



AUDITED FINANCIAL STATEMENTS

Years ended June 30, 2025 and 2024

WAMC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
WAMC

Opinion

We have audited the accompanying financial statements of WAMC (a nonprofit public telecommunications entity), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WAMC as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows 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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WAMC 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.

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 WAMC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgment 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 WAMC'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 WAMC'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.

UHY LLP

Albany, New York
January 15, 2026

WAMC
STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,649,704	\$ 1,119,528
Pledges receivable	317,082	252,358
Underwriting and other receivables, net of allowance for credit losses of \$14,500	315,311	316,771
Assets held for sale	1,139,039	-
Other current assets	<u>96,915</u>	<u>404,515</u>
Total current assets	3,518,051	2,093,172
OPERATING RIGHT OF USE ASSETS	2,797,373	2,454,336
NET PROPERTY AND EQUIPMENT	2,976,666	4,977,041
INVESTMENTS	<u>3,406,755</u>	<u>3,273,053</u>
Total assets	<u><u>\$ 12,698,845</u></u>	<u><u>\$ 12,797,602</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 106,186	\$ 76,351
Accrued compensation costs	282,446	245,488
Deferred revenue	218,910	279,940
Operating lease liabilities	204,550	303,439
Other current liabilities	<u>25,279</u>	<u>33,129</u>
Total current liabilities	837,371	938,347
OPERATING LEASE LIABILITIES, NET OF CURRENT PORTION	<u>2,700,547</u>	<u>2,225,020</u>
Total liabilities	<u>3,537,918</u>	<u>3,163,367</u>
NET ASSETS		
Net assets without donor restriction	<u>9,160,927</u>	<u>9,634,235</u>
Total liabilities and net assets	<u><u>\$ 12,698,845</u></u>	<u><u>\$ 12,797,602</u></u>

See notes to financial statements.

WAMC
STATEMENTS OF ACTIVITIES
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
REVENUE AND OTHER SUPPORT		
<i>Programming:</i>		
Member support	\$ 5,192,806	\$ 4,052,449
Underwriting	<u>2,066,176</u>	<u>2,287,620</u>
Total programming	<u>7,258,982</u>	<u>6,340,069</u>
<i>Grants:</i>		
Corporation for Public Broadcasting	443,619	422,724
New York State Education Department	58,576	71,050
Programming and other grants	<u>102,500</u>	<u>105,000</u>
Total grants	<u>604,695</u>	<u>598,774</u>
<i>Other revenues:</i>		
Performing arts studio	142,706	206,534
Rental revenue	123,010	121,947
Other support and revenue	<u>127,134</u>	<u>148,647</u>
Total revenue and other support	<u>8,256,527</u>	<u>7,415,971</u>
EXPENSES		
<i>Program services:</i>		
Programming and production	3,513,893	3,613,071
Broadcasting	1,625,331	1,577,896
Program information	<u>254,847</u>	<u>206,321</u>
Total program services	<u>5,394,071</u>	<u>5,397,288</u>
<i>Supporting services:</i>		
Fund raising	1,774,406	1,764,834
Management and general	<u>1,255,068</u>	<u>979,965</u>
Total supporting services	<u>3,029,474</u>	<u>2,744,799</u>
Total expenses	<u>8,423,545</u>	<u>8,142,087</u>
CHANGE IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS	(167,018)	(726,116)
REALIZED AND UNREALIZED GAINS ON INVESTMENTS	67,719	194,956
HELD FOR SALE ASSETS FAIR VALUE ADJUSTMENT	<u>(374,009)</u>	<u>-</u>
CHANGE IN NET ASSETS	(473,308)	(531,160)
Net assets, beginning of year	<u>9,634,235</u>	<u>10,165,395</u>
Net assets, end of year	<u><u>\$ 9,160,927</u></u>	<u><u>\$ 9,634,235</u></u>

See notes to financial statements.

