Delta College

Audited Financial Statements and Other Financial Information

June 30, 2026

WUCX-FM Radio
Public Broadcasting Station

WUCX-FM
Delta College

Audited Financial Statements
and Other Financial Information

June 30, 2026

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Management's Discussion and Analysis
WUCX-FM
Delta College
Year Ended June 30, 2026

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, 2026, 2025 and 2024. 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.

Overview of the Financial Statements

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,* as amended by GASB Statement No. 103, *Financial Reporting Model Improvements.* 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.

During the year ended June 30, 2026, the Station adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. The adoption of GASB Statement No. 103 was reported as a change in accounting principle in accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections.* The adoption of GASB Statement No. 103 changed the presentation and classification of certain revenues and expenses in the Statements of Revenues, Expenses and Changes in Net Position, including separate presentation of noncapital subsidies and revised presentation and classification of certain nonoperating revenues. Comparative amounts for the years ended June 30, 2025 and 2024 have been reclassified, if practicable, to conform to the June 30, 2026 presentation. The reclassification affected only the presentation and classification of revenues and had no effect on the total change in net position, beginning net position, ending net position, assets, deferred outflows of resources, liabilities, or deferred inflows of resources.

The Statements of Net Position report information on all Station assets, deferred outflows, liabilities, deferred inflows and net position. Net position is derived from total assets and deferred outflows less total liabilities and deferred inflows. The change in net position is a result of the activities reported in the Statement of Revenue, Expenses and Changes in Net Position.

The Statements of Revenue, Expenses and Changes in Net Position report information showing how the Station's net position changed during the year. Program underwriting and miscellaneous income are recorded as operating revenues while Delta College (College) appropriations, donated facilities, and administrative support and membership gifts and grants are recorded as non-capital subsidies. The Station's reliance on appropriations from the College and membership support will result in reporting an operating loss.

The Statements of Cash Flows classify cash inflows and outflows into the following classifications: operating activities, noncapital financing activities, capital financing activities, and investing activities. This information is useful in assessing the Station's ability to meet maturing financial obligations. The Statements of Cash Flows help users assess the ability to generate future net cash flows, the ability to meet obligations as they come due, and needs for external financing.

This annual financial report complies with the above 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.

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.

Due to a rescission of federal funding, CPB announced the cessation of their operations on August 1, 2025. WUCX-FM and WCMU-FM have continued 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 8 of the audited financial statements for additional information.

Financial Summary

The following is a summary of the major components of the Station's Statements of Net Position as of June 30, 2026, 2025 and 2024, in thousands:

	2026	2025	2026-2025 Change	2024	2025-2024 Change
Current Assets	$ 798	$ 625	$ 173	$ 563	$ 62
Long-Term Assets					
Capital Assets, Net of Depreciation	25	31	(6)	39	(8)
Other	365	304	61	172	132
Total Assets	1,188	960	228	774	186
Deferred Outflows of Resources	78	84	(6)	144	(60)
Current Liabilities	24	23	1	50	(27)
Non-current Liabilities	237	263	(26)	432	(169)
Total Liabilities	261	286	(25)	482	(196)
Deferred Inflows of Resources	150	163	(13)	166	(3)
Net Position					
Net Investment in Capital Assets	25	31	(6)	39	(8)
Restricted-Nonexpendable	70	87	(17)	80	7
Restricted-Expendable	67	47	20	8	39
Unrestricted	693	430	263	143	287
Total Net Position	$ 855	$ 595	$ 260	$ 270	$ 325

Financial Summary – Continued

The following summarizes the major components of the Station's Statements of Revenue, Expenses and Changes in Net Position for the years ended June 30, 2026, 2025 and 2024, in thousands:

	2026	2025	2026-2025 Change	2024	2025-2024 Change
Operating Revenue					
Underwriting and Miscellaneous Revenue	$ 48	$ 46	$ 2	$ 52	(6)
Total Operating Revenue	48	46	2	52	(6)
Operating Expenses					
Programming and Production	187	37	150	170	(133)
Broadcasting	72	48	24	80	(32)
Fundraising & Membership Development	40	-	40	30	(30)
Management and General	54	(21)	75	72	(93)
Depreciation	6	8	(2)	7	1
Total Operating Expenses	359	72	287	359	(287)
Operating Loss	(311)	(26)	(285)	(307)	281
Noncapital Subsidies					
General Appropriations & Donated Facilities and Administrative Support from Delta College	195	64	131	257	(193)
Membership Gifts and Grants	319	178	141	162	16
Gifts	13	75	(62)	-	75
Total Noncapital Subsidies	527	317	210	419	(102)
Total Operating Loss and Noncapital Subsidies	216	291	(75)	112	179
Other Nonoperating Revenue (Expense)					
Net Investment Income	44	31	13	45	(14)
Gifts to endowments	-	3	(3)	3	-
Total Other Nonoperating Revenue (Expense)	44	34	10	48	(14)
Increase in Net Position	260	325	(65)	160	165
Net Position					
Net Position – Beginning of Year	595	270	325	110	160
Net Position – End of Year	$ 855	$ 595	$ 260	$ 270	$ 325

