

WGLT-FM RADIO
A PUBLIC TELECOMMUNICATIONS ENTITY
OPERATED BY ILLINOIS STATE UNIVERSITY

ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2021



WGLT-FM RADIO

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June 30, 2021

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INDEPENDENT AUDITORS' REPORT

**WGLT-FM Radio
Bloomington, Illinois**

We have audited the accompanying financial statements of the business-type activities of WGLT-FM Radio (a public telecommunications entity operated by Illinois State University) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of WGLT-FM Radio as of June 30, 2021 and 2020, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of WGLT-FM Radio are intended to present the financial position, the changes in financial position, and cash flows of only WGLT-FM Radio's portion of the University's financial position, the changes in financial position, and cash flows attributable to the transactions of WGLT-FM Radio. They do not purport to, and do not, present fairly the financial position of the University as of June 20, 2021 and 2020, the changes in its financial position or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise WGLT-FM Radio's basic financial statements. The statements of functional expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statements of functional expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements of functional expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

MCK CPAs & Advisors

Bloomington, Illinois
January 8, 2022

WGLT PUBLIC STATION
(A Licensee of Illinois State University)

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

Introduction and Reporting Entity

The following discussion and analysis is an overview of the financial position and activities of WGLT public radio station for the year ended June 30, 2021. Management of the station has prepared the following discussion, and it should be read with the financial statements and related footnotes which follow this section.

WGLT is licensed to Illinois State University, an instrumentality of the State of Illinois, which is governed by a Board of Trustees, all of whom are appointed by the Governor and ratified by the Legislature, plus the president of Illinois State University.

The station's primary function is to provide noncommercial educational, news, and information audio programming and digital (website, social media, and other Internet) content to the citizens of Central Illinois. From a main transmitter in Bloomington/Normal, the radio signal reaches an estimated 300,000 population; out of that number approximately 20,000-25,000 listeners each week, with a website audience average of 100,000-150,000 unique users monthly. Contributing membership consists of approximately 1,600 households. WGLT's format is primarily news and information, with music, culture, and other specialty programming on weekends. WGLT's identifying and positioning statement is "89-1 WGLT and WGLT.org, Bloomington-Normal's Public Media." WGLT employs a full-time professional staff content production, development, management, and support staff, with several paid and unpaid content and support positions available for Illinois State students.

WGLT has provided an Internet stream of its on-air programming since 2000, and also offers a separate 24/7 music streaming service called "Highway 309", which features both old and contemporary roots-based music, including blues, folk, Americana, jazz, rock, soul, and gospel. WGLT continues to increase its text, photo, and audio news and feature reporting offerings, including several podcasts (including WGLT's daily news magazine, Sound Ideas, a daily news roundup, The Leadoff), on its own website (wgl.org) as well as on Facebook, Twitter, and Instagram. As a result of changes in consumer behavior and more emphasis on digital products, engagement on social media and WGLT.org has increased substantially, with monthly unique visitors averaging 10 times higher than in five years ago. Since FY 2004, locally generated funding (including annual listener support, local business underwriting, and net income from station events and fundraising activities) has equaled approximately 50% of the annual cash income, give or take small year-to-year variances.

In April of 2019, Illinois State University entered into an agreement with Bradley University for WGLT to manage day-to-day operations of WCBU, which is licensed to Bradley and serves the Peoria community. That agreement took effect on June 1, 2019 and calls for WCBU to maintain its own local on-air staff and some fundraising staff in Peoria, with management, operations, and business employees to be shared with WGLT and based in Normal. All funds raised by and donated to WCBU will be used exclusively for that station's operations; monies are not co-mingled with WGLT's funds and therefore are not reflected in this report. The agreement is for five years, with several subsequent optional renewal periods. This arrangement will allow both stations to more efficiently allocate (and perhaps reduce) operational expenses in coming years.

WGLT PUBLIC STATION
(A Licensee of Illinois State University)

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

For the Year Ended June 30, 2021

Overview of the Financial Statements

The station's financial statements present the combined current year activity of WGLT, including income and expenses from Illinois State University, the Corporation for Public Broadcasting, the State of Illinois, local businesses, local events, and listener contributions. Some of these cash flows are handled through the Illinois State University Foundation, an entity legally separate from Illinois State University.

The financial statements for WGLT, which consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flow (direct method), were prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 35, Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities. The station now follows the business-type activity reporting requirements of GASB Statement No. 35 that provides a comprehensive, entity-wide perspective of the station's financial activities and replaces the fund group presentation previously required.

The Statement of Net Position includes Assets, Liabilities and Net Position of the Station as of June 30, 2021. This statement is classified into Current and Non-Current Assets and Liabilities, with Net Operating Income (Loss), which is then combined with Non-Operating Revenues (Expenses) to provide the total Change in Net Position. The Statement of Cash Flows shows the sources and uses of cash from operations, cash flows from non-capital financing activities, cash flows from capital and related financing activities and cash flows from investing activities. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Highlights

WGLT's overall financial position has improved substantially over the past several years (see the final paragraph on this page). That said, FY 2021 was a difficult year due to the economic fallout for the COVID-19 pandemic (as was FY 2020) that impacted the entire year and will continue to do so well into FY 2022. The station has several revenue streams, and most have declined over the past two years. In particular, corporate support continued to struggle. However, individual giving was up slightly, and emergency federal stabilization funds (\$ 158,247 from the American Rescue Plan) allowed WGLT to make up for accumulated underwriting losses from the past two years. Overall, WGLT's net position increased by about \$ 200,188 to \$ 496,848 at the end of FY 2021.

