

**WGCU PUBLIC MEDIA  
A PUBLIC TELECOMMUNICATIONS ENTITY  
OPERATED BY  
FLORIDA GULF COAST UNIVERSITY  
FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**WGCU PUBLIC MEDIA**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
**FLORIDA GULF COAST UNIVERSITY**  
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**JUNE 30, 2022 AND 2021**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,  
Florida Gulf Coast University:

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of WGCU Public Media, which includes WGCU-TV and WGCU-FM (collectively, the "Station"), a public telecommunications entity operated by Florida Gulf Coast University, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Station's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WGCU Public Media as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Station and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Station's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Station's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements of the Station are intended to present the financial position, and the changes in financial position and cash flows, of only the Station-related accounts of Florida Gulf Coast University that are attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position of Florida Gulf Coast University as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise WGCU Public Media's basic financial statements. The WGCU-TV Statements of Revenues, Expenses, and Changes in Net Position (Exhibit I), WGCU-FM Statements of Revenues, Expenses, and Changes in Net Position (Exhibit II), and the Statement of Functional Expenses (Exhibit III) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

These exhibits are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these exhibits are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*James Moore & Co., P.L.*

Gainesville, Florida  
January 13, 2023

**WGCU PUBLIC MEDIA**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
**FLORIDA GULF COAST UNIVERSITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**

## **INTRODUCTION**

The following discussion and analysis is an overview of the financial position and activities of WGCU Public Media (the Station) for the years ended June 30, 2022 and June 30, 2021. Management of WGCU Public Media has prepared the following discussion and it should be read with the financial statements and related footnotes, which follow this section.

WGCU Public Media operates and manages WGCU-TV, WGCU-FM, and WMKO-FM for Florida Gulf Coast University (FGCU) in Fort Myers, Florida. WGCU-TV serves a population of over 1.7 million. WGCU-TV is consistently one of the most-watched public television stations in the country and is viewed, annually, in more than 560,000 households. Our radio stations are among the top-rated radio stations in the market. Combined, WGCU-FM and WMKO-FM reach weekly cumulative audiences of more than 141,000 listeners and serve listeners in some or all of twelve counties in south and southwest Florida.

WGCU Public Media offers a variety of local and national programming on five separate TV programming streams – WGCU HD, WGCU World, WGCU Create, The Florida Channel and WGCU Kids. On WGCU HD, we air the PBS national programming service during primetime, children's programming during the day and BBC World News and The PBS NewsHour each weekday evening. WGCU World provides a 24-hour non-fiction programming service while WGCU Create provides how-to and lifestyle programming during the day. The Florida Channel covers the workings of Florida State government. WGCU Kids, a 24/7 children's educational channel, was launched in January 2017. The service provides around-the-clock access to PBS Kids programming for households throughout our coverage area.

WGCU-FM programming, which is simulcast on WMKO-FM and also available on the WGCU app and many third-party steaming providers serving a local and global audience. The audio programming is predominantly a News and Information service which provides national and international content from NPR, American Public Media, Public Radio International and the BBC. The station produced more than 142 hours of local content including newscasts, Gulf Coast Life and Gulf Coast Life Arts Edition.

WGCU Public Media's online presence provides a content-rich environment for viewers, listeners, parents, kids and educators. Many WGCU programs are available free on our website [wgc.org](http://wgc.org), the WGCU YouTube channel, or the WGCU app. WGCU Public Media provides a portal to the Florida PBS Learning Media site available free of charge to classroom teachers and homeschoolers throughout our coverage area. The site consists of a library of over 125,000 digital learning objects ranging from audio and video clips to Florida Standards-based lesson plans. WGCU also provides members access to PBS programs via PBS Passport, ability to stream programs via the WGCU app, download podcasts and more.

As a joint licensee, WGCU Public Media is working toward more clearly defining contributions made to each individual asset. Significant investments are being made in our channels to transform our services for a better mix of local, national, and international content in a digital age. Many of our programs are available direct to consumers from producers including NPR, PBS, BBC, APM during these last few years as consumer adoption of digital tools is becoming prolific. As a result, investments in our local content, first in audio, and then in video will become increasingly important. FY 2022 may be the last year of a 70/30 split when donors do not designate between radio and TV so that future revenues align with future expenses. A notable shift in our FY2022 revenue can be seen in self-sufficient activities. New and more reliable revenue increases can be seen in membership and development as part of our five-year strategic plan and campaign funds.

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**JUNE 30, 2022 AND 2021**  
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In addition, a \$2.1M deal in FY2022 to lease a portion of our broadband channel was a business decision that helps secure our future and will be invested into our quasi-endowment.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial statements of WGCU Public Media consist of the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position and the Statements of Cash Flows. These statements are prepared in conformity with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*.

The Statements of Net Position includes Assets, Liabilities and Net Position of WGCU Public Media as of June 30, 2022 and June 30, 2021. This statement is classified into Current and Non-Current Assets and Liabilities, with Net Position classified as Net Investment in Capital Assets; Restricted; and Unrestricted. The Statements of Revenues, Expenses and Changes in Net Position depicts the operating revenues and expenses resulting in Net Operating Income (Loss), which is then combined with Non-Operating Revenues (Expenses) to provide the total Change in Net Position. The Statements of Cash Flows shows the sources and uses of cash from operations, cash flows from non-capital financing activities, cash flows from capital and related financing activities and cash flows from investing activities. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

