
***KMOS TELEVISION - A PUBLIC
BROADCASTING ENTITY OPERATED
BY UNIVERSITY OF CENTRAL MISSOURI
FINANCIAL STATEMENTS
JUNE 30, 2022***

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Independent Auditors' Report

Board of Governors
University of Central Missouri
Warrensburg, Missouri

Opinions

We have audited the financial statements of KMOS Television, a Public Broadcasting Entity Operated by the University of Central Missouri, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise KMOS Television, a Public Broadcasting Entity Operated by the University of Central Missouri's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of KMOS Television, a Public Broadcasting Entity Operated by University of Central Missouri as of June 30, 2022 and 2021, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of KMOS Television, a Public Broadcasting Entity Operated by University of Central Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The 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 KMOS Television, a Public Broadcasting Entity Operated by University of Central Missouri's ability to continue as a going concern for 12 months and beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 KMOS Television, a Public Broadcasting Entity Operated by University of Central Missouri'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 KMOS Television, a Public Broadcasting Entity Operated by University of Central Missouri'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.

Other Matters

Management's Discussion And Analysis

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise KMOS Television, a Public Broadcasting Entity Operated by University of Central Missouri's financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

RubinBrown LLP

January 13, 2023

KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY OPERATED BY UNIVERSITY OF CENTRAL MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Overview

KMOS Television (KMOS-TV or the Station) is operated by University of Central Missouri, Warrensburg, Missouri (UCM). Since first signing on in 1979, KMOS-TV's mission has been to provide Missouri citizens with commercial-free, quality, substantive programming, which enriches, enlightens, informs and entertains. KMOS-TV's programming presents the highest accomplishments of our society, permits talent to fulfill the potential of electronic media, and provides opportunities for diverse audiences to benefit from such programming unavailable from other sources. As part of UCM's commitment to prepare its students to excel as they enter the professional world, KMOS-TV provides a professional atmosphere for learning for 40-50 student employees and student volunteers annually. KMOS-TV depends heavily on its student staff, providing real life opportunities for domestic and international students by providing practical experiences in all disciplines vital to a successful broadcasting entity.

KMOS-TV supports UCM's statewide technology mission by providing technical and administrative support for the distribution of professional development resources, instructional programs, and educational outreach materials for lifelong learning. The Station promotes UCM through appropriate public relations programming and activities and offers telecommunications support to other university departments.

KMOS continues to provide both an excellent education and viewing experience for its community. On the education side KMOS students produced a wealth of new content in the form of mini documentaries. Several of which received national attention and awards. KMOS continues to be an excellent source of high-quality public media content for its viewers. Resulting in increased viewership on all four of its channels.

KMOS will continue to expand its student production and engagement with creation of new content for consumption both on-air and online. Serving both the students of UCM as well as the viewers in central Missouri.

KMOS continually monitors its funding and staffing and will continue working to benefit both the community of central Missouri and the University of Central Missouri.

KMOS-TELEVISION - A PUBLIC BROADCASTING ENTITY OPERATED BY UNIVERSITY OF CENTRAL MISSOURI

Management's Discussion And Analysis

This discussion and analysis of KMOS-TV's financial statements provides a comparative overview of the Station's financial performance during the years ended June 30, 2022, 2021 and 2020. The Management's Discussion and Analysis is designed to focus on current activities, resulting changes and current known facts. Please read it in conjunction with the Station's basic financial statements and footnotes. These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) pronouncements.

Statement Of Net Position

The statement of net position presents the financial position of the Station at a point in time. The statement of net position has three major components which include 1) assets, 2) liabilities and 3) net position. A description of each component is as follows:

Assets - Current assets are those anticipated to be liquidated within one year or less and include items such as cash and cash equivalents, accounts receivable and prepaid expenses. Noncurrent assets include that portion of accounts receivable, inventories and prepaid expenses not expected to liquidate within one year plus capital assets such as buildings, building improvements, infrastructure, equipment, etc.

