WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)

FINANCIAL STATEMENTS AND
ACCOMPANYING INFORMATION

As of and for the Years Ended June 30, 2023 and 2022

And Report of Independent Auditor

Cherry Bekaert LLP
Your Guide Forward

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
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Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor

To the Board of Trustees, Central Piedmont Community College
WTVI-PBS Charlotte, a Public Communications Department of
Central Piedmont Community College
Charlotte, North Carolina

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of WTVI-PBS Charlotte, a Public Communications Department of Central Piedmont Community College (the "Station") and the discretely presented component unit, WTVI Foundation, Inc. (the "Foundation"), which comprise the statements of net position as of June 30, 2023 and 2022, 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 net positions of the Station and the Foundation as of June 30, 2023 and 2022, and the changes in their net positions and their 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Station and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Station and the Foundation are intended to present the net position, changes in financial position, and the cash flows of only that portion of Central Piedmont Community College that is attributable to the transactions of the Station and the Foundation. The financial statements do not purport to and, do not, present fairly the net position of the Central Piedmont Community College as of June 30, 2023 and 2022, 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 opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 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 the Station's and the Foundation'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 and the Foundation'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 audits.

OTHER MATTERS

Required Supplementary Information

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

Accompanying Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Station's and the Foundation's basic financial statements. The accompanying information listed in the table of contents is presented for 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinions, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Cherry Bekaert LLP

Charlotte, North Carolina
December 20, 2023

INTRODUCTION

The following discussion and analysis provide an overview of the financial position and activities of WTVI- PBS Charlotte (the "Station") for the years ended June 30, 2023, 2022, and 2021. This discussion has been prepared by management and should be read in conjunction with the financial statements and accompanying notes to the financial statements which follow this section.

The Station operates as a non-commercial, viewer-supported broadcast department regulated by the Federal Communications Commission, operating under licensure to the Board of Trustees of Central Piedmont Community College (the "College"). The College is a component unit of the state of North Carolina and an integral part of the state's *Annual Comprehensive Financial Report*. The Station's over-the-air broadcast area encompasses Mecklenburg and 12 surrounding counties, including two in South Carolina, for a reach of 1.3 million households. The Station is an affiliated member of the nationwide network of public television stations known as the Public Broadcasting Service.

The College is a comprehensive public two-year college serving approximately 44,000 community residents annually and has approximately 2,000 full and part-time employees in eight locations including six campuses in the Charlotte-Mecklenburg region of North Carolina. The College offers a broad range of college transfer, associate, and technical degree programs. The College offers nearly 300-degree, diploma, and certification programs, customized corporate training, market-focused continuing education, and special interest classes.

2023 Highlights

The Station's continued strategic cash management has yielded positive cash flow from its operations for nine straight years. The Station's positive cash flow from operations was $439,275, $58,991, and $710,074, for the years ended June 30, 2023, 2022, and 2021, respectively. For the year ended June 30, 2023, the Station had a positive cash balance for the third consecutive year since the College acquired the Station on July 3, 2012.

For the seventh consecutive year, the Station exceeded $1 million in contribution revenue and the number of individual donors increased by 1,029 reaching a total of 11,855 donors. The continued rise in number of donors indicates a growing commitment from the local community in support of the Station.

During the year ended June 30, 2023, the Station experienced an increase in revenues and a decrease in expenses. The increase in revenues was largely due to the increase in contributions, offset by a decrease in production revenue and federal communications commission repack revenues.

The decrease in expenses was primarily attributable to a decrease in salaries and employee benefits, professional services, and equipment rental and maintenance. The Station's operating revenues were $5,633,076, $5,469,555, and $5,348,537 for the years ended June 30, 2023, 2022, and 2021, respectively. The Station's operating expenses were $4,766,366, $5,045,219, and $5,187,965 for the years ended June 30, 2023, 2022, and 2021, respectively. The Station's operating income was $866,710, $424,336, and $160,572 for the years ended June 30, 2023, 2022, and 2021, respectively.

2023 Highlights (continued)

Throughout the year, over 25,000 parents and caregivers accessed free digital educational resources from WTVI.PBSLearningMedia.org, which are tied to both North and South Carolina educational standards. An average of 144,000 PBS Kids users per month utilized our interactive, entertaining, and educational content. PBS Charlotte also began a new outreach initiative, Creative Coders, where preschoolers at Hidden Valley Elementary School were taught how to code. We also distributed over 3,000 books to students in need. The Station was certified for the first time to award preschool teachers continuing education units ("CEU"). Nearly 150 CEU's were earned through PBS Charlotte this year.

Other highlights during the year included the Station's signature local series, Carolina Impact, earning three new regional Emmy nominations, in addition to the four Emmys won in previous years. It also earned the nation's best news and public affairs award in our division at the 55th annual Public Media Awards. The Station produced its ninth Living History documentary, Carousel of Memories: 50 years of Carowinds.

SUMMARIZED FINANCIAL STATEMENTS

Statements of Net Position

Assets and Deferred Outflows of Resources

A summary of the Station's assets and deferred outflows of resources as of June 30, 2023, 2022, and 2021 is shown in the table below:

	2023	2022	2021 Restated
Assets:			
Current	$ 2,162,934	$ 1,336,380	$ 1,304,315
Capital assets, net	1,338,816	1,511,977	1,439,354
Non-capital assets	1,087,152	932,380	1,097,176
Total Assets	4,588,902	3,780,737	3,840,845
Deferred Outflows of Resources:			
Deferred outflows of resources related to pensions	566,952	299,298	315,891
Deferred outflows of resources related to other postemployment benefits	223,175	261,392	198,769
Total Deferred Outflows of Resources	790,127	560,690	514,660
Total Assets and Deferred Outflows of Resources	$ 5,379,029	$ 4,341,427	$ 4,355,505

The increase in current assets is due to an increase in the Station's cash balance as well as an increase in the lease receivable balance. The Station's cash amounted to $1,770,093, $1,051,615, and $925,158 as of June 30, 2023, 2022, and 2021, respectively. The Station's cash balance is in the same bank account as the College but tracked separately using fund accounting. The decrease in capital assets, net is due to depreciation expense of $173,091 as well as disposal of equipment. The increase in deferred outflows related to pensions is primarily attributable to the difference between projected and actual investment earnings, see Note 7 for additional information.

Liabilities, Deferred Inflows of Resources, and Net Position

A summary of the Station's liabilities, deferred inflows of resources, and net position as of June 30, 2023, 2022, and 2021 is shown in the table below:

	2023	2022	2021 Restated
Liabilities:			
Current	$ 47,612	$ 42,594	$ 392,088
Noncurrent	2,231,250	2,087,414	2,471,246
Total Liabilities	2,278,862	2,130,008	2,863,334
Deferred Inflows of Resources:			
Deferred inflows of resources related to pensions	106,090	490,257	59,078
Deferred inflows of resources related to other postemployment benefits	741,934	605,302	920,803
Deferred inflows related to leases	1,233,725	1,020,001	1,249,826
Total Deferred Inflows of Resources	2,081,749	2,115,560	2,229,707
Net Position:			
Investment in capital assets	1,338,816	1,511,977	1,439,354
Restricted net position - expendable	9,808	10,038	9,638
Unrestricted deficit	(330,206)	(1,426,156)	(2,186,528)
Total Net Position (Deficit)	1,018,418	95,859	(737,536)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 5,379,029	$ 4,341,427	$ 4,355,505

Noncurrent liabilities increased due to an increase in the net pension liability.

The decrease in net position- net investment in capital assets is due to depreciation.

During the fiscal year ended June 30, 2022, the Station implemented Governmental Accounting Standards Board ("GASB") Statement 87, *Leases*. Under this statement, the Station recognized a lease receivable and a deferred inflow of resources for all leases in which they are the lessor.

The Station has an unrestricted deficit. This is due to the cumulative impact of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* on unrestricted net position at June 30, 2023, 2022, and 2021 totaling $2,169,224, $2,496,953, and $2,815,832, respectively.

Statements of Revenues, Expenses, and Changes in Net Position

The Station's total net position for the year ended June 30, 2023 increased by $922,559, compared to an increase of $833,395 and $494,526 for the years ended June 30, 2022 and 2021, respectively. The increase is primarily attributable to the increase in contributions during the year, an increase in tower lease revenue, and a decrease in total operating expenses.

Statements of Revenues, Expenses, and Changes in Net Position (continued)

The summarized statement of revenues, expenses, and changes in net position is as follows for the years ended June 30, 2023, 2022, and 2021 is shown in the table below:

	2023	2022	2021 Restated
Operating Revenues:			
Grants and contributions	$ 2,729,221	$ 2,525,255	$ 2,230,014
Donated indirect administrative support, services, and facilities	1,902,972	1,942,486	1,846,902
Program underwriting and production	422,432	482,804	764,899
Federal Communications Commission repack	-	133,519	30,087
Other revenues	578,451	385,491	476,635
Total Operating Revenues	5,633,076	5,469,555	5,348,537
Operating Expenses:			
Salaries, employee benefits, and professional services	1,484,631	1,675,025	1,872,342
Public broadcasting station dues	1,004,051	1,024,455	1,009,514
Donated indirect administrative support, services, and facilities	1,902,972	1,942,486	1,846,902
Other expenses	374,712	403,253	459,207
Total Operating Expenses	4,766,366	5,045,219	5,187,965
Net operating income	866,710	424,336	160,572
Nonoperating revenues	55,849	409,059	333,954
Change in net position	$ 922,559	$ 833,395	$ 494,526

FINANCIAL STATEMENTS

The Station's financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America promulgated by GASB. See Note 1 to the financial statements for a summary of the Station's significant accounting policies.

ORGANIZATION AND ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

During the year ended June 30, 2023, membership contributions surpassed prior year levels and the number of individuals donating to the Station increased 9.5%. The Station continues to build its involvement within the viewing community.

