Delta College

Audited Financial Statements and Other Financial Information

June 30, 2025

WUCX-FM Radio
Public Broadcasting Station

WUCX-FM
Delta College

Audited Financial Statements
and Other Financial Information

June 30, 2025

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Supplemental Schedule of Other Financial Information

Management's Discussion and Analysis
WUCX-FM
Delta College
Year Ended June 30, 2025

This discussion and analysis of the financial statements of WUCX-FM (the Station) provides an overview of the Station's financial activities for the years ended June 30, 2025, 2024 and 2023. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis, required supplementary information, and other supplementary information. Responsibility for the completeness and fairness of this information rests with the Station's management.

Using this Report

These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The financial statements are prepared under the accrual basis of accounting, whereby revenue and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Capital expenditures are capitalized on the statement of net position instead of expensed, and depreciation is recorded.

Activities are reported as either operating or nonoperating in accordance with GASB Statement No. 35. Charges for services and operating grants and contributions are recorded as operating revenue, including appropriations and donated facilities and administrative support from Delta College (College).

This annual financial report complies with these requirements and includes this management's discussion and analysis, the report of independent auditors, the basic financial statements, notes to financial statements, required supplementary information, and other supplemental information similar to commercial enterprises and private-sector institutions.

Over time, increases or decreases in net position provide one indication of the financial health of an organization. To assess the overall health of the Station, many other non-financial factors also need to be considered such as trends in listenership, community volunteering, and the quality of regional and national programming.

Joint Operating Agreement

The Station operates under a Joint Operating Agreement with Central Michigan University's (CMU) public radio station, WCMU-FM. This agreement allows the Station to broadcast under WCMU-FM's license and share in annual funding from the Corporation for Public Broadcasting (CPB) and programming costs from National Public Radio and Public Radio International with WCMU-FM. This agreement requires the Station to submit audited financial statements and a CPB Annual Financial Report to CMU. CMU then consolidates the financial information for both stations in WCMU-FM's Annual Financial Report to CPB, which is required to receive CPB funding. The agreement also requires the Station to pay WCMU-FM quarterly for its pro-rata share of tower rental and insurance expenses.

The formula for sharing CPB funding is based upon the Station's nonfederal financial support (NFFS) as a percentage of the total NFFS for WUCX-FM and WCMU-FM combined. Similarly, the formula for sharing programming costs is based upon the ratio of the Station's annual number of broadcast hours per week to the combined total for both stations. Since the Station is not directly awarded the grant from CPB and the Station's share of programming costs typically exceeds its share of CPB funding, the Station records the net amount paid to WCMU-FM under the agreement as programming expense. In this manner, the Station is theoretically charged a discounted amount for programming in exchange for allowing CMU to include the Station's NFFS in WCMU-FM's annual financial report submitted to CPB.

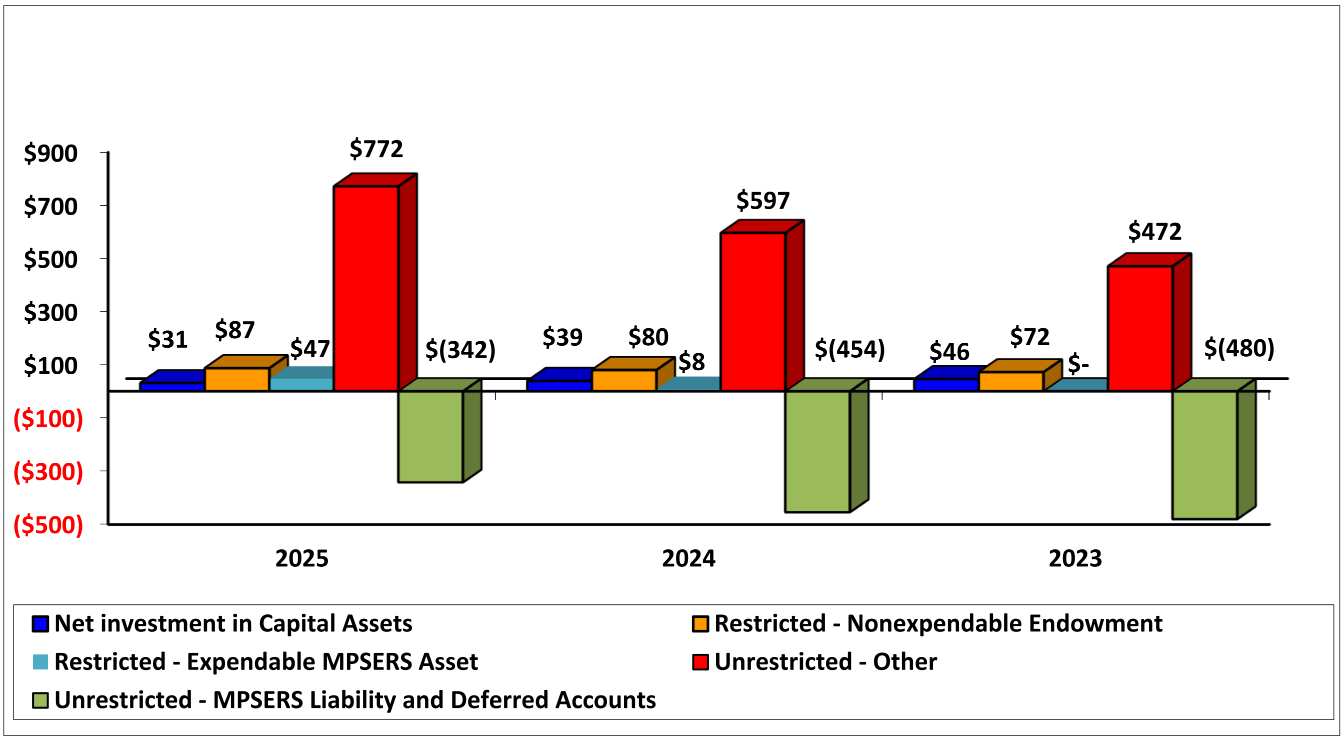
Subsequent to year-end, due to a rescission of federal funding, CPB announced the cessation of their operations. At this time, WUCX-FM and WCMU-FM will continue to operate under the current Joint Operation Agreement apart from receiving annual funding from CPB. The Station will work with CMU to help redefine the operating agreement, as needed, moving forward. See Note 9 of the audited financial statements for additional information.

