WHITE PINE COMMUNITY BROADCASTING, INC.

Audited Financial Statements

For the Years Ended
September 30, 2024 and 2023

KerberRose

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WHITE PINE COMMUNITY BROADCASTING, INC.

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September 30, 2024 and 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
White Pine Community Broadcasting, Inc.
Rhinelander, Wisconsin

Opinion

We have audited the accompanying financial statements of White Pine Community Broadcasting, Inc. (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 financial statements referred to above present fairly, in all material respects, the financial position of White Pine Community Broadcasting, Inc., 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of White Pine Community Broadcasting, Inc. 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 White Pine Community Broadcasting, Inc.'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 Audit of the Financial Statements

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

To the Board of Directors
White Pine Community Broadcasting, Inc.

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 White Pine Community Broadcasting, 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 White Pine Community Broadcasting, 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.

KerberRose SC

KerberRose SC
Certified Public Accountants
Shawano, Wisconsin
February 28, 2025

FINANCIAL STATEMENTS

WHITE PINE COMMUNITY BROADCASTING, INC.

Statements of Financial Position

As of September 30, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash	$ 558,238	$ 279,767
Unconditional Promises to Give, Net	14,194	2,027
Underwriting Receivables, Net	1,688	16,128
Grants Receivable	9,000	19,738
Miscellaneous Receivables	1,476	4,366
Prepaid Expenses	8,962	498
Total Current Assets	593,558	322,524
Property and Equipment		
Land	16,262	16,262
Buildings and Improvements	492,555	492,555
Broadcasting Equipment	866,915	865,509
Furniture and Equipment	55,435	53,488
Total Property and Equipment	1,431,167	1,427,814
Less: Accumulated Depreciation	1,151,960	1,098,744
Net Property and Equipment	279,207	329,070
Right-Of-Use Assets, Net of Accumulated Amortization	12,539	15,811
Total Property and Equipment	291,746	344,881
Other Assets		
Investments Held by Morgan Stanley	106,349	376,772
Investments Held by Heck Capital Advisors	-	76,965
Wisconsin Unemployment Certificate of Deposit	6,040	6,075
Beneficial Interest in Community Foundation of North Central Wisconsin	265,358	223,616
Total Other Assets	377,747	683,428
TOTAL ASSETS	$ 1,263,051	$ 1,350,833
Liabilities and Net Assets		
Current Liabilities		
Current Maturities of Financing Lease Liabilities	$ 3,001	$ 3,001
Accounts Payable	9,823	13,907
Accrued Payroll and Payroll Taxes	31,804	32,060
Deferred Revenue	13,212	12,111
Total Current Liabilities	57,840	61,079
Long-Term Liabilities		
Financing Lease Liabilities	9,562	12,563
Total Liabilities	67,402	73,642
Net Assets		
Without Donor Restrictions:		
Investment in Property and Equipment	279,183	329,070
Undesignated	538,792	611,465
Board Designated	301,398	259,691
Total Net Assets Without Donor Restrictions	1,119,373	1,200,226
With Donor Restrictions	76,276	76,965
Total Net Assets	1,195,649	1,277,191
TOTAL LIABILITIES AND NET ASSETS	$ 1,263,051	$ 1,350,833

See Accompanying Notes

WHITE PINE COMMUNITY BROADCASTING, INC.

