

**WESTERN NEW YORK PUBLIC
BROADCASTING ASSOCIATION**

**CONSOLIDATED FINANCIAL STATEMENTS
WITH ADDITIONAL INFORMATION**

JUNE 30, 2018

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Western New York Public Broadcasting Association

We have audited the accompanying consolidated balance sheets of Western New York Public Broadcasting Association (the Association) as of June 30, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility


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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2018 and 2017, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



September 21, 2018

WESTERN NEW YORK PUBLIC BROADCASTING ASSOCIATION

Consolidated Balance Sheets

June 30,	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 747,263	\$ 238,935
Receivables (Note 2)	1,314,594	1,489,251
Investments for short-term purposes (Note 3)	1,824,000	1,824,000
Prepaid expenses and other assets	434,174	473,263
	<u>4,320,031</u>	<u>4,025,449</u>
Receivables - noncurrent (Note 2)	554,353	710,729
Investments for long-term purposes (Note 3)	22,332,987	21,736,323
Charitable lead annuity trust (Note 4)	221,503	253,243
Property and equipment, net (Note 5)	9,561,668	10,009,903
Radio operating licenses	3,766,000	3,766,000
Interest in Centralcast, LLC (Note 6)	596,687	587,775
	<u>\$ 41,353,229</u>	<u>\$ 41,089,422</u>
Liabilities and Net Assets		
Current liabilities:		
Loans payable (Note 7)	\$ 4,599,000	\$ 4,699,000
Accounts payable	498,726	712,284
Accrued expenses	678,898	654,015
Deferred revenue	420,477	428,926
	<u>6,197,101</u>	<u>6,494,225</u>
Net assets:		
Unrestricted	33,637,296	32,875,006
Temporarily restricted (Note 8)	1,300,460	1,501,819
Permanently restricted	218,372	218,372
	<u>35,156,128</u>	<u>34,595,197</u>
	<u>\$ 41,353,229</u>	<u>\$ 41,089,422</u>

See accompanying notes.

WESTERN NEW YORK PUBLIC BROADCASTING ASSOCIATION

Consolidated Statements of Activities

For the years ended June 30,

2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
Operating revenues and grants:				
Contributions	\$ 8,496,756	\$ 25,260	\$ -	\$ 8,522,016
Corporation for Public Broadcasting	1,581,208	-	-	1,581,208
New York State Education Department	1,400,247	-	-	1,400,247
Funding for designated projects	479,910	-	-	479,910
Equipment rentals, royalties and other	1,167,641	-	-	1,167,641
Total operating revenues and grants	13,125,762	25,260	-	13,151,022
Operating expenses:				
Television:				
WNED-TV:				
Broadcasting	1,878,257	-	-	1,878,257
Production	709,705	-	-	709,705
Designated projects	545,073	-	-	545,073
Educational services	254,902	-	-	254,902
Engineering	912,436	-	-	912,436
Radio:				
WNED-FM/WNJA-FM	630,847	-	-	630,847
WBFO-FM/WOLN-FM/WUBJ-FM	1,717,595	-	-	1,717,595
Film commission	321,562	-	-	321,562
Support services:				
General and administrative	1,705,852	-	-	1,705,852
Facilities	788,253	-	-	788,253
Development	3,474,596	-	-	3,474,596
Corporate communications	362,430	-	-	362,430
	13,301,508	-	-	13,301,508
Depreciation (primarily television and radio)	882,313	-	-	882,313
Total operating expenses	14,183,821	-	-	14,183,821
Total operating activities	(1,058,059)	25,260	-	(1,032,799)
Nonoperating activities:				
Investment earnings (Note 3)	1,397,591	19,341	-	1,416,932
Capital contributions	147,759	326,335	-	474,094
Capital contributions expenses	(144,069)	-	-	(144,069)
Interest in Centralcast, LLC (Note 6)	8,912	-	-	8,912
Rental income (loss), net of expenses of \$48,012 and \$53,456	11,265	-	-	11,265
Interest expense	(165,766)	-	-	(165,766)
Loss on foreign exchange	(7,638)	-	-	(7,638)
Net assets released from restrictions	572,295	(572,295)	-	-
Total nonoperating activities	1,820,349	(226,619)	-	1,593,730
Change in net assets	762,290	(201,359)	-	560,931
Net assets - beginning	32,875,006	1,501,819	218,372	34,595,197
Net assets - ending	\$ 33,637,296	\$ 1,300,460	\$ 218,372	\$ 35,156,128

See accompanying notes.

