

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

FINANCIAL REPORT

JUNE 30, 2017

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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”), and its discretely presented component unit, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively 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 audits. We did not audit the financial statements of the Wyoming PBS Foundation (the “Foundation”), which are discretely presented on pages 12 and 13. 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 audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 of the Station as of June 30, 2017 and 2016, 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.

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 8, the Schedule of the Station's Proportionate Share of the Net Pension Liability on page 25, the Schedule of the Station's Contributions on page 26, and the Note to Required Supplementary Information on page 27 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.

Supplementary 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 28 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.



Cheyenne, Wyoming
November 15, 2017

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended June 30, 2017 and 2016**

This section represents management's discussion and analysis of Wyoming Public Television's (Wyoming PBS) financial activity for the fiscal year ended June 30, 2017 and compared to the fiscal year 2016. Wyoming PBS 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 Wyoming PBS 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 Wyoming PBS 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 Wyoming PBS.

Using this annual report:

The financial statements focus on Wyoming PBS as a whole vs. the traditional presentation by fund type. Wyoming PBS's financial statements are designed to emulate corporate presentation models whereby all Wyoming PBS activities are consolidated into one total comparative analysis, with FY 2016 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 Wyoming PBS. This statement combines and consolidates current financial resources with capital assets.

The Statements of Revenues, Expenses and Changes in Net Position focuses on both the gross costs and the net costs of Wyoming PBS'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 Wyoming PBS 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 Wyoming PBS, FY 2017 was very similar in operational activities to the last several years. Wyoming PBS 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 Wyoming PBS) 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, Wyoming PBS 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"), Wyoming PBS 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 Wyoming PBS). Wyoming PBS 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 Wyoming PBS 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).

Wyoming PBS 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, Wyoming PBS 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 Wyoming 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 Wyoming PBS.

In 2013, the Governor and the Wyoming Legislature recognized the high total accumulated depreciation figure on the Wyoming PBS balance sheet (\$8,294,315 in FY 2012 increasing to \$9,455,817 in FY 2013) 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 Wyoming PBS 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.

In 2008, the Wyoming Legislature allocated \$1.5 million to a “State Production Endowment” for Wyoming PBS, to be matched on a dollar for dollar basis. The match was met in July 2015, resulting in a \$3 million Endowment managed by the Wyoming State Treasurer. In FY 2017 and 2016, this endowment delivered over \$64,000 and \$77,000, respectively, in funding to Wyoming PBS.

SUMMARY OF OPERATIONS

Engineering. In FY 2017, our primary areas of focus were improving the infrastructure of the Wyoming PBS network and preparing for FCC mandated changes in our translators. Wyoming PBS’s network of 38 translators and full power translators are interconnected by a hodgepodge of over 60 microwave relays. Replacing those relays with Internet circuits is a high priority. In FY 2017, four of the relays were replaced by Internet delivered signals. In FY 2018, between 7 and 10 Wyoming PBS translators must change frequencies, and possibly change locations, to make room for increased bandwidth for cell companies. Engineering studies were conducted in FY 2017 in preparation of these moves.

Production/Local Programming. Production of local programs continues to be of primary importance for Wyoming PBS. During FY 2017, three full-time producers worked to create local content.

Here are television productions completed in FY 2017:

Capitol Outlook, eight 60-minute programs	8.0 hours
Election Coverage, four debates, one 60-minute program	5.5 hours
Farm to Fork, five 30-minute programs	2.5 hours
Inside Energy, four 30-minute programs	2.0 hours
Main Street, Wyoming	.5 hour
State of the State Address	1.5 hours
Wyoming Chronicle, 26 30-minute programs; two 60-minute programs; and one 90-minute program	<u>16.5</u> hours
Total local broadcast production:	36.5 hours

Viewership. Wyoming PBS’s audience is measured four times a year by the Nielsen Ratings service, February, May, July, and November. In May of 2010, approximately 31,500 citizens of Wyoming watched Wyoming PBS at least once a week. In May of 2016, approximately 32,600 citizens watched at least once a week. Minimum change over six years might be alarming. However, commercial broadcasters in the state lost over 56% of their weekly viewers during this same time. Wyoming PBS’s ability to hold viewers in the face of cable and online competition comes from the unique programming we offer.