Statement of Activities

For the Year Ended September 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES			
REVENUES AND OTHER SUPPORT			
Public Support:			
Contributions	$ 399,255	$ 2,745	$ 402,000
Contributions - Nonfinancial Assets	165,824	-	165,824
Underwriting	56,187	-	56,187
Grants	121,536	43,729	165,265
Rental Revenue	57,209	-	57,209
Special Events			
Event Income	96,772	-	96,772
Event Income - Nonfinancial Assets	16,000	-	16,000
Net Assets Released from Restrictions	43,729	(43,729)	-
Total Revenues and Other Support	956,512	2,745	959,257
EXPENSES			
Programming and Production	304,580	-	304,580
Broadcasting	56,593	-	56,593
Program Information	51,066	-	51,066
Management and General	434,865	-	434,865
Fundraising	190,900	-	190,900
Grant Solicitation and Underwriting	62,425	-	62,425
Total Expenses	1,100,429	-	1,100,429
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	(143,917)	2,745	(141,172)
NONOPERATING ACTIVITIES			
Other Income	1,869	-	1,869
Investment Gain	8,453	-	8,453
Change in Endowment	52,742	(3,434)	49,308
Total Nonoperating Activities	63,064	(3,434)	59,630
CHANGE IN NET ASSETS	(80,853)	(689)	(81,542)
NET ASSETS - BEGINNING	1,200,226	76,965	1,277,191
NET ASSETS - ENDING	$ 1,119,373	$ 76,276	$ 1,195,649

See Accompanying Notes

WHITE PINE COMMUNITY BROADCASTING, INC.

Statement of Activities

For the Year Ended September 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES			
REVENUES AND OTHER SUPPORT			
Public Support:			
Contributions	$ 370,229	$ 11,246	$ 381,475
Contributions - Nonfinancial Assets	191,227	-	191,227
Underwriting	80,889	-	80,889
Grants	105,064	31,339	136,403
Rental Revenue	65,220	-	65,220
Special Events			
Event Income	106,979	-	106,979
Event Income - Nonfinancial Assets	20,540	-	20,540
Net Assets Released from Restrictions	31,339	(31,339)	-
Total Revenues and Other Support	971,487	11,246	982,733
EXPENSES			
Programming and Production	274,926	-	274,926
Broadcasting	55,721	-	55,721
Program Information	49,847	-	49,847
Management and General	461,787	-	461,787
Fundraising	198,916	-	198,916
Grant Solicitation and Underwriting	60,314	-	60,314
Total Expenses	1,101,511	-	1,101,511
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	(130,024)	11,246	(118,778)
NONOPERATING ACTIVITIES			
Other Income	5,919	-	5,919
Insurance Proceeds	7,777	-	7,777
Investment Gain	14,934	-	14,934
Change in Endowment	27,028	5,986	33,014
Total Nonoperating Activities	55,658	5,986	61,644
CHANGE IN NET ASSETS	(74,366)	17,232	(57,134)
NET ASSETS - BEGINNING	1,274,592	59,733	1,334,325
NET ASSETS - ENDING	$ 1,200,226	$ 76,965	$ 1,277,191

WHITE PINE COMMUNITY BROADCASTING, INC.

Statement of Functional Expenses

For the Year Ended September 30, 2024

	Program Services			
	Programming and Production	Broadcasting	Program Information	Total
EXPENSES				
Salaries and Wages	$ 127,693	$ -	$ 44,159	$ 171,852
Payroll Taxes	6,160	-	3,372	9,532
Employee Benefits	16,449	-	-	16,449
Programming Costs	109,021	-	-	109,021
Repairs and Maintenance	3,402	-	-	3,402
Telephone	1,121	1,854	-	2,975
Utilities	-	34,517	2,982	37,499
Travel and Mileage	3,960	-	-	3,960
Advertising	-	-	-	-
Bad Debt	-	-	-	-
Printing	-	-	-	-
Professional Services	-	-	-	-
Supplies	-	-	-	-
Postage	-	-	-	-
Miscellaneous	13,359	-	553	13,912
Fundraising	-	-	-	-
Dues and Subscriptions	-	-	-	-
Depreciation	23,415	20,222	-	43,637
TOTAL EXPENSES	$ 304,580	$ 56,593	$ 51,066	$ 412,239

Support Services			
Management and General	Fundraising	Grant Solicitation and Underwriting	Total
$ 106,499	$ 54,694	$ 45,366	$ 378,411
11,724	4,177	3,464	28,897
16,640	7,487	7,893	48,469
26,883	-	-	135,904
12,881	2,425	1,138	19,846
3,465	1,618	1,281	9,339
18,666	-	-	56,165
2,539	1,918	3,276	11,693
171,555	-	-	171,555
6,203	-	-	6,203
3,548	6,144	-	9,692
24,112	-	-	24,112
680	158	-	838
1,350	5,376	7	6,733
13,723	4,786	-	32,421
-	98,924	-	98,924
8,011	-	-	8,011
6,386	3,193	-	53,216
$ 434,865	$ 190,900	$ 62,425	$ 1,100,429

WHITE PINE COMMUNITY BROADCASTING, INC.

