Indiana University Radio and TV

Public Telecommunications Entities Operated as Departments of Indiana University

Financial Report

with Supplemental Information

June 30, 2022

Contents

Independent Auditor's Report

To the Board of Trustees
Indiana University Radio and TV

Opinion

We have audited the financial statements of Indiana University Radio and TV (the "Stations"), a department of Indiana University (the "University"), as of and for the years ended June 30, 2022 and 2021 and the related notes to the financial statements, which collectively comprise the Stations' basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Indiana University Radio and TV as of June 30, 2022 and 2021 and the changes in its financial position and, where applicable, its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matters

We draw attention to Note 1 to the financial statements, which explains that these financial statements of the Stations are intended to present the financial position, changes in financial position, and changes in cash flows of only that portion of the University's business-type activities that are attributable to the transactions of the department. They do not purport to, and do not, present fairly the financial position of the University as of June 30, 2022 and 2021 or the changes in its financial position or its cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As described in Note 1 to the financial statements, the University is reporting WFIU Radio and WTIU TV in this combined financial statement as a change in reporting entity. Separate financial information for WFIU Radio and WTIU TV is presented in the other supplemental information section of the financial statements. Our opinion is not modified with respect to this matter.

As described in Note 2 to the financial statements, the University and Stations adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, as of July 1, 2019. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

To the Board of Trustees
Indiana University Radio and TV

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 Stations' ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

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

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Stations' 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 Stations' 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the stations' proportionate share of the net pension liability, schedule of pension contributions, and schedule of changes in the total OPEB liability and related ratios 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Trustees
Indiana University Radio and TV

Other Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Indiana University Radio and TV's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plante & Moran, PLLC

January 10, 2023

June 30, 2022

Indiana University Radio and TV (the Stations), also known as WFIU-FM and WTIU-TV, respectively, present their combined audited financial statements for the year ended June 30, 2022, along with comparative data for the years ended June 30, 2021 and 2020. Three statements are described in the following discussion and analysis: The Statement of Net Position, which presents the assets, liabilities, and net position of the Stations as of the end of the fiscal year; the Statement of Revenues, Expenses, and Changes in Net Position, which reflects revenues and expenses recognized during the fiscal year; and the Statement of Cash Flows, which provides information on all of the cash inflows and outflows for the Stations by major category during the fiscal year.

The Stations adopted GASB Statement No. 87, *Leases*, during fiscal year ending June 30, 2022. The provisions of this Statement are effective for reporting periods beginning after December 15, 2020, and should be applied retroactively by restating financial statements, if practicable, for all prior periods presented. All prior periods presented in the financial statements and accompanying notes to the financial statements that were impacted by this Statement have been restated. The Stations reported a $22,775 decrease in net position as of June 30, 2020, due to GASB 87. The impact to the earliest period presented in the Management’s Discussion & Analysis is July 1, 2019, in which there was no impact to net position. See Note 2, Organization and Summary of Significant Accounting Policies for additional information.

Statement of Net Position

Total assets at June 30, 2022, were $6,825,959, a decrease of $1,251,525, or 15.5%, from 2021. The decrease was primarily attributable to a reduction in cash and cash equivalents. Cash and cash equivalents decreased primarily as a result of declines in Corporation for Public Broadcasting (CPB) contributions and general fund support from Indiana University (university), as well as an increase in operating expenses. Net investment in capital assets comprised $4,011,390, or 58.8%, of the total assets at June 30, 2022. Total assets at June 30, 2021, were $8,077,484, a decrease of $207,204, or 2.5%, from 2020. The decrease was primarily attributable to reductions in net capital assets and grant receivables, partially offset by an increase in cash and cash equivalents. Net investment in capital assets comprised $4,237,592, or 52.5%, of the total assets at June 30, 2021.The decrease in grants receivable was driven by the winding down of the FCC Repack Program.

Deferred outflows of resources at June 30, 2022 were $268,887, an increase of $12,055, or 4.7%, from 2021. Deferred outflows of resources at June 30, 2021 were $256,832, an increase of $12,160, or 5.0% from 2020. Changes in deferred outflows of resources are the result of fluctuations in pension and other postemployment benefit obligations.

Total liabilities were $1,205,346 at June 30, 2022, a decrease of $364,766, or 23.2%, from 2021. The decrease was primarily attributable to a decline in net pension and net OPEB liabilities, in conjunction with decreases in accounts payable and compensated absences. The net pension liability decreased as a result of high market returns for the applicable reporting period. The accounts payable liability decrease was primarily due to timing differences and billing cycle changes. The compensated absences liability decreased primarily as a result of vacant positions at the Stations. Noncurrent liabilities were $692,622, or 57.5%, of the total liabilities at June 30, 2022. Total liabilities were $1,570,112 at June 30, 2021 an increase of $30,238, or 2.0%, from 2020. The increase was primarily attributable to an increase in accounts payable, which was partially offset by declines in the net pension and net OPEB liabilities. The increase in accounts payable was primarily due to timing differences in invoices and associated payments, as several invoices were billed near the end of the fiscal year. Noncurrent liabilities were $955,199, or 60.8%, of the total liabilities at June 30, 2021.

Deferred inflows of resources at June 30, 2022 were $1,138,762, an increase of $180,336, or 18.8% from 2021. Deferred inflows of resources at June 30, 2021 were $958,426, a decrease of $100,888, or 9.5%, from 2020.

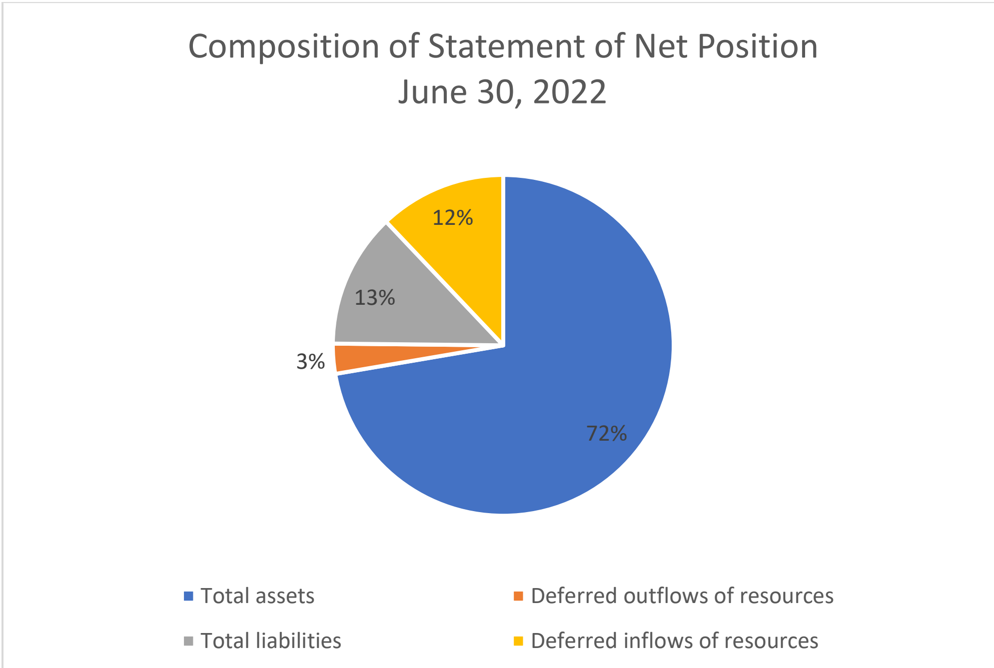
Changes in deferred inflows of resources are the result of fluctuations in pension and other postemployment benefit obligations, in addition to changes in lease activity.

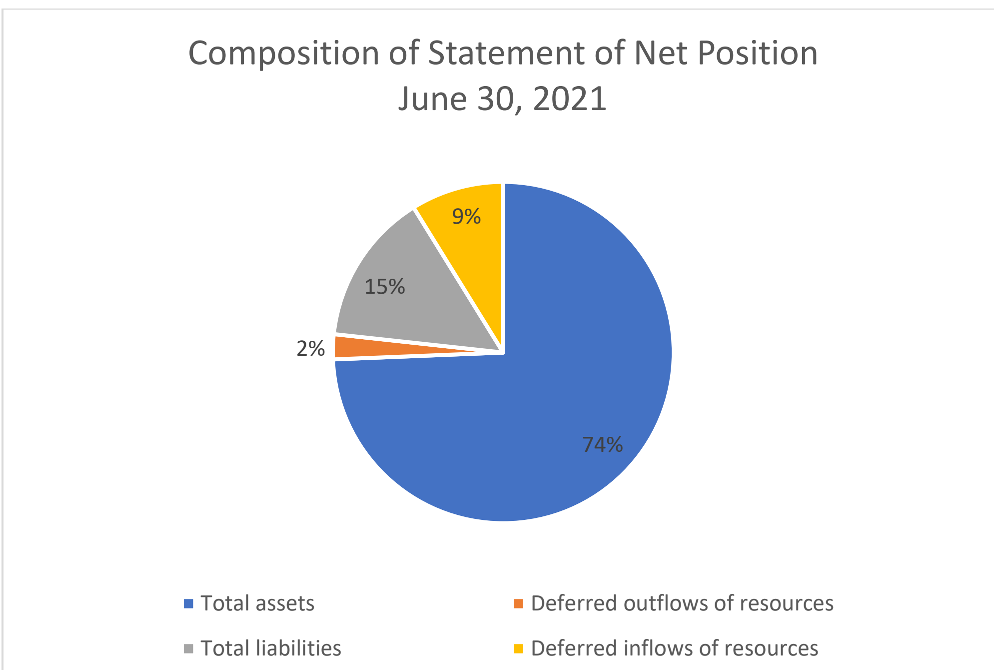
Total net position at June 30, 2022, was $4,750,738, a decrease of $1,055,040, or 18.2%, from 2021. Total net position, at June 30, 2021, was $5,805,778, a decrease of $124,394, or 2.1% from 2020.

A comparison of WFIU's and WTIU's combined assets, liabilities, and net position at June 30, 2022, 2021 and 2020 is summarized as follows:

Condensed Statement of Net Position						
		June 30, 2022		*June 30, 2021 (as restated)*		*June 30, 2020 (as restated)*
Current assets	$	2,313,249	$	3,307,019	$	2,890,724
Noncurrent assets		4,512,710		4,770,465		5,393,964
Total assets		**6,825,959**		**8,077,484**		**8,284,688**
Deferred outflows of resources		**268,887**		**256,832**		**244,672**
Current Liabilities		512,724		614,913		425,442
Noncurrent Liabilities		692,622		955,199		1,114,432
Total liabilities		**1,205,346**		**1,570,112**		**1,539,874**
Deferred inflows of resources		**1,138,762**		**958,426**		**1,059,314**
Net investment in capital assets		4,011,390		4,237,592		4,716,974
Restricted net position		59,810		59,663		46,075
Unrestricted net position		679,538		1,508,523		1,167,123
Total net position	$	**4,750,738**	$	**5,805,778**	$	**5,930,172**

The composition of assets, deferred outflows, liabilities, and deferred inflows is displayed below as of June 30, 2022, and June 30, 2021:





Capital Assets

At June 30, 2022, 2021, and 2020, the Stations had $4,011,390, $4,237,592, and $4,716,974, respectively, invested in capital assets, net of accumulated depreciation. Depreciation charges for the years ended June 30, 2022, 2021, and 2020, totaled $598,826, $604,024, and $565,386, respectively.