The financial statements include three endowments, administered by the ISU Foundation, that were created in the fiscal year 2012. See Note 13.

Net Position totaled \$ 496,848 for the year ended June 30, 2021 (FY 2021) and \$ 296,660 for the year ended June 30, 2020 (FY 2020). Operating Revenues totaled \$ 1,021,151 in FY 2021, compared to \$ 829,513 in FY 2020, while Operating Expenses totaled \$ 1,703,637 in FY 2021 compared to \$ 1,975,374 in FY 2020. The net operating income for FY 2021 was a loss of \$ 682,486; this follows a loss of \$ 1,145,861 in FY 2020. The station's total assets were \$ 776,120 at June 30, 2021.

WGLT-FM RADIO
(A Licensee of Illinois State University)

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
For the Year Ended June 30, 2021

The following summarizes WGLT's financial activity for fiscal years ended June 30:

	2021	2020
Operating revenues		
Corporate giving	\$ 32,681	16,416
Business underwriting	264,001	231,675
Special fund-raising projects	33,000	78,063
Individual giving	369,624	326,828
Community service grants	308,418	166,190
Other grants	11,070	7,922
Miscellaneous income	2,357	2,419
	<hr/>	<hr/>
Total operating revenues	1,021,151	829,513
Operating expenses		
Programming services:		
Programming and production	983,457	981,183
Broadcasting	164,579	134,521
Supporting services:		
Underwriting and grant solicitation	89,818	194,026
Fundraising and membership development	220,355	316,825
Management and general	245,428	348,819
	<hr/>	<hr/>
Total operating expenses	1,703,637	1,975,374
	<hr/>	<hr/>
Operating income (loss)	(682,486)	(1,145,861)
Non-operating revenues - net	881,074	1,026,122
Additions to endowments	1,600	2,800
	<hr/>	<hr/>
Change in net position	200,188	(116,939)
Net position – beginning, as restated	296,660	413,599
	<hr/>	<hr/>
Net position - ending	\$ 496,848	296,660
	<hr/>	<hr/>

WGLT-FM RADIO
(A Licensee of Illinois State University)

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
For the Year Ended June 30, 2021

The following summarizes WGLT's assets, liabilities, and net position at June 30:

	2021	2020
Assets and Deferred Outflows of Resources		
Current assets	\$ 432,303	429,134
Capital assets, net	176,168	198,176
Other noncurrent assets	167,649	146,365
Deferred outflows of resources	9,685	5,638
Total Assets and Deferred Outflows	785,805	779,313
Liabilities and Deferred Inflows of Resources		
Current liabilities	105,985	152,443
Noncurrent liabilities	182,972	330,210
Net Position		
Net investment in capital assets	176,168	198,176
Nonexpendable restricted	153,962	123,007
Expendable restricted	61,030	51,407
Unrestricted	105,688	(75,930)
Total Liabilities, Deferred Inflows and Net Position	\$ 785,805	779,313

Economic Outlook

There are several good reasons to be optimistic about WGLT's future. There are signs corporate support/underwriting is beginning to rebound from its pandemic-induced lows, and individual giving has increased. Additionally, the agreement with Bradley University/WCBU has served to stabilize both stations. WGLT's improved financial footing in recent years has allowed us room to be nimble and resourceful in using short-term budget cuts through personnel attrition to offset the loss of corporate support. But the biggest reason for optimism remains the continued growth we've seen in our user base, especially online, over the past several years. Quite simply, WGLT's services are reaching more people than ever. The service is proving its worth to our community, and our job will be to maintain (and hopefully, expand) that and to endeavor to secure the financial support necessary to do so.

Request for Information

This financial report is designed to provide donors, members, investment managers, foundations, and taxpayers with a general overview of public radio station WGLT's finances and to account for the funding it receives. It is also intended to help the reader better understand the changes in the financial statement format. Additional details can be requested by mail at the following address:

WGLT Public Radio
Illinois State University
Campus Box 8910
Normal, IL 61790-8910

WGLT-FM RADIO**STATEMENTS OF NET POSITION****June 30, 2021 and 2020**

	2021	2020
<hr/>		
<u>ASSETS</u>		
Current assets:		
Interest in pooled cash	\$ 330,490	348,036
Accounts receivable	90,263	42,456
Prepaid expenses		13,694
Promises to give - current portion	11,550	11,900
Due from Bradley University WCBU-FM		13,048
	<hr/>	<hr/>
Total current assets	432,303	429,134
	<hr/>	
Noncurrent assets:		
Promises to give - less current portion	11,800	22,328
Interest in endowment fund investments	155,851	124,038
Property and equipment	750,031	741,107
Less: accumulated depreciation	(573,865)	(542,932)
	<hr/>	<hr/>
Total noncurrent assets	343,817	344,541
	<hr/>	
TOTAL ASSETS	776,120	773,675
	<hr/>	
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	9,685	5,638
	<hr/>	
TOTAL ASSETS AND DEFINED OUTFLOWS OF RESOURCES	\$ 785,805	779,313
	<hr/>	<hr/>

See Notes to Financial Statements.

