
Detroit Educational Television Foundation

**Financial Report
with Additional Information
June 30, 2019**

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Independent Auditor's Report

To the Members of the Finance and Audit Committee
Detroit Educational Television Foundation

We have audited the accompanying financial statements of Detroit Educational Television Foundation (the "Foundation"), which comprise the balance sheet as of June 30, 2019 and 2018 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Detroit Educational Television Foundation as of June 30, 2019 and 2018 and the results of its changes in net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the financial statements, during 2019, the Foundation adopted the provisions of Accounting Standards Codification (ASC) Topic 958, *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

A handwritten signature in black ink that reads "Plante & Moran, PLLC".

October 8, 2019

Detroit Educational Television Foundation

Balance Sheet

June 30, 2019 and 2018

	2019	2018
Assets		
Current Assets		
Cash and cash equivalents	\$ 3,519,098	\$ 2,917,025
Investments (Note 3)	3,210,277	3,026,426
Receivables - Net of allowances:		
Trade accounts receivable (Note 4)	786,942	1,045,752
Pledges receivable (Note 5)	1,661,302	1,039,455
Inventory	23,208	34,840
Restricted cash - Bond payments (Note 6)	-	305,000
Prepaid expenses and other	210,780	209,015
	<u>9,411,607</u>	<u>8,577,513</u>
Total current assets		
Pledges Receivable - Long term (Note 5)	778,799	452,685
Other Assets - Net (Note 8)	1,084,542	1,202,954
Property and Equipment - Net (Note 9)	<u>12,650,306</u>	<u>12,448,728</u>
	<u>\$ 23,925,254</u>	<u>\$ 22,681,880</u>
Total assets		
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 575,505	\$ 827,074
Accrued liabilities and other (Notes 10 and 11)	993,539	839,153
Current portion of transmitter deferred reimbursement (Note 18)	29,000	-
Current portion of equipment liability (Note 12)	35,366	35,366
Current portion of long-term debt (Note 6)	151,333	113,500
Current portion of long-term liability (Note 8)	<u>150,000</u>	<u>137,500</u>
	<u>1,934,743</u>	<u>1,952,593</u>
Total current liabilities		
Long-term Debt - Net of current portion (Note 6)	2,005,167	2,098,918
Equipment Liability - Net of current portion (Note 12)	247,561	282,927
Transmitter Deferred Reimbursement - Net of current portion (Note 18)	841,238	-
Other Long-term Liabilities - Net of current portion (Note 8)	<u>934,542</u>	<u>1,052,954</u>
	<u>5,963,251</u>	<u>5,387,392</u>
Total liabilities		
Net Assets		
Without donor restrictions:		
Undesignated	13,641,129	13,259,262
Board designated - Quasi endowment (Note 19)	<u>2,342,395</u>	<u>2,235,196</u>
	<u>15,983,524</u>	<u>15,494,458</u>
Total without donor restrictions		
With donor restrictions (Note 16)	<u>1,978,479</u>	<u>1,800,030</u>
	<u>17,962,003</u>	<u>17,294,488</u>
Total net assets		
Total liabilities and net assets	<u>\$ 23,925,254</u>	<u>\$ 22,681,880</u>

Detroit Educational Television Foundation

Statement of Activities and Changes in Net Assets

Years Ended June 30, 2019 and 2018

	2019	2018
Changes in Net Assets without Donor Restrictions		
Revenue, gains, and other support:		
Individual contributions	\$ 9,236,231	\$ 8,673,653
Productions of local and national programs	2,759,745	2,404,130
Corporation for Public Broadcasting grants	2,106,950	2,433,737
Corporate contributions	1,120,074	1,232,470
Foundation contributions	693,890	384,000
Facilities rental	488,094	566,246
Special events	403,589	405,128
Retail product sales	112,441	180,796
Investment income (Note 13)	152,336	170,458
Miscellaneous income	63,956	199,324
Net assets released from restrictions	1,335,637	1,336,153
Total revenue, gains, other support, and net assets released from restrictions	18,472,943	17,986,095
Expenses:		
Program expenses:		
Engagement and outreach	1,067,015	946,641
Production and content creation	4,410,360	4,467,523
Broadcast	5,408,953	5,149,278
Total program expenses	10,886,328	10,563,442
Support services:		
Administration and general	2,742,534	2,745,826
Fundraising	4,355,015	4,505,703
Total expenses	17,983,877	17,814,971
Increase in Net Assets without Donor Restrictions	489,066	171,124
Changes in Net Assets with Donor Restrictions		
Contributions	1,514,086	1,175,317
Net assets released from restrictions	(1,335,637)	(1,336,153)
Increase (Decrease) in Net Assets with Donor Restrictions	178,449	(160,836)
Increase in Net Assets	667,515	10,288
Net Assets - Beginning of year	17,294,488	17,284,200
Net Assets - End of year	\$ 17,962,003	\$ 17,294,488

