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CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION JUNE 30, 2019 AND 2018

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CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

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Independent Auditors' Report

To the Board of Trustees
Connecticut Public Broadcasting, Inc. and Subsidiaries
Hartford, Connecticut

We have audited the accompanying consolidated financial statements of Connecticut Public Broadcasting, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, the related consolidated statements of activities and cash flows for the years then ended, the related statement of functional expenses for the year ended June 30, 2019 (with comparative totals for 2018), and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Connecticut Public Broadcasting, Inc. and Subsidiaries as of June 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1, during the year ended June 30, 2019, the Connecticut Public Broadcasting, Inc. and Subsidiaries adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities - without donor restriction are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
October 18, 2019

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
Current Assets		
Cash and cash equivalents	$ 86,708	$ 393,375
Investments	3,837,189	1,624,034
Accounts receivable, net	3,167,157	3,449,020
Grants and other receivables	39,508	39,860
Production costs	4,481	71,949
Prepaid expenses and deposits	18,237	90,875
Total current assets	7,153,280	5,669,113
Other Assets		
Investments held for property and equipment	325,990	842,327
Investments - endowment	48,356,076	47,530,946
Intangibles, net	373,200	435,400
Other investments	26,229	26,229
Total other assets	49,081,495	48,834,902
Property, Equipment and Leasehold Improvements		
Land and improvements	786,710	764,123
Building	14,051,597	14,051,597
Equipment	33,920,735	33,582,531
Leasehold improvements	379,498	379,498
	49,138,540	48,777,749
Accumulated depreciation and amortization	(39,262,586)	(38,129,267)
Construction in progress	2,576,035	434,387
Net property, equipment and leasehold improvements	12,451,989	11,082,869
Total Assets	$ 68,686,764	$ 65,586,884
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	$ 4,470,680	$ 3,503,379
Deferred revenue	23,599	158,399
Total current liabilities	4,494,279	3,661,778
Net Assets		
Without donor restrictions	61,409,489	60,729,550
With donor restrictions	2,782,996	1,195,556
Total net assets	64,192,485	61,925,106
Total Liabilities and Net Assets	$ 68,686,764	$ 65,586,884

The accompanying notes are an integral part of the consolidated financial statements

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Underwriting support	$ 8,302,188	$ -	$ 8,302,188
Subscription and membership income	6,850,404	20,100	6,870,504
Annual spending distribution	2,330,348	-	2,330,348
Corporation for Public Broadcasting	2,104,063	-	2,104,063
Video services	1,288,134	-	1,288,134
Auctions and special events	795,319	-	795,319
Planned gifts and bequests	713,293	-	713,293
Contributed in-kind support	237,749	-	237,749
Nonbroadcasting services	118,054	-	118,054
Miscellaneous	88,983	-	88,983
Donated personal services of volunteers	23,726	-	23,726
Grants - State of Connecticut	3,750	-	3,750
Total revenues	22,856,011	20,100	22,876,111
Expenses			
Program services:			
Programming and production	10,923,552	-	10,923,552
Broadcasting	1,642,561	-	1,642,561
Contributed in-kind support	223,000	-	223,000
Program information	1,209,353	-	1,209,353
Total program services	13,998,466	-	13,998,466
Supporting services:			
Fundraising and membership development:			
Membership development	2,702,748	-	2,702,748
Other fundraising expenses	1,245,372	-	1,245,372
Contributed in-kind support	14,749	-	14,749
Donated personal services of volunteers	23,726	-	23,726
Management and general	3,669,081	-	3,669,081
Total supporting services	7,655,676	-	7,655,676
Reorganization costs	224,298	-	224,298
Video services:			
Cost of production	940,589	-	940,589
General and administrative	156,223	-	156,223
Total video services	1,096,812	-	1,096,812
Total expenses	22,975,252	-	22,975,252
Change in net assets before other activities	(119,241)	20,100	(99,141)
Other Activities			
Income from Channel Sharing Agreement, net of expenses	1,806,359	-	1,806,359
Contributions restricted for capital additions	-	1,603,797	1,603,797
Income from licensing of intangible assets	1,354,260	-	1,354,260
Investment income, net	1,203,600	19,805	1,223,405
Release of restricted assets for capital additions	55,195	(55,195)	-
Transfer of funds	1,067	(1,067)	-
Loss on sale of property and equipment	(8,619)		(8,619)
Expense associated with relinquishment of television spectrum usage rights	(13,874)	-	(13,874)
Interest expense	(29,840)	-	(29,840)
Depreciation and amortization	(1,238,620)	-	(1,238,620)
Annual spending distribution	(2,330,348)	-	(2,330,348)
Net nonoperating revenues and expenses	799,180	1,567,340	2,366,520
Change in Net Assets	679,939	1,587,440	2,267,379
Net Assets - Beginning of Year	60,729,550	1,195,556	61,925,106
Net Assets - End of Year	$ 61,409,489	$ 2,782,996	$ 64,192,485

The accompanying notes are an integral part of the consolidated financial statements

