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Independent Auditors' Report

To the Board of Directors of
Wisconsin Educational Communications Board

Opinions

We have audited the accompanying financial statements of the business-type activities, and each major fund of the Wisconsin Educational Communications Board, an agency of the State of Wisconsin, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Wisconsin Educational Communications Board's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and each major fund of the Wisconsin Educational Communications Board, Wisconsin, as of June 30, 2022 and 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Wisconsin Public Radio Association, Inc. and the Friends of PBS Wisconsin, Inc., which represent 36%, 34% and 70%, respectively, of the assets, net position and revenues of the Wisconsin Public Broadcasting Foundation, Inc. and 27%, 28% and 62% respectively, of the assets, net position and revenues of the business-type activities as of and for the year ended June 30, 2022. We did not audit the financial statements of the Wisconsin Public Radio Association, Inc. and the Friends of PBS Wisconsin, Inc., which represent 37%, 33% and 65%, respectively, of the assets, net position and revenues of the Wisconsin Public Broadcasting Foundation, Inc. and 30%, 28% and 50% respectively, of the assets, net position and revenues of the business-type activities as of and for the year ended June 30, 2021. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Wisconsin Public Radio Association, Inc. and the Friends of PBS Wisconsin, Inc. are based solely on the report of the other auditors.

Basis for Opinions

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 Wisconsin Educational Communications Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the Wisconsin Educational Communications Board and do not purport to, and do not, present fairly the financial position of the State of Wisconsin. Our opinions are not modified with respect to this matter.
As discussed in Note 1, the Wisconsin Educational Communications Board adopted the provisions of GASB Statement No. 87, Leases, effective July 1, 2020. Accordingly, the accounting changes have been retroactively applied to prior periods presented. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Wisconsin Educational Communications Board'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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 Wisconsin Educational Communications Board'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 Wisconsin Educational Communications Board'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.
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors 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.
The Management's Discussion and Analysis (MD&A) section is prepared by the Wisconsin Educational Communications Board's (ECB's) executive staff and is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement Number 34. The MD&A provides the reader with general information on the financial activities of ECB and the Wisconsin Public Broadcasting Foundation, Inc. (WPBF).

ECB is an agency of the State of Wisconsin that delivers educational, noncommercial and public safety media to the residents of Wisconsin. ECB operates a statewide public television network, consisting of 5 digital stations and 6 TV translators, each with 4 programming streams. ECB also operates a statewide public radio network with three programming streams (WERN-FM and its affiliated Music Network stations, WHAD-FM and its affiliated Ideas Network stations and a network of 24 hours per day classical music HD radio stations) consisting of 17 FM stations, 1 AM station and 4 FM translators. Six of the FM sites are currently broadcasting a digital radio signal in addition to analog. ECB also operates a network of 28 National Weather Service broadcast sites and holds multiple Educational Broadband Service licenses. ECB partners with the University of Wisconsin (UW) Madison to operate PBS Wisconsin and Wisconsin Public Radio, which include ECB's public television and public radio networks. See Note 3 for more information on the partnership.

Following this section are financial statements and notes pertaining to ECB. The Statements of Net Position provide information on the assets, deferred outflows, liabilities and deferred inflows of ECB, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether ECB's financial position is improving or deteriorating. The statements of revenues, expenses and changes in net position and the statements of cash flows provide information on income, expenses and cash activities. The Notes to the Financial Statements provide additional information that is essential to promoting a full understanding of the data provided in the financial statements.
Condensed financial information for ECB as of and for the fiscal years ended June 30, 2022, June 30, 2021 and June 30, 2020, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2022</th>
<th>Change From Prior Year</th>
<th>June 30, 2021</th>
<th>Change From Prior Year</th>
<th>June 30, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital and intangible assets</td>
<td>$13,975,040</td>
<td>2 %</td>
<td>$13,759,325</td>
<td>52 %</td>
<td>$9,037,632</td>
</tr>
<tr>
<td>Other assets</td>
<td>51,307,540</td>
<td></td>
<td>54,085,421</td>
<td></td>
<td>39,302,533</td>
</tr>
<tr>
<td>Total assets</td>
<td>65,282,580</td>
<td></td>
<td>67,844,746</td>
<td></td>
<td>48,340,165</td>
</tr>
<tr>
<td>Deferred outflows</td>
<td>3,313,253</td>
<td>22</td>
<td>2,714,358</td>
<td>9</td>
<td>2,491,366</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>2,319,644</td>
<td>(31)</td>
<td>3,362,126</td>
<td>60</td>
<td>2,098,403</td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>4,176,151</td>
<td>(5)</td>
<td>4,386,891</td>
<td>1393</td>
<td>293,750</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>6,495,795</td>
<td></td>
<td>7,749,017</td>
<td></td>
<td>2,392,153</td>
</tr>
<tr>
<td>Deferred inflows</td>
<td>4,498,540</td>
<td>14</td>
<td>3,949,520</td>
<td>23</td>
<td>3,218,883</td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>10,167,263</td>
<td>5</td>
<td>9,680,007</td>
<td>7</td>
<td>9,036,813</td>
</tr>
<tr>
<td>Restricted by grants or donors</td>
<td>1,259,835</td>
<td>29</td>
<td>977,079</td>
<td>26</td>
<td>772,879</td>
</tr>
<tr>
<td>Restricted, WRS pension balance</td>
<td>1,494,505</td>
<td>32</td>
<td>1,134,238</td>
<td>105</td>
<td>553,656</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>44,679,895</td>
<td>(5)</td>
<td>47,069,243</td>
<td>35</td>
<td>34,857,147</td>
</tr>
<tr>
<td>Total net position</td>
<td>$57,601,498</td>
<td></td>
<td>$58,860,567</td>
<td></td>
<td>$45,220,495</td>
</tr>
</tbody>
</table>

1 Amounts are restated from the prior year report for the implementation of GASB Statement 87, Accounting for Leases
State of Wisconsin General Fund Revenues, which are a significant source of funding for ECB's safety services, delivery operations and the associated administration, are reported as Nonoperating Revenues under governmental accounting standards. The result of this accounting treatment is a reported net operating loss. This loss is offset by Nonoperating Revenues and Capital Contributions.

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally and the pandemic continues. The full impact of the COVID-19 outbreak has evolved throughout the last three years. Pandemic impacts seen by ECB include: payments from the Corporation for Public Broadcasting (CPB) $990,000 in FY 2021 and $350,000 in FY 2020. ECB has also received funding through the coronavirus relief package via Wisconsin's Department of Administration. In FY 2022, ECB received $50,000, in FY 2021, $130,000 and in FY 2020, $32,000 to offset extra pandemic related costs for appropriate social distancing, telecommuting and personal protective equipment.

ECB’s Capital Assets are presented at historical cost less depreciation. Capital Assets include Intangible Assets and with the implementation of GASB 87 also include Right-to-Use Assets. Right-to-Use Assets represent the depreciated value of assets ECB leases from other parties. Capital Assets increased by 2% during FY 2022 or about $200,000 over the restated FY 2021 amount. Purchases of new Capital Assets totaled $2.6 million, while depreciation and disposals totaled $2.4 million for the fiscal year. Reported Capital Assets increased by 52% in FY 2021 over FY 2020 because of the implementation of GASB 87 and the inclusion of $4.1 million in Right-to-Use Assets.

In FY 2022, Other Assets decreased by 5% or 2.8 million. This decrease included a decrease of $3.1 million in Cash and Investments offset by a $300,000 increase in the Net Pension Asset. The decrease in Cash and Investments was caused by ECB's component units investing additional cash, and by decreased investment values caused by unfavorable market conditions. In FY 2021, Other Assets increased by 38% or $14.7 million which was made up of a $9.1 million increase in Investments and a $4.9 million increase in Cash plus a $600,000 increase in Net Pension Asset. The addition of a $100,000 Lease Receivable made up the remaining increase in Other Assets. The FY 2021 increase was caused primarily because of favorable investment market performance during the fiscal year along with higher than expected revenues and reduced expenses due to the pandemic.

Current Liabilities decreased by 31% or $1.0 million. $890,000 of this occurred because partnership payables due to UW Madison returned to more typical levels in FY 2022. These payables represent ECB's share of the Friends of PBS Wisconsin's financial statements. See Note 1 for information on ECB's presentation of the Friends financial statements. A $120,000 decrease in Wages Payable also contributed to the decrease in Current Liabilities in FY 2022. The timing of employee payday compared to the end of the fiscal year caused this decrease. In FY 2021, Current Liabilities increased by 60% or $1.3 million because of a $1.0 million increase in partnership or affiliate payables and by a $200,000 increase in Accounts Payable and a $60,000 increase in Deferred Revenue. Timing of cash flows influence the balances in Accounts Payable and Deferred Revenue.

Noncurrent Liabilities decreased by 5% in FY 2022 over the restated balance from FY 2021. Although the noncurrent portion of Compensated Absences increased by $60,000 in FY 2022, the Lease Liability decreased by $270,000 as lease expenses were recognized. Because of the restatement of FY 2021 amounts due to the GASB 87 implementation, restated noncurrent liabilities increased by over 1,000% during FY 2021. GASB 87 requires the present value of all future obligated lease payments to be presented as both Right-to-Use Assets and Lease Liabilities.
Deferred Outflows increased by 22% in FY 2022 and 9% in FY 2021 because of changes in the calculated Pension Liabilities or Assets and payments ECB makes to the Wisconsin Retirement System (WRS) for employee pensions. These amounts represent ECB's share of the overall WRS balances and are determined by actuaries hired by ETF. Changes to actuarial assumptions along with changes in market conditions can have significant impacts to the calculations of both Deferred Outflows and Inflows. As a result, Deferred Inflows increased 14% and 23% respectively during FY 2022 and FY 2021. ECB anticipates that these amounts will continue to vary year-to-year. Restricted Net Position related to WRS Pension Balance increased in both FY 2022 and FY 2021 because of the changes to Net Pension Assets for each year. Each year, the Restricted Net Position related to WRS Pension Balance is equal to the Net Pension Asset.

Operating Revenues decreased 5% or $1.1 million in FY 2022. Support from CPB related to COVID relief ended in FY 2021 causing $800,000 of the decrease and Contributed Support and Major Gifts decreased in FY 2022 by $940,000. These decreases represent a return to the typical levels seen before the COVID-19 pandemic. The decreases were offset by a $500,000 increase in Other Income resulting primarily from a new contract ECB has with Milwaukee PBS and renewed lease contracts. FY 2021 Operating Revenues increased 7% or $1.4 million because of increased Contributed Support, Major Gifts and CPB Grants. In particular, Contributed Support increased by $900,000 and Major Gifts increased by $270,000 in FY 2021. ECB also received additional CPB revenue from coronavirus relief funding. This funding resulted in a 600,000 increase in Operating Revenues as well in FY 2021. These increases were offset by a $400,000 decrease in Other Income in FY 2021.

Operating Expenses increased 10% or $2.3 million in FY 2022. $900,000 of that increase was related to Programming and Production Expenses as costs for both local and national programming continue to increase. $600,000 of the increase was related to Management and General Expenses as the organization is fully staffed, a transitional management contract was in place and State Assessments for consolidated services increased. Fundraising costs increased by $600,000 as events and other fundraising efforts have resumed. Fundraising costs are back to pre-pandemic levels. Broadcasting expenses increased by $200,000 as ECB has increased Engineering staff and continues to invest more in cybersecurity. Operating Expenses decreased by 9% or $2.4 million in FY 2021. $1.5 million of the decrease was related to Programming and Production Expenses that resulted from a change in funding flow between ECB and its partners at UW Madison. $560,000 of the decrease is attributed to reduced Programming and Production Expenses at Friends. Fundraising Expenses decreased by $410,000 during FY 2021 as well, primarily because events were held virtually rather than in person. A $90,000 decrease to Program Information Expenses was offset by slight increases in Broadcasting and Management and General Expenses in FY 2021.

Nonoperating Revenues and Expenses consist of investment earnings and losses, both realized and unrealized, gains or losses on disposal of assets and financial support from the State of Wisconsin General Fund (GPR revenue). ECB experienced a 90% or $11.8 million decrease in Nonoperating Revenues and Expenses. $11.7 million of this decrease represents a decrease in Investment Income because of unfavorable market conditions. Small changes in the other categories of Nonoperating Revenues and Expenses made up the remaining $100,000 decrease. In FY 2021, Nonoperating Revenues and Expenses increased by 102% or $6.6 million. An increase in Investment Income over FY 2020 made up $6.3 million of this increase, which was the result of favorable market returns. In addition, the Loss on Disposal of Capital Assets and Capital Debt Interest Expense decreased by $250,000 which caused an increase to the overall balance in Nonoperating Revenues and Expenses. A $100,000 increase in revenue from the coronavirus relief package was offset by a $40,000 decrease in GPR Revenue made up the remaining increase.
Capital Contributions increased 11% or $230,000 FY 2022. Although the number of open projects in FY 2022 decreased to 21 from 27 in FY 2021, the dollar values of the projects in FY 2022 were higher. Three high dollar projects continued from FY 2021; purchasing and installing new transmitters at three of ECB’s television stations. Two newer projects involved purchasing and installing transmitters at two of ECB’s radio stations. As a result, more capital spending occurred leading to increased Capital Contributions. The $500,000 or 31% increase in Capital Contributions in FY 2021 also occurred because of high dollar projects, two television stations were upgraded with power increases and three projects to replace three television transmitters began in FY 2021.

The net results of all operations for the year are summarized in the line titled Changes in Net Position.

This financial report is designed to provide a general overview of ECB’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to marta.bechtol@ecb.org or to ECB in care of the Executive Director, 3319 West Beltline Highway, Madison, WI 53713-4296.

