VPM Media Corporation

Consolidated Financial Statements

June 30, 2024 and 2023

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VPM MEDIA CORPORATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of VPM Media Corporation
Richmond, Virginia

Opinion

We have audited the accompanying consolidated financial statements of VPM Media Corporation and its subsidiaries, which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of VPM Media Corporation and its subsidiaries as of June 30, 2024 and 2023, and 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of VPM Media Corporation and its subsidiaries 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about VPM Media Corporation and its subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 VPM Media Corporation and its subsidiaries' 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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about VPM Media Corporation and its subsidiaries' 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 audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2024 consolidating statement of financial position, consolidating statement of activities, and consolidated schedule of revenue and expenses for annual financial report are presented for the purpose of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Keiter

December 19, 2024
Glen Allen, Virginia

VPM MEDIA CORPORATION

Consolidated Statements of Financial Position
June 30, 2024 and 2023

Assets	2024	2023
Current assets:		
Cash and cash equivalents	$ 7,737,608	$ 11,725,770
Accounts receivable, net	327,316	634,293
Contributions receivable - current	504,577	267,539
Inventory	51,968	52,975
Prepaid expenses	441,568	274,472
Total current assets	9,063,037	12,955,049
Contributions receivable, net - noncurrent	1,057,292	430,342
Property and equipment, net	15,840,701	7,696,728
Right of use operating lease assets, net	907,939	1,019,158
Intangible assets	1,755,899	1,755,899
Investments (see Notes 2 and 6)	180,386,022	169,936,187
Total assets	$ 209,010,890	$ 193,793,363
Liabilities and Net Assets		
Current liabilities:		
Notes payable - current (see Note 11)	$ -	$ 263,820
Accounts payable	752,885	977,365
Accrued expenses	367,519	387,065
Operating lease liabilities, current portion	104,568	204,985
Deferred revenue	262,581	355,905
Total current liabilities	1,487,553	2,189,140
Operating lease liabilities, long-term portion	839,263	833,766
Total liabilities	2,326,816	3,022,906
Net assets:		
Without donor restrictions:		
Undesignated	201,986,349	188,675,702
Board designated - general purposes (see Note 1)	328,153	328,153
Board designated - VPM News initiatives (see Note 1)	500,000	500,000
Total net assets without donor restrictions	202,814,502	189,503,855
With donor restrictions	3,869,572	1,266,602
Total net assets	206,684,074	190,770,457
Total liabilities and net assets	$ 209,010,890	$ 193,793,363

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Activities
Year Ended June 30, 2024, with Comparative Totals for 2023

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Support and revenue:				
Operating:				
Community support:				
Membership contributions and corporate support and grants	$ 4,839,552	$ 343,660	$ 5,183,212	$ 4,432,960
Underwriting	1,838,278	-	1,838,278	1,849,495
Production services	1,276,110	-	1,276,110	4,280,018
Public support - community service grants:				
Corporation for Public Broadcasting	1,393,682	-	1,393,682	1,482,060
Broadcast services:				
Data transmission	605,136	-	605,136	605,136
Capital campaign contributions (see Note 21)	-	2,508,797	2,508,797	824,562
Miscellaneous	989,842	-	989,842	307,274
Total operating revenue	10,942,600	2,852,457	13,795,057	13,781,505
Investment income (loss), net	23,606,238	-	23,606,238	17,017,736
Rental income	413,297	-	413,297	691,774
Gain (loss) on disposal of equipment (see Note 5)	3,796	-	3,796	6,473
Total support and revenue	34,965,931	2,852,457	37,818,388	31,497,488
Net assets released from restrictions	249,487	(249,487)	-	-

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Activities, Continued
Year Ended June 30, 2024, with Comparative Totals for 2023

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Expenses:				
Program:				
Programming and production	$ 9,983,549	$ -	$ 9,983,549	$ 14,577,721
Broadcast and engineering	3,251,256	-	3,251,256	3,615,201
Promotions, community engagement and education	995,913	-	995,913	843,478
Total program expenses	14,230,718	-	14,230,718	19,036,400
General and administrative	5,890,040	-	5,890,040	5,384,798
Fundraising	1,784,013	-	1,784,013	1,917,440
Total expenses	21,904,771	-	21,904,771	26,338,638
Total change in net assets	13,310,647	2,602,970	15,913,617	5,158,850
Net assets at beginning of year	189,503,855	1,266,602	190,770,457	185,611,607
Net assets at end of year	$ 202,814,502	$ 3,869,572	$ 206,684,074	$ 190,770,457

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Activities
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Operating:			
Community support:			
Membership contributions and corporate support	$ 4,280,860	$ 152,100	$ 4,432,960
Underwriting	1,849,495	-	1,849,495
Production services	4,280,018	-	4,280,018
Public support - community service grants:			
Corporation for Public Broadcasting	1,482,060	-	1,482,060
Broadcast services:		-	
Data transmission	605,136	-	605,136
Capital campaign contributions (see Note 21)	-	824,562	824,562
Miscellaneous	307,274	-	307,274
Total operating revenue	12,804,843	976,662	13,781,505
Investment loss, net	17,017,736	-	17,017,736
Rental income	691,774	-	691,774
Loss on disposal of equipment (see Note 5)	6,473	-	6,473
Total support and revenue	30,520,826	976,662	31,497,488
Net assets released from restrictions	143,801	(143,801)	-

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Activities, Continued
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Expenses:			
Program:			
Programming and production	$ 14,577,721	$ -	$ 14,577,721
Broadcast and engineering	3,615,201	-	3,615,201
Promotions, community engagement and education	843,478	-	843,478
Total program expenses	19,036,400	-	19,036,400
General and administrative	5,384,798	-	5,384,798
Fundraising	1,917,440	-	1,917,440
Total expenses	26,338,638	-	26,338,638
Total change in net assets	4,325,989	832,861	5,158,850
Net assets at beginning of year	185,177,866	433,741	185,611,607
Net assets at end of year	$ 189,503,855	$ 1,266,602	$ 190,770,457

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Functional Expenses
Year Ended June 30, 2024