2017

Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
\$ 7,736,569	\$ 23,673	\$ -	\$ 7,760,242
1,736,462	-	-	1,736,462
1,450,249	-	-	1,450,249
570,766	-	-	570,766
1,068,464	-	-	1,068,464
12,562,510	23,673	-	12,586,183
2,003,367	-	-	2,003,367
683,601	-	-	683,601
554,531	-	-	554,531
230,818	-	-	230,818
877,049	-	-	877,049
633,420	-	-	633,420
1,605,252	-	-	1,605,252
372,867	-	-	372,867
2,077,135	-	-	2,077,135
769,858	-	-	769,858
3,656,448	-	-	3,656,448
519,045	-	-	519,045
13,983,391	-	-	13,983,391
927,187	-	-	927,187
14,910,578	-	-	14,910,578
(2,348,068)	23,673	-	(2,324,395)
2,338,062	28,224	-	2,366,286
85,393	665,537	-	750,930
(88,484)	-	-	(88,484)
(24,099)	-	-	(24,099)
(16,941)	-	-	(16,941)
(130,924)	-	-	(130,924)
(14,323)	-	-	(14,323)
223,486	(223,486)	-	-
2,372,170	470,275	-	2,842,445
24,102	493,948	-	518,050
32,850,904	1,007,871	218,372	34,077,147
\$ 32,875,006	\$ 1,501,819	\$ 218,372	\$ 34,595,197

WESTERN NEW YORK PUBLIC BROADCASTING ASSOCIATION

Consolidated Statements of Cash Flows

For the years ended June 30,	2018	2017
Operating activities:		
Change in net assets	\$ 560,931	\$ 518,050
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	882,313	927,187
Net realized and unrealized gains on investments	(905,772)	(1,974,545)
Interest in Centralcast, LLC, net	(8,912)	24,099
Contributions for long-term purposes	(474,094)	(750,930)
Changes in other operating assets and liabilities:		
Receivables	141,283	(368,546)
Prepaid expenses and other assets	39,089	(81,684)
Charitable lead annuity trust	31,740	33,327
Accounts payable	(213,558)	159,222
Accrued expenses	24,883	(39,557)
Deferred revenue	(8,449)	3,882
Net operating activities	69,454	(1,549,495)
Investing activities:		
Property and equipment, net	(434,078)	(296,413)
Proceeds from sales of investments	5,103,741	6,962,617
Purchases of investments	(4,794,633)	(5,686,514)
Net investing activities	(124,970)	979,690
Financing activities:		
Net payments on loans payable	(100,000)	-
Proceeds from contributions for long-term purposes	663,844	251,880
Net financing activities	563,844	251,880
Net change in cash and cash equivalents	508,328	(317,925)
Cash and cash equivalents - beginning	238,935	556,860
Cash and cash equivalents - ending	\$ 747,263	\$ 238,935

See accompanying notes.

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies:

Organization:

The consolidated financial statements include the accounts of Western New York Public Broadcasting Association (the Association) and a supporting organization, The WNED Foundation, Inc. (the Foundation).

The Association is a nonprofit corporation chartered by the New York State Board of Regents to serve the educational, cultural, and informational needs of residents in Western New York and Southern Ontario through the operation of public television and radio stations, the provision of public television and radio programming and outreach activities.

The Foundation is a nonprofit corporation whose primary purpose is to solicit, collect and invest funds on behalf of the Association, the Foundation's sole member.

All significant accounts and transactions between the Association and the Foundation have been eliminated in the accompanying financial statements.

Subsequent Events:

The Association has evaluated events and transactions for potential recognition or disclosure through September 21, 2018, the date the financial statements were available to be issued.

Basis of Presentation:

The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Association in perpetuity, the earnings from which can be used for unrestricted or specified purposes.

The Association's Board of Trustees has interpreted the New York State Prudent Management of Institutional Funds Act (NYPMIFA) as requiring the preservation of the fair value of the original permanently restricted gift as of the gift date, absent explicit donor stipulations to the contrary. The Association has adopted investment and spending policies for endowment assets that attempt to provide returns sufficient to address the purposes of the assets over the long-term.

Investment earnings of donor-restricted endowment funds are classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Cash and Cash Equivalents:

Cash and cash equivalents designated for operations include investments in highly liquid securities with original maturities of ninety days or less. Cash and cash equivalents in financial institutions may exceed insured limits at various times during the year and subject the Association to concentrations of credit risk.

Investments:

Investments are stated at estimated fair value. The fair value of marketable securities is determined by quoted prices in active markets. The Association uses net asset value (NAV) per share (or its equivalent) as a practical expedient to determine the fair value of investments that (i) do not have a readily determinable fair value predicated upon quoted prices in active markets, and (ii) have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company (Note 10).

