

# **Wyoming Public Media**

Independent Auditor's Report and Financial Statements

June 30, 2022 and 2021

**Wyoming Public Media**  
**June 30, 2022 and 2021**

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## Independent Auditor's Report

Board of Trustees  
University of Wyoming  
Wyoming Public Wyoming  
Laramie, Wyoming

### ***Opinion***

We have audited the financial statements of Wyoming Public Media (the Network), a public media entity licensed to the Trustees of the University of Wyoming, reported as part of the University of Wyoming, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Network's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Network as of June 30, 2022 and 2021, and the changes in financial position 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Network and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Emphasis of Matters***

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

As discussed in Note 14 to the financial statements, in 2022, the entity adopted new accounting guidance GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of 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 Network's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Network'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 Network'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.

Board of Trustees  
University of Wyoming  
Wyoming Public Media

### ***Required Supplementary Information***

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

**FORVIS,LLP**

Denver, Colorado  
November 17, 2022

# Wyoming Public Media

## Management's Discussion and Analysis (Unaudited)

### Years Ended June 30, 2022 and 2021

#### Introduction and Reporting Entity

The following discussion and analysis summarize the financial position and activities of Wyoming Public Media (WPM or the Network) for the years ended June 30, 2022 and 2021, with comparative information for fiscal year 2020. WPM Management prepared the following discussion, and it should be read with the financial statements and related footnotes prepared by the University of Wyoming (UW) and which follow this section.

WPM is licensed to the Trustees of the University of Wyoming appointed by the Governor of Wyoming. Institutional oversight rests with the President through the office of the Vice President of Research and Economic Development. Direction and operation of the Network are delegated to the WPM General Manager who leads the operation with the mandate of providing a nationally recognized public broadcasting service to the public of Wyoming and ensuring Federal Communications Commission (FCC) and Corporation for Public Broadcasting (CPB) compliance at the broadcast and institutional levels. WPM operates under the CPB General Provision and Eligibility Criteria based on the *Communications Act* and applicable to Community Service Grant recipients. It maintains a Public Advisory Council. WPM is the third largest state network in the United States by geographic reach, and the only university-licensed public radio entity serving the citizens of Wyoming.

WPM provides high quality information and cultural content via four broadcast services and one digital platform: Wyoming Public Radio, Classical Wyoming, Jazz Wyoming, Wyoming Sounds, and [wyomingpublicmedia.org](http://wyomingpublicmedia.org). In addition, the Network produces and distributes two podcast programs: [HumaNaturepodcast.org](http://HumaNaturepodcast.org) and [TheModernWest.org](http://TheModernWest.org). WPM is a multi-platform content producer.

WPM is a charter member of National Public Radio (NPR), an affiliate of Public Radio International (PRI) and American Public Media (APM). Its primary service, Wyoming Public Radio (WPR), broadcasts a varied schedule of news and information, Americana/Classical/Jazz music formats, and entertainment programming. Information programming is generated by NPR, BBC, APM, and local production. WPM employs 22 full-time professionals in engineering, technology, programming/production, fundraising, and administration, in addition to part-time interns and students. Of these, eight are professional journalists, supplemented by freelancers around the state and regional reporters from the Mountain West News Bureau. WPM consistently wins state and national media awards and is a multi-year Edward R. Murrow awardee. Content is produced for both local and global distribution. Stories, features, and podcasts often air on NPR, reaching an audience of close to four million individuals per airing.

The Wyoming Public Radio service originates from the UW campus and is distributed via satellite to transmitters around the state. In addition, several communities can receive the 24-hour Classical Wyoming, Jazz Wyoming, and Wyoming Sounds signals on either analog or HD radio. All four services are available globally via internet streaming and generate a global audience. Currently, the combined signals reach approximately 95% of the state's 570,000+ citizens. According to the most recent audience statistics, over 68,000 people aged 12 and above listen to WPM each week, and close to 6,000 households and businesses contribute financially.

# **Wyoming Public Media**

## **Management's Discussion and Analysis (Unaudited)**

### **Years Ended June 30, 2022 and 2021**

WPM operates under a strategic plan created in 2011 by the General Manager and the UW Administration to move the network into the fast-paced digital lane and to solidify its position as a Wyoming network operated by Wyoming. The plan addresses four key initiatives: 1) connect Wyoming via terrestrial and digital multi-platform delivery systems, 2) articulate Wyoming's issues and culture by increasing Wyoming-centric programming for Wyoming audiences while identifying and expanding content applicable for national/global distribution, 3) establish fiscal stability for current and projected future operations, and 4) integrate into the social fabric through partnerships and collaborations with Wyoming communities and institutions. In 2020/2021, a fifth, learning-based initiative was articulated – a) generate learning opportunities in broadcasting that sharpen professional staff skills, and b) provide intern opportunities that ignite interest in public media and/or are transferable to other life disciplines. The strategic plan is updated every year and has worked well under six UW administrations. It applies President Seidel's 4 Pillars (more digital, entrepreneurial, inclusive, and interdisciplinary) to the public broadcasting disciplines and supports the University's community outreach missions within FCC guidelines.

Strategic Initiative No. 1 connects all Wyoming via terrestrial radio and extends the service to underserved areas. WPM continually upgrades sites, thus strengthening the Network's coverage and reliability. The main thrust is to cover Interstates: I-80 (Nebraska to Utah) and I-25/I-90 (Cheyenne to Ranchester/Buffalo to Sundance). Secondary roads connect Rawlins to Cody/Powell, Lander/Rock Springs to Jackson, and Torrington to Newcastle. Off-highway locations continued improvement with Classical Wyoming and Wyoming Sounds services. Today, driving through the state a listener is able to connect with the main channel statewide, and also find the other channels in select cities and towns.

WPM moved to a new satellite for audio distribution, as the previous satellite was being discontinued. This required the repointing of the uplink dish and the repointing of all the downlink dishes throughout the state. This allows WPM to continue to provide high-quality audio throughout Wyoming and serves as backup audio feed should internet connection fail.

Additionally, WPM installed internet audio distribution links in Laramie, Rock Springs, Rawlins, and Jackson. We will continue to add these links at other sites over the coming years. This improves reliability in bad weather and provides a redundant audio supply should the satellite system fail. WPM has also added Wyoming Sounds channels in Green River/Rock Springs, Sheridan, and Buffalo.

WPM continued to upgrade satellite network connectivity in new uplink facilities and downlink receivers. This new technology strengthens program distribution throughout the state and access to digital data for listeners with text capable receivers.

