

**WVIK-FM RADIO
A PUBLIC BROADCAST STATION
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**



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**WVIK-FM RADIO
A PUBLIC BROADCAST STATION
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INDEPENDENT AUDITORS' REPORT

Board of Directors
WVIK-FM Radio
Augustana College
Rock Island, Illinois

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of WVIK-FM Radio (WVIK), 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 WVIK-FM Radio 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 (GAAS). Our responsibilities 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 WVIK-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 were prepared for the purpose of complying with the financial reporting provisions of the State of Illinois and are not intended to be a complete presentation of Augustana College's assets, liabilities, revenues, or expenses. Our opinion is not modified with respect to this 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 WVIK-FM Radio's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 GAAS, 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 WVIK-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 WVIK-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.



CliftonLarsonAllen LLP

Cedar Rapids, Iowa
October 9, 2025

WVIK-FM RADIO
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025

	Without Donor Restriction					
	Operating Funds	Board-Designated	Plant Funds	Total	With Donor Restriction	Total
ASSETS						
Cash	\$ 198,611	\$ -	\$ -	\$ 198,611	\$ -	\$ 198,611
Cash Surrender Value of Life Insurance	10,707	-	-	10,707	-	10,707
Beneficial Interest in Augustana College Investment Pool	-	326,471	-	326,471	148,156	474,627
Contributions Receivable, Net	-	-	-	-	785	785
Grant Receivable	71,875	-	-	71,875	-	71,875
Other Assets	28,152	-	-	28,152	-	28,152
Interfund (Payable) Receivable	(86,429)	(192,422)	278,851	-	-	-
Right-of-Use Asset - Operating	21,169	-	-	21,169	-	21,169
Broadcasting Equipment, Net	-	-	246,595	246,595	-	246,595
Total Assets	<u>\$ 244,085</u>	<u>\$ 134,049</u>	<u>\$ 525,446</u>	<u>\$ 903,580</u>	<u>\$ 148,941</u>	<u>\$ 1,052,521</u>
LIABILITIES AND NET ASSETS						
LIABILITIES						
Due to (from) Augustana College	\$ 1,261,718	\$ (192,422)	\$ 69,981	\$ 1,139,277	\$ (5,527)	\$ 1,133,750
Lease Liability - Operating	21,169	-	-	21,169	-	21,169
Accrued Expenses	41,551	-	-	41,551	-	41,551
Total Liabilities	<u>1,324,438</u>	<u>(192,422)</u>	<u>69,981</u>	<u>1,201,997</u>	<u>(5,527)</u>	<u>1,196,470</u>
NET ASSETS (DEFICIT)						
Without Donor Restriction	(1,080,353)	326,471	455,465	(298,417)	-	(298,417)
With Donor Restriction	-	-	-	-	154,468	154,468
Total Net Assets (Deficit)	<u>(1,080,353)</u>	<u>326,471</u>	<u>455,465</u>	<u>(298,417)</u>	<u>154,468</u>	<u>(143,949)</u>
Total Liabilities and Net Assets	<u>\$ 244,085</u>	<u>\$ 134,049</u>	<u>\$ 525,446</u>	<u>\$ 903,580</u>	<u>\$ 148,941</u>	<u>\$ 1,052,521</u>

See accompanying Notes to Financial Statements.