At the end of 2016, Wyoming PBS aggressively expanded its online video offerings. For the first time, Wyoming PBS licensed streaming rights to programs created by Wyoming independent producers. Wyoming PBS also expanded its online offerings by digitizing over 90 programs from its archive. Finally, Wyoming PBS expanded its use of FaceBook as an online video channel through the use of FaceBook live streaming. As a result of these initiatives, in calendar year 2017, videos were viewed over 1,000,000 times on Wyoming PBS online channels.

Education. In FY 2016, Wyoming PBS completed an early literacy tour to libraries in six towns in Wyoming promoting books and reading. Wyoming PBS also contracted with Alpheus Media to shoot and edit six video modules highlighting the history, languages, government, and people of the Wind River Indian Reservation. An Education Coordinator was hired to coordinate and manage curriculum writing and standards alignment. The project went online in the fall of 2016.

Fundraising. The Wyoming PBS Foundation had a moderately successful year, and through current year private and corporate fundraising programs, as well as private foundation and Wyoming state agency grants, provided \$249,085 in support to Wyoming PBS, which is consistent with the level of support received in FY 2016 of \$258,123.

STATEMENTS OF NET POSITION

	2017	2016	2015
ASSETS			
Current Assets	\$ 3,401,543	\$ 3,020,412	\$ 2,693,280
Noncurrent Assets	1,168,193	1,559,157	2,517,971
Total Assets	<u>4,569,736</u>	<u>4,579,569</u>	<u>5,211,251</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>217,830</u>	<u>274,749</u>	<u>125,025</u>
LIABILITIES			
Current Liabilities	30,518	25,979	33,175
Noncurrent Liabilities	1,011,625	1,068,205	880,069
Total Liabilities	<u>1,042,143</u>	<u>1,094,184</u>	<u>913,244</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>118,428</u>	<u>44,790</u>	<u>1,890</u>
NET POSITION			
Capital Net Position	1,168,193	1,559,157	2,517,971
Restricted Net Position	1,849,022	1,116,357	792,383
Unrestricted Net Position	609,780	1,039,830	1,110,788
Total Net Position	<u>\$ 3,626,995</u>	<u>\$ 3,715,344</u>	<u>\$ 4,421,142</u>

For FY 2015, 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.

Wyoming PBS's total assets figure for FY 2017 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 \$2,517,971 in 2015, to \$1,559,157 in 2016, to \$1,168,193 in 2017).

Comparing "noncurrent asset" figures, FY 2015 to FY 2017, shows that decline clearly – there is a difference of \$390,964 in "noncurrent" assets from 2016 to 2017, compared to \$958,814 from 2015 to 2016 (see Note 3). During all three years, the current assets have remained stable and comparable, except for the increase in amounts Due from other College departments.

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 2017 from \$4,421,142 in 2015 to \$3,715,344 in 2016, to \$3,626,995 in 2017.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	2017	2016	2015
Operating Revenues from Grants and Contracts	\$ 1,871,005	\$ 1,960,285	\$ 1,619,647
Operating Expenses	(4,590,479)	(5,481,306)	(4,804,671)
Operating Loss	(2,719,474)	(3,521,021)	(3,185,024)
Nonoperating Revenues	2,631,125	2,815,223	2,739,283
(Decrease) in Net Position	(88,349)	(705,798)	(445,741)
Net Position			
Beginning of year, as previously reported	3,715,344	4,421,142	5,476,432
Restatement to prior period	-	-	(609,549)
Beginning of year, as restated	3,715,344	4,421,142	4,866,883
End of year	\$ 3,626,995	\$ 3,715,344	\$ 4,421,142

The Station's total nonoperating revenues have remained relatively consistent for all three years.

Our operating revenues from grants and contracts remained consistent between FY 2017 and FY 2016, while they increased from FY 2015 because of increases in state, CPB, and private grants.

Station operating expenses decreased between 2016 and 2017 (from \$5,481,306 in 2016 to \$4,590,479 in 2017) due to decreased programming costs for both productions and purchased/renewed programming, as well as a reduction of staff size by 2 FTE. Station operating expenses increased between 2015 and 2016 (from \$4,804,671 in 2015 to \$5,481,306 in 2016) due to the increase in allocated costs from the College as noted in the increase in revenue attributed as indirect institutional support, as well as an increase in programming costs.