In tandem with analog radio, digital HD Radio technology upgrades continue to serve Wyoming with over 55% of listeners able to access the HD radio signal. This also provides Classical Wyoming and Wyoming Sounds to audiences that would not be able to ordinarily receive an analog signal in the same region of the state.

In addition to existing infrastructure, WPM applied for new NCE FM Stations in the noncommercial educational reserved band during the FCC filing window. Locations include Alta, Ranchester, Gillette, Dubois, Kaycee, Alpine, Pinedale, Jeffery City, and two in Kemmerer. All applications have been successful. Gillette is awaiting the environmental assessment to clear. Each site will bring either

# Wyoming Public Media

## Management's Discussion and Analysis (Unaudited)

### Years Ended June 30, 2022 and 2021

expansion of signal and/or format. WPM will also be expanding coverage around Rawlins as we build a new tower and bring a higher power transmitter online. Fundraising for the Alta location is in progress, and the site will be completed by early summer of 2023.

WPM's original \$5 million 5-year request to the state to upgrade and digitize the statewide technology was put on hold starting in 2017. WPM proposes reinstating these requests in coming years, as high-cost equipment and technology reach their expected lifetimes, and replacement/upgrade costs outpace the Network's operating budget.

Connecting Wyoming digitally, WPM embraced the global transition from analog to multi-platform smart technology and continued content development for new digital platforms. Wyomingpublicmedia.org provides a content-rich experience for individuals, students, and teachers. It is connected to the national public radio/NPR digital backbone, thus capturing national traffic. Content delves into areas such as the Wind River Reservation, UW Highlights, Wyoming Stories, Wyoming History, Wyoming Destinations, Health, Education, Energy, Natural Resources, etc. Two podcasts, *HumaNature* and *The Modern West*, were created to target audiences beyond Wyoming's borders and continue to grow in numbers and in peer recognition. Both are recognized in major podcast reviewers including Apple and *The New Yorker*. The public affairs program, *Open Spaces*, is now a radio, online, and podcast program. Mobile use of technology was introduced for smartphone access to national and local content. Capitalizing on the volume of digital content, a podcast-to-radio program was initiated to target predominantly radio consumers and is currently available for national distribution. For fiscal year 2021-2022, there were 1,531,041 total page views for wyomingpublicmedia.org, including podcasts, radio channels, and local programs. During that timeframe, 27,074 Wyoming Public Media podcast episodes were downloaded via PRX.

Strategic Initiative No. 2 increases Wyoming-centric programming and content. WPM created several radio and multi-platform modules and programs which can be found on wyomingpublicmedia.org under a variety of tabs. WPM continues a kid's podcast and two museum-related modules partnering with the Buffalo Bill Center of the West and the UW American Heritage Center. Statewide coverage was maintained with four Wyoming regional reporting initiatives serving northeast, northwest, and central Wyoming including the Wind River Reservation. The WPM/Buffalo Bill Center of the West journalism partnership is being extended, as well as the multi-state Mountain West Bureau – a CPB-funded initiative that began in 2018. Expansion funding came from non-university sources. As part of its strategic outreach initiative, WPM brings national public broadcasting entities to Wyoming, including the *Story Corps* project, entertainers Ira Glass, David Sedaris, Garrison Keillor, journalists Scott Simon, Lakshmi Singh, Lynn Neary, David Greene, Susan Stamberg, Don Gonyea, NPR Presidents/CEO's Kevin Klose, Gary Knell, and Jarl Mohn, among others. In 2020/2021 COVID-19 halted this program, and WPM migrated outreach activity to virtual formats. Some of these formats proved highly beneficial in reaching the public conveniently and relatively inexpensively, and they were incorporated into the network's outreach plan. To help balance the currently fractured media environment, WPM added multi-perspective topical debate/discussion national programs, while also developing local content within its *I Respectfully Disagree* series.

Strategic Initiative No. 3 establishes fiscal stability in current and future operational environments. WPM reorganized the fundraising department and upgraded procedures to match public broadcasting industry Best Practices and regulations. Administrative fundraising costs remain well under the 20% of revenue

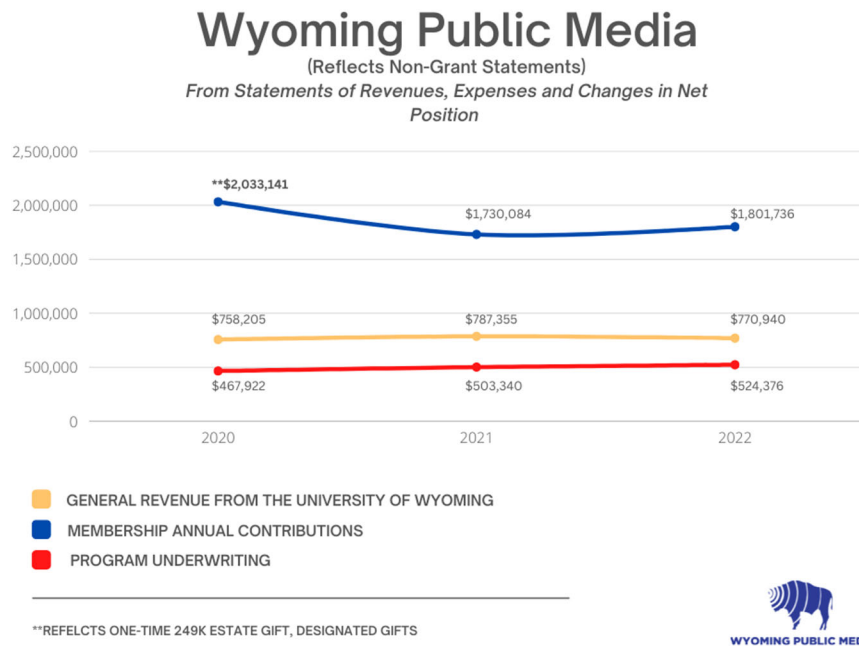


# Wyoming Public Media

## Management's Discussion and Analysis (Unaudited)

### Years Ended June 30, 2022 and 2021

benchmark favored by the philanthropic industry. WPM works with the UW Foundation and continues to associate with NPR as a national collaborator in its ongoing system-wide beta test. Activity supported through WPM fundraising is considered as “service to community,” and assessed and evaluated annually by the CPB as per FCC guidelines. A strong service activity report card strengthens WPM’s ability to maintain federal funding and attract donors. A snapshot of operating revenue activity over the past 10 years shows growth in individual giving, relatively flat activity in corporate support, and a steady decline in university support. Corporate activity is somewhat hampered by the number and size of Wyoming’s business community and the recent downturn precipitated by the pandemic. University declines can be partially attributed to Wyoming’s fiscal environment and institutional reorganizations.