Detroit Educational Television Foundation

Statement of Functional Expenses

Year Ended June 30, 2019

	Program Services			Total Program Services	Support Services		Total 2019
	Engagement and Outreach	Production and Content Creation	Broadcast		Administration	Fundraising	
Salaries, benefits, taxes	\$ 800,421	\$ 1,925,589	\$ 1,260,253	\$ 3,986,263	\$ 1,697,845	\$ 1,616,047	\$ 7,300,155
Retail product sales	-	84,156	-	84,156	-	-	84,156
Royalties	-	9,284	-	9,284	-	-	9,284
Program acquisition	-	-	2,663,904	2,663,904	-	-	2,663,904
Premium and donor supply	-	-	-	-	-	512,372	512,372
Advertising, outreach, and promotion	-	-	-	-	207,090	42,655	249,745
Purchased services	52,741	1,282,965	446,171	1,781,877	257,310	1,340,373	3,379,560
Technology and data processing	33,045	52,045	31,973	117,063	6,513	237,146	360,722
Occupancy	70,632	331,516	410,615	812,763	75,502	125,920	1,014,185
Maintenance, repairs, and equipment	32,330	184,340	45,986	262,656	33,831	44,067	340,554
Postage and shipping	1,244	1,439	1,577	4,260	76,668	81,775	162,703
Travel	3,561	114,977	11,140	129,678	26,093	23,291	179,062
Staff training and development	8,050	13,841	3,164	25,055	42,200	16,755	84,010
Stationery and supplies	7,189	69,843	6,131	83,163	52,734	34,835	170,732
Currency exchange and bank fees	-	-	-	-	139,209	162,733	301,942
Miscellaneous	2,264	5,463	1,344	9,071	4,651	3,085	16,807
Depreciation and amortization	55,538	334,902	526,695	917,135	122,888	113,961	1,153,984
Total functional expenses	\$ 1,067,015	\$ 4,410,360	\$ 5,408,953	\$ 10,886,328	\$ 2,742,534	\$ 4,355,015	\$ 17,983,877

Detroit Educational Television Foundation

Statement of Functional Expenses

Year Ended June 30, 2018

	Program Services			Total Program Services	Support Services		Total 2018
	Engagement and Outreach	Production and Content Creation	Broadcast		Administration	Fundraising	
Salaries, benefits, and taxes	\$ 679,480	\$ 1,795,501	\$ 1,084,834	\$ 3,559,815	\$ 1,698,116	\$ 1,591,301	\$ 6,849,232
Retail product sales	-	141,452	-	141,452	-	-	141,452
Royalties	-	21,712	-	21,712	-	-	21,712
Program acquisition	-	-	2,578,210	2,578,210	-	-	2,578,210
Premium and donor supply	-	-	-	-	-	527,716	527,716
Advertising, outreach, and promotion	-	-	-	-	159,090	-	159,090
Purchased services	60,306	1,390,623	486,076	1,937,005	214,186	1,509,287	3,660,478
Technology and data processing	7,251	75,671	46,038	128,960	7,230	240,669	376,859
Occupancy	72,520	194,732	536,068	803,320	105,233	125,484	1,034,037
Maintenance, repairs, and equipment	35,147	200,973	47,365	283,485	35,045	45,008	363,538
Postage and shipping	2,912	2,409	2,896	8,217	70,136	97,164	175,517
Travel	2,693	89,622	19,004	111,319	37,169	30,263	178,751
Staff training and development	3,767	13,691	7,832	25,290	150,064	6,349	181,703
Stationery and supplies	6,265	46,151	8,060	60,476	59,136	33,405	153,017
Currency exchange and bank fees	-	-	-	-	118,189	182,332	300,521
Miscellaneous	2,259	84,304	10,336	96,899	8,946	2,889	108,734
Depreciation and amortization	74,041	410,682	322,559	807,282	83,286	113,836	1,004,404
Total functional expenses	\$ 946,641	\$ 4,467,523	\$ 5,149,278	\$ 10,563,442	\$ 2,745,826	\$ 4,505,703	\$ 17,814,971

Detroit Educational Television Foundation

Statement of Cash Flows

Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Increase in net assets	\$ 667,515	\$ 10,288
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation and amortization	1,153,984	1,004,404
Loss (gain) on sale of property and equipment	32,020	(300)
Noncash change in equipment liability	(35,366)	(35,366)
Net realized and unrealized gains on investments	(88,531)	(139,133)
Change in pledge discount	17,885	21,150
Changes in operating assets and liabilities that provided (used) cash:		
Trade accounts receivable	258,810	(373,776)
Pledges receivable	(965,846)	335,865
Inventory	11,632	3,554
Prepaid expenses and other	(1,765)	87,234
Accounts payable	(251,569)	114,961
Accrued liabilities and other	154,386	(120,943)
Net cash provided by operating activities	953,155	907,938
Cash Flows from Investing Activities		
Purchase of property and equipment	(1,180,000)	(250,311)
Proceeds from disposition of property and equipment	-	300
Purchases of investments	(135,190)	(396,532)
Proceeds from sales and maturities of investments	39,870	335,482
Net cash used in investing activities	(1,275,320)	(311,061)
Cash Flows from Financing Activities		
FCC transmitter reimbursement	870,238	-
Payments on debt	(113,500)	(295,000)
Payments on other long-term liabilities	(137,500)	(162,500)
Net cash provided by (used in) financing activities	619,238	(457,500)
Net Increase in Cash and Cash Equivalents	297,073	139,377
Cash and Cash Equivalents - Beginning of year	3,222,025	3,082,648
Cash and Cash Equivalents - End of year	\$ 3,519,098	\$ 3,222,025
Cash and Cash Equivalents are Composed of the Following		
Unrestricted	\$ 3,519,098	\$ 2,917,025
Restricted	-	305,000
Total cash	\$ 3,519,098	\$ 3,222,025
Supplemental Cash Flow Information - Cash paid for interest	\$ 111,148	\$ 37,697