General information relating to the Educational Communications Board can be found at its website, www.ecb.org.
### Assets

**Current assets:**

- Cash and equivalents: $834,029
- Investments: $527,085
- Pledges receivable: $284,615
- Affiliates receivable: $243,538
- Other receivables: $207,636
- Prepaid expenses: $211,931
- Inventory: $7,814

**Total current assets:** $1,497,134

**Noncurrent assets:**

- Investments: $36,247,509
- Lease receivable: $119,540
- Net pension asset: $1,494,505
- Land: $158,743
- Buildings, net of accumulated depreciation: $1,195,531
- Equipment, net of accumulated depreciation: $8,609,703
- Intangible assets, net of accumulated amortization: $29,312
- Right to use asset, net of accumulated amortization: $3,722,027

**Total noncurrent assets:** $15,329,361

**Total assets:** $16,826,495

### Deferred Outflows of Resources

- Pension related amounts: $3,313,253

### Liabilities

**Current liabilities:**

- Accounts payable: $177,479
- Due to affiliates: $76,148
- Wages payable: $168,280
- Compensated absences payable: $136,168
- Capital debt interest expense payable: $89,632
- Deferred revenue: $128,125

**Total current liabilities:** $775,832

**Noncurrent liabilities:**

- Compensated absences payable: $368,374
- Lease liability: $3,807,777

**Total noncurrent liabilities:** $4,176,151

**Total liabilities:** $4,951,983

### Deferred Inflows of Resources

- Beneficial interest in trust: $430,723
- Pension related amounts: $3,950,549
- Lease related amounts: $117,268

**Total deferred inflows of resources:** $4,067,817

### Net Position

**Net investment in capital assets:** $9,907,539

**Restricted by grants or donors:** $104,905

**Restricted, nonexpendable:** $149,450

**Restricted, pension:** $3,807,777

**Unrestricted:** $3,807,777

**Total net position:** $11,119,948
Wisconsin Educational Communications Board  
Statement of Net Position  
June 30, 2021

<table>
<thead>
<tr>
<th></th>
<th>Restated Operating Fund</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and equivalents</td>
<td>$ 852,566</td>
<td>$ 11,649,204</td>
<td>$ 12,501,770</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>737,720</td>
<td>737,720</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>-</td>
<td>174,843</td>
<td>174,843</td>
</tr>
<tr>
<td>Other receivables</td>
<td>654,511</td>
<td>39,548</td>
<td>694,059</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>169,813</td>
<td>9,916</td>
<td>247,502</td>
</tr>
<tr>
<td>Inventory</td>
<td>-</td>
<td></td>
<td>9,916</td>
</tr>
<tr>
<td>Total current assets</td>
<td>1,676,890</td>
<td>12,688,920</td>
<td>14,365,810</td>
</tr>
<tr>
<td>Noncurrent assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>38,438,971</td>
<td>38,438,971</td>
</tr>
<tr>
<td>Lease receivable</td>
<td>146,402</td>
<td>-</td>
<td>146,402</td>
</tr>
<tr>
<td>Net pension asset</td>
<td>1,134,238</td>
<td>-</td>
<td>1,134,238</td>
</tr>
<tr>
<td>Land</td>
<td>158,743</td>
<td>-</td>
<td>158,743</td>
</tr>
<tr>
<td>Buildings, net of accumulated depreciation</td>
<td>1,446,091</td>
<td>-</td>
<td>1,446,091</td>
</tr>
<tr>
<td>Equipment, net of accumulated depreciation</td>
<td>7,600,449</td>
<td>-</td>
<td>7,600,449</td>
</tr>
<tr>
<td>Intangible assets, net of accumulated amortization</td>
<td>103,751</td>
<td>370,973</td>
<td>474,724</td>
</tr>
<tr>
<td>Right to use asset, net of accumulated amortization</td>
<td>4,079,318</td>
<td>-</td>
<td>4,079,318</td>
</tr>
<tr>
<td>Total noncurrent assets</td>
<td>14,668,992</td>
<td>38,809,944</td>
<td>53,478,936</td>
</tr>
<tr>
<td>Total assets</td>
<td>16,345,882</td>
<td>51,498,864</td>
<td>67,844,746</td>
</tr>
<tr>
<td><strong>Deferred Outflows of Resources</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension related amounts</td>
<td>2,714,358</td>
<td>-</td>
<td>2,714,358</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>378,120</td>
<td>71,990</td>
<td>450,110</td>
</tr>
<tr>
<td>Due to affiliates</td>
<td>113,780</td>
<td>2,184,824</td>
<td>2,298,604</td>
</tr>
<tr>
<td>Wages payable</td>
<td>290,198</td>
<td>-</td>
<td>290,198</td>
</tr>
<tr>
<td>Compensated absences payable</td>
<td>134,307</td>
<td>-</td>
<td>134,307</td>
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<tr>
<td>Capital debt interest expense payable</td>
<td>95,515</td>
<td>-</td>
<td>95,515</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>67,397</td>
<td>25,995</td>
<td>93,392</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>1,079,317</td>
<td>2,282,809</td>
<td>3,362,126</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensated absences payable</td>
<td>307,573</td>
<td>-</td>
<td>307,573</td>
</tr>
<tr>
<td>Lease liability</td>
<td>4,079,318</td>
<td>-</td>
<td>4,079,318</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>4,386,891</td>
<td>-</td>
<td>4,386,891</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>5,466,208</td>
<td>2,282,809</td>
<td>7,749,017</td>
</tr>
<tr>
<td><strong>Deferred Inflows of Resources</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension related amounts</td>
<td>3,314,095</td>
<td>-</td>
<td>3,314,095</td>
</tr>
<tr>
<td>Beneficial interest in trust</td>
<td>-</td>
<td>489,023</td>
<td>489,023</td>
</tr>
<tr>
<td>Lease related amounts</td>
<td>146,402</td>
<td>-</td>
<td>146,402</td>
</tr>
<tr>
<td>Total deferred inflows of resources</td>
<td>3,460,497</td>
<td>489,023</td>
<td>3,949,520</td>
</tr>
<tr>
<td><strong>Net Position</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>9,309,034</td>
<td>370,973</td>
<td>9,680,007</td>
</tr>
<tr>
<td>Restricted by grants or donors</td>
<td>87,516</td>
<td>322,675</td>
<td>410,191</td>
</tr>
<tr>
<td>Restricted, nonexpendable</td>
<td>-</td>
<td>566,888</td>
<td>566,888</td>
</tr>
<tr>
<td>Restricted, pension</td>
<td>1,134,238</td>
<td>-</td>
<td>1,134,238</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>(397,253)</td>
<td>47,466,496</td>
<td>47,069,243</td>
</tr>
<tr>
<td>Total net position</td>
<td>$ 10,133,535</td>
<td>$ 48,727,032</td>
<td>$ 58,860,567</td>
</tr>
</tbody>
</table>

See notes to financial statements
## Wisconsin Educational Communications Board

### Statement of Revenues, Expenses and Changes in Net Position

**Year Ended June 30, 2022**

<table>
<thead>
<tr>
<th></th>
<th>Operating Fund</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed support</td>
<td></td>
<td>$ 10,697,995</td>
<td>$ 10,697,995</td>
</tr>
<tr>
<td>Corporation for Public Broadcasting grants</td>
<td></td>
<td>2,237,726</td>
<td>2,237,726</td>
</tr>
<tr>
<td>Underwriting grants</td>
<td></td>
<td>1,608,554</td>
<td>1,608,554</td>
</tr>
<tr>
<td>Major gifts</td>
<td></td>
<td>3,490,997</td>
<td>3,490,997</td>
</tr>
<tr>
<td>Contributed in-kind support</td>
<td>376,736</td>
<td></td>
<td>376,736</td>
</tr>
<tr>
<td>Other income</td>
<td>1,910,481</td>
<td>400,667</td>
<td>2,311,148</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>2,287,217</td>
<td>18,435,939</td>
<td>20,723,156</td>
</tr>
</tbody>
</table>

| **Operating Expenses**    |                |                                               |          |
| Program services:         |                |                                               |          |
| Programming and production| 8,559,852      | 1,570,019                                      | 10,129,871 |
| Broadcasting              | 9,033,316      |                                               | 9,033,316 |
| Program information       | 41,445         | 283,463                                        | 324,908  |
| **Total program services expenses** | 17,634,613 | 1,853,482                                      | 19,488,095 |

| Supporting services:      |                |                                               |          |
| Management and general    | 1,565,708      | 614,534                                        | 2,180,242 |
| Fundraising and membership development | 3,737,011 | 3,737,011                                      |          |
| Underwriting              | 233,784        | 14,774                                         | 248,558  |
| **Total supporting services expenses** | 1,799,492 | 4,366,319                                      | 6,165,811 |
| **Total operating expenses** | 19,434,105 | 6,219,801                                      | 25,653,906 |
| **Operating income (loss)** | (17,146,888) | 12,216,138                                     | (4,930,750) |

### Nonoperating Revenues (Expenses)

|                            |                |                                               |          |
| State general fund revenue for operations | 6,209,144      |                                               | 6,209,144 |
| Loss on disposal of capital assets         | (228,403)      |                                               | (228,403) |
| Capital debt interest expense              | (491,637)      |                                               | (491,637) |
| Investment income (loss)                   | (4,279,020)    |                                               | (4,279,020) |
| Grant revenue                             | 50,269         |                                               | 50,269   |
| Insurance proceeds                        | 57,580         |                                               | 57,580   |
| **Total nonoperating revenues (expenses)** | 5,596,953     | (4,279,020)                                  | 1,317,933 |
| **Income (loss) before contributions and transfers** | (11,549,935) | 7,937,118                                     | (3,612,817) |

### Capital Contributions and Transfers

|                            |                |                                               |          |
| Capital contributions      | 2,353,748      |                                               | 2,353,748 |
| Interfund transfer         | 10,182,600     | (10,182,600)                                  |          |
| **Total contributions and transfers** | 12,536,348  | (10,182,600)                                  | 2,353,748 |
| **Change in net position** | 986,413        | (2,245,482)                                   | (1,259,069) |

### Net Position, Beginning

|                                              |                |                                               |          |
| Net Position, Beginning                     | 10,133,535     | 48,727,032                                    | 58,860,567 |

### Net Position, Ending

|                                              |                |                                               |          |
| Net Position, Ending                        | $ 11,119,948   | $ 46,481,550                                  | $ 57,601,498 |

*See notes to financial statements*
## Wisconsin Educational Communications Board
### Statement of Revenues, Expenses and Changes in Net Position
#### Year Ended June 30, 2021

<table>
<thead>
<tr>
<th>Operating Revenues</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributed support</td>
<td>$11,002,979</td>
<td>$11,002,979</td>
</tr>
<tr>
<td>Corporation for Public Broadcasting grants</td>
<td>3,083,395</td>
<td>3,083,395</td>
</tr>
<tr>
<td>Underwriting grants</td>
<td>1,468,691</td>
<td>1,468,691</td>
</tr>
<tr>
<td>Major gifts</td>
<td>4,130,176</td>
<td>4,130,176</td>
</tr>
<tr>
<td>Contributed in-kind support</td>
<td>-</td>
<td>333,257</td>
</tr>
<tr>
<td>Other income</td>
<td>1,795,524</td>
<td></td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>21,814,022</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programming and production</td>
<td>9,255,461</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadcasting</td>
<td>53,829,167</td>
<td>8,829,167</td>
<td></td>
</tr>
<tr>
<td>Program information</td>
<td>311,970</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total program services expenses</strong></td>
<td>18,396,598</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>1,587,054</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising and membership development</td>
<td>3,123,366</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underwriting</td>
<td>261,894</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total supporting services expenses</strong></td>
<td>23,368,912</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating income (loss)</strong></td>
<td>22,262,646</td>
<td>11,514,383</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nonoperating Revenues (Expenses)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>State general fund revenue for operations</td>
<td>6,078,617</td>
<td></td>
</tr>
<tr>
<td>Loss on disposal of capital assets</td>
<td>22,486</td>
<td></td>
</tr>
<tr>
<td>Capital debt interest expense</td>
<td>558,582</td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>7,433,908</td>
<td></td>
</tr>
<tr>
<td>Grant revenue</td>
<td>129,760</td>
<td></td>
</tr>
<tr>
<td>Insurance proceeds</td>
<td>8,056</td>
<td></td>
</tr>
<tr>
<td><strong>Total nonoperating revenues (expenses)</strong></td>
<td>13,069,273</td>
<td></td>
</tr>
<tr>
<td><strong>Income (loss) before contributions and transfers</strong></td>
<td>11,514,383</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Contributions and Transfers</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital contributions</td>
<td>2,125,689</td>
<td></td>
</tr>
<tr>
<td>Interfund transfer</td>
<td>9,423,432</td>
<td></td>
</tr>
<tr>
<td><strong>Total contributions and transfers</strong></td>
<td>2,125,689</td>
<td></td>
</tr>
<tr>
<td><strong>Change in net position</strong></td>
<td>13,640,072</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Position, Beginning</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9,332,677</td>
<td>35,887,818</td>
<td>45,220,495</td>
</tr>
<tr>
<td><strong>Net Position, Ending</strong></td>
<td>58,860,567</td>
<td></td>
</tr>
</tbody>
</table>