**Strategic Initiative No. 4** builds involvement with communities. WPM sponsors activities in towns and cities throughout Wyoming, holds meet-and-greet opportunities (virtual in 2020/2021) with management, and funds a robust statewide public service announcement program online. Complying with federal requirements, WPM provides a detailed annual report evidencing its public service commitment in areas of programming, education, addressing diverse audiences, health and welfare, promoting a strong electorate, and increasing community involvement in civic life. As required by federal law, reports are available on the WPM website and are part of the Congressional record. WPM maintains a public file as per FCC regulations. Many community activities migrated to virtual format because of the pandemic. WPM articulated its Diversity, Equity, Inclusion statements and reports as per CPB requirements. A key focus of WPM’s diversity reporting is centered in Wyoming’s Indigenous population. WPM allocated a full-time position based on the Wind River Reservation to this initiative. This position is donor funded.

**Strategic Initiative No. 5** provides a platform for learning for the next generation of broadcasters and others who seek to learn the broadcast profession. Professional staff development is encouraged, utilizing

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## **Management's Discussion and Analysis (Unaudited)**

### **Years Ended June 30, 2022 and 2021**

a rich source of public broadcast training initiatives that have expanded over the last two years. WPM administers an intern program for UW students. This program was temporarily reduced because of the pandemic and is currently in rebuilding stages. In addition to training, the program offers opportunity to diversify the work environment through inclusion of UW's diverse student body.

Audience for WPM has increased significantly over 56 years of broadcasting. Finances have steadily strengthened due to outstanding audience support. The 2021/2022 operating budget is close to \$4 million, of which 60% is funded from sources outside the University. An endowment was added after the turn of the century as per best practices recommendations for public broadcasting. CPB had in previous years designated WPM as a "soaring" station in its Financial Health and Audience Service analysis of all CPB radio grantees, and this position still holds. The University of Wyoming surveyed state residents about their perceptions of the University, finding that WPM and UW Athletics were the most recognized entities of the University. The findings are evidence that WPM continues to serve the people of Wyoming with a strong and well received broadcast and media service that fulfills outreach missions of the University.

In 2020, WPM received an estate gift of \$249,227 from long-time multiple-station public radio supporter, Walter E. Niekamp of Pensacola, Florida, with anticipated use in the central Wyoming Casper area. The Niekamps had lived in Casper, and Mr. Niekamp taught at Natrona High School. His association with UW was through WPM General Manager and WFIU-FM at Indiana University.

In 2021, under UW Trustee guidance, WPM applied for and received a federal PPP loan. Loan forgiveness was filed for in early 2022 and achieved in accordance of program provisions. This loan was sought to bridge current and future losses incurred from the pandemic, particularly in anticipated reductions in corporate underwriting funding.

WPM's trajectory as a leading Wyoming statewide media with national prominence continued as per UW's charge to the General Manager. The network transitioned into digital media operations and platforms with global reach. Directional changes were made in engineering/digital operations, news content and coverage scope, national content submissions, cultural reporting, community outreach, and a restructured fundraising model. WPM's General Manager assumes leadership roles in numerous national organizations as per position requirements and serves on regional and national broadcasting boards dealing with public broadcasting directions, technologies, and delivery systems. WPM employees are assigned to work with national areas of programming, engineering, technology, and emerging distribution platforms. Staff members participate in national training initiatives, and industry professional consultants and leaders are engaged in areas requiring national visioning. Though the smallest state network in the U.S. with a population of 570,000+, WPM retains a position of prominence in the national public radio arena as evidenced by its national and regional grants.

As all broadcasters, WPM was affected by COVID-19 and responded immediately incorporating both FCC-based guidelines and UW regulations. The objective was to maintain full service on all channels and to all Wyomingites, as well as preservation of content created for national/global distribution. The full impact of the pandemic is expected to draw out for many years. Basing projections on national trends and findings, WPM expects fluctuations in all areas of operation.

# **Wyoming Public Media**

## **Management's Discussion and Analysis (Unaudited)**

### **Years Ended June 30, 2022 and 2021**

#### **Overview of the Financial Statements**

WPM's financial statements consist of the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows (direct method). These statements are prepared in conformity with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, (Statement 34) and Government Accounting Standards Board Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities* (Statement 35). Statement 34 requires the classification of net position into three categories – net investment in capital assets; restricted; and unrestricted. Statement 35 applies Statement 34 to colleges and universities.

The statements of net position includes assets, liabilities, and net position of WPM as of June 30, 2022 and 2021. This statement is classified into current and noncurrent assets and liabilities, with net position classified in the categories noted above. The statements of revenues, expenses and changes in net position depicts the operating revenues and expenses resulting in net operating income or loss, which is then combined with nonoperating revenues and expenses to provide the total change in net position. Significant recurring sources of WPM's revenues (including general revenue from the University of Wyoming, indirect administrative support from the University of Wyoming, and investment income (loss)) expended for operations are considered nonoperating revenues according to definitions prescribed by the Governmental Accounting Standards Board.

These diversified revenue streams are critically important sources of funds used to supplement operating revenue in the delivery of WPM programs and services. Under this required reporting format, operating expenses will always exceed operating revenues and the statements of revenues, expenses and changes in net position will reflect a loss from operations every year. The statements of cash flows shows the sources and uses of cash from operations, noncapital financing activities, capital and related financing activities, and investing activities. The financial statements also include notes that explain important information in the financial statements and provide more detailed data.

#### **Financial Highlights**

The financial position of WPM at June 30, 2022 remains strong. Net position totaled \$5,501,152 as of June 30, 2022 and \$4,843,035 as of June 30, 2021. WPM's net position increased by 13.6% or \$658,117 in FY 2022 as compared with an increase of 20.1% or \$809,193 in FY 2021.

The largest driver for the increase in FY 2022 net position was the forgiveness of the Paycheck Protection Program Loan after meeting an eligibility criteria in FY 2022. The increase in FY 2021 was primarily due to investment income in FY 2021

Revenues and expenses are categorized as either operating or nonoperating and an operating income or loss is displayed. Significant recurring sources of the University's revenues, including WPM's share of state appropriations received as general revenues from UW, indirect administrative support, and investment income expended for operations are considered nonoperating revenues according to definitions prescribed by GASB. The FY 2021 financial statements have been restated due to the required adoption of GASB 87 as disclosed in Note 14 of the financial statements.

**Wyoming Public Media**  
**Management's Discussion and Analysis (Unaudited)**  
**Years Ended June 30, 2022 and 2021**

WPM's operating revenue and support increased from \$2,667,357 in FY 2021 to \$2,708,826 in FY 2022. The 1.6% or \$41,469 increase in FY 2022 operating revenue is primarily due to \$96,730 higher membership and underwriting revenue, partially offset by \$55,261 of lower grant revenue.