Details of these assets are shown below:

Capital Assets						
		June 30, 2022		*June 30, 2021*		*June 30, 2020*
Building components	$	253,991	$	261,145	$	268,299
Transmission, antenna, and tower		2,108,612		2,209,959		2,424,198
Studio and other broadcast equipment		1,648,787		1,766,488		2,024,477
Total capital assets, net	**$**	**4,011,390**	**$**	**4,237,592**	**$**	**4,716,974**

Statement of Revenues, Expenses, and Changes in Net Position

A summarized comparison of WFIU’s and WTIU’s combined revenues, expenses, and changes in net position is presented below:

Condensed Statement of Revenue, Expenses, and Changes in Net Position						
	Fiscal Year Ended					
		June 30, 2022		*June 30, 2021 (as restated)*		*June 30, 2020 (as restated)*
Operating revenues	$	2,138,277	$	1,894,252	$	2,062,856
Operating expenses		11,089,157		10,446,449		12,102,349
Total operating loss		**(8,950,880)**		**(8,552,197)**		**(10,039,493)**
Net nonoperating revenue		7,895,840		8,285,511		11,609,272
Income before other revenues		(1,055,040)		(266,686)		1,569,779
Capital grant		-		142,292		816,520
Increase (decrease) in net position		**(1,055,040)**		**(124,394)**		**2,386,299**
Net position, beginning of year		5,805,778		5,930,172		3,543,873
Net position, end of year	**$**	**4,750,738**	**$**	**5,805,778**	**$**	**5,930,172**

Revenues

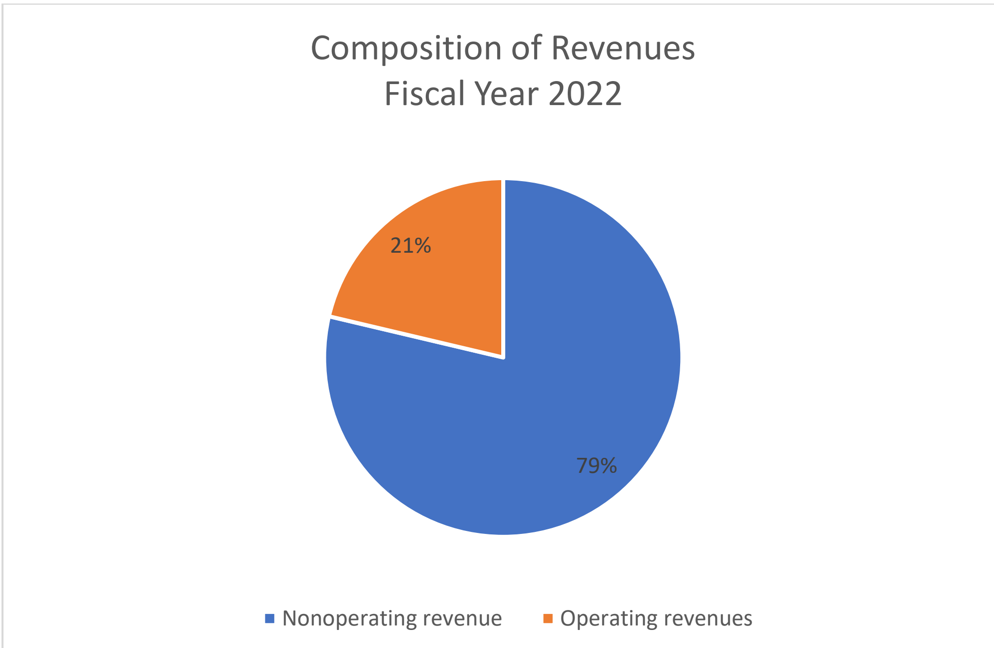
Operating revenues for fiscal year ended June 30, 2022, increased by $244,025, or 12.9%, from 2021. The increase was primarily attributable to an increase in contractual services performed for Indiana University auxiliary services, as the Stations’ activities began to revert to normal operations after the pandemic. This was partially offset by a decrease in royalty income. Net nonoperating revenues in fiscal 2022 decreased by $389,671, or 4.7%, from fiscal 2021. The decrease was primarily attributable to a reduction in general fund support from the university, coupled with reduced CPB contributions. This was partially offset by an increase in IUF contributions.

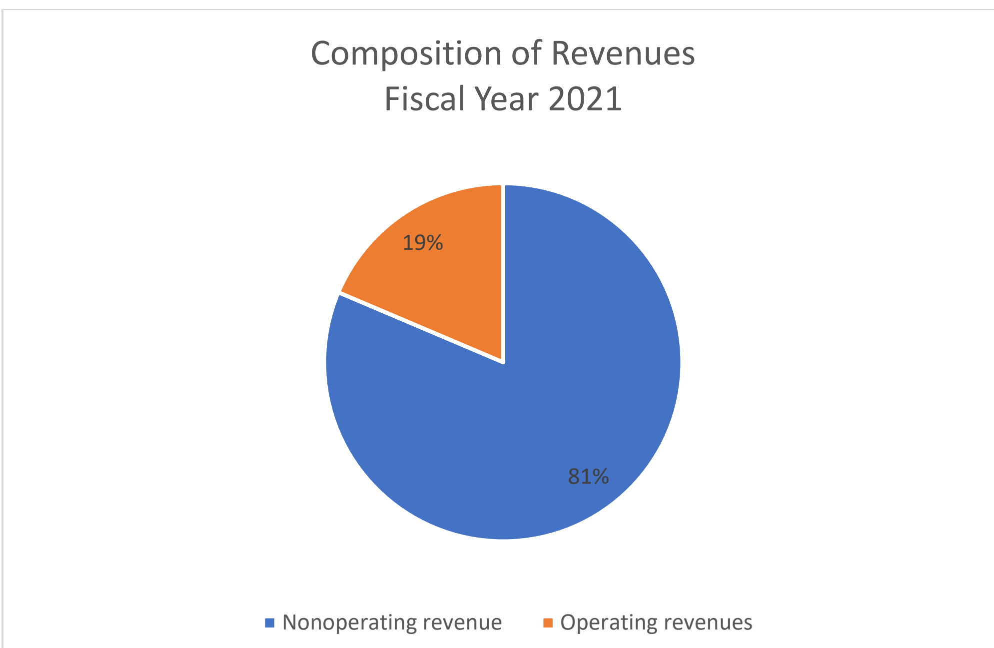
Operating revenues for fiscal year ended June 30, 2021, decreased by $168,604, or 8.2%. The decrease was primarily attributable to a reduction in contractual services performed for Indiana University auxiliary services. This was offset by increases in royalty income, and other grant income. Net nonoperating revenues in fiscal 2021, decreased by $3,323,761, or 28.6%, from fiscal 2020. The decrease was primarily due to a decrease in Indiana University Foundation (IUF) contributions, in conjunction with a decrease in general fund support from the university.

These decreases largely reflected the decline in expenditures related to the FCC Repack Program, which corresponded to a decreased need in funding from IUF and the university. This was partially offset by an increase in both CPB and individual donor contributions, as well as an increase in lease revenues.

Total operating revenues and net nonoperating revenues of the Stations in fiscal 2022 decreased by $145,646, or 1.4%. Total operating revenues and net nonoperating revenues of the Stations in fiscal 2021 decreased by $3,492,365, or 25.5%.

The compositions of revenues are displayed in the following graphs:





Expenses

Operating expenses were $11,089,157 for fiscal year 2022. This was an increase over the previous fiscal year of $642,708, or 6.2%. Changes in the major categories of expenses were:

For all functional areas:

- Professional and support staff received an average salary increase of 3.5% in fiscal year 2022. The professional staff fringe benefit rate increased from 39.11% to 39.94%. The support staff fringe benefit rate decreased from 39.86% to 39.84%.
- A continued review, which began in 2021, of the methodology for the allocation of functional expenses was performed for fiscal year ended June 30, 2022. This process included a review of job classifications and salaries, which resulted in reallocations between functional expenses that impacted all functional expense categories.

For specific functional areas:

- Programming and production expenses increased $2,040,033, or 36.2%, which was primarily attributable to the reorganization of the RTVS accounting structure and reallocation of staff compensation and related expenses. In addition, the demand for production services increased as operations began to normalize after the pandemic, leading to increased programing services provided to university athletic programs and other university events.
- Broadcasting expenses decreased $482,082, or 32.0%, due to decreased expenses associated with the FCC Repack Program that ended in fiscal year 2022. In addition, repair expenses related to broadcast equipment and operations decreased, primarily due to the replacement of aging equipment as part of the FCC Repack Program.
- Public information and promotional expenses decreased $285,396, or 36.6%. This was primarily attributable to decreased activity for community events and promotions.
- Management and general expenses decreased $640,654, or 38.7%, which was primarily attributable to employee vacancies, as well as the reallocation of certain expense categories.
- Fundraising, membership development, and underwriting solicitation expenses increased $10,807, or 1.2%, which was commensurate with the increase in contributions and underwriting.

Operating expenses were $10,446,449 for the 2021 fiscal year. This was a decrease over the previous fiscal year of $1,655,900, or 13.7%. Changes in the major categories of expenses were:

For all functional areas:

- Professional and support staff, on average, did not receive an annual raise for the fiscal year ended June 30, 2021. The professional staff fringe benefit rate decreased from 39.31% to 39.11%. The support staff fringe benefit rate decreased from 39.99% to 39.86%.
- A review of the methodology for the allocation of functional expenses was performed for fiscal year ended June 30, 2021. As a result, some expenses were reallocated between functions and stations.

