

The Public Broadcasting Foundation of Northwest Ohio

Years Ended
June 30,
2025 and 2024

Financial
Statements

Rehmann

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

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INDEPENDENT AUDITORS' REPORT

November 24, 2025

Board of Directors
The Public Broadcasting Foundation of
Northwest Ohio
Toledo, Ohio

Opinion

We have audited the financial statements of ***The Public Broadcasting Foundation of Northwest Ohio*** (the "Foundation"), a not-for-profit organization, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ***The Public Broadcasting Foundation of Northwest Ohio*** 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 the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the Foundation's ability to continue as a going concern within one year after the date that 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 the Foundation'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 the Foundation'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.

A handwritten signature in black ink that reads "Rehmann Lohman LLC". The signature is fluid and cursive, with "Rehmann" and "Lohman" stacked vertically and "LLC" to the right.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

■ Statements of Financial Position

	June 30	
	2025	2024
ASSETS		
Current assets		
Cash and restricted cash		
Cash	\$ 1,953,699	\$ 2,237,032
Restricted cash	12,000	12,000
Total cash and restricted cash	1,965,699	2,249,032
Accounts receivable, less allowance for credit losses of \$2,500	51,125	29,065
Unconditional promises to give, less allowance for doubtful pledges of \$6,500	220,999	185,131
Prepaid expenses	157,105	138,082
Total current assets	2,394,928	2,601,310
Investments	9,945,647	9,190,127
Deposits and other assets	12,075	12,075
Net operating lease right-of-use assets	72,320	61,757
Net property and equipment	3,884,341	4,183,133
Total assets	\$ 16,309,311	\$ 16,048,402
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of operating lease obligations	\$ 26,432	\$ 24,756
Accounts payable and accrued expenses	106,930	93,194
Accrued payroll and related costs	135,348	147,395
Funds held as fiscal agent	12,000	12,000
Total current liabilities	280,710	277,345
Operating lease obligations, net of current portion	45,529	36,850
Deferred income - underwriting and other	115,668	74,425
Refundable advances on conditional contributions	5,000	12,500
Total liabilities	446,907	401,120
Net assets		
Without donor restrictions		
Undesignated	5,160,407	4,953,330
Investment in property and equipment	3,884,341	4,183,133
Board-designated for capital	757,214	818,027
Board-designated for endowment	5,353,283	4,990,257
Total net assets without donor restrictions	15,155,245	14,944,747
With donor restrictions	707,159	702,535
Total net assets	15,862,404	15,647,282
Total liabilities and net assets	\$ 16,309,311	\$ 16,048,402

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, support and gains			
Memberships - TV and FM	\$ 1,608,166	\$ -	\$ 1,608,166
In-kind contributions	24,710	-	24,710
Broadcast Educational Media Commission	245,043	-	245,043
Broadcast Educational Media Commission in-kind	705,316	-	705,316
Corporation for Public Broadcasting ("CPB")	1,193,641	-	1,193,641
Underwriting	248,658	-	248,658
State Department of Education	137,863	-	137,863
Special events, less direct expenses of \$484,876	94,630	-	94,630
Projects and production services	320,837	-	320,837
School contracts	237,991	-	237,991
Contributions	261,180	19,324	280,504
Net investment return	935,355	-	935,355
Interest income	17,841	-	17,841
Other	70,081	-	70,081
Net assets released from restrictions	14,700	(14,700)	-
Total revenue, support and gains	6,116,012	4,624	6,120,636
Expenses			
Program services			
TV programming	996,970	-	996,970
TV production	957,690	-	957,690
TV and FM engineering	797,476	-	797,476
FM programming and production	915,772	-	915,772
TV educative services	265,070	-	265,070
Public information	317,555	-	317,555
Total program services	4,250,533	-	4,250,533
Supporting services			
Development	424,721	-	424,721
General and administrative	1,230,260	-	1,230,260
Total supporting services	1,654,981	-	1,654,981
Total expenses	5,905,514	-	5,905,514
Changes in net assets	210,498	4,624	215,122
Net assets, beginning of year	14,944,747	702,535	15,647,282
Net assets, end of year	\$ 15,155,245	\$ 707,159	\$ 15,862,404