Future operating strategies are discussed in Note 13 – *Concentration risk and future operations*.

REQUEST FOR INFORMATION

This report provides an overview of the Station's finances for those with an interest in this area. For questions concerning any of the information in this report or requests for additional information, contact the Vice President of Finance and Facilities Operations, Central Piedmont Community College, Central Campus-Disher Building, Room 200, P.O. Box 35009, Charlotte, NC 28235.

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
STATEMENTS OF NET POSITION

JUNE 30, 2023 AND 2022

	2023			2022		
	WTVI-TV Station	WTVI Foundation	Total	WTVI-TV Station	WTVI Foundation	Total
ASSETS						
Current Assets:						
Cash and cash equivalents	$ 1,760,041	$ 50,662	$ 1,810,703	1,040,837	$ 41,794	$ 1,082,631
Restricted cash and cash equivalents	10,052	-	10,052	10,778	-	10,778
Receivables, net:						
Program underwriting	-	5,981	5,981	-	10,573	10,573
Rental receivable	2,344	-	2,344	1,362	-	1,362
Production services	87,571	-	87,571	88,375	-	88,375
Leases receivable	245,945	-	245,945	162,659	-	162,659
Other	4,307	-	4,307	3,280	2,763	6,043
Other current assets	52,674	396	53,070	29,089	2,985	32,074
Total Current Assets	2,162,934	57,039	2,219,973	1,336,380	58,115	1,394,495
Noncurrent Assets:						
Leases receivable	1,087,152	-	1,087,152	931,727	-	931,727
Net other postemployment benefits asset	-	-	-	653	-	653
Capital assets	3,126,672	-	3,126,672	3,139,918	-	3,139,918
Less accumulated depreciation	(1,787,856)	-	(1,787,856)	(1,627,941)	-	(1,627,941)
Total Noncurrent Assets	2,425,968	-	2,425,968	2,444,357	-	2,444,357
Total Assets	4,588,902	57,039	4,645,941	3,780,737	58,115	3,838,852
Deferred Outflows of Resources:						
Deferred outflows related to pensions	566,952	-	566,952	299,298	-	299,298
Deferred outflows related to other postemployment benefits	223,175	-	223,175	261,392	-	261,392
Total Deferred Outflows of Resources	790,127	-	790,127	560,690	-	560,690
LIABILITIES						
Current Liabilities:						
Accounts payable and accrued expenses	14,533	2,454	16,987	13,251	22,498	35,749
Current portion of compensated absences	14,144	-	14,144	12,587	-	12,587
Unearned revenue	14,535	-	14,535	12,356	-	12,356
Taxes payable	4,400	-	4,400	4,400	-	4,400
Total Current Liabilities	47,612	2,454	50,066	42,594	22,498	65,092
Noncurrent Liabilities:						
Compensated absences	119,923	-	119,923	124,675	-	124,675
Net pension liability	884,303	-	884,303	248,448	-	248,448
Net other postemployment benefits liability	1,227,024	-	1,227,024	1,714,291	-	1,714,291
Total Noncurrent Liabilities	2,231,250	-	2,231,250	2,087,414	-	2,087,414
Total Liabilities	2,278,862	2,454	2,281,316	2,130,008	22,498	2,152,506
Deferred Inflows of Resources:						
Deferred inflows related to pensions	106,090	-	106,090	490,257	-	490,257
Deferred inflows related to other postemployment benefits	741,934	-	741,934	605,302	-	605,302
Deferred inflows related to leases	1,233,725	-	1,233,725	1,020,001	-	1,020,001
Total Deferred Inflows of Resources	2,081,749	-	2,081,749	2,115,560	-	2,115,560
NET POSITION						
Net investment in capital assets	1,338,816	-	1,338,816	1,511,977	-	1,511,977
Restricted - expendable	9,808	-	9,808	10,038	-	10,038
Unrestricted net position (deficit)	(330,206)	54,585	(275,621)	(1,426,156)	35,617	(1,390,539)
Total Net Position	$ 1,018,418	$ 54,585	$ 1,073,003	$ 95,859	$ 35,617	$ 131,476

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

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	WTVI-TV Station	WTVI Foundation	Total	WTVI-TV Station	WTVI Foundation	Total
Operating Revenues:						
Community services and other grants	$ 1,120,284	$ -	$ 1,120,284	$ 1,085,078	$ -	$ 1,085,078
Contributions	1,608,937	1,992,315	3,601,252	1,440,177	1,676,238	3,116,415
Donated indirect administrative support, services, and facilities	1,902,972	-	1,902,972	1,942,486	-	1,942,486
Program underwriting	409,588	117,980	527,568	418,141	123,901	542,042
Production	12,844	-	12,844	64,663	-	64,663
Tower lease income	372,355	-	372,355	230,161	-	230,161
Public/Education/Governmental access channels revenue	139,206	-	139,206	139,180	-	139,180
Federal Communications Commission Repack	-	-	-	133,519	-	133,519
Other	66,890	-	66,890	16,150	-	16,150
Total Operating Revenues	5,633,076	2,110,295	7,743,371	5,469,555	1,800,139	7,269,694
Operating Expenses:						
Salaries and employee benefits	1,244,866	-	1,244,866	1,297,656	-	1,297,656
Professional services	239,765	376,604	616,369	377,369	311,464	688,833
Public broadcasting station dues	1,004,051	-	1,004,051	1,024,455	-	1,024,455
Supplies, postage, and shipping	32,078	61,239	93,317	20,095	123,296	143,391
Telephone, utilities, and general insurance	956	-	956	1,206	-	1,206
Advertising, general printing, and graphics	1,434	2,579	4,013	4,183	300	4,483
Equipment rental and maintenance	18,210	-	18,210	74,031	-	74,031
Travel, conferences, and meetings	8,425	2,441	10,866	9,733	-	9,733
Dues and fees	31,954	33,998	65,952	48,948	23,021	71,969
Miscellaneous	108,564	5,529	114,093	98,843	1,613	100,456
Contribution to related party	-	1,608,937	1,608,937	-	1,440,177	1,440,177
Depreciation expense	173,091	-	173,091	146,214	-	146,214
Donated indirect administrative support, services, and facilities	1,902,972	-	1,902,972	1,942,486	-	1,942,486
Total Operating Expenses	4,766,366	2,091,327	6,857,693	5,045,219	1,899,871	6,945,090
Operating Income (Loss)	866,710	18,968	885,678	424,336	(99,732)	324,604
Nonoperating Revenues (Expenses):						
Net investment return	418	-	418	106	(44)	62
Interest earned on leases	45,089	-	45,089	38,757	-	38,757
Change in provision for income tax	-	-	-	4,400	-	4,400
Public media relief	-	-	-	316,822	-	316,822
Other nonoperating revenue	10,342	-	10,342	31,375	-	31,375
Total Nonoperating Revenues (Expenses)	55,849	-	55,849	391,460	(44)	391,416
Capital gifts, net	-	-	-	17,599	-	17,599
Change in net position	922,559	18,968	941,527	833,395	(99,776)	733,619
Net position (deficit), beginning of the year	95,859	35,617	131,476	(737,536)	135,393	(602,143)
Net position, end of the year	$ 1,018,418	$ 54,585	$ 1,073,003	$ 95,859	$ 35,617	$ 131,476

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

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	WTVI-TV Station	WTVI Foundation	Total	WTVI-TV Station	WTVI Foundation	Total
Cash flows from operating activities:						
Cash received from membership, contributions, grants, corporate support, and others	$ 3,405,506	$ 2,117,650	$ 5,523,156	$ 3,289,430	$ 1,763,664	$ 5,053,094
Other operating cash receipts	66,890	-	66,890	16,150	-	16,150
Cash paid to employees	(1,565,381)	-	(1,565,381)	(1,602,065)	-	(1,602,065)
Cash paid to suppliers for goods and services	(1,393,595)	(2,108,782)	(3,502,377)	(1,567,404)	(1,732,830)	(3,300,234)
Net tax payments	(74,145)	-	(74,145)	(77,120)	-	(77,120)
Net cash flows from operating activities	439,275	8,868	448,143	58,991	30,834	89,825
Cash flow from capital and related financing activities:						
Purchase of property and equipment	-	-	-	(201,238)	-	(201,238)
Proceeds from lease arrangements	278,785	-	278,785	248,831	-	248,831
Net cash flows from capital and related financing activities	278,785	-	278,785	47,593	-	47,593
Cash flow from noncapital financing activities:						
Other nonoperating cash receipts	-	-	-	19,767	-	19,767
Cash flows from investing activities:						
Net investment return	418	-	418	106	(44)	62
Net change in cash and cash equivalents	718,478	8,868	727,346	126,457	30,790	157,247
Cash and cash equivalents, beginning of year	1,051,615	41,794	1,093,409	925,158	11,004	936,162
Cash and cash equivalents, end of year	$ 1,770,093	$ 50,662	$ 1,820,755	$ 1,051,615	$ 41,794	$ 1,093,409

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

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
STATEMENTS OF CASH FLOWS (CONTINUED)

YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	WTVI-TV Station	WTVI Foundation	Total	WTVI-TV Station	WTVI Foundation	Total
Reconciliation of operating income to net cash flows from operating activities:						
Operating income (loss)	$ 866,710	$ 18,968	$ 885,678	$ 424,336	$ (99,732)	$ 324,604
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation expense	173,091	-	173,091	146,214	-	146,214
Change in allowance for doubtful accounts	1,495	-	1,495	-	-	-
Lease revenue, amortized deferred inflow for leases	(258,682)	-	(258,682)	(229,825)	-	(229,825)
Pension and other postemployment benefits expense	(49,189)	-	(49,189)	(50,987)	-	(50,987)
Noncash, operating contributions charged to revenue	(1,902,972)	-	(1,902,972)	(1,942,486)	-	(1,942,486)
Noncash, operating contributions charged to expense	1,902,972	-	1,902,972	1,942,486	-	1,942,486
Changes in operating assets, liabilities and deferred outflows:						
Receivables	(2,700)	7,355	4,655	8,337	(11,475)	(3,138)
Inventories	-	-	-	1,756	-	1,756
Other current assets	(23,585)	2,589	(20,996)	36,884	144,893	181,777
Accounts payable and accrued expenses	1,282	(20,044)	(18,762)	(24,301)	22,148	(2,153)
Compensated absences	(3,195)	-	(3,195)	2,861	-	2,861
Unearned revenue	2,179	-	2,179	-	(25,000)	(25,000)
Deferred outflows - contributions after the measurement date	(268,131)	-	(268,131)	(256,284)	-	(256,284)
Net cash flows from operating activities	$ 439,275	$ 8,868	$ 448,143	$ 58,991	$ 30,834	$ 89,825
Noncash investing, capital, and financing activities:						
Loss on disposal of capital assets	$ 70	$ -	$ 70	$ -	$ -	$ -
Assets acquired through a gift	$ -	$ -	$ -	$ 17,599	$ -	$ 17,599
Decrease in net OPEB liability due to noncapital contributions	$ (10,411)	$ -	$ (10,411)	$ (11,608)	$ -	$ (11,608)

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

Note 1—Nature of operations and summary of significant accounting policies

Organization and Purpose – WTVI-PBS Charlotte (the "Station" or "WTVI"), a department of Central Piedmont Community College (the "College"), is a non-commercial, viewer-supported broadcast entity regulated by the Federal Communications Commission ("FCC"), operating under licensure to the Board of Trustees of the College. The College is a component unit of the State of North Carolina and an integral part of the State's *Annual Comprehensive Financial Report*.

The Station's broadcasting operations are subject to the FCC's jurisdiction under the Communications Act of 1934, as amended. The FCC rules, among other things, govern the term, renewal, and transfer of television broadcasting licenses and limit concentrations of broadcasting control inconsistent with public interest. Federal law also regulates the quantity of underwriting within children's programs. Television broadcasting licenses are subject to renewal by the FCC.

From time to time, the FCC revises existing regulations and policies in ways that could affect the Station's broadcasting operations. In addition, Congress periodically considers and adopts amendments to the governing communications legislation. The Station cannot predict what regulations or legislation may be proposed or finally enacted, or what effect, if any, such regulations or legislation could have on its operations.

The accompanying financial statements include the activity of the WTVI Foundation, Inc. (the "Foundation"), a nonprofit corporation incorporated in May 2012 but inactive until the year ended June 30, 2013. The Foundation performs various fundraising activities for the Station and is a discretely presented component unit. The combined entity is referred to as WTVI.

Reporting Entity – The financial reporting entity, as defined by Governmental Accounting Standards Board ("GASB") 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, consists of the primary government and its component units. Component units are legally separate organizations from which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. The accompanying financial statements present only the portion of the College's funds that are attributable to the transactions of the Station. As discussed above, the accompanying financial statements include the activity of the Foundation. The Foundation performs various fundraising activities for the Station and is considered a discrete component unit.

Basis of Accounting – WTVI follows the accrual basis of accounting, as prescribed by generally accepted governmental accounting principles. Under this method, revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized when the liability is incurred, if measurable.

Basis of Presentation – WTVI is only engaged in business type activities and, therefore, only the financial statements required for enterprise funds are required to be presented. WTVI's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Note 1—Nature of operations and summary of significant accounting policies (continued)

Revenue and Expense Recognition – Revenues are recognized when earned and expenses are recognized when incurred. Underwriting contributions are recognized as revenue upon receipt or accrual based on pledged intent as evidenced by underwriting contracts in the accounting period in which the program supported by the underwriting is broadcast. Revenues from grants are recognized when substantially all the conditions stipulated by the grantor have been met. The Station classifies its revenues and expenses as operating and nonoperating in the accompanying statements of revenues, expenses, and changes in net position. Operating revenues generally result from providing services and producing and delivering goods in connection with the Station's principal ongoing operations. Operating revenues include activities that have characteristics of exchange transactions. Operating expenses are all expense transactions incurred other than those related to capital and noncapital financing or investing activities.

All of WTVI's revenues and expenses, except for those receipts and payments listed under the section titled nonoperating revenues, are classified as operating activities in the statements of revenues, expenses, and changes in net position.

Cash and Cash Equivalents – The amounts presented as cash and cash equivalents in the accompanying financial statements represent WTVI's portion of the College's pooled cash deposits that are held by the College. The Station deposits are legally held in the College's name and not in a separate demand account in WTVI's name. The WTVI Foundation's deposits are held in the Foundation's name in a separate demand account. Further information over the nature of these deposits is disclosed in Note 4.

Receivables – Receivables include production services, underwriting, tower rental, grant, and other receivables and are stated net of an allowance for doubtful accounts. Management's determination of the allowance for doubtful accounts is based on a case-by-case analysis including current relations with customers and current and anticipated economic conditions. Accounts receivable are written off when, in the opinion of management, such receivables are deemed to be uncollectible. At June 30, 2023 and 2022, receivables are net of an allowance of $3,995 and $2,500, respectively. While management uses the best information available to make such evaluations, future adjustments to the allowance may be necessary if conditions differ substantially from the assumptions used in making the evaluations.

Inventories – Inventories, consisting of expendable supplies, are valued at cost using the last invoice cost method.

Capital Assets – Capital assets are stated at cost at date of acquisition or acquisition value at date of donation in the case of gifts. Donated capital assets acquired prior to July 1, 2015 are stated at fair value as of the date of donation. WTVI capitalizes assets that have a value or cost of $5,000 or greater at the date of acquisition and an estimated useful life of more than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 2 to 30 years for both data processing and other equipment.

Deferred Outflows/Inflows of Resources – In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

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

Note 1—Nature of operations and summary of significant accounting policies (continued)

Deferred outflows and inflows of resources relate to the pension plan and other postemployment benefit plans as discussed in Notes 7 and 8, respectively. Deferred inflows for leases are further discussed in Note 9.

Net Position – Net position is classified as follows:

> *Net Investment in Capital Assets* – This represents WTVI's total investment in capital assets net of accumulated depreciation.
>
> *Restricted Net Position* - Nonexpendable – Nonexpendable restricted net position includes endowments and similar type assets whose use is limited by donors or other outside sources, and, as a condition of the gift, the principal is to be maintained in perpetuity. WTVI had no restricted net position – nonexpendable as of June 30, 2023 and 2022.
>
> *Restricted Net Position* - Expendable – Expendable restricted net position includes resources for which WTVI is legally or contractually obligated to spend in accordance with restrictions imposed by external parties.
>
> *Unrestricted Net Position (Deficit)* – Unrestricted net position (deficit) includes resources derived from contributions, program underwriting, production revenue, and tower rental income.

Restricted and unrestricted resources are tracked using a fund accounting system and are spent in accordance with established fund authorities. Fund authorities provide rules for the fund activity and are separately established for restricted and unrestricted activities. When both restricted and unrestricted funds are available for expenditure, the decision for funding is transactional based within the departmental management system in place at WTVI.

Donated Indirect Administrative Support, Services, and Facilities – Donated indirect administrative support, services, and facilities are recorded as both revenue and expense in the accompanying statements of revenues, expenses, and changes in net position. These donated indirect administrative support, services, and facilities consist principally of donated facilities and services from Mecklenburg County and allocated institutional indirect administrative support incurred by various divisions of the College for which WTVI receives benefits. Donated indirect administrative support from the College is allocated directly to general supporting services. Donated services and facilities from Mecklenburg County are allocated between program services and supporting services based on the square footage of each department.

Income Taxes – The Foundation is exempt from federal and state income taxes on revenue earned from its tax-exempt purpose under Section 501(c)(3) of the U.S. Internal Revenue Code ("IRC"). WTVI is liable for federal and state income tax on unrelated business income.

WTVI's policy is to record a liability for any tax position taken that is beneficial to WTVI, including any related interest and penalties, when it is more likely than not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination.

Unearned Revenue – Income from grants and tower rental received in advance are recognized over the periods to which the grant and rental expenses relate.

Note 1—Nature of operations and summary of significant accounting policies (continued)

Compensated Absences – Employees earn vacation leave at the rate of 15 to 25 days per year depending on length of service and can accrue a maximum of 30 unused days to be carried forward to the following year. Unused vacation days are payable upon termination at the rates of pay then in effect only up to a 30-day maximum. Employees accumulate sick leave at the rate of one day per month and can accrue an unlimited number of days. Sick leave can be taken for personal illness or illness of a member of the immediate family. Sick leave is lost upon termination or resignation. Because WTVI has no financial obligation for the accumulated sick leave, no accrual for sick leave is made.

In addition to the vacation leave described above, compensated absences include the accumulated unused portion of the special annual leave bonuses awarded by the North Carolina General Assembly. The bonus leave balance on June 30 is retained by employees and transferred into the next calendar year. It is not subject to the limitation on annual leave carried forward described above and is not subject to conversion to sick leave.

Estimates – The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of any 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.

Accounting Pronouncements –During the fiscal year ended June 30, 2023, the Station implemented GASB 96, *Subscription-Based Information Technology Arrangements*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting subscription-based information technology arrangements (“SBITA”) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Station did not have any SBITA for the years ended June 30, 2023 and 2022.

