

# Radio Milwaukee, Inc.

Milwaukee, Wisconsin

Consolidated Financial Statements

Years Ended December 31, 2018 and 2017



**WIPFLi**<sup>LLP</sup>  
CPAs and Consultants

# Radio Milwaukee, Inc.

Years Ended December 31, 2018 and 2017

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## Independent Auditor's Report

Board of Directors  
Radio Milwaukee, Inc.  
Milwaukee, Wisconsin

We have audited the accompanying consolidated financial statements of Radio Milwaukee, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States; 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Radio Milwaukee, Inc. as of December 31, 2018 and 2017, 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.

*Wipfli LLP*

Wipfli LLP  
Milwaukee, Wisconsin

June 17, 2019

# Radio Milwaukee, Inc.

## Consolidated Statements of Financial Position

December 31, 2018 and 2017

Assets	2018	2017
Current assets:		
Cash and cash equivalents	\$ 1,723,116	\$ 1,575,613
Accounts receivable, net	217,424	175,060
Current portion of pledges receivable, net	753,764	455,820
Prepaid expenses	17,726	17,054
<b>Total current assets</b>	<b>2,712,030</b>	<b>2,223,547</b>
Pledges receivable, less current portion, net	186,500	181,575
Unemployment reserve	16,320	13,703
Property and equipment, net	2,852,079	2,927,842
<b>TOTAL ASSETS</b>	<b>\$ 5,766,929</b>	<b>\$ 5,346,667</b>
Liabilities and Net Assets	2018	2017
Current liabilities:		
Accounts payable	\$ 53,622	\$ 14,465
Accrued payroll	87,494	46,593
Accrued expenses	12,625	2,550
Deferred revenue	32,205	68,580
<b>Total current liabilities</b>	<b>185,946</b>	<b>132,188</b>
Net assets:		
Without donor restrictions	4,530,780	4,534,861
With donor restrictions	1,050,203	679,618
<b>Total net assets</b>	<b>5,580,983</b>	<b>5,214,479</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 5,766,929</b>	<b>\$ 5,346,667</b>

See accompanying notes to consolidated financial statements.

**Radio Milwaukee, Inc.**  
**Consolidated Statements of Activities**  
Years Ended December 31, 2018 and 2017

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Individual gifts and membership	\$ 648,444	\$ 509,761	\$ 1,158,205	\$ 680,274	\$ 352,377	\$ 1,032,651
Foundations	211,390	400,910	612,300	229,130	141,650	370,780
Underwriting	1,298,705	58,500	1,357,205	1,070,676	-	1,070,676
Public funding	181,416	-	181,416	173,163	-	173,163
In-kind donations	35,651	-	35,651	80,341	-	80,341
Event revenue	110,556	15,459	126,015	171,262	5,425	176,687
Interest income	3,604	36	3,640	3,158	143	3,301
Other income	46,495	-	46,495	42,727	-	42,727
Net assets released from restrictions	614,081	(614,081)	-	514,095	(514,095)	-
<b>Total support and revenue</b>	<b>3,150,342</b>	<b>370,585</b>	<b>3,520,927</b>	<b>2,964,826</b>	<b>(14,500)</b>	<b>2,950,326</b>
Expenses:						
Program	2,363,725	-	2,363,725	1,903,148	-	1,903,148
Management and general	413,974	-	413,974	456,293	-	456,293
Fundraising	376,724	-	376,724	454,149	-	454,149
<b>Total expenses</b>	<b>3,154,423</b>	<b>-</b>	<b>3,154,423</b>	<b>2,813,590</b>	<b>-</b>	<b>2,813,590</b>
Changes in net assets	(4,081)	370,585	366,504	151,236	(14,500)	136,736
Net assets at beginning of year	4,534,861	679,618	5,214,479	4,383,625	694,118	5,077,743
<b>Net assets at end of year</b>	<b>\$ 4,530,780</b>	<b>\$ 1,050,203</b>	<b>\$ 5,580,983</b>	<b>\$ 4,534,861</b>	<b>\$ 679,618</b>	<b>\$ 5,214,479</b>

See accompanying notes to consolidated financial statements.