*See notes to financial statements*
## Wisconsin Educational Communications Board
### Statement of Cash Flows
#### Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>Operating Fund</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows From Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed support</td>
<td>$ -</td>
<td>$ 15,687,773</td>
</tr>
<tr>
<td>Receipts from other income</td>
<td>1,860,915</td>
<td>2,741,721</td>
</tr>
<tr>
<td>Payments to suppliers</td>
<td>(13,138,595)</td>
<td>(6,977,108)</td>
</tr>
<tr>
<td>Payments to employees</td>
<td>(4,525,577)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>(15,803,257)</td>
<td>11,452,386</td>
</tr>
</tbody>
</table>

| **Cash Flows From Noncapital Financing Activities** | | |
| Receipts from state government | 6,621,750 | - | 6,621,750 |
| Interfund transfers | 10,182,600 | (10,182,600) | - |
| **Net cash flows from noncapital financing activities** | 16,804,350 | (10,182,600) | 6,621,750 |

| **Cash Flows From Investing Activities** | | |
| Net purchases, sales, and maturities of investments | - | (2,719,844) | (2,719,844) |
| Interest and dividends | - | 784,621 | 784,621 |
| **Net cash flows from investing activities** | - | (1,935,223) | (1,935,223) |

| **Cash Flows From Capital and Related Financing Activities** | | |
| Capital contributions | 2,360,350 | - | 2,360,350 |
| Purchases of capital assets | (2,610,919) | - | (2,610,919) |
| Principal paid on capital debt | (271,541) | - | (271,541) |
| Interest paid on capital debt | (497,520) | - | (497,520) |
| **Net cash flows from capital and related financing activities** | (1,019,630) | - | (1,019,630) |
| **Net change in cash and cash equivalents** | (18,537) | (665,437) | (683,974) |

| **Cash and Cash Equivalents, Beginning** | $ 852,566 | $ 11,649,204 | $ 12,501,770 |
| **Cash and Cash Equivalents, Ending** | $ 834,029 | $ 10,983,767 | $ 11,817,796 |

See notes to financial statements
## Wisconsin Educational Communications Board

**Statement of Cash Flows**  
Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>Operating Fund</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (17,146,888)</td>
<td>$ 12,216,138</td>
<td>$ (4,930,750)</td>
</tr>
</tbody>
</table>

### Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities

Operating income (loss)  
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:
- Depreciation and amortization expense  
- Change in assets, liabilities, deferred outflows of resources and deferred inflows of resources:
  - Receivables, net  
  - Inventories  
  - Prepaid expenses  
  - Unearned revenue  
  - Accounts and other payables

Net cash flows from operating activities  

|  | Operating Fund | Wisconsin Public Broadcasting Foundation, Inc. | Total |
|----------------|-----------------------------------------------|-------|
| $ (15,803,257) | $ 11,452,386 | $ (4,350,871) |

### Noncash Investing, Capital and Related Financing Activities

None

See notes to financial statements
## Wisconsin Public Broadcasting Foundation, Inc.

<table>
<thead>
<tr>
<th>Operating Fund</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contributed support</strong></td>
<td>$ -</td>
<td>$ 16,778,925</td>
</tr>
<tr>
<td><strong>Receipts from other income</strong></td>
<td>1,570,293</td>
<td>3,252,969</td>
</tr>
<tr>
<td><strong>Payments to suppliers</strong></td>
<td>(12,187,883)</td>
<td>(3,912,439)</td>
</tr>
<tr>
<td><strong>Payments to employees</strong></td>
<td>(4,450,398)</td>
<td>-</td>
</tr>
</tbody>
</table>

Net cash flows from operating activities: (15,067,988) $16,119,455 $1,051,467

**Cash Flows From Noncapital Financing Activities**

 Receipts from state government | 6,082,845 | - | 6,082,845 |
 Interfund transfers | 9,423,432 | (9,423,432) | - |

Net cash flows from noncapital financing activities: 15,506,277 $ (9,423,432) $6,082,845

**Cash Flows From Investing Activities**

 Net purchases, sales, and maturities of investments | - | (2,186,800) | (2,186,800) |
 Interest and dividends | - | 643,369 | 643,369 |

Net cash flows from investing activities: - $ (1,543,431) $(1,543,431)

**Cash Flows From Capital and Related Financing Activities**

 Capital contributions | 2,133,821 | - | 2,133,821 |
 Purchases of capital assets | (2,254,480) | (1,198) | (2,255,678) |
 Principal paid on capital debt | (819) | - | (819) |
 Interest paid on capital debt | (563,420) | - | (563,420) |

Net cash flows from capital and related financing activities: (684,898) $(1,198) $(686,096)

Net change in cash and cash equivalents: (246,609) $ 5,151,394 $ 4,904,785

**Cash and Cash Equivalents, Beginning**

$1,099,175 $6,497,810 $7,596,985

**Cash and Cash Equivalents, Ending**

$852,566 $11,649,204 $12,501,770

See notes to financial statements
## Wisconsin Educational Communications Board

### Statement of Cash Flows
Year Ended June 30, 2021

<table>
<thead>
<tr>
<th></th>
<th>Operating Fund</th>
<th>Wisconsin Public Broadcasting Foundation, Inc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income (loss)</td>
<td>$ (16,383,628)</td>
<td>$ 14,828,738</td>
<td>$ (1,554,890)</td>
</tr>
<tr>
<td>Adjustments to reconcile operating income (loss) to net cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>1,479,869</td>
<td>110,948</td>
<td>1,590,817</td>
</tr>
<tr>
<td>Change in assets, liabilities, deferred outflows of resources and deferred inflows of resources:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables, net</td>
<td>(110,677)</td>
<td>172,632</td>
<td>61,955</td>
</tr>
<tr>
<td>Inventories</td>
<td>-</td>
<td>(483)</td>
<td>(483)</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(9,239)</td>
<td>5,557</td>
<td>(3,682)</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>67,397</td>
<td>(7,930)</td>
<td>59,467</td>
</tr>
<tr>
<td>Accounts and other payables</td>
<td>(111,710)</td>
<td>1,009,994</td>
<td>898,284</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>$ (15,067,988)</td>
<td>$ 16,119,456</td>
<td>$ 1,051,468</td>
</tr>
</tbody>
</table>

### Noncash Investing, Capital and Related Financing Activities
None

---

See notes to financial statements
1. **Summary of Significant Accounting Policies**

   Reporting Entity  
   Basis of Presentation  
   Accounting Estimates  
   Assets, Liabilities, Net Position, Deferred Outflows and Inflows of Resources  
   - Cash and Cash Equivalents  
   - Valuation of Investments  
   - Receivables  
   - Prepaid and Inventory Items  
   - Capital Assets  
   - Intangible Assets  
   - Right to Use Assets  
   - Compensated Absences  
   - Leases  
   - Long-Term Obligations  
   - Endowments  
   - Capital Contributions  
   - Contributed In-Kind Support  
   - Pensions  
   - Net Position  
   - Deferred Outflows and Inflows of Resources

2. **Detailed Notes on All Funds**

   Deposits and Investments  
   Capital Assets  
   Long-Term Obligations  
   Leases  
   Endowments  
   Transfers  
   Net Investment in Capital Assets

3. **Other Information**

   Employees' Retirement System  
   Postemployment Benefits Other Than Pensions  
   Related Entities  
   Effect of New Accounting Standards on Current Period Financial Statements  
   WERN, WHAD and Wisconsin Television Network Allocation  
   Subsequent Events
1. Summary of Significant Accounting Policies

Reporting Entity

The Wisconsin Educational Communications Board (ECB) is an agency of the State of Wisconsin that delivers educational, noncommercial and public safety media to the residents of Wisconsin. ECB operates a statewide public television network, consisting of 5 digital stations and 6 TV translators, each with 4 programming streams. ECB also operates a statewide public radio network with three programming streams (WERN-FM and its affiliated Music Network stations, WHAD-FM and its affiliated Ideas Network stations and a network of 24 hours per day classical music HD radio stations) consisting of 17 FM stations, 1 AM station and 4 FM translators. 6 of the FM sites are currently broadcasting a digital radio signal in addition to analog. Additionally, ECB operates a network of 28 National Weather Service broadcast sites and holds multiple Educational Broadband Service licenses.

The Wisconsin Public Broadcasting Foundation, Inc. (WPBF) is a statutorily defined not-for-profit corporation (s. 39.12, Wis. Stats.) wholly owned by ECB that solicits funds in the name of and with the express approval of ECB and provides financial support to ECB. WPBF is managed by a statutorily defined five-member board of trustees consisting of the Executive Director of ECB and four members of the ECB Board. Because the State has fiscal accountability for and can influence WPBF operations through legislation, WPBF is considered a blended component unit of the State of Wisconsin. WPBF’s financial statements are presented as a separate fund in ECB’s financial statements.

ECB’s allocated shares of the assets, liabilities, deferred inflows, revenues and expenses of the Friends of PBS Wisconsin, Inc. (Friends) and the Wisconsin Public Radio Association, Inc. (WPRA) are included in the WPBF fund. Friends is a not-for-profit corporation that receives contributed funds for PBS Wisconsin and provides support to the ECB television network and to WHA–TV, a University of Wisconsin (UW) Board of Regents-licensed station. WPRA is a not-for-profit corporation that receives contributed funds for Wisconsin Public Radio and provides support to the ECB radio networks and to UW Board of Regents-licensed radio stations affiliated with Wisconsin Public Radio. See Note 3 for further information regarding Friends and WPRA.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB allows governmental entities that previously used the American Institute of Certified Public Accountants not-for-profit model to use enterprise fund accounting and financial reporting. Enterprise fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under accrual accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Significant inter-organization accounts and transactions have been eliminated.

In June 2017, the GASB issued Statement No. 87, Leases. This Statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about ECB’s leasing activities. This standard was implemented July 1, 2020.
Revenues from government-mandated or voluntary nonexchange transactions, such as contributions and grants, are recognized when all applicable eligibility requirements are met.

Eligibility requirements are established by the provider of the funds and may stipulate the qualifying characteristics of recipients, time requirements, allowable costs and other contingencies. Restrictions that specify the purpose for which resources are required to be used are not considered eligibility requirements and do not affect when a nonexchange revenue is recognized.

Contributions, gifts and grants that do not have eligibility requirements are reported as revenue when ECB is entitled to the funds. Revenue is recognized for pledged Friends or WPRA contributions that are expected to be collected within one year at their net realizable value. Contributions expected to be collected in subsequent years are recorded at the present value of their net realizable value using risk-free interest rates applicable to the years in which the contributions are to be received. Contributions, gifts and grants with eligibility requirements, such as expenditure-driven grants, are recognized when the eligibility requirements are met. Noncash contributions and donated services are recognized as revenues in the period of receipt. Noncash expenses are shown in the functional categories of operating expenses in the statements of revenues, expenses and changes in net position.

Operating revenues and expenses are directly related to programming, production, development and delivery of noncommercial telecommunications services. Nonoperating revenues and expenses, such as investment income, are indirectly associated with programming, production, development and delivery of noncommercial telecommunications services.

Certain significant revenue streams, such as State of Wisconsin General Fund revenue, are reported as nonoperating revenue as defined by GASB Statement Number 34, Basic Financial Statements - and Management's Discussion and Analysis— for State and Local Governments. This reporting model results in operating deficits on the statement of revenues, expenses and changes in net position.

Expenses are categorized in functional categories. Expenses that relate to more than one category are allocated to their respective categories, using estimates if necessary. When an expense is incurred for purposes in which both restricted and unrestricted net position is available, restricted resources are applied first.

**Accounting Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Assets, Liabilities, Net Position, Deferred Outflows and Inflows of Resources**

**Cash and Cash Equivalents**

Cash balances in ECB’s operating fund are deposited with the State and invested in the State Investment Fund, a short-term investment pool of state and local funds managed by the State of Wisconsin Investment Board, with oversight by its Board of Trustees and in accordance with Wisconsin Statutes (Wis. Stats). The State Investment Fund is not registered with the Securities and Exchange Commission.
WPBF manages its cash and investment activities separate from the cash and investment activities of the State Investment Fund. WPBF cash balances are held in demand deposit accounts at one financial institution. WPBF investments include publicly traded stocks, equity mutual funds, fixed-income mutual funds and money market holdings and are managed by private trust companies. Friends cash balances are held in deposit accounts and certificates of deposit at multiple financial institutions. Friends investments include money market accounts, equity mutual funds and fixed-income mutual funds. WPRA cash balances include deposits, certificates of deposit and money market accounts at one financial institution. WPRA investments include money market accounts, certificates of deposit, equity mutual funds and fixed-income mutual funds.

Valuation of Investments

Investments, including State Investment Fund shares, are carried at fair value based on methods and inputs as outlined below and in Note 2.

U.S. GAAP provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy under U.S. GAAP are described as follows:

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

**Level 2** - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Common stocks, corporate bonds and U.S. government securities are valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds are valued at the net asset value (NAV) of shares held by the WPBF at year-end.

Money market accounts and certificates of deposit are valued at $1 cost.
Beneficial interest in trust are valued at quoted market prices of trust investments as reported by the trustee. Friends and WPRA are a combined 60% beneficiary of a trust and related underlying investments to be distributed upon the passing of the current income beneficiary. The beneficial interest in the trust is valued at present value using estimated inputs to calculate fair value of the Friends and WPRA proportional share of the underlying investments as reported by the trustee. This beneficial interest is considered a Level 3 measurement.

Purchases and sales of investments are recorded on a trade-date basis. Donated investments are valued as of the donation date. Interest income is recorded on the accrual basis. Realized gains and losses and unrealized appreciation and depreciation of assets are reported in the statement of revenues, expenses and changes in net position.

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

See Note 2 for further information.

Receivables

Receivables primarily represent amounts due from various governmental departments and organizations for services performed by ECB. The ECB considers receivables to be fully collectible. Accordingly, no allowance for doubtful receivable is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Prepaid and Inventory Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. Prepaid items are recorded using the consumption method of accounting. Inventory is valued at cost using the first-in/first-out (FIFO) method. Costs are recorded as expenditures at the time individual inventory items are consumed.

