

**ILLINOIS VALLEY PUBLIC
TELECOMMUNICATIONS CORPORATION**
Peoria, Illinois

FINANCIAL STATEMENTS AND SCHEDULES
June 30, 2010 and 2009



**Clifton
Gunderson LLP**
Certified Public Accountants & Consultants

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION

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Independent Auditor's Report

Board of Trustees
Illinois Valley Public Telecommunications
Corporation
Peoria, Illinois

We have audited the accompanying statements of financial position of Illinois Valley Public Telecommunications Corporation as of June 30, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Illinois Valley Public Telecommunications Corporation as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 8, the Corporation accepted a long-term financing arrangement commitment letter subsequent to June 30, 2010.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clifton Gunderson LLP

Peoria, Illinois
November 23, 2010

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
STATEMENTS OF FINANCIAL POSITION
June 30, 2010 and 2009

ASSETS

	<u>2010</u>	<u>2009</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 461,095	\$ 161,547
Current portion of receivables:		
Pledges, net	189,570	452,873
Accounts	74,264	19,011
Grants	<u>151,275</u>	<u>83,930</u>
Net receivables	<u>415,109</u>	<u>555,814</u>
Inventory, at cost or market value (for donations)	5,932	5,632
Prepaid expenses	26,371	22,417
Refundable income taxes	<u>25,851</u>	<u>-</u>
Total current assets	<u>934,358</u>	<u>745,410</u>
 PLEDGES RECEIVABLE , net of current portion	 <u>326,429</u>	 <u>446,618</u>
 PROPERTY AND EQUIPMENT		
Land	524,557	524,557
Transmitter building and improvements	962,193	1,141,336
Building	5,358,712	5,177,029
Furniture, fixtures, and equipment	<u>5,957,489</u>	<u>5,916,089</u>
	12,802,951	12,759,011
Less accumulated depreciation and amortization	<u>5,923,520</u>	<u>5,312,321</u>
Net property and equipment	<u>6,879,431</u>	<u>7,446,690</u>
 TOTAL ASSETS	 <u>\$ 8,140,218</u>	 <u>\$ 8,638,718</u>

LIABILITIES AND NET ASSETS

	<u>2010</u>	<u>2009</u>
CURRENT LIABILITIES		
Accounts payable	\$ 32,752	\$ 55,782
Current maturities of long-term debt	1,258,036	110,671
Accrued expenses	58,641	71,010
Deferred revenue	<u>24,837</u>	<u>76,582</u>
Total current liabilities	1,374,266	314,045
 LONG-TERM LIABILITIES		
Long-term debt	<u>716,390</u>	<u>2,008,749</u>
Total liabilities	<u>2,090,656</u>	<u>2,322,794</u>
 NET ASSETS		
Unrestricted:		
Undesignated	5,761,760	6,081,414
Board designated endowment	<u>56,252</u>	<u>-</u>
Total unrestricted	5,818,012	6,081,414
Temporarily restricted	<u>231,550</u>	<u>234,510</u>
Total net assets	<u>6,049,562</u>	<u>6,315,924</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 8,140,218</u>	 <u>\$ 8,638,718</u>

The accompanying notes are an integral part of the financial statements.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
STATEMENTS OF ACTIVITIES
Years Ended June 30, 2010 and 2009

	Unrestricted
REVENUE, GAINS, AND OTHER SUPPORT	
Contributions	\$ 825,634
Matching contributions	99,858
In-kind contributions and donated services	65,476
Grants from Corporation for Public Broadcasting	1,001,461
State grants	158,825
Other grants	19,085
Auction income	87,902
Underwriting income	145,986
Contract services	171,492
Satellite services	51,820
Interest income	1,292
Lease income	177,315
Special events	193,161
Miscellaneous	18,094
Net assets released from restrictions	34,737
Total revenue, gains, and other support	3,052,138
 EXPENDITURES	
Program services:	
Programming	674,048
Production	247,354
Engineering	884,329
Broadcast operations	94,810
Total program services	1,900,541
Supporting services:	
Fund raising and development	672,982
Promotion	120,771
Management and general	516,752
Unrelated business services	104,494
Total supporting services	1,414,999
Total expenditures	3,315,540
 CHANGE IN NET ASSETS	 (263,402)
 NET ASSETS, BEGINNING OF YEAR	 6,081,414
 NET ASSETS, END OF YEAR	 \$ 5,818,012