Detailed Analysis

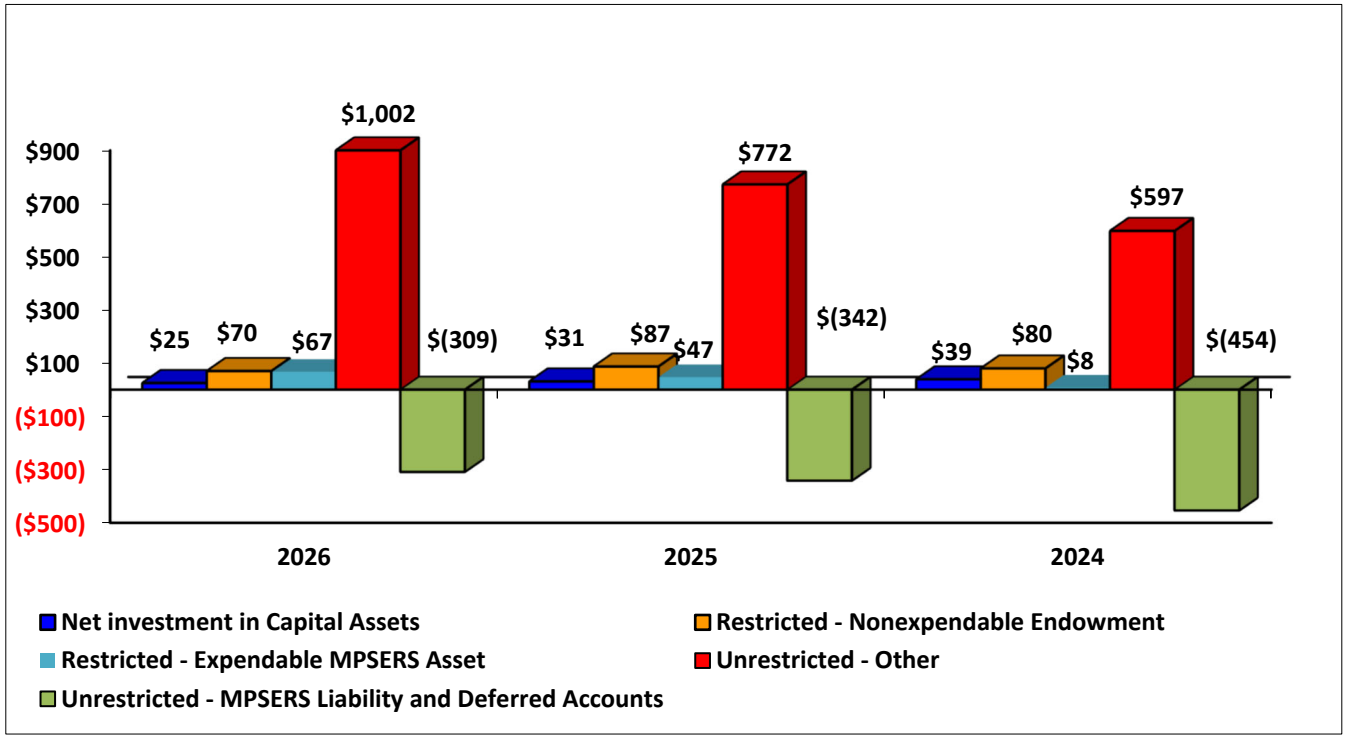
Statements of Net Position

The Station experienced a $260,000 increase in net position for the year ended June 30, 2026, and $325,000 for the year ended June 30, 2025. For the year ended June 30, 2026, the Station's assets and deferred outflows of resources increased $228,000 and decreased $6,000, respectively, while liabilities and deferred inflows of resources decreased $25,000 and $13,000, respectively, from June 30, 2025. For the year ended June 30, 2025, the Station's assets and deferred outflows of resources increased $186,000 and decreased $60,000, respectively, while liabilities and deferred inflows of resources decreased $196,000 and $3,000, respectively, from June 30, 2024.

The increase in total assets for both fiscal year 2026 and 2025 was due to an increase in cash and investments, which was a result of increased membership gifts. Total liabilities decreased for both fiscal year 2026 and 2025 as was primarily due to a reduction in the net pension liability, which is a result of changes in the actuarial assumptions.

Changes in deferred outflows and inflows of resources between June 30, 2024 and June 30, 2026 are related to the Michigan Public School Employees' Retirement System (MPSERS) net pension and other postemployment benefits other than pensions (OPEB) plans as a result of fluctuation in such things as changes in assumptions, differences between expected and actual results, and the College's proportionate share of the net pension and OPEB liability.

The following chart provides a graphical breakdown of net position by category for the fiscal years ending June 30, 2026, 2025 and 2024, in thousands:



Detailed Analysis – Continued

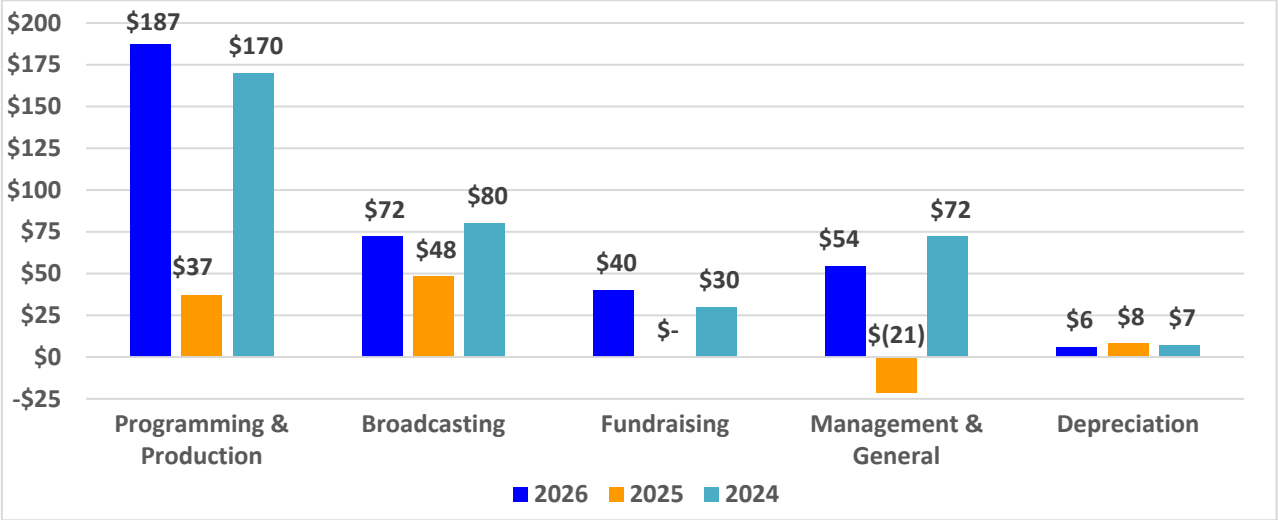
Statements of Revenue, Expenses and Changes in Net Position

Operating Expenses

The Station's operating expenses increased by $287,000, to $359,000 for the year ended June 30, 2026. The variances in all expense categories except depreciation were a result of increases in fringe benefits primarily related to the pension and OPEB fluctuations and a increase in indirect costs between 2026 and 2025.

