University of Missouri - KBIA-FM Radio

Financial Report
As of and for the Years Ended June 30, 2023 and 2022

WIPFLI

University of Missouri - KBIA-FM Radio

Years Ended June 30, 2023 and 2022

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Financial Section

WIPFLI

Independent Auditor's Report

To the Board of Curators
University of Missouri
Columbia, Missouri

Opinion

We have audited the accompanying financial statements of the University of Missouri KBIA-FM Radio (the Station) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Station as of June 30, 2023 and 2022, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Station and do not purport to, and do not present fairly, the financial position of the University of Missouri, as of June 30, 2023 and 2022, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with GAAP. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Station's basic financial statements. The Supplemental Schedule of Non-Federal Financial Support for the year ended June 30, 2023, required by the Public Telecommunication Financing Act of 1978, is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wipfli LLP

Wipfli LLP

St. Louis, Missouri
March 11, 2024

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2023, and 2022

This Management's Discussion and Analysis (MD&A) of *KBIA-FM Radio* (the Station or KBIA) provides an overview of the Station's financial performance for the fiscal years ended June 30, 2023, and 2022. Please read it in conjunction with the basic financial statements for the period and the annual report to the Corporation for Public Broadcasting (CPB) that accompanies the basic financial statements.

OVERVIEW OF THE OPERATIONS

The Station is a department of the Columbia campus of the University of Missouri (the University) and operates under a Federal Communications Commission (FCC) license issued to the Curators of the University of Missouri. The University provides on-going, line item funding, as well as, indirect institutional support (e.g., studio and office space, custodial, and human resource support). The University's indirect institutional support to the Station is significant to the Station's financial activities and is fully described in the annual report to CPB.

The University is classified by the Internal Revenue Service (IRS) as an instrumentality of the State of Missouri and is chartered under Missouri state law. The Station's financial activities are managed under policies and procedures of the University and are subject to internal audit and control by the University. The University and the Station both receive annual external audits. For the Station, the external audit is a condition of annual grant funding from CPB. CPB is a private, non-profit corporation created by Congress in 1967. CPB is not a governing agency. It promotes public telecommunications services (television, radio and on-line) for the American people.

KBIA ACCOUNTING AND FINANCIAL REPORTING

This report includes three financial statements: The Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows. The financial statements of the Station are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The notes to the financial statements provide required disclosures and other information that are essential to fully understand the material data provided in the statements. The notes present information about the Station's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any.

The Station's annual basic financial statements are posted on the Station's website at KBIA.org.

STATEMENTS OF NET POSITION

The Statements of Net Position present the financial position of the Station as of June 30, 2023, and 2022, including all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Station. The Net Position presents the current financial condition of the Station. Assets and liabilities are generally measured using current values with certain exceptions, such as capital assets, which are stated at cost less accumulated depreciation. A summary of the Station's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30, 2023 and 2022, is as follows:

	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021
Assets and Deferred Outflows of Resources			
Current Assets	$ 911,644	$ 1,037,815	$ 398,047
Long-Term Investments	1,811,291	1,318,714	1,175,980
Capital and Lease Assets, Net	596,715	538,187	526,000
Total Assets	3,319,650	2,894,716	2,100,027
Deferred Outflows of Resources	207,684	172,257	68,460
Total Assets and Deferred Outflows of Resources	**$ 3,527,334**	**$ 3,066,973**	**$ 2,168,487**
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities	$ 482,097	$ 318,463	$ 148,628
Non-Current Liabilities	818,124	702,487	382,646
Total Liabilities	1,300,221	1,020,950	531,274
Deferred Inflows of Resources	45,521	75,638	285,234
Total Liabilities and Deferred Inflows of Resources	**1,345,742**	**1,096,588**	**816,508**
Net Position			
Invested in Capital Assets	542,008	538,187	460,195
Restricted – Nonexpendable	58,672	59,231	62,164
Unrestricted –			
Other	(171,707)	113,484	(356,023)
Board Designated	1,752,619	1,259,483	1,185,643
Total Net Position	2,181,592	1,970,385	1,351,979
Total Liabilities, Deferred Inflows of Resources and Net Position	**$ 3,497,981**	**$ 3,066,973**	**$ 2,168,487**

Fiscal Year 2023 Compared to Fiscal Year 2022

Total assets increased by $424,934 to $3,319,650, which is primarily due to investments during the year.

Capital assets, net for the year ended June 30, 2023, increased by $58,528 due to the purchase of additional transmitter equipment during the year.

Total liabilities increased by $279,271 from $1,020,950 to $1,300,221 over the prior year due primarily to increases in unexpended grants and due to other funds in the current year.

Net position increased by $211,207 reflecting the station's operating results for the year.

Fiscal Year 2022 Compared to Fiscal Year 2021

Total assets increased by $794,689 to $2,894,716, which is primarily due to a in investments during the year.

Capital assets, net for the year ended June 30, 2022, increased by $12,187 due to the purchase of transmitter equipment during the year.

Total liabilities increased by $489,676 from $531,274 to $1,020,950 over the prior year due primarily to decreases in unexpended grants and net pension liability in the current year.

Net position increased by $618,406 reflecting the station's operating results for the year.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statements of Revenues, Expenses, and Changes in Net Position present the Station's results of operations. The Statements distinguish between operating and non-operating revenues and expenses, and provide the Station's operating margin and changes in net position as follows:

	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021
Operating Revenues:			
Membership Contributions and Contributed Support, Net	$ 915,590	$ 1,229,763	$ 861,015
Grants from Corporation for Public Broadcasting	186,488	220,489	177,123
Underwriting Income, Net	457,105	300,851	288,551
Other Grants	141,686	198,385	357,220
Total Operating Revenues	1,700,869	1,684,209	1,357,132
Operating Expenses:			
Program Services –			
Broadcasting	174,785	111,265	104,093
Programming and Production	863,605	825,869	827,559
Total Program Services	1,038,390	937,134	931,652
Support Services –			
Management and General	438,574	364,985	333,692
Depreciation Expense	57,072	36,412	26,837
Underwriting and Grant Solicitation	40,378	19,188	5,759
Fund Raising and Membership Development	186,965	184,505	193,058
Interest Expense	2,009	2,233	2,229
Total Support Services	724,998	607,323	561,575
Total Operating Expenses	1,763,388	1,544,457	1,493,227
Operating Income (Loss) Before Non-Operating Revenues	(62,519)	405,031	190,982
Non-Operating Revenues (Expenses):			
Support from the University of Missouri	187,722	162,047	165,547
Donated Facilities and Administrative Support from the University of Missouri	93,170	93,604	77,964
Net Pension	(96,096)	(38,300)	30,328
Net Other Postemployment Benefits	41,292	20,783	22,180
Investment and Endowment Income (Loss)	47,638	(24,759)	263,158
Total Non-Operating Revenues	273,726	213,375	559,177
Increase in Net Position	211,207	618,406	750,159
Net Position, Beginning of Year	1,970,385	1,351,979	601,820
Net Position, End of Year	**$ 2,181,592**	**$ 1,970,385**	**$ 1,351,979**

Fiscal Year 2023 Compared to Fiscal Year 2022

Total **Operating Revenues** for fiscal year 2023 increased $16,660 from fiscal year 2022. The Station's operating revenues are derived from three primary sources: 1) membership contributions; 2) program support from area businesses in exchange for on-air recognition; and 3) operating grants from CPB and other granting agencies. **Membership contributions and contributed support** for fiscal year 2023 decreased $314,173. **Underwriting Income** for fiscal year 2023 increased $156,254 from fiscal year 2022. During fiscal year 2023, **Community Service Grants from Corporation for Public Broadcasting** decreased $34,001 from fiscal year 2022. In addition, other grants decreased $56,699 from the prior year primarily due to a second stimulus grant received in fiscal year 2022 from the CPB associated with the worldwide coronavirus pandemic that occurred during fiscal year 2021.

Total **Non-Operating Revenues (Expenses)** for fiscal year 2023 increased by $60,351 from fiscal year 2022. Certain significant revenue streams that the Station relies upon for its operations are defined as non-exchange transactions by GASB Statement No. 35 and recorded as non-operating revenues. These include investment and endowment income (loss), support from the University, and donated facilities, and administrative support from the University. **Support from the University of Missouri** increased in fiscal year 2023 to $187,722 from $162,047 in fiscal year 2022, **Donated facilities and administrative support from the University of Missouri** decreased $434 in fiscal year 2023 from fiscal year 2022. In fiscal year 2023, **Investment Income (Loss)** increased to $47,638 from fiscal year 2022 due to slightly stronger market activity in fiscal year 2023 compared to fiscal year 2022.

Total **Operating Expenses** increased $218,931 to $1,763,388 in fiscal year 2023 compared to $1,544,457 in the previous year due primarily to increases in spending associated with inflation within the market. **Program services** represented 58.8% and 60.7% of total operating expenses for fiscal years 2023 and 2022, respectively. **Support services** represented 41.1% and 39.3% of total operating expenses for fiscal years 2023 and 2022, respectively.

Fiscal Year 2022 Compared to Fiscal Year 2021

Total **Operating Revenues** for fiscal year 2022 increased $265,279 from fiscal year 1. The Station's operating revenues are derived from three primary sources: 1) membership contributions; 2) program support from area businesses in exchange for on-air recognition; and 3) operating grants from CPB and other granting agencies. **Membership contributions and contributed support** for fiscal year 2022 increased $368,748. **Underwriting Income** for fiscal year 2022 increased $12,300 from fiscal year 2021. During fiscal year 2022, **Community Service Grants from Corporation for Public Broadcasting** increased $43,366 from fiscal year 2021. In addition, other grants increased $127,795 from the prior year primarily due to a second stimulus grant received from the CPB associated with the worldwide coronavirus pandemic that occurred during fiscal year 2021.