Statement of Functional Expenses

For the Year Ended September 30, 2023

	Program Services			
	Programming and Production	Broadcasting	Program Information	Total
EXPENSES				
Salaries and Wages	$ 106,571	$ -	$ 43,840	$ 150,411
Payroll Taxes	7,322	-	3,337	10,659
Employee Benefits	12,488	-	-	12,488
Programming Costs	103,694	-	-	103,694
Repairs and Maintenance	5,029	-	-	5,029
Telephone	1,775	1,100	-	2,875
Utilities	-	33,946	2,601	36,547
Travel and Mileage	3,912	-	-	3,912
Advertising	-	-	-	-
Bad Debt	-	-	-	-
Printing	-	-	-	-
Professional Services	-	-	-	-
Supplies	40	-	-	40
Postage	-	-	-	-
Miscellaneous	10,155	-	69	10,224
Fundraising	-	-	-	-
Dues and Subscriptions	-	-	-	-
Depreciation	23,940	20,675	-	44,615
TOTAL EXPENSES	$ 274,926	$ 55,721	$ 49,847	$ 380,494

Support Services			
Management and General	Fundraising	Grant Solicitation and Underwriting	Total
$ 108,486	$ 52,362	$ 46,193	$ 357,452
9,049	3,986	3,516	27,210
15,487	6,999	7,834	42,808
26,314	-	-	130,008
18,264	1,874	996	26,163
1,775	1,775	1,775	8,200
24,366	-	-	60,913
4,570	160	-	8,642
195,433	-	-	195,433
484	-	-	484
3,036	5,652	-	8,688
18,587	-	-	18,587
394	969	-	1,403
1,517	6,316	-	7,833
20,223	2,785	-	33,232
-	112,773	-	112,773
7,273	-	-	7,273
6,529	3,265	-	54,409
$ 461,787	$ 198,916	$ 60,314	$ 1,101,511

WHITE PINE COMMUNITY BROADCASTING, INC.

Statements of Cash Flows

For the Years Ended September 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (81,542)	$ (57,134)
Adjustments to Reconcile Change in Net Assets to Net		
Cash Flows From Operating Activities		
Depreciation	53,216	54,409
Amortization of Right-of-Use Assets	3,272	545
Change in Allowance for Uncollectible Receivables	6,203	484
Contributions Restricted for Long-Term Purposes	(2,745)	(11,246)
Realized and Unrealized Gain		
on Investments - Morgan Stanley	(8,453)	(14,934)
Realized and Unrealized Loss (Gain)		
on Investments - Heck Capital Advisors	3,434	(5,986)
Change in Wisconsin Unemployment Certificate of Deposit	(1)	(15)
Change in Beneficial Interest	(52,742)	(27,028)
Change in Operating Assets and Liabilities:		
Unconditional Promises to Give, Net	(18,630)	(943)
Underwriting Receivables, Net	14,700	(14,050)
Grants Receivable	10,738	(19,738)
Miscellaneous Receivables	2,890	(4,366)
Prepaid Expenses	(8,464)	(198)
Accounts Payable	(4,084)	(57,009)
Accrued Payroll Taxes and Benefits	(256)	3,060
Deferred Revenue	1,101	1,277
Total Adjustments	179	(95,738)
Net Cash Flows From Operating Activities	(81,363)	(152,872)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments Held by Morgan Stanley	(178,190)	(350,000)
Distributions from Investments Held by Morgan Stanley	449,823	102,964
Purchases of Investments Held by Heck Advisors	(2,745)	(11,246)
Distributions from Investments Held by Heck Advisors	83,519	-
Distributions from Investments at Community Foundation	11,000	11,000
Distributions from Wisconsin Unemployment Certificate of Deposit	36	36
Purchase of Property and Equipment	(3,353)	(39,397)
Net Cash Flows From Investing Activities	360,090	(286,643)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Contributions Restricted for Long-Term Purposes	2,745	11,246
Payments on Financing Lease Liabilities	(3,001)	(792)
Net Cash Flows from Financing Activities	(256)	10,454
NET CHANGE IN CASH	278,471	(429,061)
CASH - BEGINNING	279,767	708,828
CASH - ENDING	$ 558,238	$ 279,767
ADDITIONAL CASH FLOW INFORMATION		
Right-of-Use Assets Acquiried Through Financing Lease Liabilities	$ -	$ 16,356

