Alabama Public Television

Financial Statements

September 30, 2020 and 2019

Kassouf & Co

CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION

FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 AND 2019

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Independent Auditor's Report

Board of Directors
Alabama Public Television
Birmingham, Alabama

We have audited the accompanying combined financial statements of Alabama Public Television (a nonprofit organization), which comprise the combined statements of net position as of September 30, 2020 and 2019, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements based on our audits. 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Alabama Public Television as of September 30, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining schedule of net position by legal entity, combining schedule of activities by legal entity, statement of functional expenses by legal entity, combining schedule of cash flows by legal entity, combining schedule of net position by television and radio operations, combining schedule of activities by television and radio operations, statement of functional expenses by television and radio operations, and combining schedule of cash flows by television and radio operations on pages 28 – 40 are presented for the purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

KASSOUF & CO., P.C.

Kassouf & Co.

Certified Public Accountants

February 23, 2021

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ALABAMA PUBLIC TELEVISION
Combined Statements of Net Position
As of September 30, 2020 and 2019

ASSETS	2020	2019
Cash and cash equivalents		
State account	$ 4,050,721	$ 4,401,191
AETFA	1,660,622	1,190,015
Money market	109,712	92,618
APTF	375,676	119,005
TOTAL CASH AND CASH EQUIVALENTS	6,196,731	5,802,829
Other current assets		
Investments	5,851,091	5,540,763
Accounts receivable	1,475,010	295,522
Prepaid expenses	209,525	270,998
TOTAL OTHER CURRENT ASSETS	7,535,626	6,107,283
TOTAL CURRENT ASSETS	13,732,357	11,910,112
PROPERTY AND EQUIPMENT		
Land	890,241	890,241
Transmission equipment and towers	31,078,491	27,408,201
Equipment	7,885,333	7,711,592
Furniture and fixtures	437,184	331,035
Buildings	5,576,603	5,576,603
Vehicles	500,627	500,627
TOTAL PROPERTY AND EQUIPMENT	46,368,479	42,418,299
Less: Accumulated depreciation	35,688,134	35,035,145
NET PROPERTY AND EQUIPMENT	10,680,345	7,383,154
TOTAL ASSETS	$ 24,412,702	$ 19,293,266

See accompanying notes to the financial statements.

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ALABAMA PUBLIC TELEVISION
Combined Statements of Net Position (Continued)
As of September 30, 2020 and 2019

	2020	2019
LIABILITIES AND NET POSITION		
Accounts payable	$ 537,638	$ 284,798
Accrued salary and benefits	707,602	717,349
Other current liabilities	13,681	12,051
Unearned revenue	147,944	174,818
TOTAL CURRENT LIABILITIES	1,406,865	1,189,016
Accrued salary and benefits - long term	290,374	200,908
TOTAL LIABILITIES	1,697,239	1,389,924
NET POSITION		
Net assets without donor restrictions	19,649,628	14,807,602
Net assets with donor restrictions	3,065,835	3,095,740
TOTAL NET POSITION	22,715,463	17,903,342
TOTAL LIABILITIES AND NET POSITION	$ 24,412,702	$ 19,293,266

See accompanying notes to the financial statements.

ALABAMA PUBLIC TELEVISION
Combined Statements of Activities
For the Years Ended September 30, 2020 and 2019

	2020	2019
CHANGES IN NET POSITION WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUES		
Appropriation - State of Alabama	$ 6,906,239	$ 6,228,634
Corporation for Public Broadcasting	2,560,465	2,292,690
Contributions	2,924,571	2,664,040
Telecasting production and other income	848	12,141
Tower space and other rental	350,008	371,088
Grants and contracts	647,909	601,752
Underwriting grants and contributions	819,620	825,893
Investment income	258,023	151,217
Interest income	8,611	59
In-kind support	195,256	119,689
Special event revenue	1,500	-
Online education	13,250	48,781
Federal Communication Commission repacking	2,943,985	54,233
Other income	144,619	72,405
Net position released from restrictions	2,071,278	1,395,437
TOTAL SUPPORT AND REVENUES WITHOUT DONOR RESTRICTIONS	19,846,182	14,838,059
EXPENSES		
Program Services:		
Programming and production	6,538,763	6,339,767
Broadcasting	2,509,995	2,585,452
Program information	657,835	624,415
Total Program Services	9,706,593	9,549,634
Supporting Services:		
Management and general	2,436,872	2,396,697
Fundraising	1,210,103	1,218,744
Underwriting	239,486	298,026
Depreciation	1,292,582	948,099
Total Supporting Services	5,179,043	4,861,566
TOTAL EXPENSES	14,885,636	14,411,200

See accompanying notes to the financial statements.

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ALABAMA PUBLIC TELEVISION
Combined Statements of Activities (Continued)
For the Years Ended September 30, 2020 and 2019

	2020	2019
Net loss on disposal of fixed assets	(118,520)	(1,483)
Increase in net position without donor restrictions	4,842,026	425,376
CHANGES IN NET POSITION WITH DONOR RESTRICTIONS		
Appropriation - State of Alabama	1,979,783	2,071,278
Investment income	61,590	33,892
Net position released from restrictions	(2,071,278)	(1,395,437)
(Decrease) increase in net position with donor restrictions	(29,905)	709,733
CHANGE IN NET POSITION	4,812,121	1,135,109
NET POSITION - BEGINNING OF YEAR	17,903,342	16,768,233
NET POSITION - END OF YEAR	$ 22,715,463	$ 17,903,342

See accompanying notes to the financial statements.

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ALABAMA PUBLIC TELEVISION
Combined Statements of Functional Expenses
For the Year Ended September 30, 2020

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ 2,397,001	$ 1,153,162	$ 491,218	$ 4,041,381	$ 1,476,280	$ 387,734	$ 233,728	$ -	$ 2,097,742	$ 6,139,123
Travel	54,214	50,192	276	104,682	16,835	918	3,308	-	21,061	125,743
Repairs & Maintenance	30,465	240,422	-	270,887	1,176	36,097	-	-	37,273	308,160
Rentals & Leases	3,278,706	20,660	248	3,299,614	340,179	502	111	-	340,792	3,640,406
Utilities	62,998	668,623	28,004	759,625	107,443	98,490	1,920	-	207,853	967,478
Professional Services	307,590	311,836	83,282	702,708	109,632	420,246	-	-	529,878	1,232,586
Supplies & Other Operating	407,789	65,100	54,807	527,696	385,327	266,116	419	-	651,862	1,179,558
Depreciation	-	-	-	-	-	-	-	1,292,582	1,292,582	1,292,582
	$ 6,538,763	$ 2,509,995	$ 657,835	$ 9,706,593	$ 2,436,872	$ 1,210,103	$ 239,486	$ 1,292,582	$ 5,179,043	$ 14,885,636

For the Year Ended September 30, 2019

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ 2,424,485	$ 1,071,704	$ 425,748	$ 3,921,937	$ 1,420,329	$ 403,262	$ 272,577	$ -	$ 2,096,168	$ 6,018,105
Travel	131,429	61,509	11,782	204,720	19,424	7,065	17,181	-	43,670	248,390
Repairs & Maintenance	20,261	320,271	-	340,532	2,207	28,646	-	-	30,853	371,385
Rentals & Leases	2,717,111	22,470	371	2,739,952	333,844	2,406	158	-	336,408	3,076,360
Utilities	59,823	739,838	26,204	825,865	106,527	84,024	2,953	-	193,504	1,019,369
Professional Services	411,225	309,510	94,560	815,295	113,978	410,387	350	-	524,715	1,340,010
Supplies & Other Operating	575,433	60,150	65,750	701,333	400,388	282,954	4,807	-	688,149	1,389,482
Depreciation	-	-	-	-	-	-	-	948,099	948,099	948,099
	$ 6,339,767	$ 2,585,452	$ 624,415	$ 9,549,634	$ 2,396,697	$ 1,218,744	$ 298,026	$ 948,099	$ 4,861,566	$ 14,411,200

See accompanying notes to the financial statements.

