

ORDINANCE NO. 88-09

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF RIDGECREST CONSENTING TO THE TRANSFER OF  
A CONTROLLING INTEREST IN THREE PALMS LTD.

THE CITY COUNCIL OF THE CITY OF RIDGECREST ORDAINS as follows:

Section 1. Purpose and Scope

Three Palms Ltd., holds a franchise from the City to operate a CATV system. Three Palms desires to obtain the consent of the City to the transfer of a controlling interest to limited partner(s). This Ordinance approves the transfer.

Section 2. Findings

Council finds, determines and declares as follows:

- (a) Franchisee has submitted documents to the City which propose transfer of a controlling interest in the franchise to a limited partnership(s).
- (b) Franchisee has also submitted to the City evidence showing that the proposed transferees are financially responsible; and
- (c) Franchisee has submitted to the City, the agreement of the transferees to be bound by all of the terms and conditions of the franchise.

Section 3: Change of Ownership

The City does hereby approve the transfer of a controlling interest in Three Palms Ltd., to a limited partnership as more particularly described on Exhibit 1, attached hereto and hereby incorporated by this reference.

APPROVED AND ADOPTED this 6th day of April, 1988, by the following vote:

AYES: Mayor Mower, Councilmembers Wiknich, Bergens, Condos and Corlett.

NOES: None.

ABSTAIN: None.

ABSENT: None.

  
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Michael R. Mower, Mayor

ATTEST:

  
\_\_\_\_\_  
Joyce M. Taft, City Clerk

(SEAL)

RIDGECREST CATV, INC  
FINANCIAL STATEMENT

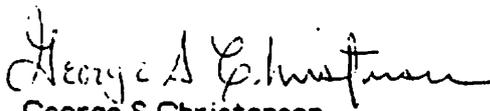
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MARCH 1, 1988

The accompanying financial statement of Ridgecrest CATV, Inc. as of March 1, 1988 was prepared in accordance with generally accepted accounting principles.

All information included in the financial statement, including the "notes to financial statement", is the representation of Ridgecrest CATV, Inc.

I am not aware of any material modification that should be made to the accompanying financial statement in order for it present fairly the financial condition of Ridgecrest CATV, Inc. as of March 1, 1988 or be in conformity with generally accepted accounting principles.

  
George S Christensen  
President and Chief Financial Officer  
Ridgecrest CATV, Inc.

March 10, 1988

# RIDGECREST CATV, INC

## BALANCE SHEET

MARCH 1, 1988

### ASSETS

#### CURRENT ASSETS

Cash in bank	\$150,000	
Stock subscription receivable <i>(Note 4)</i>	<u>100,000</u>	
Total Current Assets		\$250,000

#### OTHER ASSETS

Investment in partnership <i>(Note 2)</i>		<u>7,000</u>
Total Assets		<u>\$257,000</u> =====

### LIABILITIES AND STOCKHOLDER'S EQUITY

#### CURRENT LIABILITIES

Payable – Officer		\$ 7,000
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#### LONG-TERM DEBT

Note payable less current portion <i>(Note 3)</i>		150,000
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#### STOCKHOLDERS EQUITY

Capital Stock <i>(Note 4)</i>		<u>100,000</u>
Total Liabilities and Stockholder's Equity		\$257,000 =====

See accompanying notes to financial statement

RIDGECREST CATV, INC  
NOTES TO FINANCIAL STATEMENT  
MARCH 1, 1988

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Ridgecrest CATV, Inc (Company) was formed under the laws of the State of California on March 1, 1988. The company's primary purpose is to act as a general partner in the syndication of limited partnerships to construct, acquire and operate cable television systems (CATV systems) in California. The company is the General Partner of Three Palms, Ltd , a limited partnership, formed to operate a CATV system in Ridgecrest, California.

The books of Ridgecrest CATV, Inc are maintained on the accrual basis of accounting.

Fixed assets are recorded at cost and depreciated over their estimated useful lives, utilizing the straight line method, for financial reporting purposes.

**NOTE 2 – INVESTMENT IN PARTNERSHIP**

The Company has an investment interest in Three Palms, Ltd , a limited partnership, of which the company is the general partner. The company has agreed to make a cash capital contribution, in return for its share of the partnership profits or losses, in the amount of \$250,000.

Investment in partnership	\$ 7,000
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RIDGECREST CATV, INC  
NOTES TO FINANCIAL STATEMENT  
MARCH 1, 1988

NOTE 3 - LONG-TERM DEBT

Payable to County Cable Corporation, a California corporation, of which the stockholders of the Company are also stockholders.

▪ Note with interest at ten percent (10 %), payable in quarterly, interest only, installments of \$3,750 until January 1, 1990 at which time the outstanding principal and interest is to be amortized ratably over three (3) years. This note is secured by the Company's investment in Three Palms, Ltd , a California limited partnership. \$150,000

NOTE 4 - CAPITAL STOCK

Shares authorized (Par value \$1.00)	1,000,000
Shares subscribed for:	
Issued and outstanding	100,000