WVIK-FM RADIO
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024

	Without Donor Restriction				With Donor Restriction	Total
	Operating Funds	Board- Designated	Plant Funds	Total		
ASSETS						
Cash	\$ 269,266	\$ -	\$ -	\$ 269,266	\$ -	\$ 269,266
Cash Surrender Value of Life Insurance	10,533	-	-	10,533	-	10,533
Beneficial Interest in Augustana College Investment Pool	-	291,126	-	291,126	148,156	439,282
Contributions Receivable, Net	-	-	-	-	1,058	1,058
Grant Receivable	20,190	-	-	20,190	-	20,190
Other Assets	27,600	-	-	27,600	-	27,600
Interfund (Payable) Receivable	(50,632)	(172,898)	223,530	-	-	-
Construction in Progress	-	-	-	-	-	-
Broadcasting Equipment, Net	-	-	301,916	301,916	-	301,916
Total Assets	<u>\$ 276,957</u>	<u>\$ 118,228</u>	<u>\$ 525,446</u>	<u>\$ 920,631</u>	<u>\$ 149,214</u>	<u>\$ 1,069,845</u>
LIABILITIES AND NET ASSETS						
LIABILITIES						
Due to (from) Augustana College	\$ 1,062,259	\$ (172,898)	\$ 69,981	\$ 959,342	\$ (18,501)	\$ 940,841
Accrued Expenses	97,587	-	-	97,587	-	97,587
Total Liabilities	1,159,846	(172,898)	69,981	1,056,929	(18,501)	1,038,428
NET ASSETS (DEFICIT)						
Without Donor Restriction	(882,889)	291,126	455,465	(136,298)	-	(136,298)
With Donor Restriction	-	-	-	-	167,715	167,715
Total Net Assets (Deficit)	<u>(882,889)</u>	<u>291,126</u>	<u>455,465</u>	<u>(136,298)</u>	<u>167,715</u>	<u>31,417</u>
Total Liabilities and Net Assets	<u>\$ 276,957</u>	<u>\$ 118,228</u>	<u>\$ 525,446</u>	<u>\$ 920,631</u>	<u>\$ 149,214</u>	<u>\$ 1,069,845</u>

See accompanying Notes to Financial Statements.

WVIK-FM RADIO
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restriction				With Donor Restriction	Total
	Operating Funds	Board-Designated	Plant Funds	Total		
REVENUE						
Contributions	\$ 803,198	\$ -	\$ -	\$ 803,198	\$ (273)	\$ 802,925
Illinois State Library Grants for Augustana Public Radio Information Service	73,974	-	-	73,974	-	73,974
Community Service Grants and Project Grants						
from Corporation for Public Broadcasting	106,522	-	-	106,522	41,056	147,578
Gain on Forgiveness of Debt	-	-	-	-	-	-
Other Income	34,059	-	-	34,059	-	34,059
Investment Income	-	-	-	-	35,345	35,345
Appropriation of Endowment Assets for Expenditure	-	35,345	-	35,345	(35,345)	-
Net Assets Released from Restriction	54,030	-	-	54,030	(54,030)	-
Total Revenue	1,071,783	35,345	-	1,107,128	(13,247)	1,093,881
EXPENSES						
Program Services:						
Programming and Production	670,012	-	-	670,012	-	670,012
Broadcasting	129,799	-	55,321	185,120	-	185,120
Program Information and Promotion	28,562	-	-	28,562	-	28,562
Total Program Services	828,373	-	55,321	883,694	-	883,694
Support Services:						
Fundraising and Membership Development	259,777	-	-	259,777	-	259,777
Management and General	462,985	-	-	462,985	-	462,985
Underwriting and Grant Solicitation	85,535	-	-	85,535	-	85,535
Total Supporting Services	808,297	-	-	808,297	-	808,297
Total Expenses	1,636,670	-	55,321	1,691,991	-	1,691,991
Transfers Among Funds	(55,321)	-	(55,321)	-	-	-
CHANGE IN NET ASSETS BEFORE EQUITY TRANSFER	(620,208)	35,345	-	(584,863)	(13,247)	(598,110)
Equity Transfer - Donated Services from Affiliate	422,744	-	-	422,744	-	422,744
CHANGE IN NET ASSETS	(197,464)	35,345	-	(162,119)	(13,247)	(175,366)
Net Assets (Deficit) - Beginning of Year	(882,889)	291,126	455,465	(136,298)	167,715	31,417
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ (1,080,353)</u>	<u>\$ 326,471</u>	<u>\$ 455,465</u>	<u>\$ (298,417)</u>	<u>\$ 154,468</u>	<u>\$ (143,949)</u>

See accompanying Notes to Financial Statements.