	Program Services					
	Programming & Production	Broadcast & Engineering	Community Engagement	General & Administrative	Fundraising	Total
Salaries, wages, & benefits	$ 3,878,248	$ 1,281,751	$ 642,442	$ 3,502,735	$ 1,156,311	$ 10,461,487
Production	3,047,073	-	-	-	-	3,047,073
Professional services	890,061	59,281	73,377	685,355	90,330	1,798,404
PBS & NPR dues	1,266,488	-	-	-	-	1,266,488
Dues, professional affliations	126,111	568,229	1,949	25,112	3,096	724,497
Occupancy	-	161,515	-	275,795	325	437,635
Printing & publications	66,845	-	28,430	2,468	295,451	393,194
Programming	374,916	-	-	-	-	374,916
Information technology	10,694	358,056	446	-	-	369,196
Repairs & maintenance	1,121	259,778	6,455	76,646	-	344,000
Utilities	-	1,739	-	266,941	-	268,680
Marketing and public relations	13,745	-	188,951	-	6,788	209,484
Supplies & equipment	92,901	89,043	20,114	891	1,913	204,862
Miscellaneous	22,970	350	16,847	157,480	4,500	202,147
Communications	44	-	-	155,791	-	155,835
Travel	92,558	4,673	4,688	21,188	25,460	148,567
Brokerage fees - UW buys	-	-	-	-	118,088	118,088
Conferences & meetings	39,568	17,793	10,028	38,771	9,316	115,476
Trades-in-kind	-	-	-	-	56,413	56,413
Vehicle expense	4,856	12,304	1,927	3,198	92	22,377
Premiums	-	-	-	-	11,846	11,846
Postage and shipping	1,397	200	259	4,700	4,084	10,640
	9,929,596	2,814,712	995,913	5,217,071	1,784,013	20,741,305
Depreciation	53,953	436,544	-	672,969	-	1,163,466
Totals	$ 9,983,549	$ 3,251,256	$ 995,913	$ 5,890,040	$ 1,784,013	$ 21,904,771

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Functional Expenses, Continued
Year Ended June 30, 2023

	Program Services					
	Programming & Production	Broadcast & Engineering	Community Engagement	General & Administrative	Fundraising	Total
Salaries, wages, & benefits	$ 3,641,785	$ 1,155,850	$ 571,506	$ 3,344,492	$ 1,056,487	$ 9,770,120
Production	7,360,747	-	-	-	-	7,360,747
Professional services	1,234,343	71,825	73,246	801,736	256,617	2,437,767
PBS & NPR dues	1,435,131	-	-	-	-	1,435,131
Dues, professional affliations	117,992	477,267	1,801	28,725	32,512	658,297
Information technology	3,207	502,520	-	288	-	506,015
Occupancy	-	148,439	-	267,622	-	416,061
Programming	350,804	-	-	-	-	350,804
Repairs & maintenance	6,344	231,877	-	89,173	-	327,394
Printing & publications	11,701	-	21,971	7,085	270,786	311,543
Supplies & equipment	144,428	57,796	8,421	50,449	3,505	264,599
Marketing and public relations	108,041	-	148,257	-	2,923	259,221
Utilities	-	1,202	-	243,065	-	244,267
Communications	-	12	-	159,868	24	159,904
Travel	63,938	5,691	3,818	61,363	11,490	146,300
Miscellaneous	6,500	193	5,968	122,982	5,101	140,744
Brokerage fees - UW buys	-	-	-	-	104,788	104,788
Conferences & meetings	38,646	11,260	8,064	21,100	7,868	86,938
Trades-in-kind	-	-	-	-	80,858	80,858
Premiums	-	-	-	-	76,877	76,877
Vehicle expense	6,690	15,346	321	6,822	-	29,179
Postage and shipping	1,282	1,548	105	6,220	7,604	16,759
	14,531,579	2,680,826	843,478	5,210,990	1,917,440	25,184,313
Depreciation	46,142	934,375	-	173,808	-	1,154,325
Totals	$ 14,577,721	$ 3,615,201	$ 843,478	$ 5,384,798	$ 1,917,440	$ 26,338,638

See accompanying notes to the consolidated financial statements.

VPM MEDIA CORPORATION

Consolidated Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	$ 15,913,617	$ 5,158,850
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	1,163,466	1,154,325
Reinvested net investment income	(5,027,722)	(8,403,282)
Unrealized gains on investments, net	(18,574,261)	(8,610,992)
Gain on disposal of equipment	(3,796)	(6,473)
Changes in assets and liabilities:		
Accounts receivable, net	306,977	786,310
Contributions receivable	(863,988)	(656,881)
Operating lease assets and liabilities, net	16,299	19,593
Inventory	1,007	387
Prepaid expenses	(167,096)	(20,792)
Accounts payable	(224,480)	(267,703)
Spectrum auction proceeds payable	-	(404,710)
Accrued expenses	(19,546)	(119,341)
Deferred revenue	(93,324)	2,224
Net cash used in operating activities	(7,572,847)	(11,368,485)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	20,139,324	24,107,724
Purchases of investments	(6,987,176)	(6,697,291)
Purchases of property and equipment	(9,307,439)	(2,525,198)
Proceeds from sale of equipment	3,796	10,261
Net cash provided by investing activities	3,848,505	14,895,496
Cash flows from financing activities:		
Principal payments on note payable	(263,820)	(618,725)
Net cash used in financing activities	(263,820)	(618,725)
Net change in cash	(3,988,162)	2,908,286
Cash and cash equivalents at the beginning of the year	11,725,770	8,817,484
Cash and cash equivalents at the end of the year	$ 7,737,608	$ 11,725,770
Supplemental disclosure of cash flow information:		
Cash payments for interest	$ 2,111	$ 19,242
Non-cash transactions:		
Operating lease assets obtained in exchange for lease liabilities	$ 30,801	$ 1,192,575

See accompanying notes to the consolidated financial statements.

1. Summary of Significant Accounting Policies:

Nature of Business: VPM Media Corporation, dba VPM, (“VPM”) is a nonprofit corporation whose primary operations consist of the production and/or broadcasting of instructional and noncommercial public interest television and radio programs in Central Virginia and the Shenandoah Valley over its stations WCVE, WVPT, WCVW and WCVE-FM in Richmond, WHTJ in Charlottesville, WCNV-FM in Heathsville, WMVE-FM in Chase City, WWLB-FM in Ettrick, and WBBT-FM in Powhatan, as well as digital programming. VPM is a Virginia nonstock corporation and an organization described in Internal Revenue Code section 501(c)(3), and is classified as a publicly supported organization.

Virginia Foundation for Public Media ("VFPM" or “Foundation”) was incorporated under the laws of the Commonwealth of Virginia on July 10, 2017 and was created with the proceeds received from the spectrum auction (see Note 20). VFPM is a supporting organization, within the meaning of Internal Revenue Code section 509(a)(3), of VPM. VFPM initially controlled VPM. In December 2020, VPM and VFPM’s Boards, respectively, approved new Articles of Incorporation and Bylaws to revise the organizational structure to change VFPM to a Type I supporting organization from a Type III supporting organization. VPM now appoints the majority of VFPM’s Board members. The organizational change became effective in March 2021 following review by the Federal Communications Commission and filing with the Virginia State Corporation Commission.

