

***WGLT-FM RADIO***

***A PUBLIC TELECOMMUNICATIONS ENTITY  
OPERATED BY ILLINOIS STATE UNIVERSITY***

***ANNUAL FINANCIAL REPORT***

***For the fiscal year ended June 30, 2022***



**WGLT-FM RADIO**

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**June 30, 2022**

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## **INDEPENDENT AUDITORS' REPORT**

**WGLT-FM Radio**  
**Normal, Illinois**

### **Opinion**

We have audited the accompanying financial statements of the business-type activities of WGLT-FM Radio (a public telecommunications entity operated by Illinois State University) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise WGLT-FM Radio's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of WGLT-FM Radio as of June 30, 2022 and 2021, and the changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibility under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WGLT-FM Radio, 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.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements of WGLT-FM Radio are intended to present the financial position, the changes in financial position, and cash flows of only WGLT-FM Radio's portion of the University's financial position, the changes in financial position, and cash flows attributable to the transactions of WGLT-FM Radio. They do not purport to, and do not, present fairly the financial position of the University as of June 30, 2022 and 2021, the changes in its financial position or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to the matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WGLT-FM Radio's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 generally accepted auditing standards 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 internal control. Misstatements 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 financial statements.
- Obtain an understanding of internal control relevant to the audit 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 WGLT-FM Radio's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WGLT-FM Radio'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 internal control-related matters that we identified during the audit.

### Required Supplementary Information

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

### Other Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise WGLT-FM Radio's basic financial statements. The statements of functional expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements of functional expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*MCK CPAs & Advisors*

Bloomington, Illinois  
February 10, 2023

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2022**

**Introduction and Reporting Entity**

The following discussion and analysis is an overview of the financial position and activities of WGLT public radio station for the year ended June 30, 2022. Management of the station has prepared the following discussion, and it should be read with the financial statements and related note disclosures which follow this section.

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

The station's primary function is to provide noncommercial educational, news, and information audio programming and digital (website, social media, and other Internet) content to the citizens of Central Illinois. From a main transmitter in Bloomington/Normal, the radio signal reaches an estimated 300,000 population; out of that number approximately 15,000-20,000 listeners each week, with a website audience average of 150,000-250,000 unique users monthly. Contributing membership consists of approximately 1,600 households. WGLT's format is primarily news and information, with music, culture, and other specialty programming on weekends. WGLT's identifying and positioning statement is "89-1 WGLT and WGLT.org, Bloomington-Normal's Public Media." WGLT employs a full-time professional staff content production, development, management, and support staff, with 10-12 paid content and support positions available for Illinois State students per semester.

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

In April of 2019, Illinois State University entered into an agreement with Bradley University for WGLT to manage day-to-day operations of WCBU, which is licensed to Bradley and serves the Peoria community. That agreement took effect on June 1, 2019 and calls for WCBU to maintain its own local on-air staff in Peoria, with management, operations, and business employees to be shared with WGLT and based in Normal. All funds raised by and donated to WCBU will be used exclusively for that station's operations; monies are not co-mingled with WGLT's funds and therefore are not reflected in this report. The agreement is for five years, with several subsequent optional renewal periods. This arrangement will allow both stations to more efficiently allocate (and perhaps reduce) operational expenses in coming years. Additionally, effective July 1, 2021, WGLT has limited oversight over the ISU Student Newspaper, *The Vidette*, which is also part of the School of Communications. The General Manager/Faculty Advisor of *The Vidette* reports to the WGLT General Manager, and WGLT staff handle *The Vidette's* business functions.

