HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

Financial Statements
For the Years Ended
December 31, 2024 and 2023
with
Independent Auditors' Report

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 – 2
FINANCIAL STATEMENTS:	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4 – 5
Statements of Functional Expenses	6 – 7
Statements of Cash Flows	8
Notes to Financial Statements	9 – 14

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Holy Family Communications
d/b/a The Station of the Cross
Williamsville, New York

Opinion

We have audited the financial statements of Holy Family Communications d/b/a The Station of the Cross, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Holy Family Communications d/b/a The Station of the Cross as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Holy Family Communications d/b/a The Station of the Cross and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Holy Family Communications d/b/a The Station of the Cross' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal

control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Holy Family Communications d/b/a The Station of the Cross' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Holy Family Communications d/b/a The Station of the Cross' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Champion Travis Besaw & Kark LLP

February 10, 2025

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash	$ 238,442	$ 283,450
Insurance receivable	30,633	-
Total current assets	269,075	283,450
PROPERTY AND EQUIPMENT, NET	793,223	858,492
INTANGIBLE ASSETS, NET	74	1,793
OPERATING LEASE RIGHT-OF-USE ASSETS	2,105,556	2,413,095
SECURITY DEPOSITS	2,400	2,400
STATION ACQUISITION COSTS AND LICENSES	1,609,482	1,621,832
	$ 4,779,810	$ 5,181,062
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of operating lease liabilities	$ 256,063	$ 251,829
Accrued expenses	20,741	16,857
Total current liabilities	276,804	268,686
OPERATING LEASE LIABILITIES	1,997,465	2,272,968
Total liabilities	2,274,269	2,541,654
NET ASSETS WITHOUT DONOR RESTRICTION	2,505,541	2,639,408
	$ 4,779,810	$ 5,181,062

See notes to financial statements.

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
REVENUE AND OTHER SUPPORT		
Contributions - general	$ 1,850,485	$ 2,016,592
Contributions - special events	111,817	-
Contributed nonfinancial assets	14,094	6,580
Gain on sale of radio stations (Note 4)	77,324	-
Interest income	-	10
Other income	4,421	3,554
Total revenue and other support	2,058,141	2,026,736
EXPENSES		
Program services	1,648,338	2,525,633
Management and general	227,272	298,393
Fundraising	316,398	264,205
Total expenses	2,192,008	3,088,231
CHANGES IN NET ASSETS	(133,867)	(1,061,495)
NET ASSETS, beginning of year	2,639,408	3,700,903
NET ASSETS, end of year	$ 2,505,541	$ 2,639,408

See notes to financial statements.

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restriction	With Donor Restriction	2023 Total
REVENUE AND OTHER SUPPORT			
Contributions - general	$ 1,902,592	$ 114,000	$ 2,016,592
Contributed nonfinancial assets	6,580	-	6,580
Interest income	-	10	10
Other income	3,554	-	3,554
Net assets released from restriction	225,056	(225,056)	-
Total revenue and other support	2,137,782	(111,046)	2,026,736
EXPENSES			
Program services	2,525,633	-	2,525,633
Management and general	298,393	-	298,393
Fundraising	264,205	-	264,205
Total expenses	3,088,231	-	3,088,231
CHANGES IN NET ASSETS	(950,449)	(111,046)	(1,061,495)
NET ASSETS, beginning of year	3,589,857	111,046	3,700,903
NET ASSETS, end of year	$ 2,639,408	$ -	$ 2,639,408

See notes to financial statements.

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024 (WITH COMPARATIVE TOTALS FOR 2023)

