Public Media Connect

Financial Report
June 30, 2015

Contents

RSM

RSM US LLP

Independent Auditor's Report

To the Board of Trustees
Public Media Connect
Dayton, Ohio

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Public Media Connect which comprise the consolidated statement of financial position as of June 30, 2015 and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended and the related notes to the consolidated financial statements, (collectively, financial statements).

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Public Media Connect as of June 30, 2015 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter
The financial statements of Public Media Connect, as of and for the year ended June 30, 2014, were audited by other auditors whose report dated October 16, 2014 expressed an unmodified opinion on those statements.

RSM US LLP

Dayton, Ohio
December 10, 2015

Public Media Connect

Consolidated Statements of Financial Position
June 30, 2015 and 2014

	2015	2014
Assets		
Cash	**$ 142,335**	$ 201,415
Accounts receivable	**419,080**	324,588
Contribution receivable, net of allowance	**141,065**	100,824
Prepaid expense	**104,746**	128,186
Investments	**7,824,413**	6,939,438
Beneficial interests in perpetual trust	**857,865**	870,726
Prepaid rents	**376,688**	419,738
Land	**105,728**	105,728
Building and equipment, net	**5,072,260**	5,693,055
Total assets	**$ 15,044,180**	$ 14,783,698
Liabilities and Net Assets		
Accounts payable, trade	**$ 192,330**	$ 191,180
Accrued expenses	**366,897**	387,066
Deferred support and revenue	**228,752**	207,868
Capital lease obligations	**59,369**	81,919
Accrued pension benefit obligation	**1,789,573**	1,262,514
Total	**2,636,921**	2,130,547
Net assets:		
Unrestricted	**11,014,118**	11,362,880
Temporarily restricted	**346,556**	330,825
Permanently restricted	**1,046,585**	959,446
Total net assets	**12,407,259**	12,653,151
Total liabilities and net assets	**$ 15,044,180**	$ 14,783,698

See notes to consolidated financial statements.

Public Media Connect

Consolidated Statement of Activities and Changes in Net Assets
Year Ended June 30, 2015 (With Comparative Totals for 2014)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2015	Total 2014
Support:					
Corporation for Public Broadcasting:					
Community Service Grant and Interconnect reimbursement	$ 2,066,489	$ -	$ -	**$ 2,066,489**	$ 1,859,606
Public Broadcasting Service	-			**-**	30,211
eTech Ohio:					
Operating Subsidy	294,960			**294,960**	294,948
Educational Subsidy	208,415			**208,415**	208,414
In-kind donations (contra in expense)	1,336,836			**1,336,836**	1,348,437
Montgomery County	41,986			**41,986**	20,993
Total support	3,948,686	-	-	**3,948,686**	3,762,609
Revenue:					
Memberships and other contributions	4,357,299	247,228	100,000	**4,704,527**	4,061,034
Donated services (contra in expense)	262,718			**262,718**	266,568
Acquired program sponsorship and underwriting	649,081			**649,081**	577,985
Auction and special events	422,736			**422,736**	660,078
Contract production services	491,022			**491,022**	551,067
Educational services	858,091			**858,091**	568,389
Rental income	695,585			**695,585**	722,361
Interest and dividends	221,730			**221,730**	137,183
Unrealized gain (loss) on investments	(848,676)			**(848,676)**	442,075
Realized gain on investments	798,368			**798,368**	170,658
Promotion and miscellaneous	54,198			**54,198**	187,301
Loss on disposal of equipment	(28,101)			**(28,101)**	-
Change in value of beneficial interest in perpetual trust	-		(12,861)	**(12,861)**	82,177
Total revenue	7,934,051	247,228	87,139	**8,268,418**	8,426,876
Net assets released from restrictions	231,497	(231,497)	-	**-**	-
Total support and revenue	12,114,234	15,731	87,139	**12,217,104**	12,189,485
Expense:					
Broadcasting and telecommunication service	7,863,957			**7,863,957**	7,688,667
Fundraising	1,927,046			**1,927,046**	1,849,043
Administrative	1,950,300			**1,950,300**	1,892,537
Total expense	11,741,303	-	-	**11,741,303**	11,430,247
Changes in net assets before pension adjustment	372,931	15,731	87,139	**475,801**	759,238
Change in pension benefit obligation	(721,693)	-	-	**(721,693)**	111,133
Change in net assets	(348,762)	15,731	87,139	**(245,892)**	870,371
Net assets:					
Beginning	11,362,880	330,825	959,446	**12,653,151**	11,782,780
Ending	$ 11,014,118	$ 346,556	$ 1,046,585	**$ 12,407,259**	$ 12,653,151

See notes to consolidated financial statements.

