

**JACKSON HOLE COMMUNITY RADIO, INC.
JACKSON HOLE, WYOMING
ANNUAL FINANCIAL REPORT
with
INDEPENDENT AUDITOR'S REPORT
For the Year Ended December 31, 2023**

JACKSON HOLE COMMUNITY RADIO, INC.
ANNUAL FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

TABLE OF CONTENTS

Item	Page No.
Independent Auditor's Report – Financial Statements	1 - 3
 <i>FINANCIAL STATEMENTS</i>	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6 - 7
Statement of Cash Flows	8
Notes to the Financial Statements	9 – 18
Independent Accountant's Report	19

INDEPENDENT AUDITOR'S REPORT

**Board of Directors
Jackson Hole Community Radio, Inc.
Jackson, Wyoming**

Opinion

We have audited the accompanying statement of financial position of Jackson Hole Community Radio, Inc., (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Jackson Hole Community Radio, Inc., as of December 31, 2023, and the changes in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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 Jackson Hole Community Radio, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Jackson Hole Community Radio, Inc.'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 Jackson Hole Community Radio, Inc.'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.

Other Matters

Attached to the audited financial statements, after the notes to the financial statements, is the Independent Accountant's Report which provides an opinion on Jackson Hole Community Radio, Inc.'s assertion that its Corporation for Broadcasting (CPB) schedule of Non-Federal Financial Support (NFFS) complied with the CPB fiscal year 2023 Financial Reporting Guidelines.

Searle Hart + Associates PLLC

Rexburg, Idaho
July 15, 2024

FINANCIAL STATEMENTS

JACKSON HOLE COMMUNITY RADIO, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2023

ASSETS

Cash and cash equivalents	\$	275,948
Investments		100,351
Contributions receivable		98,826
Prepaid expenses		<u>699</u>

TOTAL CURRENT ASSETS		<u>475,824</u>
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PROPERTY AND EQUIPMENT - AT COST - (NET)

(Note 4)		<u>128,044</u>
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TOTAL PROPERTY AND EQUIPMENT		<u>128,044</u>
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TOTAL ASSETS	\$	<u><u>603,868</u></u>
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LIABILITIES

Current liabilities		
Accounts payable	\$	19,061
Lease liability current		<u>27,581</u>

TOTAL CURRENT LIABILITIES		<u>46,642</u>
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LONG-TERM LIABILITIES

Lease liability long term		<u>26,054</u>
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TOTAL LIABILITIES		<u>72,696</u>
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NET ASSETS

Without Donor Restrictions		531,172
With Donor Restrictions		<u>-</u>

TOTAL NET ASSETS		<u>531,172</u>
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TOTAL LIABILITIES AND NET ASSETS	\$	<u><u>603,868</u></u>
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JACKSON HOLE COMMUNITY RADIO, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Contributions	\$ 474,240	\$ 60,037	\$ 534,277
Underwriting	102,709	-	102,709
Rental income	1,722	-	1,722
Merchandise sales, net	1,496	-	1,496
Gain on asset disposal	133	-	133
In Kind Donations	37,572	-	37,572
Special events	40,312	-	40,312
Investment earnings, net of investment fees	351	-	351
Net Assets Released from Restrictions			
Satisfaction of program/purpose restrictions	123,202	(123,202)	
Total revenues, gains, and other support	781,737	(63,165)	718,572
EXPENSES			
Program expenses	414,269	-	414,269
General and administrative expenses	96,536	-	96,536
Fundraising expenses	103,898	-	103,898
Total expenses	614,703	-	614,703
CHANGE IN NET ASSETS	167,034	(63,165)	103,869
NET ASSETS, BEGINNING OF PERIOD	364,138	63,165	427,303
NET ASSETS, END OF YEAR	\$ 531,172	\$ -	\$ 531,172

JACKSON HOLE COMMUNITY RADIO, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023