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Statement of Activities

Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, support and gains			
Memberships - TV and FM	\$ 1,464,687	\$ -	\$ 1,464,687
In-kind contributions	35,524	-	35,524
Broadcast Educational Media Commission	512,669	-	512,669
Broadcast Educational Media Commission in-kind	599,669	-	599,669
Corporation for Public Broadcasting ("CPB")	1,109,277	-	1,109,277
Underwriting	242,171	-	242,171
State Department of Education	137,863	-	137,863
Special events, less direct expenses of \$472,640	214,210	-	214,210
Projects and production services	319,850	-	319,850
School contracts	183,665	-	183,665
Contributions	325,232	94,585	419,817
Net investment return	989,708	-	989,708
Interest income	18,876	-	18,876
Gain on sale of property and equipment	10,550	-	10,550
Other	46,673	-	46,673
Net assets released from restrictions	18,700	(18,700)	-
Total revenue, support and gains	6,229,324	75,885	6,305,209
Expenses			
Program services			
TV programming	1,059,310	-	1,059,310
TV production	858,447	-	858,447
TV and FM engineering	755,422	-	755,422
FM programming and production	960,668	-	960,668
TV educative services	330,769	-	330,769
Public information	306,829	-	306,829
Total program services	4,271,445	-	4,271,445
Supporting services			
Development	514,936	-	514,936
General and administrative	1,084,894	-	1,084,894
Total supporting services	1,599,830	-	1,599,830
Total expenses	5,871,275	-	5,871,275
Changes in net assets	358,049	75,885	433,934
Net assets, beginning of year	14,586,698	626,650	15,213,348
Net assets, end of year	\$ 14,944,747	\$ 702,535	\$ 15,647,282

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Statement of Functional Expenses

Year Ended June 30, 2025

(With Comparative Totals for the Year Ended June 30, 2024)

	Program Services							Supporting Services			Total 2025	Total 2024
	TV Programming	TV Production	TV and FM Engineering	FM Programming and Production	TV Educational Services	Public Information	Total Program Services	Development	General and Administrative	Total Supporting Services		
Salaries and related costs	\$ 155,316	\$ 228,026	\$ 286,374	\$ 281,582	\$ 136,800	\$ 201,798	\$ 1,289,896	\$ 246,277	\$ 447,555	\$ 693,832	\$ 1,983,728	\$ 2,004,048
Employee benefits	50,665	74,383	93,416	91,853	44,625	65,827	420,769	80,336	145,994	226,330	647,099	601,514
Payroll taxes	11,313	16,609	20,859	20,510	9,964	14,699	93,954	17,938	32,599	50,537	144,491	148,418
Total salaries and related expenses	217,294	319,018	400,649	393,945	191,389	282,324	1,804,619	344,551	626,148	970,699	2,775,318	2,753,980
Subscriptions, dues and licenses	36,181	490	1,471	198,333	-	5,673	242,148	33,802.00	58,327	92,129	334,277	359,577
Outside broadcasting and other services	-	568,032	-	139,504	1,400	840	709,776	8,476	-	8,476	718,252	619,628
Station program cooperative	694,183	-	-	-	-	-	694,183	-	-	-	694,183	748,668
Program acquisition	8,721	-	-	62,566	-	-	71,287	-	-	-	71,287	77,586
Talent fees	-	32,000	-	-	-	40.00	32,040	-	-	-	32,040	9,850
Professional services	-	-	-	-	-	-	-	-	101,833	101,833	101,833	61,097
Purchased services	20,325	16,018	-	-	-	-	36,343	-	81,322	81,322	117,665	121,875
Utilities	-	-	30,507	37,455	-	-	67,962	-	108,739	108,739	176,701	183,624
Telephone	-	-	-	28,030	80	-	28,110	17,481	28,948	46,429	74,539	70,293
Printing and duplicating	-	-	-	-	61	25,454	25,515	8,027	4,002	12,029	37,544	31,019
Advertising and promotion	-	4,166	-	5,881	23,841	1,052	34,940	1,673	311	1,984	36,924	64,101
Computer services, office equipment, and supplies	20,266	2,534	11,747	74	40,731	108	75,460	4,440	21,941	26,381	101,841	137,458
Repairs and maintenance	-	12,208	8,951	16,412	-	-	37,571	-	32,870	32,870	70,441	73,513
Raffle	-	-	-	-	-	-	-	484,876	-	484,876	484,876	472,640
Travel and conference	-	44	372	334	1,154	98	2,002	-	5,066	5,066	7,068	11,599
Meetings	-	3,180	-	1,009	0	716	4,905	271	3,868	4,139	9,044	16,414
Rent	-	-	1,456	19,960	-	-	21,416	-	-	-	21,416	21,583
Insurance	-	-	-	-	-	-	-	-	59,271	59,271	59,271	58,061
Postage and shipping	-	-	-	31	1,596	1,250	2,877	6,000	43,195	49,195	52,072	53,831
Satellite interconnection	-	-	-	11,768	-	-	11,768	-	-	-	11,768	11,315
Events	-	-	-	-	4,818	-	4,818	-	-	-	4,818	4,999
Miscellaneous	-	-	60	470	-	-	530	-	54,419	54,419	54,949	52,685
Depreciation	-	-	342,263	-	-	-	342,263	-	-	-	342,263	328,519
Total expenses by function	996,970	957,690	797,476	915,772	265,070	317,555	4,250,533	909,597	1,230,260	2,139,857	6,390,390	6,343,915
Less special event expenses included with revenues on the statement of activities	-	-	-	-	-	-	-	(484,876)	-	(484,876)	(484,876)	(472,640)
Total expenses included in the expenses section on the statement of activities	\$ 996,970	\$ 957,690	\$ 797,476	\$ 915,772	\$ 265,070	\$ 317,555	\$ 4,250,533	\$ 424,721	\$ 1,230,260	\$ 1,654,981	\$ 5,905,514	\$ 5,871,275