WAMC
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (473,308)	\$ (531,160)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	532,934	559,067
Held for sale asset fair value adjustment	374,009	-
Donation of securities	(69,206)	(27,024)
Realized and unrealized gains on investments	(67,719)	(194,956)
Net lease activity	33,601	40,413
Changes in:		
Pledges receivable	(64,724)	(86,230)
Underwriting and other receivables	1,460	45,807
Other current assets	307,600	(15,496)
Accounts payable	29,835	(143,039)
Accrued compensation costs	36,958	(92,486)
Deferred revenue	(61,030)	(37,882)
Other current liabilities	(7,850)	(7,856)
Net cash provided by (used in) operating activities	<u>572,560</u>	<u>(490,842)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(369,261)	(357,327)
Proceeds from sale of investments	372,484	336,353
Acquisition of property and equipment	<u>(45,607)</u>	<u>(414,024)</u>
Net cash used in investing activities	<u>(42,384)</u>	<u>(434,998)</u>
Change in cash	530,176	(925,840)
Cash, beginning of year	<u>1,119,528</u>	<u>2,045,368</u>
Cash, end of year	<u><u>\$ 1,649,704</u></u>	<u><u>\$ 1,119,528</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Right of use assets obtained in exchange for lease liabilities	<u><u>\$ 704,303</u></u>	<u><u>\$ 284,058</u></u>

See notes to financial statements.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization - WAMC is a nonprofit public telecommunications entity, organized in 1981, with broadcasting coverage in New York State and western New England. As a publicly supported radio station, WAMC receives substantially all of its support and revenue from its listeners, corporate underwriters, and federal and state grants.

Basis of Accounting - WAMC's financial statements are prepared in accordance with generally accepted accounting principles and the principles of accounting and financial reporting for public telecommunications entities issued by the Corporation for Public Broadcasting (CPB). Under CPB accounting principles, the Statement of Activities is intended to present functional type expenditure classifications, which reflect both program and supporting services. The specific program and supporting services functional classifications, as presented in the financial statements, are defined by CPB.

Financial Statement Presentation - The financial statements of WAMC follow generally accepted accounting principles which establish standards for financial reporting by not-for-profit organizations and require that resources be classified for accounting and reporting purposes into certain net asset categories according to externally (donor) imposed restrictions. WAMC records contributions received as net assets with donor restriction or net assets without donor restriction depending on the existence and/or nature of any donor restrictions.

Cash - WAMC places its cash with high quality financial institutions. Cash balances held are generally in excess of FDIC insurance limits.

Receivables – Receivables are principally from corporate underwriting. The carrying amount of accounts receivable is reduced by an allowance for credit losses that reflects the best estimate of the amounts that will not be collected. Each customer balance where all or a portion of the balance exceeds 120 days from the invoice date is individually reviewed. Based on the assessment of the customer's current creditworthiness, the portion, if any, of the balance that will not be collected is estimated. Additionally, a five-year average of write-offs is applied to the aggregate remaining accounts receivable to estimate an additional allowance covering those amounts not specifically identified. The average is adjusted for management's estimate of any changes in expected future economic conditions that might give rise to results that differ from past experience.

Receivables are written off as a charge to the allowance for credit losses when, it is probable that the receivable is worthless. The allowance for credit losses was approximately \$14,500 at June 30, 2025 and 2024.

	2025	2024
Allowance for Credit Losses at 7/1	\$ 14,500	\$ 14,500
Additions	-	-
Write-offs	-	-
Allowance for Credit Losses at 6/30	<u>\$ 14,500</u>	<u>\$ 14,500</u>

Pledges receivable, as more fully disclosed under Note 2, principally arise from member fund drives. Multi-year pledges, when applicable, are stated at fair value, using the present value of estimated future cash flows discounted at an appropriate rate.

Other Current Assets - Other current assets are principally comprised of amounts paid to program producers (for programming to be provided subsequent to the end of the fiscal year) and certain prepaid insurance costs.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment - Property and equipment is recorded at cost or, if donated, at fair value determined at date of acquisition. The carrying amounts of assets, and the related accumulated depreciation, are removed from the accounts at the time of asset disposition. Depreciation of property and equipment is computed utilizing the straight-line method over the estimated useful lives of the assets, ranging from 5 to 40 years. Maintenance costs and repairs are charged to expense as incurred. WAMC reviews assets carrying amounts whenever events or circumstances indicate that such carrying amount may not be recoverable. If considered impaired, the carrying amount of the asset is reduced to its current fair value.

