CONNECTICUT PUBLIC BROADCASTING, INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2024 AND 2023

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CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Connecticut Public Broadcasting, Inc. and Subsidiaries
Hartford, Connecticut

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Connecticut Public Broadcasting, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Connecticut Public Broadcasting, Inc. and Subsidiaries as of June 30, 2024 and 2023, 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) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. 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 Connecticut Public Broadcasting, Inc. and Subsidiaries 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 opinions.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2024, the Connecticut Public Broadcasting, Inc. and Subsidiaries adopted new accounting guidance for the allowance of credit losses. The adoption had no material impact related to this matter. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Public Broadcasting, Inc. and Subsidiaries ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Connecticut Public Broadcasting, Inc. and Subsidiaries 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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Public Broadcasting, Inc. and Subsidiaries 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities – without donor restrictions are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 17, 2024, on our consideration of the Connecticut Public Broadcasting, Inc. and Subsidiaries internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Connecticut Public Broadcasting, Inc. and Subsidiaries internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Connecticut Public Broadcasting, Inc. and Subsidiaries internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
October 17, 2024

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 224,118	$ 424,344
Investments	95	148,520
Accounts Receivable, Net	4,839,401	4,811,320
Production Costs	316,902	291,199
Prepaid Expenses and Deposits	1,085,919	812,523
Total Current Assets	6,466,435	6,487,906
OTHER ASSETS		
Investments Held for Property and Equipment	18,896	86,387
Investments - Endowment	52,838,821	52,695,238
Intangibles, Net	62,200	124,400
Other Investments	204,490	175,998
Right-of-Use Assets, Net	2,493,952	3,283,669
Total Other Assets	55,618,359	56,365,692
PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS		
Land and Improvements	834,216	834,216
Building	14,371,432	14,182,516
Equipment	44,888,838	43,088,788
Leasehold Improvements	382,510	382,510
Total	60,476,996	58,488,030
Accumulated Depreciation and Amortization	(46,951,748)	(45,118,532)
Construction in Progress	629,160	1,049,697
Net Property, Equipment, and Leasehold Improvements	14,154,408	14,419,195
Total Assets	$ 76,239,202	$ 77,272,793
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Line of Credit	$ -	$ 552,207
Accounts Payable and Accrued Expenses	5,904,271	5,535,668
Deferred Revenue	1,985,786	1,771,742
Lease Liabilities	842,029	910,656
Total Current Liabilities	8,732,086	8,770,273
NONCURRENT LIABILITIES		
Deferred Other	178,261	149,769
Long-Term Lease Liabilities	1,719,220	2,430,085
Total Noncurrent Liabilities	1,897,481	2,579,854
NET ASSETS		
Without Donor Restrictions	62,932,511	63,684,404
With Donor Restrictions	2,677,124	2,238,262
Total Net Assets	65,609,635	65,922,666
Total Liabilities and Net Assets	$ 76,239,202	$ 77,272,793

See accompanying Notes to Financial Statements.

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Underwriting Support	$ 7,292,584	$ -	$ 7,292,584
Subscription and Membership Income	6,421,304	1,709,376	8,130,680
Annual Spending Distribution	2,578,170	-	2,578,170
Corporation for Public Broadcasting	2,290,629	-	2,290,629
Video Services	1,110,382	-	1,110,382
Planned Gifts and Bequests	651,217	-	651,217
Contributed In-Kind Support	205,661	-	205,661
Miscellaneous	84,072	-	84,072
Donated Personal Services of Volunteers	26,809	-	26,809
Release from Restrictions	1,345,817	(1,345,817)	-
Total Revenues	22,006,645	363,559	22,370,204
EXPENSES			
Program Services:			
Programming and Production	14,052,713	-	14,052,713
Broadcasting	999,475	-	999,475
Contributed In-Kind Support	196,262	-	196,262
Program Information	958,411	-	958,411
Total Program Services	16,206,861	-	16,206,861
Supporting Services:			
Fundraising and Membership Development:			
Membership Development	3,077,622	-	3,077,622
Other Fundraising Expenses	1,082,794	-	1,082,794
Contributed In-Kind Support	9,399	-	9,399
Donated Personal Services of Volunteers	26,809	-	26,809
Management and General	3,885,142	-	3,885,142
Total Supporting Services	8,081,766	-	8,081,766
Voluntary Separation Costs	841,316	-	841,316
Reorganization Costs	482,296	-	482,296
Video Services:			
Cost of Production	927,646	-	927,646
General and Administrative	75,304	-	75,304
Total Video Services	1,002,950	-	1,002,950
Total Expenses	26,615,189	-	26,615,189
CHANGE IN NET ASSETS BEFORE OTHER ACTIVITIES	(4,608,544)	363,559	(4,244,985)
OTHER ACTIVITIES			
Contributions Restricted for Capital Additions	-	627,375	627,375
Income from Licensing of Intangible Assets	1,849,504	-	1,849,504
Investment Return, Net	6,025,192	142,793	6,167,985
Release of Restricted Assets for Capital Additions	14,600	(14,600)	-
Transfer of Funds	680,265	(680,265)	-
Interest Expense	(239,323)	-	(239,323)
Depreciation and Amortization	(1,895,417)	-	(1,895,417)
Annual Spending Distribution	(2,578,170)	-	(2,578,170)
Net Other Activities	3,856,651	75,303	3,931,954
CHANGE IN NET ASSETS	(751,893)	438,862	(313,031)
Net Assets - Beginning of Year	63,684,404	2,238,262	65,922,666
NET ASSETS - END OF YEAR	$ 62,932,511	$ 2,677,124	$ 65,609,635

See accompanying Notes to Financial Statements.