See Accompanying Notes

Note 1 - Summary of Significant Accounting Policies

This summary of significant accounting policies of White Pine Community Broadcasting, Inc. (Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

White Pine Community Broadcasting, Inc. is a nonprofit Wisconsin corporation located in Rhinelander, Wisconsin with a translator station in Ironwood, Michigan and a repeater station in Wausau, Wisconsin. The Organization is a public radio station operating on 100,000 watts of power with a frequency of 91.7 on the FM radio dial. The Organization 's mission is to present program services to the people of northern Wisconsin and the upper peninsula of Michigan, which enrich, entertain, and educate in the broadest sense by informing citizens of significant issues facing society; by exploring cultural diversity through music, arts, public affairs, and community events; and by providing participation in these events.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Organization considers as cash equivalents all highly liquid investments which have a maturity period of three months or less at time of purchase. The Organization maintains its bank accounts at three financial institution. Aggregate accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Organization has not experienced any loss in such accounts.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as an increase in net assets with donor restrictions. When a restriction expires or is fulfilled, restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Promises to give consist of promises to give for operations as of September 30, 2024 and 2023. Promises to give at September 30, 2024 and 2023 are presented net of an allowance for potentially uncollectible promises of $7,546 and $1,084, respectively.

Management individually reviews all past due unconditional promises to give balances and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of unconditional promises to give are reduced by allowances that reflect management's estimate of uncollectible amounts.

Underwriting Receivables

Underwriting receivables consist of support to be received from the underwriters of its programming as of September 30, 2024 and 2023. Underwriting receivables at September 30, 2024 and 2023 are presented net of an allowance for potentially uncollectible amounts of $562 and $822, respectively.

Management individually reviews all past due balances and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of receivables are reduced by allowances that reflect management's estimate of uncollectible amounts.

Note 1 - Summary of Significant Accounting Policies (Continued)

Grants Receivable

Grants receivable are recorded at the amount management expects to collect. Management has determined that grants receivable at September 30, 2024 and 2023 are fully collectible and accordingly, has not established an allowance for doubtful accounts.

Investments

The Organization 's investments consist of common stock and mutual funds, which are stated at fair value. Fair value represents the quoted market values of the underlying investments on the last business day of the fiscal year. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. Realized and unrealized gains and losses on investments are reflected in nonoperating activities on the statement of activities.

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 certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Property and Equipment and Depreciation

Property and equipment are stated at cost, or, if donated, at the approximate market value at the date of donation. The Organization capitalizes property and equipment with a value greater than or equal to $500. Maintenance and repair costs are charged to expense as incurred. Material purchases of property and equipment with lives expected to exceed one year are capitalized. Gains or losses on disposition of property and equipment are reflected in income. Depreciation is computed on the straight-line method based on the estimated useful lives of the assets, as detailed below:

Asset	Years
Buildings and Improvements	5 - 25
Broadcasting Equipment	2 - 20
Furniture and Equipment	3 - 10

Accumulated Unpaid Vacation, Sick, and Personal Leave

Regular employees are granted vacation pay in varying amounts based on length of service and hire date. All employees may carryover a maximum of five vacation days into the next fiscal year. These days must be used before January 1st. Upon termination of employment by either the employee or employer, the terminated employee will be entitled to compensation for accumulated vacation leave at the employee's present pay rate.