Public Media Connect

Consolidated Statement of Activities and Changes in Net Assets
Year Ended June 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support:				
Corporation for Public Broadcasting:				
Community Service Grant and Interconnect reimbursement	$ 1,859,606	$ -	$ -	$ 1,859,606
Public Broadcasting Service	30,211			30,211
eTech Ohio:				
Operating Subsidy	294,948			294,948
Educational Subsidy	208,414			208,414
In-kind donations (contra in expense)	1,348,437			1,348,437
Montgomery County	20,993			20,993
Total support	3,762,609	-	-	3,762,609
Revenue:				
Memberships and other contributions	3,816,193	244,841		4,061,034
Donated services (contra in expense)	266,568			266,568
Acquired program sponsorship and underwriting	577,985			577,985
Auction and special events	660,078			660,078
Contract production services	501,067	50,000		551,067
Educational services	529,771	38,618		568,389
Rental income	722,361			722,361
Interest and dividends	137,183			137,183
Unrealized loss on investments	442,075			442,075
Realized gain on investments	170,658			170,658
Promotion and miscellaneous	187,301			187,301
Change in value of beneficial interest in perpetual trust	-		82,177	82,177
Total revenue	8,011,240	333,459	82,177	8,426,876
Net assets released from restrictions	2,661,216	(2,661,216)	-	-
Total support and revenue	14,435,065	(2,327,757)	82,177	12,189,485
Expense:				
Broadcasting and telecommunication service	7,688,667			7,688,667
Fundraising	1,849,043			1,849,043
Administrative	1,892,537			1,892,537
Total expense	11,430,247	-	-	11,430,247
Changes in net assets before pension adjustment	3,004,818	(2,327,757)	82,177	759,238
Change in pension benefit obligation	111,133			111,133
Change in net assets	3,115,951	(2,327,757)	82,177	870,371
Net assets:				
Beginning	8,246,929	2,658,582	877,269	11,782,780
Ending	$ 11,362,880	$ 330,825	$ 959,446	$ 12,653,151

See notes to consolidated financial statements.

Public Media Connect

Consolidated Statements of Cash Flows
Years Ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Change in net assets	$ (245,892)	$ 870,371
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	879,386	1,042,361
Proceeds from capital grants	-	(30,211)
Noncash donation of tower space	-	15,000
Loss on disposal of equipment	28,101	-
Realized gain on investments	(798,368)	(170,658)
Unrealized loss (gain) on investments	848,676	(442,075)
Loss (gain) on beneficial interest in perpetual trust	12,861	(82,177)
Proceeds from sale of donated investments	-	474,993
Increase (decrease) in cash arising from changes in assets and liabilities:		
Accounts and contributions receivable	(134,733)	(57,954)
Prepaid expenses and rents	66,490	73,546
Accounts payable and accrued compensation	(19,019)	(9,956)
Deferred support and revenue	20,884	53,241
Accrued pension benefit obligation	527,059	(230,705)
Net cash provided by operating activities	1,185,445	1,505,776
Cash flows from investing activities:		
Purchase of equipment	(286,692)	(210,369)
Purchase of investments	(9,220,770)	(1,297,849)
Proceeds from sale of investments	8,285,487	780,343
Net cash used in investing activities	(1,221,975)	(727,875)
Cash flows from financing activities:		
Proceeds from capital grants	-	30,211
Principal payments on capital lease	(22,550)	(24,688)
Net (payments) borrowings on lines of credit	-	(902,652)
Net cash used in financing activities	(22,550)	(897,129)
Net decrease increase in cash	(59,080)	(119,228)
Cash:		
Beginning	201,415	320,643
Ending	$ 142,335	$ 201,415
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 12,798	$ 18,750

See notes to consolidated financial statements.

Note 1. Description of the Organization

Public Media Connect (the Organization) is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization was formed when the Boards of Trustees of Greater Dayton Public Television, Inc. (GDPT) and Greater Cincinnati Television Educational Foundation (CET) formed a regional, nonprofit public broadcasting and media holding company. The Organization owns and operates noncommercial broadcasting stations in the State of Ohio, specifically WPTD Channel 16 in Dayton, WPTO Channel 14 in Oxford, WCET Channel 48 in Cincinnati and other telecommunication facilities. The Organization receives support primarily from the viewing public and private and government grants.

Note 2. Summary of Significant Accounting Policies

The significant accounting polices followed in the preparation of the consolidated financial statements of the Organization are described below:

Basis of accounting: The Organization utilizes the accrual basis of accounting.

Basis of presentation: The accompanying consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Organization's resources are classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. Additionally, unconditional promises to give (pledges) are recorded as receivables and revenues and classified among net asset categories according to donor-imposed restrictions. A description of the net asset categories follows:

Unrestricted Net Assets: Unrestricted net assets are resources that are available to support the Organization's operations.

Temporarily Restricted Net Assets: Temporarily restricted net assets are contributions and grants for which donor-imposed restrictions have not been met. When donor restrictions expire, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets: Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. Generally, the donors of these assets stipulate at the time the gift is made that all or part of the income earned on related investments can be utilized to support the Organization's operations.

The Organization also conforms in all material respects to the reporting principles required by the Corporation for Public Broadcasting as promulgated in its publication, *Financial Reporting Guidelines.*

Principles of consolidation: The consolidated financial statements include the accounts of Public Media Connect (the media holding company) and the entities which are members of the media holding company (GDPT and CET). These entities are controlled by a single Board of Trustees. Public Media Connect has consolidated the financial statements of GDPT and CET for purposes of financial statement presentation. These entities will be referred to as the "Organization" in subsequent note disclosures. All inter-entity account balances have been eliminated in the consolidation.

Note 2. Summary of Significant Accounting Policies (Continued)

Donor-imposed restrictions: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. If a restriction is fulfilled in the same time period in which a restricted contribution is received, the Organization classifies the support as unrestricted.

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires Management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Concentration of credit and other risk: Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of deposits in banks that sometimes exceed federally insured limits.

Concentrations of credit risk with respect to accounts receivable are limited due to the large number of grantor organizations and their dispersion across different industries.

The Organization's investments are subject to the normal risks associated with financial markets. The Organization manages this risk by adhering to an investment policy which requires professional investment management, as well as other standards and practices.

The Corporation for Public Broadcasting (CPB) is a major source of funding for the Organization. The Organization received $2,066,489 and $1,859,606 in fiscal 2015 and 2014, respectively, from CPB, representing approximately 17% and 15% of total revenue and support for fiscal 2015 and 2014, respectively.