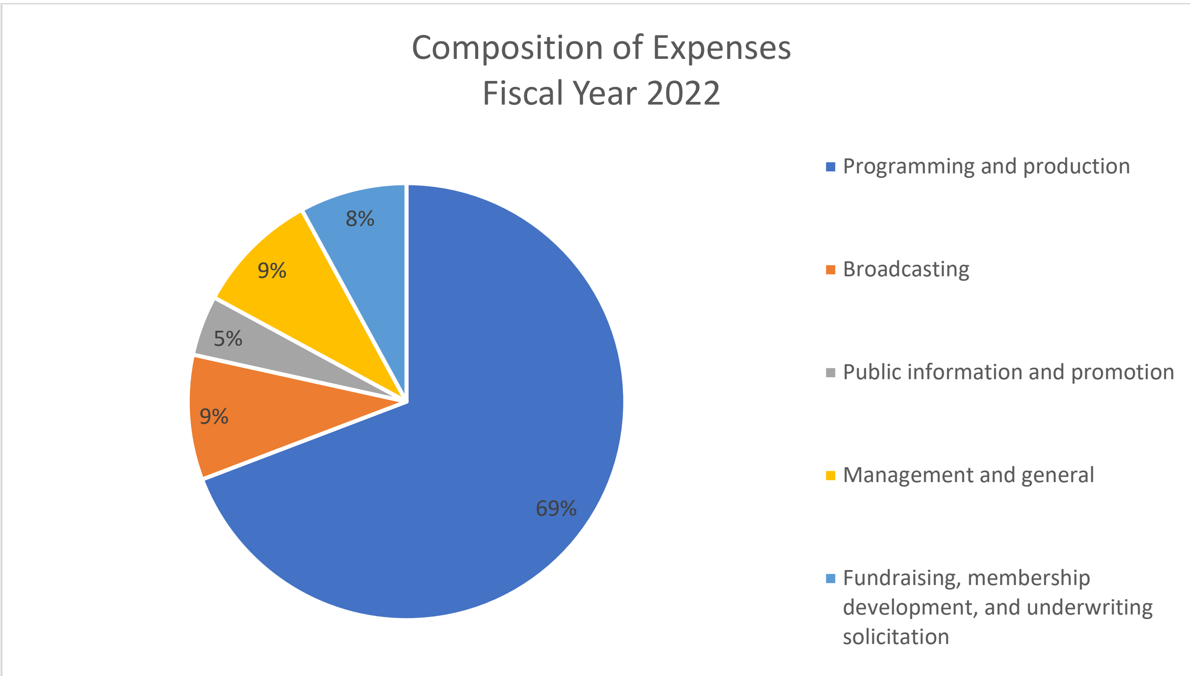
For specific functional areas:

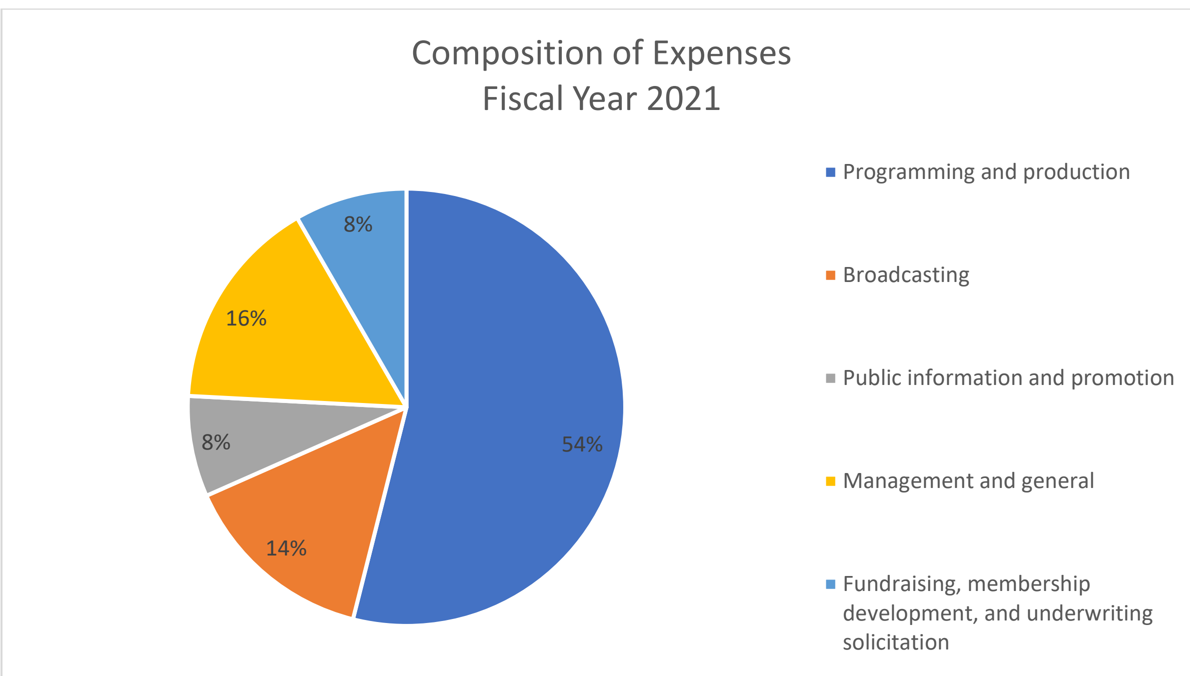
- Programming and production expenses decreased $1,663,658, or 22.8%, which was primarily attributable to the reallocation of non-programming expenses (dues and assessments) to management and general expense functions. In addition, COVID-19 related restrictions continued to soften demand for production services, which resulted in reductions to correlated programming and production expenses.
- Broadcasting expenses decreased $752,920, or 33.3%, which was primarily attributable to elevated broadcasting expenses in fiscal year 2020 due to a transmittal line fire, as well as upgrades to the

transmitter equipment. The decreases were partially offset by increases in certain expenses due to job reclassifications related to the updates in the functional expense methodology for fiscal year 2021.

- Public information and promotion expenses decreased $55,789, or 6.7%, which was primarily attributable to continued reductions in community events and promotions activities due to COVID-19 associated restrictions.
- Management and general expenses increased $731,833, or 79.3%, which was partially attributable to the hiring of an Executive Director on November 30, 2020. In addition, non-programming expenses (dues and assessments) were reallocated from programming and production, which increased the overall management and general functional expenses.
- Fundraising, membership development, and underwriting solicitation expenses increased $84,634, or 10.8%, which corresponded with the increase in contributions.

The composition of total expenses, including operating and nonoperating, are displayed below by major category:





Net Position

Net position decreased by $1,055,040 in fiscal 2022, compared to a $124,394 decrease in fiscal 2021. The operating loss was $8,950,880 in fiscal 2022 and $8,522,197 in fiscal 2021. Net nonoperating revenues decreased by $389,671 from fiscal 2021 to fiscal 2022. The ending net position as of June 30, 2022, was $4,750,738, compared to ending net position as of fiscal 2021 of $5,805,778. This was a 18.2% decrease in net position.

Net position decreased by $124,394 in fiscal 2021. The operating loss was $8,552,197 in fiscal 2021 and $10,039,493 in fiscal 2020. Net nonoperating revenues decreased by $3,323,761 from fiscal 2020 to fiscal 2021. The ending net position as of June 30, 2021, was $5,805,778, compared to ending net position as of fiscal 2020 of $5,930,172. This was a 2.1% decrease in net position.

Statement of Cash Flows

The Statement of Cash Flows provides a means to assess the financial health of the Stations by providing relevant information about the cash receipts and cash payments of the Stations during a certain period. The statement assists in determining whether the Stations have the ability to generate future net cash flows to meet their obligations as they come due and aids in the analysis of the need for external financing.

A summarized comparison of WFIU's and WTIU's changes in cash and cash equivalents is presented below:

Comparative Statement of Cash Flows						
				Fiscal Year Ended		
		June 30, 2022		*June 30, 2021 (as restated)*		*June 30, 2020 (as restated)*
Net cash provided (used) by:						
Operating activities	$	(7,145,469)	$	(6,496,740)	$	(8,173,132)
Noncapital financing activities		6,483,981		7,264,252		10,718,784
Capital and related financing activities		(224,647)		25,465		(1,241,008)
Net increase (decrease) in cash and cash equivalents		**(886,135)**		**792,977**		**1,304,644**
Beginning cash and cash equivalents		2,879,921		2,086,944		782,300
Ending cash and cash equivalents	**$**	**1,993,786**	**$**	**2,879,921**	**$**	**2,086,944**

There was a net decrease in cash and cash equivalents in 2022 of $886,135, or 30.8%. There was a net increase in cash and cash equivalents in 2021 of $792,977, or 38.0%.

Cash used by operating activities increased by $648,729, or 10.0% during fiscal 2022 as compared to fiscal 2021. The increase was primarily due to an increase in payments to employees and vendors partially offset by an increase in cash proceeds from sales and services. Cash used by operating activities decreased by $1,676,392, or 20.5% during fiscal 2021 as compared to fiscal 2020. The decrease was primarily attributable to a decrease in payments to employees and vendors. This was offset by decreases in cash inflows from sales and services.

Cash flows provided by noncapital financing activities decreased $780,271, or 10.7% in fiscal 2022 compared to fiscal 2021. The decrease was primarily attributable to a decline in general fund support, coupled with a decrease in cash proceeds from capital grants and gifts. This was partially offset by an increase in IUF contributions. Cash flows provided by noncapital financing activities decreased $3,454,532, or 32.2%, during fiscal 2021 as compared to fiscal 2020. The decrease was primarily attributable to a decrease in IUF contributions, in conjunction with a decrease in cash inflows from both general fund support and capital grants.

Cash flows provided (used) by capital and financing related activity changed to a net cash outflow position (cash used by) of $224,647 in 2022 from a net cash inflow position (cash provided by) of $25,465 in fiscal 2021, a decline in cash provided by capital and financing related activity of $250,112. The increase in cash outlays was primarily attributable to increased purchases of capital equipment. The Stations' cash flows provided (used) by capital and financing related activity changed to a net cash inflow position (cash provided by) of $25,465 in 2021 from a net cash outflow position (cash used by) of $1,241,008 in 2020, a decline in cash used by capital and financing related activity of $1,266,473. The decrease in cash outflows was primarily attributable to decreased purchases of capital equipment.

Economic Outlook

The economic outlook for each station is presented below.

WFIU-FM Radio Economic Outlook

As WFIU emerges from the COVID-19 pandemic, interest in and financial support for the station remains strong. The station expects modest growth this year, but a potential economic recession could reverse that outlook. WFIU plans to focus on developing new ways of fundraising, that will result in additional member and donor support.

WFIU's membership revenue is strong, as the public continues to support the impressive lineup of National Public Radio (NPR) and locally produced programming, including *Earth Eats, Noon Edition, Ask the Mayor*, and *Just You and Me*. Support for the station's expanding news coverage is increasing and funding for news moving forward is prioritized. Sales of sponsorships in corporate development has rebounded, but a significant economic downturn is possible. Overall, the station expects to meet or exceed its development goals.

WFIU continues to receive strong financial support from the State of Indiana, the Corporation of Public Broadcasting, and Indiana University. Support moving forward will continue at current levels with the possibility that federal support from the Corporation of Public Broadcasting will increase. WFIU expects expenses to increase moderately during the year, primarily attributable by an effort to recruit and retain employees. NPR member station fees are increasing modestly.