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ALABAMA PUBLIC TELEVISION
Combined Statements of Cash Flows
For the Years Ended September 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATIONS		
Change in net position	$ 4,812,121	$ 1,135,109
Add items not requiring an outlay of cash:		
Depreciation	1,292,582	948,099
Net realized and unrealized gain on investments	(206,174)	(58,842)
Contributions of marketable securities	(7,809)	(4,850)
Net realized loss on sale of fixed assets	118,520	1,483
Contributions of property	(100,000)	-
Change in assets and liabilities		
Accounts receivable (increase) decrease	(1,179,488)	995,683
Prepaid expense decrease	61,473	22,789
Accounts payable increase (decrease)	252,840	(707,576)
Accrued expenses increase	79,719	49,552
Other current liabilities increase (decrease)	1,630	(6,166)
Unearned revenue decrease	(26,874)	(18,246)
NET CASH PROVIDED FROM OPERATIONS	5,098,540	2,357,035
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	1,599,064	433,743
Purchases of investments	(1,695,409)	(547,095)
Proceeds from sale of fixed assets	1,109	65
Purchases of fixed assets	(4,609,402)	(757,427)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(4,704,638)	(870,714)
INCREASE IN CASH	393,902	1,486,321
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	5,802,829	4,316,508
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,196,731	$ 5,802,829

See accompanying notes to the financial statements.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Alabama Public Television's (APT) policy is to prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues are recognized in the period in which they become due. Expenses are recognized in the period in which they are incurred.

Organization

The combined financial statements of APT consist of three entities:

Alabama Educational Television Commission (AETC)
Alabama Educational Television Foundation Authority (AETFA)
APT Foundation (APTF)

The AETC is an agency of the State of Alabama and is governed by the rules and regulations of the State as to purchasing, personnel, administration, and all other applicable laws and regulations. The governing body is a Commission consisting of seven (7) members, one from each Congressional district of the State appointed by the Governor. Member terms are staggered with Commission appointments for terms of ten (10) years each.

The AETFA was established in 1982 by a special session of the Alabama Legislature and activated during fiscal year 1985 as a public not-for-profit corporation. The AETFA received its determination letter from the Internal Revenue Service on April 16, 1985 and was established as a tax-exempt entity under section 501(c)(3) of the Internal Revenue Code.

The AETFA was organized exclusively for charitable and educational purposes; to hold, manage and invest monies or property given or donated to APT by the public, corporations, organizations, and other foundations for educational and charitable purposes related to the preservation, maintenance, promotion, development and growth of educational and public broadcasting in the State of Alabama. The AETFA also applies for and receives federal, state and local grants in support of APT's mission.

The Code of Alabama 1975 Section 16-7A-1 provides that the Board of Directors of the AETFA consists of thirteen (13) members. One (1) member is the general manager who shall serve as an ex officio member. Seven (7) members are the AETC Commissioners. The other five (5) members are appointed at large. Per Section 16-7A-2, AETC Commissioners are appointed to a term that is concurrent in duration with their term on the AETC. The at large members are appointed to four (4) year terms.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The APTF is a private foundation created by APT whose sole function is to raise funds for the benefit of APT. The APTF received its determination letter from the Internal Revenue Service on November 30, 2009 and was established as a tax-exempt entity under section 501(c)(3) of the Internal Revenue Code. Furthermore, the APTF was determined to be a type I supporting organization under section 509(a)(3) of the Internal Revenue Code.

The by-laws of the APTF provide for a Board of Directors that consists of ten (10) members. Four (4) ex-officio members include the chair of the AETC, the chair of the AETFA Board of Directors, the APT Executive Director, and the APT Chief Legal Counsel/CFO. Six (6) members are appointed at large with staggered terms of three years after the initial two-year term.

APT operates the following noncommercial educational public television stations in Alabama:

WAIQ	Montgomery
WBIQ	Birmingham
WCIQ	Cheaha
WDIQ	Dozier
WEIQ	Mobile
WFIQ	Florence
WGIQ	Louisville/Texasville
WHIQ	Huntsville
WIIQ	Demopolis

In addition, APT also operates a public radio station, WLRH-FM, in Huntsville, Alabama.

Fund Accounting

The AETC maintains two fund groups. The Education Trust Fund includes all funds appropriated from the State of Alabama. Federal and Other includes funds from tower rentals, telecasting and other revenues generated from State owned assets. The AETC does not maintain separate cash or bank accounts under its name or control. All funds are received and paid by the State of Alabama through its checking accounts.

The AETFA and the APTF receive and disburse funds on behalf of APT through checking accounts under their names and control.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Cash and Cash Equivalents

For purposes of the statement of cash flows, APT considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

APT reports investments in equity securities with readily determinable market values and all investments in debt securities at fair value with gains and losses reported in the Statement of Activities.

Accounts Receivable

Accounts receivable primarily consists of amounts due from grantor agencies, tower leases with third parties, and corporate support. Receivables are stated at unpaid balances, less an allowance for doubtful accounts. APT provides for losses on accounts receivable using the allowance method. APT determines the allowance based on historical write-off experience and customer specific information. It is APT's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. As of September 30, 2020 and 2019, all accounts receivables were deemed collectible by APT; therefore, no allowance was necessary.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair market value on the date of donation. APT capitalizes additions of property and equipment in accordance with the State of Alabama's capitalization policy. Ordinary repairs and maintenance are charged to expense when incurred. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Equipment and towers	3 to 15 years
Buildings	31 years

The cost of assets sold or retired along with the related accumulated depreciation are removed from the accounts and the gain or loss on such disposition is recognized in the Statement of Activities.

Depreciation expense was $1,292,582 for 2020 and $948,099 for 2019.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accrued Salary and Benefits

Accrued salary and benefits consists of salary and benefit expenses incurred by APT but not yet paid. APT's policy is to compensate employees for accumulated annual leave up to a certain threshold upon separation from service. Employees meeting certain eligibility requirements can also be compensated for half of their accrued sick leave. APT recognizes these accrued leave liabilities as current for employees who are eligible to retire. The portion earned by employees who are not yet eligible to retire is presented as a long-term liability.

Revenue

Grants, appropriations, contributions, and other sources of revenue are recorded when earned.