WGLT-FM RADIO**STATEMENTS OF NET POSITION (Continued)****June 30, 2021 and 2020**

	2021	2020
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 25,969	52,071
Unearned income	80,016	100,372
Total current liabilities	105,985	152,443
Noncurrent liabilities:		
Due to Illinois State University	63,821	196,847
Accrued vacation and sick pay	119,151	133,363
Total noncurrent liabilities	182,972	330,210
TOTAL LIABILITIES	288,957	482,653
<u>NET POSITION</u>		
Net investment in capital assets	176,168	198,176
Restricted for:		
Facilities and equipment	59,142	50,376
Expendable endowment	1,888	1,031
Nonexpendable endowment	153,962	123,007
Unrestricted	105,688	(75,930)
TOTAL NET POSITION	496,848	296,660
TOTAL LIABILITIES AND NET POSITION	\$ 785,805	779,313

See Notes to Financial Statements.

WGLT-FM RADIO**STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION****Years ended June 30, 2021 and 2020**

	2021	2020
Operating revenues:		
Corporate giving	\$ 32,681	16,416
Business underwriting	264,001	231,675
Special fund-raising projects	33,000	78,063
Individual giving	369,624	326,828
Corporation for Public Broadcasting - community service grants	308,418	166,190
Illinois Public Broadcasting grant	11,070	7,922
Miscellaneous income	2,357	2,419
	<hr/>	<hr/>
Total operating revenue	1,021,151	829,513
	<hr/>	<hr/>
Operating expenses:		
Program services:		
Programming and production:		
National	227,805	210,180
Local and other	755,652	771,003
Broadcasting	164,579	134,521
Supporting services:		
Underwriting and grant solicitation	89,818	194,026
Fundraising and membership development	220,355	316,825
Management and general	245,428	348,819
	<hr/>	<hr/>
Total operating expenses	1,703,637	1,975,374
	<hr/>	<hr/>
Operating income (loss)	\$ (682,486)	(1,145,861)

See Notes to Financial Statements.

WGLT-FM RADIO**STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION (Continued)**
Years ended June 30, 2021 and 2020

	2021	2020
Non-operating revenues:		
General appropriations from Illinois State University	\$ 350,993	354,029
On-behalf of state	184,503	286,404
Donated facilities and administrative support from Illinois State University	277,420	327,281
Donated materials and other services	33,329	52,990
Donated property and equipment		6,012
Unrealized gain on endowment funds	34,829	(526)
Gain (loss) on disposal of fixed assets		(68)
Total non-operating revenues	881,074	1,026,122
Additions to endowments	1,600	2,800
Change in net position	200,188	(116,939)
Net position - beginning, as restated	296,660	413,599
Net position - ending	\$ 496,848	296,660

See Notes to Financial Statements.

WGLT-FM RADIO

STATEMENTS OF CASH FLOWS Years ended June 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Gifts and contributions	\$ 447,783	429,325
Business underwriting	216,194	233,728
Community service grants	278,737	225,317
Illinois Public Broadcasting grants	20,395	11,070
Transfer from (to) endowment	3,016	6,913
Miscellaneous income	2,357	2,419
Payments to vendors	(396,038)	(437,405)
Payments to employees	(444,922)	(479,495)
	<u>127,522</u>	<u>(8,128)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Proceeds from (to) Illinois State University	(133,026)	150,837
Proceeds from (to) Bradley University WCBU-FM	13,048	14,857
	<u>(119,978)</u>	<u>165,694</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Acquisition of property and equipment	(25,090)	(12,972)
	<u>(17,546)</u>	<u>144,594</u>
Net increase (decrease) in cash and cash equivalents	(17,546)	144,594
Cash, beginning of year	348,036	203,442
Cash, end of year	<u>\$ 330,490</u>	<u>348,036</u>

See Notes to Financial Statements.

WGLT-FM RADIO**STATEMENTS OF CASH FLOWS (Continued)**
Years ended June 30, 2021 and 2020

	2021	2020
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (682,486)	(1,145,861)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Operating expenses arising from on-behalf payments and support from the University	628,413	681,310
Operating expenses arising from on-behalf payments from the State of Illinois	184,503	286,404
Operating expenses arising from in-kind contributions	33,329	52,990
Depreciation	47,099	43,988
Addition to endowment	1,600	2,800
Gain (loss) on investments	34,829	(526)
Transfer from other funds	(31,813)	7,439
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(47,807)	12,353
(Increase) decrease in promises to give	10,878	5,218
(Increase) decrease in prepaid expenses	13,694	(13,694)
(Increase) decrease in deferred outflows	(4,047)	(669)
Increase (decrease) in accounts payable	(40,314)	8,145
Increase (decrease) in unearned income	(20,356)	51,975
Net cash provided (used) by operating activities	<u>\$ 127,522</u>	<u>(8,128)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
On-behalf contributions from the University for administrative support and occupancy	628,413	681,310
On-behalf contributions from the State of Illinois for the payment of employee fringe benefits	184,503	286,404
Donated materials, services, and equipment	33,329	59,002

See Notes to Financial Statements.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1 - Summary of Operations

WGLT-FM Radio (“the Station”) is a public telecommunications service operated by Illinois State University as a part of the School of Communications within the College of Arts and Sciences located at the University’s campus in Normal, Illinois. The financial statements of the Station also include the accounts for the ISU Foundation, an Illinois not-for-profit corporation affiliated with Illinois State University. The ISU Foundation solicits funds in the name of and with the approval of the Station. Funds are distributed by the ISU Foundation in amounts determined and approved by the General Manager of the Station.

The Station is part of the University as a whole, and as such, for financial reporting purposes the financial balances and activities included in these financial statements are also included in the University’s financial statements. These financial statements present only WGLT-FM Radio, and do not purport to, and do not, present fairly the financial position of Illinois State University as of June 30, 2021, and changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Because the University is considered a political subdivision of the State of Illinois, the Station is considered to be a governmental unit. Therefore, the Station is exempt from federal and state income taxes.

