Dear Members of the Media Center Community,

Congratulations! Your favorite community television station is the best in the nation! In July, the Media Center was accorded the highest honor for its programming and operations by the Alliance for Community Media (ACM), the umbrella organization serving the interests of the 3000 public access centers nationwide. We know we could not have won this prestigious award without the support of our stakeholders. So congratulations! We applaud you – our volunteers, donors and advisors – for making us Number One!

This is the third time the Media Center has received the award for “Overall Excellence in Combined Public, Education and Government Access” in its 21-year history. A reel of our sample programming which was prepared for the ACM may be viewed at this link: www.youtube.com/themediacenter5#p/u/0/CizgEQ94z7o.

Our community producers were also singled out for awards this year. Veteran Media Center producer Henrietta Burroughs won the national award for best informational talk show. Fifteen Media Center producers were named finalists in the Western Area Video Excellence (WAVE) Awards, and six Media Center producers took home these coveted awards from the regional conference in San Jose.

The ACM and WAVE Awards are incredible honors, but we are not content to bask in success. We know that we have work to do. It is no secret that viewership for appointment television (the traditional TV model) is waning. Video-on-demand – anytime, anywhere, on any platform – is the emerging trend. In 2011, we continued to build our on-demand presence via our YouTube channels and by adding a curated video site to our website. We offered training to our producers to help them host their own video-on-demand channels. Additionally we expanded our training capacity to help students create their own videos and distribute them on a variety of platforms.

In addition to embracing technical innovations, the staff at the Media Center sought creative ways to reach out to the residents and workers of Silicon Valley, who are among the busiest and most productive people in the world. Our mission to inform, inspire and empower people to speak and act on behalf of their communities through the use of video is always at the forefront of everything we do. To this end, we partnered with other civic and video organizations to expand our outreach, visibility and impact. We invite you to read about a sample of our community partnership initiatives in 2011 (see page 4).

Our youth services enabled us to reach almost 600 middle and high school students and extend our partnerships with community youth groups and schools (see page 5). Members of our Youth Advisory Council participate in our Board meetings to help us measure our youth-related strategic priorities.

In our traditional role as community media access providers we trained 190 local residents and enabled our larger base of community members to produce and air 749 programs on our channels (see page 3). In the process, we served 232 local organizations (see page 8). We covered 17% more local government meetings (see page 4).

In addition, we made great strides growing the professional services we offer to those who don’t want to learn to make their own videos. We increased our revenues for professional production services to non-government clients by 39.6% over 2010 (see pages 2 and 5).

There is even more inside, further evidence of why we were again honored for overall excellence. In turn, we are honored to serve our community.

We thank you for your steadfast support as we continue to put the faces of our community and the issues unique to our neighborhoods and towns on TV and on the Web.

Best Regards,

Barbara Krzanik
Board President

Amie Foltz
Executive Director
Financial Report

Media Services Provide Strong Revenue Source
The total operating revenue for 2011 was $841,990, a 1.5% increase over 2010. PEG (Public, Education and Government) subscriber pass-through fees, representing 40% of the total revenue in 2011, were essentially flat as compared with 2010. Contracted meeting coverage billings decreased by $9,700 (-5%), reflecting current municipal economic pressures. Professional/media services increased by $33,400 (+40%) and represents 14% of total revenue. We anticipate continued growth in our competitively priced services for small businesses and non-profit organizations. Class & facility use fees decreased by $8,400 (-12%) mainly due to a slow down in summer camp enrollments, reflecting a continued weak economy in 2011.

Expenditures Increase to Support Increased Services
Operating expenses were $946,754, a 2% increase that was largely due to salary and outside service costs incurred to provide staffing for the higher number of professional service projects and cost containment in other areas of our operations.

Summary of Operations
Overall, we finished the year with $104,764 in net operating loss. This was in line with the 2011 budget authorized by the Board.

Net Asset Update
Net assets decreased by $341,345 as compared with 2010. That decrease included $104,764 in disbursements for operations, $84,300 in depreciation, and market fluctuations in our capital funds accounts. The Board continues to invest the capital fund conservatively with the advice of professional investment managers.