Expenditures

Expenditures are recorded when incurred.

Income Taxes

AETC is an exempt organization operating as a state agency, as created by the State of Alabama legislature. AETFA and APTF are exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

Use of Estimates in the Preparation of Financial Statements

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation

APT has adopted Accounting Standards Codification (ASC) 958, "Financial Statements of Not-for-Profit Organizations." Under ASC 958, APT is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions consist of unrestricted amounts that are available for use in carrying out the activities of APT.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net assets with donor restrictions represent those amounts which are not available until future periods or are donor restricted for specific purposes. As of September 30, 2020 and 2019, net assets with donor restrictions consist of endowment funds which resulted from gifts and bequests from donors who placed restrictions on the use of the funds and mandated that the original principal be invested in perpetuity, income and appreciation generated from these endowment funds and the remaining state appropriation available to APT to expend in the subsequent fiscal year.

Fair Value of Financial Instruments

The following methods and assumptions were used by APT in estimating its fair value disclosures for financial instruments:

Cash, cash equivalents, and receivables: The carrying amounts reported in the Statement of Net Position approximate fair values because of the short-term maturities of those instruments.

Furthermore, APT has adopted ASC 820, *Fair Value Measurements and Disclosures*. In accordance with ASC 820, fair value is defined as the price that APT would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the APT's own assumptions in determining the fair value of investments)

See Note 9, Investments, for a summary of the inputs used as of September 30, 2020 in determining the fair value of the AETFA's investments.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Endowment Net Asset Classification of Funds

ASC 958-205-05-8, Reporting Endowment Funds provides guidance on the net asset classification of donor-restricted endowment funds for a non-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The AETFA has adopted ASC 958-205-05-8.

ASC 958-205-05-8 requires expanded disclosures surrounding the AETFA's endowment funds. The state of Alabama's UPMIFA legislation became effective on January 1, 2009. For states (including Alabama) which have enacted UPMIFA, ASC 958-205-05-8 may also require retrospective reclassification of net assets between with donor restriction and/or without donor restriction categories. The expanded disclosures have been included in Note 10.

Recent Accounting Pronouncement

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes existing revenue recognition guidance under accounting principles generally accepted in the United States of America. Topic 606 outlines a new single comprehensive model for entities to use in accounting for revenue. In doing so, it is possible more judgement and estimates may be required by management than currently required under accounting principles generally accepted in the United States of America. Topic 606 is effective for annual reporting periods beginning after December 15, 2019 using one of two methods: retrospective for each reporting period presented in the combined financial statements; or retrospectively with the cumulative effect recognized at the date of initial application. The application of Topic 606 may result in material differences from current accounting principles generally accepted in the United States of America. The Organization is currently evaluating the impact of adopting this new guidance on its financial statements.

In June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU clarifies and improves the guidance for contributions received and contributions made and provides guidance to organizations on how to account for certain exchange transactions. This change is preferable in that it clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional. As a result, it enhances comparability of financial information among not-for-profit entities. The change in accounting principle was adopted on a modified prospective basis in 2019. As a result, there was no cumulative effect adjustment to opening net assets without donor restrictions or opening net assets with donor restricted as of October 1, 2019.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Subsequent Events

Subsequent events have been evaluated through February 23, 2021, which is the date the financial statements were available to be issued.

NOTE 2 - STATE OF ALABAMA APPROPRIATION

AETC receives appropriations from the State of Alabama Education Trust Fund on a fiscal year basis as approved by the State Legislature and the Governor. For the years ended September 30, 2020 and 2019, the amounts received were $8,886,022 and $8,299,912 net of reversions, respectively.

NOTE 3 - CORPORATION FOR PUBLIC BROADCASTING

APT received grants from the Corporation for Public Broadcasting for the years ended September 30, 2020 and 2019 as follows:

Summarized by category:

2020	TELEVISION	RADIO	TOTAL
Community Service Grant	$ 1,665,855	$ 109,268	$ 1,775,123
Interconnection Grant	32,379	-	32,379
Distance Service Grant	244,750	-	244,750
Universal Service Support Grant	63,427	-	63,427
CARES Act Fiscal Stabilization	260,205	75,000	335,205
American Graduate Initiative	30,314	-	30,314
Ready to Learn	79,267	-	79,267
	$ 2,376,197	$ 184,268	$ 2,560,465

2019	TELEVISION	RADIO	TOTAL
Community Service Grant	$ 1,613,793	$ 108,167	$ 1,721,960
Interconnection Grant	30,732	-	30,732
Distance Service Grant	244,750	-	244,750
Universal Service Support Grant	62,655	-	62,655
American Graduate Initiative	123,539	-	123,539
Ready to Learn	109,054	-	109,054
	$ 2,184,523	$ 108,167	$ 2,292,690

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NOTE 4 - CONTRIBUTIONS

APT receives contributions from individual donors. The total amounts received during fiscal years 2020 and 2019 are summarized as follows:

	TELEVISION	RADIO	TOTAL
2020	$ 2,440,152	$ 484,419	$ 2,924,571
2019	$ 2,200,149	$ 463,891	$ 2,664,040

NOTE 5 - UNDERWRITING GRANTS AND CONTRIBUTIONS

Alabama Public Television receives underwriting grants and contributions from businesses, universities, and foundations. The total amounts received during fiscal years 2020 and 2019, which were all without donor restrictions were:

	TELEVISION	RADIO	TOTAL
2020	$ 598,958	$ 220,662	$ 819,620
2019	$ 613,239	$ 212,654	$ 825,893

NOTE 6 - OPERATING LEASES

APT has entered into several operating leases, which expire on various dates, for certain of facilities and transmitter sites as well as its media content. Following is a schedule of future minimum rental payments required under these leases, as of September 30, 2020:

2021	374,163
2022	138,172
2023	46,536
2024	44,458
2025	44,458
Thereafter	55,383
Total	$ 703,170

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NOTE 6 - OPERATING LEASES – Continued

Total rent expense was $3,640,406 and $3,076,360 for the years ended September 30, 2020 and 2019, respectively.

NOTE 7 - TOWER SPACE RENTALS

APT is paid by several governmental agencies and private industry for rental of tower space on APT towers.

NOTE 8 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents are made up of the following amounts as of September 30, 2020 and 2019:

	2020	2019
Checking accounts	$ 2,035,298	$ 1,308,020
Available State appropriations	4,050,721	4,401,191
Money market	109,712	92,618
Petty cash	1,000	1,000
	$ 6,196,731	$ 5,802,829

NOTE 9 – INVESTMENTS

The AETFA has several investment securities that are carried at fair value with unrealized gains and losses being recorded in the Statement of Activities.

