

Wisconsin Public Media
(A Division of the University of Wisconsin - Madison)

Financial Statements

June 30, 2025 and 2024

Wisconsin Public Media

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Independent Auditors' Report

To the Members of the Board of Regents of
University of Wisconsin System

Wisconsin Public Media
University of Wisconsin - Madison

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of Wisconsin Public Media (WPM), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise WPM's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of WPM as of June 30, 2025 and 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Wisconsin Public Radio Association, Inc. and the Friends of PBS Wisconsin, Inc., which respectively represent 53% and 57% of the total assets, 53% and 53% of the total net position, and 30% and 54% of the total revenues of the WPM Radio and WPM TV funds, and 56%, 53%, and 44%, respectively, of the total assets, total net position, and total revenues of the business-type activities as of and for the year ended June 30, 2025. We did not audit the financial statements of the Wisconsin Public Radio Association, Inc., and the Friends of PBS Wisconsin, Inc., which respectively represent 41% and 54% of the total assets, 38% and 50% of the total net position, and 31% and 49% of the total revenues of the WPM Radio and WPM TV funds, and 51%, 47%, and 41%, respectively, of the total assets, total net position, and total revenues of the business-type activities as of and for the year ended June 30, 2024. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Wisconsin Public Radio Association, Inc. and the Friends of PBS Wisconsin, Inc. are based solely on the report of the other auditors.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1, the financial statements present only WPM and do not purport to, and do not present fairly the financial position of the University of Wisconsin - Madison. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WPM's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WPM'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 WPM'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
February 12, 2026

Wisconsin Public Media

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

The Management's Discussion and Analysis (MD&A) section of the Wisconsin Public Media (WPM) financial report provides general information on the financial activities of WPM and presents information on the financial performance of WPM during the fiscal years ended June 30, 2025 and June 30, 2024.

Overview of the Financial Statements

Wisconsin Public Media (WPM) is a Division of the University of Wisconsin Madison and is part of the University of Wisconsin System. WPM, in partnership with the Educational Communications Board (ECB), a State of Wisconsin Agency, operates two public telecommunications services across the State of Wisconsin: (1) Wisconsin Public Radio, and (2) PBS Wisconsin.

WPM prepares its financial statements in accordance with Governmental Accounting Standards Board (GASB) statements. The financial statements also include WPM's allocated share of the accounts of the Wisconsin Public Radio Association, Inc. (WPRA), and the Friends of PBS Wisconsin, Inc. (Friends). Both WPRA and Friends are not-for-profit corporations that solicit funds for WPM and the ECB. Additional information on WPRA and Friends can be found in the *Notes to Financial Statements*.

The Statement of Net Position includes all assets, deferred outflows, liabilities and deferred inflows. Assets and deferred outflows less liabilities and deferred inflows is reported as net position. Restricted net position reflects unspent balances of purpose-restricted grants, contracts, contributions and endowments and the value of any restricted net pension asset. Over time, increases or decreases in net position are indicators of changes in WPM's financial health.

The Statement of Activities presents the revenues earned and expenses incurred during the fiscal year on an accrual basis. Activities are reported as either operating or non-operating. WPM's dependence on state general appropriations and donated facilities and administrative support from the University of Wisconsin System results in operating deficits because the financial reporting model classifies state general appropriations and donated services as non-operating revenues. Depreciation expense is included in the various functional expense categories.

The Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating, noncapital financing, capital and related financing, and investing activities and helps to measure the ability to meet financial obligations.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Wisconsin Public Media

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Financial Analysis

Condensed financial information for WPM (in thousands) as of and for the fiscal years ended June 30, 2025, June 30, 2024, and June 30, 2023 is as follows:

	<u>June 30, 2025</u>	<u>Percent Change from Previous Year</u>	<u>June 30, 2024</u>	<u>Percent Change from Previous Year</u>	<u>June 30, 2023</u>
Capital assets	\$ 3,435	(5)	\$ 3,625	2	\$ 3,564
Other assets	48,558	9	44,662	1	44,356
Total assets	51,994	8	48,287	1	47,920
Deferred outflows	9,502	(26)	12,907	(35)	19,870
Current liabilities	3,195	14	2,807	(25)	3,721
Noncurrent liabilities	2,921	16	2,528	(61)	6,446
Total liabilities	6,115	15	5,335	(48)	10,167
Deferred inflows	5,132	(37)	8,143	(29)	11,542
Investment in capital assets	2,743	(11)	3,077	7	2,888
Restricted – nonexpendable	2,036	1	2,014	0	2,016
Restricted – expendable	5,342	28	4,175	(11)	4,702
Unrestricted	40,128	4	38,449	5	36,474
Total net position	50,249	5	47,715	4	46,080
Operating revenues	25,618	10	23,383	16	20,104
Operating expenses	38,537	5	36,706	8	34,063
Net operating loss	(12,919)	(3)	(13,323)	(5)	(13,959)
Non-operating revenues/expenses and capital contributions	15,453	3	14,958	18	12,658
Change in net position	<u>\$ 2,534</u>	<u>55</u>	<u>\$ 1,635</u>	<u>226</u>	<u>\$ (1,301)</u>

Wisconsin Public Media

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Compared to the prior Fiscal Year (FY), FY 2024-25 activity reflects increased operating revenue and increased operating expenses and increased non-operating revenues; similarly, FY 2023-24 activity reflects increased operating revenue and increased operating expenses, and increased non-operating revenues compared to the prior Fiscal Year.

The increase in FY 2024-25 operating revenue is a result of increases in grants, underwriting, telecasting, production and other income, and major gifts. This increase was partially offset by decreases in Corporation for Public Broadcasting (CPB) Community Service Grant revenue, and membership income. The increase in non-operating revenues relates largely to increases in investment income. The increase in FY 2023-24 operating revenue is a result of increases in membership income, major gifts, and Corporation for Public Broadcasting (CPB) Community Service Grant revenue. This increase was partially offset by decreases in grants, underwriting, and telecasting, production and other income. The increase in non-operating revenues relates largely to increases in investment income.

Assets

Total assets increased by 8 percent in FY 2024-25, while liabilities increased 15 percent, deferred outflows decreased by 26 percent and deferred inflows decreased by 37 percent. The FY 2024-25 changes were greatly impacted by pension-related changes and increases in investment values. In FY 2023-24 total assets increased by 1 percent compared to the prior FY, while liabilities decreased 48 percent, deferred outflows decreased by 35 percent and deferred inflows decreased by 29 percent.

Capital assets decreased by 5 percent in FY 2024-25 after increasing by 2 percent in FY 2023-24. Capital asset values tend to fluctuate due to the timing of significant capital asset purchases and the rate at which the purchase of new capital assets outpaces depreciation and amortization.

Liabilities

Current liability increased 14 percent in FY 2024-25, after decreasing by 25 percent in FY 2023-24. The increase in FY 2024-25 was largely due to the increase in wages payable, the current portion of compensated absences payable, and the current portion of subscription liabilities. The decrease in FY 2023-24 was largely due to the reduction in amounts due to related parties and amounts due to the University of Wisconsin System.

Noncurrent liabilities increased 16 percent in FY 2024-25 after decreasing by 61 percent in FY 2023-24. The increase in FY 2024-25 is largely due to a new subscription liability and increases in the pension liability. The FY 2023-24 decrease was due to reductions in the pension liability.

Operating Revenues

Operating revenues increased by 10 percent in FY 2024-25 after increasing by 16 percent in FY2023-24. The increase in FY 2024-25 reflected a \$106,000 increase in grants revenue, a \$232,000 increase in underwriting, \$562,000 increase in telecasting, production and other income, and a \$1.97 million increase in major gifts. These increases were partially offset by a decrease in CPB Community Service Grant revenue by \$141,000, and a decrease in membership revenue by \$492,000.

Operating revenues increased by 16 percent in FY 2023-24 after decreasing by 14 percent in FY2022-23. The increase in FY 2023-24 reflected a \$1.1 million increase in CPB Community Service Grant revenue, due to the timing of acceptance of the funding, a \$1.3 million increase in membership income and a \$1.6 million increase in major gifts. These increases were partially offset by a decrease in telecasting, production and other income by \$114,000, decrease in grants revenue of \$20,000, and decrease in underwriting of \$592,000.

Wisconsin Public Media

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Operating Expenses

Operating expenses increased by 5 percent in FY 2024-25 compared to an increase of 8 percent in FY 2023-24. Increases in FY 2024-25 and FY2023-24 related largely to staffing costs, including required general wage adjustments.

Non-operating Revenues/Expenses and Capital Contributions

Non-operating revenues/expenses and capital contributions consist of investment income, general appropriations from the State of Wisconsin through the University of Wisconsin System, gain or loss on the sale of assets, insurance proceeds and donated facilities and support from the University of Wisconsin System. Non-operating revenues and capital contributions increased by 3 percent in FY 2024-25, after an increase of 18 percent in FY 2023-24.

The increase in FY 2024-25 occurred primarily due to the continued investment gains. Investment income increased by \$325,000 in FY 2024-25 compared to FY 2023-24. State general appropriations and donated facilities and administrative support remained relatively stable between FY 2024-25 and FY 2023-24. During FY 2024-25 the University of Wisconsin System provided capital contribution support totaling \$170,000 for repair and renovation of a television production studio.

Discontinuation of Standalone Audited Financial Statements

The Rescissions Act of 2025 (P.L. 119-28) eliminated all funding for the Corporation for Public Broadcasting (CPB). For decades, WPM received Community Service Grant (CSG) funding from the CPB and complied with its terms and conditions, including the annual requirement to prepare standalone audited financial statements under 47 CFR 396.

Unlike most other UW-Madison schools, colleges, and divisions, WPM prepared its own standalone audited financial statements solely to fulfill the CPB's CSG requirements. Although not required for the fiscal year ending June 30, 2025, WPM management elected to prepare financial statements and undergo an audit. In future fiscal years, these CPB requirements no longer apply.