Accounts receivable: Accounts receivable represent uncollateralized obligations due from various organizations. Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts. Management determines the allowance for doubtful accounts by evaluating each individual organization's receivable and considering their current credit worthiness, past experience and current economic conditions. Accounts have been adjusted for all known and expected uncollectible amounts. Recoveries of amounts previously written off are recorded when received. At June 30, 2015 and 2014, the provision for uncollectible accounts was $5,000 and $11,000, respectively.

Investments: Investments are stated at fair value in the consolidated statement of financial position. 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. Investment income or loss is included in the consolidated statement of activities and changes in net assets as increases and decreases in unrestricted net assets unless it is restricted by the donor or law.

Note 2. Summary of Significant Accounting Policies (Continued)

Beneficial interests in perpetual trust: The Organization is the beneficiary of trusts held and administered by an independent trustees. Under the terms of the trusts, the Organization has the right to receive a portion of the income earned on the trust assets, which are permanently restricted (perpetual trust). These assets are not subject to control or direction by the Organization. The Organization's beneficial interests in the trust is valued at the Organization's share of the investments held by the trust, measured at fair value with changes reflected on the consolidated statement of activities and changes in net assets. Under the terms of the perpetual trust, the Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The change in value of the beneficial interest in perpetual trust was $(12,861) and $82,178 for the years ended June 30, 2015 and 2014, respectively.

Building and equipment: Building and equipment are recorded at cost or, in the case of donated assets, at their estimated fair value at date of receipt. Depreciation is computed by the straight-line method over the estimated useful lives of the respective assets. The Organization reviews its long-lived assets for impairment if changes in circumstances indicate that the carrying amount may not be recoverable. Management believes there has been no impairment in the carrying value of the Organization's long-lived assets.

Broadcast licenses: The Organization has three broadcast license agreements with the Federal Communications Commission. The license agreements provide the Organization the right to broadcast televised programs in the Dayton and Cincinnati, Ohio, area. Consistent with industry practices the intangible assets associated with the license agreements are not recorded on the consolidated statement of financial position.

Annuity obligation: The Organization holds charitable gift annuity agreements with several donors. In accordance with the agreements, the donors made contributions to the Organization in exchange for guaranteed future income. The Organization records an actuarially determined liability representing the future obligation to the donors. The Organization recognizes a contribution to the extent the fair value of the assets received exceeds the actuarially estimated obligation to make payments to the annuitant. The net present value of the Organization's liability for the annuity agreements was $42,630 and $74,867 at June 30, 2015 and 2014, respectively. This liability will be updated annually to the net present value of the future payments due under the annuity agreements using current actuarial information. The net present value is discounted at rates ranging from 1.6% to 7.0% at June 30, 2015 and 2014.

Contract production services: The Organization uses the completed-contract method of accounting for production revenue and related costs. Concurrent with the initial broadcast or distribution of the programs, related production costs will be reported as operating expenses and related funding will be reported as earned revenue in the consolidated statement of activities and change in net assets. Production costs include charges by subcontractors plus all direct costs. Indirect and general and administrative expenses are charged to expense as incurred.

Contributions: Contributions, including unconditional promises to give, are recognized as revenues when donors' commitments are received. Conditional promises to give are not recognized until the conditions are substantially met. Unconditional promises to give that are expected to be collected in one year are measured at net realizable value. Unconditional gifts expected to be collected after one year are reported at the present value of the estimated future cash flows. The resulting discount is amortized using the level-yield method and is reported as contribution revenue. All contributions receivable are expected to be collected within one year. The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific promises to give and totaled $117,000 and $66,000 at June 30, 2015 and 2014, respectively.

Note 2. Summary of Significant Accounting Policies (Continued)

The Organization records contributions as unrestricted unless explicit donor stipulations specify how the donated assets must be used. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as unrestricted revenue and net assets.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Community service grants: The CPB is a private, nonprofit grant-making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying public telecommunications entities. Each CSG may be expended over one or two federal fiscal years as described in the Communications Act, 47 United States Code Annotated Section 396(k)(7), (1983) Supplement. In any event, each grant must be expended within two years of the initial grant authorization.

The grants are reported on the accompanying consolidated financial statements as unrestricted operating funds; however, certain guidelines must be satisfied in connection with application for and use of the grants to maintain eligibility and compliance requirements. These guidelines pertain to the use of grant funds, record keeping, audits, financial reporting and licensee status with the Federal Communications Commission.

Government grants: Support funded by state grants is recognized as the Organization performs the contracted services or incurs outlays eligible for reimbursement under the grant agreement. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Donated goods and services: The Organization records donated goods and services that meet the criteria for recognition as contributions at fair value on the date of donation. A substantial number of volunteers have made significant contributions of time to the Organization's policy-making, program and support functions. The value of this contributed time does not meet the criteria for recognition under existing accounting standards and, accordingly, is not reflected in the accompanying consolidated financial statements. For the years ended June 30, 2015 and 2014, $1,599,554 and $1,615,005, respectively, was received in donated services and in-kind contributions.

Income taxes: The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. The Organization is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. However, the Organization is subject to federal income tax on any unrelated business income. Management does not believe that the Organization conducts any activities subject to taxation as unrelated business income.

Management has evaluated the Organization's tax positions and has concluded that there are no uncertain tax positions that require recognition or disclosure in the consolidated financial statements. With few exceptions, the Organization's federal information returns are no longer subject to examination by the Internal Revenue Service for years before fiscal 2012. The Organization has no examinations in progress.