WVIK-FM RADIO
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restriction			With Donor Restriction	Total
	Operating Funds	Board-Designated	Plant Funds		
			Total		
REVENUE					
Contributions	\$ 727,823	\$ -	\$ -	\$ 727,823	\$ 948,829
Illinois State Library Grants for Augustana Public Radio Information Service	80,365	-	-	-	80,365
Community Service Grants and Project Grants					
from Corporation for Public Broadcasting	101,085	-	-	36,110	137,195
Gain on Forgiveness of Debt	-	-	-	-	-
Other Income	33,050	-	-	-	33,050
Investment Income	-	-	-	29,467	29,467
Appropriation of Endowment Assets for Expenditure	-	29,467	-	(29,467)	-
Net Assets Released from Restriction	240,109	-	-	(240,109)	-
Total Revenue	1,182,432	29,467	-	17,007	1,228,906
EXPENSES					
Program Services:					
Programming and Production	588,890	-	-	-	588,890
Broadcasting	145,771	-	58,451	-	204,222
Program Information and Promotion	36,096	-	-	-	36,096
Total Program Services	770,757	-	58,451	-	829,208
Support Services:					
Fundraising and Membership Development	267,257	-	-	-	267,257
Management and General	490,162	-	-	-	490,162
Underwriting and Grant Solicitation	106,298	-	-	-	106,298
Total Supporting Services	863,717	-	-	-	863,717
Total Expenses	1,634,474	-	58,451	-	1,692,925
Transfers Among Funds	(58,451)	-	(58,451)	-	-
CHANGE IN NET ASSETS BEFORE EQUITY TRANSFER	(510,493)	29,467	-	17,007	(464,019)
Equity Transfer - Donated Services from Affiliate	420,272	-	-	-	420,272
CHANGE IN NET ASSETS	(90,221)	29,467	-	17,007	(43,747)
Net Assets (Deficit) - Beginning of Year	(792,668)	261,659	455,465	150,708	75,164
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ (882,889)</u>	<u>\$ 291,126</u>	<u>\$ 455,465</u>	<u>\$ 167,715</u>	<u>\$ 31,417</u>

See accompanying Notes to Financial Statements.

WVIK-FM RADIO
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (175,366)	\$ (43,747)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	55,321	58,451
Increase in Cash Surrender Value on Life Insurance	(174)	(176)
Change in Value of Beneficial Interest in Augustana		
College Investment Pool	(35,345)	(29,467)
Changes in Assets and Liabilities:		
Grants Receivable	(51,685)	(12,296)
Contributions Receivable	273	1,494
Other Assets	(552)	(549)
Due to Augustana College	192,909	177,638
Accrued Expenses	<u>(56,036)</u>	<u>17,309</u>
Net Cash Provided (Used) by Operating Activities	(70,655)	168,657
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Broadcasting Equipment	<u>-</u>	<u>(45,669)</u>
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(45,669)</u>
NET CHANGE IN CASH	(70,655)	122,988
Cash - Beginning of Year	<u>269,266</u>	<u>146,278</u>
CASH - END OF YEAR	<u><u>\$ 198,611</u></u>	<u><u>\$ 269,266</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Donated Services from Affiliate	<u><u>\$ 422,744</u></u>	<u><u>\$ 420,272</u></u>

See accompanying Notes to Financial Statements.

**WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

WVIK-FM Radio (WVIK) is a department of, and is operated by, Augustana College (College), Rock Island, Illinois. These financial statements are prepared for the purpose of complying with the financial reporting provisions of the Corporation for Public Broadcasting and are not intended to be a complete presentation of the College's assets, liabilities, revenues, or expenses.

Accounting 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

General

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on WVIK as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets – with donor restriction and without donor restriction.

Net Assets With Donor Restriction

Net assets subject to donor-imposed stipulations that will be met by actions of WVIK and/or the passage of time. These net assets are solicited for WVIK's operations and property and equipment purchases and are released from restriction as the funds are expended for their intended purpose or the requested time has passed. Net assets may be subject to donor-imposed stipulations that must be maintained perpetually. Generally, the donors of these assets permit the College to use all or part of the income earned on the related investments for general purposes of WVIK.

Net Assets Without Donor Restriction

Net assets not subject to donor-imposed stipulations. Certain net assets without donor restriction are designated by the College's board of trustees and management for internal purposes.

Beneficial Interest in Augustana College Investment Pool

The College maintains an endowment fund that is restricted in use to WVIK.

Grants Receivable

Grants receivable consist of contract and other receivables. Grants receivable do not have an amount recorded as an allowance for doubtful grants, as these are one-year grants and are expected to be collected.

**WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Right-of-Use Assets

WVIK determines if an arrangement is a lease at inception. Operating leases are included in right-of-use asset – operating and lease liability – operating in the statements of financial position. As of June 30, 2025 and 2024, WVIK did not have any financing leases.

Right-of-use (ROU) assets represent WVIK's right to use an underlying asset for the lease term and lease liabilities represent WVIK's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that WVIK will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. WVIK has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right-of-use assets on the statements of financial position.

Broadcasting Equipment

Broadcasting equipment is carried at cost. Depreciation on the equipment is computed by the straight-line method using the half-year convention over the estimated useful lives of the assets. Equipment is a single item of tangible real or personal property with an individual unit cost of at least \$5,000 and a useful life clearly in excess of two full years. Long-lived assets, such as building and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management believes that currently there is no impairment of the long-lived assets.

Revenue Recognition

Revenue is reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Grant revenue is recognized as the related expenses are incurred. Expirations of net assets with donor restriction not invested in perpetuity (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported in the statements of activities as net assets released from restrictions.

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date received. Contributions to be received after one year are discounted to the present value of future cash flows, at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution and nature of fundraising activity.

WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Income Tax Status

The College is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and, therefore, is not subject to tax under present income tax laws.

No provision has been made for income taxes in the accompanying financial statements, as WVIK had no significant unrelated business income. If WVIK were to incur interest or penalties related to unrecognized tax benefits, these expenses would be recognized in interest and income tax expense, respectively. WVIK had no amounts accrued for interest or penalties as of June 30, 2025 and 2024. Because WVIK is a department of the College, its activities are included on the College's tax return. The College has not been examined by any tax jurisdiction.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses for the years ended June 30, 2025 and 2024 were \$92,397 and \$94,757, respectively.

Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to June 30, 2025, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended June 30, 2025. Management has performed their analysis through October 9, 2025, the date the financial statements were available to be issued.

NOTE 2 CONTRIBUTIONS RECEIVABLE

Unconditional promises are included in the financial statements as contributions receivable and revenue of the appropriate net asset category.

Unconditional promises are expected to be realized as follows:

	2025	2024
Due in One Year or Less	\$ 785	\$ 1,058
Due in One to Three Years	-	-
Total	785	1,058
Less: Allowance	-	-
Total	<u>\$ 785</u>	<u>\$ 1,058</u>

WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 3 BROADCASTING EQUIPMENT

Broadcasting equipment is reflected at cost and consists of the following at June 30:

	2025	2024
Equipment	\$ 1,007,881	\$ 1,007,881
Accumulated Depreciation	(761,286)	(705,965)
Total	<u>\$ 246,595</u>	<u>\$ 301,916</u>

Depreciation expense for the years ended June 30, 2025 and 2024 was \$55,321 and \$58,451, respectively.

NOTE 4 FAIR VALUE MEASUREMENTS

Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value measurement accounting standards require the use of valuation techniques that are consistent with the market approach, the income approach, and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, the accounting standards establish a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The fair value hierarchy is as follows:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Beneficial Interest in Augustana College Investment Pool

The value of the beneficial interest is based upon the number of units invested in Augustana College's pooled endowment fund. The College provides the fair value of the pooled endowment fund. For alternative investments, the College generally uses the net asset value (NAV) of the investment to determine the fair value of these investments (market approach). WVIK has the ability to redeem their investment in the College's pooled endowment fund on a quarterly basis. This is at the discretion of the College and the related redemption periods of the underlying investments of the College Endowment Fund which are for varying periods of up to a year. The investment objective of the College's pooled endowment fund is to maintain appropriate diversification among equity, fixed income and alternative investment allocations. The purpose is to moderate the overall investment risk of the pooled endowment fund. As of June 30, 2025 and 2024, there were no unfunded capital commitments.