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services							Supporting Services			Total 2024
	TV Programming	TV Production	TV and FM Engineering	FM Programming and Production	TV Educative Services	Public Information	Total Program Services	Development	General and Administrative	Total Supporting Services	
Salaries and related costs	\$ 150,491	\$ 248,256	266,866	\$ 283,255	\$ 133,317	\$ 189,813	\$ 1,271,998	\$ 316,741	\$ 415,309	\$ 732,050	\$ 2,004,048
Employee benefits	45,170	74,514	80,100	85,019	40,015	56,972	381,790	95,069	124,655	219,724	601,514
Payroll taxes	11,145	18,386	19,764	20,978	9,873	14,057	94,203	23,458	30,757	54,215	148,418
Total salaries and related expenses	206,806	341,156	366,730	389,252	183,205	260,842	1,747,991	435,268	570,721	1,005,989	2,753,980
Subscriptions, dues and licenses	33,390	595	473	228,500	-	5,829	268,787	31,429	59,361	90,790	359,577
Outside broadcasting and other services	-	485,236	-	118,752	2,848	840	607,676	11,952	-	11,952	619,628
Station program cooperative	748,668	-	-	-	-	-	748,668	-	-	-	748,668
Program acquisition	16,434	-	-	61,152	-	-	77,586	-	-	-	77,586
Talent fees	-	9,250	-	-	600	-	9,850	-	-	-	9,850
Professional services	-	-	1,700	1,700	3,787	-	7,187	-	53,910	53,910	61,097
Purchased services	38,425	3,450	-	-	-	-	41,875	-	80,000	80,000	121,875
Utilities	-	-	33,205	78,948	-	-	112,153	-	71,471	71,471	183,624
Telephone	-	-	-	27,294	481	-	27,775	16,149	26,369	42,518	70,293
Printing and duplicating	-	-	-	-	-	21,751	21,751	7,278	1,990	9,268	31,019
Advertising and promotion	-	471	-	5,421	41,605	15,027	62,524	1,577	-	1,577	64,101
Computer services, office equipment, and supplies	15,587	2,744	12,677	619	85,575	-	117,202	3,573	16,683	20,256	137,458
Repairs and maintenance	-	9,601	10,011	14,894	-	-	34,506	-	39,007	39,007	73,513
Raffle	-	-	-	-	-	-	-	472,640	-	472,640	472,640
Travel and conference	-	213	606	-	7,230	130	8,179	1,345	2,075	3,420	11,599
Meetings	-	5,731	-	2,727	251	160	8,869	3,299	4,246	7,545	16,414
Rent	-	-	1,489	20,094	-	-	21,583	-	-	-	21,583
Insurance	-	-	-	-	-	-	-	-	58,061	58,061	58,061
Postage and shipping	-	-	12	-	188	2,250	2,450	3,066	48,315	51,381	53,831
Satellite interconnection	-	-	-	11,315	-	-	11,315	-	-	-	11,315
Events	-	-	-	-	4,999	-	4,999	-	-	-	4,999
Miscellaneous	-	-	-	-	-	-	-	-	52,685	52,685	52,685
Depreciation	-	-	328,519	-	-	-	328,519	-	-	-	328,519
Total expenses by function	1,059,310	858,447	755,422	960,668	330,769	306,829	4,271,445	987,576	1,084,894	2,072,470	6,343,915
Less special event expenses included with revenues on the statement of activities	-	-	-	-	-	-	-	(472,640)	-	(472,640)	(472,640)
Total expenses included in the expenses section on the statement of activities	\$ 1,059,310	\$ 858,447	\$ 755,422	\$ 960,668	\$ 330,769	\$ 306,829	\$ 4,271,445	\$ 514,936	\$ 1,084,894	\$ 1,599,830	\$ 5,871,275

