

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY
OPERATED BY
THE UNIVERSITY OF FLORIDA

FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

Thank you for the clarification. After further review, here are the revisions required:

Both TV and Radio:

1. Schedule B:

a. Step 1 – Please enter the correct physical plant support amount (\$172,380,013) for the IAS calculation. Please ensure that the total IAS matches the amount in the station's AFS after making this revision.

For you to revise the AFRs, after this e-mail I will "disapprove" the AFRs previously submitted. Taking the action to disapprove the AFRs will trigger automatic emails from our Integrated Station Information System to each of these security groups: Grants Administrator, Head of Grantee, and Independent Accountant. Please inform these individuals of this pending action by providing each a copy of this email. Once you make your corrections you will be required to complete all the steps of submitting the AFRs as you did initially, including revisiting each Schedule to indicate that it is completed.

Thanks,

Imad Khalid
Sr. Financial Review Specialist
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WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
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JUNE 30, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,
University of Florida:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of WUFT-FM (the "Station"), a public telecommunications entity operated by the University of Florida, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Station's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WUFT-FM, as of June 30, 2024 and 2023, and the changes in its financial position and its 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). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Station and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 the Station'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.

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

In performing an audit in accordance with GAAS, we:

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

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

Emphasis of Matter

As discussed in Note 1, the financial statements of the Station are intended to present the financial position, and the changes in financial position and cash flows, of only the Station-related accounts of the University of Florida that are attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position of the University of Florida as of June 30, 2024 and 2023, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Station's basic financial statements. The Schedule of Functional Expenses (Exhibit I) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Functional Expenses is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Functional Expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

James Moore & Co., P.L.

Gainesville, Florida
January 13, 2025

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2024 AND 2023

This report is provided for your convenience and understanding of public radio station WUFT-FM’s (the “Station”) financial condition and operating activities for the fiscal years ended June 30, 2024 and 2023. The Governmental Accounting Standards Board has not developed accounting standards for presentation of auxiliary (or departmental) entities. The Station’s accounting policies and practices do, however, conform to those permitted or allowed by the Corporation for Public Broadcasting, which generally follow published Governmental Accounting Standards. Our discussion and analysis is required by accounting principles generally accepted in the United States of America in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* and Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis - for Colleges and Universities*. The overview presented below highlights the significant financial activities which occurred during the past year and describes changes in financial activity from the prior year. Please read this overview in conjunction with our comparative statements of net position on page 11, our statements of revenues, expenses, and changes in net position on page 12 and our notes to the financial statements which begin on Page 14.

Financial Highlights for the Year Ended June 30, 2024

The University of Florida College of Journalism and Communications has operated non-commercial public radio station WUFT-FM since September 27, 1981 and has operated in the public interest for more than four decades serving the Gainesville-Ocala, Florida radio market. Additionally, the University operates WJUF-FM, a full-power (21,000 watts) repeater/satellite radio station that’s licensed to Inverness, Florida and broadcasts to all of the “Nature Coast” region of west central Florida that covers parts of the Tampa-St. Petersburg-Clearwater, Orlando-Melbourne and Gainesville-Ocala, Florida markets. WUFT-FM/WJUF-FM operate with a unique dual mission of service to community and to the students of the University of Florida’s College of Journalism and Communications where the stations provide ongoing professional immersive courses and experiences for them to participate in.

FY24 proved to be an exciting and productive year for the University’s public radio stations and the associated Florida Public Radio Emergency Network, or “FPREN”, which was founded at WUFT-FM in 2013 and continues to be a driving force for public media in each market of the state of Florida, and South Carolina, through the radio station’s public safety content service. The fiscal year brought about numerous hurricanes, tropical storms and other significant events which proved not only the reliability of WUFT’s FPREN service but the radio station’s impact in serving more than 15 other public radio and television stations in Florida and SCETV, South Carolina ETV and South Carolina Public Radio.

FY24 brought about one sizable enhancement of assets and associated liabilities through the development of a new public safety initiative, in partnership with the Florida Division of Emergency Management.

Through a combination of traditional revenue generation, via underwriting and membership/donor relations and the ongoing successful relationship WUFT-FM has built through the Florida legislature and various state of Florida governmental bodies, such as the Department of Education and Florida Division of Emergency Management, the resources have been available to the station’s leadership team to make the necessary investments in FY24 to set the stations up for a positive future.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024 AND 2023
(Continued)

From a pure revenue operations perspective WUFT-FM continues to find success in a number of areas including underwriting, membership and external partnerships and investments including those being driven by WUFT's Florida Public Radio Emergency Network, or "FPREN". The "FPREN" service generates in excess of \$200,000 each year in support of FPREN and WUFT-FM. This revenue to WUFT-FM is in addition to the annual state of Florida grant of \$166,270 that is dedicated to the radio station and the FPREN service in particular. Additionally, through the FPREN service that's provided to SCETV and South Carolina Public Radio, an additional \$200,000+ is generated to support the operation of UF's public radio enterprise.

FY24 should be considered as a year of substantial additional investment in new technology and projects that will directly impact the current and future trajectory of WUFT-FM, WJUF-FM and, generally, the University of Florida's media properties. During FY24, WUFT-FM conceptualized a concept known as "BEACON", or the Broadcast Emergency Alerts and Communications Operations Network, an initiative designed to harness the power of artificial intelligence and the resilience of broadcast radio to create a new 24 hour alerting and advisory channel that would provide government agencies with direct access to the audiences of WUFT-FM, WJUF-FM and other potential host radio stations for the BEACON concept.

