

FINANCIAL REPORT
WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
JUNE 30, 2023 AND 2022

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY

TABLE OF CONTENTS

JUNE 30, 2023 AND 2022

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4 - 7
FINANCIAL STATEMENTS:	
Statements of Net Position	8
Statements of Revenues, Expenses, and Changes in Fund Net Position	9
Statements of Cash Flows	10 - 11
Notes to Financial Statements	12 - 26
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Proportionate Share of Net Pension Liability	27
Schedule of Pension Contributions	28
Notes to Required Supplementary Information	29 - 30
SUPPLEMENTARY INFORMATION:	
Schedule of Compensation, Benefits, and Other Payments to the General Manager	31
Schedule of Functional Expenses.....	32
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	33 - 34
SUMMARY SCHEDULE OF FINDINGS	35



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

INDEPENDENT AUDITOR'S REPORT

December 13, 2023

Lindsay J. Calub, CPA, LLC
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA
Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Wesley D. Wade, CPA
Gregory J. Binder, IT Director
Colleen A. Casey, CPA

Michael J. O' Rourke, CPA
William G. Stamm, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

Dr. Kathy Johnson, President
University of New Orleans
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of WWNO-FM Radio Station (the Station) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Station's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Station, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Responsibilities of Management for the Financial Statements

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

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

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 opinions. 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 identify during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Station's basic financial statements. The schedule of compensation, benefits and other payments to the general manager and the schedule of functional expenses are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to the general manager and the schedule of functional expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2023, on our consideration of the Station's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Station's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Station's internal control over financial reporting and compliance.


New Orleans, Louisiana

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

The Management's Discussion and Analysis of the WWNO-FM Radio Station's financial performance presents a narrative overview and analysis of the WWNO-FM Radio Station's financial activities for the years ended June 30, 2023 and 2022. This document focuses on the current year's activities, resulting changes and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the information contained in the WWNO-FM Radio Station financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- ★ WWNO-FM Radio Station's assets and deferred outflows exceeded liabilities and deferred inflows at June 30, 2023 by \$414,815.
- ★ Deferred outflows of resources and deferred inflows of resources related to pensions were \$994,572 and \$551,141, respectively, as of June 30, 2023. The deferred outflows and inflows of resources were a result of changes to the net pension liability.
- ★ Operating revenue increased in fiscal year 2023 by \$213,053 or 9.45%.
- ★ Operating expenses increased in fiscal year 2023 by \$1,147,695 or 54.07%.
- ★ Non-operating revenues increased in fiscal year 2023 by \$161,662 or 34.31%.
- ★ Net position decreased in fiscal year 2023 by \$170,921 or 29.18%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The minimum requirements for the Station established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information, if applicable.

The financial statements also include notes that explain some of the information in the financial statements and provide more detail data.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

BASIC FINANCIAL STATEMENTS

The basic financial statements present information for the WWNO-FM Radio Station as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

The Statement of Net Position presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net position and may provide a useful indicator of whether the financial position of the WWNO-FM Radio Station is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the WWNO-FM Radio Station's position changed as a result of current year operations. Regardless of when cash is affected, all changes in fund net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the WWNO-FM Radio Station's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Condensed Statements of Net Position
as of June 30:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Current assets	\$ 1,266,081	\$ 1,146,527	\$ 884,819
Non-current assets	608,639	531,365	437,839
Capital assets, net	<u>233,933</u>	<u>253,606</u>	<u>260,378</u>
Total assets	<u>2,108,653</u>	<u>1,931,498</u>	<u>1,583,036</u>
Deferred outflows of resources	<u>994,572</u>	<u>363,681</u>	<u>709,848</u>
Current liabilities	515,118	197,783	248,544
Noncurrent liabilities	<u>1,622,151</u>	<u>563,010</u>	<u>1,927,751</u>
Total liabilities	<u>2,137,269</u>	<u>760,793</u>	<u>2,176,295</u>
Deferred inflows of resources	<u>551,141</u>	<u>948,650</u>	<u>132,912</u>
Net position (deficit):			
Invested in capital assets	233,933	253,606	260,378
Unrestricted	<u>180,882</u>	<u>332,130</u>	<u>(276,701)</u>
Total net position (deficit)	<u>\$ 414,815</u>	<u>\$ 585,736</u>	<u>\$ (16,323)</u>

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

Restricted net position represents those assets that are available for spending on restricted purposes only as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net positions are those that do not have any limitations on what these amounts may be used for.

Condensed Statements of Revenues, Expenses, and Changes in Fund Net Position
For the Years Ended June 30:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Operating revenues:			
Operating grants and contributions	<u>\$ 2,466,491</u>	<u>\$2,253,438</u>	<u>\$2,644,892</u>
Non-operating revenues:			
University support	611,493	453,248	561,804
Capital gifts and grants	-	14,161	-
Investment income	14,028	-	-
Other non-operating revenues	<u>7,189</u>	<u>3,639</u>	<u>6,969</u>
	<u>632,710</u>	<u>471,048</u>	<u>568,773</u>
Total revenues	<u>3,099,201</u>	<u>2,724,486</u>	<u>3,213,665</u>
Operating expenses:			
Program and public broadcasting	2,506,332	1,506,964	2,242,839
Administrative	<u>763,790</u>	<u>615,463</u>	<u>702,890</u>
Total expenses	<u>3,270,122</u>	<u>2,122,427</u>	<u>2,945,729</u>
Increase (decrease) in net position	<u>\$ (170,921)</u>	<u>\$ 602,059</u>	<u>\$ 267,936</u>

Operating Revenues:

During 2023, operating revenues increased by \$213,053. The increase in revenue was primarily due to an increase in grant revenue.