September 30, 2020

	Cost	Market Value	Market Value Over / (Under) Cost
Common Stock	$ 1,281,886	$ 1,795,356	$ 513,470
Exchange & Traded Closed End	72,465	14,194	(58,271)
Mutual Funds	3,018,685	4,041,541	1,022,856
	$ 4,373,036	$ 5,851,091	$ 1,478,056

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NOTE 9 – INVESTMENTS - Continued

September 30, 2019

	Cost	Market Value	Market Value Over / (Under) Cost
Common Stock	$ 1,184,597	$ 1,684,683	$ 500,086
Exchange & Traded Closed End	$ 75,634	$ 38,143	(37,491)
Mutual Funds	$ 2,890,985	$ 3,817,937	926,952
	$ 4,151,216	$ 5,540,763	$ 1,389,547

Investment income is composed of the following for the years ended September 30, 2020 and 2019:

September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	$ 120,688	$ 27,707	$ 148,395
Net unrealized gains (losses)	497,909	130,103	628,012
Net realized gains (losses)	(333,112)	(88,725)	(421,837)
Investment expense	(27,462)	(7,495)	(34,957)
	$ 258,023	$ 61,590	$ 319,613

September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	$ 138,968	$ 26,683	$ 165,651
Net unrealized gains (losses)	445,107	119,410	564,517
Net realized gains (losses)	(401,897)	(103,778)	(505,675)
Investment expense	(30,961)	(8,423)	(39,384)
	$ 151,217	$ 33,892	$ 185,109

Financial instruments, which potentially subject APT to concentration of credit risk, consist principally of temporary cash investments, certificates of deposit and repurchase agreements. APT places its temporary cash and other investments with high-credit, quality institutions and securities dealers, which may exceed federally and privately insured amounts at times. APT does not believe that it is exposed to any significant credit risk or uninsured amounts.

NOTE 9 – INVESTMENTS – Continued

The following is a summary of the inputs used as of September 30, 2020 and 2019 in valuing AETFA's investments carried at fair value.

Investments in common stock, exchange & traded closed end, money funds, and mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

September 30, 2020

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Common Stock	$ 1,795,356	$ -	$ -	$ 1,795,356
Exchange & Traded Closed End	14,194	-	-	14,194
Mutual Funds	4,041,541	-	-	4,041,541
Total Investments	$ 5,851,091	$ -	$ -	$ 5,851,091

September 30, 2019

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Common Stock	$ 1,684,683	$ -	$ -	$ 1,684,683
Exchange & Traded Closed End	38,143	-	-	38,143
Mutual Funds	3,817,937	-	-	3,817,937
Total Investments	$ 5,540,763	$ -	$ -	$ 5,540,763

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NOTE 10 – ENDOWMENTS

AETFA's endowment consists of several individual donor-restricted funds established for a variety of purposes. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. On January 1, 2009, the Uniform Prudent Management of Institutional Funds Act (UPMIFA) was effective for the State of Alabama.

Interpretation of Relevant Law

The Board of Directors of the AETFA has concluded that absent explicit donor stipulations to the contrary, fiduciary standards require the preservation of the "historic dollar value" of donor-restricted endowment funds. "Historic dollar value" as to any donor-restricted endowment fund means the aggregate fair value of (a) the original value of gifts donated to such fund, (b) the original value of subsequent gifts to such fund, and (c) accumulations to such fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Accordingly, the AETFA classifies the historic dollar value of a donor-restricted endowment fund as net assets with donor restrictions.

Income and appreciation generated from the endowment funds are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the AETFA in a manner consistent with the standard of prudence prescribed in Alabama UPMIFA. Notwithstanding the foregoing accounting classifications, unless the gift instrument creating a donor-restricted endowment fund expressly provides otherwise, the Board of the AETFA may, as provided in Alabama UPMIFA, from time to time, appropriate for expenditure such portion of the net assets with donor restrictions as the Board of the AETFA determines is prudent. There have been no significant appropriations of endowment assets for expenditure for the years ended September 30, 2020 and 2019.

Return Objectives, Risk Parameters and Strategies

AETFA's Board of Trustees has adopted investment and spending policies for endowment assets that attempt to achieve the long-term investment objectives of:

(1) Preservation of Capital – To minimize the probability of loss of principal over the investment horizon. Emphasis is placed on minimizing return volatility rather than maximizing total return.
(2) Preservation of Purchasing Power After Spending – To achieve returns in excess of the rate of inflation plus spending over the investment horizon in order to preserve purchasing power of Fund assets. Risk control is an important element in the investment of Fund assets.

NOTE 10 – ENDOWMENTS – Continued

(3) Income and Growth – To achieve a balanced return of current income and modest growth of principal.

Investment management of the assets of the Alabama Educational Television Foundation Authority's endowments shall be in accordance with the following asset allocation guidelines:

Aggregate Fund Asset Allocation Guidelines (at market value)

Asset Class	Minimum	Maximum	Preferred
Large Cap Equities	25%	40%	30%
Small Mid Cap Equities	2%	10%	6%
International Equities	7%	20%	12%
Emerging Market Equities	5%	10%	7%
Fixed Income	15%	30%	20%
Cash & Equivalents	2%	25%	22%
Alternative	10%	10%	3%

For purposes of the above asset allocation guidelines, Fixed Income and Cash & Equivalents shall be merged to establish a combined threshold for minimum, maximum and preferred percentages. Only if the combined investments in Fixed Income and Cash & Equivalents is less than the combined minimum or exceeds the combined maximum, should the investment consultant be required to reallocate investments to align with the above asset allocation guidelines.

Allowable assets include the following:

(1) Cash Equivalents: treasury bills, money market funds, commercial paper and certificates of deposit
(2) Fixed Income Securities: U.S. Government and Agency securities, corporate notes and bonds, mortgage-backed bonds, and preferred stock
(3) Equity Securities: common stock, convertible notes and bonds, convertible preferred stocks, American depository receipts (ADRs) of non-U.S. companies, and stocks of non-U.S. companies (ordinary shares)
(4) Mutual Funds: mutual funds, which invest in securities as allowed in this listing
(5) Other Assets: real estate investments, venture-capital investments, private placements, options (only in a managed account or mutual fund that employs a conservative investment objective)

NOTE 10 – ENDOWMENTS – Continued

Fixed income investments may be invested only in investment grade bonds rated A (or equivalent) or better. Fixed income maturity restrictions are as follows: maturities may range from 2 – 15 years and the weighted average portfolio maturity may range from 5 – 8 years.

Money market funds selected shall contain securities whose credit rating at the absolute minimum would be rated investment grade by Standard and Poor's, and/or Moody's.

The Board of Trustees does not believe it is necessary or desirable that securities held in the Funds represent a cross section of the economy. However, to achieve a prudent level of portfolio diversification, the securities of any one company or government agency should not exceed 5% of the total fund, and no more than 10% of the total fund should be invested in any one industry.

The following assets and/or transactions are prohibited: commodities and futures contracts, limited partnerships, and short selling (except in a managed account or mutual fund, which employs a conservative investment objective).

Spending Policy

The Board of Trustees expects distributions to equal up to 50% of the anticipated growth, net of inflation annually. It is anticipated that Endowment Fund distributions will increase by an undetermined amount over the next several years. Distributions from the Endowment Fund are to be generated from portfolio principal (total return as opposed to portfolio income) and may occur on an annual basis, as needed.

The Board of Trustees will attempt to balance the Endowment Fund's shorter-term expenditures with its goal to provide income into perpetuity, and therefore design a spending policy, which is very flexible. The Board of Trustees may authorize spending of up to one-half the net rate of return after inflation over 16 rolling quarters.