In partnership with the Florida Division of Emergency Management, WUFT-FM was able to secure \$3.147 million in funding to fuel the development of technology and deployment of the BEACON concept to partner "host" stations throughout the state of Florida. This \$3.147 million is earmarked for the technical work necessary to build out the tools to operate BEACON as a 24 hour a day alerting and advisory radio channel, which subsequently launched on WUFT-FM HD-4 on December 18, 2024. Additionally, funding from FDEM was slated to provide the tools necessary to operate each of 13 BEACON stations across the state of Florida during a 12 month period following the launch of each individual BEACON site. As the founder/inventor of BEACON FDEM funding to WUFT-FM will be used to cover any BEACON station funding for a calendar year for each station. This FDEM investment is clearly noted through the revenues (and expenses) portions of the report with operating and non-operating revenues showing substantial one-year increases to \$3,658,186 and \$682,823 respectively. Additionally operating expenses saw subsequent increases as well with management and general making up most of the added/new expense with an increase from \$636,565 in FY23 to \$688,579 in FY24.

In total WUFT-FM's net position increased from \$7,523,689 in FY23 to \$8,180,406 in FY24. Additionally, primarily due to the FDEM BEACON-related revenue the radio station's net cash provided by non-capital financing activities increases dramatically to \$1,959,524. While a substantial change in net cash and cash and cash equivalents, this figure is primarily related to the one-time BEACON project funding.

WUFT-FM continues to serve the mission of the University of Florida and College of Journalism and Communications and FY24 brought a number of enhancements to the various ways the radio station, and associated Division of Media Properties (including public television station WUFT-TV), deliver on the promise of service. These efforts, and investments, in mission-based activities have proven to help position the radio station for ongoing and increased grant investment by the state of Florida for the purpose of ensuring the stations ability to serve the communities of north Florida and the citizens statewide, especially during catastrophic events like hurricanes, tropical storms and other public safety events. Many of the investments made in FY24, including those through WUFT/FDEM's BEACON initiative and subsequent funding, have resulted in WUFT-FM being positioned even stronger as a force for mission-based achievements in the years ahead.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024 AND 2023
(Continued)

Financial Highlights for the Year Ended June 30, 2023

The University of Florida College of Journalism and Communications has operated non-commercial public radio station WUFT-FM since September 27, 1981 and has operated in the public interest for more than four decades serving the Gainesville-Ocala, Florida radio market. Additionally, the University operates WJUF-FM, a full-power (21,000 watts) repeater/satellite radio station that's licensed to Inverness, Florida and broadcasts to all of the "Nature Coast" region of west central Florida that covers parts of the Tampa-St. Petersburg-Clearwater, Orlando-Melbourne and Gainesville-Ocala, Florida markets. WUFT-FM/WJUF-FM operate with a unique dual mission of service to community and to the students of the University of Florida's College of Journalism and Communications where the stations provide ongoing professional immersive courses and experiences for them to participate in.

FY23, in particular, has been a year that has seen the leadership team of WUFT-FM, make decisions based in securing the current and future well-being of the public radio station through investments in personnel, infrastructure and operational readiness that will be critical to the future health of the stations and University's media infrastructure and ecosphere. Even with these strategic investment decisions the staff completed the fiscal year with a slight decrease in overall operating expense reducing expenditures by \$9,662 over the prior year.

Through a combination of traditional revenue generation and the ongoing successful relationship WUFT-FM has built through the Florida legislature and various state of Florida governmental bodies, such as the Department of Education and Florida Division of Emergency Management, the resources have been available to the station's leadership team to make the necessary investments in FY23 to set the stations up for a positive future.

From a revenue operations perspective WUFT-FM continues to find success in a number of areas including underwriting, membership and external partnerships and investments including those being driven by WUFT's Florida Public Radio Emergency Network, or "FPREN". The "FPREN" service, founded at WUFT in 2013 with support from the state of Florida and partner public radio stations statewide, was expanded to provide South Carolina ETV and South Carolina Public Radio with a similar public safety service for their television and radio networks. This partnership generates in excess of \$200,000 each year in support of FPREN and WUFT-FM. This revenue to WUFT-FM is in addition to the annual state of Florida grant of \$166,270 that is dedicated to the radio station and the FPREN service in particular. While overall revenue to WUFT-FM decreased in FY23 the core areas of income for the operation remained steady and are on solid footing going forward.

FY23 should be characterized as a year of investment in people and infrastructure that created a decrease in overall net position year to year (\$7,523,689 from \$7,972,300) largely driven by a reduction in revenue year over year. This change in net position is the result of strategies championed by the leadership team related to securing the human capital of the radio station in a very competitive employment environment, greater investment in equipment, supplies, maintenance and projects related to creating a state-of-the-art media and learning environment. And, while the investments made through FY23 resulted in a decreased net position that \$7,523,689 is roughly equal to the net position of WUFT-FM at the close of FY21 (\$7,562,601) and leadership is highly confident the strategic position of the University's media asset is much enhanced and of more value to listeners, students and all stakeholder groups in the state of Florida.

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WUFT-FM continues to serve the mission of the University of Florida and College of Journalism and Communications and FY23 brought a number of enhancements to the various ways the radio station, and associated Division of Media Properties (including public television station WUFT-TV), deliver on the promise of service. These efforts, and investments, in mission-based activities have proven to help position the radio station for ongoing and increased grant investment by the state of Florida for the purpose of ensuring the stations ability to serve the communities of north Florida and the citizens statewide, especially during catastrophic events like hurricanes, tropical storms and other public safety events. Many of the investments made in FY23 resulted in WUFT-FM being positioned even stronger as a force for mission-based achievements in the years ahead.

USING THESE FINANCIAL STATEMENTS

These financial statements consist of statements of net position and statements of revenues, expenses and changes in net position and cash flows. The statements of net position and the statements of revenues, expenses, and changes in net position help to answer the question of whether the Station is better or worse as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

THE REPORTING ENTITY

The Station is a department of the University of Florida and these financial statements included assets, liabilities and activity related to its public broadcasting function. This includes account activity within the University, as well as the University of Florida Foundation, which are under the control of the Station manager.

