

**KCWC – TV**  
**A/K/A WYOMING PBS**  
**(A PUBLIC TELECOMMUNICATIONS ENTITY**  
**OPERATED BY CENTRAL WYOMING COLLEGE)**

**FINANCIAL REPORT**

**JUNE 30, 2015**

## **CONTENTS**

<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1 and 2</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b> (Required Supplementary Information)	<b>3 - 8</b>
<b>FINANCIAL STATEMENTS</b>	
Statements of Net Position	9
Statements of Revenue, Expenses and Changes in Net Position	10
Statements of Cash Flows	11
Statements of Financial Position - Foundation	12
Statements of Activities - Foundation	13
Notes to Financial Statements	14 - 25
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of the Station's Proportionate Share of the Net Pension Liability	26
Schedule of the Station's Contributions	27
Notes to the Required Supplementary Information	28
<b>SUPPLEMENTARY INFORMATION</b>	
Schedules of Operating Expenses	29

**INDEPENDENT AUDITOR’S REPORT**

To the Board of Trustees  
Central Wyoming College  
KCWC – TV, a/k/a Wyoming PBS  
Riverton, Wyoming

**Report on the Financial Statements**

We have audited the accompanying financial statements of KCWC – TV, a/k/a Wyoming PBS (the “Station”), a public telecommunications entity operated by, and a fund of, Central Wyoming College (the “College”), as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which comprise the Station’s basic financial statements as listed in the table of contents.

***Management’s Responsibility for the 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 did not audit the financial statements of The Wyoming Public Television Foundation (the “Foundation”), which are discretely presented on pages 13 and 14. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the reports of the other auditors. 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 from 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 auditor’s 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 Station’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 Station’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 basis for our audit opinion.

***Opinion***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the Station and the discretely presented component unit as of June 30, 2015 and 2014, and the respective changes in financial position and, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matters***

As discussed in Note 1, the financial statements present only the Station and do not purport to, and do not, present fairly the financial position of Central Wyoming College, as of June 30, 2015, the changes in financial position or, where applicable, its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America, our opinion is not modified with respect to this matter.

As discussed in Notes 1 and 5 to the financial statements, in 2015 the Station adopted new accounting guidance with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB 27 and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9, the Schedule of the Station's Proportionate Share of the Net Pension Liability on page 27, the Schedule of the Station's Contributions on page 28, and the Notes to Required Supplementary Information on page 29 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Station's basic financial statements. The Schedule of Operating Expenses on page 30 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Operating Expenses is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Operating Expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*McGee, Heurne & Paiz, LLP*

Cheyenne, Wyoming  
December 8, 2015

**KCWC-TV  
A/K/A Wyoming PBS  
(also operating as Wyoming Public Television)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Years ended June 30 2015 and 2014**

This section represents management's discussion and analysis of Wyoming Public Television's (WPTV) financial activity for the fiscal year ended June 30, 2015 and compared to the fiscal year 2014. WPTV is a fund of Central Wyoming College (CWC) and is included as part of CWC's financial statements. This financial report is prepared on the accrual basis as opposed to the operating financial reports of WPTV which are prepared on a budgetary basis. Under the accrual basis of accounting, revenues and assets are recognized when the service is provided, and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Each is relevant to their respective purpose. This report was prepared by WPTV management and should be read in conjunction with the financial statements and footnotes. Responsibility for the completeness of and fairness of this information rests with WPTV.

**Using this annual report.**

The financial statements focus on WPTV as a whole vs the traditional presentation by fund type. WPTV's financial statements are designed to emulate corporate presentation models whereby all WPTV activities are consolidated into one total comparative analysis, with FY 2014 also included for comparison.

The Statements of Net Position includes all assets/deferred outflows of resources, liabilities/deferred inflows of resources and net position (assets/deferred outflows of resources minus liabilities/deferred inflows of resources) of WPTV. This statement combines and consolidates current financial resources with capital assets.

The Statements of Revenue, Expenses and Changes in Net Position focuses on both the gross costs and the net costs of WPTV's activities, which are supported mainly by state appropriations, grants and contracts from federal, state and other sources. This statement is intended to summarize and simplify the user's analysis of the cost of the various services which WPTV provides to its service area.

The Statements of Cash Flows presents cash inflows and outflows summarized by operating, capital and noncapital financing and investing activities.

This report is intended to support and supplement the financial statements to provide a comprehensive summary.

## Overview:

For WPTV, FY 2015 was very similar in operational activities to the last several years. WPTV maintains a broadcast and multimedia service across the State of Wyoming with two broadcast channels, i.e., a high definition and a standard definition channel, as well as a website which provides streaming, online video, program information, a shop site for local productions and other resources and educational content. These services are available to the state's citizens 24 hours per day, 365 days per year.

In 1983, when KCWC-TV (also known as Wyoming Public Television or WPTV) signed on the air, it started with one channel operating approximately 16 hours per day, and broadcasting a signal that covered only residents of Fremont County, Wyoming using one analog transmitter. From 1983 to 2001, through grants and donations, the station gradually built out its analog broadcast system to reach about 85% of Wyoming's citizens.

After Congress passed the Telecommunications Act of 1996 requiring all broadcasters to shut down high-power analog transmitters, and for broadcasters to be broadcasting in a digital format by June 9, 2009, WPTV was required to begin its digital transition. This meant overbuilding its entire analog system with digital equipment. With state grants from the Wyoming legislature and federal grants from the U.S. Department of Commerce (Public Telecommunications Facilities Program, aka "PTFP") and the U.S. Department of Agriculture (Rural Utilities Service, aka "RUS"), WPTV eventually replaced its entire analog state network with an all-digital broadcast system, including master control, studio and production control, a satellite uplink production truck, transmitters, microwave sites and translators (also see "Nature of Operations" for additional history of WPTV). WPTV met the digital deadline and has been fully digital since 2009, with only a few analog translators still in operation (until the FCC reclaims that spectrum, or the translators become inoperable and will not be repaired).