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	2024 Total	2023 Total
Compensation and related expenses					
Salaries and wages	$ 508,244	$ 82,216	$ 156,958	$ 747,418	$ 727,007
Payroll taxes	42,396	6,858	13,093	62,347	60,265
Health insurance	44,788	7,245	13,832	65,865	62,822
Total compensation and related expenses	595,428	96,319	183,883	875,630	850,094
Bank charges and fees	-	5,816	-	5,816	3,135
Cleaning and maintenance	36,254	12,948	2,590	51,792	68,776
Contributions	6,227	-	-	6,227	16,650
Depreciation and amortization	72,946	-	-	72,946	74,347
Donation processing	25,059	1,474	2,948	29,481	34,202
Dues and subscriptions	-	6,171	-	6,171	4,620
Engineering expense	31,284	-	-	31,284	37,202
Filing fees	775	-	-	775	775
Insurance	18,234	4,559	-	22,793	23,013
Interest expense	4,602	-	-	4,602	-
Licenses and permits	4,993	-	-	4,993	6,642
Local ministry	347	-	-	347	498
Loss on impairment (Note 2)	-	-	-	-	837,501
Membership drive	-	-	27,000	27,000	14,954
Miscellaneous	2,096	1,520	191	3,807	2,686
Newsletter	32,774	3,856	1,928	38,558	38,946
Office supplies	7,247	14,495	2,416	24,158	48,597
Payroll service	2,826	166	333	3,325	3,245
Postage	7,002	7,002	14,004	28,008	25,523
Printing	309	154	154	617	2,240
Professional fees	4,420	17,680	-	22,100	28,184
Programming expenses	38,475	-	-	38,475	69,497
Promotion	39,432	-	32,262	71,694	100,895
Rent expense	417,677	23,204	23,204	464,085	479,576
Special event - 25th anniversary	94,587	-	-	94,587	-
Station consulting	-	-	-	-	9,000
Studio supplies	2,224	-	-	2,224	2,996
Taxes	461	27	54	542	547
Telephone and internet	47,869	13,677	6,838	68,384	84,254
Travel and meals	2,188	2,917	2,188	7,293	25,683
Utilities	122,240	7,191	14,381	143,812	150,545
Web page expense	30,362	8,096	2,024	40,482	43,408
Total expenses	$ 1,648,338	$ 227,272	$ 316,398	$ 2,192,008	$ 3,088,231

See notes to financial statements.

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	2023 Total
Compensation and related expenses				
Salaries and wages	$ 508,905	$ 116,321	$ 101,781	$ 727,007
Payroll taxes	42,186	9,642	8,437	60,265
Health insurance	43,975	10,052	8,795	62,822
Total compensation and related expenses	595,066	136,015	119,013	850,094
Bank charges and fees	-	3,135	-	3,135
Cleaning and maintenance	48,143	17,194	3,439	68,776
Contributions	16,650	-	-	16,650
Depreciation and amortization	74,347	-	-	74,347
Donation processing	29,072	1,710	3,420	34,202
Dues and subscriptions	-	4,620	-	4,620
Engineering expense	37,202	-	-	37,202
Filing fees	775	-	-	775
Insurance	18,410	4,603	-	23,013
Licenses and permits	6,642	-	-	6,642
Local ministry	498	-	-	498
Loss on impairment (Note 2)	837,501	-	-	837,501
Membership drive	-	-	14,954	14,954
Miscellaneous	1,478	1,074	134	2,686
Newsletter	33,104	3,895	1,947	38,946
Office supplies	14,579	29,158	4,860	48,597
Payroll service	2,758	162	325	3,245
Postage	6,381	6,381	12,761	25,523
Printing	1,120	560	560	2,240
Professional fees	5,637	22,547	-	28,184
Programming expenses	69,497	-	-	69,497
Promotion	55,492	-	45,403	100,895
Rent expense	431,618	23,979	23,979	479,576
Station consulting	9,000	-	-	9,000
Studio supplies	2,996	-	-	2,996
Taxes	465	27	55	547
Telephone and internet	58,978	16,851	8,425	84,254
Travel and meals	7,705	10,273	7,705	25,683
Utilities	127,963	7,527	15,055	150,545
Web page expense	32,556	8,682	2,170	43,408
Total expenses	$ 2,525,633	$ 298,393	$ 264,205	$ 3,088,231

See notes to financial statements.