### **FINANCIAL HIGHLIGHTS**

WGCU Public Media presents these combined statements of the TV and FM operations to more accurately represent our operations and for financial transparency to the community and the audiences we serve. WGCU Public Media completed FY 2022 with a net operating income of \$862,143 and an increase in net position of \$499,149 including non-operating revenues and investment losses. Non-operating revenues in in FY 2022 were (\$362,994) compared to \$1,682,803 in FY 2021, a decrease of (\$2,045,797). This is due to ARP Act funds, FCC Repack revenues and PECO revenues, all of which were non-recurring in FY 2022. In addition, there were unrealized investment losses in FY 2022 compared to unrealized investment gains in FY 2021. This is after a net operating income of \$678,425 in FY 2021. Net position increased to \$11,225,580 for the year ended June 30, 2022, from \$10,726,431 for FY 2021 primarily due to increases in revenue and expense savings offsetting investment losses. WGCU Public Media’s operating revenues increased to \$9,510,579 in FY 2022, compared to \$9,449,526 in FY 2021, mainly due to increases in CPB revenues and Indirect Administrative Support. WGCU Public Media’s operating expenses decreased to \$8,648,436 in FY 2022 from \$8,771,101 in FY 2021 due to expenditure savings in salaries, premiums, and programming acquisitions.

### **THE REPORTING ENTITY**

WGCU Public Media is a department of Florida Gulf Coast University and these financial statements include assets, liabilities and activity related to its public broadcasting function. This includes account activity within the University as well as the Florida Gulf Coast University Foundation, Inc., which are under the control of WGCU Public Media Management.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**  
(Continued)

**FINANCIAL ANALYSIS OF THE STATEMENTS**

WGCU Public Media condensed financial statements are presented below for FY 2022, FY 2021 and FY 2020.

**CONDENSED STATEMENTS OF NET POSITION**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Current assets	\$ 6,461,744	\$ 3,119,515	\$ 4,970,506
Noncurrent assets	7,445,421	8,271,256	7,740,670
Total assets	<u>\$ 13,907,165</u>	<u>\$ 11,390,771</u>	<u>\$ 12,711,176</u>
Current liabilities	\$ 555,716	\$ 428,426	\$ 4,030,775
Non-current liabilities	2,125,869	235,914	315,198
Total liabilities	<u>2,681,585</u>	<u>664,340</u>	<u>4,345,973</u>
Net position			
Unrestricted	4,004,039	2,574,830	937,775
Restricted, Expendable	1,641,405	2,124,181	4,931,754
Restricted, Nonexpendable	128,824	116,724	67,008
Net investment in capital assets	5,451,312	5,910,696	2,428,666
Total net position	<u>11,225,580</u>	<u>10,726,431</u>	<u>8,365,203</u>
Total liabilities and net position	<u>\$ 13,907,165</u>	<u>\$ 11,390,771</u>	<u>\$ 12,711,176</u>

**CONDENSED STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION**  
(For the Fiscal Years ended June 30)

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues			
Operating	\$ 9,510,579	\$ 9,449,526	\$ 8,646,763
Non-operating	(362,994)	1,682,803	1,217,323
Total revenues	<u>9,147,585</u>	<u>11,132,329</u>	<u>9,864,086</u>
Expenses			
Program services			
Programming and production	3,821,253	3,675,883	3,523,846
Broadcasting	1,072,091	1,206,496	1,028,643
Program information	720,794	816,816	919,287
Total program services	<u>5,614,138</u>	<u>5,699,195</u>	<u>5,471,776</u>
Supporting services			
Management and general	1,287,794	1,418,726	1,222,549
Fundraising and membership development	1,187,722	1,182,151	1,167,340
Underwriting and grants	558,782	471,029	438,334
Total supporting services	<u>3,034,298</u>	<u>3,071,906</u>	<u>2,828,223</u>
Total expenses	<u>8,648,436</u>	<u>8,771,101</u>	<u>8,299,999</u>
Increase (decrease) in net position	<u>\$ 499,149</u>	<u>\$ 2,361,228</u>	<u>\$ 1,564,087</u>



**WGPU PUBLIC MEDIA**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**  
(Continued)

**CONDENSED STATEMENTS OF CASH FLOWS**  
**(For the Fiscal Years ended June 30)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net cash flows from operating activities	\$ 3,380,613	\$ 842,866	\$ 379,586
Net cash flows from capital & related financing activities	39,925	(79,401)	(47,546)
Net cash flows from non-capital & related financing activities	(38,989)	832,215	215,923
Net cash flows from investing activities	<u>12,329</u>	<u>68,202</u>	<u>75,352</u>
Change in cash	3,393,878	1,663,882	623,315
<b>Cash and cash equivalents</b> , beginning of year	<u>2,900,883</u>	<u>1,237,001</u>	<u>613,686</u>
<b>Cash and cash equivalents</b> , end of year	<u>\$ 6,294,761</u>	<u>\$ 2,900,883</u>	<u>\$ 1,237,001</u>

Current Assets consist primarily of cash and cash equivalents, accounts and grants receivable, investments, and prepaid program costs. Non-Current Assets consist primarily of capital assets (property and equipment). Current Liabilities consist of accounts payable, accrued expenses, compensated absences and a due to Florida Gulf Coast University.

Operating revenues consist primarily of membership contributions, State Appropriations, community service grants, contributed support (underwriting), and non-cash donated facilities and administrative support from the University. Operating expenses consist primarily of broadcasting, programming and production, management and general, depreciation, non-cash University donated facilities and administrative support. Non-operating revenues and expenses consist primarily of investments losses. WGPU Public Media had non-operating losses of (\$362,994) in FY 2022, an decrease from \$1,682,803 in FY 2021, due to the prior year investment gains, ARP Act Stabilization funds, FCC Repack and PECO project accrual for the renovation/replacement of WGPU's main transmission tower and related equipment.

**CONTACTING MANAGEMENT**

This financial report provides donors, members, investment managers, foundations and taxpayers with a general overview of WGPU Public Media's finances and the funding it receives.