**WGLT-FM RADIO**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

For the Year Ended June 30, 2022

**Overview of the Financial Statements**

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

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

The Statement of Net Position includes Assets, Deferred Outflows of Resources, Liabilities and Net Position of the Station as of June 30, 2022. This statement is classified into Current and Non-Current Assets and Liabilities, with Net Operating Income (Loss), which is then combined with Non-Operating Revenues (Expenses) to provide the total Change in Net Position. The Statement of Cash Flows shows the sources and uses of cash from operations, cash flows from non-capital financing activities, cash flows from capital and related financing activities and cash flows from investing activities. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Financial Highlights**

WGLT's overall financial position has improved substantially over the past several years (see the final paragraph on this page). That said, FYs 2020 and 2021 were difficult years due to the economic fallout for the COVID-19 pandemic, and that impact continued well into FY 2022. The station has several revenue streams, and most took a hit during the pandemic. Overall, WGLT's net position decreased by \$ 40,779 to \$ 456,069 at the end of FY 2022.

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

Net Position totaled \$ 456,069 for the year ended June 30, 2022 (FY 2022) and \$ 496,848 for the year ended June 30, 2021 (FY 2021). Operating Revenues totaled \$ 1,043,348 in FY 2022, compared to \$ 1,021,151 in FY 2021, while Operating Expenses totaled \$ 2,027,661 in FY 2022 compared to \$ 1,703,637 in FY 2021. The net operating income for FY 2022 was a loss of \$ 984,313; this follows a loss of \$ 682,486 in FY 2021. The station's total assets were \$ 933,088 as of June 30, 2022. It should be noted those losses do not include Illinois State University direct contributions, totaling \$ 697,128 as part of Operating Revenues; however that same amount is included in Operating Expenses. The remaining operating loss is attributable to funds used to "make whole" WGLT's corporate underwriting "agency" expense account that ran in the red during the height of the pandemic. For comparison, at the end of FY 2021, that account had a negative balance of more than \$42,000, whereas it had a positive balance of more than \$80,000 at the end of FY 2022.

**WGLT-FM RADIO**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
For the Year Ended June 30, 2022

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

	<b>2022</b>	2021
Operating revenues		
Corporate giving	\$ 187,711	32,681
Business underwriting	268,912	268,912
Special fund-raising projects	37,355	33,000
Individual giving	366,520	369,624
Community service grants	159,063	308,418
Other grants	23,787	11,070
Miscellaneous income		2,357
		<hr/>
Total operating revenues	<b>1,043,348</b>	1,021,151
Operating expenses		
Programming services:		
Programming and production	1,101,552	983,457
Broadcasting	186,956	164,579
Supporting services:		
Underwriting and grant solicitation	161,296	89,818
Fundraising and membership development	314,013	220,355
Management and general	263,844	245,428
		<hr/>
Total operating expenses	<b>2,027,661</b>	1,703,637
		<hr/>
Operating income (loss)	<b>(984,313)</b>	(682,486)
Non-operating revenues - net	942,534	881,074
Additions to endowments	1,000	1,600
		<hr/>
Change in net position	<b>(40,779)</b>	00,188
Net position – beginning	496,848	296,660
		<hr/>
Net position - ending	<b>\$ 456,069</b>	496,848
		<hr/>



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
For the Year Ended June 30, 2022

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

	<u>2022</u>	<u>2021</u>
Assets and Deferred Outflows of Resources		
Current assets	\$ 341,938	432,303
Capital assets, net	153,345	176,168
Other noncurrent assets	437,805	167,649
Deferred outflows of resources	16,783	9,685
Total Assets and Deferred Outflows	<u>949,871</u>	<u>785,805</u>
Liabilities and Deferred Inflows of Resources		
Current liabilities	126,513	105,985
Noncurrent liabilities	367,289	182,972
Net Position		
Net investment in capital assets	153,345	176,168
Nonexpendable restricted	149,348	153,962
Expendable restricted	38,526	61,030
Unrestricted	114,850	105,688
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 949,871</u>	<u>785,805</u>