Capital Assets

Buildings and improvements, equipment and land classified as permanent property are recorded at cost or, for donated property, at the estimated acquisition value at the date of donation. Assets are capitalized if their acquisition value is in excess of $5,000. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, ranging from 6 years for computer equipment to 20 years for buildings and towers. Land is not depreciated. Expenses for repairs and maintenance are charged to operating expenses as incurred.

Intangible Assets

Intangible assets include costs incurred for program rights and software. As program rights expire and the rights are amortized, the costs incurred will be expensed and included in operating expenses. Software is amortized over the life of the associated equipment. ECB's rights to use two apertures on a tower operated by another state agency are also included in intangible assets and will be amortized over the life of the tower.

Right to Use Assets

Right to use assets include the rights ECB has to use assets that are leased from other parties. Amounts represent the present value of future expected lease payments ECB is contractually obligated to make under the leases. The leases are amortized over the lease term and are presented at net book value.
Compensated Absences

Unused earned compensated absences, other than accumulated sick leave, are accrued with a resulting liability. The liability and the expense for compensated absences are based on current rates of pay. The related employer's share of social security taxes, Medicare taxes and contributions to the Wisconsin Retirement System is also accrued with a resulting liability. The compensated absences liability is classified as either a current or a noncurrent liability based upon an estimate determined by management. The noncurrent liability portion of the compensated absences liability generally is not paid out until the employee's retirement.

Leases

ECB is a lessor because it leases capital assets to other entities. As a lessor, ECB reports a lease receivable and corresponding deferred inflow of resources. ECB continues to report and depreciate the capital assets being leased as capital assets. ECB is a lessee because it leases capital assets from other entities. As a lessee, ECB reports a lease liability and an intangible right to use capital asset (known as the lease asset) on the statement of net position.

Long-Term Obligations

ECB has used proceeds received from a number of State of Wisconsin general obligation bonds and general obligation commercial paper notes to finance the acquisition, construction, development, enlargement or improvement of capital assets. The proceeds are included as capital contributions in the year the assets are purchased.

The general obligation bonds repaid by the State's general purpose revenue are not considered debt of ECB because their repayment is from general purpose revenue. Therefore, the debt financed through general purpose revenue appropriations is reported in the State of Wisconsin's Annual Comprehensive Financial Report (ACFR) rather than ECB's financial statements.

In addition to general obligations financed by general purpose revenue, two general obligation bond issues are financed through program revenues, as mandated by s. 20.225(1)(i), Wis. Stats. Because the repayment of this indebtedness is financed through ECB's program revenues, it represents debt of ECB and, accordingly, is presented as a liability in the financial statements.

The principal payments are recorded as reductions of the current bonds payable, while the interest payments are included in the nonoperating expenses on the statements of revenues, expenses and changes in net position.

Endowments

WPBF, WPRA and Friends have received endowment gifts that require the preservation of the fair value of the original gifts as of the gift date. WPBF's share of the gifts is shown as restricted nonexpendable net position to comply with provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Management of WPBF has interpreted UPMIFA as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. All earnings on the principal amount can be used for general operations. WPBF does not have a formalized spending policy.

Quasi-Endowment

The management of WPBF established an endowment for the ECB television network during fiscal year 1993 and an endowment for the ECB radio networks during fiscal year 2005 to support the operations of the television and radio networks, as determined necessary by ECB staff, with oversight by the WPBF board.
These balances are included in the investments and cash and cash equivalents accounts on the statements of net position. Assets in the endowments follow the investment policies disclosed in Note 1.

**Capital Contributions**

ECB’s capital contributions can come from various sources, including:

**State of Wisconsin Capital Improvement Fund Appropriation:** The amounts provided from the State of Wisconsin Capital Improvement Fund to finance ECB projects approved by the State Building Commission are recorded as revenue in the period disbursements are made.

**Grants:** Grant funds received from the Corporation for Public Broadcasting and the Public Broadcasting Service are recorded as support when received.

**Donated Capital Assets:** The fair value of donated capital assets is recorded as revenue in the period of acquisition.

**Gifts:** Contributions received specifically for capital purchases are recorded when received.

**Contribution In-Kind Support**

Contributed in-kind support primarily includes donated general operational services. In-kind support is reported both as revenues and as expenses and, therefore, has no effect on net position. All donated materials and services are recorded at the fee typically charged by the donor for the same type of service.

In addition, ECB trades tower space with other state and local government entities at no cost depending on space availability and technological considerations. ECB does not recognize contributed in-kind support for the use of the tower space because the value is not easily measurable.

**Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS’ fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 3.

**Net Position**

GASB has issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* (GASB 63). GASB 63 establishes standards for reporting deferred outflows and inflows of resources and net position. Under GASB 63, ECB classifies net position in the financial statements as follows:

**Net Investment in Capital Assets:** includes ECB’s capital assets and right to use assets (net of accumulated depreciation/amortization) reduced by the outstanding balances of any borrowings attributable to the acquisition, construction or improvement of those assets.
**Restricted Net Position**: includes those assets that have limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**Unrestricted Net Position**: includes unrestricted liquid assets.

ECB applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Deferred Outflows and Inflows of Resources**

In addition to assets and liabilities, the statement of net position reports a separate section for deferred outflows and inflows. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and thus, will not be recognized as an outflow of resources (expenses) until then. ECB reports deferred outflows and inflows of resources related to net position liability (asset) (note 3), beneficial interest in a trust related to an irrevocable split-interest agreement (note 3), and leases receivable (Note 2).

2. **Detailed Notes on all Funds**

**Deposits and Investments**

As of June 30, 2022 and 2021, ECB's book balance of deposits were $11,817,796 and $12,501,770, respectively. The risk disclosures outlined below are based on bank balances.

Fair value of ECB's investment balances as of June 30, 2022 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$ 1,851,177</td>
<td>$ 1,851,177</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed income</td>
<td>12,794,236</td>
<td>12,794,236</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equities</td>
<td>14,447,492</td>
<td>14,447,492</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equities</td>
<td>7,250,967</td>
<td>7,250,967</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Beneficial interest in trust</td>
<td>430,722</td>
<td>-</td>
<td>-</td>
<td>430,722</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 36,774,594</strong></td>
<td><strong>$ 36,343,872</strong></td>
<td>-</td>
<td><strong>$ 430,722</strong></td>
</tr>
</tbody>
</table>

Fair value of ECB's investment balances as of June 30, 2021 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$ 1,139,329</td>
<td>$ 1,139,329</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed income</td>
<td>13,719,183</td>
<td>13,719,183</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Domestic equities</td>
<td>11,712,821</td>
<td>11,712,821</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>International equities</td>
<td>4,249,713</td>
<td>4,249,713</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equities</td>
<td>7,866,622</td>
<td>7,866,622</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Beneficial interest in trust</td>
<td>489,023</td>
<td>-</td>
<td>-</td>
<td>489,023</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 39,176,691</strong></td>
<td><strong>$ 38,687,668</strong></td>
<td>-</td>
<td><strong>$ 489,023</strong></td>
</tr>
</tbody>
</table>
ECB's shares of the State Investment Fund were $834,029 as of June 30, 2022 and $852,566 as of June 30, 2021 and are reported as cash and equivalents on the statement of net position, but are subject to the investment risk note disclosures.

ECB's deposits and investments are exposed to various risks. These risks and the associated policies are described below, and are based on bank balances. ECB's deposits and investments referred to below include State Investment Fund shares reflected in the ECB Operating Fund's cash and cash equivalents balance, investments held by WPBF and WPBF's allocated share of deposits and investments held by Friends and WPRA.

**Custodial Credit Risk:** Custodial credit risk for deposits is the risk that in the event of the failure of a financial institution, deposits may not be returned. As of June 30, 2022, $9,693,114 of ECB's bank balance of $10,874,311 and, as of June 30, 2021, $10,845,212 of ECB's bank balance of $12,466,531, were not covered by the Federal Deposit Insurance Corporation (FDIC) and were exposed to custodial credit risk. WPBF and Friends do not have a policy specifically for custodial credit risk. WPRA's investment guidelines require that its deposits not exceed the FDIC covered limit in bank accounts or certificates of deposits of any single issuer.

**Investments:** For an investment, custodial credit risk is the risk that, in the event of the failure of the Counterparty or agent, ECB will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2022, $7,250,967 of ECB's investments of $36,774,594 were held by a counterparty and not in ECB's name and therefore were exposed to custodial credit risk. As of June 30, 2021, $7,856,763 of ECB's investments of $39,176,691 were held by a counterparty and not in ECB's name and therefore were exposed to custodial credit risk.

**Credit Risk:** Credit risk is the risk that an issuer or other counterparty to a fixed-income investment will not fulfill its obligations. WPBF's investment guidelines prohibit security transactions that involve a counterparty rated below A by a nationally recognized statistical rating organization. WPRA's investment guidelines require an average of at least an AA by Moody's or at least an AA by Standard & Poor's. Friends' investment policy requires that investments have a minimum quality rating of investment grade. The State Investment Fund's investment guidelines establish specific maximum exposure limits by security types based on the minimum credit ratings as issued by nationally recognized statistical rating organizations. As of June 30, 2022 and 2021, all of WPBF, WPRA and Friends fixed-income mutual funds and the State Investment Fund were all unrated.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. WPBF's investment guidelines require that fixed-income investments maintain a weighted average maturity of less than ten years. WPRA's investment guidelines require that the fixed-income investments contain a duration within 20% of the effective duration of the benchmark index under normal conditions. Friends does not have an investment policy specifically for interest rate risk.
As of June 30, 2022, ECB’s investments had the following average maturities:

<table>
<thead>
<tr>
<th></th>
<th>Average Maturity (in Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair Value</td>
</tr>
<tr>
<td>Fixed income investments</td>
<td>$ 12,794,236</td>
</tr>
</tbody>
</table>

As of June 30, 2021, ECB’s investments had the following average maturities:

<table>
<thead>
<tr>
<th></th>
<th>Average Maturity (in Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair Value</td>
</tr>
<tr>
<td>Fixed income investments</td>
<td>$ 13,719,183</td>
</tr>
</tbody>
</table>

The State Investment Fund investment guidelines mandate that the weighted average maturity for the entire portfolio not exceed one year.

**Foreign Currency Risk:** Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. ECB had exposure to foreign currency risk in its investments in international equity securities and mutual funds and in international fixed-income mutual funds, totaling $4,483,448 and $4,444,413 as of June 30, 2022 and 2021, respectively. WPBF’s investment guidelines require that international equity mutual funds held by WPBF will not constitute more than 20% of the equity portion of the investment portfolio. WPRA’s investment guidelines require that international equity investments held by WPRA will not constitute more than 20% of the equity portion of the investment portfolio. Friends does not have an investment policy specifically for foreign currency risk.
Capital Assets

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

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beginning Balance</td>
</tr>
<tr>
<td>Capital assets not being</td>
<td></td>
</tr>
<tr>
<td>depreciated/amortized:</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$ 158,743</td>
</tr>
<tr>
<td>Capital assets being</td>
<td></td>
</tr>
<tr>
<td>depreciated/amortized:</td>
<td></td>
</tr>
<tr>
<td>Building and improvements</td>
<td>10,057,971</td>
</tr>
<tr>
<td>Equipment</td>
<td>24,464,248</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>702,054</td>
</tr>
<tr>
<td>Right to use assets:</td>
<td></td>
</tr>
<tr>
<td>Leased building and</td>
<td></td>
</tr>
<tr>
<td>improvements</td>
<td>4,399,672</td>
</tr>
<tr>
<td>Leased land</td>
<td>19,493</td>
</tr>
<tr>
<td>Total capital assets</td>
<td>39,643,438</td>
</tr>
<tr>
<td>being depreciated/amortized at</td>
<td></td>
</tr>
<tr>
<td>historical cost</td>
<td></td>
</tr>
<tr>
<td>Less accumulated</td>
<td></td>
</tr>
<tr>
<td>depreciation/amortization for:</td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>(8,611,880)</td>
</tr>
<tr>
<td>Equipment</td>
<td>(16,863,799)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>(227,330)</td>
</tr>
<tr>
<td>Right to use assets:</td>
<td></td>
</tr>
<tr>
<td>Leased building and</td>
<td>(337,347)</td>
</tr>
<tr>
<td>improvements</td>
<td>(2,500)</td>
</tr>
<tr>
<td>Total accumulated</td>
<td>(26,042,856)</td>
</tr>
<tr>
<td>depreciation/amortization</td>
<td></td>
</tr>
<tr>
<td>Total capital assets</td>
<td>13,600,582</td>
</tr>
<tr>
<td>being depreciated/amortized, net</td>
<td></td>
</tr>
<tr>
<td>Total capital assets, net</td>
<td>$ 13,759,325</td>
</tr>
</tbody>
</table>
Depreciation/amortization expense of $1,913,086 was charged to Broadcasting expense, $111,249 was charged to Fundraising and Membership Development expense, $8,524 was charged to Underwriting expense and $133,942 was charged to Programming and Production expense on the statement of revenues, expenses and changes in net position in fiscal year 2022.