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Underwriting Support	$ 8,098,211	$ -	$ 8,098,211
Subscription and Membership Income	6,695,192	286,546	6,981,738
Annual Spending Distribution	2,837,957	-	2,837,957
Corporation for Public Broadcasting	1,783,976	-	1,783,976
Video Services	1,075,531	-	1,075,531
Planned Gifts and Bequests	502,840	-	502,840
Contributed In-Kind Support	188,344	-	188,344
Nonbroadcasting Services	175,466	-	175,466
Miscellaneous	44,643	-	44,643
Donated Personal Services of Volunteers	31,848	-	31,848
Release from Restrictions	752,891	(752,891)	-
Total Revenues	22,186,899	(466,345)	21,720,554
EXPENSES			
Program Services:			
Programming and Production	14,135,082	-	14,135,082
Broadcasting	1,200,573	-	1,200,573
Contributed In-Kind Support	185,434	-	185,434
Program Information	1,447,424	-	1,447,424
Total Program Services	16,968,513	-	16,968,513
Supporting Services:			
Fundraising and Membership Development:			
Membership Development	2,895,434	-	2,895,434
Other Fundraising Expenses	1,073,565	-	1,073,565
Contributed In-Kind Support	2,910	-	2,910
Donated Personal Services of Volunteers	31,848	-	31,848
Management and General	3,971,986	-	3,971,986
Total Supporting Services	7,975,743	-	7,975,743
Reorganization Costs	546	-	546
Video Services:			
Cost of Production	869,203	-	869,203
General and Administrative	76,200	-	76,200
Total Video Services	945,403	-	945,403
Total Expenses	25,890,205	-	25,890,205
CHANGE IN NET ASSETS BEFORE OTHER ACTIVITIES	(3,703,306)	(466,345)	(4,169,651)
OTHER ACTIVITIES			
Contributions Restricted for Capital Additions	-	1,620,695	1,620,695
Income from Licensing of Intangible Assets	1,849,503	-	1,849,503
Investment Return, Net	5,186,671	108,593	5,295,264
Release of Restricted Assets for Capital Additions	2,758,258	(2,758,258)	-
Transfer of Funds	(1,091,371)	1,091,371	-
Interest Expense	(221,112)	-	(221,112)
Depreciation and Amortization	(1,707,147)	-	(1,707,147)
Annual Spending Distribution	(2,837,957)	-	(2,837,957)
Net Other Activities	3,936,845	62,401	3,999,246
CHANGE IN NET ASSETS	233,539	(403,944)	(170,405)
Net Assets - Beginning of Year	63,450,865	2,642,206	66,093,071
NET ASSETS - END OF YEAR	$ 63,684,404	$ 2,238,262	$ 65,922,666

See accompanying Notes to Financial Statements.

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services	Fundraising	Management and General	Total
Payroll and Benefits	$ 9,868,952	$ 3,185,040	$ 2,125,923	$ 15,179,915
Other Professional Services	1,370,515	919,167	635,387	2,925,069
Program Acquisition and Network Affiliation Fees	2,915,278	-	-	2,915,278
Depreciation and Amortization	1,270,859	321,677	302,881	1,895,417
Occupancy and Utilities	922,066	65,276	672,037	1,659,379
Production	1,355,400	25,221	235	1,380,856
Other	308,884	30,367	557,013	896,264
Membership Benefits	471,609	233,770	1,235	706,614
Equipment Rental and Maintenance	477,896	16,485	210,245	704,626
Travel, Meetings, and Special Events	154,632	41,621	50,938	247,191
Interest Expense	160,464	40,616	38,243	239,323
Total Expenses	$ 19,276,555	$ 4,879,240	$ 4,594,137	$ 28,749,932

See accompanying Notes to Financial Statements.

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Program Services	Fundraising	Management and General	Total
Payroll and Benefits	$ 9,020,265	$ 2,634,883	$ 1,952,340	$ 13,607,488
Other Professional Services	1,015,209	912,215	653,340	2,580,764
Program Acquisition and Network Affiliation Fees	2,988,507	-	-	2,988,507
Depreciation and Amortization	1,176,449	261,515	269,183	1,707,147
Occupancy and Utilities	897,654	98,410	701,302	1,697,366
Production	2,279,715	-	3,388	2,283,103
Other	314,714	18,427	533,570	866,711
Membership Benefits	504,150	218,590	666	723,406
Equipment Rental and Maintenance	558,181	19,992	145,109	723,282
Travel, Meetings, and Special Events	263,367	63,555	92,656	419,578
Interest Expense	152,375	33,872	34,865	221,112
Total Expenses	$ 19,170,586	$ 4,261,459	$ 4,386,419	$ 27,818,464

See accompanying Notes to Financial Statements.

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (313,031)	$ (170,405)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization	1,895,417	1,707,147
Change in Provision for Accounts Receivable	(2,678)	(42,848)
Contributions Restricted for Capital Additions	(627,375)	(1,620,695)
Net Realized and Unrealized Loss (Gain) on Investments	(6,167,985)	(5,295,263)
Noncash Lease Expense	10,225	57,072
Changes in Operating Assets and Liabilities:		
Accounts Receivable, Net	(25,403)	(101,062)
Production Costs	(25,703)	10,844
Prepaid Expenses and Deposits	(273,396)	(38,500)
Accounts Payable and Accrued Expenses	368,603	(474,887)
Deferred Revenue	214,044	44,441
Deferred Other	28,492	47,954
Net Cash Used by Operating Activities	(4,918,790)	(5,876,202)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Securities	(1,849,504)	(1,849,504)
Sales of Securities	8,061,330	8,996,113
Property, Equipment, and Leasehold Improvement Additions	(1,568,430)	(3,183,214)
Net Cash Provided by Investing Activities	4,643,396	3,963,395
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Line of Credit	(552,207)	552,207
Contributions Restricted for Capital Additions	627,375	1,620,695
Net Cash Provided by Financing Activities	75,168	2,172,902
NET CHANGE IN CASH AND CASH EQUIVALENTS	(200,226)	260,095
Cash and Cash Equivalents - Beginning of Year	424,344	164,249
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 224,118	$ 424,344
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest	$ 239,323	$ 221,112

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business

Connecticut Public Broadcasting, Inc., is a nonprofit organization which provides nonprofit and noncommercial television and radio services to serve the needs of the Connecticut community and contributes to the advancement of educational programs. Connecticut Public Broadcasting, Inc.'s wholly owned for-profit subsidiary, MediaVision Productions, Inc., provides television and radio equipment and services to third parties.