The Station's operating expenses decreased $287,00, to $72,000, for the year ending June 30, 2025. The variances in all expense categories except depreciation were a result of decreases in fringe benefits primarily related to the pension and OPEB fluctuations and a decrease in indirect costs between 2025 and 2024.

The following is a graphic illustration of operating expenses by function for the years ended June 30, 2026, 2025 and 2024, in thousands:



Noncapital Subsidies

Noncapital subsidies include general appropriations and donated facilities and administrative support from the College as well as membership gifts and grants.

- General appropriations from Delta College were $141,000, $54,000 and $194,000, respectively, for the years ended June 30, 2026, 2025 and 2024. These appropriations primarily fund employee salaries, wages and benefits. The fluctuations in the appropriation are primarily due to pension and OPEB fluctuation between years as well as fluctuations in employee salaries, wages and benefits.

- In accordance with CPB's definition for institutional public broadcasting stations, the Station recognized a total of $54,000, $10,000 and $63,000, respectively, in indirect support from Delta College for the years ended June 30, 2026, 2025 and 2024. Indirect support consists of allocations of the College's institutional support and facility operation costs that benefit the Station.

Detailed Analysis – Continued

Statements of Revenues, Expenses, and Changes in Net Position – Continued

Noncapital Subsidies – Continued

- Membership gifts are those primarily obtained through the Station's on-air pledge drives and various solicitation mailings. A portion of membership gifts are matched by local companies through matching grant programs offered to their employees. For the years ended June 30, 2026, 2025 and 2024, membership gifts and matching grants revenue totaled $319,000, $178,000 and $162,000, respectively. The increase in membership gifts during the year ended June 30, 2026, was a direct response from listeners and supporters due to the CPB closure.

- For the years ended June 30, 2026 and 2025, respectively, non-capital gifts to the Station totaled $13,000 and $75,000. During 2025 there was a $75,000 gift received by the Station.

Other Nonoperating Revenue (Expense)

Other nonoperating revenue (expense) consists of items that are not considered operating or noncapital subsidies to the Station. Other nonoperating revenue (expense) for the Station includes items such as capital appropriations from Delta College, federal capital grants, and capital gifts, investment income, additions to endowments, and gains and losses on the disposition of capital assets.

- The investment income reported is from endowments and quasi-endowments. For the years ended June 30, 2026, 2025 and 2024, respectively, investment income, net of investment management fees, amounted to $44,000, $31,000 and $45,000. These annual fluctuations resulted primarily from realized and unrealized gains on the Station's long-term investments.

Statements of Cash Flows

The following table summarizes the major cash flow components for the Station for the years ended June 30, 2026, 2025 and 2024, in thousands:

	2026	2025	2026-2025 Change	2024	2025-2024 Change
Cash Provided by (Used in):					
Operating Activities	$ (303)	$ (187)	$ (116)	$ (180)	$ (7)
Noncapital Financing Activities	473	309	164	260	49
Investing Activities	3	(60)	63	31	(91)
Net Increase in Cash & Cash Equivalents	173	62	111	111	(49)
Cash & Cash Equivalents – Beginning of Year	625	563	62	452	111
Cash & Cash Equivalents – End of Year	$ 798	$ 625	$ 173	$ 563	$ 62

Fluctuations in cash flow are described above in the Statements of Revenues, Expenses and Changes in Net Position section.

Significant Capital Assets and Longer-Term Financing Activity

At June 30, 2026, 2025 and 2024, respectively, the Station had $25,000, $31,000 and $39,000 invested in capital assets, and is shown net of accumulated depreciation of $181,000, $175,000 and $167,000. During the years ending June 30, 2026, 2025 and 2024, the Station had no purchases or disposals. Depreciation charges for each of the three years totaled $6,000, $8,000 and $7,000, respectively. Details of these assets, net of accumulated depreciation, are as follows, in thousands:

	2026	2025	2026-2025 Change	2024	2025-2024 Change
Buildings	$ 24	$ 26	$ (2)	$ 28	$ (2)
Furniture and Equipment	1	5	(4)	11	(6)
Totals	$ 25	$ 31	$ (6)	$ 39	$ (8)

The Station had no debt for the years ending June 30, 2026, 2025 and 2024.