WPM's operating revenue and support decreased from \$2,858,497 in FY 2020 to \$2,667,357 in FY 2021. The 6.7% or \$191,140 decrease in FY 2021 operating revenue is primarily due to \$303,059 in decreased membership contributions (which includes a \$249,227 one-time estate gift received in FY 2020) that was slightly offset by additional grant support.

Operating expenses decreased from \$3,904,543 in FY 2021 to \$3,695,300 in FY 2022. The 5.4% or \$209,243 decrease in FY 2022 operating expenses is primarily due to lower payroll and indirect administrative support expenses, partially offset by higher repairs and maintenance expenses.

Operating expenses decreased from \$4,060,208 in FY 2020 to \$3,904,543 in FY 2021. The 3.8% or \$155,665 decrease in FY 2021 operating expenses is primarily due to voluntary staff reductions and continued reductions in capital improvement costs and travel expenses.

The net operating loss for FY 2022 was \$986,474 which included noncash depreciation and amortization expense of \$175,983, while the net operating loss for FY 2021 was \$1,237,186 which included noncash depreciation and amortization expense of \$206,558. The net operating loss for FY 2020 was \$1,201,711 which included noncash depreciation of \$145,331.

Net nonoperating revenues were \$1,634,716 in FY 2022, compared to \$2,046,379 in FY 2021. Included in nonoperating revenues are general revenue and indirect administrative support from the University of Wyoming (UW) and investment income. The decrease in FY 2022 is driven by \$665,459 lower investment income, partially offset by the forgiveness of the Paycheck Protection Program loan totaling \$364,708.

Net nonoperating revenues were \$2,046,379 in FY 2021, compared to \$1,856,459 in FY 2020. The higher net nonoperating revenues in FY 2021 was primarily due to \$471,547 of increased investment income.

WPM's land, equipment, and buildings (including leased assets), net of accumulated depreciation and amortization, totaled \$746,165, \$787,317 and \$769,489 at June 30, 2022, 2021 and 2020, respectively.

**Wyoming Public Media**  
**Management's Discussion and Analysis (Unaudited)**  
**Years Ended June 30, 2022 and 2021**

**Financial Analysis of the Statements**

WPM's condensed financial statements are presented below for FY 2022, FY 2021 and FY 2020.

Condensed Statements of Net Position

	<b>2022</b>	<b>2021 (As Restated)</b>	<b>2020**</b>
<b>Assets</b>			
Current assets	\$ 4,230,807	\$ 3,683,701	\$ 2,519,984
Noncurrent assets	<u>2,257,954</u>	<u>2,445,591</u>	<u>1,973,857</u>
Total assets	<u>6,488,761</u>	<u>6,129,292</u>	<u>4,493,841</u>
<b>Liabilities</b>			
Current liabilities	891,933	827,093	459,999
Noncurrent liabilities	<u>95,676</u>	<u>459,164</u>	<u>-</u>
Total liabilities	<u>987,609</u>	<u>1,286,257</u>	<u>459,999</u>
<b>Net Position</b>			
Net investment in capital assets	623,408	631,302	769,489
Restricted for			
Nonexpendable endowment	137,913	129,700	129,700
Expendable, donor purpose	526,277	370,015	262,512
Unrestricted	<u>4,213,554</u>	<u>3,712,018</u>	<u>2,872,141</u>
Total net position	<u>\$ 5,501,152</u>	<u>\$ 4,843,035</u>	<u>\$ 4,033,842</u>

\*\* The 2020 amounts have not been restated for the adoption of GASB 87.

Current assets consist primarily of cash and cash equivalents, accounts receivable and contributions receivable, and prepaid assets such as prepaid lease rentals. Noncurrent assets consist primarily of investments, and property and equipment. Current liabilities consist of accounts payable and accrued expenses and unearned revenues. Noncurrent liabilities consist of lease liabilities in FY 2021 and FY 2022 and FY 2021 includes \$364,708 of outstanding debt associated with a Paycheck Protection Program loan which was fully forgiven in FY 2022.

**Wyoming Public Media**  
**Management's Discussion and Analysis (Unaudited)**  
**Years Ended June 30, 2022 and 2021**

Condensed Statements of Revenues, Expenses and Changes in Net Position

	<b>2022</b>	<b>2021 (As Restated)</b>	<b>2020**</b>
Total operating revenue and support	\$ 2,708,826	\$ 2,667,357	\$ 2,858,497
Operating expenses	<u>3,695,300</u>	<u>3,904,543</u>	<u>4,060,208</u>
Operating loss	<u>(986,474)</u>	<u>(1,237,186)</u>	<u>(1,201,711)</u>
State appropriations - general revenue	770,940	787,355	758,205
Other nonoperating revenues (expenses)	<u>863,776</u>	<u>1,259,024</u>	<u>1,098,254</u>
Nonoperating revenue (expenses)	<u>1,634,716</u>	<u>2,046,379</u>	<u>1,856,459</u>
Additions to permanent endowments	<u>9,875</u>	<u>-</u>	<u>-</u>
Increase in net position	658,117	809,193	654,748
Net position, beginning of year	<u>4,843,035</u>	<u>4,033,842</u>	<u>3,379,094</u>
Net position, end of year	<u>\$ 5,501,152</u>	<u>\$ 4,843,035</u>	<u>\$ 4,033,842</u>

\*\* The 2020 amounts have not been restated for the adoption of GASB 87.

Operating revenues consist primarily of membership contributions including ticket sales, underwriting contributions, and community service grants.

Operating expenses consist primarily of broadcasting; programming and production; management and general; and fundraising, underwriting, and grant solicitation expense.

Nonoperating revenues consist primarily of state appropriations, investment income, and indirect administrative support from the University of Wyoming.

Condensed Statement of Cash Flows

	<b>2022</b>	<b>2021 (As Restated)</b>	<b>2020**</b>
Net cash used in operating activities	\$ (71,077)	\$ (379,259)	\$ (276,803)
Net cash provided by noncapital financing activities	770,940	1,437,369	870,341
Net cash used in capital financing activities	(169,363)	(61,398)	(10,597)
Net cash provided by investing activities	<u>16,775</u>	<u>71,968</u>	<u>7,613</u>
Net increase in cash	<u>547,275</u>	<u>1,068,680</u>	<u>590,554</u>
Cash, beginning of year	<u>3,199,766</u>	<u>2,131,086</u>	<u>1,540,532</u>
Cash, end of year	<u>\$ 3,747,041</u>	<u>\$ 3,199,766</u>	<u>\$ 2,131,086</u>

\*\* The 2020 amounts have not been restated for the adoption of GASB 87.