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>December 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
</tr>
<tr>
<td>Cash &amp; cash equivalents $1,695,915</td>
<td></td>
</tr>
<tr>
<td>Investments 3,419,198</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable 87,039</td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses &amp; other current assets 19,096</td>
<td></td>
</tr>
<tr>
<td>Total current assets 5,221,248</td>
<td></td>
</tr>
<tr>
<td>Fixed assets, net of accumulated depreciation 2,285,328</td>
<td></td>
</tr>
<tr>
<td>Total assets $7,506,576</td>
<td></td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET ASSETS          |                   |
| Current liabilities:                |                   |
| Accounts payable & accrued expenses $7,088 | |
| Unearned revenue 10,943             |                   |
| Total current liabilities 18,031     |                   |
| Net assets:                         |                   |
| Unrestricted, undesignated 4,797,072 |                   |
| Unrestricted, designated 406,145    |                   |
| Unrestricted, fixed assets 2,285,328 |                   |
| Total net assets 7,488,545          |                   |
| Total liabilities & net assets $7,506,576 | |
| Net assets, beginning of period $7,829,890 | |
| Change in net assets -341,345       |                   |
| Net assets, end of period $7,488,545 |                   |

<table>
<thead>
<tr>
<th>UNAUDITED STATEMENT OF OPERATIONS</th>
<th>For the year ended December 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUES</td>
<td></td>
</tr>
<tr>
<td>PEG subscriber pass-through fees</td>
<td>$336,645</td>
</tr>
<tr>
<td>Contracted meeting coverage</td>
<td>194,091</td>
</tr>
<tr>
<td>Professional/media services</td>
<td>117,832</td>
</tr>
<tr>
<td>Contributions &amp; grants</td>
<td>63,469</td>
</tr>
<tr>
<td>Class &amp; facility use fees</td>
<td>59,552</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>3,891</td>
</tr>
<tr>
<td>Total revenues $841,990</td>
<td></td>
</tr>
<tr>
<td>EXPENSES</td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; benefits $669,162</td>
<td></td>
</tr>
<tr>
<td>Professional svcs</td>
<td>99,350</td>
</tr>
<tr>
<td>General operating</td>
<td>67,411</td>
</tr>
<tr>
<td>In-kind legal services</td>
<td>59,552</td>
</tr>
<tr>
<td>Facility</td>
<td>51,259</td>
</tr>
<tr>
<td>Total expenses $946,754</td>
<td></td>
</tr>
<tr>
<td>NET OPERATING INCOME/-LOSS</td>
<td>$-104,764</td>
</tr>
</tbody>
</table>
Our History

Thanks to Cable Co-op, Midpeninsula Community Media Center was created by the 2001 merger of Mid-Peninsula Access Corp, operating since 1990, and Silicon Valley Community Communications, established by Co-op to keep local programming alive. We serve 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

Students become certified community producers after taking our classes. They are eligible to use our equipment and facilities to create their own projects. Community producers can check out our HD cameras or use their own cameras to make non-commercial programs for distribution on our three channels that are simultaneously streamed from our website.

No one is turned away for lack of funds. We were thrilled to be able to grant 15 full and partial scholarships. We trained 190 community members in all aspects of video production. There were 63 graduates from our Zoom In field production class; 37 of them joined our producers collaborative and began turning out new programs. An additional 24 new field producers emerged from our community, producing shows with their own equipment.

A total of 878 shows, many done “live to tape” in our studio, were produced in 2011. Staff members produced fewer shows compared with 2010, due in part to fewer candidate and issue forums in the off-election year. Community members produced 749 shows for our channels.

Digiquest Summer Camp 2011

Digiquest Digital Media Workshops are a resource for parents looking for a fun, educational experience for their children over the summer.

In 2011, the most popular camp among middle school students was TV Studio Production, where campers produced, directed and crewed their own TV shows. Pride in their accomplishments was obvious at summer’s end when we screened the camper’s videos to their friends and family. Their programs were also aired on our channels.