Currently Known Facts, Decisions, or Conditions

Economic Factors That Will Affect the Future of WUCX-FM

The 2025 loss of an annual federal grant remains the greatest economic factor affecting the future health of the Station. Congress approved a rescission of federal funding for the CPB in 2025, which for nearly six decades provided financial support for the Public Broadcasting System (PBS) and National Public Radio (NPR) services. Following the rescission, CPB ceased operations, 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, the Station is allocated a share of programming expenses, which had been offset by the Station'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 federal grant funding, which was shared with the Station, 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 WUCX-FM and a public TV station (WDCQ-TV). The continued loss of federal funding will reduce Delta College Public Media's 2026-2027 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 both stations. Due to the loss of the funding sources, 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 2026-2027 budget and maintain current station programming and community services.

Delta College Public Media 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 will be pursued, in order to maintain a public radio service for the community.

Additionally, the cost of NPR programming continues to have an impact on the Station's annual budget. The Station 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.

Currently Known Facts, Decisions, or Conditions – Continued

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

We hope to keep our most popular NPR programs on the Station. 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.

AHP
CPAs & ADVISORS

ANDREWS HOOPER PAVLIK PLC
5300 GRATIOT ROAD | SAGINAW, MI 48638

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, 2026 and 2025, 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, 2026 and 2025, 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, 2026 and 2025; 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 8 and the Required Supplementary Information on pages 23 and 24 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 28, 2026

Statements of Net Position
WUCX-FM
Delta College

	June 30, 2026	June 30, 2025
Assets		
Current Assets		
Cash and cash equivalents (Note 2)	$ 798,005	$ 625,488
Total Current Assets	798,005	625,488
Long-Term Investments (Note 2)	298,403	256,757
Net OPEB Asset (Note 5)	67,102	46,983
Capital Assets, Net (Note 3)	25,058	31,179
Total Assets	1,188,568	960,407
Deferred Outflows of Resources (Note 5)	77,901	84,430
Liabilities		
Current Liabilities		
Accounts payable	7,591	350
Accrued payroll and other compensation	16,507	23,039
Total Current Liabilities	24,098	23,389
Non-Current Liabilities		
Net pension liability (Note 5)	237,035	262,890
Total Liabilities	261,133	286,279
Deferred Inflows of Resources (Note 5)	150,136	163,073
Net Position		
Net investment in capital assets	25,058	31,179
Restricted for:		
Nonexpendable endowments	69,723	87,016
Expendable OPEB asset	67,102	46,983
Unrestricted (Note 4)	693,317	430,307
Total Net Position	$ 855,200	$ 595,485

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, 2026	2025
Revenue		
Operating revenue		
Program underwriting revenue	$ 41,713	$ 45,539
Miscellaneous revenue	5,795	-
Total Operating Revenue	47,508	45,539
Expenses		
Operating expenses		
Programming and production	187,062	36,572
Broadcasting	71,780	48,551
Fundraising and membership development	40,058	65
Management and general	53,841	(21,250)
Depreciation expense	6,121	7,440
Total Operating Expenses	358,862	71,378
Operating Loss	(311,354)	(25,839)
Noncapital Subsidies		
General appropriations from Delta College	140,521	53,633
Donated facilities and administrative support from Delta College	54,139	10,211
Membership gifts and grants	319,574	178,112
Gifts	12,618	75,000
Total Noncapital Subsidies	526,852	316,956
Operating Loss and Noncapital Subsidies	215,498	291,117
Other Nonoperating Revenue		
Investment income, net of investment expense of $3,044 in 2026 and $2,840 in 2025	44,217	31,414
Additions to permanent endowments	-	2,500
Total Other Nonoperating Revenue	44,217	33,914
Net Increase in Net Position	259,715	325,031
Net Position - Beginning of Year	595,485	270,454
Net Position - End of Year	$ 855,200	$ 595,485

The accompanying notes are an integral part of these statements.

