

**St. Lawrence Valley Educational
Television Council, Inc.**

**Financial Statements with
Independent Auditors' Report
Years Ended June 30, 2024 and 2023**

**St. Lawrence Valley Educational
Television Council, Inc.
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June 30, 2024 and 2023**

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Independent Auditors' Report

To the Board of Trustees
St. Lawrence Valley Educational Television
Council, Inc.
Watertown, NY

Opinion

We have audited the accompanying financial statements of St. Lawrence Valley Educational Television Council, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 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 St. Lawrence Valley Educational Television Council, Inc. as of June 30, 2024 and 2023, and the changes in their net assets and their 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 St. Lawrence Valley Educational Television Council, 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 opinions.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the 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 St. Lawrence Valley Educational Television Council, 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.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 St. Lawrence Valley Educational

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Television Council, 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 St. Lawrence Valley Educational Television Council, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Details of Revenue and Support is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Stackel & Navarra, CPA, PC

Watertown, New York

January 16, 2025

**St. Lawrence Valley Educational
Television Council, Inc.
Statements of Financial Position
June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 468,130	\$ 494,997
Certificates of deposit	-	201,811
Investments	428,114	400,923
Accounts receivable	183,395	48,467
Prepaid expense	27,763	27,743
Broadcasting contract rights	<u>56,788</u>	<u>54,580</u>
Total Current Assets	<u>1,164,190</u>	<u>1,228,521</u>
Fixed Assets - Net of Accumulated Depreciation		
	<u>712,587</u>	<u>799,259</u>
Other Assets		
Investment in Centralcast, LLC	330,298	477,114
Computer software, net of accumulated amortization	8,741	10,796
GPS for Success website	332,187	-
Broadcasting contract rights, net of current portion	16,275	20,332
Beneficial interest with Northern New York Community Foundation	<u>444,649</u>	<u>385,618</u>
Total Other Assets	<u>1,132,150</u>	<u>893,860</u>
Total Assets	<u>\$ 3,008,927</u>	<u>\$ 2,921,640</u>

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

**St. Lawrence Valley Educational
Television Council, Inc.
Statement of Activities
Year Ended June 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Changes in Net Assets			
Revenue and Support			
Grants	\$ 1,978,823	\$ -	\$ 1,978,823
Contributions	798,332	20,474	818,806
Interest income	9,305	-	9,305
Dividend income	2,941	-	2,941
Gain (loss) on investments	(62,553)	-	(62,553)
Gain (loss) on beneficial interest	-	29,545	29,545
Other	553,489	-	553,489
Released from restricted funds	11,278	(11,278)	-
Total Unrestricted Revenue and Support	<u>3,291,615</u>	<u>38,741</u>	<u>3,330,356</u>
Expenses			
Development and program	1,350,990	-	1,350,990
Administration	698,178	-	698,178
Engineering and technology	526,952	-	526,952
Production	510,839	-	510,839
Sales	232,739	-	232,739
Total Expenses	<u>3,319,698</u>	<u>-</u>	<u>3,319,698</u>
Change in Net Assets			
Before Income Taxes	(28,083)	38,741	10,658
Income Taxes	(1,948)	-	(1,948)
Change in Net Assets	<u>(30,031)</u>	<u>38,741</u>	<u>8,710</u>
Net Assets at Beginning of Year	2,159,095	355,563	2,514,658
Transfer to beneficial interest	(28,010)	28,010	-
Net Assets at End of Year	<u>\$ 2,101,054</u>	<u>\$ 422,314</u>	<u>\$ 2,523,368</u>

St. Lawrence Valley Educational Television Council, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2024
(With Comparative Totals for 2023)