Each regular employee is credited four hours of sick leave per pay period. Sick leave credits cannot accumulate in excess of 160 hours. Unused sick leave is not paid to the employee upon termination.

Each regular employee is entitled to 24 hours of paid personal leave per year. Personal leave credits do not carry over into subsequent years and unused credits upon termination of employment will not be paid out to the employee.

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Revenues

The Organization receives support from the underwriters of its programming (underwriting), which are thanked with on-air messages (spots). Underwriting paid in advance of credits aired is reflected as deferred revenue until the credits are aired or delivered. As of September 30, 2024 and 2023, the Organization had deferred revenue of $13,212 and $12,111, respectively.

Revenue and Revenue Recognition

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, 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.

Unconditional promises to give expected to be collected in less than one year are reported at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution income over the duration of the pledge.

Management individually reviews all past due unconditional promises to give balances and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of unconditional promises to give are reduced by allowances that reflect management's estimate of uncollectible amounts.

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, 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.

The Organization reports gifts of goods and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the assets are to be used. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Organization receives support from the underwriters of its programming (underwriting), which are thanked with on-air messages (spots). Underwriting is recognized as revenue when credits are aired. Underwriting paid in advance of credits aired is reflected as deferred revenue until the credits are aired or delivered.

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue and Revenue Recognition (Continued)

Grant revenue is recognized as revenue in the period in which it is expended for cost-reimbursed agreements.

Rental income is recognized in the period in which the rental activity occurs.

The following table provides information about accounts receivable and deferred revenue balances at September 30, 2024, 2023 and 2022:

	2024	2023	2022
Underwriting Receivables, Net	$ 1,688	$ 16,128	$ 2,233
Grants Receivable	9,000	19,738	-
Miscellaneous Receivables	1,476	4,366	-
Deferred Revenue	13,212	12,111	10,834

Donated Services

The Organization received the following contributions of nonfinancial assets for the years ended September 30:

	2024	2023
Concert series	$ 5,000	$ 5,540
Advertising services	165,824	191,227
Fundraising services	11,000	15,000
Total Contributed Nonfinancial Assets	$ 181,824	$ 211,767

Contributed services are recognized as in-kind revenues at their estimated fair value if they create or enhance nonfinancial assets or they require specialized skills that would need to be purchased if they were not donated. The Organization received contributed carpet cleaning, accounting and advertising services that are reported using current rates for similar services. The Organization also receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects. No amounts have been recognized in the statements of activities for these fundraising and special projects services because the criteria for recognition have not been satisfied.

All donated services and items were utilized by the Organization’s programs and supporting services. There were no donor-imposed restrictions associated with the donated services and items.

Financial Statements Presentation

The Organization presents its financial position and activities according to two classes of net assets:

- **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 the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

- **Net assets with donor restrictions:** : Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Note 1 - Summary of Significant Accounting Policies (Continued)

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to White Pine Community Broadcasting, Inc.'s ongoing services. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Expense Allocation

The costs of program and supporting services 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. Salaries and wages, payroll taxes and employee benefits are allocated based on time and effort. All other expenses are allocated based on actual usage.

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, Leases) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Under the standard, disclosures are required to meet the objective of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

White Pine Community Broadcasting, Inc. elected the available practical expedients to account for an existing operating lease as an operating lease under the new guidance without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of operating lease would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

In addition, White Pine Community Broadcasting, Inc. elected the discount rate practical expedient that allows for the use of a risk-free rate as the discount rate for all leases by asset class. Leases with an initial term of twelve months or less are considered to be short-term leases. As allowed under the standard, the Organization elects not to apply the recognition requirements to short-term leases.