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

STATEMENTS OF NET POSITION
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current Assets		
Cash and cash equivalents (Note 2)	\$ 2,663,490	\$ 2,663,490
Due from other College departments	738,053	356,922
Total current assets	3,401,543	3,020,412
Noncurrent Assets		
Capital assets (Note 3)	1,168,193	1,559,157
Total assets	4,569,736	4,579,569
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows (Note 5)	217,830	274,749
LIABILITIES		
Current Liabilities		
Accrued compensated absences (Note 7)	30,518	25,979
Total current liabilities	30,518	25,979
Noncurrent Liabilities		
Accrued compensated absences (Note 7)	91,555	77,937
Net pension liability (Note 5)	920,070	990,268
Total noncurrent liabilities	1,011,625	1,068,205
Total liabilities	1,042,143	1,094,184
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows (Note 5)	118,428	44,790
NET POSITION		
Invested in capital assets	1,168,193	1,559,157
Restricted:		
Public service uses	1,849,022	1,116,357
Unrestricted	609,780	1,039,830
Total net position	\$ 3,626,995	\$ 3,715,344

See Notes to Financial Statements.

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

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Years Ended June 30, 2017 and 2016

	2017	2016
Operating Revenues		
Grants and contracts	\$ 1,871,005	\$ 1,960,285
Operating Expenses		
Program services:		
Programming, production, and broadcasting (Note 6)	2,768,350	3,096,971
Depreciation (Note 3)	485,095	859,797
Support services:		
Management and general	1,337,034	1,524,538
Total operating expenses	4,590,479	5,481,306
Operating (loss)	(2,719,474)	(3,521,021)
Nonoperating Revenue		
State appropriations	1,718,008	1,899,545
Institutional support from Central Wyoming College	913,117	915,678
Total nonoperating revenue	2,631,125	2,815,223
(Decrease) in net position	(88,349)	(705,798)
Net Position		
Beginning of year	3,715,344	4,421,142
End of year	\$ 3,626,995	\$ 3,715,344

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, 2017 and 2016

	2017	2016
Cash Flows from Operating Activities		
Operating revenues received	\$ 1,473,006	\$ 1,842,605
Payments to/for the benefit of employees	(1,383,784)	(1,726,651)
Payments to suppliers	(1,694,026)	(1,791,821)
Net cash (used in) operating activities	(1,604,804)	(1,675,867)
Cash Flows from Noncapital Financing Activities		
State appropriations	1,718,008	1,899,545
Cash Flows from Capital Financing Activities		
Purchase of capital assets	(113,204)	-
Net increase in cash	-	223,678
Cash and cash equivalents		
Beginning of year	2,663,490	2,439,812
End of year	\$ 2,663,490	\$ 2,663,490
Reconciliation of Operating Loss to Net Cash		
(Used in) Operating Activities		
Operating (loss)	\$ (2,719,474)	\$ (3,521,021)
Adjustments to reconcile net operating (loss) to net cash		
(used in) operating activities:		
Loss on disposal of fixed asset	19,073	99,017
Depreciation expense	485,095	859,797
Noncash institutional support expenses	913,117	915,678
Net pension liability	(70,198)	209,725
Deferred outflows - pension	56,919	(149,724)
Deferred inflows - pension	73,638	42,900
Changes in operating liabilities:		
Receivable	-	29,789
Accrued expenses	18,157	(28,785)
Due to (from) other College departments	(381,131)	(133,243)
Net cash (used in) operating activities	\$ (1,604,804)	\$ (1,675,867)

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, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 500,412	\$ 582,412
Other current assets	16,596	17,145
Investments	281,936	208,851
Property and improvements	109,209	110,609
Total assets	\$ 908,153	\$ 919,017
LIABILITIES		
Annuity agreements	\$ 112	\$ 177
Note payable	29,769	34,108
Accrued benefits	26,312	23,187
Total liabilities	56,193	57,472
NET ASSETS		
Unrestricted	600,907	601,377
Temporarily restricted net assets	41,490	68,317
Permanently restricted	209,563	191,851
Total net assets	851,960	861,545
Total liabilities and net assets	\$ 908,153	\$ 919,017