Note 2—Capital assets

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

	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023
Data processing equipment	$ 2,849,960	$ -	$ 13,246	$ 2,836,714
Other equipment	289,958	-	-	289,958
Total Capital Assets	3,139,918	-	13,246	3,126,672
Less accumulated depreciation for:				
Data processing equipment	1,551,468	147,827	13,176	1,686,119
Other equipment	76,473	25,264	-	101,737
Total Accumulated Depreciation	1,627,941	173,091	13,176	1,787,856
Total Capital Assets, Net	$ 1,511,977	$ (173,091)	$ 70	$ 1,338,816

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Data processing equipment	$ 3,180,464	$ 31,454	$ 361,958	$ 2,849,960
Other equipment	102,575	187,383	-	289,958
Total Capital Assets	3,283,039	218,837	361,958	3,139,918
Less accumulated depreciation for:				
Data processing equipment	1,776,717	136,709	361,958	1,551,468
Other equipment	66,968	9,505	-	76,473
Total Accumulated Depreciation	1,843,685	146,214	361,958	1,627,941
Total Capital Assets, Net	$ 1,439,354	$ 72,623	$ -	$ 1,511,977

Note 3—Unrelated business taxes

WTVI's tax amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized. A reconciliation of the beginning and ending amount of unrecognized tax obligation is as follows for the years ended June 30, 2023 and 2022:

	2023	2022
Beginning of year	$ 4,400	$ 8,800
Change in current year tax provision	-	(4,400)
End of year	$ 4,400	$ 4,400

Note 4—Deposits and investments

All funds of WTVI are deposited in College board-designated official depositories and are required to be collateralized in accordance with *North Carolina General Statute* 115D-58.7. Official depositories may be established with any bank or savings and loan association whose principal office is located in North Carolina. Also, the College may establish time deposit accounts, money market accounts, and certificates of deposit. WTVI's cash balance is commingled with the College's cash. As of June 30, 2023 and 2022, WTVI has a cash balance of $1,770,093 and $1,051,615, respectively. The balance as of June 30, 2023 and 2022 includes restricted cash balances of $10,052 and $10,778, respectively, for which WTVI is legally or contractually obligated to spend in accordance with restrictions imposed by external parties.

The North Carolina Administrative Code (20 NCAC 7) requires all depositories to collateralize public deposits in excess of federal depository insurance coverage by using one of two methods, dedicated or pooled. Under the dedicated method, a separate escrow account is established by each depository in the name of each local governmental unit and the responsibility of monitoring collateralization rests with the local unit. Under the pooling method, each depository establishes an escrow account in the name of the State Treasurer to secure all of its public deposits. This method shifts the monitoring responsibility from the local unit to the State Treasurer.

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned. As of June 30, 2023 and 2022, the College's bank balance in excess of federal depository insurance coverage was covered under the pooling method.

Note 5—Long-term liabilities

Long-term liabilities activity for the years ended June 30, 2023 and 2022 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
June 30, 2023					
Compensated absences	$ 137,262	$ 93,723	$ 96,918	$ 134,067	$ 14,144
Net pension liability	248,448	635,855	-	884,303	-
Net other postemployment benefits liability	1,714,291	-	487,267	1,227,024	-
	$ 2,100,001	$ 729,578	$ 584,185	$ 2,245,394	$ 14,144

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
June 30, 2022					
Compensated absences	$ 134,401	$ 104,072	$ 101,211	$ 137,262	$ 12,587
Net pension liability	809,875	-	561,427	248,448	-
Net other postemployment benefits liability	1,543,528	170,763	-	1,714,291	-
	$ 2,487,804	$ 274,835	$ 662,638	$ 2,100,001	$ 12,587

Note 6—Net position

The deficit in unrestricted net position of ($330,206) and ($1,426,156) at June 30, 2023 and 2022, respectively, have been significantly affected by transactions that resulted in the recognition of deferred outflows of resources, deferred inflows of resources, and long-term liabilities. A summary of the balances reported within unrestricted net position relating to the reporting of net pension liability and net other postemployment benefits ("OPEB") liability, and the related deferred outflows of resources and deferred inflows of resources is presented as follows:

	2023	2022
Net Pension Liability and Related Deferred Outflows of Resources and Deferred Inflows of Resources	$ (423,441)	$ (439,407)
Net OPEB Liability (Retiree Health Benefit Fund) and Related Deferred Outflows of Resources and Deferred Inflows of Resources	(1,745,783)	(2,058,201)
Effect on Unrestricted Net Position	(2,169,224)	(2,497,608)
Total Unrestricted Net Position Before Recognition of Deferred Outflows of Resources, Deferred Inflows of Resources, and Related Long-Term Liabilities	1,839,018	1,071,452
Total Unrestricted Net Deficit	$ (330,206)	$ (1,426,156)

See Notes 7 and 8 for detailed information regarding the amortization of the deferred outflows of resources and deferred inflows of resources relating to pensions and OPEB, respectively.

Note 7—Pension plans

Defined Benefit Plan

All employees of WTVI are College employees, thus all employees are able to participate in the pension plan offered by the College.

Plan Administration – The State of North Carolina (the "State") administers the Teachers' and State Employees' Retirement System ("TSERS") plan. This plan is a cost-sharing, multiple-employer, defined benefit pension plan established by the State to provide pension benefits for general employees and law enforcement officers ("LEOs") of the State, general employees and LEOs of its component units, and employees of Local Education Agencies ("LEAs") and charter schools not in the reporting entity. Membership is comprised of employees of the State (State agencies and institutions), universities, community colleges, and certain proprietary component units along with the LEAs and charter schools that elect to join the Retirement System. Benefit provisions are established by General Statute 135-5 and may be amended only by the North Carolina General Assembly.

Benefits Provided – TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of membership service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of general members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members. The plan does not provide for automatic post-retirement benefit increases.

Note 7—Pension plans (continued)

Contributions – Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6% of their annual pay. The contribution rate for employers is set each year by the North Carolina General Assembly in the Appropriations Act and may not be less than the contribution rate required of plan members. The TSERS Board of Trustees establishes a funding policy from where an accrued liability rate and a normal contribution rate are developed by the consulting actuary. The sum of those two rates developed under the funding policy is the actuarially determined contribution rate ("ADC"). The TSERS Board of Trustees may further adopt a contribution rate policy that is higher than the ADC known as the required employer contribution to be recommended to the North Carolina General Assembly. WTVI's contractually-required contribution rate was 17.38% and 16.38% of covered payroll for the years ended June 30, 2023 and 2022, respectively. WTVI's contributions to the pension plan were $189,177 and $184,855 and employee contributions were $65,309 and $67,781 for the years ended June 30, 2023 and 2022, respectively.

WTVI, or the College, on WTVI's behalf, made 100% of its annual required contributions for the years ended June 30, 2023 and 2022.

The TSERS plan's financial information, including all information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position, is included in the State of North Carolina's fiscal year 2022 *Annual Comprehensive Financial Report*. An electronic version of this report is available on the North Carolina Office of the State Controller's website at https://www.osc.nc.gov/ or by calling the State Controller's Financial Reporting Section at (919) 707-0500.

TSERS Basis of Accounting – The financial statements of the TSERS plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. 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 of the TSERS plan, and additions to/deductions from the TSERS plan's fiduciary net position have been determined on the same basis as they are reported by TSERS.

Methods Used to Value TSERS Investment: Pursuant to *North Carolina General Statutes*, the State Treasurer is the custodian and administrator of the retirement systems. The State Treasurer maintains various investment portfolios in its External Investment Pool. TSERS and other pension plans of the State of North Carolina participate in the Long-Term Investment, the Fixed Income Investment, Equity Investment, Real Estate Investment, Alternative Investment, Opportunistic Fixed Income Investment, and Inflation Sensitive Investment Portfolios. The Fixed Income Asset Class includes the Long-Term Investment and Fixed Income Investment Portfolios. The Global Equity Asset Class includes the Equity Investment Portfolio. The investment balance of each pension trust fund represents its share of the fair value of the net position of the various portfolios within the External Investment Pool. Detailed descriptions of the methods and significant assumptions regarding investments of the State Treasurer are provided in the 2022 *Annual Comprehensive Financial Report*.

Note 7—Pension plans (continued)

Net Pension Liability – At June 30, 2023 and 2022, WTVI reported a liability of $884,303 and $248,448, respectively, for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2022 and 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 and 2020, and update procedures were used to roll forward the total pension liability to June 30, 2022 and 2021. WTVI's proportion of the net pension liability was based on an allocated percentage of the present value of future salaries for the College relative to the projected present value of future salaries for all participating employers, actuarially determined. WTVI's proportions were .00646% and .00713% as of June 30, 2022 and 2021, respectively, which was a decrease of .00067% and an increase of .00010% from its proportion measured as of June 30, 2021 and 2020, respectively.

Actuarial Assumptions – The following table presents the actuarial assumptions used to determine the total pension liability for the TSERS plan at the actuarial valuation date:

Valuation date	December 31, 2021	December 31, 2020
Inflation	2.50%	2.50%
Salary increases*	3.25%-8.05%	3.25%-8.05%
Investment rate of return**	6.50%	6.50%

* Salary increases include 3.25% inflation and productivity factor for December 31, 2021 and 2020.
** Investment rate of return includes inflation assumption and is net of pension plan investment expense.

TSERS currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, general, law enforcement officer) and health status (i.e. disabled and not disabled). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. public plan population. The mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2021 and 2020 valuations were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019.

Future ad hoc cost of living adjustment ("COLA") amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections 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.

Note 7—Pension plans (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 and 2021 (the measurement date) are summarized in the following table:

	Long-Term Expected Real Rate of Return	
Asset Class	**2022**	**2021**
Fixed Income	1.10%	1.40%
Global Equity	6.50%	5.30%
Real Estate	5.90%	4.30%
Alternatives	7.50%	8.90%
Opportunistic Fixed Income	5.00%	6.00%
Inflation Sensitive	2.70%	4.00%

The information in the preceding table is based on 30-year expectations developed with an investment consulting firm as part of a study conducted in early 2022 and in 2016 as of measurement dates June 30, 2022 and 2021, respectively, and is part of the asset, liability, and investment policy of the North Carolina Retirement Systems. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25% and 3.05% for the years ended June 30, 2022 and June 30, 2021, respectively. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2022 and 2021 was 0.78% and 1.30%, respectively.