	Radio Programming	General & Administrative	Fundraising
Salaries	\$ 274,919	\$ 27,880	\$ 45,647
Health insurance	10,671	1,031	1,689
Employee taxes	24,093	2,329	3,813
TOTAL SALARIES AND BENEFITS	309,683	31,240	51,149
Advertising and promotion	\$ 4,485	\$ 13,426	\$ 2,984
Amortization & depreciation	40,633	-	-
Bank & merchant fees	-	3,209	-
Books, subscriptions, reference	-	950	-
Contract labor/services	21,909	32,597	6,963
Employee benefit	7,132	689	1,128
Equipment	39	1,206	-
Facility - tower lease	7,500	-	-
IT, web, & subscription services	-	286	-
Interest expense	348	-	-
Other office expense	-	699	-
Postage, mailing service	-	1,075	-
Radio shows	9,374	-	-
Special events	4,054	-	37,885
Streaming	810	-	-
Supplies	460	-	-
Taxes - property & misc	1,508	149	-
Telephone & internet	-	2,901	-
Travel	4,847	4,858	9
Web hosting and subscriptions	1,487	3,251	3,780
TOTAL EXPENSES	\$ 414,269	\$ 96,536	\$ 103,898

	<u>Total Expenses</u>
\$	348,446
	13,391
	<u>30,235</u>
	392,072
\$	20,895
	40,633
	3,209
	950
	61,469
	8,949
	1,245
	7,500
	286
	348
	699
	1,075
	9,374
	41,939
	810
	460
	1,657
	2,901
	9,714
	<u>8,518</u>
\$	<u><u>614,703</u></u>

JACKSON HOLE COMMUNITY RADIO, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 103,869
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation of fixed assets	10,391
Amortized portion of lease and licensing	30,242
Change in other assets and liabilities	
Decrease (increase) in contributions receivable	(81,840)
Decrease in prepaid expenses	(1,031)
Increase in accounts payable, accrued expense	(1,522)
(Decrease) increase in payroll and related benefits payable	8,100
NET CASH CASH FLOWS FROM OPERATING ACTIVITIES	<u>68,209</u>

CASH FLOWS FROM INVESTING ACTIVITIES

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CASH FLOWS FROM FINANCING ACTIVITIES

Right of use lease payment	<u>(29,644)</u>
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NET CHANGE IN CASH AND CASH EQUIVALENTS

38,565

CASH AND CASH EQUIVALENTS-BEGINNING OF YEAR

337,734

CASH AND CASH EQUIVALENTS-END OF YEAR

\$ 376,299

SUMMARY OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents-unrestricted	\$ 376,299
Restricted cash	<u>-</u>
TOTAL CASH AND CASH EQUIVALENTS	<u><u>\$ 376,299</u></u>
Interest paid	\$ 348
Income tax paid	\$ -

NOTES TO THE FINANCIAL STATEMENTS

JACKSON HOLE COMMUNITY RADIO, INC.
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

NOTES INDEX

1. Summary of Significant Accounting Policies
 - Nature of Organization and Operations
 - Financial Statement Presentation
 - Use of Estimates
 - Cash and Cash Equivalents and Investments
 - Contributions Receivable
 - Property, Equipment, Furniture, Depreciation and Amortization
 - Classification of Net Assets
 - Revenue Recognition
 - Contribution of Services
 - In-Kind Contributions
 - Functional Allocation of Expenses
 - Advertising
 - Income Taxes
 - Subsequent Events
2. Financial Instruments
3. Unconditional Contributions Receivable
4. Property and Equipment
5. Accrued Vacation and Sick Leave
6. Leases
7. Long-term Liabilities
8. Net Assets with Donor Restrictions
9. Related Party Transactions
10. Pending Litigation

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Operations

Jackson Hole Community Radio, Incorporated (JHCR or KHOL), is a private, not-for-profit corporation that was incorporated in 1995, with tax-exempt recognition by the Internal Revenue Service provided in February 1996. In April of 2008 JHCR began broadcasting. JHCR produces innovative public radio programs, in-depth local news and cultural reporting, and events that touch a passionate community of more than 40,000 people monthly on-air, online and in-person. From its studios in the Center for the Arts in downtown Jackson, Wyoming, KHOL is shaping community radio for a new generation of listeners. The mission of JHCR to serve the Jackson Hole community of residents and visitors through independent local and regional news and by creating a forum for the free exchange of ideas and music discovery that informs, entertains and promotes deeper understanding of the world.