TABLE 1
CONDENSED STATEMENTS OF NET POSITION

	June 30, 2024	June 30, 2023	June 30, 2022
Current assets	\$ 6,280,692	\$ 2,907,125	\$ 3,361,153
Noncurrent assets	5,599,025	5,233,689	5,128,666
Total assets	11,879,717	8,140,814	8,489,819
Current liabilities	3,372,501	225,612	62,930
Long-term liabilities	178,062	201,174	222,659
Total liabilities	3,550,563	426,786	285,589
Deferred inflow of resources	148,748	190,339	231,930
Net position			
Invested in capital assets	5,124,082	4,696,957	4,520,933
Unrestricted	2,552,845	2,200,455	2,932,344
Restricted for endowments-			
Expendable	433,479	556,277	449,023
Non-Expendable	70,000	70,000	70,000
Total net position	\$ 8,180,406	\$ 7,523,689	\$ 7,972,300

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JUNE 30, 2024 AND 2023
(Continued)

TABLE 2
CONDENSED STATEMENTS OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION
(For the Fiscal Years Ended)

	<u>June 30,</u> <u>2024</u>	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Revenues			
Operating revenues	\$ 3,658,186	\$ 3,053,563	\$ 3,656,630
Non-operating revenues	682,823	181,321	446,226
Total revenues	<u>4,341,009</u>	<u>3,234,884</u>	<u>4,102,856</u>
Operating expenses			
Programming and production	1,848,446	1,872,426	1,694,909
Broadcasting	544,565	625,904	431,613
Management and general	688,579	636,565	669,614
Fundraising and membership development	318,459	326,186	306,748
Underwriting and grant solicitation	284,243	222,414	590,273
Total operating expenses	<u>3,684,292</u>	<u>3,683,495</u>	<u>3,693,157</u>
Change in net position	656,717	(448,611)	409,699
Net position, beginning of year	<u>7,523,689</u>	<u>7,972,300</u>	<u>7,562,601</u>
Net position, end of year	<u>\$ 8,180,406</u>	<u>\$ 7,523,689</u>	<u>\$ 7,972,300</u>

TABLE 3
CONDENSED STATEMENTS OF CASH FLOWS
(For the Fiscal Years Ended)

	<u>June 30,</u> <u>2024</u>	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Net cash provided by operating activities	\$ 114,776	\$ 15,072	\$ 61,620
Net cash provided by non-capital financing activities	1,959,524	-	-
Net cash used in capital and related financing activities	(62,359)	(66,493)	(20,174)
Net cash provided by investing activities	14,134	62,075	56,622
Net change in cash and cash equivalents	2,026,075	10,654	98,068
Cash and cash equivalents, beginning of year	<u>1,580,460</u>	<u>1,569,806</u>	<u>1,471,738</u>
Cash and cash equivalents, end of year	<u>\$ 3,606,535</u>	<u>\$ 1,580,460</u>	<u>\$ 1,569,806</u>

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Current assets consist primarily of cash and cash equivalents, grant receivables, underwriting receivables, restricted pledges, investments, and prepaid expenses. The Station's investment in capital assets includes building and building improvements, furniture, and fixtures and equipment.

Operating revenues consists primarily of community service and capital grants from the Corporation of Public Broadcasting (7.1% in FY'24), appropriations and indirect support from the University of Florida (20.7% in FY'24), State of Florida Department of Education funds (7.3% in FY'24), membership and business contributions and contributed support through underwriting (53.5% in FY'24), donated assets and services (1.5% in FY'24), and other (9.9% in FY'24). Operating expenses consists of expenses for programming and production, broadcasting, management and general, membership development and depreciation.

NEXT YEAR

WUFT-FM and the associated WUFT-TV, the PBS affiliate and long-time public television station for the Gainesville-Ocala, Florida region, continue to operate as a very unique public asset licensed to the University of Florida and operating within the UF College of Journalism and Communications. WUFT-FM (and television) continue to position itself as a true public resource and one that can be counted on, especially during the worst of times. As the host station for the Florida Public Radio Emergency Network or "FPREN", and the associated South Carolina Emergency Information Network, the result of an innovative partnership between WUFT and South Carolina ETV and South Carolina Public Radio, the University's public media enterprise is recognized nationally as a leader in unique and impactful public safety and emergency messaging initiatives. In addition to this unique impact, WUFT-FM and WUFT-TV strive to provide the highest level of community impact through daily news and information, which has become much more important and relevant with the continued decrease in local news outlets and information available to the public.

Our team is committed to the unique dual mission of the radio station and continues to work to advance the best in local journalism training and impact in addition to the critically important public safety work that WUFT-FM has been recognized for not only around Florida and South Carolina but nationwide through the Corporation for Public Broadcasting's Community Lifeline award, a recognition received in 2019. The dual mission of the radio station of service to the community through news, information and programming and the extraordinary educational impact the station has for University of Florida Journalism and telecommunications students is still at the heart of everything the station does.

And, as Florida is one of America's more diverse states, WUFT-FM continues to focus efforts to ensure programming and news content is targeted at underserved audiences across the region. Noticias WUFT is the station's Spanish-language news program, and a special student academic experience targets bilingual students who have an interest in community journalism and service.

As outlined in prior MD&A's, WUFT-FM operates the only radio news facility in the Gainesville-Ocala, Florida market and this clearly positions the University's public media operation as a leader in the marketplace for local news, information and entertainment. With this designation as the sole radio source for local news and information comes a great responsibility and WUFT's staff and the student multimedia journalists involved in the radio station through the College of Journalism & Communications' Innovation News Center take it seriously. Producing hours of local news, community information and weather content on a daily basis WUFT-FM will continue to solidify its position as a leader in the Gainesville-Ocala, Florida marketplace.

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WUFT's impactful work in public safety, both through the unique and powerful FPREN initiative, and now through BEACON, the radio station and general media operation have benefitted greatly from the state of Florida public broadcasting PECO funding. Since 2017, WUFT has received more than \$4.5 million dollars in investment from the state of Florida that has been provided related to strengthening broadcast systems infrastructure to best support public safety messaging and important community information being disseminated via WUFT's various platforms and to partner public media outlets in Florida and beyond.