Management's Discussion and Analysis - Continued
WUCX-FM
Delta College
Year Ended June 30, 2025

Financial Highlights

The Station experienced a $325,000 increase in net position over the prior year. Station assets and deferred outflows of resources related to the Michigan Public School Employees' Retirement System (MPSERS) net pension and other postemployment benefits other than pensions (OPEB), increased $186,000 and decreased $60,000, respectively. The Station's current liabilities, which consist mostly of accrued payroll and other compensation, and non-current liabilities, which consist mostly of MPSERS pension liability decreased $27,000 and $169,000, respectively. Deferred inflows of resources relative to the MPSERS net pension and OPEB decreased $3,000 from the prior year.

The following chart provides a graphical breakdown of net position by category for the fiscal years ending June 30, 2025, 2024 and 2023, in thousands:



Summary of Selected Financial Data

The following is a summary of the major components of the financial position of the Station as of June 30, 2025, 2024 and 2023, in thousands:

	2025	2024	2025-2024 Change	2023	2024-2023 Change
Current Assets	$ 625	$ 563	$ 62	$ 452	$ 111
Long-Term Assets:					
Capital Assets, Net of Depreciation	31	39	(8)	46	(7)
Other	304	172	132	151	21
Total Assets	960	774	186	649	125
Deferred Outflows of Resources	84	144	(60)	176	(32)
Current Liabilities	23	50	(27)	59	(9)
Non-current Liabilities	263	432	(169)	518	(86)
Total Liabilities	286	482	(196)	577	(95)
Deferred Inflows of Resources	163	166	(3)	138	28
Net Position:					
Net Investment in Capital Assets	31	39	(8)	46	(7)
Restricted-Nonexpendable	87	80	7	72	8
Restricted-Expendable	47	8	39	-	8
Unrestricted	430	143	287	(8)	151
Total Net Position	$ 595	$ 270	$ 325	$ 110	$ 160

For the years ended June 30, 2025 and 2024, total assets increased by $186,000 and $125,000, respectively. The increase during both years ended June 30, 2025 and 2024 was due to an increase in cash and investments. Deferred outflows of resources, total liabilities, and deferred inflows of resources fluctuated significantly from June 30, 2024 to June 30, 2025 and June 30, 2023 to June 30, 2024. These fluctuations are primarily due to GASB 68 and 75 fluctuations between years.

Management's Discussion and Analysis - Continued
WUCX-FM
Delta College
Year Ended June 30, 2025

Summary of Selected Financial Data – Continued

The following summarizes the major components of the Station's operating results for the years ended June 30, 2025, 2024 and 2023, in thousands:

	2025	2024	2025-2024 Change	2023	2024-2023 Change
Operating Revenue:					
Membership and Underwriting	$ 224	$ 214	$ 10	$ 227	$ (13)
General Appropriations & Donated Facilities and Administrative Support from Delta College	64	257	(193)	217	40
Total Operating Revenue	288	471	(183)	444	27
Operating Expenses:					
Programming and Production	37	170	(133)	150	20
Broadcasting	48	80	(32)	63	17
Fundraising & Membership Development	-	30	(30)	36	(6)
Management and General	(21)	72	(93)	64	8
Depreciation	8	7	1	8	(1)
Total Operating Expenses	72	359	(287)	321	38
Operating Income	216	112	104	123	(11)
Nonoperating Revenue (Expense)					
Gifts	75	-	75	-	-
Net Investment Income	31	45	(14)	23	22
Net Nonoperating Revenue (Expense)	106	45	61	23	22
Other Revenue					
Additions to Permanent Endowments	3	3	-	4	(1)
Total Other Revenue	3	3	-	4	(1)
Increase in Net Position	325	160	165	150	10
Net Position					
Net Position – Beginning of Year	270	110	160	(40)	150
Net Position – End of Year	$ 595	$ 270	$ 325	$ 110	$ 160

Management's Discussion and Analysis - Continued
WUCX-FM
Delta College
Year Ended June 30, 2025

Operating Revenue

Operating revenue includes all gifts, grants and charges for services that are used to fund the operating activities of the Station, the most significant of which are membership and program underwriting gifts. Also included in operating revenue are general appropriations, donated facilities, and administrative support from Delta College. Operating revenue highlights are as follows:

- The Station's operating revenues for the years ended June 30, 2025, 2024 and 2023, respectively, totaled $288,000, $471,000 and $444,000. The Station's sources of operating revenue are discussed in more detail below.

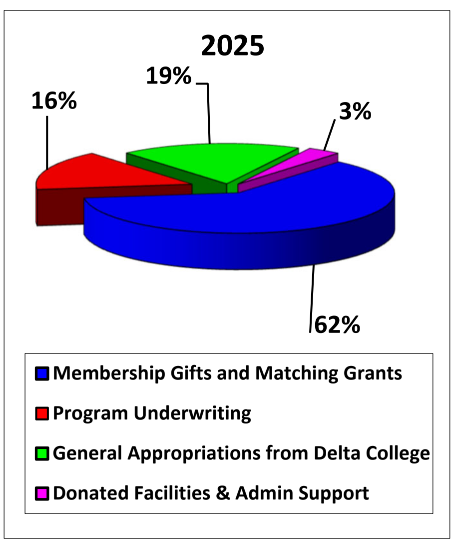
- Membership gifts are those primarily obtained through the Station's on-air pledge drives. A portion of membership gifts are matched by local companies through matching grant programs offered to their employees. For the years ended June 30, 2025, 2024 and 2023, respectively, membership gifts and matching grants revenue totaled $178,000, $162,000 and $170,000.