In early fiscal year 2026, WPM received a small amount of residual CSG funding from CPB and fully expended all remaining CSG funds in accordance with allowable uses. Going forward, WPM will no longer prepare standalone financial statements that undergo an audit. However, WPM's accounts and records will continue to be audited as part of the annual financial statements for the Universities of Wisconsin.

Contacting Wisconsin Public Media's Financial Management

This financial report is designed to provide a general overview of WPM's finances. Questions concerning the information provided in this report, or requests for additional information, should be addressed to:

University of Wisconsin-Madison, Division of Wisconsin Public Media
c/o Executive Director
821 University Avenue
Madison, WI 53706

Wisconsin Public MediaStatement of Net Position
June 30, 2025

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Assets and Deferred Outflows of Resources			
Assets			
Current assets:			
Cash and equivalents (deficit)	\$ (573,718)	\$ 3,648,479	\$ 3,074,761
Investments	1,264,727	896,087	2,160,814
Contributions receivable, net	308,167	182,429	490,596
Accounts and interest receivable, net	109,426	139,511	248,937
Accounts receivable, related party	99,975	32,517	132,492
Due from University of Wisconsin System	225,016	2,824,745	3,049,761
Prepaid expenses	82,955	218,271	301,226
Inventory	-	7,585	7,585
Total current assets	<u>1,516,548</u>	<u>7,949,624</u>	<u>9,466,172</u>
Noncurrent assets:			
Investments	9,440,792	29,638,854	39,079,646
Contributions receivable, net	-	12,500	12,500
Capital assets:			
Depreciable assets net of accumulated depreciation/amortization	<u>1,142,528</u>	<u>2,292,883</u>	<u>3,435,411</u>
Total noncurrent assets	<u>10,583,320</u>	<u>31,944,237</u>	<u>42,527,557</u>
Total assets	<u>12,099,868</u>	<u>39,893,861</u>	<u>51,993,729</u>
Deferred Outflows of Resources			
Pension related amounts	<u>4,687,781</u>	<u>4,814,691</u>	<u>9,502,472</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Current liabilities:			
Accounts payable and accrued expenses	63,542	469,837	533,379
Wages payable	544,195	670,739	1,214,934
Current portion of compensated absences payable	483,483	656,701	1,140,184
Current portion of lease liability	-	32,466	32,466
Current portion of subscription liability	98,726	-	98,726
Unearned revenue	-	174,843	174,843
Total current liabilities	<u>1,189,946</u>	<u>2,004,586</u>	<u>3,194,532</u>
Noncurrent liabilities:			
Compensated absences payable	200,489	403,496	603,985
Lease liability	-	387,414	387,414
Subscription liability	174,012	-	174,012
Net pension liability	808,618	946,700	1,755,318
Total noncurrent liabilities	<u>1,183,119</u>	<u>1,737,610</u>	<u>2,920,729</u>
Total liabilities	<u>2,373,065</u>	<u>3,742,196</u>	<u>6,115,261</u>
Deferred Inflows of Resources			
Pension related amounts	<u>2,551,269</u>	<u>2,581,066</u>	<u>5,132,335</u>
Total deferred inflows of resources	<u>2,551,269</u>	<u>2,581,066</u>	<u>5,132,335</u>
Net Position			
Net investment in capital assets	869,790	1,873,003	2,742,793
Restricted, nonexpendable endowments	830,667	1,205,189	2,035,856
Restricted, expendable endowments	-	474,657	474,657
Restricted, expendable grantee and donor	1,296,211	3,570,688	4,866,899
Unrestricted	<u>8,866,647</u>	<u>31,261,753</u>	<u>40,128,400</u>
Total net position	<u>\$ 11,863,315</u>	<u>\$ 38,385,290</u>	<u>\$ 50,248,605</u>

See notes to financial statements

Wisconsin Public MediaStatement of Net Position
June 30, 2024

	WPM Radio	WPM TV	Total
Assets and Deferred Outflows of Resources			
Assets			
Current assets:			
Cash and equivalents	\$ 159,864	\$ 4,158,240	\$ 4,318,104
Investments	2,704,627	974,511	3,679,138
Contributions receivable, net	38,174	33,853	72,027
Accounts and interest receivable, net	101,763	393,445	495,208
Accounts receivable, related party	86,219	44,733	130,952
Due from University of Wisconsin System	116,077	2,596,972	2,713,049
Prepaid expenses	8,971	250,268	259,239
Inventory	-	7,585	7,585
Total current assets	3,215,695	8,459,607	11,675,302
Noncurrent assets:			
Investments	6,749,487	26,187,162	32,936,649
Contributions receivable, net	-	50,000	50,000
Capital assets:			
Work in progress	22,612	-	22,612
Depreciable assets net of accumulated depreciation/amortization	1,017,936	2,584,291	3,602,227
Total noncurrent assets	7,790,035	28,821,453	36,611,488
Total assets	11,005,730	37,281,060	48,286,790
Deferred Outflows of Resources			
Pension related amounts	6,295,083	6,611,541	12,906,624
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Current liabilities:			
Accounts payable and accrued expenses	258,965	106,880	365,845
Wages payable	485,757	608,939	1,094,696
Current portion of compensated absences payable	488,134	611,805	1,099,939
Current portion of lease liability	-	30,793	30,793
Current portion of subscription liability	47,831	-	47,831
Unearned revenue	-	168,308	168,308
Total current liabilities	1,280,687	1,526,725	2,807,412
Noncurrent liabilities:			
Compensated absences payable	179,668	361,281	540,949
Lease liability	-	419,879	419,879
Subscription liability	48,923	-	48,923
Net pension liability	707,585	810,467	1,518,052
Total noncurrent liabilities	936,176	1,591,627	2,527,803
Total liabilities	2,216,863	3,118,352	5,335,215
Deferred Inflows of Resources			
Pension related amounts	3,928,393	4,193,351	8,121,744
Beneficial interest in trust	21,605	-	21,605
Total deferred inflows of resources	3,949,998	4,193,351	8,143,349
Net Position			
Net investment in capital assets	943,794	2,133,619	3,077,413
Restricted, nonexpendable endowments	809,063	1,205,189	2,014,252
Restricted, expendable endowments	-	409,888	409,888
Restricted, expendable grantee and donor	178,743	3,585,900	3,764,643
Unrestricted	9,202,352	29,246,302	38,448,654
Total net position	\$ 11,133,952	\$ 36,580,898	\$ 47,714,850

See notes to financial statements

Wisconsin Public Media

Statement of Activities
Year Ended June 30, 2025

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Operating Revenues			
Grants	\$ 835,699	\$ 194,230	\$ 1,029,929
Community services grant from CPB	663,007	2,275,511	2,938,518
Underwriting	1,070,857	675,749	1,746,606
Telecasting, production and other income	4,651,289	852,671	5,503,960
Membership income	2,770,025	5,445,888	8,215,913
Major gifts	1,921,876	4,260,797	6,182,673
	<u>11,912,753</u>	<u>13,704,846</u>	<u>25,617,599</u>
Operating Expenses			
Program services:			
Programming and production	8,526,603	9,197,168	17,723,771
Broadcasting	1,302,360	399,702	1,702,062
Program information	919,120	4,012,614	4,931,734
	<u>10,748,083</u>	<u>13,609,484</u>	<u>24,357,567</u>
Supporting services:			
Management and general	3,183,985	3,666,535	6,850,520
Fundraising	725,306	4,087,586	4,812,892
Underwriting	1,412,814	1,103,015	2,515,829
	<u>5,322,105</u>	<u>8,857,136</u>	<u>14,179,241</u>
Total operating expenses	<u>16,070,188</u>	<u>22,466,620</u>	<u>38,536,808</u>
Operating loss	<u>(4,157,435)</u>	<u>(8,761,774)</u>	<u>(12,919,209)</u>
Nonoperating Revenues			
State general appropriations	3,091,378	5,989,658	9,081,036
Donated facilities and administrative support from the University of Wisconsin System	696,665	1,194,448	1,891,113
Gain (loss) on sale of assets	(558)	-	(558)
Investment income	1,099,313	3,211,790	4,311,103
	<u>4,886,798</u>	<u>10,395,896</u>	<u>15,282,694</u>
Income before contributions	<u>729,363</u>	<u>1,634,122</u>	<u>2,363,485</u>
Contributions			
Capital contributions	-	170,270	170,270
Change in net position	729,363	1,804,392	2,533,755
Net Position, Beginning	<u>11,133,952</u>	<u>36,580,898</u>	<u>47,714,850</u>
Net Position, Ending	<u>\$ 11,863,315</u>	<u>\$ 38,385,290</u>	<u>\$ 50,248,605</u>

See notes to financial statements

Wisconsin Public Media

Statement of Activities
Year Ended June 30, 2024

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Operating Revenues			
Grants	\$ 836,989	\$ 87,339	\$ 924,328
Community services grant from CPB	720,550	2,358,972	3,079,522
Underwriting	1,195,182	319,760	1,514,942
Telecasting, production and other income	4,153,314	788,574	4,941,888
Membership income	3,698,480	5,009,481	8,707,961
Major gifts	912,318	3,301,683	4,214,001
	<u>11,516,833</u>	<u>11,865,809</u>	<u>23,382,642</u>
Operating Expenses			
Program services:			
Programming and production	8,621,189	9,011,805	17,632,994
Broadcasting	1,400,196	413,347	1,813,543
Program information	682,974	3,658,285	4,341,259
	<u>10,704,359</u>	<u>13,083,437</u>	<u>23,787,796</u>
Supporting services:			
Management and general	3,026,175	3,656,027	6,682,202
Fundraising	929,357	3,339,957	4,269,314
Underwriting	1,548,858	417,753	1,966,611
	<u>5,504,390</u>	<u>7,413,737</u>	<u>12,918,127</u>
Total operating expenses	<u>16,208,749</u>	<u>20,497,174</u>	<u>36,705,923</u>
Operating loss	<u>(4,691,916)</u>	<u>(8,631,365)</u>	<u>(13,323,281)</u>
Nonoperating Revenues			
State general appropriations	3,107,383	5,950,451	9,057,834
Donated facilities and administrative support from the University of Wisconsin System	756,891	1,161,300	1,918,191
Gain (loss) on sale of assets	(2,822)	(1,314)	(4,136)
Investment income	889,371	3,096,685	3,986,056
	<u>4,750,823</u>	<u>10,207,122</u>	<u>14,957,945</u>
Change in net position	58,907	1,575,757	1,634,664
Net Position, Beginning	<u>11,075,045</u>	<u>35,005,141</u>	<u>46,080,186</u>
Net Position, Ending	<u>\$ 11,133,952</u>	<u>\$ 36,580,898</u>	<u>\$ 47,714,850</u>

