RADIO CATSKILL

FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

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MMQ
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Independent Auditor's Report

To the Board of Trustees of
Radio Catskill
Jeffersonville, New York

Opinion

We have audited the accompanying financial statements of Radio Catskill (the Organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 opinion.

Other Matter

The financial statements of the Organization, as of and for the year ended December 31, 2020, were audited by other auditors, whose report dated August 5, 2021, expressed an unmodified opinion on those statements.

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 the Organization’s ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

To the Board of Trustees of
Radio Catskill
Jeffersonville, New York

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the Organization'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 the Organization'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.

McGrail Merkel Quinn
+ Associates, P.C.

Scranton, Pennsylvania
May 26, 2022

RADIO CATSKILL

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2021 AND 2020

ASSETS

	2021	2020
Current assets		
Cash	$ 412,441	$ 299,026
Accounts receivable, net	2,250	2,100
Pledges receivable, net	22,429	12,251
Grants receivable	150,000	31,041
Investments	225,348	176,542
Prepaid expenses	10,231	5,098
Beneficial interest in assets held by community foundation	10,455	-
Total current assets	833,154	526,058
Cash subject to donor restrictions	16,131	-
Property and equipment, net	608,041	304,358
Total assets	$ 1,457,326	$ 830,416

LIABILITIES AND NET ASSETS

	2021	2020
Current liabilities		
Accounts payable	$ 20,073	$ 9,099
Accrued payroll and payroll taxes	3,969	1,682
Total current liabilities	24,042	10,781
Construction loan payable	70,055	-
Total liabilities	94,097	10,781
Net assets		
Without donor restrictions		
Board designated	225,348	176,542
Undesiganted	941,726	634,721
	1,167,074	811,263
With donor restrictions	196,155	8,372
Total net assets	1,363,229	819,635
Total liabilities and net assets	$ 1,457,326	$ 830,416

The accompanying Notes are an integral part of these Financial Statements.

RADIO CATSKILL

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support						
Contributions	$ 241,765	$ 196,155	$ 437,920	$ 199,764	$ -	$ 199,764
Grants	159,100	-	159,100	-	7,750	7,750
Corporation for Public Broadcasting	96,035	-	96,035	-	95,851	95,851
Corporation for Public Broadcasting - COVID-19	200,631	-	200,631	-	143,177	143,177
Paycheck Protection Program loan funds	32,683	-	32,683	-	26,600	26,600
Fundraising income	24,145	-	24,145	9,098	-	9,098
Program revenue	38,773	-	38,773	22,678	-	22,678
Investment income, net	10,388	-	10,388	4,646	-	4,646
Net realized and unrealized gains on investments	8,408	-	8,408	18,095	-	18,095
Gain on sale of property and equipment	-	-	-	2,401	-	2,401
Change in beneficial interest in assets held by community foundation	455	-	455	-	-	-
Net assets released from restrictions (Note 5)	8,372	(8,372)	-	270,761	(270,761)	-
Total revenue and support	820,755	187,783	1,008,538	527,443	2,617	530,060
Expenses						
Program services	282,800	-	282,800	250,152	-	250,152
Supporting services						
Management and general	130,180	-	130,180	143,565	-	143,565
Fundraising	51,964	-	51,964	2,292	-	2,292
Total expenses	464,944	-	464,944	396,009	-	396,009
Increase in net assets	355,811	187,783	543,594	131,434	2,617	134,051
Net assets at beginning of year	811,263	8,372	819,635	679,829	5,755	685,584
Net assets at end of year	$ 1,167,074	$ 196,155	$1,363,229	$ 811,263	$ 8,372	$ 819,635

The accompanying Notes are an integral part of these Financial Statements.