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Underwriting support	$ 9,331,740	$ -	$ 9,331,740
Subscription and membership income	7,254,386	-	7,254,386
Annual spending distribution	1,727,461	-	1,727,461
Corporation for Public Broadcasting	1,792,646	-	1,792,646
Video services	940,683	-	940,683
Auctions and special events	438,406	-	438,406
Planned gifts and bequests	131,561	-	131,561
Contributed in-kind support	165,813	-	165,813
Nonbroadcasting services	109,982	-	109,982
Miscellaneous	55,297	-	55,297
Donated personal services of volunteers	14,147	-	14,147
Total revenues	21,962,122	-	21,962,122
Expenses			
Program services:			
Programming and production	10,664,036	-	10,664,036
Broadcasting	1,648,998	-	1,648,998
Contributed in-kind support	155,170	-	155,170
Program information	1,187,901	-	1,187,901
Total program services	13,656,105	-	13,656,105
Supporting services:			
Fundraising and membership development:			
Membership development	2,851,606	-	2,851,606
Other fundraising expenses	993,527	-	993,527
Contributed in-kind support	10,643	-	10,643
Donated personal services of volunteers	14,147	-	14,147
Management and general	2,898,395	-	2,898,395
Total supporting services	6,768,318	-	6,768,318
Reorganization costs	2,464	-	2,464
Video services:			
Cost of production	680,122	-	680,122
General and administrative	141,072	-	141,072
Total video services	821,194	-	821,194
Total expenses	21,248,081	-	21,248,081
Change in net assets before other activities	714,041	-	714,041
Other Activities			
Income from Channel Sharing Agreement, net of expenses	23,980,902	-	23,980,902
Contributions restricted for capital additions	-	238,866	238,866
Income from licensing of intangible assets	1,354,260	-	1,354,260
Investment income, net	2,261,473	55,079	2,316,552
Release of restricted assets for capital additions	315,497	(315,497)	-
Income from relinquishment of television spectrum			-
usage rights, net of expenses	6,484,810	-	6,484,810
Interest expense	(41,407)	-	(41,407)
Depreciation and amortization	(1,784,532)	-	(1,784,532)
Annual spending distribution	(1,727,461)	-	(1,727,461)
Bargain Purchase	75,222	-	75,222
Net nonoperating revenues and expenses	30,918,764	(21,552)	30,897,212
Change in Net Assets	31,632,805	(21,552)	31,611,253
Net Assets - Beginning of Year	29,096,745	1,217,108	30,313,853
Net Assets - End of Year	$ 60,729,550	$ 1,195,556	$ 61,925,106

The accompanying notes are an integral part of the consolidated financial statements

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	Program Services	Fundraising	Management and General	2019 Total	2018 Total
Payroll and benefits	$ 6,560,542	$ 1,958,528	$ 1,920,483	$ 10,439,553	$ 9,646,318
Program acquisition and network affiliation fees	3,214,001	-	-	3,214,001	2,969,789
Production	2,724,021	109,260	2,185	2,835,466	2,620,017
Occupancy and utilities	902,007	90,355	626,408	1,618,770	1,495,770
Other professional services	624,729	1,010,289	606,302	2,241,320	2,089,589
Membership benefits	456,651	303,094	721	760,466	702,683
Equipment rental and maintenance	361,859	173,073	163,273	698,205	645,153
Travel, meetings and special events	187,573	301,004	106,953	595,530	550,279
Other	135,821	37,141	398,979	571,941	528,483
Total Expenses	$ 15,167,204	$ 3,982,744	$ 3,825,304	$ 22,975,252	$ 21,248,081

The accompanying notes are an integral part of the consolidated financial statements

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
Cash Flows from Operating Activities		
Change in net assets	$ 2,267,379	$ 31,611,253
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,238,620	1,784,532
Change in provision for accounts receivable	11,597	(1,703)
Contributions restricted for capital additions	(1,603,797)	(238,866)
Loss on sale of property and equipment	8,619	-
Investment income, net	(1,223,405)	(2,316,552)
Bargain purchase of intangibles	-	(75,222)
(Increase) decrease in operating assets:		
Accounts receivable, net	270,266	371,749
Grants and other receivables	352	(371)
Production costs	67,468	32,707
Prepaid expenses and deposits	72,638	(52,450)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	967,301	(711,733)
Deferred revenue	(134,800)	(17,110,498)
Net cash provided by operating activities	1,942,238	13,292,846
Cash Flows from Investing Activities		
Purchases of securities	(4,151,593)	(19,137,360)
Sales of securities	2,853,050	7,556,995
Net purchase of intangibles	-	75,222
Property, equipment and leasehold improvement additions	(2,554,159)	(643,454)
Net cash used in investing activities	(3,852,702)	(12,148,597)
Cash Flows from Financing Activities		
Payment on line of credit	-	(825,000)
Principal payments on debt	-	(431,013)
Contributions restricted for capital additions	1,603,797	238,866
Net cash provided by (used in) financing activities	1,603,797	(1,017,147)
Net Increase (Decrease) in Cash and Cash Equivalents	(306,667)	127,102
Cash and Cash Equivalents - Beginning of Year	393,375	266,273
Cash and Cash Equivalents - End of Year	$ 86,708	$ 393,375
Cash Paid During the Year for		
Interest	$ 29,841	$ 41,408

The accompanying notes are an integral part of the consolidated financial statements

NOTE 1 - SUMMARY OF SIGNFICANT ACCOUNTING POLICIES

Business

Connecticut Public Broadcasting, Inc., is a nonprofit organization which provides nonprofit and noncommercial television and radio services to serve the needs of the Connecticut community and contributes to the advancement of educational programs. Connecticut Public Broadcasting, Inc.'s wholly owned for-profit subsidiary, MediaVision Productions, Inc., provides television and radio equipment and services to third parties.