Liabilities - Current liabilities are those anticipated to be recognized within one year or less and include items such as accounts payable and accrued liabilities, accrued compensated absences, and deferred revenue. Noncurrent liabilities include that portion of accrued liabilities, accrued compensated absences and deferred revenue that are not due within one year.

Net Position - Net position represents Station total assets less total liabilities. Net position is classified in two major categories which include 1) net investment in capital assets and 2) unrestricted.

- 1) Net investment in capital assets represents building, building improvements, equipment, etc., that is net of accumulated depreciation.
- 2) Unrestricted net position represents balances from operational activities that have not been restricted by parties external to the Station. This includes funds that have been designated for specific purposes as well as amounts that have been contractually committed for goods and services not yet received.

**KMOS-TELEVISION - A PUBLIC BROADCASTING ENTITY
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Management's Discussion And Analysis

A summary of the Station's assets, liabilities and net position at June 30, 2022, 2021 and 2020, is as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Assets			
Current assets	\$ 2,636,945	\$ 2,470,509	\$ 2,153,716
Noncurrent assets	2,681,053	2,919,101	2,785,200
Total Assets	5,317,998	5,389,610	4,938,916
Liabilities			
Current liabilities	1,711,803	1,724,522	1,082,682
Noncurrent liabilities	52,744	51,367	65,842
Total Liabilities	1,764,547	1,775,889	1,148,524
Net Position	\$ 3,553,451	\$ 3,613,721	\$ 3,790,392

Comparative Analysis

Assets - Total assets at June 30, 2022, are \$5,317,998. These assets are comprised of current assets of \$2,636,945 and noncurrent capital assets of \$2,681,053. This is a \$71,612 decrease from fiscal year 2021 total assets of \$5,389,610. Current assets increased \$166,436. The noncurrent capital assets decrease of \$238,048 reflects the large depreciation expense of \$250,598 in 2022 that is offset by \$12,550 of additions.

Total assets at June 30, 2021, are \$5,389,610. These assets are comprised of current assets of \$2,470,509 and noncurrent capital assets of \$2,919,101. This is a \$450,694 increase from fiscal year 2020 total assets of \$4,938,916. Current assets increased \$316,793. The noncurrent capital assets increase of \$133,901 reflects the large depreciation expense of \$299,615 in 2021 that is offset by \$433,514 of additions.

Liabilities - Total liabilities as of June 30, 2022, are \$1,764,547. These liabilities are comprised of current liabilities of \$1,711,803 and noncurrent liabilities of \$52,744. This is a \$11,342 decrease from fiscal year 2021 total liabilities of \$1,775,889. Fiscal year 2022 experienced an increase in accounts payable and accrued liabilities, an increase in accrued compensated absences, and a decrease in unearned revenue.

KMOS-TV's liabilities as of June 30, 2021, are \$1,775,889. These liabilities are comprised of current liabilities of \$1,724,522 and noncurrent liabilities of \$51,367. This is a \$627,365 increase from fiscal year 2020 total liabilities of \$1,148,524. Fiscal year 2021 experienced a decrease in accounts payable and accrued liabilities, an increase in accrued compensated absences, and an increase in unearned revenue.

**KMOS-TELEVISION - A PUBLIC BROADCASTING ENTITY
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Management's Discussion And Analysis

Net Position - As of June 30, 2022, KMOS-TV had net position totaling \$3,553,451. Net position is comprised of unrestricted assets of \$872,398 and invested in capital assets of \$2,681,053. There are no restrictions relating to net position. Net position at June 30, 2021, was \$3,613,721. The \$60,270 decrease in total net position represents an \$238,048 decrease in invested in capital assets and a \$177,778 increase in unrestricted net position.

As of June 30, 2021, KMOS-TV had net position totaling \$3,613,721. Net position is comprised of unrestricted assets of \$694,620 and invested in capital assets of \$2,919,101. There are no restrictions relating to net position. Net position at June 30, 2020, was \$3,790,392. The \$176,671 decrease in total net position represents an \$133,901 increase in invested in capital assets and a \$310,572 decrease in unrestricted net position.