Because of this mandated digital transition, there were large infusions of cash and assets into WPTV in the years 2001-2012, as the station utilized federal and state funding, as well as contributions from private sources, to upgrade its broadcast facilities and distribution system. The station basically converted all the grants and cash into digital equipment. However, in 2011, Congress started tightening the federal budget in order to reduce the growing deficit, and eliminated most of the federal grant funding (PTFP and RUS funds) that public television had used for more than 30 years to replace equipment and fund emergency needs. For a few years, there were competitive grants through stimulus funding to assist states to build out digital networks and then recently, Congress and the Federal Emergency Management Administration (FEMA) provided funding for public television network to improve the emergency response systems across the U.S. (see below for more information on this FEMA grant).

WPTV received one of the last PTFP capital equipment grants in 2011 and was able to replace its 10-year old video server in master control in 2012 (\$326,000). In terms of state digital funding, WPTV received its last digital capital equipment grant from the Wyoming Legislature in 2011 (actual funding didn't come to the budget until FY 2012), when the state legislature funded the final phase of the high definition upgrade for the satellite uplink production truck (\$412,000). These two grants were the last major digital equipment grants received by WPTV.

In 2013, the Governor and the Wyoming Legislature recognized the high total accumulated depreciation figure on the WPTV balance sheet (\$8,294,315 in FY 12 increasing to \$9,455,817 in FY 13) and the need to fund depreciation and equipment maintenance. As a result, in 2013 the Wyoming Legislature allocated an additional \$100,000 per biennium/\$50,000 annually to WPTV to fund equipment repair and replacement. Since one of the most important station priorities is to maintain the quality and reliability of the digital statewide broadcast system and production facilities, this funding has become critical as digital equipment continues to age, and need replacement, and our system is adversely effected by harsh weather conditions throughout the year.

**SUMMARY OF OPERATIONS**

Engineering. In FY15, engineering focused on maintenance and repair of our 32 transmitters and translators. Repairs were made in July of 2014 on our translator located on Snow King Mountain. In October, repairs were conducted on at the Copper Mountain translator site. In January of 2015, work was done on the Gillette and Cedar Mountain translator sites. In April, the translator at Newcastle and in May, the translator at Wood River were repaired. In September, a new building was begun at the South Rim translator and completed in November.

At the Wyoming PBS studio in Riverton, a new Ross HD / SD Character Generator was installed. In February, new audio processing equipment was installed to control loudness and comply with the Commercial Advertisement Loudness Mitigation act. In March, a closed caption monitoring and failure alerting system was installed to comply with new FCC Closed Captioning regulations.

Production/Local Programming. Production of local programs continues to be of primary importance for Wyoming PBS. During FY15, 4 full time producers worked to create local content.

Here are television productions completed in FY15:

Wyoming Chronicle, eighteen 30-min programs; one 60-min program	10 hrs
Capitol Outlook and State of the State, eight 60-min shows	8 hrs
Wyoming Perspectives, three 60-min programs	3 hrs
Farm to Fork, four 30-min programs	2 hrs
Main Street, Wyoming, one 30-min programs	.5 hr
Your Retirement, two 60-min programs	2 hrs
Live from the Dennison Lodge, six 60-min programs	6 hrs
Total:	31.5 hrs

Viewership. After the digital transition in 2009, viewer ratings dropped almost 30% in both 2010 and 2011, as cable companies struggled with conversion of digital high definition channels and viewers struggled to find the new digital channels on their television sets. By 2012, station ratings were climbing back up to pre-digital levels, and ratings for the past three years have seen a steady increase in viewership:

- FY 14 Cumulative audience for Sun/Sat, all day 32,137 TV households
- FY 15 Cumulative audience for Sun/Sat, all day 37,520 TV households
- FY 14 Primetime cumulative audience 18,766 TV households
- FY 15 Primetime cumulative audience 26,017 TV households

This translates into approximately 89,135 viewers tuning in to WPTV in an average week in FY15, and approximately 61,803 viewers tuning into WPTV between 7 and 10 pm, in an average week.

Education. This past fiscal year, Wyoming PBS completed an early literacy tour to libraries in 5 towns in Wyoming promoting books and reading. Wyoming PBS also received funding from the state legislature to begin work on a series of video modules highlighting the history, languages, government, and people of the Wind River Indian Reservation. The video modules will be included in the PBS Learning Media database, along with curriculum which will be aligned to state standards. The completed project will go online in the fall of 2016.

Outreach. The station also conducted several outreach tours. The Nature episode "Touching the Wild" was screened in Dubois in July 2014; "Shakespeare Uncovered" was screened in Lander in January 2015; "Cancer: The Emperor of All Maladies" was screened in Casper and Riverton in March 2015; and "Nature: The Sagebrush Sea" was screened in Jackson, Pinedale, and Lander. The "Sagebrush Sea" tour also included two school events including a follow-up discussion with the film's producer and lead videographer. A "Downton Abbey" screening event was also held in Lander in January 2015 to promote the new season. The local series "Farm to Fork Wyoming" was promoted at both a Home and Garden show and a "LocalFest" event; both events were held in Lander.

Fundraising. The Wyoming PBS Foundation had a successful year, and through current year private and corporate fundraising programs, as well as private foundation and Wyoming state agency grants, provided \$313,224 in support to Wyoming PBS, as well as additional funds raised in previous years. Included in the total was \$150,000 in unrestricted funds and \$25,691 in restricted funds deposited in the state production endowment as part of our match requirement and brought the corpus of the fund to \$2,932,422. \$73,741 in earnings from this endowment was delivered to Wyoming PBS by the Wyoming State Treasurer for use in local program production. Also included was \$45,092 in unrestricted funds to support general station operations, \$30,000 to support specific documentary productions, \$25,000 to support children's educational programming, and \$2,441 for production truck maintenance.