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

■ Statements of Cash Flows

	Year Ended June 30	
	2025	2024
Cash flows from operating activities		
Changes in net assets	\$ 215,122	\$ 433,934
Adjustments to reconcile net assets to net cash from operating activities		
Depreciation	342,263	328,519
Amortization of net operating lease right-of-use assets	26,741	24,107
Net realized and unrealized gain on investments	(731,357)	(783,841)
Gain on sales of property and equipment	-	(10,550)
Changes in operating assets and liabilities		
Accounts receivable	(22,060)	15,091
Unconditional promises to give	(35,868)	(15,224)
Prepaid expenses	(19,023)	88,958
Accounts payable and accrued expenses	13,736	55,766
Accrued payroll and related costs	(12,047)	(4,198)
Operating lease obligations	(26,949)	(24,295)
Deferred income - underwriting and other	41,243	38,848
Refundable advances on conditional contributions	(7,500)	(332,775)
Net change in cash from operating activities	(215,699)	(185,660)
Cash flows from investing activities		
Sales and maturities of investments	2,262,598	4,145,907
Purchases of investments	(2,286,761)	(4,373,225)
Purchases of property and equipment	(43,471)	(367,439)
Proceeds from sale of property and equipment	-	10,550
Net change in cash from investing activities	(67,634)	(584,207)
Net change in cash and restricted cash	(283,333)	(769,867)
Cash and restricted cash, beginning of year	2,249,032	3,018,899
Cash and restricted cash, end of year	\$ 1,965,699	\$ 2,249,032

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Notes to Financial Statements

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Concentration

The Public Broadcasting Foundation of Northwest Ohio (the "Foundation") is a public media service institution serving Northwest Ohio and Southeast Michigan. The Foundation produces and broadcasts programming on non-commercial public television (WGTE) and local radio stations (FM 91). Operations also include web technologies, educational services, and community outreach.

The Organization received approximately 20% of its total revenue, support and gains from the Corporation for Public Broadcasting ("CPB") in fiscal 2025 and 18% in fiscal 2024. The Foundation received 16% and 18% of its total revenue, support and gains from the Broadcast Educational Media Commission ("BEMC") in fiscal 2025 and 2024, respectively.

In August 2025, CPB announced that they were going to end operations by September 30, 2025 due to being entirely defunded by the Rescissions Act of 2025. While the Foundation has taken steps to mitigate the impact, the loss of the CPB support could have a material impact on the Foundation's future operating results, the full extent of which is not known at this time. The Foundation's management is assessing its plans for the Foundation following the loss of this funding.

Net Asset Classification

Net assets, revenues, support, and gains (losses) are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for capital and endowment (See Note 9).

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported as net assets released from restrictions (See Note 8).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Notes to Financial Statements

Cash

Cash consists of demand deposits in banks and cash on hand. In the normal course of business, the Foundation maintains its deposits in financial institutions in amounts which, at times, may exceed federally insured limits. Management does not believe the Foundation is exposed to any significant interest rate or other financial risk as a result of these deposits.

Fair Value Measurements

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3).

A description of each category in the fair value hierarchy is as follows:

- Level 1: Valuation is based upon quoted prices for identical instruments traded in active markets.
- Level 2: Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all-significant assumptions are observable in the market.
- Level 3: Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the estimates of assumptions that market participants would use in pricing the asset or liability.

For a further discussion of fair value measurements, refer to Note 3 to the financial statements.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position.

Dividend and interest income is recorded as earned. Investment income, including realized and unrealized gains and losses, is allocated among net assets with donor restrictions and without donor restrictions based on donor restrictions or the absence thereof. Net investment return (loss), which includes dividend and interest income and realized and unrealized gains and losses, is reported net of external investment expenses.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Notes to Financial Statements

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in these financial statements.

Property and Equipment and Depreciation

Property and equipment are stated at cost or at fair value at date of gift, if so acquired. Maintenance and repairs costs are charged to expense whereas betterments are capitalized. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable.

The Foundation provides for depreciation at rates which are sufficient to amortize the carrying amounts of such assets over the period of their estimated useful lives, which range from 3 to 40 years. Depreciation is computed using the straight-line method.