JHCR offers national programming like Marketplace and The Daily, among other shows to our airwaves, and also puts significant effort into the production and distribution of their own original content, most notably filing newscast spots to NPR and also distributing features to regional and national audiences.

JHCR has received awards for our coverage from the Society of Professional Journalists, LION Publishers and RTDNA's Regional Edward R. Murrow Awards. We furthered our collaboration with Wyoming Public Radio and the 19 other stations in the Rocky Mountain Community Radio network. Through these collaborations alone, KHOL's programming has been heard by hundreds of thousands of listeners.

Financial Statement Presentation

The financial statements of JHCR have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

JHCR presents its financial statements in accordance with U.S. generally accepted accounting principles (GAAP) and the standards in the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC).

JHCR reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and expenses during the reporting year. Actual results could differ from those estimates.

Cash and Cash Equivalents and Investments

JHCR considers all monies in banks and money market funds and other highly liquid investments with original maturity dates of three months or less to be cash and cash equivalents. As of December 31, 2023, JHCR had cash held in bank accounts and funds invested in mutual funds.

Contributions Receivable

Contributions receivable are the result of underwriting contributions and are recorded when the underwriting commitment is received. Both unconditional contributions receivable with donor imposed restrictions and unconditional contributions receivable with no donor restrictions that are due after December 31, 2023 are classified as net assets with donor restrictions. Unconditional contributions receivable due in the next year are reflected as current unconditional contributions receivable and are recorded at their net realizable value. JHCR uses the allowance method to determine uncollectible unconditional contributions receivable based on management's analysis of specific contributions receivable. At December 31, 2023, no allowance was deemed necessary.

Property, Equipment, Furniture, Depreciation and Amortization

Property, equipment and furniture are carried at cost at the date of purchase or, if donated, at the fair market value on the date of donation, less accumulated depreciation and amortization. Property and equipment in excess of \$1,000 are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives which vary between three and thirty years.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Classification of Net Assets

Net assets and changes therein are classified according to the existence or absence of time or donor-imposed restrictions. Net assets of JHCR are reported as follows:

Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of JHCR. These net assets may be used at the discretion of JHCR's management and the board of directors. Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of JHCR and its mission, the environment in which it operates, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions:

Net assets subject to stipulations or restrictions imposed by donors, and grantors. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or for particular purposes or other events specified by the donor. Those restrictions will be met by actions of JHCR or by the passage of time.

Revenue Recognition

JHCR's primary sources of revenue are contributions which include grants and underwriting. Contributions, which may include non-cash assets, are recognized as revenue at fair value in the year pledged or received. Contributions receivable are reviewed for collectability and reserves for uncollectible amounts are established when needed. Special event income is reported gross.

Contributions are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor's restriction is satisfied, either by the use of the resources in the manner specified by the donor or by the passage of time, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Revenue received during the current year with donor-imposed restrictions that are satisfied in the current year are recorded as revenue without donor restrictions.

Contributions may include donor-imposed restrictions or require the fulfillment of certain conditions as set forth in the gift instrument. Failure to fulfill these conditions could require the return of funds to donors. As JHCR only accepts those gifts for which it agrees to the terms and conditions contained in the contribution instrument, JHCR believes this contingency is remote.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contribution of Services

Contributions of services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received. Contributed services of weekly weather reports valued at \$12,000 from a meteorologist met the recognition criteria during the year ended December 31, 2023.

JHCR benefit from the services of numerous volunteers. During the year ended December 31, 2023 JHCR had approximately 30 volunteer DJs who commit two hours a week to produce a radio show for a total of 2,808 hours of volunteer time a year. JHCR also has a volunteer community advisory board of 15 members who provide approximately 100 hours of volunteer service collectively each year.

In-Kind Contributions

JHCR received and included in revenue \$37,572 of in-kind contributions consisting primarily of on-air weather reports, legal services, and event related contributions.

