Combined Basic Financial Statements

Jefferson Public Radio & The JPR Foundation, Inc.

For the years ending June 30, 2025 and 2024

The accompanying combined basic financial statements represent the financial position of Jefferson Public Radio, a public telecommunications entity owned and operated by Southern Oregon University. These statements include the Jefferson Public Radio related accounts of Southern Oregon University and the JPR related accounts of the JPR Foundation, Inc., a private tax-exempt corporation organized to support Jefferson Public Radio's public service mission.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.

FINANCIAL REPORT AND SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.

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October 30, 2025

To Board of Directors
Jefferson Public Radio and JPR Foundation, Inc.
Ashland, Oregon

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying combined basic financial statements of Jefferson Public Radio (a Department of Southern Oregon University) and JPR Foundation, Inc. (a non-profit organization) (collectively known as the Organization), which comprise the combined statements of financial position as of June 30, 2025 and 2024, and the combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined basic financial statements.

In our opinion, the combined basic financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Basic Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 2 of the combined basic financial statements, which describes the basis of accounting and principles of combination. The accompanying combined basic financial statements have been prepared in order to satisfy grant reporting requirements of the Corporation for Public Broadcasting; therefore, they do not include the financial position, activities, functional expenses and cash flows of JPR Foundation Inc.'s wholly owned limited liability company Jefferson Live!, LLC and its affiliates. These combined basic financial statements are not intended to be a complete presentation of the JPR Foundation Inc.'s financial position, activities, functional expenses, and cash flows. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Combined Basic Financial Statements

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

In preparing the combined basic financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the combined basic financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Combined Basic Financial Statements

Our objectives are to obtain reasonable assurance as to whether the combined basic financial statements as a whole are free from material misstatement, whether due to error or fraud, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined basic financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the combined basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined basic financial statements.

- Obtain an understanding of the Organization's system of internal control 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 Organization's system of internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined basic financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined basic financial statements as a whole. The supplementary information, as presented in the table of contents, is presented for purposes of additional analysis and is not a required part of the combined basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined 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 combined basic financial statements or to the combined 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 information is fairly stated in all material respects in relation to the combined basic financial statements as a whole.

Hans Graichen

HANS K. GRAICHEN, CPA
PAULY, ROGERS AND CO., P.C.

COMBINED BASIC FINANCIAL STATEMENTS

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statements of Financial Position
at June 30, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	$ 2,691,861	$ 2,346,991
Investments	4,022,874	3,252,900
Accounts receivable	16,604	16,276
Operating lease receivables	39,240	29,791
Prepaid expenses	7,422	10,335
Deposits	1,500	1,500
Donated inventory	43,419	67,916
Total Current Assets	6,822,920	5,725,709
Property and Equipment		
Land	293,906	413,036
Buildings and equipment, net of accumulated depreciation	2,721,069	2,789,520
Total Property and Equipment	3,014,975	3,202,556
Other Assets		
Prepaid expenses, non-current	2,370	2,370
Operating right-to-use assets	698,519	808,918
Mt. Baldy Communications, LLC	104,244	93,321
Intangible assets	2,196,401	2,196,401
Total Other Assets	3,001,534	3,101,010
Total Assets	$ 12,839,429	$ 12,029,275
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 20,465	$ 16,109
Accrued liabilities	152,403	142,311
Accrued vacation	113,782	114,817
Lease deposits	1,000	1,000
Operating lease liability - current	110,142	105,602
Current portion of long-term debt and obligation	55,000	55,000
Total Current Liabilities	452,792	434,839
Operating lease liability, net of current portion	608,962	719,207
Long-term debt, net of current portion	955,000	1,010,000
Total Liabilities	2,016,754	2,164,046
Net Assets		
Net assets without donor restrictions	10,822,675	9,865,229
Total Liabilities and Net Assets	$ 12,839,429	$ 12,029,275

See accompanying notes to the combined basic financial statements.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statement of Activities
for the Year Ended June 30, 2025

	2025	2024
Revenues, Support and Other Income		
Revenues and support		
Contributions	$ 1,341,936	$ 1,270,240
Program underwriting	568,743	589,706
Southern Oregon University		
General appropriation	307,122	307,921
Indirect administrative support	767,755	675,471
Corporation for Public Broadcasting Grants	525,521	456,416
Foundation and non-profit support	55,953	64,328
Donor advised funds	106,850	50,890
Grants	56,670	54,530
Bequests and planned gifts	166,910	-
Donated programs, services and materials	134,056	137,721
Fundraising activities and events	232,522	247,791
Operating lease revenue	157,402	151,267
Jeffnet internet service royalties	26,000	26,000
Total Revenues and Support	4,447,440	4,032,281
Other Income		
Interest and dividend income	174,543	160,386
Realized and unrealized gain	407,566	383,311
Change in value of investment in Mt Baldy LLC	10,923	11,660
Total Other Income	593,032	555,357
Total Revenues, Support and Other Income	5,040,472	4,587,638
Expenses		
Program services		
Programming and production	1,864,847	1,741,542
Broadcasting	1,199,103	1,164,725
Program information and promotion	209,820	203,444
Total Program Services	3,273,770	3,109,711
Supporting services		
Management and general operating	182,886	173,564
Fundraising, membership and development	405,149	380,402
Underwriting and grant solicitation	160,345	208,395
Depreciation	140,698	145,194
Total Supporting Services	889,078	907,555
Total Expenses	4,162,848	4,017,266
Operating Income	877,624	570,372
Non-Operating Income		
Display advertising	27,124	23,870
Rents and royalties	27,570	22,889
Gain (loss) on disposal of assets	25,104	(128,260)
Miscellaneous income	24	5,315
Total Non-Operating Income	79,822	(76,186)
Change in Net Assets	957,446	494,186
Net Assets at Beginning of Year	9,865,229	9,371,043
Net Assets at End of Year	$ 10,822,675	$ 9,865,229

See accompanying notes to the combined basic financial statements.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statement of Functional Expenses by Program Services
for the Year Ended June 30, 2025

	Program Services			
	Programing and Production	Broadcasting	Program Information and Promotion	Total
Salaries and benefits	$ 1,058,437	$ 218,318	$ 57,312	$ 1,334,067
Advertising	1,301	-	53,534	54,835
Dues and subscriptions	4,487	7,109	-	11,596
Telephone / data lines	3,364	3,137	-	6,501
Postage	-	-	15,434	15,434
Printing	-	-	35,893	35,893
Insurance	-	8,808	-	8,808
Interest	-	44,327	-	44,327
Programming	429,990	12,423	-	442,413
Professional services / contract labor	289	8,143	7,356	15,788
Legal	-	36,000	-	36,000
Repairs, maintenance and equipment	1,296	28,760	-	30,056
Leases	7,299	161,712	-	169,011
Operating leases	-	128,781	-	128,781
Utilities	-	191,752	-	191,752
Property taxes	-	1,935	-	1,935
Service and supplies	3,502	-	-	3,502
Special projects	-	28,460	-	28,460
Travel	4,491	8,561	-	13,052
Donated services and materials	-	79,017	1,506	80,523
Indirect admin. support	350,391	231,860	38,785	621,036
Total Expenses	$ 1,864,847	$ 1,199,103	$ 209,820	$ 3,273,770

See accompanying notes to the combined basic financial statements.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statement of Functional Expenses by Program Services
for the Year Ended June 30, 2024

	Program Services			
	Programing and Production	Broadcasting	Program Information and Promotion	Total
Salaries and benefits	$ 959,962	$ 231,674	$ 56,849	$ 1,248,485
Advertising	2,840	-	52,297	55,137
Dues and subscriptions	4,889	7,109	-	11,998
Telephone / data lines	3,376	3,000	-	6,376
Postage	-	-	14,454	14,454
Printing	-	-	37,026	37,026
Insurance	-	8,485	-	8,485
Interest	-	47,429	-	47,429
Programming	447,875	13,011	-	460,886
Professional services / contract labor	5,207	5,120	7,370	17,697
Legal	-	36,000	-	36,000
Repairs, maintenance and equipment	160	55,670	-	55,830
Leases	7,249	146,831	-	154,080
Operating leases	-	139,019	-	139,019
Utilities	-	168,805	-	168,805
Property taxes	-	1,919	-	1,919
Service and supplies	4,165	-	-	4,165
Travel	6,759	10,605	-	17,364
Donated services and materials	-	84,160	1,264	85,424
Indirect admin. support	299,060	205,888	34,184	539,132
Total Expenses	$ 1,741,542	$ 1,164,725	$ 203,444	$ 3,109,711