Total **Non-Operating Revenues (Expenses)** for fiscal year 2022 decreased by $345,905 from fiscal year 2021. Certain significant revenue streams that the Station relies upon for its operations are defined as non-exchange transactions by GASB Statement No. 35 and recorded as non-operating revenues. These include investment and endowment income (loss), support from the University, and donated facilities, and administrative support from the University. **Support from the University of Missouri** decreased in fiscal year 2022 to $162,047 from $165,547 in fiscal year 2021, **Donated facilities and administrative support from the University of Missouri** increased $15,640 in fiscal year 2022 from fiscal year 2021. In fiscal year 2022, **Investment Income (Loss)** decreased to ($24,759) from fiscal year 2021 due to weak market activity in fiscal year 2022 compared to fiscal year 2021.

Total **Operating Expenses** increased $51,127 to $1,544,354 in fiscal year 2022 compared to $1,493,227 in the previous year due primarily to decreases in spending associated with the COVID-19 pandemic. **Program services** represented 60.7% and 62.4% of total operating expenses for fiscal years 2022 and 2021, respectively. **Support services** represented 39.3% and 37.6% of total operating expenses for fiscal years 2022 and 2021, respectively.

ECONOMIC OUTLOOK

The economic outlook for the Station is dependent on various influences of the Station's funding sources.

- Other: KBIA is seeking opportunities to continue increasing revenues from other sources, including membership, underwriting, philanthropic and corporate foundations, and major gifts from individual donors. An increasing number of members have elected to be sustaining members.

- COVID-19 global pandemic: The station has been impacted by the effects of the COVID-19 pandemic. The extent and impact of COVID-19 on the Station's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Station's sponsors, employees, and vendors, all of which are uncertain and cannot be predicted.

- Investment and endowment income: The Station's investments are directed by the University. Investment and endowment income is dependent on current market conditions.

University of Missouri - KBIA-FM Radio

Statements of Net Position

As of June 30, 2023 and 2022	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and Cash Equivalents	$ 386,173	$ 348,170
Short-Term Investments	311,161	444,256
Accounts Receivable, Net	71,615	30,210
Pledges Receivable, Net	85,328	160,245
Prepaid Expenses	57,367	54,934
Total Current Assets	**911,644**	**1,037,815**
Non-Current Assets:		
Long-Term Investments	1,811,291	1,318,714
Capital and Lease Assets, Net	596,715	538,187
Total Non-Current Assets	**2,408,006**	**1,856,901**
Deferred Outflows of Resources:		
Deferred Outflows Related to Pension	194,850	165,153
Deferred Outflows Related to Other Post Employment Benefits	12,834	7,104
Total Deferred Outflows of Resources	**207,684**	**172,257**
Total Assets and Deferred Outflows of Resources	**$ 3,527,334**	**$ 3,066,973**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities:		
Accounts Payable and Other Accrued Expenses	$ 29,307	$ 26,578
Accrued Vacation	54,636	50,640
Unexpended Grants	241,510	187,488
Unearned Revenue	17,191	14,221
Due to Other Funds	139,453	39,536
Total Current Liabilities	**482,097**	**318,463**
Non-Current Liabilities:		
Accrued Vacation	28,008	25,960
Net Pension Liability	677,772	551,979
Net Other Post Employment Benefits Liability	57,637	63,082
Lease Obligations	54,707	61,466
Total Non-Current Liabilities	**818,124**	**702,487**
Deferred Inflows of Resources:		
Deferred Inflows Related to Other Post Employment Benefits	45,521	75,638
Total Deferred Inflows of Resources	**45,521**	**75,638**
Total Liabilities and Deferred Inflows of Resources	**1,345,742**	**1,096,588**
Net Position:		
Invested in Capital Assets	542,008	538,187
Restricted - Nonexpendable	58,672	59,231
Unrestricted		
Other	(171,707)	113,484
Board Designated	1,752,619	1,259,483
Total Net Position	**2,181,592**	**1,970,385**
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 3,527,334**	**$ 3,066,973**

The notes to financial statements are an integral part of these statements.

University of Missouri - KBIA-FM Radio

Statements of Revenues, Expenses, and Changes in Net Position

For the Years Ended June 30, 2023 and 2022	2023	2022
Operating Revenues:		
Membership Contributions and Contributed Support, Net	$ 915,590	$ 1,229,763
Grants from Corporation for Public Broadcasting	186,488	220,489
Underwriting Income, Net	457,105	300,851
Other Grants	141,686	198,385
Total Operating Revenues	**1,700,869**	**1,949,488**
Operating Expenses:		
Program Services -		
Broadcasting	174,785	111,265
Programming and Production	863,605	825,869
Total Program Services	**1,038,390**	**937,134**
Supporting Services -		
Management and General	444,079	364,985
Depreciation	57,072	36,412
Underwriting and Grant Solicitation	40,378	19,188
Fundraising and Membership Development	186,965	184,505
Interest Expense	2,009	2,233
Total Supporting Services	**730,503**	**607,323**
Total Operating Expenses	**1,768,893**	**1,544,457**
Operating Income Before Non-Operating Revenues (Expenses)	**(68,024)**	**405,031**
Non-Operating Revenues (Expenses):		
Support from the University of Missouri	187,722	162,047
Donated Facilities and Administrative Support from the University of Missouri	98,675	93,604
Net Pension	(96,096)	(38,300)
Net Other Post Employment Benefits	41,292	20,783
Investment and Endowment Income (Loss)	47,638	(24,759)
Total Non-Operating Revenues	**279,231**	**213,375**
Increase in Net Position	**211,207**	**618,406**
Net Position, Beginning of Year	**1,970,385**	**1,351,979**
Net Position, End of Year	**$ 2,181,592**	**$ 1,970,385**

The notes to financial statements are an integral part of these statements.

University of Missouri - KBIA-FM Radio

Statements of Cash Flows

For the Years Ended June 30, 2023 and 2022	2023	2022
Cash Flows from Operating Activities:		
Membership Contributions and Contributed Support	$ 990,507	$ 1,180,631
Corporation for Public Broadcasting and Other Grants	382,196	549,752
Underwriting Income	418,670	326,858
Payments to Suppliers and Employees	(1,606,806)	(1,410,574)
Net Cash Provided by Operating Activities	**184,567**	**646,667**
Cash Flows from Capital Financing Activities:		
Purchase of Capital Assets	(115,600)	(48,599)
Principal Payments on Leases	(6,759)	(6,280)
Net Cash Used in Capital Financing Activities	**(122,359)**	**(54,879)**
Cash Flows from Non-Capital Financing Activities:		
Contributions from University of Missouri	287,639	201,583
Net Cash Provided by Non-Capital Financing Activities	**287,639**	**201,583**
Cash Flows from Investing Activities:		
Sale of Investments	25,504,364	8,716,372
Purchase of Investments	(25,863,846)	(9,303,362)
Investment and Endowment Income (Loss)	47,638	(24,759)
Net Cash Used by Investing Activities	**(311,844)**	**(611,749)**
Net Increase in Cash and Cash Equivalents	**38,003**	**181,622**
Cash and Cash Equivalents, Beginning of Year	**348,170**	**166,548**
Cash and Cash Equivalents, End of Year	**$ 386,173**	**$ 348,170**

University of Missouri - KBIA-FM Radio

Statements of Cash Flows (Continued)

For the Years Ended June 30, 2023 and 2022	2023	2022
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$ (68,024)	$ 405,031
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:-		
Depreciation Expense	57,072	36,412
Donated Facilities and Administrative Support	98,675	93,604
Changes in Assets and Liabilities:		
Accounts Receivable, Net	(41,405)	21,322
Pledges Receivable, Net	74,917	(49,132)
Prepaid Expense	(2,433)	13,920
Accounts Payable and Other Accrued Expenses:	2,729	4,077
Accrued Vacation	6,044	(14,130)
Unexpended Grants and Unearned Revenue	56,992	135,563
Net Cash Provided by Operating Activities	**$ 184,567**	**$ 646,667**
Noncash Activity:		
Change in Pension Liability Expected to be Received from the University of Missouri	$ (96,096)	$ (38,300)
Change in Other Post Employment Benefits Liability Expected to be Received from the University of Missouri	41,292	20,783
Administrative Support from the University of Missouri	98,675	93,604

The notes to financial statements are an integral part of these statements.

Note 1: Summary of Significant Accounting Policies

The major policies followed by KBIA-FM Radio ("the Station") are presented below to assist the reader and to enhance the usefulness of the financial statements.

Organization

The Station is a non-profit, non-commercial radio station operated by the University of Missouri (the University) on its Columbia campus in Columbia, Missouri. The Station operates with a power of 100,000 watts, reaching a potential audience in a 75-mile radius. The financial activity of the Station is included in the financial statements of the University. The accompanying basic financial statements were prepared based on the combination of various accounts associated with the Station and its related operations and do not present the financial position or changes in financial position or cash flows of the University. The Station is dependent upon support from the Corporation for Public Broadcasting, the University, and the public.

Financial Statement Presentation

In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*, which incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989, which does not conflict or contradict GASB pronouncements, the Station is required to follow all applicable GASB pronouncements. In addition, the Station applies all applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins, except those that conflict with a GASB pronouncement.

The Station has adopted GASB Statement No. 35, *Basic Financial Statement–and Management's Discussion and Analysis–for Public Colleges and Universities*, as amended by GASB Statements No. 37 and No. 38. GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities. The basic financial statement presentation provides a comprehensive entity-wide perspective of the Station's net position, revenues, expenses and changes in net position and cash flows replacing the fund-group perspective previously required.

Basis of Accounting

The Station's basic financial statements have been prepared using the economic resource focus and the accrual basis. The Station reports as a Business Type Activity, as defined by GASB Statement No. 34. Business Type Activities are those that are financed in whole or in part by funds received from external parties for goods or services.

