

WBHM RADIO
FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

**WBHM RADIO
TABLE OF CONTENTS
SEPTEMBER 30, 2024 AND 2023**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Position	4
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7
Notes to the Financial Statements	9
REQUIRED SUPPLEMENTARY INFORMATION	
Schedules of Proportionate Share of Net Pension Liability and Employer Contributions	33
Schedules of Proportionate Share of Net OPEB Liability and Employer Contributions	35

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the University of Alabama System
Birmingham, Alabama

Opinion

We have audited the accompanying financial statements of WBHM Radio (WBHM), which comprise the statements of net position as of September 30, 2024 and 2023, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WBHM as of September 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WBHM's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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, 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 WBHM'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 WBHM's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

As discussed in Note 1, the financial statements of WBHM are intended to present the financial position, the changes in net position and cash flows of only that portion of the University of Alabama at Birmingham (UAB), a campus of the University of Alabama System, that is attributable to the transactions of WBHM. They do not purport to, and do not present fairly, the financial position of UAB, a campus of the University of Alabama System, as of September 30, 2024 and 2023, the changes in its financial position or its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

Management has omitted the management, discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of proportionate share of net pension liability and employer contributions on pages 33 through 34 and schedules of proportionate share of net other postemployment benefits (OPEB) liability and employer contributions on pages 35 through 37 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 audits of the basic financial statements. We do not express an opinion nor provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion nor provide any assurance.

Warren Averett, LLC

Birmingham, Alabama
May 13, 2025

FINANCIAL STATEMENTS

WBHM RADIO
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2024 AND 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 317,998	\$ 1,121,128
Accounts receivable, net	67,228	66,341
Pledges receivable, net	220,938	317,500
Grants receivable	274,458	-
Prepaid expenses	<u>13,241</u>	<u>9,230</u>
Total current assets	893,863	1,514,199
CAPITAL ASSETS, NET	<u>158,976</u>	<u>202,208</u>
TOTAL ASSETS	1,052,839	1,716,407
DEFERRED OUTFLOWS OF RESOURCES		
Pension and OPEB related obligations	<u>1,031,473</u>	<u>1,028,279</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,031,473</u>	<u>1,028,279</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 2,084,312</u></u>	<u><u>\$ 2,744,686</u></u>

See accompanying notes to the financial statements.

**WBHM RADIO
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2024 AND 2023**

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	2024	2023
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 243,282	\$ 152,336
Unearned revenue	342,446	696,592
SBITA obligation, current	18,890	23,953
Total current liabilities	604,618	872,881
SBITA OBLIGATION	4,782	23,672
PENSION AND OPEB LIABILITIES		
Pension liability	1,580,362	1,605,372
OPEB liability	164,164	83,991
TOTAL PENSION AND OPEB LIABILITIES	1,744,526	1,689,363
TOTAL LIABILITIES	2,353,926	2,585,916
DEFERRED INFLOWS OF RESOURCES		
Pension and OPEB related obligations	880,080	864,847
TOTAL DEFERRED INFLOWS OF RESOURCES	880,080	864,847
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	3,234,006	3,450,763
NET POSITION		
Unrestricted	(1,426,993)	(1,103,568)
Restricted – expendable	141,995	242,908
Net investment in capital assets	135,304	154,583
TOTAL NET POSITION	(1,149,694)	(706,077)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 2,084,312</u>	<u>\$ 2,744,686</u>

See accompanying notes to the financial statements.

WBHM RADIO
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Membership contributions	\$ 939,806	\$ 1,314,328
Community service grants	1,486,482	965,598
Program underwriting	327,062	435,159
Other	<u>137,558</u>	<u>135,776</u>
Total operating revenues	2,890,908	2,850,861
OPERATING EXPENSES		
Programming and production	1,188,116	948,267
Broadcasting	184,891	76,942
Fundraising and membership development	187,076	201,220
Underwriting	251,803	269,096
Management and general	1,865,455	1,259,078
Depreciation and amortization	<u>43,232</u>	<u>42,603</u>
Total operating expenses	<u>3,720,573</u>	<u>2,797,206</u>
OPERATING (LOSS) INCOME	(829,665)	53,655
NONOPERATING REVENUES (EXPENSES)		
University support	250,000	250,000
Interest expense	<u>(642)</u>	<u>(720)</u>
Total nonoperating revenues (expenses)	<u>249,358</u>	<u>249,280</u>
(LOSS) INCOME BEFORE OTHER CHANGES	(580,307)	302,935
OTHER CHANGES IN NET POSITION		
Transfers from UAB	<u>136,690</u>	<u>64,613</u>
Total other changes in net position	<u>136,690</u>	<u>64,613</u>
CHANGE IN NET POSITION	(443,617)	367,548
NET POSITION AT		
BEGINNING OF YEAR	<u>(706,077)</u>	<u>(1,073,625)</u>
END OF YEAR	<u><u>\$ (1,149,694)</u></u>	<u><u>\$ (706,077)</u></u>

See accompanying notes to the financial statements.

WBHM RADIO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Membership contributions	\$ 1,036,368	\$ 1,326,313
Community service grants	1,096,391	679,232
Program underwriting	87,662	421,705
Other	137,558	135,776
Payments to employees	(1,881,278)	(1,740,362)
Payments to vendors	<u>(1,505,236)</u>	<u>(1,156,095)</u>
Net cash used in operating activities	<u>(1,028,535)</u>	<u>(333,431)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
University support	<u>250,000</u>	<u>250,000</u>
Net cash provided by noncapital financing activities	<u>250,000</u>	<u>250,000</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Purchase of capital assets	-	(88,641)
Principal payments on SBITA obligations	(23,953)	(23,650)
Interest payments on SBITA obligations	<u>(642)</u>	<u>(720)</u>
Net cash used in capital financing activities	<u>(24,595)</u>	<u>(113,011)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(803,130)	(196,442)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,121,128</u>	<u>1,317,570</u>
END OF YEAR	<u><u>\$ 317,998</u></u>	<u><u>\$ 1,121,128</u></u>
SUPPLEMENTAL SCHEDULE OF NONCASH CAPITAL FINANCIAL ACTIVITIES		
Capital assets acquired through issuance of SBITA obligations	<u><u>\$ -</u></u>	<u><u>\$ 11,637</u></u>

See accompanying notes to the financial statements.

WBHM RADIO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
RECONCILIATION OF OPERATING (LOSS) INCOME TO NET CASH USED IN OPERATING ACTIVITIES		
Operating (loss) income	\$ (829,665)	\$ 53,655
Adjustments to reconcile operating (loss) income to net cash used in operating activities:		
Allowance for doubtful accounts	936	(7,828)
Depreciation and amortization	43,232	42,603
Pension expense	266,002	233,214
OPEB (benefit) expense	(71,899)	(68,581)
Operating expenses provided by UAB	136,690	64,613
Changes in assets and liabilities:		
Accounts and pledges receivable	94,739	12,287
Grants receivable	(274,458)	-
Prepaid expenses	(4,011)	12,258
Accounts payable and accrued liabilities	90,946	(246,727)
Pension obligation	(106,872)	(119,515)
OPEB obligation	(20,029)	(17,116)
Unearned revenue	(354,146)	(292,294)
Net cash used in operating activities	<u>\$ (1,028,535)</u>	<u>\$ (333,431)</u>

See accompanying notes to the financial statements.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

1. ORGANIZATION AND RELATIONSHIP TO THE UNIVERSITY OF ALABAMA AT BIRMINGHAM

WBHM Radio (WBHM) is a not-for-profit radio station licensed to the Board of Trustees of the University of Alabama for the University of Alabama at Birmingham (UAB). WBHM is accounted for as a department of UAB, which is a campus of the University of Alabama System (the System). UAB is one of three campuses of the System, which is a component unit of the State of Alabama. The financial statements of WBHM are intended to present the financial position, the changes in net position and cash flows of only that portion of UAB that is attributable to the transactions of WBHM.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of WBHM have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB).