# Radio Milwaukee, Inc.

## Consolidated Statements of Functional Expenses

Years Ended December 31, 2018 and 2017

	2018				2017			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and wages	\$1,220,553	\$ 255,627	\$ 184,715	\$1,660,895	\$1,010,467	\$ 263,001	\$ 191,269	\$1,464,737
Employee benefits	126,108	26,412	19,085	171,605	138,712	35,855	26,076	200,643
Payroll taxes	92,122	19,232	13,897	125,251	81,408	20,267	14,739	116,414
Professional fees	1,372	30,216	-	31,588	750	27,949	-	28,699
Station programming and related	415,685	28,028	4,100	447,813	173,332	10,444	-	183,776
Community outreach	116,597	-	69,073	185,670	162,393	39,127	73,866	275,386
Fundraising and member events	2,304	-	31,850	34,154	-	-	84,628	84,628
Costs of direct benefits to donors	-	-	11,840	11,840	-	-	14,680	14,680
Postage and shipping	-	19,911	356	20,267	-	13,397	6,495	19,892
Office supplies	13,479	2,823	2,040	18,342	1,093	10,476	1,818	13,387
Telephone and internet	20,074	4,204	3,038	27,316	19,539	5,222	3,571	28,332
Equipment	11,654	2,557	1,449	15,660	12,380	1,125	1,125	14,630
Occupancy	73,663	4,092	4,092	81,847	67,222	3,734	3,734	74,690
Travel, conferences and meetings	28,656	6,343	1,236	36,235	12,202	11,573	5,049	28,824
Other operating	35,380	3,075	18,409	56,864	31,150	3,428	16,404	50,982
Depreciation	206,078	11,454	11,544	229,076	192,500	10,695	10,695	213,890
<b>Total expenses</b>	<b>\$ 2,363,725</b>	<b>\$ 413,974</b>	<b>\$ 376,724</b>	<b>\$ 3,154,423</b>	<b>\$ 1,903,148</b>	<b>\$ 456,293</b>	<b>\$ 454,149</b>	<b>\$ 2,813,590</b>

See accompanying notes to consolidated financial statements.

# Radio Milwaukee, Inc.

## Consolidated Statements of Cash Flows

Years Ended December 31, 2018 and 2017

	2018	2017
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Change in net assets	\$ 366,504	\$ 136,736
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	229,076	213,890
In-kind donations of equipment	-	(15,213)
Changes in operating assets and liabilities:		
Accounts receivable	(42,364)	(32,722)
Pledges receivable	(348,069)	(160,250)
Prepaid expenses	(672)	(1,200)
Accounts payable	39,157	(14,067)
Accrued payroll	40,901	20,249
Accrued expenses	10,075	(4,221)
Deferred revenue	(36,375)	61,491
Net cash provided by operating activities	258,233	204,693
Cash flows from investing activities:		
Capital expenditures	(153,313)	(214,534)
Net change in unemployment reserve	(2,617)	5
Net cash used in investing activities	(155,930)	(214,529)
Cash flows from financing activities:		
Collections of capital campaign pledges and gifts	45,200	72,264
Increase in cash and cash equivalents	147,503	62,428
Cash and cash equivalents at beginning of year	1,575,613	1,513,185
Cash and cash equivalents at end of year	\$ 1,723,116	\$ 1,575,613

See accompanying notes to consolidated financial statements.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### Note 1: Summary of Significant Accounting Policies

#### Nature of Activities

Radio Milwaukee, Inc. (“Radio Milwaukee” or the “Organization”) was organized as a non-profit corporation in Milwaukee, Wisconsin. Through music and stories created for a culturally open-minded community, Radio Milwaukee is a catalyst for creating a better, more inclusive and engaged Milwaukee. Radio Milwaukee reaches a new generation of radio listeners with Milwaukee’s most entertaining and adventurous selection of music and public affairs programming. It champions Milwaukee - our music, arts and culture, neighborhoods and community organizations - by celebrating diversity and encouraging community engagement while promoting a positive global identity for Milwaukee.

Radio Milwaukee broadcasts on 88.9 FM, WYMS. The station is licensed by the Federal Communications Commission to the Milwaukee Board of School Directors. Radio Milwaukee provides programming for the station, which also broadcasts school board meetings and other promotions of Milwaukee Public Schools.

Sound Foundation, LLC, (“Sound Foundation”), a Wisconsin limited liability corporation, was created in February 2013 for the purpose of purchasing property for studios and other functions of Radio Milwaukee. Radio Milwaukee is the sole member of Sound Foundation.

#### Consolidated Financial Statements

The accompanying consolidated financial statements include the accounts of Radio Milwaukee and Sound Foundation. All material intercompany balances and transactions have been eliminated in the consolidation.

#### Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”).

The Organization maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

#### Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

***Net Assets Without Donor Restrictions*** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.



# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Net Assets (Continued)

**Net Assets with Donor Restrictions** – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### Use of Estimates in Preparation of Financial Statements

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that directly affect certain reported amounts of disclosures. Accordingly, actual results may differ from these estimates.

#### Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

#### Accounts Receivable

Accounts receivable are generally uncollateralized underwriting contract obligations due upon performance. Payments of accounts receivable are allocated to the specific invoices identified on the client's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. Management individually reviews all past due accounts receivable balances and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of accounts receivable were reduced by allowances of \$3,000 that reflect management's estimate of uncollectible amounts at December 31, 2018 and 2017.

