

**SALISBURY UNIVERSITY  
DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Financial Statements, Supplemental Schedule and Independent Auditor's Report  
as of and for the Years Ended June 30, 2022 and 2021**

**DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

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## **INDEPENDENT AUDITOR'S REPORT**

To The Board of Regents  
Salisbury University  
Salisbury, Maryland

### **Report on the Financial Statements**

We have audited the accompanying statements of net position of Delmarva Public Radio – WSCL-FM and WSDL-FM (“the Stations”) as of June 30, 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

The Stations' 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.

### **Auditor's 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 Stations' 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 Stations' 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 financial position of the Stations as of June 30, 2022 and 2021, and the changes in its net position and its cash flows 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 the Stations (WSCL-FM and WSDL-FM) are intended to present the financial position, changes in financial position and cash flows of only that portion of the activities of Salisbury University that is attributable to the transactions of the Stations. They do not purport to, and do not, present fairly the financial position of Salisbury University as of June 30, 2022, the changes in its financial position or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 - 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 audit 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Non-Federal Financial Support is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Non-Federal Financial Support is fairly stated in all material respects in relation to the financial statements as a whole.

Baltimore, Maryland  
December 27, 2022

*Monbo Group International*  
CERTIFIED PUBLIC ACCOUNTANTS

# DELMARVA PUBLIC RADIO WSCL-FM AND WSDL-FM

## Management's Discussion and Analysis Years Ended June 30, 2022 and 2021

### Introduction

This section of the report provides a discussion and analysis of Delmarva Public Radio – WSCL-FM and WSDL-FM (the “Station”) financial performance for the year ended June 30, 2022. This analysis should be read in conjunction with the Stations’ basic financial statements and the notes to the basic financial statements.

### Overview of the Financial Statements

The three primary financial statements of the Stations presented are the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These statements are prepared in conformity with accounting principles generally accepted in the United States and as prescribe by Government Accounting Standards Board (GASB).

The notes to the financial statements provide required disclosures and other information that are essential to full understanding of the material data provided in the statements. The notes present information about the Stations’ accounting policies, significant account balances and activities, obligations and subsequent events, if any and can be found beginning on page 10 of this report.

The information contained in the basic financial statements of the Stations is incorporated within Salisbury University’s Annual Financial Statements.

### Statements of Net Position

The Statements of Net Position present the financial position of the Stations at the end of the fiscal year and includes all assets and liabilities of the Stations. Assets and liabilities are presented as either current or noncurrent to provide an indication of their anticipated liquidation. The difference between total assets and total liabilities equals net position. The net position is an indicator of the current financial condition of the Stations. A summary of assets, liabilities, and net position at June 30, 2022 and 2021, is as follows:

<i>For The Years Ended June 30,</i>	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Current assets	\$ 19,386	\$ 19,944
Capital assets, net of accumulated depreciation	190,528	229,189
Lease assets, net of accumulated amortization	58,929	88,394
Total Assets	268,843	337,527
<b>Liabilities</b>		
Current liabilities	286,163	184,685
Noncurrent liabilities	62,533	105,314
Total Liabilities	348,696	289,999
<b>Net Position</b>		
Net investment in capital assets	190,528	229,189
Unrestricted	(270,381)	(181,661)
Total Net Position	(79,853)	47,528
<b>Total Liabilities and Net Position</b>	<b>\$ 268,843</b>	<b>\$ 337,527</b>

**DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Management's Discussion and Analysis  
Years Ended June 30, 2022 and 2021**

**Fiscal Year 2022 compared to Fiscal Year 2021**

- Current Assets in fiscal year 2022 decreased by \$558 or 3% over fiscal year 2021 mainly due to a decrease in accounts receivable compared to fiscal year 2021.
- Current Liabilities in fiscal year 2022 increased by \$101,478 or 90% over fiscal year 2021. This increase is due primarily to an increase in due to Salisbury University.
- Total Net Position in fiscal year 2022 decreased by \$127,381 compared to fiscal year 2021.

