

Ideastream Public Media  
Financial Report  
September 30, 2024 and 2023



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+ 1111 Superior Avenue, Suite 700, Cleveland, Ohio 44114

+ p 216.363.0100 | f 216.363.0500

+ www.maloneynovotny.com

## Independent Auditors' Report

Board of Trustees  
Ideastream Public Media  
Cleveland, Ohio

### **Opinion**

We have audited the accompanying financial statements of Ideastream Public Media (a nonprofit organization), which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years 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 Ideastream Public Media as of September 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

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

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 Ideastream Public Media's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but it 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 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 Ideastream Public Media'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 Ideastream Public Media'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

*Meloney + Novotny LLC*

Cleveland, Ohio  
December 17, 2024

**Statements of Financial Position**  
**September 30, 2024 and 2023**

	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 563,398	\$ 1,001,525
Contributions receivable, net	5,534,227	5,278,939
Accounts receivable	346,053	270,737
Prepaid expenses, deposits and other	457,091	415,827
<b>Total current assets</b>	<b>6,900,769</b>	6,967,028
Other assets:		
Restricted cash	100,000	200,000
Beneficial interest in remainder trust	9,012	-
Investments at fair value	61,728,830	21,677,080
Contributions receivable, net	-	65,488
Property, plant and equipment, net	5,511,732	5,029,020
Right-of-use assets - operating	4,141,073	4,472,962
Right-of-use assets - financing	96,351	145,332
Broadcast license	2,420,000	2,420,000
Equity method investment and other	5,345,759	6,147,630
<b>Total other assets</b>	<b>79,352,757</b>	40,157,512
<b>Total assets</b>	<b>\$86,253,526</b>	\$47,124,540
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 1,076,302	\$ 88,339
Operating lease liabilities	504,326	331,105
Financing lease liabilities	33,656	45,535
Accrued liabilities and other	1,977,752	2,295,894
<b>Total current liabilities</b>	<b>3,592,036</b>	2,760,873
Long-term liabilities:		
Operating lease liabilities, net of current portion	3,640,064	4,144,389
Financing lease liabilities, net of current portion	55,008	88,933
Statewide collaborative reserves	75,000	150,000
<b>Total long-term liabilities</b>	<b>3,770,072</b>	4,383,322
Net assets:		
Without donor restrictions	72,488,396	33,909,576
With donor restrictions	6,403,022	6,070,769
<b>Total net assets</b>	<b>78,891,418</b>	39,980,345
<b>Total liabilities and net assets</b>	<b>\$86,253,526</b>	\$47,124,540

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

**Ideastream Public Media**
**Statement of Activities**
**Year Ended September 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and support:			
Contributed revenue:			
Individual support	\$ 9,880,440	\$ 612,885	<b>\$10,493,325</b>
Foundation and corporate support	351,335	2,040,737	<b>2,392,072</b>
Underwriting	2,950,238		<b>2,950,238</b>
Government and other public media support	671,672	6,580,189	<b>7,251,861</b>
In-kind contributions	859,229		<b>859,229</b>
Change in value of split interest agreement	(153)	(381)	<b>(534)</b>
Earned revenue:			
Spectrum lease revenue	1,086,447		<b>1,086,447</b>
Other earned revenue	1,036,591		<b>1,036,591</b>
Investment return appropriated for operations	1,757,580	61,216	<b>1,818,796</b>
Net assets released from restrictions	9,252,240	(9,252,240)	<b>-</b>
<b>Total operating revenues and support</b>	<b>27,845,619</b>	<b>42,406</b>	<b>27,888,025</b>
Operating expenses:			
Program service expense	19,634,689		<b>19,634,689</b>
General and administrative	3,009,382		<b>3,009,382</b>
Marketing and development	5,171,924		<b>5,171,924</b>
<b>Total operating expenses</b>	<b>27,815,995</b>		<b>27,815,995</b>
<b>Change in net assets from operating activities before non-recurring revenue</b>	<b>29,624</b>	<b>42,406</b>	<b>72,030</b>
Broadcast asset sale (see Note 10)	34,000,000		<b>34,000,000</b>
<b>Change in net assets from operating activities</b>	<b>34,029,624</b>	<b>42,406</b>	<b>34,072,030</b>
Non-operating activities:			
Loss on equity method investments	(858,289)		<b>(858,289)</b>
Gain on disposal of equipment	13,305		<b>13,305</b>
Investment return, net of return appropriated for operations	5,394,180	289,847	<b>5,684,027</b>
<b>Change in net assets from non-operating activities</b>	<b>4,549,196</b>	<b>289,847</b>	<b>4,839,043</b>
<b>Total change in net assets</b>	<b>38,578,820</b>	<b>332,253</b>	<b>38,911,073</b>
Net assets, beginning of year	33,909,576	6,070,769	<b>39,980,345</b>
Net assets, end of year	<b>\$72,488,396</b>	<b>\$ 6,403,022</b>	<b>\$78,891,418</b>

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

**Statement of Activities**  
**Year Ended September 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and support:			
Contributed revenue:			
Individual support	\$10,130,114	\$ 675,945	<b>\$10,806,059</b>
Foundation and corporate support	371,391	1,687,773	<b>2,059,164</b>
Underwriting	2,872,426		<b>2,872,426</b>
Government and other public media support	450,238	6,707,239	<b>7,157,477</b>
In-kind contributions	745,863		<b>745,863</b>
Change in value of split interest agreement	(173)		<b>(173)</b>
Earned revenue:			
Spectrum lease revenue	2,226,384		<b>2,226,384</b>
Other earned revenue	295,721		<b>295,721</b>
Investment return appropriated for operations	836,157	61,994	<b>898,151</b>
Net assets released from restrictions	9,652,283	(9,652,283)	<b>-</b>
<b>Total operating revenues and support</b>	<b>27,580,404</b>	<b>(519,332)</b>	<b>27,061,072</b>
Operating expenses:			
Program service expense	17,554,911		<b>17,554,911</b>
General and administrative	4,459,109		<b>4,459,109</b>
Marketing and development	4,736,692		<b>4,736,692</b>
<b>Total operating expenses</b>	<b>26,750,712</b>		<b>26,750,712</b>
<b>Change in net assets from operating activities</b>	<b>829,692</b>	<b>(519,332)</b>	<b>310,360</b>
Non-operating activities:			
Loss on equity method investments	(770,903)		<b>(770,903)</b>
Loss on disposal of equipment	(112)		<b>(112)</b>
Investment return, net of return appropriated for operations	1,590,620	110,260	<b>1,700,880</b>
<b>Change in net assets from non-operating activities</b>	<b>819,605</b>	<b>110,260</b>	<b>929,865</b>
<b>Total change in net assets</b>	<b>1,649,297</b>	<b>(409,072)</b>	<b>1,240,225</b>
Net assets, beginning of year	32,260,279	6,479,841	<b>38,740,120</b>
Net assets, end of year	<u>\$33,909,576</u>	<u>\$ 6,070,769</u>	<u><b>\$39,980,345</b></u>