<table>
<thead>
<tr>
<th>2021¹</th>
<th>Beginning Balance</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital assets not being depreciated/amortized:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$158,743</td>
<td>$ -</td>
<td>$ -</td>
<td>$158,743</td>
</tr>
<tr>
<td>Capital assets being depreciated/amortized:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building and improvements</td>
<td>10,014,933</td>
<td>73,594</td>
<td>(30,556)</td>
<td>10,057,971</td>
</tr>
<tr>
<td>Equipment</td>
<td>22,451,413</td>
<td>2,129,905</td>
<td>(117,070)</td>
<td>24,464,248</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>770,818</td>
<td>52,179</td>
<td>(120,943)</td>
<td>702,054</td>
</tr>
<tr>
<td>Right to use assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leased building and improvements</td>
<td>4,399,672</td>
<td>-</td>
<td>-</td>
<td>4,399,672</td>
</tr>
<tr>
<td>Leased land</td>
<td>19,493</td>
<td>-</td>
<td>-</td>
<td>19,493</td>
</tr>
<tr>
<td>Total capital assets being depreciated/amortized at historical cost</td>
<td>37,656,329</td>
<td>2,255,678</td>
<td>(268,569)</td>
<td>39,643,438</td>
</tr>
<tr>
<td>Less accumulated depreciation/amortization for:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>(8,256,498)</td>
<td>(367,489)</td>
<td>12,107</td>
<td>(8,611,880)</td>
</tr>
<tr>
<td>Equipment</td>
<td>(15,923,117)</td>
<td>(1,053,716)</td>
<td>113,034</td>
<td>(16,863,799)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>(178,660)</td>
<td>(169,612)</td>
<td>120,942</td>
<td>(227,330)</td>
</tr>
<tr>
<td>Right to use assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leased building and improvements</td>
<td>-</td>
<td>(337,347)</td>
<td>-</td>
<td>(337,347)</td>
</tr>
<tr>
<td>Leased land</td>
<td>-</td>
<td>(2,500)</td>
<td>-</td>
<td>(2,500)</td>
</tr>
<tr>
<td>Total accumulated depreciation/amortization</td>
<td>(24,358,275)</td>
<td>(1,930,664)</td>
<td>246,083</td>
<td>(26,042,856)</td>
</tr>
<tr>
<td>Total capital assets being depreciated/amortized, net</td>
<td>13,298,054</td>
<td>325,014</td>
<td>(22,486)</td>
<td>13,600,582</td>
</tr>
<tr>
<td>Total capital assets, net</td>
<td>$13,456,797</td>
<td>$325,014</td>
<td>$(22,486)</td>
<td>$13,759,325</td>
</tr>
</tbody>
</table>

¹ Table is restated to include Right to use assets which are added with the implementation of GASB 87.

Depreciation/amortization expense of $1,626,282 was charged to broadcasting expense, $240,389 was charged to fundraising and membership development expense, $55,604 was charged to programming and production expense and $8,389 was charged to underwriting expense. on the statement of revenues, expenses and changes in net position in fiscal year 2021.
Federal grant funds received from the National Telecommunications and Information Administration (NTIA) to purchase equipment contain a priority lien. The lien extends for a period of ten years after the grant is closed, during which time the federal government retains priority reversionary interest in the equipment. ECB was awarded one NTIA capital equipment grant in fiscal year 2013. The book value of equipment purchased with NTIA funds is $156,649 and $187,978 as of June 30, 2022 and 2021, respectively.

**Long-Term Obligations**

The indebtedness carried by the State of Wisconsin on behalf of ECB to be repaid by general purpose revenue as of June 30, 2022 and June 30, 2021 is $10,243,836 and $10,892,965, respectively, in general obligation bonds, which includes general obligation refunding bonds and $190,981 and $621,901, respectively, in commercial paper notes. ECB reports interest expense related to these obligations in nonoperating expenses on the statements of revenues, expenses and changes in net position as it is incurred. Total interest expense for June 30, 2022 and 2021 were $491,637 and $558,582, respectively and the associated capital support received from the State is included in nonoperating section of the statements of revenues, expenses and changes in net position.

Long-term obligation activity for the year ended June 30, 2022 was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Increases</th>
<th>Decreases</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensated absences</td>
<td>$307,573</td>
<td>$80,631</td>
<td>($19,830)</td>
<td>$368,374</td>
</tr>
<tr>
<td>Lease liability</td>
<td>4,079,318</td>
<td>-</td>
<td>($271,541)</td>
<td>3,807,777</td>
</tr>
<tr>
<td>Total</td>
<td>$4,386,891</td>
<td>$80,631</td>
<td>($291,371)</td>
<td>$4,176,151</td>
</tr>
</tbody>
</table>

Long-term obligation activity for the year ended June 30, 2021 was as follows (restated due to the implementation of GASB 87: Accounting for Leases):

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Increases</th>
<th>Decreases</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensated absences</td>
<td>$293,750</td>
<td>$33,769</td>
<td>($19,946)</td>
<td>$307,573</td>
</tr>
<tr>
<td>Lease liability</td>
<td>4,416,665</td>
<td>-</td>
<td>($337,347)</td>
<td>4,079,318</td>
</tr>
<tr>
<td>Total</td>
<td>$4,710,415</td>
<td>$33,769</td>
<td>($357,293)</td>
<td>$4,386,891</td>
</tr>
</tbody>
</table>

Compensated absences and bonds payable expected to be paid within one year are reflected in the current liabilities on the statements of net position.

**Leases**

**ECB as a Lessee**

The Department of Administration enters into leases on behalf of ECB. ECB makes the payments on these leases directly to the lessors. The assets leased include tower space for transmission and office space. Lease payments are generally fixed monthly, quarterly or annually. The present value of the lease payments is used to determine the lease liability reported on the Statement of Net Position. ECB lease activity is summarized with other capital assets in Note 2. There were no outflows of resources resulting from variable lease payments.
The following table describes the lease liabilities for ECB that are subject to GASB 87.

<table>
<thead>
<tr>
<th>Location</th>
<th>Contract With</th>
<th>Implementation Date</th>
<th>Type of Asset Leased</th>
<th>Terms</th>
<th>Discount Rate Used</th>
<th>Lease Liability at GASB 87 Implementation</th>
<th>Lease Liability 6/30/2021</th>
<th>Lease Liability 6/30/2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coloma</td>
<td>American Tower Company</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2009. Four 5-year renewals available; final expiration of 2033.</td>
<td>1.63%</td>
<td>$ 532,830</td>
<td>$ 493,807</td>
<td>$ 462,601</td>
</tr>
<tr>
<td>Duluth</td>
<td>KBJR</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2017. Two 5-year renewals available; final expiration 2032.</td>
<td>0.45%</td>
<td>27,043</td>
<td>18,181</td>
<td>9,202</td>
</tr>
<tr>
<td>Appleton</td>
<td>Fox Cities Building for the Arts</td>
<td>7/1/2020</td>
<td>Office space</td>
<td>3-year term beginning in 2019. One 2-year renewal available; final expiration 2024.</td>
<td>0.53%</td>
<td>31,830</td>
<td>23,441</td>
<td>15,072</td>
</tr>
<tr>
<td>Green Bay TV</td>
<td>Gray TV</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2017. Three 5-year renewal available; final expiration 2037.</td>
<td>1.81%</td>
<td>728,320</td>
<td>687,978</td>
<td>661,522</td>
</tr>
<tr>
<td>Green Bay FM</td>
<td>Gray TV</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2017. Three 5-year renewal available; final expiration 2037.</td>
<td>1.81%</td>
<td>488,645</td>
<td>450,744</td>
<td>433,411</td>
</tr>
<tr>
<td>Madison</td>
<td>University Research Park</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>20-year term beginning in 1995. Two 10-year renewals available; final expiration 2035.</td>
<td>1.72%</td>
<td>443,719</td>
<td>440,339</td>
<td>427,665</td>
</tr>
<tr>
<td>Racine</td>
<td>Racine Tower Sites</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term renewable lease in 2021. Four 5-year renewal available; final expiration 2046.</td>
<td>1.92%</td>
<td>286,755</td>
<td>275,413</td>
<td>270,301</td>
</tr>
<tr>
<td>Rhinelander</td>
<td>WAOW</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2017. Two 5-year renewal available; final expiration 2027.</td>
<td>0.96%</td>
<td>168,990</td>
<td>145,856</td>
<td>124,026</td>
</tr>
<tr>
<td>River Falls</td>
<td>Great River Wireless</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2004. Three 5-year renewal available; final expiration 2024.</td>
<td>0.53%</td>
<td>56,068</td>
<td>41,668</td>
<td>27,454</td>
</tr>
<tr>
<td>Sheboygan</td>
<td>JSM Systems, Inc.</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2018. Two 5-year renewal available; final expiration 2033.</td>
<td>1.63%</td>
<td>91,895</td>
<td>85,186</td>
<td>79,702</td>
</tr>
<tr>
<td>Stevens Point</td>
<td>Ibex 401 County Rd E S, LLC</td>
<td>7/1/2020</td>
<td>Tower</td>
<td>5-year term beginning in 2017. Three 5-year renewal available; final expiration 2037.</td>
<td>1.81%</td>
<td>273,072</td>
<td>258,648</td>
<td>248,287</td>
</tr>
<tr>
<td>Wausau</td>
<td>WI Department of Natural Resources</td>
<td>7/1/2020</td>
<td>Land</td>
<td>5-year term beginning in 2017. One 5-year renewal available; final expiration 2027.</td>
<td>0.96%</td>
<td>19,493</td>
<td>16,993</td>
<td>14,635</td>
</tr>
<tr>
<td>Milwaukee</td>
<td>J Vollrath, LLC</td>
<td>7/1/2020</td>
<td>Studio space</td>
<td>5-year term beginning in 2020. Final expiration 2025.</td>
<td>1.38%</td>
<td>1,270,505</td>
<td>1,141,064</td>
<td>1,033,899</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$ 4,419,165</strong></td>
<td><strong>$ 4,079,318</strong></td>
<td><strong>$ 3,807,777</strong></td>
</tr>
</tbody>
</table>

* Discount rates determined by the Department of Administration based on final expiration at time of implementation. Similar rates were used for other State leases reported in the State's Annual Comprehensive Financial Report.
Future principal and interest payment requirements related to ECB’s lease liability at June 30, 2022 are as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$287,408</td>
<td>$59,643</td>
<td>$347,051</td>
</tr>
<tr>
<td>2024</td>
<td>294,315</td>
<td>55,488</td>
<td>349,803</td>
</tr>
<tr>
<td>2025</td>
<td>287,849</td>
<td>51,168</td>
<td>339,017</td>
</tr>
<tr>
<td>2026</td>
<td>299,510</td>
<td>46,706</td>
<td>346,216</td>
</tr>
<tr>
<td>2027</td>
<td>311,554</td>
<td>42,057</td>
<td>353,611</td>
</tr>
<tr>
<td>2028-2032</td>
<td>1,326,674</td>
<td>140,035</td>
<td>1,466,709</td>
</tr>
<tr>
<td>2033-2037</td>
<td>823,747</td>
<td>50,295</td>
<td>874,042</td>
</tr>
<tr>
<td>2038-2042</td>
<td>109,586</td>
<td>10,043</td>
<td>119,629</td>
</tr>
<tr>
<td>2043-2047</td>
<td>67,134</td>
<td>2,807</td>
<td>69,941</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,807,777</strong></td>
<td><strong>458,242</strong></td>
<td><strong>4,266,019</strong></td>
</tr>
</tbody>
</table>

**ECB as a Lessor**

The Department of Administration enters into leases on behalf of ECB to lease certain assets to various third parties. The assets leased include tower space. Lease payments are generally fixed monthly, quarterly or annually. During the year ended June 30, 2022, ECB recognized $29,134 in lease revenue and $1,263 for its applicable GASB 87 lessor agreements. In addition, ECB recognized $265,411 during FY 2022 and $262,963 in FY 2021 in additional lease revenue that are not applicable under GASB 87 because of mutual termination clauses included in the lease agreements.

**Leases not applicable to GASB 87**

During fiscal year 2011, ECB entered into a 30-year lease agreement to lease out excess capacity on Educational Broadband Service (EBS) licenses it holds. During fiscal year 2013, ECB entered into a second 30-year lease agreement to lease out additional excess EBS capacity. Because of the nature of the underlying assets that are leased, these agreements are not subject to the requirements of GASB 87 and are therefore not included in the statements of net position. Therefore, monthly lease payments recognized during fiscal years 2022 and 2021 were $661,238 and $574,780, respectively, which are included in operating revenues on the statements of revenues, expenses and changes in net position.

The following is a schedule of future minimum expected receipts under this lease as of June 30, 2022:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$638,344</td>
</tr>
<tr>
<td>2024</td>
<td>657,494</td>
</tr>
<tr>
<td>2025</td>
<td>677,219</td>
</tr>
<tr>
<td>2026</td>
<td>697,535</td>
</tr>
<tr>
<td>2027</td>
<td>718,462</td>
</tr>
<tr>
<td>2028-2032</td>
<td>3,857,812</td>
</tr>
<tr>
<td>2033-2037</td>
<td>4,625,635</td>
</tr>
<tr>
<td>2038-2042</td>
<td>4,169,655</td>
</tr>
<tr>
<td>2043</td>
<td>84,687</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$16,126,843</strong></td>
</tr>
</tbody>
</table>
Endowments

Quasi Endowment

Values as of June 30, 2022 and 2021 are $2,890,829 and $3,506,925, respectively, for the ECB television network’s endowment and $551,926 and $793,342, respectively, for the ECB radio networks’ endowment.