See notes to financial statements

Wisconsin Public MediaStatement of Cash Flows
Year Ended June 30, 2025

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Cash Flows From Operating Activities			
Cash received from grants	\$ 864,364	\$ 194,230	\$ 1,058,594
Cash received from CPB, community service grant	14,952	38,543	53,495
Cash received from contributed support	6,232,589	11,208,258	17,440,847
Cash received from sales and services	4,621,494	1,076,924	5,698,418
Cash paid to vendors for goods and services	(173,987)	(3,979,505)	(4,153,492)
Cash paid to employees for payroll	(14,899,224)	(15,009,918)	(29,909,142)
	<u>(3,339,812)</u>	<u>(6,471,468)</u>	<u>(9,811,280)</u>
Net cash flows from operating activities			
Cash Flows From Noncapital Financing Activities			
Receipts from state government	3,091,378	5,989,658	9,081,036
	<u>3,091,378</u>	<u>5,989,658</u>	<u>9,081,036</u>
Net cash flows from noncapital financing activities			
Cash Flows From Investing Activities			
Marketable securities (purchased) and sold	(358,101)	(614,479)	(972,580)
Investment, interest and dividend income	236,547	459,665	696,212
	<u>(121,554)</u>	<u>(154,814)</u>	<u>(276,368)</u>
Net cash flows from investing activities			
Cash Flows From Capital and Related Financing Activities			
Capital contributions	-	170,270	170,270
Purchases of capital assets	(363,594)	(43,407)	(407,001)
	<u>(363,594)</u>	<u>126,863</u>	<u>(236,731)</u>
Net cash flows from capital and related financing activities			
Net change in cash and cash equivalents	(733,582)	(509,761)	(1,243,343)
Cash and Cash Equivalents, Beginning	<u>159,864</u>	<u>4,158,240</u>	<u>4,318,104</u>
Cash and Cash Equivalents (Deficit), Ending	<u>\$ (573,718)</u>	<u>\$ 3,648,479</u>	<u>\$ 3,074,761</u>

See notes to financial statements

Wisconsin Public Media

Statement of Cash Flows
Year Ended June 30, 2025

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Cash Flows From Operating Activities			
Operating loss	\$ (4,157,435)	\$ (8,761,774)	\$ (12,919,209)
Adjustments to reconcile operating loss to net cash flows from operating activities:			
Noncash items included in operating loss:			
Depreciation and amortization expense	308,836	348,965	657,801
Donated facilities and administrative support from the University of Wisconsin System expense	696,665	1,194,448	1,891,113
Change in assets, liabilities, deferred outflows of resources and deferred inflows of resources:			
Accounts receivable, net excluding interest receivable	(321,952)	148,410	(173,542)
Prepaid expenses	(73,984)	(12,944)	(86,928)
Accounts payable and accrued expenses	7,391	511,868	519,259
Due to (from) the University of Wisconsin System	(108,938)	(227,774)	(336,712)
Deferred Support	-	6,535	6,535
Pension related amounts	309,605	320,798	630,403
Net cash flows from operating activities	<u>\$ (3,339,812)</u>	<u>\$ (6,471,468)</u>	<u>\$ (9,811,280)</u>
Noncash Investing, Capital and Relating Financing Activities			
Assets purchased through SBITAs	<u>\$ 269,879</u>	<u>\$ -</u>	<u>\$ 269,879</u>

See notes to financial statements

Wisconsin Public Media

Statement of Cash Flows
Year Ended June 30, 2024

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Cash Flows From Operating Activities			
Cash received from grants	\$ 880,740	\$ 307,256	\$ 1,187,996
Cash received from CPB, community service grant	64,909	369,122	434,031
Cash received from contributed support	5,705,072	8,073,675	13,778,747
Cash received from sales and services	5,197,652	2,457,989	7,655,641
Cash paid to vendors for goods and services	(135,795)	(3,370,037)	(3,505,832)
Cash paid to employees for payroll	(15,343,725)	(15,220,353)	(30,564,078)
Net cash flows from operating activities	<u>(3,631,147)</u>	<u>(7,382,348)</u>	<u>(11,013,495)</u>
Cash Flows From Noncapital Financing Activities			
Receipts from state government	<u>3,107,383</u>	<u>5,950,451</u>	<u>9,057,834</u>
Net cash flows from noncapital financing activities	<u>3,107,383</u>	<u>5,950,451</u>	<u>9,057,834</u>
Cash Flows From Investing Activities			
Marketable securities (purchased) and sold	77,423	1,968,481	2,045,904
Investment, interest and dividend income	184,810	514,082	698,892
Net cash flows from investing activities	<u>262,233</u>	<u>2,482,563</u>	<u>2,744,796</u>
Cash Flows From Capital and Related Financing Activities			
Purchases of capital assets	<u>(139,287)</u>	<u>(816,785)</u>	<u>(956,072)</u>
Net cash flows from capital and related financing activities	<u>(139,287)</u>	<u>(816,785)</u>	<u>(956,072)</u>
Net change in cash and cash equivalents	(400,818)	233,881	(166,937)
Cash and Cash Equivalents, Beginning	<u>560,682</u>	<u>3,924,359</u>	<u>4,485,041</u>
Cash and Cash Equivalents, Ending	<u>\$ 159,864</u>	<u>\$ 4,158,240</u>	<u>\$ 4,318,104</u>

See notes to financial statements

Wisconsin Public Media

Statement of Cash Flows
Year Ended June 30, 2024

	<u>WPM Radio</u>	<u>WPM TV</u>	<u>Total</u>
Cash Flows From Operating Activities			
Operating loss	\$ (4,691,916)	\$ (8,631,365)	\$ (13,323,281)
Adjustments to reconcile operating loss to net cash flows from operating activities:			
Noncash items included in operating loss:			
Depreciation and amortization expense	417,565	350,221	767,786
Donated facilities and administrative support from the University of Wisconsin System expense	756,891	1,161,300	1,918,191
Change in assets, liabilities, deferred outflows of resources and deferred inflows of resources:			
Accounts receivable, net excluding interest receivable	1,238,491	1,918,793	3,157,284
Inventory	-	(142)	(142)
Prepaid expenses	(1,308)	(10,441)	(11,749)
Accounts payable and accrued expenses	(271,458)	(109,147)	(380,605)
Due to (from) the University of Wisconsin System	(805,358)	(1,927,713)	(2,733,071)
Unearned revenues	-	14,203	14,203
Pension related amounts	(274,054)	(148,057)	(422,111)
Net cash flows from operating activities	<u>\$ (3,631,147)</u>	<u>\$ (7,382,348)</u>	<u>\$ (11,013,495)</u>

Noncash Investing, Capital and Relating Financing Activities

None.

See notes to financial statements

Wisconsin Public Media

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June 30, 2025 and 2024

1. Summary of Significant Accounting Policies

(a) Reporting Entity

Wisconsin Public Media (WPM) is a Division of the University of Wisconsin Madison and is part of the University of Wisconsin System. WPM, in partnership with the Educational Communications Board (ECB), a State of Wisconsin Agency, operates two public telecommunications services across the State of Wisconsin: (1) Wisconsin Public Radio and (2) PBS Wisconsin. For the purposes of this report, the WPM portion of Wisconsin Public Radio will be notated as "WPM-Radio", and the WPM portion of PBS Wisconsin will be notated as "WPM-TV".

(i) WPM-Radio

Wisconsin Public Radio is a telecommunications entity operated jointly by: (1) The Board of Regents of the University of Wisconsin System, through Wisconsin Public Media, a division of UW-Madison and (2) the Educational Communications Board (ECB). WPM, acting on behalf of the Board of Regents of the University of Wisconsin System, holds FCC licenses for eight FM stations and one AM station. Wisconsin Public Radio operates two distinct services digitally and over broadcast.

Prior to May 20, 2024, Wisconsin Public Radio operated: (1) *The Ideas Network* with WPM flagship station WHA-AM and *The NPR News & Music Network* with WPM flagship station WLSU-FM. Starting on May 20, 2024, Wisconsin Public Radio reorganized its statewide services into two new networks: (1) *The WPR News Network* with flagship station WHA-AM and *The WPR Music Network* with flagship station WLSU-FM.

WPM-Radio is reported as a major fund and its financial statements include its allocated share of the assets, liabilities, deferred inflows, revenues and expenses of the Wisconsin Public Radio Association, Inc. (WPRA), a not-for-profit corporation that receives contributions for Wisconsin Public Radio on behalf of WPM and ECB. WPRA is considered to be a blended component unit of WPM-Radio. Accordingly, all significant inter-organizational accounts and transactions have been eliminated. See NOTE 3 for additional information regarding WPRA.

(ii) WPM-TV

PBS Wisconsin is a telecommunications entity operated jointly by: (1) The Board of Regents of the University of Wisconsin System, through Wisconsin Public Media, a division of UW-Madison and (2) the Educational Communications Board (ECB). WPM, acting on behalf of the Board of Regents of the University of Wisconsin System, holds an FCC license for one digital station, WHA-TV, with four programming streams.

WPM-TV is reported as a major fund and its financial statements include its allocated share of the assets, liabilities, revenues and expenses of Friends of PBS Wisconsin, Inc. (Friends), a not-for-profit corporation that receives contributions for the PBS Wisconsin on behalf of WPM and ECB. Friends is considered to be a blended component unit of WPM-TV. Accordingly, all significant inter-organizational accounts and transactions have been eliminated. See NOTE 3 for additional information regarding Friends.