Discount Rate – The discount rate used to measure the total pension liability was 6.50% for the December 31, 2021 and 2020 valuation. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the 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 the 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 the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the plan at June 30, 2022 calculated using the discount rate of 6.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

		Net Pension Liability	
Year	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
2023	$ 1,696,018	$ 884,303	$ 351,122

Note 7—Pension plans (continued)

The following presents the net pension liability of the plan at June 30, 2021 calculated using the discount rate of 6.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	Net Pension Liability		
Year	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
2022	$ 1,119,725	$ 248,448	$ (319,482)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the years ended June 30, 2023 and 2022, WTVI recognized pension expenses of $175,230 and $71,051, respectively. At June 30, 2023 and 2022, WTVI 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	
	2023	2022	2023	2022
Difference between actual and expected experience	$ 3,974	$ 14,915	$ 23,530	$ 8,123
Changes of assumptions	71,997	99,528	-	-
Net difference between projected and actual earnings on pension plan investments	299,717	-	-	443,135
Change in proportion and differences between agency's contributions and proportionate share of contributions	-	-	82,560	38,999
Contributions subsequent to the measurement date	191,264	184,855	-	-
Total	$ 566,952	$ 299,298	$ 106,090	$ 490,257

The amount of $191,264 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Years Ended June 30:	Amount
2024	$ 66,173
2025	62,912
2026	19,318
2027	121,195
Total	$ 269,598

The Required Supplementary Information related to the pension plan, including schedule of the proportionate net pension liability, schedule of contributions to the TSERS plan, and the notes to required supplementary information, can be found in the College's financial statements.

Deferred Compensation and Supplemental Retirement Income Plans
The College offers deferred compensation and supplemental retirement income plans, including an IRC Section 457, an IRC section 401(k), an IRC Section 401(k) with Roth options and an IRC Section 403(b) plan. The financial information of these plans is included in the financial statements of the College.

Note 8—Other postemployment benefits

All employees of WTVI are College employees, thus all employees are able to participate in the other postemployment benefit plans offered by the College.

The College participates in two postemployment benefit plans, the Retiree Health Benefit Fund and the Disability Income Plan of North Carolina, that are administered by the State of North Carolina as pension and other employee benefit trust funds. Each plan's financial information, including all information about the plans' assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position, is included in the State of North Carolina's fiscal year 2022 *Annual Comprehensive Financial Report*. An electronic version of this report is available on the North Carolina Office of the State Controller's website at https://www.osc.nc.gov/ or by calling the State Controller's Financial Reporting Section at (919) 707-0500.

A. Summary of significant accounting policies and plan asset matters

Basis of Accounting – The financial statements of these plans were prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of each plan. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of each plan, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by the plans.

Methods Used to Value Plan Investments – Pursuant to *North Carolina General Statutes*, the State Treasurer is the custodian and administrator of the other postemployment benefits funds. The State Treasurer maintains various investment portfolios in its External Investment Pool. The Retiree Health Benefit Fund participates in the External Investment Pool. The Disability Income Plan of North Carolina is invested in the Short-Term Investment Portfolio of the External Investment Pool and the Bond Index External Investment Pool. The investment balance of each other employee benefit trust fund represents its share of the fair value of the net position of the various portfolios within the pool. Detailed descriptions of the methods and significant assumptions regarding investments of the State Treasurer are provided in the 2022 *Annual Comprehensive Financial Report.*

B. Plan descriptions

Health Benefits – *Plan Administration*: The State of North Carolina administers the North Carolina State Health Plan for Teachers and State Employees, referred to as the State Health Plan (the "Plan"), a healthcare plan exclusively for the benefit of employees of the State, the University of North Carolina System, community colleges, and certain other component units. In addition, Local Education Agencies ("LEAs"), charter schools, and some select local governments that are not part of the State's financial reporting entity also participate. Health benefit programs and premium rates are determined by the State Treasurer upon approval of the Plan Board of Trustees.

The Retiree Health Benefit Fund ("RHBF") has been established by Chapter 135-7, Article 1 of the General Statutes as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of eligible former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments that are not part of the State's financial reporting entity also participate.

Note 8—Other postemployment benefits (continued)

By statute, RHBF is administered by the Board of Trustees of the Teachers' and State Employees' Retirement System ("TSERS"). RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the Plan. The State Treasurer, with the approval of the Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the Plan.

Benefits Provided – Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees as described in Note 11. The plan options change when the former employees become eligible for Medicare. The benefits provided include medical and pharmacy coverage for employees and their dependents. Non-Medicare eligible members have two self-funded options administered by the State Health Plan while Medicare members have three options, including one self-funded option and two fully-insured Medicare Advantage/Prescription Drug Plan options. Self-funded medical and pharmacy claims costs are shared between the covered member and the State Health Plan. If the self-funded plan is elected by a Medicare eligible member, the coverage is secondary to Medicare. Fully-insured claims include cost sharing from covered members with the remaining balance paid by the fully-insured carrier.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina and retirees of TSERS, the Consolidated Judicial Retirement System ("CJRS"), the Legislative Retirement System ("LRS"), the University Employees' Optional Retirement Program ("ORP"), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the North Carolina General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the North Carolina General Assembly is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on or after October 1, 2006 and members of the North Carolina General Assembly first taking office on or after February 1, 2007 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's total noncontributory premium. Employees first hired on or after October 1, 2006 and members of the North Carolina General Assembly first taking office on or after February 1, 2007 with five but less than 10 years of retirement service credit are eligible for coverage on a fully contributory basis.

Section 35.21 (c) & (d) of Session Law 2017-57 repealed retiree medical benefits for employees first hired on or after January 1, 2021. The legislation amended Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in the TSERS (or in an allowed local system unit), the CJRS, or the LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

The Plan's and RHBF's benefit and contribution provisions are established by Chapter 135-7, Article 1, and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

Note 8—Other postemployment benefits (continued)

Contributions – Contribution rates to RHBF, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis, are determined by the North Carolina General Assembly in the Appropriations Act. WTVI's contractually-required contribution rate was 6.89% and 6.29% of covered payroll for the years ended June 30, 2023 and 2022, respectively. WTVI's contributions to the RHBF were $74,996 and $70,582 for the years ended June 30, 2023 and 2022, respectively. WTVI assumes no liability for retiree health care benefits provided by the programs other than its required contribution.

WTVI, or the College, on WTVI's behalf, made 100% of its annual required contributions for the years ended June 30, 2023 and 2022.

Disability Income – Plan Administration – As discussed in Note 11, short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina ("DIPNC"), a cost-sharing, multiple-employer defined benefit plan, to the eligible members of TSERS which includes employees of the State, the University of North Carolina system, community colleges, certain participating component units, LEAs which are not part of the State's reporting entity, and the University Employees' ORP. By statute, DIPNC is administered by the Department of State Treasurer and the Board of Trustees of TSERS.

Benefits Provided – Long-term disability benefits are payable as an OPEB from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later while the employee is disabled and does not meet the TSERS conditions for unreduced service retirement. An employee is eligible to receive long-term disability benefits provided the following requirements are met: (1) the employee has five or more years of contributing membership service in TSERS or the University Employees' ORP, earned within 96 months prior to becoming disabled or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for workers' compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from TSERS; and (6) the employee must terminate employment as a permanent, full-time employee. A general employee is eligible to receive an unreduced retirement benefit from TSERS after (1) reaching the age of 65 and completing five years of membership service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of creditable service, at any age.

For employees who had five or more years of membership service as of July 31, 2007, during the first 36 months of the long-term disability period, the monthly long-term disability benefit is equal to 65% of one-twelfth of an employee's annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the short-term disability period, plus the like percentage of one-twelfth of the annual longevity payment and local supplements to which the participant or beneficiary would be eligible. The monthly benefits are subject to a maximum of $3,900 per month reduced by any primary Social Security disability benefits, by an amount equal to the monthly primary Social Security retirement benefit to which the employee might be entitled should the employee be at least age 62 and by monthly payments for workers' compensation to which the participant or beneficiary may be entitled, but the benefits payable shall be no less than $10 a month. After the first 36 months of the long-term disability, the long-term benefit is calculated in the same manner as described above except the monthly benefit is reduced by an amount equal to a monthly primary Social Security disability benefit to which the participant or beneficiary might be entitled had Social Security disability benefits been awarded. When an employee qualifies for an unreduced service retirement allowance from TSERS, the benefits payable from DIPNC will cease, and the employee will commence retirement under TSERS or the University Employees' ORP.

Note 8—Other postemployment benefits (continued)

For employees who had less than five years of membership service as of July 31, 2007, and meet the requirements for long-term disability on or after August 1, 2007, benefits are calculated in the same manner as described above except that after the first 36 months of the long-term disability, no further long-term disability benefits are payable unless the employee has been approved and is in receipt of primary Social Security benefits.

Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The plan does not provide for automatic post-retirement benefit increases.

Contributions: Although DIPNC operates on a calendar year, disability income benefits are funded by actuarially determined employer contributions that are established in the Appropriations Act by the North Carolina General Assembly and coincide with the State's fiscal year. WTVI's contractually-required contribution rate was 0.10% and 0.09% of covered payroll for the years ended June 30, 2023 and 2022, respectively. WTVI's contributions to DIPNC were $1,088 and $1,012 for the years ended June 30, 2023 and 2022, respectively. WTVI assumes no liability for long-term disability benefits under the Plan other than its contribution.

WTVI, or the College, on WTVI's behalf, made 100% of its annual required contributions for the years ended June 30, 2023 and 2022.

C. Net OPEB liability (asset)

Retiree Health Benefit Fund: At June 30, 2023 and 2022, WTVI reported a liability of $1,225,349 and $1,714,291, respectively, for its proportionate share of the collective net OPEB liability for RHBF. The net OPEB liability was measured as of June 30, 2022 and 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021 and 2020, and update procedures were used to roll forward the total OPEB liability to June 30, 2022 and 2021. WTVI's proportion of the net OPEB liability was based on an allocated percentage of the present value of future salaries for the College relative to the present value of future salaries for all participating employers, actuarially determined. WTVI's proportion was 0.00577% and 0.00621%, as of June 30, 2022 and 2021, respectively, which was a decrease of .00044% and an increase of .00023% from its proportion measured as of June 30, 2021 and 2020, respectively.