RADIO CATSKILL

STATMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2021

	PROGRAM SERVICES	SUPPORT SERVICES		
	General Program	Management and General	Fund Raising	Total
Salaries and wages	$ 110,530	$ 24,178	$ 24,178	$ 158,886
Payroll tax expense	8,330	1,825	1,825	11,980
Employee benefits	18,307	4,012	4,012	26,331
Programming and dues	66,377	-	-	66,377
Professional fees	12,875	15,966	-	28,841
Station promotion	-	13,985	-	13,985
Internet	4,706	3,765	941	9,412
Postage and shipping	1,302	-	-	1,302
Rent	14,220	-	-	14,220
Office expense	3,618	2,895	724	7,237
Bank and credit card fees	-	6,506	-	6,506
Accounting/Audit	-	31,324	-	31,324
Insurance	-	8,342	-	8,342
Repairs and maintenance	5,949	5,949	-	11,898
Telephone	3,227	2,581	645	6,453
Utilities	11,064	8,852	2,213	22,129
Fundraising expenses	-	-	17,426	17,426
Depreciation	18,165	-	-	18,165
Miscellaneous	1,125	-	-	1,125
Taxes	3,005	-	-	3,005
Total	$ 282,800	$ 130,180	$ 51,964	$ 464,944

The accompanying Notes are an integral part of these Financial Statements.

RADIO CATSKILL

STATMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2020

	PROGRAM SERVICES	SUPPORT SERVICES		
	General Program	Management and General	Fund Raising	Total
Salaries and wages	$ 69,883	$ 69,883	$ -	$ 139,766
Payroll tax expense	14,346	14,346	-	28,692
Programming and dues	70,441	-	-	70,441
Professional fees	13,279	17,631	-	30,910
Station promotion	-	6,455	-	6,455
Internet	6,073	-	-	6,073
Postage and shipping	3,075	-	-	3,075
Rent	14,965	-	-	14,965
Office expense	3,810	13,998	-	17,808
Bank and credit card fees	-	4,927	-	4,927
Travel expense	106	-	-	106
Bookkeeping	-	2,725	-	2,725
Insurance	-	8,875	-	8,875
Repairs and maintenance	4,725	4,725	-	9,450
Telephone	10,542	-	-	10,542
Utilities	20,619	-	-	20,619
Fundraising expenses	-	-	2,292	2,292
Depreciation	17,321	-	-	17,321
Miscellaneous	32	-	-	32
Taxes	935	-	-	935
Total	$ 250,152	$ 143,565	$ 2,292	$ 396,009

The accompanying Notes are an integral part of these Financial Statements.

RADIO CATSKILL

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating activities		
Increase in net assets	$ 543,594	$ 134,051
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	18,165	17,321
Donated services	-	(2,620)
Net realized and unrealized gains on investments	(8,408)	(18,095)
Gain on sale of property and equipment	-	(2,401)
Change in beneficial interest in assets held by community foundation	(10,455)	-
(Increase) decrease in:		
Accounts receivable	(150)	(11,490)
Pledges receivable	(10,178)	-
Grants receivable	(118,959)	-
Prepaid expenses	(5,133)	(673)
Increase (decrease) in:		
Accounts payable	10,974	5,107
Accrued payroll and payroll taxes	2,287	-
Net cash provided by operating activities	421,737	121,200
Investing activities		
Purchase of property and equipment	(321,848)	(15,927)
Proceeds from sale of property and equipment	-	51,610
Purchase of investments	(51,510)	(1,924)
Proceeds from sale of investments	11,112	-
Net cash (used in) provided by investing activities	(362,246)	33,759
Financing activities		
Construction loan payable	70,055	-
Net cash provided by financing activities	70,055	-
Increase in cash	129,546	154,959
Cash and restricted cash at beginning of year	299,026	144,067
Cash and restricted cash at end of year	$ 428,572	$ 299,026

The accompanying Notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Radio Catskill (the Organization) is a New York State non-profit organization established to acquire and maintain a Federal Communication Commission (FCC) license to operate an educational, non-commercial radio station located in Jeffersonville, New York. The Organization rents a second location in Honesdale, Pennsylvania which provides programming and is transmitted through to the Jeffersonville station. Radio Catskill uses the call letters WJFF and has a geographical listening area that covers Sullivan and portions of Ulster, Delaware and Orange counties in New York and Pike and Wayne counties in Pennsylvania.

The Organization is supported by fundraising events, government grants, public and private foundations, local business and individual contributions. They have licensing agreements with third party providers for music and informational content which are paid quarterly.

Basis of Presentation

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

Use of Estimates

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash includes short-term deposits with original maturities of three months or less.