Revenue Recognition

The Foundation records as revenue the following types of contributions when they are received unconditionally, at their fair value: cash, promises to give, and gifts of long-lived and other assets. Conditional contributions, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction. For unconditional donor-restricted contributions that were initially conditional, if donor-imposed restrictions are met in the same year that they became unconditional, the revenues are reported as revenues without donor restrictions on the statements of activities. At June 30, 2025, refundable advances on conditional contributions of \$5,000, are recognized on the statement of financial position because the conditions on which these contributions depend on have not been met. The related conditions are expected to be met in fiscal 2026, at which time the contributions will be recognized on the statement of activities. At June 30, 2024, refundable advances on conditional contributions of \$12,500 are recognized on the statement of financial position because the conditions on which these contributions depend on have not yet been met.

Membership dues, which are nonrefundable, are composed of an exchange element based on the value of benefits provided, and a contribution element. The contribution element is recognized as received, as noted above. The exchange element is immaterial to the Foundation, therefore memberships are treated as contributions and recognized as received.

The Foundation receives funding from various individuals and organizations which is used to underwrite the cost of airing certain television and radio programs. Underwriting is accounted for as conditional contributions. The amount received is deferred until the time the programs are aired, at which time the conditions are determined to be met.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Notes to Financial Statements

In-Kind Contributions and Services

The Foundation's operations are partially dependent on in-kind contributions and services. In-kind contributions of property where legal title passes or possession takes place are recorded in the financial statements at fair value at the date of gift. There were donated vehicles amounting to \$24,710 and \$35,524 for the years ended June 30, 2025 and 2024, respectively. These donated vehicles were sold upon receipt. In-kind services are also recorded in the financial statements. The Broadcast Educational Media Commission provided support to the Foundation for TV and FM production, which was recorded at the fair value of the services provided and amounted to \$705,316 and \$599,669 for the years ended June 30, 2025 and 2024, respectively. The fair value of these services is based on the actual cost incurred by the donor; this information is provided by the donor. All donated services were utilized by the Foundation's television and radio programs and services. There were no donor-imposed restrictions associated with the donated services and assets.

Programs

The Foundation acquires program broadcast rights from the Public Broadcasting Service and other programming services. The Foundation expenses program broadcast rights based on the payment terms, which approximates the term and usage of the broadcast rights.

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting expenses on an actual basis or have been allocated based on methods determined appropriate for each program. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation. Although the methods of allocation are considered reasonable, other methods could be used that would produce a different amount.

Income Taxes

The Foundation is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is exempt from similar state and local taxes. Although the Foundation was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." Such income, pursuant to the Internal Revenue Code and related regulations, includes activities from its tower rentals, web services operations, and special event raffles. The Foundation has been classified as not a private foundation.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Notes to Financial Statements

The Foundation analyzes its income tax filing positions in the federal and state jurisdictions where it is required to file income tax returns, for all open tax years in these jurisdictions, to identify potential uncertain tax positions.

The Foundation has evaluated its income tax filing positions for fiscal years 2022 through 2025, the years which remain subject to examination as of June 30, 2025. The Foundation concluded that there are no significant uncertain tax positions requiring recognition in the Foundation's financial statements. The Foundation does not expect the total amount of unrecognized tax benefits ("UTB") (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Foundation does not have any amounts accrued for interest and penalties related to UTBs at June 30, 2025 or 2024, and is not aware of any claims for such amounts by federal or state income tax authorities.

Leases

The Foundation determines if an arrangement is a lease at inception and considers classification of leases as operating or finance. Operating leases are included in net operating lease right-of-use ("ROU") assets, current portion of operating lease obligations, and operating lease obligations, net of current portion on the Foundation's statements of financial position.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Foundation's leases do not provide an implicit rate, the Foundation uses the risk free rate based on the information available at commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made and initial direct costs incurred and excludes lease incentives. The Foundation's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. Variable rent payments related to operating leases are expensed as incurred.

The Foundation has elected to exclude short-term leases from the recognition requirements of Accounting Standards Codification ("ASC") 842, *Leases*. A lease is short-term if, at the commencement date, it has a term of less than or equal to one year. Lease expense related to short-term leases is recognized on a straight-line basis over the lease term.

Management reviews these ROU assets for impairment whenever events or circumstances indicate that their carrying values may not be fully recoverable.