The Station's policy for defining operating activities as reported on the Statements of Revenues, Expenses and Changes in Net Position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Membership Contributions and Contributed Support are deemed program revenue and therefore operating revenue as prescribed by the Corporation for Public Broadcasting. Certain significant revenue streams relied upon for operations are recorded as non-operating revenue as defined by GASB Statement No. 34. Non-operating revenues include revenues from activities that have the characteristics of non-exchange transactions, such as support from the University, permanent endowment contributions, and investment income.

Note 1: Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents, and Investments

The Station participated in the University's pooled cash and investment accounts for fiscal years 2023 and 2022. For fiscal years 2023 and 2022, cash and cash equivalents are held as cash by the University on behalf of the Station. For purposes of the basic financial statements for fiscal years 2023 and 2022, cash and cash equivalents consist of the University's bank deposits, repurchase agreements, money market funds, and other investments with original maturities of three months or less. Investment assets are carried at fair value based primarily on market quotations. Purchases and sales of investments are accounted for on the trade date basis. Investment income is recorded on the accrual basis. Net unrealized gains (losses) are included in investment and endowment income in the Statement of Revenues, Expenses, and Changes in Net Position.

Non-marketable alternative investments and certain commingled funds are recorded based on valuations provided by the general partners of the respective partnerships. The University believes that the carrying value of these investments is a reasonable estimate of fair value. Because alternative investments are not readily marketable, the estimated value is subject to uncertainty and therefore may differ materially from the value that would have been used had a ready market for investments existed.

Derivative instruments such as forward foreign currency contracts are recorded at fair value. The University enters into forward foreign currency contracts to reduce the foreign exchange rate exposure of its international investments. These contracts are marked to market, with the changes in market value being reported in investment and endowment income on the Statement of Revenues, Expenses, and Changes in Net Position.

Accounts Receivable

Accounts receivable are presented at the net amount. Accounts receivable consists of amounts due to the Station for underwriting contracts and other miscellaneous revenue sources. There was no allowance for doubtful accounts recorded as of June 30, 2023 and 2022.

Pledges Receivable

The Station receives unconditional promises to give (pledges) through private donations from corporations, alumni, and various other supporters of the Station. These pledges have been recorded as pledges receivable on the Statements of Net Position and as a portion of Membership Contributions and Contributed Support on the Statements of Revenues, Expenses and Changes in Net Position, at the present value of the estimated future cash flows. An allowance of $9,000 as of June 30, 2023 and $10,000 as of June 30, 2022, were made for uncollectible pledges based upon management's expectations regarding the collection of the pledges and the Station's historical collection experience.

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets represent building improvements and equipment acquired primarily for the use of the Station. Title of the building improvements and equipment rests in the name of the University, and therefore, such assets can be transferred to or from the Station at the discretion of the University. These assets are carried, if purchased, at cost, or if donated, at fair value at date of gift. Depreciation of capital assets is provided on a straight-line basis over the estimated useful lives of the respective assets – generally ten to forty years for building improvements and seven to fifteen years for transmission, antenna, tower, studio and broadcast equipment, and furniture and fixtures and twenty years for library materials. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

The Station reviews their long-lived assets periodically to determine potential impairment by comparing the carrying value of those assets with the estimated future undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future undiscounted cash flows be less than the carrying value, the Station would recognize an impairment loss at that time. Management of the Station believes that none of its long-lived assets were impaired as of June 30, 2023 and 2022.

Unearned Revenue and Unexpended Grants

Amounts reflected in the Statements of Net Position as of June 30, 2023 and 2022, represent cash the Station has received under contracts that have services to be performed by the Station in future years. Grant revenues are recognized as eligibility requirements are met.

Pension and Other Postemployment Benefits

Pension and Other Postemployment Benefits (OPEB) related items, including: net pension and net OPEB liability, deferred outflow of resources, deferred inflow of resources, net pension expense and net OPEB expense, fiduciary net assets, and additions to and deductions from fiduciary net assets have been determined on the same basis as they are reported by the University of Missouri. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The obligation of the pension and OPEB will be paid by the University and any payments are included in the support of the Station. Likewise, net pension and net OPEB expense and income are reported as non-operating items.

Deferred Outflows of Resources

The Station reports the consumption of net position that relates to future reporting periods as deferred outflows of resources in a separate section of the Statement of Net Position.

Deferred Inflows of Resources

The Station reports the acquisition of net position that relates to future reporting periods as deferred inflows of resources in a separate section of the Statement of Net Position.

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

For financial reporting, the Station's net position is classified in the following categories:

- **Invested in Capital Assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt, if any, attribute to the acquisition, construction or improvement of those assets.

- **Restricted - Nonexpendable:** The Station's net position in the University's permanent endowment funds are subject to externally imposed stipulations that the principal be maintained in perpetuity.

- **Restricted - Expendable:** Net position whose use by the Station is subject to externally imposed stipulations that can be fulfilled by actions of the Station pursuant to those stipulations or that expire by the passage of time.

- **Unrestricted:** Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specified purposes by action of the Board of Curators (the Board) or may otherwise by limited by contractual agreements with outside parties.

Underwriting Income

Underwriting income consists of advertising spots purchased by sponsors and are recognized when the spots are aired by the Station.

In-Kind Contributions

In-kind contributions are recorded as revenue and expense in the accompanying Statements of Revenues, Expenses, and Changes in Net Position. In-kind contributions consist of donated property and professional services. These donations are recorded at fair value at the time of the gift.

Donated Facilities and Administrative Support

Donated facilities from the University consist of office and studio space. The cost of these facilities, together with the related occupancy cost, is recorded in revenues and expenses at depreciable value in accordance with valuation guidelines established by the Corporation for Public Broadcasting. Indirect administrative support from the University is included in revenues under donated facilities and administrative support. Support from the University consists of allocated general and administrative expenses incurred by the institution on behalf of the Station. These expenses are allocated by Station management to management and general in the Statements of Revenues, Expenses, and Changes in Net Position.

Note 1: Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles in the United States of America (GAAP), requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

In May 2020, GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which provides accounting and financial reporting guidance for subscription-based information technology arrangements. These arrangements would require the recognition of a right-to-use asset and corresponding subscription liability, which would be amortized as interest expense over the term of the arrangement. The Station adopted this statement in fiscal year 2023 and determined there is no impact its financial statements.

In April 2022, GASB issued GASB Statement No. 99, *Omnibus 2022*, which was issued to enhance comparability in accounting and financial reporting in various areas including derivatives, leases, public-private and public-public partnerships, subscription-based information technology arrangements, as well as others. The Station will adopt this statement in line with the dates as outlined in the standard, which varies depending on the applicable paragraph beginning in fiscal year 2022 through fiscal year 2024. The Station has not fully determined the impact of implementing GASB Statement No. 99 will have on its financial statements.

In June 2022, GASB issued GASB Statement No. 100, *Accounting Changes and Error Corrections*, which prescribes the accounting and reporting for each type of accounting change and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Station will adopt this standards in fiscal year 2024 and has not fully determined the impact of implementing GASB Statement No. 100.

In June 2022, GASB issued GASB Statement No. 101, *Compensated Absences*, which aligns the recognition and measurement guidance for compensated absences to a unified model. The standard is effective for fiscal year 2025 and the Station has not fully determined the impact of implementing GASB Statement No. 101.

Note 2: Cash and Cash Equivalents Risk

<u>Custodial Credit Risk - Deposits</u> – The custodial credit risk for deposits is the risk that in the event of bank failure, the University’s deposits may not be recovered. State law requires collateralization of all deposits with federal depository insurance, bonds and other obligations of the U.S. Treasury, U.S. Agencies and instrumentalities of the State of Missouri; bonds of any city, county, school district or special road district of the State of Missouri; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. All the Station’s cash deposits were fully insured or collateralized at June 30, 2023 and 2022, respectively.

Note 3: Investments

Investments – The Station participates in the University's pooled investment accounts, which are stated at fair value, and holds an equity investment in the pool. The investment policies of the University are established by the Board of Curators (the "Board"). The policies ensure that the University funds are managed in accordance with Section 105.688 of the Revised Statutes of Missouri and prudent investment practices. The University's investment general pool contains short-term University funds, including but not limited to cash and reserves, operating funds, bond funds, and plant funds. Subject to various limitations contained within the corresponding investment policy, the University's internally managed component of the General Pool may be invested in the following instruments: U.S. Government securities; U.S. Government Agency securities; U.S. Government guaranteed securities; money market funds; certificates of deposit; repurchase agreements; real estate; commercial paper; and other similar short-term investment instruments of like or better quality. The externally managed component of the General Pool is allowed to invest in the following asset sectors: fixed income, private debt, absolute return and risk balanced strategies. The General Pool's, managed by the University, total return, including unrealized gains and losses, was 3.2% and (2.7)% for the years ended June 30, 2023 and 2022, respectively.

At June 30, 2023 and 2022, the Station held the following types of investments:

	Carrying Value As of June 30, 2023	Carrying Value As of June 30, 2022
Debt Securities	$ 378,481	$ 412,348
Corporate Stocks	856,410	301,415
Other Investments	100,930	75,390
Real Estate	148,866	449,753
Absolute Return	404,264	329,695
Risk Parity	233,501	194,369
Money Market Fund	371,821	264,146
Other Cash Equivalents	14,352	84,024
Total Investments and Cash and Cash Equivalents	**$ 2,508,625**	**$ 2,111,140**

Custodial Credit Risk – For investments, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the University will not be able to recover the value of the investments held by an outside party. In accordance with its policy, the University minimizes custodial credit risk by establishing limitations on the types of instruments held with qualifying institutions. Repurchase agreements must be collateralized by U.S. Government issues and/or U.S. Government Agency issues. All University and Pension Trust Fund investments are insured or registered and are held by the University, the Pension Trust Funds or an agent in its name.