Operating Results

The statements of revenues, expenses and changes in net position (SRECNP) present the operating results of the Station as a whole. The statements distinguish revenues and expenses between operating and nonoperating categories and provide a view of the Station's changes in financial position. Comparative summary statements of revenue, expenses and changes in net position for the years ended June 30, 2022, 2021 and 2020, are as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues			
Operating revenues	\$ 67,954	\$ 78,388	\$ 71,389
Expenses			
Operating expenses	<u>3,078,225</u>	2,706,711	2,980,562
Operating Loss	(3,010,271)	(2,628,323)	(2,909,173)
Nonoperating Revenue	<u>2,950,001</u>	2,451,652	3,035,073
Change In Net Position	(60,270)	(176,671)	125,900
Net Position - Beginning Of Year	<u>3,613,721</u>	3,790,392	3,664,492
Net Position - End Of Year	<u>\$ 3,553,451</u>	<u>\$ 3,613,721</u>	<u>\$ 3,790,392</u>

**KMOS-TELEVISION - A PUBLIC BROADCASTING ENTITY
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Management's Discussion And Analysis

Comparative Analysis

Revenues - KMOS-TV's total operating and non-operating revenues for the year ended June 30, 2022, are \$3,017,955. Grants and contracts totaled \$1,093,543. Subscriptions and underwriting totaled \$631,673. Support from UCM was \$1,224,785. Operating revenues totaled \$67,954. This is a \$487,915 increase in revenues from the fiscal year 2021 total of \$2,530,040.

KMOS-TV's total operating and non-operating revenues for the year ended June 30, 2021, are \$2,530,040. Grants and contracts totaled \$864,517. Subscriptions and underwriting totaled \$420,774. Support from UCM was \$1,166,361. Operating revenues totaled \$78,388. This is a \$576,422 decrease in revenues from the fiscal year 2020 total of \$3,106,462.

Expenses - KMOS-TV operating expenses for fiscal year 2022 by natural classification are:

- Salaries, payroll taxes and employee benefits - \$1,106,644
- Supplies and other services - \$249,547
- Program costs - \$604,552
- Depreciation - \$250,598
- Other expenses - \$866,884

Expenses for fiscal year 2022 by functional classification include:

- Program services - \$1,747,718 that consist of:
 - Programming and production - \$1,004,212
 - Broadcasting - \$640,316
 - Program information and promotion - \$103,190
- Support services - \$1,079,909 that consist of:
 - Management and general - \$771,225
 - Fundraising and membership development - \$176,282
 - Underwriting and grant solicitation - \$132,401
- Depreciation - \$250,598

Total expenses as of June 30, 2022, were \$3,078,225. This is a \$371,514 increase from the fiscal year 2021 operating expenses total of \$2,706,711.

**KMOS-TELEVISION - A PUBLIC BROADCASTING ENTITY
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Management's Discussion And Analysis

Expenses - KMOS-TV operating expenses for fiscal year 2021 by natural classification are:

- Salaries, payroll taxes and employee benefits - \$1,017,797
- Supplies and other services - \$217,649
- Program costs - \$566,629
- Depreciation - \$299,615
- Other expenses - \$605,021

Expenses for fiscal year 2021 by functional classification include:

- Program services - \$1,547,795 that consist of:
 - Programming and production - \$908,416
 - Broadcasting - \$475,589
 - Program information and promotion - \$163,790
- Support services - \$859,301 that consist of:
 - Management and general - \$639,726
 - Fundraising and membership development - \$165,955
 - Underwriting and grant solicitation - \$53,620
- Depreciation - \$299,615

Total expenses as of June 30, 2021, were \$2,706,711. This is a \$273,851 decrease from the fiscal year 2020 operating expenses total of \$2,980,562.

Net Position – A decrease in net position of \$60,270 was recognized by KMOS-TV as of June 30, 2022, which left ending net position of \$3,553,451, including a \$238,048 decrease in net invested in capital and a \$177,778 increase in unrestricted net position.