Accounts Receivable

Accounts receivable are carried at the original invoice amount, less an estimate for doubtful accounts. Outstanding balances are reviewed individually for collectability. The allowance for doubtful accounts is management's best estimate of the amount of probable credit losses. Bad debt expense is included in Management & General Expenses. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Management determines when receivables are past due or delinquent based on how recently payments have been received. The Organization does not assess interest on overdue account balances. No allowance was recorded at December 31, 2021 and 2020.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies - (Continued)

Investments

Equity securities with readily determinable fair values and debt securities are valued at fair value based on quoted market prices. Adjustments to reflect increases or decreases in market value, referred to as unrealized gains and losses, are reported in the Statements of Activities.

The cost of investments received as gifts is fair value as determined upon receipt. The cost of investments sold is determined by use of the specific identification method.

All realized gains and losses arising from the sale of investments and ordinary income from investments are reported as changes in net assets without donor restrictions unless their use is restricted by explicit donor-imposed stipulations.

Beneficial Interest

The Organization has adopted the accounting statement that establishes standards for transactions in which a community foundation accepts assets from a donor and agrees to transfer those assets, the return on investment of those assets or both to another Organization that is specified by the donor. It also states that a community foundation shall recognize its liability to the specified beneficiary concurrent with its recognition of cash or other financial assets received from the donor.

In December 2021, the Organization entered into an agreement with the Wayne County Community Foundation, (the Foundation) to establish a fund, to serve as a receptacle for gifts of cash and other property that the Organization receives. Under the terms of the agreement, it is the intent of the Organization to make distributions from the fund.

The agreement also provides that the fund shall be a component part of the Foundation and not a separate trust. The agreement is subject to the provisions of Federal tax laws and regulations. The Foundation is authorized to amend the agreement to conform to the provisions of any applicable law or government regulation to carry out its intention. In the event that it becomes unnecessary, undesirable, impractical, or impossible for the Organization to utilize the fund, the Foundation will replace the Organization's variance of power.

Included on the accompanying Statements of Financial Position of the Organization is a "Beneficial interest in assets held by a community foundation" in the amount of $10,455 at December 31, 2021.

Property and Equipment

Land, buildings and equipment purchases are capitalized at cost. Donations of land, buildings or equipment are recorded at estimated fair value and are included in support unless restricted to a specific purpose. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies - (Continued)

Long-Lived Assets

The Organization reviews the carrying value of long-lived assets for impairment whenever events or changes in circumstances indicate that carrying amounts of the assets might not be recoverable.

Net Assets with Donor Restrictions

Net assets with donor restrictions are those whose use by the Organization have been limited by donors to a specific time period or purpose. Net assets with donor restrictions also include net assets that have been restricted by donors to be maintained by the Organization in perpetuity.

Public Support and Promises to Give

The Organization engages in fundraising campaigns manifested by offering some special radio programs and on-air and mail appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Organization for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by pledges received from responding listeners.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

Community Service Grants (CSGs) awarded for operating purposes (primarily through the Corporation for Public Broadcasting (CPB)) are recognized as support when grants are awarded since no direct value or specific performance is required in exchange. Pursuant to the Communications Act, CSG funds distributed by the CPB are to be used at the discretion of the recipient for purposes related primarily to the production or acquisition of programing. CSGs awarded for specific performance and/or use such as the grants received from the CPB for national public broadcasting expenditures are recognized when the expenditures have been incurred for a specific period.

In-Kind Contributions

In-kind contributions are recorded as revenues and expenses in the period received at their estimated fair values. In-kind contributions include donated professional services, programming services, rents, advertising, materials and supplies.

Recognition of Donor-Restricted Contributions

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Program Underwriting and Production Services

The Organization recognizes revenue and expenses on projects as work progresses.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies - (Continued)

Grants and Contracts

Grants and contracts normally provide for the recovery of direct and indirect costs. Individual grant arrangements have been evaluated and most have been determined to be nonreciprocal, meaning the granting entity has not received a direct benefit in exchange for the resources provided. Instead, revenue is recognized like a conditional contribution, i.e., when the barrier to entitlement is overcome. The barrier to entitlement is considered overcome when expenditures associated with each grant are determined to be allowable and all other significant conditions of the grant are met. Grants that have been determined to be reciprocal fall under the scope of ASC Topic 606 and are recognized as the performance obligations are satisfied.

Advertising

Advertising costs are expensed as incurred. Total advertising expenses for the years ended December 31, 2021, and 2020, were $13,985 and $6,455, respectively.

Cash Flows

For purposes of the Statements of Cash Flows, cash includes cash and highly liquid money market funds.