Note 3: Investments (Continued)

Concentration of Credit Risk – Concentration of credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the organization to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments. The investment policies for the General Pool, Endowment Funds, and Retirement Trust all specify diversification requirements across asset sectors. Investments issued or guaranteed by the U.S. Government, as well as investments in mutual funds and other pooled investments are excluded from consideration when evaluating concentration risk.

Credit Risk – Debt securities are subject to credit risk, which is the chance that an issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline. These circumstances may arise due to a variety of factors such as financial weakness, bankruptcy, litigation and/or adverse political developments. Certain Debt securities, primarily obligations of the U.S. government or those explicitly guaranteed by the U.S. Government, are not considered to have credit risk.

Nationally recognized statistical rating organizations, such as Moody's and Standard & Poor's (S&P), assign credit ratings to security issues and issuers that indicate a measure of potential credit risk to investors. Debt securities considered investment grade are those rated at least Baa by Moody's and BBB by S&P. For General Pool investments, the following minimum credit ratings have been established to manage credit risk with minimum rating of A-1/P-1 for commercial paper and other short-term securities. For Endowment Funds and Retirement Trust investments, guidelines for respective investment managers allow for a blend of different credit ratings, subject to certain restrictions by asset sector. In all cases, disposition of securities whose ratings have been downgraded after purchase is generally left to the discretion of the investment manager after consideration of individual facts and circumstances.

All holdings of money market funds were rated AAA at June 30, 2023 and 2022.

Based on investment ratings provided by Moody's or S&P, the Station's portion of the University's credit risk exposure as of June 30, 2023, is as follows:

	As of June 30, 2023						
	U.S. Treasury Obligations	U.S. Agency Obligations	Foreign Government Obligations	U.S. Corporate Debt	Foreign Corporate Debt	Commingled Debt Securities	Total
U.S. Treasury Obligations	$ 98,365	$ -	$ -	$ -	$ -	$ -	$ 98,365
Mortgage-Backed Securities Guaranteed by U.S. Agencies	-	666	-	-	-	-	666
Debt Securities in Commingled Funds	-	-	-	-	-	142,131	142,131
Aaa/AAA	-	6,930	-	-	-	-	6,930
Aa/AA	-	770	-	-	-	-	770
A/A	-	80	-	769	-	-	849
Baa/BBB	-	122	-	2,356	79	-	2,557
Less than Baa/BBB	-	6,405	274	1,134	342	-	8,155
Unrated	-	499	117,407	67	85	-	118,058
Totals	**$ 98,365**	**$ 15,472**	**$ 117,681**	**$ 4,326**	**$ 506**	**$ 142,131**	**$ 378,481**

Note 3: Investments (Continued)

Based on investment ratings provided by Moody's or S&P, the Station's portion of the University's credit risk exposure as of June 30, 2022, is as follows:

	As of June 30, 2022						
	U.S. Treasury Obligations	U.S. Agency Obligations	Foreign Government Obligations	U.S. Corporate Debt	Foreign Corporate Debt	Commingled Debt Securities	Total
U.S. Treasury Obligations	$ 130,260	$ -	$ -	$ -	$ -	$ -	$ 130,260
Mortgage-Backed Securities Guaranteed by U.S. Agencies	-	14,709	-	-	-	-	14,709
Debt Securities in Commingled Funds	-	-	-	-	-	169,039	169,039
Aaa/AAA	-	19,027	(87)	342	-	-	19,282
Aa/AA	-	4,959	193	-	-	-	5,152
A/A	-	900	-	4,585	-	-	5,485
Baa/BBB	-	1,513	812	11,284	55	-	13,664
Less than Baa/BBB	-	21,912	2,395	5,647	830	-	30,784
Unrated	-	24,581	-	(610)	2	-	23,973
Totals	**$ 130,260**	**$ 87,601**	**$ 3,313**	**$ 21,248**	**$ 887**	**$ 169,039**	**$ 412,348**

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. Debt securities with longer maturities are likely to be subject to more variability in their fair values as a result of future changes in interest rates. Neither the University nor the Pension Trust Funds have a formal policy that addresses interest rate risk; rather, such risk is managed by each individual investment manager, as applicable. The University and Pension Trust Funds have investments in asset-backed securities, which consist primarily of mortgage-backed securities guaranteed by U.S. agencies and corporate collateralized mortgage obligations. These securities are based on cash flows from principal and interest payments on the underlying securities. An asset-backed security may have repayments that vary significantly with changes in market interest rates.

At June 30, 2023, the Station's portion of the University's debt securities matures as follows:

	As of June 30, 2023					
	Less than 1 Year	1 - 5 Years	6-10 Years	More than 10 Years	No Maturity	Carrying Value
U.S. Treasury Obligations	$ -	$ -	$ 98,365	$ -	$ -	$ 98,365
Commingled Debt Securities	-	-	-	-	142,131	142,131
Asset-Backed Securities	-	15,472	-	-	-	15,472
Foreign Government Obligations	-	117,681	-	-	-	117,681
U.S. Corporate Bonds and Notes	-	4,326	-	-	-	4,326
Foreign Corporate Bonds and Notes	-	506	-	-	-	506
Total	**$ -**	**$ 137,985**	**$ 98,365**	**$ -**	**$ 142,131**	**$ 378,481**

Note 3: Investments (Continued)

At June 30, 2022, the Station's portion of the University's debt securities matures as follows:

	As of June 30, 2022					
	Less than 1 Year	1 - 5 Years	6-10 Years	More than 10 Years	No Maturity	Carrying Value
U.S. Treasury Obligations	$ -	$ -	$ 130,260	$ -	$ -	$ 130,260
Commingled Debt Securities	-	-	-	-	169,039	169,039
Asset-Backed Securities	-	87,601	-	-	-	87,601
Foreign Government Obligations	-	-	3,313	-	-	3,313
U.S. Corporate Bonds and Notes	-	21,248	-	-	-	21,248
Foreign Corporate Bonds and Notes	887	-	-	-	-	887
Total	**$ 887**	**$ 108,849**	**$ 133,573**	**$ -**	**$ 169,039**	**$ 412,348**

Foreign Exchange Risk – Foreign exchange risk is the risk that investments denominated in foreign currencies may lose value due to adverse fluctuation in the value of the U.S. dollar relative to foreign currencies. The University's investment policy allows for exposure to non-U.S. dollar denominated equities and fixed income securities, which may be fully or partially hedged using forward foreign currency exchange contracts.

At June 30, 2023 and 2022, 15.2% and 7.1%, respectively, of the Station's total investments and cash and cash equivalents were denominated in foreign currencies.

The Station's portion of the University's exposure to foreign exchange risk as of June 30, 2023 and 2022:

	Foreign Exchange Risk International Investment Securities at Fair Value				
Currency	Debt Securities	Equity Securities	Cash and Cash Equivalents	2023 Total	2022 Total
Euro	$ 1,557	$ 8,671	$ 112	$ 10,340	$ 13,996
Japanese Yen	117,407	5,741	12,098	135,246	3,931
British Pound Sterling	275	5,567	106	5,948	6,200
Australian Dollar	-	267	1	268	519
Canadian Dollar	-	1,398	151	1,549	1,459
Swiss Franc	-	1,060	14	1,074	798
Hong Kong Dollar	-	4,119	-	4,119	3,877
Swedish Krona	-	1,663	-	1,663	1,168
Mexican New Peso	-	222	-	222	81
Danish Krone	-	1,532	12	1,544	1,534
Russian Ruble	-	269	-	269	158
Singapore Dollar	-	-	1	1	1
Brazilian Real	-	861	3	864	594
Peruvian Nuevo Sol	-	-	64	64	694
Other	-	3,515	112	3,627	35,823
Totals	**$119,239**	**$ 34,885**	**$ 12,674**	**$ 166,798**	**$ 70,833**

Note 4: Fair Value of Assets and Liabilities

The Station categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*. The three-tiered hierarchy for fair value is as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are available at the measurement date.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the Station's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumption about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Station's own data.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. The Station's Level 1 investments primarily consist of investments in U.S. Treasury obligations, equity securities, and mutual funds. When quoted prices in active markets are not available, fair values are based on evaluated prices received from the Station's custodian of investments in conjunction with a third-party service provider and are reported within Level 2 of the fair value hierarchy. The inputs for Level 2 include, but are not limited to, pricing models such as benchmarking yields, reported trades, broker-dealer quotes, issuer spreads and benchmarking securities, among others. The Station's Level 2 investments primarily consist of investments in U.S. government and agency obligations, asset backed securities, and corporate debt securities that did not trade on the Station's fiscal year end date.

The Station's Level 3 investments primarily consist of land held as investments. Certain investments are valued using the net asset value (NAV) per share (or its equivalent) and are considered "alternative investments" and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The Station values these investments based on the partnerships' audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions.