Subsequent Events

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to the most recent statement of financial position presented herein, through the date these financial statements were available to be issued.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

Notes to Financial Statements

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of June 30:

	2025	2024
Cash	\$ 1,953,699	\$ 2,237,032
Accounts receivable, net	51,125	29,065
Unconditional promises to give, net	220,999	185,131
Investment securities	9,945,647	9,190,127
Less		
Net assets with donor restrictions	(707,159)	(702,535)
Board designated for capital	(757,214)	(818,027)
Board designated for endowment	<u>(5,353,283)</u>	<u>(4,990,257)</u>
Total financial assets available for general use within one year	<u>\$ 5,353,814</u>	<u>\$ 5,130,536</u>

As part of the Foundation's liquidity plan, the Foundation structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition to the financial assets available to meet cash needs for general expenditure within one year of \$5,353,814 and \$5,130,536 at June 30, 2025 and 2024, respectively, the Foundation is primarily supported by membership revenue and support revenue from the Broadcast Educational Media Commission and other donors. Additionally, the board designated funds could be made available upon Board approval, if necessary.

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Foundation utilizes fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Investments are recorded at fair value on a recurring basis.

The following is a description of the valuation methodologies and key inputs used to measure financial assets recorded at fair value at June 30, 2025 and 2024. There have been no changes in the methodologies used to determine fair value. The description includes an indication of the level of the fair value hierarchy in which the assets are classified.

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Notes to Financial Statements

Investments

The carrying amounts of money market funds approximate fair value and are classified as Level 1. The composition of securities in the money market funds is structured to maintain a value of \$1 per share.

Common/collective trust funds are recorded at fair value on a recurring basis. The Foundation's Level 2 common/collective trust funds are made up of a variety of corporate and government bonds and government mortgage obligations that are traded in inactive markets. The fair value of these funds is determined by an investment pricing service on a daily basis, and there are no restrictions on redemptions.

Common stock, mutual funds, and exchange-traded funds are recorded at fair value on a recurring basis. Fair value measurement of common stock, mutual funds, and exchange-traded funds is based upon quoted prices. Level 1 securities include common stock, mutual funds, and exchange-traded funds traded on an active exchange, such as the New York Stock Exchange, that are traded by dealers or brokers in active over-the-counter markets.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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Notes to Financial Statements

Assets Recorded at Fair Value on a Recurring Basis

The following tables set forth by level, within the fair value hierarchy, the recorded amount of assets measured at fair value on a recurring basis as of June 30:

2025	Assets at Fair Value				Total
	Level 1	Level 2	Level 3		
Operating fund assets					
Investments					
Money market funds	\$ 1,100,541	\$ -	\$ -	\$ 1,100,541	
Common stock	5,884	-	-	-	5,884
Exchange-traded funds					
Short term bond	57,136	-	-	-	57,136
Diversified emerging					
markets equity	166,943	-	-	-	166,943
Foreign large-cap equity	358,881	-	-	-	358,881
Intermediate-term bond	536,275	-	-	-	536,275
Large-cap equity	984,775	-	-	-	984,775
Mid-cap equity	93,898	-	-	-	93,898
Small-cap equity	94,536	-	-	-	94,536
Real estate and infrastructure	28,534	-	-	-	28,534
Mutual funds					
Domestic bond	551,240	-	-	-	551,240
Intermediate-term bond	226,071	-	-	-	226,071
Short term bond	56,906	-	-	-	56,906
Diversified emerging					
markets equity	26,165	-	-	-	26,165
Foreign large-cap equity	84,770	-	-	-	84,770
Large-cap equity	166,640	-	-	-	166,640
Mid-cap equity	16,856	-	-	-	16,856
Small-cap equity	10,947	-	-	-	10,947
Real estate and infrastructure	25,366	-	-	-	25,366
Total operating fund assets	4,592,364	-	-	-	4,592,364

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Notes to Financial Statements

2025	Assets at Fair Value				
	Level 1	Level 2	Level 3	Total	
Endowment fund assets					
Investments					
Money market funds	\$ 266,511	\$ -	\$ -	\$ 266,511	
Exchange-traded funds					
Short term bond	155,169	-	-	155,169	
Diversified emerging					
markets equity	155,178	-	-	155,178	
Foreign large-cap equity	186,899	-	-	186,899	
Mid-cap equity	163,130	-	-	163,130	
Real estate and infrastructure	80,453	-	-	80,453	
Mutual funds					
Domestic bond	737,023	-	-	737,023	
Intermediate-term bond	307,579	-	-	307,579	
Nontraditional bond	12,431	-	-	12,431	
Diversified emerging					
markets equity	235,887	-	-	235,887	
Foreign equity	578,770	-	-	578,770	
Large-cap equity	2,207,671	-	-	2,207,671	
Small-cap equity	105,892	-	-	105,892	
Long-short equity	26,416	-	-	26,416	
Real estate and infrastructure	71,913	-	-	71,913	
Preferred stock	15,323	-	-	15,323	
Convertibles	15,716	-	-	15,716	
Systematic Trend	14,112	-	-	14,112	
Relative Value Arbitrage	17,210	-	-	17,210	
Total endowment fund assets	5,353,283	-	-	5,353,283	
Total assets at fair value	\$ 9,945,647	\$ -	\$ -	\$ 9,945,647	