	Program Activities			Supporting Activities			2024 Total
	Production	Engineering and Technology	Development and Program	Sales	Administration	Total	
Salaries and wages	\$ 300,196	\$ 85,195	\$ 333,633	\$ 213,733	\$ 200,010	\$ 1,132,767	\$ 1,141,566
Payroll taxes	21,750	6,064	25,676	14,340	14,497	82,327	88,161
Employee benefits	76,043	25,143	78,920	23,209	72,894	276,209	253,453
Broadcast rights	-	-	388,595	-	-	388,595	365,990
Dues and subscriptions	1,034	-	116,327	991	54,766	173,118	164,457
Utilities and telephone	17,541	40,524	18,049	17,541	40,493	134,148	109,329
Postage and shipping	112	-	152,293	1,210	1,581	155,196	139,464
Central casting	-	84,569	-	-	-	84,569	111,295
Maintenance and repairs	296	95,463	2,977	-	8,321	107,057	160,375
Insurance	-	-	-	81,911	81,911	82,023	-
Premiums	-	-	23,294	-	-	23,294	29,268
Production expense	93,432	-	31,968	3,846	10,512	139,758	70,654
Bank service charges	-	-	1,478	17	41,348	42,843	31,971
Printing	54	-	35,223	107	235	35,619	32,590
Computer expense	4,527	4,284	18,332	2,262	7,491	36,896	47,230
Business services	787	33,950	73,678	14,707	20,964	144,086	123,818
Miscellaneous	770	-	324	7,863	4,864	13,821	21,239
Professional fees	-	-	-	-	45,677	45,677	33,514
Interest	-	-	-	-	7,847	7,847	9,304
Vehicle expense	1,384	5,834	1,517	2,207	867	11,809	8,789
Office expense	217	-	1,324	26	1,442	3,009	2,469
Station relations	737	1,155	5,070	320	13,075	20,357	16,926
Advertising	1,640	450	36,780	6,172	1,300	46,342	66,512
Professional development	2,172	-	795	1,702	1,197	5,866	7,517
Auction expense	-	-	887	6,520	29	7,436	2,041
Special events	83	-	17,634	10,603	632	28,952	5,916
Consulting	73	2,824	467	73	7,334	10,771	6,475
Station products	540	-	-	-	-	540	2,855
Web expense	-	-	-	-	3,993	3,993	4,272
Travel and conferences	2,680	-	1,601	1,621	19,893	25,795	27,844
Educational services	1,491	-	22,896	-	6,869	31,256	29,357
Endowment	-	-	1,928	-	-	1,928	3,028
Depreciation and amortization	-	96,396	-	-	-	96,396	119,996
	<u>\$ 527,559</u>	<u>\$ 481,851</u>	<u>\$ 1,391,666</u>	<u>\$ 329,070</u>	<u>\$ 670,042</u>	<u>\$ 3,400,188</u>	<u>\$ 3,319,698</u>

St. Lawrence Valley Educational Television Council, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Activities			Supporting Activities			2023 Total
	Production	Engineering and Technology	Development and Program	Sales	Administration		
Salaries and wages	\$ 325,025	\$ 79,665	\$ 362,377	\$ 161,925	\$ 212,574	\$ 1,141,566	
Payroll taxes	23,651	5,399	26,861	9,732	22,518	88,161	
Employee benefits	65,058	21,576	70,529	22,501	73,789	253,453	
Broadcast rights	-	-	365,990	-	-	365,990	
Dues and subscriptions	513	-	116,422	108	47,414	164,457	
Utilities and telephone	12,480	33,572	12,927	12,480	37,870	109,329	
Postage and shipping	25	138	136,664	828	1,809	139,464	
Central casting	-	61,898	21,573	-	27,824	111,295	
Maintenance and repairs	-	142,923	-	1,780	7,768	160,375	
Insurance	-	-	-	-	82,023	82,023	
Premiums	-	-	29,268	-	-	29,268	
Production expense	42,899	-	18,552	79	9,124	70,654	
Bank service charges	-	-	591	32	31,348	31,971	
Printing	-	-	30,588	47	1,955	32,590	
Computer expense	21,260	5,678	18,128	2,164	-	47,230	
Business services	-	37,932	63,361	4,863	17,662	123,818	
Miscellaneous	1,624	1,417	1,792	6,670	9,736	21,239	
Professional fees	-	-	513	-	33,001	33,514	
Interest	-	-	-	-	9,304	9,304	
Vehicle expense	734	4,247	738	2,280	790	8,789	
Office expense	139	-	501	58	1,771	2,469	
Station relations	3,395	949	864	59	11,659	16,926	
Advertising	568	-	39,713	5,652	20,579	66,512	
Professional development	97	-	2,851	-	4,569	7,517	
Auction expense	66	30	1,877	-	68	2,041	
Special events	-	-	5,765	87	64	5,916	
Consulting	-	3,100	-	-	3,375	6,475	
Station products	2,855	-	-	-	-	2,855	
Web expense	53	-	-	-	4,219	4,272	
Travel and conferences	-	3,273	4,034	1,394	19,143	27,844	
Educational services	2,493	9,908	15,483	-	1,473	29,357	
Endowment	-	-	3,028	-	-	3,028	
Depreciation and amortization	-	115,247	\$ 1,350,990	\$ 232,739	\$ 698,178	\$ 119,996	
	\$ 510,839	\$ 526,952					\$ 3,319,698