A decrease in net position of \$176,671 was recognized by KMOS-TV as of June 30, 2021, which left ending net position of \$3,613,721, including a \$133,901 increase in net invested in capital and a \$310,572 decrease in unrestricted net position.

Contact Information

Question or comments about this report may be addressed to Belinda J. Bell, Director of Accounting Services, at University of Central Missouri, Administration 316B, Warrensburg, MO 64093.

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
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**STATEMENT OF NET POSITION
June 30, 2022 And 2021**

	2022	2021
Assets		
Current Assets		
Cash	\$ 2,593,227	\$ 2,416,443
Accounts receivable	649	—
Prepaid expenses	43,069	54,066
Total Current Assets	2,636,945	2,470,509
Noncurrent Assets		
Capital assets, net	2,681,053	2,919,101
Total Assets	5,317,998	5,389,610
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	51,534	47,981
Accrued compensated absences	21,096	16,384
Unearned revenue	1,639,173	1,660,157
Total Current Liabilities	1,711,803	1,724,522
Noncurrent Liabilities		
Accrued compensated absences	52,744	51,367
Total Liabilities	1,764,547	1,775,889
Net Position		
Net investment in capital assets	2,681,053	2,919,101
Unrestricted	872,398	694,620
Total Net Position	\$ 3,553,451	\$ 3,613,721

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION**

	For The Years Ended June 30,	
	2022	2021
Operating Revenues		
Sales and services	\$ 67,954	\$ 78,388
Operating Expenses		
Salaries and benefits	1,106,644	1,017,797
Supplies and other services	249,547	217,649
Program costs	604,552	566,629
Depreciation	250,598	299,615
Other	866,884	605,021
Total Operating Expenses	3,078,225	2,706,711
Operating Loss	(3,010,271)	(2,628,323)
Nonoperating Revenues		
Federal grants and contracts	—	750
State grants and contracts	87,839	87,473
Nongovernmental grants and contracts	1,005,704	776,294
Gifts and subscriptions	601,349	394,498
Underwriting support	30,324	26,276
University support	1,224,785	1,166,361
Total Nonoperating Revenues	2,950,001	2,451,652
Change In Net Position	(60,270)	(176,671)
Net Position - Beginning Of Year	3,613,721	3,790,392
Net Position - End Of Year	\$ 3,553,451	\$ 3,613,721

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

STATEMENT OF CASH FLOWS

	For The Years Ended June 30,	
	2022	2021
Operating Activities		
Sales and service receipts	\$ 67,954	\$ 78,388
Payments to suppliers	(1,272,290)	(1,092,619)
Payments to employees	(1,100,555)	(1,025,869)
Net Cash Used In Operating Activities	(2,304,891)	(2,040,100)
Noncapital Financing Activities		
Federal grants and contracts	—	750
State grants and contracts	87,839	87,473
Nongovernmental grants and contracts	984,071	1,429,892
Gifts received for other than capital purpose	551,028	343,740
Underwriting support	30,324	26,276
University support	840,963	853,801
Net Cash Provided By Noncapital Financing Activities	2,494,225	2,741,932
Capital And Related Financing Activities		
Purchase of capital assets	(12,550)	(433,514)
Increase In Cash	176,784	268,318
Cash - Beginning Of Year	2,416,443	2,148,125
Cash - End Of Year	\$ 2,593,227	\$ 2,416,443
Reconciliation Of Operating Loss To Net Cash Used In Operating Activities		
Operating loss	\$ (3,010,271)	\$ (2,628,323)
Donated facilities and administrative support	383,822	312,560
In-kind contributions for rent and services	50,321	50,758
Depreciation expense	250,598	299,615
Changes in operating assets and liabilities:		
Prepaid expenses	10,997	(51,436)
Accounts payable and accrued expenses	9,642	(23,274)
Net Cash Used In Operating Activities	\$ (2,304,891)	\$ (2,040,100)

KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY OPERATED BY UNIVERSITY OF CENTRAL MISSOURI

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 And 2021

1. Nature Of Operations And Summary Of Significant Accounting Policies

Nature Of Operations

KMOS Television (KMOS-TV) is operated by University of Central Missouri, Warrensburg, Missouri (UCM). All amounts contained in this report are included in the financial statements of the University, a component unit of the State of Missouri, or the University of Central Missouri Foundation (Foundation), a component unit of the University, as of and for the years ended June 30, 2022 and 2021. As KMOS-TV is part of the University, it is exempt from federal and state income taxes.