**Economic Outlook**

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

**Request for Information**

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

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

**WGLT-FM RADIO****STATEMENTS OF NET POSITION****June 30, 2022 and 2021**

	2022	2021
<hr/>		
<b><u>ASSETS</u></b>		
Current assets:		
Interest in pooled cash	\$ 240,856	330,490
Accounts receivable	86,982	90,263
Promises to give - current portion	14,100	11,550
	<hr/>	<hr/>
Total current assets	341,938	432,303
	<hr/>	<hr/>
Noncurrent assets:		
Promises to give - less current portion	5,350	11,800
Interest in endowment fund investments	152,799	155,851
Property and equipment	769,795	750,031
Less: accumulated depreciation	(616,450)	(573,865)
Right of use asset	279,656	
	<hr/>	<hr/>
Total noncurrent assets	591,150	343,817
	<hr/>	<hr/>
TOTAL ASSETS	933,088	776,120
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	16,783	9,685
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 949,871	785,805
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**WGLT-FM RADIO****STATEMENTS OF NET POSITION (Continued)****June 30, 2022 and 2021**

	2022	2021
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 28,050	25,969
Unearned income	63,607	80,016
Lease liability - current portion	34,856	
Total current liabilities	126,513	105,985
Noncurrent liabilities:		
Due to Illinois State University		63,821
Accrued vacation and sick pay	125,070	119,151
Lease liability - less current portion	242,219	
Total noncurrent liabilities	367,289	182,972
TOTAL LIABILITIES	493,802	288,957
<b><u>NET POSITION</u></b>		
Net investment in capital assets	153,345	176,168
Restricted for:		
Expendable facilities and equipment	35,075	59,142
Expendable endowment	3,451	1,888
Nonexpendable endowment	149,348	153,962
Unrestricted	114,850	105,688
TOTAL NET POSITION	456,069	496,848
TOTAL LIABILITIES AND NET POSITION	\$ 949,871	785,805

See Notes to Financial Statements.

**WGLT-FM RADIO****STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
Years ended June 30, 2022 and 2021**

	2022	2021
Operating revenues:		
Corporate giving	\$ 187,711	32,681
Business underwriting	268,912	264,001
Special fund-raising projects	37,355	33,000
Individual giving	366,520	369,624
Corporation for Public Broadcasting - community service grants	159,063	308,418
Illinois Public Broadcasting grant	23,787	11,070
Miscellaneous income		2,357
Total operating revenue	1,043,348	1,021,151
Operating expenses:		
Program services:		
Programming and production:		
National	274,499	227,805
Local and other	827,053	755,652
Broadcasting	186,956	164,579
Supporting services:		
Underwriting and grant solicitation	161,296	89,818
Fundraising and membership development	314,013	220,355
Management and general	263,844	245,428
Total operating expenses	2,027,661	1,703,637
Operating income (loss)	\$ (984,313)	(682,486)

(continued)

**WGLT-FM RADIO****STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION (Continued)  
Years ended June 30, 2022 and 2021**

	2022	2021
Non-operating revenues:		
General appropriations from Illinois State University	\$ 359,325	350,993
On-behalf of state	199,305	184,503
Donated facilities and administrative support from Illinois State University	337,803	277,420
Donated materials and other services	45,964	33,329
Unrealized gain on endowment funds	137	34,829
	<hr/>	<hr/>
Total non-operating revenues	942,534	881,074
	<hr/>	<hr/>
Additions to endowments	1,000	1,600
	<hr/>	<hr/>
Change in net position	(40,779)	200,188
	<hr/>	<hr/>
Net position - beginning	496,848	296,660
	<hr/>	<hr/>
Net position - ending	\$ 456,069	496,848
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See Notes to Financial Statements.

**WGLT-FM RADIO****STATEMENTS OF CASH FLOWS****Years ended June 30, 2022 and 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Gifts and contributions	\$ 596,486	447,783
Business underwriting	272,193	216,194
Community service grants	150,735	278,737
Illinois Public Broadcasting grants	15,706	20,395
Transfer from (to) endowment	3,189	3,016
Miscellaneous income		2,357
Payments to vendors	(588,070)	(396,038)
Payments to employees	(454,431)	(444,922)
Net cash flows from operating activities	(4,192)	127,522
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Proceeds from (to) Illinois State University	(63,821)	(133,026)
Proceeds from (to) Bradley University WCBU-FM		13,048
Net cash flows from non-capital financing activities	(63,821)	(119,978)
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Acquisition of property and equipment	(21,621)	(25,090)
Net increase (decrease) in interest in pooled cash	(89,634)	(17,546)
Cash, beginning of year	330,490	348,036
Cash, end of year	\$ 240,856	330,490