Disability Income Plan of North Carolina: At June 30, 2023, WTVI reported a liability of $1,675 for its proportionate share of the collective net OPEB liability for DIPNC. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021, and update procedures were used to roll forward the total OPEB liability to June 30, 2022. WTVI's proportion of the net OPEB liability was based on a projection of the present value of future salaries for the College relative to the projected present value of future salaries for all participating employers, actuarially determined. As of June 30, 2022, WTVI's proportion was .00563%, which was a decrease of .00064% from its proportion measured as of June 30, 2021, which was .00627%.

At June 30, 2022, WTVI reported an asset of ($653) for its proportionate share of the collective net OPEB asset for DIPNC. The net OPEB asset was measured as of June 30, 2021. The total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020, and update procedures were used to roll forward the total OPEB asset to June 30, 2021. WTVI's proportion of the net OPEB asset was based on an allocated percentage of the present value of future salaries for the College relative to the present value of future salaries for all participating employers, actuarially determined.

Note 8—Other postemployment benefits (continued)

Actuarial Assumptions – The total OPEB liabilities (assets) for RHBF and DIPNC were determined by actuarial valuations as of December 31, 2021 and 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liabilities (assets) were then rolled forward to June 30, 2022 and 2021 utilizing update procedures incorporating the actuarial assumptions.

	Retiree Health Benefit Fund	
Valuation Date	December 31, 2021	December 31, 2020
Inflation	2.50%	2.50%
Salary Increases*	3.25%-8.05%	3.25%-8.05%
Investment Rate of Return**	6.50%	6.50%
Healthcare Cost Trend Rate - Medical	6.00% grading down to 5.00% by 2027	6.00% grading down to 5.00% by 2026
Healthcare Cost Trend Rate - Prescription Drug	9.50% grading down to 5.00% by 2031	9.50% grading down to 5.00% by 2030
Healthcare Cost Trend Rate - Medicare Advantage	0.00% through 2025, 5.00% thereafter	5.00%
Healthcare Cost Trend Rate - Administrative	3.00%	3.00%

* Salary increases include 3.25% inflation and productivity factor for December 31, 2021 and 2020.
** Investment rate of return is net of OPEB plan investment expense, including inflation.

	Disability Income Plan of N.C.	
Valuation Date	December 31, 2021	December 31, 2020
Inflation	2.50%	2.50%
Salary Increases*	3.25%-8.05%	3.25%-8.05%
Investment Rate of Return**	3.00%	3.00%
Healthcare Cost Trend Rate - Medical***	N/A	6.50% grading down to 5.00% by 2026
Healthcare Cost Trend Rate - Prescription Drug***	N/A	9.50% grading down to 5.00% by 2030
Healthcare Cost Trend Rate - Medicare Advantage***	N/A	N/A
Healthcare Cost Trend Rate - Administrative***	N/A	3.00%

* Salary increases include 3.25% inflation and productivity factor for December 31, 2021 and 2020.
** Investment rate of return is net of OPEB plan investment expense, including inflation.
*** Disability Income Plan of NC eliminated employer reimbursements from the Plan (which included State Health Plan premiums) effective July 1, 2019
N/A - Not Applicable

The OPEB plans currently use mortality tables that vary by age, gender, employee group (i.e. teacher, other educational employee, general employee, or law enforcement officer) and health status (i.e. disabled and not disabled). The current mortality rates are based on published tables and studies that cover significant portions of the U.S. public plan population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

Note 8—Other postemployment benefits (continued)

The projected long-term investment returns and inflation assumptions are developed through a review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections 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. DIPNC is primarily invested in the Bond Index Investment Pool as of June 30, 2022 and 2021.

Best estimates of real rates of return for each major asset class included in RHBF's target asset allocation as of June 30, 2022 and 2021 (the measurement date) are summarized in the following table:

	Long-Term Expected Real Rate of Return	
Asset Class	**2022**	**2021**
Fixed Income	1.10%	1.40%
Global Equity	6.50%	5.30%
Real Estate	5.90%	4.30%
Alternatives	7.50%	8.90%
Opportunistic Fixed Income	5.00%	6.00%
Inflation Sensitive	2.70%	4.00%

The information in the preceding table is based on 30-year expectations developed with an investment consulting firm as part of a study conducted in early 2022 and in 2016 for the measurement dates as of June 30, 2022 and 2021, respectively, and is part of the asset, liability, and investment policy of the North Carolina Retirement Systems. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25% and 3.05%, respectively, for the years ended June 30, 2022 and 2021. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2022 and 2021 was 0.78% and 1.30%, respectively.

Actuarial valuations of the plans involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The results of the valuations fluctuate from year to year as actual experience differs from assumptions. This includes demographic experiences (i.e., mortality and retirement) that differ from expected. This also includes financial experiences (i.e., member medical costs and contributions) that vary from expected trends. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial assumptions used for RHBF are consistent with those used to value the pension benefits of TSERS where appropriate. These assumptions are based on the most recent pension valuations available. The discount rate used for RHBF reflects a pay-as-you-go approach.

Projections of benefits for financial reporting purposes of the plans are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Historically, the benefits funded solely by employer contributions applied equally to all retirees. Currently, as described above, benefits are dependent on membership requirements.

Note 8—Other postemployment benefits (continued)

The actuarial methods and assumptions used for DIPNC include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Prior to July 1, 2019, employers received a reimbursement from DIPNC for employer costs, including the employer's share of the State Health Plan premiums, incurred during the second six months of the first year of a member's short-term disability coverage. With the elimination of the reimbursement to employers, State Health Plan premiums are no longer reimbursed by DIPNC for the benefits that were effective on or after July 1, 2019.

The actuarial assumptions used in the December 31, 2021 and 2020 valuations were generally based on the results of an actuarial experience study prepared as of December 31, 2019, as amended for updates to certain assumptions (such as the long-term investment return, medical claims, and medical trend rate assumptions) implemented based on annual reviews that have occurred since that experience study.

Discount Rate – The discount rate used to measure the total OPEB liability for RHBF as of June 30, 2022 and 2021 was 3.54% and 2.16%, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at the current statutorily determined contribution rate. Based on the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 3.54% and 2.16% at June 30, 2023 and 2022 was used as the discount rate used to measure the total OPEB liability. The 3.54% rate at June 30, 2023 is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2022.

The discount rate used to measure the total OPEB asset for DIPNC was 3.08% and 3.00% as of June 30, 2022 and 2021, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members would be made at the current contribution rate and that contributions from employers would be made at statutorily required rates, actuarially determined. Based on those assumptions, the plan's fiduciary net position was not projected to be available to make all projected future benefit payments of the current plan members. In order to develop the blended discount rate of 3.08%, 3.00% was used during the period that the plan was projected to have a fiduciary net position, and a municipal bond rate of 3.54% was used during the period that the plan was projected to have no fiduciary net position. The 3.54% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2022.

Note 8—Other postemployment benefits (continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate: The following presents WTVI's proportionate share of the net OPEB liability (asset) of the plans, as well as what the plans' net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	Net OPEB Liability- RHBF		
Year	**1% Decrease (2.54%)**	**Current Discount Rate (3.54%)**	**1% Increase (4.54%)**
2023	$ 1,613,505	$ 1,225,349	$ 1,170,818

	Net OPEB Liability- DIPNC		
Year	**1% Decrease (2.08%)**	**Current Discount Rate (3.08%)**	**1% Increase (4.08%)**
2023	$ 2,063	$ 1,675	$ 1,287

	Net OPEB Liability- RHBF		
Year	**1% Decrease (1.16%)**	**Current Discount Rate (2.16%)**	**1% Increase (3.16%)**
2022	$ 2,282,932	$ 1,714,291	$ 1,624,727

	Net OPEB Asset- DIPNC		
Year	**1% Decrease (2.00%)**	**Current Discount Rate (3.00%)**	**1% Increase (4.00%)**
2022	$ (647)	$ (653)	$ (1,374)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates: The following presents the net OPEB liability (asset) of the plans, as well as what the plans' net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	2023		
	1% Decrease (Medical - 4.00% - 5.00%, Pharmacy - 4.00% - 8.50%, Med. Advantage - 0.00% - 4.00%, Administrative - 2.00%)	**Current Healthcare Cost Trend Rates (Medical - 5.00% - 6.00%, Pharmacy - 5.00% - 9.50%, Med. Advantage - 0.00% - 5.00%, Administrative - 3.00%)**	**1% Increase (Medical - 6.00% - 7.00%, Pharmacy - 6.00% - 10.50%, Med. Advantage - 0.00% - 6.00% Administrative - 4.00%)**
RHBF Net OPEB Liability	$ 1,127,591	$ 1,225,349	$ 1,682,964

Note 8—Other postemployment benefits (continued)

Effective with the actuarial valuation as of December 31, 2021, the liability for the State's potential reimbursement of costs incurred by employers was removed because the reimbursement by DIPNC was eliminated for disabilities occurring on or after July 1, 2019. Thus, sensitivity to changes in the healthcare cost trend rates is not applicable for DIPNC.