In March 2020, the Corporation formed I64 Media LLC to conduct charitable and educational activities such as the creation of educational programming for public broadcasting and the sale of merchandise related to its programming. VPM is the sole member of I64 Media. I64 Media will be utilized for a number of different activities including the production of educational radio and television (visual) programs; publication of books, pamphlets and newsletters on a wide range of educational and cultural subjects; and distribution of media. As a subsidiary of VPM, I64 Media LLC activity is reported in the 2024 and 2023 consolidated financial statements.

In November 2023, the Foundation formed 13-17 East Broad Street, LLC, a wholly owned subsidiary, to conduct the construction of VPM’s new headquarters. VFPM is the sole member of 13-17 East Broad Street, LLC. As a subsidiary of VFPM, 13-17 East Broad Street, LLC’s activity is reported in the consolidated financial statements.

These consolidated financial statements include the operations of VPM, 13-17 East Broad Street, LLC, VFPM, and I64 Media LLC (collectively referred to as the “Corporation”) for the years ended June 30, 2024 and 2023. All intercompany transactions and balances have been eliminated in consolidation.

Basis of Accounting: The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”) as determined by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”).

1. Summary of Significant Accounting Policies, Continued:

Support and Revenue Recognition: The Corporation follows FASB issued Accounting Standard Update ("ASU") 2014-09 – Revenue Recognition from Contracts with Customers ("Topic 606"). Topic 606 affects any entity that enters into contracts with customers to transfer goods or services.

Revenue is recognized when obligations under the terms of a contract with a customer are satisfied; generally, this occurs with the transfer of control of the Corporation's products or services. Revenue is measured as the amount of total consideration expected to be received in exchange for transferring goods or providing services. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer in exchange for payment and is the unit of account. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when or as the performance obligation is satisfied. Revenue from memberships is recognized over time. Revenue from corporate underwriting and production services is recognized at a point in time when performance obligations are satisfied.

The Corporation receives in advance payments primarily for data transmission and rental of tower space. These advance payments represent contract liabilities and are recorded as deferred revenue when received and reclassified to support and revenue in the period to which they are earned. The amounts related to these contract liabilities were $262,581 and $355,905 at June 30, 2024 and 2023. Contract liabilities were $353,681 at July 1, 2022.

Accounts Receivable: Accounts receivable represent the Corporation's right to consideration in exchange for performance obligations satisfied. These amounts are presented net of the allowance for credit losses. The allowance for credit losses receivable was $10,441 and $16,479 at June 30, 2024 and 2023, respectively. Accounts receivable was $1,420,603 at July 1, 2022.

Contributions Receivable: Contributions receivable are reported net of an allowance for uncollectible contributions based on management's estimate of the amount of contributions receivable that will actually be collected. At June 30, 2024 and 2023, management determined the contributions receivable were fully collectible and that no allowance was necessary.

Contributions receivable are reported at net present value in the year promised and recognized as without donor restriction or with donor restriction as appropriate. The effective interest rate for the present value discount on contributions receivable at June 30, 2024 were between 4.20% and 5.60%. The effective interest rate for the present value discount on contributions receivable at June 30, 2023 were between 4.20% and 5.20%.

Inventory: Inventory consists of merchandise for sale and is stated at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method.

1. Summary of Significant Accounting Policies, Continued:

Financial Statement Presentation: The Corporation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions include undesignated and board designated net assets. Board designated net assets represent contributions with no donor-imposed stipulations as to their purpose which the Corporation's Board of Directors have earmarked for specific purposes. At June 30, 2024 and 2023, Board designated net assets include $500,000 designated for VPM News initiatives and $328,153 designated for general purposes.

Net assets with donor restrictions consist of net assets whose use is limited by donor-imposed, time and/or purpose restrictions. Some net assets with donor restrictions include donor-imposed stipulations for specific operating purposes or for the acquisition of property or equipment. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, whereby the donor stipulates that they be maintained permanently by the Corporation to use all or part of the income earned on any related investments for general or specific purposes, in accordance with the conditions of each specific donation.

Recognition of Support, Contributions and Grants: Contributions and grants are recognized when the donor makes a promise to give to the Corporation that is, in substance, unconditional. Contributions and grants restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the fiscal year in which the contribution or grant is recognized. All other donor-restricted contributions and grants are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Fair Value of Financial Instruments: Due to the short-term nature of the Corporation's accounts receivable, contributions receivable, grants receivable, prepaid expenses, accounts payable, and accrued liabilities, there are no significant differences between their recorded and fair values.

Cash and Cash Equivalents: The Corporation considers highly liquid instruments purchased with a maturity date of three months or less to be cash equivalents.

1. Summary of Significant Accounting Policies, Continued:

Investments: All investments are measured at fair value with gains and losses included in operations (see Notes 2 and 6). Unrealized gains and losses are included in the accompanying consolidated statements of activities. Realized gains and losses on dispositions are based on the net proceeds and the carrying value of the securities sold, using the specific identification method. Interest is accrued as earned, and dividends are recorded on the ex-dividend date.

Intangible Assets: Intangible assets consist of rights to artwork of $110,000 acquired as part of the merger with Shenandoah Valley Educational Television Corporation (SVETC), broadcast licenses of $1,574,669 acquired as part of the acquisition of Alpha Media, LLC in 2018, and intellectual property and trademarks of $100,000 acquired as part of the acquisition of Style Weekly in 2022. As of June 30, 2024 and 2023, intangible assets totaled $1,755,899. The cost of rights to artwork for resale are charged to expense as the prints are sold. The broadcast licenses, intellectual property, and trademarks are considered to be indefinite-lived intangible assets and thus are not amortized. The Corporation is required to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired on an annual basis in accordance with FASB Accounting Standards Codification ("ASC") 350-30-35. As of June 30, 2024 and 2023, management determined that no qualitative factors exist that would require the Corporation to perform the quantitative test, and thus no impairment was recorded.

Property and Equipment: Purchased property and equipment are stated at cost. Major repairs and betterments are capitalized and normal maintenance and repairs are charged to expense as incurred. The Corporation capitalizes all expenditures for property and equipment over $5,000. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The lives range from 3-15 years for equipment and 5-30 years for buildings and leasehold improvements. Upon retirement or sale of an assets, the cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in operations.

Concentrations of Credit Risk: Financial instruments that potentially subject the Corporation to concentrations of credit risk consist principally of cash and accounts and contributions receivable. The majority of accounts receivable at June 30, 2024 and 2023 are from underwriting. At June 30, 2024, two customers accounted for 35% of the accounts receivable balance. At June 30, 2023, two customers accounted for 44% of the accounts receivable balance.

The Corporation maintains its cash balances in financial institutions, insured by the Federal Deposit Insurance Corporation up to $250,000. The Corporation periodically has funds in excess of the federally insured limits.