Note 2. Summary of Significant Accounting Policies (Continued)

Programming rights: Costs of programming rights are expensed in the year of acquisition even though, in certain instances, these rights have a term exceeding one year.

Advertising Costs: Advertising costs are expensed when incurred and totaled $41,372 in fiscal 2015 ($40,386 in fiscal 2014).

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis on the consolidated statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification: Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the current year presentation.

Subsequent events: The Organization has determined that there were no subsequent events that would require disclosure or adjustments to the accompanying consolidated financial statements through December 10, 2015, the date the consolidated financial statements were available to be issued.

Note 3. Investments

The cost and fair value of the Organization’s investments are summarized as follows:

June 30, 2015	Cost	Fair Value	Unrealized Gain(Loss)
Money market funds	$ 364,522	$ 364,522	$ -
Mutual funds	6,992,602	6,890,415	(102,187)
Foundation funds	512,288	569,476	57,188
Total	$ 7,869,412	$ 7,824,413	$ (44,999)

June 30, 2014	Cost	Fair Value	Unrealized Gain
Money market funds	$ 95,485	$ 95,485	$ -
Mutual funds	5,605,413	6,279,969	674,556
Foundation funds	434,865	563,984	129,119
Total	$ 6,135,763	$ 6,939,438	$ 803,675

The Dayton Foundation held $569,476 in trust for the Organization at June 30, 2015 ($563,984 at June 30, 2014), which is included in the total investment balance. Per terms of the trust agreement, the Organization can receive distributions from this trust with a two-thirds vote of the Organization’s Board of Trustees.

Note 4. Building and Equipment

Building and equipment consisted of the following major classifications at June 30:

	2015	2014
Building and improvements	$ 7,718,048	$ 7,691,029
Tower, antenna, and transmitting equipment	7,364,849	7,839,985
Technical equipment	11,961,304	18,127,087
Transmitting equipment	2,198,563	3,165,552
Computer equipment	701,436	1,898,706
Furniture, fixtures and office equipment	869,698	1,181,677
Vehicles	88,470	88,470
Total at cost	30,902,368	39,992,506
Less accumulated depreciation	(25,830,108)	(34,299,451)
Total building and equipment	$ 5,072,260	$ 5,693,055

Estimated asset lives are:

Classification	Years
Building and improvements	5 - 50
Tower, antenna, and transmitting equipment	5 - 25
Technical equipment	2 - 25
Transmitting equipment	5 - 15
Computer equipment	3 - 10
Furniture, fixtures and office equipment	3 - 10
Vehicles	3 - 4

The Organization has received funds through grants from agencies of the federal government for the purpose of acquiring property and equipment. The Federal Government has a ten-year interest in assets purchased with federal funds commencing at the date of the completion of a specific project. The following summarizes information related to the Organization's property and equipment subject to Federal Government interest as of June 30, 2015:

GDPT	Cost	Federal Interest	Expiration of Federal Interest
Transmitting equipment	$ 282,601	$ 140,753	09/30/2018
Technical equipment	235,749	106,747	06/30/2020
Technical equipment	137,301	68,650	03/31/2021
Total	$ 655,651	$ 316,150	

CET	Cost	Federal Interest	Expiration of Federal Interest
Technical equipment	$ 291,646	$ 145,823	11/01/2019
Technical equipment	554,850	277,425	10/01/2021
Total	$ 846,496	$ 423,248	

Depreciation expense for fiscal 2015 totaled $879,386 ($1,042,361 for fiscal 2014).

Note 5. Lines-of-Credit

The Organization has a demand line-of-credit with Merrill Lynch, Bank of America Corporation. The maximum draw available on this credit facility is based on the value of collateralized investments held at the Bank which totaled $4,979,044 at June 30, 205 ($4,136,584 at June 30, 2014). The maximum credit available on this facility totaled $1,700,000 at June 30, 2015 and 2014. Interest is charged on amounts borrowed against the line at the one-month LIBOR rate (.19% and .15% at June 30, 2015 and 2014, respectively) plus 1.50%. There was no outstanding balance at June 30, 2015 and 2014.

GDPT has a demand line-of-credit with Merrill Lynch, Bank of America Corporation. The maximum draw available on this credit facility is based on the value of the collateralized investments held at the bank which totaled $687,284 at June 30, 2015 ($679,759 at June 30, 2014). The maximum credit available on this facility totaled $376,837 at June 30, 2015 ($367,685 at June 30, 2014). Interest is charged on amounts borrowed against the line at the one-month LIBOR rate (.19% and .15% at June 30, 2015 and 2014, respectively) plus 1.5%. There was no outstanding balance at June 30, 2015 and 2014.

CET has a demand line-of-credit with Merrill Lynch, Bank of America Corporation. The maximum draw available on this credit facility is based on the value of collateralized investments held at the Bank which totaled $1,449,113 at June 30, 2015 ($1,447,831 at June 30, 2014). The maximum credit available on this facility totaled $791,905 at June 30, 2015 ($890,008 at June 30, 2014). Interest is charged on amounts borrowed against the line at the one-month LIBOR rate (.19% and .15% at June 30, 2015 and 2014, respectively) plus 1.50%. There was no outstanding balance at June 30, 2015 and 2014.

Note 6. Operating Leases

The Organization entered into a long-term operating lease with the City of Dayton in 1987 for administrative and operating facilities. Lease terms require minimum annual rental payments through June 30, 2018. The Organization has the option of extending the lease for five successive five-year terms with annual rental payments increasing with each five-year term. Minimum future rental payments under noncancellable operating leases having terms in excess of one year at June 30, 2015 are as follows: 2016 - $41,580, 2017, $41,580, 2018 - $41,580.