See accompanying notes to the combined basic financial statements.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statement of Functional Expenses by Supporting Services
for the Year Ended June 30, 2025

	Supporting Services				
	Management and General Operating	Fundraising, Membership and Development	Underwriting and Grant Solicitation	Depreciation	Total
Salaries and benefits	$ 114,562	$ 121,229	$ 125,113	$ -	$ 360,904
Advertising	-	842	-	-	842
Bank, credit card and transaction fees	-	103,944	-	-	103,944
Dues and subscriptions	1,972	-	-	-	1,972
Telephone / data lines	2,277	1,644	-	-	3,921
Postage	525	16,795	-	-	17,320
Printing	21	7,295	-	-	7,316
Professional services / contract labor	19,500	18,528	3,038	-	41,066
Legal	1,338	-	-	-	1,338
Leases	-	5,830	-	-	5,830
Service and supplies	3,609	9,640	-	-	13,249
Special events	-	10,240	-	-	10,240
Special projects	-	28,950	-	-	28,950
Travel	4,757	12	-	-	4,769
Indirect admin. support	34,325	80,200	32,194	-	146,719
Depreciation	-	-	-	140,698	140,698
Total Expenses	$ 182,886	$ 405,149	$ 160,345	$ 140,698	$ 889,078

See accompanying notes to the combined basic financial statements.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statement of Functional Expenses by Supporting Services
for the Year Ended June 30, 2024

	Supporting Services				
	Management and General Operating	Fundraising, Membership and Development	Underwriting and Grant Solicitation	Depreciation	Total
Salaries and benefits	$ 109,157	$ 111,004	$ 167,674	$ -	$ 387,835
Advertising	-	550	-	-	550
Bank, credit card and transaction fees	-	110,818	-	-	110,818
Dues and subscriptions	1,825	1,316	-	-	3,141
Telephone / data lines	2,155	1,505	-	-	3,660
Postage	68	12,817	-	-	12,885
Printing	-	13,497	-	-	13,497
Professional services / contract labor	19,425	11,138	3,490	-	34,053
Legal	1,077	-	-	-	1,077
Leases	-	16,149	-	-	16,149
Service and supplies	8,612	11,233	-	-	19,845
Special events	-	9,852	-	-	9,852
Special projects	-	11,047	-	-	11,047
Travel	1,585	28	-	-	1,613
Indirect admin. support	29,660	69,448	37,231	-	136,339
Depreciation	-	-	-	145,194	145,194
Total Expenses	$ 173,564	$ 380,402	$ 208,395	$ 145,194	$ 907,555

See accompanying notes to the combined basic financial statements.

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combined Statements of Cash Flows
for the Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ 957,446	$ 494,186
Adjustments to reconcile change in net assets		
to net cash provided by operating activities		
Depreciation	140,698	145,194
Operating right-to-use asset amortization	110,399	120,662
Payments on operating lease liability	(105,705)	(103,974)
Realized and unrealized (gain) loss on investments, net	(407,566)	(383,311)
Donated wine inventory	24,497	14,618
Change in value of investment in Mt Baldy LLC	(10,923)	(11,660)
Net gain on disposal of property and equipment	(25,104)	-
Loss on disposal of intangible asset	-	128,260
(Increase) decrease in operating assets		
Accounts receivable	(328)	(879)
Operating lease receivable	(9,449)	(14,557)
Prepaid expenses	2,913	(2,724)
Increase (decrease) in operating liabilities		
Accounts payable	4,356	(8,274)
Accrued liabilities	10,092	(2,163)
Accrued vacation	(1,035)	14,537
Net Cash Provided (Used) by Operating Activities	690,291	389,915
Cash Flows from Investing Activities		
Net sales (purchases) of investments	(362,408)	(59,472)
Purchase of equipment	(78,013)	-
Sale of land	150,000	-
Net Cash Provided (Used) by Investing Activities	(290,421)	(59,472)
Cash Flows from Financing Activities		
Payments on long-term debt	(55,000)	(50,000)
Net Cash Provided (Used) by Financing Activities	(55,000)	(50,000)
Net Increase (Decrease) in Cash and Cash Equivalents	344,870	280,443
Cash and Cash Equivalents at Beginning of Year	2,346,991	2,066,548
Cash and Cash Equivalents at End of Year	$ 2,691,861	$ 2,346,991
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 45,553	$ 48,648

NON-CASH TRANSACTIONS:

2025
None

2024
A net adjustment of $38,200 was made to the operating right-to-use asset and operating lease liability during the year ended June 30, 2024, due to adjustments made to future lease payments.

See accompanying notes to the combined basic financial statements.

NOTES TO THE
COMBINED BASIC FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Jefferson Public Radio (JPR) is operated by Southern Oregon University (SOU) as an outreach program of its regional educational mission. SOU is a State of Oregon public university governed by a Board of Trustees. JPR provides public broadcasting services to listeners in Southern Oregon and Northern California.

The JPR Foundation, Inc. (the Foundation) was established in 1997 to support JPR's educational and public service mission. The Foundation is an Oregon nonprofit, tax-exempt organization governed by a Board of Directors.

Jefferson Public Radio and JPR Foundation will collectively be referred to as the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The combined basic financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded in the period they are earned and expenses are reported in the period in which the related liability is incurred.

PRINCIPLES OF COMBINATION

The combined basic financial statements of the Organization include the Foundation and SOU accounts related to JPR. Though not required under generally accepted accounting principles, the Foundation has been combined with JPR to provide full disclosure of JPR’s activities. All intercompany accounts and transactions have been eliminated. The combined basic financial statements do not include the financial activities of the Foundation’s wholly owned limited liability company Jefferson Live!, LLC.

USE OF ESTIMATES

Preparation of the combined basic 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 and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION

The accompanying basic financial statements were prepared in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14. Under FASB ASU 2016-14, information regarding financial position and activities are reported according to two classes of net assets (net assets without donor restrictions and net assets with donor restrictions) based upon the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> Net Assets Without Donor Restrictions – Receipts, gains and other support that have no external restrictions on their use or purpose and can be used for any purpose consistent with bylaws are reported as net assets without donor restrictions. Net assets without donor restrictions include all assets available for general purposes.
>
> Net Assets With Donor Restrictions – Contributions that are received with donor stipulation or by law that limit their use are recorded as net assets with donor restrictions. Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulation that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions. There were no net assets with donor restrictions at the end of both fiscal years.
>
> The Board of Directors have interpreted Oregon's enacted Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of donations to be held in perpetuity absent explicit donor stipulations to the contrary. As a result of this interpretation, donations to be held in perpetuity are recorded as (a) the original value of gifts donated, (b) the original value of subsequent gifts, and (c) accumulations to the net assets with donor restrictions be made in accordance with the direction of the applicable donor gift instrument at the time the accumulation as added to net assets with donor restrictions to be held for perpetuity. Generally, the donors of these assets permit the Organization to use all or part of the investment return on these assets.

CONTRIBUTIONS

Contributions are recorded in accordance with FASB ASU 2016-14. Contributions received are recorded either with donor restriction or without donor restriction depending on the existence of donor or legal restrictions. Contributions with donor restrictions received and released in the same year are recorded as contributions with donor restrictions. Contributions are recorded as revenue in the year received. Uncollected pledges for unrestricted operating support are not shown as assets on the statement of financial position because these types of pledges are considered revocable and are not documented by enforceable pledge agreements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NONCASH CONTRIBUTIONS

Noncash contributions are recorded in accordance with FASB ASU 2020-02 *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. In-kind contributions are reported as 'donated programs, services and materials' in the combined statements of activities.

Donated programs, services, and materials included in the combined statement of activities are comprised of the following:

	2025	2024
Advertising	$ 53,534	$ 52,297
Rents	79,016	84,160
Professional services	1,506	1,264
	$ 134,056	$ 137,721

Fair value techniques – Advertising is based on current rates for services per signed in-kind donation certifications of goods and services delivered form. Rents are based on the current rental rates charged by lessors. Professional services are based on current rates for graphic design services provided by Impact Publications.