During 2022, operating revenues decreased by \$391,454. The decrease in revenue was primarily due to a reduction in grant revenue. A significant portion of the current year decrease can be attributed to PPP grant funds in the amount of \$242,604 that were received in 2021.

Operating Expenses:

During 2023, operating expenses increased by \$1,147,695, primarily due to an increase in benefits for employees, an increase in professional fees and an increase in program costs.

During 2022, operating expenses decreased by \$823,302, primarily due to a reduction in program costs. The Station produced more original content during 2022 than during 2021.

**WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

CAPITAL ASSET ADMINISTRATION

At June 30, 2023, the WWNO-FM Radio Station had \$233,933 invested in capital assets (net of accumulated depreciation of \$623,059), which included equipment with a net book value of \$33,933 and an FCC license in the amount of \$200,000. The FCC license is an intangible asset with an indefinite useful life.

ECONOMIC FACTORS AND NEXT YEAR'S OPERATIONS

The WWNO-FM Radio Station's management considered the following factors and indicators when planning next year's operations:

- ★ Industry factors
- ★ Cost of living adjustments for salaries and other expenses
- ★ Revenue continues to be difficult to predict due to the uncertainty of the economy and its impact on businesses and donor communities.

CONTACTING THE WWNO-FM RADIO STATION MANAGEMENT

This financial report is designed to provide our supporters, benefactors, listeners, and creditors with a general overview of the WWNO-FM Radio Station's finances and to show the WWNO-FM Radio Station's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Paul Maassen, General Manager of WWNO-FM, University of New Orleans, New Orleans, Louisiana 70148.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
STATEMENTS OF NET POSITION
JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS:</u>		
CURRENT ASSETS:		
Cash	\$ 697,206	\$ 569,628
Grants receivable	41,821	-
Pledges receivable, net	261,095	244,575
Due from UNO Foundation	265,959	332,324
Total current assets	1,266,081	1,146,527
NONCURRENT ASSETS:		
Cash - board designated reserve	364,819	364,819
Cash - private grant funds, restricted	243,820	166,546
Capital assets, net	233,933	253,606
Total noncurrent assets	842,572	784,971
Total assets	2,108,653	1,931,498
DEFERRED OUTFLOWS OF RESOURCES	994,572	363,681
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,103,225	\$ 2,295,179
<u>LIABILITIES:</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 267,742	\$ 29,910
Compensated absences - current	6,112	2,873
Deferred revenue	241,264	165,000
Total current liabilities	515,118	197,783
NONCURRENT LIABILITIES:		
Compensated absences	104,866	112,791
Net pension liability	1,517,285	450,219
Total noncurrent liabilities	1,622,151	563,010
Total liabilities	2,137,269	760,793
DEFERRED INFLOWS OF RESOURCES	551,141	948,650
<u>NET POSITION:</u>		
Invested in capital assets	233,933	253,606
Unrestricted	180,882	332,130
Total net position	414,815	585,736
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 3,103,225	\$ 2,295,179

See accompanying notes.

WWNO-FM RADIO STATION
 A PUBLIC TELECOMMUNICATIONS ENTITY
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES:		
Corporation for Public Broadcasting	\$ 181,721	\$ 169,415
Donated services income	161,273	123,013
Grants	180,557	50,000
Other operating revenues	1,942,940	1,911,010
Total operating revenues	<u>2,466,491</u>	<u>2,253,438</u>
OPERATING EXPENSES:		
Program services:		
Programming and production	1,650,551	747,553
Broadcasting	617,047	564,546
Program information and promotion	238,734	194,865
Support services:		
Management and general	300,481	255,512
Fund raising and membership development	323,858	249,930
Underwriting and grant solicitation	139,451	110,021
Total operating expenses	<u>3,270,122</u>	<u>2,122,427</u>
OPERATING INCOME (LOSS)	<u>(803,631)</u>	<u>131,011</u>
NON-OPERATING REVENUES:		
University support	611,493	453,248
Interest income	14,028	-
Capital gifts and grants	-	14,161
Other non-operating revenues	7,189	3,639
Total non-operating revenues	<u>632,710</u>	<u>471,048</u>
Increase (decrease) in net position	(170,921)	602,059
Net position (deficit) at beginning of year	<u>585,736</u>	<u>(16,323)</u>
NET POSITION AT END OF YEAR	<u>\$ 414,815</u>	<u>\$ 585,736</u>

See accompanying notes.

WWNO-FM RADIO STATION
 A PUBLIC TELECOMMUNICATIONS ENTITY
 STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Corporation for Public Broadcasting	\$ 181,721	\$ 169,415
Payments for employee compensation	(783,620)	(854,542)
Payments for benefits	(359,080)	(398,488)
Payments for supplies and services	(1,056,414)	(687,239)
Grants	215,000	215,000
Other receipts	1,993,217	1,948,980
Net cash provided by operating activities	190,824	393,126
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Capital gifts and grants	-	14,161
Purchase of capital assets	-	(14,161)
Net cash provided (used) by capital financing activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	14,028	-
Net cash provided by investing activities	14,028	-
Net increase in cash	204,852	393,126
Cash at beginning of the year	1,100,993	707,867
Cash at the end of the year	\$ 1,305,845	\$ 1,100,993
NON-CASH FINANCING ACTIVITIES:		
University support	\$ 611,493	\$ 453,248
In-kind contributions	161,273	123,013
	\$ 772,766	\$ 576,261

See accompanying notes.