WBHM reports as a business-type activity as defined by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. Accordingly, the financial statements of WBHM have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has occurred. Refer also to the revenue recognition section of this note.

Net Position

GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into three net position categories.

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. WBHM has net investment in capital assets of \$135,304 and \$154,583 as of September 30, 2024 and 2023, respectively.
- Restricted: WBHM classifies net position resulting from transactions with purpose or time restrictions as restricted net position until the specific resources are used for the required purpose or for as long as the provider requires the resources to remain intact. Restricted net position is further classified as follows:
 - (1) Nonexpendable – Net position subject to externally imposed stipulations that amounts be maintained permanently by WBHM. WBHM did not have restricted nonexpendable net position as of September 30, 2024 and 2023.
 - (2) Expendable – Net position whose use by WBHM is subject to externally imposed stipulations that can be fulfilled by actions of WBHM pursuant to those stipulations or that expire by the passage of time. WBHM had restricted expendable net position of \$141,995 and \$242,908 as of September 30, 2024 and 2023, respectively.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

- Unrestricted: Net position, including membership contributions, underwriting revenues, state appropriations and certain grant proceeds that are neither subject to externally imposed stipulations nor invested in capital assets, net of related debt, are classified as unrestricted net position. Unrestricted net position may be designated for specific purposes by actions of management.

Cash and Cash Equivalents

WBHM considers cash on hand and at financial institutions and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consists primarily of amounts due for underwriting services. All balances are expected to be received within one year. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer. Accounts receivable are recorded net of an allowance for uncollectible receivables of \$27,493 and \$2,350 as of September 30, 2024 and 2023, respectively. This amount is based on past experience and an analysis of current accounts receivable collectability. The net accounts receivable totaled \$67,228 and \$66,341 as of September 30, 2024 and 2023, respectively.

Pledges Receivable

WBHM receives pledges and bequests of financial support. Revenue is recognized when a pledge representing an unconditional promise to give is received, and all eligibility requirements, including time requirements, have been met. In the absence of such a promise, revenue is recognized when the gift is received. All balances are expected to be received within one year and are written off 12 months after the pledge date. Pledges receivable are shown net of an allowance for uncollectible pledges of \$41,253 and \$65,460 as of September 30, 2024 and 2023, respectively, which is based on historical collection experience. The net pledges receivable totaled \$220,938 and \$317,500 as of September 30, 2024 and 2023, respectively.

Grants Receivable

WBHM receives funds from assorted community grants and recognize revenue upon incurring expenditures in accordance with the grant agreement. All balances are expected to be received within one year. Grants receivable totaled \$274,458 and \$0 as of September 30, 2024 and 2023, respectively.

Capital Assets

Capital assets consist of land, buildings and improvements, broadcast equipment, satellite equipment and right-of-use (ROU) software based information technology arrangements (SBITA). Equipment is recorded at cost at the date of acquisition, less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, which are 12 to 40 years for building and building improvements and five to ten years for equipment. Gain or loss on the disposition of capital assets is reflected in the statements of revenues, expenses and changes in net position, and the related asset cost and accumulated depreciation are removed from the respective accounts. ROU SBITA assets acquired are amortized over the shorter of the lives of the respective ROU SBITA asset or the estimated useful lives of the underlying asset. ROU SBITA assets are recorded net of accumulated amortization. Depreciation and amortization expense for the years ended September 30, 2024 and 2023, was \$43,232 and \$42,603, respectively.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Deferred Outflows and Inflows of Resources

Deferred outflows of resources consist of amounts related to the pension obligations and Other Postemployment Benefits (OPEB) obligations of \$1,031,473 and \$1,028,279 at September 30, 2024 and 2023, respectively, as more fully described in Note 6 and Note 7.

Deferred inflows of resources consist of amounts related to the pension obligations and OPEB obligations of \$880,080 and \$864,847 at September 30, 2024 and 2023, respectively, as more fully described in Note 6 and Note 7.

Revenue Recognition

Membership contributions and other donations are nonexchange transactions, which are recognized as operating revenues in the period they are received. WBHM recognizes revenue associated with community service grants in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, based on the terms of the individual grant agreement.

Program underwriting revenue is reported as unearned revenue in the statements of net position for programs not yet broadcast. Revenue is recognized when the related program is aired.

State appropriations are recorded, when all eligibility requirements have been met, as nonoperating revenue in the statements of revenues, expenses and changes in net position.

During the years ended September 30, 2024 and 2023, WBHM received \$250,000 of University support from UAB for WBHM's general operating expenses.

Operating Revenues and Expenses

WBHM's statements of revenues, expenses and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses result from exchange and nonexchange transactions associated with WBHM's principal activities. Nonexchange revenues and expenses that result from financing and investing activities are recorded as nonoperating.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

New Accounting Pronouncements

The GASB issued Statement No. 102, *Certain Risk Disclosures*, in January 2024. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. WBHM is evaluating whether there will be any material impact from its adoption of GASB 102.

The GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of this statement is to improve key components of the financial reporting model to enhance

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. WBHM is evaluating whether there will be any material impact from its adoption of GASB Statement No. 103.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, in September 2024. The objective of this statement is to provide users of governmental financial statements with essential information about certain types of capital assets to be disclosed separately in the capital assets note disclosures, as well as additional disclosures for capital assets held for sale. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. WBHM is evaluating whether there will be any material impact from its adoption of GASB Statement No. 104.

Reclassification

Certain prior period amounts have been reclassified to conform to the current year presentation. These reclassifications had no effect on total net position, the change in net position or cash flows as previously stated.

Subsequent Events

Management has evaluated subsequent events and their potential effects on these financial statements through May 13, 2025, the date the financial statements were available to be issued.

3. CAPITAL ASSETS

WBHM's capital asset activity for the years ended September 30, 2024 and 2023, is summarized as follows:

September 30, 2024

	Beginning	Additions	Transfers	Retirements	Ending
Land	\$ 25,669	\$ -	\$ -	\$ -	\$ 25,669
Building and building improvements	155,290	-	-	-	155,290
Equipment	481,819	-	-	(19,496)	462,323
ROU SBITAs	88,466	-	-	-	88,466
	751,244	-	-	(19,496)	731,748
Less accumulated depreciation	(549,036)	(43,232)	-	19,496	(572,772)
Capital assets, net	<u>\$ 202,208</u>	<u>\$(43,232)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,976</u>

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

September 30, 2023

	<u>Beginning</u>	<u>Additions</u>	<u>Transfers</u>	<u>Retirements</u>	<u>Ending</u>
Land	\$ 25,669	\$ -	\$ -	\$ -	\$ 25,669
Building and building improvements	155,290	-	-	-	155,290
Equipment	409,322	88,641	-	(16,144)	481,819
ROU SBITAs	76,829	11,637	-	-	88,466
	667,110	100,278	-	(16,144)	751,244
Less accumulated depreciation	(522,577)	(42,603)	-	16,144	(549,036)
Capital assets, net	<u>\$ 144,533</u>	<u>\$ 57,675</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 202,208</u>

The net ROU SBITA assets as of September 30, 2024 and 2023, are \$25,145 and \$49,031, respectively.