Proof of this ongoing trust in WUFT from state and local government lies in two awards received by WUFT/FPREN in 2023 and 2024; the 2023 Government Productivity Award from Florida TaxWatch and the 2024 Media Award from the Florida Emergency Preparedness Association.

The leadership of WUFT-TV/FM and the College of Journalism and Communications remain enthusiastic about the many contributions of the public media enterprise and excited about the future.

BUDGETS

While certain Station accounts are under University budgeting control, the University of Florida Foundation accounts and certain other expenditures, such as in-kind and indirect support amounts, are not budgeted. Accordingly, budget information amounts are not presented within these special-purpose financial statements.

CONTACTING MANAGEMENT

This financial narrative is designed to provide a general overview of the Station's finances and to show accountability for the contributions received by the Station. If you have questions about this report or a need for additional financial information, contact the Station at:

WUFT-FM
PO Box 118405
Gainesville, FL 32611-8405
(352) 392-5551

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023

<u>ASSETS</u>	2024	2023
Current assets		
Cash and cash equivalents	\$ 1,289,982	\$ 1,097,179
Restricted cash	2,316,553	483,281
Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station		
Unrestricted	1,178,683	1,111,416
Restricted	1,329	1,300
Underwriting receivables	65,567	56,404
Interest receivable	628	774
Grant receivable from FDEM	1,286,183	-
Due from the University of Florida	73,619	75,498
Prepaid expenses	24,419	40,827
Lease receivable, current portion	43,729	40,446
Total current assets	6,280,692	2,907,125
Noncurrent assets		
Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station		
Restricted	145,121	141,696
Lease receivable, less current portion	128,648	172,377
Capital assets not being depreciated	1,547,699	1,051,849
Capital assets being depreciated/amortized, net	3,777,557	3,867,767
Total noncurrent assets	5,599,025	5,233,689
Total assets	11,879,717	8,140,814
<u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>		
Current liabilities		
Accounts payable and accrued expenses	168,882	189,137
Unearned revenue	19,990	14,990
Lease liability, current portion	23,112	21,485
Due to the University of Florida - FDEM grant advances	3,148,057	-
Due to WUFT-TV	12,460	-
Total current liabilities	3,372,501	225,612
Noncurrent liabilities		
Lease liability, less current portion	178,062	201,174
Total liabilities	3,550,563	426,786
Deferred inflow of resources - lease related	148,748	190,339
<u>NET POSITION</u>		
Net position		
Net investment in capital assets	5,124,082	4,696,957
Unrestricted	2,552,845	2,200,455
Restricted:		
Expendable	433,479	556,277
Nonexpendable	70,000	70,000
Total net position	\$ 8,180,406	\$ 7,523,689

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

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Operating revenues		
Community service grants donated by the Corporation for Public Broadcasting	\$ 260,204	\$ 219,136
Community service grants donated by the Department of Education, State of Florida	266,270	266,270
Appropriations from the University of Florida	440,267	436,462
Business and industry support	753,107	697,129
Membership income	1,208,410	746,868
Donated facilities and administrative support from the University of Florida	310,911	247,346
Income from auxiliary sales and other	313,044	329,796
Lease revenue	49,297	50,608
In-kind contributions	56,676	59,948
Total operating revenues	<u>3,658,186</u>	<u>3,053,563</u>
Operating expenses (Exhibit I)		
Programming and production	1,848,446	1,872,426
Broadcasting	544,565	625,904
Management and general	688,579	636,565
Fundraising and membership development	318,459	326,186
Underwriting and grant solicitation	284,243	222,414
Total operating expenses	<u>3,684,292</u>	<u>3,683,495</u>
Operating loss	<u>(26,106)</u>	<u>(629,932)</u>
Non-operating revenues (expenses)		
PECO allocation	607,512	144,456
Income from FDEM grant	1,286,182	-
FDEM grant expenditures	(1,286,182)	-
Investment return, net	84,855	47,462
Interest expense on lease obligations	(9,544)	(10,597)
Total non-operating revenues	<u>682,823</u>	<u>181,321</u>
Change in net position	<u>656,717</u>	<u>(448,611)</u>
Net position, beginning of year	7,523,689	7,972,300
Net position, end of year	<u><u>\$ 8,180,406</u></u>	<u><u>\$ 7,523,689</u></u>

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

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Cash received from grants, donors and fundraising activities	\$ 3,237,139	\$ 2,877,436
Cash received from leases	48,298	46,495
Cash paid to suppliers and vendors	(1,585,897)	(1,274,501)
Cash paid to employees for salaries and benefits	(1,584,764)	(1,634,358)
Net cash provided by operating activities	<u>114,776</u>	<u>15,072</u>
Cash flows from non-capital financing activities		
Cash received from University of Florida - FDEM grant advances	3,148,057	-
Cash paid in connection with FDEM grant	(1,188,533)	-
Net cash provided by non-capital financing activities	<u>1,959,524</u>	<u>-</u>
Cash flows from capital and related financing activities		
Interest paid on lease obligations	(9,625)	(10,704)
Principal paid on lease obligations	(21,485)	(30,400)
Purchase of capital assets	(638,761)	(169,845)
PECO allocations	607,512	144,456
Net cash used in capital and related financing activities	<u>(62,359)</u>	<u>(66,493)</u>
Cash flows from investing activities		
Net withdrawals of funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station	14,134	62,075
Change in cash and cash equivalents	<u>2,026,075</u>	<u>10,654</u>
Cash and cash equivalents, beginning of year	1,580,460	1,569,806
Cash and cash equivalents, end of year	<u>\$ 3,606,535</u>	<u>\$ 1,580,460</u>
Shown on the statements of net position as:		
Cash and cash equivalents	\$ 1,289,982	\$ 1,097,179
Restricted cash	2,316,553	483,281
Total cash and cash equivalents	<u>\$ 3,606,535</u>	<u>\$ 1,580,460</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (26,106)	\$ (629,932)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	235,000	237,556
Transfer from affiliate station	-	(1,673)
Change in assets and liabilities:		
Underwriting receivables	(9,163)	(112)
Other receivables	-	180,537
Lease receivable	40,446	37,343
Interest receivable	146	135
Prepaid expenses	16,408	61,105
Accounts payable and accrued expenses	(117,824)	170,354
Due to WUFT-TV	12,460	-
Unearned revenue	5,000	1,350
Deferred inflow of resources - lease related	(41,591)	(41,591)
Total adjustments	<u>140,882</u>	<u>645,004</u>
Net cash provided by operating activities	<u>\$ 114,776</u>	<u>\$ 15,072</u>
Supplemental disclosure of non-cash capital and related financing activities		
Capital asset purchases as a reduction in due from the University of Florida	\$ 1,879	\$ 211,662