(continued)

**WGLT-FM RADIO****STATEMENTS OF CASH FLOWS (Continued)**  
**Years ended June 30, 2022 and 2021**

	2022	2021
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (984,313)	(682,486)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities		
Operating expenses arising from on-behalf payments and support from the University	697,128	628,413
Operating expenses arising from on-behalf payments from the State of Illinois	199,305	184,503
Operating expenses arising from in-kind contributions	45,964	33,329
Depreciation	44,442	47,099
Addition to endowment	1,000	1,600
Gain (loss) on investments	137	34,829
Transfer from other funds	3,052	(31,813)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	3,281	(47,807)
Promises to give	3,900	10,878
Prepaid expenses		13,694
Deferred outflows	(7,098)	(4,047)
Right of use asset	(279,656)	
Increase (decrease) in:		
Accounts payable	8,000	(40,314)
Unearned income	(16,409)	(20,356)
Operating lease liability	277,075	
Net cash flows from operating activities	<u>\$ (4,192)</u>	<u>127,522</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>		
On-behalf contributions from the University for administrative support and occupancy	\$ 697,128	628,413
On-behalf contributions from the State of Illinois for the payment of employee fringe benefits	199,305	184,503
Donated materials, services, and equipment	45,964	33,329

See Notes to Financial Statements.

## **WGLT-FM RADIO**

### **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

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#### **Note 1 - Summary of Operations**

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

The Station is part of the University as a whole, and as such, for financial reporting purposes the financial balances and activities included in these financial statements are also included in the University’s financial statements. These financial statements present only WGLT-FM Radio, and do not purport to, and do not, present fairly the financial position of Illinois State University as of June 30, 2022, and changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

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

The Station also assumed responsibility for managing day-to-day operations for the Illinois State University Vidette on July 1, 2021. All funds raised by the Vidette are segregated from those raised by WGLT-FM Radio and must be used for Vidette operations.

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

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



## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (continued) June 30, 2022

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#### Note 2 - Significant Accounting Policies, continued

##### Basis of Presentation, continued

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

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

**Pooled Cash:** The University has pooled its cash and investments, except for certain funds that are required by bond resolution to be in separate accounts. Interest in pooled cash at June 30, 2022 represents the Station's share of this pooled cash. A summary of interest in pooled cash for the years ended June 30, 2022 and 2021 is as follows:

	2022	2021
Held at Illinois State University	\$ 133,697	\$ 97,827
Held at Illinois State University Foundation	107,159	232,663
Total	<u>\$ 240,856</u>	<u>\$ 330,490</u>

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

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

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

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

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 2 - Significant Accounting Policies, continued

**Indirect/In-kind contributions of Services, Materials and Supplies:** During the years ended June 30, 2022 and 2021, the value of contributed services meeting the requirements for recognition in the financial statements totaled \$ 45,964 and \$ 33,329, respectively. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Station at its facilities.

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

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

Contributed support from the State of Illinois consists of benefit contributions on behalf of the Station. The value of the on-behalf contributions recognized in the years ended June 30, 2022 and 2021 was \$ 199,305 and \$ 184,503, respectively.

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

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

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

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

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

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 2 - Significant Accounting Policies, continued

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

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

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

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

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

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

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

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

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

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

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 2 - Significant Accounting Policies, continued

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

**New Accounting Standards:** In 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities. The Station implemented Statement No. 87 effective July 1, 2021.

#### Note 3 - Compensated Absences

The liability for compensated absences at June 30, 2022 and 2021 was \$ 125,070 and \$ 119,151, respectively. Illinois State University policy allows employees to accumulate 360 hours of vacation time, 420 hours for faculty employees. All accrued vacation is payable upon termination. Sick leave hours earned prior to January 1, 1984 and after January 1, 1998 are not payable to the employees. However, one-half of the hours earned between January 1, 1984 and January 1, 1998 are payable to employees upon death, retirement, resignation, or termination.