Additional details can be requested by mail at the following address:

WGPU Public Media  
10501 FGCU Boulevard South  
Ft. Myers, FL 33965

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**STATEMENTS OF NET POSITION**  
**JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b><u>ASSETS</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 2,065,067	\$ 300,284
Restricted cash	403,350	886,126
Funds held by Florida Gulf Coast University Foundation, Inc. on behalf of the Station	3,826,344	1,714,473
Accounts and grants receivable	141,940	181,557
Current portion of prepaid program costs	25,043	37,075
Total current assets	6,461,744	3,119,515
<b>Noncurrent assets</b>		
Capital assets, net of accumulated depreciation	5,451,312	5,910,696
Funds held and invested by Florida Gulf Coast University Foundation, Inc. on behalf of the Station:		
Unrestricted	618,358	1,005,781
Restricted	1,366,879	1,354,779
Prepaid program costs, less current portion	8,872	-
Total noncurrent assets	7,445,421	8,271,256
<b>Total Assets</b>	13,907,165	11,390,771
<b><u>LIABILITIES</u></b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	133,412	78,159
Due to Florida Gulf Coast University	44,097	83,086
Current portion of compensated absences	224,100	190,100
Current portion of unearned revenue	154,107	77,081
Total current liabilities	555,716	428,426
<b>Noncurrent liabilities</b>		
Compensated absences, less current portion	174,398	235,914
Unearned revenue, less current portion	1,951,471	-
Total noncurrent liabilities	2,125,869	235,914
<b>Total Liabilities</b>	2,681,585	664,340
<b><u>NET POSITION</u></b>		
<b>Net position</b>		
Net investment in capital assets	5,451,312	5,910,696
Restricted:		
Nonexpendable	128,824	116,724
Expendable	1,641,405	2,124,181
Unrestricted	4,004,039	2,574,830
<b>Total Net Position</b>	\$ 11,225,580	\$ 10,726,431

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

**WGCU PUBLIC MEDIA**  
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**FLORIDA GULF COAST UNIVERSITY**  
**STATEMENTS OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating revenues</b>		
Community service grants donated by the Corporation for Public Broadcasting	\$ 1,268,483	\$ 1,220,309
Other Corporation for Public Broadcasting grants	37,323	36,643
Community service grants donated by the Department of Education, State of Florida	420,400	420,400
Appropriations from Florida Gulf Coast University	663,664	852,284
Underwriting support	733,097	871,734
Membership income	3,523,167	3,399,319
Non-recurring estate gifts	-	403,071
Strategic campaign revenues	409,746	-
Donated facilities and administrative support from Florida Gulf Coast University	1,522,002	1,454,277
In-kind contributions	379,296	368,862
Production services	32,924	32,049
Broadband channel and tower income	206,227	192,612
Other income	314,250	197,966
<b>Total operating revenues</b>	<u>9,510,579</u>	<u>9,449,526</u>
<b>Operating expenses (Exhibit III)</b>		
Programming and production	3,821,253	3,675,883
Broadcasting	1,072,091	1,206,496
Program information and promotion	720,794	816,816
Management and general	1,287,794	1,418,726
Fundraising and membership development	1,187,722	1,182,151
Underwriting and grant solicitation	558,782	471,029
<b>Total operating expenses</b>	<u>8,648,436</u>	<u>8,771,101</u>
<b>Operating income</b>	<u>862,143</u>	<u>678,425</u>
<b>Non-operating revenues (expenses)</b>		
ARP Act stabilization funds	-	691,100
Investment return, net	(362,994)	605,096
FCC repack	-	282,389
PECO allocation	-	104,218
<b>Total non-operating revenues (expenses)</b>	<u>(362,994)</u>	<u>1,682,803</u>
<b>Change in net position</b>	<u>499,149</u>	<u>2,361,228</u>
<b>Net position, beginning of year</b>	10,726,431	8,365,203
<b>Net position, end of year</b>	<u>\$ 11,225,580</u>	<u>\$ 10,726,431</u>

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

**WGPU PUBLIC MEDIA**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
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**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Cash received from grants, donors and fundraising activities	\$ 6,878,668	\$ 6,543,275
Cash received from broadband channel and tower agreement	2,095,138	-
Cash paid for payroll and related benefits	(2,706,512)	(2,601,410)
Cash paid to suppliers	(2,886,681)	(3,098,999)
Net cash provided by operating activities	3,380,613	842,866
<b>Cash flows from non-capital financing activities</b>		
Proceeds from ARP Act stabilization funds	-	691,100
Decrease (increase) in due to Florida Gulf Coast University	(38,989)	141,115
Net cash provided by (used in) non-capital financing activities	(38,989)	832,215
<b>Cash flows from capital and related financing activities</b>		
FCC repack	39,925	242,464
PECO allocation	-	3,590,464
Purchase of capital assets	-	(3,912,329)
Net cash provided by (used in) capital and related financing activities	39,925	(79,401)
<b>Cash flows from investing activities</b>		
Decrease (increase) in funds held and invested by Florida Gulf Coast University Foundation, Inc. on behalf of the Station	375,323	(536,894)
Investment return	(362,994)	605,096
Net cash provided by investing activities	12,329	68,202
<b>Change in cash and cash equivalents</b>	3,393,878	1,663,882
<b>Cash and cash equivalents, beginning of year</b>	2,900,883	1,237,001
<b>Cash and cash equivalents, end of year</b>	\$ 6,294,761	\$ 2,900,883
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
<b>Operating income</b>	\$ 862,143	\$ 678,425
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>		
Depreciation	459,384	445,630
Loss on disposal	-	23,658
Change in:		
Accounts and grants receivable - related to operating activity	(308)	(26,608)
Prepaid program costs	3,160	(6,501)
Accounts payable and accrued expenses	55,253	(72,282)
Compensated absences	(27,516)	4,764
Unearned revenue - related to operating activity	2,028,497	(204,220)
Total adjustments	2,518,470	164,441
<b>Net cash provided by operating activities</b>	\$ 3,380,613	\$ 842,866
<b>Cash and cash equivalents are presented on the Statements of Net Position as:</b>		
Cash and cash equivalents	\$ 2,065,067	\$ 300,284
Restricted cash	403,350	886,126
Funds held by Florida Gulf Coast University Foundation, Inc on behalf of the Station	3,826,344	1,714,473
	\$ 6,294,761	\$ 2,900,883
<b>Supplemental disclosure of noncash capital activities</b>		
Capital purchases included in due to Florida Gulf Coast University	\$ -	\$ 38,990