Continued capital investment in replacing aging technology and equipment will continue this year. WFIU will be evaluating expanding broadcast and streaming services to more Indiana residents in southcentral Indiana. This includes the Terre Haute and Columbus areas and southeastern Indiana. This effort will result in more listenership and donor support. The station is also prioritizing digital growth through smart speaker and artificial intelligence technologies.

WTIU-TV Economic Outlook

WTIU has been successful in emerging from the challenges of the COVID-19 pandemic. Interest in the station by the viewing public is strong, especially among people over age fifty. Viewers continue to turn to WTIU for national and local children's programming, news, documentaries, and arts & civic programming. The station is now available on more streaming platforms, offsetting a softening of traditional viewership. Based on this, WTIU expects modest revenue growth this year.

WTIU continues to receive strong support from the State of Indiana, the Corporation of Public Broadcasting, and Indiana University, with level or increased funding expected. Membership revenue is expected to increase modestly, as our newly created development unit gets fully staffed. Underwriting revenue is also growing modestly as clients continue to slowly recover from the pandemic. We also expect donor growth during this year. Overall, the station expects to meet its fiscal year revenue goals despite concerns that an economic recession could present substantial challenges.

Expenses are increasing, driven primarily by inflationary pressures and wage growth. PBS dues will increase modestly during the next year.

WTIU continues to expand its presence on streaming services and video on demand (PBS Passport). The station will soon be adding live web streaming of the primary WTIU 30.1 signal and is planning for the broadcast transition to NextGenTV. WTIU received state funding in fiscal year 2022 to financially support this effort.

Capital expenditures continue to be a priority as aging equipment is being replaced on an annual basis. This effort will continue over the next few years at a moderate pace. Future capital expenditures will focus on upgrading control rooms, studio, and post-production suites.

WTIU will prioritize producing more local content and delivering it to viewers through a growing number of distribution platforms. The station will also focus on the challenges of recruiting and retaining staff and continuing to create a culture that promotes diversity, equity, and inclusion.

Statement of Net Position

June 30, 2022 and 2021

	2022	2021 (As Restated)
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	$ 1,993,786	$ 2,879,921
Receivables:		
Leases receivable	183,032	144,117
Other receivables	62,182	66,633
Grants receivable	-	97,110
Prepaid expenses and other assets	74,249	119,238
Total current assets	2,313,249	3,307,019
Noncurrent assets:		
Leases receivable	501,320	532,873
Capital assets - Net (Note 5)	4,011,390	4,237,592
Total noncurrent assets	4,512,710	4,770,465
Total assets	6,825,959	8,077,484
Deferred Outflows of Resources		
Deferred pension costs (Note 8)	99,837	69,010
Deferred OPEB costs (Note 9)	169,050	187,822
Total deferred outflows of resources	268,887	256,832
Liabilities		
Current liabilities:		
Accounts payable	57,229	128,447
Accrued liabilities and other:		
Accrued salaries and wages	81,242	83,266
Compensated absences (Note 7)	317,305	337,776
Current portion of total OPEB obligations (Note 9)	56,948	65,424
Total current liabilities	512,724	614,913
Noncurrent liabilities:		
Compensated absences (Note 7)	157,025	199,196
Net pension liability (Note 8)	113,257	253,405
Net OPEB obligation (Note 9)	422,340	502,598
Total noncurrent liabilities	692,622	955,199
Total liabilities	1,205,346	1,570,112
Deferred Inflows of Resources		
Deferred pension cost reductions (Note 8)	194,242	69,213
Deferred OPEB cost reductions (Note 9)	237,240	189,556
Leases	707,280	699,657
Total deferred inflows of resources	1,138,762	958,426
Net Position		
Net investment in capital assets	4,011,390	4,237,592
Restricted for expendable station activities	59,810	59,663
Unrestricted	679,538	1,508,523
Total net position	**$ 4,750,738**	**$ 5,805,778**

See notes to financial statements.

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended June 30, 2022 and 2021

	2022	2021 (As Restated)
Operating Revenue		
Facility sales and services	$ 2,058,075	$ 1,802,802
Other grants	73,931	36,769
Royalty income	6,271	54,681
Total operating revenue	2,138,277	1,894,252
Operating Expenses		
Program services - Programming and production	7,674,335	5,634,302
Program services - Broadcasting	1,025,959	1,508,041
Program services - Public information and promotion	493,878	779,274
Support services - Management and general	1,014,308	1,654,962
Support services - Fundraising, membership development, and underwriting solicitation	880,677	869,870
Total operating expenses	11,089,157	10,446,449
Operating Loss	(8,950,880)	(8,552,197)
Nonoperating Revenue		
Appropriations from State of Indiana	432,944	380,790
Donated facilities and administrative support from Indiana University	1,251,194	1,296,161
General Fund support from Indiana University	2,874,142	3,521,627
Corporation for Public Broadcasting contributions	1,645,649	2,020,478
Individual contributions	731,122	752,050
Corporate/Foundation contributions	791,452	126,220
Lease revenue	146,606	143,801
Other nonoperating revenue	22,731	44,384
Total nonoperating revenue	7,895,840	8,285,511
Loss - Before state capital appropriations	(1,055,040)	(266,686)
Capital Grants and Gifts	-	142,292
Change in Net Position	(1,055,040)	(124,394)
Net Position - Beginning of year, as previously reported	5,805,778	5,952,947
Cumulative Effect of Change in Accounting Principles (Note 2)	-	(22,775)
Net Position - Beginning of year	5,805,778	5,930,172
Net Position - End of year	**$ 4,750,738**	**$ 5,805,778**

See notes to financial statements.

Statement of Cash Flows

Years Ended June 30, 2022 and 2021

	2022	2021 (As Restated)
Cash Flows from Operating Activities		
Other grants	$ 73,931	$ 36,769
Facility sales and services	2,062,527	1,835,078
Payments to employees	(5,670,082)	(5,645,578)
Payments to vendors	(3,618,116)	(2,777,690)
Other receipts	6,271	54,681
Net cash and cash equivalents used in operating activities	(7,145,469)	(6,496,740)
Cash Flows from Noncapital Financing Activities		
General Fund support from Indiana University	2,804,999	3,435,587
Appropriation from State of Indiana	432,944	380,790
Contributions	3,163,646	2,888,302
Capital grants and gifts	82,392	559,573
Net cash and cash equivalents provided by noncapital financing activities	6,483,981	7,264,252
Cash Flows from Capital and Related Financing Activities		
Interest received on lease receivable	8,571	12,624
Payments received on lease receivable	146,867	137,483
Purchases of capital assets	(380,085)	(124,642)
Net cash (used in) provided by capital and related financing activities	(224,647)	25,465
Net (Decrease) Increase in Cash and Cash Equivalents	(886,135)	792,977
Cash and Cash Equivalents - Beginning of year	2,879,921	2,086,944
Cash and Cash Equivalents - End of year	**$ 1,993,786**	**$ 2,879,921**
Reconciliation of Operating Loss to Net Cash and Cash Equivalents Used In Operating Activities		
Operating loss	$ (8,950,880)	$ (8,552,197)
Adjustments to reconcile operating loss to net cash and cash equivalents from operating activities:		
Depreciation and amortization	598,826	604,024
Donated facilities and administrative support from Indiana University	1,251,194	1,296,161
In kind - Other	13,198	32,765
Corporate/Foundation in kind	4,579	10,446
General Fund support - Compensation	93,243	86,041
Changes in assets and liabilities:		
Other receivables	4,451	32,275
Prepaid expenses and other assets	44,028	(67,246)
Accounts payable	(71,218)	101,708
Accrued salaries and wages	(2,024)	2,119
Compensated absences	(62,642)	18,195
Net pension and related deferrals	(45,946)	(39,206)
Other postemployment liability and related deferrals	(22,278)	(21,825)
Total adjustments	1,805,411	2,055,457
Net cash and cash equivalents used in operating activities	**$ (7,145,469)**	**$ (6,496,740)**

See notes to financial statements.

Note 1 - Nature of Business

Indiana University Radio and TV (the "Stations") are public television and radio stations operated by the Radio and Television Services Department of Indiana University (the "university") on behalf of the trustees of the university. For the fiscal year ended June 30, 2022, Indiana University changed reporting to include both WFIU Radio and WTIU TV in one combined financial statement. In prior years, separate financial statements were produced for each of the stations. Other supplemental information has been attached to these financial statements showing the activities for WFIU Radio and WTIU TV separately for the fiscal year ended June 30, 2022.

The financial statements reflect only the activity of the Stations and are not intended to present fairly the position of the university or the results of its operations and cash flows.

Note 2 - Significant Accounting Policies

Related Organization

The Indiana University Foundation, Inc. (the "IU Foundation") is organized as a not-for-profit corporation under the laws of the State of Indiana for the exclusive purpose of supporting the university by receiving, holding, investing, and administering property and making expenditures to or for the benefit of the university. The IU Foundation receives both general contributions and membership contributions on behalf of the Stations and provided support totaling $708,567 and $44,952 to the Stations during fiscal years 2022 and 2021, respectively.

Basis of Accounting

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB). The accompanying financial statements have been prepared by the Stations as a special purpose government entity engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods and services. Accordingly, these financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned, and expenses are recorded when an obligation has been incurred. Interfund transactions within the Stations have been eliminated in the financial statements. The Stations follow all applicable GASB pronouncements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with maturities of 90 days or less that bear little or no market risk.

Grants Receivable and Other Receivables

Grants receivable are amounts due from external granting entities. Other receivables consist primarily of amounts due from customers. Management reviews grant accounts to determine the need for an allowance for uncollectible accounts. Management has determined no allowance is necessary for June 30, 2022 and 2021.

Prepaid Expenses

Prepaid expenses consist primarily of contract payments that were paid for in the current period.

Note 2 - Significant Accounting Policies (Continued)

Property and Equipment

The capitalization threshold for capital assets is $5,000 or greater and a useful life in excess of one year. Capital assets are recorded at cost at the date of purchase or acquisition value at the date of contribution in the case of gifts. Donated capital assets from the university are recorded by the Stations at net book value of the university. Depreciation expense is computed using the straight-line method over the following estimated useful lives:

	Depreciable Life - Years
Transmission, antenna, and tower	5-15
Studio and other broadcast equipment	3-10
Building components	40

Deferred Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources, which represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources represent the consumption of resources that are applicable to a future reporting period but do not require a further exchange of goods or services.

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist primarily of amounts due for accrued payroll and other operating expenses.

Compensated Absences

Liabilities for compensated absences are recorded for vacation leave based on actual earned amounts for eligible employees who qualify for termination payments. Liabilities for sick leave are recorded for employees who are eligible for and have earned termination payments for accumulated sick days upon termination or retirement.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources represent the acquisition of resources that are applicable to a future reporting period but do not require a further exchange of goods or services.