4. SBITA OBLIGATIONS

WBHM's SBITA obligation activity for the years ended September 30, 2024 and 2023, is summarized as follows:

<u>September 30, 2024</u>	<u>Beginning</u>	<u>Issuance</u>	<u>Principal Repayments</u>	<u>Ending</u>	<u>Current</u>
SBITA obligation, 4.49% and 1.23% due annually and quarterly through 2024 and 2026	<u>\$ 47,625</u>	<u>\$ -</u>	<u>\$ (23,953)</u>	<u>\$ 23,672</u>	<u>\$ 18,890</u>
SBITA obligation, net	<u>\$ 47,625</u>	<u>\$ -</u>	<u>\$ (23,953)</u>	<u>\$ 23,672</u>	<u>\$ 18,890</u>

<u>September 30, 2023</u>	<u>Beginning</u>	<u>Issuance</u>	<u>Principal Repayments</u>	<u>Ending</u>	<u>Current</u>
SBITA obligation, 4.49% and 1.23% due annually and quarterly through 2024 and 2026	<u>\$ 59,638</u>	<u>\$ 11,637</u>	<u>\$ (23,650)</u>	<u>\$ 47,625</u>	<u>\$ 23,953</u>
SBITA obligation, net	<u>\$ 59,638</u>	<u>\$ 11,637</u>	<u>\$ (23,650)</u>	<u>\$ 47,625</u>	<u>\$ 23,953</u>

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Maturity and interest on SBITA obligations for the next two years are presented in the table below:

Year	Principal	Interest	Total
2025	\$ 18,890	\$ 180	\$ 19,070
2026	4,782	13	4,795
	<u>\$ 23,672</u>	<u>\$ 193</u>	<u>\$ 23,865</u>

WBHM has SBITAs under agreements that extend through 2026. Some SBITAs include one or more options to renew. SBITAs may also include options to terminate the subscription. WBHM measures the SBITA obligations at the present value of payments expected to be made during the subscription term. WBHM uses an incremental borrowing rate to discount the SBITA payments, which is an estimate of the interest rate that would be charged for borrowing the SBITA payment amounts during the subscription term.

5. COMPENSATED ABSENCES

Certain WBHM employees accumulate vacation and sick leave at varying rates and subject to maximum limitations, depending upon their years of continuous service and their payroll classifications. Upon termination of employment, employees are paid all unused, accrued vacation at their regular rates of pay up to a designated maximum number of pay-out days. The accounts payable and accrued liabilities balance on the statements of net position includes an accrual of \$58,639 and \$60,301 as of September 30, 2024 and 2023, respectively, for accrued vacation pay and salary-related payments associated with vacation pay. There is no such accrual recognized for sick leave benefits because there is no terminal cash benefit available to employees for accumulated sick leave.

6. EMPLOYEE RETIREMENT BENEFITS

Retirement and Pension Plans

Eligible employees of WBHM, a department of UAB, participate in the mandatory Teachers' Retirement System of Alabama (TRS), a cost-sharing, multi-employer public retirement system designated as a defined benefit plan. In addition, eligible employees may elect to participate in a voluntary 403(b) defined contribution retirement plan (the 403b Plan). Teachers Insurance and Annuity Association (TIAA) serves as sole vendor for the plan.

All regular employees of WBHM are members of TRS with the exception of temporary employees who, by definition, are those employees hired for a predetermined period of employment of less than one year and employees working less than one-half of a regular schedule. Benefits for all TRS members vest after ten years of creditable service. Service retirement benefits are based on a guaranteed minimum or a formula method with the participants receiving payments under the method, which yields the highest monthly benefit. Vested Tier 1 participants, who retire at age 60, or after completing 25 years of credited service regardless of age, are entitled to an annual benefit, payable monthly for life.

**WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023**

Under the formula method, Tier 1 participants are allowed 2.0125% of their average final compensations (highest three of the last ten years) for each year of service.

Vested Tier 2 participants are eligible for retirement after age 62 and are also entitled to an annual benefit payable monthly for life. Under the formula method, Tier 2 participants are allowed 1.65% of their average final compensations (highest five of the last ten years) for each year of service up to 80% of their average final compensation. TRS also provides death and disability benefits.

Covered employees are required by law to contribute to TRS. Tier 1 covered employees were required by statute to contribute 7.5% of earned compensation to TRS in 2024 and 2023. Covered Tier 2 employees rate is 6.2% of earned compensation to TRS as required by statute. WBHM, as the employer, contributes to TRS through UAB. WBHM's contribution rate for the years ended September 30, 2024 and 2023, was 12.59% for Tier 1 covered employees and 11.57% and 11.44% for Tier 2 employees, respectively.

The Tier 1 contribution requirements for fiscal years 2024 and 2023, respectively, were \$30,443 and \$41,544, which consisted of \$19,078 and \$26,035 from WBHM and \$11,365 and \$15,509 from employees. The Tier 2 contribution requirements for fiscal years 2024 and 2023, respectively, were \$162,955 and \$176,426, which consisted of \$107,307 and \$115,729 from WBHM and \$55,648 and \$60,697 from employees.

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

At September 30, 2024 and 2023, financial statements of WBHM reflected a liability of \$1,580,362 and \$1,605,372, respectively, for its proportionate share of UAB's collective net pension liability, as prescribed by GASB 68, *Accounting and Financial Reporting for Pensions – An Amendment* of GASB No. 27. At September 30, 2024, the collective net pension liability was measured as of September 30, 2023, and determined by the actuarial valuation of the total pension liability as of September 30, 2022. At September 30, 2023, the proportionate share of UAB's collective net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation of the total pension liability as of September 30, 2021. WBHM's proportion of the collective net pension liability was based on the employer's share of contributions to the pension plan relative to the total employer contributions of all participating TRS employees. At September 30, 2023, WBHM's proportion was 0.00990%, which was a decrease of 0.00043% from its proportion measured as of September 30, 2022. At September 30, 2022, WBHM's proportion was 0.01033%, which was an increase of 0.00173% from its proportion measured as of September 30, 2021.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

In fiscal years 2024 and 2023, WBHM recognized a pension expense of \$266,002 and \$233,214, respectively. WBHM also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
September 30, 2024		
Differences between expected and actual experience	\$ 38,578	\$ 6,216
Changes of assumptions	64,167	-
Net difference between projected and actual earnings on pension plan investments	258,537	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,787	88,865
Employer contributions subsequent to the measurement date	126,384	-
Total	\$ 491,453	\$ 95,081
	Deferred Outflows of Resources	Deferred Inflows of Resources
September 30, 2023		
Differences between expected and actual experience	\$ 61,242	\$ 11,996
Change of assumptions	119,419	-
Net difference between projected and actual earnings on pension plan investments	330,573	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,574	68,068
Employer contributions subsequent to the measurement date	141,764	-
Total	\$ 660,572	\$ 80,064

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

The \$126,384 reported as deferred outflows of resources as of September 30, 2024 related to pensions resulting from WBHM's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending September 30:	Increase (Decrease)
2025	\$ 87,799
2026	54,053
2027	142,045
2028	<u>(13,909)</u>
	<u><u>\$ 269,988</u></u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of September 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected salary increases	3.25 - 5.00%
Investment rate of return*	7.45%

**Net of pension plan investment expense*

The actuarial assumptions used in the actuarial valuation as of September 30, 2022, were based on the results of an investigation of the economic and demographic experience for the TRS based upon participant data as of September 30, 2020. The Board of Control accepted and approved these changes in September 2021, which became effective the beginning of fiscal year 2021.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Mortality rates were based on the Pub-2010 teacher tables with the following adjustments, projected generationally using scale MP-2020 adjusted by 66⅔ percent beginning with year 2019.