Donor restrictions and use – All in-kind contributions are not restricted. Donated advertising, rents, and professional services are used by the Organization, are not monetized, and are used to support radio broadcasting services.

GRANTS

Grants are recorded in accordance with FASB ASC 606 *Revenue from Contracts with Customers*. Grant revenue is recognized either on a pro-rata basis over the contract period, or to the extent of expenses, depending upon the nature of the grant agreement. Any funding source may, at its discretion, require reimbursement for expenses or return of funds, or both, as a result of non-compliance by the Organization with the terms of the grant. Grant advances received but not used by year-end are recorded as unearned grant revenue until used for the grant's intended purpose.

CASH AND CASH EQUIVALENTS

For purpose of the statement of cash flows, all highly liquid investments with an original maturity of three months or less from the date of purchase are considered to be cash equivalents.

PREPAID EXPENSES

Costs incurred for programs that have not been broadcasted and deposits with the US Postal Service are recorded as prepaid expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DONATED INVENTORY

Donated inventory, which consists of bottles of wine, is based on the estimated wholesale prices of identical or similar products if purchased in the region, with the value per bottle determined using the average method. The difference between cash received and the cost of donated wine sold is recorded as a donation expense (if at a loss) or contribution revenue (if a gain). Donated wine that is given away is recorded as a donation expense.

INDIRECT ADMINISTRATIVE SUPPORT

A portion of the general overhead costs of SOU relates to and benefits JPR. Such items include administrative costs, utilities, maintenance, and repairs. These services were provided without cost. The fair value of these services have been allocated to JPR and reported as revenue and expense in the accompanying combined statement of activities.

ADVERTISING EXPENSE

Advertising costs are expensed as they are incurred. Advertising expenses for the years ended June 30, 2025 and 2024, were $55,677 and $55,687 respectively.

FAIR VALUE MEASUREMENTS

FASB ACS 820-10 establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in an active market for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under FASB ASC 820-10 are described as follows:

Level 1 – quoted prices in active markets for identical securities

Level 2 – other significant, observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, and others)

Level 3 – significant unobservable inputs

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments in equity mutual funds traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Investments in bond mutual funds are valued using a matrix pricing model that considered quoted prices for similar securities, if available, interest rates, prepayment spreads, and credit risks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain investments could result in a different fair value measurement at the reporting date.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-basis. Interest income is recorded on the accrual basis. Net appreciation includes the gain and losses on investments bought and sold during the year, as well as market gain or loss on investments held during the year. Dividends are recorded on the ex-dividend date. Expenses related to investment revenue, including custodial fees and advisory fees, are netted against investment revenues in the accompanying combined statements of activities.

PROPERTY AND EQUIPMENT

Purchases of property and equipment are recorded at cost. Purchases of $5,000 or more for equipment, property, or buildings, with a useful life in excess of one year are capitalized. Costs of repairs and maintenance are expensed as incurred. Expenditures for property, equipment, and major repairs that extend useful lives or add function are capitalized. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

Donated property and equipment are recorded at estimated fair value at the date of donation. Such donations are reported as without donor restriction unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as with donor restriction. Absent donor stipulations regarding how long those donated assets must be maintained, expirations of donor restrictions are reported when the donated or acquired assets are placed in service.

Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from three to thirteen years for equipment and ten to forty years for buildings.

PROGRAM UNDERWRITING

Collected revenue from program underwriting is recorded as revenue in the year received. Collected revenue for program underwriting to be performed in a future fiscal year is not shown as a liability on the statements of financial position because program underwriting is defined as a contribution by the Federal Communications Commission.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPERATING LEASES

Leases are recorded in accordance with Accounting Standards Codification 842, *Leases* (ASC 842). Consistent with this standard, all contracts have been evaluated to determine if they contain a lease at inception based on whether or not the Organization has the right to control the underlying assets described in the contract during the contract period and other facts and circumstances. The Organization is the lessee in a lease contract when the right to control the asset is obtained. Operating leases are represented on the combined statement of financial position as right-to-use assets and lease liabilities. Operating lease right-to-use (ROU) assets represent the right to use an underlying asset for the lease term, and operating lease liabilities represent the obligation to make lease payments arising from the lease, both of which are recognized based on the present value of future minimum lease payments over the lease term at the commencement date. Leases with a term of 12 months or less at inception, that do not include an option to purchase the underlying asset which is reasonably certain to be exercised, are not recorded on the combined statement of financial position and are expensed on a straight-line basis over the lease term on the combined statement of functional expenses by program services. The lease term is determined by assuming the exercise of renewal options that are reasonably certain. The lease contract with Siskiyou Land Trust has a discount rate of 1.32%, which is based on the January 2022 Moody's Baa borrowing rate for a 3-year period. All other leases have discount rates of 2.20%, which is based the January 2022 Moody's Baa borrowing rate for a 10-year period with a 70 bp spread. These rates are used in determining the present value of future payments. When a contract contains lease and non-lease components, both components are treated as single lease components. See Note 14.

3. TAX STATUS

JPR is a department of SOU and is exempt from federal and state income tax as a governmental entity. The Foundation is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code.

Revenue from sales of advertising in the Foundation’s Jefferson Journal publication is subject to tax on unrelated business income. At June 30, 2025 and 2024, no tax was due from this activity because the revenue does not exceed the expense of production and distribution of the publication.

U.S. Generally Accepted Accounting Principles require management to evaluate tax positions taken and recognize a tax liability (or asset) if an uncertain position has been taken that more likely than not would not be sustained upon examination by the Internal Revenue Service. The entity is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in process. Management believes it is no longer subject to income tax examinations for years prior to 2021.

4. FUNCTIONAL EXPENSES

The statements of functional expenses report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are allocated across program services and supporting services based on estimated time and effort.

5. LIQUIDITY

Financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2025	2024
Cash and cash equivalents	$ 2,691,861	$ 2,346,991
Accounts receivable	16,604	16,276
Operating lease receivables	39,240	29,791
Financial assets, at year end	2,747,705	2,393,058
Less those unavailable for general expenitures within one year, due to:		
Board designations:		
Amounts set aside for operating reserves	(850,000)	(850,000)
Amounts set aside for capital reserves	(300,000)	(300,000)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,597,705	$ 1,243,058

As part of liquidity management, there is a policy to structure the Organization's financial assets to be available as its general expenses, liabilities and other obligations come due. Operating reserves are intended for use if the operations bank account is reduced to the point of being in danger of becoming overdrawn. Capital reserves are intended for emergency situations related to capital assets. In addition, cash in excess of daily requirements is invested in short-term investments, such as money markets.

6. CONCENTRATIONS OF CREDIT RISK

The Organization maintains accounts at multiple banks. In the case of deposits, there is a risk that in the event of a bank failure, the deposits may not be returned. All bank balances were fully insured as of June 30, 2025 and 2024.

The Organization maintains accounts at a credit union. In the case of deposits, there is a risk that in the event of a credit union failure, the deposits may not be returned. Deposits exceeded National Credit Union Administration (NCUA) insurance coverage by $101,191 as of June 30, 2025. All credit union balances were fully insured as of June 30, 2024.

The Foundation maintains a brokerage account for its long-term investments. The brokerage account is insured by the Securities Investors Protection Corporation (SIPC) to a maximum amount of $500,000 with a limit of $250,000 for cash. The SIPC covers the account in the event of investment firm failure, but not for market fluctuations in the value of the account. The value of the equity and bond fund securities in the account was $4,022,874 and $3,252,900 at June 30, 2025 and 2024, respectively. The value of money markets in the account was $2,587,214 and $2,122,710 at June 30, 2025 and 2024, respectively, which are included on the combined statements of net position as part of cash and cash equivalents. Money market balances above $250,000 are not insured by SIPC. Money markets are tier 1 within the fair value hierarchy.