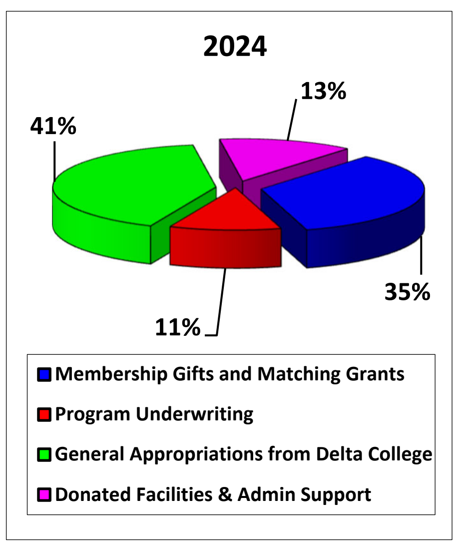
- The Station's underwriting revenue for the years ended June 30, 2025, 2024 and 2023, respectively, amounted to $46,000, $52,000 and $57,000.

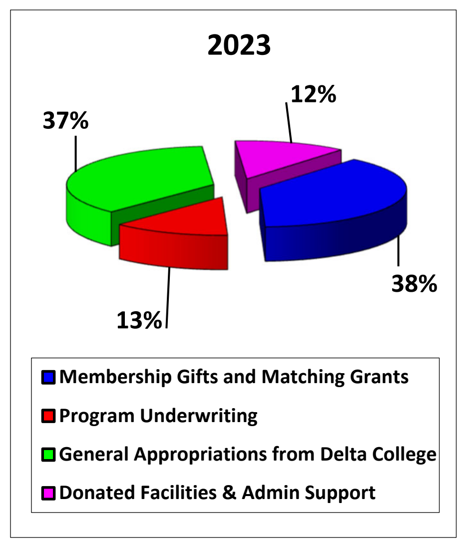
- The Radio Station receives an annual subsidy from Delta College. General appropriations from Delta College for the Radio Station were $54,000, $194,000 and $162,000, respectively, for the years ended June 30, 2025, 2024 and 2023. These appropriations primarily fund employee compensation and benefits.

- In accordance with the CPB definition for institutional public broadcasting stations, the Station recognized indirect support from Delta College. Indirect support consists of allocations of the College's institutional support and facility operation costs that benefit the Station, and is calculated based upon the ratio of the Station's operating costs to the College's total institutional support and facility operation costs. The Station recognized indirect support for the three years ended June 30, 2025, 2024 and 2023, respectively, of $10,000, $63,000 and $55,000.

The following is a graphic illustration of operating revenue by source for the years ended June 30, 2025, 2024 and 2023:







Management's Discussion and Analysis - Continued
WUCX-FM
Delta College
Year Ended June 30, 2025

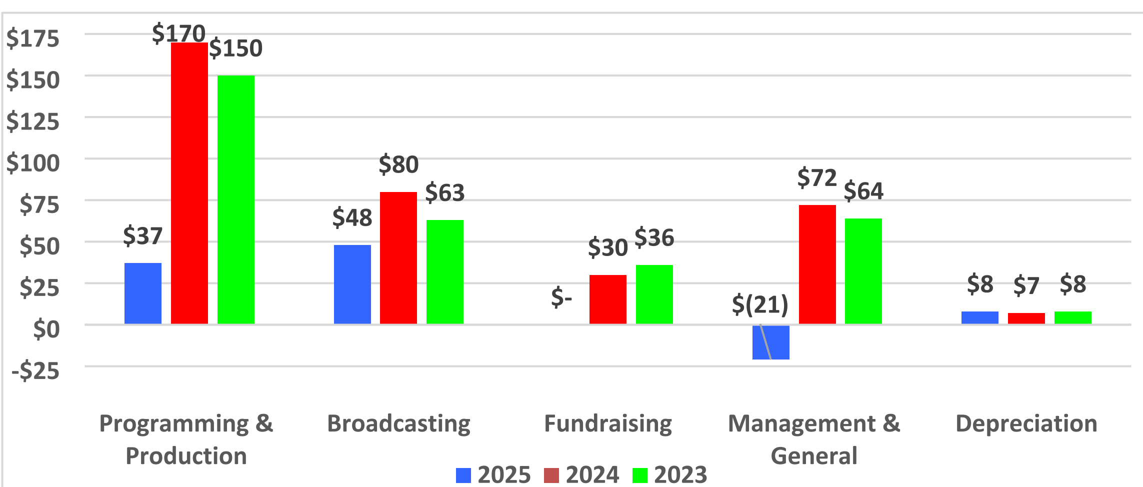
Operating Expenses

Operating expenses are all costs necessary to purchase, produce and broadcast the Station's programs, and the related fundraising and administration costs. The Station's total operating expenses for the years ended June 30, 2025, 2024 and 2023, respectively, amounted to $72,000, $359,000 and $321,000. Operating expense highlights are as follows:

- The Station's operating expenses decreased $287,000, or 80%, from the prior year to $72,000, for the year ending June 30, 2025. The most significant variance from prior year were as follows:
  - Program and production expenses decreased $133,000, or 78%, from the prior year. This decrease was primarily due to a decrease in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years and a decrease in indirect cost.
  - Broadcasting expenses decreased $32,000, or 40%, from the prior year. The decrease was primarily due to a decrease in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years and a decrease in indirect cost.
  - Fundraising and membership development expense decreased $30,000 from the prior year to zero, for the year ending June 30, 2025. The decrease was primarily due to a decrease in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years and a decrease in indirect cost.
  - Management and general costs decreased by $93,000 from the prior year to a negative $21,000 for the year ending June 30, 2025. The decrease was primarily due to a decrease in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years and a decrease in indirect cost.

- The Station's operating expenses increased $38,000, or 12%, from the prior year to $359,000, for the year ending June 30, 2024. The most significant variance from prior year were as follows:
  - Program and production expenses increased $20,000, or 13%, from the prior year. This increase was primarily due to an increase in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years.
  - Broadcasting expenses increased $17,000, or 27%, from the prior year. The increase was primarily due to an increase in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years and an increase in salaries and wages primarily related to vacancies being filled.
  - Management and general costs increased by $8,000 or 13%, due to an increase in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years.

The following is a graphic illustration of operating expenses by function for the years ended June 30, 2025, 2024 and 2023, in thousands:



Nonoperating Revenue (Expense)

The Station's nonoperating revenue (expense) is comprised of gifts and investment income (loss), net of investment management fees. The Station received $75,000 in gift revenue for the year ended June 30, 2025, compared to no gifts for the years ended June 30, 2024 and 2023. For the years ended June 30, 2025, 2024 and 2023 respectively, investment income, net of investment management fees amounted to $31,000, $45,000 and $23,000. These variances in investment income are primarily attributed to fluctuations in the market value of the Station's long-term investments.