On November 30, 2015, a wholly owned nonprofit subsidiary was established, Connecticut Public Broadcasting Real Estate Holding Company, Inc. A majority of the real estate holdings held by Connecticut Public Broadcasting was transferred to the newly formed company.

On November 30, 2015, a wholly owned nonprofit subsidiary was established, Connecticut Public Broadcasting Endowment, Inc. There have been no assets transferred to this new subsidiary. The intent is to transfer the endowment investments into the endowment company.

The consolidated financial statements as of June 30, 2019 and 2018, include the activities of Connecticut Public Broadcasting, Inc., Connecticut Public Broadcasting Real Estate Holding Company, Inc., Connecticut Public Broadcasting Endowment, Inc., and MediaVision Productions, Inc. (collectively, the Company). All material intercompany balances and transactions have been eliminated from the consolidated financial statements.

Change in Accounting Principle

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.* The amendment changes the previous reporting model for nonprofit organizations and enhances the disclosure requirements. The major changes include: (a) requiring the presentation of only two classes of net assets rather than three, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investments expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. This ASU is effective for annual periods beginning after December 15, 2017. Management has adopted ASU 2016-14 for the year ended June 30, 2019. The amendments have been retrospectively applied with the exception of a statement of functional expenses and disclosures on liquidity and availability of resources for the year ended June 30, 2018.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board issued ASU 2014-09, *Revenue With Contracts with Customers.* This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services, by allocating transaction price to identified performance obligations, and recognizing that revenue as performance obligations are satisfied.

In June 2018, the Financial Accounting Standards Board issued ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new standard applies to all entities that receive or make contributions. The guidance clarifies the definition of transactions accounted for as an exchange transaction subject to ASU 2014-09 or other applicable guidance, and transactions that should be accounted for as contributions (non-exchange) subject to the contributions accounting model. Further, the guidance provides criteria for evaluating whether contributions are unconditional or conditional. Conditional contributions must specify a barrier that the recipient must overcome and a right of return that releases the donor from its obligation if the barrier is not achieved, otherwise the contribution is unconditional.

These ASUs are effective for annual reporting periods beginning after December 15, 2018 and accordingly, the Company will adopt these standards for the fiscal year ending June 30, 2020. The Company's revenue recognition policy, particularly for underwriting contracts and its wholly owned subsidiary, MediaVision Productions, Inc., will change to reflect these new pronouncements. The Company expects that the change in accounting policy for the implementation of ASU 2014-09 will result in a material reduction in revenues in fiscal year 2020 (initial year of adoption) and consequently a negative change in net assets. The Company does not expect a material impact on the financial statements and reporting contribution revenue as a result of the adoption of ASU 2018-08.

Basis of Accounting and Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting. The Company reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. They are described as follows:

Net Assets Without Donor Restrictions
Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the Board of Trustees. Each year, the Board of Trustees designates a portion of net assets without donor restrictions for the purpose of funds functioning as an endowment. For the years ended June 30, 2019 and 2018, the Board has designated $47,465,929 and $46,660,242, respectively, to function as endowment.

Net Assets With Donor Restrictions
Net assets with donor restrictions represent 1) contributions that are restricted by the donor as to purpose or time of expenditure 2) contributions that require that the principal be maintained in perpetuity but permit the Company to expend the income earned thereon, and 3) the accumulated investment income and gains on donor-restricted endowment assets that have not been appropriated for expenditure.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains include the Company's gains and losses on investments bought and sold as well as held during the year.

Intangibles

On July 1, 2015, MediaVision Productions, Inc., entered into an agreement with a related party which resulted in a lease agreement and the purchase of certain intangibles. The agreement required a monthly payment of $30,000 for the use of the building, certain equipment and access to customer lists. The acquisition was valued by a third party. The intangibles were valued at $641,000, resulting in bargain purchase income of $257,500.

Amortization expense is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for financial reporting purposes are as follows:

Asset	Estimated Useful Lives
Customer relations	10 years
Trade name	2.2 years

Allowances for Receivables

Allowances for accounts receivable are determined by management based on assessment of their collectability. Management considers past history, current economic conditions and overall viability of the third party. Receivables are written off only when management believes amounts will not be collected. Receivables are considered past due based on the invoice date.

Property, Equipment and Leasehold Improvements

The Company capitalizes all expenditures for property and equipment in excess of $500. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over their estimated useful lives. Amortization of leasehold improvements is computed using the straight-line method over the shorter of useful life or the remaining lease term. Estimated lives for financial reporting purposes are as follows:

Asset	Estimated Lives
Building	30 years
Equipment	3 to 10 years
Leasehold improvements	5 years

Primarily all depreciation and amortization expense is associated with assets necessary to operate program services. Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Deferred Revenue

Underwriting Fees and Production Costs
Revenues from underwriting fees and related production costs are recognized in operations over the term of the related underwriting contract. Production costs incurred for projects still in development at year end are presented as an asset in the consolidated statements of financial position, and underwriting revenue received before the earning process is complete is presented as deferred revenue in the consolidated statements of financial position.