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

# Ideastream Public Media

## Statement of Functional Expenses Year Ended September 30, 2024

	Program Service Expense					General and Administrative	Marketing and Development	Total Expenses by Natural Classification
	News and Information	Arts and Entertainment	Classical and Jazz Music	Education	Total Programming			
Salaries and benefits	\$ 7,206,355	\$ 1,553,488	\$ 1,031,419	\$ 646,435	<b>\$10,437,697</b>	\$ 2,113,280	\$ 2,847,162	<b>\$15,398,139</b>
Program acquisition and affiliation fees	2,248,183	1,126,617	15,619	355,157	<b>3,745,576</b>			<b>3,745,576</b>
Contractors and professional services	1,033,060	584,597	44,338	37,907	<b>1,699,902</b>	239,014	805,059	<b>2,743,975</b>
Depreciation	271,942	319,932	43,601	26,338	<b>661,813</b>	41,388	77,133	<b>780,334</b>
Building rent expense	284,744	51,525	48,813	37,966	<b>423,048</b>	59,661	111,186	<b>593,895</b>
Utilities and telecommunications	363,636	132,135	83,836	26,070	<b>605,677</b>	42,300	76,145	<b>724,122</b>
Premiums and premiums fulfillment					-		180,697	<b>180,697</b>
Printing, postage and shipping	20,969	3,133	3,110	2,824	<b>30,036</b>	6,872	242,061	<b>278,969</b>
Financial expenses	3,171	482	333	203	<b>4,189</b>	3,103	307,938	<b>315,230</b>
Maintenance, repairs and equipment	135,988	31,606	31,307	5,527	<b>204,428</b>	3,097	5,772	<b>213,297</b>
Supplies and equipment	108,320	25,534	16,251	42,194	<b>192,299</b>	10,230	27,260	<b>229,789</b>
Software and hardware	297,174	180,384	90,880	31,028	<b>599,466</b>	147,167	82,276	<b>828,909</b>
Dues and subscriptions	21,109	39,643	184	644	<b>61,580</b>	125,858	22,826	<b>210,264</b>
Advertising	15,232	12,676			<b>27,908</b>	285	285,844	<b>314,037</b>
Equipment purchased for state services	651,714				<b>651,714</b>			<b>651,714</b>
Insurance					-	122,932		<b>122,932</b>
Hospitality	14,465	274	336	1,052	<b>16,127</b>	30,408	71,963	<b>118,498</b>
Meetings, training and travel	99,983	8,687	4,197	14,381	<b>127,248</b>	55,611	19,638	<b>202,497</b>
Tower rent	99,080	7,721	2,578		<b>109,379</b>			<b>109,379</b>
Miscellaneous	33,818	1,325	988	471	<b>36,602</b>	8,176	8,964	<b>53,742</b>
<b>Total expenses by function</b>	<b>\$12,908,943</b>	<b>\$ 4,079,759</b>	<b>\$ 1,417,790</b>	<b>\$ 1,228,197</b>	<b>\$19,634,689</b>	<b>\$ 3,009,382</b>	<b>\$ 5,171,924</b>	<b>\$27,815,995</b>

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



# Ideastream Public Media

## Statement of Functional Expenses Year Ended September 30, 2023

	Program Service Expense					General and Administrative	Marketing and Development	Total Expenses by Natural Classification
	News and Information	Arts and Entertainment	Classical and Jazz Music	Education	Total Programming			
Salaries and benefits	\$ 6,743,660	\$ 1,046,505	\$ 794,303	\$ 611,161	\$ 9,195,629	\$ 2,405,533	\$ 2,548,013	\$14,149,175
Program acquisition and affiliation fees	2,132,428	1,216,763	13,205	336,437	3,698,833			3,698,833
Contractors and professional services	1,153,963	616,638	146,899	22,296	1,939,796	989,373	934,513	3,863,682
Depreciation	263,388	319,298	33,159	19,725	635,570	77,639	82,238	795,447
Building rent expense	316,608	49,132	37,292	28,693	431,725	112,937	119,627	664,289
Utilities and telecommunications	241,298	134,713	61,820	37,082	474,913	165,177	848	640,938
Premiums and premiums fulfillment	1,157				1,157		210,169	211,326
Printing, postage and shipping	1,408	506	259	540	2,713	3,194	298,842	304,749
Financial expenses	2,852	447	205	124	3,628	10,692	296,707	311,027
Maintenance, repairs and equipment	176,194	77,692	35,727	21,482	311,095	51,914		363,009
Supplies and equipment	113,184	11,903	5,335	13,978	144,400	60,916	18,261	223,577
Software and hardware	49,654	8,669	6,030	529	64,882	195,922	1,793	262,597
Dues and subscriptions	53,289	37,496	23	1,755	92,563	81,906	24,329	198,798
Advertising	12,090	14,771		244	27,105	40,592	127,740	195,437
Equipment purchased for state services	261,064				261,064			261,064
Insurance	17,927				17,927	110,121		128,048
Hospitality	25,080	1,750	2,219	1,082	30,131	83,708	45,223	159,062
Meetings, training and travel	83,012	4,842	670	7,578	96,102	68,478	23,561	188,141
Tower rent	51,342	29,296	13,472	8,100	102,210			102,210
Miscellaneous	20,768	1,497	689	514	23,468	1,007	4,828	29,303
<b>Total expenses by function</b>	<b>\$11,720,366</b>	<b>\$ 3,571,918</b>	<b>\$ 1,151,307</b>	<b>\$ 1,111,320</b>	<b>\$17,554,911</b>	<b>\$ 4,459,109</b>	<b>\$ 4,736,692</b>	<b>\$26,750,712</b>