**Statements of Revenues, Expenses and Changes in Net Position**

The Statements of Revenues, Expenses, and Changes in Net Position present the Stations' results of operations. The statements distinguish revenues and expenses between operating and non-operating categories and provide a view of the Stations' operating margin. A summary of revenues, expenses, and changes in net position for the years ended June 30, 2022 and 2021, is as follows:

<i>For The Years Ended June 30,</i>	<b>2022</b>	<b>2021</b>
Operating Revenues	\$ 498,625	\$ 595,045
Operating Expenses	931,832	846,206
Operating income (loss) before non-operating revenues	(433,207)	(251,161)
Non-operating Revenues	308,626	302,441
Total Changes in Net Position	(127,381)	47,491
<b>Net Position</b>		
Net position at June 30, 2021	47,528	23,078
Net position at June 30, 2022	\$ (79,853)	\$ 47,528

**Fiscal Year 2022 compared to Fiscal Year 2021**

- Total Operating Revenues for fiscal year 2022 decreased by \$96,420 or 16% from fiscal year 2021. This fluctuation is mainly due to a decrease in grants from the Corporation for Public Broadcasting.
- Total Operating Expenses in fiscal year 2022 increased by \$85,626 or 10% compared to fiscal year 2021, due to an increase in support services.
- Non-operating Revenues in fiscal year 2022 increased by \$6,185 or 2% from fiscal year 2021 mainly due to an increase in Donated Facilities and Administrative Support.

# DELMARVA PUBLIC RADIO WSCL-FM AND WSDL-FM

## Management's Discussion and Analysis Years Ended June 30, 2022 and 2021

### Statements of Cash Flows

The Statements of Cash Flows provide information about the Stations' receipts and disbursements of cash during the year. These statements also assist users in assessing the Stations' ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing. A summary of cash flows for the years ended June 30, 2022 and 2021, is as follows:

<i>For The Years Ended June 30,</i>	<b>2022</b>	<b>2021</b>
Net cash provided (used) by operating activities	\$ (247,200)	\$ (250,000)
Net cash provided (used) by non-capital financing activities	250,000	250,000
Net cash provided (used) by capital and related financing activities	2,800	-
Increase (decrease) in cash and cash equivalents, during the year	-	-
Cash and cash equivalents, balance at the beginning of the year	-	-
<b>Cash and Cash Equivalents, Balance at the End of the Year</b>	<b>\$ -</b>	<b>\$ -</b>

### Economic Factors That Will Affect The Future

The economic outlook for DPR is dependent on various external and internal factors.

- Delmarva Public Media Collaboration: DPR launched the Delmarva Public Media (DPM) collaboration with WESM at the University of Maryland Eastern Shore on July 1, 2020. Fiscal year 2022 was the second full year of the DPM collaboration. The collaboration continues to provide spending reductions in programmatic costs and savings in shared costs such as membership to professional organizations and associations. DPM has negotiated with national providers like the National Public Radio (NPR) to provide content across DPM's three stations at one fee rate. This will enable DPM to provide new content on WSDL-FM at a reduced fee rate in the future.
- Underwriting Support: In fiscal year 2022, DPR's underwriting revenue saw its best year since fiscal year 2019 and membership also closed the year strong, indicating a potential rebound from the Covid-19 pandemic. The first quarter of fiscal year 2023 saw strong returns in underwriting also, demonstrating the potential for underwriting sales to continue growing. The Station's management has set a goal of reaching \$175,000 in underwriting sales in fiscal year 2023 with a goal of \$200,000 per year in underwriting sales by fiscal year 2024.
- Membership: Membership revenues were strong in fiscal year 2022, coming in at \$191,531 which is DPR's best year since fiscal year 2020. DPR is hesitant to forecast growth in membership in fiscal year 2023 given the uncertain nature of the economy, but DPR is not expecting any significant drops in membership revenue.

**DELMARVA PUBLIC RADIO  
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**Management's Discussion and Analysis  
Years Ended June 30, 2022 and 2021**

**Economic Factors That Will Affect The Future (continued)**

- New Staff: In fiscal year 2022, DPR hired a new development director with significant grant writing and management experience. DPR is expected to see a significant jump in grant revenue in fiscal year 2023 compared to fiscal year 2022 and expects to see grant revenue continue to be a significant portion of DPR's annual operating budget moving forward.

In addition to hiring a new development director, DPR also hired a new program director with extensive experience in public radio. The new development director has instituted several changes to DPR's on-air content to freshen up the sound of our three stations and has also added several new programs. These changes have been met with positive responses from DPR's listening audiences and are expected to help maintain and grow listenership, which will in turn grow membership revenue over time.