Revenue from Channel Sharing and Spectrum Rights
In 2017, the Company participated in the broadcast incentive auction conducted by the Federal Communications Commission (FCC). At the conclusion of the incentive auction, the Company relinquished its spectrum usage rights for one of its television licenses in exchange for a payment from the FCC. On July 21, 2017, the Company received its payment for this license in an amount of $18,900,229. In addition, also as part of the incentive auction, the Company will share, with an unrelated broadcaster, spectrum of another of its television licenses under a Channel-Share Agreement (CSA). Under the terms of the CSA, on July 21, 2017, the Company received $25,504,174 from its channel-share broadcast partner. For the year ended June 30, 2018, income, net of transaction costs, of $6,484,810 and $23,980,902 were recognized for these transactions and are shown in the consolidated statements of activities.

Subscription and Membership Income

The Company recognizes subscription and membership income on the date the individual membership gift is received.

Income from Licensing of Intangible Assets

The Company recognizes income from licensing of intangible assets over the life of each respective agreement on a straight-line basis.

Donated Personal Services of Volunteers

Donated personal services of volunteers who possess special skills and meet the required criteria under accounting standards are recorded as revenue and expense in the accompanying consolidated financial statements at their estimated fair value based on standard valuation rates and job classifications found at the website developed by Independent Sector.

All other donated services from volunteers for various programs have not been recognized in the accompanying consolidated statements of activities because the criteria for recognition of such volunteer effort have not been satisfied in accordance with the standards.

Contributed Programming and Production

In-kind contributions of services, rental of equipment and office space, programs, fundraising support and other similar services are recorded as revenue and expense in the accompanying consolidated financial statements at their estimated fair value based on discounts provided and documented by independent third-party vendors.

Contributions, Donor-Restricted Gifts and Restricted Grants

For financial statement purposes, the Company distinguishes between contributions of net assets without donor restrictions and net assets with donor restrictions.

Contributions for which donors have not stipulated restrictions, as well as contributions for which donors have stipulated restrictions but which are met within the same reporting period, are reported as unrestricted activities. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as release of restricted assets.

Contributions, including pledges from government agencies that are restricted for capital additions of property and equipment, are recognized as net assets with donor restrictions when received. As expenditures are made, revenues are reclassified to net assets without donor restrictions.

Unconditional promises to give are recorded as contributions when the promises are received.

Measure of Operations

The consolidated statements of activities present revenue from operations separately from nonoperating activities. For purposes of the consolidated statements of activities, operations are defined as revenue and expenses (other than depreciation) from programming, production and broadcasting activities, membership and subscriptions, corporate underwriting, and revenue from grants to operate certain programs throughout the year, along with the general and administrative expenses incurred to operate the Company. Realized and unrealized gains and losses on the investments without donor restrictions as well as earned income, net of the spending rule allocation, on investments without donor restrictions and with donor restrictions are reported as nonoperating revenue. All other revenue and expenses (primarily investment results, net income from broadcast incentive auction, income from licensing of intangible assets, depreciation, and capital and endowment campaign revenue and expenses) are classified as nonoperating activities. This basis of presentation reflects the Company’s management philosophy throughout the year.

Income Taxes

The Internal Revenue Service has ruled that Connecticut Public Broadcasting, Inc., Connecticut Public Broadcasting Real Estate Holding Company, Inc., and Connecticut Public Broadcasting Endowment, Inc., are exempt from income taxes on related income under the applicable section of the Internal Revenue Code (the IRC). Once qualified, they are required to operate in conformity with the IRC to maintain their tax-exempt status. Connecticut Public Broadcasting, Inc., Connecticut Public Broadcasting Real Estate Holding Company, Inc., and Connecticut Public Broadcasting Endowment, Inc., are not aware of any course of action or series of events that have occurred that might adversely affect their tax-exempt status.

MediaVision Productions, Inc., is a “C” corporation and thus state and federal income taxes are accounted for under an asset and liability method, which recognizes deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the tax and financial reporting basis of certain assets and liabilities.

At June 30, 2019, MediaVision Productions, Inc., has available federal net operating loss carryforwards of approximately $246,647 with no expiration, and state net operating loss carryforwards of approximately $115,401 expiring through 2037. Deferred tax assets aggregated $89,572 and $156,480 at June 30, 2019 and 2018, respectively, all of which have been offset by a valuation allowance. As a result of the utilization of net operating loss carryforwards, there is no provision for current income taxes in 2019 or 2018. In addition, as a result of the decrease in the valuation allowance of $66,908 and $31,279 during 2019 and 2018, respectively, there is no provision for deferred income taxes.

Functional Allocation of Expenses

The cost of providing the various programs and supporting services has been summarized on a functional basis in the consolidated statement of functional expenses. Certain categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied and determined by management. The expenses that are allocated based upon time and effort include payroll and benefits, production, other professional services, membership benefits, equipment rental and maintenance, travel, meetings, special events, and other expenses. Occupancy and utilities are allocated based upon square footage.

Use of Estimates

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

Subsequent Events

The Company has evaluated subsequent events through October 18, 2019, which is the date the consolidated financial statements were available to be issued.

NOTE 2 - FAIR VALUE MEASUREMENTS

Generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2
Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As a practical expedient, certain investments are measured at fair value on the basis of net asset value. The fair value of these investments is not included in the fair value hierarchy.

Financial Instruments Measured at Fair Value

The following is a description of the valuation methodologies used for financial instruments measured at fair value:

Mutual Funds
Mutual funds are valued at the quoted price of shares reported in an active market in which the mutual funds are traded.

Multi-Asset Fund
The fund invests in exchange-traded funds, open-end mutual funds and private investment funds, subject to the limits of the Investment Company Act of 1940. These funds are required to publish their daily net asset value and to transact at that price.