1. Summary of Significant Accounting Policies, Continued:

Advertising Expenses: The Corporation expenses advertising costs as they are incurred. Advertising expense is included in marketing and public relations expense in the consolidated statements of functional expenses. These expenses amounted to $209,484 for 2024 and $259,221 for 2023.

Functional Allocation of Expenses: Program, fundraising, and administrative costs have been summarized on a functional basis in the consolidated statements of activities. Certain direct costs have been charged to programs and supporting services on the basis of the activity benefited. Expenses directly attributable to a specific functional area of the Corporation are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated. Following FASB guidance on management and general expense, depreciation is allocated based on square footage basis. All other costs are evaluated on a per invoice basis to determine what functions have been served.

Tax Status: The Internal Revenue Service has determined that VPM is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Under the provisions of Section 501, the Corporation is exempt from income taxes on income other than unrelated business income.

The Internal Revenue Service has determined that VFPM is exempt from federal income tax as a public foundation described in Section 509(a)(3). Under the provisions of Section 501, VFPM is exempt from income taxes on income other than unrelated business income.

I64 Media LLC is a limited liability company. As such, all income and losses flow through and are taxable to I64 Media LLC's sole member.

13-17 East Broad Street, LLC is a limited liability company. As such, all income and losses flow through and are taxable to 13-17 East Broad Street, LLC's sole member.

The Corporation has adopted financial reporting guidance related to accounting for uncertainty in income taxes, which prescribes the minimum recognition threshold that a tax position is required to meet before being recognized in the Corporation's consolidated financial statements. The guidance also provides criteria on derecognition, classification, interest and penalties, disclosure and transition. The Corporation discloses the expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the facts and the Corporation's position, and records unrecognized tax benefits or liabilities for known, or anticipated tax issues based on the Corporation's analysis of whether additional taxes would be due to the authority given their full knowledge of the tax position. The Corporation has completed its assessment and determined that there are no tax positions which would require recognition. The Corporation is not currently under audit by any tax jurisdiction.

1. Summary of Significant Accounting Policies, Continued:

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

Leases: The Corporation follows FASB ASC 842 Leases ("ASC 842"). ASC 842 requires lessees to recognize a right of use asset and a lease liability on the consolidated statements of financial position for substantially all leases with a term of 12 months or greater. Leases are classified as either finance or operating, with classification affecting expense recognition in the Corporation's operations.

The lease liabilities are initially measured at the present value of future lease payments, measured on a discounted basis, as of the lease commencement date or the adoption date, whichever is later. The right of use assets are initially measured at the value of the lease liability, adjusted for initial direct lease costs, lease incentives, and prepaid or deferred rent. The Corporation elected to use the risk-free discount rate for any leases for which the rate implicit in the lease was not readily determinable. The right of use assets and lease liabilities are calculated to include options to extend or terminate the lease when the Corporation determines that it is reasonably certain it will exercise those options. In making those determinations, the Corporation considers various existing economic and market factors, business strategies as well as the nature, length, and terms of the lease agreements.

The Corporation has made accounting policy elections to not recognize ROU assets and lease liabilities that arise from short-term leases for any class of underlying asset and to not separate non-lease components of lease payments from the lease components.

Adoption of New Accounting Standard: In 2016, the FASB issued ASU 2016-13 – Current Expected Credit Losses ("CECL") that replaces the current incurred loss model with an expected loss model for measuring impairment loss of trade and other receivables. The new standard was effective for periods beginning after December 14, 2022 and requires entities to use a modified retrospective approach to the earliest period presented. The Corporation adopted the new standard effective July 1, 2023 and did not have a material effect on the Corporation's consolidated financial statements.

2. Investments:

Pursuant to its bylaws, the Corporation's Finance and Audit Committee provides general oversight of the security, funding, and investment management of the Corporation's endowment and investment assets, and review of its investment policies. Prior to fiscal year 2024, the Corporation's Investment Committee provided oversight. As of July 1, 2023, the Corporation's bylaws were changed to remove the Investment Committee and transfer its duties to the Finance and Audit Committee. The Finance and Audit Committee operates under a charter approved by the Board. The Corporation's investment policies describe overall investment objectives as well as defining types of authorized investments to provide for a diversified portfolio. Under these policies, investments are managed to maintain funds for future needs. The funds may be invested in U.S. government and corporate obligations, domestic and international equities, and other instruments meeting criteria established by the Board. Because of the long-term perspective and purpose, the Corporation's invested funds are reported as non-current assets.

Fair values by investment category are disclosed in Note 6.

Investment transactions are reported as follows for the years ended June 30:

	2024	2023
Interest and dividends	$ 3,799,283	$ 3,982,611
Net realized gain	1,688,719	4,738,071
Net unrealized gain	18,574,261	8,610,992
Investment gain	24,062,263	17,331,674
Investment transaction costs and management fees	(456,025)	(313,938)
Investment income, net	$ 23,606,238	$ 17,017,736

3. Contributions Receivable:

As of June 30, contributors to the Corporation made unconditional written promises to give related to the following purposes:

	2024	2023
With donor restrictions:		
Capital campaign, net	$ 1,561,869	$ 680,881
TV	-	7,000
Radio	-	10,000
Total with donor restrictions	1,561,869	697,881
Total contributions receivable, net	$ 1,561,869	$ 697,881

The Corporation projects that contributors will remit these contributions as follows:

	2024	2023
Less than one year	$ 504,577	$ 267,539
One year to five years	1,248,880	508,812
	1,753,457	776,351
Less discount for net present value	(191,588)	(78,470)
	$ 1,561,869	$ 697,881

4. Due to/from Affiliates:

As of June 30, 2022, VPM had an outstanding receivable due from VFPM of $143,796. This grant was received in fiscal year 2023. As of June 30, 2023, VPM had an outstanding balance due to VFPM of $325,739 and due from I64 Media of $86,114. The amount due to/from affiliates were received or paid in fiscal year 2023. As of June 30, 2024, VPM had an outstanding balance due from VFPM and I64 Media of $487,216 and $87,418, respectively. These amounts due from affiliates are expected to be received in fiscal year 2025 and have been eliminated in consolidation.

5. Property and Equipment:

As of June 30, property and equipment consisted of the following:

	2024	2023
Land	$ 4,291,594	$ 180,107
Buildings and leasehold improvements	6,136,917	5,941,322
Equipment	15,381,897	14,922,289
Construction in process	5,398,538	830,041
	31,208,946	21,873,759
Less accumulated depreciation	15,368,245	14,177,031
	$ 15,840,701	$ 7,696,728

Depreciation expense was $1,163,466 for 2024 and $1,154,325 for 2023.

During 2024 and 2023, the Corporation sold equipment for $3,796 and $10,261, respectively. The Corporation recorded a gain on disposal of $3,796 and a gain on disposal of $6,473 which is reflected as a component of non-operating revenue in the 2024 and 2023 consolidated statements of activities, respectively.