**Wyoming Public Media**  
**Management's Discussion and Analysis (Unaudited)**  
**Years Ended June 30, 2022 and 2021**

The net cash flows from operating activities were used primarily for payments to suppliers and employees, and for employee benefits.

**Request for Information**

This financial report is designed to provide donors, members, investment managers, foundations, and taxpayers with a general overview of WPM's finances and to account for the funding it receives. Additional details can be requested by mail at the following address:

Wyoming Public Media  
Department 3984  
1000 East University Avenue  
Laramie, Wyoming 82071

**Wyoming Public Media**  
**Statements of Net Position**  
**June 30, 2022 and 2021**

**Assets**

	<b>2022</b>	<b>2021</b> <b>(As Restated)</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,564,208	\$ 1,808,141
Restricted cash and cash equivalents	1,182,833	1,391,625
Accounts receivable, net of \$0 allowance for uncollectible accounts for 2022 and 2021, respectively	41,432	14,042
Grants receivable	-	79,665
Contributions receivable, net of \$9,357 and \$26,493 allowance for uncollectible accounts for 2022 and 2021, respectively	302,559	261,240
Inventory	4,491	3,879
Prepaid expenses	135,284	125,109
	<b>4,230,807</b>	<b>3,683,701</b>
<b>Noncurrent Assets</b>		
Investments restricted for endowments and quasi-endowments	1,511,789	1,658,274
Capital assets, net	623,743	627,998
Lease assets, net	122,422	159,319
	<b>2,257,954</b>	<b>2,445,591</b>
	<b>6,488,761</b>	<b>6,129,292</b>



**Wyoming Public Media**  
**Statements of Net Position (continued)**  
**June 30, 2022 and 2021**

**Liabilities and Net Position**

	<b>2022</b>	<b>2021</b> <b>(As Restated)</b>
<b>Current Liabilities</b>		
Accounts payable	34,948	24,033
Other accrued liabilities	4,466	7,490
Current portion of lease liabilities	27,081	61,559
Underwriting and grants received in advance	825,438	734,011
	<hr/>	<hr/>
Total current liabilities	891,933	827,093
	<hr/>	<hr/>
<b>Noncurrent Liabilities</b>		
Loan payable, less current portion	-	364,708
Lease liabilities	95,676	94,456
	<hr/>	<hr/>
Total noncurrent liabilities	95,676	459,164
	<hr/>	<hr/>
Total liabilities	987,609	1,286,257
	<hr/>	<hr/>
<b>Net Position</b>		
Net investment in capital and lease assets	623,408	631,302
Restricted for		
Nonexpendable - endowment	137,913	129,700
Expendable		
Donor purpose	526,277	370,015
Unrestricted	4,213,554	3,712,018
	<hr/>	<hr/>
Total net position	<u>\$ 5,501,152</u>	<u>\$ 4,843,035</u>

**Wyoming Public Media**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b> <b>(As Restated)</b>
<b>Operating Revenues</b>		
Membership contributions	\$ 1,801,736	\$ 1,730,084
Program underwriting	524,376	503,340
Non-institutional contributed support (community in-kind)	20,094	16,052
Corporation for public broadcasting community service programs acquisition, rural expansion, and other grants	357,096	319,616
Grants - other	5,524	98,265
	<hr/>	<hr/>
Total operating revenues	2,708,826	2,667,357
	<hr/>	<hr/>
<b>Operating Expenses</b>		
Broadcasting	639,431	466,822
Programming and production	1,210,867	1,414,405
Management and general	1,165,758	1,311,003
Fundraising, underwriting, and grant solicitation	503,261	505,755
Depreciation and amortization	175,983	206,558
	<hr/>	<hr/>
Total operating expenses	3,695,300	3,904,543
	<hr/>	<hr/>
<b>Operating Loss</b>	(986,474)	(1,237,186)
	<hr/>	<hr/>
<b>Nonoperating Revenues (Expenses)</b>		
General revenue from the University of Wyoming	770,940	787,355
Indirect administrative support from the University of Wyoming	640,231	734,814
Investment income (loss)	(139,585)	525,874
Loan forgiveness	364,708	-
Interest expense	(1,578)	(1,664)
	<hr/>	<hr/>
Total nonoperating revenues (expenses)	1,634,716	2,046,379
	<hr/>	<hr/>
<b>Income Before Other Revenues, Expenses, Gains and Losses</b>	648,242	809,193
	<hr/>	<hr/>
Additions to permanent endowments	9,875	-
	<hr/>	<hr/>
<b>Increase in Net Position</b>	658,117	809,193
	<hr/>	<hr/>
<b>Net Position, Beginning of Year</b>	4,843,035	4,033,842
	<hr/>	<hr/>
<b>Net Position, End of Year</b>	<u>\$ 5,501,152</u>	<u>\$ 4,843,035</u>

**Wyoming Public Media**  
**Statements of Cash Flows**  
**Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b> <b>(As Restated)</b>
<b>Cash Flows from Operating Activities</b>		
Membership contributions	\$ 1,760,417	\$ 1,697,213
Program underwriting	533,758	513,150
Community service grants	496,940	396,724
Payments to vendors	(1,191,717)	(1,061,345)
Payments to employees	(1,157,238)	(1,311,171)
Payments for benefits	(513,237)	(613,830)
	<u>(71,077)</u>	<u>(379,259)</u>
<b>Net cash used in operating activities</b>		
<b>Cash Flows from Noncapital Financing Activities</b>		
General revenue from the University of Wyoming	770,940	787,355
COVID-19 funding	-	285,306
Proceeds from Paycheck Protection Program loan	-	364,708
	<u>770,940</u>	<u>1,437,369</u>
<b>Net cash provided by noncapital financing activities</b>		
<b>Cash Flows from Capital Financing Activities</b>		
Property and equipment acquisitions	(103,531)	-
Principal payments on leases	(64,558)	(60,015)
Interest payments on leases	(1,274)	(1,383)
	<u>(169,363)</u>	<u>(61,398)</u>
<b>Net cash used in capital financing activities</b>		
<b>Cash Flows from Investing Activities</b>		
Interest received	49,601	111,309
Additions to permanent endowment	9,875	-
Purchase of investments including reinvestment of earnings	(42,701)	(39,341)
	<u>16,775</u>	<u>71,968</u>
<b>Net cash provided by investing activities</b>		
<b>Net Increase in Cash</b>	547,275	1,068,680
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>3,199,766</u>	<u>2,131,086</u>
<b>Cash and Cash Equivalents, End of Year</b>		
Including current restricted cash balances of \$1,182,833 and \$1,391,625 for 2022 and 2021, respectively	<u>\$ 3,747,041</u>	<u>\$ 3,199,766</u>