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

**Ideastream Public Media**
**Statements of Cash Flows**  
**Year Ended September 30, 2024 and 2023**

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 38,911,073	\$ 1,240,225
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	780,334	795,447
Amortization of right of use assets - operating	331,889	318,916
(Gain) loss on disposal of equipment	(13,305)	112
Actuarial loss on split interest agreements	534	173
Net realized and unrealized gain on investments	(6,502,835)	(2,059,904)
Change in allowance and discount on long-term contributions receivable	4,512	2,427
Loss on uncollectible contributions receivable	389	11,293
Loss on equity method investments	858,289	770,903
Contributions for long-term purposes	(250,000)	(100,000)
Changes in operating assets and liabilities:		
Accounts and contributions receivable	(279,409)	446,493
Prepaid expenses, deposits and other	(41,264)	(63,101)
Operating lease liabilities	(331,104)	(316,383)
Accounts payable, accrued liabilities and other	20,935	(86,317)
Statewide collaborative reserves	(75,000)	75,000
<b>Net cash provided by operating activities</b>	<b>33,415,038</b>	<b>1,035,284</b>
Cash flows from investing activities:		
Capital expenditures	(639,345)	(1,008,208)
Proceeds from disposal of equipment	13,670	-
Capital contributions to equity method investments	(43,020)	(39,380)
Purchase of investments	(66,581,804)	(4,917,790)
Proceeds from the sale of investments	33,092,046	3,624,934
<b>Net cash used in investing activities</b>	<b>(34,158,452)</b>	<b>(2,340,444)</b>
Cash flows from financing activities:		
Contributions for long-term purposes	250,000	100,000
Principal payments on finance lease obligations	(44,713)	(35,798)
<b>Net cash provided by financing activities</b>	<b>205,287</b>	<b>64,202</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(538,127)</b>	<b>(1,240,958)</b>
Cash, cash equivalents and restricted cash:		
Beginning	1,201,525	2,442,483
Ending	\$ 663,398	\$ 1,201,525
Cash	\$ 563,398	\$ 1,001,525
Restricted cash	100,000	200,000
Cash, cash equivalents and restricted cash at end of year	\$ 663,398	\$ 1,201,525
Supplemental disclosures of cash flow information:		
Non-cash investing activities:		
Capital assets acquired included in accounts payable	\$ 576,176	\$ 95,374
Cash paid for interest	\$ 6,120	\$ 3,369

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

## Ideastream Public Media

### Notes to Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies

**Nature of operations:** Ideastream Public Media ("Ideastream") is an Ohio nonprofit corporation. Publicly supported and locally owned, Ideastream's mission is to be a trusted and dynamic multimedia source for illuminating the world around us. Ideastream services include WVIZ/PBS, with five channels of public television service; WKSU, Northeast Ohio's NPR news and information radio service (see Note 14); WCLV, Northeast Ohio's classical music radio service; JazzNEO, Northeast Ohio's jazz music radio service; Ideastream Education, with educational resources, services and the award-winning children's series NewsDepth; and management of The Ohio Channel, the Ohio Public Radio and Television Statehouse News Bureau and The Ohio Newsroom on behalf of all Ohio's public media stations. Through television, radio, digital and in-person experiences, Ideastream engages with 4 million people in a typical month. Ideastream's free, trusted coverage focuses on four core services: news and information, arts and entertainment, classical and jazz music and education.

**Basis for presentation:** The financial statements have been prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America. Ideastream has reported information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

**Without donor restrictions:** Net assets whose use has not been limited by donors for any period of time or for any specific purpose. Certain net assets without donor restrictions are designated for specific purposes by action of the governing board.

**With donor restrictions:** Net assets whose use by Ideastream is subject to donor-imposed restrictions. Net assets with donor restrictions can either be spendable, where the donor-imposed restrictions can be fulfilled by actions of Ideastream pursuant to those restrictions or that expire by the passage of time, or non-spendable, where the donor-imposed restrictions stipulate the net assets must be maintained permanently. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

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

**Operating and non-operating activities:** For the purpose of the statements of activities, Ideastream considers its changes in net assets without donor restrictions to be operational changes, except for net investment return on endowment investments, income (loss) on equity method investments, gain or (loss) on disposal of equipment and investments return, which are reflected as non-operating activities. In addition, investment return received or earned to be invested by Ideastream to generate a return that will support operations is included in non-operating activities and classified either as net assets without donor restrictions or net assets with donor restrictions.

**Cash and cash equivalents:** Ideastream considers all highly liquid debt instruments with a maturity of 90 days or less to be cash equivalents. Ideastream maintains cash and cash equivalents at financial institutions which, at times, may exceed federally insured amounts and may exceed statement of financial position amounts due to outstanding checks.

## Ideastream Public Media

### Notes to Financial Statements (Continued)

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Restricted cash:** As the managing station of The Ohio Newsroom, Ideastream holds cash reserves from participating stations to support cash flow needs of the project. The restricted cash balance is classified as long-term assets.

**Prepaid expenses, deposits and other assets:** Prepaid expenses, deposits and other assets represent cash payments prior to September 30, 2024 and 2023 for which the related benefit will be recognized in future periods.

**Property, plant and equipment:** Property, plant and equipment is recorded at historical cost or, if contributed, estimated fair value at the date of the contribution, less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful life of the related asset, which ranges from 3 to 40 years. Maintenance and repairs are charged to expense when incurred. Ideastream reviews its investments in property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. There were no impairment losses recognized in 2024 or 2023.

**Operating leases:** Right-of-use ("ROU") assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As Ideastream's leases generally do not include an implicit rate, Ideastream used the risk-free rate over the time frame of the lease to determine the present value of future payments. The operating lease ROU asset also includes any payments made and excludes lease incentives and any initial direct costs incurred. Ideastream's operating lease ROU assets and operating lease liabilities are calculated including options to extend the lease when it is reasonably certain that Ideastream will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the term of the lease.

**Broadcast license:** The intangible asset represents the appraised value of the radio station license for WCLV transferred to Ideastream from Radio Seaway, Inc. in 2021. The station license is deemed to have an indefinite life and is not amortized but is subject to periodic impairment tests. Management reviews the station license annually for impairment; additional tests for potential impairment are performed if warranted by the occurrence of events or changes in circumstances between annual tests that indicate the station license may be impaired. There was no impairment identified by Ideastream for the years ended September 30, 2024 and 2023.