WWNO-FM RADIO STATION
 A PUBLIC TELECOMMUNICATIONS ENTITY
 STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

(Continued)

	<u>2023</u>	<u>2022</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (803,631)	\$ 131,011
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	19,673	20,933
University support	611,493	453,248
Pension income from non-employer contributions	7,189	3,639
Changes in assets and liabilities:		
Decrease in receivables, net	8,024	37,894
Increase in deferred revenue	76,264	165,000
(Increase) decrease in deferred outflows of resources	(630,891)	346,167
Increase (decrease) in accounts payable and accrued liabilities	237,832	(218,288)
Decrease in compensated absences	(4,686)	(15,845)
Increase (decrease) in net pension liability	1,067,066	(1,346,369)
Increase (decrease) in deferred inflows of resources	<u>(397,509)</u>	<u>815,736</u>
Net cash provided by operating activities	<u>\$ 190,824</u>	<u>\$ 393,126</u>
RECONCILIATION OF CASH TO THE STATEMENTS OF NET POSITION:		
Cash classified as current assets	\$ 697,206	\$ 569,628
Cash classified as noncurrent assets:		
Board designated	364,819	364,819
Private grants, restricted	243,820	166,546
Total cash and cash equivalents	<u>\$ 1,305,845</u>	<u>\$ 1,100,993</u>

See accompanying notes.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Nature of Operations:

The Louisiana State University Board of Supervisors (the Board), the governing body over all campuses under the organizational structure of the LSU System, approved establishment of a public radio station (network) to be housed at, and operated by, the University of New Orleans (UNO). In February 1972, the Federal Communication Commission (FCC) assigned the radio station the call letters WWNO-FM. The Corporation for Public Broadcasting (CPB) was contacted in an effort to gain an understanding of the requirements to becoming a CPB "supported" station. In 1973, WWNO-FM Radio Station attained this status. In December 2011, UNO was transferred to the University of Louisiana System, which is a component of the State of Louisiana.

In December 1994, WWNO Radio Station received permission to establish a second radio station to serve the Thibodaux and Houma areas. In February 1995, the FCC assigned this second radio station the call letters, KTLN. KTLN received its license and began operating as a simulcast station of WWNO-FM in August 1995.

In August 2016, WWNO Radio Station received permission to acquire from another broadcast company a classical station with the call letters K285FF. In December 2016, the FCC assigned the Station radio station with the call letters K285FF to WWNO. K285FF received its license and began operating as a classical station of WWNO-FM in January 2017.

WWNO-FM Radio Station (the Station) is a departmental budget unit of the University of New Orleans (UNO) and is reported in UNO's annual financial statements in the same respect as a public service department.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity:

The Station is a public telecommunications entity operated by UNO. The accompanying financial statements of the Station contain sub-account information of UNO. As such, the accompanying financial statements present information only as to the transactions of the Station as authorized by Louisiana statutes and administrative regulations. Annually, UNO issues both comprehensive and general-purpose financial statements, which include the activity contained in the accompanying financial statements.

Basis of Presentation:

The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and reporting standards.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation: (Continued)

The Station is considered a proprietary fund and is presented as a business-type activity. Proprietary fund financial statements include a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, cash and cash equivalents includes all highly-liquid investments (including restricted assets) with maturity of three months or less when purchased.

Capital Assets:

Capital assets purchased or acquired are reported at cost at the date of acquisition or their estimated fair value on the date of donation. The Station follows Louisiana Property Assistance Agency (LPAA) policy for capitalizing and reporting equipment. For movable property, the Station’s capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. The Station follows the University of Louisiana System for capitalizing intangible assets. Intangible assets with a cost of \$50,000 or more are capitalized. Routine expenditures for maintenance and repairs which do not materially extend the useful life of the asset are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 5 to 12 years for movable property. In accordance with University policies, a full year of depreciation is taken in the year of acquisition. Intangible assets are amortized over their estimated useful life. Intangible assets with indefinite useful lives are not amortized.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Classification of Revenues and Expenses:

The Station has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating Revenues:

Operating revenues include activities that have the characteristics of exchange transactions, such as most federal, state, and local grants; contracts; and federal appropriations. Operating revenues consist mainly of program underwriting income, contributions, grants and services donated by outside parties.

Non-operating Revenues:

Non-operating revenues include other activities, such as University support, investment income, and the Station's proportionate share of non-employer contributing entities pension contributions.

Operating Expenses:

Operating expenses are those expenses that are essential to the primary operations of the Station.

Non-operating Expenses:

All other expenses are reported as non-operating expenses.

Promises to Give and Contributions:

Unconditional pledges are recorded as revenue when the promise to give is made. Promises to give are recorded at their net realizable value, using present value techniques if they are expected to be collected in more than one year.

Unconditional contributions are recorded as revenue when received. Contributions collected by the UNO Foundation on behalf of the Station and used to pay expenses on behalf of the Station are not recognized as revenue in the financial statements. The related expenses are also not recognized in these financial statements (see Note 9).

Allowances for doubtful accounts is based on management's review of the current status on existing account balances and historical collection experience. No allowance for doubtful accounts was deemed necessary at June 30, 2023 and 2022.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

In-Kind Contributions:

University support provided by UNO is recorded in revenue and expense when received. Donated services from various private businesses and organizations are recorded in both revenue and expense at the fair value of the services received.