STATEMENTS OF NET POSITION

	2015	2014	2013
<b>ASSETS</b>			
Current Assets	\$ 2,693,280	\$ 2,473,436	\$ 2,445,055
Noncurrent Assets	2,517,971	3,328,500	4,139,805
Total Assets	<u>5,211,251</u>	<u>5,801,936</u>	<u>6,584,860</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>125,025</u>	-	-
<b>LIABILITIES</b>			
Current Liabilities	33,175	233,769	272,930
Noncurrent Liabilities	880,069	91,735	111,079
Total Liabilities	<u>913,244</u>	<u>325,504</u>	<u>384,009</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	<u>1,890</u>	-	-
<b>NET POSITION</b>			
Capital Net Position	2,517,971	3,328,500	4,139,805
Restricted Net Position	792,383	129,559	108,302
Unrestricted Net Position	1,110,788	2,018,373	1,952,744
Total Net Position	<u>\$ 4,421,142</u>	<u>\$ 5,476,432</u>	<u>\$ 6,200,851</u>

For FY 15, the Station adopted GASB Statement No. 68, which resulted in a prior period adjustment to unrestricted net position as of July 1, 2014 of \$609,549.

WPTV's total assets figure for FY14 reflects the continuing decline in our net capital assets largely due to the station's accumulated depreciation on digital equipment (total net capital assets are down from \$4,139,805 in 2013, to \$3,328,500 in 2014, to \$2,517,971 in 2015).

Comparing "noncurrent asset" figures, FY 13 to FY 14 to FY15, shows that decline clearly - there is a difference of \$810,529 in "non-current" assets from 2014 to 2015, most of which is the increase in depreciation (see Note 3). There was a similar depreciation increase, which dropped the noncurrent asset figure in both 2013 and 2014, yet during all three years, the current assets have remained stable and comparable, except for the increase in amounts due from other College departments in 2015.

Station management recognizes that digital equipment is aging twice as fast as analog equipment, and in fact, most digital equipment has a useful life of 3-5 years, where analog equipment was depreciated over 10 or even 15 years. For this reason, the station appealed to the Wyoming legislature in 2013 for a "repair and replacement" budget, and the Legislature responded with an additional \$100,000 to be added to our standard operational biennial appropriation starting with FY 2014. This additional biennial \$100,000 for repairs does not provide a true capital replacement budget, but it will partially fund engineering travel, software maintenance contracts, and minor repair and maintenance of equipment and vehicles. Unfortunately, because of continued depreciation and aging, and the effect of GASB Statement No. 68, our total net position has declined again in FY 2015 from \$6,200,851 in FY 2013 to \$5,476,432 in 2014 to \$4,421,142 in 2015.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION.

	2015	2014	2013
Operating Revenues from Grants and Contracts	\$ 1,619,647	\$ 1,278,887	\$ 1,174,698
Operating Expenses	(4,804,671)	(4,938,457)	(4,945,759)
Operating Loss	(3,185,024)	(3,659,570)	(3,771,061)
Nonoperating Revenues	2,739,283	2,923,369	2,719,577
Capital Appropriations, Grants and Gifts	-	11,782	1,100
	2,739,283	2,935,151	2,720,677
(Decrease) in Net Position	(445,741)	(724,419)	(1,050,384)
Net Position			
Beginning of year, as previously reported	5,476,432	6,200,851	7,251,235
Restatement to prior period	(609,549)	-	-
Beginning of year, as restated	4,866,883	6,200,851	7,251,235
End of year	\$ 4,421,142	\$ 5,476,432	\$ 6,200,851

The Station's total nonoperating and capital appropriation grants and gift revenues decreased from \$2,935,151 in 2014 to \$2,739,283 in 2015. The decrease was largely due to a reduction in institutional support and state appropriations.

Our operating revenues from grants and contracts for FY 2015 increased from FY 2014 because of increases in state, CPB, and private grants.

Station operating expenses declined between 2014 and 2015 (from \$4,938,457 in 2014 to \$4,804,671 in 2015) due to the decrease in allocated costs from the College as noted in the decrease in revenue attributed as indirect institutional support.

**KCWC - TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity Operated by**  
**Central Wyoming College**

**STATEMENTS OF NET POSITION**  
**June 30, 2015 and 2014**

	2015	2014
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents (Note 2)	\$ 2,439,812	\$ 2,439,811
Receivables	29,789	33,090
Due from other college departments	223,679	535
<b>Total current assets</b>	<b>2,693,280</b>	<b>2,473,436</b>
Noncurrent Assets		
Capital assets (Note 3)	2,517,971	3,328,500
<b>Total assets</b>	<b>5,211,251</b>	<b>5,801,936</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension Related Deferred Outflows (Note 5)	125,025	-
<b>LIABILITIES</b>		
Current Liabilities		
Accrued compensated absences (Note 7)	33,175	30,579
Advance payments, grants	-	203,190
<b>Total current liabilities</b>	<b>33,175</b>	<b>233,769</b>
Noncurrent Liabilities		
Accrued compensated absences (Note 7)	99,526	91,735
Accrued pension liability (Note 5)	780,543	-
<b>Total noncurrent liabilities</b>	<b>880,069</b>	<b>91,735</b>
<b>Total liabilities</b>	<b>913,244</b>	<b>325,504</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension Related Deferred Inflows (Note 5)	1,890	-
<b>NET POSITION</b>		
Invested in capital assets	2,517,971	3,328,500
Restricted:		
Public service uses	790,677	114,778
Capital projects	1,706	14,781
Unrestricted	1,110,788	2,018,373
<b>Total net position</b>	<b>\$ 4,421,142</b>	<b>\$ 5,476,432</b>

See Notes to Financial Statements.