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

**St. Lawrence Valley Educational
Television Council, Inc.
Statements of Cash Flows
Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Operating Activities		
Increase (decrease) in net assets	\$ 21,340	\$ 8,710
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	94,341	118,230
Amortization	2,055	1,766
Realized (gain) loss in investments	(1,428)	-
Unrealized (gain) loss in investments	(26,833)	(2,044)
Unrealized (gain) loss in investment in Centralcast, LLC	146,816	67,308
Unrealized (gain) loss in beneficial interest	(47,398)	(29,545)
Change in current operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(134,928)	(21,440)
Prepaid expense	(20)	(1,338)
Broadcasting contract rights	1,849	(16,137)
(Decrease) increase in:		
Accounts payable	(19,809)	44,896
Accrued taxes and expense	6,763	(1,457)
Deferred income	83,693	-
Net cash provided by operating activities	126,441	168,949
Investing Activities		
Deposit in Northern New York Community Foundation Fund	(11,633)	(28,010)
Investment in certificates of deposit	-	(150,000)
Purchase of fixed assets	(7,669)	(58,255)
Proceeds from certificates of deposit	201,811	250,000
Sales of investments	70,000	-
Purchase of investments	(68,930)	(401,884)
Development of GPS for Success website	(332,187)	-
Net cash used by investing activities	(148,608)	(388,149)
Financing Activities		
Debt reduction - long term	(4,700)	-

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

**St. Lawrence Valley Educational
Television Council, Inc.
Statements of Cash Flows (Continued)
Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Net increase (decrease) in cash and cash equivalents	(26,867)	(219,200)
Cash and cash equivalents at beginning of year	494,997	714,197
Cash and cash equivalents at end of year	\$ 468,130	\$ 494,997
Supplemental Disclosure of Cash Flow Information		
Cash paid (refund) during the year for:		
Income taxes	\$ (2,435)	\$ 6,523
Interest	\$ 7,847	\$ 11,774

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

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

1 – Summary of Significant Accounting Policies

Business Description

St. Lawrence Valley Educational Television Council, Inc. (the Council) was incorporated June 27, 1958. It operates a public television station which broadcasts into Northern New York and Southeastern Ontario. The Corporate office is located in Watertown, New York.

Advertising

Advertising costs are expensed as they are incurred. These costs amounted to \$46,342 for 2024 and \$66,512 for 2023.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America. The Council maintains its accounts in accordance with U.S. generally accepted accounting principles.

Basis of Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profits Organizations” (the “Guide”). ASC 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Council and changes therein are classified as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Council. The Council board may designate assets without restrictions for specific operational purposes from time to time.

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 Council or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

Cash and Cash Equivalents

For financial statement purposes, the Council considers all highly liquid investments with an original maturity of three months or less as cash equivalents.

Accounts Receivable

The Council does not maintain an allowance for doubtful accounts. Any accounts receivable deemed uncollectible are written off during the period they become uncollectible. Management believes there are no material uncollectible accounts receivable.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Sources of Revenue

The Council is supported primarily through membership revenue, donor contributions, grants, underwriting revenues, and auction revenue.

Concentration of Revenue

The Council received approximately 28% of its revenue from the Corporation for Public Broadcasting and 18% from New York State. A decrease or loss in funding from these sources could have a severe impact on the Council.

In-Kind Contributions

In-kind contributions are recorded as revenue and expenses in the accompanying financial statements. In-kind contributions consist of donated professional services and merchandise and are recorded at fair value. In-kind contributions for the year ended June 30, 2024 and 2023 totaled \$4,633 and \$21,691, respectively.

Revenue Recognition

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend on are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, 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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and when the assets are placed in service.

Auction revenue is recognized when payment is received and grants are recognized when conditions to receive the grants have been satisfied. Underwriting revenue is recognized when the obligation to fund production of a program has been made.

Reclassifications

Certain amounts in the financial statements for 2023 have been restated to provide an improved comparison to 2024.