**DELMARVA PUBLIC RADIO**  
**WSCL-FM AND WSDL-FM**

**Statements of Net Position**  
**Years Ended June 30, 2022 and 2021**

	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Assets</b>		
Current assets:		
Accounts receivable, net	\$ 15,455	\$ 16,178
Prepaid expenses	3,931	3,766
Total Current Assets	19,386	19,944
Noncurrent assets:		
Capital assets (net of accumulated depreciation of \$562,468 and \$523,807 at June 30, 2022 and 2021 respectively)	190,528	229,189
Lease assets (net of accumulated amortization of \$29,465 and \$29,465 at June 30, 2022 and 2021 respectively)	58,929	88,394
Total Noncurrent Assets	249,457	317,583
<b>Total Assets</b>	<b>\$ 268,843</b>	<b>\$ 337,527</b>
<b>Liabilities and Net Position:</b>		
Current liabilities:		
Accounts payable and Other accrued expenses	\$ 1,791	\$ 9,200
Accrued vacation, current portion	8,672	14,078
Accrued payroll	16,385	13,589
Lease liability, current portion	36,256	34,097
Deferred revenue	16,231	14,047
Due to Salisbury University	206,828	99,674
Total Current Liabilities	286,163	184,685
Noncurrent liabilities:		
Lease liability	38,514	74,770
Accrued vacation	24,019	30,544
Total Noncurrent Liabilities	62,533	105,314
<b>Total Liabilities</b>	<b>348,696</b>	<b>289,999</b>
Net position:		
Net investment in capital assets	190,528	229,189
Unrestricted	(270,381)	(181,661)
<b>Total Net Position</b>	<b>(79,853)</b>	<b>47,528</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 268,843</b>	<b>\$ 337,527</b>

*See accompanying notes to financial statements*

**DELMARVA PUBLIC RADIO**  
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**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Years Ended June 30, 2022 and 2021**

	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Operating Revenues:</b>		
Corporate and Public Donations	\$ 191,531	\$ 180,905
Underwriting income	159,141	131,528
Grants from the Corporation for Public Broadcasting	97,040	235,286
Other grants	41,965	47,326
Miscellaneous Income	8,948	-
<b>Total Operating Revenues</b>	498,625	595,045
<b>Operating Expenses:</b>		
Program services:		
Programming and production	276,025	269,098
Broadcasting	230,106	245,815
Program information	17,155	17,277
<b>Total program services</b>	523,286	532,190
Support services:		
Management and general	197,019	181,200
Fundraising & membership development	211,527	132,816
<b>Total support services</b>	408,546	314,016
<b>Total Operating Expenses</b>	\$ 931,832	\$ 846,206
<b>Operating income (loss) before non-operating revenues</b>	(433,207)	(251,161)
<b>Non-operating Revenues</b>		
Appropriation from Salisbury University	250,000	250,000
Donated facilities and administrative support from Salisbury University	58,626	52,441
<b>Total Non-operating Revenues</b>	308,626	302,441
<b>Change in Net Position before Other Revenues, Expenses, Gains and Losses</b>	(124,581)	51,280
<b>Other Expenses</b>		
Interest Expense, Lease	2,800	3,789
<b>Total other expenses</b>	2,800	3,789
<b>Total Changes in Net Position</b>	(127,381)	47,491
<b>Prior Period Adjustment - Note 10</b>	-	(23,041)
<b>Net Position</b>		
Net position at June 30, 2021	47,528	23,078
<b>Net position at June 30, 2022</b>	\$ (79,853)	\$ 47,528

See accompanying notes to financial statements

**DELMARVA PUBLIC RADIO  
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**Statements of Cash Flows  
For The Years Ended June 30, 2022 and 2021**

	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Cash Flows from Operating Activities</b>		
Corporate and Public Donations	\$ 191,531	\$ 180,905
Underwriting income	162,048	120,831
Grants from the Corporation for Public Broadcasting	97,040	235,286
Other grants	41,965	47,326
Miscellaneous Income	8,948	-
Payments to employees	(572,377)	(467,429)
Payments to suppliers and contractors	(176,355)	(366,919)
<b>Net cash provided (used) by operating activities</b>	<b>(247,200)</b>	<b>(250,000)</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Appropriations from Salisbury University	250,000	250,000
<b>Net cash provided (used) by noncapital financing activities</b>	<b>250,000</b>	<b>250,000</b>
<b>Cash Flows from Capital-Related Financing Activities</b>		
Interest Expense, Lease	(2,800)	-
<b>Net cash provided (used) by capital-related financing activities</b>	<b>(2,800)</b>	<b>-</b>
Increase (decrease) in cash and cash equivalents during the year	-	-
Cash and cash equivalents balance at the beginning of the year	-	-
<b>Cash and Cash Equivalents Balance at the End of the Year</b>	<b>\$ -</b>	<b>\$ -</b>