We also offer an Advanced TV Studio camp for high school students and an Advanced Animation and Special Effects camp for students aged 12-16.

All camps are 9:30 - 3:30 at the Media Center. For further information, including registration, visit www.midpenmedia.org/digiquest.

Some of our campers remain active in the Media Center community as members of the Youth Advisory Council, interns, or connected through their school’s Youth Broadcast Channels.
Community Programs

Studio Highlights

*Foundation for Global Community*
Live legacy event with studio audience including select Grantees from 130 organizations that they funded

*Local Heroes*
This year we honored a bicycling advocate, psychiatric nurse, housing administrator, novelist, judge and teacher

*Khojaly Massacre*
Memorial with a studio audience from the Azerbaijani-American community

*Andrew Thierry & Zydeco Magic*
Five-camera shoot in our parking lot for our Volunteer Appreciation Event to celebrate our national award

*World Aids Day Special*
Raised awareness around the HIV/AIDS pandemic in Africa

Zoom In Highlights

*Quakeville*
Coverage of a city-sponsored camp-out to practice earthquake preparedness

*Cal Ave Redesign*
Interviews with business owners and officials on both sides of the debate regarding the narrowing of California Avenue

*Khojaly Massacre Memorial*
Studio audience from the Azerbaijani-American community

*Andrew Thierry & Zydeco Magic*
Five-camera shoot in our parking lot for our Volunteer Appreciation Event to celebrate our national award

*World Aids Day Special*
Raised awareness around the HIV/AIDS pandemic in Africa

Partnerships

In addition to our studio and field production classes and programs, we partnered with other organizations in areas of education, media literacy, citizen journalism, digital film arts, and community health and safety.

*Citizen Journalism Workshops*
Co-produced with Palo Alto Weekly and Palo Alto Patch

*East Palo Alto Summer Journalism Institute*
Co-produced with the Boys and Girls Club and PAUSD

*Film Festivals*
Provided equipment and volunteers to assist:
- United Nations Association Film Festival (UNAFF)
- Videotaped panels and promotional TV show
- Palo Alto International Film Festival (PAIFF)
- Live-streamed panels from Talenthouse
- Cinequest (San Jose)
- Supported Picture the Possibilities Youth Filmmaking Workshops for under-served youth

*Day Workers Center of Mountain View*
Taught blogging to help clients share their immigration experiences

*Project Safety Net*
Signed MOU to create videos about youth emotional health and wellness

*KMVT of Mountain View*
Shared programming, knowledge and equipment

*Palo Alto Art Center*
Conducted Digital Art classes in our classroom

*Greenlight Film Festival*
Expanded outreach to all of Santa Clara County with a grant through San Jose Energy Champions

*East Palo Alto Police Department*
Produced fifth episode of “Make the Call” featuring family and friends of murder victims

Government Meetings

We produced 432 city hall and school board meetings in 2011, a 17% increase over 2010. In all we covered 1,786 meeting hours:
- 970 hours for Palo Alto
- 240 hours for Belmont
- 231 hours for East Palo Alto
- 147 hours for Menlo Park
- 141 hours for Palo Alto School Board
- 57 hours for Ravenswood School Board

Local Election Coverage

Despite the fact that 2011 was an “off-year” election, the video clips of local candidates and measures on our website achieved our highest ever viewing numbers.

In addition to their playbacks on our cable TV channels, we indexed and archived candidate statements for four San Mateo County races and one measure, plus a debate and three other forums on two Palo Alto measures.
Youth Services

Nearly 600 students came through the Media Center in 2011 participating in school visits, partnered classes, summer camps, high school band nights and internships. Eighteen students participated in our academic-year-long Youth Advisory Council, representing five local high schools. These students mastered production and leadership skills, making numerous contributions to the community. They regularly took part in our Board meetings.