Assets Recorded at Fair Value on a Recurring Basis

The following table summarizes assets measured at fair value on a recurring basis as of June 30, 2025 and 2024, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Observable Inputs Level 3	NAV	Total
<u>June 30, 2025</u>					
Assets:					
Beneficial Interest in Augustana College Investment Pool	\$ -	\$ -	\$ -	\$ 474,627	\$ 474,627
<u>June 30, 2024</u>					
Assets:					
Beneficial Interest in Augustana College Investment Pool	\$ -	\$ -	\$ -	\$ 439,282	\$ 439,282

NOTE 5 ALLOCATION OF COSTS

Costs related to the donated facilities are allocated by Augustana College based on a percentage of the square footage occupied by WVIK. Administrative costs are also allocated based on a percentage of WVIK direct expenditures to a similar total of the College's expenditures, exclusive of capital outlays. The costs related to the donated facilities and administrative costs allocated to WVIK totaled \$422,744 and \$420,272 for the years ended June 30, 2025 and 2024, respectively.

WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 6 LEASES

WVIK has agreements for tower and transmitter space in Moline. In 2019, WVIK negotiated and entered into an agreement to rent tower space for our newest signal 105.7 FM in Moline, IL. The Moline tower space is leased from Black Hawk College beginning in September 2019. This lease was extended through May 31, 2027. The total annual minimum rental commitment is based upon the current rate charged for on-air acknowledgement, subject to market demand as WVIK makes payment for this space in trade for on-air acknowledgement. This contract is not considered a lease under Topic 842. The total expense under these agreements for the years ended June 30, 2025 and 2024 was \$65,368 and \$61,333, respectively.

The following table provides quantitative information concerning WVIK's leases:

	<u>2025</u>	<u>2024</u>
Operating Lease Cost	\$ 4,000	\$ -
Other Information:		
Operating Cash Flows from Operating Leases	\$ 4,000	\$ -
Weighted-Average Remaining Lease Term - Operating Lease	5.44 Years	N/A
Weighted-Average Discount Rate - Operating Leases	1.48%	N/A

Future commitments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2026	\$ 4,000
2027	4,000
2028	4,000
2029	4,000
2030	4,000
Thereafter	2,000
Total	22,000
Less: Interest	(831)
Total Lease Liability	<u>\$ 21,169</u>

WVIK-FM RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 7 FUNCTIONAL EXPENSES

Expenses incurred during the years ended June 30 were for:

	Program Services				Support Services				
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Services	Fundraising and Membership Development	Management and General	Underwriting and Grant Solicitation	Total Support Services	Total
<u>2025</u>									
Salaries and Benefits	\$ 320,402	\$ 187	\$ 26,176	\$ 346,765	\$ 65,028	\$ 74,069	\$ 74,353	\$ 213,450	\$ 560,215
Programming	151,513	-	-	151,513	-	-	-	-	151,513
Professional Services	2,000	28,286	-	30,286	-	17,968	-	17,968	48,254
Occupancy	-	-	-	-	-	10,586	-	10,586	10,586
Rental and Maintenance	-	89,662	-	89,662	355	2,070	9,787	12,212	101,874
Advertising	-	-	2,386	2,386	90,011	-	-	90,011	92,397
Printing, Publication, and Graphics	-	-	-	-	316	-	-	316	316
Office Supplies	12,883	11,355	-	24,238	24,149	6,918	1,395	32,462	56,700
Postage and Shipping	-	-	-	-	3,824	-	-	3,824	3,824
Travel	245	-	-	245	-	634	-	634	879
Meeting, Events, and Membership	182,969	309	-	183,278	-	4,090	-	4,090	187,368
Depreciation	-	55,321	-	55,321	-	-	-	-	55,321
Subtotal	670,012	185,120	28,562	883,694	183,683	116,335	85,535	385,553	1,269,247
Donated Facilities and Administrative Support	-	-	-	-	76,094	346,650	-	422,744	422,744
Total	<u>\$ 670,012</u>	<u>\$ 185,120</u>	<u>\$ 28,562</u>	<u>\$ 883,694</u>	<u>\$ 259,777</u>	<u>\$ 462,985</u>	<u>\$ 85,535</u>	<u>\$ 808,297</u>	<u>\$ 1,691,991</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 7 FUNCTIONAL EXPENSES (CONTINUED)