June 30, 2019 and 2018

Note 1 - Nature of Business

Detroit Educational Television Foundation (the "Foundation") is a not-for-profit corporation that is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code, classified as an organization that is not a private foundation and incorporated under the name Detroit Educational Television Foundation. The Foundation also operates under the names DPTV, Detroit Public TV, Channel 56, and WTVS. The Foundation operates two broadcast entities, WTVS Channel 56, a viewer-sponsored television service for southeastern Michigan and Canada, and WRCJ-FM, a classical/jazz FM radio station in Detroit, Michigan. The Foundation receives the majority of its funding from individual, corporate, and foundation contributions.

Note 2 - Significant Accounting Policies

Classification of Net Assets

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Expenses are generally reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

Contribution revenue with donor-imposed restrictions that are met in the same year as received or earned is reported as an increase to net assets without donor restrictions. Contribution revenue with donor-imposed restrictions that are not met in the same year is reported as an increase to net assets with donor restrictions and is reclassified to net assets without donor restrictions when an expense is incurred that satisfies the donor-imposed restriction.

Cash Equivalents

The Foundation considers all investments with an original maturity of three months or less when purchased to be cash equivalents, except for those money market funds that are considered part of the investment portfolio.

Investments

The majority of the Foundation's investments are in debt and equity mutual funds at June 30, 2019 and 2018. Investments are recorded at fair value based on quoted market prices.

Trade Receivables

Trade receivables consist of accounts receivable and receivables from BFD2, Inc.; Forest Incentives Ltd.; and Independent Label Service Group (ILS) for sales of retail products that are companions to the Foundation's fundraising programs.

Note 2 - Significant Accounting Policies (Continued)

Accounts receivable are stated at billed amounts. An allowance for doubtful accounts is established based on specific assessment of all billings that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made.

The Foundation's agreement with BFD2, Inc. for retail distribution through the United States and Canada expired in March 2019 and was not renewed. Therefore, there is no receivable recorded at June 30, 2019 related to this contract. The receivable recorded at June 30, 2018 for retail sales is for sales that occurred before the end of the fiscal year for which the Foundation had not received the proceeds. The receivables are stated at net realizable value. An allowance for potential returned merchandise is established based on historical merchandise return experience.

Pledges Receivable

The Foundation receives pledges of financial support from corporations, foundations, and individuals. Revenue is recognized when a pledge is made. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

An allowance for uncollectible contributions is provided based on management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution, current economic conditions, and nature of fundraising.

Restricted Cash

The Michigan Strategic Fund Variable Rate Demand Limited Obligation Revenue Bonds Series 2005 contained an escrow agreement. The restricted cash balance as of June 30, 2018 was the balance of the required monthly escrow payments as of the fiscal year end. The escrow agreement required monthly payments equal to one-twelfth of the next annual principal payment. The escrow account was treated as additional collateral for the bonds. The bonds were converted to an installment loan effective July 2, 2018, and on that date the escrow requirement was no longer applicable. See Note 6 for further detail.

Property and Equipment

Property and equipment are stated at original cost if purchased or at estimated fair value if donated. When assets are retired or otherwise disposed of, the related cost and depreciation are removed from the respective accounts, and any profit or loss is included in revenue. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

Revenue and Cost Recognition

Revenue is recognized when it is realized or realizable and earned. All contributions are considered to be available for general use unless specifically restricted by the donor.

Revenue relating to retail sales, facilities rental, and productions of local and national programs is recognized when earned.

Use of Estimates

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

Note 2 - Significant Accounting Policies (Continued)

Reclassification

Certain 2018 revenue amounts have been reclassified to conform to the 2019 presentation. As a result, production of local and national programs revenue decreased by \$100,000 from the amount previously reported, and foundation contributions revenue increased by the same amount. Also, individual contributions decreased by \$18,200 from the amount previously reported, and special event revenue increased by the same amount.

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

The Foundation allocates shared costs in the following categories based on estimated time and effort: salaries, information technology services, technology, occupancy, equipment, supplies, and depreciation.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including October 8, 2019, which is the date the financial statements were available to be issued.

Upcoming Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Foundation's year ending June 30, 2020. The ASU permits application of the new revenue recognition guidance using one of two retrospective application methods. The Foundation plans to apply the standard using the modified retrospective method. The Foundation is in the process of evaluating the impact of the new standard on its financial statements with a focus on the timing and pattern of the Foundation's productions of local and national programs and other contract revenue.

The FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-to-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Foundation's year ending June 30, 2021 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have a significant effect on the Foundation's financial statements as a result of the Foundation's operating leases, as disclosed in Note 14, that will be reported on the balance sheet at adoption. Upon adoption, the Foundation will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Note 2 - Significant Accounting Policies (Continued)

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance will result in more governmental contracts being accounted for as contributions and may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance will be effective for the Foundation's year ending June 30, 2020 and will be applied on a modified prospective basis. The Foundation does not expect the standard to have a significant impact on the timing of revenue recognition for government grants and contracts, but has not yet determined the impact on the timing of recognition of foundation and individual grants and contributions.

Adoption of New Accounting Pronouncement

As of July 1, 2018, the Foundation adopted ASU No. 2016-14, *Not-for-Profit Entities*, and applied the changes retrospectively to all periods presented, other than the requirement to include disclosures related to liquidity and availability of resources, which was not included for the prior year, as permitted by the standard. This standard requires net assets to be classified in two categories, net assets without donor restrictions and net assets with donor restrictions, rather than the three previous classifications. This standard also requires changes in the way certain information is aggregated and reported by the Foundation, including disclosures of quantitative and qualitative information about the liquidity and availability of resources and the presentation of expenses by both functional and natural classification. The standard also clarifies the definition of management and general and prohibits certain expenses from being allocated out of management and general. As a result of the adoption of this standard, the financial information for the year ended June 30, 2018 has been restated, as follows: administration and general expenses has increased \$218,620 from the amount previously reported, with a corresponding decrease in engagement and outreach program expenses. Additionally, net assets of \$1,719,760 previously reported as temporarily restricted and net assets of \$80,270 previously reported as permanently restricted have been combined into net assets with donor restrictions.

Note 3 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at June 30, 2019 and 2018 and the valuation techniques used by the Foundation to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

Note 3 - Fair Value Measurements (Continued)

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Assets Measured at Fair Value on a Recurring Basis at June 30, 2019				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2019
Assets - Investments				
Trading securities				
Money market	\$ 71,844	\$ -	\$ -	\$ 71,844
Mutual funds - Equity investments	2,133,667	-	-	2,133,667
Mutual funds - Fixed-income investments	1,004,766	-	-	1,004,766
Total assets	<u>\$ 3,210,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,210,277</u>

Assets Measured at Fair Value on a Recurring Basis at June 30, 2018				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2018
Assets - Investments				
Trading securities:				
Money market	\$ 35,580	\$ -	\$ -	\$ 35,580
Mutual funds - Equity investments	2,038,639	-	-	2,038,639
Mutual funds - Fixed-income investments	952,207	-	-	952,207
Total trading securities	<u>\$ 3,026,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,026,426</u>

The Foundation's policy is to recognize transfers in and transfers out of Level 1, 2, and 3 fair value classifications as of the actual date of the event. There were no transfer between levels in 2019 or 2018.

June 30, 2019 and 2018

Note 4 - Trade Receivables

Trade receivables represent accounts receivable and receivables for sales of retail products. Trade receivables consist of the following as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Accounts receivable	\$ 815,231	\$ 1,028,710
Allowance for doubtful accounts	<u>(49,213)</u>	<u>(90,428)</u>
Accounts receivable - Net	766,018	938,282
Retail distribution receivable	36,924	107,470
Allowance for returned merchandise	<u>(16,000)</u>	<u>-</u>
Retail distribution receivables - Net	<u>20,924</u>	<u>107,470</u>
Total accounts receivable	<u><u>\$ 786,942</u></u>	<u><u>\$ 1,045,752</u></u>

Note 5 - Pledges Receivable

Pledges receivable represent amounts pledged from donors. Pledges receivable consist of the following as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Pledges receivable	\$ 2,496,378	\$ 1,530,532
Less unamortized discount	<u>(56,277)</u>	<u>(38,392)</u>
Net pledges receivable	<u><u>\$ 2,440,101</u></u>	<u><u>\$ 1,492,140</u></u>
Amounts due in:		
Less than one year	\$ 1,661,302	\$ 1,039,455
One to five years	<u>835,076</u>	<u>491,077</u>
Total	<u><u>\$ 2,496,378</u></u>	<u><u>\$ 1,530,532</u></u>

The Foundation discounted the pledges by 4.15 percent.