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

**WGPU PUBLIC MEDIA**  
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**FLORIDA GULF COAST UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies of WGPU Public Media, which includes WGPU-TV and WGPU-FM (collectively, the “Station”), a public telecommunications entity operated by Florida Gulf Coast University, which affect significant elements of the accompanying financial statements:

(a) **Reporting entity**—The Station is a department of Florida Gulf Coast University (the “University”), located in Fort Myers, Florida, and conducts various public broadcasting functions. The University, as part of the State University System of Florida, is governed, regulated and coordinated by the State of Florida Department of Education and the University’s Board of Trustees, and is subject to the general supervision of the Florida Department of Education. The President of Florida Gulf Coast University is responsible for the management of the University. The Station operates as a department of the University under the control of the Station manager. The Station’s financial statements include the state accounts and the Station-related accounts of Florida Gulf Coast University Foundation, Inc. (the “Foundation”). These statements do not purport to present the financial position or results of operations of the University as a whole.

(b) **Basis of accounting**—The Station’s accounting policies conform with accounting principles generally accepted by Governmental Accounting Standards Board (GASB). For financial reporting purposes, the Station has elected to report as an entity engaged in only business-type activities. Accordingly, the Station prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds. Revenues are recorded when earned and expenses are recorded when incurred.

(c) **Net position**—In the statements of net position, net position includes the following:

(i) *Net investment in capital assets*—This is the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

(ii) *Restricted*—The component of net position that reports the constraints placed on the use of net position by either external parties and/or enabling legislation, reduced by any liabilities to be paid from these assets.

*Nonexpendable restricted net position*—consists of endowment and similar type funds in which donors or other outside sources have stipulated that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

*Expendable restricted net position*—includes resources in which the Station is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

(iii) *Unrestricted*—The difference between the assets and liabilities that is not reported in *Net investment in capital assets* and *Restricted net position*.

It is the Station’s policy to expend restricted resources first and to use unrestricted resources when the restricted resources have been depleted.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Cash and cash equivalents**—For the purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash in demand accounts that have original maturities of three months or less. In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Stations's deposits at year end are considered insured for custodial credit risk purposes with Florida statutes.

(e) **Restricted cash**—Restricted cash represents cash held with the University that is restricted as to withdrawal or use under the terms of certain contractual agreements.

(f) **Accounts and grants receivable**—Accounts and grants receivable, including Public Educational Capital Outlay (PECO) allocation receivables and Federal Communications Commission (FCC) repack receivables, are stated at the amount management expects to collect from outstanding balances. PECO allocation funds are recorded as a receivable upon allocation from the Florida Department of Education. FCC repack funds are recorded as a receivable upon the Station's expenditure for required repack equipment. Receivables are carried at their estimated collectible amounts. Credit is generally extended on a short-term basis; thus, accounts receivable do not bear interest. Based on the Station's historical information, credit losses, when realized, have not been significant.

(g) **Costs incurred for programs not yet broadcast**—Costs incurred for programs not yet broadcast (prepaid program costs) are recorded as a deferred asset. Such costs relate to programs purchased or produced by the Station that will be broadcast subsequent to year end. Programs to be completed and broadcast within one year are classified as current assets whereas programs to be completed and broadcast in more than one year are classified as noncurrent. As the programs are broadcast, the costs incurred will be included in operating expenses. Program status is evaluated annually. Costs associated with programs not considered to have future benefit are adjusted to net realizable value.

(h) **Capital assets**—Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets ranging from 5 – 50 years.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(i) **Unearned revenue**—Unearned revenue relates primarily to grant funds received but not yet spent, the Station’s agreement with a private entity related to channel space, and PECO allocation funds that have been allocated but not yet approved for encumbrance. The agreement related to the channel space was set to expire January 2022, but was renewed for an additional 15-year term that ends on January 2037. Annual income received from the agreement is \$131,805 through June 30, 2022 and \$123,333 for fiscal year ended June 30, 2021.

(j) **Pension and other postemployment benefits**—As the Station is a department of the University, any pension and other postemployment benefits liabilities are reported by the University. The University’s Annual Comprehensive Financial Report may be obtained from: <https://www.fgcu.edu/financecorp/>.

(k) **Revenue recognition**—State appropriations are recorded as revenue in the statements of revenues, expenses, and changes in net position when an expenditure is recorded.

PECO allocation funds are recorded as revenue when the Florida Department of Education approves the encumbrance.

FCC repack funds are recorded as revenue when the related repack equipment expenditure is incurred.

Membership contributions are recognized as operating revenues in the period they are received.

Program production grants are reported as unearned revenues for programs not yet broadcast until the specific program is broadcast. At such time, amounts are included as revenues and the expenditures are recorded.

Revenue related to program underwriting for subsequent fiscal years is reflected as unearned revenues in the accompanying statements of net position. Revenue is recognized when the related program is aired.

Contributed support represents expenses paid on behalf of the Station by others outside the reporting entity, and includes contributed professional services, donated materials or facilities, and indirect administrative support. These amounts are recorded in revenue in the period in which the support is provided.