Endowment activity for the years ended June 30, 2022 and 2021 is as follows (the unrestricted portion does not include Quasi-endowment funds that are held by WPRA and Friends as the breakdown attributable to WPBF is not easily determinable):

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance June 30, 2020</td>
<td>$3,580,611</td>
<td>$566,506</td>
<td>$4,147,117</td>
</tr>
<tr>
<td>Interest and dividends, FY 2021</td>
<td>54,073</td>
<td>2,711</td>
<td>56,784</td>
</tr>
<tr>
<td>Realized and unrealized gains (losses), FY 2021</td>
<td>914,603</td>
<td>5,715</td>
<td>920,318</td>
</tr>
<tr>
<td>Contributions, FY 2021</td>
<td>-</td>
<td>1,272</td>
<td>1,272</td>
</tr>
<tr>
<td>Investment fees, FY 2021</td>
<td>(20,508)</td>
<td>(597)</td>
<td>(21,105)</td>
</tr>
<tr>
<td>Distributions, FY 2021</td>
<td>(262,600)</td>
<td>(8,719)</td>
<td>(271,319)</td>
</tr>
<tr>
<td>Balance June 30, 2021</td>
<td>4,266,179</td>
<td>566,888</td>
<td>4,833,067</td>
</tr>
<tr>
<td>Interest and dividends, FY 2022</td>
<td>51,572</td>
<td>13,336</td>
<td>64,908</td>
</tr>
<tr>
<td>Realized and unrealized gains (losses), FY 2022</td>
<td>(556,962)</td>
<td>(63,058)</td>
<td>(620,020)</td>
</tr>
<tr>
<td>Contributions, FY 2022</td>
<td>-</td>
<td>146,615</td>
<td>146,615</td>
</tr>
<tr>
<td>Investment fees, FY 2022</td>
<td>(21,238)</td>
<td>(2,009)</td>
<td>(23,247)</td>
</tr>
<tr>
<td>Distributions, FY 2022</td>
<td>(281,436)</td>
<td>-</td>
<td>(281,436)</td>
</tr>
<tr>
<td>Balance June 30, 2022</td>
<td>$3,458,115</td>
<td>$661,772</td>
<td>$4,119,887</td>
</tr>
</tbody>
</table>

Transfers

WPBF transfers funds monthly to ECB’s operating fund based upon funding requirements. The transfers are reflected as interfund transfers on the statements of revenues, expenses and changes in net position and totaled $10,182,600 and $9,423,432 for the years ended June 30, 2022 and 2021, respectively. The timing of those transfers and the expenses may result in an interfund payable and a receivable at year-end, which are reflected on the statements of net position.

Net Investment in Capital Assets

ECB’s net investment in capital assets reported on the statement of net position at June 30, 2022 is comprised of the following:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$158,743</td>
</tr>
<tr>
<td>Buildings, net of accumulated depreciation</td>
<td>1,195,531</td>
</tr>
<tr>
<td>Equipment, net of accumulated depreciation</td>
<td>8,609,703</td>
</tr>
<tr>
<td>Intangible assets, net of accumulated amortization</td>
<td>289,036</td>
</tr>
<tr>
<td>Right to use assets, net of accumulated amortization</td>
<td>3,722,027</td>
</tr>
<tr>
<td>Less long-term lease liability</td>
<td>(3,807,777)</td>
</tr>
<tr>
<td>Total net investment in capital assets</td>
<td>$10,167,263</td>
</tr>
</tbody>
</table>
ECB's net investment in capital assets reported on the statement of net position at June 30, 2021 is comprised of the following:

<table>
<thead>
<tr>
<th>Asset Description</th>
<th>Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>158,743</td>
</tr>
<tr>
<td>Buildings, net of accumulated depreciation</td>
<td>1,446,091</td>
</tr>
<tr>
<td>Equipment, net of accumulated depreciation</td>
<td>7,600,449</td>
</tr>
<tr>
<td>Intangible assets, net of accumulated amortization</td>
<td>474,724</td>
</tr>
<tr>
<td>Right to use assets, net of accumulated amortization</td>
<td>4,079,318</td>
</tr>
<tr>
<td>Less long-term lease liability</td>
<td>(4,079,318)</td>
</tr>
<tr>
<td><strong>Total net investment in capital assets</strong></td>
<td><strong>9,680,007</strong></td>
</tr>
</tbody>
</table>

3. Other Information

Employees' Retirement System

Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wis. Stats. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011 and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

Vesting

For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupations, 62 for elected officials and executive service plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.
Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

WRS also provides death and disability benefits for employees.

Postretirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system’s consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement.

The Core and Variable annuity adjustments granted during recent years are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Core Fund Adjustment %</th>
<th>Variable Fund Adjustment %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>(7.0) %</td>
<td>(7.0) %</td>
</tr>
<tr>
<td>2013</td>
<td>(9.6) %</td>
<td>9.0</td>
</tr>
<tr>
<td>2014</td>
<td>4.7</td>
<td>25</td>
</tr>
<tr>
<td>2015</td>
<td>2.9</td>
<td>2.0</td>
</tr>
<tr>
<td>2016</td>
<td>0.5</td>
<td>(5.0)</td>
</tr>
<tr>
<td>2017</td>
<td>2.0</td>
<td>4.0</td>
</tr>
<tr>
<td>2018</td>
<td>2.4</td>
<td>17.0</td>
</tr>
<tr>
<td>2019</td>
<td>-</td>
<td>(10.0)</td>
</tr>
<tr>
<td>2020</td>
<td>1.7</td>
<td>21.0</td>
</tr>
<tr>
<td>2021</td>
<td>5.1</td>
<td>13.0</td>
</tr>
</tbody>
</table>

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wis. Stats. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period ending June 30, 2022, the WRS recognized $210,649 in contributions from the employer.
Contribution rates for the plan year reported as of June 30, 2022 are:

<table>
<thead>
<tr>
<th>Employee Category</th>
<th>Employee</th>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>General (including executives and elected officials)</td>
<td>6.75 %</td>
<td>6.75 %</td>
</tr>
</tbody>
</table>

During the reporting period ending June 30, 2021, the WRS recognized $189,984 in contributions from the employer.

Contribution rates for the plan year reported as of June 30, 2021 are:

<table>
<thead>
<tr>
<th>Employee Category</th>
<th>Employee</th>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>General (including executives and elected officials)</td>
<td>6.75 %</td>
<td>6.75 %</td>
</tr>
</tbody>
</table>

Pension Liabilities (Asset), Pension Expense and Deferred Outflows/Inflows of Resources

At June 30, 2022 and 2021, ECB reported a liability (asset) of $(1,494,505) and $(1,134,238), respectively for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021 and the total pension liability at June 30, 2022 used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. ECB's proportion of the net pension liability (asset) was based on its share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the proportion was 0.01854183%, which was an increase of 0.00037407% from its proportion measured as of December 31, 2020. At December 31, 2020, the proportion was 0.01816776%, which was an increase of 0.00099722% from its proportion measured as of December 31, 2019.

For the years ended June 30, 2022 and 2021, ECB recognized pension expense (revenue) of $(119,157) and $(105,996), respectively.

At June 30, 2022, ECB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<table>
<thead>
<tr>
<th></th>
<th>Deferred Outflows of Resources</th>
<th>Deferred Inflows of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differences between projected and actual experience</td>
<td>$2,414,296</td>
<td>$(174,096)</td>
</tr>
<tr>
<td>Changes in assumptions</td>
<td>278,822</td>
<td></td>
</tr>
<tr>
<td>Net difference between projected and actual earnings on pension plan investments</td>
<td>424,086</td>
<td>$(3,767,419)</td>
</tr>
<tr>
<td>Changes in proportion and differences between employer contributions and proportionate share of contributions</td>
<td>14,893</td>
<td>$(9,034)</td>
</tr>
<tr>
<td>Employer contributions subsequent to the measurement date</td>
<td>181,156</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$3,313,253</td>
<td>$(3,950,549)</td>
</tr>
</tbody>
</table>

$181,156 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2023.
Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

<table>
<thead>
<tr>
<th>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years ending June 30:</td>
</tr>
<tr>
<td>2023</td>
</tr>
<tr>
<td>2024</td>
</tr>
<tr>
<td>2025</td>
</tr>
<tr>
<td>2026</td>
</tr>
<tr>
<td>Thereafter</td>
</tr>
</tbody>
</table>

At June 30, 2021, ECB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<table>
<thead>
<tr>
<th>Deferred Outflows of Resources</th>
<th>Deferred Inflows of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differences between expected and actual experience</td>
<td>$ 1,641,591</td>
</tr>
<tr>
<td>Changes in assumptions</td>
<td>25,722</td>
</tr>
<tr>
<td>Net difference between projected and actual earnings on pension plan investments</td>
<td>831,061</td>
</tr>
<tr>
<td>Changes in proportion and differences between employer contributions and proportionate share of contributions</td>
<td>27,399</td>
</tr>
<tr>
<td>Employer contributions subsequent to the measurement date</td>
<td>188,585</td>
</tr>
<tr>
<td>Total</td>
<td>$ 2,714,358</td>
</tr>
</tbody>
</table>

$188,585 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2022.
Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

<table>
<thead>
<tr>
<th>Years ending June 30:</th>
<th>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$(197,223)</td>
</tr>
<tr>
<td>2023</td>
<td>$(48,440)</td>
</tr>
<tr>
<td>2024</td>
<td>$(381,288)</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$(161,371)</td>
</tr>
</tbody>
</table>

**Actuarial Assumptions**

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- **Actuarial valuation date**: December 31, 2020
- **Measurement date of net pension liability**: December 31, 2021
- **Experience Study**: January 1, 2018 – December 31, 2020 published November 19, 2021
- **Actuarial cost method**: Entry age normal
- **Asset valuation method**: Fair value
- **Long-term expected rate of return**: 6.8%
- **Discount rate**: 6.8%
- **Salary increases**:
  - Wage inflation: 3.0%
  - Seniority/merit: 0.1% - 5.6%
  - Mortality: 2020 WRS Experience Mortality Table
  - Postretirement adjustments*: 1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.
Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<table>
<thead>
<tr>
<th>Asset Allocation Targets and Expected Returns¹ as of December 31, 2021</th>
<th>Current Asset Allocation %</th>
<th>Long-Term Expected Nominal Rate of Return %</th>
<th>Long-Term Expected Real Rate of Return² %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Core Fund Asset Class:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Equities</td>
<td>52</td>
<td>6.8</td>
<td>4.2</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>25</td>
<td>4.3</td>
<td>1.8</td>
</tr>
<tr>
<td>Inflation Sensitive Assets</td>
<td>19</td>
<td>2.7</td>
<td>0.2</td>
</tr>
<tr>
<td>Real Estate</td>
<td>7</td>
<td>5.6</td>
<td>3</td>
</tr>
<tr>
<td>Private Equity/Debt</td>
<td>12</td>
<td>9.7</td>
<td>7</td>
</tr>
<tr>
<td>Total Core Fund³</td>
<td>115</td>
<td>6.6</td>
<td>4</td>
</tr>
<tr>
<td><strong>Variable Fund Asset Class:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Equities</td>
<td>70</td>
<td>6.3</td>
<td>3.7</td>
</tr>
<tr>
<td>International Equities</td>
<td>30</td>
<td>7.2</td>
<td>4.6</td>
</tr>
<tr>
<td>Total Variable Fund</td>
<td>100</td>
<td>6.8</td>
<td>4.2</td>
</tr>
</tbody>
</table>

¹ Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%.

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 6.00% and a municipal bond rate of 1.84%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's 20-year Municipal GO AA Index as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
Sensitivity of ECB’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents ECB’s proportionate share of the net pension liability (asset) at June 30, 2022 calculated using the discount rate of 6.8%, as well as what ECB’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate:

<table>
<thead>
<tr>
<th>Discount Rate</th>
<th>ECB’s proportionate share of the net pension liability (asset)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1% Decrease to Discount Rate (5.8%)</td>
<td>$1,060,457</td>
</tr>
<tr>
<td>Current Discount Rate (6.8%)</td>
<td>$(1,494,505)</td>
</tr>
<tr>
<td>1% Increase to Discount Rate (7.8%)</td>
<td>$(3,333,603)</td>
</tr>
</tbody>
</table>

The following presents ECB’s proportionate share of the net pension liability (asset) at June 30, 2021 calculated using the discount rate of 7.00%, as well as what ECB’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

<table>
<thead>
<tr>
<th>Discount Rate</th>
<th>ECB’s proportionate share of the net pension liability (asset)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1% Decrease to Discount Rate (6.00%)</td>
<td>$1,079,637</td>
</tr>
<tr>
<td>Current Discount Rate (7.00%)</td>
<td>$(1,134,238)</td>
</tr>
<tr>
<td>1% Increase to Discount Rate (8.00%)</td>
<td>$(2,760,314)</td>
</tr>
</tbody>
</table>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

Payables to the pension plan at June 30, 2022 and 2021 were $0 and $9,183, respectively. This represents contributions earned as of June 30, 2022 and 2021, but for which payment was remitted to the pension plan after year-end.

Postemployment Benefits Other Than Pensions

In accordance with the provisions established by GASB, state and local government employers are required to display in financial reports other postemployment benefits (OPEB) expenses and related liabilities; note disclosures; and if applicable, required supplementary information.

ECB employees are included in the State of Wisconsin’s Health Insurance Program, a cost-sharing, multiple-employer, defined benefit plan not held in a trust. The plan is an employer-sponsored program offering group medical coverage to eligible employees and retirees of the State, created under Chapter 40 of Wisconsin Statutes. The Department of Employee Trust Funds and the Group Insurance Board have program administration and oversight responsibilities under ss. 15.165(2) and 40.03(6) of Wisconsin Statutes. Under this plan, retired employees of the State contribute the same healthcare premium as active employees, creating an implicit rate subsidy for retirees. This implicit rate subsidy, which is calculated to cover pre-age 65 retirees (since at age 65 retirees are required to enroll in Medicare, when eligible), is treated as an OPEB.
The financial statements of ECB do not include OPEB expenses or the related liabilities other than those actually paid, which are allocated to various functional expenses on the statements of revenues, expenses and changes in net position, because the OPEB has been determined by management to be the responsibility of the State of Wisconsin and not ECB.