6. Fair Value Measurements:

The FASB has issued guidance for measurement and disclosure of fair value and establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

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

Level 2 Quoted prices for similar instruments in active and inactive markets; and model driven valuations with significant inputs and drivers derived from observable active markets.

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

6. Fair Value Measurements, Continued:

Corporate and US government obligations: Valued at original cost adjusted for any premium or coupon. At June 30, 2024 and 2023, the obligations have no unfunded commitments and can be redeemed immediately upon notice with no other redemption restrictions.

Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds: Mutual funds are valued at the net asset value ("NAV") of shares held by the Corporation at year end.

Mortgage and asset-backed securities: Valued at original cost adjusted for any premium or coupon.

Investment Fund: Valued based on the NAV per share of the investment (or its equivalent), as a practical expedient, as a) the underlying investment manager's calculation of NAV is fair value based, and b) the NAV has been calculated as of the Corporation's fiscal year end date.

Assets and liabilities measured at fair value on a recurring basis at June 30, 2024, include the following:

	Fair Value Using			Asset/Liabilities
	Level 1	Level 2	Level 3	at Fair Value
Investments:				
Corporate obligations	$ -	$ 7,326,554	$ -	$ 7,326,554
Stocks	17,258,694	-	-	17,258,694
Mutual funds	110,207,246	-	-	110,207,246
Mortgage and asset-backed securities	-	9,139	-	9,139
Investments measured at NAV [(a)]				45,584,389
Total assets	$ 127,465,940	$ 7,335,693	$ -	$ 180,386,022

6. Fair Value Measurements, Continued:

Assets and liabilities measured at fair value on a recurring basis at June 30, 2023, include the following:

	Fair Value Using			Asset/Liabilities
	Level 1	Level 2	Level 3	at Fair Value
Investments:				
Corporate obligations	$ -	$ 7,164,969	$ -	$ 7,164,969
Stocks	16,295,752	-	-	16,295,752
Mutual funds	105,198,560	-	-	105,198,560
Mortgage and asset-backed securities	-	11,522	-	11,522
Investments measured at NAV [(a)]				41,265,384
Total assets	$ 121,494,312	$ 7,176,491	$ -	$ 169,936,187

[(a)] In accordance with subtopic 820-10, these assets are measured at the net asset value per share (or its equivalent) as a practical expedient and have not been included in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

7. Accrued Expenses:

Accrued expenses at June 30, consisted of the following:

	2024	2023
Accrued payroll	$ 143,058	$ 173,463
Accrued vacation	130,042	165,306
Other accrued expenses	94,419	48,296
	$ 367,519	$ 387,065

8. Liquidity and Availability of Financial Assets:

The Corporation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of available funds. The Corporation's investments are regularly reviewed by its Investment Committee.

8. Liquidity and Availability of Financial Assets, Continued:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date as of June 30 comprise the following:

	2024	2023
Financial assets available within one year:		
Cash and cash equivalents	$ 7,737,608	$ 11,725,770
Accounts receivable, net	327,316	634,293
Contributions receivable, net	504,577	267,539
Investments	180,386,022	169,936,187
Total available within one year	188,955,523	182,563,789
Less those unavailable for general expenditure within one year:		
Net assets with donor restrictions	3,869,572	1,266,602
Net assets with board designations	828,153	828,153
Total unavailable within one year	4,697,725	2,094,755
Financial assets available for general expenditure within one year	$ 184,257,798	$ 180,469,034

As part of the Corporation's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Although the Corporation does not intend to spend from Board designated funds for general expenditures, these funds could be made available if necessary.

9. Retirement Plans:

The Corporation maintains a contributory defined contribution plan under IRC Section 403(b), which allows eligible employees to defer a portion of their compensation. VPM provided an employer matching contribution of 50% on employee contributions up to 8% of salary. The total expense for the 403(b) plan was $270,341 for 2024 and $223,357 for 2023.

10. Support Received in Exchange Transactions:

The Corporation receives various donated services from governmental agencies, corporations and businesses, and nonprofit entities in exchange for underwriting credits of a similar value to the services donated. The value of these services is determined by the actual value of the underwriting credit provided to the entity or the fair value of the contributed service. These are included as underwriting revenue and various offsetting expenses as indicated below.

The values of the support recognized in the consolidated financial statements through exchange transactions are as follows:

	2024	2023
TV	$ -	$ 30,900
Radio	56,413	49,958
	$ 56,413	$ 80,858

This support is included in fundraising expense on the accompanying consolidated statements of functional expenses.

11. Capital Expenditure Loan:

In August 2019, VPM and the Foundation's Board approved $2.568 million of additional capital expenditures (for property and equipment), of which approximately $1.639 million and $929,000 was to be paid by VFPM and VPM, respectively. In October 2019, the Corporation approved an unsecured $2.6 million working capital line to finance the capital improvements. VPM drew $2,116,522 on the line prior to its conversion to a fixed rate loan in May 2020. The loan accrues interest at 3.15 percent. Subsequently, the loan was amended to ensure a fixed monthly payment of $53,163. An informal agreement existed between VFPM and VPM based on the original Board-approved projects and expenses, for 66 percent of the payments made on the loan to be reimbursed by VFPM. During 2024 and 2023, $178,750 and $421,056 was received, respectively in reimbursement from VFPM and is included in Grants from VFPM and is eliminated in consolidation. The loan was fully paid off in November 2023.

Under the provisions of the loan, the Corporation is subject to specified financial and operating covenants. The Corporation was in compliance with all covenants as of June 30, 2023.

12. Line of Credit:

In March 2024, the Foundation and 13-17 East Broad Street, LLC entered into a unsecured Line of Credit note and credit agreement in the original amount of $25,000,000 with Atlantic Union Bank. Interest is payable monthly at 1-month SOFR for the interest period then in effect plus .95%. The line of credit amount can be increased to $50,000,000 based upon the conditions within the credit agreement. There were no outstanding amounts at June 30, 2024.

13. Commitments and Contingencies:

The Corporation received equipment grants from federal agencies which covered the cost of specific items of equipment. The federal agencies have a lien on this equipment for a period of ten years from the date of acquisition. If during the ten-year period certain conditions are not met, or the equipment is disposed of, the Corporation could be required to refund a portion of the grant proceeds to the granting agency.

The Corporation has lease agreements relating to broadcast towers. These lease agreements include instances where the Corporation owns the tower and the land on which it sits, owns the tower and leases the land, leases space on the tower owned by a third-party, and other special arrangements. In many instances the agreements may require the Corporation to return the leased land/tower to a pristine or original condition in the event the leases are terminated. Management is unable to estimate the remedial costs that would be incurred to return land to a pristine condition. Management intends to renew all tower lease agreements indefinitely; therefore, management cannot reasonably estimate a timeframe in which those costs would be incurred. The accompanying financial statements do not include any adjustments if and when these agreements are terminated. In instances where VPM owns the tower, it may take steps to transfer ownership to a third party or existing tenant.