Group	Membership Table	Set Forward (+)/	
		Back (-)	Adjustment to Rates
Service Retirees	Teacher Retiree – Below Median	Male: +2	Male: 108% ages < 63, 96% ages > 67, phasing down 63 - 67
		Female: +2	Female: 112% ages < 69, 98% ages > 74, phasing down 69 - 74
Beneficiaries	Contingent Survivor – Below Median	Male: +2	None
		Female: None	
Disabled Retirees	Teacher Disability	Male: +8	None
		Female: +3	

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis 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.

The target asset allocation and best estimates of geometric real rates of return for each major assets class are as follows:

	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed Income	15.00%	2.80%
U.S. Large Stocks	32.00%	8.00%
U.S. Mid Stocks	9.00%	10.00%
U.S. Small Stocks	4.00%	11.00%
International Developed Market Stocks	12.00%	9.50%
International Emerging Market Stocks	3.00%	11.00%
Alternatives	10.00%	9.00%
Real Estate	10.00%	6.50%
Cash	5.00%	2.50%
	<u>100.00%</u>	

* Includes assumed rate of inflation of 2.00%

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Discount Rate

The discount rate used to measure the total pension liability was 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current 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 WBHM's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table reflects WBHM's proportionate share of the net pension liability, as prescribed by GASB 68, calculated using the discount rate of 7.45%, as well as what WBHM's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.45%) or one percentage point higher (8.45%) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
WBHM's proportionate share of collective net pension liability	<u>\$ 2,064,558</u>	<u>\$ 1,580,362</u>	<u>\$ 1,173,118</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Report for the fiscal year ended September 30, 2023. The supporting actuarial information is included in the GASB Statement No. 67 Report for the TRS prepared as of September 30, 2023. The auditors' report on the Schedule of Employer Allocation and Pension Amounts by Employer and accompanying note detail by employer, and in aggregate, information needed to comply with GASB 68. The additional financial and actuarial information is available at <http://www.rsa-al.gov/index.php/employers/financial-reports/gasb-68-reports/>.

Other Retirement Plans

As previously noted, some employees participate in voluntary 403(b) Plan, which is a defined contribution plan. In defined contribution plans, benefits depend solely on amounts contributed plus investment earnings. All full-time regular monthly employees are eligible to participate from the date of employment. WBHM contributes a matching amount of up to 5% of total salaries for participating employees. WBHM's contribution is funded as it accrues and, along with that of the employee, is immediately and fully vested. The contributions for 2024 and 2023, excluding employee amounts not eligible for matching, were \$47,006 (\$23,503 from both WBHM and its employees) and \$58,814 (\$29,407 from both WBHM and its employees), respectively.

WBHM's total salaries and wages for fiscal years 2024 and 2023 were \$1,028,257 and \$1,200,661, respectively. Total salaries and wages during fiscal years 2024 and 2023 for covered employees participating in Tier 1 of TRS were \$151,532 and \$199,740, respectively. Total salaries and wages

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

during fiscal years 2024 and 2023 for covered employees participating in Tier 2 of TRS were \$876,725 and \$1,000,921, respectively. Total salaries and wages during fiscal years 2024 and 2023 for covered employees participating in the 403(b) Plan program were \$683,147 and \$715,461, respectively.

7. POSTEMPLOYMENT BENEFITS

Other Retirement Plans

UAB offers other postemployment health care benefits (OPEB) to all employees who officially retire from UAB, which includes WBHM employees. Health care benefits are offered through the Alabama Retired Education Employees Health Care Trust Plan (PEEHIP) with TRS, or certain retired employees may elect to continue to participate in UAB's group health plan until they are eligible for Medicare by paying the full cost of the plan premium. Retired employees aged 65 or older who are eligible for Medicare must enroll in the Medicare Coordinated Plan under which Medicare is the primary insurer and UAB's health care plan becomes the secondary insurer. Despite the availability of the UAB plan, most retirees elect to participate in the PEEHIP with TRS, in which case the retirees pay a portion of the PEEHIP premium with UAB paying an allocation towards the cost of retiree coverage.

Certain retirees may also elect to continue their basic term life insurance coverage and accidental death and dismemberment insurance up to certain maximum amounts. The retirees pay the full amount of the premiums in such cases. Retirees are not eligible for tuition assistance benefits themselves. However, their unmarried dependent children may qualify in some cases.

PEEHIP

Plan Description

The Alabama Retired Education Employees' Health Care Trust (Trust) is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that administers healthcare benefits to the retirees of participating state and local educational institutions. The Trust was established under the Alabama Retiree Health Care Funding Act of 2007, which authorized and directed the Public Education Employees' Health Insurance Board (Board) to create an irrevocable trust to fund postemployment healthcare benefits to retirees participating in PEEHIP. Active and retiree health insurance benefits are paid through the Public Education Employees' Health Insurance Plan (PEEHIP). In accordance with GASB, the Trust is considered a component unit of the State of Alabama (State) and is included in the State's Annual Comprehensive Financial Report.

The PEEHIP was established in 1983 pursuant to the provisions of the *Code of Alabama 1975, Title 16, Chapter 25A* (Act 83-455) to provide a uniform plan of health insurance for active and retired employees of state and local educational institutions, which provide instruction at any combination of grades K-14 (collectively, eligible employees), and to provide a method for funding the benefits related to the plan. The four-year universities participate in the plan with respect to their retired employees and are eligible and may elect to participate in the plan with respect to their active employees. Responsibility for the establishment of the health insurance plan and its general administration and operations is vested in the Public Education Employees' Health Insurance Board (PEEHI Board). The PEEHI Board is a corporate body for purposes of management of the health insurance plan. The *Code of Alabama 1975, Section 16-25A-4* provides the PEEHI Board with the authority to amend the

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

benefit provisions in order to provide reasonable assurance of stability in future years for the plan. All assets of the PEEHIP are held in trust for the payment of health insurance benefits. The Teachers' Retirement System of Alabama (TRS) has been appointed as the administrator of the PEEHIP and, consequently, serves as the administrator of the Trust.

Benefits Provided

PEEHIP offers a basic hospital medical plan to active members and non-Medicare eligible retirees. Benefits include inpatient hospitalization for a maximum of 365 days without a dollar limit, inpatient rehabilitation, outpatient care, physician services and prescription drugs.

Active employees and non-Medicare eligible retirees, who do not have Medicare eligible dependents, can enroll in a health maintenance organization (HMO) in lieu of the basic hospital medical plan. The HMO includes hospital medical benefits, dental benefits, vision benefits and an extensive formulary. However, participants in the HMO are required to receive care from a participating physician in the HMO plan.