**KCWC - TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity Operated by**  
**Central Wyoming College**

**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION**  
**Years Ended June 30, 2015 and 2014**

	2015	2014
Operating Revenues		
Grants and contracts	\$ 1,619,647	\$ 1,278,887
Operating Expenses		
Program services:		
Programming, production and broadcasting (Note 6)	2,784,844	2,722,351
Depreciation	905,452	888,158
Support services:		
Management and general	1,114,375	1,327,948
<b>Total operating expenses</b>	<b>4,804,671</b>	<b>4,938,457</b>
<b>Operating (loss)</b>	<b>(3,185,024)</b>	<b>(3,659,570)</b>
Nonoperating Revenue		
State appropriations	2,057,690	2,103,393
Institutional support from Central Wyoming College	681,593	819,976
<b>Total nonoperating revenue</b>	<b>2,739,283</b>	<b>2,923,369</b>
<b>(Loss) before capital appropriations</b>	<b>(445,741)</b>	<b>(736,201)</b>
Capital Grants and Gifts	-	11,782
<b>(Decrease) in net position</b>	<b>(445,741)</b>	<b>(724,419)</b>
Net Position		
Beginning of year, as previously reported	5,476,432	6,200,851
Restatement to prior period (Note 5)	(609,549)	-
Beginning of year, as restated	4,866,883	6,200,851
End of year	\$ 4,421,142	\$ 5,476,432

See Notes to Financial Statements.

**KCWC - TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity Operated by**  
**Central Wyoming College**

**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2015 and 2014**

	2015	2014
Cash Flows from Operating Activities		
Operating revenues received	\$ 1,142,701	\$ 1,199,500
Payments to/for the benefit of employees	(1,555,526)	(1,728,581)
Payments to suppliers	(1,534,040)	(1,473,621)
<b>Net cash (used in) operating activities</b>	<b>(1,946,865)</b>	<b>(2,002,702)</b>
Cash Flows from Noncapital Financing Activities		
State appropriations	2,057,690	2,103,393
Cash Flows from Capital Financing Activities		
Purchase of capital assets	(110,824)	(76,853)
<b>Net increase in cash</b>	<b>1</b>	<b>23,838</b>
Cash and cash equivalents		
Beginning of year	2,439,811	2,415,973
End of year	\$ 2,439,812	\$ 2,439,811
Reconciliation of Operating Loss to Net Cash		
(Used in) Operating Activities		
Operating (loss)	\$ (3,185,024)	\$ (3,659,570)
Adjustments to reconcile net operating (loss) to net cash		
(used in) operating activities:		
Loss on disposal of fixed asset	15,901	-
Depreciation expense	905,452	888,158
Noncash institutional support expenses	681,593	819,976
Net pension liability	47,859	-
Changes in operating liabilities:		
Accounts receivable	3,301	(7,034)
Accrued expenses	10,387	(25,792)
Deferred revenue	(203,190)	(20,931)
Due to (from) other college departments	(223,144)	2,491
<b>Net cash (used in) operating activities</b>	<b>\$ (1,946,865)</b>	<b>\$ (2,002,702)</b>

See Notes to Financial Statements.

**WYOMING PBS FOUNDATION**  
**(A Component Unit of KCWC-TV, a/k/a Wyoming PBS)**

**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2015 and 2014**

	2015	2014
<b>ASSETS</b>		
Cash and cash equivalents	\$ 702,997	\$ 721,166
Other current assets	20,290	18,370
Investments	128,226	323,650
Property and improvements	114,228	116,915
<b>Total assets</b>	<b>\$ 965,741</b>	<b>\$ 1,180,101</b>
<b>LIABILITIES</b>		
Annuity agreements	\$ 244	\$ 310
Note payable	38,560	42,151
Accrued benefits	14,818	20,322
<b>Total liabilities</b>	<b>53,622</b>	<b>62,783</b>
<b>NET ASSETS</b>		
Unrestricted	597,703	777,435
Temporarily restricted net assets	186,190	190,916
Permanently restricted	128,226	148,967
<b>Total net assets</b>	<b>912,119</b>	<b>1,117,318</b>
<b>Total liabilities and net assets</b>	<b>\$ 965,741</b>	<b>\$ 1,180,101</b>

See Notes to Financial Statements.

**WYOMING PBS FOUNDATION**  
**(A Component Unit of KCWC-TV, a/k/a Wyoming PBS)**

**STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2015 and 2014**

	2015	2014
Unrestricted		
Revenue, gain and support:		
Contributions	\$ 341,058	\$ 382,112
Investment/interest income	56,258	74,065
Other	130,947	111,209
<b>Total unrestricted revenue, gain and support</b>	<b>528,263</b>	<b>567,386</b>
Operating expenses:		
Program services:		
College support	528,517	204,897
Supporting services:		
Management and general	301,939	299,338
<b>Total unrestricted operating expenses</b>	<b>830,456</b>	<b>504,235</b>
Net assets released or transferred	122,461	31,926
<b>Change in unrestricted net assets</b>	<b>(179,732)</b>	<b>95,077</b>
Temporarily Restricted		
Contributions	96,994	139,462
Net assets released or transferred	(101,720)	(44,430)
<b>Change in temporarily restricted net assets</b>	<b>(4,726)</b>	<b>95,032</b>
Permanently Restricted		
Net assets released or transferred	(20,741)	12,504
<b>Change in permanently restricted net assets</b>	<b>(20,741)</b>	<b>12,504</b>
<b>Change in net assets</b>	<b>(205,199)</b>	<b>202,613</b>
Net Assets		
Beginning of year	1,117,318	914,705
End of year	\$ 912,119	\$ 1,117,318

See Notes to Financial Statements.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Nature of Operations and Significant Accounting Policies**

Nature of operations: KCWC – TV, a/k/a Wyoming PBS (the “Station”), is a full-service public television station licensed to Central Wyoming College (the “College”), with studio and office facilities located at 2660 Peck Avenue, Riverton, Wyoming. The Station was built in 1981-82 with a grant from the U.S. Department of Commerce, and signed on the air on May 10, 1983 with one full-power, analog transmitter on Limestone Peak near South Pass, Wyoming. Initially, the Station had a staff of ten full-time and three part-time people, providing approximately 16 hours of programming per day to Fremont County, which included the Wind River Indian Reservation. From 1983 - 1999, using Federal grants and private donations, the Station expanded its coverage area to reach approximately 85% of the state with an analog signal.