Related Entities

WHA Television and Wisconsin Public Radio - University of Wisconsin Board of Regents Stations

WHA Television, WHA Radio and some other Wisconsin Public Radio stations are public telecommunications entities licensed by the Federal Communications Commission to the University of Wisconsin Board of Regents stations (UW Board of Regents) and operated by UW-Madison. In order to achieve statewide services and economies of scale, in the mid-1980s ECB and the UW Board of Regents developed partnerships called PBS Wisconsin (formerly Wisconsin Public Television) and Wisconsin Public Radio to manage and operate their licenses. The partnerships are maintained through affiliation agreements outlining structural principles and functions, administrative staff allocations, stations (of both Wisconsin Public Radio and PBS Wisconsin) and financial commitments of the partners. The directors of PBS Wisconsin and Wisconsin Public Radio are jointly appointed by ECB and the UW Board of Regents. Staff and resources from both agencies work together to provide administrative and program services. Amounts due to or from affiliated parties are separately disclosed on the Statements of Net Position. The relationship pervades all aspects of the financial activities reported in the accompanying financial statements.

Friends of PBS Wisconsin, Inc.

Friends of PBS Wisconsin is the result of the July 1, 2009, the Friends of WHA-TV, Inc. reorganization. At that time, Friends of WHA-TV changed its name to Friends of Wisconsin Public Television, Inc. and assumed responsibility for the fund-raising efforts of both the former Friends of WHA-TV and the WPBF to support Wisconsin Public Television. During 2021, Wisconsin Public Television and Friends of Wisconsin Public Television changed their names to PBS Wisconsin and Friends of PBS Wisconsin respectively. The Friends solicits funds in the name of and with the approval of the licensees, ECB and the UW Board of Regents. Under the affiliation agreement, ECB and UW staff, along with the Friends Board of Directors, approve the Friends’ budget.

The licensees have access to the Friends’ net resources and retain an ongoing, legal allocated interest in the Friends’ net position. ECB’s and the UW Board of Regents’ allocated interests in the Friends are calculated in accordance with an affiliation agreement, which is renegotiated annually. The agreement generally provides each party with a 50% interest, although not all activity is allocated based on this interest. The Friends issues separate financial statements, which are audited by other auditors. Copies of the Friends’ separately issued financial statements may be obtained by contacting the Financial Manager of the Friends of PBS Wisconsin, Inc. at 821 University Avenue, Madison, WI 53706.
**Wisconsin Public Radio Association, Inc.**

WPRA is a publicly supported, not-for-profit corporation whose purpose is to administer various fundraising and membership duties of Wisconsin Public Radio and to provide support to the ECB radio networks and radio stations licensed to the UW Board of Regents affiliated with Wisconsin Public Radio. WPRA solicits funds in the name of and with the approval of the licensees, ECB and the UW Board of Regents. Under the affiliation agreement, ECB and UW staff, along with the WPRA Board of Directors, approve the WPRA's budget. The licensees have access to the WPRA's net resources and retain an ongoing, legal allocated interest in the WPRA's net position. ECB's and the UW Board of Regents' allocated interests in WPRA are calculated in accordance with an affiliation agreement which currently provides ECB with 76% of WPRA net resources and the UW Board of Regents with 24%. This agreement is renegotiated annually. WPRA issues separate financial statements, which are audited by other auditors. Copies of WPRA's separately issued financial statements may be obtained by contacting the Financial Manager of the Wisconsin Public Radio Association, Inc., at 821 University Avenue, Madison, WI 53706.

ECB includes in the WPBF fund its allocated share of the Friends' and the WPRA's assets, liabilities, deferred inflows of resources, revenues and expenses. The following provides a summary of amounts for WPBF and its related shares of the Friends and WPRA.

The condensed statement of net position as of June 30, 2022 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>WPBF</th>
<th>Friends</th>
<th>WPRA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>$ 7,733,819</td>
<td>$ 2,466,568</td>
<td>$ 1,748,465</td>
<td>$ 11,948,852</td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td>23,074,734</td>
<td>6,632,045</td>
<td>6,800,454</td>
<td>36,507,233</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>30,808,553</td>
<td>9,098,613</td>
<td>8,548,919</td>
<td>48,456,085</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>247,755</td>
<td>1,257,984</td>
<td>38,073</td>
<td>1,543,812</td>
</tr>
<tr>
<td><strong>Deferred inflows of resources</strong></td>
<td>-</td>
<td>373,891</td>
<td>56,832</td>
<td>430,723</td>
</tr>
<tr>
<td><strong>Net position:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>-</td>
<td>91,157</td>
<td>168,567</td>
<td>259,724</td>
</tr>
<tr>
<td>Restricted by grants or donors</td>
<td>-</td>
<td>642,063</td>
<td>-</td>
<td>642,063</td>
</tr>
<tr>
<td>Restricted nonexpendable</td>
<td>35,008</td>
<td>250,000</td>
<td>227,859</td>
<td>512,867</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>30,525,790</td>
<td>6,483,518</td>
<td>8,057,588</td>
<td>45,066,896</td>
</tr>
<tr>
<td><strong>Total net position</strong></td>
<td>$ 30,560,798</td>
<td>$ 7,466,738</td>
<td>$ 8,454,014</td>
<td>$ 46,481,550</td>
</tr>
</tbody>
</table>

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The condensed statement of activities for the year ended June 30, 2022 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>WPBF</th>
<th>Friends</th>
<th>WPRA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$ -</td>
<td>$ 6,696,677</td>
<td>$ 7,492,315</td>
<td>$ 14,188,992</td>
</tr>
<tr>
<td>Corporation for Public Broadcasting grants</td>
<td>2,237,726</td>
<td>-</td>
<td>-</td>
<td>2,237,726</td>
</tr>
<tr>
<td>Underwriting grants</td>
<td>1,287,396</td>
<td>321,158</td>
<td>-</td>
<td>1,608,554</td>
</tr>
<tr>
<td>Other income</td>
<td>4,069</td>
<td>389,891</td>
<td>6,707</td>
<td>400,667</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>3,529,191</td>
<td>7,407,726</td>
<td>7,499,022</td>
<td>18,435,939</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>261,973</td>
<td>3,847,152</td>
<td>2,110,676</td>
<td>6,219,801</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>3,267,218</td>
<td>3,560,574</td>
<td>5,388,346</td>
<td>12,216,138</td>
</tr>
<tr>
<td><strong>Total nonoperating revenues (expenses)</strong></td>
<td>(2,226,943)</td>
<td>(874,336)</td>
<td>(1,177,741)</td>
<td>(4,279,020)</td>
</tr>
<tr>
<td>Income before transfers</td>
<td>1,040,275</td>
<td>2,686,238</td>
<td>4,210,605</td>
<td>7,937,118</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>(2,885,128)</td>
<td>(2,222,800)</td>
<td>(5,074,672)</td>
<td>(10,182,600)</td>
</tr>
<tr>
<td>Change in net position</td>
<td>(1,844,853)</td>
<td>463,438</td>
<td>(864,067)</td>
<td>(2,245,482)</td>
</tr>
<tr>
<td><strong>Total Net position, Beginning</strong></td>
<td>32,405,651</td>
<td>7,003,300</td>
<td>9,318,081</td>
<td>48,727,032</td>
</tr>
<tr>
<td><strong>Total Net position, Ending</strong></td>
<td>$ 30,560,798</td>
<td>$ 7,466,738</td>
<td>$ 8,454,014</td>
<td>$ 46,481,550</td>
</tr>
</tbody>
</table>
The condensed statement of cash flows for the year ended June 30, 2022 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>WPBF</th>
<th>Friends</th>
<th>WPRA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>$3,357,627</td>
<td>$2,575,756</td>
<td>$5,519,003</td>
<td>$11,452,386</td>
</tr>
<tr>
<td>Cash flows from noncapital financing activities</td>
<td>$(3,247,689)</td>
<td>$(1,860,239)</td>
<td>$(5,074,672)</td>
<td>$(10,182,600)</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>$411,299</td>
<td>$(1,033,617)</td>
<td>$(1,312,905)</td>
<td>$(1,935,223)</td>
</tr>
<tr>
<td>Net increase in cash and equivalents</td>
<td>$521,237</td>
<td>$(318,100)</td>
<td>$(868,574)</td>
<td>$(665,437)</td>
</tr>
<tr>
<td>Beginning cash and equivalents</td>
<td>$7,007,699</td>
<td>$2,114,439</td>
<td>$2,527,066</td>
<td>$11,649,204</td>
</tr>
<tr>
<td>Ending cash and equivalents</td>
<td>$7,528,936</td>
<td>$1,796,339</td>
<td>$1,658,492</td>
<td>$10,983,767</td>
</tr>
</tbody>
</table>

The condensed statement of net position as of June 30, 2021 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>WPBF</th>
<th>Friends</th>
<th>WPRA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>$6,850,021</td>
<td>$3,163,398</td>
<td>$2,675,501</td>
<td>$12,688,920</td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td>$25,712,976</td>
<td>$6,351,737</td>
<td>$6,745,231</td>
<td>$38,809,944</td>
</tr>
<tr>
<td>Total assets</td>
<td>$32,562,997</td>
<td>$9,515,135</td>
<td>$9,420,732</td>
<td>$51,498,864</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>157,346</td>
<td>2,087,336</td>
<td>38,127</td>
<td>2,282,809</td>
</tr>
<tr>
<td>Deferred inflows of resources</td>
<td></td>
<td>424,499</td>
<td>64,524</td>
<td>489,023</td>
</tr>
<tr>
<td>Net position:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td></td>
<td>130,157</td>
<td>240,816</td>
<td>370,973</td>
</tr>
<tr>
<td>Restricted by grants or donors</td>
<td></td>
<td>206,735</td>
<td>115,940</td>
<td>322,675</td>
</tr>
<tr>
<td>Restricted nonexpendable</td>
<td>35,008</td>
<td>250,000</td>
<td>281,880</td>
<td>566,888</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>32,370,643</td>
<td>6,416,408</td>
<td>8,679,445</td>
<td>47,466,496</td>
</tr>
<tr>
<td>Total net position</td>
<td>$32,405,651</td>
<td>$7,003,300</td>
<td>$9,318,081</td>
<td>$48,727,032</td>
</tr>
</tbody>
</table>
The condensed statement of activities for the year ended June 30, 2021 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>WPBF</th>
<th>Friends</th>
<th>WPRA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$</td>
<td>-</td>
<td>$ 6,530,520</td>
<td>$ 8,602,635</td>
</tr>
<tr>
<td>Corporation for Public Broadcasting grants</td>
<td>3,083,395</td>
<td>-</td>
<td>-</td>
<td>3,083,395</td>
</tr>
<tr>
<td>Underwriting grants</td>
<td>1,180,336</td>
<td>288,355</td>
<td>-</td>
<td>1,468,691</td>
</tr>
<tr>
<td>Other income</td>
<td>3,234</td>
<td>170,144</td>
<td>8,572</td>
<td>181,950</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>4,266,965</td>
<td>6,989,019</td>
<td>8,611,207</td>
<td>19,867,191</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>251,283</td>
<td>3,041,332</td>
<td>1,745,838</td>
<td>5,038,453</td>
</tr>
<tr>
<td>Operating income</td>
<td>4,015,682</td>
<td>3,947,687</td>
<td>6,865,369</td>
<td>14,828,738</td>
</tr>
<tr>
<td>Total nonoperating revenues</td>
<td>5,368,971</td>
<td>800,760</td>
<td>1,264,177</td>
<td>7,433,908</td>
</tr>
<tr>
<td>Income before transfers</td>
<td>9,384,653</td>
<td>4,748,447</td>
<td>8,129,546</td>
<td>22,262,646</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>(2,504,479)</td>
<td>(2,060,910)</td>
<td>(4,858,043)</td>
<td>(9,423,432)</td>
</tr>
<tr>
<td>Change in net position</td>
<td>6,880,174</td>
<td>2,687,537</td>
<td>3,271,503</td>
<td>12,839,214</td>
</tr>
<tr>
<td>Total Net position, Beginning</td>
<td>25,525,477</td>
<td>4,315,763</td>
<td>6,046,578</td>
<td>35,887,818</td>
</tr>
<tr>
<td>Total Net position, Ending</td>
<td>$ 32,405,651</td>
<td>$ 7,003,300</td>
<td>$ 9,318,081</td>
<td>$ 48,727,032</td>
</tr>
</tbody>
</table>
Rib Mountain Communications

ECB entered into a joint ownership agreement on November 1, 2001, to erect, operate and maintain a broadcast tower in Wausau, Wisconsin. The agreement is between ECB, WRIG, Inc., QMI and Gray MidAmerica Television, Inc. The shares of ownership are 33%, 23%, 20% and 24%, respectively. Each party contributes a share of the operating costs on an annual basis. An annual budget is prepared for the joint ownership to determine respective amounts of maintenance due from each party. ECB's share of activity for the joint ownership is incorporated into its financial statements.

Effect of New Accounting Standards on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 91, Conduit Debt Obligations
- Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- Statement No. 96, Subscription-based Information Technology Arrangements
- Statement No. 99, Omnibus 2022
- Statement No. 100, Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62
- Statement No. 101, Compensated Absences

When they become effective, application of these standards may restate portions of these financial statements.