#### Pledges Receivable

Pledges are recorded as receivables in the year the pledge was made. Pledges and other promises to give whose eventual uses are restricted by the donor are recorded as increases in net assets with donor restrictions. Pledges without donor restrictions to be collected in future periods are also recorded as an increase to net assets with donor restrictions and reclassified to net assets without donor restrictions when received.

Pledges receivable are reported in the consolidated statements of financial position net of unamortized discounts and an allowance for uncollectible pledges. Pledges receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows using a discount rate that approximates the rate of government securities. Amortization of the discount is recorded as an increase in contribution revenue. The effective discount rates applied were 5.0% and 4.0% for pledges received in 2018 and 2017, respectively. Management individually reviews all pledges receivable and estimates the portion, if any, of the balance that will not be collected.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Pledges Receivable** (Continued)

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

#### **Unemployment Reserve**

The Organization has elected reimbursement financing under provisions of the Wisconsin unemployment compensation laws. Unemployment claims are paid to the State of Wisconsin as incurred. The Organization has an unemployment reserve established with an area financial institution of \$16,320 and \$13,703 at December 31, 2018 and 2017, respectively, to meet state funding requirements.

#### **Property and Equipment**

Property and equipment are stated at cost if purchased or fair value at date of the gift if donated. All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, improvement and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and any resulting gains or losses are included in income.

Contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. The Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment are depreciated using the straight-line method over their estimated useful lives (see Note 4).

#### **Deferred Revenue**

Deferred revenue consists of funds received in advance of fundraising events and underwriting receipts received in advance of completion of the underwriting contracts. Revenues will be recognized in future periods as the revenue is earned.

#### **Contributions**

Contributions are recognized when the donor makes a promise to give to Radio Milwaukee that is, in substance, unconditional. Contributions received are recorded as without or with donor restrictions, depending on the existence and nature of any donor restrictions.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Contributions** (Continued)

Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions in the accompanying consolidated financial statements.

#### **In-Kind Donations**

Contributed services are reflected as both contribution revenue and expenses in the accompanying consolidated statements of activities at their estimated fair value at the date of receipt, if they meet the criteria defined in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-605-25-16, *Contributed Services*. Contributed services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided. Radio Milwaukee recognized \$35,651 and \$65,128 of in-kind services for the years ended December 31, 2018 and 2017, respectively.

Radio Milwaukee capitalized \$15,213 of in-kind equipment donations in 2017.

In addition, Radio Milwaukee receives services from volunteers who give significant amounts of their time to Radio Milwaukee's programs and fundraising campaigns. No amounts have been reflected for these types of donated services as they do not meet the criteria for recognition.

#### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses have been allocated based upon time spent, utilization, and square footage.

Program expenses relate to the development of radio programming, music, and music education.

#### **Advertising and Marketing**

Advertising and marketing costs are expensed as incurred and totaled \$99,616 and \$162,393 for the years ended December 31, 2018 and 2017, respectively.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Income Taxes**

Radio Milwaukee is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Radio Milwaukee is also exempt from state income taxes on related income.

Radio Milwaukee recognizes the benefits of a tax position only after determining whether it is more likely than not that the taxing authority would sustain the tax position upon examination of the technical merits of the tax position assuming the taxing authority has full knowledge of all information. Radio Milwaukee has recorded no assets or liabilities related to uncertain tax positions.

Sound Foundation is considered a disregarded entity for income tax purposes.

#### **Subsequent Events**

Subsequent events have been evaluated through June 17, 2019, which is the date the consolidated financial statements were available to be issued.

#### **New Accounting Pronouncements**

In August 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities* (Topic 958, *Presentation of Financial Statements of Not-for-Profit Entities*). This ASU provides for certain improvements in financial reporting for not-for-profit organizations and requires changes to net asset classification, enhancements to liquidity presentation and disclosures, presentation of an analysis of expenses by function and by nature, netting of investment expenses with return, among other changes. The guidance in this ASU is effective for the Organization's year ended December 31, 2018 and was applied retrospectively to the 2017 consolidated financial statements, with the exception of certain omissions permitted by the ASU.

### **Note 2: Concentrations**

Radio Milwaukee maintains depository relationships with area financial institutions. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured.

