University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU

Financial Statements

As of and for the Years Ended June 30, 2022 and 2021

Supplemental Schedule

For the Year Ended June 30, 2022

WIPFLI

WIPFLI

Independent Auditor's Report

To the Board of Curators
University of Missouri
St. Louis, Missouri

Opinion

We have audited the accompanying financial statements of the University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU (collectively, the Station) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Station as of June 30, 2022 and 2021, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1, the financial statements present only the station and do not purport to, and do not present fairly, the financial position of the University of Missouri, as of June 30, 2022 and 2021, and the changes in its financial position, or, where applicable, 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.

As described in Note 1, in 2022, the Station adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and yearly comparison information on pages 1-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Station's basic financial statements. The Supplemental Schedule of Non-Federal Financial Support for the year ended June 30, 2022, required by the Public Telecommunication Financing Act of 1978, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Wipfli LLP

Wipfli LLP

St. Louis, Missouri
February 14, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2022 and 2021

This Management's Discussion and Analysis (MD&A) of St. Louis Public Radio / KWMU-FM (the Station or KWMU) and Friends of KWMU, Inc. (Friends) provides an overview of the Station's financial performance for the fiscal years ended June 30, 2022 and 2021. It should be read in conjunction with the basic financial statements for the period and the Annual Financial Report (AFR) to the Corporation for Public Broadcasting (CPB), which is a requirement of the Community Service Grant agreement. CPB is a private, non-profit corporation created by Congress in 1967 to promote public media (television, radio and on-line) for the American people.

OVERVIEW OF THE OPERATIONS

The Station is a unit of the St. Louis campus of the University of Missouri (the University) and it broadcasts under Federal Communication Commission (FCC) licenses (call letters KWMU, WQUB, and KMST) issued to the Curators of the University of Missouri. The University primarily provides indirect institutional support to the Station. The University's indirect institutional support to the Station is significant to the Station's financial activities and is calculated in accordance with CPB requirements for the AFR and included in Non-Federal Financial Support used in determining the amount of the Community Service Grant.

The University is classified by the Internal Revenue Service (IRS) as an instrumentality of the State of Missouri and is chartered under Missouri state law. The Station's financial activities are managed under policies and procedures of the University and are subject to control and internal audit by the University. The University and the Station both receive annual external audits. For the Station, the external audit is a condition of the annual Community Service Grant from CPB.

KWMU-FM ACCOUNTING AND FINANCIAL REPORTING

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

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

The Station's annual basic financial statements and reports to CPB are available to the public on the Station's website, which also contains a link to the FCC public files on the FCC website. In addition, these reports and files may be viewed on site during business hours at the Station offices located at 3651 Olive Street, St. Louis, MO 63108.

STATEMENTS OF NET POSITION – THE STATION

The Statements of Net Position present the financial position of the Station as of June 30, 2022 and 2021, including all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Station segregated into current and non-current components. The net position presents the current financial condition of the Station. Assets and liabilities are generally measured using current values, with certain exceptions, such as capital assets, which are stated at cost less accumulated depreciation.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2022 and 2021

A summary of the Station's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2022 and 2021 , follows:

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020
Assets and Deferred Outflows of Resources			
Current Assets	$ 4,486,838	$ 4,823,097	$ 3,369,337
Non-Current Assets	10,097,574	9,948,273	7,924,110
Total Assets	14,584,412	14,771,370	11,293,447
Deferred Outflows of Resources	836,948	416,766	1,253,131
Total Assets and Deferred Outflows of Resources	**$ 15,421,360**	**$ 15,188,136**	**$ 12,546,578**
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities	$ 616,002	$ 1,138,500	$ 594,777
Non-Current Liabilities	3,704,959	2,352,833	3,821,980
Total Liabilities	4,320,961	3,491,333	4,416,757
Deferred Inflows of Resources	452,552	1,434,293	173,068
Total Liabilities and Deferred Inflows of Resources	4,773,513	4,925,626	4,589,825
Net Position			
Invested in Capital Assets	6,125,131	6,142,101	6,268,077
Restricted Nonexpendable - Endowment	3,134,191	2,794,538	1,656,033
Restricted Expendable - Capital	52,050	52,050	52,025
Unrestricted	1,335,475	1,273,821	(19,382)
Total Net Position	10,647,847	10,262,510	7,956,753
Total Liabilities, Deferred Inflows of Resources and Net Position	**$ 15,421,360**	**$ 15,188,136**	**$ 12,546,578**

Fiscal Year 2022 Compared to Fiscal Year 2021

Total assets decreased by a net of $186,958 or 1.27%, to $14,584,412, largely due to decreases in investments resulting from market gains and increased pledge receivables.

Total liabilities increased by $829,628 or 23.8%, to $4,320,961, primarily due to increases in pension liabilities in the current year as a result of market conditions in the current year. The pension liability on the Station's financial statements is under the University pension plan and obligations of the unfunded pension and post-retirement health benefit liabilities will be paid by the University. Current funding of these benefits under a calculation developed by the University is paid and expensed by the Station.

Net Position increased by $385,337 or 3.7% reflecting the Station's operating results for the year.

Fiscal Year   Compared to Fiscal Year 2020

Total assets increased by a net of $3,477,923 or 30.8%, to $14,771,370, largely due to endowment gifts of more than $1,000,000, offset by decreases in operating cash and investments as well as decreases in accounts and grants receivable.

Total liabilities decreased by $925,424 or 20.9%, to $3,491,333 primarily due to a decrease I n pension liability in the current year. The pension liability on the Station's financial statements is under the University pension plan and obligations of the unfunded pension and post-retirement health benefit liabilities will be paid by the University. Current funding of these benefits under a calculation developed by the University is paid and expensed by the Station.

Net Position reflects a net increase of $2,305,757 or 29% due to the loss from operations offset by non-operating endowment gifts and other non-operating revenues and expenses.

STATEMENTS OF NET POSITION – FRIENDS

Cash decreased to $33,100 at June 30, 2022, from $55,158 at June 30, 2021, due to support received in excess of funds transferred to the Station during the current fiscal year in support of operations.

Cash decreased to $55,158 at June 30, 2021, from $36,784 at June 30, 2020, due to funds transferred to the Station during the current fiscal year in support of operations.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – THE STATION

The Statements of Revenues, Expenses and Changes in Net Position present the Station's results of operations. The Statements distinguish revenues and expenses between operating and nonoperating categories.

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020
Operating Revenues:			
Individual and Foundation Support, Net	$ 5,701,709	$ 6,147,184	$ 5,887,438
Grants from Corporation for Public Broadcasting	846,071	580,102	551,255
Other Grants	196,089	252,390	175,088
Corporate Sponsorship Support, Net	1,923,235	1,472,817	1,783,273
Special Events & Other Operating Revenue	215,751	209,308	295,599
Total Operating Revenues	8,882,855	8,661,801	8,692,653
Operating Expenses:			
Program Services –			
Broadcasting	410,369	493,259	444,094
Programming and Production	5,113,809	4,822,075	6,406,439
Program Information	373,066	289,704	347,561
Total Program Services	5,897,244	5,605,038	7,198,094
Support Services -			
Management and General	719,872	689,795	560,292
Depreciation Expense	368,640	389,329	185,458
Fundraising and Membership Development	2,343,171	2,162,704	2,389,712
Total Support Services	3,431,683	3,241,828	3,135,462
Total Operating Expenses	9,328,927	8,846,866	10,333,556
Operating Loss Before Nonoperating Revenues (Expenses)	(446,072)	(185,065)	(1,640,903)

Nonoperating Revenues (Expenses):			
Gifts to Endowment	448,913	726,548	1,025,248
Support (to) from the University of Missouri	65,628	545,790	(103)
Indirect Institutional Support from the University of Missouri	350,715	233,136	382,983
Net Pension	(172,376)	169,531	(352,294)
Net Other Postemployment Benefits	43,377	54,389	30,056
Other In-Kind Non-Operating Revenue	18,188	13,415	45,980
Investment and Endowment Income	1,453	512,906	20,626
Transfers from Friends of KWMU for Endowment	-	-	-
Transfers from Friends of KWMU	110,000	270,000	190,000
Interest Expense	(34,489)	(34,623)	-
Total Nonoperating Revenues (Expenses)	831,409	2,490,822	1,342,496
Increase (Decrease) in Net Position	385,337	2,305,757	(298,407)
Net Position, Beginning of Year	10,262,510	7,956,753	8,255,160
Net Position, End of Year	**$10,647,847**	**$ 10,262,510**	**$ 7,956,753**

Fiscal Year 2022 Compared to Fiscal Year 2021

Total **Operating Revenues** increased by a net of $221,054 or 2.6%, from fiscal year 2021. There was a 30.6% increase in net corporate sponsorship support and a 45.8% increase CPB grant funding. This was offset by a 7.2% decrease in individual and foundation support.