7. PLEDGES RECEIVABLE

In May of 2017, the Foundation entered into an Agreement to Exchange Services and Support with SOU. As part of this agreement, the Foundation agreed to provide $2,053,914 over a 20-year period to SOU to support construction of a new broadcast facility for JPR on the SOU campus. These payments reimburse SOU for its portion of debt service associated with 2017 Series 1 General Obligation Bonds issued by the State of Oregon expressly for this project. The total support was discounted utilizing SOU's estimated earnings rate on the Public University Fund investment pool of 2%. The discounted obligation as of June 30, 2025 and 2024, was $1,165,794 and $1,244,160, respectively. SOU elected to account for this receivable within its JPR department. Since the Foundation and JPR SOU accounts are combined, the pledge receivable associated with the Foundation's contribution was eliminated in the combined basic financial statements.

8. INVESTMENT IN LIMITED LIABILITY COMPANY

During the year ended June 30, 2004, the Foundation contributed $33,750 to the capital of Mt. Baldy Communications, LLC in exchange for a 15% ownership interest in the Limited Liability Company. Mt. Baldy Communications, LLC owns and operates a communication site on Baldy Mountain in Jackson County, Oregon. The investment is recorded at 15% of the LLC's value. At June 30, 2025 and 2024, the Foundation's interest in Mt. Baldy Communications, LLC was $104,244 and $93,321, respectively.

9. INVESTMENTS

Long-term investments are stated at fair market value and are summarized as follows:

	Assets at Fair Value as of June 30, 2025			
	Level 1	Level 2	Level 3	Total
Equity mutual funds	$ 3,996,572	$ -	$ -	$ 3,996,572
Bond fund	-	26,302	-	26,302
	$ 3,996,572	$ 26,302	$ -	$ 4,022,874

	Assets at Fair Value as of June 30, 2024			
	Level 1	Level 2	Level 3	Total
Equity mutual funds	$ 3,229,123	$ -	$ -	$ 3,229,123
Bond fund	-	23,777	-	23,777
	$ 3,229,123	$ 23,777	$ -	$ 3,252,900

10. PROPERTY AND EQUIPMENT

The following are summaries of property and equipment, less accumulated depreciation:

	July 1, 2024	Additions	Deletions	June 30, 2025
Capital Assets, Non-Depreciable				
Land	$ 413,036	$ -	$ (119,130)	$ 293,906
Capital Assets, Depreciable				
Building	$ 2,745,353	$ -	$ -	$ 2,745,353
Equipment	3,466,718	78,012	(110,041)	3,434,689
Total Capital Assets, Depreciable	6,212,071	78,012	(110,041)	6,180,042
Building	404,307	69,023	-	473,330
Equipment	3,018,244	71,675	(104,276)	2,985,643
Total Accumulated Depreciation	3,422,551	140,698	(104,276)	3,458,973
Total Net Capital Assets, Depreciable	$ 2,789,520			$ 2,721,069
Total Property and Equiment	$ 3,202,556			$ 3,014,975

Deletions represent land and broadcast equipment. The land was sold for $150,000, resulting in a gain on sale of $30,870. The broadcast equipment was scrapped, resulting in a loss on disposal of $5,766.

	July 1, 2023	Additions	Deletions	June 30, 2024
Capital Assets, Non-Depreciable				
Land	$ 413,036	$ -	$ -	$ 413,036
Capital Assets, Depreciable				
Building	$ 2,745,353	$ -	$ -	$ 2,745,353
Equipment	3,466,718	-	-	3,466,718
Total Capital Assets, Depreciable	6,212,071	-	-	6,212,071
Building	337,272	67,035	-	404,307
Equipment	2,940,085	78,159	-	3,018,244
Total Accumulated Depreciation	3,277,357	145,194	-	3,422,551
Total Net Capital Assets, Depreciable	$ 2,934,714			$ 2,789,520
Total Property and Equiment	$ 3,347,750			$ 3,202,556

11. INTANGIBLE ASSETS

On June 30, 2025 and 2024, intangible assets consisted of purchased and donated licenses for radio stations. The purchased licenses covered the following radio stations: KNHT-FM, KTBR-AM, KOOZ-FM, KMJC-AM, KSYC-AM (2023-24), KSYC-FM, KJPR-AM, KWCA-FM, KNHM-FM, KHWA-FM, and the broadcast translator K272FC-FM. KSYC-AM ($128,260) reverted to the FCC effective July 20, 2023. The donated licenses covered the following stations: KSJK-AM, KPMO-AM, and KAGI-AM. Purchased licenses are recorded at cost, and donated licenses are recorded at the fair market value at the time of donation. Under generally accepted accounting principles, the carrying amount of these licenses is not amortized but is reduced if management determines that its implied fair value has been impaired.

Intangible assets consist of the following:

	2025	2024
Purchased licenses recorded at cost	$ 1,822,899	$ 1,822,899
Donated licenses recorded at fair market value	373,502	373,502
Total intangible assets	$ 2,196,401	$ 2,196,401

Twelve FM stations were established on frequencies awarded by the Federal Communications Commission. Broadcasting equipment used to operate the stations is included in these combined basic financial statements. No value was recorded for radio licenses when awarded. Awarded station licenses include: KSOR, KSRG, KSRS, KNYR, KLMF, KSMF, KSBA, KSKF, KNCA, KNSQ, KLDD, and KZBY.

12. LONG-TERM DEBT AND OBLIGATIONS

OBLIGATIONS OF JPR TO SOU

In May of 2017, JPR entered into a $1,330,000 long-term obligation with SOU Internal Bank. JPR effectively contributed support to SOU that will be financed over a 20-year term. Interest installments commenced on June 1, 2017, and are payable semi-annually on June 1st and December 1st of each year. Principal installments commenced on July 1, 2018, and continue annually through July 1, 2037 (maturity date). The contributed funds support SOU’s debt service associated with 2017 Series 1 General Obligation Bonds issued to build a new facility for JPR. There is also a $5,000 equipment bond, which can’t be paid off until maturity, which is August 1, 2034.

12. LONG-TERM DEBT AND OBLIGATIONS (CONTINUED)

OBLIGATIONS OF THE FOUNDATION

In May of 2017, the Foundation entered into an Agreement to Exchange Services and Support with SOU. The Foundation agreed to provide $2,053,914 in support to SOU that will be paid over a 20-year period to SOU to support construction of a new broadcast facility for JPR on the SOU campus. The total support was discounted utilizing SOU's estimated earnings rate on the Public University Fund investment pool of 2%. The discounted obligation as of June 30, 2025 and 2024, was $1,165,794 and $1,244,160, respectively. These payments reimburse SOU's debt service associated with 2017 Series 1 General Obligation Bonds issued to build the new facility. This amount was eliminated in the combined financial statements as SOU elected to account for its receivable in its JPR department. As a result, the future required minimum payment will not be shown in the future minimum payment schedule below.

The balance of long-term debt and obligations are as follows:

	2025	2024
Note payable with Southern Oregon University Internal Bank	$ 5,000	$ 5,000
Long-term obligation with Southern Oregon University Internal Bank	1,005,000	1,060,000
Subtotal	1,010,000	1,065,000
Less current portion	(55,000)	(55,000)
Total	$ 955,000	$ 1,010,000

Future maturities of long-term debt and obligations are as follows:

	Principal	Interest	Total
Year ending June 30,			
2026	$ 55,000	$ 43,475	$ 98,475
2027	60,000	40,600	100,600
2028	65,000	37,475	102,475
2029	65,000	34,225	99,225
2030	70,000	30,850	100,850
2031-2035	410,000	100,600	510,600
2036-2038	285,000	17,500	302,500
Total	$ 1,010,000	$ 304,725	$ 1,314,725

13. GUARANTEE

There is a Corporate Guarantee and Pledge of Assets agreement between the Foundation and U.S. Bank in which the Foundation guaranteed payment of all present and future indebtedness, obligations, and liabilities owed to U.S. Bank by Cascade Theatre. The Foundation's maximum potential amount of future payments under this guarantee are as follows:

- As of June 30, 2025, Cascade Theatre owed U.S. Bank $482,852 associated with its purchase of the Cascade Theatre. Total remaining debt service (principal and interest) is $593,704 and the obligation matures on February 6, 2032. The obligation is secured by real property known as 1725 Market St., Redding, California, of which the proceeds associated with the liquidation of such assets would be utilized to offset amounts owed to U.S. Bank.

As of June 30, 2025 and 2024, in accordance with applicable accounting standards, the Foundation has not recorded a liability associated with this guarantee.