Congress passed the *Telecommunications Act of 1996* requiring all broadcasters to be broadcasting a digital signal by December 31, 2006. In response to that mandate in 2001, the Wyoming State Legislature provided its first phase of funding to the Station to begin its transition to a digital broadcast service. The Legislature provided subsequent capital funding and the Station sought additional Federal grants in order to upgrade transmission and studio facilities to digital. The Station actually broadcast its first digital signal in February 2003, but the transition continued an additional eight years to reach about 90% of the state with a digital broadcast signal.

By 2011, much of the old analog equipment had been replaced with digital equipment, and the Station’s transmission system included three digital transmitters (one located on Limestone Peak, a second located near Laramie, Wyoming, and a third located on Casper Mountain), as well as a digital two-way microwave system and 35 digital translators. The Station can also be seen in 48 Wyoming towns on various cable systems, and in five counties via satellite (Natrona, Converse, Fremont, Hot Springs and Washakie). The Station currently employs 23 full-time and two part-time staff, and it provides local programs, a content-rich website, a high definition and a standard definition channel of unique programming 24 hours a day, 365 days a year.

The Station receives funding from a variety of sources, including the State of Wyoming, the Corporation for Public Broadcasting, the Wyoming PBS Foundation, grants from miscellaneous sources, and some contract revenue for production services.

The Station seeks to provide a multimedia service that informs, educates and enriches the lives of Wyoming citizens to help them more fully understand and participate in local, national and global events. The Station mission statement reflects this: “To connect and enrich the lives of Wyoming citizens through excellence and innovation in media.”

The College is one of Wyoming’s seven public, two-year community colleges and is the institutional licensee for the Station. The Station is a fund of the College, and its operations are included as part of the College’s entity-wide financial statements. The College Board of Trustees is the governing body for the Station, and establishes the policies and procedures by which the Station operates.

The financial statements of the Station have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to colleges and universities, as well as guidance prescribed by the Wyoming Community College Commission (WCCC). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

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Significant accounting policies are described below:

Reporting entity: The Station is a fund of the College. As defined by GAAP, the financial reporting entity of the Station consists of itself as well as its component unit, the Wyoming PBS Foundation (the “Foundation”).

The Foundation is a legally separate, tax-exempt entity. The Foundation’s purpose is to receive contributions, manage and invest assets, and make distributions to and for the benefit of the Station. A copy of the financial statements for the Foundation can be obtained by calling (307) 856-6944.

The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the Station. Although the Station does not control the timing or amount of receipts from the Foundation, the majority of resources held and support received by the Foundation is restricted to the activities of the Station. Because of these restrictions, the Foundation is considered a component unit of the Station.

The Foundation is a private non-profit organization that reports financial results in accordance with the Financial Accounting Standards Board (FASB). As such, certain revenue recognition criteria and presentation features are different from GASB criteria and presentation. Because of these differences, the financial information for the Foundation has been reported separately from that of the Station.

No modifications have been made to the Foundation’s financial information as reported in accordance with FASB or to the Station’s financial information as reported in accordance with GASB. However, significant note disclosures from the Foundation’s financial statements have been incorporated into the Station’s notes to the financial statements (see Note 8).

Basis of accounting: For financial reporting purposes, the College is considered a special-purpose governmental entity engaged only in business-type activities. Accordingly, the Station’s financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

In accordance with the Corporation for Public Broadcasting Principles of Accounting and Financial Reporting for Telecommunications Entities, certain College institutional support amounts have been recognized as revenue and expenses. These amounts have been computed in accordance with the instructions of the Corporation for Public Broadcasting Annual Financial Report.

The total amount of institutional support from the College recognized in the Statements of Revenues, Expenses, and Changes in Net Position as nonoperating revenue and operating expenses for the years ended June 30, 2015 and 2014 amounted to \$681,593 and \$819,976, respectively.

Cash and cash equivalents: Cash and cash equivalents consist of all cash, either on hand or in banks, including time deposits, and any highly liquid investments purchased with a maturity of three months or less.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

---

Capital assets: Capital assets include only the property and equipment purchased by, constructed by, or donated to the Station. The capitalization policy for the Station conforms to the policy of the College, which is based on the policy adopted by WCCC. The policy is as follows: Infrastructure assets with initial costs that equal or exceed \$50,000 are capitalized; expenditures for buildings and improvements having a useful life greater than five years and a value greater than \$50,000 are capitalized; and expenditures for other capital items having a useful life greater than one year and a value greater than \$5,000 are also capitalized. Individual items having a lesser value may be capitalized if they are purchased in a group.

Capital assets are recorded at historical cost or estimated historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is included as part of the capitalized value of the assets constructed.

Digital conversion costs are being capitalized as the project progresses. The Station has no infrastructure assets.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 20 – 40 years for buildings and improvements, furniture and equipment 3 – 14 years, and vehicles 5 – 10 years.

Net assets: The Station's net position is classified as follows:

*Invested in capital assets:* This represents the Station's total investment in capital assets, net of accumulated depreciation.

*Restricted net position – expendable:* This includes resources that the Station is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the Station's policy to use restricted resources first, then unrestricted resources when they are needed.

*Unrestricted net position:* This includes resources derived from sources that are not required to be reported in one of the above classifications. These resources are used for transactions relating to the general operations of the Station and may be used at the discretion of the governing board to meet current expenses for any purpose.

Compensated absences: The College policy permits all employees to accumulate a limited amount of vacation and sick leave. These benefits are payable to employees upon separation from service. All leave pay is accrued when incurred, and a liability for these amounts is reported in compliance with GASB Statement No. 16, *Accounting for Compensated Absences*. The Station considers approximately 25% of this liability to be current and due within one year.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

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Classification of revenues: The Station has classified its revenues as either operating or nonoperating revenues according to the following criteria:

*Operating revenues:* Operating revenues include activities that have the characteristics of exchange transactions, such as 1) most funding from public broadcasting entities, 2) most Federal, state and local grants and contracts and Federal appropriations, and 3) sales and services.