Functional Allocation of Expenses

The costs of providing various programs and supporting services, broadly categorized as programs, general and administrative, and fundraising, have been summarized on a functional basis in the statement of activities and the statement of functional expenses. The statement of functional expenses presents the natural classification of expenses by function. Directly identifiable expenses are charged to programs and supporting services. Personnel and other costs that are not directly attributable to a single function are allocated among functional categories using a reasonable basis that is consistently applied, principally on the basis of estimated time and effort. Costs associated with JHCR offices and facilities are allocated based on estimated personnel time and the estimate square footage use of the offices and facilities by JHCR personnel. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of JHCR. The costs of activities and events that benefit more than one functional area (joint costs) are immaterial and have been allocated as described in this paragraph.

Advertising

Advertising and promotion costs are expensed as incurred. The advertising and promotion costs for the year ended December 31, 2023 were \$20,895.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

JHCR is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code (the Code). In addition, JHCR has been determined by the Internal Revenue Service to not be a private foundation within the meaning of Section 509 (a)(1) of the Code. Tax years that remain open to examination by the Internal Revenue Service are 2021 to 2023.

JHCR's tax return for the year ended December 31, 2023 is on extension. JHCR does not expect to realize any income tax or any tax-related interest and penalties that are material to the financial statements, and accordingly no amounts are recognized on the statement of activities and statement of financial position for the 2023 year. JHCR does not anticipate having any unrecognized tax benefits and or uncertain tax positions for the year ended December 31, 2023.

Subsequent Events

JHCR has evaluated events and transactions for potential recognition or disclosure in the financial statements through July 15, 2024, which is the date the financial statements were available to be issued. There is a subsequent event involving pending litigation. See Note 10 for the details.

2. FINANCIAL INSTRUMENTS

Cash deposits and investments by JHCR as of December 31, 2023 totaled \$376,299 of which \$275,948 represent demand deposits and \$100,351 represent investments in mutual funds.

At the end of 2023, the carrying amount of demand deposits was \$376,299 and the bank balance was \$378,387. Of this balance, \$126,487 was not insured by Federal Depository Insurance. In addition, of this balance \$0 was restricted for donor projects and operations in future years.

Fair Value of Investments

Quoted market prices are used to determine the fair value of investments in publicly traded equity securities (common and preferred stock). Equity funds, fixed income funds and exchange trade funds are valued using quotes from pricing vendors based on recent trading activity and other observable market data. The fair value of alternative investments is based on the net asset value per share as a practical expedient. Real estate investment trusts (REITS) are valued based on the value that the shares were offered for sale at December 31, 2023.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

2. FINANCIAL INSTRUMENTS (continued)

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

	Fair Value of Assets as of December 31, 2023				
	Level 1	Level 2	Level 3	Total	Cost
Equity Securities					
Mutual funds	\$ 100,351	\$ -	\$ -	\$ -	\$ 100,008
Total assets at fair value	\$ 100,351	\$ -	\$ -	\$ -	\$ 100,008

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

Investments, in general, are exposed to various risks such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes materially affect the amounts reported on the financial statements.

3. UNCONDITIONAL CONTRIBUTIONS RECEIVABLE

Unconditional contributions receivable at December 31, 2023 are as follows:

Receivable in less than one year	\$ 98,826
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No discount is calculated on the unconditional contributions receivable as they are all due within one year of the year ended December 31, 2023.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

4. PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance 1/1/2023	Additions	Deletions	Balance 12/31/2023
Capital assets, being depreciated				
Studio and transmitter equipment	<u>255,922</u>	<u>1,271</u>	<u>-</u>	<u>257,193</u>
Total Capitol assets, being depreciated	<u>255,922</u>	<u>1,271</u>	<u>-</u>	<u>257,193</u>
Capital assets, being amortized				
License, start up costs and website	42,516	-	-	42,516
Leasehold improvements	37,818	-	-	37,818
Operating lease - right-of-use assets	<u>82,953</u>	<u>-</u>	<u>-</u>	<u>82,953</u>
Total capital assets, being amortized	<u>163,287</u>	<u>-</u>	<u>-</u>	<u>163,287</u>
Less accumulated depreciation for				
Studio and transmitter equipment	<u>(188,999)</u>	<u>(10,391)</u>	<u>-</u>	<u>(199,390)</u>
Total accumulated depreciation	<u>(188,999)</u>	<u>(10,391)</u>	<u>-</u>	<u>(199,390)</u>
Less accumulated amortization for				
License, start up costs and website	(24,985)	(2,591)	-	(27,576)
Leasehold improvements	(37,819)	-	-	(37,819)
Operating lease - right-of-use assets	<u>-</u>	<u>(27,651)</u>	<u>-</u>	<u>(27,651)</u>
Total accumulated amortization	<u>(62,804)</u>	<u>(30,242)</u>	<u>-</u>	<u>(93,046)</u>
Total capital assets, net	<u>167,406</u>	<u>(39,362)</u>	<u>-</u>	<u>128,044</u>