(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Wisconsin Public Media

Notes to Financial Statements
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As a general rule, the effect of inter-organization activity has been eliminated.

Revenues from government-mandated or voluntary nonexchange transactions, such as contributions, gifts and grants, are recognized when all applicable eligibility requirements are met. Eligibility requirements are established by the provider of the funds and may stipulate the qualifying characteristics of recipients, time requirements, allowable costs and other contingencies. Restrictions that specify the purpose for which resources are required to be used are not considered eligibility requirements and do not affect when nonexchange revenue is recognized.

Contributions, gifts and grants that do not have eligibility requirements are reported as revenue when WPM is entitled to the funds. Contributed membership fees of the Friends are nonrefundable and are recorded as revenue in the year earned; pledged WPM and Friends' contributions that are expected to be collected within one year are recorded as revenue at the net realizable value. Individual gifts equal to or greater than \$1,000 are reported as major gifts.

Expenses are shown in the functional categories contained in the statement of activities. Expenses that relate to more than one category are allocated to the respective categories, using estimates if necessary. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, restricted resources are applied first.

Noncash contributions are recognized as nonoperating revenues in the period of receipt unless they involve trades for which on-air underwriting credits have not yet been broadcast. Noncash expenses are shown in the functional categories of operating expenses contained in the statement of activities.

Operating revenues are directly related to programming, production and development activities. Nonoperating revenues, such as investment income, are indirectly related to programming, production and development activities. Other nonoperating revenues include state general appropriations and donated facilities and administrative support from the University of Wisconsin System.

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

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for: (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if: (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented July 1, 2023, however the impact on the financial statements for WPM was not material.

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

(c) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

(i) Deposits and Investments

For purposes of the statement of cash flows, cash and cash equivalents include deposits with the State of Wisconsin and shares in the State Investment Fund (SIF), a short-term investment pool of state and local funds. Cash and cash equivalents also include WPM's allocated share of WPRA and Friends cash deposits and investments held in short-term, highly liquid assets.

WPM's cash balances are deposited with the State of Wisconsin and invested in the SIF, a short-term investment pool of state and local funds managed by the State of Wisconsin Investment Board, with oversight by its Board of Trustees and in accordance with Wisconsin Statutes. The SIF is not registered with the Securities and Exchange Commission.

The types of securities in which the SIF may invest are enumerated in ss. 25.17(3)(b), (ba), (bd) and (dg), Wis. Stats. and include direct obligations of the United States or its agencies, corporations wholly owned by the United States or chartered by an act of Congress, securities guaranteed by the United States, unsecured notes of financial and industrial issuers, direct obligations of or guaranteed by the government of Canada, certificates of deposit issued by banks in the United States and solvent financial institutions in Wisconsin and bankers acceptances. The Investment Board's trustees may specifically approve other prudent investments.

WPM's investment balances are deposited with the University of Wisconsin System and invested in two different pools of University of Wisconsin funds: (1) the UW ASAP Regent Fund and (2) the UW Long Term Fund. These two funds are managed by the University of Wisconsin System, with oversight and authorization of the investment policies and guidelines by the Board of Regents and are not registered with the Securities and Exchange Commission. The ASAP Regent Fund was established on April 1, 2019, by the Board of Regents and is an intermediate-term fixed income portfolio, governed by and subject to a University Board of Regents to provide educational investment management opportunity for the UW-Madison School of Business Applied Security Analysis Program. The ASAP Regent Fund is an intermediate-term fixed income portfolio, governed by and subject to a University Board of Regents' approved Memorandum of Understanding, which includes detailed investment guidelines. Investment management responsibilities for the UW Long Term Fund are provided by the State of Wisconsin Investment Board (SWIB) which manages assets for the Wisconsin Retirement System (WRS) and other funds. While SWIB manages the Long-Term Fund, the Board of Regents continues to carry ultimate fiduciary responsibility. The University of Wisconsin System does not have investment policies specific to the investment risks identified in Note 2. The asset allocation for the Long-Term Fund sets a target of 57% public equities, 20% fixed-income and 23% inflation sensitive securities.

Additional information on the two funds is available in the University of Wisconsin System's Annual Financial Reports. The report is publicly available at <https://www.wisconsin.edu> or may be obtained by contacting:

UW System Financial Administration
780 Regent Street, Suite 255
Madison, Wisconsin 53715

Wisconsin Public Media

Notes to Financial Statements

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WPRA's and Friends' cash and investments are managed separately from the cash and investment activities of the State Investment Fund (SIF) and University of Wisconsin funds. WRPA and Friends do not have investment policies specific to the investment risks identified in Note 2.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. See Note 2 for further information.

(ii) Inventory

Inventory is valued at cost using the first-in/first-out (FIFO) method. Costs are recorded as expenditures at the time individual inventory items are consumed.

(iii) Due From (to) the University of Wisconsin System

All cash received by WPM from grants and contracts is deposited with the University of Wisconsin System. Expenses related to certain WPM grants and contracts may be paid by the University of Wisconsin System prior to receipt of funding from the granting agency. The difference between cash received and expenses is considered a payable, due to the University of Wisconsin System. When receipts from the granting agency exceed the expenses, the difference is considered a receivable, due from the University of Wisconsin System. The net of these amounts is reported on the Statement of Net Position.

(iv) Unearned Revenue

Payments received but not yet earned for grants with eligibility requirements are reported as liabilities on the Statement of Net Position.

(v) Capital Assets

Capital assets are defined as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. Estimated useful lives for capital assets are based on standards for the public broadcasting industry developed by the Public Broadcasting Service and range from 4 to 15 years. Expenses for repairs and maintenance are charged to operating expenses as incurred.

(vi) Right-to-Use Assets

Right-to-use assets include the rights WPM has to use assets that are leased, or subscribed to, from other parties. Amounts represent the present value of future expected lease or subscription payments WPM is contractually obligated to make under the leases or subscriptions. The leases or subscriptions are amortized over the lease term and are presented at net book value.

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

(vii) Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources expense until that future time.

(viii) Compensated Absences

Unused, earned compensated absences, other than accumulated sick leave, are accrued with a resulting liability. The liability and the expense for compensated absences are based on the rate of pay at the fiscal year end per GASB Statement No. 101, *Compensated Absences*. Accumulated sick leave that is expected to be paid out as a lump sum is accrued by the University of Wisconsin - System and is not a liability of WPM.

(ix) Leases

WPM is a lessee because it leases capital assets from other entities. As a lessee, WPM reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the statement of net position.

(x) Long-Term Obligations

All long-term obligations to be repaid from business-type resources are reported as liabilities in the Statement of Net Position. The long-term obligations consist of accrued compensated absences, lease and subscription liabilities and the net pension liability.

(xi) Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

(xii) Equity Classifications

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including right-to-use assets and restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net position that do not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is WPM's policy to use restricted resources first, then unrestricted resources as they are needed.

WPM's restricted net position includes purpose restrictions placed by donors on contributed support or gifts. Restricted nonexpendable net position is restricted by donors to be maintained in perpetuity. Unrestricted net position may be used at the discretion of management. Restricted net position related to pensions must be used to fund employee benefits.

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

(xiii) Pension

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, and
- Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(xiv) Subscription-Based Information Technology Arrangements

WPM reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the statement of net position.

(xv) Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

2. Detailed Notes on All Funds

(a) Deposits and Investments

WPM's cash and investments at year-end were comprised of the following as of June 30, 2025:

Description	Carrying Value	Statement Balance	Associated Risks
Demand deposits	\$ 2,069,473	\$ 2,069,473	Custodial credit
Mutual Funds, bond funds	7,176,097	7,176,097	Credit, interest rate, foreign currency
Mutual Funds, other than bonds	18,964,127	18,964,127	N/A
UW ASAP Regent Intermediate, Term Fund	2,814,050	2,814,050	Credit
UW Long-Term Fund	11,744,603	11,744,603	Credit
SIF	1,546,871	1,546,871	Credit
Total cash and investments	<u>\$ 44,315,221</u>	<u>\$ 44,315,221</u>	
Reconciliation to financial statements per statement of net position:			
Cash and equivalents ¹	\$ 3,074,761		
Current investments	2,160,814		
Noncurrent investments	<u>39,079,646</u>		
Total	<u>\$ 44,315,221</u>		

¹ WPM Radio shows cash and equivalents of \$(573,718) on the statement of net position. The UW Trust Office had not yet liquidated investments held by WPM Radio as of June 30, 2025 due to the University of Wisconsin System's implementation of a new ERP accounting system.

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

WPM's cash and investments at year-end were comprised of the following as of June 30, 2024:

Description	Carrying Value	Statement Balance	Associated Risks
Demand deposits	\$ 2,566,675	\$ 2,566,675	Custodial credit
Mutual Funds, bond funds	5,855,836	5,855,836	Credit, interest rate, foreign currency
Mutual Funds, other than bonds	15,510,352	15,510,352	N/A
UW ASAP Regent Intermediate, Term Fund	2,729,925	2,729,925	Credit
UW Long-Term Fund	12,116,356	12,116,356	Credit
SIF	2,154,747	2,154,747	Credit
Total cash and investments	<u>\$ 40,933,891</u>	<u>\$ 40,933,891</u>	
Reconciliation to financial statements			
per statement of net position:			
Cash and equivalents	\$ 4,318,104		
Current investments	3,679,138		
Noncurrent investments	<u>32,936,649</u>		
Total	<u>\$ 40,933,891</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank and credit union accounts are also insured, pursuant to s. 20.144(1)(a), Wis. Stats., by the Public Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered when computing custodial credit risk.

Custodial Credit Risk

Deposits - Custodial credit risk is the risk that in the event of a financial institution failure, WPM's deposits may not be returned.

As of June 30, 2025 and June 30, 2024, respectively, \$179,352 and \$1,143,397 of WPM's total bank balances were exposed to custodial credit risk as uninsured and uncollateralized.

Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, WPM will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

WPM does not have any investments exposed to custodial credit risk as of June 30, 2025 or as of June 30, 2024.

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Credit Risk

As of June 30, 2025 and June 30, 2024, WPM's investments were rated as follows:

	<u>Standard & Poor's</u>
Mutual Funds, bond funds	AAA, AA, A BBB, BB, B Not rated

WPM also had investments in the SIF, UW ASAP Regent Intermediate Fund and Long-term Fund, which are not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of June 30, 2025, WPM's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in Years)</u>		
		<u>1-3</u>	<u>3-5</u>	<u>5-8</u>
Mutual Funds, bond funds	\$ 7,176,097	\$ 2,755,665	\$ 173,609	\$ 4,246,823

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of June 30, 2024, WPM's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in Years)</u>		
		<u>1-3</u>	<u>3-5</u>	<u>5-8</u>
Mutual Funds, bond funds	\$ 5,855,836	\$ 2,264,678	\$ 946,893	\$ 2,644,265

See Note 1 for further information on deposit and investment policies.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment. At June 30, 2025, WPM was exposed to foreign currency risk totaling \$6,537,807 within the mutual fund - bond funds investment balances. Of the total investments exposed to foreign currency risk, \$5,551,304 related to investments held by Friends and \$986,503 related to investments held by WPR. At June 30, 2024, WPM was exposed to foreign currency risk totaling \$885,481 within the mutual fund - bond funds investment balances. Of the total investments exposed to foreign currency risk, \$885,481 related to investments held by Friends and \$0 related to investments held by WPR.

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

Fair Value Measurement

WPM categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation methods and inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Mutual funds - quoted market prices, which represent net asset value of shares held by the fund.
- UW ASAP Regent Fund and Long-term Fund - matrix pricing, which is a mathematical technique consistent with the market approach. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets.

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Mutual Funds, bond funds	\$ 7,176,097	\$ -	\$ -	\$ 7,176,097
Mutual Funds, other than bonds	18,964,127	-	-	18,964,127
UW ASAP Regent Intermediate Fund	-	2,814,050	-	2,814,050
UW Long-Term Fund	-	11,744,603	-	11,744,603
Total	<u>\$ 26,140,224</u>	<u>\$ 14,558,653</u>	<u>\$ -</u>	<u>\$ 40,698,877</u>

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Mutual Funds, bond funds	\$ 5,855,836	\$ -	\$ -	\$ 5,855,836
Mutual Funds, other than bonds	15,510,352	-	-	15,510,352
UW ASAP Regent Intermediate Fund	-	2,729,925	-	2,729,925
UW Long-Term Fund	-	12,116,356	-	12,116,356
Total	<u>\$ 21,366,188</u>	<u>\$ 14,846,281</u>	<u>\$ -</u>	<u>\$ 36,212,469</u>

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(b) Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated/amortized:				
Work in progress	<u>\$ 22,612</u>	<u>-</u>	<u>\$ 22,612</u>	<u>-</u>
Capital assets being depreciated/amortized:				
Equipment	12,297,919	368,785	199,130	12,467,574
Intangible assets	776,948	51,451	-	828,399
Right-to-use assets:				
Lease assets	509,052	-	-	509,052
Subscription assets	<u>291,250</u>	<u>269,879</u>	<u>-</u>	<u>561,129</u>
Total capital assets being depreciated/ amortized	<u>13,875,169</u>	<u>690,115</u>	<u>199,130</u>	<u>14,366,154</u>
Less accumulated depreciation/ amortization	<u>(10,272,942)</u>	<u>(856,373)</u>	<u>198,572</u>	<u>(10,930,743)</u>
Total capital assets being depreciated/ amortized net of accumulated depreciation/ amortization	<u>3,602,227</u>	<u>(166,258)</u>	<u>558</u>	<u>3,435,411</u>
Net capital assets	<u>\$ 3,624,839</u>	<u>\$ (166,258)</u>	<u>\$ 23,170</u>	<u>\$ 3,435,411</u>

Depreciation and amortization expense was charged to functions as follows:

Programming and production	\$ 386,645
Program information	1,790
Broadcasting	323,379
Fundraising	14,563
Management and general	76,020
Underwriting	<u>53,976</u>
Total	<u>\$ 856,373</u>

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Capital asset activity for the year ended June 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated/amortized:				
Work in progress	<u>\$ 113,340</u>	<u>\$ 22,612</u>	<u>\$ 113,340</u>	<u>\$ 22,612</u>
Capital assets being depreciated/amortized:				
Equipment	12,130,456	780,738	613,275	12,297,919
Intangible assets	940,516	142,946	306,514	776,948
Right-to-use assets:				
Lease assets	509,052	-	-	509,052
Subscription assets	<u>291,250</u>	<u>-</u>	<u>-</u>	<u>291,250</u>
Total capital assets being depreciated/ amortized	<u>13,871,274</u>	<u>923,684</u>	<u>919,789</u>	<u>13,875,169</u>
Less accumulated depreciation/ amortization	<u>(10,420,809)</u>	<u>(767,786)</u>	<u>915,653</u>	<u>(10,272,942)</u>
Total capital assets being depreciated/ amortized net of accumulated depreciation/ amortization	<u>3,450,465</u>	<u>155,898</u>	<u>4,136</u>	<u>3,602,227</u>
Net capital assets	<u>\$ 3,563,805</u>	<u>\$ 178,510</u>	<u>\$ 117,476</u>	<u>\$ 3,624,839</u>

Depreciation and amortization expense was charged to functions as follows:

Programming and production	\$ 235,982
Program information	1,505
Broadcasting	355,419
Fundraising	29,776
Management and general	94,097
Underwriting	<u>51,007</u>
Total	<u>\$ 767,786</u>

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(c) Long-Term Obligations

Long-term obligations activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Compensated absences	\$ 1,640,888	\$ 367,611	\$ 264,330	\$ 1,744,169	\$ 1,140,184
Lease liability	450,672	-	30,792	419,880	32,466
Subscription liability	96,754	175,984	-	272,738	98,726
Net pension liability	1,518,052	237,266	-	1,755,318	-
Total	<u>\$ 3,706,366</u>	<u>\$ 780,861</u>	<u>\$ 295,122</u>	<u>\$ 4,192,105</u>	<u>\$ 1,271,376</u>

Long-term obligations activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Compensated absences	\$ 1,453,206	\$ 410,675	\$ 222,993	\$ 1,640,888	\$ 1,099,939
Lease liability	479,851	-	29,179	450,672	30,793
Subscription liability	196,055	-	99,301	96,754	47,831
Net pension liability	5,504,698	-	3,986,646	1,518,052	-
Total	<u>\$ 7,633,810</u>	<u>\$ 410,675</u>	<u>\$ 4,338,119</u>	<u>\$ 3,706,366</u>	<u>\$ 1,178,563</u>

(d) Lease Disclosures

WPM Television entered into a 20-year lease for space in Madison, Wisconsin on a candelabra tower and in related buildings located on the property and other improvements for communications purposes and use of the underlying land. The original lease term ended October 14, 2015, with two possible 10-year extensions through 2035. Lease payments are determined on an annual basis. The present value of the lease payments is used to determine the lease liability reported on the Statement of Net Position. The discount rate used in this calculation is 1.68%. WPM Television lease activity is summarized with other capital assets in Note 2.

Future principal and interest payment requirements related to WPM lease liability at June 30, 2025 are as follows:

	Principal	Interest
Fiscal Years:		
2026	\$ 32,466	\$ 6,805
2027	34,203	6,246
2028	36,005	5,658
2029	37,874	5,038
2030	39,813	4,387
2031-2035	230,741	10,965
2036	8,778	18
Total	<u>\$ 419,880</u>	<u>\$ 39,117</u>

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(e) Subscription-Based Information Technology Arrangements

WPM Radio entered into two subscription-based information technology arrangements: One arrangement was for the rights to use streaming and support services software (Support Software) with a term ending June 30, 2026; and, the other was to schedule underwriting spots on air (Scheduling Software) with a term ending June 30, 2029. The discount rate used in the calculation of the Support Software is 2.26% and the discount rate used in the calculation of the Scheduling Software was 3.28%. WPM Radio subscription-based information technology arrangement activity is summarized with other capital assets in Note 2.

Future principal and interest payment requirements related to WPM subscription liability at June 30, 2025 are as follows:

	<u>Principal</u>	<u>Interest</u>
Fiscal Years:		
2026	\$ 98,726	\$ 7,198
2027	53,752	4,904
2028	57,929	3,079
2029	62,331	1,113
Total	<u>\$ 272,738</u>	<u>\$ 16,294</u>

(f) Donated Goods and Services

Indirect administrative support from the University of Wisconsin System is the most significant source of donated services to WPM. It is derived from an indirect cost rate the University of Wisconsin - Madison determines that is submitted to and approved by the federal government.