The PEEHIP offers four optional plans (Hospital Indemnity, Cancer, Dental and Vision) that may be selected in addition to or in lieu of the basic hospital medical plan or HMO. The Hospital Indemnity Plan provides a per-day benefit for hospital confinement, maternity, intensive care, cancer and convalescent care. The Cancer Plan covers cancer disease only, and benefits are provided regardless of other insurance. Coverage includes a per-day benefit for each hospital confinement related to cancer. The Dental Plan covers diagnostic and preventative services, as well as basic and major dental services. Diagnostic and preventative services include oral examinations, teeth cleaning, x-rays and emergency office visits. Basic and major services include fillings, general aesthetics, oral surgery not covered under a Group Medical Program, periodontics, endodontics, dentures, bridgework and crowns. Dental services are subject to a maximum of \$1,250 per year for individual coverage and \$1,000 per person per year for family coverage. The Vision Plan covers annual eye examinations, eyeglasses and contact lens prescriptions.

PEEHIP members may opt to elect the PEEHIP Supplemental Plan as their hospital medical coverage in lieu of the PEEHIP Hospital Medical Plan. The PEEHIP Supplemental Plan provides secondary benefits to the member's primary plan provided by another employer. Only active and non-Medicare retiree members and dependents are eligible for the PEEHIP Supplemental Plan. There is no premium required for this plan, and the plan covers most out-of-pocket expenses not covered by the primary plan. Members who are enrolled in the PEEHIP Hospital Medical Plan (Group 14000), VIVA Health Plan (offered through PEEHIP), Marketplace (Exchange) Plans, State Employees Insurance Board (the SEIB), Local Government (the LGB), Medicare, Medicaid, ALL Kids, Tricare or Champus as their primary coverage or are enrolled in a Health Savings Account (HAS) or Health Reimbursement Arrangement (HRA), are not eligible to enroll in the PEEHIP Supplemental Plan. The plan cannot be used as a supplement to Medicare, the PEEHIP Hospital Medical Plan or the State or Local Governmental Plans administered by the State Employees' Insurance Board (SEIB).

Medicare eligible members and Medicare eligible dependents who are covered on a retiree contract are enrolled in the Humana Group Medicare Advantage plan for PEEHIP. Effective January 1, 2023, United Health Care (UHC) Group replaced the Humana contract. The plan is fully insured, and members are able to have all of their Medicare Part A (hospital insurance), Part B (medical insurance) and Part D (prescription drug coverage) in one convenient plan. With the UHC plan for PEEHIP,

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

retirees can continue to see their same providers with no interruption and see any doctor who accepts Medicare on a national basis. Retirees have the same benefits in- and out-of-network and there is no additional retiree cost share if a retiree uses an out-of-network provider and no balance billing from the provider.

Contributions

The *Code of Alabama 1975, Section 16-25A-8* and the *Code of Alabama 1975, Section, 16-25A-8.1* provide the PEEHI Board with the authority to set the contribution requirements for plan members and the authority to set the employer contribution requirements for each required class, respectively. Additionally, the PEEHI Board is required to certify to the Governor and the Legislature the amount, as a monthly premium per active employee, necessary to fund the coverage of active and retired member benefits for the following fiscal year. The Legislature then sets the premium rate in the annual appropriation bill.

For employees who retired after September 30, 2005, but before January 1, 2012, the employer contribution of the health insurance premium set forth by the PEEHI Board for each retiree class is reduced by 2% for each year of service less than 25 and increased by 2% percent for each year of service over 25, subject to adjustment by the PEEHI Board for changes in Medicare premium costs required to be paid by a retiree. In no case does the employer contribution of the health insurance premium exceed 100% of the total health insurance premium cost for the retiree.

For employees who retired after December 31, 2011, the employer contribution to the health insurance premium set forth by the PEEHI Board for each retiree class is reduced by 4% for each year of service less than 25 and increased by 2% for each year over 25, subject to adjustment by the Board for changes in Medicare premium costs required to be paid by a retiree. In no case does the employer contribution of the health insurance premium exceed 100% of the total health insurance premium cost for the retiree. For employees who retired after December 31, 2011, who are not covered by Medicare, regardless of years of service, the employer contribution to the health insurance premium set forth by the PEEHI Board for each retiree class is reduced by a percentage equal to 1% multiplied by the difference between the Medicare entitlement age and the age of the employee at the time of retirement as determined by the PEEHI Board. This reduction in the employer contribution ceases upon notification to the PEEHI Board of the attainment of Medicare coverage.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2024 and 2023, financial statements of WBHM reflected a liability of \$158,597 and \$78,490, respectively for its proportionate share of UAB's collective net OPEB liability, as prescribed by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The collective net OPEB liability was measured as of September 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2022. UAB's proportion of collective net OPEB liability was based on a projection of UAB's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2023, WBHM's proportion was 0.00825%, which was an increase of 0.00673% from its proportion measured as of September 30, 2022. At September 30, 2022, WBHM's proportion was 0.00152%, which was a decrease of 0.00692% from its proportion measured as of September 30, 2021.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

For the years ended September 30, 2024 and 2023, WBHM recognized an OPEB benefit of \$70,769 and \$67,205, respectively, with no special funding situations.

At September 30, 2024 and 2023, WBHM reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
September 30, 2024		
Differences between expected and actual experience	\$ 21,035	\$ 357,320
Changes of assumptions	190,775	256,606
Net difference between projected and actual earnings on OPEB plan investments	3,447	2,576
Changes in proportion and differences between employer contributions and proportionate share of contributions	299,187	161,277
Employer contributions subsequent to the measurement date	19,344	-
Total	\$ 533,788	\$ 777,779
	Deferred Outflows of Resources	Deferred Inflows of Resources
September 30, 2023		
Differences between expected and actual experience	\$ 27,870	\$ 323,166
Changes of assumptions	136,710	235,194
Net difference between projected and actual earnings on OPEB plan investments	(6,835)	2,576
Changes in proportion and differences between employer contributions and proportionate share of contributions	186,457	214,778
Employer contributions subsequent to the measurement date	19,835	-
Total	\$ 364,037	\$ 775,714

The \$19,344 reported as deferred outflows of resources related to OPEB resulting from WBHM's contributions subsequent to the measuring date will be recognized as a reduction of the net OPEB liability in the year ending September 30, 2025.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

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

Years Ending September 30:	(Decrease) Increase
2025	\$ (102,063)
2026	(11,123)
2027	(30,011)
2028	(85,927)
2029	(43,447)
Thereafter	9,236
	<u><u>\$ (263,335)</u></u>

Actuarial Assumptions

The total OPEB liability for the PEEHIP was determined by an actuarial valuation as of September 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected salary increases ¹	3.25 - 5.00%
Long-term investment rate of return ²	7.00%
Municipal bond index rate at the measurement date	4.53%
Municipal bond index rate at the prior measurement date	4.40%
Projected year for fiduciary net position (FNP) to be depleted	N/A
Single equivalent interest rate at the measurement date	7.00%
Single equivalent interest rate at the prior measurement date	7.00%
Health care cost trend rate	
Pre-Medicare eligible	7.00%
Medicare eligible	**
Ultimate trend rate	
Pre-Medicare eligible (in 2033)	4.50%
Medicare eligible (in 2033)	4.50%

¹Includes 2.75% wage inflation.