**Statewide collaborative reserves:** Reserve funding payments received from other participating Ohio public media stations in The Ohio Newsroom, held as restricted cash, are recorded as a long-term liability.

**Revenue recognition:** Revenue is recognized when deemed to be earned, based upon the characteristics of the revenue streams:

Contributed revenue: Contributions, including unconditional promises to give and government contracts or grants deemed to be contributions, are recognized as revenues in the period received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Conditional promises to give related to the following programs at September 30, 2024 and 2023:

Notes to Financial Statements (Continued)

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**Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

**Revenue recognition (Continued):**

- The Fred Roger's Company educational grant amounted to \$10,000 and \$-0-, respectively.
- Ohio Learns 360 educational program amounted to \$-0- and \$297,409, respectively.
- America Amplified 3.0 news grant amounted to \$2,500 and \$-0-, respectively.
- Capital matching grants amounted to \$-0- and \$300,383, respectively.

In addition, Ideastream has received conditional underwriting contributions from various donors, the value of which depends on the timing of recognition in future periods.

Contributions of services, or in-kind revenue, are not recognized unless the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Earned revenue: Revenue from exchange transactions is recognized as revenues in the period when they have been realized or are realizable and are deemed to have been earned by delivering or producing goods, rendering services or substantially accomplishing what must be done in order to be entitled to the benefits represented by the revenue. Earned revenue for the years ended September 30, 2024 and 2023 has been recognized at a point in time.

**In-kind revenue and expense:** In-kind contributions consist of donated material and professional services for exempt purposes, and are recognized at the time the services are performed, or goods received. Revenues and expenses of contributed support are presented throughout the applicable revenue and expense categories for which the support was contributed in the statements of activities. For the years ended September 30, 2024 and 2023, \$835,254 and \$720,288, respectively, of in-kind contributions were recognized related to programming and production services and \$23,975 and \$25,575, respectively, for professional general and administrative services.

**Federal income tax:** Ideastream qualifies as an organization exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code ("IRC"). As such, Ideastream is generally not subject to federal or state income taxes except for amounts derived from unrelated business activities as defined by the IRC.

The FASB provides guidance for how uncertain income tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing Ideastream's tax returns to determine whether the tax positions are more-likely-than-not of being sustained when challenged or when examined by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. For the years ended September 30, 2024 and 2023, management has determined there are no uncertain tax positions.

**Functional allocation of expenses:** The costs of program and supporting service activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy related charges on a square footage basis, with the remaining expenses which are allocated on the basis of estimates of time and effort.

## Ideastream Public Media

### Notes to Financial Statements (Continued)

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Reclassification:** Certain reclassifications have been made to prior year balances to conform to the current year presentation.

**Subsequent events:** Ideastream has evaluated all events subsequent to the statement of financial position date of September 30, 2024, through December 17, 2024, which is the date these financial statements were available to be issued.

#### Note 2. Receivables

The balances of the various receivables based on anticipated collection are as follows for the years ended September 30:

	<u>2024</u>	<u>2023</u>
Contributions receivable, net:		
Foundation, corporate and government	\$4,599,591	\$4,444,224
Underwriting	621,330	528,294
Individuals	346,695	409,421
Accounts receivable	<u>346,053</u>	<u>270,737</u>
	5,913,669	5,652,676
Less: allowance for uncollectible contributions	33,389	33,000
Less: discount on contributions receivable	<u>-</u>	<u>4,512</u>
<b>Total receivables</b>	<u><b>\$5,880,280</b></u>	<u><b>\$5,615,164</b></u>

Ideastream is aware it is named as a beneficiary in a number of wills and life insurance policies totaling approximately \$3,539,500 at September 30, 2024 and 2023. Because a will or life insurance policy can be modified at any time prior to death, Ideastream deems these to be intentions to give and, as such, are not reflected in the financial statements of Ideastream.

Ideastream uses the allowance method to account for uncollectible contribution receivables. The allowance for doubtful accounts is based on historical experience, present market conditions and an evaluation of the outstanding receivables at the end of the year. At September 30, 2024 and 2023, the allowance balance was \$33,389 and \$33,000, respectively. Pledges and contributions receivable which have a due date of greater than one year are shown at net present value using a discount rate of one month Bloomberg Short-Term Bank Yield Index ("BSBY") + 1.50% at the date of the contribution.

Ideastream uses the CECL method to estimate uncollectible receivables. Management has determined that any allowance would be immaterial to these financial statements. As such, no allowance for credit losses related to accounts receivable is recorded as of September 30, 2024.

## Ideastream Public Media

### Notes to Financial Statements (Continued)

#### Note 3. Investments

Investments consisted of the following at September 30:

	<u>2024</u>	<u>2023</u>
Investments at fair value		
Money market funds	\$ 1,623,096	\$ 1,360,064
Mutual funds	52,541,477	18,243,496
Private equity funds measured at NAV	5,456,788	185,199
Pooled investment funds	<u>2,107,469</u>	<u>1,888,321</u>
<b>Total investments at fair value</b>	<b><u>\$61,728,830</u></b>	<b><u>\$21,677,080</u></b>
Equity method investments and other		
Investment in OPS Investors, Ltd.	\$ 4,906,425	\$ 5,665,762
Investment in 6600 Broadview, LLC	371,333	427,265
CSV life insurance	<u>68,001</u>	<u>54,603</u>
<b>Total equity method investments and other</b>	<b><u>\$ 5,345,759</u></b>	<b><u>\$ 6,147,630</u></b>

Investment income, excluding activities related to the investment in OPS Investors, Ltd. and 6600 Broadview, LLC, was comprised of the following for the years ended September 30:

	<u>2024</u>	<u>2023</u>
Interest and dividends, net of fees	\$ 999,988	\$ 539,126
Realized and unrealized gains, net	<u>6,502,835</u>	<u>2,059,905</u>
	<b><u>\$ 7,502,823</u></b>	<b><u>\$ 2,599,031</u></b>

*Investments at fair value:* Investments at fair value consist of marketable investments, securities with maturities of over one year, investments in exchange traded funds, equity securities, mutual funds and money market funds that are recorded at market value, based on quoted market prices.