<u>2010</u>		<u>2009</u>		
<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 23,787	\$ 849,421	\$ 824,423	\$ 25,851	\$ 850,274
7,990	107,848	10,301	-	10,301
-	65,476	52,774	-	52,774
-	1,001,461	775,489	-	775,489
-	158,825	185,240	-	185,240
-	19,085	27,436	-	27,436
-	87,902	88,245	-	88,245
-	145,986	112,464	-	112,464
-	171,492	219,235	-	219,235
-	51,820	62,062	-	62,062
-	1,292	1,197	-	1,197
-	177,315	165,236	-	165,236
-	193,161	167,755	-	167,755
-	18,094	7,992	-	7,992
(34,737)	-	232,068	(232,068)	-
(2,960)	3,049,178	2,931,917	(206,217)	2,725,700
-	674,048	753,993	-	753,993
-	247,354	271,126	-	271,126
-	884,329	1,058,060	-	1,058,060
-	94,810	99,528	-	99,528
-	1,900,541	2,182,707	-	2,182,707
-	672,982	581,350	-	581,350
-	120,771	171,528	-	171,528
-	516,752	607,704	-	607,704
-	104,494	133,121	-	133,121
-	1,414,999	1,493,703	-	1,493,703
-	3,315,540	3,676,410	-	3,676,410
(2,960)	(266,362)	(744,493)	(206,217)	(950,710)
234,510	6,315,924	6,825,907	440,727	7,266,634
<u>\$ 231,550</u>	<u>\$ 6,049,562</u>	<u>\$ 6,081,414</u>	<u>\$ 234,510</u>	<u>\$ 6,315,924</u>

The accompanying notes are an integral part of the financial statements.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (266,362)	\$ (950,710)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	611,003	676,317
Reduction of long-term debt to Corporation for Public Broadcasting from Community Service Grant awards	(40,000)	(40,000)
Cash receipts from Save Our Station campaign contributions restricted for purposes of debt service	(106,077)	(201,184)
Effects of changes in operating assets and liabilities:		
Net receivables	260,894	615,852
Inventory	(300)	846
Prepaid expenses	(3,954)	(1,435)
Refundable income taxes	(25,851)	-
Accounts payable	(23,030)	(36,516)
Accrued expenses	(12,369)	26,902
Deferred revenue	<u>(51,745)</u>	<u>(17,227)</u>
Net cash provided by operating activities	<u>342,209</u>	<u>72,845</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	<u>(43,744)</u>	<u>(113,342)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	(104,994)	(257,589)
Cash receipts from Save Our Station campaign contributions restricted for purposes of debt service	<u>106,077</u>	<u>201,184</u>
Net cash provided by (used in) financing activities	<u>1,083</u>	<u>(56,405)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	299,548	(96,902)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>161,547</u>	<u>258,449</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 461,095</u>	<u>\$ 161,547</u>
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 82,459</u>	<u>\$ 114,173</u>
Income taxes paid	<u>\$ 23,500</u>	<u>\$ 6,910</u>

The accompanying notes are an integral part of the financial statements.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Illinois Valley Public Telecommunications Corporation is an Illinois nonprofit corporation which operates a public television broadcasting facility (WTVP Channel 47) under a license granted by the Federal Communications Commission in Peoria, Illinois. Revenues are substantially generated as a result of contributions and grants. WTVP is a noncommercial television station whose mission statement is to be an institution of education, culture, and citizenship that uses television as its distribution medium.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, gains, and other support, expenditures, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Display of Net Assets

Unrestricted net assets are those currently available for the support of Corporation operations, and those resources invested in property and equipment.

Temporarily restricted net assets include donor restricted contributions for specific operating activities.

Revenue Recognition

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported in the statements of activities as net assets released from restrictions.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Revenue Recognition (Continued)

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions received with donor-imposed restrictions and the related gains and investment income that are met in the same year as received are reported as unrestricted revenues. Contributions of property and equipment without donor stipulations concerning the use of such long-lived assets are reported as unrestricted revenues. Contributions of cash or other assets to be used to acquire property and equipment with such donor stipulations are reported as temporarily restricted revenues; the restrictions are considered to be released at the time of acquisition of such long-lived assets. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of fund raising activity.

Contributions of donated noncash assets are recorded at their fair value in the period received.

Cash Equivalents

For purposes of the cash flows statements, the Corporation considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents of \$135,980 and \$993 at June 30, 2010 and 2009, respectively, consist of money market funds and interest-bearing checking accounts. As of June 30, 2010, the Corporation had cash balances in excess of insured limits by the Federal Deposit Insurance Corporation.