²Compounded annually, net of investment expense, and includes inflation.

**Initial Medicare claims are set based on schedule increases through plan year 2025.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Mortality rates were based on the Pub-2010 teacher tables with the following adjustments, projected generationally using scale MP-2020 adjusted by 66⅔ percent beginning with year 2019. The mortality rates are adjusted forward and/or back depending on the plan and the group covered, as shown in the table below:

Group	Membership Table	Set Forward (+)/ Back (-)		Adjustment to Rates
Active Members	Teacher Employee Below Median	None		65%
Service Retirees	Teacher Below Median	Male: +2		Male: 108% ages < 63, 96% ages > 67, phasing down 63 - 67
		Female: +2		Female: 112% ages < 69, 98% ages > 74, phasing down 69 - 74
Beneficiaries	Teacher			
	Contingent Survivor – Below Median	Male: +2 Female: None		None
Disabled Retirees	Teacher Disability	Male: +8		None
		Female: +3		

The decremental assumptions used in the valuation were selected based on the actuarial experience study prepared as of September 30, 2020, submitted to and adopted by the Teachers' Retirement System of Alabama Board on September 13, 2021.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) were based on the September 30, 2022, valuation.

The long-term expected return on plan assets is to be reviewed as part of regular experience studies prepared every five years, in conjunction with similar analysis for the Teachers' Retirement System of Alabama. Several factors should be considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation), as developed for each major asset class. These ranges should be 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 then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption or a fundamental change in the market that alters expected returns in future years.

The long-term expected rate of return on the OPEB plan investments is determined based on the allocation of assets by asset class and by the mean and variance of real returns.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

The target asset allocation and best estimates of expected geometric real rates of return for each major asset class are summarized below:

	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed Income	30.00%	4.40%
U.S. Large Stocks	38.00%	8.00%
U.S. Mid Stocks	8.00%	10.00%
U.S. Small Stocks	4.00%	11.00%
International Developed Market Stocks	15.00%	9.50%
Cash	5.00%	1.50%
	100.00%	

* Geometric mean, includes 2.5% inflation

Discount Rate

The discount rate (also known as the Single Equivalent Interest Rate (SEIR), as described by GASB 74) used to measure the PEEHIP total OPEB liability at September 30, 2023, was 7.00%. The discount rate used to measure the total OPEB liability at the prior measurement date was 7.00%. Premiums paid to the PEEHI Board for active employees shall include an amount to partially fund the cost of coverage for retired employees. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made at the current contribution rates. Each year, the State specifies the monthly employer rate that participating school systems must contribute for each active employee. Currently, the monthly employer rate is \$800 per non-university active member. Approximately, 11.051% of the employer contributions were used to assist in funding retiree benefit payments in 2023, and it is assumed that the 11.051% will increase or decrease at the same rate as expected benefit payments for the closed group with a cap of 20.00%. It is assumed the \$800 rate will remain flat until, based on budget projections, it increases to \$940 in fiscal year 2027 and then will increase with inflation at 2.50% starting in 2028. Retiree benefit payments for UAB members are paid by the UAB and are not included in the cash flow projections. The discount rate determination will use a municipal bond rate to the extent the trust is projected to run out of money before all benefits are paid. Therefore, the projected future benefit payments for all current plan members were projected through 2121.

Sensitivity of WBHM's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following table reflects WBHM's proportionate share of the net OPEB liability of the Trust, as prescribed by GASB 75, calculated using the current healthcare trend rate, as well as what the net OPEB liability would be if calculated using one percentage point lower or one percentage point higher than the current rate. A one percent-point decrease would change the current healthcare cost trend rate from 7.00% to 6.00%, the pre-Medicare from 4.50% to 3.50% and the Medicare eligible from 4.50% to 3.50%. A one percent-point increase would change the current healthcare cost trend rate from 7.00% to 8.00%, the pre-Medicare from 4.50% to 5.50% and the Medicare eligible from 4.50% to 5.50%.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

	1% Decrease	Current Healthcare Trend Rate	1% Increase
WBHM's proportionate share of the collective net OPEB liability	<u>\$ 120,188</u>	<u>\$ 158,597</u>	<u>\$ 204,978</u>

The following table presents the WBHM's proportionate share of the net OPEB liability of the Trust calculated using the discount rate of 7.00%, as well as what the net OPEB liability would be if calculated using one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
WBHM's proportionate share of the collective net OPEB liability	<u>\$ 195,627</u>	<u>\$ 158,597</u>	<u>\$ 126,841</u>

OPEB plan's fiduciary net position is located in the Trust's financial statements for the fiscal year ended September 30, 2023. The supporting actuarial information is included in the GASB Statement No. 74 Report for PEEHIP prepared as of September 30, 2023. Additional financial and actuarial information is available at www.rsa-al.gov.

UAB Plan

Plan Description

The UAB plan (UAB Plan) is considered a single-employer plan, which is administered by University of Alabama at Birmingham (UAB). The UAB Plan offers its members hospital benefits, major medical benefits, a prescription drug program and a basic term life insurance up to an established maximum policy limit. The health care benefits cover medical and hospitalization costs for retirees and their dependents. The portion of the UAB plan related to health care may be amended by the approval of the President of UAB upon recommendation from the Benefits Committee. The portion of the UAB plan related to the life insurance may be amended by the System.

Benefits Provided

WBHM employees can participate in the UAB Plan as a retiree if the following conditions are met: retiree has 25 years of creditable service, regardless of age (Tier 1 only), or retiree has ten years of service and is 60 years old (62 years old for Tier 2), or retiree has ten years of service and is determined disabled by the Social Security Administration or the Teachers' Retirement System of Alabama's Medical Board. These retired UAB employees may elect to continue to participate in the UAB Plan until they are eligible for Medicare by paying the full cost of the Plan premium. Retired employees aged 65 or older who are eligible for Medicare must enroll in the Medicare Coordinated Plan under which Medicare is the primary insurer and UAB Plan becomes the secondary insurer. Despite the availability of the UAB Plan, most retirees elect to participate in the PEEHIP with TRS.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Employees included in the actuarial valuation include active employees, retirees and disabled employees enrolled in the medical plan, and retirees not enrolled in the medical plan with retiree life insurance. The following table summarizes the membership of the UAB Plan as of September 30, 2022, the valuation date.

Membership:

Inactive employees or beneficiaries currently receiving benefits	-
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>12</u>
Total membership	<u><u>12</u></u>

Contributions

WBHM retired employees make contributions to the plan by making premium payments associated with their selected health plan option. Eligible disabled retirees are responsible for only the employee portion of those premiums, and WBHM is responsible for the employer portion. All other WBHM retirees are responsible for the full premium cost of the plan and in no case does the employer contribute to the plan.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2024 and 2023, WBHM reported a liability of \$5,567 and \$5,501, respectively, for the total OPEB liability (TOL). The TOL is based upon an Entry Age Normal (EAN) actuarial funding method as of the valuation date, September 30, 2022. Since the valuation date at which the TOL is determined is before the measurement date, the TOL must be rolled forward to the measurement date.