Also, under ASC 842, a lessor records a lease as sales-type, direct financing, or operating. The Organization has determined the lease of tower space on its tower is considered an operating lease, and adoption of ASC 842 has no material change to accounting for this lease.

Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable State law, except on net income derived from unrelated business activities. Contributions are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a publicly-supported organization which is not a private foundation under Section 509(a) of the Code.

The Organization assesses whether it is more-likely-than-not that a tax position will be sustained upon examination of the technical merits of the position, assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more-likely-than-not recognition threshold, the benefit of the tax position is not recognized in the financial statements.

The Organization recorded no assets or liabilities for uncertain tax positions or unrecognized tax benefits. The Organization leases rental space on their broadcasting tower that creates unrelated business income tax liability. The Organization has made provisions for federal and state income taxes in the accompanying financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates and such differences may be material.

Subsequent Events

The Organization evaluated subsequent events through February 28, 2025, the date the financial statements were available for issuance.

Note 2 - Availability and Liquidity

The following are White Pine Community Broadcasting, Inc.'s financial assets at September 30, 2024 and 2023:

Financial assets at year end:	2024	2023
Cash	$ 558,238	$ 279,767
Unconditional Promises to Give, Net	14,194	2,027
Underwriting Receivables, Net	1,688	16,128
Grants Receivable	9,000	19,738
Miscellaneous Receivables	1,476	4,366
Investments Held by Morgan Stanley	106,349	376,772
Investments Held by Heck Advisors	-	76,965
Beneficial Interest in Community Foundation	265,358	223,616
Total Financial Assets	956,303	999,379
Less amounts not available to be used within one year:		
Net Assets with Donor Restrictions	76,276	76,965
Financial assets available to meet general expenditures over the next twelve months	$ 880,027	$ 922,414

White Pine Community Broadcasting, Inc.'s goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately $244,000).

Note 3 - Reserve for Unemployment Compensation

The Organization has elected reimbursement financing under provisions of the Wisconsin unemployment compensation laws. Unemployment claims are paid to the state of Wisconsin as incurred. The Organization has obtained a certificate of deposit of $6,040 to meet state funding requirements.

Note 4 - Investments

The investments are stated at fair market value, as detailed and described below at September 30, 2024 and 2023:

	2024	2023
Investments held by Morgan Stanley:		
Fixed income mutual funds	$ 31,803	$ 362,218
Equity mutual funds	73,010	14,554
Alternative funds	1,536	-
Total Investments held by Morgan Stanley	106,349	376,772
Investments held by Heck Capital Advisors:		
Endowment Fund		
Cash and equivalents	-	6,516
Fixed income mutual funds	-	28,885
Equity mutual funds	-	41,564
Total Investments held by Heck Capital Advisors	-	76,965
	$ 106,349	$ 453,737

The following schedule summarizes the changes in investments for the years ended September 30, 2024 and 2023:

	2024	2023
Balance October 1	$ 453,737	$ 174,535
Interest and Dividends	532	1,863
Net Unrealized/Realized Gains	4,741	19,413
Purchases	180,935	361,246
Distributions	(533,342)	(102,964)
Management Fees	(254)	(356)
Balance September 30	$ 106,349	$ 453,737

Note 5 - Beneficial Interest in Assets at Community Foundation

In 1997, the Organization established the WXPR Public Radio Endowment Fund (Fund), a Board-designated endowment fund, which is administered by the Community Foundation of North Central Wisconsin (the “Foundation”). Under terms of the agreement, income of the Fund may be distributed annually. The Organization can withdraw all or a portion of the original amount transferred, any appreciation on those transferred assets, or both, provided that a majority of the governing boards of the Organization and Foundation approve of the withdrawal. At the time of the transfer, the Organization granted variance power to the Foundation. That power gives the Foundation the right to distribute the investment income to another not-for-profit organization of its choice if the Organization ceases to exist or if the governing board of the Foundation votes that support of the Organization (a) is no longer necessary or (b) is inconsistent with the needs of the North Central Wisconsin community.