14. LEASES

All operating leases are effective July 1, 2022, the implementation date of ASU 2016-02 *Leases*, regardless of original commencement dates prior to July 1, 2022.

OPERATING LEASE REVENUE

The Organization leases portions of some of the telecommunication sites it operates to other broadcasting / communication entities. Since management has not estimated the leased portion of each telecommunication site, all 'assets subject to operating leases' are not reported separately on the combined statement of financial position or disclosed separately in the notes to the combined basic financial statements. Management has determined the 'assets subject to operating leases' to be immaterial in aggregate.

Annual operating lease revenue is the total of all lease payments, principal and interest, at the inception of the lease, recognized on a straight-line basis over the life of the lease. Variable lease payments, including increases in the Consumer Price Index, are not included in operating lease revenue.

JPR leases a portion of a telecommunication site at Stukel Mountain in Klamath County, Oregon to Oregon TV, LLC. The lease is classified as an operating lease and is effective until September 2029. Monthly payments were $1,954 for the year ended June 30, 2025. Payments increase each July 1 by the increase in Consumer Price Index or 3%, whichever is greater. For the years ended June 30, 2025 and 2024, JPR received payments totaling $23,449 and $22,678, respectively. Operating lease revenue of $24,210 will be recorded each year for the life of the lease.

JPR leases a portion of a telecommunication site at Stukel Mountain in Klamath County, Oregon to Imagicomm Communications, LLC. The lease is classified as an operating lease, and is effective until September 2029, which includes one 5-year extension. Monthly payments were $1,082 for the year ended June 30, 2025. Payments increase each July 1 by the increase in Consumer Price Index or 3%, whichever is greater. For the years ended June 30, 2025 and 2024, JPR received payments totaling $12,979 and $12,552, respectively. Operating lease revenue of $13,400 will be recorded each year for the life of the lease.

14. LEASES (CONTINUED)

OPERATING LEASE REVENUE (CONTINUED)

JPR leases a portion of a telecommunication site at Stukel Mountain in Klamath County, Oregon to Wynne Enterprises, LLC. The lease is classified as an operating lease and is effective until September 2029. Monthly payments were $1,571 until November 2024 when they increased to $1,761, due to additional equipment added to the lease. Payments increase each July 1 by the increase in Consumer Price Index or 3%, whichever is greater. For the years ended June 30, 2025 and 2024, JPR received payments totaling $20,564 and $18,234, respectively. For the years ended June 30, 2025 and 2024, JPR recorded $21,521 and $19,466 in operating lease revenue, respectively. Annual operating lease revenue was updated when the additional equipment was added.

JPR leases a portion of a telecommunication site at Stukel Mountain in Klamath County, Oregon to Basin Mediactive, LLC. The lease is classified as an operating lease and is effective until September 2029. Monthly payments were $2,388 until October 2024 when they increased to $2,768, due to additional equipment added to the lease. Payments increase each July 1 by the increase in Consumer Price Index or 3%, whichever is greater. For the years ended June 30, 2025 and 2024, JPR received payments totaling $34,388 and $25,406, respectively. For the years ended June 30, 2025 and 2024, JPR recorded $33,668 and $29,588 in operating lease revenue, respectively. Annual operating lease revenue was updated when the additional equipment was added.

The Foundation leases a portion of a telecommunication site at Antelope Peak in Siskiyou County, California to DigitalPath Inc. The lease is classified as an operating lease, and is effective until December 2029, which includes a 3-year extension. Monthly payments were $1,454 until January 2025 when they increased to $1,498. Payments increase each January 1 by the increase in Consumer Price Index or 3%, whichever is greater. The lease auto-renews for an additional 3 years unless the lessee provides written notice to the Foundation of the intent not to renew no later than October 1, 2026. At any time after December 1, 2026, the lessee may terminate this lease by providing 180-day written notice to the Foundation. This lease extension is included in the total lease term for determining the revenue recognition on this lease. For the years ended June 30, 2025 and 2024, JPR received payments totaling $17,712 and $17,178, respectively. Operating lease revenue of $18,360 will be recorded each year for the life of the lease.

The Foundation leases a portion of a telecommunication site at Antelope Peak in Siskiyou County, California to Sinclair Communications LLC. The lease is classified as an operating lease and is effective until June 2030. Monthly payments were $704 for the year ended June 30, 2025. Payments increase each July 1 by the increase in Consumer Price Index or 3%, whichever is greater. For the years ended June 30, 2025 and 2024, JPR received payments totaling $8,448 and $8,172, respectively. Operating lease revenue of $8,821 will be recorded each year for the life of the lease.

14. LEASES (CONTINUED)

OPERATING LEASE REVENUE (CONTINUED)

The Foundation leases a portion of a telecommunication site at Antelope Peak in Siskiyou County, California to the Northern California Educational Television Association Inc. The lease is classified as an operating lease, and is effective until June 2030, which includes a 5-year extension. Monthly payments were $370 until January 2025 when they increased to $381. Payments increase each January 1 by the increase in Consumer Price Index or 3%, whichever is greater. The lease auto-renews on December 31, 2025, for 5 years unless the lessee provides written notice to the Foundation of the intent not to renew at least 90 days, but not more than 180 days, prior to December 31, 2025. This lease extension is included in the total lease term for determining the revenue recognition on this lease. For the years ended June 30, 2025 and 2024, JPR received payments totaling $4,506 and $4,374, respectively. Operating lease revenue of $4,711 will be recorded each year for the life of the lease.

JPR leases a portion of a telecommunication site at Antelope Peak in Siskiyou County, California to U.S. Cellular. The lease is classified as an operating lease and is effective until September 2033. Monthly payments were $2,078 for the year ended June 30, 2025. Payments increase each July 1 by the increase in Consumer Price Index. For the years ended June 30, 2025 and 2024, JPR received payments totaling $24,936 and $24,120, respectively. Operating lease revenue of $27,387 will be recorded each year for the life of the lease.

JPR leases a portion of a telecommunication site at Soda Mountain in Jackson County, Oregon to KDOV Radio. The lease is classified as an operating lease and is effective until December 2026. Monthly payments were $448 for the year ended June 30, 2025. Payments increase each July 1 by the increase in Consumer Price Index or 3%, whichever is greater. For the years ended June 30, 2025 and 2024, JPR received payments totaling $5,373 and $5,196, respectively. Operating lease revenue of $5,322 will be recorded each year for the life of the lease.

Future undiscounted cash flows:

Year Ending June 30	Total	Oregon TV, LLC	Imagicomm Communications, LLC	Wynne Enterprises, LLC	Basin Mediactive, LLC	Digital Path Inc.
2026	$ 156,013	$ 24,059	$ 13,316	$ 21,768	$ 34,215	$ 18,241
2027	157,854	24,781	13,716	22,421	35,241	18,788
2028	159,665	25,524	14,127	23,094	36,299	19,352
2029	164,455	26,290	14,551	23,787	37,387	19,932
2030	80,166	6,770	3,747	6,125	9,627	10,114
2031 - 2034	99,793	-	-	-	-	-
Total	$ 817,946	$ 107,424	$ 59,457	$ 97,195	$ 152,769	$ 86,427

Year Ending June 30	Sinclair Communications	Northern CA Edu. TV Assoc. Inc.	U.S. Cellular	KDOV Radio
2026	$ 8,670	$ 4,642	$ 25,589	$ 5,513
2027	8,930	4,781	26,357	2,839
2028	9,198	4,924	27,147	-
2029	9,474	5,072	27,962	-
2030	9,758	5,224	28,801	-
2031 - 2034	-	-	99,793	-
Total	$ 46,030	$ 24,643	$ 235,649	$ 8,352

14. LEASES (CONTINUED)

SHORT-TERM LEASE REVENUE

For the years ended June 30, 2025 and 2024, rental income for short-term leases totaled $21,054 and $22,710, respectively. Short-term leases were recorded for leases that were one year or shorter in length, or which management deemed to be immaterial. Leases expire on dates ranging from June 30, 2026 to December 31, 2028. Minimum annual future receipts for leases with terms in excess of one year are as follows:

Year Ending June 30		Total
2026	$	2,241
2027		2,241
2028		2,241
2029		1,121
Total	$	7,844

OPERATING LEASE EXPENSES

JPR leases a portion of a telecommunication site at Mount Nebo in Douglas County, Oregon from Oregon TV, LLC. The lease is classified as an operating lease, and is effective until December 2030, which includes a 5-year extension. Monthly fixed payments were $506 until January 2025 when they increased to $522. Payments increase each January 1 by 3%. JPR has an option to renew this agreement by written notice, at least 30 days prior to expiration, for an additional 5 years. This lease extension is included in the total lease term for determining the initial operating lease liability.