In 2003, the Organization entered into a twenty-year tower lease arrangement with Raycom National, Inc. calling for a one-time payment of $861,000. The expense associated with this lease is being recognized on a straight-line basis over the twenty-year term of the lease; prepaid tower rent was $376,688 and $419,738 at June 30, 2015 and 2014, respectively. The Organization has the option to renew this lease for two successive ten-year terms, provided 90 days’ prior notice is given to the lessor.

Total rent expense for fiscal 2015 was $151,371 ($133,724 in 2014).

Note 7. Capital Lease

The Organization leases its telephone equipment under a capital lease expiring in June 2017. The assets and liabilities under the capital lease are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are amortized over the lower of the lease term or their estimated productive lives. Amortization of assets under the capital lease is included in depreciation expense for the years ended June 30, 2015 and 2014. The lease was for equipment with a total cost of $129,191. However, the Organization entered into a sublease with Cincinnati Public Radio for one third of the equipment cost, as discussed in Note 11. Therefore, equipment cost of $85,631 has been capitalized with related accumulated depreciation of $51,648 and $34,432 at June 30, 2015 and 2014, respectively.

The future minimum lease payments required under the capital lease are as follows at June 30, 2015:

2016	$ 34,822
2017	28,116
	62,938
Less amount representing interest	(3,569)
Present value of minimum lease payments	$ 59,369

Note 8. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30:

	2015	2014
Capital projects	$ 164,973	$ 214,827
Programming activities	169,583	89,850
Education and training	17,000	26,148
Time restrictions	95,000	-
	$ 446,556	$ 330,825

Note 9. Permanently Restricted Net Assets

Permanently restricted net assets as of June 30 are restricted as follows:

	2015	2014
Investment in perpetuity, the income of which is expendable to support:		
Capital projects	$ 820,356	$ 833,217
General operating activities	137,509	37,509
Programming activities	88,720	88,720
	$ 1,046,585	$ 959,446

Note 10. Retirement Plans

GDPT sponsors a defined contribution retirement plan under the provisions of Internal Revenue Code Section 403(b) covering substantially all employees. Contributions to the plan in fiscal 2015 and 2014 were $38,832 and $19,277, respectively.

CET sponsors a defined contribution retirement plan under the provisions of Internal Revenue Code Section 403(b) covering substantially all employees. Contributions to the plan in fiscal 2015 and 2014 were $30,766 and $13,635, respectively.

CET has a noncontributory defined benefit pension plan covering all employees who meet certain eligibility requirements. Benefits are based upon years of service and the employee's compensation. CET's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus any amounts the Organization determines to be appropriate from time to time.

The measurement dates used for pension obligations were June 30, 2015 and 2014.

The following table presents the changes in benefit obligations and changes in plan assets for the years ended June 30:

	2015	2014
Changes in benefit obligation:		
Benefit obligation, beginning of year	$ 6,199,429	$ 5,734,197
Interest cost	243,055	252,828
Actuarial loss	568,071	427,847
Benefits paid	(242,181)	(215,443)
Benefit obligation, end of year	$ 6,768,374	$ 6,199,429
Changes in plan assets:		
Fair value of plan assets, beginning of year	$ 4,936,915	$ 4,240,978
Actual return on plan assets	138,029	763,724
Employer contributions	146,038	147,656
Benefits paid	(242,181)	(215,443)
Fair value of plan assets, end of year	$ 4,978,801	$ 4,936,915

The funded status and amounts recognized in the Organization's consolidated statement of financial position at June 30 were as follows:

	2015	2014
Projected benefit obligation	$ 6,768,374	$ 6,199,429
Fair value of plan assets	4,978,801	4,936,915
Accrued pension benefit obligation	$ 1,789,573	$ 1,262,514

Accumulated benefit obligation is $6,768,374 at June 30, 2015 ($6,199,429 at June 30, 2014).

Note 10. Retirement Plans (Continued)

Significant assumptions used in accounting for the pension plan as of June 30 were as follows:

	2015	2014
Discount rate for benefit obligation	4.00%	4.00%
Discount rate for net periodic benefit cost	4.00%	4.50%
Expected return on plan assets	7.50%	7.50%
Rate of compensation increase	N/A	N/A

The components of net periodic benefit cost (credit) recognized in the consolidated statement of activities and changes in net assets for the years ended June 30 were as follows:

	2015	2014
Interest cost	$ 243,055	$ 252,828
Expected return on plan assets	(368,667)	(314,887)
Amortization of net actuarial loss	77,016	90,143
	$ (48,596)	$ 28,084

The Organization expects to contribute $163,351 to the pension plan during the year ending June 30, 2016.

The following benefit payments are expected to be paid:

2016	$ 273,733
2017	295,210
2018	333,745
2019	357,864
2020	388,640
2021-2025	2,081,032

The Plan has unrecognized loss subject to amortization totaling $1,949,298 and $1,227,602 as of June 30, 2015 and 2014, respectively. The net loss which will be amortized as a component of net periodic pension cost during the next fiscal year totals $163,766.

Plan assets: The Organization has investment guidelines for plan assets. The overall objective of the guidelines is to ensure the plan assets provide capital growth over an extended period of time, while also considering market risks and ensuring that the portfolio income and liquidity are appropriate to meet the plan benefit payments and other expenses. The plan investments are required to be diversified by asset class and within each asset class, in order to ensure that no single investment will have a disproportionate impact on the total portfolio. The plan asset allocation is reviewed each year with current market assumptions to ensure the asset mix will achieve the long-term goals of the plan. The plans target allocation is 70% equity securities and 30% debt securities, with an acceptable range of 35% to 85% for equity securities and a range of 15% to 65% for debt securities.