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

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies of WUFT-FM (the “Station”), which affect significant elements of the accompanying financial statements:

(a) **Reporting entity**—The Station is a department of the University of Florida (the “University”), located in Gainesville, Florida, and conducts various public broadcasting functions. The President of the University is responsible for the management of the University and the Station operates as a department of the University under the control of the Station manager. The financial statements include only those funds, under the administrative control of the Station manager, that relate directly to the operations of the Station, including funds held by the University of Florida Foundation, Inc. (the “Foundation”). These statements do not purport to present the financial position or results of operations of the University as a whole.

(b) **Basis of accounting**—For financial reporting purposes, the Station is considered a special-purpose government engaged only in business-type activities. Accordingly, the Station prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which is similar to those for private business enterprises. Accordingly, revenues are recorded when earned and expenses are recorded when incurred. The Station’s accounting policies conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (“GASB”).

(c) **Net position**—In the statements of net position, net position includes the following:

Net investment in capital assets—consists of capital assets, including leased assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any debt and lease liabilities that is attributable to those assets.

Restricted—consists of assets that have constraints placed upon their use either by external donors or creditors or through laws, regulations or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets.

Nonexpendable restricted net position—consists of endowment and similar type funds in which donors or other outside sources have stipulated that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Expendable restricted net position—includes resources in which the Station is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external third parties.

Unrestricted—consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Station’s policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Cash and cash equivalents**—For purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash in demand accounts with original maturities of three months or less. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by Federal depository insurance up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool in accordance with Florida statutes.

(e) **Restricted cash**—Restricted cash represents cash held with the University that is restricted as to withdrawal or use under the terms of certain contractual agreements.

(f) **Underwriting receivables**—Underwriting receivables are stated at the amount management expects to collect from outstanding balances. Receivables are carried at their estimated collectible amounts. Credit is generally extended on a short-term basis; thus accounts receivable do not bear interest. Based on the Station's historical information, credit losses, when realized, have not been significant.

(g) **Costs incurred for programs not yet broadcast**—Costs incurred for programs not yet broadcast (prepaid program costs) are recorded as an asset within prepaid expenses. Such costs relate to programs purchased or produced by the Station that will be broadcast subsequent to year end. Programs to be completed and broadcast within one year are classified as current assets whereas programs to be completed and broadcast in more than one year are classified as non-current assets. As the programs are broadcast, the costs incurred will be included in operating expenses. Program status is evaluated annually. Costs associated with programs not considered to have future benefit are adjusted to net realizable value.

(h) **Capital assets**—Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets which range from 5 - 40 years. Right to use lease assets are included in capital assets and amortized over the shorter of the lease term or useful life of the underlying asset. Depreciation and amortization expense for the years ended June 30, 2024 and 2023 was \$235,000 and \$237,556, respectively.

(i) **Leases**—The Station leases broadcast transmission towers and determines if an arrangement is a lease at inception. The Station recognizes intangible right to use assets and corresponding lease liabilities for all leases that are not considered short-term. Right to use assets represent the Station's right to use an underlying asset for the lease term and lease liabilities represent the Station's obligation to make lease payments arising from the lease. Right to use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Basis of lease classification – Leases where the maximum possible lease term(s) is non-cancelable by both lessee and lessor and is more than 12 months will not be considered short term.

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NOTES TO FINANCIAL STATEMENTS
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(1) **Summary of Significant Accounting Policies:** (Continued)

Discount Rate – Unless explicitly stated in the lease agreement, known by the Station, or the Station is able to determine the rate implicit within the lease, the discount rate used to calculate lease right to use assets and liabilities will be the Station’s incremental borrowing rate. Leases recorded in fiscal year 2022 were a result of implementation of GASB 87. These leases were recorded as of implementation date July 1, 2020 using the Station’s incremental borrowing rate, based on the term of the loan, of 4.52% and 3.73%. There were no new leases or lease conversions in fiscal years ended 2024 and 2023.

(j) **Lease receivable**—The Station is a lessor for noncancellable leases for tower usage and space rental. The Station recognizes a lease receivable and a deferred inflow of resources in the statements of net position. At the commencement of a lease, the Station initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

(k) **Pension and other postemployment benefits**—As the Station is a department of the University, any pension and other postemployment benefits liabilities are reported by the University. The University’s Annual Comprehensive Financial Report (ACFR) may be obtained from: www.fa.ufl.edu/directives/annual-financial-reports/.

(l) **Revenue recognition**—State appropriations are recorded as revenue in the statements of revenues, expenses and changes in net position when an expenditure is recorded.

Membership contributions are recognized as revenue in the period they are received.

Program production grants are reported as deferred revenues for programs not yet broadcast until the specific program is broadcast. At such time, amounts are included as revenues and the expenditures are recorded.

Revenue related to program underwriting for subsequent fiscal years is reflected as unearned revenues in the accompanying statements of net position. Revenue is recognized when the related program is aired.

Public Education Capital Outlay (“PECO”) allocation funds are recorded as revenue when the Florida Department of Education approves the encumbrance.

Contributed support represents expenses paid on behalf of the Station by others outside the reporting entity, and includes donated materials or facilities, as well as indirect administrative support. These amounts are recorded in revenue during the period in which the support is provided.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(m) **In-kind contributions**—Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. The Station reports gifts of equipment, materials, professional services and other nonmonetary contributions as operating revenue in the accompanying statements of revenues, expenses and changes in net position.