Note 6 - Fair Value Measurements

Financial Accounting Standards Board Codification of Accounting Pronouncements, *Fair Value Measurements,* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date.

Level 2 Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at September 30, 2024, are as follows:

	Fair Value	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Investments held by Morgan Stanley:				
Fixed income mutual funds	$ 31,803	$ 31,803	$ -	$ -
Equity mutual funds	73,010	73,010	-	-
Alternative funds	1,536	1,536	-	-
Beneficial Interest in Community Foundation	265,358	-	-	265,358
	$ 371,707	$ 106,349	$ -	$ 265,358

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at September 30, 2023, are as follows:

	Fair Value	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Investments held by Morgan Stanley:				
Fixed income mutual funds	$ 362,218	$ 362,218	$ -	$ -
Equity mutual funds	14,554	14,554	-	-
Investments held by Heck Capital Advisors:				
Cash and equivalents	6,516	6,516	-	-
Fixed income mutual funds	28,885	28,885	-	-
Equity mutual funds	41,564	41,564	-	-
Beneficial Interest in Community Foundation	223,616	-	-	223,616
	$ 677,353	$ 453,737	$ -	$ 223,616

Note 6 - Fair Value Measurements (Continued)

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Beneficial Interest
October 1, 2022	$ 207,588
Investment Income	103
Total Gains (Realized/Unrealized)	29,299
Distributions	(11,000)
Administration Fees	(2,374)
September 30, 2023	223,616
Contributions	206
Total Gains (Realized/Unrealized)	55,026
Distributions	(11,000)
Administration Fees	(2,490)
September 30, 2024	$ 265,358

Note 7 - Endowments

The Organization's endowment consists of two individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board has determined that they are to preserve the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as perpetually restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce returns of 4% - 6% above inflation (CPI) while assuming the lowest possible investment risk.

Note 7 - Endowments (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating distributions each year for general operating expenses. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Endowment Net Asset Composition by Type of Fund as of September 30, 2024:

		With Donor Restrictions		
	Without Donor Restrictions	Endowment Earnings	Endowment Principal	Total
Donor-Restricted Endowment Funds	$ -	$ 8,258	$ 68,018	$ 76,276
Board-Designated Endowment Funds	265,358	-	-	265,358
Total funds	$ 265,358	$ 8,258	$ 68,018	$ 341,634

Changes in Endowment Net Assets for the Year Ended September 30, 2024:

		With Donor Restrictions		
	Without Donor Restrictions	Endowment Earnings	Endowment Principal	Total
Endowment assets, beginning of year	$ 223,616	$ 11,692	$ 65,273	$ 300,581
Contribution	206	-	2,745	2,951
Investment return:				
Investment income	-	532	-	532
Net appreciation (depreciation) - realized and unrealized	55,026	(3,711)	-	51,315
Investment fees	(2,490)	(255)	-	(2,745)
Total investment return	52,536	(3,434)	-	49,102
Release of endowment assets for expenditure	(11,000)	-	-	(11,000)
Endowment assets, end of year	$ 265,358	$ 8,258	$ 68,018	$ 341,634

Note 7 - Endowments (Continued)

Endowment Net Asset Composition by Type of Fund as of September 30, 2023:

	Without Donor Restrictions	With Donor Restrictions Endowment Earnings	With Donor Restrictions Endowment Principal	Total
Donor-Restricted Endowment Funds	$ -	$ 11,692	$ 65,273	$ 76,965
Board-Designated Endowment Funds	223,616	-	-	223,616
Total funds	$ 223,616	$ 11,692	$ 65,273	$ 300,581

Changes in Endowment Net Assets for the Year Ended September 30, 2023:

	Without Donor Restrictions	With Donor Restrictions Endowment Earnings	With Donor Restrictions Endowment Principal	Total
Endowment assets, beginning of year	$ 207,588	$ 5,706	$ 54,027	$ 267,321
Contribution	103	-	11,246	11,349
Investment return:				
Investment income	-	1,863	-	1,863
Net appreciation - realized and unrealized	29,299	4,479	-	33,778
Investment fees	(2,374)	(356)	-	(2,730)
Total investment return	26,925	5,986	-	32,911
Release of endowment assets for expenditure	(11,000)	-	-	(11,000)
Endowment assets, end of year	$ 223,616	$ 11,692	$ 65,273	$ 300,581

Note 8 - Net Assets

Net assets consist of the following at September 30, 2024 and 2023:

	2024	2023
Without Donor Restricted Net Assets:		
Investment in Property and Equipment	$ 279,183	$ 329,317
Undesignated	538,792	611,218
Board Designated		
Equipment and Computer Acquisition	30,000	30,000
Wisconsin Unemployment Certificate of Deposit	6,040	6,075
Beneficial Interest in Community Foundation of North Central Wisconsin	265,358	223,616
Total Board Designated	301,398	259,691
Total Without Donor Restricted Net Assets	1,119,373	1,200,226
With Donor Restricted Net Assets:		
Endowment Fund Earnings	8,258	11,692
Perpetual Restricted Net Assets		
Endowment Fund	68,018	65,273
Total With Donor Restricted Net Assets	76,276	76,965
Total Net Assets	$ 1,195,649	$ 1,277,191

Note 9 - Defined Contribution Pension Plan

The Organization sponsors a Simplified Employee Pension Plan (SEP) covering eligible employees. The employer is required to match contributions up to 3% of the employee's annual salary. For 2024 and 2023, the amount of pension expense was $9,192 and $8,015, respectively.

Note 10 - Advertising Costs

The Organization expenses advertising costs as incurred. Total advertising costs charged to expense for 2024 and 2023 was $59,946 and $195,433, respectively.

Note 11 - Leases

Lessee

The Organization leases various office equipment. Information about the Organization's leases for the year-ended September 30, 2024 is as follows:

	2024	2023
Assets		
Financing Lease Right-of-Use Asset (a)	$ 12,539	$ 15,811
Liabilities		
Current Maturities of Financing Lease Liabilities	$ 3,001	$ 3,001
Financing Lease Liabilities	9,562	12,563
Total Lease Liabilities	$ 12,563	$ 15,564

(a) The financing lease asset is recorded net of accumulated amortization of $3,817 and $545 as of September 30, 2024 and 2023, respectively.

	2024	2023
Financing Lease Cost Classification in the Statement of Functional Expenses:		
Repairs and Maintenance	$ 912	$ 912
Printing	$ 2,748	$ 2,748
Remaining Financing Lease Term (Years)	3.83	4.83
Financing Lease Discount Rate	4.60%	4.60%
Other Information		
Financing Cash Flows for Financing Leases	$ 3,001	$ 792
Right-Of-Use Assets Obtained in Exchange for Financing Lease Obligation	$ -	$ 16,356

Assuming no changes in lease terms, the future minimum lease payments under the non-cancellable financing leases as of September 30, 2024 were as follows:

Year Ending September 30:	
2025	$ 3,654
2026	3,654
2027	3,654
2028	2,740
Total Lease Payments	13,702
Less: Present Value Discount	1,139
Present Value of Lease Liabilities	$ 12,563

Note 11 - Leases (Continued)

Lessor

The Organization has an operating lease agreement with another local company for the use of its tower. The agreement calls for monthly rent income of $1,427 and $1,384 during the years ended September 30, 2024 and 2023. The monthly rent increases annually and the lease expires September 2030.

Assuming no changes in lease terms, the future minimum lease receipts under the operating lease as of September 30, 2024 is as follows

Year Ending September 30:	
2025	$ 17,128
2026	17,128
2027	17,128
2028	17,128
2029	17,128
2030	17,128
Total Lease Payments	$ 102,768

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