Receivables

Pledges, accounts, and grants receivable are uncollateralized obligations to the Corporation. The carrying amount of pledges and accounts receivable is reduced by a valuation allowance that reflects management's best estimate of probable losses determined principally on the basis of historical experience.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at their estimated fair market value at date of gift. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets, which range from 3 to 50 years. Expenditures for repairs and maintenance are charged to operating expense as incurred.

Impairment of Long-Lived Assets

The Corporation reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Deferred Revenue

Revenue is deferred to the extent of unexpended grant monies and for program underwriting which is recognized on a pro rata basis for the period covered.

In-kind Contributions and Donated Services

In-kind contributions and donated services are recorded as revenue and expense in the accompanying statement of activities. In-kind contributions consist of donated equipment, inventory, equipment rental and use, and legal and other professional services. These donations are recorded at their approximate fair market value.

Income Taxes

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

Advertising Costs

Advertising costs are expensed as incurred.

NOTE 2 - PLEDGES RECEIVABLE

Included in pledges receivable at June 30, 2010 and 2009 are the following promises to give:

	<u>2010</u>	<u>2009</u>
Program underwriting	\$ 1,182	\$ 61,336
Membership	26,153	27,255
Matching	43,141	59,275
Unrestricted campaigns	372,270	619,382
Save Our Station	<u>205,101</u>	<u>331,613</u>
Gross promises to give	647,847	1,098,861
Less allowance for uncollectible pledges	77,500	119,000
Less discount to the present value of the future cash flows	<u>54,348</u>	<u>80,370</u>
Net promises to give	<u>\$ 515,999</u>	<u>\$ 899,491</u>

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 2 - PLEDGES RECEIVABLE (CONTINUED)

Save Our Station pledges receivable represent temporarily restricted promises for specific debt service purposes. The following represents gross pledges receivable at June 30, 2010 that are expected to be collected in the following fiscal years:

2011	\$ 270,178
2012	110,020
2013	46,310
2014	33,781
2015	30,145
2016 and thereafter	<u>157,413</u>
	<u>\$ 647,847</u>

Pledges receivable at June 30, 2010 and 2009 include amounts due from Board members and management of approximately \$278,000 and \$419,000, respectively.

NOTE 3 - DEBT

At June 30, long-term debt consisted of the following:

	<u>2010</u>	<u>2009</u>
Note payable to PNC Bank, bearing interest at the LIBOR rate plus 3.00 percent (3.35 and 3.32 percent at June 30, 2010 and 2009, respectively). Monthly payments of principal ranging from \$2,350 to \$4,250, with final payment due March 2011. Note is secured by a first mortgage and substantially all business assets.	\$ 1,181,000	\$ 1,214,150
Note payable to PNC Bank, due February 2011. The note bears interest at the bank's prime rate (3.25 percent at June 30, 2009). The note was paid in full during the year ended June 30, 2010.	-	36,087

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 3 - DEBT (CONTINUED)

	<u>2010</u>	<u>2009</u>
<p>Note payable to IFF, due March 2023. The note bears interest at 5.75 percent through February 28, 2013. Monthly payments of principal and interest of \$6,228 through February 28, 2013. The interest rate and monthly payment will be recalculated effective March 1, 2013. Note is secured by a third mortgage and substantially all business assets. The note is subordinate to the lien of two PNC Bank senior mortgages originally totaling \$1,550,000 in principal.</p>	\$ 673,426	\$ 709,183
<p>Note payable to Corporation for Public Broadcasting (CPB), due September 2014. The note bears no interest. Repayments made by CPB deducting funds from future Community Service Grant awards during a five year period from grant fiscal year 2009 through grant fiscal year 2013. If Corporation is not eligible for the grant in any future period, the outstanding principal amount shall become due and payable immediately.</p>	<u>120,000</u>	<u>160,000</u>
Total	1,974,426	2,119,420
Less current portion	<u>(1,258,036)</u>	<u>(110,671)</u>
Total	<u>\$ 716,390</u>	<u>\$ 2,008,749</u>

Future maturities of long-term debt are as follows:

2011		\$ 1,258,036
2012		79,223
2013		81,538
2014		43,991
2015		46,588
Later years		<u>465,050</u>
Total		<u>\$ 1,974,426</u>

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 3 - DEBT (CONTINUED)

The Corporation also has a \$300,000 revolving secured line of credit from PNC Bank for operating activities. Interest is based on PNC Bank's prime interest rate with interest payable monthly and maturity on demand. This line of credit is secured by a second mortgage and a blanket lien on substantially all assets. No amounts were drawn against this note during fiscal years 2009 and 2010.

The notes with PNC Bank include covenants related to debt service coverage, capital expenditures, reporting, and other matters.