Additionally, as a result of an agreement between Illinois State University and Bradley University, WGLT assumed responsibility for managing day-to-day operations for WCBU-FM (as well as its online and social media platforms) in Peoria on June 1, 2019. All funds raised by WCBU are segregated from those raised by WGLT and must be used for WCBU operations. Bradley University remains WCBU’s license holder and is responsible for ensuring they are FCC compliant.

Note 2 - Significant Accounting Policies

Basis of Presentation: The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 35, Basic Financial Statements - and Management’s Discussion and Analysis - for Public Colleges and Universities. The Station follows the business type activity reporting requirements of GASB Statement No. 35 that provides a comprehensive, entity-wide perspective of the Station’s financial activities. The Station maintains the following fund type:

Proprietary Fund: For financial reporting purposes, the Station is considered a part of the University, and thus, like the University, is a special purpose government engaged only in business-type activities. Accordingly, the Station’s financial statements have been presented using the economic resources management focus and the accrual basis of accounting applicable to public colleges and universities. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation to pay has been incurred.

The accounts of the Station are maintained internally in accordance with the principles of fund accounting. Under fund accounting, resources are classified for accounting and reporting purposes into funds according to specified activities or objectives.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (continued)

June 30, 2021

Note 2 - Significant Accounting Policies, continued

Pooled Cash: The University has pooled its cash and investments, except for certain funds that are required by bond resolution to be in separate accounts. Interest in pooled cash at June 30, 2021 represents the Station's share of this pooled cash. A summary of interest in pooled cash for the years ended June 30, 2021 and 2020 is as follows:

	2021	2020
Held at Illinois State University	\$ 232,663	172,664
Held at Illinois State University Foundation	97,827	175,372
Total	<u>\$ 330,490</u>	<u>348,036</u>

For purposes of the Statement of Cash Flows, all short-term investments that are highly liquid are considered cash equivalents. Cash equivalents are readily convertible to known amounts of pooled cash, and at the day of purchase, have a maturity date no longer than 90 days.

Capital Assets: Capital assets are recorded at cost at the date of acquisition or at the fair value at the date of donation in the case of gifts. In accordance with accounting principles generally accepted in the United States of America, depreciation is computed using the straight-line method over the following estimated useful lives:

Studio and broadcast equipment	5 years
Furniture and fixtures	7 years
Transmitter, antenna and tower	15 years
Building improvements	20 years

When property or equipment are retired or otherwise disposed, the asset and accumulated depreciation accounts are adjusted accordingly. Expenditures for repairs and maintenance are charged to operating expense as incurred.

Indirect/In-kind contributions of Services, Materials and Supplies: During the years ended June 30, 2021 and 2020, the value of contributed services meeting the requirements for recognition in the financial statements totaled \$ 33,329 and \$ 52,990, respectively. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Station at its facilities.

Facilities allocated from the University consist of office and studio space together with related occupancy costs and are recorded in revenue and expense on a prorated basis. Administrative support from the University consists of adjusted allocated financial and physical plant charges incurred by the University on behalf of the Station. See Note 7 for additional information.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (continued) June 30, 2021

Note 2 - Significant Accounting Policies, continued

Promises to Give: At various times during the year, the Friends of WGLT sponsor fundraising events to solicit promises to give on behalf of the Station. If these promises to give are not collected in a reasonable period, they are written off as uncollectible. Contributions and collected promises to give are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Station; if the contribution is for a specific purpose, then their usage is restricted for that purpose. Unconditional promises to give are recognized as revenue when the promise is received. Conditional promises are not recognized until they become unconditional, that is, in the period in which the conditions on which they depend are substantially met.

Accounts Receivable: Accounts receivable represents uncollected underwriting revenue and are carried at fair value. Receivables are recorded when revenue is earned and are presented net of any allowance for doubtful accounts. The Station believes all receivables are collectible. A provision for uncollectible accounts has not been recorded.

Net Position: The Station's net position is classified as follows:

Net investment in capital assets: This represents the total investment in capital assets, net of accumulated depreciation.

Restricted net position, non-expendable: Restricted non-expendable net position consists of endowments with specific restrictions requiring that the principal be invested and only the earnings be used.

Restricted net position, expendable: Restricted expendable net position includes resources in which the Station is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted net position: Unrestricted net position represents resources that have not been restricted by external parties and are available for use by the Station. It is the Station's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for the purposes for which both restricted and unrestricted net position are available.

Revenue Recognition: The Station has classified its revenues as either operating or non-operating revenues as follows:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as providing educational programs, goods and production services to the public and private sector, and include most grants and contracts.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2021

Note 2 - Significant Accounting Policies, continued

Non-operating revenue: Non-operating revenues include activities that have the characteristics of non-exchange transactions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting, and GASB Statement No. 35, Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities - An Amendment of GASB Statement No. 34, such as state appropriations, investment income, and capital grants. Non-operating revenues include transactions relating to capital and financing activities, non-capital financing activities, and investing activities.

Restricted Support: The Station reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net positions are reclassified to unrestricted net position. The Station applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Advertising Costs: Advertising costs are expensed in the period in which they are incurred.