Statements of Cash Flows
WUCX-FM
Delta College

	Year Ended June 30, 2026	2025
Cash Flows from Operating Activities		
Program underwriting revenue	$ 41,713	$ 45,539
Miscellaneous revenue	5,795	-
Payments to suppliers	(188,456)	(102,620)
Payments to employees	(161,819)	(129,570)
Net Cash Used In Operating Activities	(302,767)	(186,651)
Cash Flows from Noncapital Financing Activities		
General appropriations from Delta College	140,521	53,633
Membership gifts and grants	319,574	178,112
Gifts and contributions for other than capital purposes	12,618	77,500
Net Cash Provided By Noncapital Financing Activities	472,713	309,245
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	126,868	115,475
Investment income	11,861	14,248
Purchases of investments	(136,158)	(189,785)
Net Cash (Used In) Provided By Investing Activities	2,571	(60,062)
Net Increse in Cash and Cash Equivalents	172,517	62,532
Cash and Cash Equivalents - Beginning of year	625,488	562,956
Cash and Cash Equivalents - End of year	$ 798,005	$ 625,488

The accompanying notes are an integral part of these statements.

Statements of Cash Flows - Continued
WUCX-FM
Delta College

	Year Ended June 30, 2026	2025
Reconciliation of Operating Loss to Net Cash Used In Operating Activities:		
Operating Loss	$ (311,354)	$ (25,839)
Adjustment to reconcile operating loss to net cash used in operating activities:		
Depreciation	6,121	7,440
Donated facilities and administrative support from Delta College	54,139	10,211
Increase in assets:		
Net OPEB asset	(20,119)	(39,243)
Decrease in deferred outflows of resources	6,529	59,893
Increase (Decrease) in liabilities:		
Accounts payable	7,241	(31,766)
Accrued payroll and other compensation	(6,532)	5,003
Net pension liability	(25,855)	(169,180)
Decrease in deferred inflows of resources	(12,937)	(3,170)
Net Cash Used In Operating Activities	$ (302,767)	$ (186,651)

The accompanying notes are an integral part of these statements.

Notes to Financial Statements
WUCX-FM
Delta College
June 30, 2026

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 amended by GASB Statement No. 103, *Financial Reporting Model Improvements,* as was previously required by the Corporation for Public Broadcasting (CPB). CPB operations were discontinued October 1, 2025. The June 30, 2026 financial statements have been prepared consistent with the prior year. The CPB closure and impact to the Station is more fully explained in Note 8.

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

Adoption of New Standard and Reclassification

During the year ended June 30, 2026, the Station adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. The adoption of GASB Statement No. 103 was reported as a change in accounting principle in accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections.* The adoption of GASB Statement No. 103 changed the presentation and classification of certain revenues and expenses in the Statements of Revenue, Expenses and Changes in Net Position, including separate presentation of noncapital subsidies and revised presentation and classification of certain nonoperating revenues. Comparative amounts for the year ended June 30, 2025 have been reclassified, if practicable, to conform to the June 30, 2026 presentation. The reclassification affected only the presentation and classification of revenues and had no effect on the total change in net position, beginning net position, ending net position, assets, deferred outflows of resources, liabilities, or deferred inflows of resources.

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.

Note 1. Significant Accounting Policies – Continued

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.

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, 2026 or 2025.

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 Statements of Revenue, Expenses and Changes in Net Position is in accordance with GASB Statement No. 103, *Financial Reporting Model Improvements*, which defines operating revenues and expenses as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as subsidies received and provided, contributions to permanent and term endowments, revenues and expenses related to financing, resources from the disposal of capital assets and inventory, and investment income 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.

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:

	2026	2025
Cash and cash equivalents	$ 798,005	$ 625,488
Long-term investments	298,403	256,757
Total	$ 1,096,408	$ 882,245

The amounts above are classified in the following categories at June 30:

	2026	2025
Bank deposits (checking accounts, savings accounts and certificates of deposit)	$ 798,005	$ 625,488
Investments in securities and similar vehicles	298,403	256,757
Total	$ 1,096,408	$ 882,245

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, 2026 or 2025. 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 and contributions that are restricted for permanent endowments. 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 investments. The Station's investments are stated at fair value based upon market quotations. At June 30, 2026 and 2025, respectively, the fair value of the Station's investments held within the Delta College Foundation Endowment Fund is $298,403 and $256,757. 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:

2026	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		54,601	1,620	-	56,221
Furniture and equipment		120,092	4,501	-	124,593
Total Accumulated Depreciation		174,693	$ 6,121	$ -	180,814
Capital Assets, Net		$ 31,179			$ 25,058
2025					
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 4. Unrestricted Net Position