**Wyoming Public Media**  
**Statements of Cash Flows (continued)**  
**Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b> <b>(As Restated)</b>
<b>Reconciliation of Operating Loss to Net</b>		
<b>Cash Used in Operating Activities</b>		
Operating loss	\$ (986,474)	\$ (1,237,186)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation and amortization expense	175,983	206,558
Noncash expenses		
Indirect administrative support from the University of Wyoming	640,231	734,814
Change in assets and liabilities		
Accounts receivable	(27,390)	27,018
Grants receivable	79,665	(73,137)
Contributions receivable	(41,319)	(32,871)
Inventory	(612)	3,203
Prepaid expenses	(10,175)	(27,606)
Accounts payable	10,915	(15,726)
Other accrued liabilities	(3,328)	902
Underwriting and grants received in advance	91,427	34,772
Net cash used in operating activities	\$ (71,077)	\$ (379,259)
<b>Noncash Investing, Capital and Noncapital Financing Activities</b>		
Unrealized loss on investments	\$ (427,893)	\$ (24,221)
PPP loan forgiven	364,708	-
Assets acquired from leases	31,300	224,386

# Wyoming Public Media

## Notes to Financial Statements

June 30, 2022 and 2021

### Note 1: Nature of Operations and Summary of Significant Accounting Policies

#### ***Nature of Operations***

Wyoming Public Media (the Network) is a public media entity licensed to the Trustees of the University of Wyoming (the University) and is reported as part of the University of Wyoming. These financial statements are intended to present the financial position, the changes in financial position and cash flows of only that portion of the University that is attributable to the transactions of the Network. They do not purport to, and do not, present fairly the financial position of the University as of June 30, 2022 and 2021, the changes in its financial position or cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Financial results for the University are presented in separate financial statements prepared by the University.

The Network is comprised of 28 separate radio stations and associated translators, KBUW-FM – Buffalo, KDUW-FM – Douglas, KEUW-FM – Torrington, KSUW-FM – Sheridan, KUWA-FM – Afton, KUWC-FM – Casper, KUWD-FM – Sundance, KUWE-FM – Evanston, KUWG-FM – Gillette, KUWI-FM – Rawlins, KUWJ-FM – Jackson, KUWK-FM – Kaycee, KUWL-FM Jazz – Laramie, KUWN-FM – Newcastle, KUWP-FM – Powell/Cody, KUWR-FM – Laramie, KUWT-FM – Thermopolis, KUWV-FM – Lingle, KUWW-FM – Fort Washakie, KUWX-FM – Pinedale, KUWY-FM Classical – Laramie, KUWZ-FM – Rock Springs/Green River, KAIW-FM – Saratoga, and KZUW-FM – Reliance, KTWY-FM – Shoshoni, KWWY-FM – Shoshoni, KNWT-FM – Cody, KXWY-FM – Hudson.

#### ***Basis of Accounting and Presentation***

The financial statements of the Network have been prepared on the accrual basis of accounting whereby revenues are recorded when earned and all expenses are recorded when they have been incurred for all exchange transactions, while those from government-mandated nonexchange transactions (*i.e.*, grants) are recognized when all applicable eligibility requirements are met.

#### ***Reporting Guidelines***

The Network is reported as a single purpose business-type activity entity. In addition, the Network's financial statements have been prepared in accordance with the Corporation for Public Broadcasting's (CPB) *Application Principles of Accounting and Financial Reporting to Public Telecommunications Entities*.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

# Wyoming Public Media

## Notes to Financial Statements

### June 30, 2022 and 2021

#### ***Cash and Cash Equivalents***

The Network considers all liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2022 and 2021, cash and cash equivalents consist of claims on cash with the University and cash and cash equivalents held by the University of Wyoming Foundation (the Foundation). Interest on the cash pooled with the University is allocated based on the Network's proportion of the pool.

#### ***Investments Restricted for Endowment***

Investments restricted for endowment are held in the Foundation's Endowment Fund, which is a pooled investment of individual endowments benefiting the University and its related entities including the Network. In accordance with GASB No. 72, *Fair Value Measurement and Application*, for investments in pooled funds, the fair value is determined as the number of units or shares held in the fund multiplied by the price per unit or shares. Investments are reported at the net asset value (NAV).

#### ***Accounts Receivable***

Accounts receivable consists of amounts due for underwriting. Accounts receivable is recorded net of estimated uncollectible amounts.

#### ***Contributions Receivable***

Contributions receivable consists of amounts due for unconditional promises to give to the Network. Contributions receivable is recorded net of estimated uncollectible amounts which is based upon a review of outstanding pledges, historical collections and existing economic conditions.

#### ***Inventories***

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

#### ***Prepaid Expenses***

Prepaid expenses represent payments for benefits not yet received, such as prepaid rent under short term leases or membership dues paid in advance. The expenses are amortized and recognized in the period in which the benefit is received.

#### ***Capital Assets***

Capital assets are recorded at historical cost at the date of purchase, or acquisition value at the date of donation if acquired by gift. For equipment, the Network's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

# Wyoming Public Media

## Notes to Financial Statements

### June 30, 2022 and 2021

Depreciation is computed using the straight-line method over the estimated useful life of each asset. The following estimated useful lives are being used by the Network:

Buildings and improvements	50 years
Equipment	3 – 7 years

#### ***Leased Assets***

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

#### ***Underwriting and Grants Received in Advance***

Underwriting and grants received in advance represents unearned amounts from contract sponsors which have not yet been earned under the terms of the agreement and on grants awards for which the Network has not met all of the applicable eligibility requirements.

#### ***Net Position***

Net position of the Network is classified in four components. Net investment in capital and lease assets consists of capital and lease assets net of accumulated depreciation and amortization and reduced by the outstanding balances of borrowings used to finance the purchase of those assets. Restricted expendable net position is made up of noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the Network. Restricted nonexpendable net position consists of noncapital assets that are required to be maintained in perpetuity as specified by parties external to the Network, such as permanent endowments. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital and lease assets or restricted which may be used for the operation of the Network at the discretion of the governing board.