Operating and Nonoperating Revenue

Operating revenue consists of production sales and services, royalties, auction revenue, special event revenue, and miscellaneous grants for operating activities. All other revenue is included as nonoperating revenue. Nonoperating revenue includes significant revenue sources that are relied upon for operations, such as the community service grant from the Corporation for Public Broadcasting (CPB), the IU Foundation's contributions, university appropriations, and state appropriations. The CPB grants have been classified as contribution (nonexchange) revenue.

Revenue and Cost Recognition

Unrestricted

Unrestricted contributions, pledges, and grants are recorded as revenue when received.

Note 2 - Significant Accounting Policies (Continued)

Restricted

Operating funds restricted by the donor, grantor, or other outside party for particular operating purposes are deemed to be earned and reported as revenue when received and reclassified to unrestricted net position when the Stations have incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet spent are reported as restricted net position.

General Fund Support

The Stations receive support from the university's Bloomington campus in the form of an annual general fund allocation to the Stations, which may be used for capital or noncapital expenditures. This category also includes any additional allocations from the Bloomington provost and expenditures made by other departments for the direct benefit of the Stations.

Corporation for Public Broadcasting Community Service Grants

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

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of revenue, expenses, and changes in net position. Accordingly, certain costs have been allocated among program and support services benefited based on total personnel costs or other systematic bases.

Net Position

Net position is the residual of all other elements presented in the statement of net position and is classified into three major categories:

- Net investment in capital assets consists of the university's investment in capital assets, such as equipment, buildings, land, infrastructure, and improvements, net of accumulated depreciation.
- Restricted net position consists of amounts subject to externally imposed restrictions by third parties governing usage and must be spent according to the restrictions.
- Unrestricted net position includes amounts institutionally designated or committed to support specific purposes. Unrestricted resources are not subject to externally imposed restrictions and are primarily used for station operational expenses. When an expense is incurred for which both restricted and unrestricted resources are available, the Stations' policy is to apply restricted resources first.

Income Taxes

The Stations, operating as a department of the university, are exempt from federal income tax except on activities unrelated to its exempt purpose as an integral part of the State of Indiana. There was no required provision for income taxes for fiscal years 2022 and 2021.

Note 2 - Significant Accounting Policies (Continued)

COVID-19

The global pandemic had an unexpected economic effect on the Stations in fiscal year 2021. As a result, the Stations received $704,674 in fiscal year 2021 from the American Rescue Plan Act to support the Stations through the Corporation for Public Broadcasting. This federal support was one-time funding and no additional funding was received in fiscal year 2022.

Adoption of New Accounting Pronouncement

During the current year, the Stations adopted GASB Statement No. 87, *Leases*. As a result, the Stations now include receivables for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 4. The Stations adopted GASB Statement No. 87 as of July 1, 2019 for reporting in the management's discussion and analysis; therefore, the financial statements for the year ended June 30, 2021 have been restated as follows:

- Leases receivable were originally recorded as of July 1, 2020 totaling $814,473. After a year of activity, the ending balance of leases receivable was $676,990 at June 30, 2021, made up of $144,117 as current and $532,873 as long term.
- Interest receivables were originally recorded in other assets as of July 1, 2020 totaling $6,211. After a year of activity, the ending balance of interest receivables was $5,205 at June 30, 2021.
- Deferred inflows were originally recorded as of July 1, 2020 totaling $843,458. After a year of activity, the ending balance of deferred inflows was $699,657 at June 30, 2021.
- Beginning net position, as of July 1, 2020, was restated and reduced by $22,775, from $5,952,947 to $5,930,172.
- To record the lease revenue under GASB 87, facility sales and services revenue were reduced by $150,107, and, instead, the Stations reported $143,801 in lease revenue and $11,619 in interest revenue as of June 30, 2021.

The Stations are not party to any arrangements as a lessee.

Note 3 - Deposits and Investments

The Stations maintain no directly held bank accounts. Rather, the Stations' funds are held and managed by the university. The university has an investment policy statement. The investment policy ultimately determines the credit risk for the Stations. The Stations' demand deposits were held at Indiana University in the amount of $1,993,786 and $2,879,921 at June 30, 2022 and 2021, respectively.

The Stations' cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Stations' deposits may not be returned to them. The Stations do not have a deposit policy for custodial credit risk.

Note 3 - Deposits and Investments (Continued)

Statutory Authorization for Investments

The university's board of trustees has acknowledged responsibility as a fiduciary body for the invested assets of the university. Indiana Code 30-4-3-3 requires the trustees to "exercise the judgment and care required by Indiana Code 30-4-3.5," the Indiana Uniform Prudent Investor Act. That Act requires the trustees to act "as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust. In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution." The trustees have the responsibility to ensure the assets are prudently invested in a manner consistent with the university's investment policy. The trustees have delegated the day-to-day responsibilities of overseeing the investment program to the Office of the Treasurer. As of June 30, 2022 and 2021, the Stations do not hold any investments.

Note 4 - Leases Receivable

The Stations lease certain assets to various third parties. The assets leased include transmitters. Payments are generally fixed monthly.

During the year ended June 30, 2022, the Stations recognized the following related to their lessor agreements:

	2022	2021
Lease revenue	$ 146,606	$ 143,801
Interest income related to its leases	9,532	11,619

Note 5 - Capital Assets

Capital assets include both purchased and donated assets. There were no donated capital assets during fiscal years 2022 and 2021. Capital asset activity for the years ended June 30, 2022 and 2021 was as follows:

	Balance July 1, 2021	Additions	Disposals and Adjustments	Balance June 30, 2022
Capital assets being depreciated:				
Building components	$ 293,795	$ -	$ -	$ 293,795
Transmission, antenna, and tower	4,739,367	163,387	(210,950)	4,691,804
Studio and other broadcast equipment	5,821,901	216,697	(313,769)	5,724,829
Subtotal	10,855,063	380,084	(524,719)	10,710,428
Accumulated depreciation:				
Building components	32,650	7,154	-	39,804
Transmission, antenna, and tower	2,529,408	264,734	(210,950)	2,583,192
Studio and other broadcast equipment	4,055,413	326,938	(306,309)	4,076,042
Subtotal	6,617,471	598,826	(517,259)	6,699,038
Net capital assets	$ 4,237,592	$ (218,742)	$ (7,460)	$ 4,011,390

Note 5 - Capital Assets (Continued)

	Balance July 1, 2020	Additions	Disposals and Adjustments	Balance June 30, 2021
Capital assets being depreciated:				
Building components	$ 293,795	$ -	$ -	$ 293,795
Transmission, antenna, and tower	4,678,945	60,422	-	4,739,367
Studio and other broadcast equipment	6,004,516	64,220	(246,835)	5,821,901
Subtotal	10,977,256	124,642	(246,835)	10,855,063
Accumulated depreciation:				
Building components	25,496	7,154	-	32,650
Transmission, antenna, and tower	2,254,747	274,661	-	2,529,408
Studio and other broadcast equipment	3,980,039	322,209	(246,835)	4,055,413
Subtotal	6,260,282	604,024	(246,835)	6,617,471
Net capital assets	$ 4,716,974	$ (479,382)	$ -	$ 4,237,592

Depreciation expense was charged to programs of the primary government as follows:

	2022	2021
Business-type activities:		
Programming and production	$ 326,938	$ 322,209
Broadcasting	264,734	274,661
Management and general	7,154	7,154
Total business-type activities	$ 598,826	$ 604,024

Note 6 - Indiana University Donated Facilities and Administrative Support

Administrative support from the university consists of institutional support, donated facilities, and physical plant operations. These are included as revenue and expense in the statement of revenue, expenses, and changes in net position.

Institutional support from the university is estimated at $570,346 and $592,632 for the fiscal years ended June 30, 2022 and 2021, respectively, and is computed using operating expenses as the base.

Physical plant support from the university is estimated at $488,870 and $511,590 for the fiscal years ended June 30, 2022 and 2021, respectively. This represents the Stations' pro rata share of allowable physical plant costs not allocated by the university based on operating costs.

Occupancy support from the university is estimated at $191,978 and $191,939 for the fiscal years ended June 30, 2022 and 2021, respectively. This represents the Stations' pro rata share of allowable occupancy costs not allocated by the university based on operating costs.

The value of the university's donated facilities is calculated on the Annual Value Computations for Buildings and Tower Facilities form provided by the Corporation for Public Broadcasting. For the renovated radio and TV building for fiscal years ended June 30, 2022 and 2021, the total for the Stations was $180,779. For the new roof and satellite dish mount on the Radio and TV building for fiscal years ended June 30, 2022 and 2021, the totals for the Stations were $11,199 and $11,160, respectively. No value is claimed for the transmitter building because its remaining useful life is zero.

Note 7 - Compensated Absences

Compensated absences activity for the years ended June 30, 2022 and 2021 can be summarized as follows:

	2022				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	$ 536,972	$ 32,616	$ (95,258)	$ 474,330	$ 317,305

	2021				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	$ 518,777	$ 124,197	$ (106,002)	$ 536,972	$ 337,776

Note 8 - Retirement Plans

The Stations' appointed employees are covered by the same retirement plans as other employees of the university. Complete details of these plans can be found in the Indiana University annual financial report, which can be located on the Indiana University website: https://vpcfo.iu.edu/resources/annual-reports.html.

The required contributions are pooled at the university level and charged to the Stations at a predetermined percentage set for the fiscal year as each covered employee is paid. The Stations do not have any funding obligation once an employee retires.

Nonexempt staff retirement plan expenses for the years ended June 30, 2022 and 2021 were $104,768 and $97,167, respectively. Exempt staff retirement plan expenses for the years ended June 30, 2022 and 2021 were $357,363 and $347,045, respectively.

Retirement and Savings Plan

All support and service employees with at least a 50 percent full-time equivalent (FTE) appointment and temporary with retirement employees scheduled to work at least 900 hours or more in a calendar year hired on or after July 1, 2013 participate in the Retirement and Savings Plan. This is a defined contribution plan under IRC 401(a) with two distinct contribution provisions.

Academic and Professional Staff Employees

Appointed academic and professional staff employees with at least 50 percent FTE are covered by the IU Retirement Plan. This is a defined contribution plan under IRC 403(b) with four contribution levels. In addition, the university provides early retirement benefits to full-time appointed academic and professional staff employees who were in positions Grade 16 and above on or before June 30, 1999. The IU 18/20 Retirement Plan (the "18/20 Plan") allows this group of employees to retire as early as age 64, provided the individual has at least 18 years of participation in the IU Retirement Plan and at least 20 years of continuous university service.

Indiana Public Employees' Retirement Fund

The university contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan with an annuity savings account provision. Indiana Public Retirement System (INPRS) administers the cost-sharing, multiple-employer defined benefit plan. PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan, and certain INPRS employees.