Pledges receivable from one donor constitute 10.6% and 19.6% of total pledges receivable at December 31, 2018 and 2017, respectively.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

### Note 3: Pledges Receivable

Pledges receivable consist of the following:

<i>As of December 31,</i>	<b>2018</b>	<b>2017</b>
Less than one year	\$ 810,564	\$ 505,020
One to five years	201,500	198,175
<b>Total pledges receivable</b>	<b>1,012,064</b>	<b>703,195</b>
Less:		
Allowance for uncollectible pledges receivable	(56,800)	(49,200)
Unamortized present value discount	(15,000)	(16,600)
<b>Pledges receivable, net</b>	<b>940,264</b>	<b>637,395</b>
Less - Current portion	(753,764)	(455,820)
<b>Pledges receivable, less current portion, net</b>	<b>\$ 186,500</b>	<b>\$ 181,575</b>

### Note 4: Property and Equipment

Property and equipment consists of the following:

<i>As of December 31,</i>	<b>Depreciable Lives</b>	<b>2018</b>	<b>2017</b>
Land	Not applicable	\$ 285,000	\$ 285,000
Building and building improvements	5 to 35 years	2,352,008	2,346,131
Furniture, fixtures and equipment	3 to 10 years	223,098	223,098
Studio equipment	7 to 10 years	598,438	512,237
Software and information technology	3 to 7 years	350,212	270,707
Construction in progress	Not applicable	-	18,270
<b>Total property and equipment</b>		<b>3,808,756</b>	<b>3,655,443</b>
Less: Accumulated depreciation		(956,677)	(727,601)
<b>Property and equipment, net</b>		<b>\$ 2,852,079</b>	<b>\$ 2,927,842</b>

### Note 5: Line of Credit

Radio Milwaukee has a \$100,000 line of credit with an area bank which is collateralized by a general business security agreement. Interest is payable monthly at the greater of the prime rate plus 2.25% or 4.50% (7.50% at December 31, 2018). There was no balance outstanding on the line of credit at December 31, 2018 and 2017. The line of credit matures in December 2020.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### Note 6: Net Assets With Donor Restrictions

Net assets with donor restrictions include assets set aside in accordance with donor restrictions as to time and use. Net assets with donor restrictions consist of the following:

<i>As of December 31,</i>	<b>2018</b>	<b>2017</b>
Subject to expenditure for specified purpose:		
Capital campaign	\$ -	\$ 23,953
Backline program	194,063	-
Pledges receivable, the proceeds from which have been restricted by donors for:		
Capital campaign	45,820	164,343
Backline program	234,700	92,900
<b>Total subject to expenditure for specified purpose</b>	<b>474,583</b>	<b>281,196</b>
Subject to the passage of time - Pledges receivable that are not restricted by donors but which are unavailable for expenditure until due	575,620	380,152
Subject to placement into service - Construction in progress	-	18,270
<b>Total net assets with donor restrictions</b>	<b>\$ 1,050,203</b>	<b>\$ 679,618</b>

Reclassifications from net assets with donor restrictions to net assets without donor restrictions occurs when Radio Milwaukee fulfills the purpose for which the net assets were restricted by the donor, the donor-imposed restrictions expire with the passage of time, or a restriction is withdrawn. Net assets released from restrictions as reported on the consolidated statements of activities were as follows:

<i>Years Ended December 31,</i>	<b>2018</b>	<b>2017</b>
Satisfaction of purpose restrictions:		
Capital expenditures	\$ 153,312	\$ 174,893
Backline program	62,347	-
Expiration of time restrictions	380,152	339,202
Building and equipment placed into service	18,270	-
<b>Net assets released from restrictions</b>	<b>\$ 614,081</b>	<b>\$ 514,095</b>

### Note 7: Operating Lease

Radio Milwaukee leases an automobile under an operating lease requiring monthly payments of \$320 through May 2019. Vehicle lease expense totaled \$3,913 and \$4,920 for the years ended December 31, 2018 and 2017, respectively. Future minimum lease payments total \$1,600 in 2019.

# Radio Milwaukee, Inc.

## Notes to Consolidated Financial Statements

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### Note 8: Retirement Plan

Radio Milwaukee sponsors a 401(k) plan covering substantially all employees which provides for employer matching contributions of up to 3% of employee wages plus one half of the next 2% of deferrals. Radio Milwaukee may also extend an annual profit-sharing contribution to all participating employees at its discretion. For the years ended December 31, 2018 and 2017, retirement plan expense was \$52,432 and \$43,483, respectively.

### Note 9: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date comprise the following:

*As of December 31, 2018*

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Cash and cash equivalents	\$ 1,723,116
Accounts receivable	217,424
Pledges receivable	753,764
Unemployment reserve	16,320
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Total financial assets	2,694,304
Less:	
Restricted program contributions included in cash and cash equivalents	(194,063)
Cash restricted for reimbursement of claims under the provisions of Wisconsin unemployment compensation laws	(16,320)
Pledges receivable restricted by donors for purpose	(280,520)
<hr/>	
Total financial assets available for general expenditure	\$ 2,203,401

The Organization maintains financial assets in liquid form such as cash and cash equivalents for approximately six months of operating expenditures. The Organization invests cash in excess of daily requirements in certificates of deposit and money market accounts with maturities of 12 months or less. The Organization also has a line of credit available for cash flow needs up to \$100,000 as further described in Note 5.