Board Designated Reserve and Private Grant Funds:

Certain assets are segregated and classified as noncurrent assets and may not be used except for specific board-designated or grant expenditure purposes.

Restricted Resources:

When both restricted and unrestricted resources are available for use, it is the Station's policy to use unrestricted resources first, and then restricted resources as they are needed.

Net Position:

In the Statement of Net Position, the difference between the Station's assets, deferred outflows, liabilities and deferred inflows is recorded as net position. The components of net position are as follows:

Invested in Capital Assets:

This represents the Station's total investment in capital assets, net of accumulated depreciation and reduced by outstanding debt obligations related to acquisition, construction, or improvement of those capital assets, if any.

Unrestricted Net Position:

Unrestricted net position represents resources used for transactions relating to the general operations of the Station and may be used at the discretion of the Station's management and board to meet current expenses and for any purpose.

Deferred Revenue:

Deferred revenue includes amounts received from grantors that have not yet been earned.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Deferred Outflows / Inflows of Resources:

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then.

Retirement Plans:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position, and changes in fiduciary net position of the defined benefit pension plans in which the Station participates have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Risk Management:

The Station is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. UNO's insurance coverage insures the Station against these types of losses.

Use of Estimates:

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

Leases:

On July 1, 2021, the Station implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. This statement outlines a single model for certain leases based on the foundational principle that leases are financings of the right to use an underlying

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Leases: (Continued)

asset. Other than short term leases, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Station has analyzed the provisions of GASB Statement No. 87, *Leases*, and has concluded that there were no leasing arrangements which qualify for adjustment or disclosure under GASB Statement No. 87, *Leases*.

New Accounting Pronouncement:

On July 1, 2022, the Station implemented Government Accounting Standards Board Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements (SBITAs)*. A SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor) IT software, alone or in combination with tangible capital assets (with underlying IT assets), as specified in the contract for a period of time in an exchange or exchange like transaction. The statement established uniform accounting and financial reporting requirements for SBITAs; improved the comparability of governments' financial statements; and enhances the understandability, reliability, relevance, and consistence of information about SBITAs. The Station has analyzed the provisions of GASB No. 96 and has concluded that there are no material contracts which qualify for adjustment or disclosure under the new statement. Therefore, no restatement of prior periods or cumulative effect adjustment recorded in the year of adoption, was considered necessary.

2. CASH AND CASH EQUIVALENTS:

The Station's cash deposits are part of pooled cash account held and controlled by UNO and are secured from risk by the university through a custodial agreement. In accordance with R.S. 49:327, UNO is authorized to invest funds in direct U.S. Treasury Obligations, U.S government agency obligations and money market funds.

At June 30, 2023 and 2022, cash consisted of interest bearing demand deposits totaling \$1,305,845 and \$1,100,993, respectively. For each of the years ended June 30, 2023 and 2022, \$364,819 of the cash was designated by the Board as a reserve. As of June 30, 2023 and 2022, \$243,820 and \$166,546, respectively, of the cash was restricted for future grant expenditures.

Custodial credit risk is the risk that in the event of a bank failure, the Station's deposits may not be recovered. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

3. CAPITAL ASSETS:

A summary of changes in capital assets for the years ended June 30, 2023 and 2022 follows:

	Beginning			Ending
	<u>June 30, 2023</u>	<u>Balance</u>	<u>Additions</u>	<u>Balance</u>
Equipment at cost	\$ 656,992	\$ -	\$ -	\$ 656,992
Less: accumulated depreciation	(603,386)	(19,673)	-	(623,059)
Capital assets being depreciated, net	<u>53,606</u>	<u>(19,673)</u>	<u>-</u>	<u>33,933</u>
Intangible assets not depreciated				
FCC license	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Capital assets not being depreciated	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Total capital assets, net	<u>\$ 253,606</u>	<u>\$ (19,673)</u>	<u>\$ -</u>	<u>\$ 233,933</u>

	Beginning			Ending
	<u>June 30, 2022</u>	<u>Balance</u>	<u>Additions</u>	<u>Balance</u>
Equipment at cost	\$ 642,831	\$ 14,161	\$ -	\$ 656,992
Less: accumulated depreciation	(582,453)	(20,933)	-	(603,386)
Capital assets being depreciated, net	<u>60,378</u>	<u>(6,772)</u>	<u>-</u>	<u>53,606</u>
Intangible assets not depreciated				
FCC license	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Capital assets not being depreciated	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Total capital assets, net	<u>\$ 260,378</u>	<u>\$ (6,772)</u>	<u>\$ -</u>	<u>\$ 253,606</u>

Depreciation expense for the years ended June 30, 2023 and 2022 was \$19,673 and \$20,933, respectively.

4. OTHER POSTEMPLOYMENT BENEFITS:

The University of New Orleans provides certain continuing health care and life insurance benefits for its retired employees. All of the University's employees become eligible for these benefits once they reach normal retirement age while working for the University. These benefits are paid by the University on behalf of the Station. GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, establishes standards for the accounting and financial reporting for other post-employment benefits, including disclosing funding for the plan.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

4. OTHER POSTEMPLOYMENT BENEFITS: (Continued)

The amount of the Station’s liability is not readily determinable by the University as the calculation is based on the combined salaries of all University employees as a whole and shown on the University’s financial statements as such.