HOLY FAMILY COMMUNICATIONS
d/b/a THE STATION OF THE CROSS

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ (133,867)	$ (1,061,495)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation and amortization	72,946	74,347
Amortization of operating lease right-of-use assets	362,563	366,042
Gain on sale of radio stations (Note 4)	(77,324)	-
Loss on impairment (Note 2)	-	837,501
Changes in operating assets and liabilities:		
Insurance receivable	(30,633)	-
Accounts payable	-	(17,219)
Accrued expenses	3,884	4,852
Operating lease liabilities	(326,293)	(315,817)
Net cash used in operating activities	(128,724)	(111,789)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(6,197)	(107,563)
Station acquisition costs and licenses	(6,550)	(79,325)
Proceeds on sale of radio stations (Note 4)	96,463	-
Net cash provided by (used in) investing activities	83,716	(186,888)
NET CHANGE IN CASH	(45,008)	(298,677)
CASH, BEGINNING OF YEAR	283,450	582,127
CASH, END OF YEAR	$ 238,442	$ 283,450
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	$ 4,602	$ -
SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING ACTIVITIES:		
Operating lease right-of-use assets disposed of in exchange for termination of lease obligations	$ 22,309	$ -

See notes to financial statements.

1. ORGANIZATION

Holy Family Communications d/b/a The Station of the Cross (the "Organization") is a nonprofit Catholic media organization. The Organization operates radio stations broadcasting to all or portions of Western and Central New York, the Massachusetts area, Northeast Ohio, and Oil City and Erie, Pennsylvania areas. The Organization also operates on the internet as iCatholicRadio.com and as iCatholicRadio mobile applications.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements are prepared on the accrual basis of accounting and according to current accounting standards, which require that all not-for-profit organizations provide a statement of financial position, a statement of activities, and a statement of cash flows. A separate presentation of expenses by function and classification is also required. Classification of net assets and revenues, expenses, gains, and losses are based on the existence or absence of donor-imposed restrictions.

Generally accepted accounting principles require that resources be classified for reporting purposes into two categories based upon the presence or absence of donor restrictions – with donor restrictions or without donor restrictions. Net assets without donor restrictions represents resources available for the general support of the Organization's activities and may be designated by the Organization's Board of Directors for specific purposes. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Organization. As restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

The Organization accounts for contributions in accordance with current accounting standards, which require an organization to recognize contributions, including unconditional promises to give, as revenue when received. These standards also require not-for-profit organizations to distinguish between contributions received that increase net assets without donor restrictions and net assets with donor restrictions, and require recognition of the expiration of donor-imposed restrictions in the period in which the restrictions expire.

Cash – Cash represents demand deposit accounts with financial institutions, which, at times, may exceed federally-insured limits. The Organization has not experienced any losses in such accounts. Management believes that the Organization is not exposed to any significant credit risk with respect to its cash.

Property and Equipment – Property and equipment are stated at cost at the date of acquisition or, if donated, at the approximate fair value at the date of donation. Depreciation and amortization are computed using straight-line and accelerated methods at annual rates, which are sufficient to amortize the gross carrying amounts over the estimated useful lives (3 – 39 years). Maintenance and repairs are charged to operations as incurred; significant betterments are capitalized.

Intangible Assets – Intangible assets are comprised of a trademark, web page, and software that are carried at cost, amortized using the straight-line method over ten, three, and five years, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Station Acquisition Costs and Licenses – The Organization has incurred costs to acquire stations and licenses that management has determined to have indefinite useful lives and therefore are not amortized. Instead, these assets are reviewed annually for impairment, or more frequently, when conditions indicate that impairment may have occurred. FCC license renewals are expensed as incurred.

Management had determined that the carrying value of costs to acquire two (2) stations and licenses were impaired based on deteriorating industry considerations and trend of declining purchase prices of recent station acquisitions as of December 31, 2023. The fair market values of WQOM 1060 AM (Boston, MA) and WLOF 101.7 FM (Buffalo, NY) were determined by receiving an independent third-party valuation, based on recent sales prices of stations of similar sizes and frequencies. Loss on impairment totaled $837,501 and was recorded in program services expenses within the statement of activities and changes in net assets for the year ended December 31, 2023. There was no determination of further impairment as of December 31, 2024.

Contributed Nonfinancial Assets – The Organization records contributions of nonfinancial assets in accordance with Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 requires not-for-profits to present contributed nonfinancial assets as a separate line item in the statement of activities and changes in net assets and provide additional disclosures about contributions of nonfinancial assets.

The Organization recognizes contributed nonfinancial assets if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization recognizes contributed nonfinancial asset revenue from donated marketable securities and vehicles in an amount approximating the estimated fair value at the time of the donation.