Total **Non-Operating Revenues (Expenses)** for fiscal year 2022 decreased $1,659,413 or 66.6%, from fiscal year 2021. This was primarily driven by decreases in investment and endowment income as well as net pension, each of which are due to market earnings in the current year. Additionally, the Station received less support from the University of Missouri in the current year.

Total **Operating Expenses** for fiscal year 2022 increased $482,061 or 5.4%, from fiscal year 2021. Program services increased $292,206 or 5.2%, over fiscal year 2021. Support services increased $189,855 or 5.9%, from fiscal year 2021. Program services expense comprised 65.8% and 66.3% of total operating expense (excluding depreciation) in 2022 and 2021, respectively. Support services expense comprised of 34.2% and 33.7% of total operating expense (excluding depreciation) in 2022 and 2021, respectively. Support services increased due to increases in management and general expenses related to consulting fees incurred during the year.

Fiscal Year 2021 Compared to Fiscal Year 2020

Total **Operating Revenues** decreased by a net of $30,852 or 0.4%, from fiscal year 2020. The increase of 4.4% in individual and foundation support, the largest source of gifts, is partially offset by decreases in corporate sponsorship support and special events and other operating revenue.

Total **Non-Operating Revenues (Expenses)** for fiscal year 2021 increased $1,148,326 or 85.5%, from fiscal year 2020. This was primarily driven by an increase in support from the university and investment and endowment income as well as in net pension. This was offset by a decrease in gifts to endowment.

Total **Operating Expenses** for fiscal year 2021 decreased $1,486,690 or 14.4% from fiscal year 2020. This is primarily due to decreased spending and budget cuts associated with the COVID-19 pandemic. Program services decreased by $1,593,056 or 22.1% over fiscal year 2020. Support services increased $106,366, or 3.4% from fiscal year . Program services expense comprised 66.3% and 70.9% of total operating expense (excluding depreciation) in 2021 and 2020, respectively. Support services expense comprised 33.7% and 29.1% % of total operating expense (excluding depreciation) in 2021 and 2020, respectively.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – FRIENDS

Operating revenues of Friends of KWMU in 2022 decreased by $202,119, from $293,395 in fiscal year 2021 to $91,276, in fiscal year 2022. The decrease in 2022 is related to the decrease in individual and foundation support received by Friends of KWMU in fiscal year 2022.

Operating revenues of Friends of KWMU in 2021 increased by $129,496, from $163,899 in fiscal year 2020 to $293,395, in fiscal year 2021. The increase in 2021 is related to the increase in individual and foundation support received by Friends of KWMU in fiscal year 2021.

ECONOMIC OUTLOOK

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

- Special event funding: The Station will continue to view events as a way to increase community awareness of the rich educational value of public media. As more American citizens are vaccinated and the pandemic comes to an end, in-person events will again be possible. While events are not a significant source of funding when costs are considered, they are an invaluable source of new listeners/viewers of public content who may become supporters of the Station in the future.

- Private Donations: Membership continues to be a strong source of Station funding and has experienced sustained growth. The acquisition of major gifts has slowed during the pandemic with the inability for in-person donor meetings. However, as the economy improves management expects continued stable growth in this area of support. Additionally, when the timing is right, a paused major capital campaign will resume to support strategic investments, future capital asset replacements and to augment endowment assets.

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

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

University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU

Statements of Net Position

As of June 30, 2022 and 2021	2022		Restated 2021	
	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current Assets:				
Cash and Cash Equivalents	$ 923,145	$ 33,100	$ 830,806	$ 55,158
Short-Term Investments	1,624,069	-	2,220,673	-
Accounts Receivable, Net	315,968	-	206,696	-
Pledges Receivable, Net	1,614,556	-	1,546,509	-
Prepaid Expenses	-	-	18,413	-
Grants Receivable	9,100	-	-	-
Total Current Assets	**4,486,838**	**33,100**	**4,823,097**	**55,158**
Non-current Assets:				
Long-Term Investments - Restricted	3,134,191	-	2,794,538	-
Capital and Lease Assets, Net	6,963,383	-	7,153,735	-
Total Non-current Assets	**10,097,574**	**-**	**9,948,273**	**-**
Deferred Outflow of Resources:				
Deferred Outflows Related to Pension	802,051	-	379,043	-
Deferred Outflows Related to Other Post Employment Benefits	34,897	-	37,723	-
Total Deferred Outflow of Resources	**836,948**	**-**	**416,766**	**-**
Total Assets and Deferred Outflows of Resources	**$ 15,421,360**	**$ 33,100**	**$ 15,188,136**	**$ 55,158**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current Liabilities:				
Accounts Payable and Other Accrued Expenses	$ 154,356	$ -	$ 324,371	$ -
Accrued Vacation	252,820	-	242,345	-
Unearned Revenue	66,494	-	60,858	-
Unexpended Grants	9,589	-	348,321	-
Current Portion of Lease Obligations	132,743	-	162,605	-
Total Current Liabilities	**616,002**	**-**	**1,138,500**	**-**
Non-Current Liabilities:				
Accrued Vacation	119,796	-	155,072	-
Net Pension Liability	2,411,960	-	845,071	-
Net Other Post Employment Benefits Liability	467,694	-	503,661	-
Long-Term Lease Obligations	705,509	-	849,029	-
Total Non-Current Liabilities	**3,704,959**	**-**	**2,352,833**	**-**
Deferred Inflow of Resources:				
Deferred Inflows Related to Pension	189,811	-	1,161,316	-
Deferred Inflows Related to Other Post Employment	262,741	-	272,977	-
Total Deferred Inflow of Resources	**452,552**	**-**	**1,434,293**	**-**
Total Liabilities and Deferred Inflows of Resources	**4,773,513**	**-**	**4,925,626**	**-**
Net Position:				
Invested in Capital and Lease Assets	6,125,131	-	6,142,101	-
Restricted Nonexpendable - Endowment	3,134,191	-	2,794,538	-
Restricted Expendable - Capital	52,050	-	52,050	-
Unrestricted	1,336,475	33,100	1,273,821	55,158
Total Net Position	**10,647,847**	**33,100**	**10,262,510**	**55,158**
Total Liabilities, Deferred Inflows of Resources and Net Position	**$ 15,421,360**	**$ 33,100**	**$ 15,188,136**	**$ 55,158**