For the years ended September 30, 2024 and 2023, WBHM recognized OPEB benefit related to the UAB Plan of \$1,130 and \$1,376, respectively, with no special funding situations. At September 30, 2024, WBHM reported deferred outflows of resources and deferred inflows of resources related to both plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
September 30, 2024		
Differences between expected and actual experience	\$ 2,110	\$ 3,951
Changes of assumptions	1,748	3,269
Employer contributions subsequent to the measurement period	<u>2,374</u>	<u>-</u>
Total	<u><u>\$ 6,232</u></u>	<u><u>\$ 7,220</u></u>

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
September 30, 2023		
Differences between expected and actual experience	\$ 786	\$ 4,936
Changes of assumptions	1,917	4,133
Employer contributions subsequent to the measurement period	967	-
Total	\$ 3,670	\$ 9,069

\$2,374 reported as deferred outflows of resources related to OPEB resulting from WBHM's contributions subsequent to the measuring date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending September 30:	(Decrease) Increase
2025	\$ (1,247)
2026	(1,234)
2027	(1,120)
2028	(654)
2029	255
Thereafter	638
	\$ (3,362)

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Actuarial Assumptions

The total OPEB liability for the UAB plan was determined by an actuarial valuation as of September 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Real wage growth	0.25%
Projected salary increases ¹	3.25 - 5.00%
Wage inflation	2.75%
Municipal bond index rate at the measurement date	4.53%
Municipal bond index rate at the prior measurement date	4.40%
Healthcare cost trend rate	
Pre-Medicare eligible and prescription drug (decreasing to an ultimate rate of 4.50% by 2032)	6.75%

¹Includes 2.75% wage inflation.

The rates of mortality are based on the Pub-2010 Public Mortality Plans Mortality Tables, adjusted generationally based on scale MP-2020, with an adjustment of 66⅔ percent to the table beginning in year 2019. The mortality rates are adjusted forward and/or back depending on the plan and group covered as shown in the table below:

Group	Membership Table	Set Forward (+)/	
		Back (-)	Adjustment to Rates
Active Members	Teacher Employee Below Median	None	65%
Service Retirees	Teacher Below Median	Male: +2	Male: 108% ages < 63, 96% ages > 67, phasing down 63 - 67
		Female: +2	Female: 112% ages < 69, 98% ages > 74, phasing down 69 - 74
Beneficiaries	Teacher		
	Contingent Survivor – Below Median	Male: +2 Female: None	None
Disabled Retirees	Teacher Disability	Male: +8	None
		Female: +3	

The demographic actuarial assumptions for retirement, disability incidence, withdrawal and salary increases used in the September 30, 2023, valuation were based on the actuarial experience study prepared as of September 30, 2020, submitted to and adopted by the Teachers' Retirement System of Alabama Board on September 13, 2021.

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the September 30, 2023, valuation were based on a review of recent plan experience performed concurrently with the September 30, 2023, valuation.

The UAB plan does not hold any plan assets, as such, no long-term expected rate of return or target allocation are presented.

Discount Rate

The discount rate, as defined by Paragraph 155 of GASB 75 to be a 20-year tax-exempt municipal bond (rating AA/Aa or higher) rate (Municipal Bond Index Rate). The Municipal Bond Index Rate used for this purpose is the average of the Bond Buyer General Obligation 20-year Municipal Bond Index, the Fidelity General Obligation AA 20-year Municipal Bond Index and the S&P High Grade 20-year Municipal Bond Index as of the measurement date as the discount rate used to measure the TOL.

Sensitivity of WBHM's Plan's Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following table presents the total WBHM OPEB Liability of the UAB Plan, calculated using the current healthcare trend rate, as well as what the total WBHM OPEB Liability would be if calculated using one percentage point lower or one percentage point higher than the current rate. A one percent-point decrease would change the current healthcare cost trend rate from 6.75% to 5.75% and the pre-Medicare from 4.50% to 3.50%. A one percent-point increase would change the current healthcare cost trend rate from 6.75% to 7.75% and the pre-Medicare from 4.50% to 5.50%.

	<u>1% Decrease</u>	<u>Current Healthcare Trends</u>	<u>1% Increase</u>
WBHM's proportionate share of collective net pension liability	<u>\$ 5,409</u>	<u>\$ 5,567</u>	<u>\$ 5,735</u>

The following table presents the total WBHM OPEB liability of the UAB Plan, calculated using the discount rate of 4.53%, as well as what the total WBHM OPEB liability would be if calculated using one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease (3.53%)</u>	<u>Current Discount Rate (4.53%)</u>	<u>1% Increase (5.53%)</u>
WBHM's proportionate share of collective net pension liability	<u>\$ 5,824</u>	<u>\$ 5,567</u>	<u>\$ 5,329</u>

WBHM RADIO
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

Changes in the Total OPEB Liability

Since the UAB Plan does not meet the definition within paragraph four of GASB, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, WBHM is disclosing a schedule of changes in the total WBHM OPEB liability below:

Total OPEB Liability as of September 30, 2023	\$ 5,501
Changes for the year:	
Service cost as end of year*	76
Interest on TOL and cash flows	271
Difference between expected and actual experience	1,592
Changes of assumptions or other inputs	93
Benefit payments	(1,966)
Net changes	66
Total OPEB Liability as of September 30, 2024	<u>\$ 5,567</u>

*The service cost include interest for the year.

8. RELATED PARTY TRANSACTIONS

WBHM receives indirect support from UAB, which consists of allocated institutional administrative and physical plant costs incurred by UAB for which WBHM receives benefits. The cost of this support was \$136,690 and \$64,613 for the years ended September 30, 2024 and 2023, respectively. This cost is recognized in the statements of revenues, expenses and changes in net position as an expense in the management and general expense category and in the statements of cash flows as operating expenses provided by UAB.

9. SUBSEQUENT EVENTS

On May 1, 2025, the President of the United States of America signed an executive order directing the Corporation for Public Broadcasting to end federal funding for America's two biggest public broadcasters, the National Public Radio and the Public Broadcasting Service. The extent to which the funding cessation impacts WBHM's operations, financial results and cash flows, both current and future, will depend on future developments, which are highly uncertain and cannot be predicted with any measure of certainty or probability. As a result, management is unable to estimate what impact, if any, the federal funding cessation will have on its future operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

REQUIRED SUPPLEMENTARY INFORMATION

WBHM RADIO
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(SEPTEMBER 30, 2023 AND 2022 MEASUREMENT DATES)

The following is required supplementary information related to WBHM's participation in the Teachers' Retirement System of Alabama.

Schedule of WBHM's Proportionate Share of the Net Pension Liability – Teachers' Retirement Plan of Alabama (Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.00990%	0.01033%	0.00860%	0.01021%	0.01139%	0.01073%	0.01079%	0.01030%	0.01049%	0.01048%
Proportionate share of the net pension liability	\$1,580,362	\$1,605,372	\$ 810,888	\$ 1,262,691	\$1,079,327	\$ 1,001,665	\$ 995,141	\$ 1,107,715	\$ 1,075,372	\$ 952,257
Covered payroll during the measurement period	\$1,200,661	\$1,260,901	\$1,172,894	\$ 1,034,997	\$ 951,028	\$ 836,654	\$ 823,370	\$ 761,009	\$ 678,223	\$ 673,024
Proportionate share of the net pension liability as a percentage of covered-employee payroll	131.62%	127.32%	69.14%	122.00%	113.49%	119.72%	120.86%	145.56%	158.56%	141.49%
Plan fiduciary net position as a percentage of the total pension liability	63.57%	62.21%	76.44%	67.72%	69.85%	72.29%	71.50%	67.93%	67.51%	71.01%

See independent auditors' report.