From time to time, the Corporation is involved in litigation that it considers to be in the normal course of business. The Corporation is not presently involved in any legal proceedings which management expects individually or in the aggregate to have a material adverse effect on its financial condition, results of operations or cash flows.

14. Operating Leases:

The Corporation leased space for television and radio transmitter equipment, office equipment and space, and vehicles at an expense of approximately $219,799 in 2024 and $215,225 in 2023.

14. Operating Leases, Continued:

The Corporation has accounted for these leases as an operating lease using a weighted average risk free discount rate of 4% and the remaining lease term is 9.81 years. The following is a schedule, by year, of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2024:

Year Ending June 30:	Amount
2025	$ 139,064
2026	89,495
2027	92,166
2028	94,906
2029	97,767
Thereafter	629,280
Total lease payments	1,142,678
Less amount representing interest	(198,847)
Total operating lease liabilities	$ 943,831

15. Rental Income:

The Corporation leases space to government agencies and telecommunications companies for the placement of antennas and other communications equipment on the Corporation's broadcast towers. The following is a schedule, by year, of minimum future rentals on noncancelable operating leases as of June 30, 2024:

Year Ending June 30:	Amount
2025	$ 1,005,308
2026	1,014,928
2027	1,039,466
2028	1,048,622
2029	1,058,158
	$ 5,166,482

These amounts will be included in rental income and data transmission on the accompanying consolidated statements of activities.

In September 2006, the Corporation entered into Educational Broadband Service Long-Term Agreements to lease capacity on channels (WNC686, WHG238 and WHR972) to transmit in the Richmond, Virginia and Northern Virginia areas. The initial terms were for ten years with two renewal terms of ten years each. The Agreements automatically renewed in September 2016. VPM has been issued an irrevocable standby letter of credit that automatically terminates upon termination of the Agreements.

16. Net Assets Without Donor Restrictions:

Net assets without donor restrictions include undesignated and Board designated net assets. Board designated net assets represent contributions with no donor-imposed stipulations as to their purpose which the Corporation's Board of Directors have earmarked for specific purposes.

In 2020, the Corporation received a $1,000,000 bequest from the Ann Lee Saunders Brown estate that the Board designated for VPM News initiatives, of which $250,000 were released during the years ended June 30, 2023 and 2022. $328,153 is designated for general purposes. There were no releases from board designation during the year ended June 30, 2024.

17. Net Assets With Donor Restrictions:

Net assets of $249,487 and $143,801 were released from donor-imposed restrictions during the years ended June 30, 2024 and 2023, respectively, by incurring expenses or making capital acquisitions that satisfy the restricted purposes specified by the donor.

Net assets with donor restrictions of $12,223 as of June 30, 2024 and $55,549 as of June 30, 2023 consist of contributions/grants received for Ready to Learn projects, and future programming.

Net assets with donor restrictions of $3,333,358 as of June 30, 2024 and $824,562 as of June 30, 2023 consist of contributions received for the capital campaign (Note 21).

Net assets with donor restrictions of $137,500 as of June 30, 2024 consist of grants received for The Earliest Years Matter project.

Net assets with donor restrictions of $386,491 at June 30, 2024 and 2023 consist of funds permanently restricted by donors for television and radio purposes.

18. Endowment Funds:

The Corporation's endowment (net assets with permanent donor restrictions) consists of two individual funds established by donors for television and radio purposes. As required by accounting principles generally accepted in the United States, 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.

18. Endowment Funds, Continued:

The Board of Directors of the Corporation have interpreted Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of 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 Corporation classifies as permanently 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 portions of the donor-restricted endowment fund that is not classified as restricted in perpetuity are only reclassified as net assets without donor restrictions when these amounts appropriated for expenditure are disbursed in accordance with donor restrictions in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

Endowment Investing and Spending Policies: The Corporation 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. Under this policy, as approved by the Board of Directors, the endowment funds are invested in a manner that is intended to produce stated investment results while assuming a moderate level of investment risk. The Corporation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective return through diversification of asset classes. The current long-term return objective is to achieve a total rate of return that consistently ranks in the top quartile of investments with the same average asset allocation. Actual returns in any given year may vary from this amount.

18. Endowment Funds, Continued:

Endowment Investing and Spending Policies, Continued: To satisfy its long-term rate of return objectives, the Corporation 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). Historically, the Corporation has targeted a diversified asset allocation that placed a greater value on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money annually distributed from the Corporation's various endowed funds for programs and administration. The current spending policy is to distribute earnings, as available, to fund corporate operations.

Funds with Deficits: 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 the Corporation to retain as a fund of perpetual duration. In accordance with GAAP, it is the policy of the Corporation to absorb these losses with net assets without donor restrictions. There are no deficiencies at June 30, 2024 and 2023. The Corporation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law.

19. Guarantees:

Pursuant to its Articles of Incorporation, the Corporation has certain obligations to indemnify its current and former officers and directors for certain events or occurrences while the officer or director is, or was serving, at the Corporation's request in such capacities. The maximum liability under these obligations is limited by the Code of Virginia. The Corporation's insurance policies serve to further limit its exposure. Management believes that the estimated fair value of these indemnification obligations is minimal.

In accordance with the terms of tower rental lease agreements, the Corporation generally agrees to indemnify the lessor from certain liabilities arising as a result of the use of the leased premises, including environmental liabilities and repairs to leased property upon termination of the lease. The Corporation is responsible for all repairs and maintenance of all towers that are owned by VPM. The Corporation also leases equipment and is responsible for all damages to the equipment while in its possession, exclusive of that caused by fire, flood, or other act of God.

20. Spectrum Auction Proceeds:

During 2017, the Federal Communications Commission held a voluntary auction to purchase the right to use broadcast spectrum from commercial and public broadcasters across the country with the goal to re-sell that spectrum to wireless providers for the benefit of creating more bandwidth for mobile broadband and other wireless services. The Corporation was awarded a one-time amount of $181,956,420 in exchange for its spectrum channels and received the proceeds in July 2017.

20. Spectrum Auction Proceeds, Continued:

In accordance with a 2013 separation agreement with MHz Networks Corp., VPM was required to split the first $20 million of spectrum auction proceeds equally with MHz, and use the remaining proceeds to create a Foundation whose purpose is to foster public media in the Commonwealth of Virginia.

In accordance with a September 2017 share agreement with MHz Foundation, Inc. (successor to MHz Networks corp.), the Corporation agreed to remit $10 million of the balance owed over a period of six years in various installments upon satisfaction of the terms of the share agreement. The Corporation remitted $4,500,000 to MHz from 2017 through 2021 pursuant to the share agreement, leaving $5,500,000 to be paid to MHz in two remaining installments, the last to be paid in early calendar 2023.