Other Revenue

Other revenue consists of items that are typically nonrecurring, extraordinary or unusual to the Station. Other revenue for the Station includes items such as capital appropriations from Delta College, additions to endowments and gifts and grants received for capital projects. Other revenue for the years ended June 30, 2025, 2024 and 2023 included additions to permanent endowments in the amount of $3,000, $3,000 and $4,000, respectively.

Statement of Cash Flows

The primary purpose of the Statement of Cash Flows is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of Cash Flows also helps users assess:

- The ability to generate future net cash flows
- The ability to meet obligations as they come due
- Needs for external financing

The following table summarizes the major cash flow components for the Station for the years ended June 30, 2025, 2024 and 2023, in thousands:

	2025	2024	2025-2024 Change	2023	2024-2023 Change
Cash Provided by (Used in):					
Operating Activities	$ 45	$ 77	$ (32)	$ 97	$ (20)
Noncapital Financing Activities	77	3	74	4	(1)
Investing Activities	(60)	31	(91)	10	21
Net Increase in Cash & Cash Equivalents	62	111	(49)	111	-
Cash & Cash Equivalents – Beginning of Year	563	452	111	341	111
Cash & Cash Equivalents – End of Year	$ 625	$ 563	$ 62	$ 452	$ 111

Capital Assets

At June 30, 2025, 2024 and 2023, respectively, the Station had $31,000, $39,000 and $46,000 invested in capital assets, and is shown net of accumulated depreciation of $175,000, $167,000 and $160,000. During the years ending June 30, 2025, 2024 and 2023, the Station had no purchases or disposals. Depreciation charges for each of the three years totaled $8,000, $7,000 and $8,000, respectively. Details of these assets, net of accumulated depreciation, are as follows, in thousands:

	2025	2024	2025-2024 Change	2023	2024-2023 Change
Buildings	$ 26	$ 28	$ (2)	$ 29	$ (1)
Furniture and Equipment	5	11	(6)	17	(6)
Totals	$ 31	$ 39	$ (8)	$ 46	$ (7)

Debt

The Station had no debt for the years ending June 30, 2025, 2024 and 2023.

Economic Factors That Will Affect the Future of WUCX-FM

Loss of an annual federal grant is by far the greatest economic factor affecting the future health of Delta College Public Radio. In July 2025, Congress voted to approve a rescission of federal funding for the CPB, which for nearly six decades provided financial support for the Public Broadcasting System (PBS) and National Public Radio (NPR) services.

CPB was a private 501(c)(3) nonprofit corporation created by Congress in 1967, which matched locally raised nonfederal funds by stations. Following the rescission, CPB ceased operations effective October 1, 2025, which has severely crippled local stations across the country, causing losses of public media services for local communities nationwide.

Through its Joint Operating Agreement with CMU, WUCX-FM is allocated a share of programming expenses, which had been offset by Delta College Public Radio's share of annual CPB grant funding received directly by CMU's public radio station, WCMU-FM. However, moving forward, we will no longer be able to count on that federal grant funding, which was shared with Delta College's WUCX-FM, as a flow through from WCMU-FM. We will need to work with WCMU-FM's staff to help redefine our operational working relationship in the year ahead.

Delta College Public Media operates both a public radio station (WUCX-FM) and a public TV station (WDCQ-TV). The combined operation has suffered several losses this year that affect the department's overall ability to operate, moving forward. First is the loss of federal funding through CPB. But WDCQ-TV had also been awarded a Next Generation Warning System (NGWS) grant from FEMA, with funding passed through CPB. Those reimbursements, for monies already spent, have been in jeopardy for months and may never be received. Finally, the state of Michigan eliminated its Michigan Learning Channel (MLC) funding, which supported WDCQ-TV.

Collectively, these factors will reduce Delta College Public Media's 2025-2026 annual revenue projection by more than $1.5 million. Although some of these losses explained here are restricted to WDCQ-TV, our Public Media operation share staff members for many functions, so fiscal constraints become more shared across the stations. Due to the loss of the funding sources mentioned above, Delta College Public Media will need to use its station emergency reserve funds, increase revenue projections and reduce operational expenses to balance the station's 2025-2026 budget and maintain current station programming and community services.

Economic Factors That Will Affect the Future of WUCX-FM – Continued

Delta College Public Radio will continue to expand fundraising efforts to increase revenue and expand station partnership opportunities with other public media stations to reduce operational expenses. But there is no direct revenue replacement for the elimination of federal funding. Examination of the entire operation will be needed, and expense reductions pursued, in order to maintain a public radio service for the community.

Additionally, the cost of national public radio programming continues to have an impact on the radio station's annual budget. Delta College Public Radio must raise funding each year and then invest them back into NPR programs like *Morning Edition*, *Weekend Edition*, *1A*, and *Here & Now*. As annual programming costs continue to rise, station management will need to enhance its current fundraising strategies or cut costs.

We hope to keep our most popular NPR programs on Delta College Public Radio. But we also need to reexamine our cadre of locally produced programs, and expensive national shows, to determine our ability to continue to offer the same service as before.

Report of Independent Auditors

Board of Trustees
WUCX-FM
Delta College
University Center, Michigan

Opinion

We have audited the accompanying financial statements of WUCX-FM (the Station) as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise WUCX-FM's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of WUCX-FM, as of June 30, 2025 and 2024, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 WUCX-FM 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

We draw attention to Note 1, which explains that these financial statements of WUCX-FM are intended to present the financial position, changes in financial position, and changes in cash flows of only that portion of the Delta College's business-type activities that are attributable to the transition of the department. They do not purport to, and do not, present fairly the financial position of Delta College as of June 30, 2025 and 2024; the changes in its financial position; or the changes in its cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United State of America. 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WUCX-FM's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 WUCX-FM'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 WUCX-FM'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 9 and the Required Supplementary Information on pages 24 and 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 auditing standards generally accepted in the United States of America, 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.

Other Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of functional expenses detail is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the 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 financial statements as a whole.