*Nonoperating revenues:* Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as 1) state appropriations, 2) some Federal, state, and local grants and contracts, and 3) gifts and contributions.

Estimates: The accounting policies of the Station conform, as applicable, to public colleges and universities. Preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and related disclosures. Actual results could differ from those estimates.

Defined benefit pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (WRS) and additions to/deductions from the WRS's fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Recent pronouncements: In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which replaces GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, for most government pensions. This statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual cost of the pension benefits. The statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). This statement is effective for years beginning after June 15, 2014. Accounting changes adopted to conform to the provisions of this statement were applied beginning in the year ended June 30, 2015 retroactively by restating the beginning net position. While June 30, 2014 is presented, this column was not restated as the information to do so was not readily available. See discussion of prior period restatement in Note 5.

In February 2015, the GASB issued GASB Statement No. 72, *Fair Value Measurement and Application*. This statement was issued to address accounting and financial reporting issues related to fair value measurements. The definition of *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. In addition, this statement provides guidance for determining a fair value measurement for financial reporting purposes and provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This statement is effective for years beginning after June 15, 2015.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 2. Cash and Investments**

The Station's cash and cash equivalents are included in the cash and investment accounts of the College. The Station's share of these amounts as of June 30, 2015 and 2014 was \$2,439,812 and \$2,439,811, respectively. The College invests cash in excess of immediate needs in money market funds. Cash balances in excess of federally insured limits are collateralized.

**Note 3. Capital Assets**

Capital asset activity for the fiscal years ended June 30, 2015 and 2014 was as follows:

	Balance June 30, 2014	Additions	Deletions	Transfers To/ From Other CWC Funds	Transfers	Balance June 30, 2015
<b>Nondepreciable Capital Assets</b>						
Land and improvements	\$ 69,997	\$ -	\$ -	\$ -	\$ -	\$ 69,997
Construction in process	-	-	-	-	-	-
<b>Total nondepreciable capital assets</b>	<b>69,997</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,997</b>
<b>Depreciable Capital Assets</b>						
Buildings and improvements	505,792	-	-	-	-	505,792
Furniture and equipment	11,642,980	110,824	(50,668)	-	-	11,703,136
Vehicles	995,782	-	(23,286)	-	-	972,496
<b>Total depreciable capital assets</b>	<b>13,144,554</b>	<b>110,824</b>	<b>(73,954)</b>	<b>-</b>	<b>-</b>	<b>13,181,424</b>
<b>Total capital assets</b>	<b>13,214,551</b>	<b>110,824</b>	<b>(73,954)</b>	<b>-</b>	<b>-</b>	<b>13,251,421</b>
<b>Less Accumulated Depreciation</b>						
Buildings and improvements	169,062	18,444	-	-	-	187,506
Furniture and equipment	8,779,715	867,819	(34,767)	-	-	9,612,767
Vehicles	937,274	19,189	(23,286)	-	-	933,177
<b>Total accumulated depreciation</b>	<b>9,886,051</b>	<b>905,452</b>	<b>(58,053)</b>	<b>-</b>	<b>-</b>	<b>10,733,450</b>
Capital Assets, net	\$ 3,328,500	\$ (794,628)	\$ (15,901)	\$ -	\$ -	\$ 2,517,971

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

	Balance June 30, 2013	Additions	Deletions	Transfers To/ From Other CWC Funds	Transfers	Balance June 30, 2014
<b>Nondepreciable Capital Assets</b>						
Land and improvements	\$ 64,590	\$ 5,407	\$ -	\$ -	\$ -	\$ 69,997
Construction in process	-	-	-	-	-	-
<b>Total nondepreciable capital assets</b>	<b>64,590</b>	<b>5,407</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,997</b>
<b>Depreciable Capital Assets</b>						
Buildings and improvements	505,792	-	-	-	-	505,792
Furniture and equipment	12,065,027	35,877	(457,924)	-	-	11,642,980
Vehicles	960,213	35,569	-	-	-	995,782
<b>Total depreciable capital assets</b>	<b>13,531,032</b>	<b>71,446</b>	<b>(457,924)</b>	<b>-</b>	<b>-</b>	<b>13,144,554</b>
<b>Total capital assets</b>	<b>13,595,622</b>	<b>76,853</b>	<b>(457,924)</b>	<b>-</b>	<b>-</b>	<b>13,214,551</b>
<b>Less Accumulated Depreciation</b>						
Buildings and improvements	150,619	18,443	-	-	-	169,062
Furniture and equipment	8,387,113	850,526	(457,924)	-	-	8,779,715
Vehicles	918,085	19,189	-	-	-	937,274
<b>Total accumulated depreciation</b>	<b>9,455,817</b>	<b>888,158</b>	<b>(457,924)</b>	<b>-</b>	<b>-</b>	<b>9,886,051</b>
Capital Assets, net	\$ 4,139,805	\$ (811,305)	\$ -	\$ -	\$ -	\$ 3,328,500

**Note 4. Retirement Commitment – TIAA/CREF**

The College offers a retirement benefit to all permanent full-time employees that is equal to 15.87% of the employee's monthly salary. Eligible College employees may participate in one of two pension plans offered by the College, either Wyoming Retirement System (WRS – see Note 5) or Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF). TIAA/CREF is a private defined contribution retirement plan, which is portable to other institutions and states. For the years ended June 30, 2015, 2014 and 2013, the Station's share of the College's contributions to TIAA/CREF were \$76,379, \$69,187 and \$70,562, respectively.