The Network first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

#### ***Classification of Revenues***

The Network has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues – Operating revenues include activities that are considered to be principal ongoing operations of the Network and include sources that are primarily used to provide services to the Network’s audience, such as (1) membership contributions, (2) program underwriting and (3) grants. Revenue from membership contributions is recognized when an unconditional promise to give exists. Unrestricted grants are recorded as revenues at the time the grant awards are received and when eligibility requirements have been met. Restricted support and revenues are recognized upon incurring the appropriate expenses or meeting the eligibility requirements.

# Wyoming Public Media

## Notes to Financial Statements

### June 30, 2022 and 2021

Nonoperating revenues – Nonoperating revenues include all those revenues not considered to be operating revenues as defined above, such as state appropriations received from the University, subsidies received from the federal government related to COVID-19, investment income, and indirect administrative support from the University.

#### ***In-kind Contributions***

Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. However, if the fair value of contributed materials, supplies, facilities, and property cannot be reasonably determined they are not recorded. Donated services from volunteers are not included in the accompanying financial statements as there is no measurable and objective basis for determining the fair value of these contributions.

#### ***Indirect Administrative Support***

Indirect support from the University consists of allocated institutional support and operation and maintenance costs incurred by the University for which the Network receives benefits. The fair value of this support is recognized in the statements of revenues, expenses and changes in net position as indirect administrative support and also as expense in the management and general and fundraising, underwriting and grant solicitation functional expense categories as detailed in Note 8. The University also provides donated facilities consisting of office and studio space which is valued in accordance with the guidelines established by the CPB.

#### ***COVID-19 Funding***

The Network received \$285,306 in *American Rescue Plan Act* Stabilization Grants from the CPB in April 2021. The grants were funded under Public Law 117-2, *American Rescue Plan Act of 2021*, as signed by President Joe Biden on March 11, 2021, to prevent, prepare for, and respond to the coronavirus. The funds are restricted to expenditures to maintain programming and services. The Network did not incur any eligible expenditures in fiscal year 2022 and as such this grant is reported in underwriting and grants received in advance on the statements of net position.

#### ***Reclassifications***

Certain reclassifications have been made to the 2021 financial statements to conform to the 2022 presentation. The reclassifications had no effect on the change in net position.



**Wyoming Public Media**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 2: Cash and Cash Equivalents**

***Deposits***

Wyoming Statute § 9-4-817 authorizes agencies of the state to deposit public funds in financial institutions authorized to do business in the state of Wyoming. These deposits must be fully insured by Federal Deposit Insurance Corporation (FDIC) or secured by a pledge of assets including bonds, debentures, and other securities in which the State Treasurer may by law invest. Alternatively, a depository may pledge conventional real estate mortgages and notes connected with mortgages at a ratio of one and one-half to one (1½:1) of the value of public funds secured by the securities.

Deposits for the Network represents the Network’s prorated share of commingled cash and cash equivalents held and invested by the University acting as the Network’s fiscal agent or held and invested by the Foundation. The Network’s deposits are held as follows:

	<b>2022</b>	<b>2021</b>
Deposits held by the University	\$ 3,637,218	\$ 3,126,329
Deposits held by Foundation	109,823	73,437
Total deposits	\$ 3,747,041	\$ 3,199,766

Additional information on the University’s and Foundation’s cash and cash equivalents can be found in their separately issued financial statements.

**Note 3: Endowment Funds**

The University of Wyoming Trustees established a quasi-endowment fund which totals \$1,235,477 and \$1,357,928 as of June 30, 2022 and 2021, respectively. The funds cannot be withdrawn without University of Wyoming’s Board of Trustees approval. The earnings from the account are available to the Network. The quasi-endowment is included in unrestricted net position on the statements of net position.

The Network has also received gifts as endowments from third parties. As of June 30, 2022 and 2021, total gifts and unspent earnings are \$276,313 and \$300,346, respectively, of which \$137,913 and \$129,700, respectively is corpus and is not expendable. The corpus is reported in restricted nonexpendable net position on the statements of net position.

The quasi-endowment and other endowments are held in the Foundation’s Endowment Fund which is a pooled investment of individual endowments benefiting the University and its related entities including the Network. The Foundation maintains separate accounts for each participant in the pool.

Investment income, gains and losses and expenses of the pool are allocated to each participant based on their share of ownership in the pool and are reflected as investment income in the accompanying statements of revenues, expenses and changes in net position.

# Wyoming Public Media

## Notes to Financial Statements

### June 30, 2022 and 2021

The investments within the Foundation’s Endowment Fund are exposed to risks that have the potential to result in losses. Those risks and their definitions are:

- Credit risk – the risk an insurer or counterparty to an investment will not fulfill its obligation
- Custodial risk – the risk that in the case of default by the counterparty a government will be unable to recover its deposit/investment or collateralizing securities in the possession of an outside party
- Concentration risk – the risk of loss attributable to the size of a government’s investment in a single issuer
- Interest rate risk – the risk that changes in interest rates will adversely affect the fair value of investments
- Foreign currency risk – the risk that changes in exchange rates will adversely affect the fair value of a deposit or investment

The investment committee of the Foundation, following the Prudent Expert Rule, carries out the Foundation’s investment policy. The Prudent Expert Rule states that a fiduciary shall manage the portfolio “with the care, skill, prudence and diligence, under circumstances then prevailing, and that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and like aims.” External managers have been hired to invest in the following asset classes: equities, fixed income, absolute return, private equity/venture capital, hedged equity, and real estate. A long-term target asset allocation strategy has been implemented to achieve required returns while minimizing risk. All investments selected must be in compliance with the laws of the state of Wyoming, Internal Revenue Code prohibitions on self-dealing or vehicles that would jeopardize the carrying out of the exempt purpose of the Foundation, and restrictions on unrelated business taxable income.

Further information on the investments held by the Foundation can be found in their separately issued financial statements.