All other in-kind and traded goods and services are recorded as revenues and expenses at the estimated fair market value. Donated goods and services as of June 30, 2025 are as follows:

Indirect administrative support	\$ 1,510,536
Donated facilities:	
Plant operating costs	362,921
Occupancy	17,656
Total	<u>\$ 1,891,113</u>

All other in-kind and traded goods and services are recorded as revenues and expenses at the estimated fair market value. Donated goods and services as of June 30, 2024 are as follows:

Indirect administrative support	\$ 1,531,066
Donated facilities:	
Plant operating costs	369,166
Occupancy	17,959
Total	<u>\$ 1,918,191</u>

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(g) Net Investment in Capital Assets

WPM's net investment in capital assets reported on the statement of net position at June 30, 2025 is comprised of the following:

Equipment	\$ 12,467,574
Intangible assets	828,399
Lease assets	509,052
Subscription assets	561,129
Less accumulated depreciation/amortization	(10,930,743)
Less lease liability	(419,880)
Less subscription liability	(272,738)
	<u> </u>
Total net investment in capital assets	<u>\$ 2,742,793</u>

WPM's net investment in capital assets reported on the statement of net position at June 30, 2024 is comprised of the following:

Work in progress	\$ 22,612
Equipment	12,297,919
Intangible assets	776,948
Lease assets	509,052
Subscription assets	291,250
Less accumulated depreciation/amortization	(10,272,942)
Less lease liability	(450,672)
Less subscription liability	(96,754)
	<u> </u>
Total net investment in capital assets	<u>\$ 3,077,413</u>

(h) Restricted Net Position

Endowments

WPM, WPRA and Friends have received endowment gifts that require the preservation of the fair value of the original gifts as of the gift date. WPM's share of the gifts is shown as restricted nonexpendable net position to comply with provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Management of WPM has interpreted UPMIFA as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

For the year ended June 30, 2025, the principal balance of the WPM account was \$1,000,000 and the investment earnings account balance was \$474,657. For the year ended June 30, 2024, the principal balance of the WPM account was \$1,000,000 and the investment earnings account balance was \$409,888. These amounts are reflected on the Statement of Net Position as restricted for endowment - nonexpendable and restricted for endowment - expendable, respectively.

For the years ended June 30, 2025 and June 30, 2024, the principal balance of the WPRA accounts was \$830,667 and \$809,063, respectively. For the years ended June 30, 2025 and June 30, 2024, the principal balance of the Friends' accounts was \$205,189 and \$205,189.

Grantee and Donor Restrictions

Unexpended donations received for a specific purpose are reflected as net position on the Statement of Net Position as restricted - expendable grantee and donor restrictions. For the years ended June 30, 2025 and June 30, 2024, WPM donations in this category totaled \$4,866,899 and \$3,764,643 respectively. For the year ended June 30, 2025, the portion of the total balance related to the WPRA accounts was \$1,282,217; the portion of the total balances related to the Friends' accounts was \$3,151,277. For the year ended June 30, 2024, the portion of the total balance related to the WPRA accounts was \$176,858; the portion of the total balances related to the Friends' accounts was \$3,356,367.

(i) Concentrations

For the years ended June 30, 2025 and June 30, 2024, respectively, approximately 22% and 24% of revenue came from state general appropriations.

3. Other Information

(a) Employees' Retirement System

Plan Description. The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wis. Stats. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011 and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR) and standalone Wisconsin Retirement System Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>

Vesting. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupations, 62 for elected officials and executive service plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings and creditable service.

Final average earnings are the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

WRS also provides death and disability benefits for employees.

Postretirement Adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement.

<u>Years Ending June 30:</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wis. Stats. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

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During the reporting period ending June 30, 2025, the WRS recognized \$1,544,153 in contributions from the employer.

Contribution rates for the year ended June 30, 2025 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers):		
July 1, 2024 - December 31, 2024	6.90 %	6.90 %
January 1, 2025 - June 30, 2025	6.95	6.95

During the reporting period ending June 30, 2024, the WRS recognized \$1,346,219 in contributions from the employer.

Contribution rates for the year ended June 30, 2024 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers):		
July 1, 2023 - December 31, 2023	6.80 %	6.80 %
January 1, 2024 - June 30, 2024	6.90	6.90

Pension Liabilities (Asset), Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2025, WPM reported a liability (asset) of \$1,755,318 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. WPM's proportion of the net pension liability (asset) was based on WPM's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, WPM's proportion was 0.10682542%, an increase of 0.00472386% over the prior year.

At June 30, 2024, WPM reported a liability (asset) of \$1,518,052 for its proportionate share of the net pension liability (asset), respectively. The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022, rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. WPM's proportion of the net pension liability (asset) was based on WPM's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, WPM's proportion was 0.10210156%, a decrease of 0.00180571% over the prior year.

For the years ended June 30, 2025 and June 30, 2024, WPM recognized pension expense (revenue) of \$2,084,556 and \$921,962, respectively.

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At June 30, 2025, WPM reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,451,224	\$ 5,122,441
Changes in assumptions	520,837	-
Net differences between projected and actual earnings on pension plan investment	2,667,300	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,945	9,894
Employer contributions subsequent to the measurement date	838,166	-
Total	\$ 9,502,472	\$ 5,132,335

\$838,166 is reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending June 30:

2026	\$ 1,062,351
2027	3,642,604
2028	(895,939)
2029	(277,045)
2030	-

At June 30, 2024, WPM reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,120,771	\$ 8,106,999
Changes in assumptions	661,675	-
Net differences between projected and actual earnings on pension plan investment	5,290,165	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,162	14,745
Employer contributions subsequent to the measurement date	827,851	-
Total	\$ 12,906,624	\$ 8,121,744

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\$827,851 is reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending June 30:

2025	\$	809,393
2026		851,047
2027		3,317,226
2028		(1,020,637)
2029		-

Actuarial Assumptions. The Total Pension Liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability:	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023, Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1%-5.7%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) and separation rates. The Total Pension Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

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The Total Pension Liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability:	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

* *No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.*

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

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Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized, as of December 31, 2024 and December 31, 2023, in the following tables:

Asset Allocation Targets and Expected Returns¹ as of December 31, 2024

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return² %
Public Equity	38 %	7.0 %	4.3 %
Public Fixed Income	27	6.1	3.4
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Private Equity/Debt	20	9.5	6.7
Leverage ³	(12)	3.7	1.1
Total Core Fund ³	100 %	7.5 %	4.8 %
Variable Fund Asset Class			
U.S. Equities	70 %	6.5 %	3.8 %
International Equities	30	7.4	4.7
Total Variable Fund	100 %	7.9 %	4.2 %

¹ Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.6%.

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

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Asset Allocation Targets and Expected Returns¹ as of December 31, 2023

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return² %</u>
Public Equity	40 %	7.3 %	4.5 %
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	<u>(12)</u>	3.7	1.0
Total Core Fund ³	<u>100 %</u>	7.4 %	4.6 %
<u>Variable Fund Asset Class</u>			
U.S. Equities	70 %	6.8 %	4.0 %
International Equities	<u>30</u>	7.6	4.8
Total Variable Fund	<u>100 %</u>	7.3 %	4.5 %

¹ Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%.

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

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Single Discount Rate. A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of WPM's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents WPM's proportionate share of the net pension liability (asset), at June 30, 2025, calculated using the discount rate of 6.8%, as well as what WPM's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
WPM's proportionate share of the net pension liability (asset) at June 30, 2025	\$ 16,467,179	\$ 1,755,318	\$ (8,697,037)

The following presents WPM's proportionate share of the net pension liability (asset), at June 30, 2024, calculated using the discount rate of 6.8%, as well as what WPM's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
WPM's proportionate share of the net pension liability (asset) at June 30, 2024	\$ 14,672,708	\$ 1,518,052	\$ (7,686,817)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>. At June 30, 2025 and 2024, WPM reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the fiscal year.

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

(b) Risk Management

WPM is exposed to various risks of loss, including torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to and health care of employees. WPM participates in the University of Wisconsin System's risk management program. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

(c) Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments are recorded as expenses when the related liabilities are incurred.

From time to time, WPM is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and WPM's attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on WPM's financial position or results of operations.

(d) Postemployment Benefits Other Than Pensions

In accordance with the provisions established by GASB, state and local government employers are required to display in financial reports other postemployment benefits (OPEB) expenses and related liabilities; note disclosures; and if applicable, required supplementary information.

WPM employees are included in the State of Wisconsin's Health Insurance Program, a cost-sharing, multiple-employer, defined benefit plan not held in a trust. The plan is an employer-sponsored program offering group medical coverage to eligible employees and retirees of the State, created under Chapter 40 of Wisconsin Statutes. The Department of Employee Trust Funds and the Group Insurance Board have program administration and oversight responsibilities under ss. 15.165(2) and 40.03(6), Wis. Stats. Under this plan, retired employees of the State contribute the same healthcare premium as active employees, creating an implicit rate subsidy for retirees. This implicit rate subsidy, which is calculated to cover pre-age 65 retirees (since at age 65 retirees are required to enroll in Medicare, when eligible), is treated as an OPEB.

The financial statements of WPM do not include OPEB expenses or the related liabilities other than those actually paid, which are allocated to various functional expenses on the statements of activities, because the OPEB has been determined by management to be the responsibility of the University of Wisconsin - System and not WPM.

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

(e) Related Entities

State of Wisconsin Educational Communications Board

The Educational Communications Board (ECB) is an agency of the State of Wisconsin. ECB, in partnership with WPM, operates two public telecommunication services across the State of Wisconsin: (1) Wisconsin Public Radio and (2) PBS Wisconsin. ECB is a separate and distinct CPB grantee and therefore prepares its own audited financial statements.

Pursuant to s. 39.14(4), Wis. Stats., ECB and WPM maintain a partnership through an affiliation agreement which outlines structural principles and functions, administrative staff allocations, stations and financial commitments of the two partners. The directors of Wisconsin Public Radio and PBS Wisconsin are jointly appointed by ECB and WPM. Staff and resources from both partners work jointly to provide administrative and program services.

The partnership relationship pervades all aspects of the financial activities reported in the accompanying financial statements. Amounts due to or from the affiliated parties are separately disclosed on the statement of net position. For the year ended June 30, 2025, WPM had a receivable of \$132,492 due from ECB and no payable amount due to ECB. For the year ended June 30, 2024, WPM had a receivable of \$130,952 due from ECB and no payable amount due to ECB. Differences may exist between the amounts reported by WPM and ECB due to the delays related to processing payments at the state.

The University of Wisconsin Foundation

The University of Wisconsin Foundation (Foundation) is the official fundraising, gift-receiving and gift-managing organization for the University of Wisconsin - Madison. The Foundation is the university's development and financial partner. The Foundation is a private, nonprofit corporation that encourages individuals and organizations to make gifts and grants to the university. The Foundation receives gifts and bequests, administers and invests securities and property and disburses payments to and on behalf of the University of Wisconsin System.