	Program Services				Support Services				
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Services	Fundraising and Membership Development	Management and General	Underwriting and Grant Solicitation	Total Support Services	Total
<u>2024</u>									
Salaries and Benefits	\$ 285,879	\$ 900	\$ 25,509	\$ 312,288	\$ 67,532	\$ 79,953	\$ 96,532	\$ 244,017	\$ 556,305
Programming	91,578	-	-	91,578	-	-	-	-	91,578
Professional Services	500	40,313	-	40,813	9,088	42,158	-	51,246	92,059
Occupancy	-	-	-	-	-	11,362	-	11,362	11,362
Rental and Maintenance	-	88,206	-	88,206	-	7,490	7,987	15,477	103,683
Advertising	-	-	10,587	10,587	84,170	-	-	84,170	94,757
Printing, Publication, and Graphics	-	-	-	-	2,830	-	-	2,830	2,830
Office Supplies	13,667	5,037	-	18,704	21,692	528	1,147	23,367	42,071
Postage and Shipping	-	-	-	-	3,496	-	-	3,496	3,496
Travel	-	-	-	-	-	968	-	968	968
Meeting, Events, and Membership	197,266	11,315	-	208,581	2,800	3,080	632	6,512	215,093
Depreciation	-	58,451	-	58,451	-	-	-	-	58,451
Subtotal	<u>588,890</u>	<u>204,222</u>	<u>36,096</u>	<u>829,208</u>	<u>191,608</u>	<u>145,539</u>	<u>106,298</u>	<u>443,445</u>	<u>1,272,653</u>
Donated Facilities and Administrative Support	-	-	-	-	75,649	344,623	-	420,272	420,272
Total	<u>\$ 588,890</u>	<u>\$ 204,222</u>	<u>\$ 36,096</u>	<u>\$ 829,208</u>	<u>\$ 267,257</u>	<u>\$ 490,162</u>	<u>\$ 106,298</u>	<u>\$ 863,717</u>	<u>\$ 1,692,925</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 8 ENDOWMENT FUND AND NET ASSET CLASSIFICATIONS

The WVIK endowment fund consists of various donor restricted and without donor restricted (or quasi-endowment) endowment funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

WVIK has interpreted the Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, WVIK classifies as net assets with donor restriction invested in perpetuity (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, (d) the present value of estimated future receipts for beneficial interest in Augustana College investment pool and (e) subsequent changes in the value of WVIK's share of trust assets in Augustana College investment pool. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restriction invested in perpetuity is classified as net assets with donor restriction not invested in perpetuity until those amounts are appropriated for expenditure by WVIK in a manner consistent with the standard of prudence prescribed by the state of Illinois in its enacted version of UPMIFA. In accordance with UPMIFA, WVIK considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the endowment fund; (2) the purposes of WVIK and the donor-restricted endowment fund; (3) general economic conditions; (4) the possible effect of inflation and deflation; (5) the expected total return from income and the appreciation of investments; (6) other resources of WVIK; and (7) the investment policies of WVIK.

The College has adopted investment and spending policies for its endowment fund. The objective of these policies is to provide WVIK with a predictable funding stream for its programs while protecting the purchasing power of the endowment fund. The College, through its investment policy, has established a target annualized real (inflation-adjusted) rate of return over the long-term of an amount at least equal to the spending policy in order to avoid loss of purchasing power; the total return during any single measurement period may deviate from the long-term return objective. To satisfy its long-term rate-of-return objective, the College expects to maintain appropriate diversification among equity, fixed income, energy commodities, and alternative investment allocations. The purpose is to moderate the overall investment risk of the endowment fund.

The WVIK portion of the College endowment fund will be used for purposes related to WVIK and will be made at the discretion of the Augustana College President, with recommendations by the WVIK general manager. The amount appropriated, the spending policy, is a board-approved percentage up to 5% applied to the average fair value of the pooled endowment fund assets during the prior 12 quarters.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 8 ENDOWMENT FUND AND NET ASSET CLASSIFICATIONS (CONTINUED)

In cases where the fair value of endowment fund assets fall below the original value of the gifts donated to the perpetual endowment, the board has limited, by policy, the appropriation to no more than 25% of the original value of the gifts donated to perpetual endowment. The board approved spending percentage was 4.5% for the fiscal years ended June 30, 2025 and 2024, respectively. For the years ended June 30, 2025 and 2024, there were no underwater endowment amounts.