	2022					
	1% Decrease (Medical - 4.00% - 5.00%, Pharmacy - 4.00% - 8.50%, Med. Advantage - 4.00%, Administrative - 2.00%)		Current Healthcare Cost Trend Rates (Medical - 5.00% - 6.00%, Pharmacy - 5.00% - 9.50%, Med. Advantage - 5.00%, Administrative - 3.00%)		1% Increase (Medical - 6.00% - 7.00%, Pharmacy - 6.00% - 10.50%, Med. Advantage - 6.00 Administrative - 4.00%)	
RHBF Net OPEB Liability	$	1,554,179	$	1,714,291	$	2,403,292
	1% Decrease (Medical - 4.00% - 5.00%, Pharmacy - 4.00% - 8.50%, Administrative- 2.00%		Current Healthcare Cost Trend Rates (Medical - 5.00% - 6.00%, Pharmacy - 5.00% - 9.50%, Administrative- 3.00%		1% Increase (Medical - 6.00% - 7.00%, Pharmacy - 6.00% - 10.50%, Administrative- 4.00%	
DIPNC Net OPEB Asset	$	(1,078)	$	(653)	$	(596)

OPEB Expense - For the fiscal years ended June 30, 2023 and 2022, WTVI recognized OPEB expense as follows:

OPEB Plan		2023		2022
RHBF	$	(226,595)	$	(124,409)
DIPNC		2,516		2,373
Total OPEB Expense	$	(224,079)	$	(122,036)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At June 30, 2023 and 2022, WTVI reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Employer Balances of Deferred Outflows of Resources Related to OPEB- RHBF

		2023		2022
Difference Between Actual and Expected Experience	$	12,309	$	10,218
Changes of Assumptions		101,504		141,574
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		10,978		-
Change in Proportion and Differences Between Agency's Contributions and Proportionate Share of Contributions		17,315		34,842
Contributions Subsequent to the Measurement Date		75,823		70,582
Total	$	217,929	$	257,216

Note 8—Other postemployment benefits (continued)

Employer Balances of Deferred Inflows of Resources Related to OPEB- RHBF

	2023	2022
Difference Between Actual and Expected Experience	$ 3,435	$ 30,700
Changes of Assumptions	564,884	400,807
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	844
Change in Proportion and Differences Between Agency's Contributions and Proportionate Share of Contributions	173,305	172,579
Total	$ 741,624	$ 604,930

Employer Balances of Deferred Outflows of Resources Related to OPEB- DIPNC

	2023	2022
Difference Between Actual and Expected Experience	$ 1,738	$ 2,356
Changes of Assumptions	100	162
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,640	90
Change in Proportion and Differences Between Agency's Contributions and Proportionate Share of Contributions	668	556
Contributions Subsequent to the Measurement Date	1,100	1,012
Total	$ 5,246	$ 4,176

Employer Balances of Deferred Inflows of Resources Related to OPEB- DIPNC

	2023	2022
Changes of Assumptions	$ 310	$ 372

Note 8—Other postemployment benefits (continued)

Amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability related to RHBF and DIPNC in the fiscal year ended June 30, 2024. 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 Ended June 30:	RHBF	DIPNC
2024	$ (195,276)	$ 937
2025	(158,437)	1,049
2026	(155,345)	775
2027	(90,460)	625
2028	-	224
Thereafter	-	226
	$ (599,518)	$ 3,836

The Required Supplementary Information related to the other postemployment benefit plans, including schedule of the proportionate net OPEB liability (asset), schedule of contributions, and the notes to required supplementary information, can be found in the College's financial statements.

Note 9—Lease revenue

The Station's leasing arrangements at June 30, 2023 are summarized below (excluding short-term leases):

Classification:	Number of Lease Contracts	Lease Receivable June 30, 2023	Current Portion	Lease Terms [1]	Interest Rate Ranges
Lessor:					
General Infrastructure	6	$ 1,333,097	$ 245,945	15 years	3.25%-6.25%

[1] The lease terms were calculated using weighted averages based on lease receivable amounts.

The Station's leasing arrangements at June 30, 2022 are summarized below (excluding short-term leases):

Classification:	Number of Lease Contracts	Lease Receivable June 30, 2022	Current Portion	Lease Terms [1]	Interest Rate Ranges
Lessor:					
General Infrastructure	5	$ 1,094,386	$ 162,659	17 years	3.25%

[1] The lease terms were calculated using weighted averages based on lease receivable amounts.

Measurement of the lease receivable excluded the following variable payment amounts: the increase or decrease in payments after the initial measurement of the lease receivable that depend on changes in an index or rate (such as the Consumer Price Index). The Station recognized revenues of $765 during the fiscal year for these changes in variable payments not previously included in the measurement of the lease receivable.

Note 9—Lease revenue (continued)

Revenue related to tower space and Instructional Television Fixed Service airtime is included in lease income.

Future lease payments to be received related to excess broadband capacity as of June 30, 2023 were as follows:

Fiscal Years	Principal	Interest	Total
2024	$ 245,945	$ 45,934	$ 291,879
2025	178,251	37,855	216,106
2026	99,691	33,328	133,019
2027	101,517	29,148	130,665
2028	106,557	24,891	131,448
2029-2033	550,402	54,790	605,192
2034-2038	50,734	366	51,100
	$ 1,333,097	$ 226,312	$ 1,559,409

In-Kind Rent – Mecklenburg County leases the building and land used for WTVI operations to the College for $1 per year. The lease expires in 2062. For financial reporting purposes, the rental expense of the facilities is recorded at its estimated fair value of $645,150 and $642,510 for the fiscal year ended June 30, 2023 and 2022, respectively, and is offset by an equal amount of support from the County. Leasehold improvements to the land and building are reflected in the Statement of Net Position. The estimated insured value of the operating facility (excluding contents), broadcast towers and land is approximately $6,000,000.

Note 10—Assets transferred to and held by others

The Station has irrevocably transferred title to certain resources which had been donated with a requirement that they be maintained in perpetuity, to the Foundation for the Carolinas (the "FFTC") pursuant to an agreement by which the Station receives the annual investment earnings. The annual distribution may be used to support operations or it may be added to the amount held by FFTC at the Station's discretion. No other amounts are recorded by the Station with respect to these assets. The fair value of the endowed balance as of June 30, 2023 and 2022 were $78,558 and $73,871, respectively.

Note 11—Risk management

WTVI is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. WTVI is covered by the College's insurance policies because it is a department of the College. These exposures to loss are handled via a combination of methods, including participation in state-administered insurance programs, purchase of commercial insurance, and self-retention of certain risks. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

Employee Benefit Plans

State Health Plan
College employees are provided comprehensive major medical care benefits. Coverage is funded by contributions to the State Health Plan ("Plan"), a discretely presented component unit of the State of North Carolina. The Plan is funded by employer and employee contributions. The Plan has contracted with third parties to process claims. See Note 8 for additional information regarding retiree health benefits.

Note 11—–Risk management (continued)

Death Benefit Plan of North Carolina
Term life insurance (death benefits) of $25,000 to $50,000 is provided to eligible employees who enroll in the TSERS. This Death Benefit Plan is administered by the State Treasurer and funded via employer contributions. The employer contribution rate was 0.13% for the current fiscal year.

Disability Income Plan
Short-term and long-term disability benefits are provided to College employees through the Disability Income Plan of North Carolina ("DIPNC"), part of the State's Pension and Other Employee Benefit Trust Funds. Short-term benefits are paid by the College for up to twelve months. The Board of Trustees of the DIPNC may extend the short-term disability benefits for up to an additional twelve months. During the extended period of short-term disability benefits, payments are made directly by the DIPNC to the beneficiary. As discussed in Note 8, long-term disability benefits are payable as other postemployment benefits from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled.

Other Risk Management and Insurance Activities

Automobile, Fire, and Other Property Losses
Fire and other property losses are covered by contracts with private insurance companies. The policy limit is $650,000,000 and carries a deductible between $10,000 and $250,000, depending on the incident. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

State-owned vehicles are covered by liability insurance through a private insurance company and handled by the North Carolina Department of Insurance. The liability limits for losses are $1,000,000 per claim and $10,000,000 per occurrence. The College pays premiums to the North Carolina Department of Insurance for the coverage. Liability insurance for other College-owned vehicles is covered by contracts with private insurance companies.

Public Officers' and Employees' Liability Insurance
The risk of tort claims of up to $1,000,000 per claimant is retained under the authority of the State Tort Claims Act. In addition, the State provides excess public officers' and employees' liability insurance up to $2,000,000 per claim and $10,000,000 in the aggregate per fiscal year via contract with a private insurance company. The North Carolina Community College System Office pays the premium, based on a composite rate, directly to the private insurer.

Employee Dishonesty and Computer Fraud
The College is protected for losses from employee dishonesty and computer fraud for employees paid in whole or in part from state funds. This coverage is with a private insurance company and is handled by the North Carolina Department of Insurance. The North Carolina Community College System Office is charged a premium by the private insurance company. Coverage limit is $5,000,000 per occurrence. The private insurance company pays 90% of each loss less a $100,000 deductible.

Losses from County and Institutional fund paid employees are covered by private insurance. Employee dishonesty coverage carries a deductible of $1,000 with a limit of $1,000,000. Forgery or alteration has a $1,000 deductible with a $500,000 limit. Deception fraud/fraud impersonation has a $1,000 deductible with a $500,000 limit.

Note 11—Risk management (continued)

Statewide Workers' Compensation Program
The State Board of Community Colleges makes the necessary arrangements to carry out the provisions of the Workers' Compensation Act which are applicable to employees whose wages are paid in whole or in part from state funds. The College purchases workers' compensation insurance for employees whose salaries or wages are paid by the Board entirely from county or institutional funds. Additional details on the state-administered risk management programs are disclosed in the State's *Annual Comprehensive Financial Report*, issued by the Office of the State Controller.

Other Insurance Held by the College
The College purchased Broadcaster's Liability coverage from a private insurance company to cover (PBS station WTVI that became a part of the College on July 3, 2012) News Media and Multimedia, with a $2,000,000 limit of liability and $5,000 retention amount, Internet Liability Coverage, with a $2,000,000 limit of liability and $5,000 retention amount.