Note 8 - Retirement Plans (Continued)

There are two tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the My Choice: Retirement Savings Plan for Public Employees (My Choice), formerly known as Public Employees' Annuity Savings Account Only Plan (PERF ASA Only Plan). The university participates in the PERF Hybrid Plan. The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS board of trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3, and Title 35 of the Indiana Administrative Code. There are two aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension. The second portion of the PERF Hybrid Plan benefit structure is the defined contribution component, known as Public Employees' Hybrid Members Defined Contribution Account. Both components are funded by employer contributions. Support staff and temporary employees who normally work at least 50 percent FTE appointment hired prior to July 1, 2013 participate in the PERF Hybrid Plan. There were 1,983 and 2,210 active university-wide employees covered by this retirement plan as of June 30, 2021 and 2020, respectively.

Per IC 5-10.2-4-4, key elements of the pension formula include years of PERF creditable service multiplied by average annual compensation multiplied by 1.1 percent, resulting in an annual lifetime benefit. Cost of living adjustments for members in pay status are not guaranteed by statute but may be granted by the Indiana General Assembly on an ad hoc basis. Refunds of employee contributions are included in total benefit payments. Participants must have at least 10 years of PERF creditable service to have a vested right to the defined pension benefit. The defined contribution account consists of contributions set by state statute at 3.0 percent of compensation plus the earnings credited to members' accounts. Participants are 100 percent vested from inception in the defined contribution account.

INPRS issues a publicly available financial report that includes financial statements and required supplemental information for the plan as a whole and for its participants. The financial report and corresponding fiduciary net position is prepared using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP). INPRS applies all applicable GASB pronouncements in accounting and reporting for its operations. INPRS investments are measured at fair value within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. The INPRS Comprehensive Annual Financial Report for 2020 may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204; by calling 1-844-464-6777; or by downloading the annual report online at www.in.gov/inprs/annualreports.htm.

Required and actual contributions made by the Stations totaled $49,488 and $52,568 for the fiscal years ended June 30, 2022 and 2021, respectively. This represented an 11.2 percent university pension benefit contribution for the fiscal years ended June 30, 2022 and 2021 and a 3.0 percent university contribution for the annuity savings account provisions each year.

Net Pension Liability

At June 30, 2022 and 2021, the Stations reported a liability of $113,257 and $253,405, respectively, for their proportionate share of the university's net pension liability. For June 30, 2022, the net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date as of June 30, 2020, which used updated procedures to roll forward the estimated liability to June 30, 2021. For June 30, 2021, the net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date as of June 30, 2019, which used updated procedures to roll forward the estimated liability to June 30, 2020. The Stations' proportion of the net pension liability was based on wages reported by the Stations relative to the collective wages of the university reported to the plan. At June 30, 2022 and 2021, the Stations' proportion was 0.457 and 0.435 percent, respectively, which was an increase of 0.022 percentage points from their proportion measured as of June 30, 2021 and a decrease of 0.016 percentage points from their proportion measured as of June 30, 2020.

Note 8 - Retirement Plans (Continued)

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

For the years ended June 30, 2022 and 2021, the Stations recognized pension expense of $3,542 and $13,363, respectively.

At June 30, 2022 and 2021, the Stations reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,873	$ 2,261	$ 4,491	$ 3,400
Changes in assumptions	56,970	25,441	-	52,798
Net difference between projected and actual earnings on pension plan investments	-	147,053	21,687	-
Changes in proportionate share, or difference between amount contributed and proportionate share of contributions	213	19,487	1,887	13,015
Employer contributions to the plan subsequent to the measurement date	38,781	-	40,945	-
Total	$ 99,837	$ 194,242	$ 69,010	$ 69,213

Deferred outflows of resources in the amount of $38,781 and $40,945 related to pensions resulting from university contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ending June 30, 2022 and 2021, respectively.

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

Years Ending June 30	Amount
2023	$ (39,828)
2024	(32,227)
2025	(19,097)
2026	(42,034)
Total	$ (133,186)

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year.

Note 8 - Retirement Plans (Continued)

Actuarial Assumptions

The total pension liability as of the June 30, 2021 and 2020 valuations is based on the results of actuarial valuations as of June 30, 2020 and 2019, respectively, and rolled forward. The total pension liability was determined using the following actuarial assumptions, which were applied to all periods included in the measurement:

	2021	2020
Cost of living	FY 2024-2033 - 0.4% FY 2034-2038 - 0.5% FY 2039 and on - 0.6%	FY 2020-2021 - 13th check FY 2022-2033 - 0.4% FY 2034-2038 - 0.5% FY 2039 and on - 0.6%
Inflation	2.00%, average	2.25%, average
Future salary increases	2.65% to 8.65%	2.75% to 8.75%
Investment rate of return	6.25%, net of pension plan investment expense	6.75%, net of pension plan investment expense
Mortality rates	Based on Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Based on Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

The actuarial assumptions used in the valuations of June 30, 2021 were adopted by the Indiana Public Retirement System Board pursuant to the experience studies, which reflected the period from July 1, 2014 through June 30, 2019. Member census data as of June 30, 2020 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2020 and June 30, 2021. Standard actuarial roll-forward techniques were then used to project the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date.

There were no significant changes to assumptions for the pension plan since the prior measurement date of June 30, 2020. For 2021, the mortality tables were changed to use public retirement plans experience.

Discount Rate

The discount rate used to measure the total pension liability was 6.25 and 6.75 percent for PERF at June 30, 2022 and 2021, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers will be made at contractually required rates, actuarially determined.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 8 - Retirement Plans (Continued)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	2021		2020	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Public equity	20.00 %	3.60 %	22.00 %	4.40 %
Private equity	15.00	7.30	14.00	7.60
Fixed-income - Ex-inflation linked	20.00	1.50	20.00	1.90
Fixed-income inflation linked	15.00	(0.30)	7.00	0.50
Commodities	10.00	0.80	8.00	1.60
Real estate	10.00	4.20	7.00	5.80
Absolute return	5.00	2.50	10.00	2.90
Risk parity	20.00	4.40	12.00	5.50
Leverage offset	(15.00)	(1.40)	-	-
Total	100.00 %	-	100.00 %	-

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Stations, calculated using the discount rate of 6.25 percent and 6.75 percent for June 30, 2022 and 2021, respectively, as well as what the Stations' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease	Current Discount Rate	1 Percentage Point Increase
June 30, 2022 (6.25%)	$ 296,215	$ 113,257	$ (39,356)
June 30, 2021 (6.75%)	413,129	253,405	119,614

Pension Plan Fiduciary Net Position

Detailed information about the pension plans’ fiduciary net position is available in the separately issued INPRS financial report.

Note 9 - Other Postemployment Benefit Plan

Plan Description

The university provides postemployment benefits for certain retired employees. The 18/20 Plan, medical, and life insurance benefits are presented for financial statement purposes as a consolidated plan (the “Plan”) under the requirements for reporting other postemployment benefit plans (OPEB) required by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75).

Note 9 - Other Postemployment Benefit Plan (Continued)

The Plan is a single-employer defined benefit plan administered by the university. The 18/20 Plan provides interim benefits to full-time appointed academic and professional staff employees who meet the following eligibility requirements: covered by the IU Retirement Plan 15 percent level on or before July 14, 1988 and have 18 years of participation in the IU Retirement Plan 15 percent level; at least 20 years of continuous full-time university service; and at least 64 years of age. This group of employees is eligible to receive monthly payments based on a hypothetical monthly annuity amount at age 70, up to the amount of terminal base salary, calculated as the average budgeted base salary for the five 12-month periods immediately preceding retirement. The 18/20 Plan was adopted by the trustees and is closed to new entrants.

The university provides medical care coverage to individuals with retiree status and their eligible dependents. The cost of the coverage is borne fully by the individual. However, retiree medical care coverage is implicitly more expensive than active-employee coverage, which creates an implicit rate subsidy. The university provides retiree life insurance benefits in the amount of $6,000 to terminated employees with retiree status. The health and life insurance plans have been established and may be amended under the authority of the trustees. The Plan does not issue a stand-alone financial report.

Funding Policy

The contribution requirements of plan members and the university are established and may be amended by the trustees. The university contribution to the 18/20 Plan and retiree life insurance is based on pay-as-you-go financing requirements. Plan members do not make contributions. The medical plans are self-funded, and each plan’s premiums are updated annually based on actual claims. Retirees receiving medical benefits university-wide paid $1,023,000 and $912,000 in premiums in the fiscal years ended June 30, 2022 and 2021, respectively. The university contributed $22,675,000 and $27,640,000 to the consolidated OPEB Plan in the fiscal years ended June 30, 2022 and 2021, respectively. The university does not maintain a separate legal trust to house assets used to fund postemployment benefits.

Total OPEB Liability

At June 30, 2022 and 2021, the Stations reported $479,288 and $568,022, respectively, for their total OPEB liability. The current portion of the OPEB liability was $56,948 and $65,424 as of June 30, 2022 and 2021, respectively. The total OPEB liability was measured as of June 30, 2022 and was based on an actuarial valuation date of June 30, 2022 with no adjustments. The total OPEB liability as of June 30, 2021 was based on an actuarial valuation as June 30, 2020, actuarially projected on a no gain/no loss basis. At June 30, 2022 and 2021, the Stations' proportion was 0.268 and 0.272 percent, respectively, a decrease of 0.004 percentage points and an increase of 0.001 percentage points over the prior year.

Note 9 - Other Postemployment Benefit Plan (Continued)

Changes in the total reported liability for postemployment benefits obligations and total OPEB expense for the year ended June 30, 2022 are summarized as follows:

Changes in Net OPEB Liability	18/20 Plan	Retiree Health Insurance	Retiree Life Insurance	Total
Balance at July 1, 2021	$ 168,213	$ 260,607	$ 139,202	$ 568,022
Changes for the year:				
Service cost	3,475	23,165	4,600	31,240
Interest	3,178	6,040	3,063	12,281
Differences between expected and actual experience	(3,689)	20,576	(3,644)	13,243
Changes in assumptions	(2,897)	(37,425)	(36,333)	(76,655)
Changes in proportionate share	(2,408)	(3,730)	(1,992)	(8,130)
Benefit payments, including refunds	(48,481)	(8,389)	(3,843)	(60,713)
Net changes	(50,822)	237	(38,149)	(88,734)
Balance at June 30, 2022	$ 117,391	$ 260,844	$ 101,053	$ 479,288

Changes in the total reported liability for postemployment benefits obligations and total OPEB expense for the year ended June 30, 2021 are summarized as follows:

Changes in Net OPEB Liability	18/20 Plan	Retiree Health Insurance	Retiree Life Insurance	Total
Balance at July 1, 2020	$ 226,652	$ 268,329	$ 123,917	$ 618,898
Changes for the year:				
Service cost	4,501	24,513	3,884	32,898
Interest	5,338	7,736	3,368	16,442
Differences between expected and actual experience	(6,603)	(44,276)	-	(50,879)
Changes in assumptions	1,035	9,909	11,102	22,046
Changes in proportionate share	1,352	1,604	739	3,695
Benefit payments, including refunds	(64,062)	(7,208)	(3,808)	(75,078)
Net changes	(58,439)	(7,722)	15,285	(50,876)
Balance at June 30, 2021	$ 168,213	$ 260,607	$ 139,202	$ 568,022

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

For the years ended June 30, 2022 and 2021, the Stations recognized OPEB expense of $21,145 and $23,459.