Note 6 - Long-term Debt

Prior to July 2, 2018, the Foundation held Michigan Strategic Fund Variable Rate Demand Limited Obligation Revenue Bonds Series 2005 in the amount of \$10,370,000, with an original maturity date of June 1, 2035. The bonds bore interest at a variable rate determined weekly (1.61 percent at June 30, 2018), not to exceed 18 percent or the maximum rate permitted by applicable law, at which time the bonds are remarketed. Annual principal payments ranged from \$285,000 to \$895,000 through 2024. Beginning in 2008, the bond agreement required the Foundation to make deposits into an escrow account, as described in Note 2. At June 30, 2018, the balance of the escrow account was \$319,176. As described in Note 2, only the amount of bond payments due within one year was shown as restricted cash on the balance sheet, which was \$305,000. The bonds are reported net of unamortized bond issuance costs of \$57,582 at June 30, 2018. The balance of these costs was written off in 2019. The Foundation was also required to maintain a letter of credit, which would fund any draws for bonds that are unable to be remarketed, equal to the balance of the bonds plus 45 days' interest at a maximum rate of 10 percent, not to exceed \$10,497,849. The letter of credit expired when the bonds were converted on July 2, 2018. The bonds were collateralized by the letter of credit, which was collateralized by substantially all of the assets of the Foundation. In addition, the Foundation was subject to meeting certain financial covenants.

Effective July 2, 2018, the Foundation converted its bonds payable to an installment note in the amount of \$2,270,000 with a maturity date of June 30, 2023. Interest is to be paid on the first business day of each calendar month with interest at 1.75 percent per annum above the daily adjusting LIBOR (4.25 percent at June 30, 2019). Principal payments will be made quarterly in the amount of \$37,833. The note is collateralized by all personal property of the Foundation. The requirement for the escrow account and the recording of restricted cash described above also ceased to exist effective July 2, 2018. In addition, the Foundation is subject to meeting certain financial covenants.

Principal payments are due as follows:

<u>Years Ending</u>	<u>Amount</u>
2020	\$ 151,333
2021	151,333
2022	151,333
2023	<u>1,702,501</u>
Total	<u>\$ 2,156,500</u>

Interest expense for 2019 and 2018 was \$111,148 and \$37,094, respectively.

Note 7 - Line of Credit

Effective July 2, 2018, the Foundation entered into an unsecured line of credit agreement with Fifth Third Bank with available borrowings of approximately \$1,100,000, with interest at 1.75 percent per annum above the daily adjusting LIBOR, an effective rate of 4.375 and 4.343 percent at June 30, 2019 and 2018, respectively. There was no outstanding balance against the line of credit at June 30, 2019 or 2018.

Note 8 - WRCJ License Transfer

Prior to 2017, the Federal Communications Commission (FCC) broadcast license for WRCJ was owned by Detroit Public Schools (DPS). The Foundation operated the station under an operating agreement with DPS whereby the Foundation paid certain operating expenses of the station in addition to an annual royalty payment. During 2017, DPS sold the FCC broadcast license for WRCJ along with certain assets of the station to a third party (the “new station owner”). The Foundation entered into an operating agreement with the new station owner whereby the Foundation will continue to operate the station subject to the supervision of the new station owner. The term of the operating agreement is 10 years, starting on March 1, 2017, which was the date the FCC approved the license sale from DPS to the new station owner. The agreement will automatically renew for 10-year terms unless there is a material breach of contract or the broadcast license is revoked by the FCC or sold by the new station owner. The Foundation has rights to all station revenue and is responsible for most operating expenses of the station and is responsible for operating and maintaining station equipment. Under the terms of the operating agreement, the Foundation is not required to pay the new station owner for the use of the license and station assets. The Foundation determined that the sale of the WRCJ broadcast license to the new station owner was in the Foundation's best interest; therefore, the Foundation provided a commitment to DPS of \$1.5 million in cash and \$1.5 million in in-kind services to be provided ratably over a 10-year period. The intent of this commitment was to incentivize the sale of the license to the new station owner and to secure the contract with the new station owner, which entitles the Foundation to the revenue from the station over the term of the operating agreement.

In 2017, the Foundation recorded a liability for the present value of the \$1.5 million commitment of cash, discounted at 3.0 percent. The commitment of in-kind services is deemed to be a conditional commitment, as it is subject to annual agreement between the Foundation and DPS based on the needs of DPS and does not represent a present obligation of the Foundation; therefore, a liability has not been recorded for in-kind services.

Since the \$1.5 million cash commitment represents incremental costs incurred by the Foundation to secure a revenue-producing contract, the Foundation has recorded an asset for the present value of those costs, also discounted at 3.0 percent. The costs will be recognized over the 10-year term of the operating agreement with the new station owner. The amortization is included in the broadcast program expenses in the statement of activities and changes in net assets for the years ended June 30, 2019 and 2018.

The following tables summarize the assets and liabilities the Foundation has recorded as of June 30, 2019 and 2018 in association with this transaction:

	2019	2018
Right to use WRCJ license - Gross	\$ 1,500,000	\$ 1,500,000
Present value discount	(115,458)	(147,046)
Accumulated amortization	(300,000)	(150,000)
Other assets - Net	<u>\$ 1,084,542</u>	<u>\$ 1,202,954</u>
	2019	2018
Liability to DPS - Gross	\$ 1,200,000	\$ 1,337,500
Present value discount	(115,458)	(147,046)
Total liability to DPS - Net	1,084,542	1,190,454
Amount due within one year	(150,000)	(137,500)
Other long-term liabilities	<u>\$ 934,542</u>	<u>\$ 1,052,954</u>

Note 8 - WRCJ License Transfer (Continued)

The Foundation and the new station owner have formed a joint venture, Radio Services, LLC, in order to provide certain services to the radio station, including employment of two full-time employees who are responsible for station operations. The Foundation is the sole member of Radio Services, LLC and receives 100 percent of the profits and losses of the entity; however, the entity is fully controlled by the new station owner. FCC regulations had required the new station owner to control the operations of Radio Services, LLC in order to maintain the broadcast license; however, in April 2018, the Foundation determined that joint venture was no longer necessary due to changes in FCC regulations. Given the fact that the Foundation does not control Radio Services, LLC, it has not been consolidated into the Foundation's financial statements. For the years ended June 30, 2019 and 2018, there was no activity or balances in Radio Services, LLC.