We continued and expanded community and school partnerships in a number of ways:
- We led studio tours for 100 middle school students and 48 scouts.
- We served 35 middle school students at the 49ers Academy after school program.
- We supervised 15 summer interns in production related projects that benefited local community groups.
- We hosted 12 student interns from the Summer Journalism Program from East Palo Alto and Menlo Atherton High School.
- A total of 340 high school students attended five band night concerts in our studio.
- We hosted the Youth Community Services Freshman Leadership Seminar for training through the summer.
- We worked with Chief Davis in EPA to create an Anti-Gang “no snitch culture” music video.
- We provided classrooms to the Palo Alto Art Center for digital art classes while their facility is being renovated.

Greenlight Film Festival

At our gala Awards Ceremony we interviewed local elementary, middle and high school students after screening their film projects that explored environmental citizenship. Winners thrilled to receive $200 plus a mini HD camcorder.

Professional Services

Our team of professionals works with clients to produce the right video product, whether on location or at our fully equipped professional studio.

This includes:
- Clips for websites
- Public Service Announcements
- Training videos
- Fundraising campaign messages
- Live event coverage
- Documentaries
- Custom video productions of every kind

Nothing can move people like the power of video. We bring video messages to life at an affordable price for schools, non-profits, government agencies, and small businesses.

We use the modest profit margin from our combined government meeting coverage and professional services to subsidize our community access activities. Professional services revenues are growing.

Contact proservices@midpenmedia.org.
The Media Center’s success in 2011 would not have been possible without the talents and dedication of 218 active volunteers. Our Board and Staff are most grateful to our volunteers, our most cherished assets!

Our Studio and Field Production Volunteers

The Media Center’s success in 2011 would not have been possible without the talents and dedication of 218 active volunteers. Our Board and Staff are most grateful to our volunteers, our most cherished assets!
Our Donors and Members

We hope that you will join with us. Become a member, remain a member and help us reach our goals. We are grateful to our members and donors for their support. We thank our Advisory Council for sharing their expertise and for acting as Media Center Ambassadors in our community.

Terrence Abdullah
Ken Allen
Azerbaijan Cultural Society of Northern CA
Duane Bay
Patricia Becker
Fred Bockman
Jim Burch
Cable Co-op Legacy Grant
City of Menlo Park
City of Mountain View
City of Palo Alto
City of San Jose
City of Sunnyvale
Charlie Class
Community Energy
Championship Fund
Catherine Crawford
Dorothy Cubberley
Michael Di Battista
Dorothy Fadiman
Roy Folger
Annette Glanckopf
Theodore L. Glasser
Google
Jeff Greenfield
Donna Grider
Janet & Robert Johnson
Alexander Kanellakos
Pat Kapowich
Larry Klein
Cathy Kroymann
Lawrence Lee
Paul & Wen Lee
Wendy Lewis-Rakova
Bill Lindemann
Janet Littlefield
Mac MacCorkle
Andrew Mellows
Microsoft
Nicholas Moss
Deborah Mytels
Barbara Noparstak
Henry Organ
Palo Alto Historical Association
Susan Purdy Pelosi
Peninsula Women’s Chorus
Laura G. Quackenbush
Joanne Reed
Elise M. Rossiter, Ph.D.
Rebecca Sanders
Jeffrey L. Shore
Silicon Valley Community Foundation Day Worker
Center Media Project
Phil Smaller
Stanley Smith
Michael Stern
Shobana Swamy
Tom & Mary Thomas

Media Center Advisory Council

John Barton
Bern Beecham
Michael Closson
Peter Drekmeier
Sid Espinosa
Seth Fearey
Ted Glasser
Karen Holman
Joanie King
Tony Klein
Meda Okelo
Audrey Ramberg
Greg Schmid
Kathy Schroeder
Christine Shambora
Silvia Vonderlinden
Carl Yorke

Board of Directors

Barbara Noparstak, President. Joanne Reed, Vice President. Mike DiBattista, Treasurer. Michael Stern, Secretary. Dan Dykwel, Donna Grider, Lawrence Lee, Andrew Mellows, Sue Purdy Pelosi, Margaret Roberts.
<table>
<thead>
<tr>
<th>Organizations Served by the Media Center in 2011</th>
</tr>
</thead>
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