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of revenues, expenses, and changes in net position. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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

Reclassification: Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 3 - Compensated Absences

The liability for compensated absences at June 30, 2021 and 2020 was \$ 119,151 and \$ 133,363, respectively. Illinois State University policy allows employees to accumulate 360 hours of vacation time, 420 hours for faculty employees. All accrued vacation is payable upon termination. Sick leave hours earned prior to January 1, 1984 and after January 1, 1998 are not payable to the employees. However, one-half of the hours earned between January 1, 1984 and January 1, 1998 are payable to employees upon death, retirement, resignation, or termination.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2021

Note 4 - Grants

The Corporation for Public Broadcasting (CPB) is a private, nonprofit grant making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying radio stations. CSGs are used to augment the financial resources of public broadcasting entities and thereby to enhance the quality of programming and expand the scope of the public broadcasting services. Each CSG may be expended over one or two federal fiscal years as described in the Communications Act, 47 United States Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

According to the Communications Act, funds may be used at the discretion of the recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain the activities begun with CSGs awarded in prior years.

Certain *General Provisions* must be satisfied in connection with application for and use of the grants to maintain eligibility and meet compliance requirements. These *General Provisions* pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, and licensee status with the Federal Communications Commission.

The grant period for the grant obtained during the year ended June 30, 2021 is October 1, 2020 through September 30, 2022. The Community Service Grant received and expended during the most recent fiscal years were as follows:

Year of Grant	Grant Received	Expended		Unspent Funding Returned	Uncommitted Balance at June 30, 2021
		2020	2021		
2018	\$ -			1,533	
2019		6,072		22,570	
2020		85,118	41,726		23,473
2021	\$ 144,593		108,445		36,148

The grant period for the grant obtained during the year ended June 30, 2020 is October 1, 2019 through September 30, 2021. The Community Service Grant received and expended during the most recent fiscal years were as follows:

Year of Grant	Grant Received	Expended		Unspent Funding Returned	Uncommitted Balance at June 30, 2020
		2019	2020		
2018	\$ -	35,105	-		1,533
2019	-	108,782	6,072		22,570
2020	\$ 150,317	-	85,118		65,199

Funding for fiscal years 2018 and 2019 remained unspent at the end of their respective grant periods and was returned to CPB during the year ended June 30, 2021.

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NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2021

Note 4 - Grants, continued

During the year ended June 30, 2020, CPB distributed \$ 75 million of emergency stabilization funds for public media included in the Coronavirus Aid, Relief, and Economic Security Act, which was signed into law on March 27, 2020. During the year ended June 30, 2021, CPB distributed \$ 175 million of stabilization funds to public telecommunication entities included in the American Rescue Plan Act of 2021, which was signed into law on March 11, 2021. The stabilization funds may be expended at any time after being received, and may be used at the discretion of the recipients for purposes of maintaining programming and services. The Station received \$ 158,247 and \$ 75,000 in stabilization funds during the years ended June 30, 2021 and 2020, respectively.

The Illinois Arts Council also provides a source of funding for the Station. The Grant period for the grant obtained during the year ended June 30, 2021 is January 4, 2021 through August 31, 2021. The purpose of this grant is to supplement the cost of operating and maintaining a public broadcasting station. The Illinois Public Broadcasting Grant received and expended during the most recent fiscal years were as follows:

Year of Grant	Grant Received	Expended 2020	2021	Uncommitted Balance at June 30, 2021
2020	\$ -		11,070	
2021	20,395			20,395

The grant period for the grant obtained during the year ended June 30, 2020 is October 15, 2019 through August 31, 2020, and was received and expended as follows:

Year of Grant	Grant Received	Expended 2019	2020	Uncommitted Balance at June 30, 2020
2019	\$ -	13,438	7,922	
2020	11,070			11,070

The above grants are recorded as revenue when the funding was expended. Funding received but not yet expended is considered unearned income. The Station had \$ 80,016 and \$ 100,372 in unspent grant funds as of June 30, 2021 and 2020, respectively.

Note 5 - Nonfederal Financial Support (NFFS)

The Corporation for Public Broadcasting (CPB) allocates a portion of its funds annually to public broadcasting entities, primarily based on NFFS. NFFS is defined as the total value of cash and the fair market value of property and services received either as a contribution or a payment and meeting all of the respective criteria for each.

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NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2021

Note 5 - Nonfederal Financial Support (NFFS), continued

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be included as NFFS: (1) the source may be an entity except the federal government or any other broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcast station or for the production, acquisition, distribution or dissemination of educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

Reported NFFS for the Station was \$ 1,549,418 and \$ 1,751,540 for the years ended June 30, 2021 and 2020, respectively.

Note 6 - Property and Equipment

A summary of property and equipment activity for the year ended June 30, 2021, was as follows:

	June 30, 2021			July 1, 2020
	Ending	Additions	Reductions	Beginning
	Balance			Balance
Building improvement	\$ 24,083			24,083
Transmitters, antenna and towers	321,224	12,497		308,727
Studios and other broad-casting equipment	201,156	12,593	6,856	195,419
Furniture and fixtures	203,568		9,310	212,878
Total	750,031	25,090	16,166	741,107
Less accumulated depreciation:				
Building improvements	9,239	899		8,340
Transmitters, antenna and towers	227,368	17,750		209,618
Studio and other broad-casting equipment	134,223	25,388	6,856	115,691
Furniture and fixtures	203,035	3,062	9,310	209,283
Total	573,865	47,099	16,166	542,932
Property and equipment, net	\$ 176,166	(22,009)	-	198,175

WGLT-FM RADIO**NOTES TO FINANCIAL STATEMENTS (Continued)**
June 30, 2021**Note 6 - Property and Equipment, continued**

A summary of property and equipment activity for the year ended June 30, 2020, was as follows:

	June 30, 2020 Ending Balance	Additions	Reductions	July 1, 2019 Beginning Balance
Building improvement	\$ 24,083			24,083
Transmitters, antenna and towers	308,727			308,727
Studios and other broad-casting equipment	195,419	18,984	(5,633)	182,068
Furniture and fixtures	212,878		(7,138)	220,016
Total	741,107	18,984	(12,771)	734,894
Less accumulated depreciation:				
Building improvements	8,340	900		7,440
Transmitters, antenna and towers	209,618	17,459		192,159
Studio and other broad-casting equipment	115,691	24,294	(5,633)	97,030
Furniture and fixtures	209,283	1,335	(7,070)	215,018
Total	542,932	43,988	(12,703)	511,647
Property and equipment, net	\$ 198,175	(25,004)	(68)	223,247

Depreciation expense for the years ended June 30, 2021 and 2020 was \$ 47,099 and \$ 43,988, respectively.

Note 7 - Indirect Administrative Support

Indirect support from other state agencies consists of allocated institutional support and physical plant costs incurred by the State for which the Station receives benefits. The fair value of this support is recognized in the Statement of Revenues, Expenses, and Changes in Net Position as indirect administrative support and also as expense in functional expense categories. For the year ended June 30, 2021, indirect support was calculated using a standard method introduced by CPB during the year as a simpler alternative to the old method, based on institutional support and physical plant support of ISU (the Licensee) and the operating expenses of WGLT. For the year ended June 30, 2020, indirect support was calculated by ISU based on the net assignable square footage of the radio station, and a formula reflecting ISU operating expenses benefiting the Station. The value of this support included in the Statement of Revenues, Expenses, and Changes in Net Position was \$ 277,420 and \$ 327,281 for the years ended June 30, 2021 and 2020, respectively.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2021

Note 8 - State Appropriations

This classification includes financial resources provided to the Station through budgetary authorizations of the State Assembly. State appropriations utilized during the fiscal year ended June 30, 2021 and June 30, 2020 totaled \$ 350,993 and \$ 354,028, respectively.

Note 9 - Defined Benefit Pension Plans

General Information about the Pension Plan

Plan Description: The Station contributes to the State Universities Retirement System (SURS) of Illinois, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the State's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided: A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed 6 months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2020 can be found in SURS annual comprehensive financial report Notes to the Financial Statements.

Contributions: The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2020 and 2021 respectively, was 13.02 % and 12.70 % of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2021

Note 9 - Defined Benefit Pension Plans, continued

General Information about the Pension Plan, continued

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of “affected annuitants” or specific return to work annuitants) and Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

Pension Expense: For the year ended June 30, 2021, the Station recognized SURS pension expense of \$ 9,685.

The Station participates in SURS by virtue of being part of Illinois State University; however, pension liabilities are not reported herein. See the University’s Financial audit report for the full disclosure.

Note 10 - Other Post-employment Benefits

General Information on the Post-Employment Plan

Plan Description: The State Employees Group Insurance Act of 1971 (Act), as amended, authorizes the State Employees Group Insurance Program (SEGIP) to provide health, dental, vision, and life insurance benefits for certain retirees and their dependents. Substantially all of the Station’s full-time employees are members of SEGIP. Members receiving monthly benefits from SURS are eligible for these other post-employment benefits (OPEB). The eligibility provisions for SURS are defined within Note 9.

The Department of Central Management Services (CMS) administers these benefits for annuitants with the assistance of SURS. The State recognizes SEGIP OPEB benefits as a single-employer defined benefit plan. The plan does not issue a stand-alone financial report.

Benefits Provided: The health, dental, and vision benefits provided to and contribution amounts required from annuitants are the result of collective bargaining between the State and the various unions representing the State’s and the Station’s employees in accordance with limitations established by the Act. Therefore, the benefits provided and contribution amounts are subject to periodic change. Coverage through SEGIP becomes secondary to Medicare after Medicare eligibility has been reached. Members must enroll in Medicare Parts A and B to receive the subsidized SEGIP premium available to Medicare eligible participants. The Act requires the State to provide life insurance benefits for annuitants equal to their annual salary as of the last day of employment until age 60, at which time, the benefit amount becomes \$ 5,000.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2021

Note 10 - Other Post-employment Benefits, continued

General Information on the Post-Employment Plan

Funding Policy and Annual OPEB Cost: OPEB offered through SEGIP are financed through a combination of retiree premiums, State contributions, and Federal government subsidies from the Medicare Part D program. Contributions are deposited in the Health Insurance Reserve Fund, which covers both active State employees and retirement members. Annuitants may be required to contribute towards health and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in SURS, do not contribute toward health and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health and vision benefits. All annuitants are required to pay for dental benefits regardless of retirement date.

The Director of CMS shall, on an annual basis, determines the amount the State shall contribute toward the basic program of group health benefits. State contributions are made primarily from the General Revenue Fund on a pay-as-you-go basis. No assets are accumulated or dedicated to funding the retiree health insurance benefits and a separate trust has not been established for the funding of OPEB.

For fiscal year 2021, the annual cost of the basic program of group health, dental, and vision benefits before the State's contribution was \$ 12,261 (\$ 6,910 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$ 15,224 (\$ 6,449 if Medicare eligible) if the annuitant chose other benefits. The State is not required to fund the plan other than the pay-as-you-go amount necessary to provide the current benefits to retirees.

The Station participated in SURS OPEB by virtue of being part of the Illinois State University; however, OPEB liabilities are not recorded herein. See the University's Financial audit report for the full disclosure.