Note 9 - Property and Equipment

Property and equipment are summarized as follows:

	2019	2018	Depreciable Life - Years
Land	\$ 2,539,173	\$ 2,539,173	-
Land improvements	94,667	69,111	10-15
Buildings and building improvements	12,132,976	12,050,281	7-40
Broadcast and production equipment	9,095,687	10,000,426	2-10
Office equipment	837,206	1,321,742	3-5
Construction in progress	1,023,908	115,710	-
Total cost	25,723,617	26,096,443	
Accumulated depreciation	13,073,311	13,647,715	
Net property and equipment	<u>\$ 12,650,306</u>	<u>\$ 12,448,728</u>	

Depreciation expense for 2019 and 2018 was \$946,402 and \$987,128, respectively.

Note 10 - Gift Annuity

The Foundation is party to various gift annuity contracts with donors. Under the terms of the contracts, donors contribute assets in exchange for distributions of a fixed amount for a specified period of time to the donor or other beneficiaries. The present value of the estimated future payments to donors, using a discount rate between 1.2 and 3 percent, has been included within accrued liabilities and other on the balance sheet and totaled \$39,009 and \$121,625 as of June 30, 2019 and 2018, respectively. During the year ended June 30, 2019, the Foundation received \$43,286 related to new annuity contracts. The Foundation recognizes the difference between the cash received and the present value of the annuity liability as contribution revenue with donor restrictions. During the year ended June 30, 2019, the Foundation recognized \$106,393 of contribution revenue with donor restrictions related to these new contracts and other ongoing contracts. During the year ended June 30, 2018, the Foundation received \$25,000 related to new annuity contracts and recognized \$12,032 of contribution revenue with donor restrictions related to these contracts.

Note 11 - Commitments and Contingency

The Foundation has entered into multiple agreements with artists in which the Foundation has rights to manufacture, market, and distribute the artists' products throughout the United States and Canada. The Foundation is also obligated to pay royalties to publishers as a requirement under the copyright act. The Foundation is required to pay such royalties based upon a percentage of proceeds derived from the sales of the products. At June 30, 2019 and 2018, the Foundation accrued approximately \$128,000 and \$131,000, respectively, in royalties under these agreements.

Note 12 - Equipment Liability

During 2015, the Foundation purchased equipment used in WRCJ's operations at a cost of \$450,000. The Foundation was reimbursed for these costs by the station owner. The assets are included in the Foundation's property and equipment; however, the Foundation concluded that ownership of the assets was likely to revert to the station owner at the end of the station operating agreement. Therefore, the Foundation recorded an agency liability in the amount of \$450,000, which was to be amortized over the remaining operating agreement. During 2017, the station was purchased by another party (see Note 8), and the operating agreement with the new owner was extended through 2027. Beginning in 2017, the Foundation revised the amortization period of both the asset and liability to extend amortization through 2027.

At June 30, 2019 and 2018, the net book value of this equipment was \$282,927 and \$318,293, respectively, and was recorded as an asset included in property and equipment on the balance sheet.

Note 13 - Investment Income

Investment income consists of the following for the years ended June 30, 2019 and 2018:

	2019	2018
Interest and dividend income	\$ 94,397	\$ 63,945
Net realized and unrealized gain	88,531	139,133
Investment management fees	(30,592)	(32,620)
	<u>\$ 152,336</u>	<u>\$ 170,458</u>
Total		

Note 14 - Operating Leases

The Foundation leases space for a transmitting antenna and associated equipment to transmit its broadcasting signal in digital format. This is a noncancelable operating lease agreement scheduled through June 30, 2029 at variable future minimum monthly lease payments. Beginning in 2003, payments increased based upon the U.S. Department of Commerce's National Consumer Price Index for all urban consumer U.S. city averages. Rental payments for the year ended June 30, 2019 were \$10,923 per month. Rental payments are estimated to increase to \$13,855 per month effective January 1, 2020.

The Foundation also leases other miscellaneous equipment. Monthly payments on these leases range from \$255 to \$910 with various expiration dates through 2023.

Future minimum payments under these leases with initial or remaining terms of one year or more are as follows:

Years Ending June 30	Amount
2020	\$ 198,193
2021	199,728
2022	189,561
2023	177,600
2024	176,562
Thereafter	914,744
Total	\$ 1,856,388

Rent expense was approximately \$179,000 and \$175,000 for the years ended June 30, 2019 and 2018, respectively.

