useful lives of the related assets that range from five to ten years.

Income Taxes

The Organization applied for and has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. At June 30, 2009 and 2008, there were no cash equivalents.

Functional Allocation of Expenses

Expenses have been summarized in the accompanying financial statements on a functional basis. Directly identifiable expenses are charged to program and supporting services. Expenses related to more than one function are allocated among the categories based on various evaluations by management.

NOTE B - ECONOMIC DEPENDENCY

City of Batavia

The City of Batavia collects cable television franchise fees from the community's cable service provider in an amount equal to 5% of the provider's gross revenues, under a 15-year agreement expiring in May of 2013. Although the City typically has used a portion of these funds to award quarterly grants to the Organization, these grants are at the sole discretion of Batavia's City Council. During the years ended June 30, 2009 and 2008, the City initially awarded the Organization grant funds equal to 60% of the franchise fees collected from the cable television service provider. Due to subsequent budgetary constraints, the City reduced funding to the Organization by \$30,000 in calendar 2009. Future reductions are scheduled to be \$45,000 in 2010 and \$60,000 in 2011.

Under the agreement with the cable television service provider, the City also received a franchise capital contribution of \$150,000 in August 2003, which was granted to the Organization to finance equipment purchases for its present studio in Batavia High School. The City received an additional franchise capital contribution from the cable service provider of \$100,000 in November 2008, which it awarded to the Organization.

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**Years Ended June 30, 2009 and 2008**

NOTE B - ECONOMIC DEPENDENCY (Continued)

City of Batavia (Continued)

The Organization is economically dependent on the continuing receipt of grant funds from the City of Batavia. These grants are awarded through an ordinance passed by the City Council that could be discontinued at its discretion. Funding is also contingent on the continuing legal right of municipalities to collect franchise fees from local providers.

Batavia School District #101

The Organization conducts its operations in approximately 1,800 square feet of space that is located in Batavia High School and leased rent free from Batavia School District #101, including utilities and building maintenance which are provided at no cost. In exchange, the Organization allows the School District uninterrupted access to and use of the studio and equipment for educational, promotional and extracurricular purposes and also provides the District with preferred programming access. The initial 10-year term of the agreement ended in 2009 and was renewed on September 22, 2009 for a 3-year term, thereafter continuing on an annual basis (See Note C). Either party shall give three years written notice of its intent not to renew the lease.

Management accounts for the agreement as an exchange transaction and determined the estimated annual value for the rental and operating costs of the facility to be \$40,000 for years ended June 30, 2009 and 2008.

Accordingly, these amounts are recorded as in-kind exchange transaction revenue and occupancy expense in the statements of activities.

NOTE C – DEPOSIT

At June 30, 2009, the Organization had \$26,641 on deposit with Batavia School District #101 for future improvements to be made to its leased facilities.

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2009 and 2008:

	2009	2008
Leasehold improvements	\$ 144,021	\$ 144,021
Fixtures and equipment	280,915	212,694
	424,936	356,715
Accumulated depreciation	(251,715)	(205,588)
	\$ 173,221	\$ 151,127

**BATAVIA ACCESS TELEVISION, INC.**  
**AN ILLINOIS NOT FOR PROFIT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
Years Ended June 30, 2009 and 2008

NOTE E – FUNCTIONAL EXPENSES

Functional expenses consist of the following for the years ended June 30, 2009 and 2008:

	Program Services	Supporting Services	Fundraising Services	Total 2009	Total 2008
Payroll	\$ 96,961	\$ 10,773	-	\$ 107,734	\$ 63,042
Payroll taxes	7,536	837	-	8,373	4,909
Employee benefits	-	-	-	-	5,220
Occupancy	36,000	4,000	-	40,000	40,000
Depreciation	42,120	4,007	-	46,127	41,017
Insurance	6,568	980	-	7,548	7,348
Supplies	4,925	548	-	5,473	4,744
Equipment repairs	2,343	-	-	2,343	-
Office	6,512	724	-	7,236	325
Telephone, internet	3,568	396	-	3,964	2,842
Postage	249	28	-	277	155
Stipends	938	-	-	938	1,750
Scholarship recipient	-	-	-	-	500
Donation	-	-	-	-	100
Promotional expense	3,471	-	-	3,471	-
Sponsorship expense	-	-	1,673	1,673	-
Travel expense	947	-	-	947	754
Training/awards/volunteer exp	707	-	-	707	-
Legal and accounting	-	4,955	-	4,955	5,651
Outside services	6,806	756	-	7,562	2,194
Meals and entertainment	1,885	209	-	2,094	2,075
Other	54	6	-	60	7,896
<b>Total</b>	<b>\$ 221,590</b>	<b>\$ 28,219</b>	<b>\$ 1,673</b>	<b>\$ 251,482</b>	<b>\$ 190,522</b>