Property and Equipment

Property and equipment are recorded at cost. The Council follows the practice of capitalizing expenditures for building, furniture and fixtures, equipment and vehicles in excess of \$1,000. For financial reporting and income tax purposes, the costs of property and equipment are depreciated over the estimated useful lives as follows:

<u>Category</u>	<u>Method</u>	<u>Life Years</u>
Furniture & fixtures	Straight line	10
Buildings	Straight line	10 to 45
Building improvements	Straight line	10 to 25
Studio equipment	Straight line	3 to 10
Office machines	Straight line	5
Satellite	Straight line	10
Transmitter equipment	Straight line	5 to 12
Vehicles	Straight line	5
Land improvements	Straight line	10

Repairs and maintenance are charged to expense when incurred. Expenditures, which substantially increase the useful lives of the respective assets, are capitalized and depreciated

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

over their useful lives. When an asset is sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Functional Expenses – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefitted. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Utilities and telephone	Equally to each activity

2 - Fair Value Measurements and Disclosures

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at June 30, 2024:

Assets at Fair Value as of June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 171,011	\$ -	\$ -	\$ 171,011
Corporate Bonds	257,103	-	-	257,103
	<u>\$ 428,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 428,114</u>

Assets at Fair Value as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Exchange - Traded Funds	\$ 102,590	\$ -	\$ -	\$ 102,590
Mutual Funds	31,123	-	-	31,123
Corporate Bonds	267,210	-	-	267,210
	<u>\$ 400,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,923</u>

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

3 – Fixed Assets

The major categories of fixed assets as of June 30, 2024 and 2023 are summarized as follows:

	<u>2024</u>	<u>2023</u>
Land	\$ 21,167	\$ 21,167
Land improvements	44,031	44,031
Furniture and fixtures	85,999	85,999
Buildings and improvements	1,303,399	1,307,660
Studio and technical equipment	3,586,290	3,586,290
Office machines	52,182	51,478
Transmitters, antennas and towers	4,595,037	4,595,134
Vehicles	93,018	93,018
Satellite	<u>74,450</u>	<u>74,450</u>
	9,855,573	9,859,227
Less accumulated depreciation	<u>9,142,986</u>	<u>9,059,968</u>
	<u>\$ 712,587</u>	<u>\$ 799,259</u>

4 – Long-term Investments

During 2012 the Council made capital contributions of \$44,467 to Centralcast, LLC, a New York limited liability company. Centralcast, LLC was formed to provide joint master control services to eight New York public television stations. A grant from New York State provided \$18,994 for the initial investment and \$23,473 was paid from unrestricted assets. An additional investment of \$22,635 was paid from unrestricted assets during 2013. The Council's investment is recorded using the equity method. The share of total income for 2024 and 2023 was 10%. For the years ended June 30, 2024 and 2023, the Council's share of Centralcast, LLC's gain (loss) was \$(146,816) and \$(62,153), respectively.

Centralcast, LLC's (the Company) financial statements are prepared on a going concern basis which contemplate the realization of assets and the satisfaction of obligations in the normal course of business. However, the Company had not met some loan covenants on June 30, 2024. If immediate repayment of the loan was demanded it could raise substantial doubt about the ability of the Company to continue as a going concern.

The financial institution holding the loan has indicated it has no plans to call the loan. The Company has grown substantially recently and made major capital investments. Management of the Company believes that with the increased revenue from the new customers, the loan covenants will be met and the Company will continue as a going concern.

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

5 – Beneficial Interest with Northern New York Community Foundation Fund

The Council has placed funds with Northern New York Community Foundation (the Foundation) and has granted variance power to the Foundation. The Board of Trustees of the Foundation has the power to modify any restriction or condition on the distribution of funds for any special charitable purpose or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community it serves. As the beneficiary, the Council will receive distributions of income from the funds, subject to the Foundation's spending policy. The Foundation holds funds for the benefit of the Council with fair values totaling \$444,649 and \$385,618 at June 30, 2024 and 2023, respectively.

6 – Computer Software

Computer software costs include packaged software related to the Council's fundraising efforts. These costs are being amortized using the straight-line method over a life of 15 years.

	<u>2024</u>	<u>2023</u>
Original cost	\$ 52,759	\$ 52,759
Accumulated amortization	(44,018)	(41,963)
	<u>\$ 8,741</u>	<u>\$ 10,796</u>

7 – Income Tax Status

St. Lawrence Valley Educational Television Council, Inc. is a nonprofit Organization and is exempt from Federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. However, income from leasing of space on its towers is not directly related to the Council's exempt purpose and subject to taxation as unrelated business income.

The income tax attributable to the leases was \$14,530 and \$1,948 for the years ended June 30, 2024 and 2023, respectively.