As described in Note 8, the Corporation accepted a long-term financing arrangement commitment letter subsequent to June 30, 2010.

NOTE 4 - LEASE INCOME

The Corporation is the lessor of a communications tower under an operating lease expiring November 5, 2012 with Verizon Wireless. The lease agreement provides monthly lease income of \$1,292 per month.

The Corporation is the lessor of a communications tower under a five year operating lease expiring September 30, 2011 with the United States of America. The agreement provides monthly lease income of \$498 per month for antenna space.

The Corporation is the lessor of a communications tower under a five year operating lease expiring August 15, 2012 with IPCS Wireless, Inc. The agreement provides monthly lease income of \$4,108 per month for antenna space.

The Corporation is the lessor of a communications tower under a five-year operating lease expiring September 2013 with U.S. Cellular. The agreement provides monthly lease income of \$2,257 per month.

The Corporation is the lessor of a communications tower under an operating lease with WCBU-FM. The lease agreement provides monthly lease income of \$2,500 per month plus an additional charge for estimated electrical usage of approximately \$1,849 per month.

The Corporation is the lessor of a communications tower under a five-year operating lease with AT&T. The lease agreement provides monthly lease income of \$1,717 per month for the initial year and \$2,000 per month for the second year. After the second year, the monthly lease income will increase 3.0 percent each year over the rent paid during the previous year until the termination of the lease.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 4 - LEASE INCOME (CONTINUED)

The Corporation is the lessor of a building under an operating lease with the Peoria Public Library expiring December 31, 2010. This agreement provides monthly lease income of \$2,806 per month.

Future minimum lease payments to be received under the operating leases are as follows:

Year ending June 30:		
2011	\$	165,568
2012		147,424
2013		96,535
2014		62,295
2015		<u>24,040</u>
Total	\$	<u>495,862</u>

NOTE 5 - CONCENTRATION OF CREDIT RISK

The Corporation receives a substantial amount of its support from the Corporation for Public Broadcasting and state government. If a significant reduction in the level of this support were to occur, it would have an adverse effect on the Corporation's programs and activities.

NOTE 6 - COMMITMENTS

The Corporation leases office equipment under various operating lease agreements. The total minimum lease payments as of June 30, 2010 are due as follows:

Year ending June 30:		
2011	\$	7,677
2012		6,477
2013		6,477
2014		<u>2,699</u>
Total minimum lease payments	\$	<u>23,330</u>

The total rental expense was \$7,137 and \$7,588 for the years ended June 30, 2010 and 2009, respectively.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 7 - BOARD-DESIGNATED ENDOWMENT

The Corporation's Board of Trustees established an endowment fund whereby certain contributions and their earnings would remain intact. There is no legal endowment of restriction since the donors did not specify contributions to be treated as such. At June 30, 2010, the designated endowment funds totaled \$56,252.

NOTE 8 - SUBSEQUENT EVENTS

Management evaluated subsequent events through November 23, 2010, the date the financial statements were available to be issued.

On August 18, 2010, the Corporation entered into a mechanical system upgrade agreement with a vendor. The vendor will provide and install upgrades to the existing mechanical system and the related costs of the upgrades will be paid equally by the Corporation over a sixty month period beginning the first month following completion of the upgrades. The amount of the monthly payment is \$6,270. The vendor agreed that its continuing security interest is, and shall continue to be, subject and subordinate to the rights of PNC Bank and IFF, or any replacement or substitute lender by virtue of the notes and mortgages referenced in Note 3. The total amount of loans to which the vendor will be subordinate shall not exceed \$2,300,000.

On November 9, 2010, the Board of Trustees of the Corporation approved the acceptance of the mortgage loan refinancing offered by PNC Bank in its commitment letter dated November 2, 2010. This commitment letter will refinance, up to \$1,200,000, the existing commercial real estate loan to PNC Bank payable in sixty equally monthly installments amortized over a period of seventeen years with the remaining balance due at maturity. The interest rate will be a five year fixed rate to be determined by PNC Bank at closing (currently at 4.25 percent). The debt will be secured by a first mortgage and substantially all business assets. The commitment letter also includes a \$300,000 revolving secured line of credit for ongoing working capital needs.

This information is an integral part of the accompanying financial statements.