#### Note 4 - Grants

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

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

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

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 4 - Grants, continued

The grant period for the grant obtained during the year ended June 30, 2022 is October 1, 2021 through September 30, 2023. The Community Service Grant received and expended during the most recent fiscal years were as follows:

Year of Grant	Grant Received	Expended		Unspent Funding Returned	Uncommitted Balance at June 30, 2022
		2021	2022		
2020	\$	41,726	23,473		
2021		108,445	36,148		
<b>2022</b>	<b>150,736</b>		<b>99,442</b>		<b>51,294</b>

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

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

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

During the year ended June 30, 2020, CPB distributed \$ 75 million of emergency stabilization funds for public media included in the Coronavirus Aid, Relief, and Economic Security Act, which was signed into law on March 27, 2020. During the year ended June 30, 2021, CPB distributed \$ 175 million of stabilization funds to public telecommunication entities included in the American Rescue Plan Act of 2021, which was signed into law on March 11, 2021. The stabilization funds may be expended at any time after being received, and may be used at the discretion of the recipients for purposes of maintaining programming and services. The Station received \$ -0- and \$ 158,247 in stabilization funds during the years ended June 30, 2022 and 2021, respectively.

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 4 - Grants, continued

The Illinois Arts Council also provides a source of funding for the Station. The Grant period for the grant obtained during the year ended June 30, 2022 is January 1, 2022 through August 31, 2022. The purpose of this grant is to supplement the cost of operating and maintaining a public broadcasting station. The Illinois Public Broadcasting Grant received and expended during the most recent fiscal years were as follows:

Year of Grant	Grant Received	Expended 2021	Expended 2022	Unspent Funding Returned	Uncommitted Balance at June 30, 2022
2021	\$ -		16,315	4,080	
2022	19,785		7,472		12,313

Funding for fiscal year 2021 remained unspent at the end of its grant period and was returned to the Illinois Arts Council during the year ended June 30, 2022.

The grant period for the grant obtained during the year ended June 30, 2021 is January 4, 2021 through August 31, 2021, and was received and expended as follows:

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

The above grants are recorded as revenue when the funding was expended. Funding received but not yet expended is considered unearned income. The Station had \$ 63,607 and \$ 80,016 in unspent grant funds as of June 30, 2022 and 2021, respectively.

#### Note 5 - Nonfederal Financial Support (NFFS)

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

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

#### Note 5 - Nonfederal Financial Support (NFFS), continued

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

Reported NFFS for the Station was \$ 1,769,463 and \$ 1,549,418 for the years ended June 30, 2022 and 2021, respectively.

#### Note 6 - Property and Equipment

A summary of property and equipment activity for the year ended June 30, 2022, was as follows:

	June 30, 2022 Ending Balance	Additions	Reductions	June 30, 2021 Ending Balance
Building improvement	\$ 24,083			24,083
Transmitters, antenna and towers	321,224			321,224
Studios and other broad- casting equipment	220,920	21,621	1,857	201,156
Furniture and fixtures	203,568			203,568
Total	769,795	21,621	1,857	750,031
Less accumulated depreciation:				
Building improvements	10,139	900		9,239
Transmitters, antenna and towers	244,883	17,515		227,368
Studio and other broad- casting equipment	158,104	25,738	1,857	134,223
Furniture and fixtures	203,324	289		203,035
Total	616,450	44,442	1,857	573,865
Property and equipment, net	\$ 153,345	(22,821)	-	176,166

**WGLT-FM RADIO****NOTES TO FINANCIAL STATEMENTS (Continued)****June 30, 2022**

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**Note 6 - Property and Equipment, continued**

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

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

Depreciation expense for the years ended June 30, 2022 and 2021 was \$ 44,442 and \$ 47,099, respectively.