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

University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU

Statements of Revenues, Expenses, and Changes in Net Position

For the Years Ended June 30, 2022 and 2021	2022		Restated 2021	
	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit
Operating Revenues:				
Individual and Foundation Support, Net	$ 5,701,709	$ 91,276	$ 6,147,184	$ 293,395
Grants from Corporation for Public Broadcasting	846,071	-	580,102	-
Other Grants	196,089	-	252,390	-
Corporate Sponsorship Support, Net	1,923,235	-	1,472,817	-
Special Events & Other Operating Expenses	215,751	-	209,308	-
Total Operating Revenues	8,882,855	91,276	8,661,801	293,395
Operating Expenses:				
Program Services -				
Broadcasting Expense	410,369	-	493,259	-
Programming and Production Expense	5,113,809	-	4,822,075	-
Program Information Expense	373,066	-	289,704	-
Total Program Services	5,897,244	-	5,605,038	-
Supporting Services -				
Management and General	719,872	3,334	689,795	5,021
Depreciation and Amortization	368,640	-	389,329	-
Fundraising	2,343,171	-	2,162,704	-
Total Supporting Services	3,431,683	3,334	3,241,828	5,021
Total Operating Expenses	9,328,927	3,334	8,846,866	5,021
Operating Income (Loss) Before Non-Operating Revenues (Expenses)	(446,072)	87,942	(185,065)	288,374
Non-Operating Revenues (Expenses):				
Gifts to Endowment	448,913	-	726,548	-
Indirect Institutional Support from University of Missouri	350,715	-	233,136	-
In-kind Donations	18,188	-	13,145	-
Net Pension	(172,376)	-	169,531	-
Net Other Postemployment Benefits	43,377	-	54,389	-
Support from the University of Missouri	65,628	-	545,790	-
Investment and Endowment Income	1,453	-	512,906	-
Transfers to (from) Friends of KWMU	110,000	(110,000)	270,000	(270,000)
Interest Expense	(34,489)	-	(34,623)	-
Total Non-Operating Revenues (Expenses)	831,409	(110,000)	2,490,822	(270,000)
Increase in Net Position	385,337	(22,058)	2,305,757	18,374
Net Position, Beginning of Year	10,262,510	55,158	7,956,753	36,784
Net Position, End of Year	$ 10,647,847	$ 33,100	$ 10,262,510	$ 55,158

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

University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU

Statements of Cash Flows

For the Years Ended June 30, 2022 and 2021	2022		Restated 2021	
	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit
Cash Flows from Operating Activities:				
Individual and Foundation Support	$ 5,633,662	$ 91,276	$ 5,668,992	$ 293,395
Grants from Corporation for Public Broadcasting	507,339	-	844,145	-
Other Grants	186,989	-	252,390	-
Corporate Sponsorship Support	1,837,787	-	1,418,681	-
Payments to Suppliers and Employees	(8,785,975)	(3,334)	(8,039,531)	(5,021)
Other Receipts	215,751	-	209,308	-
Net Cash Provided (Used) by Operating Activities	**(404,447)**	**87,942**	**353,985**	**288,374**
Cash Flows from Capital and Related Financing Activities:				
Purchase of Capital Assets	(178,288)	-	(90,749)	-
Principal Payments on Leases	(173,382)	-	(172,604)	-
Interest Payments on Leases	(34,489)	-	(34,623)	-
Net Cash (Used) by Capital and Related Financing Activities	**(386,159)**	**-**	**(297,976)**	**-**
Cash Flows from Non-capital Financing Activities:				
Endowment Campaign	448,913	-	726,548	-
Payments and Contributions (to) from University of Missouri & Other Sources	65,628	-	545,790	-
Transfers to/from Friends of KWMU	110,000	(110,000)	270,000	(270,000)
Net Cash Provided (Used) by Non-capital Financing Activities	**624,541**	**(110,000)**	**1,542,338**	**(270,000)**
Cash Flows from Investing Activities:				
Sale of Investments	(23,050,275)	-	(16,572,415)	-
Purchase of Investments	23,307,226	-	14,861,749	-
Investment and Endowment Income	1,453	-	512,906	-
Net Cash Provided (Used) by Investing Activities	**258,404**	**-**	**(1,197,760)**	**-**
Net Increase (Decrease) in Cash and Cash Equivalents	92,339	(22,058)	400,587	18,374
Cash and Cash Equivalents, Beginning of Year	830,806	55,158	430,219	36,784
Cash and Cash Equivalents, End of Year	$ 923,145	$ 33,100	$ 830,806	$ 55,158

University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU

Statements of Cash Flows (Continued)

For the Years Ended June 30, 2022 and 2021	2022		Restated 2021	
	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit	University Fund Business Type Activity	Friends of KWMU Discretely Presented Component Unit
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	$ (446,072)	$ 87,942	$ (185,065)	$ 288,374
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities -				
Depreciation Expense	368,640	-	389,329	-
Indirect Institutional Support from the University	350,715	-	233,136	-
Other In-Kind Nonoperating Revenue	18,188	-	13,145	-
Change in Assets and Liabilities:				
Accounts, Grants, and Pledges Receivable, Net	(186,419)	-	(537,800)	-
Prepaid Expense	18,413	-	56,786	-
Accounts Payable and Other Accrued Expenses	(170,015)	-	165,253	-
Accrued Vacation	(24,801)	-	(50,314)	-
Unexpended Grants and Unearned Revenue	(333,096)	-	269,515	-
Net Cash Provided (Used) by Operating Activities	**$ (404,447)**	**$ 87,942**	**$ 353,985**	**$ 288,374**
Noncash Activity				
Administrative Support from the University of Missouri	$ 350,715	$ -	$ 233,136	$ -
Change in Pension Liability Expected to be Received from the University	$ (172,376)	$ -	$ 169,531	$ -
Change in Other Post Employment Benefits Liability Expected to be Received by the University	$ 43,377	$ -	$ 54,389	$ -
Non-Cash Contributions of Services and Other Assets	$ 18,188	$ -	$ 13,145	$ -
Non-Cash Additions to Capital Assets Upon Implementation of GASB 87	$ -	$ -	$ 1,184,238	$ -

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

Note 1: Organization and Summary of Significant Accounting Policies

The major policies followed by *University of Missouri St. Louis Public Radio / KWMU-FM and Friends of KWMU* (the Station) are presented below to assist the reader and to enhance the usefulness of the basic financial statements.

Organization

The Station is a non-profit, public radio and media unit of the University of Missouri (the University) through its St. Louis campus in St. Louis, Missouri. The financial activity of the Station is included in the financial statements of the University. The accompanying basic financial statements were prepared based on the combination of various accounts associated with the Station and its related operations and do not present the financial position or changes in financial position or cash flows of the University. The Station is dependent upon support from the public, the Corporation for Public Broadcasting, and the University.

Reporting Entity

GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance as to the financial reporting of component units (legally separate organizations for which the Station is financially accountable). Effective July 1, 2003, the Station adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14 to provide additional guidance for determining whether certain organizations for which the Station is not financially accountable should be reported as component units based on the nature and significance of their relationship to the Station.

The Friends of KWMU, Inc. (Friends), a Missouri non-profit corporation, meets the criteria set forth for discretely presented component units under GASB Statement No. 39, and its accounts are included in the Station's financial statements. Exempt from taxation under Section 501(c)(3) of the internal revenue code, the Friends follows generally accepted accounting principles in the United States of America (U.S. GAAP) under the Financial Accounting Standards Board (FASB). It provides financial support for the objectives, purposes, and programs of the Station and solicits funds for the benefit of and with approval of the Station. Although the Station does not control the timing, purpose, or amount of receipts from the Friends, the resources which it holds and invests are restricted to the activities of the Station.

Distributions made by Friends of KWMU to the Station for unrestricted support during the fiscal years ended June 30, 2022 and 2021, totaled $110,000 and $270,000, respectively. Friends made no distributions to the Station for endowment for the years ended June 30, 2022 and 2021.

Separate financial statements for the Friends of KWMU, Inc. are not available.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation

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

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

Basis of Accounting

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

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

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents, and Investments

The Station participated in the University's pooled cash and investment accounts for fiscal years 2022 and 2021. For fiscal years 2022 and 2021, cash and cash equivalents are held as cash by the University on behalf of the Station. For purposes of the basic financial statements for fiscal years 2022 and 2021, cash and cash equivalents consist of the University's bank deposits, repurchase agreements, money market funds, and other investments with original maturities of three months or less. Investment assets are carried at fair value based primarily on market quotations. Purchases and sales of investments are accounted for on the trade date basis. Investment income is recorded on the accrual basis. Net unrealized gains (losses) are included in investment and endowment income in the Statement of Revenues, Expenses and Changes in Net Position.