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

	2026	2025
Designated for funds functioning as endowments	$ 228,680	$ 169,741
Unrestricted – MPSERS Pension Liability and Net Deferred Accounts	(260,957)	(288,959)
Unrestricted – MPSERS OPEB Net Deferred Accounts	(48,313)	(52,574)
Unrestricted and unallocated	773,907	602,099
Total Unrestricted Net Position	$ 693,317	$ 430,307

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, 2026 and 2025, respectively, the Station reported a liability of $237,035 and $262,890 for its share of the College's proportionate share of the net pension liability of MPSERS. At June 30, 2026 and 2025, respectively, the Station also reported an asset of $67,102 and $46,983 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, 2026 was measured as of September 30, 2025, 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, 2024.

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, 2025, the College's pension proportion was .30878%, an increase of .01250% from its proportion measured as of September 30, 2024, which was .29628%, At September 30, 2025, the College's OPEB proportion was .28806%, a decrease of .01311% from its proportion measures as of September 20, 2024, which was .30117%. 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, 2026 and 2025, respectively, the Station recognized MPSERS retirement revenue of $32,016 and $232,776. For the two respective years, the Station reported deferred outflows of resources of $68,079 and $73,234 and deferred inflows of resources of $92,001 and $99,303 related to the MPSERS pension and deferred outflows of resources of $9,822 and $11,196 and deferred inflows of resources of $58,135 and $63,770 related to the MPSERS OPEB.

The Station reported deferred outflows of resources related to pension contributions subsequent to the measurement date of $39,957 and $38,694, respectively, as of June 30, 2026 and 2025, 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 $15,108 and $13,435, respectively as of June 30, 2026 and 2025, 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 $640 and $642, as of June 30, 2026 and 2025, 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 for years ending June 30 as follows:

	Pension	OPEB
2027	$ (4,247)	$ (13,433)
2028	(23,575)	(12,817)
2029	(16,535)	(11,658)
2030	(4,414)	(7,577)
2031	-	(2,654)
Thereafter	-	(814)
Total	$ (48,771)	$ (48,953)

Note 5. Retirement Plans – Continued

The discount rate used to measure the total pension liability at June 30, 2026 and 2025 was 6.00% for the Basic, MIP, Pension Plus, and Pension Plus 2 Plans using the September 30, 2025 and 2024 valuation years, respectively. 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, 2026	$ 374,054	$ 237,035	$ 122,915
June 30, 2025	385,400	262,890	160,877

The discount rate used to measure the total OPEB asset for the years ending June 30, 2026 and 2025 was 6.00% for the September 30, 2025 and 2024 valuation years, respectively. The healthcare cost rate for the year ending June 30, 2026 ranged from 6.50% to 7.75% and for the year ending June 30, 2025 ranged from 6.50% to 7.25%. 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, 2026	$ (57,813)	$ (67,102)	$ (75,232)
Current Healthcare Cost Rate June 30, 2026	(75,158)	(67,102)	(58,644)
Discount Rate June 30, 2025	(36,309)	(46,983)	(56,212)
Current Healthcare Cost Rate June 30, 2025	(56,212)	(46,983)	(37,085)

ORP Defined Contribution Plan

The Station had no ORP covered payroll for the years ended June 30, 2026 and 2025.

Additional Information

For additional information concerning the Station's retirement plans, refer to Delta College's June 30, 2026 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 2026	Expended 2025	Expended 2024	Uncommitted Balance at June 30
2026	$ 6,470	$6,470			$ -
2025	32,848		$32,848		-
2023	29,818			$29,818	-

Note 7. 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 noncapital subsidies 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 $54,000 and $10,000, respectively, for the years ended June 30, 2026 and 2025.

Note 8. Matter Impacting the Future

Through its Joint Operating Agreement with Central Michigan University (CMU), the Station is allocated a share of programming expenses, which had been offset by the Station's share of annual CPB funding received by CMU's public radio station. Following the recent loss of CPB funding the Station continues to work with CMU to help redefine the operational working relationship as needed.

Management recognizes that the Station may need to use emergency reserve funds, increase revenue production, and reduce operational expenses to balance the 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.