Investments - Investments are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses are included in the Change in Net Assets for each year within the Statements of Activities. Interest and dividends are included in the Statements of Activities as a component of Other Revenues.

Accrued Compensation Costs - The liability account Accrued Compensation Costs includes salaries and related benefits earned by employees, but not yet paid, as of WAMC's fiscal year end.

Barter Transactions - WAMC provides certain broadcast services (principally underwriting) in exchange for certain equipment, merchandise and services. The estimated fair value of the equipment, merchandise or services received and the corresponding obligation to provide broadcast services are both recorded in the financial statements. Deferred barter costs are expensed or capitalized as used, consumed or received. Deferred barter revenue, a component of Deferred Revenue in the Statements of Financial Position, is recognized as the related underwriting is aired.

Revenue and Other Support - Substantially all support and revenue is from listeners, underwriters and federal and state grants. Underwriting revenues are amounts charged by WAMC for successfully fulfilling its obligations which occurs when radio sponsorship acknowledgments run. The amounts charged are calculated based on a contractually agreed upon rate per acknowledgment. Contracts are typically one year in duration and specify the length of time for each radio sponsorship acknowledgment as well as the number of times per month it will run. Revenue is recognized over time in proportion to each radio sponsorship acknowledgment run, relative to the total to be run over the course of the contract, which is an output measure of progress.

WAMC maintains a performing arts studio which hosts regular public performances. Revenue is generated from ticket sales (generally the day of the performance), as well as merchandise sales and concessions. Revenues are recognized at a point in time as the performance is held or possession of the merchandise or concession items are transferred to the customer.

Revenue recognized under Accounting Standards Codification Topic 606, Revenue from Contracts with Customers, by revenue recognition method for the years ended June 30 was:

	2025	2024
Over time (Underwriting)	\$ 2,066,176	\$ 2,287,620
Point in time (Performing arts studio)	142,706	206,534
	<u>\$ 2,208,882</u>	<u>\$ 2,494,154</u>

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Other Support - (Continued)

Member contributions and grant revenues are recorded as unconditional promises to give. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Other support and revenue is principally comprised of gifts under an automobile donation program and interest and dividends.

Contracts – The timing of Underwriting revenue recognition, billings, and cash collections results in billed accounts receivable and customer or member advances and deposits (deferred revenue) on the statement of financial position. Amounts are billed, in accordance with agreed-upon contractual terms, either in advance or on the first day of each service period. Generally, billing occurs in advance of revenue recognition.

Receivable and contract liabilities (deferred revenue) balances at June 30 were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Receivables	<u>\$ 315,311</u>	<u>\$ 316,771</u>	<u>\$ 362,578</u>
Deferred Revenue	<u>\$ 218,910</u>	<u>\$ 279,940</u>	<u>\$ 317,822</u>

Income Taxes - WAMC is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and follows guidance issued by the Financial Accounting Standards Board regarding accounting for uncertainty in income taxes. The income tax positions taken by WAMC for any years open under the various statutes of limitations are that WAMC continues to be exempt from income taxes.

Estimates and Assumptions - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Assets Held for Sale – WAMC classifies long-lived assets or disposal groups as held for sale in the period when the following conditions have been met:

- There is an approved plan and WAMC commits to a plan to sell the asset or disposal group;
- The asset or disposal group is available for immediate sale in its present condition;
- An active program to locate a buyer and other actions required to complete the plan to sell have been initiated;
- The sale of the asset or disposal group is probable and expected to be complete within one year;
- The asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- Actions necessary to complete the plan indicate that it is unlikely significant changes to the plan will be made or that the plan will be withdrawn.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets Held for Sale – (Continued)

The long-lived asset or disposal group classified as held for sale is initially measured at the lower of its carrying amount or fair value less cost to sell. A loss is recognized for any initial adjustment of the carrying amount of the long-lived asset (disposal group) to its fair value less cost to sell in the period the held-for-sale criteria are met. The fair value less the cost to sell of the long-lived asset (disposal group) is required to be assessed each reporting period it remains classified as held for sale. A subsequent increase or decrease in the long-lived asset's fair value less cost to sell would be reported as an adjustment to its carrying amount, except that the adjusted carrying amount must not exceed the carrying amount of the long-lived asset at the time it was initially classified as held for sale. Gains or losses not previously recognized resulting from the sale of a long-lived asset are recognized on the date of sale. A long-lived asset (or long-lived assets within a disposal group) is not depreciated or amortized when classified as held for sale.