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

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

Accounts Receivable

Accounts receivable are presented at the net amount. Accounts receivable consists of amounts due to the Station for corporate sponsorship contracts and other miscellaneous revenue sources. For each of the years ended June 30, 2022 and 2021, no allowance has been made for uncollectible accounts receivable based upon management's expectations regarding the collectability of the accounts and the Station's historical collection experience.

Pledges Receivable

The Station receives unconditional promises to give (pledges) through private donations from corporations, alumni, and various other supporters of the Station. These pledges have been recorded as pledges receivable on the Statements of Net Position and as a portion of Individual and Foundation Support on the Statements of Revenues, Expenses, and Changes in Net Position, at the present value of the estimated future cash flows. An allowance of $151,723 and $147,367 as of June 30, 2022 and 2021, respectively, was made for uncollectible pledges based upon management's expectations regarding the collectability of the pledges considering the Station's historical collection experience.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Capital Assets

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

The Station reviews their long-lived assets periodically to determine potential impairment by comparing the carrying value of those assets with the estimated future undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future undiscounted cash flows be less than the carrying value, the Station would recognize an impairment loss at that time. Management of the Station believes that none of its long-lived assets were impaired as of June 30, 2022 and 2021.

Unearned Revenue and Unexpended Grants

Amounts reflected in the Statements of Net Position as of June 30, 2022 and 2021, represent cash the Station has received under contracts that have services to be performed by the Station in future years. Grant revenues are recognized as eligibility requirements are met.

Pension and Other Postemployment Benefits

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

Deferred Outflows of Resources

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

Deferred Inflows of Resources

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

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Net Position

The Station's net position is classified for financial reporting in the following net position categories:

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

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

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

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

Corporate Sponsorship Support

Corporate sponsorship support consists of on-air or digital sponsorships and are recognized when the spots are aired or digitally placed by the Station.

In-Kind Contributions

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

Indirect Institutional Support

Calculated in accordance with CPB financial reporting guidelines, Indirect Institutional Support from the University consists of allocated general and administrative expenses incurred on behalf of the Station. These expenses are allocated by Station management pro rata to broadcasting, program and production - local, program information, management and general, and fundraising cost areas.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

New Accounting Pronouncements

Effective for the fiscal year 2022, the Station adopted GASB Statement No. 87, *Leases*, which requires recognition of certain lease assets and liabilities that were previously classified as operating leases. The adoption of this statement in fiscal year 2022 resulted in the recognition of approximately $1,184,239 of lease assets and $1,011,634 of lease liabilities as of June 30, 2021 on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position for fiscal year 2021 included increases in interest expense of $34,623 and amortization of $201,934, along with a reduction in lease expense of $207,227, resulting in a net decrease of ending net position of $29,330 for fiscal year 2021.

Effective for fiscal year 2022, the Station adopted GASB Statement No. 92, *Omnibus 2021*, which provides clarifying guidance for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The Station has fully adopted the standard and has no significant impact on the Station's financial statements.

Effective for fiscal year 2022, the Station adopted GASB Statement No. 98, *The Annual Comprehensive Financial Report*, which changed the name of the comprehensive annual financial report to the annual comprehensive financial report. As a result of the adoption of this statement, there was no impact to the Station's financial statements.

In May 2019, GASB issued GASB Statement No. 91, *Conduit Debt Obligations*, which provides a single method of reporting conduit debt obligations by issuers. The Station will adopt this statement in fiscal year 2023 and has not fully determined the impact of implementing GASB Statement No. 91 will have on its financial statements.

In March 2020, GASB issued GASB Statement No. 93, *Replacement of Interbank Offered Rates*, which removes LIBOR as a benchmark for interest rates. This statement is in response to the global reference rate reform that is expected to cause LIBOR to cease to exist. The Station will adopt this statement in fiscal year 2024 and has not fully determined the impact of implementing GASB Statement No. 93 will have on its financial statements.

In March 2020, GASB issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which addresses issues with public-private and public-public (PPP) arrangements. The Station will adopt this statement in fiscal year 2023 and has not fully determined the impact of implementing GASB Statement No. 94 will have on its financial statements.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements (Continued)

In May 2020, GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which provides accounting and financial reporting guidance for subscription-based information technology arrangements. These arrangements would require the recognition of a right-to-use asset and corresponding subscription liability, which would be amortized as interest expense over the term of the arrangement. The Station will adopt this statement in fiscal year 2023 and has not fully determined the impact of implementing GASB Statement No. 96 will have on its financial statements.

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

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

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

Note 2: Cash and Cash Equivalents Risk

Custodial Credit Risk - Deposits – The custodial credit risk for deposits is the risk that in the event of bank failure, the University’s deposits may not be recovered. State law requires collateralization of all deposits with federal depository insurance, bonds and other obligations of the U.S. Treasury, U.S. Agencies and instrumentalities of the State of Missouri; bonds of any city, county, school district or special road district of the State of Missouri; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. All the Station’s cash deposits were fully insured or collateralized at June 30, 2022 and 2021, respectively.

Note 3: Investments

<u>Investments</u> – The Station participates in the University's pooled investment accounts, which are stated at fair value, and holds an equity investment in the pool. The investment policies of the University are established by the Board of Curators (the Board). The policies ensure that the University funds are managed in accordance with Section 105.688 of the Revised Statutes of Missouri and prudent investment practices. The University's investment general pool contains short-term University funds, including but not limited to cash and reserves, operating funds, bond funds, and plant funds. Subject to various limitations contained within the corresponding investment policy, the University's internally managed component of the General Pool may be invested in the following instruments: U.S. Government securities; U.S. Government Agency securities; U.S. Government guaranteed securities; money market funds; certificates of deposit; repurchase agreements; real estate; commercial paper; and other similar short-term investment instruments of like or better quality. The externally managed component of the General Pool is allowed to invest in the following asset sectors: fixed income, private debt, absolute return and risk balanced strategies. The General Pool's, managed by the University, total return, including unrealized gains and losses, was (2.7)% and 7.9% for the years ended June 30, 2022 and 2021, respectively.

At June 30, 2022 and 2021, the Station held the following types of investments within the University's pooled investment accounts:

	Carrying value as of June 30, 2022	Carrying value as of June 30, 2021
Debt Securities	$ 1,221,805	$ 1,756,028
Corporate Stocks	802,320	1,758,055
Other Investments	242,064	-
Real Estate	1,068,929	201,757
Absolute Return	814,945	660,889
Risk Parity	608,197	638,482
Money Market Fund	713,770	759,527
Other Cash Equivalents	209,375	71,279
Total Investments and Cash and Cash Equivalents	**$ 5,681,405**	**$ 5,846,017**

Note 3: Investments (Continued)

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

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

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

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

All holdings of money market funds were rated AAA at June 30, 2022 and 2021.