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, 2017 and 2016

	2017	2016
Unrestricted		
Revenue, gain, and support:		
Contributions	\$ 358,573	\$ 330,443
Investment/interest income	59,904	101,593
Other	104,902	162,858
Total unrestricted revenue, gain, and support	523,379	594,894
Operating expenses:		
Program services:		
College support	249,085	258,123
Supporting services:		
Management and general	337,727	440,782
Total unrestricted operating expenses	586,812	698,905
Net assets released or valuation change	62,963	107,685
Change in unrestricted net assets	(470)	3,674
Temporarily Restricted		
Contributions	53,848	53,437
Net assets released or transferred	(80,675)	(171,310)
Change in temporarily restricted net assets	(26,827)	(117,873)
Permanently Restricted		
Valuation change	17,712	63,625
Change in permanently restricted net assets	17,712	63,625
Change in net assets	(9,585)	(50,574)
Net Assets		
Beginning of year	861,545	912,119
End of year	\$ 851,960	\$ 861,545

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

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

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, 2017 and 2016 amounted to \$913,117 and \$915,678, 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.

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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 the 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 acquisition value. 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.

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; 3 – 14 years for furniture and equipment; and 5 – 10 years for vehicles.

Net position: 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.

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NOTES TO FINANCIAL STATEMENTS

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 pronouncement:

Not yet adopted:

In June 2015, the GASB issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which will replace GASB Statement No. 45 and will require balance sheet recognition of a liability which resembles the current unfunded accrued liability. The Statement will be effective for fiscal years beginning after June 15, 2017. The effect that the adoption of GASB Statement No. 75 will have on the Station's financial statements has not yet been determined.

Note 2. Cash and Cash Equivalents

The Station's cash and cash equivalents are included in the cash accounts of the College. The Station's share of these amounts as of June 30, 2017 and 2016 was \$2,663,490. The College invests cash in excess of immediate needs in money market funds. Cash balances in excess of Federally insured limits are collateralized.

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NOTES TO FINANCIAL STATEMENTS

Note 3. Capital Assets

Capital asset activity for the fiscal years ended June 30, 2017 and 2016 was as follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Nondepreciable Capital Assets				
Land and improvements	\$ 69,997	\$ -	\$ -	\$ 69,997
Total nondepreciable capital assets	69,997	-	-	69,997
Depreciable Capital Assets				
Buildings and improvements	470,732	-	-	470,732
Furniture and equipment	11,550,311	113,204	(165,641)	11,497,874
Vehicles	972,496	-	(178,854)	793,642
Total depreciable capital assets	12,993,539	113,204	(344,495)	12,762,248
Total capital assets	13,063,536	113,204	(344,495)	12,832,245
Less Accumulated Depreciation				
Buildings and improvements	183,161	16,691	-	199,852
Furniture and equipment	10,368,852	455,387	(146,568)	10,677,671
Vehicles	952,366	13,017	(178,854)	786,529
Total accumulated depreciation	11,504,379	485,095	(325,422)	11,664,052
Capital Assets, net	\$ 1,559,157	\$ (371,891)	\$ (19,073)	\$ 1,168,193
<hr/>				
	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Nondepreciable Capital Assets				
Land and improvements	\$ 69,997	\$ -	\$ -	\$ 69,997
Total nondepreciable capital assets	69,997	-	-	69,997
Depreciable Capital Assets				
Buildings and improvements	505,792	-	(35,060)	470,732
Furniture and equipment	11,905,491	-	(355,180)	11,550,311
Vehicles	972,496	-	-	972,496
Total depreciable capital assets	13,383,779	-	(390,240)	12,993,539
Total capital assets	13,453,776	-	(390,240)	13,063,536
Less Accumulated Depreciation				
Buildings and improvements	187,506	16,691	(21,036)	183,161
Furniture and equipment	9,815,122	823,917	(270,187)	10,368,852
Vehicles	933,177	19,189	-	952,366
Total accumulated depreciation	10,935,805	859,797	(291,223)	11,504,379
Capital Assets, net	\$ 2,517,971	\$ (859,797)	\$ (99,017)	\$ 1,559,157

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NOTES TO FINANCIAL STATEMENTS

Note 4. Retirement Commitment – TIAA

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 (TIAA). TIAA is a private defined contribution retirement plan, which is portable to other institutions and states. For the years ended June 30, 2017, 2016, and 2015, the Station's share of the College's contributions to TIAA were \$76,963, \$93,959, and \$76,379, respectively.