Note 4: Fair Value of Assets and Liabilities (Continued)

At June 30, 2023 and 2022, the Station had the following recurring fair value measurements:

As of June 30, 2023	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities:				
U.S. Treasury	$ 98,328	$ 98,328	$ -	$ -
Asset-Backed	15,492	-	15,492	-
Government	117,682	-	117,682	-
Corporate	4,848	-	4,848	-
Equity Securities:				
Domestic	64,465	63,395	1,070	-
Foreign	84,958	84,958	-	-
Comingled Funds:				
Debt Securities	84,758	84,758	-	-
Other	97,210	-	2,882	94,328
Investments Measured at the Net Asset Value (NAV)				
Commingled Funds:				
Absolute Return	404,264	-	-	-
Risk Parity	233,501	-	-	-
Debt Securities	57,373	-	-	-
Equity Securities	259,190	-	-	-
Real Estate	23,773	-	-	-
Commodities	6,602	-	-	-
Non-marketable Alternative Methods:				
Real Estate	125,093	-	-	-
Private Equity	444,915	-	-	-
Total Investments by Fair Value Level	**$ 2,122,452**	**$ 331,439**	**$ 141,974**	**$ 94,328**

Note 4: Fair Value of Assets and Liabilities (Continued)

As of June 30, 2022	**Total**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Investments by Fair Value Level				
Debt Securities:				
U.S. Treasury	$ 130,260	$ 130,260	$ -	$ -
Asset-Backed	87,602	-	87,602	-
Government	3,313	-	3,313	-
Corporate	22,134	-	22,134	-
Equity Securities:				
Domestic	35,153	42,452	(7,299)	-
Foreign	38,609	38,609	-	-
Other	75,390	-	-	75,390
Investments Measured at the Net Asset Value (NAV)				
Commingled Funds:				
Absolute Return	329,695	-	-	-
Risk Parity	169,614	-	-	-
Debt Securities	386,548	-	-	-
Equity Securities	38,607	-	-	-
Real Estate	-	-	-	-
Non-marketable Alternative Methods:				
Real Estate	73,858	-	-	-
Private Equity	372,187	-	-	-
Total Investments by Fair Value Level	**$ 1,762,970**	**$ 211,321**	**$ 105,750**	**$ 75,390**

Note 4: Fair Value of Assets and Liabilities (Continued)

The following table presents investments as of June 30, 2023, that have been valued using the NAV as a practical expedient, classified by major investment category:

	Fair Value	Investment Strategy and Structure	Unfunded Commitments	Fund Term	Redemption Terms
Commingled Funds:					
Absolute Return	404,264	Broadly diversified, traditional hedge fund and risk premia exposures obtained through long/short positions across global liquid markets, structured to achieve minimal equity beta with a lower level of volatility relative to the rest of the portfolio.	0	Open Ended	Semi-Monthly, Monthly, and Quarterly redemption with 1-45 days notice
Risk Parity	233,501	An asset allocation strategy which seeks to provide higher risk-adjusted returns by allocating risk, not capital, equally across a broadly diversified portfolio of global equities, global nominal bonds and inflation-sensitive assets.	0	Open Ended	Weekly, Monthly, and Quarterly redemption with 1-90 days notice
Debt Securities	57,373	Global fixed income exposures focused primarily on high yield, emerging markets debt and other unconstrained / opportunistic strategies.	0	Open Ended	Daily and Monthly redemption with 1-2 days notice
Equity Securities	259,190	Global equity exposures achieved through a combination of traditional active, passive, systematic and factor-based strategies	0	Open Ended	Daily, Semi-Monthly, and Monthly redemption with 1-15 days notice
Real Estate	23,773	Core real estate holdings in open-ended fund.	0	Open Ended	Quarterly redemption with 1 -30 days notice
Commodities	6,602	A Commodity exposure seeks to provide inflation protection and diversification from traditional asset classes.	0	Open Ended	Monthly and Quarterly redemption with 1 - 90 days

Note 4: Fair Value of Assets and Liabilities (Continued)

	Fair Value	Investment Strategy and Structure	Unfunded Commitments	Fund Term	Redemption Terms
Nonmarketable Alternative Funds:					
Real Estate	125,093	Diversified portfolio of longer-term private market funds focused on value-added and opportunistic real estate and/or real estate debt	106,327	10-12 years	Not applicable - no redemption ability
Private Equity	444,915	Investments in hedge funds, global equity, credit, real assets, natural resources, and other investments through private partnerships and holding companies.	315,241	8-15 years	Not applicable - no redemption ability

Note 5: Changes in Unexpended Grants

The balance of unexpended grants at June 30, 2023 and 2022, is as follows:

	Fiscal Year	
	2023	2022
Balance, Beginning of Year	$ 187,488	$ 56,610
Grants	391,560	549,752
Deductions, Amount Expended	(337,538)	(418,874)
Balance, End of Year	**$ 241,510**	**$ 187,488**

Note 6: Capital and Lease Assets

Capital asset activity for the years ended June 30, 2023 and 2022, is as follows:

2023	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital Assets:					
Building Improvements	$ 319,502	$ -	$ -	$ -	$ 319,502
Transmission, Antenna and Tower	855,457	57,763	-	-	913,220
Studio and Other Broadcast Equipment	203,640	24,891	-	-	228,531
Equipment in Process	-	32,946	-	-	32,946
Total Capital Assets	1,378,599	115,600	-	-	1,494,199
Accumulated Depreciation:					
Building Improvements	39,940	7,988	-	-	47,928
Transmission, Antenna and Tower	639,058	36,480	-	-	675,538
Studio and Other Broadcast Equipment	219,243	4,628	-	-	223,871
Total Accumulated Depreciation	898,241	49,096	-	-	947,337
Total Capital Assets, Net	**$ 480,358**	**$ 66,504**	**$ -**	**$ -**	**$ 546,862**

Note 6: Capital and Lease Assets (Continued)

2022	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital Assets:					
Building Improvements	$ 319,502	$ -	$ -	$ -	$ 319,502
Transmission, Antenna and Tower	639,058	48,599	-	167,800	855,457
Studio and Other Broadcast Equipment	211,436	-	(7,796)	-	203,640
Equipment in Process	167,800	-	-	(167,800)	-
Total Capital Assets	1,337,796	48,599	(7,796)	-	1,378,599
Accumulated Depreciation:					
Building Improvements	31,952	7,988	-	-	39,940
Transmission, Antenna and Tower	639,058	-	-	-	639,058
Studio and Other Broadcast Equipment	206,591	20,448	(7,796)	-	219,243
Total Accumulated Depreciation	877,601	28,436	(7,796)	-	898,241
Total Capital Assets, Net	**$ 460,195**	**$ 20,163**	**$ -**	**$ -**	**$ 480,358**

Lease asset activity for the years ended June 30, 2023 and 2022, is as follows:

2023	Beginning Balance	Additions	Deletions	Ending Balance
Lease Assets:				
Building	$ 73,782	$ -	$ -	$ 73,782
Total Lease Assets	73,782	-	-	73,782
Accumulated Depreciation:				
Building	15,953	7,976	-	23,929
Total Accumulated Depreciation	$ 15,953	$ 7,976	$ -	$ 23,929
Total Lease Assets, Net	**$ 57,829**	**$ (7,976)**	**$ -**	**$ 49,853**

Note 6: Capital and Lease Assets (Continued)

2022	Beginning Balance	Additions	Deletions	Ending Balance
Lease Assets:				
Building	$ 73,782	$ -	$ -	$ 73,782
Total Lease Assets	73,782	-	-	73,782
Accumulated Depreciation:				
Building	7,977	7,976	-	15,953
Total Accumulated Depreciation	$ 7,977	$ 7,976	$ -	$ 15,953
Total Lease Assets, Net	**$ 65,805**	**$ (7,976)**	**$ -**	**$ 57,829**

Note 7: Lease Obligations

The Station leases an above-ground broadcast tower under an agreement recorded as a right of use (ROU) lease. The lease increases regularly based upon the Consumer Price Index (CPI). The lease is measured based upon the Index at lease commencement.

The Station uses the University's internal borrowing rate of 3.44%, which reflects the University's weighted average cost of debt, to calculate the present value and interest applied to each lease whenever a stated rate is unavailable. Lease interest recognized for the years ended June 30, 2023 and 2022, were $2,009 and $2,233, respectively.

The Station's lease obligations at June 30, 2023 and 2022, with corresponding activity, is as follows:

As of June 30, 2023	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Lease Obligations	$ 61,466	$ -	$ (6,759)	$ 54,707	$ 7,263
Total Lease Obligations	**$ 61,466**	**$ -**	**$ (6,759)**	**$ 54,707**	**$ 7,263**

As of June 30, 2022	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Lease Obligations	$ 67,746	$ -	$ (6,280)	$ 61,466	$ 6,759
Total Lease Obligations	**$ 67,746**	**$ -**	**$ (6,280)**	**$ 61,466**	**$ 6,759**

Note 7: Lease Obligations (Continued)

Future minimum payments on the ROU lease at June 30, 2023, are as follows:

	Principal	Interest
2024	$ 7,263	$ 1,769
2025	7,812	1,490
2026	8,376	1,205
2027	8,962	907
2028	9,577	588
2028-2030	12,717	410
Total Lease Obligation	**$ 54,707**	**$ 6,369**

Note 8: Board-Designated Quasi-Endowment

The Station's quasi-endowment was established on April 9, 1998, by the University of Missouri – Columbia as the KBIA Unrestricted Endowment Fund to provide unrestricted support to the Station. As of June 30, 2023 and 2022, the balance of the quasi-endowment was $1,752,619 and $1,259,483, respectively.

Note 9: Donor-Designated Endowment

The Station's permanent endowment consists of the KBIA Fund for Environmental Reporting. Distributions from the fund is based on income earned on the corpus and is used at the discretion of the General Manager of the Station with approval from the Vice Chancellor.

The balance of the endowment as of June 30 is as follows:

	2023	2022
Balance, Beginning of Year	$ 59,231	$ 62,164
Net Appreciation (Depreciation)	(559)	(2,933)
Balance, End of Year	**$ 58,672**	**$ 59,231**

Note 10: Risk Management

The Station is a part of the University's overall risk management program. The cost is part of the donated facilities and administrative support from the University. The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; natural disasters; medical malpractice; and various medically related benefit programs for employees. The University funds these losses through a combination of self-insured retentions and commercially purchased insurance. The amount of self-insurance funds and commercial insurance maintained are based upon analysis of historical information and actuarial estimates. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The University does not maintain a separate liability reserve for claims relating to the Station.