Andrews Hooper Pavlik PLC

Saginaw, Michigan
October 29, 2025

Statements of Net Position
WUCX-FM
Delta College

	June 30, 2025	June 30, 2024
Assets		
Current Assets		
Cash and cash equivalents (Note 2)	$ 625,488	$ 562,956
Total Current Assets	625,488	562,956
Long-Term Investments (Note 2)	256,757	165,281
Net OPEB Asset (Note 5)	46,983	7,740
Capital Assets, Net (Note 3)	31,179	38,619
Total Assets	960,407	774,596
Deferred Outflows of Resources (Note 5)	84,430	144,323
Liabilities		
Current Liabilities		
Accounts payable	350	32,116
Accrued payroll and other compensation	23,039	18,036
Total Current Liabilities	23,389	50,152
Non-Current Liabilities		
Net pension liability (Note 5)	262,890	432,070
Total Liabilities	286,279	482,222
Deferred Inflows of Resources (Note 5)	163,073	166,243
Net Position		
Net investment in capital assets	31,179	38,619
Restricted for:		
Nonexpendable endowments	87,016	80,682
Expendable OPEB asset	46,983	7,740
Unrestricted (Note 4)	430,307	143,413
Total Net Position	$ 595,485	$ 270,454

The accompanying notes are an integral part of these statements.

Statements of Revenue, Expenses and Changes in Net Position
WUCX-FM
Delta College

	Year Ended June 30, 2025	Year Ended June 30, 2024
Revenue		
Operating revenue		
Membership gifts and grants	$ 178,112	$ 161,961
Program underwriting revenue	45,539	51,841
General appropriations from Delta College	53,633	193,765
Donated facilities and administrative support from Delta College	10,211	63,049
Total Operating Revenue	287,495	470,616
Expenses		
Operating expenses		
Programming and production	36,572	170,222
Broadcasting	48,551	79,487
Fundraising and membership development	65	29,308
Management and general	(21,250)	71,991
Depreciation expense	7,440	7,440
Total Operating Expenses	71,378	358,448
Operating Income	216,117	112,168
Nonoperating Revenue		
Gifts	75,000	-
Investment income, net of investment expense of $2,840 in 2025 and $2,558 in 2024	31,414	45,574
Total Nonoperating Revenue	106,414	45,574
Net Income Before Other Revenue	322,531	157,742
Other Revenue		
Additions to permanent endowments	2,500	2,500
Total Other Revenue	2,500	2,500
Net Increase in Net Position	325,031	160,242
Net Position - Beginning of Year	270,454	110,212
Net Position - End of Year	$ 595,485	$ 270,454

The accompanying notes are an integral part of these statements.

Statements of Cash Flows
WUCX-FM
Delta College

	Year Ended June 30, 2025	Year Ended June 30, 2024
Cash Flows from Operating Activities		
Membership gifts and grants	$ 178,112	$ 161,961
Program underwriting revenue	45,539	51,841
General appropriations from Delta College	53,633	193,765
Payments to suppliers	(102,620)	(179,568)
Payments to employees	(129,570)	(150,851)
Net Cash Provided by Operating Activities	45,094	77,148
Cash Flows from Noncapital Financing Activities		
Gifts and contributions for other than capital purposes	77,500	2,500
Net Cash Provided by Noncapital Financing Activities	77,500	2,500
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	115,475	54,307
Investment income	14,248	28,833
Purchases of investments	(189,785)	(52,391)
Net Cash (Used in) Provided by Investing Activities	(60,062)	30,749
Net Increse in Cash and Cash Equivalents	62,532	110,397
Cash and Cash Equivalents - Beginning of year	562,956	452,559
Cash and Cash Equivalents - End of year	$ 625,488	$ 562,956

The accompanying notes are an integral part of these statements.

Statements of Cash Flows - Continued
WUCX-FM
Delta College

	Year Ended June 30,	
	2025	**2024**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income	$ 216,117	$ 112,168
Adjustment to reconcile operating income to net cash provided by operating activities:		
Depreciation	7,440	7,440
Increase in assets:		
Net OPEB asset	(39,243)	(35,685)
Decrease in deferred outflows of resources	59,893	32,079
Increase (Decrease) in liabilities:		
Accounts payable	(31,766)	(4,867)
Accrued payroll and other compensation	5,003	(3,576)
Net pension liability	(169,180)	(58,081)
Increase (Decrease) in deferred inflows of resources	(3,170)	27,670
Net Cash Provided by Operating Activities	$ 45,094	$ 77,148

The accompanying notes are an integral part of these statements.

Notes to Financial Statements
WUCX-FM
Delta College
June 30, 2025

Note 1. Significant Accounting Policies

Reporting Entity

WUCX-FM (the Station) is a nonprofit public radio station, operated as a separate organizational unit of Delta College (College), a community college located in University Center, Michigan. The Station has operated since 1989 under a Joint Operating Agreement with Central Michigan University's public radio station, WCMU-FM, which maintains the broadcast license granted by the Federal Communications Commission. The Station's financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America as applicable to public colleges and universities outlined in Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities,* as required by the Corporation for Public Broadcasting (CPB). CPB operations were discontinued October 1, 2025, after the Station's fiscal year end. The June 30, 2025 financial statements have been prepared consistently with the prior year. The CPB closure and impact to the Station is more fully explained in Note 9.

Significant accounting policies followed by the Station are described below to enhance the usefulness of the financial statements to the reader:

Accrual Basis

The financial statements of the Station have been prepared on the accrual basis of accounting, whereby revenue is recognized when earned and expenditures are recognized when the related liabilities are incurred and certain measurement and matching criteria are met.

Cash and Cash Equivalents

Cash and cash equivalents consist of all highly liquid investments with an initial maturity of three months or less when purchased.

Investments

Investments are recorded at fair value, based on quoted market prices.

Capital Assets

Capital assets are recorded at cost or, if acquired by gift, at the acquisition value as of the date of acquisition. Expenditures for maintenance and repairs are expensed as incurred. Depreciation is calculated on capital assets using the straight-line method over the estimated useful lives of the assets. *The American Health Association's Estimated Useful Lives of Depreciable Hospital Assets* was utilized as a guide in establishing useful lives of the Station's capital assets.