8 – Lines of Credit

St. Lawrence Valley Educational Television Council, Inc. has a line of credit with Key Bank, N.A., in the amount of \$500,000 with an interest rate of prime plus 1%. The amounts payable to Key Bank, N.A. at June 30, 2024 and 2023 were \$0 and \$0, respectively.

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

9 – Long Term Debt

	<u>2024</u>	<u>2023</u>
Small Business Administration Note payable, secured by all station assets. Monthly payments of \$1,293 began December 2022. Interest is computed at 2.75%. Maturity date is September 2052.	286,600	291,300
Less current portion	7,731	6,288
	<u>\$ 278,869</u>	<u>\$ 285,012</u>

Maturities of long-term debt after June 30, 2024 are as follows:

Year ended June 30	
2025	\$ 7,731
2026	7,947
2027	8,168
2028	8,396
2029	8,629
After 2029	245,729
	<u>\$ 286,600</u>

Interest expense incurred was \$7,847 and \$9,304 for the years ended June 30, 2024 and 2023, respectively.

10 – Retirement Plan

The Council participates in contributory retirement plans. All employees meeting specific age and length of service requirements are covered by the plans. Total pension expense charged to operations relating to these plans for the year ended June 30, 2024 and 2023 was \$48,606 and \$48,690, respectively. St. Lawrence Valley Educational Television Council, Inc. contributes 5% of the employee's gross wages provided the employee contributes 3% of their wages.

11 – Leases

The Council leases tower space to third parties on an annual basis. The towers are included in fixed assets. The primary function of these towers is for the broadcasting of the television station operated by the Council. The third-party rental income is considered unrelated to the Council's primary exempt purpose and is subjected to unrelated business tax. Total rental income from these operating leases for the years ended June 30, 2024 and 2023 was \$227,829 and \$190,988, respectively.

**St. Lawrence Valley Educational
Television Council, Inc.
Notes to Financial Statements
June 30, 2024 and 2023**

Minimum future rent payments to be received follows:

2025	\$ 114,309
2026	114,309
2027	67,310
2028	47,440
2029	19,785

12 – Related Party Transactions

The Council has a 10% equity share in Centralcast, LLC. The Council paid Centralcast LLC fees of \$84,569 and \$111,295 for the years ended June 30, 2024 and 2023, respectively.

13 – Foreign Exchange

At the end of the year, monies held in Canadian banks were translated to United States dollars. The gain/loss from translation for the fiscal year ended June 30, 2024 and 2023 is included in revenue and expenditure.

14 – Liquidity and Availability

The Council's financial assets available within one year of the balance sheet date for general expenses are as follows:

	<u>2024</u>
Cash and cash equivalents	\$ 468,130
Investments	428,114
Accounts receivable	<u>183,395</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,079,639</u>

In addition to these financial assets available for general expenditures, a significant portion of the Council's annual expenditures will be funded by contributions, government grants, tower leases and other revenue and support.

15 – Subsequent Events

Management has evaluated subsequent events through October 25, 2024, the date on which the financial statements were available to be issued.

Supplementary Information

**St. Lawrence Valley Educational
Television Council, Inc.
Details of Revenue and Support
Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Revenue and Support		
Contributions		
Memberships	\$ 508,396	\$ 519,175
Television auctions	94,546	80,740
Donations	<u>240,702</u>	<u>218,891</u>
	<u>843,644</u>	<u>818,806</u>
Grants		
Corporation for Public Broadcasting (CPB)	1,007,117	929,758
New York State Education Department	661,267	1,028,977
U.S. Department of Agriculture	375,819	-
Program Outreach Grants	13,000	14,000
Foundation Grants	<u>17,656</u>	<u>6,088</u>
	<u>2,074,859</u>	<u>1,978,823</u>
Gain (loss) on beneficial interest	47,398	29,545
Gain (loss) on investments	(118,555)	(62,553)
Interest income	16,375	9,305
Dividend income	<u>4,774</u>	<u>2,941</u>
	<u>(50,008)</u>	<u>(20,762)</u>
Other Revenue		
Underwriting	301,127	306,030
Rental income	227,829	190,988
Commercial production	9,461	23,879
Miscellaneous	3,251	2,672
Royalty income	3,036	4,070
Advertising	5,000	5,000
Special events	11,714	3,561
Product sales	<u>6,145</u>	<u>17,289</u>
	<u>567,563</u>	<u>553,489</u>
	<u><u>\$ 3,436,058</u></u>	<u><u>\$ 3,330,356</u></u>

See Independent Auditors' Report.