Note 11: Retirement, Disability, and Death Benefit Plan

Plan Description – The Station participates in a plan (Retirement Plan) operated by the University. The Retirement Plan is a single-employer, defined benefit plan for all qualified employees. As authorized by Section 172.300, Revised Statutes of Missouri, the University's Board of Curators administers the Retirement Plan and establishes its terms.

Benefits Provided – Full-time employees vest in the Retirement Plan after five years of credited service and become eligible for benefits based on age and years of service. A vested employee who retires at age 65 or older is eligible for a lifetime annuity calculated at a certain rate times the credited service years times the compensation base (average compensation for the five highest consecutive salary years). The rate is 2.2% if the employee was hired before October 1, 2012, or 1.0% if the employee was hired after September 30, 2012.

Academic members who provide summer teaching and research service receive additional summer service credit. The Board of Curators may periodically approve increases to the benefits paid to existing pensioners. However, vested members who leave the University prior to eligibility for retirement are not eligible for these pension increases.

	Retirement Plan Membership	
	2023	**2022**
Active Members	11,615	13,409
Inactive Vested Members	6,513	6,098
Pensioners and Beneficiaries	11,746	11,479
Total Members	**29,874**	**30,986**

Vested employees who are at least age 55 and have 10 years or more of credited service or age 60 with at least five years of service may choose early retirement with a reduced benefit. However, if the employee retires at age 62 and has at least 25 years of credited service, the benefit is not reduced. Up to 30% of the retirement annuity can be taken in a lump sum payment. In addition, the standard annuity can be exchanged for an actuarially-equivalent annuity selected from an array of options with joint and survivor, period certain, and guaranteed annual increase features.

Note 11: Retirement, Disability, and Death Benefit Plan (Continued)

Vested employees who terminate prior to retirement eligibility may elect to transfer the actuarial equivalent of their benefit to an Individual Retirement Account or into another employer's qualified plan that accepts such rollovers. The actuarial equivalent may also be taken in the form of a lump sum payment.

In addition, the Retirement Plan allows vested employees who become disabled to continue accruing service credit until they retire. It also provides a pre-retirement death benefit for vested employees.

The Retirement Plan provides a minimum value feature for vested employees who terminate or retire. The minimum value is calculated as the actuarial equivalent of 5% of the employee's eligible compensation invested at 7.5% per credited service year or the regular calculated benefit.

The University closed the defined benefit plan to new entrants as of October 1, 2019. Employees starting on or after that date are enrolled in a defined contribution plan. Vested defined benefit employees that are rehired on or after October 1, 2019 no longer receive creditable service credit within the defined benefit plan.

Basis of Accounting – The Retirement Plan's accounting records are prepared using the accrual basis of accounting. Employer contributions to the Retirement Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with terms of the Retirement Plan. The Retirement Plan does not issue a separate financial report.

Investment Valuation – Investments are reported at fair value.

Contributions – The University's contributions to the Retirement Plan are equal to the actuarially determined employer contribution requirement (ADC). The ADC for those employees hired before October 1, 2012, averaged 14.9% and 12.7% of covered payroll for the years ending June 30, 2023 and 2022, respectively. The ADC for those employees hired after September 30, 2012 averaged 11.4% and 9.1% of covered payroll for the years ended June 30, 2023 and 2022, respectively. Employees are required to contribute 1% of their salary up to $50,000 in a calendar year and 2% of their salary in excess of $50,000. An actuarial valuation of the Plan is performed annually, and the University's contribution rate is updated at the beginning of the University's fiscal year on July 1, to reflect the actuarially determined funding requirement from the most recent valuation, as of the preceding October 1. This actuarial valuation reflects the adoption of any Retirement Plan amendments during the previous fiscal year. The University contributed $132,849,000 and $114,999,000 during the fiscal years ended June 30, 2023 and 2022, respectively.

Net Pension Liability – the Retirement Plan's net pension liability was measured as of June 30, 2023 and 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2022 and 2021, respectively. Roll-forward procedures were used to measure the Retirement Plan's total pension liability as of June 30, 2023 and 2022.

Note 11: Retirement, Disability, and Death Benefit Plan (Continued)

The following table outlines the Station's portion of the changes in net pension liability for the years ended June 30, 2023 and 2022:

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at July 1, 2022	**$ 2,843,252**	**$ 2,291,273**	**$ 551,979**
Changes for the year:			
Service cost	36,194	-	36,194
Interest	231,937	-	231,937
Differences between expected and actual experience	49,520	-	49,520
Contributions - Employer	-	83,957	(83,957)
Contributions - Employee	-	8,763	(8,763)
Net investment income	-	99,138	(99,138)
Benefit payments, including refunds of employee contributions	(197,472)	(197,472)	-
Net changes	120,179	(5,614)	125,793
Balances at June 30, 2023	**$ 2,963,431**	**$ 2,285,659**	**$ 677,772**

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at July 1, 2021	**$ 2,622,461**	**$ 2,418,625**	**$ 203,836**
Changes for the year:			
Service cost	28,333	-	28,333
Interest	161,533	-	161,533
Differences between expected and actual experience	53,881	-	53,881
Changes in assumptions	114,435	-	114,435
Contributions - Employer	-	54,043	(54,043)
Contributions - Employee	-	6,691	(6,691)
Net investment income	-	(50,695)	50,695
Benefit payments, including refunds of employee contributions	(137,391)	(137,391)	-
Net changes	220,791	(127,352)	348,143
Balances at June 30, 2022	**$ 2,843,252**	**$ 2,291,273**	**$ 551,979**

Actuarial Methods and Assumptions – The October 1, 2022 and 2021, actuarial valuations utilized the entry age actuarial cost method.

Note 11: Retirement, Disability, and Death Benefit Plan (Continued)

Actuarial assumptions for October 1, 2022 and 2021, included:

	2022	2021
Inflation	2.20%	2.20%
Rate of investment return net of administrative expenses (Including inflation)	7.00%	7.00%
Projected salary increases (Including inflation)	3.5% - 4.1%	3.5 - 4.4%
Cost-of-living adjustments	0%	0%

For purposes of determining actuarially required contributions, the actuarial value of assets was determined using techniques that spread effects of short-term volatility in the market value of investments over a 5-year period. The underfunded actuarial accrued liability is being amortized using a method that separately amortized the initial unfunded liability as of October 1, 2021 over 20 years, the impact of the assumption changes over 20 years, and future experience gains and losses over 25 years and 15 years, respectively. Mortality rates were based on Pub-2010 Teacher Healthy Annuitant Mortality Table with generational projection using scale MP-2020 for academic and administrative members and Pub-2010 General Healthy Annuitant Mortality Table with generational projection using scale MP-2020 for clerical and service members.

The actuarial assumptions used in the October 1, 2022 and 2021 valuation were based on the results of the most recent quinquennial study of the University's own experience covering 2016 to 2020.

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that University contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table shows the sensitivity of the Station's portion of the net liability to changes in the discount rate:

Sensitivity of the Net Liability to Changes in the Discount Rate

	Rate	2023 Net Pension Liability	2022 Net Pension Liability
1% decrease	6.00 %	$ 1,238,634	$ 811,501
Current rate	7.00 %	677,772	551,979
1% increase	8.00 %	425,123	231,506

Note 11: Retirement, Disability, and Death Benefit Plan (Continued)

Annual Rate of Return – The annual money–weighted rate of return is calculated as the internal rate of return on pension investments, net of pension plan investment expense. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for the years ended June 30, 2023 and 2022, was 3.9% and (1.8)%, respectively. The following table provides long-term expected rates of real return on a geometric basis:

Asset Class Allocation

Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Public equity	34 %	34.00 %
Private equity	13 %	13.00 %
Sovereign bonds	8 %	8.00 %
Inflation linked bonds	9 %	9.00 %
Private debt	6 %	6.00 %
Risk balanced	12 %	12.00 %
Commodities	5 %	5.00 %
Real estate	13 %	13.00 %
Total	**100.0 %**	

Pension Expense – For the years ended June 30, 2023 and 2022, the Station recognized a portion of the University's pension expense in the amount of $180,053 and $92,343, respectively. Annual pension expense consists of service cost and interest on the pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources and recognized in pension expense over a five-year period.

The Station's portion of pension expense for the years ended June 30, is summarized as follows:

	2023	**2022**
Service cost	$ 36,194	$ 30,916
Interest	231,938	158,228
Recognized portion of current-period difference between expected and actual experience	13,956	13,819
Recognized portion of current-period difference for changes in assumptions	-	29,350
Contributions - Employee	(8,763)	(6,691)
Projected earnings on pension plan investments	(185,944)	(151,023)
Recognized portion of current-period difference between projected and actual earnings on pension plan investments	17,361	40,344
Recognition of deferred outflows of resources	177,835	61,307
Recognition of deferred inflows of resources	(102,524)	(83,907)
Pension expense for fiscal year ended June 30	**$ 180,053**	**$ 92,343**

Note 11: Retirement, Disability, and Death Benefit Plan (Continued)

Deferred Outflows/Inflows of Resources – In accordance with GASB Statement No. 68, the University recognizes differences between actual and expected experience with regard to economic or demographic factors, changes of assumptions about future economic or demographic factors, and the difference between actual and expected investment returns as Deferred Outflows/Inflows of Resources. At June 30, 2023 and 2022, the Retirement Plan reported the Station's portion of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows/(Inflows) of Resources Related to Pensions

As of June 30,	Net Deferred Outflows/ (Inflows) of Resources 2023	Net Deferred Outflows/ (Inflows) of Resources 2022
Differences between expected and actual experience	$ 79,987	$ 54,346
Changes in assumptions	54,908	123,248
Net difference between projected and actual earnings on pension plan investments	59,955	(12,441)
Totals	**$ 194,850**	**$ 165,153**

The Station recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the Station's employees. The following table summarizes the future recognition of these items:

Projected Recognition of Deferred Outflows/(Inflows)

Fiscal Year Ended:	Recognition
2024	$ 72,862
2025	34,460
2026	71,786
2027	15,742
Total	**$ 194,850**

Note 12: Other Postemployment Benefits

Plan Description – In addition to the pension benefits described in Note 11, the University operates a single-employer, defined benefit OPEB plan. The University's Other Postemployment Benefits (OPEB) Plan provides postemployment medical, dental, and life insurance benefits to employees who retire from the University after attaining age 55 and before reaching age 60 with ten or more years of service, or after attaining age 60 with five or more years of service. As of January 1, 2018, employees must be 60 years old and have 20 years of service at the date of retirement to access the same percentage subsidy as retirees prior to January 1, 2018. Employees with age plus years of service less than 80 but with more than 5 years of service as of January 1, 2018, will receive a subsidy of $100 per year of service up to a maximum of $2,500 annually. Employees with less than 5 years of service as of January 1, 2018, will not receive an insurance subsidy or be eligible to participate in the University's plans.