Fixed Income
These items are valued at the closing price reported in the active market in which the bonds are traded. Certain bonds are valued at the closing price reported in the active market in which the individual securities are traded. Other bonds are valued based on yields currently available on comparable securities of issuers with similar durations and credit ratings.

Hedge Funds
This includes investments in long and short global equities. Interests in hedge funds are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date.

There have been no changes in the methodologies used at June 30, 2019 and 2018.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value as of June 30, 2019 and 2018:

2019	Level 1	Level 2	Level 3	Investments Measured at Net Asset Value (a)	Total
Investments:					
Mutual funds:					
Equity	$ 34,024,099	$ -	$ -	$ -	$ 34,024,099
Fixed income	11,981,835	-	-	-	11,981,835
Funds balanced	1,310	-	-	-	1,310
Closed end	380,667	-	-	-	380,667
Hedge fund	-	-	-	3,413,415	3,413,415
Bonds - fixed income:					
Government	606,593	-	-	-	606,593
High yield	133,216	-	-	-	133,216
Total assets at fair value	47,127,720	-	-	3,413,415	50,541,135
Cash and cash equivalents held by portfolio managers	1,978,120	-	-	-	1,978,120
Total Investments	$ 49,105,840	$ -	$ -	$ 3,413,415	$ 52,519,255

2018	Level 1	Level 2	Level 3	Investments Measured at Net Asset Value (a)	Total
Investments:					
Mutual funds:					
Equity	$ 30,766,608	$ -	$ -	$ -	$ 30,766,608
Fixed income	8,643,227	-	-	-	8,643,227
Funds balanced	1,720	-	-	-	1,720
Closed end	371,490	-	-	-	371,490
Multi-asset fund	-	-	-	3,893,196	3,893,196
Hedge fund	-	-	-	2,373,031	2,373,031
Bonds - fixed income:					
Government	898,524	-	-	-	898,524
High yield	168,433	-	-	-	168,433
Emerging market	77,361	-	-	-	77,361
Total assets at fair value	40,927,363	-	-	6,266,227	47,193,590
Cash and cash equivalents held by portfolio managers	2,803,717	-	-	-	2,803,717
Total Investments	$ 43,731,080	$ -	$ -	$ 6,266,227	$ 49,997,307

a. Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Investments in Entities that Calculate Net Asset Value per Share

The value of the Multi-Asset Fund is calculated using net asset value per share as provided by the fund. The fund is managed by TIFF Advisory Services, Inc., and uses a multi-manager approach, hiring external money managers to manage the majority of the fund's assets. A portion of the assets are also invested in exchange-traded funds, open-end mutual funds and private investment funds (such as hedge funds). The fund's investment objective is to attain a growing stream of current income and appreciation of principal that at least offset inflation. The fund's complimentary performance objective relates to achieving a total net investment return that exceeds inflation plus 5% per annum. The fund is liquid and allows for daily redemptions given its structure as a mutual fund but any redemptions outside of the client's elected distribution schedule are subject to a redemption fee.

The fair values of the investments in Hedge Funds have been estimated using the net asset value per share as provided by the hedge fund managers. The investments are subject to a redemption restriction of quarterly liquidation with 60 days notice after a 1-year lock-up period. The fund's investment objective is to seek capital appreciation by allocating its assets among a select group of private investment funds (commonly known as hedge funds) that utilize a variety of alternative investment strategies that seek to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes.

There were no unfunded commitments for these funds as of June 30, 2019 and 2018.

NOTE 3 - INTANGIBLE ASSETS

Intangible assets comprise the following as of June 30, 2019 and 2018:

	2019	2018
Customer relations	$ 622,000	$ 622,000
Trade name	19,000	19,000
	641,000	641,000
Less accumulated amortization	267,800	205,600
Intangibles, Net	$ 373,200	$ 435,400

A schedule of future estimated amortization expense for intangible assets at June 30, 2019 is as follows:

Year Ending June 30	
2020	$ 62,200
2021	62,200
2022	62,200
2023	62,200
2024	62,200
Thereafter	62,200
	$ 373,200

Amortization expense charged to operations was $62,200 and 63,662 for the years ended June 30, 2019 and 2018, respectively.

NOTE 4 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Company's financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	$ 86,708
Investments	3,837,189
Accounts receivable, net	3,167,157
Grants and other receivables, net	39,508
Total financial assets available within one year	7,130,562
Less amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	(20,100)
Appropriation from board-designated endowment for general expenditures in subsequent year	2,135,967
Total Financial Assets Available to Management for General Expenditure Within One Year	$ 9,246,429

Liquidity Management

The Company's endowment funds consist of donor-restricted endowments and funds designated by the Board of Trustees to function as endowments. Income from donor-restricted endowments is restricted for specific purposes, and, therefore, is not available for general expenditure. As described in Note 6, the board-designated endowment has a spending rate of 5% of the fair value of endowments total market value as of the previous year end. As of June 30, 2019, $2,135,967 of appropriations from the board-designated endowment will be available within the next 12 months.

To help manage unanticipated liquidity needs, the Company maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Company has a line of credit in the amount of $2,000,000 through December 31, 2019, which it could draw upon at any time. The Company also maintains a letter of credit in the amount of $40,000. Additionally, the Company has a board-designated endowment in the amount of $47,465,929. The Company does not intend to spend from its board-designated endowment other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, but amounts from its board-designated endowment could be made available if necessary.