The fair value of endowments and accumulated interest held by the Foundation for WPM was \$3,671,026 as of June 30, 2025, and \$3,425,558 as of June 30, 2024. The accumulated interest is available to be transferred to the University of Wisconsin - Madison and spent by WPM. Accumulated interest totaled \$50,116 as of June 30, 2025, and \$143,084 as of June 30, 2024. WPM transferred \$229,237 from the Foundation in fiscal year 2025 and \$290,440 in fiscal year 2024. Only actual transfers from the Foundation are reflected in the WPM financial statements.

Wisconsin Public Radio Association, Inc.

The Wisconsin Public Radio Association, Inc. (WPRA) is a publicly supported not-for-profit corporation whose purpose is to further the objectives of Wisconsin Public Radio by: (1) soliciting contributions in the name of and with the approval of, both WPM and ECB, (2) providing information to Wisconsin Public Radio audiences, (3) promoting and supporting public radio broadcasting in the State of Wisconsin digitally and on broadcast and (4) distributing to both ECB and WPM a portion of funds collected from Association members and others to support the programming operations of Wisconsin Public Radio.

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Pursuant to an annually negotiated allocation and operations agreement between WPM, ECB and WPRA, an annual budget for WPRA is approved. WPM provides facilities as well as administrative and clerical services to WPRA. WPM and ECB have access to WPRA's net resources and retain an ongoing allocated interest in WPRA's net position. WPM and ECB have allocated interests in WPRA which are calculated in accordance with the allocation and operations agreement. For the fiscal year ended June 30, 2025, the allocation and operations agreement provided WPM with 24% of WPRA's net resources and ECB with 76%. In addition, resources or designated gifts may be held by WPRA for the sole benefit of WPM or ECB.

WPM Radio includes its allocated share of WPRA assets, liabilities, deferred inflows of resources, net position, revenues and expenses in its financial statements. The financial statement amounts are reported net of eliminations of \$30,008 for both assets and liabilities as of June 30, 2025 and \$168,950 for both assets and liabilities as of June 30, 2024. The financial statement amounts are also reported net of eliminations of \$3,064,719 for both revenues and expenses for fiscal year 2025 and \$3,202,480 for both revenues and expenses for fiscal year 2024.

The following summarizes amounts for both WPM Radio and WPM Radio's allocation portion of WPRA as of June 30, 2025:

	Condensed Statement of Net Position		
	WPM Radio	WPRA	Total
Assets			
Current assets	\$ 288,068	\$ 1,228,480	\$ 1,516,548
Interfund receivable/(payable)	30,008	(30,008)	-
Capital assets, net	1,121,645	20,883	1,142,528
Other assets	4,282,022	5,158,770	9,440,792
Total assets	5,721,743	6,378,125	12,099,868
Deferred Outflows	4,687,781	-	4,687,781
Liabilities			
Current	1,158,174	31,772	1,189,946
Long-term	1,183,119	-	1,183,119
Total liabilities	2,341,293	31,772	2,373,065
Deferred Inflows	2,551,269	-	2,551,269
Net Position			
Net investment in capital assets	848,907	20,883	869,790
Restricted:			
Nonexpendable, endowments	-	830,667	830,667
Expendable, grantee and donor restrictions	13,994	1,282,217	1,296,211
Unrestricted	4,654,061	4,212,586	8,866,647
Total net position	\$ 5,516,962	\$ 6,346,353	\$ 11,863,315

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Condensed Statement of Activities

	WPM Radio	WPRA	Total
Operating Revenues			
Grants	\$ 835,699	\$ -	\$ 835,699
Community service grant, CPB	663,007	-	663,007
Underwriting	1,070,857	-	1,070,857
Telecasting, production and other income	4,649,917	1,372	4,651,289
Membership income	-	2,770,025	2,770,025
Major gifts	171,285	1,750,591	1,921,876
Total operating revenues	7,390,765	4,521,988	11,912,753
Operating Expenses			
Nondepreciation expenses	15,518,768	242,584	15,761,352
Depreciation expense	294,273	14,563	308,836
Total operating expenses	15,813,041	257,147	16,070,188
Operating income (loss)	(8,422,276)	4,264,841	(4,157,435)
Nonoperating Revenues			
State general appropriations	3,091,378	-	3,091,378
Donated facilities and administrative support	696,665	-	696,665
Gain (loss) on sale of assets	(558)	-	(558)
Investment income	499,298	600,015	1,099,313
Total nonoperating revenues	4,286,783	600,015	4,886,798
Transfers	2,759,729	(2,759,729)	-
Changes in net position	(1,375,764)	2,105,127	729,363
Net Position, Beginning	6,892,726	4,241,226	11,133,952
Net Position, Ending	\$ 5,516,962	\$ 6,346,353	\$ 11,863,315

Condensed Statement of Cash Flows

	WPM Radio	WPRA	Total
Net Cash From			
Operating activities	\$ (4,339,390)	\$ 999,578	\$ (3,339,812)
Noncapital financing activities	3,091,378	-	3,091,378
Capital and related financing activities	(363,594)	-	(363,594)
Investing activities	553,547	(675,101)	(121,554)
Net change in cash and cash equivalents	(1,058,059)	324,477	(733,582)
Cash and Cash Equivalents, Beginning	57,028	102,836	159,864
Cash and Cash Equivalents, Ending	\$ (1,001,031)	\$ 427,313	\$ (573,718)

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

The following summarizes amounts for both WPM Radio and WPM Radio's allocation portion of WPRA as of June 30, 2024:

Condensed Statement of Net Position

	WPM Radio	WPRA	Total
Assets			
Current assets	\$ 2,899,850	\$ 315,845	\$ 3,215,695
Interfund receivable/(payable)	168,950	(168,950)	-
Capital assets, net	1,005,103	35,445	1,040,548
Other assets	2,588,724	4,160,763	6,749,487
Total assets	6,662,627	4,343,103	11,005,730
Deferred Outflows	6,295,083	-	6,295,083
Liabilities			
Current	1,200,415	80,272	1,280,687
Long-term	936,176	-	936,176
Total liabilities	2,136,591	80,272	2,216,863
Deferred Inflows	3,928,393	21,605	3,949,998
Net Position			
Net investment in capital assets	908,349	35,445	943,794
Restricted:			
Nonexpendable, endowments	-	809,063	809,063
Expendable, grantee and donor restrictions	1,885	176,858	178,743
Unrestricted	5,982,492	3,219,860	9,202,352
Total net position	\$ 6,892,726	\$ 4,241,226	\$ 11,133,952

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Condensed Statement of Activities

	WPM Radio	WPRA	Total
Operating Revenues			
Grants	\$ 836,989	\$ -	\$ 836,989
Community service grant, CPB	720,550	-	720,550
Underwriting	1,195,182	-	1,195,182
Telecasting, production and other income	4,152,427	887	4,153,314
Membership income	-	3,698,480	3,698,480
Major gifts	65,649	846,669	912,318
Total operating revenues	6,970,797	4,546,036	11,516,833
Operating Expenses			
Nondepreciation expenses	14,742,218	1,048,966	15,791,184
Depreciation expense	387,789	29,776	417,565
Total operating expenses	15,130,007	1,078,742	16,208,749
Operating income (loss)	(8,159,210)	3,467,294	(4,691,916)
Nonoperating Revenues			
State general appropriations	3,107,383	-	3,107,383
Donated facilities and administrative support	756,891	-	756,891
Gain (loss) on sale of assets	(2,822)	-	(2,822)
Investment income	464,965	424,406	889,371
Total nonoperating revenues	4,326,417	424,406	4,750,823
Transfers	3,202,480	(3,202,480)	-
Changes in net position	(630,313)	689,220	58,907
Net Position, Beginning	7,523,039	3,552,006	11,075,045
Net Position, Ending	\$ 6,892,726	\$ 4,241,226	\$ 11,133,952

Condensed Statement of Cash Flows

	WPM Radio	WPRA	Total
Net Cash From			
Operating activities	\$ (3,589,126)	\$ (42,021)	\$ (3,631,147)
Noncapital financing activities	3,107,383	-	3,107,383
Capital and related financing activities	(139,287)	-	(139,287)
Investing activities	377,839	(115,606)	262,233
Net change in cash and cash equivalents	(243,191)	(157,627)	(400,818)
Cash and Cash Equivalents, Beginning	300,219	260,463	560,682
Cash and Cash Equivalents, Ending	\$ 57,028	\$ 102,836	\$ 159,864

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

WPRA prepares and issues separate financial statements, which are audited by other auditors. Copies of WPRA's separately issued financial statements may be obtained by contacting:

Wisconsin Public Radio Association, Inc.
Attn: Executive Director
821 University Avenue
Madison, Wisconsin 53706

Friends of PBS Wisconsin, Inc.

Friends of PBS Wisconsin, Inc. (Friends) is a publicly supported not-for-profit corporation whose purpose is to further the objectives of PBS Wisconsin by: (1) soliciting contributions in the name of, and with the approval of, both WPM and ECB, (2) managing the PBS Wisconsin membership program, (3) providing information to PBS Wisconsin audiences, (4) promoting and supporting public television broadcasting in the State of Wisconsin digitally and on broadcast and (5) distributing to both ECB and WPM a portion of funds collected to support the programming operations of PBS Wisconsin.

Pursuant to an annually negotiated allocation and operations agreement between WPM, ECB and Friends, an annual budget for Friends is approved. WPM provides facilities as well as administrative and clerical services to Friends. WPM and ECB have access to Friends' net resources and retain an ongoing allocated interest in Friends' net position. WPM and ECB have an allocated interest in Friends' which are calculated in accordance with the allocation and operations agreement. For the fiscal year ended June 30, 2025, the allocation and operations agreement provided WPM with 50% of Friends' net resources and ECB with 50%. In addition, resources or designated gifts may be held by Friends for the sole benefit of WPM or ECB.