Ideastream is invested in a private equity group that holds assets for which there is no active market, generally referred to as "alternative investments." Ideastream relies on the funds' net asset value ("NAV") as a practical expedient for the fair value, as reported by the fund manager. As such, these investments are excluded from the fair value hierarchy. Because of the inherent uncertainty of the valuations, the fair values may differ significantly from values that would have been used had a ready market for these investments existed. Unfunded commitments will be funded through redistribution of investment funds. The following table summarizes the nature and risk of investments measured at NAV as of September 30, 2024:

## Ideastream Public Media

### Notes to Financial Statements (Continued)

#### Note 3. Investments (Continued)

		Fair Value at September 30, 2024	Unfunded Commitments	Redemption Frequency	Redemption Notice
Global equity limited partnership	(a)	\$2,646,418	\$ -	Monthly	13-16 days
Global equity limited liability corporation	(b)	2,331,962	-	Daily	1-3 days
Private equity platform limited partnerships	(c)	<u>478,408</u>	<u>1,035,724</u>	None	N/A
<b>Total investments measured at NAV</b>		<u>\$5,456,788</u>	<u>\$1,035,724</u>		

The following table summarizes the nature and risk of investments measured at NAV as of September 30, 2023:

		Fair Value at September 30, 2023	Unfunded Commitments	Redemption Frequency	Redemption Notice
Private equity platform limited partnerships	(c)	\$ 185,199	\$ 814,801	None	N/A

- (a) This class includes investment in a fund invested in both U.S. and non-U.S. issued equity securities, including securities of emerging market companies. The fair value of the investment in this class has been estimated using the NAV of Ideastream's ownership interest in capital.
- (b) This class includes investment in a fund invested in shares of companies from around the world that are typically associated with global brands or franchises. The fair value of the investment in this class has been estimated using the NAV of Ideastream's ownership interest in capital.
- (c) This class includes investments in private securities through a consolidated private equity platform in which Ideastream invests in annual series, which are comprised of a grouping of private equity funds. The underlying funds are invested in distressed assets, special situation investments, growth equity, venture capital or private equity buyout funds. The fair values of the investments in this class have been estimated using the NAV of Ideastream's ownership interest in capital. Distributions from each fund will be received as the underlying investments of the funds are liquidated. Effective dates of liquidation have not yet been determined. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the NAV of Ideastream's ownership in partners' capital.

*Pooled investment funds:* Ideastream participates in a pooled fund held and managed by the Cleveland Foundation. The Cleveland Foundation provides the fair value of Ideastream's interest in the pooled fund, which amounted to \$2,107,469 and \$1,888,321 as of September 30, 2024 and 2023, respectively. The underlying assets in the pooled fund consist of securities, whose fair value is based on quoted market prices, in addition to alternative investments for which a readily determined fair value does not exist. The fair value of the alternative investment portfolio is determined based on valuations received by The Cleveland Foundation from the underlying fund managers.



## Ideastream Public Media

### Notes to Financial Statements (Continued)

#### Note 3. Investments (Continued)

*Equity method investments and other:* The equity method investments and other which consist of investments in OPS Investors, Ltd. and 6600 Broadview, LLC are approximately 50% interests and are being accounted for on the equity method. Additionally, Ideastream is the owner of a life insurance policy, which is valued at its cash surrender value of \$68,001 and \$54,603 as of September 30, 2024 and 2023, respectively.

In 2005, Ideastream invested in OPS, LLC to partner with Playhouse Square Foundation in the redevelopment and joint occupancy of the Idea Center at Playhouse Square ("Idea Center"). In 2017, the interest in OPS, LLC was exchanged for an interest in OPS Investors, Ltd. As of September 30, 2024 and 2023, the equity balance of the investment was \$4,906,425 and \$5,665,762, respectively. In 2009, Ideastream invested in 6600 Broadview, LLC with WKYC-TV, a local television station, to build, equip and operate a shared broadcasting tower. As of September 30, 2024 and 2023, the equity balance of the investment was \$371,333 and \$427,265, respectively.

As of September 30, the assets, liabilities and net results of operations of OPS Investors, Ltd. and 6600 Broadview, LLC were as follows:

	<u>2024</u>	<u>2023</u>
OPS Investors, Ltd.		
Assets	\$21,582,111	\$23,071,906
Liabilities	11,769,261	11,740,383
Net results of operations	(1,518,674)	(1,371,480)
6600 Broadview, LLC		
Assets	\$ 791,064	\$ 873,445
Liabilities	33,242	1,476
Net results of operations	(201,943)	(173,806)

#### Note 4. Fair Value Measurements

The Fair Value Measurements and Disclosures Topic of the FASB ASC defines fair value as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are classified into three levels:

Level 1 – Quoted market prices in active markets for identical assets and liabilities

Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data

Level 3 – Unobservable inputs in which little or no market data exists

The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Ideastream's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels. The following tables set forth by level within the fair value hierarchy Ideastream's financial assets and liabilities that were accounted for at a fair value on a recurring basis as of:

# Ideastream Public Media

## Notes to Financial Statements (Continued)

### Note 4. Fair Value Measurements (Continued)

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Long-term investments:				
Money market funds		\$ 1,623,096		\$ 1,623,096
Mutual funds	\$52,541,477			52,541,477
Pooled investment funds		2,107,469		2,107,469
	<u>\$52,541,477</u>	<u>\$ 3,730,565</u>	<u>\$ -</u>	56,272,042
Private equity funds measured at NAV				<u>5,456,788</u>
				<u>\$61,728,830</u>
	September 30, 2023			
	Level 1	Level 2	Level 3	Total
Long-term investments:				
Money market funds		\$ 1,360,064		\$ 1,360,064
Mutual funds	\$18,243,496			18,243,496
Pooled investment funds		1,888,321		1,888,321
	<u>\$18,243,496</u>	<u>\$ 3,248,385</u>	<u>\$ -</u>	21,491,881
Private equity funds measured at NAV				<u>185,199</u>
				<u>\$21,677,080</u>

Money market funds: Money market funds consist of investments in various bank money market funds which are valued at \$1 per share, as quoted by the fund managers, and are classified as Level 2.

Mutual funds: Mutual funds represent investments in publicly traded mutual funds and exchange traded funds which focus on a variety of industries and strategies, which are valued using quoted prices in active markets, and are classified as Level 1.

Refer to Note 3 for details regarding NAV and pooled investment funds classification.