WBHM RADIO
SCHEDULES OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
AND EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(SEPTEMBER 30, 2023 AND 2022 MEASUREMENT DATES)

Schedule of WBHM's Contributions – Teachers' Retirement Plan of Alabama (Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 126,384	\$ 141,764	\$ 145,325	\$ 130,271	\$ 120,533	\$ 107,387	\$ 93,575	\$ 91,823	\$ 86,501	\$ 76,204
Contributions in relation to the contractually required contribution	126,384	141,764	145,325	130,271	120,533	107,387	93,575	91,823	86,501	76,204
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$1,028,257	\$1,200,661	\$1,260,901	\$ 1,172,894	\$1,034,997	\$ 951,028	\$ 836,654	\$ 823,370	\$ 761,009	\$ 678,223
Contributions as a percentage of covered payroll	12.29%	11.81%	11.53%	11.11%	11.65%	11.29%	11.18%	11.15%	11.37%	11.24%

Notes to Schedules

Covered Payroll: The payroll on which contributions to a pension plan are based.

Measurement Period:

For the fiscal year 2024, the measurement period is October 1, 2022 – September 30, 2023.
For the fiscal year 2023, the measurement period is October 1, 2021 – September 30, 2022.
For the fiscal year 2022, the measurement period is October 1, 2020 – September 30, 2021.
For the fiscal year 2021, the measurement period is October 1, 2019 – September 30, 2020.
For the fiscal year 2020, the measurement period is October 1, 2018 – September 30, 2019.
For the fiscal year 2019, the measurement period is October 1, 2017 – September 30, 2018.
For the fiscal year 2018, the measurement period is October 1, 2016 – September 30, 2017.
For the fiscal year 2017, the measurement period is October 1, 2015 – September 30, 2016.
For the fiscal year 2016, the measurement period is October 1, 2014 – September 30, 2015.
For the fiscal year 2015, the measurement period is October 1, 2013 – September 30, 2014.

WBHM RADIO
SCHEDULES OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
AND EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(SEPTEMBER 30, 2023 AND 2022 MEASUREMENT DATES)

The following is required supplementary information related to WBHM's participation in the Alabama Retired Education Employees' Health Care Trust (PEEHIP).

Schedule of WBHM's Proportionate Share of the Net OPEB Liability – Alabama Retired Education Employee's Health Care Trust (PEEHIP) (Unaudited)

	2024	2023	2022	2021	2020	2019	2018
WBHM's proportion of the net OPEB liability	0.00825%	0.00152%	0.00844%	0.01624%	0.00775%	0.00812%	0.00877%
WBHM's proportionate share of the net OPEB liability	\$ 158,597	\$ 78,490	\$ 547,617	\$ 723,362	\$ 232,170	\$ 667,354	\$ 651,270
WBHM's covered payroll during the measurement period	\$1,200,661	\$1,342,470	\$1,240,629	\$1,126,086	\$1,036,499	\$ 932,006	\$ 918,595
WBHM's covered payroll OPEB liability as a percentage of its covered-payroll	13.21%	5.85%	44.14%	64.24%	22.40%	71.60%	70.90%
Plan fiduciary net position as a percentage of the total OPEB liability	49.42%	48.39%	27.11%	19.80%	28.14%	14.81%	15.37%

See independent auditors' report.

WBHM RADIO
SCHEDULES OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
AND EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(SEPTEMBER 30, 2023 AND 2022 MEASUREMENT DATES)

Schedule of WBHM's Contributions – Alabama Retired Education Employee's Health Care Trust (PEEHIP) (Unaudited)

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	\$ 19,344	\$ 19,835	\$ 19,835	\$ 20,481	\$ 21,576	\$ 22,903	\$ 20,221
Contributions in relation to the contractually required contribution	19,344	19,835	19,835	20,481	21,576	22,903	20,221
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WBHM's covered payroll	\$1,028,257	\$1,200,661	\$1,342,470	\$1,240,629	\$1,126,086	\$1,036,499	\$ 932,006
Contributions as a percentage of covered payroll	1.88%	1.65%	1.48%	1.65%	1.92%	2.21%	2.17%

Notes to Required Supplementary Information for the Year Ended September 30, 2024

Covered Payroll: The payroll on which contributions to an OPEB plan are based.

Measurement Period:

For the fiscal year 2024, the measurement period is October 1, 2022 – September 30, 2023.

For the fiscal year 2023, the measurement period is October 1, 2021 – September 30, 2022.

For the fiscal year 2022, the measurement period is October 1, 2020 – September 30, 2021.

For the fiscal year 2021, the measurement period is October 1, 2019 – September 30, 2020.

For the fiscal year 2020, the measurement period is October 1, 2018 – September 30, 2019.

For the fiscal year 2019, the measurement period is October 1, 2017 – September 30, 2018.

For the fiscal year 2018, the measurement period is October 1, 2016 – September 30, 2017.

See independent auditors' report.

WBHM RADIO
SCHEDULES OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
AND EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(SEPTEMBER 30, 2023 AND 2022 MEASUREMENT DATES)

The following is required supplementary information related to WBHM's participation in the UAB Health Care Plan.

Total OPEB Liability (Unaudited)	2024	2023	2022	2021	2020	2019	2018
Service cost at end of year*	\$ 76	\$ 88	\$ 231	\$ 186	\$ 187	\$ 170	\$ 6,301
Interest on TOL and cash flows	271	190	142	170	782	699	698
Changes in benefit terms	-	-	-	-	-	-	(6,786)
Difference between expected and actual experience	1,592	(622)	990	(481)	(6,805)	(796)	-
Changes of assumptions or other inputs	93	(768)	2,331	94	(5,139)	(776)	(972)
Benefit payments	(1,966)	(122)	(1,171)	(1,039)	(1,642)	(1,948)	(5,017)
Net changes	66	(1,234)	2,523	(1,070)	(12,617)	(2,651)	(5,776)
Total OPEB Liability Beginning	5,501	6,735	4,212	5,282	17,899	20,550	26,326
Total OPEB Liability Ending	\$ 5,567	\$ 5,501	\$ 6,735	\$ 4,212	\$ 5,282	\$ 17,899	\$ 20,550
Covered payroll during the measurement period	\$ 1,200,661	\$ 1,342,470	\$ 1,240,629	\$ 1,126,086	\$ 1,036,499	\$ 932,006	\$ 918,595
Total OPEB liability as a percentage of covered payroll	0.46%	0.41%	0.54%	0.37%	0.51%	1.92%	2.24%

* The service cost includes interest for the year.

Notes to Schedules

Covered Payroll: The payroll on which contributions to an OPEB plan are based.

Measurement Period:

For the fiscal year 2024, the measurement period is October 1, 2022 – September 30, 2023.

For the fiscal year 2023, the measurement period is October 1, 2021 – September 30, 2022.

For the fiscal year 2022, the measurement period is October 1, 2020 – September 30, 2021.

For the fiscal year 2021, the measurement period is October 1, 2019 – September 30, 2020.

For the fiscal year 2020, the measurement period is October 1, 2018 – September 30, 2019.

For the fiscal year 2019, the measurement period is October 1, 2017 – September 30, 2018.

See independent auditors' report.