On November 30, 2015, a wholly owned nonprofit subsidiary was established, Connecticut Public Broadcasting Real Estate Holding Company, Inc. A majority of the real estate holdings held by Connecticut Public Broadcasting was transferred to the newly formed company.

On November 30, 2015, a wholly owned nonprofit subsidiary was established, Connecticut Public Broadcasting Endowment, Inc. There have been no assets transferred to this new subsidiary. The intent is to transfer the endowment investments into the endowment company.

The consolidated financial statements as of June 30, 2024 and 2023 include the activities of Connecticut Public Broadcasting, Inc., Connecticut Public Broadcasting Real Estate Holding Company, Inc., Connecticut Public Broadcasting Endowment, Inc., and MediaVision Productions, Inc. (collectively, the Company). All material intercompany balances and transactions have been eliminated from the consolidated financial statements.

Adoption of New Accounting Standards

At the beginning of 2023, the Company adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Company adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Company's financial statements but did change how the allowance for credit losses is determined.

The estimate of expected credit losses is based on historical experience with customer defaults, the current and expected economic environment, and the Company's assessment of specific risks associated with each contract. The Company uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of accounts receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. The Company's estimate of expected credit losses is subject to inherent uncertainty, and actual losses could differ from these estimates. The Company reviews its estimate of expected credit losses on a regular basis and makes adjustments as necessary based on changes in economic conditions, customer creditworthiness, and other factors. Management determined that there was no material activity related to the allowance for credit losses for the year ended June 30, 2024.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting. The Company reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. They are described as follows:

Net Assets Without Donor Restrictions – Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the board of trustees. Each year, the board of trustees designates a portion of net assets without donor restrictions for the purpose of funds functioning as an endowment. For the years ended June 30, 2024 and 2023, the board has designated $51,654,195 and $51,563,405 respectively, to function as endowment.

Net Assets With Donor Restrictions – Net assets with donor restrictions represent 1) contributions that are restricted by the donor as to purpose or time of expenditure, 2) contributions that require that the principal be maintained in perpetuity but permit the Company to expend the income earned thereon, and 3) the accumulated investment income and gains on donor-restricted endowment assets that have not been appropriated for expenditure.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains include the Company's gains and losses on investments bought and sold as well as held during the year.

Intangibles

On July 1, 2015, MediaVision Productions, Inc., entered into an agreement with a related party which resulted in a lease agreement and the purchase of certain intangibles. The agreement required a monthly payment of $30,000 for the use of the building, certain equipment and access to customer lists. The acquisition was valued by a third party. The intangibles were valued at $641,000, resulting in bargain purchase income of $257,500.

Amortization expense is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for financial reporting purposes are as follows:

Customer Relations	10 Years
Trade Name	2.2 Years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowances for Receivables

The Company uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of accounts receivable at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. Future conditions also do not show significant changes expected to impact the collectability of accounts receivable. Management has estimated an allowance for uncollectible accounts in the amount of $105,818 and $103,140 for June 30, 2024 and 2023.

Property, Equipment, and Leasehold Improvements

The Company capitalizes all expenditures for property and equipment in excess of $500. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over their estimated useful lives. Amortization of leasehold improvements is computed using the straight-line method over the shorter of useful life or the remaining lease term. Estimated lives for financial reporting purposes are as follows:

Building	30 Years
Equipment	3 to 10 Years
Leasehold Improvement	5 Years

Primarily all depreciation and amortization expense is associated with assets necessary to operate program services. Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Leases

The Company leases certain operating facilities. The Company determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) operating lease assets and ROU operating lease liabilities on the statement of financial position for the year ended June 30, 2024.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, the Company uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the consolidated statements of financial position.

The Company has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Company has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The risk-free discount rates used were between 2.66% and 3.90% and were the U.S. Treasury Rates as of the inception of the lease for the remaining term of each lease.

Subscription and Membership Income

The Company recognizes subscription and membership income on the date the individual membership gift is received.

Income from Licensing of Intangible Assets

The Company recognizes income from licensing of intangible assets over the life of each respective agreement on a straight-line basis.

Donated Personal Services of Volunteers

Donated personal services of volunteers who possess special skills and meet the required criteria under accounting standards are recorded as revenue and expense in the accompanying consolidated financial statements at their estimated fair value based on standard valuation rates and job classifications found at the website developed by Independent Sector.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Personal Services of Volunteers (Continued)

All other donated services from volunteers for various programs have not been recognized in the accompanying consolidated statements of activities because the criteria for recognition of such volunteer effort have not been satisfied in accordance with the standards.

See Note 10 for further information regarding donated personal services of volunteers.

Contributed Programming and Production

In-kind contributions of services, rental of equipment and office space, programs, fundraising support, and other similar services are recorded as revenue and expense in the accompanying consolidated financial statements at their estimated fair value based on discounts provided and documented by independent third-party vendors.

See Note 10 for further information regarding contributed programming and production.

Contributions, Donor-Restricted Gifts, and Restricted Grants

For financial statement purposes, the Company distinguishes between contributions of net assets without donor restrictions and net assets with donor restrictions.