### Note 5. Net Assets

Ideastream's governing board has designated, from net assets without donor restrictions, net assets for the following purposes as of September 30:

	<u>2024</u>	<u>2023</u>
Board-designated endowment, including accumulated earnings	\$59,484,749	\$20,032,005
Operations of Ohio Governmental Telecommunications	1,089,383	1,632,968
Operations of Statehouse News Bureau	<u>417,906</u>	<u>506,947</u>
	<u>\$60,992,038</u>	<u>\$22,171,920</u>

**Ideastream Public Media****Notes to Financial Statements (Continued)****Note 5. Net Assets (Continued)**

Net assets with donor restrictions were as follows as of September 30:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purpose:		
Local production support	\$ 1,317,237	\$ 1,122,969
Broadcast support and program acquisition	397,395	552,806
Education programs	275,188	330,141
Other	<u>50,000</u>	<u>109,592</u>
	2,039,820	2,115,508
Subject to the passage of time:		
For periods after September 30, 2024 and 2023	2,392,988	2,524,894
Subject to Ideastream's spending policy and appropriation:		
Investment in perpetuity (including amounts above original gift amount of \$1,476,414), which, once appropriated, is expendable to support:		
Program acquisition, production, and development	1,153,244	961,832
General operations	<u>816,970</u>	<u>468,535</u>
	<u>1,970,214</u>	<u>1,430,367</u>
<b>Total net assets with donor restrictions</b>	<b><u>\$ 6,403,022</u></b>	<b><u>\$ 6,070,769</u></b>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

	<u>2024</u>	<u>2023</u>
Purpose restrictions accomplished:		
Local production support	\$ 1,787,059	\$ 1,949,745
Broadcast support and program acquisition	426,548	563,329
Education programs	414,774	411,903
Other	<u>317,473</u>	<u>620,556</u>
	2,945,854	3,545,533
Time restrictions expired:		
Passage of specified time	6,245,170	6,044,756
Release of appropriated endowment amounts without purpose restrictions	16,958	17,174
Release of appropriated endowment amounts with purpose restrictions	<u>44,258</u>	<u>44,820</u>
<b>Total restrictions released</b>	<b><u>\$ 9,252,240</u></b>	<b><u>\$ 9,652,283</u></b>

Notes to Financial Statements (Continued)

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**Note 6. Endowment Funds**

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

**Interpretation of relevant law:** Ideastream's interpretation of The Uniform Prudent Management of Institutional Funds Act ("UPMIFA") is as follows:

The portion of a donor-restricted endowment fund that Ideastream classifies in net assets with donor restrictions is the original gift value plus the value of subsequent gifts to the endowment. It is not reduced by losses on the investments, except to the extent required by the donor, or by appropriations from the endowment fund. The accumulated portion of a donor-restricted fund is considered to be with donor restrictions until appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

Ideastream uses the following criteria, per UPMIFA and the Ohio Revised Code, to determine whether to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of Ideastream and the donor-restricted fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The total return from income and appreciation of investments
6. Other resources of Ideastream
7. The investment policies of Ideastream

**Investment return objectives and risk parameters:** Ideastream has adopted investment and spending policies, approved by the Board of Trustees, that aim to provide a predictable source of funding to meet the Board approved spending policy and to increase the value of the invested funds to ensure that future needs can be met.

**Strategies to achieve investment objectives:** Ideastream targets a diversified asset allocation with a focus on equity investments as the allocation to equities will be the driver for growth.

**Spending policy and how the investment objectives related to the spending policy:** The Board approved spending policy allows for Ideastream to transfer up to 5%, annually, of the rolling 12-quarter average market value of the endowment funds, which will be used for operations in order to allow for long-term growth of funds.

**Funds with deficiencies:** From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Ideastream to retain as a fund of perpetual duration. These deficiencies result from unfavorable market fluctuations that occur after the investment of new contributions restricted in perpetuity have been received. No such deficiencies existed in Ideastream's endowment funds as of September 30, 2024 and 2023.

## Ideastream Public Media

### Notes to Financial Statements (Continued)

#### Note 6. Endowment Funds (Continued)

Endowment asset composition by type of fund at September 30:

	2024		Total
	Without Donor Restrictions	With Donor Restrictions	
Board-designated endowment funds:			
Original funding of board-designated endowment funds	\$ 48,613,947		\$ 48,613,947
Donor-restricted endowment funds:			
Original donor-restricted gift amounts required to be maintained in perpetuity by donor		\$ 1,476,414	1,476,414
Accumulated investment gains	<u>10,870,802</u>	<u>493,800</u>	<u>11,364,602</u>
	<u>\$ 59,484,749</u>	<u>\$ 1,970,214</u>	<u>\$ 61,454,963</u>
	2023		Total
	Without Donor Restrictions	With Donor Restrictions	
Board-designated endowment funds:			
Original funding of board-designated endowment funds	\$ 15,354,656		\$ 15,354,656
Donor-restricted endowment funds:			
Original donor-restricted gift amounts required to be maintained in perpetuity by donor		\$ 1,226,414	1,226,414
Accumulated investment gains	<u>4,677,349</u>	<u>203,953</u>	<u>4,881,302</u>
	<u>\$ 20,032,005</u>	<u>\$ 1,430,367</u>	<u>\$ 21,462,372</u>

The board-designated endowment funds were established by the Board of Trustees to support current and future needs of Ideastream. Although Ideastream does not intend to spend from these board-designated endowment funds (other than the amounts appropriated for general expenditure per the spending policy or specific fund resolution), these amounts could be made available if necessary.