Note 11 - On-behalf Payments

The State of Illinois paid the following benefits and contributions on-behalf of WGLT, and included these payments in their revenue and expenses:

	2021	2020
Benefits	\$ 148,487	246,396
SURS contributions	36,016	40,008
Total	<u>\$ 184,503</u>	<u>286,404</u>

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2020

Note 12 - Radio Tower Lease

The Station had an operating license agreement with High Rise Communications for space to operate the Station's transmitter and antenna. The lease terms required semi-annual payments due on July 15th and January 15th each year and terminated June 30, 2021. A new lease was entered into with High Rise Communications beginning July 1, 2021. The lease terms require annual payments due on July 31st each year and terminates June 30, 2026. Lease payments were \$ 33,230 and \$ 31,650 for the years ended June 30, 2021 and 2020, respectively.

Future minimum payments per this agreement are as follows:

Year ending <u>June 30,</u>	
2022	\$ 35,000
2023	37,700
2024	36,414
2025	37,143
2026	<u>37,886</u>
Total	<u>\$ 184,143</u>

Note 13 - Endowment Funds

During fiscal year 2012, three endowment funds were created for the Station through the Illinois State University (ISU) Foundation. The Station endowment funds are pooled with the ISU Endowment Fund and are tracked as separate units of the Fund. The ISU Endowment Fund is a diversified portfolio consisting of equities, fixed income, and alternative investment strategies, with the objective of growing assets and income at a rate in excess of inflation and distributions. Required disclosure about the fair value of the investments is contained in the separate Illinois State University Foundation Financial Statements and Independent Auditors' Report, June 30, 2021 and 2020, which can be obtained from the ISU Foundation. The Station has the following endowment agreements:

WGLT Future Endowment Fund: This fund is fully funded with an estate gift in the amount of \$ 20,000. It will be used for the general operating expenses of the Station as determined by the General Manager of WGLT in consultation with the Executive Director of the School of Communication. Fund activity was as follows:

	<u>2021</u>	<u>2020</u>
Beginning balance	\$ 58,428	63,732
Contributions	1,600	300
Expenses	(2,475)	(5,369)
Unrealized gains (losses)	<u>16,662</u>	<u>(235)</u>
Ending balance	<u>\$ 74,215</u>	<u>58,428</u>

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued) June 30, 2020

Note 13 - Endowment Funds, continued

Albert Attaway Fund: This fund was created through a transfer of a pre-existing endowment in the College of Business. The funds will be used for the general operating costs of the Station as determined by the fiscal agent for the Station, including, but not limited to, the maintenance and enhancement of the Station music library. Fund activity was as follows:

	2021	2020
Beginning balance	\$ 31,697	34,294
Expenses	(407)	(2,472)
Unrealized gains (losses)	8,692	(125)
Ending balance	<u>\$ 39,982</u>	<u>31,697</u>

Sutherland Endowment: This fund was established with initial contributions of \$ 10,000, and became fully endowed in FY14 when all gifts to the fund met the minimum funding level of \$ 20,000. Funds from this endowment will be used for the general operating costs of the Station as determined by the fiscal agent for the Station. Fund activity was as follows:

	2021	2020
Beginning balance	\$ 33,913	33,451
Contributions		2,500
Expenses	(1,734)	(1,871)
Unrealized gains (losses)	9,475	(167)
Ending balance	<u>\$ 41,654</u>	<u>33,913</u>

Endowment funds are divided into expendable and nonexpendable as follows:

	Expendable	Nonexpendable	Total
WGLT Future Endowment Fund	\$ 122	74,093	74,215
Albert Attaway Fund	1,766	38,216	39,982
Sutherland Endowment		41,654	41,654
Total	<u>\$ 1,888</u>	<u>153,963</u>	<u>155,851</u>

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2020

Note 14 - Due to Illinois State University

Illinois State University provided an advance to WGLT's cash funds over the past few years to pay ongoing operating expenses. Amounts advanced at June 30, 2021 and 2020 totaled \$ 63,821 and \$ 196,847, respectively.

Note 15 - Related Parties

The Station is the licensed manager of the public radio station WCBU-FM at Bradley University in Peoria, Illinois. The Station paid for equipment purchases and other expenses incurred by WCBU-FM, resulting in a balance due from WCBU-FM as of June 30, 2021 and 2020 in the amounts of \$ -0- and \$ 13,048, respectively.

Note 16 - Promises to Give

The Station has outstanding unconditional promises to give as follows at June 30, 2021:

Receivable in less than one year	\$ 11,550
Receivable in one to five years	<u>11,800</u>
Total promises to give	<u><u>\$ 23,350</u></u>

Management considers all promises to give receivable to be fully collectible; therefore, no allowance for uncollectible amounts is necessary.

Note 17 - Contributed In-Kind Support

Contributed materials, supplies, and facilities are recorded at their estimated fair value at the date of donation. The Station reports gifts of professional services, materials, and other nonmonetary contributions as revenue in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. As expenses of an equivalent amount are also recognized, there is no impact on net position.

If the fair value of contributed materials, supplies, facilities, and property cannot be reasonably determined they are not recorded. Donated personal services of nonprofessional volunteers are not recorded as revenue and expenses as there is no objective basis available to measure the value of such services.

A summary of the contributed support received in the years ended June 30, 2021 and 2020 was as follows:

The amount of donated materials and services recognized in the years ended June 30, 2021 and 2020 was \$ 33,329 and \$ 52,990, respectively.