Property and Equipment:

Property and equipment is stated at cost or fair market value at the date of donation, net of accumulated depreciation. Depreciation is computed by the straight-line method over estimated service lives.

Radio Operating Licenses:

Acquired radio operating licenses are not subject to amortization. They are considered indefinite-lived intangibles and are recorded at cost and tested annually for impairment or more frequently if an event occurs or circumstances change that would indicate impairment.

Deferred Revenue:

Deferred revenue includes unspent funds from grantors for designated projects and advance payments related to underwriting contracts and rental agreements. Management recognizes these amounts as revenue as costs are incurred or services are rendered.

Contributions:

Contributions, including unconditioned promises to give, are reported at fair value at the date received. Gifts are reported as 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, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using an appropriate interest rate applicable to the year in which the promise is received. Amortization of the discount is included in contribution revenue.

Program underwriting revenue is recognized as contribution revenue from the underwriting entity when management believes substantially all material conditions of the arrangement have been met.

Grant Revenue:

The Association receives grants from Corporation for Public Broadcasting and New York State Education Department. Revenues from grants are recognized when the related expenditures have been incurred.

Operating Indicator:

Investment earnings, capital contributions and related expenses, interest in Centralcast, LLC, rental income, loss on foreign exchange and interest expense are outside of the activities fundamental to the daily operations of the Association and, accordingly, are considered nonoperating activities in the accompanying statements of activities.

Tax Status:

The Association and the Foundation are 501(c)(3) corporations generally exempt from income taxes under Section 501(a) of the Internal Revenue Code.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Receivables:

	2018	2017
Contributions - nonmembership:		
Gross contributions receivable	\$ 1,102,494	\$ 1,260,407
Less: allowance for uncollectibles	31,500	4,500
Less: unamortized discount	42,689	106,024
Net contributions receivable	<u>1,028,305</u>	<u>1,149,883</u>
Other receivables:		
Contributions - membership	261,000	263,000
Government grants and designated projects	3,514	56,214
Underwriting and other	601,128	755,883
	<u>865,642</u>	<u>1,075,097</u>
Less: allowance for uncollectibles	25,000	25,000
	<u>840,642</u>	<u>1,050,097</u>
Total receivables	<u>\$ 1,868,947</u>	<u>\$ 2,199,980</u>
Current	\$ 1,314,594	\$ 1,489,251
Noncurrent	554,353	710,729
Total receivables	<u>\$ 1,868,947</u>	<u>\$ 2,199,980</u>
Contributions - nonmembership:		
Amounts due in:		
Less than one year	\$ 548,141	\$ 447,323
One to five years	554,353	813,084
	<u>\$ 1,102,494</u>	<u>\$ 1,260,407</u>

3. Investments:

	2018	2017
Cash and cash equivalents	\$ 1,434,567	\$ 782,820
Fixed income	10,319,604	10,215,550
Domestic equities	6,966,091	6,623,843
International equities	6,074,021	6,153,009
Private equity	85,357	-
Other	24,610	24,036
	<u>24,904,250</u>	<u>23,799,258</u>
Less: cash and cash equivalents available for current operations	747,263	238,935
Less: investments - security for bank demand note (see Note 7)	1,824,000	1,824,000
Investments for long-term purposes	<u>\$ 22,332,987</u>	<u>\$ 21,736,323</u>

Investment earnings:

	2018	2017
Dividends and interest, net of investments fees of \$109,090 and \$94,664	\$ 511,160	\$ 391,741
Realized gains	874,197	590,043
Unrealized gains	31,575	1,384,502
	<u>\$ 1,416,932</u>	<u>\$ 2,366,286</u>

4. Charitable Lead Annuity Trust:

The Association is a named beneficiary of a Charitable Lead Annuity Trust. In accordance with the terms of the trust, the Association receives \$57,000 per year through 2027. The Association received payments of \$57,000 for both years ended June 30, 2018 and 2017. The outstanding balance at June 30 is calculated at its estimated present value based upon an appropriate interest rate.

5. Property and Equipment:

	2018	2017
Land and improvements	\$ 1,161,286	\$ 1,158,286
Buildings and improvements	19,959,458	19,936,032
Transmission equipment	4,952,724	5,014,776
Production equipment	3,099,324	2,814,611
Technical equipment	3,459,236	3,453,634
Other equipment	1,807,345	1,768,341
	<u>34,439,373</u>	<u>34,145,680</u>
Less accumulated depreciation	24,877,705	24,135,777
	<u>\$ 9,561,668</u>	<u>\$ 10,009,903</u>

6. Interest in Centralcast, LLC:

The Association is one of nine public broadcasting station members of Centralcast, LLC (Centralcast), a 501(c)(3) entity formed to operate a joint master control facility to enable the members to disseminate educational programming in a collaborative and efficient manner. The members provide service fees in a percentage related to participation levels; the Association's effective percentage is approximately 12%.