**Note 5. Retirement Commitment – Wyoming Retirement System**

Fiscal year 2014 (pre-implementation of GASB Statement No. 68): Participants in the Wyoming Retirement System (WRS) who retire at age 60 with four years of credited service are entitled to a retirement benefit according to predetermined formulas and are allowed to select one of five optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained the age of 50, but will result in a reduction of benefits based on the length of time remaining to normal retirement age. WRS also provides death and disability benefits. Benefits are established by State statutes. The WRS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to Wyoming Retirement System, 6101 Yellowstone Road, Suite 500, Cheyenne, Wyoming 82002 or by calling (307) 777-7691.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

---

Total Station's share of the College's contributions to WRS for the years ended June 30, 2014 and 2013 were \$121,787 and \$106,436, respectively, which equals the required contribution for the years then ended.

Fiscal year 2015 (post implementation of GASB Statement No. 68): On July 1, 2014, the College implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which recognizes a long-term obligation for pension benefits. The accounting change adopted to conform to the provisions of GASB 68 has been applied retroactively by restating the beginning net position for the fiscal year ended June 30, 2015 by \$609,549, which included recording an initial net pension liability of \$675,007 and an initial deferred outflows of resources of \$65,458. As the data needed to implement this standard for all periods presented was not available for periods prior to July 1, 2014, the College has elected to not restate information presented for the period ended June 30, 2014.

Plan description: Substantially all employees of the College are provided with pensions through the Public Employee Pension Plan - a statewide cost-sharing multiple-employer defined benefit pension plan administered by the Wyoming Retirement System (WRS). The authority to establish and amend benefits and contributions rates rests with the Legislature of the State of Wyoming. WRS is granted the authority to administer the Plan by Wyoming State Statutes 9-3-401 through 432. WRS issues a publicly available financial report that can be obtained at <http://retirement.state.wy.us/home/index.html>.

Benefits provided: The determination of retirement benefits is dependent upon the employee's initial employment date.

*Service Retirement Tier 1:* Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. Formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average over 15 years.

*Service Retirement Tier 2:* Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. Formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

Contributions: Per Title 9-3-412 and 413 of State Statutes, for the year ended June 30, 2015, member contributions were required to be 8.25% of compensation and employer contributions were required to be 7.62% of compensation. In accordance with Title 9-3-412 (c) (ii) of State Statutes, the College has elected to pay 6.19% of the members contribution in addition to the employers contribution. Effective July 1, 2015, the member's contribution percentage increased to 8.37%. The Station's share of the College's total contributions to the pension plan from the College were \$130,747 for the year ended June 30, 2015.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2015, the Station reported a liability of \$780,543 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015. The Station's proportion of the net pension liability was based on the relationship of the Station's total contributions to the plan for the year ended December 31, 2014 to the contributions of all participating employers for the same period. At December 31, 2014, the Station's proportion was 0.044231057%, which was a decrease from its December 31, 2013 proportion of 0.0443966386%.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

---

For the year ended June 30, 2015, the Station recognized pension expense of \$105,195. At June 30, 2015, the Station reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 63,998	\$ -
Changes in proportionate share of contributions	-	1,890
Contributions subsequent to the measurement date	61,027	-
	\$ 125,025	\$ 1,890

An amount of \$61,027 reported as deferred outflows of resources related to pensions resulting from the Station's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 15,372
2017	15,372
2018	15,372
2019	15,992
	\$ 62,108

Actuarial assumptions: The total pension liability in the January 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25% – 6.0%, including inflation
Investment rate of return	4.5%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

---

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	15.00%	.98%
Equity	55.00%	6.66%
Marketable alternatives	15.50%	4.19%
Private markets	12.00%	7.13%
Cash	<u>2.50%</u>	.50%
Total	<u>100.00%</u>	

Experience analysis: An experience study was conducted on behalf of all WRS’s plans covering the five-year period ended December 31, 2011. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination and disability) and proposed assumptions consistent with the findings.

Discount rate: The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the employer’s proportionate share of the net pension liability to changes in the discount rate: The following presents the Station’s proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the Station’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Proportionate share of the net pension liability	\$ 1,219,750	\$ 780,543	\$ 411,708

Pension plan fiduciary net position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued WRS financial report available from the Wyoming Retirement System, 6101 Yellowstone Road, Cheyenne, Wyoming 82002 or at <http://retirement.state.wy.us/home/index.html>.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 6. Commitments and Contingencies**

Litigation: Various claims and lawsuits may arise in the ordinary course of operations. Management believes there were no material claims or lawsuits against the Station which would result in losses which would materially affect the financial position of the Station or the results of operations as of June 30, 2015.

The Station is insured through the College's insurance policy. The College purchases commercial insurance to help insure against risks of loss. Coverage carried includes property, general liability, automobile liability, and errors and omissions.

No significant reduction in the College's insurance coverage has occurred, nor has the amount of settled claims exceeded the insurance coverage in the past three years.

Operating leases: The Station has several leases for the use of space for broadcast towers and equipment, which expire between July 2015 and November 2029, and require various minimum monthly payments.

The future minimum lease payments are as follows:

Fiscal Year	
2016	\$ 18,646
2017	15,879
2018	4,575
2019	4,616
2020	3,050
Thereafter	2,850
	<u>\$ 49,616</u>

Rental expense under above leases, donated leases and month-to-month leases for the years ended June 30, 2015 and 2014 was \$88,718 and \$90,618, respectively, which is included in the programming, production, and broadcasting expense in the accompanying Statements of Revenue, Expenses and Changes in Net Position.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 7. Changes in Long-Term Liabilities**

Long-term liability activity for the years ended June 30, 2015 and 2014 is as follows:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Amounts Due Within One Year
Other Liabilities					
Compensated absences	\$ 122,314	\$ 64,206	\$ (53,819)	\$ 132,701	\$ 33,175
<b>Total other liabilities</b>	<b>\$ 122,314</b>	<b>\$ 64,206</b>	<b>\$ (53,819)</b>	<b>\$ 132,701</b>	<b>\$ 33,175</b>

  

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Amounts Due Within One Year
Other Liabilities					
Compensated absences	\$ 148,106	\$ 129,262	\$ (155,054)	\$ 122,314	\$ 30,579
<b>Total other liabilities</b>	<b>\$ 148,106</b>	<b>\$ 129,262</b>	<b>\$ (155,054)</b>	<b>\$ 122,314</b>	<b>\$ 30,579</b>

**Note 8. Component Unit Information**

The Foundation is a legally separate, tax-exempt component unit of the College and, more specifically, the Station (see Note 1). The Foundation's Statements of Financial Position and Statements of Activities have been included on pages 13 and 14. Significant note disclosures to the Foundation's financial statements are included below.