(l) **In-kind contributions**—Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. The Station reports gifts of equipment, materials, professional services and other nonmonetary contributions as operating revenue in the accompanying statements of revenues, expenses, and changes in net position.

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(1) **Summary of Significant Accounting Policies:** (Continued)

If the fair value of contributed materials, supplies, facilities, and property cannot be reasonably determined they are not recorded. Donated personal services of nonprofessional volunteers, as well as national and local programming services, are not recorded as revenue and expense as there is no objective basis available to measure the value of such services.

Contributed advertising and promotion are recorded at the fair value of the contribution portion of the total value received.

(m) **Pledges and contributions**—The Station engages in periodic fundraising campaigns manifested by offering some special programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Station for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by pledges received from responding viewers and listeners. Contributions, including unconditional promises to give and membership receipts, are recognized as revenue in the period received or given. However, uncollected pledges are not enforceable against contributors and the Station is not able to determine that they are probable of collection, therefore they are not shown as assets in the statements of net position. Contributions and collected pledges are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Station. This usage is consistent with appeals for contributions and pledges.

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

According to the Communications Act, funds may be used at the discretion of recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain activities begun with CSGs awarded in prior years. Certain *General Provisions* must be satisfied in connection with application for and use of the grants to maintain eligibility and meet compliance requirements. These *General Provisions* pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, and licensee status with the Federal Communications Commission.

Any remaining CSG funds and other restricted CPB grant funds at fiscal year-end are reported as restricted cash and restricted-expendable net position on the statements of net position.



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(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Indirect support provided by Florida Gulf Coast University**—Indirect support from the University consists of allocated institutional support and physical plant costs incurred by the University for which the Station receives benefits. The fair value of this support is recognized in the statements of revenues, expenses, and changes in net position as donated facilities and administrative support and is allocated as an expense to each of the functional expense categories.

Indirect support is calculated using the CPB's Standard Method. For purposes of this calculation, expenses for non-broadcasting activities and unrelated business income taxes are removed from the Station's total operating expenses, along with depreciation, amortization, in-kind contributions, and donated property and equipment to determine the Station's net direct expenses. For the years ended June 30, 2022 and 2021, WVCU-TV had \$18,367 and \$17,586 of expenses for non-broadcasting activities and unrelated business income taxes, respectively. For the years ended June 30, 2022 and 2021, WVCU-FM had \$223 and \$0 of expenses for non-broadcasting activities and unrelated business income taxes, respectively. Additionally, in accordance with the CPB Standard Method, fees paid to the University of \$26,439 and \$55,047 for WVCU-TV were removed in the calculation of indirect administrative support for the years ended June 30, 2022 and 2021, respectively. Fees paid to the University of \$11,373 and \$23,736 for WVCU-FM were removed in the calculation of indirect administrative support for the years ended June 30, 2022 and 2021, respectively.

(p) **Production revenue**—The Station uses the percentage-of-completion method of accounting for production revenue, whereby the cumulative production revenue earned equals the ratio of costs incurred to the estimated total costs at completion applied to the total committed revenues from outside sponsors. Production costs include charges by subcontractors plus all direct labor and other direct costs. Indirect and general and administrative expenses are charged to expense as incurred. Cost estimates on programs are reviewed periodically as the work progresses and adjustments, if needed, are reflected in the period in which the estimates are revised.

(q) **Operating activities**—The Station's policy for defining operating activities as reported on the statements of revenues, expenses, and changes in net position are those that generally result from the provision of public broadcasting and instructional technology services, and from the production of program material for distribution in those services. Revenues associated with, or restricted by donors to use for, capital improvements, and revenues and expenses that result from financing and investing activities are recorded as non-operating revenues. American Rescue Plan (ARP) Act stabilization funds are also included within non-operating activities as these funds did not result from normal operations of the Station.

(r) **Program and production underwriting**—Revenue for program underwriting is recorded on a pro-rata basis for the period covered and for production underwriting on an estimated percentage-of-completion basis.

(s) **Income taxes**—The Station is owned and operated by Florida Gulf Coast University, which is a part of the State of Florida's educational system. Accordingly, the Station is exempt from Federal income taxes. Any taxable income is aggregated at the University level and taxes paid, if any, are paid by the University.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(t) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of revenues, expenses, and changes in net position. Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

(u) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, results could differ from those estimates.

(v) **Compensated absences**—The liability for compensated absences represents employees' accrued annual and sick leave based on length of service subject to certain limitations as defined by state statute and University policies.

(w) **Advertising costs**—Advertising costs are expensed in the period in which they are incurred. Advertising expense for the years ended June 30, 2022 and 2021, was \$340,854 and \$339,705, respectively.

(x) **Recent accounting pronouncements**—In June 2017, the GASB issued Statement No. 87, *Leases*, to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The Station adopted Statement No. 87 for fiscal year 2022. The Station had no leases within the scope of GASB 87 and therefore there were no material impacts to the financial statements as a result of implementing the standard.

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.

(y) **Reclassifications**—Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassifications had no effect on net position.

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(2) **Funds Held and Invested by Florida Gulf Coast University Foundation, Inc. on Behalf of the Station:**

The Station has an agreement with Florida Gulf Coast University Foundation, Inc. (the “Foundation”), whereby Station funds are held and invested by the Foundation on behalf of the Station. These amounts are included in the accompanying financial statements of the Station as “Funds held and invested by Florida Gulf Coast University Foundation, Inc. on behalf of the Station.” Total cash held by the Foundation is \$3,826,344 and \$1,714,473 as of June 30, 2022 and 2021, respectively. Total investments held by the Foundation are \$1,985,237 and \$2,360,560 as of June 30, 2022 and 2021, respectively. These investment totals include \$1,366,879 and \$1,354,779 of restricted funds as of June 30, 2022 and 2021, respectively. These restricted funds relate to contributions and endowments that have donor constraints placed on the use of the funds. See note 11 for additional information on restrictions on net position.