Right of Use Assets and Lease Liabilities – WAMC accounts for leases under Accounting Standards Codification ('ASC') 842, which requires the lessee to recognize a right of use asset and a lease liability, initially measured as the present value of the lease payments at commencement, in its Statement of Financial Position.

In evaluating contracts to determine if they qualify as a lease, the Company considers factors such as if the Company obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about and how, and for what purpose, the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Right of use assets represents the right to use an underlying asset for the lease term and lease liabilities represents the obligation to make lease payments arising from the lease based on the present value of lease payments over the lease term. Lease liabilities do not include lease payments that were not fixed at commencement or lease modification.

Lease terms may include options to extend or terminate leases when it is reasonably certain that WAMC will exercise that option. The exercise of lease renewal options is at WAMC's sole discretion. WAMC uses the rate implicit in the lease or risk-free U.S. Treasury rate as a practical expedient for discounting leases, as applicable.

Subsequent Events - Subsequent events have been evaluated through January 15, 2026, the date the financial statements were available to be issued.

NOTE 2: PLEDGES RECEIVABLE

Pledges receivable include contributions and other commitments from businesses, foundations, and individuals received in connection with WAMC's member fund drives. During the years ended June 30, 2025 and 2024, WAMC completed three member fund drives in each year – in October, February, and June. The timing of the June fund drives is such that \$317,082 and \$252,358 was recognized as pledges receivable at June 30, 2025 and 2024, respectively, with the pledges receivable generally collected in July and August of the following fiscal year.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following:

	June 30	
	2025	2024
Land	\$ 260,651	\$ 1,063,725
Buildings and improvements	2,850,758	4,057,160
Studio and other broadcast equipment	8,929,663	8,889,883
Furniture and office equipment	1,108,090	1,169,645
Transportation equipment	119,341	119,341
	13,268,503	15,299,754
Less accumulated depreciation	10,291,837	10,322,713
Net property and equipment	<u>\$2,976,666</u>	<u>\$4,977,041</u>

Depreciation expense was \$532,934 and \$559,067 for the years ended June 30, 2025 and 2024, respectively.

NOTE 4: INVESTMENTS

WAMC's financial reporting framework provides for a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1 inputs are unadjusted quoted market prices in active markets that are accessible at the measurement date for identical assets.
- Level 2 inputs are inputs (other than quoted prices included in Level 1) that are observable for the asset, either directly or indirectly.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

An asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to its fair value measurement. Valuation techniques used are designed to maximize the use of observable inputs and minimize the use of unobservable inputs.

A description of the valuation methodologies consistently used for investments are as follows:

Equity Securities, Money Market Funds and Mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded and classified as level one investments in the fair value hierarchy.

Other Funds: Valued utilizing unobservable inputs and classified as level three investments in the fair value hierarchy.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 4: INVESTMENTS (Continued)

The following table sets forth WAMC's investments:

	June 30, 2025			June 30, 2024		
	Fair Market	Cost Basis	Unrealized Gain (Loss)	Fair Market	Cost Basis	Unrealized Gain (Loss)
Money Market Funds	\$ 3,045,964	\$ 3,045,964	\$ -	\$ 1,705,942	\$ 1,705,942	\$ -
Equity Securities	264,536	190,585	73,951	737,156	506,001	231,155
Equity Mutual Funds	44,469	31,233	13,236	348,497	289,216	59,281
Debt Security Mutual Funds	14,157	15,130	(973)	403,042	452,719	(49,677)
Other Mutual Funds	12,228	15,776	(3,548)	78,416	76,293	2,123
Other Funds	25,401	25,244	157	-	-	-
	<u>\$ 3,406,755</u>	<u>\$ 3,323,932</u>	<u>\$ 82,823</u>	<u>\$ 3,273,053</u>	<u>\$ 3,030,171</u>	<u>\$ 242,882</u>

Realized and unrealized net gains on investment transactions, as presented in the Statements of Activities, are comprised of the following:

	Year Ended June 30	
	2025	2024
Realized gain	\$ 40,724	\$ 33,085
Unrealized (loss) gain	26,995	161,871
Net gain	<u>\$ 67,719</u>	<u>\$ 194,956</u>

Investments are exposed to a variety of market uncertainties, including interest rate and credit risks. The level of risk is such that it is possible that changes in the values of investments could occur in the near term and such changes could materially affect the future amounts reported in the financial statements.