**Ideastream Public Media****Notes to Financial Statements (Continued)****Note 6. Endowment Funds (Continued)**

Changes in endowment assets for the year ended September 30:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets, beginning of year	\$ 20,032,005	\$ 1,430,367	\$ 21,462,372
Donor-restricted endowment gifts		250,000	250,000
Investment return, net	7,151,760	351,063	7,502,823
Appropriation of endowment assets for expenditure	(1,699,016)	(61,216)	(1,760,232)
Other changes:			
Transfers to board-designated endowment funds	34,000,000		34,000,000
<b>Endowment assets, end of year</b>	<b><u>\$ 59,484,749</u></b>	<b><u>\$ 1,970,214</u></b>	<b><u>\$ 61,454,963</u></b>

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets, beginning of year	\$ 16,891,871	\$ 1,220,107	\$ 18,111,978
Donor-restricted endowment gifts		100,000	100,000
Investment return, net	2,402,482	172,254	2,574,736
Appropriation of endowment assets for expenditure	(836,157)	(61,994)	(898,151)
Other changes:			
Transfers to board-designated endowment funds	1,573,809		1,573,809
<b>Endowment assets, end of year</b>	<b><u>\$ 20,032,005</u></b>	<b><u>\$ 1,430,367</u></b>	<b><u>\$ 21,462,372</u></b>

**Note 7. Retirement Plan**

Ideastream sponsors a retirement plan under Section 403(b) of the Internal Revenue Code through the Teachers Insurance and Annuity Association-College Retirement Equities Fund. The Plan is a defined contribution plan, which permits participant contributions and covers all full-time employees of Ideastream meeting certain eligibility requirements. Ideastream matches employees' contributions to the Plan up to 5% of eligible compensation. Ideastream's contribution to the Plan was \$503,733 and \$464,511 for the years ended September 30, 2024 and 2023, respectively.

**Note 8. Line of Credit**

Ideastream has available a line of credit with a local financial institution, which expires in April 2025. The line of credit is secured by certain investments of Ideastream and allows for maximum borrowings of \$2,500,000. The agreement provides that interest will be charged on the outstanding balance at a rate of the one-month BSBY plus 1.50%. At September 30, 2024 and 2023, there was no outstanding balance on the line of credit.

## Ideastream Public Media

### Notes to Financial Statements (Continued)

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#### Note 9. Operating Leases

Ideastream has an operating lease with OPS Investors, Ltd. to lease space in the Idea Center. The lease expires on October 31, 2030, carries one additional five-year renewal option, and requires a monthly base rent payment of \$37,504 plus a pro-rata share of operating costs determined annually. Ideastream also has multiple operating leases for tower sites with various expiration dates through September 2026, calling for payments ranging from \$150 to \$3,845.

The following table displays the undiscounted cash flows related to operating leases as of September 30, 2024, along with a reconciliation to the discounted amount recorded on the statement of financial position. Minimum lease payments under non-cancellable leases due within the years ended September 30 were as follows:

2025	\$ 504,326
2026	477,914
2027	455,850
2028	454,313
2029	454,378
Thereafter	<u>2,758,052</u>
Total undiscounted cash flows	5,104,833
Impact of present value discount	<u>(960,443)</u>
<b>Total operating lease liabilities</b>	<b><u>\$4,144,390</u></b>

Lease expense from all arrangements was approximately \$703,000 and \$715,000 for the years ended September 30, 2024 and 2023, respectively. For the years ended September 30, 2024 and 2023, operating lease expense was approximately \$503,000 and \$503,000, respectively, and variable and short-term lease expense was approximately \$200,000 and \$212,000, respectively. Cash paid against the lease liability under these arrangements was \$331,104 and \$316,383 for the years ended September 30, 2024 and 2023, respectively, and is included in operating cash flows.

As of September 30, 2024 and 2023, the weighted-average remaining lease term for all operating leases was 10.9 and 11.8 years, respectively. Because Ideastream generally does not have access to the rate implicit in the lease, Ideastream utilizes the risk-free rate as the discount rate. The weighted-average discount rate associated with operating leases as of September 30, 2024 and 2023 was 4.0%.

#### Note 10. Spectrum Lease Revenue

During 2007, Ideastream entered into agreements to allow two different telecommunications organizations access to excess capacity on educational broadband spectrum licensed to Ideastream by the FCC. Under the agreements, the telecommunications organizations made an initial payment with additional payments to be made for the next 21 years, with incremental increases every five years.

## Ideastream Public Media

### Notes to Financial Statements (Continued)

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#### Note 10. Spectrum Lease Revenue (Continued)

On April 23, 2024, Ideastream entered into an agreement (the "Agreement") with a telecommunication organization to sell its license to multiple Educational Broadband Service ("EBS") subchannels. The EBS licenses had been acquired by WVIZ-TV in the mid 1960s (and, at the time, were called Instructional Television Fixed Service, or ITFS, licenses) as a way to deliver educational programming directly to Northeast Ohio area schools. Programming delivered by WVIZ-TV through the EBS spectrum included the award-winning children's series NewsDepth, created circa 1970 and still produced by Ideastream today. By the early 2000s, digital content distribution had surpassed EBS as the most cost-effective method of delivering educational programming to schools. The Agreement signed on April 23, 2024 terminated the lease agreements with the telecommunications organizations.

Revenue from the sale of the EBS licenses is shown as non-recurring revenue on Ideastream's statement of activities. From proceeds of sale, the Ideastream Board of Trustees created the Betty Cope Legacy Fund, a board-designated endowment fund established to support the mission and general operations of Ideastream Public Media. The fund honors the legacy of Ms. Betty Cope, founding General Manager of WVIZ-TV and the first female leader of a major-market television station in the United States. Ms. Cope served as the President and General Manager of WVIZ-TV for 27 years, developing an innovative, multi-channel television service for area schools and originating local series about antiques, literature and compelling personalities, predating those that would become PBS favorites. Her leadership, stewardship and concept of educating through television is a lasting legacy for the people of Northeast Ohio.

#### Note 11. Property, Plant and Equipment

Property, plant and equipment consists of the following at September 30:

	<u>2024</u>	<u>2023</u>
Broadcast and production equipment	\$ 8,739,347	\$11,011,821
Office equipment and fixtures	1,845,912	1,815,699
Leasehold improvements	813,820	823,856
Recovery and continuity equipment	316,804	-
Art	24,200	24,200
Capital projects in progress	<u>268,851</u>	<u>671,739</u>
	12,008,934	14,347,315
Less accumulated depreciation	<u>(6,497,202)</u>	<u>(9,318,295)</u>
<b>Property, plant and equipment, net</b>	<u><b>\$ 5,511,732</b></u>	<u><b>\$ 5,029,020</b></u>

Ideastream obtained funding from the state of Ohio for Ohio Government Telecommunications Service ("OGT") which enables Ideastream to purchase property and equipment; however, Ideastream does not own the equipment. As long as the equipment is used in accordance with the grant, Ideastream is able to continue to use the property and equipment. For the years ended September 30, 2024 and 2023, Ideastream utilized property and equipment from OGT with a cost of \$651,714 and \$261,064, respectively.