The net return available for spending from quasi-endowments may be used for purposes determined by the Executive Director of APT. Each quasi-endowment may be dissolved, and the principal made available for use by APT by a future resolution and vote of the Board should such action support the ongoing mission of APT.

From time to time, certain donor restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of the AETFA has interpreted the UPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law.

NOTE 10 – ENDOWMENTS – Continued

The following analysis shows the changes in the endowment net assets for the year ended September 30, 2020 and 2019:

September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 1,492,269	$ 1,024,462	$ 2,516,731
Endowment gifts received	-	-	-
Investment return, net	89,715	61,590	151,305
	$ 1,581,984	$ 1,086,052	$ 2,668,036

September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 1,442,900	$ 990,569	$ 2,433,469
Endowment gifts received	-	-	-
Investment return, net	49,369	33,893	83,262
	$ 1,492,269	$ 1,024,462	$ 2,516,731

Funds with original gift values of $508,506 and fair values of $1,086,052 at September 30, 2020 and $1,024,462 at September 30, 2019 were included in net position with donor restrictions for the respective reporting period.

NOTE 11 - IN-KIND SERVICES AND SUPPORT

The organization receives significant support for their operations at no cost to APT. In-kind services and support are recorded as income and expense in the Statement of Activities. Donated fixed asset additions are recorded as income and capitalized as fixed assets on the Statement of Net Position.

The following categories show the various types of services and support provided to APT for the years ended September 30, 2020 and 2019:

NOTE 11 - IN-KIND SERVICES AND SUPPORT – Continued

2020	Television	Radio	Total
Advertising	$ 11,159	$ -	$ 11,159
Fixed asset addition	100,000	-	100,000
Operating expenses	31,565	-	31,565
Fundraising	-	4,532	4,532
Land lease	48,000	-	48,000
	$ 190,724	$ 4,532	$ 195,256

2019	Television	Radio	Total
Advertising	$ 26,585	$ -	$ 26,585
Operating expenses	33,302	-	33,302
Fundraising	-	11,802	11,802
Land lease	48,000	-	48,000
	$ 107,887	$ 11,802	$ 119,689

NOTE 12 - EMPLOYEE BENEFIT PLAN

AETFA began sponsoring a 401k employee benefit plan in January 2018. Prior to this, AETFA sponsored a Simple IRA employee benefit plan. The plan is for the benefit of substantially all the employees of AETFA. Any employee who is expected to earn more than $5,000 is eligible to participate. AETFA makes an employer contribution match of up to 4% of participating employees' salaries. AETFA made contributions of $74,985 and $74,952 for the years ended September 30, 2020 and 2019, respectively.

AETC participates in the State of Alabama's Employees' Retirement System (ERS). Participation is mandatory for employees of AETC who qualify. The employee contribution rate is 7.5% of salary for employees who began before January 1, 2013 and 6% for employees who began thereafter. The AETC made an employer contribution to the ERS in the amount of $322,553 and $277,294 for the years ended September 30, 2020 and 2019, respectively.

NOTE 13 – CONCENTRATION OF CREDIT RISK

APT maintains its cash with a financial institution that is insured by the Federal Deposit Insurance Corporation up to $250,000 per group, per trustee as of September 30, 2020 and 2019. Cash deposits at times during the year may exceed the limits of coverage.

Credit risk for accounts receivable is considered concentrated at September 30, 2020. The account receivable is predominately due from the Federal Communications Commission which represents 81% of amounts due. The remainder is spread across various State of Alabama agencies which comprise 10% of the balance, the Corporation for Public Broadcasting accounts for 3%, and the remaining 6% is due from various other federal agencies, businesses, and APT employees. At September 30, 2019, the concentration was primarily 40% from agencies of the State of Alabama and 29% from the Corporation for Public Broadcasting.

NOTE 14 – CONCENTRATION OF REVENUE SOURCES

As of September 30, 2020 and 2019, approximately 58% and 69%, respectively, of APT's revenue, excluding in-kind contributions, is derived from appropriations from the State of Alabama Education Trust Fund (which is renewed annually) and a grant from the Corporation for Public Broadcasting (which is also renewed annually). The current level of APT's operations and program services would be impacted or segments discontinued if the funding is not renewed.

NOTE 15 – NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from donor restrictions during the years ended September 30 in satisfaction of the following purposes:

	2020	2019
State appropriation	$ 2,071,278	$ 1,395,437

NOTE 16 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of September 30, 2020 and 2019:

	2020	2019
Subject to expenditure for specified purpose:		
Unexpended state appropriation	$ 1,979,783	$ 2,071,278
Income earned on restricted endowments	577,546	515,956
Not available for expenditure:		
Restricted endowment funds	508,506	508,506
	$ 3,065,835	$ 3,095,740

NOTE 17 – FEDERAL COMMUNICATION COMMISSION REPACKING PROJECT

In 2012, Congress authorized the Federal Communications Commission (FCC) to realign use of the public airwaves with 21st century consumer demands for video and broadband services via the Spectrum Act. APT was notified on April 13, 2017 that three of its broadcast stations would be assigned new channel numbers. WGIQ was in FCC phase 1 and was completed before the required date of November 30, 2018. WEIQ was in FCC phase 7 and was completed in October of 2019 which was before the required phase completion date of January 17, 2020. WCIQ was in FCC phase 10 and was completed in June 2020 which was before the phase completion date of July 3, 2020. The act requires the FCC to reimburse the reasonable costs incurred to transition to the new channels. At September 30, 2020, the FCC owed APT $1,188,904.

NOTE 18 – FINANCIAL ASSETS AND LIQUIDITY

APT's financial assets available within one year of the combined statement of net position date for general expenditure are as follows.

Cash and cash equivalents	$ 6,196,731
Accounts receivable	1,475,010
Investments	4,765,039
Total	$ 12,436,780

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NOTE 18 – FINANCIAL ASSETS AND LIQUIDITY - Continued

A portion of the investments shown on the combined statements of net position consist of donor-restricted endowments that are restricted for specific purposes and, therefore, are not available for general expenditure. APT has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, APT invests cash in excess of daily requirements in various short-term investments.

NOTE 19 – METHODS USED FOR THE ALLOCATION OF EXPENSES FROM MANAGEMENT AND GENERAL ACTIVITIES

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of APT. Those expenses include salary, wages, and benefits, travel, rentals and leases, utilities, professional services, and supplies and other operating costs. Salary, wages, and benefits and professional services are allocated based on estimates of time and effort. The other expenses are allocated based on their usage for the specific programs or supporting functions.