Note 9. Subsequent Events

Management has evaluated subsequent events through October 28, 2026 the date the financial statements were available to be issued.

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, 2026

	September 30, 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Schedule of Proportionate Share of Net Pension Liability										
WUCX-FM's proportion of the net pension liability:										
As a percentage	0.00118%	0.00107%	0.00133%	0.00130%	0.00142%	0.00135%	0.00135%	0.00137%	0.00138%	0.00128%
Amount	$ 237,035	$ 262,890	$ 432,070	$ 490,151	$ 335,663	$ 465,125	$ 447,271	$ 412,593	$ 358,064	$ 318,609
WUCX-FM's covered payroll	$ 131,702	$ 116,474	$ 137,728	$ 129,089	$ 125,316	$ 116,434	$ 115,948	$ 117,322	$ 116,159	$ 106,778
WUCX-FM's proportionate share of the net pension liability, as a percentage of the Station's covered payroll	180.0%	225.7%	313.7%	379.7%	267.9%	399.5%	385.8%	351.7%	308.3%	298.4%
MPSERS fiduciary net position, as a percentage of the total non-university net pension liability	79.44%	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%

	June 30, 2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Schedule of Contributions for MPSERS										
WUCX-FM's statutorily required contributions	$ 49,282	$ 44,894	$ 48,113	$ 59,011	$ 44,377	$ 38,761	$ 34,995	$ 36,056	$ 38,046	$ 30,370
WUCX-FM's contributions in relation to statutorily required contribution	49,282	44,894	48,113	59,011	44,377	38,761	34,995	36,056	38,046	30,370
WUCX-FM's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
WUCX-FM's covered payroll	$ 137,561	$ 122,363	$ 142,163	$ 129,978	$ 126,879	$ 113,860	$ 111,048	$ 117,077	$ 118,236	$ 110,438
WUCX-FM's contributions as a percentage of covered payroll	35.8%	36.7%	33.8%	45.4%	35.0%	34.0%	31.5%	30.8%	32.2%	27.5%

Notes to Required Supplementary Information

Changes of benefit terms: There were no changes of benefit terms from September 30, 2016 through September 30, 2025.

Changes of assumptions: The discount rate for the September 30 valuation date was:
8.00% for 2016; 7.50% for 2017; 7.05% for 2018; 6.80% for 2019-2021; and 6.00% for 2022-2025.

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, 2026

	September 30, 2025	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	0.00110%	0.00109%	0.00137%	0.00132%	0.00137%	0.00131%	0.00132%	0.00137%	0.00139%
Amount	$ (67,102)	$ (46,983)	$ (7,740)	$ 27,945	$ 20,975	$ 69,927	$ 94,859	$ 109,206	$ 122,778
WUCX-FM's covered payroll	$ 131,702	$ 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	-51.0%	-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	164.94%	143.08%	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

	June 30, 2026	2025	2024	2023	2022	2021	2020	2019	2018
Schedule of Contributions for MPSERS									
WUCX-FM's statutorily required contributions	$ 1,038	$ 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	1,038	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	$ 137,561	$ 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	0.8%	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, 2025.

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 2022-2025.

Supplemental Schedule of Functional Expenses Detail
WUCX-FM
Delta College

	Year Ended June 30, 2026					
	Program Services		Supporting Services			
	Programming and Production	Broadcasting	Fundraising and Membership Development	Management and General	Depreciation Expense	Total
Salaries and wages	$ 94,063	$ 21,253	$ 7,857	$ 35,637	$ -	$ 158,810
Employee benefits	9,752	6,991	(4,571)	3,349	-	15,521
Program production and acquisition costs	48,725	32,264	-	-	-	80,989
Professional service fees	-	-	98	3,200	-	3,298
Meetings, travel and conference expenses	715	255	55	363	-	1,388
Supplies and miscellaneous expenses	5,097	-	30,471	3,028	-	38,596
Depreciation expense	-	-	-	-	6,121	6,121
Indirect College support	28,710					
Total	$ 187,062	$	$	$	$	$
					54,139	
	11,017		8,264			
		6,148		-	358,862	
	71,780		53,841			
		40,058		6,121		