As of June 30, 2023 and 2022, 8,261 and 8,360 retirees, respectively, were receiving benefits, and an estimated 6,594 active University employees may become eligible to receive future benefits under the plan. Postemployment medical, dental and life insurance benefits are also provided to long-term disability claimants who were vested in the University's Retirement Plan at the date the disability began, provided the onset date of the disability was on or after September 1, 1990. As of June 30, 2023 and 2022, 115 and 119 long-term disability claimants, respectively, met those eligibility requirements.

The terms and conditions governing the postemployment benefits to which employees are entitled are at the sole authority and discretion of the University's Board of Curators.

Basis of Accounting – The OPEB Plan's financial statements are prepared using the accrual basis of accounting, in accordance with GASB Statement No. 74. Additionally, the requirements of GASB Statement No. 75 are followed by the University for reporting its OPEB obligations and related footnote and required supplementary information disclosures. The assets of the OPEB Trust Fund are irrevocable and legally protected from creditors and dedicated to providing postemployment benefits in accordance with terms of the plan. The OPEB Plan does not issue a separate financial report.

Contributions and Reserves – Contribution requirements of employees and the University are established and may be amended by the University's Board of Curators. For employees retiring prior to September 1, 1990, the University contributes 2/3 of the medical benefits premium and 1/2 of the dental plan premium. For employees who retired on or after September 1, 1990, the University contributes toward premiums based on the employee's length of service and age at retirement.

The University makes available two group term life insurance options. Option A coverage is equal to the retiree's salary at the date of retirement, while Option B is equal to two times that amount. For each Option, graded decreases in coverage are made when the retiree attains specific age levels. The University pays the full cost of Option A and approximately 91% of the cost of Option B coverage. Coverage for group term life insurance ends on January 1 following the retiree's 70th birthday.

For the years ended June 30, 2023 and 2022, all participants, including the Station's participants, contributed $16,957,000 and $17,325,000, or approximately 53.6% and 52.2%, respectively, of total premiums through their required contributions, which vary depending on the plan and coverage selection. In fiscal years 2023 and 2022, the University contributed $14,706,000 and $15,846,000, respectively.

Note 12: Other Postemployment Benefits (Continued)

The University makes available two long-term disability options to its employees. Option A coverage is equal to 60% of the employee's salary on the date the disability began, when integrated with benefits from all other sources. Option B coverage is equal to 66-2/3% of the employee's salary, integrated so that benefits from all sources will not exceed 85% of the employee's salary. Both options have a 149-day waiting period and provide benefits until age 65. The University pays the full cost of the Option A premium, while employees enrolled in Option B pay the additional cost over the Optional A premium.

Net OPEB Liability – The Station's portion of the total and net OPEB liabilities as of June 30, 2023 and 2022 were measured as of June 30, 2023 and 2022, respectively, using actuarial valuations as of those dates.

	Fiscal Year 2023	Fiscal Year 2022
Net OPEB Liability Components:		
Total OPEB Liability	$ 74,070	$ 78,844
Plan Fiduciary Net Position	(16,433)	(15,762)
Net OPEB Liability	**$ 57,637**	**$ 63,082**
Plan Fiduciary Net position as a percentage of Total OPEB Liability	22.19%	19.99%

Changes in the Net OPEB Liability

	Total OPEB Liability (TOL) (a)	**Fiduciary Net Position (FNP) (b)**	**Net OPEB Liability (NOL) (a) - (b)**
Balances at July 1, 2022	**$ 78,844**	**$ 15,762**	**$ 63,082**
Changes for the year:			
Service cost	861	-	861
Interest	2,718	-	2,718
Differences between expected and actual experience	339	-	339
Changes in assumptions	7,960	-	7,960
Contributions - employer	-	5,806	(5,806)
Contributions - employee	-	6,695	(6,695)
Net investment income	-	990	(990)
Expected/Actual benefit payments, including refunds of employee contribution	(7,214)	(12,820)	5,606
Administrative expenses	(9,438)	-	(9,438)
Net changes	(4,774)	671	(5,445)
Balances at June 30, 2023	**$ 74,070**	**$ 16,433**	**$ 57,637**

Note 12: Other Postemployment Benefits (Continued)

		Total OPEB Liability (TOL) (a)		Fiduciary Net Position (FNP) (b)		Net OPEB Liability (NOL) (a) - (b)
Balances at July 1, 2021	**$**	**95,149**	**$**	**14,834**	**$**	**80,315**
Changes for the year:						
Service cost		1,645		-		1,645
Interest		2,028		-		2,028
Differences between expected and actual experience		(671)		-		(671)
Changes in assumptions		(17,311)		-		(17,311)
Contributions - employer		-		5,952		(5,952)
Contributions - employee		-		6,508		(6,508)
Net investment income		-		37		(37)
Expected/Actual benefit payments, including refunds of employee contribution		(1,996)		(11,569)		9,573
Net changes		(16,305)		928		(17,233)
Balances at June 30, 2021	**$**	**78,844**	**$**	**15,762**	**$**	**63,082**

Actuarial Methods and Assumptions – Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The entry age normal, as a level percent of pay, actuarial cost method was used in the June 30, 2023 and June 30, 2022, actuarial valuations.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision of actual results, are compared to past expectations and new estimates are made about the future.

Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the University and plan members in the future.

Note 12: Other Postemployment Benefits (Continued)

Total OPEB liability was determined using the following actuarial assumptions for all periods presented, unless otherwise specified:

Total OPEB Liability Assumptions

Inflation	2.20%
Total payroll growth	Varies based on age: 0.3% to 6.0% (including inflation) for academic and administrative; 0.2% to 3.1% (including inflation) for clerical and service
Discount Rate	3.65% for 2023 and 3.54% for 2022
Pre-65 Medical Plans trend rate	7.25% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached
Pre-65 HSP Plan trend rate	6.5% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached
Pre-65 Rx trend rate	8.25% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached
Post-65 Medicare Base and Rx trend rate	3.02%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached
Post-65 Medicare Buyup and Rx trend rate	11.5%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached
Dental trend rates	2.00%
Administration expenses rate	3.00%
Healthy retiree mortality rates	For Academic and Administrative members: Pub-2010 Teacher Employee and Healthy Annuitant Headcount-Weighted Mortality tables, weighted 95% for males and 103% for females, with generational projection using Scale MP-2020. For Clerical and Service members: Pub 2010 General Employee and Healthy Annuitant Headcount-Weighted Mortality Tables, weighted 124% for males and 112% for females, with generational projection using Scale MP-2020.
Disabled retiree mortality rates	Pub 2010 Non- Safety Disabled Annuitant Headcount-Weighted Mortality Tables, weighted 95% for males and females, with generational projection using Scale MP-2020
Surviving spouse mortality rates	80% of the Pub 2010 Teacher Contingent Survivor Headcount-Weighted Tables and 20% of the Pub 2010 General Contingent Survivor Headcount-Weighted Tables projected generationally with Scale MP-2020

Note 12: Other Postemployment Benefits (Continued)

Development of Discount Rate – The discount rates used to measure the total OPEB liability were 3.65% and 3.54% as of fiscal year June 30, 2023 and June 30, 2022, respectively. The projection of cash flows used to determine the discount rate assumed that the University would not make additional contributions to the OPEB Trust and would continue to fund the plan on a pay-as-you-go basis. Based on those assumptions, the OPEB plan's fiduciary net position was not projected to cover a full year of projected future benefit payments. Therefore, all future benefit payments are discounted at the current index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity to Changes in Discount Rate and Healthcare Cost Trend Rates **–** The following presents the net OPEB liability of the University as well as what the University's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate as well as the impact to the net OPEB liability if the healthcare cost trend rates were 1-percentage-point lower or 1-percentage-point higher.

Sensitivity of the Net OPEB Liability to Changes in Discount Rate and Healthcare Cost Trend Rates

	1% Decrease in Discount Rate (2.65%)	Current Discount Rate (3.65%)	1% Increase in Discount Rate (4.65%)
Net OPEB liability	$ 67,368	$ 57,637	$ 49,563

	1% Decrease in Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in Trend Rates
Net OPEB liability	$ 54,039	$ 57,637	$ 61,806

OPEB Expense – For the years ended June 30, 2023 and 2022, the Station recognized an OPEB income of $34,034 and $15,730, respectively. Annual OPEB expense consists of service cost, interest on the total OPEB liability and the recognition of deferred outflows/inflows.