Note 5. Retirement Commitment – Wyoming Retirement System

Plan description: Substantially all employees of the Station, excluding those participating in the TIAA defined contribution plan, 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.

Disability Benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties. To qualify, the member must have at least 10 years of service and be "in service" at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his/her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his service retirement benefit as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

Survivor's Benefits: Certain surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

Contributions: Per Title 9-3-412 and 413 of Wyoming State Statutes, for the year ended June 30, 2017, member contributions were required to be 8.25% of compensation and employer contributions were required to be 8.37% of compensation. In accordance with Title 9-3-412(c)(ii) of State Statutes, the Station has elected to pay 6.195% of the member's contribution in addition to the employer's contribution. Total contributions to the pension plan from the Station were \$94,541, \$107,439, and \$114,581 for the years ended June 30, 2017, 2016, and 2015, respectively.

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NOTES TO FINANCIAL STATEMENTS

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2017 and 2016, the Station reported a liability of \$920,070 and \$990,268, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017. 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, 2016 to the contributions of all participating employers for the same period. At December 31, 2016, the Station’s proportion was 0.03805866875%, which was a decrease from its December 31, 2015 proportion of 0.04251260319%.

For the years ended June 30, 2017 and 2016, the Station recognized pension expense of \$118,014 and \$188,163, respectively. At June 30, 2017 and 2016, the Station reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>2017</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 26,106
Net difference between projected and actual earnings on pension plan investments	190,096	-
Changes in proportionate share of contributions	-	92,322
Contributions subsequent to the measurement date	27,734	-
	<u>\$ 217,830</u>	<u>\$ 118,428</u>
	 <u>2016</u> 	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 20,950
Net difference between projected and actual earnings on pension plan investments	244,368	-
Changes in proportionate share of contributions	-	23,840
Contributions subsequent to the measurement date	30,381	-
	<u>\$ 274,749</u>	<u>\$ 44,790</u>

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NOTES TO FINANCIAL STATEMENTS

An amount of \$27,734 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, 2018. 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:	
2018	\$ 21,023
2019	22,930
2020	25,010
2021	2,705
	<u>\$ 71,668</u>

Actuarial assumptions: The total pension liability in the January 1, 2017 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
Payroll growth rate	4.25%
Investment rate of return	7.75%, net of pension plan investment expense

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.

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 arithmetic 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:

Asset Class	Target Allocation	Long-Term Expected Geometric	Long-Term Expected Arithmetic
		Rate of Return	Rate of Return
Cash	0.00%	-0.20%	-0.20%
Fixed income	20.00%	1.43%	1.95%
Equity	45.00%	5.72%	7.73%
Marketable alternatives	17.50%	3.03%	3.73%
Private markets	17.50%	5.84%	7.14%
	<u>100.00%</u>	<u>4.76%</u>	<u>6.38%</u>

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NOTES TO FINANCIAL STATEMENTS

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:

	Decrease (6.75%)	Discount Rate (7.75%)	Increase (8.75%)
Proportionate share of the net pension liability	\$ 1,321,525	\$ 920,070	\$ 582,883

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>.

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, 2017.

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.

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NOTES TO FINANCIAL STATEMENTS

Operating leases: The Station has several leases for the use of space for broadcast towers and equipment, which expire between September 2017 and February 2089, and require various minimum monthly payments.

The future minimum lease payments are as follows:

Fiscal Year	
2018	\$ 41,271
2019	39,345
2020	36,518
2021	23,717
2022	15,242
Thereafter	59,711
	<u>\$ 215,804</u>

Rental expense under above leases, donated leases and month-to-month leases for the years ended June 30, 2017 and 2016 was \$40,184 and \$44,675, respectively, which is included in the programming, production, and broadcasting expense in the accompanying Statements of Revenues, Expenses, and Changes in Net Position.

Note 7. Changes in Long-Term Liabilities

Long-term liability activity for the years ended June 30, 2017 and 2016 is as follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017	Amounts Due Within One Year
Other Liabilities					
Compensated absences	\$ 103,916	\$ 100,131	\$ (81,974)	\$ 122,073	\$ 30,518
Total other liabilities	<u>\$ 103,916</u>	<u>\$ 100,131</u>	<u>\$ (81,974)</u>	<u>\$ 122,073</u>	<u>\$ 30,518</u>
	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Amounts Due Within One Year
Other Liabilities					
Compensated absences	\$ 132,701	\$ 37,279	\$ (66,064)	\$ 103,916	\$ 25,979
Total other liabilities	<u>\$ 132,701</u>	<u>\$ 37,279</u>	<u>\$ (66,064)</u>	<u>\$ 103,916</u>	<u>\$ 25,979</u>

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NOTES TO FINANCIAL STATEMENTS

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 12 and 13. Significant note disclosures to the Foundation's financial statements are included below.