The Organization did not pay any income taxes and paid interest in the amount of $761, which was capitalized, during the year ended December 31, 2021. The Organization did not pay any income taxes or interest during the year ended December 31, 2020.

Income Taxes

The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code.

In accordance with the Financial Accounting Standards Board guidance on accounting for uncertainty in income taxes, management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2018.

Cost Allocations

The financial statements report certain expense categories that are attributable to more than one function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation and occupancy costs, are allocated to a functional region based on square-footage. Salaries and wages, payroll tax expense, employee benefits, and other expenses are allocated to a functional region based on estimated time and effort.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year's presentation.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies - (Continued)

Liquidity

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. As of December 31, 2021, the following financial assets are available to meet annual operating needs for the year ended December 31, 2022:

Financial assets at year end:	
Cash	$ 428,572
Accounts receivable, net	2,250
Pledges receivable, net	22,429
Grants receivable	150,000
Cash subject to donor restrictions	16,131
Investments	225,348
	844,730
Less amounts not available to be used within one year:	
Donor restricted funds	196,155
Financial assets available to meet general expenditures within one year	$ 648,575

The Organization has various sources of liquidity at its disposal including cash, net receivables, and investments.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard was effective for fiscal years beginning after December 15, 2020. In June 2020, the FASB issued ASU 2020-05 which defers the effective date of ASU 2016-02 one year making it effective for annual reporting periods beginning after December 15, 2021. The Organization is currently evaluating the effect that the standard will have on the financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. This guidance is effective for fiscal years beginning after June 15, 2021, and for interim periods within annual periods beginning after June 15, 2022. The Organization is currently evaluating the effect that the standard will have on the financial statements.

Subsequent Events

The Organization has evaluated subsequent events through May 26, 2022, the date the financial statements were available to be issued, and concluded no events or transactions occurred during the period requiring recognition or disclosure.

Note 2 - Investments

Investments consisted of the following at December 31, 2021 and 2020:

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Common stocks	$ 30,476	$ 29,631	$ -	$ -
Mutual funds	160,374	195,717	150,452	176,542
	$ 190,850	$ 225,348	$ 150,452	$ 176,542

The following schedule summarizes the investment return in the Statements of Activities:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and interest	$ 10,388	$ -	$ 10,388
Net unrealized gains	8,408	-	8,408
Total investment return	$ 18,796	$ -	$ 18,796

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and interest	$ 4,646	$ -	$ 4,646
Net realized losses	(5,353)	-	(5,353)
Net unrealized gains	23,448	-	23,448
Total investment return	$ 22,741	$ -	$ 22,741

Note 3 - Property and Equipment

Property and equipment consisted of the following at December 31, 2021 and 2020:

	2021	2020	Depreciable Lives
Buildings and improvements	$ 329,988	$ 329,988	10-50 Years
Equipment	550,556	532,779	5-10 Years
Construction in progress	303,936	-	
	1,184,480	862,767	
Less: Accumulated depreciation	576,439	558,409	
Property and equipment, net	$ 608,041	$ 304,358	

Depreciation expense amounted to $18,165 and $17,321 for the years ended December 31, 2021 and 2020 respectively. Construction is progress consists of expenditures for a building project. The total cost of the project is estimated to be $1,000,000 and will be funded by the construction note payable (see Note 4) as well as a capital campaign and draws from the investments.

Note 4 - Construction Loan Payable

In March 2021, the Organization obtained a $225,000 construction mortgage loan for capital improvements from Jeff Bank. The loan is secured by real property. The loan has a term of thirty-six months with all principal due at maturity. Payments of interest only are due at prime plus 1.50% with a floor of 4.75%. The balance outstanding at December 31, 2021 was $ 70,055. In March 2022, the loan amount was restated to $400,000.

Note 5 - Net Assets with Donor Restrictions

At December 31, 2021 and 2020, donor restricted net assets are available as follows:

	2021	2020
Subject to expenditure for specified purpose:		
Corporation for Public Broadcasting grant	$ -	$ 8,372
Capital campaign	196,155	-
Total donor restricted net assets	$ 196,155	$ 8,372

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors for programs, in the amount of $8,372 and $270,761 for the years ended December 31, 2021 and 2020, respectively.