JPR leases a portion of a telecommunication site in Mount Shasta in Siskiyou County, California from Siskiyou Land Trust. The lease is classified as an operating lease, and is effective until November 2028, which includes a 5-year extension. Monthly fixed payments are $1,000.

JPR leases a portion of a telecommunication site at Stukel Mountain in Klamath County, Oregon from Day Wireless Systems. The lease is classified as an operating lease and is effective until September 2029. Monthly fixed payments were $975 until October 2024 when they increased to $1,005. Payments increase each October 1 by 3%, or greater to achieve parity with current market rates.

JPR leases a portion of a telecommunication site at Bunker Hill in Humboldt County, California from Redwood Broadcasting Company. The lease is classified as an operating lease, and is effective until February 2030, which includes a 5-year extension. Monthly fixed payments are $652. JPR has the option to extend the lease 5 years if written notice is provided to the lessor no later than December 31, 2025. This lease extension is included in the total lease term for determining the initial operating lease liability.

14. LEASES (CONTINUED)

OPERATING LEASE EXPENSES (CONTINUED)

JPR leases a portion of a telecommunication site at Barry Ridge in Humboldt County, California from PWN Inc. The lease is classified as an operating lease, and is effective until December 2028, which includes a 5-year extension. Monthly fixed payments are $768. The lease automatically renews for an additional 5-year term unless JPR provides written notice not to extend at least 90 days before expiration of the current term. This lease extension is included in the total lease term for determining the initial operating lease liability.

JPR leases a portion of a telecommunication site at Noah Butte in Coos County, Oregon from Sinclair Television of Oregon (KCBY-TV). The lease is classified as an operating lease, and is effective until June 2036, which includes two 5-year extension options. Monthly fixed payments were $1,963, which includes a $480 monthly utility charge, for the year ended June 30, 2025. Payments increase each July 1 by 3%. The lease auto-renews for an additional 5 years unless JPR provides written notice of the intent not to renew at least 180 days prior to the end of the current term. These lease extensions are included in the total lease term for determining the initial operating lease liability.

JPR leases broadcast time on KRVM-AM radio from Lane County School District 4J. The lease is classified as an operating lease, and is effective until December 2029, which included three 2-year extensions. Monthly fixed payments are $2,109. The lease auto-renews for an additional 2-year term unless either JPR or the lessor provide written notification to the other party of the intent not to renew on or before October 1, 2027. These lease extensions are included in the total lease term for determining the initial operating lease liability.

JPR leases a portion of a telecommunication site at Mount Bradley in Siskiyou County, California from Shasta Cascade Timberlands LLC. The lease is classified as an operating lease, and is effective until December 2031, which includes a 5-year extension. Monthly fixed payments were $1,149 until January 2025 when they increased to $1,184. Monthly payments include a $450 monthly utility charge. Payments increase each January 1 by 3%. JPR has the right to extend the lease an additional 5 years by providing the lessor written notice of the intent to exercise the option at least 6 months, but not more than 1 year, prior to the expiration of the initial term of the lease. This lease extension is included in the total lease term for determining the initial operating lease liability.

The Foundation leases a portion of a telecommunication site at Antelope Peak in Siskiyou County, California from EIP Consolidated LLC dba Top Sites, Inc. The lease is classified as an operating lease, and is effective until June 2031, which includes a 5-year extension. Monthly fixed payments were $874 until April 2025 when they increased to $900. Payments increase each April 1 by 3%. The lease auto-renews for 5 years unless the Foundation provides the lessor written notice of the intent not to renew 180 days prior to the end of the initial term. This lease extension is included in the total lease term for determining the initial operating lease liability.

JPR leases a portion of a telecommunication site at Signal Tree (Kenyou Mountain) in Douglas Count, Oregon from Douglas County. The lease is classified as an operating lease and is effective until December 2026. Annual fixed payments are $3,476.

14. LEASES (CONTINUED)

Lease cost	2025	2024
Operating lease cost	$ 128,781	$ 139,019
Short-term lease cost	$ 117,876	$ 115,295
Weighted average remaining lease term - operating leases	7.18 years	7.99 years
Weighted average discount rate - operating leases	2.38%	2.40%

2025

Year ending June 30,	**Operating**
2026	$ 125,883
2027	124,254
2028	126,157
2029	115,475
2030	82,487
Thereafter	207,460
Total minimum lease payments	781,716
Less: amount of lease payments representing interest	(62,612)
Present value of future minimum lease payments	719,104
Less: current liabilities under leases	(110,142)
Long-term lease liabilities	$ 608,962

2024

Year ending June 30,	**Operating**
2025	$ 124,088
2026	125,883
2027	124,255
2028	126,157
2029	115,475
Thereafter	290,529
Total minimum lease payments	906,387
Less: amount of lease payments representing interest	(81,578)
Present value of future minimum lease payments	824,809
Less: current liabilities under leases	(105,602)
Long-term lease liabilities	$ 719,207

14. LEASES (CONTINUED)

SHORT-TERM LEASE EXPENSE

Short-term leases were recorded for those leases that are one year or shorter in length, for which the Organization did not have control of the underlying assets, or which management deemed to be immaterial. The leases expire at various dates ranging from December 31, 2025 to August 31, 2030. Total short-term lease expense for the years ended June 30, 2025 and 2024, was $174,841 and $170,229, respectively. As of June 30, 2025, minimum annual lease payments for leases with terms in excess of one year are as follows:

Year Ending June 30	Total
2026	$ 78,601
2027	33,055
2028	27,525
2029	22,209
2030	17,332
2031	2,905
Total	$ 181,627

15. SUBSEQUENT EVENTS

Subsequent events have been evaluated for the year ended June 30, 2025 through October 30, 2025, the issuance date of the combined basic financial statements. No subsequent events were noted by management that required note disclosure.

16. PRIOR PERIOD RECLASSIFICATION

The previously issued basic financial statements for the year ended June 30, 2024, have been reclassified to conform to the current presentation, as shown below. The reclassification does not impact net assets.

Combined Statement of Activities for the Year Ended June 30, 2024:

	Previously Reported	Increase (Decrease)	Restated
Other grants	$ 169,748	$ (169,748)	$ -
Foundation and non-profit support	-	64,328	64,328
Donor advised funds	-	50,890	50,890
Grants	-	54,530	54,530

SUPPLEMENTARY INFORMATION

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combining Schedule of Financial Position
at June 30, 2025

	JPR-SOU	JPR Foundation	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	$ 19,426	$ 2,672,435	$ -	$ 2,691,861
Investments	-	4,022,874	-	4,022,874
Accounts receivable	328	16,276	-	16,604
Operating lease receivables	32,424	6,816	-	39,240
Prepaid expenses	4,330	3,092	-	7,422
Deposits	-	1,500	-	1,500
Donated inventory	-	43,419	-	43,419
Total Current Assets	56,508	6,766,412	-	6,822,920
Property and Equipment				
Land	-	293,906	-	293,906
Buildings and equipment, net of accumulated depreciation	2,721,069	-	-	2,721,069
Total Property and Equipment	2,721,069	293,906	-	3,014,975
Other Assets				
Prepaid expenses, non-current	2,370	-	-	2,370
Operating right-to-use assets	638,372	60,147	-	698,519
Related party receivable	1,165,794	-	(1,165,794)	-
Mt. Baldy Communications, LLC	-	104,244	-	104,244
Intangible assets	2,196,401	-	-	2,196,401
Total Other Assets	4,002,937	164,391	(1,165,794)	3,001,534
Total Assets	$ 6,780,514	$ 7,224,709	$ (1,165,794)	$ 12,839,429
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	$ 7,290	$ 13,175	$ -	$ 20,465
Accrued liabilities	136,807	15,596	-	152,403
Accrued vacation	104,773	9,009	-	113,782
Lease deposits	-	1,000	-	1,000
Operating lease liability - current	100,545	9,597	-	110,142
Current portion of long-term debt	55,000	-	-	55,000
Total Current Liabilities	404,415	48,377	-	452,792
Long-Term Liabilities				
Related party payable	-	1,165,794	(1,165,794)	-
Operating lease liability, net of current portion	555,611	53,351	-	608,962
Long-term debt, net of current portion	955,000	-	-	955,000
Total Long-Term Liabilities	1,510,611	1,219,145	(1,165,794)	1,563,962
Total Liabilities	1,915,026	1,267,522	(1,165,794)	2,016,754
Net Assets				
Without donor restrictions	3,699,694	5,957,187	1,165,794	10,822,675
With donor restrictions	1,165,794	-	(1,165,794)	-
Total Net Assets	4,865,488	5,957,187	-	10,822,675
Total Liabilities and Net Assets	$ 6,780,514	$ 7,224,709	$ (1,165,794)	$ 12,839,429