The Association's investment in Centralcast is accounted for on the equity method. The Association's recorded investment in Centralcast at June 30, 2018 and 2017 totaled \$596,687 and \$587,775. Service fees and other contributions to Centralcast totaled \$148,393 in both 2018 and 2017.

Financial position and results of operations of Centralcast as of and for the years ended June 30, 2018 and 2017 are summarized below:

	<u>2018</u>	<u>2017</u>
Total assets	\$ 6,877,000	\$ 7,422,000
Total liabilities	\$ 1,880,000	\$ 2,500,000
Total net assets	\$ 4,997,000	\$ 4,922,000
Total revenues and other support	\$ 3,585,000	\$ 2,701,000
Change in net assets	\$ 75,000	\$ (177,000)

7. Loans Payable:

	<u>2018</u>	<u>2017</u>
Bank demand note for certain prior building renovations, interest at rates ranging from the 1 month LIBOR rate plus 2% to prime plus 1%, secured by certain investments. Interest expense for the years ended June 30, 2018 and 2017 was \$65,467 and \$50,828.	\$ 1,824,000	\$ 1,824,000
Bank demand loan for prior radio station acquisition, interest at rates ranging from 1, 2, or 3 month LIBOR rate plus 2% to prime plus 1%, secured by real property. Interest expense for the years ended June 30, 2018 and 2017 was \$100,299 and \$80,096.	2,775,000	2,875,000
	4,599,000	4,699,000
Less current portion	4,599,000	4,699,000
	\$ -	\$ -

The Association also has available a \$950,000 bank demand working capital line of credit with interest payable at either LIBOR plus 1.65% or prime minus 1% as selected by the Association. The line is secured by certain investments, and is reviewed and renewed annually. There were no borrowings outstanding at June 30, 2018 and 2017.

8. Temporarily Restricted Net Assets:

Temporarily restricted net assets represent certain contributions receivable, the outstanding balance on the Charitable Lead Annuity Trust, and cumulative unappropriated earnings on permanently restricted endowment assets.

9. Benefit Plans:

The Association sponsors a contributory, defined-contribution retirement plan covering substantially all full-time employees. The Association provides a contribution of 7.5% of regular salary for those plan participants that contribute at least 3.5% of their regular salary. The Association's contributions to the plan amounted to \$270,932 in 2018 and \$261,625 in 2017.

The Association also maintains a deferred compensation plan in accordance with section 457(f) of the Internal Revenue Service Code, and entered into participation agreements with certain management employees under the plan. Funds available under this plan through June 30, 2018 and 2017 amounted to \$203,240 and \$193,356, and are reported as prepaid expenses and other assets and accrued expenses on the accompanying consolidated balance sheets.

10. Fair Value Measurements:

As described in Note 1, the Association's investments are stated at estimated fair value. The fair values of investment assets are determined as follows as of June 30, 2018 and 2017:

	<u>2018</u>	Quoted Prices in	
		Active Markets	NAV
Cash for investments	\$ 687,304	\$	-
Fixed income	10,319,604		-
Domestic equities	6,966,091		-
International equities	6,074,021		-
Private equity	-		85,357
Other	-		24,610
	\$ 24,047,020	\$	109,967
	<u>2017</u>	Quoted Prices in	
		Active Markets	NAV
Cash for investments	\$ 543,885	\$	-
Fixed income	10,215,550		-
Domestic equities	6,623,843		-
International equities	6,153,009		-
Other	-		24,036
	\$ 23,536,287	\$	24,036

11. Cash Flows Information:

Interest paid for the years ended June 30, 2018 and 2017 totaled \$165,766 and \$130,924.