Note 15 - Pension Costs

The Foundation has a defined contribution retirement plan covering substantially all full-time employees and part-time employees who meet the qualification criteria. In 2018 and 2019, the Foundation contributed 3 percent of each participating employee's annual compensation.

Certain employees also participate in a pension plan administered by the Directors Guild of America. The Foundation contributes 5.5 percent of each participating employee's compensation.

The Foundation contributed approximately \$135,000 and \$149,000 to the two plans during 2019 and 2018, respectively.

Note 16 - Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2019	2018
Subject to expenditures for a specified purpose - Production funding:		
One Detroit Initiative	\$ 82,476	\$ 218,000
Great Lakes Now Initiative	928,238	805,222
Early Childhood Initiative	619,554	176,255
Production of National and Local Program content	206,393	163,781
Total subject to expenditures for a specified purpose - Production funding	1,836,661	1,363,258
Subject to the passage of time - Operating funding	-	205,000
Subject to the Foundation's spending policy and appropriation - Permanent donor-restricted endowment	80,270	80,270
Subject to appropriation and expenditures when a specified event occurs - Charitable gift annuity	61,548	151,502
Total	\$ 1,978,479	\$ 1,800,030

Note 17 - Liquidity and Availability of Resources

The Foundation regularly monitors liquidity required to meet its operating needs and other obligations while also striving to maximize the investment return of its available funds. The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. To help manage liquidity needs, the Foundation has committed lines of credit in the amount of \$1,100,000, which it could draw upon. Additionally, the Foundation has a quasi-endowment of \$2,342,395 at June 30, 2019. Although the Foundation does not intend to spend from its quasi-endowment, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its quasi-endowment (with board approval) could be made available if necessary.

The Foundation also realizes there could be unanticipated liquidity needs.

Note 18 - Transmitter Liability

Due to changes in FCC regulations, the Foundation was required to purchase a significant amount of equipment to comply with new regulatory guidelines. The FCC provided funds to help support these necessary changes and to reimburse the Foundation for the cost of the equipment. During the year ended June 30, 2019, the Foundation received reimbursements for the cost of equipment totaling \$870,238. The Foundation has deferred recognition of this reimbursement and will amortize the resulting liability into income over the useful lives of the assets once they are placed into service, which is expected to occur in February 2020.

Note 19 - Donor-restricted and Board-designated Endowments

The Foundation's endowment includes both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Foundation is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of trustees appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of trustees of the Foundation had interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Note 19 - Donor-restricted and Board-designated Endowments (Continued)

Endowment Net Asset Composition by Type of Fund as of June 30, 2019			
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 2,342,395	\$ -	\$ 2,342,395
Donor-restricted endowment funds - Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	80,270	80,270
Total	\$ 2,342,395	\$ 80,270	\$ 2,422,665
Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2019			
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	\$ 2,235,196	\$ 80,270	\$ 2,315,466
Investment return:			
Investment income	43,114	1,477	44,591
Net appreciation (realized and unrealized)	60,534	2,074	62,608
Total investment return	103,648	3,551	107,199
Other changes - Transfers to create board-designated endowment funds	3,551	(3,551)	-
Endowment net assets - End of year	\$ 2,342,395	\$ 80,270	\$ 2,422,665
Endowment Net Asset Composition by Type of Fund as of June 30, 2018			
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 2,235,196	\$ -	\$ 2,235,196
Donor-restricted endowment funds - Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	80,270	80,270
Total	\$ 2,235,196	\$ 80,270	\$ 2,315,466
Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2018			
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	\$ 2,092,783	\$ 80,270	\$ 2,173,053
Investment return:			
Investment income	25,826	927	26,753
Net appreciation (realized and unrealized)	111,650	4,010	115,660
Total investment return	137,476	4,937	142,413
Other changes - Transfers to create board-designated endowment funds	4,937	(4,937)	-
Endowment net assets - End of year	\$ 2,235,196	\$ 80,270	\$ 2,315,466

June 30, 2019 and 2018

Note 19 - Donor-restricted and Board-designated Endowments (Continued)

Underwater Endowment Funds

As of June 30, 2019 and 2018, there were no funds with deficiencies.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period, as well as board-designated funds. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to achieve a return of 5 percent, net of inflation and investment expenses. The secondary investment objective is to earn a total return, net of expenses, at least equal to the portfolio's composite benchmark, as defined in its investment policy statement. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The spending policy dictates that the Foundation may distribute a target amount, up to 4 percent of the weighted-average market value (over the past 36-month period) of the funds without donor restrictions annually. The distribution of assets shall occur in June based upon the calculated weighted-average balance of the previous December 31. In establishing this policy, the Foundation considered the long-term expected rate of return on its endowment. The Foundation has a policy that spending should be adjusted downward if endowment funds with donor restrictions fall below their original principal value.