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combining Schedule of Financial Position
at June 30, 2024

	JPR-SOU	JPR Foundation	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	$ 8,950	$ 2,338,041	$ -	$ 2,346,991
Investments	-	3,252,900	-	3,252,900
Accounts receivable	16,276	-	-	16,276
Operating lease receivables	24,236	5,555	-	29,791
Prepaid expenses	7,209	3,126	-	10,335
Deposits	-	1,500	-	1,500
Donated inventory	-	67,916	-	67,916
Total Current Assets	56,671	5,669,038	-	5,725,709
Property and Equipment				
Land	-	413,036	-	413,036
Buildings and equipment, net of accumulated depreciation	2,789,520	-	-	2,789,520
Total Property and Equipment	2,789,520	413,036	-	3,202,556
Other Assets				
Prepaid expenses, non-current	2,370	-	-	2,370
Operating right-to-use assets	739,066	69,852	-	808,918
Related party receivable	1,244,160	-	(1,244,160)	-
Mt. Baldy Communications, LLC	-	93,321	-	93,321
Intangible assets	2,196,401	-	-	2,196,401
Total Other Assets	4,181,997	163,173	(1,244,160)	3,101,010
Total Assets	$ 7,028,188	$ 6,245,247	$ (1,244,160)	$ 12,029,275
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	$ 12,717	$ 3,392	$ -	$ 16,109
Accrued liabilities	132,709	9,602	-	142,311
Accrued vacation	106,570	8,247	-	114,817
Lease deposits	-	1,000	-	1,000
Operating lease liability - current	96,527	9,075	-	105,602
Current portion of long-term debt	55,000	-	-	55,000
Total Current Liabilities	403,523	31,316	-	434,839
Long-Term Liabilities				
Related party payable	-	1,244,160	(1,244,160)	-
Operating lease liability, net of current portion	656,259	62,948	-	719,207
Long-term debt, net of current portion	1,010,000	-	-	1,010,000
Total Long-Term Liabilities	1,666,259	1,307,108	(1,244,160)	1,729,207
Total Liabilities	2,069,782	1,338,424	(1,244,160)	2,164,046
Net Assets				
Without donor restrictions	3,714,246	4,906,823	1,244,160	9,865,229
With donor restrictions	1,244,160	-	(1,244,160)	-
Total Net Assets	4,958,406	4,906,823	-	9,865,229
Total Liabilities and Net Assets	$ 7,028,188	$ 6,245,247	$ (1,244,160)	$ 12,029,275

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combining Schedule of Activities
for the Year Ended June 30, 2025

	JPR-SOU	JPR Foundation	Eliminations	Total
Revenues, Support and Other Income				
Revenues and support				
Contributions	$ 13,146	$ 1,328,790	$ -	$ 1,341,936
Program underwriting	-	568,743	-	568,743
Southern Oregon University:				
General appropriation	307,122	-	-	307,122
Indirect administrative support	767,755	-	-	767,755
Corporation for Public Broadcasting Grants	525,521	-	-	525,521
Foundation and non-profit support	-	55,953		55,953
Donor advised funds	-	106,850	-	106,850
Grants	-	56,670	-	56,670
Bequests and planned gifts	-	166,910	-	166,910
Donated programs, services and materials	79,016	55,040	-	134,056
Fundraising activities and events	-	232,522	-	232,522
Operating lease revenue	125,509	31,893	-	157,402
Jeffnet internet service royalties	-	26,000	-	26,000
Total Revenues and Support	1,818,069	2,629,371	-	4,447,440
Other Income				
Interest and dividend income	-	174,543	-	174,543
Realized and unrealized gain	-	407,566	-	407,566
Change in value of investment in Mt Baldy LLC	-	10,923	-	10,923
Total Other Income	-	593,032	-	593,032
Total Revenues, Support, and Other Income	1,818,069	3,222,403	-	5,040,472
Expenses				
Program Services				
Programming and production	1,861,649	3,198	-	1,864,847
Broadcasting	1,093,553	105,550	-	1,199,103
Program information and promotion	3,784	206,036	-	209,820
Total Program Services	2,958,986	314,784	-	3,273,770
Supporting Services				
Management and general operating	161,084	21,802	-	182,886
Fundraising, membership and development	253,281	151,868	-	405,149
Underwriting and grant solicitation	100,295	60,050	-	160,345
Depreciation	140,698	-	-	140,698
Change in value of related party payable	78,366	-	(78,366)	-
Total Supporting Services	733,724	233,720	(78,366)	889,078
Total Expenses	3,692,710	548,504	(78,366)	4,162,848
Operating Income/(Loss)	(1,874,641)	2,673,899	78,366	877,624
Non-Operating Income				
Display advertising	-	27,124	-	27,124
Rents and royalties	17,686	9,884	-	27,570
Gain (loss) on disposal of assets	(5,766)	30,870	-	25,104
Miscellaneous income	-	24	-	24
Change in value of related party receivable	-	78,366	(78,366)	-
Total Non-Operating Income	11,920	146,268	(78,366)	79,822
Transfers in (out)	1,769,803	(1,769,803)	-	-
Change in Net Assets	(92,918)	1,050,364	-	957,446
Net Assets at Beginning of Year	4,958,406	4,906,823	-	9,865,229
Net Assets at End of Year	$ 4,865,488	$ 5,957,187	$ -	$ 10,822,675

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.
Combining Schedule of Activities
for the Year Ended June 30, 2024

	JPR-SOU	JPR Foundation	Eliminations	Total
Revenues, Support and Other Income				
Revenues and support				
Contributions	$ 5,198	$ 1,265,042	$ -	$ 1,270,240
Program underwriting	-	589,706	-	589,706
Southern Oregon University:				
General appropriation	307,921	-	-	307,921
Indirect administrative support	675,471	-	-	675,471
Corporation for Public Broadcasting Grants	456,416	-	-	456,416
Foundation and non-profit support	-	64,328	-	64,328
Donor advised funds	-	50,890	-	50,890
Grants		54,530		54,530
Donated programs, services and materials	84,160	53,561	-	137,721
Fundraising activities and events	-	247,791	-	247,791
Operating lease revenue	119,374	31,893	-	151,267
Jeffnet internet service royalties	-	26,000	-	26,000
Total Revenues and Support	1,648,540	2,383,741	-	4,032,281
Other Income				
Interest and dividend income	1	160,385	-	160,386
Realized and unrealized gain	-	383,311	-	383,311
Change in value of investment in Mt Baldy LLC	-	11,660	-	11,660
Total Other Income	1	555,356	-	555,357
Total Revenues, Support, and Other Income	1,648,541	2,939,097	-	4,587,638
Expenses				
Program Services				
Programming and production	1,738,557	2,985	-	1,741,542
Broadcasting	1,067,819	96,906	-	1,164,725
Program information and promotion	10,257	193,187	-	203,444
Total Program Services	2,816,633	293,078	-	3,109,711
Supporting Services				
Management and general operating	166,234	7,330	-	173,564
Fundraising, membership and development	217,559	162,843	-	380,402
Underwriting and grant solicitation	157,509	50,886	-	208,395
Depreciation	145,194	-	-	145,194
Change in value of related party payable	74,455	-	(74,455)	-
Total Supporting Services	760,951	221,059	(74,455)	907,555
Total Expenses	3,577,584	514,137	(74,455)	4,017,266
Operating Income/(Loss)	(1,929,043)	2,424,960	74,455	570,372
Non-Operating Income				
Display advertising	-	23,870	-	23,870
Rents and royalties	9,698	13,191	-	22,889
Gain (loss) on disposal of assets	(128,260)	-	-	(128,260)
Miscellaneous income	5,247	68	-	5,315
Change in value of related party receivable	-	74,455	(74,455)	-
Total Non-Operating Income	(113,315)	111,584	(74,455)	(76,186)
Transfers in (out)	1,695,082	(1,695,082)	-	-
Change in Net Assets	(347,276)	841,462	-	494,186
Net Assets at Beginning of Year	5,305,682	4,065,361	-	9,371,043
Net Assets at End of Year	$ 4,958,406	$ 4,906,823	$ -	$ 9,865,229

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.