Note 9 - Other Postemployment Benefit Plan (Continued)

At June 30, 2022 and 2021, the Stations reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions:				
18/20 Plan	$ 5,010	$ 3,475	$ 6,117	$ 1,192
Retiree health insurance	22,295	32,748	27,327	-
Retiree life insurance	19,743	32,876	23,903	1,372
Difference between expected and actual experience:				
18/20 Plan	-	20,780	-	21,638
Retiree health insurance	87,759	78,179	88,460	94,502
Retiree life insurance	773	3,189	946	-
Change in proportionate share	33,470	65,993	41,069	70,852
Total	$ 169,050	$ 237,240	$ 187,822	$ 189,556

These amounts will be recognized in OPEB expense for the years ending June 30 as follows:

Years Ending June 30	18/20 Plan	Retiree Health Insurance	Retiree Life Insurance	Change in Proportionate Share	Total
2023	$ (3,816)	$ 5,005	$ (1,291)	$ (4,989)	$ (5,091)
2024	(3,816)	5,005	(1,291)	(4,989)	(5,091)
2025	(3,816)	5,005	(1,291)	(4,989)	(5,091)
2026	(3,816)	5,005	(1,291)	(4,989)	(5,091)
2027	(1,649)	(12,447)	(1,755)	(11,048)	(26,899)
Thereafter	(2,332)	(8,446)	(8,630)	(1,519)	(20,927)
Total	$ (19,245)	$ (873)	$ (15,549)	$ (32,523)	$ (68,190)

Note 9 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability as of June 30, 2022 and 2021 is based on the results of actuarial valuation dates of June 30, 2022 and 2021, with no adjustments to get to the June 30, 2022 and 2021 measurement date. Significant actuarial methods and assumptions used to calculate the Stations' total OPEB liability were as follows:

	Measurement Date as of June 30, 2022	Measurement Date as of June 30, 2021
Payroll growth (medical/life plan)	3.0%	3.0%
Payroll growth (18/20 Plan)	2.5%	2.5%
Inflation	2.5%	3.0%
Health care cost trend rate	7.5% for fiscal year 2023 to 4.5% for fiscal year 2029 and later years	7.5% for fiscal year 2022 to 4.5% for fiscal year 2028 and later years
Mortality rates	Based on SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021	Based on SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019
Actuarial cost method	Entry age normal level percent of salary	Entry age normal level percent of salary

Discount Rate

The discount rate used in valuing OPEB liabilities as of June 30, 2022 and 2021 was 4.09 percent and 2.19 percent, respectively. The discount rate must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The S&P 20-year municipal bond index was used for the current discount rate.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Stations, calculated using the discount rate of 4.09 percent, as well as what the Stations' total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	2022		
	1 Percentage Point Decrease (3.09%)	Current Discount Rate (4.09%)	1 Percentage Point Increase (5.09%)
18/20 Plan	$ 118,930	$ 117,391	$ 115,830
Retiree health insurance	283,819	260,844	239,816
Retiree life insurance	118,303	101,053	87,373

Note 9 - Other Postemployment Benefit Plan (Continued)

The following presents the total OPEB liability of the Stations, calculated using the discount rate of 2.19 percent, as well as what the Stations' total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	2021		
	1 Percentage Point Decrease (1.19%)	Current Discount Rate (2.19%)	1 Percentage Point Increase (3.19%)
18/20 Plan	$ 170,351	$ 168,213	$ 165,990
Retiree health insurance	282,878	260,607	239,948
Retiree life insurance	167,908	139,202	117,072

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the total OPEB liability of the Stations, calculated using the health care cost trend rates as of those dates, as well as what the Stations' total OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	2022		
	1 Percentage Point Decrease (6.50% Decreasing to 3.50%)	Current Health Care Cost Trend Rate (7.50% Decreasing to 4.50%)	1 Percentage Point Increase (8.50% Decreasing to 5.50%)
Total OPEB liability of the retiree health insurance plan	$ 232,008	$ 260,844	$ 294,872

	2021		
	1 Percentage Point Decrease (6.50% Decreasing to 3.50%)	Current Health Care Cost Trend Rate (7.50% Decreasing to 4.50%)	1 Percentage Point Increase (8.50% Decreasing to 5.50%)
Total OPEB liability of the retiree health insurance plan	$ 227,554	$ 260,607	$ 300,243

The 18/20 and retiree life insurance plans are not included above, as they do not have a health care component.

Note 10 - Risk Management

The Stations are covered under the university's risk management programs. The university is exposed to various risks of loss, including torts; theft; damage or destruction of assets; errors or omissions; job-related illnesses or injuries to employees; and health care claims on behalf of students, employees, and their dependents. The university manages these risks through a combination of risk retention and commercial insurance, including coverage from internally maintained funds, as well as from a wholly owned captive insurance company, Old Crescent Insurance Company (OCIC). The university is self-funded for damage to buildings and building contents for the first $100,000 per occurrence and an additional $400,000 per occurrence covered by OCIC, with commercial excess property coverage above this amount. The university is self-funded for comprehensive general liability and automobile liability for the first $100,000 per occurrence and an additional $900,000 per occurrence covered by OCIC, with supplementary commercial liability umbrella policies. The university has a malpractice and professional liability policy in the amount of $500,000 for each claim and $1,500,000 annually, in the aggregate, provided by OCIC. The university is self-funded for the first $850,000 for each workers' compensation claim and $125,000, in the aggregate, for all claims in excess of $850,000 for each claim. Workers' compensation claims above these amounts are covered by commercial insurance and are subject to statutory limits. The university is self-funded for the first $850,000 for employer liability claims, with an additional $1,000,000 in coverage through commercial insurances. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years.

The university has three health care plans for full-time appointed employees, one of which is also available to retirees not eligible for Medicare. All of the employee plans are self-funded. The university records a liability for incurred but unpaid claims for university-sponsored, self-funded health care plans. This liability is estimated to be no more than 11.5 percent of the paid self-funded claims during the fiscal year and totals $30,482,000 and $27,502,000 at June 30, 2022 and 2021, respectively, for the university.

Changes in the balances of accrued insurance liabilities for the university were as follows (dollar amounts presented in thousands):

Fiscal Year	Beginning Balance	Claims Incurred and Changes in Estimates	Claims Paid	Ending Balance
2022	$ 27,502	$ 276,779	$ (273,799)	$ 30,482
2021	28,024	248,220	(248,742)	27,502
2020	27,665	253,436	(253,077)	28,024

Separate funds have been established to account for the liability of incurred but unpaid health care claims, as well as any unusual catastrophic claims fluctuation experience. All organizational units of the university are charged fees based on estimates of the amounts necessary to pay health care coverage costs, including premiums and claims.

The university also provides health care plans for graduate assistants, fellowship recipients, and medical residents. These plans are either fully insured or self-funded with a stop/loss provision. For these groups, the university has recorded a liability for incurred but unpaid claims for university-sponsored, self-funded health care plans in the amount of $2,148,000 and $1,855,000 at June 30, 2022 and 2021, respectively. These plans are funded by direct charges to the associated schools and/or departments.

Note 11 - FCC Broadcast Spectrum Program

In April 2017, the FCC announced the completion of a voluntary incentive auction to reallocate certain spectrum currently occupied by television broadcast stations to mobile wireless broadband services, along with a related repacking of the television spectrum for remaining television stations. The TV station will not relinquish any spectrum rights as a result of the auction, and, accordingly, the TV station will not receive any incentive auction proceeds. The legislation authorizing the incentive auction and repacking established a $1.75 billion fund for reimbursement of costs incurred by stations required to change channels in the repacking. The FCC has notified the TV station that it will be repacked, which requires the TV station to move to a different channel, without changing the TV station’s service areas and/or causing additional interference. The repacking process is scheduled to occur over a 39-month period, divided into 10 phases. The TV station has been assigned to phase 6, and a majority of the TV station’s capital expenditures in connection with the repacking have occurred in 2021 and 2020 and have been submitted for reimbursement. FCC reimbursements were $82,391 and $559,573 in 2022 and 2021, respectively. The TV station anticipates that all eligible costs, including equipment, incurred related to the repacking program have been reimbursed. WTIU does not expect to receive any additional reimbursement in subsequent fiscal years.

Note 12 - Nonfederal Financial Support (NFFS)

The CPB allocates a portion of its funds annually to public broadcasting entities based on a base grant amount and nonfederal financial support (NFFS), which is defined by CPB. NFFS is defined as the total value of cash and the fair market value of services received as contributions or payments and meeting all the respective criteria for each. Calculated in accordance with CPB guidelines, the Stations reported total NFFS of $6,016,935 and $6,080,754 for the years ended June 30, 2022 and 2021, respectively.

Required Supplemental Information

Required Supplemental Information
Schedule of the Stations' Proportionate Share of the Net Pension Liability
Indiana Public Employees' Retirement Fund

Last Six Plan Years

For the Plan Year Ended June 30

	2021	2020	2019	2018	2017	2016
Stations' proportion of the net pension liability	0.45670 %	0.43478 %	0.45110 %	0.51600 %	0.48700 %	0.48700 %
Stations' proportionate share of the net pension liability	$ 113,257	$ 253,405	$ 294,313	$ 353,971	$ 448,361	$ 466,006
Stations' covered payroll	$ 385,322	$ 408,721	$ 464,594	$ 623,196	$ 636,194	$ 679,403
Stations' proportionate share of the net pension liability as a percentage of its covered payroll	29.39 %	62.00 %	63.35 %	56.80 %	70.48 %	68.59 %
Plan fiduciary net position as a percentage of total pension liability	92.50 %	81.40 %	80.10 %	78.90 %	76.60 %	75.30 %

GASB Statement No. 68 requires disclosure of a 10-year schedule. The financial statement information was not available for years prior to 2016. Additional years will be included in future reports as data becomes available.

See notes to required supplemental information.