Note 3: Investments (Continued)

Based on investment ratings provided by Moody's or S&P, the Station's portion of the University's credit risk exposure as of June 30, 2022 and 2021, is as follows:

	As of June 30, 2022						
	U.S. Treasury Obligations	U.S. Agency Obligations	Foreign Government Obligations	U.S. Corporate Debt	Foreign Corporate Debt	Commingled Debt Securities	Total
U.S. Treasury Obligations	$ 422,313	$ -	$ -	$ -	$ -	$ -	$ 422,313
Mortgage-backed Securities Guaranteed by U.S. Agencies	-	49,080	-	-	-	-	49,080
Debt securities in Commingled Funds	-	-	-	-	-	454,003	454,003
Aaa/AAA	-	52,452	(207)	813	-	-	53,058
Aa/AA	-	13,038	620	-	-	-	13,658
A/A	-	2,738	-	14,168	-	-	16,906
Baa/BBB	-	4,859	2,608	34,770	176	-	42,413
Less than Baa/BBB	-	70,271	7,691	17,881	2,642	-	98,485
Unrated	-	72,957	-	(1,117)	49	-	71,889
Total	**$ 422,313**	**$ 265,395**	**$ 10,712**	**$ 66,515**	**$ 2,867**	**$ 454,003**	**$ 1,221,805**

	As of June 30, 2021						
	U.S. Treasury Obligations	U.S. Agency Obligations	Foreign Government Obligations	U.S. Corporate Debt	Foreign Corporate Debt	Commingled Debt Securities	Total
U.S. Treasury Obligations	$ 596,049	$ -	$ -	$ -	$ -	$ -	$ 596,049
Mortgage-backed Securities Guaranteed by U.S. Agencies	-	186,019	-	-	-	-	186,019
Debt securities in Commingled Funds	-	-	-	-	-	299,274	299,274
Aaa/AAA	-	75,252	(237)	-	822	-	75,837
Aa/AA	-	15,424	6,129	2	-	-	21,555
A/A	-	14,697	7,417	6,372	6,938	-	35,424
Baa/BBB	-	26,484	1,757	46,082	61,475	-	135,798
Less than Baa/BBB	-	146,467	21,409	82,266	41,358	-	291,500
Unrated	-	88,566	11,509	8,928	5,569	-	114,572
Total	**$ 596,049**	**$ 552,909**	**$ 47,984**	**$ 143,650**	**$ 116,162**	**$ 299,274**	**$ 1,756,028**

Note 3: Investments (Continued)

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

At June 30, 2022 and 2021, the Station's portion of the University's debt securities matures as follows:

	As of June 30, 2022					
	Less than 1 Year	1 - 5 Years	6-10 Years	More than 10 Years	No Maturity	Carrying Value
U.S. Treasury Obligations	$ -	$ -	$ 422,313	$ -	$ -	$ 422,313
Commingled Debt Securities	-	-	-	-	454,003	454,003
Asset Backed Securities	-	265,395	-	-	-	265,395
Foreign Government Obligations	-	-	10,712	-	-	10,712
U.S. Corporate Bonds and Notes	-	66,515	-	-	-	66,515
Foreign Corporate Bonds and Notes	2,867	-	-	-	-	2,867
Total	**$ 2,867**	**$ 331,910**	**$ 433,025**	**$ -**	**$ 454,003**	**$ 1,221,805**

	As of June 30, 2021					
	Less than 1 Year	1 - 5 Years	6-10 Years	More than 10 Years	No Maturity	Carrying Value
U.S. Treasury Obligations	$ -	$ -	$ -	$ 596,049	$ -	$ 596,049
Commingled Debt Securities	-	-	-	-	299,274	299,274
Asset Backed Securities	-	552,909	-	-	-	552,909
Foreign Government Obligations	-	-	47,984	-	-	47,984
U.S. Corporate Bonds and Notes	-	143,650	-	-	-	143,650
Foreign Corporate Bonds and Notes	-	116,162	-	-	-	116,162
Total	**$ -**	**$ 812,721**	**$ 47,984**	**$ 596,049**	**$ 299,274**	**$ 1,756,028**

Note 3: Investments (Continued)

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

At June 30, 2022 and 2021, 3.0% and 11.4%, respectively, of the Station's total investments and cash and cash equivalents were denominated in foreign currencies.

The Station's portion of the University's exposure to foreign exchange risk as of June 30, 2022 and 2021 is as follows:

	Foreign Exchange Risk International Investment Securities at Fair Value				
Currency	Debt Securities	Equity Securities	Cash and Cash Equivalents	2022 Total	2021 Total
Euro	$ 18,232	$ 15,682	$ 1,337	$ 35,251	$ 55,217
Japanese Yen	-	9,472	(130)	9,342	17,132
British Pound Sterling	4,348	10,406	965	15,719	69,559
Australian Dollar	-	1,039	194	1,233	5,400
Canadian Dollar	(207)	3,549	193	3,535	3,071
Swiss Franc	-	1,896	1	1,897	2,413
Peruvian Neuvo sol	2,032	-	71	2,103	-
Hong Kong Dollar	-	9,165	50	9,215	11,319
Russian Ruble	-	376	-	376	883
Singapore Dollar	-	-	4	4	126
Mexican New Peso	-	162	36	198	392
Swedish Krone	-	2,840	(78)	2,762	4,351
Danish Krone	813	2,715	118	3,646	1,730
Brazilian Real	-	1,994	(743)	1,251	7,422
Other	5,415	80,108	1,000	86,523	490,279
Total	**$ 30,633**	**$ 139,404**	**$ 3,018**	**$ 173,055**	**$ 669,294**

Friends of KWMU – Friends of KWMU does not have any investments within the University's pooled investment accounts as of June 30, 2022 and 2021.

Note 4: Fair Value of Assets and Liabilities

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

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

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

At June 30, 2022 and 2021, the Station had the following recurring fair value measurements:

As of June 30, 2022	Total Assets at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities:				
U.S. Treasury	$ 422,313	$ 422,313	$ -	$ -
Asset-Backed	265,396	-	265,396	-
Government	10,712	-	10,712	-
Corporate	69,382	-	69,382	-
Equity Securities:				
Domestic	83,892	101,525	(17,633)	-
Foreign	91,762	91,762	-	-
Other	242,064	-	-	242,064
Investments Measured at the Net Asset Value (NAV)				
Commingled Funds:				
Absolute Return	814,945	-	-	-
Risk Parity	455,850	-	-	-
Debt Securities	1,064,471	-	-	-
Equity Securities	91,758	-	-	-
Non-marketable Alternative Methods				
Real Estate	175,536	-	-	-
Private Equity	970,179	-	-	-
Total Investments by Fair Value Level	**$ 4,758,260**	**$ 615,600**	**$ 327,857**	**$ 242,064**

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

As of June 30, 2021	Total Assets at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities:				
U.S. Treasury	$ 596,049	$ 596,049	$ -	$ -
Asset-Backed	552,909	-	552,909	-
Government	47,985	-	46,962	1,023
Corporate	259,812	-	259,812	-
Equity Securities:				
Domestic	290,854	109,161	5,378	176,315
Foreign	136,819	123,169	13,650	-
Investments Measured at the Net Asset Value (NAV)				
Commingled Funds:				
Absolute Return	660,890	-	-	-
Risk Parity	638,482	-	-	-
Debt Securities	299,273	-	-	-
Equity Securities	564,197	-	-	-
Real Estate	31,797	-	-	-
Non-marketable Alternative Methods				
Real Estate	169,959	-	-	-
Private Equity	766,185	-	-	-
Total Investments by Fair Value Level	**$ 5,015,211**	**$ 828,379**	**$ 878,711**	**$ 177,338**

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

The following table presents investments as of June 30, 2022, that have been valued using the NAV as a practical expedient, classified by major investment category.

	Fair Value	Investment Strategy and Structure	Unfunded Commitments	Fund Term	Redemption Terms
Commingled Funds:					
Absolute Return	814,945	Broadly diversified, traditional hedge fund and risk premia exposures obtained through long/short positions across global liquid markets, structured to achieve minimal equity beta with a lower level of volatility relative to the rest of the portfolio.	-	Open Ended	Semi-Monthly, Monthly, and Quarterly redemption with 1-45 days notice
Risk Parity	455,850	An asset allocation strategy which seeks to provide higher risk-adjusted returns by allocating risk, not capital, equally across a broadly diversified portfolio of global equities, global nominal bonds and inflation-sensitive assets.	-	Open Ended	Weekly, Monthly, and Quarterly redemption with 1-90 days notice
Debt Securities	1,064,471	Global fixed income exposures focused primarily on high yield, emerging markets debt and other unconstrained / opportunistic strategies.	-	Open Ended	Daily and Monthly redemption with 1-2 days notice
Equity Securities	91,758	Global equity exposures achieved through a combination of traditional active, passive, systematic and factor-based strategies	-	Open Ended	Daily, Semi-Monthly, and Monthly redemption with 1-15 days notice