Leases – The Organization recognizes leases in accordance with ASU 2016-02, *Leases* (Topic 842). ASU 2016-02 requires the recognition of leases on the balance sheet as right-of-use ("ROU") assets and lease liabilities.

The Organization follows the standard:

- to exclude leases with an initial term of 12 months or less from recognition requirements under Topic 842.
- to utilize the portfolio approach for certain equipment leases, grouping leases by asset type which have similar lease terms and payment schedules.
- to not separate lease components and non-lease components.

Promotion – The Organization expenses all promotion costs when incurred. Promotion expense amounted to approximately $72,000 and $101,000 for the years ended December 31, 2024 and 2023, respectively.

Income Taxes – The Organization is a 501(c)(3) organization exempt from federal income taxes under Section 501(a) of the Internal Revenue Code and from New York State income taxes under Article 7-A of the Executive Law. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses – The Organization allocates depreciation, amortization, and interest generally on the basis of department for which the assets were purchased or constructed; the allocation of compensation and related expenses are based on head count of employees and direct cost to specified departments; the allocation of membership drive and donation processing are based on direct costs associated with fundraising expenses; and the allocation of all other expenses between program services, management and general, and fundraising are based on management's reasonable percentage estimate of job function.

Accounting Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Subsequent Events – Management of the Organization has evaluated the effects of all subsequent events through February 10, 2025, the date the financial statements were available to be issued, to determine if events or transactions occurring through that date require potential adjustments or disclosure in the financial statements.

3. LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statements of financial position, comprise of the following as of December 31:

	2024	2023
Cash	$ 238,442	$ 283,450
Insurance receivable	30,633	-
	$ 269,075	$ 283,450

As more fully described in Note 6, the Organization has a committed line of credit through a financial institution for borrowings up to $250,000, which could be drawn upon in the event of an unanticipated liquidity need. There was $250,000 available to be drawn on the line of credit as of December 31, 2024 and 2023.

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2024	2023
Land	$ 285,539	$ 285,539
Buildings and improvements	57,014	57,014
Leasehold improvements	275,880	275,880
Office furniture and fixtures	43,614	43,614
Machinery and equipment	2,254,118	2,336,822
	2,916,165	2,998,869
Less accumulated depreciation	2,122,942	2,140,377
	$ 793,223	$ 858,492

4. PROPERTY AND EQUIPMENT (continued)

Depreciation expense was $71,227 and $74,062 for the years ended December 31, 2024 and 2023, respectively.

In October 2024, the Organization sold WLGU 90.7 FM (Lancaster, NY) and W203AW 88.5 FM (Fredonia, NY) for approximately $96,000, net sales costs, which resulted in a gain on sale of approximately $77,000.

5. FCC LICENSES

The Organization operates twenty-one (21) radio stations under licenses granted by the Federal Communications Commission. WLOF 101.7 FM operates in the Buffalo, NY listening area, WHICH 1460 AM and 92.9 FM operate in the Rochester, NY area, WQOM 1060 AM operates in the Boston, MA area, WMTQ 88.1 FM operates in the Corning/Elmira, NY area, WTMI 88.7 FM operates in the Syracuse, NY area, WQHE 88.3 FM operates in the Oil City, PA area, W221DI 92.1 FM operates in Erie, PA, WMIH 89.5 FM operates in Geneva, OH, WLGU 90.7 FM operates in Lancaster, NY, W275ER 99.3 FM operates in Greece, NY, W203AW 88.5 FM operates in Fredonia, NY, WESO 970 AM, W266DK 101.1 FM and WNEB 1230 AM operate in the Worcester, MA area, WGGO 1590 AM and W263CZ 100.5 FM operate in the Salamanca, NY area, WACE 730 AM operates in Springfield, MA, WPMW 88.5 FM operates in Middleborough Center, MA, WRRS 88.5 FM operates in Fall River, MA, and WHVM 91.9 FM operates in Owego, NY.

In October 2024, the organization sold WLGU 90.7 FM and W203AW 88.5 FM as described in Note 4.

6. LINE OF CREDIT

The Organization has a $250,000 line of credit with a bank, with interest at the bank's prime rate. Bank advances on the line of credit are payable on demand. The line is secured by the assets of the Organization and is personally guaranteed by the President of the Organization. There were no borrowings outstanding on the line of credit as of December 31, 2024 and 2023.

7. NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restriction consisted of the following as of December 31, 2023:

Net assets with donor restriction, beginning of year	$ 111,046
Donation received restricted for station acquisitions	114,000
Interest income	10
Net assets released from restriction	(225,056)
Net assets with donor restriction, end of year	$ -

There were no net assets with donor restriction as of December 31, 2024.

In October 2020, the Organization received a contribution of $500,000. The funds were restricted for the establishment of a new radio station in Springfield, Massachusetts. The radio station was acquired in October 2022 for approximately $202,000, plus additional acquisition related costs of $8,000. Costs incurred related to the capitalization of equipment totaled approximately $36,000 for the year ended December 31, 2023. The station and related equipment were placed in service effective February 2023 and the remaining net assets with donor restriction were released.

7. NET ASSETS WITH DONOR RESTRICTION (continued)

In March 2023, the Organization received a contribution of $114,000. The funds were restricted for the establishment of three new radio stations in Fall River and Middleborough Center, Massachusetts, and Owego, New York. The radio stations were acquired in July 2023 for approximately $76,000. Costs incurred related to the capitalization of equipment totaled approximately $53,000 for the year ended December 31, 2023. The stations and related equipment were placed in service effective December 2023 and the remaining net assets with donor restriction were released.

8. CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets recognized within the statement of activities and changes in nets assets consisted of the following for the years ended December 31:

	2024	2023
Marketable securities	$ 12,546	$ 3,972
Vehicles	1,548	2,608
	$ 14,094	$ 6,580

The Organization recognized contributed nonfinancial assets within revenue and other support, including contributed marketable securities and vehicles. Contributed nonfinancial assets did not have donor-imposed restrictions.

It is the Organization's policy to sell contributed marketable securities immediately upon receipt. All marketable securities were sold and valued at the readily observable fair market value at the date of disposition.

Contributed vehicles are provided by donors to a third-party service and are sold immediately upon receipt at auction or for salvage. All vehicles were sold and valued according to the actual cash proceeds on their disposition, less applicable fees.

The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs, fundraising efforts and committee assignment. No accounting recognition is made for the fair market value of services provided by volunteer personnel as no objective basis is available to measure the value of such services.

9. OFFICER'S LIFE INSURANCE

The Organization is the owner and beneficiary of a term life insurance policy with a $300,000 face value on the life of the President of the Organization.

10. LEASES

The Organization has operating leases for space on transmission towers, studio and office space, land, and office equipment from various lessors. The Organization's operating leases have remaining terms through May 2041, some of which include options to extend or terminate the lease.

10. LEASES (continued)

The ROU assets and lease liabilities are recognized based on the present value of the lease payments over the lease term, including options to extend if reasonably foreseeable, discounted utilizing the incremental borrowing rate at the earlier of the date of the commencement of the lease or the date of adoption of ASU 2016-02 (January 1, 2022). The Organization recognizes operating lease expense on a straight-line basis over the lease term.

Operating lease expense, inclusive of common area maintenance expenses, totaled $464,085 and $479,576 for the years ended December 31, 2024 and 2023, respectively.

Other information related to the Organization's operating leases were as follows:

Weighted-average remaining lease term (in years)	9.20
Weighted-average discount rate:	3.25%

Future minimum lease payments under the Organization's operating leases as of December 31, 2024, were as follows:

2025	$ 324,616
2026	325,820
2027	322,445
2028	338,563
2029	333,996
Thereafter	995,021
Total minimum lease payments	2,640,461
Less:	
Imputed interest	(386,933)
Total operating lease liabilities	$ 2,253,528

11. RELATED PARTY TRANSACTIONS

Effective January 1, 2023, the Organization leases office space at the place of residence of the President of the Organization on a year-to-year basis, with base rent at $200 per month. Total payments under this lease was $2,400 for each of the years ended December 31, 2024 and 2023.

12. INTENTIONS TO GIVE (UNAUDITED)

The amount of pledges with intentions to give totaled approximately $42,000 and $189,000 as of December 31, 2024 and 2023, respectively, which have not been audited and are merely disclosed for informational purposes.

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