*See accompanying notes to financial statements*

# **DELMARVA PUBLIC RADIO**

## **WSCL-FM AND WSDL-FM**

### **Notes to Financial Statements**

#### **Years Ended June 30, 2022 and 2021**

#### **Note 1 - Reporting Entity**

Delmarva Public Radio – WSCL-FM and WSDL-FM (“the Stations”) is a non-profit, National Public Radio Station licensed and owned by Salisbury University (the “University”). The Stations which broadcast in stereo on a frequency of 89.5 MHz and 90.7 MHz began operating in 1987 and serves the Salisbury/Ocean City Metropolitan area. Both the University and the Stations are governed by a Board of Regents appointed by the Governor of Maryland.

The financial activity of the Stations is included in the financial statements of the University. These accompanying financial statements of the Stations present only that portion of the business-type activities of the University that is attributable to the transactions of the Stations. They do not present the financial position, changes in financial position, or cash flows of the University. The Stations are dependent upon support from the Corporation for Public Broadcasting, the University and the public.

#### **Note 2 - Summary of Significant Accounting Policies**

(a) Basis of Accounting

The Stations’ financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when an obligation is incurred.

(b) Use of Estimates

The preparation of financial statements in conformity with accounting principles general accepted in the United States 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Cash Equivalents

The Stations participate in the University’s pooled investment accounts. For financial statements purposes, all highly liquid investments with an original maturity of three months or less that are held by the University for the benefit of the Stations are considered cash equivalents.

(d) Accounts Receivable

Accounts receivable consists of amounts due to the Stations for underwriting contracts and other miscellaneous revenue sources. Accounts receivable are presented at their net realizable amount. The allowance for doubtful accounts as of June 30, 2022 and 2021 were \$0 and \$ \$0, respectively.

(e) Music Collections

The Stations have adopted a policy of not capitalizing its music collections in its financial statements. Accordingly, no music collection items are recognized as assets. The music collections

*The accompanying notes are an integral part of the financial statements*

**DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Notes to Financial Statements  
Years Ended June 30, 2022 and 2021**

**Note 2 - Summary of Significant Accounting Policies (continued)**

Music Collections (continued)

are made up of rare and out-of-print music recordings of musical significance that are held for educational, research, and public broadcasting purposes. Each of the music recordings is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously.

(f) Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation. The University's capitalization policy includes all equipment with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Depreciation is computed using a straight-line basis over the estimated useful lives of the assets. Capital assets purchased during the fiscal year is treated as though was placed in service on the first day of the fiscal year and a full-year's depreciation is taken. The useful lives of the following categories of capital assets are as follows:

Building and improvements	20 - 40 years
Studio and Other equipment	3 - 15 years

(g) Compensated Absences

Employee vacation pay is accrued at year-end for financial statement purposes. The liability and expenses incurred are recorded at year-end as accrued vacation in the statement of net position, and as a component of the appropriate functional category of expenses in the statement of revenues, expenses, and changes in net position.

(h) Net Position

The Stations' net position is classified for financial reporting in the following net position categories:

- ***Net Investment in Capital Assets:*** This represents the Stations' total investment in capital assets, net of accumulated depreciation and outstanding principal balances of debt, if any, attributable to the acquisition, construction or improvement of those assets.
- ***Unrestricted:*** Unrestricted net position represents resources derived from donations, underwriting income, and other miscellaneous income.

(i) Revenue Recognition

Underwriting income represents income generated from advertising spots purchased by corporate sponsors. Deposits and monies received for advertising spots in advance of airing a spot are not recognized as underwriting income until completion of the airing of the advertising spot.

*The accompanying notes are an integral part of the financial statements*

**DELMARVA PUBLIC RADIO  
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**Notes to Financial Statements  
Years Ended June 30, 2022 and 2021**

**Note 2 - Summary of Significant Accounting Policies (continued)**

(j) Classification of Revenues and Expenses

The Stations have classified its revenues as either operating or non-operating according to the following criteria:

**Operating:** Operating revenues include activities that have the characteristics of exchange transactions such as donations, grants income, underwriting income and other miscellaneous income.

**Non-operating:** Non-operating revenues include activities that have the characteristics of nonexchange transactions such as appropriations from Salisbury University and donated facilities and administrative support from Salisbury University.

