Welcome to the Media Center’s 2006 Annual Report to the community! We’re very excited about the progress made by the Media Center last year, and we look forward to sharing the details with you. We hope that you are entertained and educated by this written snapshot of the Center in 2006.

Of course, a written snapshot like this one is boring compared to seeing a story on video. Video is one of today’s most compelling storytelling methods, and the new generation’s enthralment with Web 2.0 and its omnipresent video again proves the impact of this dynamic form of communication.

The dynamism of video, and the powerful ways that it can tell a variety of stories for local nonprofits and small businesses, form the cornerstone of our approach to increasing our production services business. Our nonprofit workshop on video reached nearly 30 local organizations, and our new, streamlined production estimate process will help potential clients become happy customers of the Media Center’s outstanding production services.

Production services at the Media Center are crucial not only because they help local organizations get their messages across, but also because the revenues from production services provide the funds that fuel the many outreach efforts we undertake, from providing scholarships for needy kids to our Digiquest summer camps to underwriting a community cablecast for the City of East Palo Alto Chief of Police.

Web 2.0 also plays a big part in the ongoing evolution of the Media Center. From classes and seminars to educating our staff on the new directions afforded by broadband and the proliferation of video online, the Media Center is positioning itself as a true community resource for web and video. And since we offer real-time web streaming of all our programming, we can truly claim to be at the forefront of the Internet video boom!

Keeping true to our roots in access television, our most important efforts are those we make to build community, educate our viewers, and help our neighbors navigate the Digital Divide. Our locally-produced television programs range from such diverse subjects as technical tips, religious programming, artistic performances, local government broadcasts, and social change. Although the pace of technological and regulatory change is increasing, we are working hard to stay focused on our core values and the communities we serve.

And it’s not an accident that we’ve used the word “community” many times in this note. In 2006, we focused harder than ever on serving our community with activities such as our extensive local election coverage offered in cooperation with the League of Women Voters, a wide range of summer camps for local kids, our insightful Local Heroes video studies, our co-sponsorship of the Greenlight Earth Day Film Festival and our continued cablecast of local government meetings.

At the Media Center, we are proud of these many community-enhancing activities. In 2006, we delivered these services and others while exceeding our financial goals, in part due to the generous support of our members and donors. We relish the opportunity to serve Palo Alto, Menlo Park, East Palo Alto, Stanford, and Atherton, and we hope to continue to provide coverage, access and voice for our local community.

So stick around, and please support us if you are able! We believe that a vital, growing local media organization is crucial to the health and education of the community in which it dwells, and we hope, once you’ve read over our report, that you agree. Thank you for your viewership and support in 2006, and we look forward to an even better 2007 — together!

Best regards,

Barbara Neparstak
Board President

Annie Folger
Executive Director
**Financial Report**

**Sustaining our Break-Even Goal**
Since the formation of the Media Center from the merger of MPAC and SVCC in 2001, we first achieved break-even on an operating basis in 2005. In 2006 we repeated that accomplishment, generating a small profit of about $16,000 that will be carried forward to 2007. Operating revenues held steady at $596,000. Our hopes of renting out the studio did not materialize, but revenues from other services to the community and donations were strong.

**Expenditures**
Operating expenses stayed under control. Salaries came in below plan, allowing us to fix a leak in the roof ($15,590) and build a Studio in the Box worth $30,900. Owning our own facility has allowed us to keep building-related costs to just 6% of total expenses.

**Statement of Financial Position**
We used up $50,307 of our restricted grants for programming. We reduced our Accounts Receivable by collecting on PEG fees owed to us. Thanks to a strong economy, the conservatively managed capital account grew almost 14% to $6,171,223. Net assets reached $8,910,783 at the end of 2006. The Media Center’s financial position is now very solid. With our refurbished building and up-to-date equipment, we are in a strong position to serve the evolving needs of the community for a very long time.

---

**STATEMENT OF FINANCIAL POSITION**

*December 31, 2006*

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$305,682</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>83,449</td>
</tr>
<tr>
<td>Prepaid Expenses, Deposits, Inventory</td>
<td>17,864</td>
</tr>
<tr>
<td>Investments</td>
<td>5,950,098</td>
</tr>
<tr>
<td>Property and Equipment</td>
<td>2,614,127</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$8,971,220</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES and NET ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>20,544</td>
</tr>
<tr>
<td>Funds Held on Behalf of Local Schools</td>
<td>39,894</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>60,438</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td></td>
</tr>
<tr>
<td>Reserve Fund</td>
<td>5,716,464</td>
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<tr>
<td>Undesignated for General Operations</td>
<td>440,000</td>
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<tr>
<td>Invested in Property and Equipment</td>
<td>2,614,127</td>
</tr>
<tr>
<td><strong>Total Unrestricted</strong></td>
<td><strong>8,770,591</strong></td>
</tr>
<tr>
<td>Temporarily Restricted Grants</td>
<td>140,192</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>8,910,783</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES and NET ASSETS</strong></td>
<td><strong>$8,971,220</strong></td>
</tr>
</tbody>
</table>