All funds held and invested by the Foundation on behalf of the Station are invested in uninsured and unregistered investments, which are held in the name of the Foundation. All funds held and invested by the Foundation on behalf of the Station are reflected at fair value. The Foundation categorizes the fair value measurement of these investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Station has the following recurring fair value measurements as of June 30, 2022 and 2021:

Funds held and invested by the Foundation – recorded at the Station’s ownership of a share of an investment pool, not the underlying securities. These funds are valued at net asset value (“NAV”) of units held, as reported by the Foundation. The Station reviews and evaluates the values and assesses the valuation methods and assumptions used in determining the fair value of these investments. Because the investment pool is not readily marketable, NAV is used as a practical expedient, and the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a readily available market for such investment existed, and differences could be material. The Station relies on policies developed and administered by the University and the Foundation for managing interest rate risk or credit risk for these investment pools.

In accordance with GASB 72, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The following table discloses the nature and risk of investments for which fair value has been estimated using the NAV per share of the investments as a practical expedient as of June 30, 2022 and 2021.

	<b>Investments Measured at NAV</b>			
	<b>Total Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
Funds held and invested by the Foundation				
June 30, 2022	\$ 1,985,237	\$ -	Daily	N/A
June 30, 2021	\$ 2,360,560	\$ -	Daily	N/A

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(3) **Capital Assets:**

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

	<b>Balance July 1, 2021</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Balance June 30, 2022</b>
Capital assets, not being depreciated:					
Land and land improvements	\$ 293,732	\$ -	\$ -	-	\$ 293,732
Total capital assets, not being depreciated	<u>293,732</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,732</u>
Capital assets, being depreciated:					
Buildings	4,182,564	-	-	-	4,182,564
Furniture, fixtures and equipment	7,832,471	-	1,151,521	-	6,680,950
Improvements	154,363	-	-	-	154,363
Transmitter	163,481	-	-	-	163,481
Total capital assets, being depreciated	12,332,879	-	1,151,521	-	11,181,358
Less: Accumulated depreciation	<u>6,715,915</u>	<u>459,384</u>	<u>1,151,521</u>	<u>-</u>	<u>6,023,778</u>
Total capital assets, being depreciated, net	<u>5,616,964</u>	<u>459,384</u>	<u>-</u>	<u>-</u>	<u>5,157,580</u>
Total capital assets	<u>\$ 5,910,696</u>	<u>\$ 459,384</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,451,312</u>
	<b>Balance July 1, 2020</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Balance June 30, 2021</b>
Capital assets, not being depreciated:					
Land and land improvements	\$ 293,732	\$ -	\$ -	\$ -	\$ 293,732
Construction in progress-tower	3,486,247	-	-	(3,486,247)	-
Total capital assets, not being depreciated	<u>3,779,979</u>	<u>-</u>	<u>-</u>	<u>(3,486,247)</u>	<u>293,732</u>
Capital assets, being depreciated:					
Buildings	4,182,564	-	-	-	4,182,564
Furniture, fixtures and equipment	4,531,046	444,512	629,334	3,486,247	7,832,471
Improvements	133,802	20,561	-	-	154,363
Transmitter	246,272	-	82,791	-	163,481
Total capital assets, being depreciated	9,093,684	465,073	712,125	3,486,247	12,332,879
Less: Accumulated depreciation	<u>6,958,752</u>	<u>445,630</u>	<u>688,467</u>	<u>-</u>	<u>6,715,915</u>
Total capital assets, being depreciated, net	<u>2,134,932</u>	<u>19,443</u>	<u>23,658</u>	<u>3,486,247</u>	<u>5,616,964</u>
Total capital assets	<u>\$ 5,914,911</u>	<u>\$ 19,443</u>	<u>\$ 23,658</u>	<u>\$ -</u>	<u>\$ 5,910,696</u>

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(3) **Capital Assets:** (Continued)

WVCU-TV had depreciation expense of \$412,626 and \$400,579 for the fiscal years ended June 30, 2022 and 2021, respectively. WVCU-FM had depreciation expense of \$46,758 and \$45,051 for the fiscal years ended June 30, 2022 and 2021, respectively.

(4) **Lien on Property and Equipment:**

The Federal government has a ten-year priority lien on any facilities and equipment purchased with funds from the National Telecommunications and Information Administration (NTIA). The lien is to ensure that telecommunications facilities funded with Federal monies will continue to be used to provide public telecommunications services to the public during the period of Federal interest. The original cost of the property acquired with NTIA funds was approximately \$868,000 and the liens expired in years through 2021.

(5) **Significant Concentrations:**

Information related to significant concentrations of revenues and credit risk for financial instruments owned by the Station, except as otherwise disclosed, is as follows:

(a) **Cash and cash equivalents**—The Station has demand deposits held at financial institutions for the University and the Foundation, which are secured up to FDIC limits. Amounts over FDIC limits are secured by collateral held by the financial institution which is pledged to the State of Florida Public Deposits Trust Fund. These deposits amounted to \$6,294,761 and \$2,900,883 as of June 30, 2022 and 2021, respectively.

(b) **Accounts and grants receivable**—The Station has accounts and grants receivables of \$141,940 and \$181,557 at June 30, 2022 and 2021, respectively. At June 30, 2022 and 2021, one entity represented approximately 10% and two entities represented approximately 34% of accounts and underwriting receivables, respectively. The Station has no policy requiring collateral or other security to support receivables.