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

Nonmarketable Alternative Funds:					
Real Estate	175,536	Diversified portfolio of longer-term private market funds focused on value-added and opportunistic real estate and/or real estate debt	134,064	10-12 years	Not applicable - no redemption ability
Private Equity	970,179	Investments in hedge funds, global equity, credit, real assets, natural resources, and other investments through private partnerships and holding companies.	270,619	8-15 years	Not applicable - no redemption ability

Note 5: Changes in Unexpended Grants

The balance of unexpended grants at June 30, 2022 and 2021, is as follows:

	Fiscal Year	
	2022	**2021**
Balance, Beginning of Year	$ 348,321	$ 84,278
Grants	703,428	1,096,535
Deductions, Amount Expended	(1,042,160)	(832,492)
Balance, End of Year	**$ 9,589**	**$ 348,321**

Note 6: Capital and Lease Assets

Capital asset activity for the years ended June 30, 2022 and 2021, is summarized as follows:

2022	Beginning Balance	Additions/ Transfers	Retirements	Ending Balance
Capital assets:				
Buildings and Improvements	$ 6,828,129	$ -	$ -	$ 6,828,129
Transmission, Antenna and Tower	231,077	166,581	-	397,658
Studio and Other Broadcast Equipment	666,890	-	(38,722)	628,168
Furniture and Fixtures	184,710	-	-	184,710
Equipment in progress	-	11,707	-	11,707
Total Capital Assets	7,910,806	178,288	(38,722)	8,050,372
Accumulated Depreciation:				
Building Improvements	741,489	172,969	-	914,458
Transmission, Antenna and Tower	146,286	10,025	-	156,311
Studio and Other Broadcast Equipment	666,890	2,834	(38,722)	631,002
Furniture and Fixtures	184,710	-	-	184,710
Total Accumulated Depreciation	$ 1,739,375	$ 185,828	$ (38,722)	$ 1,886,481
Total Capital Assets, Net	**$ 6,171,431**	**$ (7,540)**	**$ -**	**$ 6,163,891**

Note 6: Capital and Lease Assets (Continued)

2021	Beginning Balance	Additions/ Transfers	Retirements	Ending Balance
Capital Assets:				
Building Improvements	$ 6,828,129	$ -	$ -	$ 6,828,129
Transmission, Antenna and Tower	212,711	90,749	(72,383)	231,077
Studio and Other Broadcast Equipment	695,495	-	(28,605)	666,890
Furniture and Fixtures	184,710	-	-	184,710
Total Capital Assets	7,921,045	90,749	(100,988)	7,910,806
Accumulated Depreciation:				
Building Improvements	568,520	172,969	-	741,489
Transmission, Antenna and Tower	212,711	5,955	(72,380)	146,286
Studio and Other Broadcast Equipment	687,027	8,471	(28,608)	666,890
Furniture and Fixtures	184,710	-	-	184,710
Total Accumulated Depreciation	$ 1,652,968	$ 187,395	$ (100,988)	$ 1,739,375
Total Capital Assets, Net	**$ 6,268,077**	**$ (96,646)**	**$ -**	**$ 6,171,431**

Note 6: Capital and Lease Assets (Continued)

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

2022	Beginning Balance	Additions/ Transfers	Deletions	Ending Balance
Lease Assets:				
Buildings	$ 1,184,238	$ -	$ -	$ 1,184,238
Total Lease Assets	1,184,238	-	-	1,184,238
Accumulated Amortization:				
Buildings	201,934	182,812	-	384,746
Total Accumulated Amortization	$ 201,934	$ 182,812	$ -	$ 384,746
Total Lease Assets, Net	**$ 982,304**	**$ (182,812)**	**$ -**	**$ 799,492**

2021	Beginning Balance	Additions/ Transfers	Deletions	Ending Balance
Lease Assets:				
Buildings	$ -	$ 1,184,238	$ -	$ 1,184,238
Total Lease Assets	-	1,184,238	-	1,184,238
Accumulated Amortization:				
Buildings	-	201,934	-	201,934
Total Accumulated Amortization	$ -	$ 201,934	$ -	$ 201,934
Total Lease Assets, Net	**$ -**	**$ 982,304**	**$ -**	**$ 982,304**

Note 7: Operating Lease Obligations

The Station leases several buildings under agreements recorded as right of use (ROU) leases. The leases expire at varying dates through 2045 and increase annually at 3% per the terms of the agreements.

Note 7: Operating Lease Obligations (Continued)

The Station uses the University's internal borrowing rate of 3.44%, which reflects the University's weighted average cost of debt, to calculate the present value and interest applied to each lease whenever a stated rate is unavailable. Lease interest recognized for the years ended June 30, 2022 and 2021 were $34,489 and $34,623, respectively.

The Station's lease obligations at June 30, 2022 and 2021, with corresponding activity, is as follows:

As of June 30, 2022	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Lease Obligations	$ 1,011,634	$ -	$ (173,382)	$ 838,252	$ 132,743
Total Lease Obligations	**$ 1,011,634**	**$ -**	**$ (173,382)**	**$ 838,252**	**$ 132,743**

As of June 30, 2021	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Lease Obligations	$ -	$ 1,184,238	$ (172,604)	$ 1,011,634	$ 162,605
Total Lease Obligations	**$ -**	**$ 1,184,238**	**$ (172,604)**	**$ 1,011,634**	**$ 162,605**

Future minimum payments on the ROU leases at June 30, 2022 are as follows:

Fiscal Year	Principal	Interest
2023	$ 132,743	$ 27,589
2024	142,749	22,401
2025	152,763	17,334
2026	163,286	11,914
2027	110,302	6,436
Thereafter	136,409	55,817
Total Lease Obligation	**$ 838,252**	**$ 141,491**

Note 8: Donor-Designated Endowment

The Station's endowment consists of four funds at June 30, 2022 and 2021, respectively. These include the Donald H. Driemeier Endowment for KWMU-FM, the Irvin Dagen and Margaret W. Dagen Fund for the Support of KWMU-FM, St. Louis Public Radio Classical Music Endowment, and the Emily Rauh Pulitzer Endowment for the St. Louis Public Radio. Distributions from the Donald H. Driemeier Endowment for KWMU-FM are based on earnings on the original corpus along with any subsequent contributions to the endowment and are to be used to support continuing operations of the Station to fund local programming for regional and national distribution for such expense as salaries, equipment and other related expenses to serve the purpose of the endowment. Distributions from the Irvin Dagen and Margaret W. Dagen Fund for the Support of KWMU-FM are based on earnings on the original corpus along with any subsequent contributions to the endowment and are to be used to provide in-depth news and discussion programs on KWMU-FM radio. Distributions from the St. Louis Public Radio Classical Music Endowment are based on earnings on the original corpus along with any subsequent contributions to the endowment and are to be used to support classical music radio programming on St. Louis Public Radio. Should St. Louis Public Radio cease to exist or cease to broadcast classical music, endowment funds will be transferred to create an endowment fund at the Whitney R. Harris World Ecology Center at the University of Missouri – St. Louis. Distributions from the Emily Rauh Pulitzer Endowment are based on earnings on the original corpus along with any subsequent contributions to the endowment and are to be used to support the local news and all programming at St. Louis Public Radio.

The balance of the endowment as of June 30 follows:

	2022	2021
Balance, Beginning of Year	$ 2,794,538	$ 1,656,033
Gifts to Endowment	448,913	726,548
Net Appreciation (Depreciation)	(109,260)	411,957
Balance, End of Year	**$ 3,134,191**	**$ 2,794,538**

Note 9: Risk Management

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

Note 10: Retirement, Disability, and Death Benefit Plan

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

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

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

	Retirement Plan Membership	
	2022	**2021**
Active members	13,409	15,883
Inactive vested members	6,098	5,417
Pensioners and beneficiaries	11,479	11,015
Total Members	**30,986**	**32,315**

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

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

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

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

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

Note 10: Retirement, Disability, and Death Benefit Plan (Continued)

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

Investment Valuation – Investments are reported at fair value.