Note 10. Retirement Plans (Continued)

The Organization's pension plan asset allocation at fair value at June 30 by asset category was as follows:

	2015	2014
Money market	4%	3%
Equity securities	74%	75%
Debt securities	22%	22%
	100%	100%

The following table sets forth by level within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2015 and 2014:

June 30, 2015	Total	Level 1	Level 2	Level 3
Money market funds	$ 176,013	$ -	$176,013	$ -
Mutual funds:				
Bond funds	981,733	981,733	-	-
Other fixed income funds	123,061	123,061	-	-
Blend funds	545,217	545,217	-	-
Growth funds	1,945,883	1,945,883	-	-
Value funds	971,247	971,247	-	-
Real estate funds	235,647	235,647	-	-
Total mutual funds	4,802,788	4,802,788	-	-
Total plan assets	$ 4,978,801	$ 4,802,788	$ 176,013	$ -

June 30, 2014	Total	Level 1	Level 2	Level 3
Money market funds	$ 158,869	$ -	$158,869	$ -
Mutual funds:				
Bond funds	921,996	921,996	-	-
Other fixed income funds	166,941	166,941	-	-
Blend funds	850,339	850,339	-	-
Growth funds	1,632,427	1,632,427	-	-
Value funds	970,223	970,223	-	-
Real estate funds	236,120	236,120	-	-
Total mutual funds	4,778,046	4,778,046	-	-
Total plan assets	$ 4,936,915	$ 4,778,046	$ 158,869	$ -

Note 10. Retirement Plans (Continued)

The following is a description of the valuation methodologies used for the assets measured at fair value in the above table.

Money market funds*:* Valued at the net asset value of underlying assets.

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

Note 11. Rental Income

The Organization leases office space to tenants under noncancelable operating lease agreements that expire through October 2019. Rental income under these leases was $250,483 and $289,406 for the years ended June 30, 2015 and 2014, respectively.

The Organization leases excess broadband capacity under lease agreements which expire at various dates through 2033. As a result, deferred revenue totaling $0 and $40,000 was recorded as of June 30, 2015 and 2014, respectively. Additionally, rental income associated with these leases totaling $445,102 and $432,955 were recognized for the years ended June 30, 2015 and 2014, respectively.

Future annual minimum lease receipts for office space and broadband capacity at June 30, 2015 were as follows:

	Office Space	Broadband	Total
2016	$ 260,283	$ 444,312	$ 704,595
2017	260,283	452,244	712,527
2018	250,236	460,416	710,652
2019	250,236	468,828	719,064
2020	-	477,492	477,492

The Organization also sub-leases office equipment to Cincinnati Public Radio under a capital lease agreement which expires in July 2017. As a result, future minimum lease payments receivable totaling $21,521 and $30,626 and deferred revenue totaling $1,269 and $2,607, were recorded at June 30, 2015 and 2014, respectively.

Note 12. Fair Value Measurements

The Organization measures its investments and its beneficial interest in perpetual trust at fair value on a recurring basis. Fair value is determined through the application of accounting guidance that establishes a framework for measuring fair values.

The accounting standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. This standard also requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances. In that regard, a fair value hierarchy has been established for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Note 12. Fair Value Measurements (Continued)

The fair value hierarchy is as follows:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access as of the measurement date.
Level 2	Significant other observable inputs other than the Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active and other inputs that are observable or can be corroborated by observable market data.
Level 3	Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

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. There have been no changes in the methodologies used at June 30, 2015 and 2014.

Money market funds*:* Valued at the net asset value of underlying assets.

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

Foundation fund*:* Valued at the fair value of the underlying funds multiplied by the Organization's proportionate interest. The underlying funds are primarily assets which can be valued using observable inputs.

Beneficial interest in perpetual trust*:* The fair value of the Organization's beneficial interest in the perpetual trust is calculated utilizing the fair value of the underlying funds multiplied by the Organization's proportionate ownership interest of the right to receive the income from the fund in perpetuity. The underlying funds are primarily assets which can be valued using observable inputs.

Note 12. Fair Value Measurements (Continued)

Assets measured on a recurring basis: The following tables summarize assets measured at fair value on a recurring basis as of June 30, 2015 and 2014, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

June 30, 2015	Total	Level 1	Level 2	Level 3
Investments:				
Money market funds	$ 364,523	$ -	$ 364,523	$ -
Mutual funds:				
Bond funds	1,905,866	1,905,866	-	-
Bank loan funds	300,531	300,531	-	-
Blend funds	914,693	914,693	-	-
Growth funds	1,637,509	1,637,509	-	-
Value funds	1,475,188	1,475,188	-	-
Allocation funds	438,844	438,844	-	-
Other funds	217,783	217,783	-	-
Total mutual funds	6,890,414	6,890,414	-	-
Foundation fund	569,476	-	569,476	-
Total investments	7,824,413	6,890,414	933,999	-
Beneficial interest in perpetual trust	857,865	-	857,865	-
Total	$ 8,682,278	$ 6,890,414	$ 1,791,864	$ -

Note 12. Fair Value Measurements (Continued)