SUPPLEMENTAL INFORMATION

ALABAMA PUBLIC TELEVISION
Combining Schedule of Net Position by Legal Entity
As of September 30, 2020

	AETC	AETFA	APTF	Eliminations	APT COMBINED
ASSETS					
Cash and cash equivalents					
State accounts	$ 4,050,721	$ -	$ -	$ -	$ 4,050,721
AETFA	-	1,660,622	-	-	1,660,622
Money market	-	109,712	-	-	109,712
APTF	-	-	375,676	-	375,676
TOTAL CASH	4,050,721	1,770,334	375,676	-	6,196,731
Other current assets					
Investments	-	5,851,091	-	-	5,851,091
Accounts receivables	1,242,143	198,773	34,094	-	1,475,010
Intercompany due from	-	150,214	794,766	(944,980)	-
Prepaid expenses	42,505	151,543	15,477	-	209,525
TOTAL OTHER CURRENT ASSETS	1,284,648	6,351,621	844,337	(944,980)	7,535,626
TOTAL CURRENT ASSETS	5,335,369	8,121,955	1,220,013	(944,980)	13,732,357
PROPERTY AND EQUIPMENT					
Land	280,645	609,596	-	-	890,241
Transmission equipment and towers	31,077,891	600	-	-	31,078,491
Equipment	7,828,558	56,485	290	-	7,885,333
Furniture and fixtures	310,601	126,583	-	-	437,184
Buildings	4,247,502	1,329,101	-	-	5,576,603
Vehicles	383,323	117,304	-	-	500,627
TOTAL PROPERTY AND EQUIPMENT	44,128,520	2,239,669	290	-	46,368,479
Less: Accumulated depreciation	34,741,512	946,332	290	-	35,688,134
NET PROPERTY AND EQUIPMENT	9,387,008	1,293,337	-	-	10,680,345
TOTAL ASSETS	$ 14,722,377	$ 9,415,292	$ 1,220,013	$ (944,980)	$ 24,412,702

See auditor's report.

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ALABAMA PUBLIC TELEVISION
Combining Schedule of Net Position by Legal Entity (Continued)
As of September 30, 2020

	AETC	AETFA	APTF	Eliminations	APT COMBINED
LIABILITIES AND NET POSITION					
Accounts payable	$ 368,910	$ 156,115	$ 12,613	$ -	$ 537,638
Intercompany due to	150,214	794,766	-	(944,980)	-
Accrued salary and benefits	434,465	273,137	-	-	707,602
Other current liabilities	-	13,681	-	-	13,681
Unearned revenue	22,648	11,804	113,492	-	147,944
TOTAL CURRENT LIABILITIES	976,237	1,249,503	126,105	(944,980)	1,406,865
Accrued salary and benefits - long term	153,297	137,077	-	-	290,374
TOTAL LIABILITIES	1,129,534	1,386,580	126,105	(944,980)	1,697,239
NET POSITION					
Net assets without donor restrictions	11,613,060	6,942,660	1,093,908	-	19,649,628
Net assets with donor restrictions	1,979,783	1,086,052	-	-	3,065,835
TOTAL NET POSITION	13,592,843	8,028,712	1,093,908	-	22,715,463
TOTAL LIABILITIES AND NET POSITION	$ 14,722,377	$ 9,415,292	$ 1,220,013	$ (944,980)	$ 24,412,702

See auditor's report.

Kassouf & Co CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Combining Schedule of Activities by Legal Entity
For the Year Ended September 30, 2020

	AETC	AETFA	APTF	APT COMBINED
CHANGES IN NET POSITION WITHOUT DONOR RESTRICTIONS				
SUPPORT AND REVENUES				
Appropriation - State of Alabama	$ 6,906,239	$ -	$ -	$ 6,906,239
Corporation for Public Broadcasting	-	2,560,465	-	2,560,465
Contributions	26,268	481,749	2,416,554	2,924,571
Telecasting production and other income	848	-	-	848
Tower space and other rental	350,008	-	-	350,008
Grants and contracts	-	647,909	-	647,909
Underwriting grants and contributions	-	220,662	598,958	819,620
Investment income	-	258,023	-	258,023
Interest income	-	7,077	1,534	8,611
In-kind support	48,000	147,256	-	195,256
Special Events Revenue	-	1,500	-	1,500
Online education	-	13,250	-	13,250
Federal Communication Commission repacking	2,943,985	-	-	2,943,985
Other income	143,854	765	-	144,619
Net position released from restrictions	2,071,278	-	-	2,071,278
TOTAL SUPPORT AND REVENUES WITHOUT DONOR RESTRICTIONS	12,490,480	4,338,656	3,017,046	19,846,182
EXPENSES				
Program Services:				
Programming and production	3,558,449	2,858,777	121,537	6,538,763
Broadcasting	2,215,658	294,337	-	2,509,995
Program information	282,808	368,947	6,080	657,835
Total Program Services	6,056,915	3,522,061	127,617	9,706,593
Supporting Services:				
Management and general	1,676,856	744,445	15,571	2,436,872
Fundraising	3,236	484,288	722,579	1,210,103
Underwriting	-	235,764	3,722	239,486
Depreciation	1,234,732	57,850	-	1,292,582
Total Supporting Services	2,914,824	1,522,347	741,872	5,179,043
TOTAL EXPENSES	8,971,739	5,044,408	869,489	14,885,636

See auditor's report.

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CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Combining Schedule of Activities by Legal Entity (Continued)
For the Year Ended September 30, 2020

	AETC	AETFA	APTF	APT COMBINED
CHANGE IN NET POSITION WITHOUT DONOR RESTRICTIONS - Continued				
Gain on disposal of fixed assets	(118,520)	-	-	(118,520)
Interdepartmental transfers	489,368	1,381,641	(1,871,009)	-
Increase in net position without donor restrictions	$ 3,889,589	$ 675,889	$ 276,548	$ 4,842,026
CHANGES IN NET POSITION WITH DONOR RESTRICTIONS				
Appropriation - State of Alabama	1,979,783	-	-	1,979,783
Investment gains	-	61,590	-	61,590
Net position released from restrictions	(2,071,278)	-	-	(2,071,278)
(Decrease) increase in net position with donor restrictions	(91,495)	61,590	-	(29,905)
Increase in net position	3,798,094	737,479	276,548	4,812,121
NET POSITION - BEGINNING OF YEAR	9,794,749	7,291,233	817,360	17,903,342
NET POSITION - END OF YEAR	$ 13,592,843	$ 8,028,712	$ 1,093,908	$ 22,715,463

See auditor's report.

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CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Statement of Functional Expenses by Legal Entity
For the Year Ended September 30, 2020

Alabama Educational Television Commission (AETC)

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ 908,543	$ 1,045,333	$ 278,701	$ 2,232,577	$ 1,001,348	$ -	$ -	$ -	$ 1,001,348	$ 3,233,925
Travel	10,434	36,833	-	47,267	5,673	-	-	-	5,673	52,940
Repairs & Maintenance	10,182	209,022	-	219,204	286	-	-	-	286	219,490
Rentals & Leases	2,449,298	18,157	-	2,467,455	339,285	-	-	-	339,285	2,806,740
Utilities	43,945	653,692	-	697,637	100,922	-	-	-	100,922	798,559
Professional Services	93,117	205,627	-	298,744	36,913	-	-	-	36,913	335,657
Supplies & Other Operating	42,930	46,994	4,107	94,031	192,429	3,236	-	-	195,665	289,696
Depreciation	-	-	-	-	-	-	-	1,234,732	1,234,732	1,234,732
	$ 3,558,449	$ 2,215,658	$ 282,808	$ 6,056,915	$ 1,676,856	$ 3,236	$ -	$ 1,234,732	$ 2,914,824	$ 8,971,739