NOTE 5: LINE OF CREDIT BORROWINGS

WAMC is a party to a 2017 revolving line of credit agreement with NBT Bank. Under the agreement, WAMC has available a \$500,000 line of credit, collateralized by all business assets. The agreement provides for borrowings at the prime lending rate (7.50% at June 30, 2025).

WAMC also maintains two fixed asset lines of credit that have been approved and committed by NBT Bank, one in the amount of \$1,000,000 and a second in the amount of \$200,000. The specific terms of these lines would be negotiated if WAMC were to draw on them.

There were no borrowings under these credit facilities during the years ended June 30, 2025 and 2024.

NOTE 6: RIGHT OF USE ASSETS AND OPERATING LEASE LIABILITIES

WAMC has operating agreements for towers and equipment used in operations. WAMC determines whether a contract is a lease at inception. Identified leases are subsequently measured, classified, and recognized at lease commencement.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 6: RIGHT OF USE ASSETS AND OPERATING LEASE LIABILITIES (Continued)

WAMC classifies leases with contractual terms longer than twelve months as either operating or finance. As of June 30, 2025, the leases have remaining lease terms through 2038. Some of the operating leases contain renewal options that are reasonably certain to be exercised and are therefore included in the lease term. Generally, WAMC does not consider any additional renewal periods to be reasonably certain of being exercised, if comparable locations could generally be identified within the same areas for comparable lease rates.

Right of use assets and lease liabilities for operating leases are included in Right of use assets and Operating leases liabilities (current and noncurrent), respectively, in the Statements of Financial Position. As of June 30, 2025 and 2024, WAMC has no additional operating or finance leases, that have not yet commenced.

The components of lease cost were as follows:

	Year Ended June 30	
	2025	2024
Operating Lease Cost	<u>\$ 428,906</u>	<u>\$ 403,156</u>

Supplemental cash flow information related to leases was as follows:

	Year Ended June 30	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities for operating leases	<u>\$ 422,544</u>	<u>\$ 396,611</u>

Maturities of lease liabilities are estimated as follows:

Year Ending June 30, 2025	Operating
2026	\$ 383,541
2027	343,423
2028	341,069
2029	316,231
2030	311,413
Thereafter	<u>1,754,510</u>
Total undiscounted cash flows	<u>\$ 3,450,187</u>
Less: present value discount	<u>(545,090)</u>
Total	<u><u>\$ 2,905,097</u></u>

Weighted-average remaining lease term and discount rate for operating leases were as follows:

	June 30	
	2025	2024
Weighted Average Remaining Lease Term (in years)		
Operating leases	9.80	10.58
Weighted Average Discount Rate		
Operating leases	3.46%	3.19%

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 6: RIGHT OF USE ASSETS AND OPERATING LEASE LIABILITIES (Continued)

WAMC subleases a portion of tower space. The components of lease income for the years ended June 30, are as follows:

	<u>2025</u>	<u>2024</u>
Operating Lease Income	\$ 123,010	\$ 121,947

The following is a schedule of future minimum rental income under existing subleases that have terms of one year or more at June 30, 2025:

2025	\$20,427
2026	12,942
2027	<u>8,628</u>
Total	<u><u>\$41,997</u></u>

NOTE 7: ASSETS HELD FOR SALE

WAMC listed the performing arts studio and related assets for sale during the year ended June 30, 2025. The following table summarizes the carry value of the assets classified as held for sale as of June 30, 2025:

Land	\$ 803,074
Buildings and improvements	673,715
Furniture and office equipment	<u>36,259</u>
Total assets	1,513,048
Fair value adjustment	<u>(374,009)</u>
Net property and equipment	<u><u>\$ 1,139,039</u></u>

Upon classification as held for sale, WAMC recognized a loss of \$374,009 as the difference between the estimated fair value/sale price of \$1,198,988 less estimated costs to sell of \$59,949 and the carrying value of the assets.