(c) **Revenues**—The Station received significant revenue from two sources in fiscal year 2022 and two sources in fiscal year 2021. The CPB provided approximately 14% of revenues and the University provided approximately 24% in cash, support and donated facilities during the year ended June 30, 2022. For the year ended June 30, 2021, CPB provided approximately 17% of revenues and the University provided approximately 21% in cash, support and donated facilities.

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(6) **Compensated Absences:**

Compensated absences liability activity for the years ended June 30, 2022 and 2021, were as follows:

<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Amount Due</u> <u>Within 1 Year</u>
\$ 426,014	\$ 284,128	\$ 311,644	\$ 398,498	\$ 224,100

  

<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Amount Due</u> <u>Within 1 Year</u>
\$ 421,250	\$ 255,852	\$ 251,088	\$ 426,014	\$ 190,100

(7) **Community Service Grants:**

The Station receives CSGs from the CPB annually. The CSGs received and expended during the most recent fiscal years were as follows:

<u>Year of</u> <u>Grant</u>	<u>Grants</u> <u>Received</u>	<u>Expended</u>			<u>Uncommitted</u> <u>Balance at</u> <u>June 30, 2022</u>
		<u>2019 – 2020</u>	<u>2020 – 2021</u>	<u>2021 – 2022</u>	
2019-21	\$ 1,138,446	\$ 1,023,668	\$ 114,778	\$ -	\$ -
2020-22	\$ 1,220,309	\$ -	\$ 985,200	\$ 235,109	\$ -
2021-23	\$ 1,268,483	\$ -	\$ -	\$ 876,465	\$ 392,018

(8) **Risks and Uncertainties:**

The Station invests in uninsured and unregistered investments, held and managed by Florida Gulf Coast University Foundation, Inc. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the carrying values reported in the statements of net position.

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**(9) Nonfederal Financial Support:**

The CPB allocates a portion of its funds annually to public broadcasting entities, primarily based on nonfederal financial support (“NFFS”). NFFS is defined as the total value of cash and the fair market value of property and services received as either a contribution or a payment and meeting all of the respective criteria for each.

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity except the Federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcasting station or for the production, acquisition, distribution or dissemination of educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station. However, to eliminate distortions in the TV CSG grant program precipitated by extraordinary infusions of new capital investments in DTV, all capital contributions received for purposes of acquiring new equipment or upgrading existing or building new facilities regardless of source or form of the contribution are not included in calculating the NFFS. This change excludes all revenues received for any capital purchases.

A “payment” is cash, property or services received by a public broadcasting entity from specific sources in exchange for specific services or materials. Support received as a payment by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source must be a state or local government or agency thereof, or an educational institution; (2) the form of the payment must be an appropriation or contract payment in exchange for specific materials or services related to public broadcasting; (3) the purpose must be for services or materials with respect to the provision of educational or instructional television or radio programs; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

Reported NFFS for the Station was \$7,610,488 and \$7,605,736 for the years ended June 30, 2022 and 2021, respectively.

**(10) Due to Florida Gulf Coast University:**

As of June 30, 2022 and 2021, the Station owed \$44,097 and \$83,086, respectively, to the University, related mainly to payroll expenses fronted by the University and PECO allocation reimbursements.

**(11) Restrictions on Net Position:**

Investment income, including unrealized appreciation and depreciation, is allocated to the unrestricted account if there are no donor restrictions. If there are specific donor restrictions or criteria, investment income, including unrealized appreciation and depreciation, are allocated to the restricted expendable account on a pro rata basis based on the nonexpendable balance. In accordance with state law, and absent any donor restrictions, these funds are then available for expenditure when the specific donor criteria are met. Included in restricted expendable net position at June 30, 2022, are contributions totaling \$1,238,054 and restricted cash from grants of \$403,350. Included in restricted expendable net position at June 30, 2021, are contributions totaling \$1,238,055 and restricted cash from grants of \$886,126. The restricted nonexpendable net position at June 30, 2022 and 2021, contains the endowment balances of \$128,824 and \$116,724, respectively.

**SUPPLEMENTAL INFORMATION**



**WGCU-TV**  
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**STATEMENTS OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating revenues</b>		
Community service grants donated by the Corporation for Public Broadcasting	\$ 1,084,902	\$ 1,056,290
Other Corporation for Public Broadcasting grants	37,323	36,643
Community service grants donated by the Department of Education, State of Florida	320,400	320,400
Appropriations from Florida Gulf Coast University	444,378	619,513
Underwriting support	221,378	346,493
Membership income	2,360,986	2,218,295
Non-recurring estate gifts	-	332,000
Strategic campaign revenues	2,500	-
Donated facilities and administrative support from Florida Gulf Coast University	1,013,910	983,427
In-kind contributions	177,925	152,798
Production services	27,676	32,049
Broadband channel and tower income	206,227	192,612
Other income	221,006	195,185
<b>Total operating revenues</b>	<u>6,118,611</u>	<u>6,485,705</u>
<b>Operating expenses</b>		
Programming and production	2,516,785	2,408,349
Broadcasting	741,874	870,634
Program information and promotion	439,202	487,270
Management and general	902,824	1,023,882
Fundraising and membership development	868,735	886,890
Underwriting and grant solicitation	333,417	269,081
<b>Total operating expenses</b>	<u>5,802,837</u>	<u>5,946,106</u>
<b>Operating income</b>	<u>315,774</u>	<u>539,599</u>
<b>Non-operating revenues (expenses)</b>		
ARP Act stabilization funds	-	525,028
Investment return, net	(352,743)	594,245
FCC repack	-	282,389
PECO allocation	-	104,218
<b>Total non-operating revenues (expenses)</b>	<u>(352,743)</u>	<u>1,505,880</u>
<b>Change in net position</b>	<u>(36,969)</u>	<u>2,045,479</u>
<b>Net position</b> , beginning of year	9,748,207	7,702,728
<b>Net position</b> , end of year	<u><u>\$ 9,711,238</u></u>	<u><u>\$ 9,748,207</u></u>