If the fair value of contributed materials, supplies, facilities, and property cannot be reasonably determined they are not recorded. Donated personal services of nonprofessional volunteers, as well as national and local programming services, are not recorded as revenue and expense as there is no objective basis available to measure the value of such services.

Contributed advertising and promotion are recorded at the fair value of the contribution portion of the total value received.

(n) **Pledges and contributions**—The Station engages in periodic fundraising campaigns manifested by offering some special programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Station for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by pledges received from responding listeners. Contributions, including unconditional promises to give and membership receipts, are recognized as revenue in the period received or given. However, uncollected pledges are not enforceable against contributors and the Station has not determined that they are probable of collection, therefore they are not shown as assets on the statements of net position. Contributions and collected pledges are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Station. This usage is consistent with appeals for contributions and pledges.

(o) **Corporation for Public Broadcasting Community Service Grants**—The Corporation for Public Broadcasting (“CPB”) is a private, nonprofit grant-making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (“CSGs”) to qualifying public broadcasting entities. CSGs are used to augment the financial resources of public broadcasting entities and thereby to enhance the quality of programming and expand the scope of public broadcasting services. Each CSG may be expended over one or two Federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

According to the Communications Act, funds may be used at the discretion of recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain activities begun with CSGs awarded in prior years. Certain *General Provisions* must be satisfied in connection with application for and use of the grants to maintain eligibility and meet compliance requirements. These *General Provisions* pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, and licensee status with the Federal Communications Commission.

Any remaining CSG funds and other CPB restricted grant funds at fiscal year-end are reported as restricted cash and restricted-expendable net position on the accompanying statements of net position.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(p) **Indirect support provided by the University of Florida**—Indirect support from the University consists of allocated institutional support for costs incurred by the University for which the Station receives benefits. The fair value of this support is recognized in the statements of revenues, expenses and changes in net position as donated facilities and administrative support from the University and is allocated as an expense to each of the functional expense categories.

Indirect support is calculated using the CPB's Standard Method. For purposes of this calculation, expenses for non-broadcasting activities and unrelated business income taxes are removed from the Station's total operating expenses, along with depreciation, amortization, in-kind contributions, and donated property and equipment to determine the Station's net direct expenses. For the years ended June 30, 2024 and 2023, there were no non-broadcasting activities and unrelated business income taxes. Additionally, in accordance with the CPB Standard Method, fees paid to the University of \$15,025 and \$49,224 were removed in the calculation of indirect administrative support for the years ended June 30, 2024 and 2023, respectively.

(q) **Production revenue**—The Station uses the percentage-of-completion method of accounting for production revenue, whereby the cumulative production revenue earned equals the ratio of costs incurred to the estimated total costs at completion applied to the total committed revenues from outside sponsors. Production costs include charges by subcontractors plus all direct labor and other direct costs. Indirect and general and administrative expenses are charged to expense as incurred. Cost estimates on programs are reviewed periodically as the work progresses and adjustments, if needed, are reflected in the period in which the estimates are revised.

(r) **Operating and non-operating activities**—The Station's policy for defining operating activities as reported on the statements of revenues, expenses and changes in net position are those that generally result from the provision of public broadcasting and instructional technology services, and from the production of program material for distribution in those services. Revenues associated with, or restricted by donors to use for, capital improvements, and revenues and expenses that result from financing and investing activities are recorded as non-operating revenues.

(s) **Program and production underwriting**—Revenue for program underwriting is recorded on a pro-rata basis for the period covered and for production underwriting on an estimated percentage-of-completion basis.

(t) **Income taxes**—The Station is owned and operated by the University of Florida which is a part of the State of Florida's educational system. Accordingly, the Station is exempt from Federal income taxes. Any taxable income is aggregated at the University level and taxes paid, if any, are paid by the University.

(u) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(v) **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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, results could differ from those estimates.

(w) **Advertising costs**—Advertising costs are expensed in the period in which they are incurred. Advertising expense for the years ended June 30, 2024 and 2023, was \$79,718 and \$51,847, respectively.

(x) **Recent accounting pronouncements**—The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. The Station has not currently determined what, if any, impact implementation of the following will have on the Station's financial statements.

GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions in GASB 101 are effective for fiscal years beginning after December 15, 2023.

GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. The objective of GASB 102 is to provide users of governmental financial statements with essential information about risks related to an entity's vulnerabilities due to certain concentrations or constraints. The provisions in GASB 102 are effective for fiscal years beginning after June 15, 2024.

GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of GASB 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an entity's accountability. The provisions in GASB 103 are effective for fiscal years beginning after June 15, 2025.

(y) **FDEM Grant**—During the year ended June 30, 2024, the Station received a \$3,148,057 award from the Florida Division of Emergency Management (FDEM) to coordinate the development of Project BEACON, the broadcast emergency alerting and communications operations network. The Station's third-party technology partner in the project will be the sole and exclusive owner of the technology developed. The University advanced the full award to the Station to begin the project and will be reimbursed as the Station receives invoice payments from FDEM. The Station records revenue once the funds are used for the designated purpose and the funds are entitled to be received from FDEM for the reimbursement claims.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

(2) **Funds Held and Invested by the University of Florida Foundation, Inc. on Behalf of the Station:**

The Station has an agreement with the University of Florida Foundation, Inc., whereby Station funds are held and invested by the University of Florida Foundation, Inc. on behalf of the Station. These amounts are included in the accompanying statements of net position of the Station as “Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station”. Total cash and investments held by the Foundation are \$1,325,133 and \$1,254,412 as of June 30, 2024 and 2023, respectively. These totals included \$146,450 and \$142,996 of restricted funds as of June 30, 2024 and 2023, respectively.

All funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station are for the use of the Station and are invested in uninsured and unregistered investments, which are held in the name of the University of Florida Foundation, Inc. All funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station are reflected at fair value. The Foundation categorizes the fair value measurement of these investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Station has the following recurring fair value measurements as of June 30, 2024 and 2023:

Funds held and invested by the Foundation – recorded at the Station’s ownership of a share of an investment pool, not the underlying securities. These funds are valued at net asset value (“NAV”) of units held, as reported by the Foundation. The Station reviews and evaluates the values and assesses the valuation methods and assumptions used in determining the fair value of these investments. Because the investment pool is not readily marketable, NAV is used as a practical expedient, and the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a readily available market for such investment existed, and differences could be material. The Station relies on policies developed and administered by the University and the Foundation for managing interest rate risk or credit risk for these investment pools.

In accordance with GASB 72, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The following table discloses the nature and risk of investments for which fair value has been estimated using the NAV of the investments as a practical expedient as of June 30, 2024 and 2023, respectively.

	Investments Measured at NAV as of June 30, 2024			
	Total Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Funds held and invested by the Foundation	\$ 1,325,133	\$ -	Daily	N/A
	Investments Measured at NAV as of June 30, 2023			
	Total Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Funds held and invested by the Foundation	\$ 1,254,412	\$ -	Daily	N/A

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(2) **Funds Held and Invested by the University of Florida Foundation, Inc. on Behalf of the Station:** (Continued)

Net investment return on the statement of activities is comprised of the following for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Interest	\$ 10	\$ 4
Realized gains, net	10,281	8,422
Unrealized gains, net	76,382	41,172
Investment expense	(1,818)	(2,136)
Investment return, net	<u>\$ 84,855</u>	<u>\$ 47,462</u>

(3) **Capital Assets:**

Capital asset activity for the years ended June 30, 2024 and 2023, was as follows:

	<u>Balance July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Balance June 30, 2024</u>
Capital assets, not being depreciated					
Construction in progress	\$ 1,051,849	\$ 505,377	\$ -	\$ (9,527)	\$ 1,547,699
Capital assets, being depreciated/amortized					
Building and building improvements	\$ 6,052,204	\$ -	\$ -	\$ 9,527	\$ 6,061,731
Furniture, fixtures and equipment	1,438,159	135,263	-	-	1,573,422
Transmitter	274,074	-	-	-	274,074
Right to use lease asset	245,827	-	-	-	245,827
Total	<u>8,010,264</u>	<u>135,263</u>	<u>-</u>	<u>9,527</u>	<u>8,155,054</u>
Less: Accumulated depreciation/amortization	(4,142,497)	(235,000)	-	-	(4,377,497)
Capital assets, being depreciated/amortized, net	<u>\$ 3,867,767</u>	<u>\$ (99,737)</u>	<u>\$ -</u>	<u>\$ 9,527</u>	<u>\$ 3,777,557</u>

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(3) **Capital Assets:** (Continued)

	<u>Balance July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Balance June 30, 2023</u>
Capital assets, not being depreciated					
Construction in progress	\$ 733,782	\$ 318,067	\$ -	\$ -	\$ 1,051,849
Capital assets, being depreciated/amortized					
Building and building improvements	\$ 6,052,204	\$ -	\$ -	\$ -	\$ 6,052,204
Furniture, fixtures and equipment	1,357,984	63,440	-	16,735	1,438,159
Transmitter	274,074	-	-	-	274,074
Right to use lease asset	285,911	-	(40,084)	-	245,827
Total	<u>7,970,173</u>	<u>63,440</u>	<u>(40,084)</u>	<u>16,735</u>	<u>8,010,264</u>
Less: Accumulated depreciation/amortization	<u>(3,929,963)</u>	<u>(237,556)</u>	<u>40,084</u>	<u>(15,062)</u>	<u>(4,142,497)</u>
Capital assets, being depreciated/amortized, net	<u>\$ 4,040,210</u>	<u>\$ (174,116)</u>	<u>\$ -</u>	<u>\$ 1,673</u>	<u>\$ 3,867,767</u>

(4) **Leases:**

The Station leases broadcast transmission towers under one lease extending through fiscal year 2031. As of June 30, 2024 and 2023, assets recorded under the lease were \$245,827 and accumulated amortization associated with the lease was \$89,391 and \$67,044, respectively. The discount rates of this agreement is 4.52%.

Future maturities of lease payments as of June 30, 2024 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2025	\$ 23,112	\$ 8,620	\$ 31,732
2026	24,827	7,540	32,367
2027	26,633	6,381	33,014
2028	28,536	5,139	33,675
2029	30,541	3,807	34,348
2030-2031	<u>67,525</u>	<u>3,246</u>	<u>70,771</u>
Total	<u>\$ 201,174</u>	<u>\$ 34,733</u>	<u>\$ 235,907</u>

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JUNE 30, 2024 AND 2023

(4) **Leases:** (Continued)

The Station recognized revenue under two lease agreements for tower usage and space rental of \$49,297 and \$50,608, including interest, for fiscal years ended June 30, 2024 and 2023, respectively.

The agreements extend through fiscal years 2027 and 2029 and have a discount rate of 4.14% and 4.43%, respectively.

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

Year Ending June 30,	Principal	Interest	Total Payment
2025	\$ 43,729	\$ 6,682	\$ 50,411
2026	47,203	4,721	51,924
2027	36,179	2,830	39,009
2028	35,956	1,286	37,242
2029	9,310	69	9,379
Total	<u>\$ 172,377</u>	<u>\$ 15,588</u>	<u>\$ 187,965</u>

(5) **Significant Concentrations:**

Information related to significant concentrations of revenues and credit risk for financial instruments owned by the Station, except as otherwise disclosed, is as follows:

(a) **Cash and cash equivalents**—The Station has demand deposits held at financial institutions for the University which are secured up to FDIC limits. Amounts in excess of FDIC limits are secured by collateral held by the financial institution which is pledged to the State of Florida Public Deposits Trust Fund. There are no uninsured cash balances at year-end.

(b) **Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station**—The Station has an agreement with the Foundation, whereby Station funds are held by the Foundation on behalf of the Station as described in Note 2. The Station has no policy requiring collateral or other security to support these amounts.