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Notes to Financial Statements

2024	Assets at Fair Value				
	Level 1	Level 2	Level 3	Total	
Operating fund assets					
Investments					
Money market funds	\$ 1,054,313	\$ -	\$ -	\$ 1,054,313	
Common/collective trust funds	-	140,453	-	140,453	
Common stock	5,695	-	-	5,695	
Exchange-traded funds					
Intermediate-term bond	194,140	-	-	194,140	
Diversified emerging					
markets equity	63,433	-	-	63,433	
Foreign equity	186,706	-	-	186,706	
Large-cap equity	1,174,837	-	-	1,174,837	
Mid-cap equity	96,558	-	-	96,558	
Small-cap equity	90,661	-	-	90,661	
Real estate and infrastructure	17,922	-	-	17,922	
Mutual funds					
Domestic bond	512,465	-	-	512,465	
Intermediate-term bond	270,477	-	-	270,477	
Diversified emerging					
markets equity	37,831	-	-	37,831	
Foreign equity	40,641	-	-	40,641	
Large-cap equity	262,699	-	-	262,699	
Mid-cap equity	13,414	-	-	13,414	
Small-cap equity	11,511	-	-	11,511	
Real estate and infrastructure	26,114	-	-	26,114	
Total operating fund assets	4,059,417	140,453	-	4,199,870	

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Notes to Financial Statements

2024	Assets at Fair Value				
	Level 1	Level 2	Level 3	Total	
Endowment fund assets					
Investments					
Money market funds	\$ 239,763	\$ -	\$ -	\$ 239,763	
Exchange-traded funds					
Foreign equity	208,452	-	-	208,452	
Mid-cap equity	24,333	-	-	24,333	
Real estate and infrastructure	79,787	-	-	79,787	
Mutual funds					
Domestic bond	606,234	-	-	606,234	
Intermediate-term bond	319,220	-	-	319,220	
Nontraditional bond	27,323	-	-	27,323	
Diversified emerging					
markets equity	311,898	-	-	311,898	
Foreign equity	345,389	-	-	345,389	
Large-cap equity	2,320,147	-	-	2,320,147	
Mid-cap equity	97,560	-	-	97,560	
Small-cap equity	101,389	-	-	101,389	
Long-short equity	55,530	-	-	55,530	
Real estate and infrastructure	116,147	-	-	116,147	
Preferred stock	33,082	-	-	33,082	
Convertibles	32,943	-	-	32,943	
Systematic Trend	38,341	-	-	38,341	
Relative Value Arbitrage	32,719	-	-	32,719	
Total endowment fund assets	4,990,257	-	-	4,990,257	
Total assets at fair value	\$ 9,049,674	\$ 140,453	\$ -	\$ 9,190,127	

4. UNCONDITIONAL PROMISES TO GIVE

The Foundation has received unconditional promises to give as part of their annual membership programs and certain grants. As of June 30, 2025 and 2024, the Foundation has gross unconditional promises to give outstanding of \$227,499 and \$191,631, respectively, on which an allowance of \$6,500 for fiscal 2025 and 2024 has been established for uncollectible promises. All unconditional promises to give are expected to be collected within the next year. Unconditional promises that are restricted by donors are shown as net assets with donor restrictions.

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Notes to Financial Statements

5. PROPERTY AND EQUIPMENT

Net property and equipment consists of the following at June 30:

	2025	2024
Property and equipment		
Land	\$ 342,796	\$ 342,796
Leasehold improvements	15,440	15,440
Buildings	6,153,722	6,142,469
Back-up generator equipment	229,097	229,097
Transmitter equipment	2,498,467	2,416,907
Production equipment	2,458,801	2,441,557
Radio broadcast equipment	1,421,451	1,419,381
Satellite equipment	212,145	212,145
VCR dub center equipment	53,163	53,163
Test and measurement equipment	26,817	24,650
Office equipment	1,048,718	1,039,376
Automobiles	93,125	93,125
Construction in progress	<u>29,518</u>	<u>109,683</u>
 Total property and equipment	 14,583,260	 14,539,789
Less allowance for depreciation	<u>10,698,919</u>	<u>10,356,656</u>
 Net property and equipment	 <u>\$ 3,884,341</u>	 <u>\$ 4,183,133</u>

Depreciation expenses was \$342,263 and 328,519 for the years ended June 30, 2025 and 2024, respectively.