**INDEPENDENT AUDITORS' REPORT
ON ADDITIONAL INFORMATION**

The Board of Trustees
Western New York Public Broadcasting Association

We have audited the consolidated financial statements of Western New York Public Broadcasting Association (the Association) as of and for the year ended June 30, 2018, and have issued our report thereon dated September 21, 2018, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The additional information on pages 10 and 11 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



September 21, 2018

WESTERN NEW YORK PUBLIC BROADCASTING ASSOCIATION

Additional Information
Consolidating Balance Sheet

June 30, 2018

	Association	Foundation	Eliminations	Consolidated Totals
Assets				
Current assets:				
Cash and cash equivalents	\$ 330,008	\$ 417,255	\$ -	\$ 747,263
Receivables	1,282,757	399,312	(367,475)	1,314,594
Investments for short-term purposes	-	1,824,000	-	1,824,000
Prepaid expenses and other assets	434,174	-	-	434,174
	<u>2,046,939</u>	<u>2,640,567</u>	<u>(367,475)</u>	<u>4,320,031</u>
Receivables - noncurrent	554,353	1,824,000	(1,824,000)	554,353
Investments for long-term purposes	1,523,763	20,809,224	-	22,332,987
Charitable lead annuity trust	221,503	-	-	221,503
Property and equipment, net	9,038,869	522,799	-	9,561,668
Radio operating licenses	3,766,000	-	-	3,766,000
Interest in Centralcast, LLC	596,687	-	-	596,687
	<u>\$ 17,748,114</u>	<u>\$ 25,796,590</u>	<u>\$ (2,191,475)</u>	<u>\$ 41,353,229</u>
Liabilities and Net Assets				
Current liabilities:				
Loans payable	\$ 4,599,000	\$ 1,824,000	\$ (1,824,000)	\$ 4,599,000
Accounts payable	498,726	-	-	498,726
Accrued expenses	1,046,373	-	(367,475)	678,898
Deferred revenue	420,477	-	-	420,477
	<u>6,564,576</u>	<u>1,824,000</u>	<u>(2,191,475)</u>	<u>6,197,101</u>
Net assets:				
Unrestricted	9,954,695	23,682,601	-	33,637,296
Temporarily restricted	1,217,971	82,489	-	1,300,460
Permanently restricted	10,872	207,500	-	218,372
	<u>11,183,538</u>	<u>23,972,590</u>	<u>-</u>	<u>35,156,128</u>
	<u>\$ 17,748,114</u>	<u>\$ 25,796,590</u>	<u>\$ (2,191,475)</u>	<u>\$ 41,353,229</u>

WESTERN NEW YORK PUBLIC BROADCASTING ASSOCIATION

Additional Information
Consolidating Statement of Activities

For the year ended June 30, 2018

	Association	Foundation	Eliminations	Consolidated Totals
Operating revenues and grants:				
Contributions	\$ 7,592,243	\$ 929,773	\$ -	\$ 8,522,016
Corporation for Public Broadcasting	1,581,208	-	-	1,581,208
New York State Education Department	1,400,247	-	-	1,400,247
Funding for designated projects	479,910	-	-	479,910
Equipment rentals, royalties and other	1,167,641	-	-	1,167,641
Total operating revenues and grants	12,221,249	929,773	-	13,151,022
Operating expenses:				
Television:				
WNED-TV:				
Broadcasting	1,878,257	-	-	1,878,257
Production	709,705	-	-	709,705
Designated projects	545,073	-	-	545,073
Educational services	254,902	-	-	254,902
Engineering	912,436	-	-	912,436
Radio:				
WNED-FM/WNJA-FM	630,847	-	-	630,847
WBFO-FM/WOLN-FM/WUBJ-FM	1,717,595	-	-	1,717,595
Film commission	321,562	-	-	321,562
Support services:				
General and administrative	1,686,593	19,259	-	1,705,852
Facilities	788,253	-	-	788,253
Development	3,474,596	-	-	3,474,596
Corporate communications	362,430	-	-	362,430
Contributions to the Association	-	1,287,000	(1,287,000)	-
	13,282,249	1,306,259	(1,287,000)	13,301,508
Depreciation	863,043	19,270	-	882,313
Total operating expenses	14,145,292	1,325,529	(1,287,000)	14,183,821
Total operating activities	(1,924,043)	(395,756)	1,287,000	(1,032,799)
Nonoperating activities:				
Investment earnings (losses)	(2,194)	1,479,195	(60,069)	1,416,932
Capital contributions	474,094	-	-	474,094
Capital contributions expenses	(144,069)	-	-	(144,069)
Contributions from the Foundation	1,287,000	-	(1,287,000)	-
Interest in Centralcast, LLC	8,912	-	-	8,912
Rental income, net of expenses of \$48,012	11,265	-	-	11,265
Interest expense	(165,766)	(60,069)	60,069	(165,766)
Loss on foreign exchange	(7,638)	-	-	(7,638)
Total nonoperating activities	1,461,604	1,419,126	(1,287,000)	1,593,730
Change in net assets	(462,439)	1,023,370	-	560,931
Net assets - beginning	11,645,977	22,949,220	-	34,595,197
Net assets - ending	\$ 11,183,538	\$ 23,972,590	\$ -	\$ 35,156,128