Compensated Absences

It is the Station's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued in the financial statements when it is earned. The Station does not have a policy to pay any accumulated sick time amounts when employees separate from service with the Station; therefore, the Station estimates how much of the accumulated leave is more likely than not to be used as paid leave. Based on this calculation, the Station has not reported a liability related to accumulated unused sick benefits.

Pensions and OPEB (Postemployment Benefits Other Than Pensions)

For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. 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.

Note 1. Significant Accounting Policies – Continued

Revenue Recognition
Restricted grant revenue is recognized only to the extent expended.

Gifts and Pledges
Gifts are recorded when received. Voluntary nonexchange transactions (pledges) are recognized in accordance with the GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. GASB Statement No. 33 requires recognition of the entire pledge in the first period that use is permitted and all applicable eligibility requirements have been satisfied. Such pledges are recorded at their discounted present value, net of allowance for uncollectible pledges. The Station has no pledges receivable recorded at June 30, 2025 or 2024.

Donated Facilities and Administrative Support
Donated facilities from Delta College consist of office and studio space together with related occupancy cost, and are recorded in revenue and expense based on methods mandated by CPB. Administrative support from Delta College consists of allocated costs such as financial, administrative and personnel services and certain other institutional support expenses incurred by the College on behalf of the Station.

Operating Activities
The Station's policy for defining operating activities as reported on the Statement of Revenue, Expenses and Changes in Net Position are those that generally result from the provision of public broadcasting services. Revenue restricted by donors to use for capital improvements, and revenue and expenses that result from financing and investing activities are recorded as nonoperating revenue and expenses.

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

Reclassifications
Certain 2024 amounts have been reclassified to correspond to the current year presentation.

Note 2. Cash and Cash Equivalents and Investments

The Station considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Station's deposits and investments are included on the Statement of Net Position under the following classifications as of June 30:

	2025	2024
Cash and cash equivalents	$ 625,488	$ 562,956
Long-term investments	256,757	165,281
Total	$ 882,245	$ 728,237

Note 2. Cash and Cash Equivalents and Investments – Continued

The amounts on the previous page are classified in the following categories at June 30:

	2025	2024
Bank deposits (checking accounts, savings accounts and certificates of deposit)	$ 625,488	$ 562,956
Investments in securities and similar vehicles	256,757	165,281
Total	$ 882,245	$ 728,237

Cash and Cash Equivalents

Delta College invests and manages cash collectively by pooling cash reserves, including cash of the Station. It is not practical to determine the amount reflected in the accounts of the banks (without recognition of checks written but not cleared, or of deposits in transit) or the amount of federal depository insurance that is applicable to the Station's portion of the pooled deposits as of June 30, 2025 or 2024. A portion of the Station's cash is deposited in interest-bearing accounts.

Investments

The Station has received certain contributions that have been designated for use as quasi-endowments. During the years ended June 30, 2025 and 2024, the Station also received contributions restricted for a permanent endowment. Such assets are pooled with and held within the Delta College Foundation Endowment Fund, and are invested in brokerage account cash and money funds, U.S. Treasury bills, notes and bonds, debt and equity securities and alternative investment funds. The Station's investments are stated at fair value based upon market prices. At June 30, 2025 and 2024, respectively, the fair value of the Station's investments is $256,757 and $165,281. Information as to amounts by investment type, associated risks and fair value measurements is included in the notes to the financial statements for Delta College.

Note 3. Capital Assets

The following tables present the changes in the various capital asset class categories for the year ended June 30:

2025	Estimated Useful Life	Beginning Balance	Additions/ Depreciation	Deletions	Ending Balance
Capital Assets:					
Buildings	40 years	$ 80,531	$ -	$ -	$ 80,531
Furniture and equipment	5-20 years	125,341	-	-	125,341
Total Capital Assets		205,872	-	-	205,872
Less Accumulated Depreciation:					
Buildings		52,981	1,620	-	54,601
Furniture and equipment		114,272	5,820	-	120,092
Total Accumulated Depreciation		167,253	$ 7,440	$ -	174,693
Capital Assets, Net		$ 38,619			$ 31,179

Note 3. Capital Assets – Continued

2024	Estimated Useful Life	Beginning Balance	Additions/ Depreciation	Deletions	Ending Balance
Capital Assets:					
Buildings	40 years	$ 80,531	$ -	$ -	$ 80,531
Furniture and equipment	5-20 years	125,341	-	-	125,341
Total Capital Assets		205,872	-	-	205,872
Less Accumulated Depreciation:					
Buildings		51,361	1,620	-	52,981
Furniture and equipment		108,452	5,820	-	114,272
Total Accumulated Depreciation		159,813	$ 7,440	$ -	167,253
Capital Assets, Net		$ 46,059			$ 38,619

Note 4. Unrestricted Net Position

The Station has designated the use of unrestricted net position (deficit) as follows as of June 30:

	2025	2024
Designated for funds functioning as endowments	$ 169,741	$ 84,600
Unrestricted – MPSERS Pension Liability and Net Deferred Accounts	(288,959)	(411,273)
Unrestricted – MPSERS OPEB Net Deferred Accounts	(52,574)	(42,717)
Unrestricted and unallocated	602,099	512,803
Total Unrestricted Net Position	$ 430,307	$ 143,413

Note 5. Retirement Plans

The Station's employees are included in a retirement plan funded by Delta College either through MPSERS, or the Optional Retirement Plan (ORP), a defined contribution plan, administered by TIAA-CREF. Prior to July 1, 2010, the MPSERS plan was strictly a defined benefit plan. Effective July 1, 2010, new MPSERS members participate in a hybrid plan which is both a defined benefit and defined contribution plan.

MPSERS Defined Benefit Plan

At June 30, 2025 and 2024, respectively, the Station reported a liability of $262,890 and $432,070 for its share of the College's proportionate share of the net pension liability of MPSERS. At June 30, 2025 and 2024, respectively, the Station also reported an asset of $46,983 and $7,740 for its share of the College's proportionate share of the net OPEB asset of MPSERS. The net pension liability and OPEB asset at June 30, 2025 was measured as of September 30, 2024, and the total pension liability and OPEB asset used to calculate the net pension liability and OPEB asset was determined by an actuarial valuation rolled forward from September 30, 2023.