June 30, 2014	Total	Level 1	Level 2	Level 3
Investments:				
Money market funds	$ 95,485	$ -	$ 95,485	$ -
Mutual funds:				
Bond funds	382,557	382,557	-	-
Government	152,495	152,495	-	-
Municipal	222,799	222,799	-	-
Other	4,225	4,225	-	-
Balanced	2,663,837	2,663,837	-	-
Growth	1,306,682	1,306,682	-	-
Value	1,049,017	1,049,017	-	-
Fixed income	498,357	498,357	-	-
Total mutual funds	6,279,969	6,279,969	-	-
Foundation fund	563,984	-	563,984	-
Total investments	6,939,438	6,279,969	659,469	-
Beneficial interest in perpetual trust	870,726	-	870,726	-
Total	$ 7,810,164	$ 6,279,969	$ 1,530,195	$ -

Note 13. Endowment

The Organization’s endowment consists of various donor-restricted endowment funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The following is a summary of the net asset composition by type of fund at June 30:

2015	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ -	$ 188,720	$ 188,720
2014				
Donor-restricted endowment funds	$ -	$ -	$ 88,720	$ 88,720

Note 13. Endowment (Continued)

Changes in the endowment net assets for the years ended June 30, 2015 and 2014 are as follows:

2015	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ -	$ -	$ 88,720	$ 88,720
Interest and dividends	2,332	-	-	2,332
Unrealized gain	(25,594)	-	-	(25,594)
Realized gain	25,652	-	-	25,652
Contributions			100,000	100,000
Appropriation of endowment assets for expenditure	(2,390)	-	-	(2,390)
Endowment net assets, end of year	$ -	$ -	$ 188,720	$ 188,720
Beneficial interests in perpetual trust			857,865	
Total			$1,046,585	

2014	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ -	$ -	$ 88,720	$ 88,720
Interest and dividends	1,862	-	-	1,862
Unrealized gain	3,083	-	-	3,083
Realized gain	11,830	-	-	11,830
Appropriation of endowment assets for expenditure	(16,775)	-	-	(16,775)
Endowment net assets, end of year	$ -	$ -	$ 88,720	$ 88,720
Beneficial interests in perpetual trust			870,726	
Total			$ 959,446	

Interpretation of relevant law: The Board of Trustees of the of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets.

Note 13. Endowment (Continued)

Investment policy: Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity. Under this policy, the primary objective is to provide for preservation of capital with an emphasis on long-term growth without undue exposure to risk. The return objective is to achieve a total return, net of fees, in excess of spending and inflation greater than the consumer price index plus 4%. To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policy: The Organization's current spending policy is to transfer all investment return into the unrestricted investments as stipulated by the donors at the time of the gift. The Board of Trustees approves the use of unrestricted investments assets to meet operating needs.

Note 14. Recently Issued Accounting Pronouncement

Revenue from contracts with customers: In May 2014, the FASB issued guidance related to revenue recognition for contracts with customers. The guidance supersedes most revenue recognition requirements in U.S. GAAP, including most industry-specific guidance on revenue recognition. This guidance is effective for annual reporting periods that begin after December 15, 2018. The Organization is currently evaluating the impact of this guidance on its financial statements.

Independent Auditor's Report
on the Supplementary Information

To the Board of Trustees
Public Media Connect
Dayton, Ohio

We have audited the consolidated financial statements of Public Media Connect as of and for the year ended June 30, 2015 and have issued our report thereon, dated December 10, 2015 which contains an unmodified opinion on those consolidated financial statements (see pages 1-2). Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole.

The accompanying supplementary information is presented for purposes of additional analysis and is 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 for the year ended June 30, 2015 has been subjected to the auditing procedures applied in the audit 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 for the year ended June 30, 2015 is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

The supplementary information as of and for the year ended June 30, 2014 was audited by other auditors whose report, dated October 16, 2014, expressed an unmodified opinion on such information in relation to the consolidated financial statements as a whole.

RSM US LLP

Dayton, Ohio
December 10, 2015

Public Media Connect **Schedule 1**

Consolidating Statement of Broadcasting and Telecommunication Service Expense
Year Ended June 30, 2015
See Auditor's Report on the Supplementary Information

	Technical	Programming	Ed. Services	Production	Promotions	Total
Salaries	$ 595,679	$ 309,711	$ 299,978	$ 748,176	$ 225,395	$ 2,178,939
Benefits	103,373	42,938	57,961	153,288	47,044	404,604
Outside labor	7,672	-	-	18,632	-	26,304
Supplies	2,170	169	63,355	24,518	524	90,736
Printing	-	-	10,949	1,272	43,049	55,270
Promotional incentive	-	-	1,077	-	-	1,077
Advertising	-	-	-	2,948	37,452	40,400
Postage and shipping	2,185	701	3,603	397	26,700	33,586
Travel and training	9,276	7,434	34,834	22,456	4,252	78,252
Receptions	-	-	4,068	4,145	286	8,499
Repair and maintenance	131,702	-	398	4,902	-	137,002
Utilities	218,176	-	258	2,169	-	220,603
Rent	58,674	-	3,900	47,449	-	110,023
Memberships	150	123,542	855	17,402	55	142,004
Consulting fees	-	2,712	662	974	27,469	31,817
Production fees	-	-	36,082	89,462	-	125,544
Professional fees	1,125	75,884	614	10,645	-	88,268
Educational fees	-		225,831	-	-	225,831
Program acquisitions	-	1,753,671	-	-	-	1,753,671
In-kind services	895,666	-	424,863	-	-	1,320,529
Depreciation	685,204	6,108	8,000	91,233	453	790,998
Total	$ 2,711,052	$ 2,322,870	$ 1,177,288	$ 1,240,068	$ 412,679	$ 7,863,957