Contributions – The University's contributions to the Retirement Plan are equal to the actuarially determined employer contribution requirement (ADC). The ADC for those employees hired before October 1, 2012 averaged 12.7% and 12.0% of covered payroll for the years ending June 30, 2022 and 2021, respectively. The ADC for those employees hired after September 30, 2012 averaged 9.1% and 8.4% of covered payroll for the years ended June 30, 2022 and 2021, respectively. Employees are required to contribute 1% of their salary up to $50,000 in a calendar year and 2% of their salary in excess of $50,000. An actuarial valuation of the Plan is performed annually, and the University's contribution rate is updated at the beginning of the University's fiscal year on July 1, to reflect the actuarially determined funding requirement from the most recent valuation, as of the preceding October 1. This actuarial valuation reflects the adoption of any Retirement Plan amendments during the previous fiscal year. The University contributed $114,999,000 and $115,006,000 during the fiscal years ended June 30, 2022 and 2021, respectively.

Net Pension Liability – the Retirement Plan's net pension liability was measured as of June 30, 2022 and 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2021 and 2020, respectively. Roll-forward procedures were used to measure the Retirement Plan's total pension liability as of June 30, 2022 and 2021.

Note 10: Retirement, Disability, and Death Benefit Plan (Continued)

The following table outlines the Station's portion of the changes in net pension liability for the years ended June 30, 2022 and 2021:

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at July 1, 2021	**$ 11,077,089**	**$ 10,232,018**	**$ 845,071**
Changes for the year:			
Service cost	127,517	-	127,517
Interest	727,013	-	727,013
Differences between expected and actual experience	242,503	-	242,503
Changes in assumptions	515,036	-	515,036
Contributions - employer	-	243,231	(243,231)
Contributions - employee	-	30,114	(30,114)
Net investment income	-	(228,165)	228,165
Benefit payments, including refunds of employee contributions	(618,355)	(618,355)	-
Net changes	993,714	(573,175)	1,566,889
Balances at June 30, 2022	**$ 12,070,803**	**$ 9,658,843**	**$ 2,411,960**

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at July 1, 2020	**$ 10,783,912**	**$ 7,776,007**	**$ 3,007,905**
Changes for the year:			
Service cost	179,046	-	179,046
Interest	916,367	-	916,367
Differences between expected and actual experience	(29,451)	-	(29,451)
Contributions - employer	-	313,005	(313,005)
Contributions - employee	-	40,773	(40,773)
Net investment income	-	2,875,018	(2,875,018)
Benefit payments, including refunds of employee contributions	(772,785)	(772,785)	-
Net changes	293,177	2,456,011	(2,162,834)
Balances at June 30, 2021	**$ 11,077,089**	**$ 10,232,018**	**$ 845,071**

Note 10: Retirement, Disability, and Death Benefit Plan (Continued)

Actuarial Methods and Assumptions – The October 1, 2021 and 2020 actuarial valuations utilized the entry age actuarial cost method.

Actuarial assumptions for October 1, 2021 and 2020, included:

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

For purposes of determining actuarially required contributions, the actuarial value of assets was determined using techniques that spread effects of short-term volatility in the market value of investments over a five-year period. The underfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over 22 from the October 1, 2020 valuation date. Starting with the October 1, 2021 valuation, the underfunded actuarial accrued liability is being amortized using a method that separately amortized the initial unfunded liability as of October 1, 2021 over 20 years, the impact of the assumption changes over 20 years, and future experience gains and losses over 25 years and 15 years, respectively. Starting with the October 1, 2021 valuation, mortality rates were based on Pub-2010 Teacher Healthy Anuitant Mortality Table with generational projection using scale MP-2020 for academic and administrative members and Pub-2010 General Healthy Annuitant Mortality Table with generational projection using scale MP-2020 for clerical and service members. Mortality rates for the October 1, 2020 valuation date were based on the RP-2014 Combined Health Mortality Table projected using scale MP-2017 and RP-2000 using Combined Health Mortality Table projected to 2023 using Scale BB.

The actuarial assumptions used in the October 1, 2021, valuation were based on the results of the most recent quinquennial study of the University’s own experience covering 2016 to 2020. The October 1, 2020 valuation were based on the results of the quinquennial study of the University's own experience covering 2012 to 2016.

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

Note 10: Retirement, Disability, and Death Benefit Plan (Continued)

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

Sensitivity of the Net Liability to Changes in the Discount Rate

	Rate	2022 Net Pension Liability	2021 Net Pension Liability
1% decrease	6.00 %	$ 3,652,323	$ 2,511,005
Current rate	7.00 %	2,411,960	845,071
1% increase	8.00 %	$ 1,041,940	$ (515,152)

Annual Rate of Return – The annual money–weighted rate of return is calculated as the internal rate of return on pension investments, net of pension plan investment expense. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for the years ended June 30, 2022 and 2021 was (1.8)% and 29.8%, respectively. The following table provides long-term expected rates of real return on a geometric basis:

Asset Class Allocation

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	34 %	3.80 %
Private equity	13 %	7.30 %
Sovereign bonds	8 %	(0.70)%
Inflation linked bonds	9 %	(0.50)%
Private debt	6 %	5.80 %
Risk balanced	12 %	4.90 %
Commodities	5 %	1.20 %
Real estate	13 %	6.30 %
	100.0 %	

Pension Expense – For the years ended June 30, 2022 and 2021, the Station recognized a portion of the University's pension expense in the amount of $415,609 and $143,475, respectively. Annual pension expense consists of service cost and interest on the pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources and recognized in pension expense over a five-year period.

Note 10: Retirement, Disability, and Death Benefit Plan (Continued)

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

	2022	2021
Service cost	$ 139,142	$ 179,046
Interest	712,137	916,368
Recognized portion of current-period difference between expected and actual experience	62,196	(5,811)
Recognized portion of current-period difference for changes in assumptions	132,094	-
Contributions - employee	(30,114)	(40,773)
Projected earnings on pension plan investments	(679,709)	(698,773)
Recognized portion of current-period difference between projected and actual earnings on pension plan investments	181,574	(435,247)
Recognition of deferred outflows of resources	275,930	352,146
Recognition of deferred inflows of resources	(377,641)	(123,481)
Pension expense for fiscal year ended June 30,	**415,609**	**143,475**

Deferred Outflows/Inflows of Resources – In accordance with GASB Statements No. 68, the University recognizes differences between actual and expected experience with regard to economic or demographic factors, changes of assumptions about future economic or demographic factors, and the difference between actual and expected investment returns as Deferred Outflows/Inflows of Resources. At June 30, 2022 and 2021, the Retirement Plan reported the Station's portion of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows/(Inflows) of Resources Related to Pensions

As of June 30,	Deferred Outflows/ (Inflows) of Resources 2022	Deferred Outflows/ (Inflows) of Resources 2021
Difference between expected and actual experience	$ 244,595	$ 116,124
Changes in assumptions	423,637	404,518
Net difference between projected and actual earnings on pension plan investments	(55,992)	(1,302,915)
Total	**612,240**	**(782,273)**

Note 10: Retirement, Disability, and Death Benefit Plan (Continued)

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

Projected Recognition of Deferred Outflows/(Inflows)

Fiscal Year Ended:	Recognition
2023	248,968
2024	162,115
2025	22,108
2026	179,049
Total	**612,240**

Note 11: Other Postemployment Benefits

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

As of June 30, 2022 and 2021, 8,360 and 8,407 retirees, respectively, were receiving benefits, and an estimated 7,220 active University employees may become eligible to receive future benefits under the plan. Postemployment medical, dental and life insurance benefits are also provided to long-term disability claimants who were vested in the University's Retirement Plan at the date the disability began, provided the onset date of the disability was on or after September 1, 1990. As of June 30, 2022 and 2021, 119 and 136 long-term disability claimants, respectively, met those eligibility requirements.