Note 5. Retirement Plans – Continued

MPSERS Defined Benefit Plan – Continued

The College's proportion of the net pension liability and OPEB asset was based on a projection of its long-term share of contributions to the pension and OPEB plans relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2024, the College's pension proportion was .29628%, a decrease of .00117% from its proportion measured as of September 30, 2023, which was .29745%. At September 30, 2024, the College's OPEB proportion was .30117%, a decrease of .00370% from its proportion measures as of September 20, 2023, which was .30487%. The Station's calculated share of the net pension liability and OPEB asset was based on its proportionate share of the College's covered employee payroll, as measured by the Station's MPSERS contributions.

For the years ended June 30, 2025 and 2024, respectively, the Station recognized MPSERS retirement revenue of $232,776 and $4,857. For the two respective years, the Station reported deferred outflows of resources of $73,234 and $118,685 and deferred inflows of resources of $99,303 and $97,888 related to the MPSERS pension and deferred outflows of resources of $11,196 and $25,638 and deferred inflows of resources of $63,770 and $68,355 related to the MPSERS OPEB.

The Station reported deferred outflows of resources related to pension contributions subsequent to the measurement date of $38,694 and $46,499, respectively, as of June 30, 2025 and 2024, that will be recognized as a reduction of the net pension liability in the Station's respective subsequent fiscal year. The Station also reported deferred inflows of resources related to pension rate stabilization appropriations received subsequent to the measurement date of $13,435 and $24,592, respectively as of June 30, 2025 and 2024, that will be recognized as revenue in the respective subsequent fiscal year. The Station reported deferred outflows of resources related to OPEB contributions subsequent to the measurement date of $642 and $8,289, as of June 30, 2025 and 2024, respectively, that will be recognized as an increase of the net OPEB asset in the Station's respective subsequent fiscal year.

Other amounts reported as deferred outflows and inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Recognized in Year Ending June 30,	Pension	OPEB
2026	$ (16,299)	$ (18,235)
2027	(2,201)	(10,541)
2028	(19,628)	(9,949)
2029	(13,200)	(8,813)
2030	-	(4,783)
Thereafter	-	(895)
Total	$ (51,328)	$ (53,216)

The discount rate used to measure the total pension liability at June 30, 2025 and 2024 was 6.00% for the Basic, MIP, Pension Plus, and Pension Plus 2 Plans using the September 30, 2024 and 2023 valuation years, respectively.

Note 5. Retirement Plans – Continued

The following presents the net pension liability of the Station, which was calculated using the aforementioned discount rates, as well as what the Station's net pension liability would be if it were calculated using a discount rate that is 1.0% point lower or 1.0% point higher than the current rates:

	Net Pension Liability at 1.0% Decrease	Net Pension Liability at Current Discount Rate	Net Pension Liability at 1.0% Increase
June 30, 2025	$ 385,400	$ 262,890	$ 160,877
June 30, 2024	583,726	432,070	305,812

The discount rate used to measure the total OPEB asset for the years ending June 30, 2025 and 2024 was 6.00% for the September 30, 2024 and 2023 valuation years, respectively. The healthcare cost rate for the year ending June 30, 2025 ranged from 6.50% to 7.25% and for the year ending June 30, 2024 ranged from 6.25% to 7.50%. The following presents the net OPEB asset of the Station, which was calculated using the aforementioned rate, as well as what the Station's net OPEB asset would be if it were calculated using a discount and health care cost rate that is 1.0% point lower or 1.0% point higher than the current rate:

	Net OPEB Liability (Asset) at 1.0% Decrease	Net OPEB Liability (Asset) at Current Rate	Net OPEB Liability (Asset) at 1.0% Increase
Discount Rate June 30, 2025	$ (36,309)	$ (46,983)	$ (56,212)
Current Healthcare Cost Rate June 30, 2025	(56,212)	(46,983)	(37,085)
Discount Rate June 30, 2024	(8,024)	(7,740)	21,288
Current Healthcare Cost Rate June 30, 2024	21,322	(7,740)	(6,960)

ORP Defined Contribution Plan

The Station had no ORP covered payroll for the years ended June 30, 2025 and 2024.

Additional Information

For additional information concerning the Station's retirement plans, refer to Delta College's June 30, 2025 audited financial statements.

Note 6. Community Service Grants

The Station operates under a Joint Operating Agreement with Central Michigan University's public radio station, WCMU-FM. This agreement allows the Station to share in annual funding from WCMU-FM's Community Service Grant from the CPB. The Station's share of CPB Community Service Grants received and expended during recent fiscal years were as follows:

Year of Grant	Grants Received	Expended 2025	Expended 2024	Expended 2023	Uncommitted Balance at June 30
2025	$32,848	$32,848			$ -
2024	29,818		$29,818		-
2023	29,761			$29,761	-

Note 7. NonFederal Financial Support (NFFS)

The CPB allocates a portion of its funds annually to public broadcasting entities, primarily based on NFFS, which is defined by CPB. NFFS is defined as the total value of cash and the fair market value of services received as contributions or payments and meeting all the respective criteria for each.

Calculated in accordance with CPB guidelines, the Station reported total NFFS of $521,956 for the year ended June 30, 2024. With the closure of CPB, NFFS was not required to be reported for the year ended June 30, 2025.

Note 8. Indirect Administrative Support

Indirect support from Delta College consists of allocations of the College's institutional support and facility operation costs that benefit the Station. It is calculated based upon the ratio of the Station's operating costs to the College's total institutional support and facility operation costs. The fair value of this support is recognized as operating revenue in the Statements of Revenue, Expenses and Changes in Net Position under donated facilities and administrative support from Delta College and also in operating expenses. The value of this support included in the Statements of Revenue, Expenses and Changes in Net Position was approximately $10,000 and $63,000, respectively, for the years ended June 30, 2025 and 2024.

Note 9. Subsequent Events

Management has evaluated subsequent events through October 29, 2025 the date the financial statements were available to be issued.