**Note 7 - Indirect Administrative Support**

Indirect support from other state agencies consists of allocated institutional support and physical plant costs incurred by the State for which the Station receives benefits. The fair value of this support is recognized in the Statement of Revenues, Expenses, and Changes in Net Position as indirect administrative support and also as expense in functional expense categories. Indirect support was calculated using a standard method, based on institutional support and physical plant support of ISU (the Licensee) and the operating expenses of the Station. The value of this support included in the Statement of Revenues, Expenses, and Changes in Net Position was \$ 337,804 and \$ 277,420 for the years ended June 30, 2022 and 2021, respectively.



## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 8 - State Appropriations

This classification includes financial resources provided to the Station through budgetary authorizations of the State Assembly. State appropriations utilized during the fiscal year ended June 30, 2022 and June 30, 2021 totaled \$ 359,325 and \$ 350,993, respectively.

#### Note 9 - Defined Benefit Pension Plans

##### General Information about the Pension Plan

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

**Benefits Provided:** A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed 6 months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2021 can be found in SURS annual comprehensive financial report Notes to the Financial Statements.

**Contributions:** The State is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a statutory funding plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2021 and 2022 respectively, was 12.70% and 12.32% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 9 - Defined Benefit Pension Plans, continued

##### General Information about the Pension Plan, continued

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

**Pension Expense:** For the year ended June 30, 2022, the Station recognized SURS pension expense of \$ 16,783.

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

#### Note 10 - Other Post-employment Benefits

##### General Information on the Post-Employment Plan

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

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

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

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

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#### Note 10 - Other Post-employment Benefits, continued

##### General Information on the Post-Employment Plan

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

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

For fiscal year 2022, the annual cost of the basic program of group health, dental, and vision benefits before the State's contribution was \$ 11,363 (\$ 6,290 if Medicare eligible) if the annuitant chose benefits provided by a health maintenance organization and \$ 13,619 (\$ 5,623 if Medicare eligible) if the annuitant chose other benefits. The State is not required to fund the plan other than the pay-as-you-go amount necessary to provide the current benefits to retirees.

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

#### Note 11 - On-behalf Payments

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

	2022	2021
Benefits	\$ 182,522	148,487
SURS contributions	16,783	36,016
Total	<u>\$ 199,305</u>	<u>184,503</u>

## WGLT-FM RADIO

### NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022

#### Note 12 - Radio Tower Lease

The Station has a license agreement with High Rise Communications for space on their radio tower to operate the Station's transmitter and antenna. The lease terms require annual payments due on July 31<sup>st</sup> and terminates June 30, 2026, with the option to renew for an additional five years. Annual implied interest expense was calculated using an incremental borrowing rate of 4%. Lease payments were \$ 35,000 and \$ 33,230 for the years ended June 30, 2022 and 2021, respectively. The lease liability at June 30, 2022 and 2021 was \$ 277,075 and \$ -0-, respectively.

Future maturities for this lease are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 34,856	2,844	37,700
2024	32,372	4,042	36,414
2025	31,750	5,393	37,143
2026	31,140	6,746	37,886
2027	30,557	8,107	38,664
Thereafter	116,400	46,058	162,458
Total	\$ 277,075	73,190	350,265

#### Note 13 - Endowment Funds

During fiscal year 2012, three endowment funds were created for the Station through the Illinois State University (ISU) Foundation. The Station endowment funds are pooled with the ISU Endowment Fund and are tracked as separate units of the Fund. The ISU Endowment Fund is a diversified portfolio consisting of equities, fixed income, and alternative investment strategies, with the objective of growing assets and income at a rate in excess of inflation and distributions. Required disclosure about the fair value of the investments is contained in the separate Illinois State University Foundation Financial Statements and Independent Auditors' Report, June 30, 2022 and 2021, which can be obtained from the ISU Foundation. The Station has the following endowment agreements:

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

	2022	2021
Beginning balance	\$ 74,215	58,428
Contributions	1,000	1,600
Expenses	(2,307)	(2,475)
Unrealized gains (losses)	38	16,662
Ending balance	\$ 72,946	74,215