5. COMPENSATED ABSENCES:

Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. Upon separation of employment, both classified and non-classified personnel and their heirs are compensated for accumulated annual leave not to exceed 300 hours. In addition, unclassified personnel or their heirs are compensated for accumulated sick leave not to exceed 25 days upon retirement or death. The method for computing the liability for unused annual and sick leave conforms to Governmental Accounting Standards Board (GASB) Statement No. 16, *Accounting for Compensated Absences*. The liability for compensated absences has thus been calculated on a maximum of 300 hours of accumulated annual leave and on a maximum of 200 hours of accumulated sick leave for unclassified employees having at least five years of retirement system credit. The employer's portion of the Medicare tax and/or social security tax expected to be paid on the calculated liability for annual and sick leave has been included in the estimated liability for compensated absences.

The liability for unused annual leave and unused sick leave at June 30, 2023 and 2022 is estimated to be \$110,978 and \$115,664, respectively. Following is a summary of changes in compensated absences payable:

	<u>2023</u>	<u>2022</u>
Beginning Balance, July 1	\$ 115,664	\$ 131,509
Additions	5,032	-
Reductions	<u>(9,718)</u>	<u>(15,845)</u>
Ending Balance, June 30	<u>\$ 110,978</u>	<u>\$ 115,664</u>
Due within one year	<u>\$ 6,112</u>	<u>\$ 2,873</u>

6. TOWER LICENSE AGREEMENTS:

The Station entered into three license agreements for the usage of tower space in conjunction with WWNO-FM/KTLN broadcasting. The following terms for license agreements were in effect for the years ended June 30, 2023 and 2022:

- July 1, 2018 - June 30, 2023, quarterly payments of \$990; July 1, 2023 through June 30, 2028, quarterly payments of \$1,089.
- April 1, 2019 - March 31, 2023, monthly payments of \$10,038; April 1, 2023 through March 31, 2024 monthly payments of \$10,540; increases annually by 5%.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

6. TOWER LICENSE AGREEMENTS: (Continued)

- o February 2022 - January 2023, monthly payments of \$1,460; February 2023 - January 2024, monthly payments of \$1,518; increases by 4% annually through February 2025.

Tower license fee expense was \$143,985 and \$137,244 for the years ended June 30, 2023 and 2022, respectively.

The future payments under license agreements at June 30, 2023, are as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2024	\$ 117,742
2025	23,621
2026	15,850
2027	4,356
2028	<u>4,356</u>
Total	<u>\$ 165,925</u>

7. PENSION PLANS:

Plan Descriptions and Benefits Provided:

Substantially all employees of WWNO-FM Radio Station are provided with pensions through cost-sharing, multiple-employer defined benefit pension plans administered by the Teachers’ Retirement System of Louisiana (TRSL). The authority to establish and amend the benefit terms of TRSL was granted to the Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL issues publicly available financial reports that can be obtained at www.trsl.org.

TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a “teacher” as provided for in R.S 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761. Statutory changes closed existing, and created new, subplans for members hired on or after January 1, 2011.

Most members are eligible to receive retirement benefits (1) at the age of 60 with five years of service, (2) at the age of 55 with at least 25 years of service, or (3) at any age with at least 30 years of service. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member’s average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. PENSION PLANS: (Continued)

Plan Descriptions and Benefits Provided: (Continued)

Under R.S. 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011, and attained at least five years of service or if employed on or after January 1, 2011, and attained at least 10 years of service. Members employed prior to January 1, 2011, receive disability benefits equal to 2.5% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011, receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been in state service at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of 20 years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child.

Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2.5% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The minimum service credit requirement is 10 years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

TRSL has established a DROP plan. When members enter DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During participation, benefits otherwise payable are fixed and deposited in an individual DROP account. Upon leaving DROP, members must choose among available alternatives for the distribution of benefits that have accumulated in their DROP accounts.

Cost of Living Adjustments:

As fully described in Title 11 of the Louisiana Revised Statutes, TRSL allows for the payment of cost-of-living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Louisiana Legislature. These ad hoc COLAs are not considered to be substantively automatic.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. PENSION PLANS: (Continued)

Contributions:

Contribution requirements of active employees are governed by Section 101-104 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:101-11:104) and may be amended by the Louisiana Legislature. Employees participating in TRSL are included in both the TRSL Regular Plan and TRSL Optional Retirement Plan. Members are required by state statute to contribute 8.0% of their annual covered salaries, and the Station is required to make employer contributions based on an actuarially determined rate. The Regular Plan employer contribution rate for the fiscal years ended June 30, 2023 and 2022 was 24.10% and 24.50%, respectively, of annual covered payroll. The Optional Retirement Plan employer contribution rate for the fiscal years ended June 30, 2023 and 2022 was 20.80% and 21.47%, respectively, of annual covered payroll. Total contributions paid to TRSL for the years ended June 30, 2023 and 2022 was \$198,299 and \$102,670, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

The following table reflects the Station's reported net pension liability, pension expense, proportion share of the net pension liability, and changes in proportion as of June 30, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Net Pension Liability	<u>\$ 1,517,285</u>	<u>\$ 450,219</u>
Pension Expense (Benefit)	<u>\$ 45,855</u>	<u>\$ (180,825)</u>
Proportion of Net Pension Liability	0.015892%	0.008433%
Change in Proportion	0.007459%	-0.007718%

The net pension liabilities were measured as of June 30, 2022 and 2021, valuations and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of these dates. The Station's proportion of the net pension liability was based on a projection of the Station's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2023 and 2022, the Station reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. PENSION PLANS: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: (Continued)