NOTE 8: RETIREMENT PLAN

WAMC sponsors a defined contribution retirement plan administered by TIAA-CREF, which covers all full-time employees. The plan provides for an employer match of employee elective deferrals up to 3.5% of salary. Retirement expense for the years ended June 30, 2025 and 2024 was approximately \$83,400 and \$82,100, respectively. Participant plan contributions are made on a tax-deferred basis in accordance with Section 403(b) of the Internal Revenue Code.

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 9: NET ASSETS

Net assets without donor restriction are comprised of the following:

	June 30	
	2025	2024
Board Designated First Amendment Fund	\$ 1,297,572	\$ 1,266,989
Board Designated Capital Improvement and Acquisition Fund	-	1,572,467
Net assets without donor restriction	<u>7,863,355</u>	<u>6,794,779</u>
Total net assets without donor restriction	<u>\$ 9,160,927</u>	<u>\$ 9,634,235</u>

In 2005, WAMC's Board of Trustees established the First Amendment Fund to promote and preserve the First Amendment, and the right of free speech that it guarantees, by providing a source of funding to support WAMC if special situations or needs should arise. Use of the First Amendment Fund is at the discretion of the Board of Trustees and, as such, the net assets in this Fund are classified as net assets without donor restriction – board designated.

In 2021, the Board of Trustees established the Capital Improvement and Acquisition Fund to fund future capital improvements and acquisitions. Use of the Capital Improvement and Acquisition Fund is at the discretion of the Board of Trustees and, as such, the net assets in this Fund are classified as net assets without donor restriction – board designated. During the year ended June 30, 2025, the Board of Trustees released the restriction and the assets in the Capital Improvement and Acquisition Fund are now available for operations.

NOTE 10: DEFERRED GIVING ARRANGEMENTS

WAMC enters into deferred giving agreements with donors to accept and administer various charitable gift annuities. WAMC manages and invests these assets until the agreement expires and the assets are distributed. Split-interest agreements provide for payments to the donors or their beneficiaries based upon either the income earned on related investments or specified annuity amounts. Assets held under these arrangements approximated \$335,000 and \$312,000 at June 30, 2025 and 2024, respectively, and are reported as a component of Investments in the accompanying Statements of Financial Position (see Note 4).

Contribution revenue is recognized at the date a trust or annuity contract is established after recording liabilities for the present value of the estimated future payments expected to be made to donors and/or other beneficiaries. The liabilities for these arrangements, which approximated \$25,300 and \$33,100 at June 30, 2025 and 2024, respectively, are adjusted annually for amortization of the discount and other changes in the estimate of future payments. Such liabilities are reported as a component of Other Current Liabilities in the accompanying Statements of Financial Position.

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NOTE 11: LIQUIDITY AND AVAILABILITY

WAMC's significant financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 1,649,704
Pledges receivable	317,082
Underwriting and other receivables	301,959
Investments	<u>3,406,755</u>
Net assets available for general expenditures	<u>\$ 5,675,500</u>

WAMC also has \$500,000 available under a line of credit at June 30, 2025. (See Note 5.)

Subsequent to year end, the Corporation for Public Broadcasting Board of Directors voted to dissolve the entity following the elimination of its funding by Congress. As such, WAMC will no longer receive grant funds from the CPB. To make up for the lost revenue WAMC plans to increase its fundraising activities.