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

**WGPU-FM**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
**FLORIDA GULF COAST UNIVERSITY**  
**STATEMENTS OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating revenues</b>		
Community service grants donated by the Corporation for Public Broadcasting	\$ 183,581	\$ 164,019
Community service grants donated by the Department of Education, State of Florida	100,000	100,000
Appropriations from Florida Gulf Coast University	219,286	232,771
Underwriting support	511,719	525,241
Membership income	1,162,181	1,181,024
Non-recurring estate gifts	-	71,071
Strategic campaign revenues	407,246	-
Donated facilities and administrative support from Florida Gulf Coast University	508,092	470,850
In-kind contributions	201,371	216,064
Production services	5,248	-
Other income	93,244	2,781
<b>Total operating revenues</b>	<u>3,391,968</u>	<u>2,963,821</u>
<b>Operating expenses</b>		
Programming and production	1,304,468	1,267,534
Broadcasting	330,217	335,862
Program information and promotion	281,592	329,546
Management and general	384,970	394,844
Fundraising and membership development	318,987	295,261
Underwriting and grant solicitation	225,365	201,948
<b>Total operating expenses</b>	<u>2,845,599</u>	<u>2,824,995</u>
<b>Operating income</b>	<u>546,369</u>	<u>138,826</u>
<b>Non-operating revenues (expenses)</b>		
ARP Act stabilization funds	-	166,072
Investment return, net	(10,251)	10,851
Total nonoperating revenues (expenses)	<u>(10,251)</u>	<u>176,923</u>
<b>Change in net position</b>	<u>536,118</u>	<u>315,749</u>
<b>Net position, beginning of year</b>	978,224	662,475
<b>Net position, end of year</b>	<u>\$ 1,514,342</u>	<u>\$ 978,224</u>

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

**WGCU PUBLIC MEDIA**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
**FLORIDA GULF COAST UNIVERSITY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
(With Summarized Comparative Totals for the Year Ended June 30, 2021)

	Program Services				Supporting Services				2022 Total Expenses	2021 Total Expenses
	Programming and Production	Broadcasting	Program Information and Promotion	Total	Management and General	Fundraising and Membership Development	Underwriting and Grant Solicitation	Total		
Salaries, payroll taxes and employee benefits	\$ 1,275,734	\$ 549,720	\$ 213,973	\$ 2,039,427	\$ 542,602	\$ 530,443	\$ 241,221	\$ 1,314,266	\$ 3,353,693	\$ 3,375,412
Commissions to advertising agencies	-	-	-	-	-	-	148,630	148,630	148,630	170,532
Professional services	106,418	51,481	25,080	182,979	111,490	26,921	4,681	143,092	326,071	299,836
Office supplies	2,610	224	4,583	7,417	2,712	3,751	-	6,463	13,880	17,915
Operating and other supplies	120	-	-	120	-	35,302	-	35,302	35,422	33,555
Telephone	-	46,593	-	46,593	21,473	19,080	-	40,553	87,146	101,254
Postage	32	-	-	32	40	45,848	995	46,883	46,915	44,787
Advertising	3,669	-	335,438	339,107	1,747	-	-	1,747	340,854	339,705
Rental and maintenance of equipment	-	53,703	-	53,703	-	-	-	-	53,703	153,901
Program acquisitions	1,523,627	-	-	1,523,627	-	-	-	-	1,523,627	1,607,338
Program production costs	9,245	-	1,419	10,664	-	563	-	563	11,227	9,901
Printing and publications	290	-	5,039	5,329	642	610	63	1,315	6,644	12,554
Travel and training	7,015	3,370	-	10,385	12,847	1,177	13,048	27,072	37,457	20,692
Freight	278	73	295	646	47	-	-	47	693	1,002
Premiums	-	-	-	-	-	76,029	-	76,029	76,029	122,301
Direct mail	-	-	-	-	-	37,089	-	37,089	37,089	22,402
Computer fees and supplies	3,708	8,779	3,202	15,689	1,774	33,814	103	35,691	51,380	62,058
Subscriptions and dues	49,645	-	485	50,130	47,170	5,544	-	52,714	102,844	81,875
Ratings and research	75,057	-	-	75,057	-	-	5,049	5,049	80,106	67,459
Meetings and events	10,636	58	1,122	11,816	4,956	19,670	173	24,799	36,615	12,096
Utilities	-	3,325	-	3,325	-	-	-	-	3,325	5,384
Station maintenance	753	172	-	925	-	-	-	-	925	1,527
Overhead charges	11,993	1,492	1,712	15,197	214,990	34,911	-	249,901	265,098	237,811
Depreciation	162,401	75,807	31,222	269,430	78,764	76,007	35,183	189,954	459,384	445,630
Facility rental	-	27,677	-	27,677	-	-	-	-	27,677	25,569
Donated facilities and administrative support from Florida Gulf Coast University	578,022	249,617	97,224	924,863	246,540	240,963	109,636	597,139	1,522,002	1,454,277
Loss on disposal	-	-	-	-	-	-	-	-	-	23,658
Bad debt expense	-	-	-	-	-	-	-	-	-	20,670
	<u>\$ 3,821,253</u>	<u>\$ 1,072,091</u>	<u>\$ 720,794</u>	<u>\$ 5,614,138</u>	<u>\$ 1,287,794</u>	<u>\$ 1,187,722</u>	<u>\$ 558,782</u>	<u>\$ 3,034,298</u>	<u>\$ 8,648,436</u>	<u>\$ 8,771,101</u>

The accompanying notes to financial statements are an integral part of this statement.