	<u>2023</u>		<u>2022</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 23,517	\$ 4,376	\$ -	\$ 4,508
Net difference between projected and actual earnings on pension plan investments	86,104	-	-	303,911
Changes in proportion and differences between employer contributions and proportionate share of contributions	584,312	546,765	217,186	640,231
Changes in assumptions	102,340	-	43,825	-
Employer contributions subsequent to the measurement date	198,299	-	102,670	-
Total	<u>\$ 994,572</u>	<u>\$ 551,141</u>	<u>\$ 363,681</u>	<u>\$ 948,650</u>

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date in the amount of \$198,299 will be recognized as a reduction of the net pension liability during the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2024	\$ (36,019)
2025	395
2026	47,480
2027	(256,988)
	<u>\$ (245,132)</u>

Actuarial Assumptions:

The total pension liability in the June 30, 2022 and 2021 actuarial valuations for TRSL was determined using the following actuarial assumptions, applied to all periods included in the measurement:

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. PENSION PLANS: (Continued)

Actuarial Assumptions: (Continued)

Actuarial Assumptions	
Valuation Date	June 30, 2022 and 2021
Actuarial Cost Method	Entry Age Normal
Expected Remaining Service Lives	5 years
Investment Rate of Return	7.25% and 7.40%
Inflation Rate	2.30%
Salary Increases	3.1% - 4.6%
Dates of Experience Study	2012 - 2017
Mortality - Non-disabled	RP-2014 tables
Mortality - Disabled	RP-2014 tables
Termination, Disability, Retirement	2012-2017 study
Cost of Living Adjustments	Not substantively automatic

The long-term expected rate of return on pension plan investments of TRSL was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return for the 2022 valuation was 8.32% and 7.87% for the 2021 valuation.

The target allocation and expected real rates of return of TRSL for each major asset class of as of June 30, 2022 and 2021 are summarized in the following tables:

<u>Asset Class</u>	<u>2022</u>		<u>2021</u>	
	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	27.0%	4.15%	27.0%	4.21%
International Equity	19.0%	5.16%	19.0%	5.23%
Domestic Fixed Income	13.0%	0.85%	13.0%	0.44%
International Fixed Income	5.5%	-0.10%	5.5%	0.56%
Private Assets	25.5%	8.15%	25.5%	8.48%
Other Private Assets	10.0%	3.72%	10.0%	4.27%
Total	<u>100%</u>		<u>100%</u>	

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. PENSION PLANS: (Continued)

Discount Rate:

The discount rate used to measure the total pension liability of TRSL was 7.25% for the June 30, 2022 valuation period. The discount rate used to measure total pension liability for TRSL was 7.40% for the June 30, 2021 valuation period. 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 employer contributions from participating employers will be made at contractually required rates, actuarially determined. 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 plan members. 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.

Sensitivity of the Station’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the Station’s proportionate share of the net pension liability as of June 30, 2023 and 2022 using the current discount rate of 7.25% for 2023 and 7.40% for 2022, as well as what the Station’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

<u>Fiscal Year End</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
06/30/23	\$ 2,077,438	1,517,285	\$ 999,877
06/30/22	\$ 745,067	450,219	\$ 202,221

Support of Non-employer Contributing Entities:

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Station recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the years ended June 30, 2023 and 2022, the Station recognized revenue as a result of support received from non-employer contributing entities of \$7,189 and \$3,639, respectively, for its participation in TRSL.

Pension Plan Fiduciary Net Position:

Detailed information about the pension plans fiduciary net position is available in the separately issued financial reports for TRSL and can be obtained on the plan’s website or on the Louisiana Legislative Auditor’s website: www.lla.la.gov.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. PENSION PLANS: (Continued)

Payables to the Pension Plan:

As of June 30, 2023 and 2022, the Station had no payables recorded for outstanding contributions due to TRSL.

8. IN-KIND CONTRIBUTIONS AND DONATED SERVICES:

University support includes donated facilities provided by UNO consisting of office and studio space together with related occupancy costs. In addition to donated facilities, University support provides other services including, but not limited to, accounting, human resources, and payroll. UNO also shares services with the Station, such as utilities, and pays the Station's portion of these expenses. Total university support for the years ended June 30, 2023 and 2022 was \$611,493 and \$453,248, respectively.

During the years ended June 30, 2023 and 2022, the Station received the following donated services from private businesses and organizations:

	<u>2023</u>	<u>2022</u>
Radio Programming	\$ 15,883	\$ 15,728
Publications/advertising	79,540	81,485
Other services and supplies	65,850	25,800
	<u>\$161,273</u>	<u>\$123,013</u>

The Station would normally have purchased these services with operating revenues. Management is unable to determine how long the services will continue to be donated.