(k) Donated Facilities and Administrative Support

The University provides certain facilities and administrative support to the Stations. Donated facilities and administrative support represent the Stations allocated amounts of institutional support and donated facilities and is recorded as revenues and expenses in the Statement of Revenues, Expenses, and Changes in Net Position. Institutional support is based on the Stations pro-rata share of the University's total salaries, wages, and administrative expenses. Donated facilities are the Stations pro-rata share of the University's total plant expenses along with calculated occupancy costs permitted by the Corporation for Public Broadcasting. For the year ended June 30, 2022, the Stations allocated amounts of donated facilities and administrative support are calculated based on amounts stated in the University's audited financial statements.

(l) Appropriation From Salisbury University

The appropriation from Salisbury University represents support from the University for salaries and operating expenses not provided through other sources.

(m) Income Taxes

The Stations are a component of Salisbury University (a political subdivision of the State of Maryland) and are exempt from federal income taxes under the provisions of Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the Stations' financial statements.

(n) Risk Management

The Stations are part of the University's overall risk management program. The Stations are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to and illnesses of employees; and natural disasters. The Stations, through the University, participate in the State's various self-insurance programs. The State is self-insured

*The accompanying notes are an integral part of the financial statements*

**DELMARVA PUBLIC RADIO  
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**Notes to Financial Statements  
Years Ended June 30, 2022 and 2021**

**Note 2 - Summary of Significant Accounting Policies (continued)**

Risk Management (Continued)

for general liability, property and casualty, workers' compensation, environmental and antitrust liabilities, and certain employee health benefits.

The State allocates the cost of providing claims servicing and claims payment by charging a "premium" to the University based on a percentage of the University's estimated current-year payroll or based on the average loss experienced by the University. This charge considers recent trends in actual claims experience of the State as a whole and makes provisions for catastrophic losses.

**Note 3 - Cash and Cash Equivalents**

The Stations participated in the University's pooled cash accounts for fiscal years 2022 and 2021 and pooled investment accounts for fiscal years 2022 and 2021. For fiscal years 2022 and 2021, cash and cash equivalents are held as cash by the University on behalf of the Stations. For purposes of basic financial statements for fiscal year 2022, cash and cash equivalents consist of the University's bank deposits, and other investments with original maturities of three months or less.

**Note 4 - Noncurrent Liabilities**

Changes in noncurrent liabilities consisted of the following for the year ended June 30, 2022:

	<b>Balance June 30, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2022</b>	<b>Amount Due Within One Year</b>
Accrued Vacation	\$44,622	\$(5,027)	\$6,904	\$32,691	\$8,672
Total Noncurrent Liabilities	<u>\$44,622</u>	<u>\$(5,027)</u>	<u>\$6,904</u>	<u>\$32,691</u>	<u>\$8,672</u>

Changes in noncurrent liabilities consisted of the following for the year ended June 30, 2021:

	<b>Balance June 30, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2021</b>	<b>Amount Due Within One Year</b>
Accrued Vacation	\$45,101	\$9,093	\$9,572	\$44,622	\$14,078
Total Noncurrent Liabilities	<u>\$45,101</u>	<u>\$9,093</u>	<u>\$9,572</u>	<u>\$44,622</u>	<u>\$14,078</u>

*The accompanying notes are an integral part of the financial statements*

**DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Notes to Financial Statements  
Years Ended June 30, 2022 and 2021**

**Note 5 - Endowment**

The WSCL Radio endowment is owned by Salisbury University Foundation. The asset related to the WSCL Radio endowment is recorded on the balance sheet of Salisbury University Foundation. The WSCL Radio endowment is permanently restricted to support the programs and equipment needs of the Stations. The fair market value of the WSCL Radio endowment at June 30, 2022 and 2021 were \$50,473 and \$62,916, respectively.