The College purchased Cyber Liability coverage from a private insurance company to cover Media Content Insurance with a $3,000,000 sub limit liability and a $500,000 retention, Security and Privacy Liability Insurance with a $3,000,000 sub limit liability, Regulatory Action with a $3,000,000 sub limit liability, Event Management Insurance with a $3,000,000 sub limit liability and a $500,000 retention and Cyber Extortion Insurance with a $1,000,000 sub limit liability and a $500,000 retention.

Note 12—The coronavirus pandemic emergency

In response to the coronavirus pandemic emergency, the federal government provided grants to the State and the College through various coronavirus program funds appropriated by (1) The Coronavirus Aid, Relief, and Economic Security ("CARES") Act, (2) The Coronavirus Response and Relief Supplemental Appropriations within the Federal Consolidated Appropriations Act of 2021, and (3) The American Rescue Plan Act of 2021 ("ARP").

The grant revenues from the various coronavirus program funds are contingent upon meeting the terms and conditions of the grant and signed agreements with the funding agencies, incurring qualifying expenditures, and are reported in the following nonoperating revenue captions of the financial statements:

Nonoperating Revenue

Public Media Relief – This caption includes funds received from the CARES Act and ARP that were directed for public media to be used to maintain programming and services and preserve the ability of small and rural public media stations to continue to provide essential information, educational content, and services to the American people. The CARES Act funds are considered unrestricted and have no expenditure period. As of June 30, 2021, all funds had been spent. The ARP funds are considered restricted in the same manner that Community Service Grant ("CSG") funds are restricted under the provisions of the 2021 Television and Radio CSG General Provisions and Eligibility Criteria, and as required by the Communications Act. As of June 30, 2022, all of the awarded $504,523 had been spent.

Note 13—–Concentration risk and future operations

In fiscal year 2023, WTVI continued its ninth straight year of yielding positive cash flow from operations. Although WTVI has concentrated streams of revenue, management expects WTVI to have break even financial operating results in future years. This expectation is built on WTVI management's anticipation of future funding from the Corporation of Public Broadcasting, the high level of sustained membership contributions indicating ongoing support from the viewing community, and increased number of foundations and corporations providing financial support for public broadcasting.

Note 14—–Related parties

Governance and management of the Station rests with the College. The Station received $1,257,822 and $1,299,976 of the College's management services for the fiscal years ended June 30, 2023 and 2022, respectively, in the form of in-kind support, which is recorded as a revenue and expense. The Station provided underwriting services to the College which was included in the Station's underwriting revenue. The revenue from underwriting services to the College for each of the fiscal years ended June 30, 2023 and 2022 was $409,588.

Note 15—–Subsequent events

WTVI has evaluated subsequent events through December 20, 2023, in connection with the preparation of these financial statements which is the date the financial statements were available to be issued.

Note 16—–Audit hours and cost

The audit required approximately 210 audit hours at an approximate cost of $29,100. The cost represents approximately 0.63% of WTVI's total assets and 0.42% of total expenses subject to audit.

ACCOMPANYING INFORMATION

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
STATEMENTS OF NET POSITION (STATION ONLY)

JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,760,041	$ 1,040,837
Restricted cash and cash equivalents	10,052	10,778
Receivables, net:		
Rental receivable	2,344	1,362
Production services	87,571	88,375
Leases receivable	245,945	162,659
Other	4,307	3,280
Other current assets	52,674	29,089
Total Current Assets	2,162,934	1,336,380
Noncurrent Assets:		
Leases receivable	1,087,152	931,727
Net other postemployment benefits asset	-	653
Capital assets	3,126,672	3,139,918
Less accumulated depreciation	(1,787,856)	(1,627,941)
Total Noncurrent Assets	2,425,968	2,444,357
Total Assets	4,588,902	3,780,737
Deferred Outflows of Resources:		
Deferred outflows related to pensions	566,952	299,298
Deferred outflows related to other postemployment benefits	223,175	261,392
Total Deferred Outflows of Resources	790,127	560,690
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	14,533	13,251
Current portion of compensated absences	14,144	12,587
Unearned revenue	14,535	12,356
Taxes payable	4,400	4,400
Total Current Liabilities	47,612	42,594
Noncurrent Liabilities:		
Compensated absences	119,923	124,675
Net pension liability	884,303	248,448
Net other postemployment benefits liability	1,227,024	1,714,291
Total Noncurrent Liabilities	2,231,250	2,087,414
Total Liabilities	2,278,862	2,130,008
Deferred Inflows of Resources:		
Deferred inflows related to pensions	106,090	490,257
Deferred inflows related to other postemployment benefits	741,934	605,302
Deferred inflows related to leases	1,233,725	1,020,001
Total Deferred Inflows of Resources	2,081,749	2,115,560
NET POSITION		
Net investment in capital assets	1,338,816	1,511,977
Restricted - expendable	9,808	10,038
Unrestricted deficit	(330,206)	(1,426,156)
Total Net Position	$ 1,018,418	$ 95,859

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION (STATION ONLY)

YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Operating Revenues:		
Community services and other grants	$ 1,120,284	$ 1,085,078
Contributions	1,608,937	1,440,177
Donated indirect administrative support, services, and facilities	1,902,972	1,942,486
Program underwriting	409,588	418,141
Production	12,844	64,663
Tower lease income	372,355	230,161
Public/Education/Governmental access channels revenue	139,206	139,180
Federal Communication Commission Repack	-	133,519
Other	66,890	16,150
Total Operating Revenues	5,633,076	5,469,555
Operating Expenses:		
Salaries and employee benefits	1,244,866	1,297,656
Professional services	239,765	377,369
Public broadcasting station dues	1,004,051	1,024,455
Supplies, postage, and shipping	32,078	20,095
Telephone, utilities, and general insurance	956	1,206
Advertising, general printing, and graphics	1,434	4,183
Equipment rental and maintenance	18,210	74,031
Travel, conferences, and meetings	8,425	9,733
Dues and fees	31,954	48,948
Miscellaneous	108,564	98,843
Depreciation expense	173,091	146,214
Donated indirect administrative support, services, and facilities	1,902,972	1,942,486
Total Operating Expenses	4,766,366	5,045,219
Operating Income	866,710	424,336
Nonoperating Revenues:		
Net investment return	418	106
Interest earned on leases	45,089	38,757
Change in provision for income tax	-	4,400
Public media relief	-	316,822
Other nonoperating revenue	10,342	31,375
Total Nonoperating Revenues	55,849	391,460
Capital gifts, net	-	17,599
Change in net position	922,559	833,395
Net position, beginning of the year	95,859	(737,536)
Net position, end of the year	$ 1,018,418	$ 95,859

WTVI-PBS Charlotte
(A Public Communications Department Operated by the Board of Trustees of Central Piedmont Community College)
SCHEDULES OF FUNCTIONAL EXPENSE (STATION ONLY)

YEARS ENDED JUNE 30, 2023 AND 2022

	Program Services				Supporting Services			
	Programming	Production	Broadcasting	Total Program Services	Fundraising	General	Total Supporting Services	Total
Salaries and employee benefits	$ 29,465	$ 484,353	$ 225,172	$ 738,990	$ 253,175	$ 252,701	$ 505,876	$ 1,244,866
Professional services	91,884	18,729	85,916	196,529	2,916	40,320	43,236	239,765
Public broadcasting station dues	1,004,051	-	-	1,004,051	-	-	-	1,004,051
Supplies, postage, and shipping	5,824	13,816	8,286	27,926	16	4,136	4,152	32,078
Telephone, utilities, and general insurance	-	-		-	-	956	956	956
Advertising, general printing,and graphics	1,000	-	-	1,000	-	434	434	1,434
Equipment rental and maintenance	-	15,621	680	16,301	4,088	(2,179)	1,909	18,210
Travel, conferences, and meetings	-	1,015	360	1,375	-	7,050	7,050	8,425
Dues and fees	-	-	-	-	-	31,954	31,954	31,954
Miscellaneous	2,820	3,063	36	5,919	5,252	97,393	102,645	108,564
Depreciation expense	-	42,179	130,912	173,091	-	-	-	173,091
	1,135,044	578,776	451,362	2,165,182	265,447	432,765	698,212	2,863,394
Donated indirect admin support, services, and facilities	34,386	362,574	98,966	495,926	58,193	1,348,853	1,407,046	1,902,972
	$ 1,169,430	$ 941,350	$ 550,328	$ 2,661,108	$ 323,640	$ 1,781,618	$ 2,105,258	$ 4,766,366

	Program Services				Supporting Services			
	Programming	Production	Broadcasting	Total Program Services	Fundraising	General	Total Supporting Services	Total
Salaries and employee benefits	$ 15,605	$ 551,047	$ 210,306	$ 776,958	$ 271,162	$ 249,536	$ 520,698	$ 1,297,656
Professional services	94,782	16,722	224,340	335,844	-	41,525	41,525	377,369
Public broadcasting station dues	1,024,455	-	-	1,024,455	-	-	-	1,024,455
Supplies, postage, and shipping	-	7,899	2,920	10,819	5,612	3,664	9,276	20,095
Telephone, utilities, and general insurance	-	-	400	400	-	806	806	1,206
Advertising, general printing, and graphics	-	-	-	-	4,062	121	4,183	4,183
Equipment rental and maintenance	-	64,431	8,992	73,423	290	318	608	74,031
Travel, conferences, and meetings	-	2,254	250	2,504	33	7,196	7,229	9,733
Dues and fees	-	-	-	-	16,509	32,439	48,948	48,948
Miscellaneous	-	214	-	214	242	98,387	98,629	98,843
Depreciation expense	-	38,925	106,463	145,388	-	826	826	146,214
	1,134,842	681,492	553,671	2,370,005	297,910	434,818	732,728	3,102,733
Donated indirect admin support, services, and facilities	34,246	361,091	98,561	493,898	57,954	1,390,634	1,448,588	1,942,486
	$ 1,169,088	$ 1,042,583	$ 652,232	$ 2,863,903	$ 355,864	$ 1,825,452	$ 2,181,316	$ 5,045,219