**SUMMARY OF ACTIVITIES**

*For the Year Ended December 31, 2006*

<table>
<thead>
<tr>
<th>REVENUE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable Subscriber Pass-through Fees</td>
<td>$317,059</td>
</tr>
<tr>
<td>Production/Media Services and Contracts</td>
<td>162,099</td>
</tr>
<tr>
<td>In-kind Donations</td>
<td>60,874</td>
</tr>
<tr>
<td>Class Tuition, Studio and Equip. Use Fees</td>
<td>60,453</td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>30,136</td>
</tr>
<tr>
<td>Tape/DVD Sales (Net of Cost) and Misc.</td>
<td>26,251</td>
</tr>
<tr>
<td>Realized Investment Returns</td>
<td>326,042</td>
</tr>
<tr>
<td>Unrealized Investment Gains</td>
<td>424,287</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$1,407,203</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, Salary Costs, Employee Benefits</td>
<td>528,707</td>
</tr>
<tr>
<td>General Operating Expenses</td>
<td>106,095</td>
</tr>
<tr>
<td>In-kind Legal Services</td>
<td>58,314</td>
</tr>
<tr>
<td>Professional Fees and Outside Services</td>
<td>46,198</td>
</tr>
<tr>
<td>Facility Expenses</td>
<td>55,746</td>
</tr>
<tr>
<td>Depreciation</td>
<td>155,558</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>950,619</strong></td>
</tr>
<tr>
<td><strong>NET REVENUE and EXPENSES</strong></td>
<td><strong>456,584</strong></td>
</tr>
</tbody>
</table>

| NET ASSETS - Beginning of Year | **$8,454,199** |
| CHANGE IN NET ASSETS - Current Year | **456,584** |
| **NET ASSETS - End of Year** | **$8,910,783** |
Our History

The Midpeninsula Community Media Center, formerly the Mid-Peninsula Access Corporation (MPAC), began operations in 1990. We provide cable TV programming, media production classes, production services for hire, and webcasting.

Our service area includes Atherton, East Palo Alto, Menlo Park, Palo Alto, Stanford, and unincorporated portions of San Mateo and Santa Clara counties.

Our Mission

Our mission is to inform, inspire, and empower people to speak and act on behalf of their communities, to use television and the Internet to create and distribute programs that promote and celebrate individual expression, local achievements, education, cultural exchange, arts appreciation, and civic engagement.

The Media Center is a 501(c)(3) public benefit corporation.

Classes & Equipment

We continued to build our reputation as an outstanding media training facility in 2006. We made substantial progress in our goal to graduate 800 students from our classes between 2005-2007, graduating 223 students in 2005 and 267 students in 2006 -- nearly a 15% increase.

Students become certified community producers after taking classes. They are then eligible to use our equipment and facilities to create their own projects. Community producers can check out our digital cameras or use their own to make programs for distribution on our channels and the Internet.

No one is turned away from our fee-based classes due to lack of funding. In all, we are thrilled to have been able to grant 20 full and three partial scholarships to our classes last year.

Digiquest Summer Camp

Digiquest, our most popular youth program, grew dramatically from its launch in 2005, doubling from four to eight week-long summer camps. Enrollment grew by nearly 150% from 30 to 74 and 25% (19) were scholarship recipients.

The teen campers took full advantage of the opportunity to train on our professional video equipment and to create broadcast-quality programming. They either crewed as part of a production team in our state-of-the-art studio, took a digital camcorder out into the field and edited together a video short, or explored the digital realm of movies, music, and motion with leading video, sound and graphics software.

Digiquest forged new alliances with four youth-serving agencies as scholarship feeders, transportation providers, and field sites:
- East Palo Alto YMCA
- College Track East Palo Alto
- City of Palo Alto Foothill Park Nature & Wildlife Camp
- Griffin Soccer Camp

“Learning to direct has given me better confidence to do my own projects.”

- Simon Williams
Digiquest 2006
Community Programs

Genevieve Hutchison Butcher interviews two guests on her show, *The Sport of Motherhood*, a monthly series.

We cablecast a total of 1,867 community programs on our three Public channels.

We produced 538 community programs in our facility: 26 were staff-produced and 512 were community-produced.

A total of 1,329 additional programs came in from producers in surrounding communities or via satellite from free educational sources.