In July of 2025, Congress voted to approve a rescission of federal funding for the CPB. As a result, CPB announced August 1, 2025, that they would begin an orderly wind-down of its operations, thus eliminating the funding of the Community Service Grants that the Station heavily relied on. Through its Joint Operating Agreement with CMU, the Station is allocated a share of programming expenses, approximately $33,000 for the year ending June 30, 2025, which had been offset by the Station's share of annual CPB funding received by CMU's public radio station. Moving forward, the Station can no longer rely on the funding from CMU's public radio station and will need to work with CMU to help redefine the operating agreement going forward.

Management recognizes that the Station may need to use emergency reserve funds, increase revenue production, and reduce operational expenses to balance the 2025-2026 budget and maintain current programming and community services. Management will continue to examine the Station's entire operations, including expense reductions, to maintain a public Radio service going forward.

Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability and Contributions for Michigan Public School Employees' Retirement System (MPSERS), and Notes to Required Supplementary Information
WUCX-FM
Delta College
June 30, 2025

	September 30, 2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Schedule of Proportionate Share of Net Pension Liability										
WUCX-FM's proportion of the net pension liability:										
As a percentage	0.00107%	0.00133%	0.00130%	0.00142%	0.00135%	0.00135%	0.00137%	0.00138%	0.00128%	0.00125%
Amount	$ 262,890	$ 432,070	$ 490,151	$ 335,663	$ 465,125	$ 447,271	$ 412,593	$ 358,064	$ 318,609	$ 305,394
WUCX-FM's covered payroll	$ 116,474	$ 137,728	$ 129,089	$ 125,316	$ 116,434	$ 115,948	$ 117,322	$ 116,159	$ 106,778	$ 106,470
WUCX-FM's proportionate share of the net pension liability, as a percentage of the Station's covered payroll	225.7%	313.7%	379.7%	267.9%	399.5%	385.8%	351.7%	308.3%	298.4%	286.8%
MPSERS fiduciary net position, as a percentage of the total non-university net pension liability	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%

	June 30, 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Schedule of Contributions for MPSERS										
WUCX-FM's statutorily required contributions	$ 44,894	$ 48,113	$ 59,011	$ 44,377	$ 38,761	$ 34,995	$ 36,056	$ 38,046	$ 30,370	$ 29,503
WUCX-FM's contributions in relation to statutorily required contribution	44,894	48,113	59,011	44,377	38,761	34,995	36,056	38,046	30,370	29,503
WUCX-FM's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
WUCX-FM's covered payroll	$ 122,363	$ 142,163	$ 129,978	$ 126,879	$ 113,860	$ 111,048	$ 117,077	$ 118,236	$ 110,438	$ 105,485
WUCX-FM's contributions as a percentage of covered payroll	36.7%	33.8%	45.4%	35.0%	34.0%	31.5%	30.8%	32.2%	27.5%	28.0%

Notes to Required Supplementary Information

Changes of benefit terms: There were no changes of benefit terms from September 30, 2015 through September 30, 2024.

Changes of assumptions: The discount rate for the September 30 valuation date was:
8.00% for 2015-2016; 7.50% for 2017; 7.05% for 2018; 6.80% for 2019-2021; and 6.00% for 2022-2024.

Required Supplementary Information
Schedule of Proportionate Share of Net OPEB Liability and Contributions for Michigan Public School Employees' Retirement System (MPSERS), and Notes to Required Supplementary Information
WUCX-FM
Delta College
June 30, 2025

	September 30,							
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Schedule of Proportionate Share of Net OPEB Liability								
WUCX-FM's proportion of the net OPEB liability:								
As a percentage	0.00109%	0.00137%	0.00132%	0.00137%	0.00131%	0.00132%	0.00137%	0.00139%
Amount	$ (46,983)	$ (7,740)	$ 27,945	$ 20,975	$ 69,927	$ 94,859	$ 109,206	$ 122,778
WUCX-FM's covered payroll	$ 116,474	$ 137,728	$ 129,089	$ 125,316	$ 116,434	$ 115,948	$ 117,322	$ 116,159
WUCX-FM's proportionate share of the net OPEB liability, as a percentage of the Station's covered payroll	-40.3%	-5.6%	21.6%	16.7%	60.1%	81.8%	93.1%	105.7%
MPSERS fiduciary net position, as a percentage of the total non-university net OPEB liability	143.08%	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

	June 30,							
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Schedule of Contributions for MPSERS								
WUCX-FM's statutorily required contributions	$ 9,073	$ 10,659	$ 10,076	$ 9,977	$ 9,196	$ 8,749	$ 9,090	$ 8,529
WUCX-FM's contributions in relation to statutorily required contribution	9,073	10,659	10,076	9,977	9,196	8,749	9,090	8,529
WUCX-FM's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
WUCX-FM's covered payroll	$ 122,363	$ 142,163	$ 129,978	$ 126,879	$ 113,860	$ 111,048	$ 117,077	$ 118,236
WUCX-FM's contributions as a percentage of covered payroll	7.4%	7.5%	7.8%	7.9%	8.1%	7.9%	7.8%	7.2%

Notes to Required Supplementary Information

Changes of benefit terms: There were no changes of benefit terms from September 30, 2017 to September 30, 2024.

Changes of assumptions: The discount rate for the September 30 valuation date was:
7.50% for 2017; 7.15% for 2018; 6.95% for 2019-2021; and 6.00% for 2022-2024.

Supplemental Schedule of Functional Expenses Detail
WUCX-FM
Delta College

	Year Ended June 30, 2025					
	Program Services		Supporting Services			
	Programming and Production	Broadcasting	Fundraising and Membership Development	Management and General	Depreciation Expense	Total
Salaries and wages	$ 72,250	$ 19,539	$ 8,695	$ 32,494	$ -	$ 132,978
Employee benefits	(82,795)	(9,295)	(35,989)	(55,616)	-	(183,695)
Program production and acquisition costs	38,174	29,082	-	-	-	67,256
Professional service fees	-	-	-	3,200	-	3,200
Meetings, travel and conference expenses	540	177	77	269	-	1,063
Supplies and miscellaneous expenses	2,562	1,294	27,272	1,797	-	32,925
Depreciation expense	-	-	-	-	7,440	7,440
Indirect College support	5,841					
Total	$ 36,572	$	$	$	$	$

10,211

(3,394)

7,754

(21,250)

10

-

71,378

48,551

7,440

65