9. DUE FROM UNO FOUNDATION:

The UNO Foundation collects contributions and disburses certain expenses on behalf of the Station. Amounts held by the UNO Foundation as of June 30, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Due from UNO Foundation, beginning of year	\$ 332,324	\$ 377,464
Collections	1,239,696	1,052,602
Transfers to the Station	(840,000)	(700,000)
Disbursements	(466,061)	(397,742)
Due from UNO Foundation, end of year	<u>\$ 265,959</u>	<u>\$ 332,324</u>

REQUIRED SUPPLEMENTARY INFORMATION

WWNO-FM RADIO STATION
 A PUBLIC TELECOMMUNICATIONS ENTITY
 SCHEDULE OF PROPORTIONATE SHARE OF
 NET PENSION LIABILITY
FOR THE NINE YEARS ENDED JUNE 30, 2023

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a % of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
<u>Teachers' Retirement System of Louisiana</u>					
6/30/2023	0.015844 %	\$ 1,517,285	\$ 391,419	387.64%	72.40%
6/30/2022	0.008433 %	\$ 450,219	\$ 739,336	60.90%	83.90%
6/30/2021	0.016151 %	\$ 1,796,588	\$ 727,741	246.87%	65.60%
6/30/2020	0.016430 %	\$ 1,630,590	\$ 679,732	239.89%	68.60%
6/30/2019	0.015316 %	\$ 1,505,243	\$ 504,772	298.20%	68.20%
6/30/2018	0.010783 %	\$ 1,105,465	\$ 544,376	203.07%	65.60%
6/30/2017	0.013859 %	\$ 1,511,258	\$ 565,377	267.30%	59.90%
6/30/2016	0.013554 %	\$ 1,457,367	\$ 529,442	275.26%	62.50%
6/30/2015	0.011709 %	\$ 1,196,830	\$ 484,509	247.02%	63.70%
<u>**Louisiana State Employees' Retirement System</u>					
6/30/2023	0.000000 %	\$ -	\$ -	-%	-%
6/30/2022	0.000000 %	\$ -	\$ -	-%	-%
6/30/2021	0.000000 %	\$ -	\$ -	-%	-%
6/30/2020	0.000000 %	\$ -	\$ -	-%	-%
6/30/2019	0.001955 %	\$ 133,300	\$ 40,207	331.53%	64.30%
6/30/2018	0.002156 %	\$ 151,789	\$ 39,957	379.88%	62.50%
6/30/2017	0.002125 %	\$ 166,885	\$ 39,957	417.66%	57.70%
6/30/2016	0.002105 %	\$ 143,161	\$ 39,957	358.29%	62.70%
6/30/2015	0.001825 %	\$ 114,104	\$ 39,957	285.57%	65.00%

** WWNO did not have any employees in LASERS for fiscal years 2020 - 2023.

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

WWNO-FM RADIO STATION
 A PUBLIC TELECOMMUNICATIONS ENTITY
 SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE NINE YEARS ENDED JUNE 30, 2023

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<u>Teachers' Retirement System of Louisiana</u>					
6/30/2023	\$ 198,299	\$ 198,299	\$ -	\$ 775,421	25.57%
6/30/2022	\$ 102,669	\$ 102,669	\$ -	\$ 391,419	26.23%
6/30/2021	\$ 197,698	\$ 197,698	\$ -	\$ 739,336	26.74%
6/30/2020	\$ 196,300	\$ 196,300	\$ -	\$ 727,741	26.97%
6/30/2019	\$ 182,664	\$ 182,664	\$ -	\$ 679,732	26.87%
6/30/2018	\$ 123,791	\$ 123,791	\$ -	\$ 504,772	24.52%
6/30/2017	\$ 140,456	\$ 140,456	\$ -	\$ 544,376	25.80%
6/30/2016	\$ 151,181	\$ 151,181	\$ -	\$ 565,377	26.74%
6/30/2015	\$ 145,876	\$ 145,876	\$ -	\$ 529,442	27.55%
<u>**Louisiana State Employees' Retirement System</u>					
6/30/2023	\$ -	\$ -	\$ -	\$ -	-%
6/30/2022	\$ -	\$ -	\$ -	\$ -	-%
6/30/2021	\$ -	\$ -	\$ -	\$ -	-%
6/30/2020	\$ -	\$ -	\$ -	\$ -	-%
6/30/2019	\$ 14,336	\$ 14,336	\$ -	\$ 37,826	37.90%
6/30/2018	\$ 15,238	\$ 15,238	\$ -	\$ 40,207	37.90%
6/30/2017	\$ 14,305	\$ 14,305	\$ -	\$ 39,957	35.80%
6/30/2016	\$ 14,864	\$ 14,864	\$ -	\$ 39,957	37.20%
6/30/2015	\$ 14,784	\$ 14,784	\$ -	\$ 39,957	37.00%

** WWNO did not have any employees in LASERS for fiscal years 2020 - 2023.

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE NINE YEARS ENDED JUNE 30, 2023

1. SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY:

This schedule reflects the participation of WWNO-FM Radio Station's employees in retirement systems and its proportionate share of the net pension liability, the proportionate share of the net pension liability as a percentage of its covered payroll, and the plan fiduciary net position as a percentage of the total pension liability.

2. SCHEDULE OF PENSION CONTRIBUTIONS:

This schedule represents the employer contributions subsequent to the measurement date and recognized as a reduction of the net pension liability in future years.

3. CHANGES IN ASSUMPTIONS:

TRSL:

Valuation Date	Investment	Inflation Rate	Salary Increases	Mortality Rate Non-Disabled	Mortality Rate Disabled
	Rate of Return				
June 30, 2022	7.25%	2.30%	3.1% - 4.6%	RP2014 Tables	RP2014 Tables
June 30, 2021	7.40%	2.30%	3.1% - 4.6%	RP2014 Tables	RP2014 Tables
June 30, 2020	7.45%	2.30%	3.1% - 4.6%	RP2014 Tables	RP2014 Tables
June 30, 2019	7.55%	2.50%	3.3% - 4.8%	RP2014 Tables	RP2014 Tables
June 30, 2018	7.65%	2.50%	3.3% - 4.8%	RP2014 Tables	RP2014 Tables
June 30, 2017	7.70%	2.50%	3.5% - 10.0%	RP2000 Tables	RP2000 Tables
June 30, 2016	7.75%	2.50%	3.5% - 10.0%	RP2000 Tables	RP2000 Tables
June 30, 2015	7.75%	2.50%	3.5% - 10.0%	RP2000 Tables	RP2000 Tables
June 30, 2014	7.75%	2.50%	3.5% - 10.0%	RP2000 Tables	RP2000 Tables