Public Media Connect **Schedule 1**

Consolidating Statement of Broadcasting and Telecommunication Service Expense
Year Ended June 30, 2014
See Auditor's Report on the Supplementary Information

	Technical	Programming	Ed. Services	Production	Promotions	Total
Salaries	$ 742,915	$ 315,238	$ 272,356	$ 700,403	$ 220,749	$ 2,251,661
Benefits	129,047	47,060	57,392	138,840	40,458	412,797
Outside labor	1,632	-	-	26,067	-	27,699
Supplies	4,038	2,406	56,904	19,370	613	83,331
Printing	-	-	10,374	-	45,054	55,428
Promotional incentive	-	-	2,813	-	-	2,813
Advertising	-	-	-	-	40,386	40,386
Postage and shipping	1,222	881	5,815	495	25,720	34,133
Travel and training	14,289	5,713	28,250	14,255	4,357	66,864
Receptions	-	35	2,923	2,366	237	5,561
Repair and maintenance	162,834	9,669	554	3,400	-	176,457
Utilities	226,124	-	221	2,135	-	228,480
Rent	43,974	-	3,900	9,125	-	56,999
Memberships	150	113,577	524	16,390	55	130,696
Consulting fees	152	73,096	1,663	-	24,274	99,185
Production fees	-	-	11,471	35,209	-	46,680
Professional fees	1,225	625	7,914	6,666	-	16,430
Educational fees	-	-	95,766	-	-	95,766
Program acquisitions	-	1,554,094	-	-	-	1,554,094
In-kind services	812,178	-	536,437	-	-	1,348,615
Depreciation	820,982	5,860	9,022	118,310	418	954,592
Total	$ 2,960,762	$ 2,128,254	$ 1,104,299	$ 1,093,031	$ 402,321	$ 7,688,667

Public Media Connect **Schedule 2**

Consolidating Statement of Fundraising Expense
Year Ended June 30, 2015
See Auditor's Report on the Supplementary Information

	Marketing	Member Services	Auction and Special Events	Total
Salaries	$ 129,988	$ 335,669	$ 233,249	$ 698,906
Benefits	17,997	69,505	36,166	123,668
Outside labor	-	-	7,544	7,544
Supplies	1,671	3,962	9,170	14,803
Printing services	-	14,980	1,123	16,103
Advertising	-	-	-	-
Promotional incentives	-	249,862	1,606	251,468
Travel and training	577	10,750	1,379	12,706
Postage and shipping	14	98,331	3,666	102,011
Repair and maintenance	-	-	6,848	6,848
Facility and equipment rent	150	-	420	570
Utilities	-	608	432	1,040
Receptions	758	16,268	7,657	24,683
Memberships	-	994	61	1,055
Commissions	121,550	84,471	1,406	207,427
Direct mail fees	-	170,380	-	170,380
Consulting fees	-	1,014	-	1,014
Production fees	2,050	-	228	2,278
Purchased items	-	-	846	846
Professional fees	-	263	-	263
Board of Trustee/Staff	197	739	3,380	4,316
In-kind services	239,439	-	39,678	279,117
Total	$ 514,391	$ 1,057,796	$ 354,859	$ 1,927,046

Public Media Connect **Schedule 2**

Consolidating Statement of Fundraising Expense
Year Ended June 30, 2014
See Auditor's Report on the Supplementary Information

	Marketing	Member Services	Auction and Special Events	Total
Salaries	$ 110,579	$ 311,366	$ 209,142	$ 631,087
Benefits	22,631	66,583	30,609	119,823
Outside labor			7,673	7,673
Supplies	1,281	3,287	11,888	16,456
Printing services		18,522	3,393	21,915
Promotional incentives		256,974	1,419	258,393
Travel and training	2,893	12,560	1,018	16,471
Postage and shipping	52	96,765	4,592	101,409
Repair and maintenance			1,767	1,767
Facility and equipment rent	165		11,194	11,359
Utilities		591	761	1,352
Receptions	544	4,411	27,263	32,218
Memberships		425	170	595
Commissions	42,750	121,423	1,428	165,601
Direct mail fees		145,296		145,296
Consulting fees		510	7,705	8,215
Production fees	12,350		152	12,502
Purchased items			5,333	5,333
Professional fees	22,050	165		22,215
Board of Trustee/Staff	107	785	1,903	2,795
In-kind services	250,188	16,380		266,568
Total	$ 465,590	$ 1,056,043	$ 327,410	$ 1,849,043

Public Media Connect **Schedule 3**

Consolidating Statements of Administrative Expense
Years Ended June 30, 2015 and 2014
See Auditor's Report on the Supplementary Information

	2015	2014
Salaries	**$ 582,619**	$ 653,056
Benefits	**104,158**	107,302
Outside labor	**56,288**	9,795
Supplies	**17,505**	12,945
Printing services	**1,837**	1,800
Promotional incentives	**-**	91
Postage and shipping	**(1,439)**	4,608
Travel and training	**10,862**	15,589
Repair and maintenance	**196,944**	158,137
Utilities	**334,651**	325,851
Office and equipment rent	**108,876**	106,816
Memberships	**31,115**	29,991
Professional fees	**168,362**	122,182
Insurance	**92,989**	106,072
Recruitment	**3,938**	4,012
Bank fees	**115,875**	108,043
Board of Trustees	**15,938**	22,199
Bad debt expense	**4,500**	(3,090)
Depreciation	**88,388**	87,769
Interest expense	**12,798**	18,750
Miscellaneous	**837**	(71)
Receptions	**3,259**	690
Total administrative expense	**$ 1,950,300**	$ 1,892,537