Additional Information

Independent Auditor's Report on Additional Information

To the Members of the Finance and Audit Committee
Detroit Educational Television Foundation

We have audited the financial statements of Detroit Educational Television Foundation as of and for the years ended June 30, 2019 and 2018 and have issued our report thereon dated October 8, 2019, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The balance sheet by broadcast entity and statement of activities and changes in net assets by broadcast entity are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

October 8, 2019

Detroit Educational Television Foundation

Balance Sheet by Broadcasting Entity

June 30, 2019
(with comparative totals for 2018)

	WTVS	WRCJ	Total	
			2019	2018
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,341,303	\$ 2,177,795	\$ 3,519,098	\$ 2,917,025
Investments	3,210,277	-	3,210,277	3,026,426
Receivables - Net of allowances:				
Trade accounts receivable	741,994	44,948	786,942	1,045,752
Pledges receivable	1,532,606	128,696	1,661,302	1,039,455
Inventory	23,208	-	23,208	34,840
Intercompany receivables	(2,089,786)	2,089,786	-	-
Restricted cash - Bond payments	-	-	-	305,000
Prepaid expenses and other	192,065	18,715	210,780	209,015
Total current assets	4,951,667	4,459,940	9,411,607	8,577,513
Pledges Receivable - Long term	716,987	61,812	778,799	452,685
Other Assets - Net	-	1,084,542	1,084,542	1,202,954
Property and Equipment - Net	12,367,379	282,927	12,650,306	12,448,728
Total assets	\$ 18,036,033	\$ 5,889,221	\$ 23,925,254	\$ 22,681,880
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ 561,769	\$ 13,736	\$ 575,505	\$ 827,074
Accrued liabilities and other	951,868	41,671	993,539	839,153
Current portion of transmitter deferred reimbursement	29,000	-	29,000	-
Current portion of equipment liability	-	35,366	35,366	35,366
Current portion of long-term debt	151,333	-	151,333	113,500
Current portion of long-term liability	-	150,000	150,000	137,500
Total current liabilities	1,693,970	240,773	1,934,743	1,952,593
Long-term Debt - Net of current portion	2,005,167	-	2,005,167	2,098,918
Equipment Liability - Net of current portion	-	247,561	247,561	282,927
Transmitter Deferred Reimbursement	841,238	-	841,238	-
Other Long-term Liabilities - Net of current portion	-	934,542	934,542	1,052,954
Total liabilities	4,540,375	1,422,876	5,963,251	5,387,392
Net Assets				
Without donor restrictions	11,517,180	4,466,345	15,983,525	15,494,458
With donor restrictions	1,978,478	-	1,978,478	1,800,030
Total net assets	13,495,658	4,466,345	17,962,003	17,294,488
Total liabilities and net assets	\$ 18,036,033	\$ 5,889,221	\$ 23,925,254	\$ 22,681,880

Detroit Educational Television Foundation

Statement of Activities and Changes in Net Assets by Broadcast Entity

Year Ended June 30, 2019
(with comparative totals for 2018)

	WTVS	Radio Station	Total	
			2019	2018
Changes Net Assets without Donor Restrictions				
Revenue, gains, and other support:				
Individual contributions	\$ 7,832,141	\$ 1,404,090	\$ 9,236,231	\$ 8,673,653
Productions of local and national programs	2,759,745	-	2,759,745	2,404,130
Corporation for Public Broadcasting grants	1,951,389	155,561	2,106,950	2,433,737
Corporate contributions	808,019	312,055	1,120,074	1,232,470
Foundation contributions	573,683	120,207	693,890	384,000
Facilities rental	488,094	-	488,094	566,246
Special events	363,789	39,800	403,589	405,128
Retail product sales	112,441	-	112,441	180,796
Investment income	145,205	7,131	152,336	170,407
Miscellaneous income	28,500	35,456	63,956	199,375
Net assets released from restrictions	1,295,637	40,000	1,335,637	1,336,153
Total revenue, gains, other support, and net assets released from restrictions	16,358,643	2,114,300	18,472,943	17,986,095
Expenses:				
Program expenses:				
Engagement and outreach	992,062	74,953	1,067,015	946,641
Production and content creation	4,410,360	-	4,410,360	4,467,523
Broadcast	4,375,267	1,033,686	5,408,953	5,149,278
Total program expenses	9,777,689	1,108,639	10,886,328	10,563,442
Support services:				
Administration and general	2,415,454	327,080	2,742,534	2,745,826
Fundraising	3,782,284	572,731	4,355,015	4,505,703
Total expenses	15,975,427	2,008,450	17,983,877	17,814,971
Increase in Net Assets without Donor Restrictions	383,216	105,850	489,066	171,124
Changes in Net Assets with Donor Restrictions				
Contributions	1,514,086	-	1,514,086	1,175,317
Net assets released from restrictions	(1,295,637)	(40,000)	(1,335,637)	(1,336,153)
Increase (Decrease) in Net Assets with Donor Restrictions	218,449	(40,000)	178,449	(160,836)
Increase in Net Assets	601,665	65,850	667,515	10,288
Net Assets - Beginning of year	12,893,993	4,400,495	17,294,488	17,284,200
Net Assets - End of year	\$ 13,495,658	\$ 4,466,345	\$ 17,962,003	\$ 17,294,488