(c) **Revenues**—The Station received significant revenue from three sources in fiscal year 2024 and one source in fiscal year 2023. The University provided approximately 16% and 21% in cash and contributed support during each of the years ended June 30, 2024 and 2023, respectively. The State of Florida provided approximately 10% of revenue as PECO funds during the year ended June 30, 2024. The Florida Division of Emergency Management provided 22% of revenue as grant funds during the year ended June 30, 2024.

(d) **Underwriting receivables**—Underwriting receivables represent support from local business and industry. At June 30, 2024 and 2023, one contract represented 24% and 22% of underwriting receivables, respectively. The Station has no policy requiring collateral or other security to support its underwriting receivables.

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(6) Restrictions on Net Position:

Investment income, including unrealized appreciation and depreciation, is allocated to the restricted expendable account on a pro rata basis based on the nonexpendable balance. In accordance with state law, and absent any donor restrictions, these funds are then available for expenditure when the specific donor criteria are met. Also included in the restricted expendable account at June 30, 2024 and 2023, are certain grant funds totaling \$342,638 and \$481,074, respectively, and contributions totaling \$14,391 and \$2,207, respectively.

The following displays the total endowment balance as of June 30, 2024 and 2023:

	2024	2023
Total endowment balance	\$ 146,450	\$ 142,996
Less: Appreciation portion deemed restricted expendable	76,450	72,996
Permanently restricted nonexpendable balance	\$ 70,000	\$ 70,000

(7) Community Service Grants:

The Station receives CSGs from the CPB annually. The grants received and expended during the most recent fiscal years were as follows:

Year of Grant	Grants Received	Expended			Uncommitted Balance at June 30, 2024
		2021-22	2022-23	2023-24	
2023-25	\$ 260,204	\$ -	\$ -	\$ 156,662	\$ 103,542
2022-24	219,136	-	7,016	212,120	-
2021-23	187,859	-	139,534	48,325	-

(8) Risks and Uncertainties:

The Station invests in uninsured and unregistered investments, held and managed by the University of Florida Foundation, Inc. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the carrying values reported in the statements of net position.

(9) Nonfederal Financial Support:

The CPB allocates a portion of its funds annually to public broadcasting entities, primarily based on nonfederal financial support ("NFFS"). NFFS is defined as the total value of cash and the fair market value of property and services received as either a contribution or a payment and meeting all of the respective criteria for each.

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(9) **Nonfederal Financial Support:** (Continued)

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity except the Federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcasting station or for the production, acquisition, distribution or dissemination of educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

A “payment” is cash, property or services received by a public broadcasting entity from specific sources in exchange for specific services or materials. Support received as a payment by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source must be a state or local government or agency thereof, or an educational institution; (2) the form of the payment must be an appropriation or contract payment in exchange for specific materials or services related to public broadcasting; (3) the purpose must be for services or materials with respect to the provision of educational or instructional television or radio programs; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

Reported NFFS for the Station was \$4,871,828 and \$2,538,069 for the years ended June 30, 2024 and 2023, respectively.

(10) **Overhead Charges:**

Starting July 1, 2010, the University began charging departments a Responsibility Centered Management (“RCM”) overhead allocation. For the fiscal year ended June 30, 2024, there was no RCM allocated to the Station. For the fiscal year ended 2023, the Station was allocated \$34,943 in RCM. In addition, the Station was assessed other overhead charges by the University of \$15,025 and \$14,281 for the years ended June 30, 2024 and 2023, respectively.

SUPPLEMENTAL INFORMATION

WUFT-FM
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
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SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(With Summarized Comparative Totals for the Year Ended June 30, 2023)

	Program Services			Supporting Services				Total Expenses	2023 Total Expenses
	Programming and Production	Broadcasting	Total	Management and General	Fundraising and Membership Development	Underwriting and Grant Solicitation	Total		
Salaries, payroll taxes and employee benefits	\$ 789,116	\$ 174,152	\$ 963,268	\$ 293,410	\$ 150,657	\$ 177,429	\$ 621,496	\$ 1,584,764	\$ 1,634,358
Professional services	82,277	23,126	105,403	97,779	10,194	46,703	154,676	260,079	248,331
Supplies and materials	50,825	130,194	181,019	63,976	545	8,219	72,740	253,759	304,671
Telephone and utilities	30,982	27,550	58,532	18,766	-	-	18,766	77,298	84,651
Postage, shipping and handling	-	152	152	725	14,663	-	15,388	15,540	14,602
Advertising	5,420	19,886	25,306	7,132	47,280	-	54,412	79,718	51,847
Rental and maintenance of equipment	4,205	37,598	41,803	1,139	2,011	-	3,150	44,953	49,892
Programming	575,629	-	575,629	26	-	8,475	8,501	584,130	577,102
Travel and training	22,788	3,620	26,408	11,911	1,064	233	13,208	39,616	18,587
Conferences and meetings	-	-	-	-	26,129	-	26,129	26,129	21,493
Premiums	-	-	-	-	11,095	-	11,095	11,095	16,704
Subscriptions and dues	35,733	1,267	37,000	4,627	3,485	-	8,112	45,112	48,205
Depreciation and amortization	96,656	92,854	189,510	15,337	21,779	8,374	45,490	235,000	237,556
Donated facilities and administrative support from the University	154,815	34,166	188,981	57,563	29,557	34,810	121,930	310,911	248,214
Service fees	-	-	-	101,163	-	-	101,163	101,163	78,058
Overhead charges	-	-	-	15,025	-	-	15,025	15,025	49,224
	<u>\$ 1,848,446</u>	<u>\$ 544,565</u>	<u>\$ 2,393,011</u>	<u>\$ 688,579</u>	<u>\$ 318,459</u>	<u>\$ 284,243</u>	<u>\$ 1,291,281</u>	<u>\$ 3,684,292</u>	<u>\$ 3,683,495</u>

See accompanying notes to financial statements.