We expanded our reach into our diverse community and brought in 14 new community producers in 2006, up from nine new producers the year before.

Program Highlights

**Talking with Henrietta**

Interviews with local politicians, newsmakers and community residents, covering a variety of topics from local to national issues.

**Soccer Round-up**

Sports talk featuring local athletes and updates on the latest happenings in the world of soccer.

**Tana Sia Ma’a Tonga TV**

Coverage of community affairs and news of interest to and about the local Tongan Community.

**Playa Vizion**

Music videos and live performances from local Hip-Hop Artists.

**Veterans Helping Veterans**

A talk show geared toward providing information and assistance to local veterans.

**Painting with Class**

Local artist offering training and tips to aspiring as well as seasoned painters.

**Sloan Satellite Show**

A comedy variety show featuring local comedian, Matthew Sloan.

**Winter Lodge Ice Show**

Annual community event showcasing local residents in an Ice Skating program.

**West Bay Game Night**

A showcase of local high school sporting events.

Government Meetings

We expanded our comprehensive government meeting coverage, from 1,112 hours in 2005 to 1,237 hours in 2006.

We initiated contracts with:

- East Palo Alto for coverage of Council meetings
- PAUSD for coverage of school board meetings
- Belmont for Internet streaming services

We produced 927 hours of city hall meetings on our two Government Channels 26 and 29:

- 735 hours for Palo Alto
- 177 hours for Menlo Park
- 15 hours for East Palo Alto

We produced 310 hours of meetings for neighboring communities:

- 184 hours for Belmont
- 126 hours for San Mateo

Local Election Coverage

We presented superior video-based local election coverage. In the fall, we partnered with the League of Women Voters/Smart Voter to provide:

- Election forums of all local races
- The only election returns focused on local races
- All forums were available online 24/7 indexed by question and answer.

We covered 16 local contests, including the East Palo Alto and Menlo Park City Council Races, Santa Clara County Land Use Initiative Measure A, and East Palo Alto's Measures on Law Enforcement and Rent Control.

We are grateful for the additional $15K in funding from the following sources that enabled us to offer our complete local election coverage:

- Peninsula Community Foundation
- Hewlett Packard
- David Bohannon
- Premier Property Management
Focus on Youth

We continued our enthusiastic support the Youth Broadcast Collaborative (YBC), a partnership with the five local public school districts funded by a three-year Cable Co-op Legacy Grant. The YBC project provided video production equipment and studios for all of the public middle and high schools that are located in our service area in the following districts:

- Las Lomitas Elementary
- Menlo Park City Elementary
- Palo Alto Unified
- Ravenswood City
- Sequoia Union

Middle and high school students in many of the schools are currently producing live morning announcements on campus. We are also proud to air on our channels student productions from various video production and broadcast journalism classes, after school and regular classroom programs.

In addition to the YBC, we offered new programs that target young people, developing their skills, encouraging the use of media for self-expression, and recognizing their accomplishments.

- Expanded Digiquess summer camps
- Hired a Youth Services Coordinator to establish a Youth Advisory Council

We also built two new interactive programming partnerships:

- Following East Palo Alto Crime Reduction meetings, we helped offer alternatives to East Palo Alto youth:
  - We funded 18 scholarships, offering video production skills in summer camps.
  - We reached out to many East Palo Alto youth groups and organizations to get their support in gathering videos for our week-long Youth Video Festival and Screening event.

- Greenlight Earth Day Film Festival
  - We partnered with multiple city and county agencies, non-profit organizations and local businesses to initiate an annual event featuring student-produced projects that explore environmental citizenship.
  - We created a true “Hollywood Premiere” atmosphere at our ceremorial festival screening, thrilling our young producers and their friends and families.
  - More than 135 students collaborated to create 48 videos in the categories: Grades 6-8, Grades 9-12, and Open (adult). Videos ranged from animation to documentary, covering a variety of topics from recycling, global climate change, water conservation, energy and more.
  - $5,000 in prizes were awarded and included video editing software, trophies, gift certificates

Production Services

Our professional production services help local agencies and organizations get their messages out. We provided comprehensive city hall meeting coverage to five cities for a total revenue of $112K in 2006. In addition, we adopted a new marketing strategy that involved categorizing our potential clients into four groups: non-profit, government, education, and media professionals. In March we brought them together at the Media Center for our first Media Mixer, where we showcased our facilities and services by holding the event in the studio and taping it with our new, portable Studio-in-a-Box. The aim was:

- To bring more people into the Media Center
- To build a database of contacts
- To better establish ourselves as a center for local media

The projects included covering school board meetings, producing video clips for websites, and full documentaries. In all we produced 34 projects, earning $50K.