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

Note 11: Other Postemployment Benefits (Continued)

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

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

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

For the years ended June 30, 2022 and 2021, all participants, including the Stations' participants, contributed $17,325,000 and $18,296,000, or approximately 52.2% and 49.7%, respectively, of total premiums through their required contributions, which vary depending on the plan and coverage selection. In fiscal years 2021 and 2020, the University contributed $15,846,000 and $18,551,000, respectively.

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

Net OPEB Liability – The Station's portion of the total and net OPEB liabilities as of June 30, 2022 and 2021 were measured as of June 30, 2022 and 2021, respectively, using actuarial valuations as of those dates.

	Fiscal Year 2022	Fiscal Year 2021
Net OPEB Liability Components:		
Total OPEB Liability	$ 584,550	$ 596,685
Plan Fiduciary Net Position	116,856	93,024
Net OPEB Liability	**$ 467,694**	**$ 503,661**
Plan Fiduciary Net position as a percentage of Total OPEB Liability	19.99%	15.59%

Note 11: Other Postemployment Benefits (Continued)

Changes to Net OPEB Liability

	Total OPEB Liability (TOL) (a)	Fiduciary Net Position FNP) (b)	Net OPEB Liability (NOL) (a) - (b)
Balances at July 1, 2021	**$ 596,685**	**$ 93,024**	**$ 503,661**
Changes for the year:			
Service cost	10,317	-	10,317
Interest	12,718	-	12,718
Difference between expected and actual experience	(4,207)	-	(4,207)
Changes in assumptions	5,577	-	5,577
Contributions - employer	-	37,326	(37,326)
Contributions - employee	-	40,810	(40,810)
Net investment income	-	231	(231)
Expected/Actual benefit payments, including refunds of employee contribution	(36,540)	(54,535)	17,995
Net changes	(12,135)	23,832	(35,967)
Balances at June 30, 2022	**$ 584,550**	**$ 116,856**	**$ 467,694**

	Total OPEB Liability (TOL) (a)	Fiduciary Net Position (FNP) (b)	Net OPEB Liability (NOL) (a) - (b)
Balances at July 1, 2020	**$ 733,266**	**$ 70,927**	**$ 662,339**
Changes for the year:			
Service cost	9,216	-	9,216
Interest	16,044	-	16,044
Difference between expected and actual experience	(25,388)	-	(25,388)
Changes in assumptions	(103,233)	-	(103,233)
Contributions - employer	-	33,424	(33,424)
Contributions - employee	-	32,964	(32,964)
Net investment income	-	22	(22)
Expected/Actual benefit payments, including refunds of employee contribution	(33,220)	(44,313)	11,093
Net changes	(136,581)	22,097	(158,678)
Balances at June 30, 2021	**$ 596,685**	**$ 93,024**	**$ 503,661**

Note 11: Other Postemployment Benefits (Continued)

Actuarial Methods and Assumptions – Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The entry age normal, as a level percent of pay, actuarial cost method was used in the June 30, 2022 and June 30, 2021 actuarial valuations.

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

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

Note 11: Other Postemployment Benefits (Continued)

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

Total OPEB Liability Assumptions	
Inflation	2.20%
Total payroll growth	Varies based on age: 0.3% to 6.0% (including inflation) for academic and administrative; 0.2% to 3.1% (including inflation) for clerical and service
Discount rate	3.54% for 2022 and 2.16% for 2021
Pre-65 Medical and HSP Plans trend rate	7.5% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached
Pre-65 Rx trend rate	8.5% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached
Post-65 Medicare Base and Rx trend rate	3.0%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached
Post-65 Medicare Buyup and Rx trend rate	3.0%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.5% is reached
Dental trend rates	2.00%
Administration expenses rate	0% for two years, then 3.0% all years after
Healthy retiree mortality rates	For Academic and Administrative members: Pub-2010 Teacher Employee and Healthy Annuitant Headcount-Weighted Mortality tables, weighted 95% for males and 103% for females, with generational projection using Scale MP-2020 For Clerical and Service members: Pub 2010 General Employee and Healthy Annuitant Headcount-Weighted Mortality Tables, weighted 124% for males and 112% for females, with generational projection using Scale MP-2020
Disabled retiree mortality rates	Pub 2010 Non- Safety Disabled Annuitant Headcount-Weighted Mortality Tables, weighted 95% for males and females, with generational projection using Scale MP-2020
Surviving spouse mortality rates	80% of the Pub 2010 Teacher Contingent Survivor Headcount-Weighted Tables and 20% of the Pub 2010 General Contingent Survivor Headcount-Weighted Tables projected generationally with Scale MP-2020

<u>Development of Discount Rate</u> – The discount rates used to measure the total OPEB liability were 3.54% and 2.16% as of fiscal year June 30, 2022 and June 30, 2021, respectively. The projection of cash flows used to determine the discount rate assumed that the University would not make additional contributions to the OPEB Trust and would continue to fund the plan on a pay-as-you-go basis. Based on those assumptions, the OPEB plan's fiduciary net position was not projected to cover a full year of projected future benefit payments. Therefore, all future benefit payments are discounted at the current index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Note 11: Other Postemployment Benefits (Continued)

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

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

	1% Decrease in Discount Rate (2.54%)	Current Discount Rate (3.54%)	1% Increase in Discount Rate (4.54%)
Net OPEB liability	$ 545,830	$ 467,694	$ 403,034

	1% Decrease in Trend Rate	Current Healthcare Cost Trend Rates	1% Increase in Trend Rates
Net OPEB liability	$ 434,858	$ 467,694	$ 506,086

OPEB Expense – For the years ended June 30, 2022 and 2021 the Station recognized an OPEB income of $32,830 and $35,250, respectively. Annual OPEB expense consists of service cost, interest on the total OPEB liability and the recognition of deferred outflows/inflows.

The OPEB (income) expense for the years ended June 30, 2022 and 2021, is summarized as follows:

OPEB (Income) Expense	**2022**	**2021**
Service cost	$ 2,915	$ 5,277
Interest	3,594	9,188
Recognized portion of current-period difference between expected and actual experience	(276)	(2,723)
Recognized portion of current-period difference for changes to assumptions	(7,100)	(26,114)
Recognized portion of current-period difference between projected and actual earnings on pension plan investments	(13)	(3)
Recognition of deferred outflows of resources	2,826	4,381
Recognition of deferred inflows of resources	(34,776)	(25,256)
OPEB (income) expense for fiscal year ended June 30,	**$ (32,830)**	**$ (35,250)**

Note 11: Other Postemployment Benefits (Continued)

Deferred Outflows/Inflows of Resources – In accordance with GASB Statement No. 75, the Station recognizes differences between actual and expected experience with regard to economic or demographic factors, changes of assumptions about future economic or demographic factors, and the difference between actual and expected investment returns as Deferred Outflows/Inflows of Resources. At June 30, 2022 and 2021, the OPEB Plan reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

As of June 30,	Deferred Outflows of Resources 2022	Deferred Inflows of Resources 2022	Deferred Outflows of Resources 2021	Deferred Inflows of Resources 2021
Change in assumptions	$ -	$ 244,587	$ -	$ 252,042
Difference between expected and actual experience	34,897	17,111	37,723	19,183
Net difference between projected and actual earnings on pension plan investments	-	1,043	-	1,752
Total	**$ 34,897**	**$ 262,741**	**$ 37,723**	**$ 272,977**

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

Future Recognition of Deferred (Inflows)

Fiscal Year	Recognition
2023	$ (77,090)
2024	(72,728)
2025	(61,896)
2026	(16,130)
2027	-
Total	**$ (227,844)**

University of Missouri St. Louis Public Radio/KWMU-FM and Friends of KWMU

Supplemental Schedule of Non-Federal Financial Support

Summary of Non-Federal Financial Support

1.	Direct Revenue	$ 8,441,844
2.	Indirect Administrative Support	350,715
3.	In-Kind Contributions	-
	a. Services and Other Assets	18,188
	b. Property and Equipment	-
	Total In-Kind Contributions	18,188
4.	Total non-federal financial support	$ 8,810,747

See Accompanying Independent Auditor's Report.