**WGLT-FM RADIO****NOTES TO FINANCIAL STATEMENTS (Continued)****June 30, 2022****Note 13 - Endowment Funds, continued**

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

	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 39,982	31,697
Expenses	(422)	(407)
Unrealized gains (losses)	47	8,692
	<u>          </u>	<u>          </u>
Ending balance	<u>\$ 39,607</u>	<u>39,982</u>

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

	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 41,654	33,913
Contributions		
Expenses	(1,460)	(1,734)
Unrealized gains (losses)	52	9,475
	<u>          </u>	<u>          </u>
Ending balance	<u>\$ 40,246</u>	<u>41,654</u>

Endowment funds are divided into expendable and nonexpendable as follows:

	<u>Expendable</u>	<u>Nonexpendable</u>	<u>Total</u>
WGLT Future Endowment Fund	\$ 562	72,384	72,946
Albert Attaway Fund	2,812	36,795	39,607
Sutherland Endowment	77	40,169	40,246
	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 3,451</u>	<u>149,348</u>	<u>152,799</u>

## **WGLT-FM RADIO**

### **NOTES TO FINANCIAL STATEMENTS (Continued)** **June 30, 2022**

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#### **Note 14 - Due to Illinois State University**

Illinois State University provided an advance to the Station's cash funds over the past few years to pay ongoing operating expenses. Amounts advanced at June 30, 2022 and 2021 totaled \$ -0- and \$ 63,821, respectively.

#### **Note 15 - Promises to Give**

The Station has outstanding unconditional promises to give as follows at June 30, 2022:

Receivable in less than one year	\$ 14,100
Receivable in one to five years	<u>5,350</u>
Total promises to give	<u><u>\$ 19,450</u></u>

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

#### **Note 16 - Subsequent Events**

The Station has evaluated events occurring subsequent to June 30, 2022 as to their potential impact to the financial statements through February 10, 2023, which is the date the financial statements were available to be issued.

## **OTHER SUPPLEMENTAL INFORMATION**

**WGLT-FM RADIO****STATEMENT OF FUNCTIONAL EXPENSES****Year ended June 30, 2022**

	Program Services			Total Program Services
	Programming & Production		Broadcasting	
	National	Local & Other		
Salaries	\$ -	419,695	43,971	463,666
Employee benefits		135,792	6,981	142,773
Consulting fees				-
Professional fees			1,757	1,757
Occupancy	33,780	168,902	69,020	271,702
Production costs	1,245	3,736		4,981
Programming costs	205,868	12,922		218,790
Promotional costs				-
Repairs and maintenance			850	850
Equipment expense			38,825	38,825
Memberships		33,512	8,873	42,385
Subscriptions		13,151	1,818	14,969
Postage				-
Printing				-
Telephone			3,476	3,476
Auto expense				-
Travel		1,184		1,184
Advertising				-
Other	11,385	15,938	11,385	38,708
Bank charges				-
Supplies				-
Totals before depreciation	252,278	804,832	186,956	1,244,066
Depreciation expense	22,221	22,221		44,442
Total expenses	\$ 274,499	827,053	186,956	1,288,508



Total Supporting Services				
Underwriting & Grant Solicitation	Fundraising & Membership Development	Management & General	Total Supporting Services	Total
88,687	108,142	118,751	315,580	779,246
25,500	32,688	38,773	96,961	239,734
		23,013	23,013	23,013
432	9,560	9,810	19,802	21,559
33,780	33,780	33,780	101,340	373,042
	44,043	1,000	45,043	50,024
994	1,641		2,635	221,425
	35,624		35,624	35,624
		2,571	2,571	3,421
			-	38,825
	12,485		12,485	54,870
	887	183	1,070	16,039
3	564		567	567
	5,965		5,965	5,965
		2,695	2,695	6,171
		703	703	703
			-	1,184
	8,500	13,880	22,380	22,380
11,900	20,134	16,288	48,322	87,030
		1,689	1,689	1,689
		708	708	708
161,296	314,013	263,844	739,153	1,983,219
			-	44,442
161,296	314,013	263,844	739,153	2,027,661

# WGLT-FM RADIO

## STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2021

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

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