Alabama Educational Television Foundation Authority (AETFA)

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ 1,488,458	$ 107,828	$ 212,518	$ 1,808,804	$ 474,931	$ 387,734	$ 233,729	$ -	$ 1,096,394	$ 2,905,198
Travel	43,780	13,359	276	57,415	11,163	-	2,009	-	13,172	70,587
Repairs & Maintenance	20,283	31,400	-	51,683	890	12,533	-	-	13,423	65,106
Rentals & Leases	829,408	2,504	248	832,160	893	-	-	-	893	833,053
Utilities	19,053	14,931	28,004	61,988	6,521	18,893	-	-	25,414	87,402
Professional Services	93,696	106,209	78,542	278,447	66,869	30,071	-	-	96,940	375,387
Supplies & Other Operating	364,099	18,106	49,359	431,564	183,178	35,057	26	-	218,261	649,825
Depreciation	-	-	-	-	-	-	-	57,850	57,850	57,850
	$ 2,858,777	$ 294,337	$ 368,947	$ 3,522,061	$ 744,445	$ 484,288	$ 235,764	$ 57,850	$ 1,522,347	$ 5,044,408

See auditor's report.

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CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Statement of Functional Expenses by Legal Entity - continued
For the Year Ended September 30, 2020

APT Foundation (APTF)

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Travel	-	-	-	-	-	918	1,298	-	$ 2,216	2,216
Repairs & Maintenance	-	-	-	-	-	23,564	-	-	$ 23,564	23,564
Rentals & Leases	-	-	-	-	-	502	111	-	$ 613	613
Utilities	-	-	-	-	-	79,597	1,920	-	$ 81,517	81,517
Professional Services	120,776	-	4,740	125,516	5,850	390,176	-	-	$ 396,026	521,542
Supplies & Other Operating	761	-	1,340	2,101	9,721	227,822	393	-	$ 237,936	240,037
Depreciation	-	-	-	-	-	-	-	-	$ -	-
	$ 121,537	$ -	$ 6,080	$ 127,617	$ 15,571	$ 722,579	$ 3,722	$ -	$ 741,872	$ 869,489

See auditor's report.

Kassouf & Co
CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Combining Schedule of Cash Flows by Legal Entity
For the Year Ended September 30, 2020

	AETC	AETFA	APTF	Total APT
CASH FLOWS FROM OPERATIONS				
Change in net position	$ 3,798,094	$ 737,479	$ 276,548	$ 4,812,121
Add items not requiring an outlay of cash:				
Depreciation	1,234,732	57,850	-	1,292,582
Net realized and unrealized gain on investments	-	(206,174)	-	(206,174)
Contributions of marketable securities	-	(7,809)	-	(7,809)
Net realized loss on sale of fixed assets	118,520	-	-	118,520
Contributions of property	(9,368)	(100,000)	-	(109,368)
Distributions of property	-	9,368	-	9,368
Change in assets and liabilities				
Accounts receivable (increase) decrease	(1,208,182)	(4,627)	33,321	(1,179,488)
Prepaid expense decrease (increase)	52,455	9,018	-	61,473
Accounts payable increase (decrease)	173,609	73,653	5,578	252,840
Accrued expenses (decrease) increase	8,052	71,667	-	79,719
Other current liabilities decrease	-	1,630	-	1,630
Unearned revenue increase (decrease)	916	2,270	(30,060)	(26,874)
Intercompany net increase (decrease)	77,865	(49,149)	(28,716)	-
NET CASH PROVIDED FROM OPERATIONS	4,246,693	595,176	256,671	5,098,540
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of investments	-	1,599,064	-	1,599,064
Purchases of investments	-	(1,695,409)	-	(1,695,409)
Proceeds from sale of fixed assets	1,109	-	-	1,109
Purchases of fixed assets	(4,598,272)	(11,130)	-	(4,609,402)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(4,597,163)	(107,475)	-	(4,704,638)
(DECREASE) INCREASE IN CASH	(350,470)	487,701	256,671	393,902
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	4,401,191	1,282,633	119,005	5,802,829
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 4,050,721	$ 1,770,334	$ 375,676	$ 6,196,731

See auditor's report.

Kassouf & Co
CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Television and Radio Operations
Combining Schedule of Net Position
as of September 30, 2020

	Television	Radio	COMBINED TOTAL
ASSETS			
Cash and cash equivalents			
State accounts	$ 4,050,721	$ -	$ 4,050,721
AETFA	1,600,311	60,311	1,660,622
Money market	109,712	-	109,712
APTF	375,676	-	375,676
TOTAL CASH	6,136,420	60,311	6,196,731
Other current assets			
Investments	5,851,091	-	5,851,091
Accounts receivables	1,445,145	29,865	1,475,010
Prepaid expenses	202,007	7,518	209,525
TOTAL OTHER CURRENT ASSETS	7,498,243	37,383	7,535,626
TOTAL CURRENT ASSETS	13,634,663	97,694	13,732,357
PROPERTY AND EQUIPMENT			
Land	890,241	-	890,241
Transmission equipment and towers	30,523,628	554,863	31,078,491
Equipment	7,808,726	76,607	7,885,333
Furniture and fixtures	380,082	57,102	437,184
Buildings	5,576,603	-	5,576,603
Vehicles	488,727	11,900	500,627
TOTAL PROPERTY AND EQUIPMENT	45,668,007	700,472	46,368,479
Less: Accumulated depreciation	35,138,602	549,532	35,688,134
NET PROPERTY AND EQUIPMENT	10,529,405	150,940	10,680,345
TOTAL ASSETS	$ 24,164,068	$ 248,634	$ 24,412,702

See auditor's report.

Kassouf & Co
CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Television and Radio Operations
Combining Schedule of Net Position (Continued)
as of September 30, 2020

	Television	Radio	COMBINED TOTAL
LIABILITIES AND NET POSITION			
Accounts payable	$ 493,968	$ 43,670	$ 537,638
Accrued salary and benefits	677,493	30,109	707,602
Other current liabilities	13,681	-	13,681
Unearned revenue	141,140	6,804	147,944
TOTAL CURRENT LIABILITIES	1,326,282	80,583	1,406,865
Accrued salary and benefits - long term	249,981	40,393	290,374
TOTAL LIABILITIES	1,576,263	120,976	1,697,239
NET POSITION			
Net assets without donor restrictions	19,521,970	127,658	19,649,628
Net assets with donor restrictions	3,065,835	-	3,065,835
TOTAL NET POSITION	22,587,805	127,658	22,715,463
TOTAL LIABILITIES AND NET POSITION	$ 24,164,068	$ 248,634	$ 24,412,702

See auditor's report.