Endowment fund: The Foundation established an endowment fund at the Wyoming Community Foundation with donor funds. Any funds transferred to the Wyoming Community Foundation are not returned to the Foundation. The Wyoming Community Foundation will pay investment earnings to the Foundation.

At June 30, 2015, total funds in the Wyoming Community Foundation account were \$1,091,289. These funds are not an asset of the Wyoming PBS Foundation, but are held by the Wyoming Community Foundation to benefit the Wyoming PBS Foundation. The Wyoming PBS Foundation received distributions of \$50,052 and \$44,602 for the years ended June 30, 2015 and 2014, respectively.

Note payable: The Foundation purchased its building on February 25, 2004 with a \$95,000 mortgage on the building and land. Total cost of the building and land was \$135,000. The note was refinanced for a ten-year period starting April 2013 at a 5% interest rate with monthly principal and interest payments and matures February 25, 2023.

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO FINANCIAL STATEMENTS**

---

Wyoming Public Television \$1.5 million Production Endowment: The Wyoming Legislature established a \$1.5 million matching endowment for the Station in January, 2008, with the funds to be held in trust by the Wyoming State Treasurer and administered by the Wyoming Community College Commission (WCCC), for deposit and interest distribution. With each deposit of private gifts from the Station, the state will match that amount up to \$1.5 million.

The Foundation provided private gifts to the Station which were forwarded to the WCCC for deposit into the Production Endowment. Those checks were not receipted into the Station accounts, but were signed, with an affidavit, and transferred to the WCCC for deposit with the State Treasurer into the endowment.

Investments: Investments are composed of mutual funds and are carried at fair value. Unrealized (loss) at June 30, 2015 amounted to \$29,145.

Furniture, equipment and property: Capital assets are carried at cost and depreciated over their useful lives using the straight-line method. Estimated useful lives range from five to seven years for furniture and equipment and 39 years for the building.

Total furniture, equipment and property before accumulated depreciation amounted to \$179,643 at June 30, 2015.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**KCWC - TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity Operated by**  
**Central Wyoming College**

**SCHEDULE OF THE STATION'S PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY**  
**Public Employee Pension Plan**  
**Years Ended June 30, 2015 and 2014 \***

	<b>2015</b>	2014
Station's proportion of the net pension liability (asset)	<b>0.044231057%</b>	0.0443966386%
Station's proportionate share of the net pension liability (asset)	<b>\$ 780,543</b>	\$ 675,007
Station's covered employee payroll	<b>\$ 795,633</b>	\$ 780,479
Station's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	<b>98.10%</b>	86.49%
Plan fiduciary net position as a percentage of the total pension liability	<b>79.08%</b>	81.10%

*\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.*

See Notes to Required Supplementary Information

**KCWC - TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity Operated by**  
**Central Wyoming College**

**SCHEDULE OF THE STATION'S CONTRIBUTIONS**  
**Public Employee Pension Plan**  
**Years Ended June 30, 2015 and 2014**

	<b>2015</b>	2014
Contractually required contribution	\$ <b>62,779</b>	\$ 59,311
Contributions in relation to the contractually required contribution	<u><b>62,779</b></u>	<u>59,311</u>
<i>Contribution deficiency (excess)</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Station's covered employee payroll	<u><b>\$ 823,866</b></u>	<u>\$ 833,013</u>
Contributions as a percentage of covered employee payroll	<b>7.62%</b>	7.12%

See Notes to Required Supplementary Information

**KCWC – TV, a/k/a Wyoming PBS**  
**A Public Telecommunications Entity**  
**Operated by Central Wyoming College**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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Changes in benefit terms: There were no changes in benefit terms between the December 31, 2013 measurement date and the December 31, 2014 measurement date.

Changes in assumptions: There were no changes in assumptions between the December 31, 2013 measurement date and the December 31, 2014 measurement date.

## **SUPPLEMENTARY INFORMATION**

**KCWC - TV, a/k/a Wyoming PBS**  
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**SCHEDULES OF OPERATING EXPENSES**  
**Years Ended June 30, 2015 and 2014**

	2015			2014		
	Direct	Indirect	Total	Direct	Indirect	Total
Program Services:						
Salaries	\$ 1,023,135	\$ -	\$ 1,023,135	\$ 971,745	\$ -	\$ 971,745
Benefits	335,379	-	335,379	441,570	-	441,570
Operating expenses	1,426,330	-	1,426,330	1,309,036	-	1,309,036
<b>Total program services</b>	<b>2,784,844</b>	<b>-</b>	<b>2,784,844</b>	<b>2,722,351</b>	<b>-</b>	<b>2,722,351</b>
Support Services:						
Salaries	191,448	382,433	573,881	199,032	329,253	528,285
Benefits	63,816	86,763	150,579	90,442	137,771	228,213
Operating expenses	177,518	212,397	389,915	218,498	352,952	571,450
<b>Total support services</b>	<b>432,782</b>	<b>681,593</b>	<b>1,114,375</b>	<b>507,972</b>	<b>819,976</b>	<b>1,327,948</b>
Depreciation	905,452	-	905,452	888,158	-	888,158
<b>Total operating expenses</b>	<b>\$ 4,123,078</b>	<b>\$ 681,593</b>	<b>\$ 4,804,671</b>	<b>\$ 4,118,481</b>	<b>\$ 819,976</b>	<b>\$ 4,938,457</b>