Promises to give that are subject to donor-imposed conditions (i.e., a donor stipulation that includes a barrier that must be overcome and a right of return of assets) are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional. Unconditional contributions are recognized when promised or received, as applicable, and are considered to be available for unrestricted use unless specifically restricted by the donor.

The Company reports contributions of cash and other assets as donor-restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statements of activities as net assets released from restrictions. Contributions received whose restrictions are met in the same period are presented as net assets without donor restrictions. Transfers of assets from a resource provider received before the barriers are overcome are reported as deferred revenue on the accompanying consolidated statements of financial position.

There were no conditional contributions as of June 30, 2024.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measure of Operations

The consolidated statements of activities present revenue from operations separately from nonoperating activities. For purposes of the consolidated statements of activities, operations are defined as revenue and expenses (other than depreciation) from programming, production and broadcasting activities, membership and subscriptions, corporate underwriting, and revenue from grants to operate certain programs throughout the year, along with the general and administrative expenses incurred to operate the Company. Realized and unrealized gains and losses on the investments without donor restrictions as well as earned income, net of the spending rule allocation, on investments without donor restrictions and with donor restrictions are reported as nonoperating revenue. All other revenue and expenses (primarily investment results, income from licensing of intangible assets, and depreciation) are classified as nonoperating activities. This basis of presentation reflects the Company's management philosophy throughout the year.

Income Taxes

The Internal Revenue Service (IRS) has ruled that Connecticut Public Broadcasting, Inc., is exempt from income taxes on related income under the applicable section of the Internal Revenue Code (IRC). Once qualified, it is required to operate in conformity with the IRC to maintain its tax-exempt status. Connecticut Public Broadcasting, Inc., is not aware of any course of action or series of events that have occurred that might adversely affect its tax-exempt status.

MediaVision Productions, Inc., is a C corporation and thus state and federal income taxes are accounted for under an asset and liability method, which recognizes deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the tax and financial reporting basis of certain assets and liabilities.

At June 30, 2024, MediaVision Productions, Inc., has no available federal net operating loss carryforwards, and state net operating loss carryforwards of approximately $81,331 expiring through 2037. Deferred tax assets aggregated $75,020 and $95,796 at June 30, 2024 and 2023, respectively, all of which have been offset by a valuation allowance. The current provision for income taxes consisted of federal income tax expense of $7,530 and state income tax expense of $3,530. The deferred provision for income taxes consisted of a federal income tax benefit of $63,294 and a state income tax benefit of $11,726. In addition, as a result of the valuation allowance, there is no provision for deferred income taxes.

Revenue Recognition

The Company recognizes revenue at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to its customers using the following five-step process:

1. Identify the contract(s) with the customer.
2. Identify the performance obligation(s) in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to performance obligations in the contract.
5. Recognize revenue when (or as) the Company satisfies a performance obligation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

See Note 2 for details on how the above five-step process is applied to the Company's contracts with customers.

Functional Allocation of Expenses

The cost of providing the various programs and supporting services has been summarized on a functional basis in the consolidated statements of functional expenses. Certain categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied and determined by management. The expenses that are allocated based upon time and effort include payroll and benefits, production, other professional services, membership benefits, equipment rental and maintenance, travel, meetings, depreciation and amortization, interest, and other expenses. Occupancy and utilities are allocated based upon square footage.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

The Company has evaluated subsequent events through October 17, 2024, which is the date the consolidated financial statements were available to be issued.

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Contract Balances

The Company enters into contracts with underwriters and other third-party customers to provide noncommercial television and radio programs and services, video and nonbroadcasting services, and the leasing of certain of its intangible assets. The payment terms and conditions in each contract vary based on the services provided, payment plan, and the duration of the contract.

When the timing of the Company's delivery of services is different from the timing of the invoices and/or payments made by customers, the Company recognizes a contract liability (invoice/payment precedes performance) until the performance obligations are satisfied. Contracts with payment in arrears are recognized as receivables.

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Contract Balances (Continued)

The opening and closing balances of the Company's contract liabilities and receivables are as follows:

	Contract Balances	
	Receivables	Contract Liability
Opening (July 1, 2022)	$ 2,402,447	$ 1,316,734
Closing (June 30, 2023)	2,530,149	1,378,049
Increase	$ 127,702	$ 61,315
Opening (July 1, 2023)	$ 2,530,149	$ 1,378,049
Closing (June 30, 2024)	2,704,400	1,438,859
Increase	$ 174,251	$ 60,810

The amount of revenue recognized in the period that was included in the opening contract liability balances was $1,378,049 and $1,316,734 for the years ended June 30, 2024 and 2023, respectively.

Performance Obligations

At contract inception, the Company assesses the programs and services promised in its contracts with underwriters and other customers and identifies the performance obligations for each contract. Contracts are for specific services and transaction prices are fixed at inception.

The Company has determined that the following types of revenue contain distinct performance obligations:

Underwriting Support – Underwriting support revenue includes revenue from underwriters that support the Company's production of programs and noncommercial advertising. Revenues from underwriting support are recognized over the term of the related underwriting contract as performance obligations are satisfied. When the Company enters into contracts where underwriters provide production support, performance obligations are satisfied when the program is aired, or in the case of a series, when the initial episode of the series is aired. When the Company enters into contracts to provide noncommercial advertising, performance obligations are satisfied throughout the contract term and revenue is recognized over time as the Company meets each contractual obligation. The Company recognized revenue for these services over time of $7,292,584 and $8,098,211 as of June 30, 2024 and 2023.