**Note 6 - Capital Assets**

The Stations' capitalization policy recognizes one year depreciation expense in the year of acquisition of an asset. Capital asset activity for the year ended June 30, 2022 is summarized as follows:

<b>Capital Assets</b>	<b>Balance June 30, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2022</b>
Depreciated assets				
Buildings and Improvements	\$ 228,403	\$ -	\$ -	\$ 228,403
Studio and Other Equipment	524,593	-	-	524,593
Total Capital Assets, Depreciable	<u>\$752,996</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$752,996</u>
Less: Accumulated depreciation				
Buildings and Improvements	111,664	15,227	-	126,891
Studio and Other Equipment	412,143	23,434	-	435,577
Total Accumulated Depreciation	<u>523,807</u>	<u>38,661</u>	<u>-</u>	<u>562,468</u>
Total Capital Assets, Net	<u>\$ 229,189</u>	<u>\$(38,661)</u>	<u>\$ -</u>	<u>\$ 190,528</u>

Capital asset activity for the year ended June 30, 2021 is summarized as follows:

<b>Capital Assets</b>	<b>Balance June 30, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2021</b>
Depreciated assets				
Buildings and Improvements	\$ 228,403	\$ -	\$ -	\$ 228,403
Studio and Other Equipment	524,593	-	-	524,593
Total Capital Assets, Depreciable	<u>\$752,996</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$752,996</u>
Less: Accumulated depreciation				
Buildings and Improvements	96,437	15,227	-	111,664
Studio and Other Equipment	361,475	50,668	-	412,143
Total Accumulated Depreciation	<u>457,912</u>	<u>65,895</u>	<u>-</u>	<u>523,807</u>
Total Capital Assets, Net	<u>\$ 295,084</u>	<u>\$ (65,895)</u>	<u>\$ -</u>	<u>\$ 229,189</u>

Depreciation expense for June 30, 2022 and 2021 were \$38,661, and \$65,895, respectively.

*The accompanying notes are an integral part of the financial statements*



**DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Notes to Financial Statements  
Years Ended June 30, 2022 and 2021**

**Note 7 - Lease**

DPR leases a tower space under a one-year operating lease with nine one-year renewal options which will expire on June 30, 2024. Total costs for such lease was \$36,896 for the year ended June 30, 2022. The future minimum lease payment for the lease are as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2023	\$ 36,256	\$ 1,747	\$ 38,003
2024	38,514	629	39,143
	\$ 74,770	\$ 2,376	\$ 77,146

**Note 8 - Related Party Transactions**

The Stations receive non-monetary contributions from the University for certain facilities and administrative support which are reported as operating revenues and expenses in accordance with valuation guidelines prescribe by the Corporation for Public Broadcasting. During 2022 and 2021, these non-monetary contributions for facilities and administrative support totaled \$58,626 and \$52,441, respectively.

**Note 9 - Subsequent Events**

The Stations have evaluated subsequent events through December 27, 2022, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2022, but prior to December 27, 2022 that provided additional evidence about conditions that existed at June 30, 2022 have been recognized in the financial statements for the year ended June 30, 2022. Events or transactions that provided evidence about conditions that did not exist at June 30, 2022 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2022.

**Note 10 – Prior Period Adjustment**

Changes were adopted to conform to the provisions of Statement No. 87 of the Governmental Accounting Standards Board. Accordingly, lease asset and the related lease liability were recognized. The effect of the restatement on net assets was to decrease beginning net asset by \$23,041.

*The accompanying notes are an integral part of the financial statements*

**DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Notes to Financial Statements  
Years Ended June 30, 2022 and 2021**

**Note 11 - Retirement Plans**

Eligible employees of the Stations, as employees of the University, are covered under the Pension and Retirement Plans of the State Retirement and Pension System of Maryland and are also entitled to certain health care benefits upon retirement.

The Stations' only liability for retirement and post-employment benefits is its required annual contribution made by the University, which was fully funded during the years ended June 30, 2022 and 2021. The Stations' share of these contributions amounted to \$9,965.01 and \$13,439 for the years ended June 30, 2022 and 2021, respectively.

The cost of the Stations retirees' health care benefits is expensed when paid and totaled \$6,117 and \$8,463 for the years ended June 30, 2022 and 2021, respectively.

The State Retirement and Pension System of Maryland is considered part of the State of Maryland's financial reporting entity and is not considered a part of the University's reporting entity. The State Retirement and Pension System of Maryland prepares a separate Comprehensive Annual Financial Report, which can be obtained from the State Retirement and Pension System of Maryland at 120 East Baltimore Street, Baltimore, Maryland 21202.

*The accompanying notes are an integral part of the financial statements*

**SALISBURY UNIVERSITY  
DELMARVA PUBLIC RADIO  
WSCL-FM AND WSDL-FM**

**Schedule of Non-Federal Financial Support  
Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Direct Revenue	\$ 642,637	\$ 609,759
Indirect Administrative Support	<u>58,626</u>	<u>52,441</u>
Total Non-Federal Financial Support	<u>\$ 701,263</u>	<u>\$ 662,200</u>