In June 2021, the Corporation and MHz entered into a termination agreement that terminated the earlier separation and share agreements. Based on the termination agreement, MHz agreed to reimburse the VPM for $1,103,891 of pension expenses for MHz division employees incurred during the period 2018 through 2021. The outstanding payable balance was reduced by $1,103,891. This amount was reflected on VPM's consolidated statement of activities as income in 2021. VPM remitted $4,000,000 to MHz in fiscal year 2022. The remaining payable was contingent on the needs associated with the termination of the Pension Plan to cover termination expenses for MHz division employees. In early fiscal 2023, once the Pension Plan was fully terminated, VPM remitted $404,710 of excess funds to MHz, and VPM's payable to MHz was satisfied and MHz's obligation to the Plan was eliminated.

21. Capital Campaign:

During 2023, the Corporation announced its plan to build a 53,700 square foot facility to relocate its headquarters in Downtown Richmond. The Corporation intends to fund this project through Foundation contributions, a capital campaign, and debt financing. The capital campaign is currently underway with pledges to give totaling $3,524,947 as of June 30, 2024. As of June 30, 2024, $1,776,840 of these pledges had been received.

On November 27, 2023, the Foundation formed a new subsidiary, 13-17 East Broad Street, LLC, to own and operate the new headquarters.

22. New Corporate Headquarters:

The Foundation closed on the purchase of a site in January 2024 located in Richmond, Virginia. During 2023 and 2024, the Foundation entered into contracts with a project manager, architect, technology integrator, and general contractor with a budgeted total of $69.5 million to build the facility. The new facility is being financed through amounts contributed by the Foundation, the line of credit note (see note 12), and contributions received through the capital campaign. As of June 30, 2024, $5.4 million has been incurred related to the project. Construction is expected to be complete by Spring 2026.

22. New Corporate Headquarters Continued:

Subsequent to year end on October 31, 2024 (Fiscal Year 2025), the Foundation and 13-17 East Broad Street, LLC closed on a $50,000,000 Virginia Small Business Financing Authority Revenue Bond, Series 2024 purchased by Atlantic Union Bank. Interest is payable monthly on amounts drawn (outstanding) at 79% of 1-month SOFR for the interest period then in effect plus .70%. The proceeds of the bond are to be drawn over time to payoff the draws from the line of credit note then outstanding, and to fund construction draws relating to the facility.

23. Subsequent Events:

The Corporation has evaluated subsequent events through December 19, 2024, the date the consolidated financial statements were available to be issued, and other than the event described in Note 22, has determined that there are no other subsequent events to be reported in the accompanying consolidated financial statements.

SUPPLEMENTAL INFORMATION

VPM MEDIA CORPORATION

Consolidating Statement of Financial Position
June 30, 2024

Assets	VPM	Virginia Foundation for Public Media	I64 Media	13-17 East Broad Street	Consolidating Entries	Consolidated Total
Current assets:						
Cash and cash equivalents	$ 3,078,829	$ 3,885,041	$ 298,285	$ 475,453	$ -	$ 7,737,608
Accounts receivable, net	306,891	-	20,425	-	-	327,316
Contributions receivable - current	504,577	-	-	-	-	504,577
Due from affiliates	574,634	-	-	-	(574,634)	-
Inventory	-	-	51,968	-	-	51,968
Prepaid expenses	414,112	27,456	-	-	-	441,568
Total current assets	4,879,043	3,912,497	370,678	475,453	(574,634)	9,063,037
Contributions receivable, net - noncurrent	1,057,292	-	-	-	-	1,057,292
Property and equipment, net	6,205,428	248	-	9,635,025	-	15,840,701
Right of use operating lease assets, net	890,222	17,717	-	-	-	907,939
Intangible assets	1,574,669	-	181,230	-	-	1,755,899
Investment in subsidiary	381,157	9,900,677	-	-	(10,281,834)	-
Investments (see Note 2 and 6)	14,710,948	165,675,074	-	-	-	180,386,022
Total assets	$ 29,698,759	$ 179,506,213	$ 551,908	$ 10,110,478	$ (10,856,468)	$ 209,010,890

See independent auditor's report.

VPM MEDIA CORPORATION

Consolidating Statement of Financial Position, Continued
June 30, 2024

Liabilities and Net Assets	VPM	Virginia Foundation for Public Media	I64 Media	13-17 East Broad Street	Consolidating Entries	Consolidated Total
Current liabilities:						
Accounts payable	$ 528,548	$ 14,536	$ -	$ 209,801	$ -	$ 752,885
Accrued expenses	367,519	-	-	-	-	367,519
Operating lease liabilities, current portion	86,851	17,717	-	-	-	104,568
Deferred revenue	179,248	-	83,333	-	-	262,581
Due to affiliates	-	487,216	87,418	-	(574,634)	-
Total current liabilities	1,162,166	519,469	170,751	209,801	(574,634)	1,487,553
Operating lease liabilities, long-term portion	839,263	-	-	-	-	839,263
Total liabilities	2,001,429	519,469	170,751	209,801	(574,634)	2,326,816
Net assets:						
Without donor restrictions:						
Undesignated	22,999,605	178,986,744	381,157	9,900,677	(10,281,834)	201,986,349
Board designated - general purposes (see Note 1)	328,153	-	-	-	-	328,153
Board designated - VPM News initiatives (see Note 1)	500,000	-	-	-	-	500,000
Total net assets without donor restrictions	23,827,758	178,986,744	381,157	9,900,677	(10,281,834)	202,814,502
With donor restrictions	3,869,572	-	-	-	-	3,869,572
Total net assets	27,697,330	178,986,744	381,157	9,900,677	(10,281,834)	206,684,074
Total liabilities and net assets	$ 29,698,759	$ 179,506,213	$ 551,908	$ 10,110,478	$ (10,856,468)	$ 209,010,890

See independent auditor's report.

VPM MEDIA CORPORATION

Consolidating Statement of Activities
Year Ended June 30, 2024

	VPM	Virginia Foundation for Public Media	I64 Media	13-17 East Broad Street	Consolidating Entries	Consolidated Total
Support and revenue:						
Operating:						
Community support:						
Membership contributions and corporate support and grants	$ 5,183,212	$ -	$ -	$ -	$ -	$ 5,183,212
Underwriting	1,445,225	-	393,053	-	-	1,838,278
Production services	1,044,191	8,220	223,699	-	-	1,276,110
Public support - community service grants:						
Corporation for Public Broadcasting	1,393,682	-	-	-	-	1,393,682
Broadcast services:						
Data transmission	605,136	-	-	-	-	605,136
Grants from Foundation	7,591,237	-	-	-	(7,591,237)	-
Income from subsidiary	486,341	24,046	-	-	(510,387)	-
Capital campaign contributions	2,508,797	-	-	-	-	2,508,797
Miscellaneous	945,509	-	-	44,333	-	989,842
Total operating revenue	21,203,330	32,266	616,752	44,333	(8,101,624)	13,795,057
Investment income, net	1,824,417	21,776,566	4,255	1,000	-	23,606,238
Rental income	413,297	-	-	-	-	413,297
Gain on disposal of assets	3,796	-	-	-	-	3,796
Total support and revenue	23,444,840	21,808,832	621,007	45,333	(8,101,624)	37,818,388

See independent auditor’s report.