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NOTE 12: FUNCTIONAL CLASSIFICATION OF EXPENSES

WAMC's functional expenses for the year ended June 30, 2025 are as follows:

	Program Services				Supporting Services		June 30, 2025 Totals
	Programming and Production	Broadcasting	Program Information	Total Program Services	Fund Raising	Management and General	
Salaries	\$ 1,385,599	\$ 374,865	\$ 135,285	\$ 1,895,749	\$ 1,006,095	\$ 557,543	\$ 3,459,387
Other payroll related	296,666	93,480	18,508	408,654	220,876	62,628	692,158
Professional and consulting services	5,950	1,291	204	7,445	10,457	84,374	102,276
Office supplies	4,132	789	392	5,313	7,058	26,229	38,600
Telephone	37,774	37,500	382	75,656	15,517	3,046	94,219
Rentals	30,083	500,550	-	530,633	3,006	18,839	552,478
Building supplies	-	-	-	-	-	8,661	8,661
Travel	30,352	3,350	197	33,899	23,328	11,247	68,474
Program acquisition and production costs	1,430,151	32,400	14,989	1,477,540	-	-	1,477,540
Printing and publications	14,112	-	35,978	50,090	39,679	14,276	104,045
Utilities	37,079	194,490	-	231,569	-	56,763	288,332
Insurance	64,938	46,907	11,905	123,750	15,458	31,745	170,953
Depreciation	36,239	305,904	-	342,143	-	190,791	532,934
Postage and shipping	96	43	125	264	71,265	7,161	78,690
Premiums	-	-	-	-	106,611	-	106,611
Repairs and maintenance	69,623	17,462	3,512	90,597	9,526	117,768	217,891
Dues and subscriptions	27,751	5,042	3,596	36,389	19,948	5,678	62,015
Computer networking	15,393	5,957	20,258	41,608	15,304	12,917	69,829
Credit card fees	-	-	-	-	142,821	20,248	163,069
Other	27,955	5,301	9,516	42,772	67,457	25,154	135,383
	<u>\$ 3,513,893</u>	<u>\$ 1,625,331</u>	<u>\$ 254,847</u>	<u>\$ 5,394,071</u>	<u>\$ 1,774,406</u>	<u>\$ 1,255,068</u>	<u>\$ 8,423,545</u>

WAMC
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 12: FUNCTIONAL CLASSIFICATION OF EXPENSES (Continued)

WAMC's functional expenses for the year ended June 30, 2024 are as follows:

	Program Services				Supporting Services		
	Programming and Production	Broadcasting	Program Information	Total Program Services	Fund Raising	Management and General	June 30, 2024 Totals
Salaries	\$ 1,399,278	\$ 372,091	\$ 92,369	\$ 1,863,738	\$ 1,129,342	\$ 263,011	\$ 3,256,091
Other payroll related	287,148	89,284	17,068	393,500	222,377	56,960	672,837
Professional and consulting services	3,946	11,712	-	15,658	4,240	131,775	151,673
Office supplies	9,612	5,983	112	15,707	10,751	28,044	54,502
Telephone	34,363	22,826	366	57,555	14,781	13,794	86,130
Rentals	29,230	465,464	-	494,694	-	14,417	509,111
Building supplies	-	100	-	100	-	8,242	8,342
Travel	34,479	5,089	245	39,813	14,478	7,869	62,160
Program acquisition and production costs	1,505,951	32,400	15,317	1,553,668	-	-	1,553,668
Printing and publications	35,271	-	43,394	78,665	44,207	525	123,397
Utilities	41,886	169,687	-	211,573	-	51,963	263,536
Insurance	68,880	43,041	10,945	122,866	15,157	30,471	168,494
Depreciation	38,328	318,388	-	356,716	-	202,351	559,067
Postage and shipping	334	392	62	788	52,388	8,150	61,326
Premiums	-	-	-	-	75,118	-	75,118
Repairs and maintenance	52,181	26,301	410	78,892	10,874	106,665	196,431
Dues and subscriptions	39,294	4,441	3,568	47,303	20,848	6,196	74,347
Computer networking	17,675	5,824	14,532	38,031	17,472	12,672	68,175
Credit card fees	-	-	-	-	92,442	19,872	112,314
Other	15,215	4,873	7,933	28,021	40,359	16,988	85,368
	\$ 3,613,071	\$ 1,577,896	\$ 206,321	\$ 5,397,288	\$ 1,764,834	\$ 979,965	\$ 8,142,087

Certain functional expenses, including salaries and other payroll related expenses, are allocated by management utilizing an allocation methodology based on estimated time worked by personnel in each category. All remaining expenses are reported to each program and support function based on actual expense incurred.