Note 6 - In-Kind Contributions

During 2021, the Organization received $23,500 of contributed services from the Sullivan County Career & Technical Education Center for renovation work at the new Liberty building. The costs of these services were valued at prevailing wage rates for laborers and journeymen in Sullivan County as defined by New York State. The work was capitalized as part of construction in progress and the services received were included as contributions in the Statements of Activities.

Note 7 - Operating Leases

The Organization leases property in Jeffersonville, New York on which the administrative offices of the organization are located. The lease is month-to-month. The lease is for $1 and is subject to adjustment for a proportionate share of any taxes, assessments and charges associated with the property. The Organization expects to vacate the property in June 2022.

The Organization also leases property in Honesdale, Pennsylvania. The lease was renewed in August of 2018 and is a five-year lease scheduled to end on July 31, 2023. At any time after the twenty fourth month of the lease either party may terminate it upon six months written notice. The lease begins the first year at $385 per month and then is scheduled to increase by 2% each year thereafter.

The Organization also leases space on a radio tower on which it has installed its broadcasting equipment. The terms of this lease have not been formally finalized and is currently a month-to-month agreement at $800 per month.

Note 7 - Operating Leases - (Continued)

Future minimum rental payments are as follows for the years ending June 30:

2022	$ 4,620
2023	2,695
Total	$ 7,315

Note 8 - Paycheck Protection Program

At December 31, 2020, the Organization received a Paycheck Protection Program (PPP) loan of $26,600 granted by the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). At December 31, 2021, the Organization received a second PPP loan of $32,683. PPP loans are considered conditional contributions, with a right-of-return in the form of an obligation to be repaid if a barrier to entitlement is not met. The barrier is that PPP loan funds must be used to maintain compensation costs and employee headcount, and other qualifying expenses (mortgage interest, rent and utilities) incurred following receipt of the funds. The Organization recognized the amounts received as grant revenue as qualified expenses occurred. The Organization met the criteria and the full amount of both loans was forgiven.

Note 9 - Pension and Employee Benefits

The Organization sponsors a defined contribution Simple IRA plan for all eligible employees. Employees may defer salary up to the limits in the law. Employees over the age of fifty may make additional contributions. The Organization makes nonelective contributions of 2% of eligible employee compensation. During the years ending December 31, 2021 and 2020, the Organization contributed $2,497 and $1,614, respectively to the pension plan.

Note 10 - Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the 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 as follows:

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

Note 10 - Fair Value Measurements - (Continued)

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.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common stocks and Mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization 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 table sets forth by level, within the fair value hierarchy, the assets at fair value as of December 31, 2021 and 2020.

	December 31, 2021			
Assets Measured at Fair Value on a Recurring Basis:	Level 1	Level 2	Level 3	Total
Common stocks				
Financial	$ 29,631	$ -	$ -	$ 29,631
Total Common stocks	29,631	-	-	29,631
Mutual funds				
Equity/growth	87,397	-	-	87,397
Bond	108,320	-	-	108,320
Total Mutual funds	195,717	-	-	195,717
	$ 225,348	$ -	$ -	$ 225,348

Note 10 - Fair Value Measurements - (Continued)

Assets Measured at Fair Value on a Recurring Basis:	December 31, 2020 Level 1	Level 2	Level 3	Total
Mutual funds				
Equity/growth	$ 67,586	$ -	$ -	$ 67,586
Bond	108,956	-	-	108,956
	$ 176,542	$ -	$ -	$ 176,542

Note 11 - Concentration of Credit Risk

The Organization maintains its cash accounts in one commercial bank located in Jeffersonville, New York. Accounts at this bank are insured, in aggregate, by the Federal Deposit Insurance Corporation (FDIC) up to $250,000.

Note 12 - Related Party Transactions

The land which the Organization leases in Jeffersonville, NY is owned by a former Board member. Additionally, the Organization receives its electricity from a company that is owned by the same former Board member. For the years ended December 31, 2021 and 2020, the expense for this electricity was $2,756 and $2,299, respectively. Another former Board member owns property on which the station building encroaches and is used for parking by the station. No remuneration is paid to this former Board member for this usage.

Note 13 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas and forced closures of certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the United States. It is uncertain how long these conditions will last and what the complete financial effect will be to the Organization. It is reasonably possible that estimates made in the financial statements have been or will be materially and adversely impacted in the near term as a result of these conditions.