WPM Television includes its allocated share of the Friends' assets, liabilities, net position, revenues and expenses in its financial statements. The financial statement amounts are reported net of eliminations of \$1,440,490 for both assets and liabilities as of June 30, 2025 and \$1,358,036 for both assets and liabilities as of June 30, 2024. The financial statement amounts are also reported net of eliminations of \$8,840,956 for both revenues and expenses for fiscal year 2025 and \$8,791,507 for both revenues and expenses for fiscal year 2024.

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

The following summarizes amounts for both WPM Television and WPM Television's allocation portion of Friends as of June 30, 2025:

Condensed Statement of Net Position

	<u>WPM-TV</u>	<u>Friends</u>	<u>Total</u>
Assets			
Current assets	\$ 5,663,763	\$ 2,285,861	\$ 7,949,624
Interfund receivable/(payable)	1,440,490	(1,440,490)	-
Capital assets, net	2,247,074	45,809	2,292,883
Other assets	9,425,435	20,225,919	29,651,354
Total assets	<u>18,776,762</u>	<u>21,117,099</u>	<u>39,893,861</u>
Deferred Outflows	<u>4,814,691</u>	<u>-</u>	<u>4,814,691</u>
Liabilities			
Current	1,374,588	629,998	2,004,586
Long-term	1,737,610	-	1,737,610
Total liabilities	<u>3,112,198</u>	<u>629,998</u>	<u>3,742,196</u>
Deferred Inflows	<u>2,581,066</u>	<u>-</u>	<u>2,581,066</u>
Net Position			
Net investment in capital assets	1,827,194	45,809	1,873,003
Restricted:			
Nonexpendable, endowments	1,000,000	205,189	1,205,189
Expendable, endowments	474,657	-	474,657
Expendable, grantee and donor restrictions	419,411	3,151,277	3,570,688
Unrestricted	14,176,926	17,084,827	31,261,753
Total net position	<u>\$ 17,898,188</u>	<u>\$ 20,487,102</u>	<u>\$ 38,385,290</u>

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Condensed Statement of Activities

	WPM-TV	Friends	Total
Operating Revenues			
Grants	\$ 194,230	\$ -	\$ 194,230
Community service grant, CPB	2,275,511	-	2,275,511
Underwriting	(7)	675,756	675,749
Telecasting, production and other income	221,235	631,436	852,671
Membership income	-	5,445,888	5,445,888
Major gifts	270,839	3,989,958	4,260,797
Total operating revenues	2,961,808	10,743,038	13,704,846
Operating Expenses			
Nondepreciation expenses	19,961,256	2,156,399	22,117,655
Depreciation expense	320,836	28,129	348,965
Total operating expenses	20,282,092	2,184,528	22,466,620
Operating income (loss)	(17,320,284)	8,558,510	(8,761,774)
Nonoperating Revenues			
State general appropriations	5,989,658	-	5,989,658
Donated facilities and administrative support	1,194,448	-	1,194,448
Investment income	842,298	2,369,492	3,211,790
Total nonoperating revenues	8,026,404	2,369,492	10,395,896
Transfers	8,840,956	(8,840,956)	-
Contributions			
Capital contributions	170,270	-	170,270
Changes in net position	(282,654)	2,087,046	1,804,392
Net Position, Beginning	18,180,842	18,400,056	36,580,898
Net Position, Ending	\$ 17,898,188	\$ 20,487,102	\$ 38,385,290

Condensed Statement of Cash Flows

	WPM-TV	Friends	Total
Net Cash From			
Operating activities	\$ (6,779,220)	\$ 307,752	\$ (6,471,468)
Noncapital financing activities	5,989,658	-	5,989,658
Capital and related financing activities	126,863	-	126,863
Investing activities	1,112,883	(1,267,697)	(154,814)
Net change in cash and cash equivalents	450,184	(959,945)	(509,761)
Cash and Cash Equivalents, Beginning	2,097,718	2,060,522	4,158,240
Cash and Cash Equivalents, Ending	\$ 2,547,902	\$ 1,100,577	\$ 3,648,479

Wisconsin Public Media

Notes to Financial Statements

June 30, 2025 and 2024

The following summarizes amounts for both WPM Television and WPM Television's allocation portion of Friends as of June 30, 2024:

Condensed Statement of Net Position			
	WPM-TV	Friends	Total
Assets			
Current assets	\$ 5,370,324	\$ 3,089,283	\$ 8,459,607
Interfund receivable/(payable)	1,358,036	(1,358,036)	-
Capital assets, net	2,510,353	73,938	2,584,291
Other assets	9,419,603	16,817,559	26,237,162
Total assets	18,658,316	18,622,744	37,281,060
Deferred Outflows			
	6,611,541	-	6,611,541
Liabilities			
Current	1,304,037	222,688	1,526,725
Long-term	1,591,627	-	1,591,627
Total liabilities	2,895,664	222,688	3,118,352
Deferred Inflows			
	4,193,351	-	4,193,351
Net Position			
Net investment in capital assets	2,059,681	73,938	2,133,619
Restricted:			
Nonexpendable, endowments	1,000,000	205,189	1,205,189
Expendable, endowments	409,888	-	409,888
Expendable, grantee and donor restrictions	229,533	3,356,367	3,585,900
Unrestricted	14,481,740	14,764,562	29,246,302
Total net position	\$ 18,180,842	\$ 18,400,056	\$ 36,580,898

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Condensed Statement of Activities

	WPM-TV	Friends	Total
Operating Revenues			
Grants	\$ 87,339	\$ -	\$ 87,339
Community service grant, CPB	2,358,972	-	2,358,972
Underwriting	(3,369)	323,129	319,760
Telecasting, production and other income	237,327	551,247	788,574
Membership income	-	5,009,481	5,009,481
Major gifts	384,773	2,916,910	3,301,683
Total operating revenues	3,065,042	8,800,767	11,865,809
Operating Expenses			
Nondepreciation expenses	18,559,730	1,587,223	20,146,953
Depreciation expense	296,251	53,970	350,221
Total operating expenses	18,855,981	1,641,193	20,497,174
Operating income (loss)	(15,790,939)	7,159,574	(8,631,365)
Nonoperating Revenues			
State general appropriations	5,950,451	-	5,950,451
Donated facilities and administrative support	1,161,300	-	1,161,300
Gain (loss) on sale of assets	(1,314)	-	(1,314)
Investment income	1,034,586	2,062,099	3,096,685
Total nonoperating revenues	8,145,023	2,062,099	10,207,122
Transfers	8,791,507	(8,791,507)	-
Changes in net position	1,145,591	430,166	1,575,757
Net Position, Beginning	17,035,251	17,969,890	35,005,141
Net Position, Ending	\$ 18,180,842	\$ 18,400,056	\$ 36,580,898

Condensed Statement of Cash Flows

	WPM-TV	Friends	Total
Net Cash From			
Operating activities	\$ (6,574,908)	\$ (807,440)	\$ (7,382,348)
Noncapital financing activities	5,950,451	-	5,950,451
Capital and related financing activities	(816,785)	-	(816,785)
Investing activities	1,672,317	810,246	2,482,563
Net change in cash and cash equivalents	231,075	2,806	233,881
Cash and Cash Equivalents, Beginning	1,866,643	2,057,716	3,924,359
Cash and Cash Equivalents, Ending	\$ 2,097,718	\$ 2,060,522	\$ 4,158,240

Wisconsin Public Media

Notes to Financial Statements
June 30, 2025 and 2024

Friends prepares and issues separate financial statements, which are audited by other auditors. Copies of the Friends' separately issued financial statements may be obtained by contacting:

Friends of PBS Wisconsin, Inc.
Attn: Executive Director
821 University Avenue
Madison, Wisconsin 53706

(f) Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

When they become effective, application of these standards may restate portions of these financial statements.

(g) Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed for possible inclusion as a disclosure in the financial statements. No such events occurred.

REQUIRED SUPPLEMENTARY INFORMATION

Wisconsin Public Media

Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System
 Year Ended June 30, 2025

WPM Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/25	0.10682542 %	\$ 1,755,318	\$ 22,202,772	7.91 %	98.79 %
6/30/24	0.10210156 %	1,518,052	19,657,719	7.72 %	98.85 %
6/30/23	0.10390727 %	5,504,699	18,500,041	29.76 %	95.72 %
6/30/22	0.09411331 %	(7,585,107)	16,452,199	46.10 %	106.02 %
6/30/21	0.09917254 %	(6,191,479)	16,360,036	37.85 %	105.26 %
6/30/20	0.09610633 %	(3,098,907)	15,483,793	20.01 %	102.96 %
6/30/19	0.08979233 %	3,190,823	13,749,443	23.21 %	96.45 %
6/30/18	0.08199020 %	(2,434,386)	12,004,141	20.28 %	102.93 %
6/30/17	0.08085949 %	666,476	11,516,760	5.79 %	99.12 %
6/30/16	0.07663369 %	1,245,283	10,681,984	11.66 %	98.20 %

Schedule of Employer Contributions - Wisconsin Retirement System
 Year Ended June 30, 2025

WPM Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/25	\$ 1,666,075	\$ 1,666,075	\$ -	\$ 22,440,310	7.42 %
6/30/24	1,515,801	1,515,801	-	22,125,292	6.85 %
6/30/23	1,240,668	1,240,668	-	18,998,392	6.53 %
6/30/22	1,186,159	1,186,159	-	17,572,685	6.75 %
6/30/21	1,109,535	1,109,535	-	16,437,546	6.75 %
6/30/20	1,082,759	1,082,759	-	16,277,857	6.65 %
6/30/19	991,357	991,357	-	14,557,012	6.81 %
6/30/18	830,088	830,088	-	12,299,426	6.75 %
6/30/17	793,743	793,743	-	11,843,444	6.70 %
6/30/16	738,451	738,451	-	11,028,573	6.70 %

See notes to required supplementary information

Wisconsin Retirement System

The amounts presented in relation to the schedule of employer's proportionate share of the net pension (asset)/liability and the schedule of employer contributions represents the specific data of WPM. The information was derived using a combination of the employer's contribution data along with data provided by the Wisconsin Retirement System in relation to WPM as a whole.

Changes in Benefit Terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in Assumptions. Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table