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

The following is the composition of the Company's net assets with donor restrictions at June 30, 2019 and 2018:

	2019	2018
Endowment:		
Restricted in perpetuity: income use unrestricted	$ 480,544	$ 480,544
Accumulated gains subject to endowment spending policy and appropriation	409,603	390,160
Total endowment	890,147	870,704
Other net assets with donor use restrictions:		
Restricted for capital additions	1,872,749	324,852
Internship program	13,100	-
Employee Giving Fund	7,000	-
Total Net Assets With Donor Restrictions	$ 2,782,996	$ 1,195,556

The Company released $55,195 and $315,497 of net assets with donor restrictions in 2019 and 2018, respectively, for capital additions.

NOTE 6 - ENDOWMENT

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

Interpretation of Relevant Law

The Board of Trustees of the Company has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act (CTUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Company classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanent endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Company in a manner consistent with the standard of prudence prescribed by CTUPMIFA.

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

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

Endowment net asset composition by type of fund as of June 30, 2019 and 2018:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 47,465,929	$ -	$ 47,465,929
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	480,544	480,544
Accumulated gains subject to endowment spending policy and appropriation	-	409,603	409,603
Total	$ 47,465,929	$ 890,147	$ 48,356,076

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 46,660,242	$ -	$ 46,660,242
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	480,544	480,544
Accumulated gains subject to endowment spending policy and appropriation	-	390,160	390,160
Total	$ 46,660,242	$ 870,704	$ 47,530,946

Endowment Net Assets

Endowment net asset composition by type of fund and changes in endowment net assets as of and for the years ended June 30, 2019 and 2018 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - June 30, 2017	$ 34,549,216	$ 820,204	$ 35,369,420
Investment return:			
Interest and dividends	1,206,991	21,949	1,228,940
Net depreciation (realized and unrealized)	845,675	28,551	874,226
Total investment return	2,052,666	50,500	2,103,166
Additions to endowment	11,787,361	-	11,787,361
Appropriation of endowment assets for expenditure	(1,727,461)	-	(1,727,461)
Trust payments	(1,540)	-	(1,540)
Endowment net assets - June 30, 2018	46,660,242	870,704	47,530,946
Investment return:			
Interest and dividends	886,969	17,017	903,986
Net appreciation (realized and unrealized)	181,513	2,426	183,939
Total investment return	1,068,482	19,443	1,087,925
Additions to endowment	2,069,093	-	2,069,093
Appropriation of endowment assets for expenditure	(2,330,348)	-	(2,330,348)
Trust payments	(1,540)	-	(1,540)
Endowment Net Assets - June 30, 2019	$ 47,465,929	$ 890,147	$ 48,356,076

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Company has an annual endowment spending policy that is specifically designed to assist in funding annual programming objectives and to preserve the value of the investment portfolio over time. In 2019 and 2018, the spending policy was 5% of the fair value of endowment assets as of June 30, 2018 and 2017. In establishing this policy, the Company considered the long-term expected return on its endowment. Accordingly, over the long term, the Company expects the current spending policy to allow its endowment to grow and maintain its value to support operations in the future. The Company has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws.

To meet these objectives, the Company utilizes a total return investment approach which emphasizes total investment return, consisting of investment income and realized and unrealized gains or losses and, accordingly, invests in equities, fixed income and money market accounts. The annual spending distribution for operating purposes was $2,330,348 and $1,727,461 in fiscal years 2019 and 2018, respectively.

NOTE 7 - LINE OF CREDIT

The Company increased its unsecured operating line of credit (the Line) to $2,000,000, which expires on December 31, 2019. The interest rate is a fluctuating rate per annum equal to either the higher of Prime rate plus 2.75% or the LIBOR rate plus 2.75%. As of June 30, 2019 and 2018, the balance bears an interest rate of 5.50% and 4.75%, respectively. There was no outstanding balance on the Line as of June 30, 2019 and 2018. The Company also maintains a letter of credit in the amount of $40,000. There is no outstanding balance on this letter of credit.

Interest expense incurred on the Line as well as the long-term debt that was repaid in full during the year ended June 30, 2018 was $2,689 and $37,177 as of June 30, 2019 and 2018.

NOTE 8 - LEASES

The Company leases certain operating facilities under noncancelable operating leases expiring at various times through December 31, 2034. Rental expense associated with leases was $420,605 and $440,799 for the years ended June 30, 2019 and 2018, respectively.

Future minimum annual rental payments for the five years subsequent to June 30, 2019 and thereafter are as follows:

Year Ending June 30		
2020	$	427,330
2021		345,388
2022		336,750
2023		98,013
2024		84,112
Thereafter		131,443
	$	1,423,036

NOTE 9 - RETIREMENT PLANS

The Company provides a defined contribution retirement plan for eligible employees who elect to participate in the plan. Eligible employees may contribute a percentage of their salary to the plan. The Company contributes an amount equal to employees' contributions up to a limit as determined annually by the Company. Retirement contributions charged to operations were $255,308 and $228,727 for the years ended June 30, 2019 and 2018, respectively.

In addition to the plan, the Company also provides two nonqualified deferred compensation plans for certain management personnel. Discretionary contributions of $71,202 and $46,560 were made to the plans for the years ended June 30, 2019 and 2018, respectively.