## Ideastream Public Media

### Notes to Financial Statements (Continued)

#### Note 12. Financing Leases

Ideastream leases certain equipment and vehicles under agreements that are classified as financing leases. At September 30, 2024 and 2023, the cost of equipment under financing leases is \$221,316 and \$243,728, respectively. Amortization of assets under financing leases is included in depreciation expense and amounted to \$48,176 and \$39,461 for the years ended September 30, 2024 and 2023, respectively. The future minimum lease payments required under the finance leases and the present value of the net minimum lease payments at September 30, 2024 are as follows:

2025	\$ 33,656
2026	28,859
2027	23,121
2028	<u>9,956</u>
Total minimum lease payments	95,592
Less: amounts representing maintenance and interest	<u>(6,928)</u>
<b>Present value of lease payments</b>	<u><u>\$ 88,664</u></u>

As of September 30, 2024 and 2023, the weighted-average remaining lease term for all finance leases is 3.0 and 3.6 years, respectively, and the weighted-average discount rate associated with finance leases is 3.8% and 3.9%, respectively.

#### Note 13. Liquidity and Availability

Ideastream regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, Ideastream considers all expenditures related to its ongoing activities of program services and development as well as the conduct of services undertaken to support those activities to be general expenditures. The following table shows financial assets held by Ideastream reduced by the amounts unavailable to meet general expenditures due to contractual or donor restrictions:

	<u>2024</u>	<u>2023</u>
Financial assets as of September 30:		
Cash and cash equivalents	\$ 563,398	\$ 1,001,525
Accounts and contributions receivable, net	5,880,280	5,615,164
Investments at fair value	<u>61,728,830</u>	<u>21,677,080</u>
<b>Total financial assets</b>	<u>68,172,508</u>	<u>28,293,769</u>
Less amounts not available within one year for general expenditures:		
Endowment corpus, restricted in perpetuity	(1,476,414)	(1,226,414)
Endowment earnings, net of estimated appropriation for next 12 months (\$69,000 and \$65,000 for 2025 and 2024, respectively)	(424,800)	(138,953)
Board-designated endowment funds, net of estimated appropriation for next 12 months (\$3,331,520 and \$922,386 for 2025 and 2024, respectively)	(56,153,229)	(19,109,619)
Net assets restricted by donor for either purpose or time, net of estimated releases for next 12 months (\$4,424,000 and \$4,610,000 for 2024 and 2023, respectively)	<u>(8,808)</u>	<u>(52,500)</u>
<b>Total financial assets available for general expenditures over next 12 months</b>	<u><u>\$ 10,109,257</u></u>	<u><u>\$ 7,766,283</u></u>

## Ideastream Public Media

### Notes to Financial Statements (Continued)

#### Note 13. Liquidity and Availability (Continued)

Ideastream anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statements of cash flows which identifies the sources and uses of Ideastream's cash for the fiscal years ended September 30, 2024 and 2023.

Ideastream's governing board has designated a portion of its unrestricted resources for endowment and other purposes. Those amounts are identified as board-designated in the table above. The board-designated endowment is subject to an annual maximum spending rate of 5% as described in Note 6, except for the short-term investment fund which has its own spend policy per its board resolution. Although Ideastream does not intend to spend from this board-designated endowment (other than the amounts appropriated for general expenditure per the spending policies), these amounts could be made available if necessary.

Ideastream also has a line of credit available to meet short-term needs. See Note 8 for information about this arrangement.

#### Note 14. Collaborative Arrangement

In October 2021, Ideastream entered into a Program Service Operating Agreement ("PSOA") with Kent State University ("KSU") for the operation of the WKSU-FM network of frequencies. Ideastream assumed responsibility for the operation of the station and repeater signals, while KSU remained the licensee. Ideastream and KSU also executed a Memorandum of Understanding, which sets forth the administrative understandings of Ideastream and KSU during the term of the PSOA, including certain expenses related to the operation and maintenance of transmission assets for which Ideastream must reimburse KSU. The PSOA is effective for 10 years through September 2031 and automatically extends for two 5 year terms unless Ideastream or KSU provides written notice to the other at least 18 months prior to the conclusion of the then-current term. During the years ended September 30, 2024 and 2023, Ideastream recognized the following revenue and expense, included in the statements of activities, related to the operation of WKSU-FM and its repeater signals:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and support:			
Contributed revenue:			
Individual support	\$ 3,938,866	\$ 177,156	\$ 4,116,022
Foundation and corporate support	129,995	684,385	814,380
Underwriting	2,119,295		2,119,295
Government and other public media support	51,922	770,337	822,259
In-kind contributions	362,966		362,966
Change in value of split interest agreements	(61)		(61)
Earned revenue:			
Other earned revenue	246,057		246,057
Investment return appropriated for operations	83,381	9,392	92,773
Net assets released from restrictions	1,317,159	(1,317,159)	-
<b>Total operating revenues and support</b>	<b>8,249,580</b>	<b>324,111</b>	<b>8,573,691</b>
<b>Total operating expenses</b>	<b>10,535,129</b>		<b>10,535,129</b>
<b>Change in net assets from operating activities</b>	<b>\$ (2,285,549)</b>	<b>\$ 324,111</b>	<b>\$ (1,961,438)</b>

# Ideastream Public Media

## Notes to Financial Statements (Continued)

### Note 14. Collaborative Arrangement (Continued)

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and support:			
Contributed revenue:			
Individual support	\$ 4,642,697	\$ 96,435	\$ 4,739,132
Foundation and corporate support	143,091	339,914	483,005
Underwriting	2,021,061		2,021,061
Government and other public media support	97,293	683,299	780,592
In-kind contributions	311,899		311,899
Earned revenue:			
Other earned revenue	53,954		53,954
Investment return appropriated for operations	266,863	2,451	269,314
Net assets released from restrictions	1,275,880	(1,275,880)	-
<b>Total operating revenues and support</b>	<b>8,812,738</b>	<b>(153,781)</b>	<b>8,658,957</b>
<b>Total operating expenses</b>	<b>8,999,986</b>		<b>8,999,986</b>
<b>Change in net assets from operating activities</b>	<b>\$ (187,248)</b>	<b>\$ (153,781)</b>	<b>\$ (341,029)</b>