VPM MEDIA CORPORATION

Consolidating Statement of Activities, Continued
Year Ended June 30, 2024

	VPM	Virginia Foundation for Public Media	I64 Media	13-17 East Broad Street	Consolidating Entries	Consolidated Total
Expenses:						
Salaries, wages, & benefits	$ 10,374,069	$ 1,590,068	$ 87,418	$ -	$ (1,590,068)	$ 10,461,487
Production	2,949,287	84,001	13,785	-	-	3,047,073
Professional services	1,706,504	43,003	29,957	18,940	-	1,798,404
PBS & NPR dues	1,266,488	-	-	-	-	1,266,488
Depreciation	1,162,970	496	-	-	-	1,163,466
Dues, professional affliations	724,497	-	-	-	-	724,497
Occupancy	407,503	30,132	-	-	-	437,635
Printing and publications	393,194	-	-	-	-	393,194
Programming	374,916	-	-	-	-	374,916
Information technology	369,196	-	-	-	-	369,196
Repairs and maintenance	344,000	-	-	-	-	344,000
Utilities	268,680	-	-	-	-	268,680
Supplies & equipment	203,971	891	-	-	-	204,862
Marketing and public relations	209,484	-	-	-	-	209,484
Communications	155,835	-	-	-	-	155,835
Travel	141,505	7,062	-	-	-	148,567
Miscellaneous	184,890	11,404	3,506	2,347	-	202,147
Brokerage fees - UW buys	118,088	-	-	-	-	118,088
Conferences and meetings	115,476	-	-	-	-	115,476
Trades - in-kind	56,413	-	-	-	-	56,413
Vehicle expense	22,377	-	-	-	-	22,377
Premiums	11,846	-	-	-	-	11,846
Postage and shipping	10,640	-	-	-	-	10,640
Grant expense	-	5,822,419	-	-	(5,822,419)	-
Loan expense	-	178,750	-	-	(178,750)	-
Total expenses	21,571,829	7,768,226	134,666	21,287	(7,591,237)	21,904,771
Total change in net assets	1,873,011	14,040,606	486,341	24,046	(510,387)	15,913,617
Net assets at beginning of year	25,824,319	164,946,138	845,149	-	(845,149)	190,770,457
Distributions to member	-	-	(950,333)	-	950,333	-
Capital contribution	-	-	-	9,876,631	(9,876,631)	-
Net assets at end of year	$ 27,697,330	$ 178,986,744	$ 381,157	$ 9,900,677	$ (10,281,834)	$ 206,684,074

See independent auditor’s report.

VPM MEDIA CORPORATION

Consolidated Schedule of Revenue and Expenses for Annual Financial Report
Year Ended June 30, 2024

	Radio	TV	AFR Total	I64 Media LLC Excluded from AFR	VFPM Excluded from AFR	13-17 East Broad Street Excluded from AFR	Consolidated Total
Support and revenue:							
Operating:							
Community support:							
Membership contributions and corporate support	$ 1,753,999	$ 3,429,213	$ 5,183,212	$ -	$ -	$ -	$ 5,183,212
Underwriting - program	1,011,385	287,064	1,298,449	-	-	-	1,298,449
Underwriting - production	12,705	61,009	73,714	393,053	-	-	466,767
Underwriting - in-kind/trades	56,413	-	56,413	-	-	-	56,413
Production services	-	1,044,191	1,044,191	223,699	8,220	-	1,276,110
Foundation production grants	-	7,591,237	7,591,237	-	(7,591,237)	-	-
Grants general	-	-	-	-	-	-	-
Public support - community service grants:							-
Corporation for Public Broadcasting	218,314	1,175,368	1,393,682	-	-	-	1,393,682
State & Federal Capital Grants (Capital Amortization)	-	-	-	-	-	-	-
Broadcast services:							-
Data transmission	-	605,136	605,136	-	-	-	605,136
Distribution	-	-	-	-	-	-	-
Gain on disposal of equipment	-	3,796	3,796	-	-	-	3,796
Royalties	-	16,649	16,649	-	-	-	16,649
Capital campaign contributions		2,508,797	2,508,797			-	2,508,797
Income from subsidiary		486,341	486,341	(486,341)	24,046	(24,046)	-
Miscellaneous	9,518	935,991	945,509	-	-	44,333	989,842
Merchandise Sales	-	-	-	-	-	-	-
Total operating revenue	3,062,334	18,144,792	21,207,126	130,411	(7,558,971)	20,287	13,778,566
Investment income, net	-	1,824,417	1,824,417	4,255	21,776,566	1,000	23,606,238
Rental income	240	413,057	413,297	-	-	-	413,297
Total support and revenue per Annual Financial Report (AFR)	$ 3,062,574	$ 20,382,266	$ 23,444,840	$ 134,666	$ 14,217,595	$ 21,287	$ 37,797,101

See independent auditor’s report.

VPM MEDIA CORPORATION

Consolidated Schedule of Revenue and Expenses for Annual Financial Report, Continued
Year Ended June 30, 2024

	Radio	TV	AFR Total	I64 Media LLC Excluded from AFR	VFPM Excluded from AFR	13-17 East Broad Street Excluded from AFR	Consolidated Total
Expenses:							
Program:							
Programming and production	$ 2,960,889	$ 6,918,809	$ 9,879,698	$ 101,203	$ -	$ -	$ 9,980,901
Broadcast and engineering	443,784	2,825,555	3,269,339	-	-	-	3,269,339
Community engagement	315,953	676,957	992,910	-	-	-	992,910
Total program expenses	3,720,626	10,421,321	14,141,947	101,203	-	-	14,243,150
General and administrative	765,318	4,827,987	5,593,305	33,463	176,989	21,287	5,825,044
Fundraising	649,203	1,187,374	1,836,577	-	-	-	1,836,577
Total expenses per AFR	5,135,147	16,436,682	21,571,829	134,666	176,989	21,287	21,883,484
Total change in net assets per AFR	$ (2,072,573)	$ 3,945,584	$ 1,873,011	$ -	$ 14,040,606	$ -	$ 15,913,617

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