Kassouf & Co
CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Television and Radio Operations
Combining Schedule of Activities
For the Year Ended September 30, 2020

	Television	Radio	COMBINED TOTAL
CHANGES IN NET POSITION WITHOUT DONOR RESTRICTIONS			
SUPPORT AND REVENUES			
Appropriation - State of Alabama	$ 6,464,969	$ 441,270	$ 6,906,239
Corporation for Public Broadcasting	2,376,197	184,268	2,560,465
Contributions	2,440,152	484,419	2,924,571
Telecasting production and other income	848	-	848
Tower space and other rental	350,008	-	350,008
Grants and contracts	647,909	-	647,909
Underwriting grants and contributions	598,958	220,662	819,620
Investment income	258,023	-	258,023
Interest income	7,274	1,337	8,611
In-kind support	190,724	4,532	195,256
Special events	1,500	-	1,500
Online education	13,250	-	13,250
Federal Communication Commission repacking	2,943,985	-	2,943,985
Other income	144,619	-	144,619
Net position released from restrictions	2,071,278	-	2,071,278
TOTAL SUPPORT AND REVENUES WITHOUT DONOR RESTRICTIONS	18,509,694	1,336,488	19,846,182
EXPENSES			
Program Services:			
Programming and production	5,990,470	548,293	6,538,763
Broadcasting	2,440,269	69,726	2,509,995
Program information	626,856	30,979	657,835
Total Program Services	9,057,595	648,998	9,706,593
Supporting Services:			
Management and general	2,272,810	164,062	2,436,872
Fundraising	1,113,088	97,015	1,210,103
Underwriting	156,147	83,339	239,486
Depreciation	1,253,906	38,676	1,292,582
Total Supporting Services	4,795,951	383,092	5,179,043
TOTAL EXPENSES	13,853,546	1,032,090	14,885,636
Gain (loss) on disposal of fixed assets	(118,520)	-	(118,520)
Interdepartmental transfers	381,292	(381,292)	-
Increase (decrease) in net position without donor restrictions	$ 4,918,920	$ (76,894)	$ 4,842,026

See auditor's report.

Kassouf & Co CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Television and Radio Operations
Combining Schedule of Activities (Continued)
For the Year Ended September 30, 2020

	Television	Radio	COMBINED TOTAL
CHANGE IN NET POSITION WITHOUT DONOR RESTRICTIONS - Continued			
Increase (decrease) in net position without donor restrictions	$ 4,918,920	$ (76,894)	$ 4,842,026
CHANGES IN NET POSITION WITH DONOR RESTRICTIONS			
Appropriation - State of Alabama	1,979,783	-	1,979,783
Gain on investments	61,590	-	61,590
Net position released from restrictions	(2,071,278)	-	(2,071,278)
Increase in net position with donor restrictions	(29,905)	-	(29,905)
Increase (decrease) in net position	4,889,015	(76,894)	4,812,121
NET POSITION - BEGINNING OF YEAR	17,698,790	204,552	17,903,342
NET POSITION - END OF YEAR	$ 22,587,805	$ 127,658	$ 22,715,463

See auditor's report.

Kassouf & Co
CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Television and Radio Operations
Statement of Functional Expenses by Operations
For the Year Ended September 30, 2020

Television Operations

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ 2,166,212	$ 1,153,162	$ 470,033	$ 3,789,407	$ 1,361,491	$ 387,734	$ 152,424	$ -	$ 1,901,649	$ 5,691,056
Travel	53,003	50,192	276	103,471	16,298	918	1,298	-	18,514	121,985
Repairs & Maintenance	30,465	229,015	-	259,480	606	23,564	-	-	24,170	283,650
Rentals & Leases	2,980,499	20,660	248	3,001,407	321,017	502	111	-	321,630	3,323,037
Utilities	62,998	644,012	28,004	735,014	88,860	79,597	1,920	-	170,377	905,391
Professional Services	305,392	290,875	76,453	672,720	109,632	390,176	-	-	499,808	1,172,528
Supplies & Other Operating	391,901	52,353	51,842	496,096	374,906	230,597	394	-	605,897	1,101,993
Depreciation	-	-	-	-	-	-	-	1,253,906	1,253,906	1,253,906
	$ 5,990,470	$ 2,440,269	$ 626,856	$ 9,057,595	$ 2,272,810	$ 1,113,088	$ 156,147	$ 1,253,906	$ 4,795,951	$ 13,853,546

Radio Operations

	Program Activities				Supporting Activities					
	Programming and Production	Broadcasting	Program Information and Promotion	Total Program Activities	Management and General	Fundraising and Membership Development	Underwriting	Depreciation	Total Supporting Activities	Grand Total
Salary, wages, and benefits	$ 230,790	$ -	$ 21,185	$ 251,975	$ 114,789	$ -	$ 81,303	$ -	$ 196,092	$ 448,067
Travel	1,211	-	-	1,211	537	-	2,010	-	2,547	3,758
Repairs & Maintenance	-	11,407	-	11,407	570	12,533	-	-	13,103	24,510
Rentals & Leases	298,207	-	-	298,207	19,162	-	-	-	19,162	317,369
Utilities	-	24,611	-	24,611	18,583	18,893	-	-	37,476	62,087
Professional Services	2,197	20,961	6,829	29,987	-	30,071	-	-	30,071	60,058
Supplies & Other Operating	15,888	12,747	2,965	31,600	10,421	35,518	26	-	45,965	77,565
Depreciation	-	-	-	-	-	-	-	38,676	38,676	38,676
	$ 548,293	$ 69,726	$ 30,979	$ 648,998	$ 164,062	$ 97,015	$ 83,339	$ 38,676	$ 383,092	$ 1,032,090

See auditor's report.

Kassouf & Co
CERTIFIED PUBLIC ACCOUNTANTS

ALABAMA PUBLIC TELEVISION
Television and Radio Operations
Combining Schedule of Cash Flows
For the Year Ended September 30, 2020

	Television	Radio	Total APT
CASH FLOWS FROM OPERATIONS			
Change in net position	$ 4,889,015	$ (76,894)	$ 4,812,121
Add items not requiring an outlay of cash:			
Depreciation	1,253,906	38,676	1,292,582
Net realized and unrealized gain on investments	(206,174)	-	(206,174)
Contributions of marketable securities	(7,809)	-	(7,809)
Net realized loss on sale of fixed assets	118,520	-	118,520
Contributions of property	(100,000)	-	(100,000)
Change in assets and liabilities			
Accounts receivable increase	(1,172,471)	(7,017)	(1,179,488)
Prepaid expense decrease (increase)	67,505	(6,032)	61,473
Accounts payable increase	249,490	3,350	252,840
Accrued expenses increase	72,014	7,705	79,719
Other current liabilities increase	1,630	-	1,630
Unearned revenue decrease	(25,925)	(949)	(26,874)
NET CASH PROVIDED FROM (USED IN) OPERATIONS	5,139,701	(41,161)	5,098,540
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	1,599,064	-	1,599,064
Purchases of investments	(1,695,409)	-	(1,695,409)
Proceeds from sale of fixed assets	1,109	-	1,109
Purchases of fixed assets	(4,605,109)	(4,293)	(4,609,402)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(4,700,345)	(4,293)	(4,704,638)
INCREASE (DECREASE) IN CASH	439,356	(45,454)	393,902
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	5,697,064	105,765	5,802,829
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,136,420	$ 60,311	$ 6,196,731

See auditor's report.

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CERTIFIED PUBLIC ACCOUNTANTS