WERN, WHAD and Wisconsin Television Network Allocation

ECB has three networks that qualify for Community Service Grant assistance from the Corporation for Public Broadcasting, including WERN-FM and its affiliated Music Network stations, WHAD-FM and affiliated Ideas Network stations and the Wisconsin Television Network stations. The stations are licensed to ECB and the stations' financial activities are included as part of ECB's financial statements. The following tables summarize the portions of the statements of revenues, expenses and changes in net position attributable to each network for fiscal years 2022 and 2021. Direct revenues and expenses are allocated based on actual amounts. The remaining revenues and expenses are allocated to the networks based on reasonable estimates.
### Fiscal Year 2022

<table>
<thead>
<tr>
<th>Category</th>
<th>WERN-FM Affiliates</th>
<th>WHAD-FM and Affiliates</th>
<th>Wisconsin Television Network</th>
<th>ECB Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed support</td>
<td>$2,617,554</td>
<td>$3,560,362</td>
<td>$4,520,079</td>
<td>$10,697,995</td>
</tr>
<tr>
<td>Corporation for Public Broadcasting grants</td>
<td>407,294</td>
<td>445,744</td>
<td>1,384,688</td>
<td>2,237,726</td>
</tr>
<tr>
<td>Underwriting grants</td>
<td>768,540</td>
<td>514,342</td>
<td>325,672</td>
<td>1,608,554</td>
</tr>
<tr>
<td>Major gifts</td>
<td>556,905</td>
<td>757,494</td>
<td>2,176,598</td>
<td>3,490,997</td>
</tr>
<tr>
<td>Contributed in-kind support</td>
<td>374,391</td>
<td>1,278</td>
<td>1,067</td>
<td>376,736</td>
</tr>
<tr>
<td>Other income</td>
<td>314,969</td>
<td>314,969</td>
<td>1,681,210</td>
<td>2,311,148</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>5,039,653</td>
<td>5,594,189</td>
<td>10,089,314</td>
<td>20,723,156</td>
</tr>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programming and production</td>
<td>3,042,657</td>
<td>3,662,581</td>
<td>3,424,633</td>
<td>10,129,871</td>
</tr>
<tr>
<td>Broadcasting</td>
<td>1,271,909</td>
<td>2,189,572</td>
<td>5,571,835</td>
<td>9,033,316</td>
</tr>
<tr>
<td>Program information</td>
<td>61,298</td>
<td>41,024</td>
<td>222,586</td>
<td>324,908</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>4,375,864</td>
<td>5,893,177</td>
<td>9,219,054</td>
<td>19,488,095</td>
</tr>
<tr>
<td>Support services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>594,581</td>
<td>761,480</td>
<td>824,180</td>
<td>2,180,241</td>
</tr>
<tr>
<td>Fundraising and membership development</td>
<td>725,249</td>
<td>986,475</td>
<td>2,025,287</td>
<td>3,737,011</td>
</tr>
<tr>
<td>Underwriting</td>
<td>3,800</td>
<td>2,543</td>
<td>242,215</td>
<td>248,558</td>
</tr>
<tr>
<td><strong>Total support services</strong></td>
<td>1,323,630</td>
<td>1,750,498</td>
<td>3,091,682</td>
<td>6,165,810</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>5,699,494</td>
<td>7,643,675</td>
<td>12,310,736</td>
<td>25,653,905</td>
</tr>
<tr>
<td><strong>Operating income (loss)</strong></td>
<td>(659,842)</td>
<td>(2,049,486)</td>
<td>(2,221,422)</td>
<td>(4,930,750)</td>
</tr>
</tbody>
</table>
### Wisconsin Educational Communications Board

#### Notes to Financial Statements

June 30, 2022 and 2021

---

#### Fiscal Year 2022

<table>
<thead>
<tr>
<th></th>
<th>WERN-FM Affiliates</th>
<th>WHAD-FM and Affiliates</th>
<th>Wisconsin Television Network</th>
<th>ECB Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nonoperating revenues</strong> (expenses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State general fund revenue</td>
<td>$ 1,853,514</td>
<td>$ 2,373,796</td>
<td>$ 1,981,834</td>
<td>$ 6,209,144</td>
</tr>
<tr>
<td>Loss on disposal of capital assets</td>
<td>(28,825)</td>
<td>(28,825)</td>
<td>(170,753)</td>
<td>(228,403)</td>
</tr>
<tr>
<td>Capital debt interest expense</td>
<td>(62,046)</td>
<td>(62,046)</td>
<td>(367,545)</td>
<td>(491,637)</td>
</tr>
<tr>
<td>Investment income</td>
<td>(1,065,777)</td>
<td>(1,058,671)</td>
<td>(2,154,572)</td>
<td>(4,279,020)</td>
</tr>
<tr>
<td>Grant revenue</td>
<td>15,006</td>
<td>19,218</td>
<td>16,045</td>
<td>50,269</td>
</tr>
<tr>
<td>Insurance proceeds</td>
<td></td>
<td>57,580</td>
<td></td>
<td>57,580</td>
</tr>
<tr>
<td><strong>Total nonoperating revenues (expenses)</strong></td>
<td>711,872</td>
<td>1,301,052</td>
<td>(694,991)</td>
<td>1,317,933</td>
</tr>
</tbody>
</table>

| **Income (loss) before capital contributions** | 52,030            | (748,434)              | (2,916,413)                 | (3,612,817) |

| **Capital contributions** | 297,048           | 297,048                | 1,759,652                   | 2,353,748  |

| **Change in net position** | $ 349,078 | $ (451,386) | $ (1,156,761) | $ (1,259,069) |

---
### Wisconsin Educational Communications Board

#### Notes to Financial Statements

**June 30, 2022 and 2021**

#### Fiscal Year 2021

<table>
<thead>
<tr>
<th></th>
<th>WERN-FM Affiliates</th>
<th>WHAD-FM and Affiliates</th>
<th>Wisconsin Television Network</th>
<th>ECB Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed support</td>
<td>$ 2,876,010</td>
<td>$ 3,749,599</td>
<td>$ 4,377,370</td>
<td>$ 11,002,979</td>
</tr>
<tr>
<td>Corporation for Public</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadcasting grants</td>
<td>614,002</td>
<td>640,994</td>
<td>1,828,399</td>
<td>3,083,395</td>
</tr>
<tr>
<td>Underwriting grants</td>
<td>700,181</td>
<td>417,210</td>
<td>351,300</td>
<td>1,468,691</td>
</tr>
<tr>
<td>Major gifts</td>
<td>858,177</td>
<td>1,118,849</td>
<td>2,153,150</td>
<td>4,130,176</td>
</tr>
<tr>
<td>Contributed in-kind support</td>
<td>331,593</td>
<td>583</td>
<td>1,081</td>
<td>333,257</td>
</tr>
<tr>
<td>Other income</td>
<td>297,247</td>
<td>299,042</td>
<td>1,199,235</td>
<td>1,795,524</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>5,677,210</td>
<td>6,226,277</td>
<td>9,910,535</td>
<td>21,814,022</td>
</tr>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programming and production</td>
<td>2,712,893</td>
<td>3,332,886</td>
<td>3,209,682</td>
<td>9,255,461</td>
</tr>
<tr>
<td>Broadcasting</td>
<td>1,371,103</td>
<td>2,604,330</td>
<td>4,853,734</td>
<td>8,829,167</td>
</tr>
<tr>
<td>Program information</td>
<td>64,097</td>
<td>38,192</td>
<td>209,681</td>
<td>311,970</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>4,148,093</td>
<td>5,975,408</td>
<td>8,273,097</td>
<td>18,396,598</td>
</tr>
<tr>
<td>Support services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>420,313</td>
<td>541,936</td>
<td>624,805</td>
<td>1,587,054</td>
</tr>
<tr>
<td>Fundraising and membership development</td>
<td>652,597</td>
<td>850,823</td>
<td>1,619,946</td>
<td>3,123,366</td>
</tr>
<tr>
<td>Underwriting</td>
<td>18,413</td>
<td>10,971</td>
<td>232,510</td>
<td>261,894</td>
</tr>
<tr>
<td><strong>Total support services</strong></td>
<td>1,091,323</td>
<td>1,403,730</td>
<td>2,477,261</td>
<td>4,972,314</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>5,239,416</td>
<td>7,379,138</td>
<td>10,750,358</td>
<td>23,368,912</td>
</tr>
<tr>
<td><strong>Operating income (loss)</strong></td>
<td>437,794</td>
<td>(1,152,861)</td>
<td>(839,823)</td>
<td>(1,554,890)</td>
</tr>
</tbody>
</table>
### Nonoperating revenues (expenses):

<table>
<thead>
<tr>
<th></th>
<th>WERN-FM Affiliates</th>
<th>WHAD-FM and Affiliates</th>
<th>Wisconsin Television Network</th>
<th>ECB Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State general fund revenue</td>
<td>$1,782,017</td>
<td>$2,297,664</td>
<td>$1,998,936</td>
<td>$6,078,617</td>
</tr>
<tr>
<td>Loss on disposal of capital assets</td>
<td>(1,014)</td>
<td>(1,014)</td>
<td>(20,458)</td>
<td>(22,486)</td>
</tr>
<tr>
<td>Capital debt interest expense</td>
<td>(25,193)</td>
<td>(25,193)</td>
<td>(508,196)</td>
<td>(558,582)</td>
</tr>
<tr>
<td>Investment income</td>
<td>1,831,173</td>
<td>1,818,746</td>
<td>3,783,989</td>
<td>7,433,908</td>
</tr>
<tr>
<td>Grant revenue</td>
<td>38,041</td>
<td>49,048</td>
<td>42,671</td>
<td>129,760</td>
</tr>
<tr>
<td>Insurance proceeds</td>
<td>1,237</td>
<td>2,392</td>
<td>4,427</td>
<td>8,056</td>
</tr>
</tbody>
</table>

Total nonoperating revenues (expenses)  

|                        | 3,626,261          | 4,141,643              | 5,301,369                    | 13,069,273|

Income (loss) before capital contributions  

|                        | 4,064,055          | 2,988,782              | 4,461,546                    | 11,514,383|

Capital contributions  

|                        | 95,811             | 95,811                 | 1,934,067                    | 2,125,689 |

Change in net position  

|                        | $4,159,866         | $3,084,593             | $6,395,613                   | $13,640,072|

### Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed for possible inclusion as a disclosure in the financial statements. No such events occurred.
### Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System

#### Year Ended June 30, 2022 and 2021

<table>
<thead>
<tr>
<th>Fiscal Year Ending</th>
<th>Proportionate Share of the Net Pension Liability (Asset)</th>
<th>Covered Payroll</th>
<th>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</th>
<th>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2022</td>
<td>0.01854183 % $ (1,494,505) $</td>
<td>3,120,730</td>
<td>-47.89 %</td>
<td>106.02 %</td>
</tr>
<tr>
<td>June 30, 2021</td>
<td>0.01816776 % $ (1,134,238) $</td>
<td>3,240,514</td>
<td>-35.00 %</td>
<td>105.26 %</td>
</tr>
<tr>
<td>June 30, 2020</td>
<td>0.01717054 % $ (553,656) $</td>
<td>2,900,524</td>
<td>-19.09 %</td>
<td>102.96 %</td>
</tr>
<tr>
<td>June 30, 2019</td>
<td>0.01701818 % $ 605,453 $</td>
<td>2,684,379</td>
<td>22.55 %</td>
<td>96.45 %</td>
</tr>
<tr>
<td>June 30, 2018</td>
<td>0.01828632 % $ (542,942) $</td>
<td>2,450,637</td>
<td>-22.16 %</td>
<td>102.93 %</td>
</tr>
<tr>
<td>June 30, 2017</td>
<td>0.02026025 % $ 166,993 $</td>
<td>2,461,885</td>
<td>6.51 %</td>
<td>99.12 %</td>
</tr>
<tr>
<td>June 30, 2016</td>
<td>0.02182512 % $ 354,654 $</td>
<td>2,724,408</td>
<td>12.33 %</td>
<td>98.20 %</td>
</tr>
<tr>
<td>June 30, 2015</td>
<td>0.02248088 % $ (552,192) $</td>
<td>3,132,672</td>
<td>-18.02 %</td>
<td>102.74 %</td>
</tr>
</tbody>
</table>

#### Schedule of Employer Contributions - Wisconsin Retirement System

#### Year Ended June 30, 2022 and 2021

<table>
<thead>
<tr>
<th>Fiscal Year Ending</th>
<th>Contractually Required Contributions</th>
<th>Contributions in Relation to the Contrary Required Contributions</th>
<th>Contribution Deficiency (Excess)</th>
<th>Covered Payroll</th>
<th>Contributions as a Percentage of Covered Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2022</td>
<td>$ 239,383</td>
<td>$ 239,383</td>
<td>$ -</td>
<td>$ 3,182,169</td>
<td>7.52 %</td>
</tr>
<tr>
<td>June 30, 2021</td>
<td>248,181</td>
<td>248,181</td>
<td>-</td>
<td>3,161,533</td>
<td>7.85 %</td>
</tr>
<tr>
<td>June 30, 2020</td>
<td>238,629</td>
<td>238,629</td>
<td>-</td>
<td>3,048,709</td>
<td>7.83 %</td>
</tr>
<tr>
<td>June 30, 2018</td>
<td>206,995</td>
<td>206,995</td>
<td>-</td>
<td>2,597,614</td>
<td>7.97 %</td>
</tr>
<tr>
<td>June 30, 2017</td>
<td>195,462</td>
<td>195,462</td>
<td>-</td>
<td>2,461,885</td>
<td>7.94 %</td>
</tr>
<tr>
<td>June 30, 2016</td>
<td>214,373</td>
<td>214,373</td>
<td>-</td>
<td>2,724,408</td>
<td>7.87 %</td>
</tr>
<tr>
<td>June 30, 2015</td>
<td>251,657</td>
<td>251,657</td>
<td>-</td>
<td>3,132,672</td>
<td>8.03 %</td>
</tr>
</tbody>
</table>

See notes to required supplementary information 42
1. Wisconsin Retirement System (WRS) Pension

The amounts presented in relation to the schedule of employer's proportionate share of the net pension (asset)/liability and the schedule of employer contributions represents the specific data of ECB. The information was derived using a combination of the employer's contribution data along with data provided by the Wisconsin Retirement System in relation to ECB as a whole.

ECB is required to present the last ten fiscal years data; however, the standards allow ECB to present as many years as are available until ten fiscal years are presented.

Changes of Benefit Terms

There were no changes of benefit terms for any participating employer in WRS.

Changes of Assumptions

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

No significant change in assumptions were noted for fiscal year 2021.