The OPEB (income) expense for the years ended June 30, 2023 and 2022, is summarized as follows:

OPEB (Income) Expense	**2023**	**2022**
Service cost	$ 1,076	$ 1,397
Interest	3,399	1,721
Recognized portion of current-period benefit changes	(11,798)	-
Recognized portion of current-period difference between expected and actual experience	104	(132)
Recognized portion of current-period difference for changes to assumptions	2,445	(3,402)
Recognized portion of current-period difference between projected and actual earnings on pension plan investments	(248)	(6)
Recognition of deferred outflows of resources	2,095	1,354
Recognition of deferred inflows of resources	(31,107)	(16,662)
OPEB (income) expense for fiscal year ended June 30	**$ (34,034)**	**$ (15,730)**

Note 12: Other Postemployment Benefits (Continued)

Deferred Outflows/Inflows of Resources – In accordance with GASB Statement No. 75, the Station recognizes differences between actual and expected experience with regard to economic or demographic factors, changes of assumptions about future economic or demographic factors, and the difference between actual and expected investment returns as Deferred Outflows/Inflows of Resources. At June 30, 2023 and 2022, the OPEB Plan reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

As of June 30,	Deferred Outflows of Resources 2023	Deferred Inflows of Resources 2023	Deferred Outflows of Resources 2022	Deferred Inflows of Resources 2022
Change in assumptions	$ 7,482	$ 41,700	$ -	$ 70,412
Difference between expected and actual experience	5,352	3,014	7,104	4,926
Net difference between projected and actual earnings on plan investments	-	807	-	300
Totals	**$ 12,834**	**$ 45,521**	**$ 7,104**	**$ 75,638**

The Station recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the Station’s employees. The following table summarizes the future recognition of these items:

Future Recognition of Deferred (Inflows)

Fiscal Year	Recognition
2024	$ 29,317
2025	24,550
2026	4,408
2027	80
2028	-
Total	**$ 58,355**

Required Supplementary Information

University of Missouri - KBIA-FM Radio

Schedule of Changes in the Net Pension Liability and Related Ratios

Last Ten Fiscal Years

Fiscal year ending June 30	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:										
Service cost	$ 36,194	$ 28,333	$ 32,030	$ -	$ -	$ -				
Interest on total pension liability	231,937	161,533	163,930	-	-	-				
Differences between expected and actual experience of the total pension liability	49,520	53,881	(5,268)	-	-	-				
Changes of assumption	-	114,435	-	-	-	-				
Benefit payments, including refunds of employee contributions	(197,472)	(137,391)	(138,244)	-	-	-				
Net change in total pension liability	120,179	220,791	52,448	-	-	-				
Total pension liability, beginning	2,843,252	2,622,461	2,570,013	-	-	-				
Total pension liability, ending (a)	$ 2,963,431	$ 2,843,252	$ 2,622,461	$ -	$ -	$ -				
Plan fiduciary net position:										
Contributions - employer	$ 83,957	$ 54,043	$ 55,994	$ -	$ -	$ -				
Contributions - employees	8,763	6,691	7,294	-	-	-				
Net investment income	99,138	(50,695)	514,315	-	-	-				
Benefit payments, including refunds of employee contributions	(197,472)	(137,391)	(138,244)	-	-	-				
Net change in plan fiduciary net position	(5,614)	(127,352)	439,359	-	-	-				
Plan net position, beginning	2,291,273	2,418,625	1,979,266	-	-	-				
Plan net position, ending (b)	$ 2,285,659	$ 2,291,273	$ 2,418,625	$ -	$ -	$ -				
Net pension liability (asset) - Ending (a) - (b)	677,772	551,979	203,836	-	-	-				
Plan fiduciary net position as a percentage of the total pension liability	77.13 %	80.59 %	92.23 %	DIV/0 %	DIV/0 %	DIV/0 %				
Covered-employee payroll	$ 613,482	$ 512,822	$ 558,062	$ -	$ -	$ -				
Net pension liability as a percentage of covered-employee payroll	110.48 %	107.64 %	36.53 %	DIV/0 %	DIV/0 %	DIV/0 %				

The information is presented for as many years as available. The schedule is intended to show information for 10 years.

See Notes to Required Supplementary Information.

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Schedule of Pension Contributions

Last Ten Fiscal Years

Fiscal Year Ending June 30	Covered-employee Payroll		Actuarially Determined Contribution*		Contributions Made	Contributions as a % of Covered-employee Payroll		Actuarially Determined Contribution as a Percentage of Payroll		Contribution in Relation to the Actuarially Determined Contribution		Contribution Deficiency (Excess)
	Level 1	Level 2	Level 1	Level 2	Level 1 & 2	Level 1	Level 2	Level 1	Level 2	Level 1	Level 2	Level 1 & 2
2023	$ 355,826	$ 257,656	$ 53,125	$ 29,373	83,957	14.93 %	11.40 %	14.93 %	11.40 %	14.93 %	11.40 %	-
2022	288,941	223,881	36,580	20,396	57,500	12.66	9.11 %	12.66 %	9.11 %	12.66 %	9.11 %	-
2021	302,403	255,659	36,319	21,501	57,503	12.01	8.41 %	12.01 %	8.41 %	12.01 %	8.41 %	-

The information is presented for as many years as available. The schedule is intended to show information for 10 years.

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Schedule of Changes in Net OPEB Liability and Related Ratios

Last Ten Fiscal Years

Fiscal year ending June 30	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total OBEP liability:										
Service cost	$ 861	$ 1,645	$ 2,018	$						
Interest on the total OPEB liability	2,719	2,028	3,513							
Changes of benefit changes	-	-	-							
Differences between expected and actual experience of the total pension liability	339	(671)	(5,559)							
Changes of assumptions or other inputs	7,960	(17,311)	(53,322)							
Benefit payments	(7,214)	(1,996)	(12,055)							
Other changes	(9,438)	-	-							
Net change in total OPEB liability	(4,773)	(16,305)	(65,405)							
Total OPEB liability, beginning	78,844	95,149	160,554							
Total OPEB liability, ending (a)	$ 74,071	$ 78,844	$ 95,149							
Plan fiduciary net position:										
Contributions - employer	$ 5,806	$ 5,952	$ 7,318							
Contributions - employees	6,695	6,508	7,218							
Net investment income	990	37	5							
Benefit payments, including refunds of employee contributions	(12,820)	(11,569)	(15,237)							
Net change in plan fiduciary net position	671	928	(696)							
Plan fiduciary net position, beginning	15,762	14,834	15,530							
Plan fiduciary net position, ending (b)	$ 16,433	$ 15,762	$ 14,834							
Net pension liability (asset) - Ending (a) - (b)	$ 57,638	$ 63,082	$ 80,315	$						
Plan fiduciary net position as a percentage of total OPEB liability	22.19 %	19.99 %	15.59 %	DIV/0 %						
Covered-employee payroll	$ 270,938	$ 260,932	$ 291,345	$						
Net OPEB liability as a percentage of covered-employee payroll	21.27 %	24.18 %	27.57 %	DIV/0 %						

The information is presented for as many years as available. The schedule is intended to show information for 10 years.

Note 1: Pension Contributions

Valuation date:	Actuarial determined contribution rates are calculated as of September 30, 21 months prior to the end of the fiscal year in which contributions are reported.
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Amortization period	Unfunded liability 19 years for 2023, 20 years for 2022 Impact of assumption changes over 20 years Experience gains and losses over 25 and 15 years, respectively
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
Actuarial assumption	The actuarial assumptions used in the October 1, 2022 and October 1, 2021 actuarial valuation were based on the results of an experience study for the period October 1, 2016 to September 30, 2020.
Investment rate of return	7.0%, net of expenses
Inflation	2.20%
Projected salary increase	The actuarial assumptions used in the October 1, 2022 and October 1, 2021 actuarial valuation were based on the results of an experience study for the period October 1, 2016 to September 30, 2020.
Cost-of-living adjustments	No future retiree ad-hoc increases assumed
Retirement age	Retirement rates vary between 5% at 55 to 100% at age 80.
Mortality	
Health non-annuitant lives	Pub-2010 Teacher Healthy Annuitant Mortality Table, weighted 95% for males and 103% for females, with generational projection using Scale MP-2020
Healthy annuitant lives	Pub-2010 Teacher Healthy Annuitant Mortality Table, weighted 95% for males and 103% for females, with generational projection using Scale MP-2020
Disabled lives	Pub-2010 Teacher Employee Annuitant Mortality Table, weighted 95% for males and 103% for females, with generational projection using Scale MP-2020

Note 2: Net OPEB Liability*

Benefit Changes	The following plan changes were made effective January 1, 2023:• Retiree health plan: in-network deductibles were increased and out-of-network and out-of-pocket maximums were increased.• Healthy savings plan: in-network deductibles and out-of-pocket maximums were increased and network coinsurance was decreased.
Changes of assumptions	Based on past experience and future expectations, the following actuarial assumptions were changed: • Claims and trends for all the Base and Buyup Medicare advantage plans were revised to reflect future expectations as of the June 30, 2019 measurement date. • The 75% pre-65 medical participation assumption was split to 90% in Retiree Health PPO Plan and 10% in the Healthy Savings Plan. The 90% post-65 participation assumption was split to 33% in the Base Plan and 67% in the Buy Up Plan at the January 1, 2017 effective date.
Discount rate changes	Discount Rates used in determining the Net OPEB Liability at June 30 measurement dates are as follows:

2023	3.65%
2022	3.54%
2021	2.16%
2021	2.16%
2019	3.50%
2018	3.87%
2017	3.58%

** Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation.*

Supplementary Information

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Supplemental Schedule of Non-Federal Financial Support

As of and for the Year Ended June 30, 2023

Summary of Non-Federal Financial Support

1.	Direct Revenue	$ 1,698,430
2.	Indirect Administrative Support	98,675
3.	In-Kind Contributions	-
	a. Services and Other Assets	-
	b. Property and Equipment	-
	Total In-Kind Contributions	-
4.	Total non-federal financial support	$ 1,797,105

See Independent Auditor's Report.