Amortization and depreciation expense for the year ended December 31, 2023 was \$30,242 and \$10,391 respectively as seen on the schedule of functional expenses.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

5. VACATION AND SICK LEAVE

An accrued asset for employee vacation earned but not taken, as of December 31, 2023, of (\$699) has been recorded. As a general practice JHCR has allowed employees paid time off towards the end of the year that may be beyond what their paid time off balances allow. This time is then earned back as the employee works in subsequent months.

6. LEASES

JHCR recognizes a lease liability and an intangible right-to-use lease asset in the financial statements. JHCR recognizes lease liabilities with an initial, individual value of \$1,000 or more.

At the commencement of a lease, JHCR initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the life of the lease.

Key estimates and judgments related to leases include how JHCR determined the discount rate it uses to discount expected lease payments to present value, the lease term, and lease payments. JHCR uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, JHCR generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that JHCR is reasonable certain to exercise.

JHCR monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

JACKSON HOLE COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

7. LONG TERM LIABILITY AND CONTINGENCIES

JHCR has a studio and office right-of-use lease contract for a term of 4 years for a monthly rent payment of \$2,211. JHCR originally recorded this obligation at \$84,071. The balance of this obligation at December 31, 2023 was \$53,635.

Obligations of leases and contracts as of December 31, 2023 are as follows:

<u>For the Year Ended December 31</u>	
2024	27,581
2025	26,054
2026	-
2027	-
2028	-
2029 - 2033	-
Total	<u>53,635</u>

8. NET ASSETS WITH DONOR RESTRICTIONS

Net asset balances with donor restrictions are restricted for use as designated by the donor. The total amount of donor restricted net assets as of December 31, 2023 was \$0.

9. RELATED PARTY TRANSACTIONS

JHCR Board of Directors members contributed \$1,000 to JHCR during the year ended December 31, 2023. These amounts are included in contributions as reported on the Statement of Activities.

10. PENDING LITIGATION

JHCR is facing pending litigation for approximately \$219,000 from a former employee of the station. Both sides have filed motions for summary judgment. Those motions will be heard on January 16, 2025. The likelihood of the outcome is unknown at this time.

INDEPENDENT ACCOUNTANT'S REPORT

July 15, 2024

Board of Directors of
Jackson Hole Community Radio, Inc.
Jackson, Wyoming

We have examined the Corporation for Public Broadcasting (CPB) schedule of Non-Federal Financial Support (NFFS) prepared by Jackson Hole Community Radio, Incorporated (JHCR) for the year ended December 31, 2023, to determine whether it has been calculated in accordance with (or based on) the CPB's Fiscal Year 2023 Financial Reporting Guidelines. JHCR's management is responsible for the CPB schedule of NFFS. Our responsibility is to express an opinion on the schedule of NFFS for the year ended December 31, 2023, based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CPB schedule of NFFS is in accordance with (or based on) the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the CPB schedule of NFFS prepared by JHCR. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the CPB schedule of NFFS prepared by JHCR, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the CPB schedule of NFFS prepared by JHCR for the year ended December 31, 2023, has been calculated in accordance with (or based on) the CPB's Fiscal Year 2023 Financial Reporting Guidelines, in all material respects.

This report is intended solely for the information and use of JHCR and CPB and is not intended to be and should not be used by anyone other than the specified parties.

Searle Hart & Associates PLLC

Rexburg, Idaho
July 15, 2024