The following summarizes the Network’s activity and net asset value per share of the underlying portfolio for the years ended June 30, 2022 and 2021:

Balance, June 30, 2020	\$	1,204,368
Additions (including income reinvested in pool)		39,341
Realized/unrealized gain (loss)		414,565
		414,565
Balance, June 30, 2021		1,658,274
Additions (including income reinvested in pool)		52,577
Realized/unrealized gain (loss)		(199,062)
		(199,062)
Balance, June 30, 2022	\$	1,511,789

**Wyoming Public Media**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 4: Capital and Lease Assets**

Capital asset activity for the years ended June 30, 2022 and 2021, was:

	<b>Balance July 1, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2022</b>
Capital assets, not being depreciated				
Land	\$ 50,272	\$ -	\$ -	\$ 50,272
Capital assets, being depreciated				
Equipment	2,264,876	103,531	-	2,368,407
Buildings	507,455	-	-	507,455
Total capital assets, being depreciated	2,772,331	103,531	-	2,875,862
Less: accumulated depreciation	(2,194,605)	(107,786)	-	(2,302,391)
Capital assets, net	<u>\$ 627,998</u>	<u>\$ (4,255)</u>	<u>\$ -</u>	<u>\$ 623,743</u>

	<b>Balance July 1, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2021</b>
Capital assets, not being depreciated				
Land	\$ 50,272	\$ -	\$ -	\$ 50,272
Capital assets, being depreciated				
Equipment	2,618,395	-	353,519	2,264,876
Buildings	507,455	-	-	507,455
Total capital assets, being depreciated	3,125,850	-	353,519	2,772,331
Less: accumulated depreciation	(2,406,633)	(141,491)	(353,519)	(2,194,605)
Capital assets, net	<u>\$ 769,489</u>	<u>\$ (141,491)</u>	<u>\$ -</u>	<u>\$ 627,998</u>

**Wyoming Public Media**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

Lease asset activity for the years ended June 30, 2022 and 2021, was:

	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2022</b>
Land	\$ 151,854	\$ 31,300	\$ -	\$ 183,154
Buildings	2,224	-	-	2,224
Equipment	70,308	-	-	70,308
Total leased assets	224,386	31,300	-	255,686
Less: accumulated amortization	(65,067)	(68,197)	-	(133,264)
Lease asset, net	<u>\$ 159,319</u>	<u>\$ (36,897)</u>	<u>\$ -</u>	<u>\$ 122,422</u>
	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2021</b>
Land	\$ 151,854	\$ -	\$ -	\$ 151,854
Buildings	2,224	-	-	2,224
Equipment	70,308	-	-	70,308
Total leased assets	224,386	-	-	224,386
Less: accumulated amortization	-	(65,067)	-	(65,067)
Lease asset, net	<u>\$ 224,386</u>	<u>\$ (65,067)</u>	<u>\$ -</u>	<u>\$ 159,319</u>

**Note 5: Loan Payable**

**PPP Loan**

On June 9, 2021, the Network received a loan in the amount of \$364,708 pursuant to the Paycheck Protection Program (PPP). Under the terms of the program loans are eligible to be forgiven if the proceeds were used for payroll and other non-payroll expenses. The Network used all the proceeds to make eligible payments, and the entire loan was forgiven on January 6, 2022.

**Wyoming Public Media**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 6: Lease Liabilities**

The Network has several leases for broadcast towers and equipment which expire in various years through 2032. The following is a summary of lease activity for the years ended June 30, 2022 and 2021:

	<b>Balance July 1, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2022</b>	<b>Current Portion</b>
Lease liability	\$ 156,015	\$ 31,300	\$ (64,558)	\$ 122,757	\$ 27,081

	<b>Balance July 1, 2020 (As Restated)</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2021</b>	<b>Current Portion</b>
Lease liability	\$ 216,030	\$ -	\$ (60,015)	\$ 156,015	\$ 61,559

The following is a schedule by year of payments under the leases as of June 30, 2022:

<b>Year Ending June 30,</b>	<b>Total to Be Paid</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 28,337	\$ 27,081	\$ 1,256
2024	21,991	20,975	1,016
2025	18,324	17,509	815
2026	14,354	13,717	637
2027	12,336	11,859	477
2028-2032	<u>32,158</u>	<u>31,616</u>	<u>542</u>
	<u>\$ 127,500</u>	<u>\$ 122,757</u>	<u>\$ 4,743</u>

**Note 7: Corporation for Public Broadcasting Grants**

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

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

# Wyoming Public Media

## Notes to Financial Statements

### June 30, 2022 and 2021

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

#### Note 8: Functional Allocation of Contributed Support

The indirect administrative support from the University of Wyoming and in-kind contributions from others have been allocated to the functional expense areas in which the support was used or consumed. For the years ended June 30, 2022 and 2021, the allocations were as follows:

	<b>2022</b>	<b>2021</b>
Management and general	\$ 640,231	\$ 734,814
Fundraising, underwriting and grant solicitation	20,094	16,052
Total	\$ 660,325	\$ 750,866

#### Note 9: Related-party Transactions

The University of Wyoming Foundation (the Foundation) is a not-for-profit corporation formed to promote the welfare, development, growth and well-being of the University. The Foundation operates independently of the University, but supports University activities including those of the Network. The Foundation's financial records are maintained separately from the University's financial accounting system. The Foundation is utilized as an investment vehicle of the Network.

During the years ended June 30, 2022 and 2021, the Network received revenue from other University departments of \$59,615 and \$47,850, respectively, and paid expenses to other University departments of \$65,870 and \$58,169, respectively.

#### Note 10: Risk Management

The Network is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters, teachers' liability and employee health and accident benefits. The Network is covered through commercial insurance coverage which is purchased by the University for claims arising from such matters other than those related to employee health, long-term disability, and workers' compensation. Settled claims have not exceeded this commercial coverage in any of the three preceding years. The state of Wyoming self-insures employee health and workers' compensation benefits for all state employees, including Network employees, who are considered University employees.

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## Notes to Financial Statements

### June 30, 2022 and 2021

#### **Note 11: Investments Risks and Uncertainties**

The Network's investments in the Foundation Endowment Fund are comprised of 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 that such changes could materially affect the amounts reported in the accompanying statements of financial position.

#### **Note 12: Commitments and Contingencies**

Amounts received or receivable from grantor agencies are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Network expect such amounts, if any, to be immaterial.

#### **Note 13: Current Economic Uncertainties**

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Network. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

#### **Note 14: Implementation of New Accounting Standard**

In June 2017, GASB issued Statement No. 87, *Leases*, which provided guidance regarding lease accounting. It establishes a single model for lease accounting based on the foundational principle that a lease is financing the right to use an underlying asset. It requires the University to recognize lease liabilities and the intangible right-to-use lease assets as lessee, and leases receivable and deferred inflows of resources as lessor. The provisions of the statement were effective for fiscal years beginning after December 15, 2019 (fiscal year 2021). Due to the COVID-19 pandemic, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, extending the provisions of this statement by 18 months to fiscal year 2022.

GASB Statement No. 87 was adopted on July 1, 2020 resulting in recognition of lease assets of \$224,386 and lease liabilities of \$216,030 for lessee contracts, which were reported at present value using the University's incremental borrowing rate unless otherwise noted in the contract as of July 1, 2020. WPM had prepaid assets associated with the leases of \$8,355, which were reclassified from prepaid assets to lease assets. The implementation of GASB Statement No. 87 had no impact to beginning net position and the change in net position for the year ended June 30, 2021 increased by \$5,333.