Schedule of Expenses by Entity

for the Year Ended June 30, 2025

	JPR-SOU	JPR Foundation	Total
Salaries and benefits	$ 1,567,067	$ 127,904	$ 1,694,971
Advertising	2,143	53,534	55,677
Bank, credit card and transaction fees	-	103,944	103,944
Dues and subscriptions	11,726	1,842	13,568
Telephone / data lines	10,422	-	10,422
Postage	72	32,682	32,754
Printing	765	42,444	43,209
Insurance	4,057	4,751	8,808
Interest	44,327	-	44,327
Programming	441,992	421	442,413
Professional services / contract labor	11,166	45,688	56,854
Legal	37,338	-	37,338
Repairs, maintenance and equipment	30,056	-	30,056
Leases	118,291	56,550	174,841
Operating leases	117,583	11,198	128,781
Utilities	182,871	8,881	191,752
Property taxes	1,675	260	1,935
Service and supplies	3,991	12,760	16,751
Special events	-	10,240	10,240
Special projects	32,883	24,527	57,410
Travel	8,449	9,372	17,821
Donated services and materials	79,017	1,506	80,523
Depreciation	140,698	-	140,698
Change in value of related party receivable	78,366	(78,366)	-
Indirect admin. support	767,755	-	767,755
Total Expenses	$ 3,692,710	$ 470,138	$ 4,162,848

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.

Schedule of Expenses by Entity

for the Year Ended June 30, 2024

	JPR-SOU	JPR Foundation	Total
Salaries and benefits	$ 1,522,106	$ 114,214	$ 1,636,320
Advertising	3,390	52,297	55,687
Bank, credit card and transaction fees	8	110,810	110,818
Dues and subscriptions	13,444	1,695	15,139
Telephone / data lines	10,036	-	10,036
Postage	443	26,896	27,339
Printing	423	50,100	50,523
Insurance	3,552	4,933	8,485
Interest	47,429	-	47,429
Programming	460,885	1	460,886
Professional services / contract labor	31,939	19,811	51,750
Legal	37,077	-	37,077
Repairs, maintenance and equipment	54,793	1,037	55,830
Leases	114,008	56,221	170,229
Operating leases	126,759	12,260	139,019
Utilities	159,329	9,476	168,805
Property taxes	1,663	256	1,919
Service and supplies	939	23,071	24,010
Special events	-	9,852	9,852
Special projects	2,942	8,105	11,047
Travel	7,139	11,838	18,977
Donated services and materials	84,160	1,264	85,424
Depreciation	145,194	-	145,194
Change in value of related party receivable	74,455	(74,455)	-
Indirect admin. support	675,471	-	675,471
Total Expenses	$ 3,577,584	$ 439,682	$ 4,017,266

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.

Combining Schedule of Activities

for the Year Ended June 30, 2025

	KSOR-FM	KNCA-FM	Total
Revenues, Support and Other Income			
Revenues and support			
Contributions	$ 1,109,705	$ 232,231	$ 1,341,936
Program underwriting	530,680	38,063	568,743
Southern Oregon University:			
General appropriation	208,284	98,838	307,122
Indirect administrative support	643,924	123,831	767,755
Corporation for Public Broadcasting Grants	356,397	169,124	525,521
Foundation and non-profit support	54,753	1,200	55,953
Donor advised funds	106,850	-	106,850
Grants	56,670	-	56,670
Bequests and planned gifts	166,910	-	166,910
Donated programs, services and materials	59,638	74,418	134,056
Fundraising activities and events	224,182	8,340	232,522
Operating lease revenue	51,630	105,772	157,402
Jeffnet internet service royalties	26,000	-	26,000
Total Revenues and Support	3,595,623	851,817	4,447,440
Other Income			
Interest and dividend income	174,543	-	174,543
Realized and unrealized gain	407,566	-	407,566
Change in value of investment in Mt Baldy LLC	10,923	-	10,923
Total Other Income	593,032	-	593,032
Total Revenues, Support, Other Income and Transfers	4,188,655	851,817	5,040,472
Expenses			
Program Services			
Programming and production	1,380,374	484,473	1,864,847
Broadcasting	980,924	218,179	1,199,103
Program information and promotion	144,507	65,313	209,820
Total Program Services	2,505,805	767,965	3,273,770
Supporting Services			
Management and general	134,740	48,146	182,886
Fundraising and membership development	368,851	36,298	405,149
Underwriting and grant solicitation	153,649	6,696	160,345
Depreciation	137,838	2,860	140,698
Total Supporting Services	795,078	94,000	889,078
Total Expenses	3,300,883	861,965	4,162,848
Operating Income/(Loss)	887,772	(10,148)	877,624
Non-Operating Income			
Display advertising	27,124	-	27,124
Rents and royalties	27,570	-	27,570
Gain (loss) on disposal of assets	25,104	-	25,104
Miscellaneous income	24	-	24
Total Non-Operating Income	79,822	-	79,822
Change in Net Assets	967,594	(10,148)	957,446
Net Assets at Beginning of Year	9,902,876	(37,647)	9,865,229
Net Assets at End of Year	$ 10,870,470	$ (47,795)	$ 10,822,675

JEFFERSON PUBLIC RADIO AND JPR FOUNDATION, INC.

Combining Schedule of Activities

for the Year Ended June 30, 2024

	KSOR-FM	KNCA-FM	Total
Revenues, Support and Other Income			
Revenues and support			
Contributions	$ 1,030,484	$ 239,756	$ 1,270,240
Program underwriting	546,987	42,719	589,706
Southern Oregon University:			
General appropriation	208,832	99,089	307,921
Indirect administrative support	579,084	96,387	675,471
Corporation for Public Broadcasting Grants	308,539	147,877	456,416
Other grants	166,498	3,250	169,748
Donated programs, services and materials	66,245	71,476	137,721
Fundraising activities and events	241,076	6,715	247,791
Operating lease revenue	57,314	93,953	151,267
Jeffnet internet service royalties	26,000	-	26,000
Total Revenues and Support	3,231,059	801,222	4,032,281
Other Income			
Interest and dividend income	160,386	-	160,386
Realized and unrealized gain	383,311	-	383,311
Change in value of investment in Mt Baldy LLC	11,660	-	11,660
Total Other Income	555,357	-	555,357
Total Revenues, Support, Other Income and Transfers	3,786,416	801,222	4,587,638
Expenses			
Program Services			
Programming and production	1,314,844	426,698	1,741,542
Broadcasting	967,664	197,061	1,164,725
Program information and promotion	142,068	61,376	203,444
Total Program Services	2,424,576	685,135	3,109,711
Supporting Services			
Management and general	130,695	42,869	173,564
Fundraising and membership development	350,469	29,933	380,402
Underwriting and grant solicitation	179,501	28,894	208,395
Depreciation	143,106	2,088	145,194
Total Supporting Services	803,771	103,784	907,555
Total Expenses	3,228,347	788,919	4,017,266
Operating Income/(Loss)	558,069	12,303	570,372
Non-Operating Income			
Display advertising	23,870	-	23,870
Rents and royalties	22,889	-	22,889
Gain (loss) on disposal of assets	(128,260)	-	(128,260)
Miscellaneous income	5,315	-	5,315
Total Non-Operating Income	(76,186)	-	(76,186)
Change in Net Assets	481,883	12,303	494,186
Net Assets at Beginning of Year	9,420,993	(49,950)	9,371,043
Net Assets at End of Year	$ 9,902,876	$ (37,647)	$ 9,865,229