WGLT-FM RADIO

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2020

Note 17 - Contributed In-Kind Support, continued

Contributed support from the State of Illinois consists of benefit contributions on behalf of the Station. The value of the on-behalf contributions recognized in the years ended June 30, 2021 and 2020 was \$ 184,503 and \$ 286,404, respectively.

Note 18 - Prior Period Adjustment

During prior years, the Station recorded CPB grant funding as revenue when received; revenue should have been recorded when expended, with the remainder being recognized as unearned income until spent. Also, during the year ended June 30, 2021, the Station changed its accounting policy for the treatment of actuarial pension and OPEB amounts. In previous periods, the Station had recorded liabilities and deferred inflows and outflows for such amounts. The Station has now decided to expense these benefit costs as incurred. Management believes the new policy is preferable because it results in a more transparent treatment of these benefit costs. The total pension and OPEB liabilities are recorded and disclosed in the full financial statements of the University. The following summarizes the effect of the restatements:

Net position at June 30, 2019, as previously reported	\$ 357,222
Recognition of unearned income	(38,097)
Change in actuarial pension and OPEB accounting policy	<u>94,474</u>
Net position at June 30, 2019, as restated	<u><u>\$ 413,599</u></u>

Note 19 - Subsequent Events

The Station has evaluated events occurring subsequent to June 30, 2021 as to their potential impact to the financial statements through January 8, 2022, which is the date the financial statements were available to be issued.

OTHER SUPPLEMENTAL INFORMATION

WGLT-FM RADIO**STATEMENT OF FUNCTIONAL EXPENSES****Year ended June 30, 2021**

	Program Services			Total Program Services
	Programming & Production		Broadcasting	
	National	Local & Other		
Salaries	\$ -	413,363	45,253	458,616
Employee benefits		137,986	19,386	157,372
Consulting fees				-
Professional fees		1,690		1,690
Occupancy	27,742	138,710	63,792	230,244
Production costs		175		175
Programming costs	172,867	15,113	471	188,451
Repairs and maintenance			2,936	2,936
Equipment expense			20,011	20,011
Memberships	3,647	9,156	4,799	17,602
Subscriptions		12,489		12,489
Postage				-
Printing				-
Telephone			7,931	7,931
Auto expense				-
Advertising				-
Other		3,420		3,420
Bank charges				-
Supplies				-
Totals before depreciation	204,256	732,102	164,579	1,100,937
Depreciation expense	23,549	23,550		47,099
Total expenses	\$ 227,805	755,652	164,579	1,148,036

Total Supporting Services					
Underwriting & Grant Solicitation	Fundraising & Membership Development	Management & General	Total Supporting Services	Total	
\$ 47,267	105,518	118,621	271,406	730,022	
8,236	41,940	28,636	78,812	236,184	
		21,003	21,003	21,003	
	2,282	17,316	19,598	21,288	
27,742	27,742	27,742	83,226	313,470	
	4,567		4,567	4,742	
3,391			3,391	191,842	
		3,303	3,303	6,239	
			-	20,011	
	3,161	8,537	11,698	29,300	
	3,622	439	4,061	16,550	
	1,140	1	1,141	1,141	
	2,489		2,489	2,489	
		605	605	8,536	
		517	517	517	
	3,500	10,840	14,340	14,340	
3,182	24,394	3,988	31,564	34,984	
		1,617	1,617	1,617	
		2,263	2,263	2,263	
89,818	220,355	245,428	555,601	1,656,538	
			-	47,099	
\$ 89,818	220,355	245,428	555,601	1,703,637	

WGLT-FM RADIO

STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2020

	Program Services			Total Program Services
	Programming & Production		Broadcasting	
	National	Local & Other		
Salaries	\$ -	398,061	46,272	444,333
Employee benefits		147,271	21,511	168,782
Consulting fees		1,600		1,600
Professional fees		311		311
Occupancy	32,729	163,640	48,553	244,922
Production costs				-
Programming costs	144,516	16,866		161,382
Promotional costs				-
Repairs and maintenance		35	208	243
Equipment expense			11,899	11,899
Memberships	10,941	9,810		20,751
Subscriptions		6,531		6,531
Postage				-
Printing				-
Telephone				-
Auto expense				-
Travel		586		586
Advertising				-
Other		4,298	6,078	10,376
Bank charges				-
Supplies				-
Totals before depreciation	188,186	749,009	134,521	1,071,716
Depreciation expense	21,994	21,994		43,988
Total expenses	\$ 210,180	771,003	134,521	1,115,704

Total Supporting Services					
Underwriting & Grant Solicitation	Fundraising & Membership Development	Management & General	Total Supporting Services	Total	
\$ 98,102	125,011	152,894	376,007	820,340	
39,419	42,214	63,337	144,970	313,752	
6,419	1,397	10,000	17,816	19,416	
	1,227	14,501	15,728	16,039	
32,728	32,729	51,372	116,829	361,751	
	34,397	1,500	35,897	35,897	
6,094			6,094	167,476	
	2,030		2,030	2,030	
		10,396	10,396	10,639	
		3,667	3,667	15,566	
	2,297	8,172	10,469	31,220	
	1,127	1,075	2,202	8,733	
	1,762		1,762	1,762	
	8,991		8,991	8,991	
		6,600	6,600	6,600	
		607	607	607	
32	629		661	1,247	
	37,146	10,740	47,886	47,886	
11,232	25,868	8,525	45,625	56,001	
		1,432	1,432	1,432	
		4,001	4,001	4,001	
194,026	316,825	348,819	859,670	1,931,386	
			-	43,988	
\$ 194,026	316,825	348,819	859,670	1,975,374	