Video Services – Revenue from video services includes commercial production, graphic design, and animation services. Video services are provided to customers based upon established contracts. Revenue is recognized upon satisfying the performance obligations in the contract as the service is completed and delivered to the customer. The Company recognized revenue for these services at a point in time of $1,110,382 and $1,075,531 as of June 30, 2024 and 2023.

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Performance Obligations (Continued)

Nonbroadcasting Services – Nonbroadcasting revenue services include revenue from the Company's uplink services business. Uplink services are provided to a customer based upon an established master contract and services are requested by the customer as needed. Revenue is recognized upon satisfying the performance obligation as the uplink service is completed. The Company recognized revenue for these services at a point in time $175,466 as of June 30, 2023. There was no nonbroadcasting services revenue recognized as of June 30, 2024.

Income from Licensing of Intangible Assets – Income from licensing of intangible assets relate to the leasing of the Company's educational broadband services licenses to a third party under individual contracts. The Company recognizes income from the licenses over the life of each respective agreement on a straight-line basis as its performance obligations are satisfied. The Company recognized revenue for these services over time in the amount of $1,849,504 and $1,849,503 as of June 30, 2024 and 2023.

Transaction Price

The Company enters into service contracts for underwriting, video services, nonbroadcasting services and licensing of intangible assets. The contracts are for specific services and the transaction price is fixed at inception.

NOTE 3 FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As a practical expedient, certain investments are measured at fair value on the basis of net asset value. The fair value of these investments is not included in the fair value hierarchy.

Financial Instruments Measured at Fair Value

The following is a description of the valuation methodologies used for financial instruments measured at fair value:

Mutual Funds – Mutual funds are valued at the quoted price of shares reported in an active market in which the mutual funds are traded.

Multi-Asset Fund – The fund invests in exchange-traded funds, open-end mutual funds and private investment funds, subject to the limits of the Investment Company Act of 1940. These funds are required to publish their daily net asset value and to transact at that price.

Fixed Income – These items are valued at the closing price reported in the active market in which the bonds are traded. Certain bonds are valued at the closing price reported in the active market in which the individual securities are traded. Other bonds are valued based on yields currently available on comparable securities of issuers with similar durations and credit ratings.

Hedge Funds – This includes investments in long and short global equities. Interests in hedge funds are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date.

There have been no changes in the methodologies used at June 30, 2024 and 2023.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company 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.

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

Financial Instruments Measured at Fair Value (Continued)

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value as of June 30:

	2024				
		Fair Value Measurements at Report Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value (a)
Investments:					
Mutual Funds:					
Equity	$ 33,045,649	$ 33,045,649	$ -	$ -	$ -
Fixed Income	10,188,891	10,188,891	-	-	-
Balanced	2,321,800	2,321,800	-	-	-
Hedge Fund	4,986,190				4,986,190
Bonds - Fixed Income:					
Government	75	75	-	-	-
Total Assets at					-
Fair Value	50,542,605	45,556,415	-	-	4,986,190
Cash and Cash Equivalents					
Held by Portfolio Managers	2,315,207	2,315,207	-	-	-
Total Investments	$ 52,857,812	$ 47,871,622	$ -	$ -	$ 4,986,190

	2023				
		Fair Value Measurements at Report Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value (a)
Investments:					
Mutual Funds:					
Equity	$ 33,620,232	$ 33,620,232	$ -	$ -	$ -
Fixed Income	9,866,866	9,866,866	-	-	-
Closed End	2,196,549	2,196,549	-	-	-
Hedge Fund	4,822,145	-	-	-	4,822,145
Bonds - Fixed Income:					
Government	66,988	66,988	-	-	-
Total Assets at Fair Value	50,572,780	45,750,635	-	-	4,822,145
Cash and Cash Equivalents					
Held by Portfolio Managers	2,357,365	2,357,365	-	-	-
Total Investments	$ 52,930,145	$ 48,108,000	$ -	$ -	$ 4,822,145

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

Financial Instruments Measured at Fair Value (Continued)

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Investments in Entities that Calculate Net Asset Value per Share

The fair values of the investments in hedge funds have been estimated using the net asset value per share as provided by the hedge fund managers. The investments are subject to a redemption restriction of quarterly liquidation with 60 days' notice after a one-year lock-up period. The fund's investment objective is to seek capital appreciation by allocating its assets among a select group of private investment funds (commonly known as hedge funds) that utilize a variety of alternative investment strategies that seek to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes.

There were no unfunded commitments for these funds as of June 30, 2024 and 2023.

NOTE 4 INTANGIBLE ASSETS

Intangible assets comprise the following as of June 30:

	2024	2023
Customer Relations	$ 622,000	$ 622,000
Trade Name	19,000	19,000
Total	641,000	641,000
Less: Accumulated Amortization	578,800	516,600
Intangibles, Net	$ 62,200	$ 124,400

A schedule of future estimated amortization expense for intangible assets at June 30, 2024 is as follows:

Year Ending June 30,	Amount
2025	$ 62,200

Amortization expense charged to operations was $62,200 for the years ended June 30, 2024 and 2023.

NOTE 5 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Company's financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

	2024	2023
Cash and Cash Equivalents	$ 224,118	$ 424,344
Investments	95	148,520
Accounts Receivable, Net	4,839,401	4,811,320
Total Financial Assets Available Within One Year	5,063,614	5,384,184
Less Amounts Unavailable for General Expenditures Within One Year, Due to:		
Restricted by Donors with Purpose Restrictions	(1,094,265)	(730,706)
Appropriation from Board-Designated Endowment for General Expenditures in Subsequent Years	2,578,210	2,578,170
Total Financial Assets Available to Management for General Expenditure Within One Year	$ 6,547,559	$ 7,231,648

Liquidity Management

The Company's endowment funds consist of donor-restricted endowments and funds designated by the board of trustees to function as endowments. Income from donor-restricted endowments is restricted for specific purposes, and, therefore, is not available for general expenditure. As described in Note 7, the board-designated endowment has a spending rate of 5% of the fair value of endowments total market value as of the previous year-end. As of June 30, 2024 and 2023, $2,578,210 and $2,578,170, respectively, of appropriations from the board-designated endowment will be available within the next 12 months.