Endowment funds: 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 Wyoming PBS Foundation. The Wyoming Community Foundation pays investment earnings on the fund to the Wyoming PBS Foundation.

At June 30, 2017, total funds in the Wyoming Community Foundation account were \$1,125,256. 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 \$37,116 and \$35,035 for the years ended June 30, 2017 and 2016, respectively.

The Foundation established an endowment fund account with Wells Fargo Financial Services to manage and invest endowment funds for the Foundation. This fund manages endowment gifts designated by donors. The Board of the Wyoming PBS Foundation adds a percentage of unrestricted donations to the endowment fund. The total value of the endowment fund was \$281,936 and \$208,851 as of June 30, 2017 and 2016, respectively. This fund includes unrestricted and permanently restricted funds.

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.

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 Wyoming State Treasurer into the endowment.

Investments: Investments are composed of mutual funds, stocks, and bonds and are carried at fair value. Investments held by these accounts are valued by the custodians at quoted stock prices in active markets for identical assets (Level 1 values). Unrealized gains at June 30, 2017 amounted to \$15,110.

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 \$183,275 at June 30, 2017.

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

Last 4 Fiscal Years*

	Station's proportion of the net pension liability	Station's proportionate share of the net pension liability	Station's covered payroll	Station's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2014	0.04439663860%	\$ 675,007	\$ 774,012	87%	81.10%
2015	0.04423105700%	780,543	766,747	102%	79.08%
2016	0.04251260319%	990,268	759,257	130%	73.40%
2017	0.03805866875%	920,070	680,726	135%	73.42%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains ten years of data.*

See Note to Required Supplementary Information.

KCWC - TV, a/k/a WYOMING PBS
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Central Wyoming College

SCHEDULE OF THE STATION'S CONTRIBUTIONS
Public Employee Pension Plan
Last 4 Fiscal Years*

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll pension liability
2014	\$ 56,296	\$ 56,296	\$ -	\$ 790,675	7.12%
2015	57,078	57,078	-	749,059	7.62%
2016	61,741	61,741	-	737,650	8.37%
2017	54,330	54,330	-	649,098	8.37%

** This schedule is to be built prospectively until it contains ten years of data.*

See Note to Required Supplementary Information.

KCWC – TV, a/k/a Wyoming PBS
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NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1. Retirement Commitment – Wyoming Retirement System

Changes in benefit terms: There were no changes in benefit terms between the December 31, 2015 measurement date and the December 31, 2016 measurement date.

Changes in assumptions: There were no changes in assumptions between the December 31, 2015 measurement date and the December 31, 2016 measurement date.

SUPPLEMENTARY INFORMATION

KCWC - TV, a/k/a WYOMING PBS
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Central Wyoming College

SCHEDULES OF OPERATING EXPENSES
Years Ended June 30, 2017 and 2016

	2017			2016		
	Direct	Indirect	Total	Direct	Indirect	Total
Program Services:						
Salaries	\$ 919,425	\$ -	\$ 919,425	\$ 1,071,572	\$ -	\$ 1,071,572
Benefits	306,475	-	306,475	357,190	-	357,190
Operating expenses	1,542,450	-	1,542,450	1,668,209	-	1,668,209
Total program services	2,768,350	-	2,768,350	3,096,971	-	3,096,971
Support Services:						
Salaries	177,300	464,915	642,215	279,003	531,952	810,955
Benefits	59,100	124,558	183,658	93,001	117,585	210,586
Operating expenses	187,517	323,644	511,161	236,855	266,142	502,997
Total support services	423,917	913,117	1,337,034	608,859	915,679	1,524,538
Depreciation	485,095	-	485,095	859,797	-	859,797
Total operating expenses	\$ 3,677,362	\$ 913,117	\$ 4,590,479	\$ 4,565,627	\$ 915,679	\$ 5,481,306