NOTE 10 - LIENS

The National Telecommunications and Information Administration (NTIA) provides funding to public broadcasting entities for the acquisition of equipment. NTIA retains a financial interest, as defined in the statute, in its pro rata share of the cost of the equipment for a period of ten years and must be notified upon disposition of the equipment. The Company did not receive any NTIA funds during the years ended June 30, 2019 and 2018.

NOTE 11 - RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company conducts business with other organizations whose executives are members of the Company's Board of Trustees. Revenue transactions, including corporate underwriting revenue and other support, amounted to $1,004,382 and $1,025,881 for the years ended June 30, 2019 and 2018, respectively. Purchases and other services received amounted to $574,838 and $594,447 for the years ended June 30, 2019 and 2018, respectively. At June 30, 2019 and 2018, included in the accounts receivable balance was $141,386 and $277,819, respectively. In addition, included in the accounts payable balance was $65,372 and $44,678 at June 30, 2019 and 2018, respectively.

NOTE 12 - CONCENTRATIONS

The Company receives substantial revenues from governmental agencies, Corporation for Public Broadcasting, related parties and the public; a significant reduction in the level of this support may have an adverse effect on the Company's programs and activities. Significant programming services are provided to the Company by the Public Broadcasting Service. Operations include charges for such services of $1,963,186 and $1,529,984 in 2019 and 2018, respectively.

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Company maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits.

The Company's investments are in high quality marketable securities placed within a wide array of institutions with high credit ratings. This investment policy limits the Company's exposure to concentrations of credit risk. Concentrations of credit risk with respect to accounts receivable are limited to contractual agreements with various underwriters. The Company evaluates the need for an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

NOTE 13 - CONTINGENCIES

The Company is subject to various claims and legal proceedings arising in the ordinary course of business. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or change in net assets of the Company.

Supplementary Information

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

	Connecticut Public Broadcasting Inc.	Institute for Advanced Media	Total Connecticut Public Broadcasting Inc.	Real Estate Holding Company, Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
ASSETS								
Current Assets								
Cash and cash equivalents	$ 43,300	$ -	$ 43,300	$ -	$ 43,408	$ 86,708	$ -	$ 86,708
Investments	3,837,189	-	3,837,189	-	-	3,837,189	-	3,837,189
Accounts receivable, net	2,908,402	-	2,908,402	-	258,755	3,167,157	-	3,167,157
Grants and other receivables	39,508	-	39,508	-	-	39,508	-	39,508
Intercompany receivable	1,055,719	-	1,055,719	-	-	1,055,719	(1,055,719)	-
Production costs	4,481	-	4,481	-	-	4,481	-	4,481
Prepaid expenses and deposits	4,895	-	4,895	-	13,342	18,237	-	18,237
Total current assets	7,893,494	-	7,893,494	-	315,505	8,208,999	(1,055,719)	7,153,280
Other Assets								
Investment in MediaVision	(453,650)	-	(453,650)	-	-	(453,650)	453,650	-
Investments held for property and equipment	325,990	-	325,990	-	-	325,990	-	325,990
Investments - endowment	48,356,076	-	48,356,076	-	-	48,356,076	-	48,356,076
Intangibles, net	-	-	-	-	373,200	373,200	-	373,200
Other investments	26,229	-	26,229	-	-	26,229	-	26,229
Total other assets	48,254,645	-	48,254,645	-	373,200	48,627,845	453,650	49,081,495
Property, Equipment, and Leasehold Improvements								
Land and improvements	786,710	-	786,710	-	-	786,710	-	786,710
Building	-	-	-	14,051,597	-	14,051,597	-	14,051,597
Equipment	33,920,735	-	33,920,735	-	-	33,920,735	-	33,920,735
Leasehold improvements	379,498	-	379,498	-	-	379,498	-	379,498
	35,086,943	-	35,086,943	14,051,597	-	49,138,540	-	49,138,540
Accumulated depreciation and amortization	(33,189,892)	-	(33,189,892)	(6,072,694)	-	(39,262,586)	-	(39,262,586)
Construction in progress	2,576,035	-	2,576,035	-	-	2,576,035	-	2,576,035
Net property, equipment and leasehold improvements	4,473,086	-	4,473,086	7,978,903	-	12,451,989	-	12,451,989
Total Assets	$ 60,621,225	$ -	$ 60,621,225	$ 7,978,903	$ 688,705	$ 69,288,833	$ (602,069)	$ 68,686,764
LIABILITIES AND NET ASSETS								
Current Liabilities								
Accounts payable and accrued expenses	$ 3,438,801	$ 959,543	$ 4,398,344	$ -	$ 72,336	$ 4,470,680	$ -	$ 4,470,680
Intercompany payable	-	-	-	-	1,055,719	1,055,719	(1,055,719)	-
Deferred revenue	9,299	-	9,299	-	14,300	23,599	-	23,599
Total current liabilities	3,448,100	959,543	4,407,643	-	1,142,355	5,549,998	(1,055,719)	4,494,279
Net Assets (Deficit)								
Common stock	-	-	-	-	1,000	1,000	(1,000)	-
Accumulated deficit	-	-	-	-	(454,650)	(454,650)	454,650	-
Net assets without donor restrictions	54,390,129	(959,543)	53,430,586	7,978,903	-	61,409,489	-	61,409,489
Net assets with donor restrictions	2,782,996	-	2,782,996	-	-	2,782,996	-	2,782,996
Total net assets (deficit)	57,173,125	(959,543)	56,213,582	7,978,903	(453,650)	63,738,835	453,650	64,192,485
Total Liabilities and Net Assets (Deficit)	$ 60,621,225	$ -	$ 60,621,225	$ 7,978,903	$ 688,705	$ 69,288,833	$ (602,069)	$ 68,686,764

CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES - WITHOUT DONOR RESTRICTIONS
FOR THE YEAR ENDED JUNE 30, 2019

	Connecticut Public Broadcasting Inc.	Institute for Advanced Media	Total Connecticut Public Broadcasting Inc.	Real Estate Holding Company, Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated - Without Donor Restrictions
Revenues								
Underwriting support	$ 8,132,688	$ 169,500	$ 8,302,188	$ -	$ -	$ 8,302,188	$ -	$ 8,302,188
Subscription and membership income	6,850,404	-	6,850,404	-	-	6,850,404	-	6,850,404
Annual spending distribution	2,330,348	-	2,330,348	-	-	2,330,348	-	2,330,348
Corporation for Public Broadcasting	2,104,063	-	2,104,063	-	-	2,104,063	-	2,104,063
Video services	-	-	-	-	1,288,134	1,288,134	-	1,288,134
Auctions and special events	795,319	-	795,319	-	-	795,319	-	795,319
Planned gifts and bequests	713,293	-	713,293	-	-	713,293	-	713,293
Contributed in-kind support	237,749	-	237,749	-	-	237,749	-	237,749
Nonbroadcasting services	118,054	-	118,054	-	-	118,054	-	118,054
Miscellaneous	74,483	14,500	88,983	-	-	88,983	-	88,983
Donated personal services of volunteers	23,726	-	23,726	-	-	23,726	-	23,726
Grants - State of Connecticut	3,750	-	3,750	-	-	3,750	-	3,750
Total revenues	21,383,877	184,000	21,567,877	-	1,288,134	22,856,011	-	22,856,011
Expenses								
Program services:								
Programming and production	10,547,412	376,140	10,923,552	-	-	10,923,552	-	10,923,552
Broadcasting	1,642,561	-	1,642,561	-	-	1,642,561	-	1,642,561
Contributed in-kind support	223,000	-	223,000	-	-	223,000	-	223,000
Program information	1,209,353	-	1,209,353	-	-	1,209,353	-	1,209,353
Total program services	13,622,326	376,140	13,998,466	-	-	13,998,466	-	13,998,466
Supporting services:								
Fundraising and membership development:								
Membership development	2,702,748	-	2,702,748	-	-	2,702,748	-	2,702,748
Other fundraising expenses	1,245,372	-	1,245,372	-	-	1,245,372	-	1,245,372
Contributed in-kind support	14,749	-	14,749	-	-	14,749	-	14,749
Donated personal services of volunteers	23,726	-	23,726	-	-	23,726	-	23,726
Management and general	3,669,081	-	3,669,081	-	-	3,669,081	-	3,669,081
Total supporting services	7,655,676	-	7,655,676	-	-	7,655,676	-	7,655,676
Reorganization costs	224,298	-	224,298	-	-	224,298	-	224,298
Video services:								
Cost of production	-	-	-	-	940,589	940,589	-	940,589
General and administrative	-	-	-	-	156,223	156,223	-	156,223
Total video services	-	-	-	-	1,096,812	1,096,812	-	1,096,812
Total expenses	21,502,300	376,140	21,878,440	-	1,096,812	22,975,252	-	22,975,252
Equity in net income of consolidated subsidiary	191,322	-	191,322	-	-	191,322	(191,322)	-
Change in net assets without donor restrictions before other activities	72,899	(192,140)	(119,241)	-	191,322	72,081	(191,322)	(119,241)
Other Activities								
Income from Channel Sharing Agreement, net of expenses	1,806,359	-	1,806,359	-	-	1,806,359	-	1,806,359
Income from licensing of intangible assets	1,354,260	-	1,354,260	-	-	1,354,260	-	1,354,260
Investment income, net	1,203,600	-	1,203,600	-	-	1,203,600	-	1,203,600
Release of restricted assets for capital additions	55,195	-	55,195	-	-	55,195	-	55,195
Transfer of funds	1,067	-	1,067	-	-	1,067	-	1,067
Loss on sale of property and equipment	(8,619)	-	(8,619)	-	-	(8,619)	-	(8,619)
Expense associated with relinquishment of television spectrum usage rights	(13,874)	-	(13,874)	-	-	(13,874)	-	(13,874)
Interest expense	(29,840)	-	(29,840)	-	-	(29,840)	-	(29,840)
Depreciation and amortization	(767,414)	-	(767,414)	(471,206)	(62,200)	(1,300,820)	62,200	(1,238,620)
Annual spending distribution	(2,330,348)	-	(2,330,348)	-	-	(2,330,348)	-	(2,330,348)
Net nonoperating revenues and expenses	1,270,386	-	1,270,386	(471,206)	(62,200)	736,980	62,200	799,180
Change in Net Assets	1,343,285	(192,140)	1,151,145	(471,206)	129,122	809,061	(129,122)	679,939
Net Assets Without Donor Restrictions - Beginning of Year	53,046,844	(767,403)	52,279,441	8,450,109	(583,772)	60,145,778	583,772	60,729,550
Net Assets Without Donor Restrictions - End of Year	$ 54,390,129	$ (959,543)	$ 53,430,586	$ 7,978,903	$ (454,650)	$ 60,954,839	$ 454,650	$ 61,409,489