To help manage unanticipated liquidity needs, the Company maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Company has a line of credit with an available balance of $3,000,000 and $2,447,793 as of June 30, 2024 and 2023, that it could draw upon at any time. Additionally, the Company has a board-designated endowment in the amount of $51,564,195 and $51,563,405 as of June 30, 2024 and 2023, respectively. The Company does not intend to spend from its board-designated endowment other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, but amounts from its board-designated endowment could be made available if necessary.

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

The following is the composition of the Company's net assets with donor restrictions at June 30:

	2024	2023
Endowment:		
Restricted in Perpetuity: Income Use Unrestricted	$ 480,544	$ 480,544
Accumulated Gains Subject to Endowment Spending Policy and Appropriation	794,080	651,288
Total Endowment	1,274,624	1,131,832
Other Net Assets With Donor Use Restrictions:		
Restricted for Capital Additions	308,235	375,724
Restricted for Various Programs and Activities	1,094,265	730,706
Total Net Assets With Donor Restrictions	$ 2,677,124	$ 2,238,262

The Company released $14,600 and $2,758,258 of net assets with donor restrictions in 2024 and 2023, respectively, for capital additions. For the years ended June 30, 2024 and 2023, the Company released $1,345,817 and $752,891, respectively, of net assets with donor restrictions as a result of fulfilling obligations related to programs supported by donors.

NOTE 7 ENDOWMENT

The Company's endowment consists of funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The board of trustees of the Company has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act (CTUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Company classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanent endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Company in a manner consistent with the standard of prudence prescribed by CTUPMIFA.

NOTE 7 ENDOWMENT (CONTINUED)

Interpretation of Relevant Law (Continued)

In accordance with CTUPMIFA, the Company considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Endowment net asset composition by type of fund as of June 30:

June 30, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	$ 51,564,195	$ -	$ 51,564,195
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	480,544	480,544
Accumulated Gains Subject to Endowment Spending Policy and Appropriation	-	794,082	794,082
Total	$ 51,564,195	$ 1,274,626	$ 52,838,821

June 30, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	$ 51,563,405	$ -	$ 51,563,405
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	480,544	480,544
Accumulated Gains Subject to Endowment Spending Policy and Appropriation	-	651,289	651,289
Total	$ 51,563,405	$ 1,131,833	$ 52,695,238

NOTE 7 ENDOWMENT (CONTINUED)

Endowment Net Assets

Endowment net asset composition by type of fund and changes in endowment net assets as of and for the years ended June 30, 2024 and 2023 were as follows:

June 30, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	$ 51,563,405	$ 1,131,833	$ 52,695,238
Investment Return:			
Interest and Dividends, Net	1,055,970	24,753	1,080,723
Net Appreciation (Realized and Unrealized)	4,961,809	118,040	5,079,849
Total Investment Loss	6,017,779	142,793	6,160,572
Additions to Endowment	1,849,503	-	1,849,503
Appropriation of Endowment Assets for Expenditure	(7,866,492)	-	(7,866,492)
Endowment Net Assets - End of Year	$ 51,564,195	$ 1,274,626	$ 52,838,821

June 30, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	$ 52,164,248	$ 1,023,375	$ 53,187,623
Investment Return:			
Interest and Dividends, Net	1,104,385	22,853	1,127,238
Net Appreciation (Realized and Unrealized)	4,061,097	85,605	4,146,702
Total Investment Return	5,165,482	108,458	5,273,940
Additions to Endowment	1,849,504	-	1,849,504
Appropriation of Endowment Assets for Expenditure	(7,615,829)	-	(7,615,829)
Endowment Net Assets - End of Year	$ 51,563,405	$ 1,131,833	$ 52,695,238

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Company has an annual endowment spending policy that is specifically designed to assist in funding annual programming objectives and to preserve the value of the investment portfolio over time. In 2024 and 2023, the spending policy was 5% of the fair value of endowment assets as of June 30, 2023 and 2022. In establishing this policy, the Company considered the long-term expected return on its endowment. Accordingly, over the long term, the Company expects the current spending policy to allow its endowment to grow and maintain its value to support operations in the future. The Company has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws.

To meet these objectives, the Company utilizes a total return investment approach which emphasizes total investment return, consisting of investment income and realized and unrealized gains or losses and, accordingly, invests in equities, fixed income, and money market accounts. The annual spending distribution for operating purposes was $2,578,170 and $2,837,957 in fiscal years 2024 and 2023, respectively.

NOTE 8 LINE OF CREDIT

The Company has an unsecured operating line of credit (the Line) of $3,000,000, which expires on June 27, 2027. The interest rate is a fluctuating rate per annum equal to the prime rate minus 0.50%. As of June 30, 2024 and 2023, the balance bears an interest rate of 8% and 8%. There was an outstanding balance of $552,207 as of June 30, 2023. There was no outstanding balance as of June 30, 2024.

Interest expense incurred on the Line was $183,368 and $128,842 as of June 30, 2024 and 2023, respectively.

NOTE 9 LEASES – ASC 842

The Company leases certain operating facilities under noncancelable operating leases expiring at various times through December 31, 2027. Additionally, the agreements generally require the Company to pay insurance, taxes and maintenance on its prorated share of the facility.