6. LEASE COMMITMENTS

The following table summarizes the composition of net lease cost during the years ended June 30:

	2025	2024
Operating lease cost	<u>\$ 28,959</u>	<u>\$ 25,885</u>

Lease costs are included in rent and computer services and supplies on the statements of functional expenses.

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Notes to Financial Statements

The following table summarizes other information related to the Foundation's leases during the years ended June 30:

	2025	2024
Cash paid for amounts included in the measurement of lease obligations		
Operating cash flows from operating leases	\$ 29,168	\$ 26,072
Right-of-use assets obtained in exchange for new operating lease obligations	\$ 37,304	\$ 14,543
Weighted-average remaining lease term - operating leases	3.58	3.00
Weighted-average discount rate - operating leases	3.87%	3.30%

The following table presents a maturity analysis summary of the Foundation's lease obligations recorded on the statement of financial position as of June 30, 2025:

Year	Operating Leases
2025	\$ 15,543
2026	23,326
2027	14,934
2028	11,034
2029	9,737
Thereafter	<u>2,640</u>
 Total lease payments	 77,214
Less present value discount	<u>5,253</u>
 Total lease obligations	 71,961
Less current portion	<u>26,432</u>
 Long-term lease obligations	 <u>\$ 45,529</u>

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Notes to Financial Statements

7. RETIREMENT PLAN

The Foundation sponsors a defined contribution retirement plan (the "Plan") covering substantially all employees. The Foundation matches 100% of employee contributions, up to a maximum of 4% of a participating employee's salary. Total contributions to the Plan cannot exceed the excess of operating revenues over expenses after capital additions of the previous fiscal year. Employer contributions to the plan were \$50,033 and \$44,295 in fiscal 2025 and 2024, respectively.

8. NET ASSETS WITH DONOR RESTRICTIONS

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

	2025	2024
Subject to expenditure for specified purpose		
Capital grants and gifts	\$ 318,836	\$ 253,177
Other grants and gifts	<u>388,323</u>	<u>449,358</u>
Total net assets with donor restrictions	<u>\$ 707,159</u>	<u>\$ 702,535</u>

9. ENDOWMENTS

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's endowment fund is intended to grow through earnings and contributions to a level which will partially support the Foundation's operations through portfolio earnings of this fund. Currently, the Foundation's spending policy is to preserve long-term endowment and spending power entirely within this fund. The Foundation's Board of Directors is not prohibited from authorizing the spending of principal should emergency needs arise.

The endowment consists of funds without donor restrictions designated by the Board of Directors to function as endowments. The Foundation's endowment consists of approximately 16 individual funds established for a variety of purposes. Portfolio assets are allocated and balanced between fixed income and equity in proportions consistent with the long-term direction of the fund as determined by the Budget Committee of the Foundation. The overall investment objective for the portfolio will be weighted towards equity oriented long-term appreciation of capital. In regards to risk, it is contemplated that the funds will evidence a distinct bias towards preservation of capital in devising investment strategies and policies through the diversification of asset classes.

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Notes to Financial Statements

	Without Donor Restrictions	
	2025	2024
Endowment net assets composition by type of fund as of June 30		
Board-designated endowment funds	<u>\$ 5,353,283</u>	<u>\$ 4,990,257</u>
Changes in endowment net assets for the fiscal years ended June 30		
Endowment net assets, beginning of year	\$ 4,990,257	\$ 4,401,944
Net investment income	554,561	582,063
Distributions	(196,665)	-
Contributions	<u>5,130</u>	<u>6,250</u>
Endowment net assets, end of year	<u>\$ 5,353,283</u>	<u>\$ 4,990,257</u>

10. FUNDS HELD AS FISCAL AGENT

During 2015, the Foundation was designated as a fiscal agent for an Emergency Alert and Communications grant between CPB and BEMC. Under the agreement, the Foundation receives funds from CPB which is held for future payment to BEMC. These funds totaling \$12,000 as of June 30, 2025 and 2024, have been recorded in restricted cash and funds held as fiscal agent.