LASERS:

Valuation Date	Investment	Inflation Rate	Salary Increases	Mortality Rate Non-Disabled	Mortality Rate Disabled
	Rate of Return				
June 30, 2018	7.65%	2.75%	2.83% - 14.3%	RP2000 Tables	RP2000 Tables
June 30, 2017	7.70%	2.75%	2.83% - 14.3%	RP2000 Tables	RP2000 Tables
June 30, 2016	7.75%	3.00%	3.0% - 14.5%	RP2000 Tables	RP2000 Tables
June 30, 2015	7.75%	3.00%	3.0% - 14.5%	RP2000 Tables	RP2000 Tables
June 30, 2014	7.75%	3.00%	3.0% - 14.5%	RP2000 Tables	RP2000 Tables

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE NINE YEARS ENDED JUNE 30, 2023

4. CHANGES IN BENEFIT TERMS:

A member joining TRSL on or after July 1, 2015 is eligible for normal retirement if he has at least five years of creditable service and is at least age sixty-two, or twenty years of creditable service regardless of age with an actuarially reduced benefit. The retirement age prior to the change in benefit terms was age sixty.

During the reporting period 2017, a cost-of-living adjustment (COLA) was granted by TRSL of 1.5%.

There were no changes in benefit terms for any of the remaining years presented.

SUPPLEMENTARY INFORMATION

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE GENERAL MANAGER
JUNE 30, 2023

Agency Head: Paul Maassen
Position: General Manager

Salary	\$ 121,818
Benefits - insurance	12,229
Benefits - retirement	32,891
Benefits - other	<u>11,403</u>
Total	<u><u>\$ 178,341</u></u>

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023
 (with comparison totals for 2022)

	PROGRAM SERVICES				SUPPORTING SERVICES				TOTAL EXPENSES	
	Programming and Production		Program Information and Promotion	Total Program Services	Management and General	Fund Raising and Membership Development	Underwriting and Grant Solicitation	Total Supporting Services	2023	2022
		Broadcasting								
Advertising	\$ 79,540	\$ -	\$ -	\$ 79,540	\$ 775	\$ -	\$ -	\$ 775	\$ 80,315	\$ 75,485
Audit fees	-	-	-	-	11,355	-	-	11,355	11,355	11,025
Bank fees	-	-	-	-	-	18,969	-	18,969	18,969	17,815
Communication costs and postage	7,423	4,421	4,191	16,035	4,737	3,380	1,748	9,865	25,900	20,265
Depreciation on equipment	-	19,673	-	19,673	-	-	-	-	19,673	20,933
Employee benefits	102,699	92,181	39,753	234,633	72,601	53,327	39,688	165,616	400,249	201,818
Employee salaries and wages	204,406	193,300	79,669	477,375	144,290	103,307	77,801	325,398	802,773	854,543
Indirect administrative support	202,261	119,768	113,657	435,686	65,384	89,826	20,165	175,375	611,061	453,170
Miscellaneous	20,995	2,052	1,182	24,229	-	-	-	-	24,229	1,488
Program costs	113,832	-	-	113,832	-	-	-	-	113,832	45,311
Repairs and maintenance	-	20,424	-	20,424	-	140	-	140	20,564	27,396
Software and IT services	9,000	-	-	9,000	90	12,573	-	12,663	21,663	12,207
Subscriptions and memberships	909,891	-	-	909,891	-	-	-	-	909,891	177,750
Supplies	504	9,870	282	10,656	1,249	42,336	49	43,634	54,290	55,537
Tower rent	-	143,985	-	143,985	-	-	-	-	143,985	137,244
Utilities	-	11,373	-	11,373	-	-	-	-	11,373	10,440
Total	\$ 1,650,551	\$ 617,047	\$ 238,734	\$ 2,506,332	\$ 300,481	\$ 323,858	\$ 139,451	\$ 763,790	\$ 3,270,122	\$ 2,122,427



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA
Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Wesley D. Wade, CPA
Gregory J. Binder, IT Director
Colleen A. Casey, CPA

Michael J. O' Rourke, CPA
William G. Stamm, CPA

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

December 13, 2023

Dr. Kathy Johnson, President
University of New Orleans
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities of WWNO-FM Radio Station, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the WWNO-FM Radio Station's basic financial statements, and have issued our report thereon dated December 13, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered WWNO-FM Radio Station's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of WWNO-FM Radio Station's internal control. Accordingly, we do not express an opinion on the effectiveness of WWNO-FM Radio Station's internal control.

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Station's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether WWNO-FM Radio Station's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Station's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering WWNO-FM Radio Station's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


New Orleans, Louisiana

WWNO-FM RADIO STATION
A PUBLIC TELECOMMUNICATIONS ENTITY
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of WWNO-FM Radio Station for the year ended June 30, 2023 was unmodified.
2. Internal Control Over Financial Reporting
Material weaknesses: none
Significant deficiencies: none
3. Compliance
Noncompliance material to the financial statements: none

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS:

None

SUMMARY OF PRIOR YEAR FINDINGS:

None