Basis Of Accounting And Presentation

The financial statements of KMOS-TV have been prepared on the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated non exchange transactions (principally federal and state grants and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used internally. Operating revenues and expenses include exchange transactions and program-specific, government-mandated non exchange transactions. Government mandated non exchange transactions that are not program specific (such as state appropriations), investment income and interest on capital asset-related debt are included in non-operating revenues and expenses. KMOS-TV first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position is available.

KMOS-TV prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB) and the regulations of the Corporation for Public Broadcasting (CPB).

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
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Notes To Financial Statements (*Continued*)

Use Of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

At June 30, 2022 and 2021, cash consisted primarily of pooled cash accounts with the University and the Foundation.

Accounts Receivable

Accounts receivable includes amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to KMOS-TV's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts; however, KMOS-TV had no estimated uncollectible amounts at June 30, 2022 or 2021.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or at their estimated acquisition value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of the asset. KMOS-TV uses an estimated useful life of either 5 or 10 years for equipment, 15 years for antennas and 40 years for towers and buildings. As KMOS-TV is a part of the University, the University determines what capital assets are used by KMOS-TV and transfers of capital assets to and from KMOS-TV are at the University's discretion.

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

Notes To Financial Statements (*Continued*)

Compensated Absences

Station policies permit most employees to accumulate vacation benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Sick leave benefits expected to be realized as paid time off are recognized as expense when the time off occurs and no liability is accrued for such benefits employees have earned but not yet realized. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

Unearned Revenue

Unearned revenue represents advances on grants for which KMOS-TV has not met all of the applicable eligibility requirements.

Net Position

KMOS-TV's net position is classified as follows:

Net investment in capital assets - This represents KMOS-TV's total investment in capital assets.

Unrestricted net position - Unrestricted net position represents resources derived from state appropriations, sales and services of educational services, unrestricted gifts, tower rentals and royalties. These resources are used for transactions relating to the educational and general operations of KMOS-TV and may be used to meet current expenses or for any other purpose.

In - Kind Contributions

Donated facilities from the University consist of office and studio space. These items, together with related occupancy costs, are recorded in revenues and expenses at estimated fair rental values. Administrative support from the University consists of allocated institutional costs and certain other expenses incurred by the University on behalf of KMOS-TV.

Foundation

KMOS-TV is the beneficiary of a Foundation that is a separate legal entity with its own Board of Trustees. The Foundation has legal title to all of the Foundation assets.

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
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Notes To Financial Statements (*Continued*)

Risk Management

KMOS-TV is exposed to various risks of loss to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. KMOS-TV is covered under the University's commercial insurance policy that is purchased for claims arising from such matters other than those related to workers' compensation and natural disasters. The State of Missouri self-insures workers' compensation benefits for all state employees, including University and Station employees. Claims are administered by the Missouri Office of Administration, Risk Management Section.

Pension And OPEB Liabilities

In accordance with GASB Statement No. 68, *Accounting for Pensions*, UCM must recognize its proportional share of the net pension liability for MOSERS. In addition, UCM must recognize a liability related to its other postemployment benefit plan in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. KMOS-TV is a department of UCM, therefore, no liabilities are reported in KMOS-TV's financial statements related to UCM's net pension liability or UCM's OPEB liability.

2. Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. KMOS-TV's deposit policy for custodial risk must comply with the provisions of state policy which requires all deposits placed in financial institutions to be at least 100% collateralized with securities that are acceptable to the Missouri State Governor, Missouri State Treasurer and the Missouri State Auditor. All securities, which serve as collateral against the deposits of a depository institution, must be safe kept at a nonaffiliated custodial facility. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts.