Clients included:

- Anna Eshoo Town Meeting
- Canopy
- City of San Jose
- Committee on Black Performing Arts
- East Palo Alto Sanitary District
- Family Resources
- For Youth By Youth
- Global Mind Shift
- Jewish Palestinian Dialogue Group
- Joe Simitian Town Meeting
- Joint Venture Silicon Valley
- Optimal Performance Institute
- Palo Alto Chamber of Commerce
- Palo Alto Utilities Department
- Palo Alto Unified School District
- Rotary Club of Menlo Park
- TheatreWorks
- Wellness Education Forum
Our Volunteers

We increased our number of active studio crew volunteers, many of whom took our low-cost classes to learn how to contribute in our production facilities. In all, 223 volunteers helped out in 2006, up 23% from 2004. Together, they put in over 10,000 hours of studio and editing time. We couldn’t produce the volume and quality of shows that we currently offer without these dedicated souls, and we greatly appreciate their commitment and enthusiasm!
Our Donors and Members

We especially thank our members and donors for their support. Your contributions enable us to provide our electronic community with programs and classes that impact where we live, our neighborhoods and community. We also thank our Advisory Council for the expertise that they provide as well as their role as Media Center ambassadors in the community we serve.

Ken Allen
Joe T. Banberg
Bern Beecham
David D. Bohannon
Diane & Martin Brandt
Marcie Brown
Clyde Burton
Genevieve H. Butcher
Peter Carson
GETAL
Charlie Class
Michael B. Closson
Community Foundation
Silicon Valley
Linda Craig
Catherine Crawford
Sean Curran
Bruce Davis
Dianne De Laet
Michael Di Battista
Peter Drekmeyer
Cecil Duncan
Leonard W. Ely III
Seth G. Fearc
Patricia Foster
Lois C. Fronzino
Catharine Fergus Garber
Brian George
Paul George
Rose Jacobs Gibson
Theodore L. Glasser
Susan Golovin
Google
Lars G. Herlitz
Janet & Robert Johnson
Kathryn Johnston
Pat Kapovich
Cynthia Kaye
John Kelley
Joannie King
Judith R. Komoroske
Daniel Kottke
Cathy Kroymann
Yeong Kuk Kwon
Steven D. Levine
Janet Littlefield
Mac MacCorkle
Danny McGuire
Andrew Mellows
Dena Mossar
Deborah Mytils
Bill & Janet Nicholls
Barbara Noparstak
Meda Okelo
Henry Organ
Palo Alto Historical Foundation
Thomas O. Passell
Peninsula Community Foundation
Jean Ramacciotti
Susan H. Richardson
Donna Rogers
Mary Sause
Kent Scheeveis
Kathy K. Schroeder
Linda D. Seubold
Jeffrey L. Shore
Michael Stern
Stephen Stuart
Melinda Thomas
Tom & Mary Thomas
Bill Van Orsdol
Vanessa Wells
Jimmy Wen
Stew Wobbler
Anonymous (3)

Advisory Council
Jim Burch, Chair
Randy Adams
Mark Albertson
Bern Beecham
Peter Carson
Ted Glasser
Mary Hanna
Leo Joseph
David Kaval
Sally Kiester
Joanie King
Tony Klein
Judy Kleinberg
Janet Littlefield
John Northway
Audrey Seymour
Christine Shambora
Ron Williamson

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President
Kathy Schroeder
Vice President
Seth Fearc
Treasurer
Michael Stern
Secretary
Michael Di Battista
Lawrence Lee
Andrew Mellows
Meda Okelo
Joanne Reed
Donna Rogers
Stephen Stuart
Silvia Vonderlinden
Carl Yorke
You Watch. We Listen.

Here’s an easy way to let us know what you think about our community channels:

1. Go to the Midpeninsula Community Media Center website at: www.communitymediacenter.net
2. Find WATCH on the right and select PROGRAM FEEDBACK from the dropdown menu.

Or, send an email anytime to feedback@communitymediacenter.net

We’re your local programming source: we want to know what you think. If you have new program ideas or just ways to improve what we do, we’re listening.


Take a free tour of our facilities @:
900 San Antonio Road
Palo Alto, CA 94303

Call or fax us @:
(p) 650.494.8686
(f) 650.494.8386

Visit us online @: www.CommunityMediaCenter.net

Contact us for all your...
... Production
... Editing
... Podcasting
... Blogging/Vlogging
... Equipment Rental
... Meeting Space
... Visual Arts needs, and more!

Check out our new media classes

WELCOME TO THE MEDIA CENTER
– where midpeninsulans are empowered to present issues, arts, and information using video, cable TV, and the internet. No experience necessary.