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
SCHEDULE OF FUNCTIONAL EXPENDITURES
Year Ended June 30, 2010
With Comparative Totals for 2009

	<u>Program Services</u>				<u>Total Program Services</u>
	<u>Programming</u>	<u>Production</u>	<u>Engineering</u>	<u>Broadcast Operations</u>	
Salaries and payroll taxes	\$ 78,494	\$ 144,765	\$ 45,107	\$ 79,588	\$ 347,954
Employee benefits	15,528	40,425	176	11,964	68,093
Professional services, excluding in-kind contributions	500	21,661	111,406	-	133,567
Professional services - in-kind contributions	-	-	-	-	-
Office support	195	670	48	-	913
Communications	310	762	8,099	598	9,769
Postage and shipping	325	917	673	14	1,929
Advertising	143	-	-	-	143
Occupancy	-	-	160,987	-	160,987
Rental and maintenance of equipment	3,485	11,800	45,051	2,646	62,982
Printing and publications	2,086	62	-	-	2,148
Conferences, meetings, and travel	1,275	11,129	228	-	12,632
Marketing	12,620	142	129	-	12,891
Dues and program rights	74,480	-	25	-	74,505
Program acquisition	451,621	5,023	1,393	-	458,037
Interest	-	-	-	-	-
Provision for uncollectible pledges/accounts	-	-	-	-	-
Miscellaneous	2,986	2	-	-	2,988
	<u>644,048</u>	<u>237,358</u>	<u>373,322</u>	<u>94,810</u>	<u>1,349,538</u>
Total expenses before depreciation					
Depreciation	30,000	9,996	511,007	-	551,003
	<u>30,000</u>	<u>9,996</u>	<u>511,007</u>	<u>-</u>	<u>551,003</u>
TOTAL EXPENDITURES	<u>\$ 674,048</u>	<u>\$ 247,354</u>	<u>\$ 884,329</u>	<u>\$ 94,810</u>	<u>\$ 1,900,541</u>

Supporting Services

<u>Fund Raising and Development</u>	<u>Promotion</u>	<u>Management and General</u>	<u>Unrelated Business Services</u>	<u>Total Supporting Services</u>	<u>2010 Total</u>	<u>2009 Total</u>
\$ 202,857	\$ 39,112	\$ 158,799	\$ 50,774	\$ 451,542	\$ 799,496	\$ 857,298
14,668	7,963	9,198	118	31,947	100,040	112,619
4,300	6,100	66,888	10,210	87,498	221,065	198,021
34,113	2,520	28,843	-	65,476	65,476	52,774
14,802	500	10,802	3	26,107	27,020	68,539
6,166	-	11,813	4,076	22,055	31,824	26,931
26,872	98	1,214	79	28,263	30,192	36,507
1,131	1,859	425	-	3,415	3,558	6,983
-	-	63,711	-	63,711	224,698	349,457
22,835	-	16,518	14,040	53,393	116,375	172,809
2,029	16,369	-	-	18,398	20,546	24,498
182,027	-	2,520	19,965	204,512	217,144	184,438
79,161	249	825	413	80,648	93,539	83,974
73,166	-	16,419	-	89,585	164,090	170,900
753	-	-	820	1,573	459,610	472,528
-	-	75,585	-	75,585	75,585	107,640
-	-	49,524	-	49,524	49,524	59,096
98	5	1,664	-	1,767	4,755	15,081
664,978	74,775	514,748	100,498	1,354,999	2,704,537	3,000,093
8,004	45,996	2,004	3,996	60,000	611,003	676,317
<u>\$ 672,982</u>	<u>\$ 120,771</u>	<u>\$ 516,752</u>	<u>\$ 104,494</u>	<u>\$ 1,414,999</u>	<u>\$ 3,315,540</u>	<u>\$ 3,676,410</u>

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION
SCHEDULE OF FUNCTIONAL EXPENDITURES - EXCLUDING
IN-KIND CONTRIBUTIONS AND DONATED SERVICES
Year Ended June 30, 2010

	Functional Expenses Excluding In-kind Contributions and Donated Services	In-kind Contributions and Donated Services	Total
Programming	\$ 674,048	\$ -	\$ 674,048
Production	247,354	-	247,354
Engineering	884,329	-	884,329
Broadcast operations	<u>94,810</u>	<u>-</u>	<u>94,810</u>
Total program services	<u>1,900,541</u>	<u>-</u>	<u>1,900,541</u>
Fundraising and development	638,869	34,113	672,982
Promotion	118,251	2,520	120,771
Management and general	487,909	28,843	516,752
Unrelated business services	<u>104,494</u>	<u>-</u>	<u>104,494</u>
Total supporting services	<u>1,349,523</u>	<u>65,476</u>	<u>1,414,999</u>
TOTAL	<u><u>\$ 3,250,064</u></u>	<u><u>\$ 65,476</u></u>	<u><u>\$ 3,315,540</u></u>