At June 30, 2022 and 2021, KMOS-TV's share of pooled cash maintained by the University and the Foundation was \$2,593,227 and \$2,416,443, respectively. None of these deposits were exposed to custodial credit risk at June 30, 2022 or 2021.

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

Notes To Financial Statements (*Continued*)

3. Capital Assets

Capital assets activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Antennas	\$ 327,373	\$ —	\$ —	\$ 327,373
Tower	265,650	—	—	265,650
Tipton Tower	4,732,991	—	—	4,732,991
Equipment	4,819,199	12,550	—	4,831,749
Total	10,145,213	12,550	—	10,157,763
Less: Accumulated Depreciation	7,226,112	250,598	—	7,476,710
Capital Assets, Net	\$ 2,919,101	\$ (238,048)	\$ —	\$ 2,681,053

Capital assets activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Antennas	\$ 327,373	\$ —	\$ —	\$ 327,373
Building	48,422	—	(48,422)	—
Tower	265,650	—	—	265,650
Tipton Tower	4,732,991	—	—	4,732,991
Equipment	4,385,685	433,514	—	4,819,199
Total	9,760,121	433,514	(48,422)	10,145,213
Less: Accumulated Depreciation	6,974,919	299,615	(48,422)	7,226,112
Capital Assets, Net	\$ 2,785,202	\$ 133,899	\$ —	\$ 2,919,101

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

Notes To Financial Statements (*Continued*)

4. Contingencies

Grants

KMOS-TV is currently participating in numerous grants. The expenditures of grant proceeds must be for allowable and eligible purposes. Audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. Upon notification of final approval by the granting department or agency, the grants are considered closed.

5. Current Economic Conditions

The current economic conditions continue to present public broadcasting entities with difficult circumstances and challenges, which in some cases may result in declines in University support, grant revenue and contributions. The financial statements have been prepared using values and information currently available to KMOS-TV.

Current economic conditions have made it difficult for many donors to continue to contribute to stations. Changes in contribution levels and grant funding could have an adverse impact on KMOS-TV's future operating results.

In addition, given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments. KMOS-TV could experience difficulty maintaining sufficient liquidity should significant changes occur.

In April 2020, the Corporation for Public Broadcasting (the CPB) received \$75 million of emergency stabilization funds for public media as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). This award was distributed by the CPB to public radio and television stations to be used as needed to sustain operations and services. KMOS-TV received \$260,205 of emergency stabilization funding from the CPB and recorded the full amount as unearned revenue in fiscal year 2020; the amount remains in unearned revenue in fiscal year 2022. There is no expenditure period for the funds, nor single audit requirement.

Similar to the previous year, KMOS-TV received \$497,068 of funding from the CPB as part of the American Rescue Plan and recorded the full amount as unearned revenue in fiscal year 2022. The amount remains in unearned revenue at the end of the year.