Endowment net assets as of June 30 were as follows:

	Without Donor Restriction	With Donor Restriction	Total
<u>2025</u>			
Donor-Restricted Endowment Funds:			
General Institutional Support	\$ -	\$ 148,156	\$ 148,156
Board-Designated Endowment Funds	326,471	-	326,471
Net Assets - End of Year	<u>\$ 326,471</u>	<u>\$ 148,156</u>	<u>\$ 474,627</u>
	Without Donor Restriction	With Donor Restriction	Total
<u>2024</u>			
Donor-Restricted Endowment Funds:			
General Institutional Support	\$ -	\$ 148,156	\$ 148,156
Board-Designated Endowment Funds	291,126	-	291,126
Net Assets - End of Year	<u>\$ 291,126</u>	<u>\$ 148,156</u>	<u>\$ 439,282</u>

The changes in endowment net assets for the years ended June 30 were as follows:

	Without Donor Restriction	With Donor Restriction	Total
<u>2025</u>			
Net Assets - Beginning of Year	\$ 291,126	\$ 148,156	\$ 439,282
Investment Return:			
Investment Income (Loss)	-	35,345	35,345
Gifts	-	-	-
Appropriation of Endowment			
Assets for Expenditure	35,345	(35,345)	-
Recovery of Underwater Endowment	-	-	-
Net Assets - End of Year	<u>\$ 326,471</u>	<u>\$ 148,156</u>	<u>\$ 474,627</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 8 ENDOWMENT FUND AND NET ASSET CLASSIFICATIONS (CONTINUED)

	Without Donor Restriction	With Donor Restriction	Total
<u>2024</u>			
Net Assets - Beginning of Year	\$ 261,659	\$ 148,156	\$ 409,815
Investment Return:			
Investment Income (Loss)	-	29,467	29,467
Gifts	-	-	-
Appropriation of Endowment			
Assets for Expenditure	29,467	(29,467)	-
Net Assets - End of Year	<u>\$ 291,126</u>	<u>\$ 148,156</u>	<u>\$ 439,282</u>

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

With donor restriction net assets not invested in perpetuity consist of the following as of June 30:

	2025	2024
Student Employment	\$ 5,527	\$ 18,501
Restricted for Time	785	1,058
Total With Donor Restrictions not Invested in Perpetuity	<u>\$ 6,312</u>	<u>\$ 19,559</u>

With donor restriction net assets not invested in perpetuity released from restriction during the years ended June 30 are as follows:

	2025	2024
Corporation for Public Broadcasting:		
Community Service Grant	\$ 41,057	\$ 36,110
Personnel and Employment	12,973	203,999
Total	<u>\$ 54,030</u>	<u>\$ 240,109</u>

With donor restriction net assets invested in perpetuity consist of the following as of June 30:

	2025	2024
Beneficial Interest in Augustana College Investment Pool	\$ 148,156	\$ 148,156
Total With Donor Restrictions Invested in Perpetuity	<u>\$ 148,156</u>	<u>\$ 148,156</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 10 RELATED PARTY TRANSACTIONS

WVIK is a unique department of Augustana College. Transactions between WVIK and the College are recorded as receivables and payables as due to/from balances in the statement of financial position. The purpose of these transactions is to assist in funding WVIK operations.

The transactions between WVIK and the College include gifts, investment earnings, unrealized appreciation, and payment of expenses by the College on behalf of WVIK. The due to College balance at June 30, 2025 and 2024 was \$1,133,750 and \$940,841, respectively.

NOTE 11 LIQUIDITY

WVIK routinely monitors liquidity required to meet operational needs and other contractual commitments. WVIK considers all expenditures related to its ongoing activities of program services and support services.

In addition to financial assets available to meet general expenditures, WVIK operates with a balanced budget and anticipates collecting sufficient revenues to cover general expenditures not covered by donor-restricted resources.

WVIK considers various sources of liquidity including cash and cash equivalents and investments. The following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures as of June 30:

	2025	2024
Cash and Cash Equivalents	\$ 198,611	\$ 269,266
Contributions for General Expenditures Due in One Year or Less	785	1,058
Grants and Miscellaneous Receivables	71,875	20,190
Investment Return Allocation Authorized	19,525	18,856
Total	<u>\$ 290,796</u>	<u>\$ 309,370</u>



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