The following table provides quantitative information concerning the Company's leases:

	2024	2023
Lease Cost:		
Operating Lease Cost	$ 995,928	$ 888,023
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	$ 1,002,947	$ 831,924
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities:	$ 183,586	$ 4,003,805
Weighted-Average Remaining Lease Term - Operating Leases	3.6 Years	3.8 Years
Weighted-Average Discount Rate - Operating Leases	3.12%	3.36%

The Company classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2024 is as follows:

Year Ending June 30,	Amount
2025	$ 914,752
2026	788,174
2027	744,666
2028	152,425
2029	21,000
Thereafter	94,500
Undiscounted cash flows	2,715,517
(Less) Imputed interest	(154,268)
Total present value	$ 2,561,249

NOTE 10 CONTRIBUTED IN-KIND SUPPORT AND DONATED PERSONAL SERVICES OF VOLUNTEERS

For the years ended June 30, 2024 and 2023, contributed nonfinancial assets recognized in the statements of activities included:

	Revenue Recognized 2024	Revenue Recognized 2023	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Rent	$ 196,262	$ 185,434	Programs	No associated donor restrictions	Value was based upon rental agreement rates and square footage.
Legal Services	9,398	2,910	General and Administrative	No associated donor restrictions	Contributed services from attorneys are valued at the estimated fair value based on current rates for similar legal services.
Personal Services of Volunteers	26,810	31,848	General and Administrative, Fundraising	No associated donor restrictions	Values were based on actual volunteer hours and the current estimated national value of volunteer hours

NOTE 11 RETIREMENT PLANS

The Company provides a defined contribution retirement plan for eligible employees who elect to participate in the plan. Eligible employees may contribute a percentage of their salary to the plan. The Company contributes an amount equal to employees' contributions up to a limit as determined annually by the Company. Retirement contributions charged to operations were $321,348 and $447,516 for the years ended June 30, 2024 and 2023, respectively.

In addition to the plan, the Company also provides two nonqualified deferred compensation plans for certain management personnel. Discretionary contributions of $68,726 were made to the plans for the year ended June 30, 2023. There were no discretionary contributions made to the plans for the year ended June 30, 2024.

NOTE 12 LIENS

The National Telecommunications and Information Administration (NTIA) provides funding to public broadcasting entities for the acquisition of equipment. NTIA retains a financial interest, as defined in the statute, in its pro rata share of the cost of the equipment for a period of ten years and must be notified upon disposition of the equipment. The Company did not receive any NTIA funds during the years ended June 30, 2024 and 2023.

NOTE 13 RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company conducts business with other organizations whose executives are members of the Company's board of trustees. Revenue transactions, including corporate underwriting revenue and other support, amounted to $1,669,682 and $1,761,279 for the years ended June 30, 2024 and 2023, respectively. Purchases and other services received amounted to $474,235 and $608,283 for the years ended June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, included in the accounts receivable balance was $1,342,043 and $1,774,178, respectively. In addition, included in the accounts payable balance was $87,873 and $62,798 at June 30, 2024 and 2023, respectively.

NOTE 14 CONCENTRATIONS

The Company receives substantial revenues from governmental agencies, Corporation for Public Broadcasting, related parties and the public; a significant reduction in the level of this support may have an adverse effect on the Company's programs and activities. Significant programming services are provided to the Company by the Public Broadcasting Service. Operations include charges for such services of $1,644,646 and $1,567,412 in 2024 and 2023, respectively.

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Company maintains its cash and cash equivalents with high credit-quality financial institutions. At times, such amounts may exceed federally insured limits.

The Company's investments are in high-quality marketable securities placed within a wide array of institutions with high credit ratings. This investment policy limits the Company's exposure to concentrations of credit risk. Concentrations of credit risk with respect to accounts receivable are limited to contractual agreements with various underwriters. The Company evaluates the need for an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

NOTE 15 CONTINGENCIES

The Company is subject to various claims and legal proceedings arising in the ordinary course of business. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or change in net assets of the Company.

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Connecticut Public Broadcasting, Inc.	Real Estate Holding Company Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	$ 171,219	$ -	$ 52,899	$ 224,118	$ -	$ 224,118
Investments	95	-	-	95	-	95
Accounts Receivable, Net	4,688,253	-	151,148	4,839,401	-	4,839,401
Intercompany Receivable	523,181	-	-	523,181	(523,181)	-
Production Costs	316,902	-	-	316,902	-	316,902
Prepaid Expenses and Deposits	1,072,576	-	13,343	1,085,919	-	1,085,919
Total Current Assets	6,772,226	-	217,390	6,989,616	(523,181)	6,466,435
OTHER ASSETS						
Investment in MediaVision	(310,485)	-	-	(310,485)	310,485	-
Investments Held for Property and Equipment	18,896	-	-	18,896	-	18,896
Investments - Endowment	52,838,821	-	-	52,838,821	-	52,838,821
Intangibles, Net	-	-	62,200	62,200	-	62,200
Other Investments	204,490	-	-	204,490	-	204,490
Right-of-Use Assets, Net	2,493,952	-	-	2,493,952	-	2,493,952
Total Other Assets	55,245,674	-	62,200	55,307,874	310,485	55,618,359
PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS						
Land and Improvements	834,216	-	-	834,216	-	834,216
Building	-	14,371,432	-	14,371,432	-	14,371,432
Equipment	44,888,838	-	-	44,888,838	-	44,888,838
Leasehold Improvements	382,510	-	-	382,510	-	382,510
Total	46,105,564	14,371,432	-	60,476,996	-	60,476,996
Accumulated Depreciation and Amortization	(38,503,485)	(8,448,263)	-	(46,951,748)	-	(46,951,748)
Construction in Progress	629,160	-	-	629,160	-	629,160
Net Property, Equipment, and Leasehold Improvements	8,231,239	5,923,169	-	14,154,408	-	14,154,408
Total Assets	$ 70,249,139	$ 5,923,169	$ 279,590	$ 76,451,898	$ (212,696)	$ 76,239,202
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts Payable and Accrued Expenses	$ 5,848,877	$ -	$ 55,394	$ 5,904,271	$ -	$ 5,904,271
Intercompany Payable	-	-	523,181	523,181	(523,181)	-
Deferred Revenue	1,974,286	-	11,500	1,985,786	-	1,985,786
Lease Liabilities	842,029	-	-	842,029	-	842,029
Total Current Liabilities	8,665,192	-	590,075	9,255,267	(523,181)	8,732,086
NONCURRENT LIABILITIES						
Deferred Other	178,261.00	-	-	178,261	-	178,261
Long-Term Lease Liabilities	1,719,220	-	-	1,719,220	-	1,719,220
Total Noncurrent Liabilities	1,897,481	-	-	1,897,481	-	1,897,481
NET ASSETS (DEFICIT)						
Common Stock	-	-	1,000	1,000	(1,000)	-
Accumulated Deficit	-	-	(311,485)	(311,485)	311,485	-
Net Assets Without Donor Restrictions	57,009,342	5,923,169	-	62,932,511	-	62,932,511
Net Assets With Donor Restrictions	2,677,124	-	-	2,677,124	-	2,677,124
Total Net Assets (Deficit)	59,686,466	5,923,169	(310,485)	65,299,150	310,485	65,609,635
Total Liabilities and Net Assets (Deficit)	$ 70,249,139	$ 5,923,169	$ 279,590	$ 76,451,898	$ (212,696)	$ 76,239,202