Supplementary Information

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

**FUNCTIONAL EXPENSES
For The Year Ended June 30, 2022**

	Programming And Production	Program Services Broadcasting	Program Information And Promotion	Total Program Services	Fundraising And Membership Development	Support Services Underwriting And Grant Solicitation	Management And General	Total Support Services	Depreciation	Total
Salaries, payroll taxes and employee benefits	\$ 330,642	\$ 282,848	\$ —	\$ 613,490	\$ 97,694	\$ 106,646	\$ 288,814	\$ 493,154	\$ —	\$ 1,106,644
Supplies and other services										
Technical services and fees	13,757	55,597	—	69,354	13,489	—	14,436	27,925	—	97,279
Office supplies	3,406	990	41,183	45,579	11,028	700	2,344	14,072	—	59,651
Utilities and postage	2,398	67,779	317	70,494	4,826	983	16,314	22,123	—	92,617
	19,561	124,366	41,500	185,427	29,343	1,683	33,094	64,120	—	249,547
Program costs										
Program acquisition	604,552	—	—	604,552	—	—	—	—	—	604,552
Program production costs	—	—	—	—	—	—	—	—	—	—
	604,552	—	—	604,552	—	—	—	—	—	604,552
Depreciation	—	—	—	—	—	—	—	—	250,598	250,598
Other										
Donated facilities and administrative support	—	—	—	—	—	—	383,822	383,822	—	383,822
Advertising	—	—	1,822	1,822	—	3,021	194	3,215	—	5,037
Rental and maintenance of equipment	1,624	206,408	175	208,207	—	101	1,488	1,589	—	209,796
Travel and professional meetings	1,785	1,851	462	4,098	151	3,488	729	4,368	—	8,466
Miscellaneous	46,048	24,843	59,231	130,122	49,094	17,463	63,084	129,641	—	259,763
	49,457	233,102	61,690	344,249	49,245	24,073	449,317	522,635	—	866,884
	\$ 1,004,212	\$ 640,316	\$ 103,190	\$ 1,747,718	\$ 176,282	\$ 132,402	\$ 771,225	\$ 1,079,909	\$ 250,598	\$ 3,078,225

**KMOS TELEVISION - A PUBLIC BROADCASTING ENTITY
OPERATED BY UNIVERSITY OF CENTRAL MISSOURI**

FUNCTIONAL EXPENSES (Continued)

For The Year Ended June 30, 2021

	Programming And Production	Program Services Broadcasting	Program Information And Promotion	Total Program Services	Fundraising And Membership Development	Support Services Underwriting And Grant Solicitation	Management And General	Total Support Services	Depreciation	Total
Salaries, payroll taxes and employee benefits	\$ 305,698	\$ 256,149	\$ 66,641	\$ 628,488	\$ 77,593	\$ 39,578	\$ 272,138	\$ 389,309	\$ —	\$ 1,017,797
Supplies and other services										
Technical services and fees	11,893	34,441	—	46,334	16,351	—	13,381	29,732	—	76,066
Office supplies	2,183	404	30,874	33,461	10,710	—	2,183	12,893	—	46,354
Utilities and postage	3,151	75,965	346	79,462	4,643	190	10,934	15,767	—	95,229
Printing	—	—	—	—	—	—	—	—	—	—
	17,227	110,810	31,220	159,257	31,704	190	26,498	58,392	—	217,649
Program costs										
Program acquisition	566,629	—	—	566,629	—	—	—	—	—	566,629
Program production costs	—	—	—	—	—	—	—	—	—	—
	566,629	—	—	566,629	—	—	—	—	—	566,629
Depreciation	—	—	—	—	—	—	—	—	299,615	299,615
Other										
Donated facilities and administrative support	—	—	—	—	—	—	312,560	312,560	—	312,560
Advertising	—	—	2,569	2,569	(1,825)	387	392	(1,046)	—	1,523
Rental and maintenance of equipment	857	73,494	—	74,351	219	—	—	219	—	74,570
Travel and professional meetings	178	2,022	147	2,347	128	108	197	433	—	2,780
Miscellaneous	17,827	33,114	63,213	114,154	58,136	13,357	27,941	99,434	—	213,588
	18,862	108,630	65,929	193,421	56,658	13,852	341,090	411,600	—	605,021
	\$ 908,416	\$ 475,589	\$ 163,790	\$ 1,547,795	\$ 165,955	\$ 53,620	\$ 639,726	\$ 859,301	\$ 299,615	\$ 2,706,711

University of Central Missouri
Attn: Sondra Moore
102 W. South Street
Administration Building 316B
Warrensburg, Missouri 64093

Dear Sondra:

Enclosed are your copies of the financial statements for KMOS Television as of June 30, 2022.

We appreciate the opportunity to be of continued service to you. If we may furnish you with any additional information, please feel free to contact us.

Very truly yours,

RubinBrown LLP

Kaleb J. Lilly
Partner
Direct Dial Number: 816.859.7917
E-mail: kaleb.lilly@rubinbrown.com

KJL:jbg

Enclosures