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES – WITHOUT DONOR RESTRICTIONS
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Connecticut Public Broadcasting, Inc.	Real Estate Holding Company Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
REVENUES						
Underwriting Support	$ 7,292,584	$ -	$ -	$ 7,292,584	$ -	$ 7,292,584
Subscription and Membership Income	6,421,304	-	-	6,421,304	-	6,421,304
Annual Spending Distribution	2,578,170	-	-	2,578,170	-	2,578,170
Corporation for Public Broadcasting	2,290,629	-	-	2,290,629	-	2,290,629
Video Services	-	-	1,110,382	1,110,382	-	1,110,382
Planned Gifts and Bequests	651,217	-	-	651,217	-	651,217
Contributed In-Kind Support	205,661	-	-	205,661	-	205,661
Miscellaneous	84,072	-	-	84,072	-	84,072
Donated Personal Services of Volunteers	26,809	-	-	26,809	-	26,809
Release from Restriction	1,345,817	-	-	1,345,817	-	1,345,817
Total Revenues	20,896,263	-	1,110,382	22,006,645	-	22,006,645
EXPENSES						
Program Services:						
Programming and Production	14,052,713	-	-	14,052,713	-	14,052,713
Broadcasting	999,475	-	-	999,475	-	999,475
Contributed In-Kind Support	196,262	-		196,262	-	196,262
Program Information	958,411	-	-	958,411	-	958,411
Total Program Services	16,206,861	-	-	16,206,861	-	16,206,861
Supporting Services:						
Fundraising and Membership Development:						
Membership Development	3,077,622	-	-	3,077,622	-	3,077,622
Other Fundraising Expenses	1,082,794	-	-	1,082,794	-	1,082,794
Contributed In-Kind Support	9,399	-	-	9,399	-	9,399
Donated Personal Services of Volunteers	26,809	-	-	26,809	-	26,809
Management and General	3,885,142	-	-	3,885,142	-	3,885,142
Total Supporting Services	8,081,766	-	-	8,081,766	-	8,081,766
Voluntary Separation Costs	841,316	-	-	841,316	-	841,316
Reorganization Costs	482,296	-	-	482,296	-	482,296
Video Services:						
Cost of Production	-	-	927,646	927,646	-	927,646
General and Administrative	-	-	75,304	75,304	-	75,304
Total Video Services	-	-	1,002,950	1,002,950	-	1,002,950
Total Expenses	25,612,239	-	1,002,950	26,615,189	-	26,615,189
Equity in Net Gain of Consolidated Subsidiary	107,432	-	-	107,432	(107,432)	-
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE OTHER ACTIVITIES	(4,608,544)	-	107,432	(4,501,112)	(107,432)	(4,608,544)

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES – WITHOUT DONOR RESTRICTIONS (CONTINUED)
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Connecticut Public Broadcasting, Inc.	Real Estate Holding Company Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
OTHER ACTIVITIES						
Income from Licensing of Intangible Assets	$ 1,849,504	$ -	$ -	$ 1,849,504	$ -	$ 1,849,504
Investment Return, Net	6,025,192	-	-	6,025,192	-	6,025,192
Release of Restricted Assets for Capital Additions	14,600	-	-	14,600	-	14,600
Transfer of Funds	680,265	-	-	680,265	-	680,265
Gain on Sale of Property and Equipment	-	-	-	-	-	-
Interest Expense	(239,323)	-	-	(239,323)	-	(239,323)
Depreciation and Amortization	(1,416,707)	(478,710)	(62,200)	(1,957,617)	62,200	(1,895,417)
Annual Spending Distribution	(2,578,170)	-	-	(2,578,170)	-	(2,578,170)
Transfer of Assets	(188,916)	188,916.00	-	-	-	-
Net Other Activities	4,146,445	(289,794)	(62,200)	3,794,451	62,200	3,856,651
CHANGE IN NET ASSETS	(462,099)	(289,794)	45,232	(706,661)	(45,232)	(751,893)
Net Assets Without Donor Restrictions - Beginning of Year	57,471,441	6,212,963	(356,717)	63,327,687	356,717	63,684,404
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	$ 57,009,342	$ 5,923,169	$ (311,485)	$ 62,621,026	$ 311,485	$ 62,932,511

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