Required Supplemental Information
Schedule of Pension Contributions
Indiana Public Employees' Retirement Fund

Last Six Fiscal Years

Year Ended June 30

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	$ 40,297	$ 39,800	$ 45,694	$ 51,198	$ 69,859	$ 69,217
Contributions in relation to the statutorily required contribution	40,297	39,800	45,694	51,198	69,859	69,217
Contribution Excess	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Stations' Covered Payroll	$ 364,954	$ 366,828	$ 408,721	$ 464,594	$ 623,196	$ 636,194
Contributions as a Percentage of Covered Payroll	11.04 %	10.85 %	11.18 %	11.02 %	11.21 %	10.88 %

GASB Statement No. 68 requires disclosure of a 10-year schedule. The financial statement information was not available for years prior to 2017. Additional years will be included in future reports as data becomes available.

Required Supplemental Information
Schedule of Changes in the Total OPEB Liability and Related Ratios

Last Five Plan Years

	18/20 Plan				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 3,475	$ 4,501	$ 6,594	$ 6,834	$ 10,051
Interest	3,178	5,338	9,031	14,141	15,093
Change in proportionate share (for TV and Radio)	(2,408)	1,352	(42,037)	22,377	-
Differences between expected and actual experience	(3,689)	(6,603)	(6,563)	(9,909)	(7,977)
Changes in assumptions	(2,897)	1,035	5,438	2,020	(4,915)
Benefit payments, including refunds	(48,481)	(64,062)	(76,410)	(81,290)	(93,989)
Net Change in Total OPEB Liability	(50,822)	(58,439)	(103,947)	(45,827)	(81,737)
Total OPEB Liability - Beginning of year	168,213	226,652	330,599	376,426	458,163
Total OPEB Liability - End of year	**$ 117,391**	**$ 168,213**	**$ 226,652**	**$ 330,599**	**$ 376,426**
Covered Payroll	$ 23,495	$ 36,007	$ 55,270	$ 75,155	$ 69,289
Total OPEB Liability as a Percentage of Covered Payroll	499.64 %	467.17 %	410.08 %	439.89 %	543.27 %

GASB Statement No. 75 requires disclosure of a 10-year schedule. The financial statement information was not available for years prior to 2018. Additional years will be included in future reports as data becomes available.

Required Supplemental Information
Schedule of Changes in the Total OPEB Liability and Related Ratios (Continued)

Last Five Plan Years

	Retiree Health Insurance				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 23,165	$ 24,513	$ 23,617	$ 26,069	$ 9,085
Interest	6,040	7,736	10,940	13,126	4,362
Changes in proportionate share (for TV and Radio)	(3,730)	1,604	(42,685)	17,960	-
Differences between expected and actual experience	20,576	(44,276)	(59,672)	(19,567)	120,454
Changes in assumptions	(37,425)	9,909	10,400	10,076	60,925
Benefit payments, including refunds	(8,389)	(7,208)	(9,966)	(14,082)	(10,845)
Net Change in Total OPEB Liability	237	(7,722)	(67,366)	33,582	183,981
Total OPEB Liability - Beginning of year	260,607	268,329	335,695	302,113	118,132
Total OPEB Liability - End of year	**$ 260,844**	**$ 260,607**	**$ 268,329**	**$ 335,695**	**$ 302,113**
Covered Payroll	$ 3,573,199	$ 3,665,380	$ 3,539,004	$ 3,857,139	$ 3,538,771
Total OPEB Liability as a Percentage of Covered Payroll	7.30 %	7.11 %	7.58 %	8.70 %	8.54 %

GASB Statement No. 75 requires disclosure of a 10-year schedule. The financial statement information was not available for years prior to 2018. Additional years will be included in future reports as data becomes available.

See notes to required supplemental information.

Required Supplemental Information
Schedule of Changes in the Total OPEB Liability and Related Ratios (Continued)

Last Five Plan Years

	Retiree Life Insurance				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 4,600	$ 3,884	$ 3,019	$ 3,013	$ 3,196
Interest	3,063	3,368	3,757	4,362	3,799
Change in proportionate share (for TV and Radio)	(1,992)	739	(15,439)	6,278	-
Differences between expected and actual experience	(3,644)	-	1,114	-	(698)
Changes in assumptions	(36,333)	11,102	14,008	6,602	(1,755)
Benefit payments, including refunds	(3,843)	(3,808)	(3,966)	(4,438)	(3,753)
Net Change in Total OPEB Liability	(38,149)	15,285	2,493	15,817	789
Total OPEB Liability - Beginning of year	139,202	123,917	121,424	105,607	104,818
Total OPEB Liability - End of year	**$ 101,053**	**$ 139,202**	**$ 123,917**	**$ 121,424**	**$ 105,607**
Covered Payroll	$ 3,573,199	$ 3,665,380	$ 3,539,004	$ 3,857,139	$ 3,538,771
Total OPEB Liability as a Percentage of Covered Payroll	2.83 %	3.80 %	3.50 %	3.15 %	2.98 %

GASB Statement No. 75 requires disclosure of a 10-year schedule. The financial statement information was not available for years prior to 2018. Additional years will be included in future reports as data becomes available.

Pension Information

Changes of Benefit Terms

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

Changes in Assumptions

FY 2022

The interest rate/investment return and discount rate assumption changed from 6.75 percent to 6.25 percent.

The inflation assumption changed from 2.25 percent to 2.00 percent.

The future salary scale assumption changed from 2.75 percent - 8.75 percent to 2.65 percent - 8.65 percent.

FY 2021

The future salary increase assumption changed from an age-based table ranging from 2.50 percent to 4.25 percent to a service-based table ranging from 2.75 percent to 8.75 percent.

The mortality assumption changed from the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The retirement assumption was updated based on recent experience and was updated from an age- and service-based table to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30 percent are now assumed to commence benefits immediately and 70 percent are assumed to commence benefits at unreduced retirement eligibility. Previously, 33 percent of actives were assumed to commence benefits with early retirement while 67 percent were assumed to wait for unreduced retirement eligibility.

The termination assumption was updated based on recent experience. For state members, the tables were combined from being split by salary and sex to being one unisex service-based table. For members in political subdivisions earning more than $20,000, the sex-distinct tables were combined to one unisex service-based table. For members in political subdivisions earning less than $20,000, the sex-distinct age-based table was maintained, and the rates were updated based on experience.

The disability assumption was updated based on recent experience.

The marital assumption was updated based on recent experience: 80 percent of male members and 65 percent of female members are assumed to be married or to have a dependent beneficiary. Previously, 75 percent of male members and 60 percent of female members were assumed to be married or to have a dependent beneficiary.

The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from $400 to $200.

FY 2020

None

FY 2019

For the actuarial valuation as of June 30, 2018, the cost of living adjustment (COLA) assumption was changed due to passage of Senate Enrolled Act No. 373. In lieu of a 1.0 percent COLA beginning on January 1, 2020, INPRS assumes the COLA will be replaced by a 13th check for 2020 and 2021. The COLA assumption thereafter would be 0.4 percent beginning on January 1, 2022; changing to 0.5 percent beginning on January 1, 2034; and ultimately 0.6 percent beginning on January 1, 2039.

FY 2018

For the actuarial valuation as of June 30, 2017, an actuarial audit was completed that included updating the following assumptions: adding a load on final average salary of $400 to reflect unused sick leave accumulated at termination of employment for active and inactive vested members. Additionally, for disabled members, the RP-2014 (with MP-2014 improvement removed) disability mortality tables are assumed instead of the RP-2014 (with MP-2014 improvement removed) total data set mortality tables.

FY 2017

None

FY 2016

The inflation assumption changed from 3.00 percent to 2.25 percent per year.

The future salary increase assumption changed from an age-based table ranging from 3.25 percent to 4.50 percent to an age-based table ranging from 2.50 percent to 4.25 percent.

The mortality assumption changed from the 2013 IRS Static Mortality projected five years with Scale AA to the RP-2014 (with MP-2014 improvement removed) total data set mortality tables projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report.

The retirement assumption was updated based on recent experience. Additionally, for actives who are eligible for early retirement (reduced benefit), 33 percent are assumed to commence benefits immediately and 67 percent are assumed to commence benefits at unreduced retirement eligibility. 100 percent of actives were assumed to commence benefits immediately upon early retirement eligibility in the prior year.

The termination assumption was updated based on recent experience. For members earning less than $20,000, the tables were updated from a select and ultimate table to just an ultimate table, as there is little correlation with service. For members earning more than $20,000, the tables were updated from using a 5-year select period to a 10-year select period to correspond with the vesting schedule.

The disability assumption was updated based on recent experience.

The ASA Annuitization assumption was updated from 50 percent of members assumed to annuitize their ASA balance to 60 percent of members assumed to annuitize their ASA balance prior to January 1, 2017.

FY 2015

Assumptions concerning ASA withdrawal and annuitization were added pursuant to the addition of IC 5-10.5-4-2.5 and 2.6 in accordance with the 2014 House Enrolled Act No. 1075.

All other assumptions are the same as the June 30, 2013 valuation.

OPEB Information

No assets were accumulated in a trust.

FY 2022

Changes in Benefit Terms

There were no changes in benefit terms in 2022.

Changes in Assumptions

The discount rate increased to 4.09 percent as of June 30, 2022. The inflation rate decreased to 2.50 percent per year as of June 30, 2022. The mortality table has been updated from headcount-weighted, fully generational using Scale MP-2019 to headcount-weighted, fully generational using Scale MP-2021.

FY 2021

Changes in Benefit Terms

There were no changes in benefit terms in 2021.

Changes in Assumptions

The discount rate decreased to 2.19 percent as of June 30, 2021. The health care trend rates have been reset to an initial rate of 7.5 percent, decreasing by 0.5 percent annually to an ultimate rate of 4.5 percent. The mortality table has been updated from fully generational using Scale MP-2017 to headcount-weighted, fully generational using Scale MP-2019.

FY 2020

Changes in Benefit Terms

There were no changes in benefit terms in 2020.

Changes in Assumptions

The discount rate decreased to 2.66 percent as of June 30, 2020. The health care trend rates have been reset to an initial rate of 8.0 percent, decreasing by 0.5 percent annually to an ultimate rate of 4.5 percent. The mortality table has been updated from fully generational using Scale MP-2017 to headcount-weighted, fully generational using Scale MP-2019.

FY 2019

Changes in Benefit Terms

There were no changes in benefit terms in 2019.

Changes in Assumptions

The discount rate decreased to 3.51 percent as of June 30, 2019. The health care trend rates have been reset to an initial rate of 8.5 percent, decreasing by 0.5 percent annually to an ultimate rate of 5.0 percent.

FY 2018

Changes in Benefit Terms

There were no changes in benefit terms for the plan year ended June 30, 2018; however, the medical plan available to retirees has been changed from the PPO $900 Deductible plan (which is no longer offered) to the Anthem PPO HDHP plan.

Changes in Assumptions

The discount rate was 3.87 percent as of June 30, 2018 and 3.58 percent as of July 1, 2017. The actuarial cost method was updated from projected unit credit with linear proration to decrement to entry age normal level percent of salary. The mortality table has been updated from SOA RPH-2015 Total Dataset Mortality Table fully generational using Scale MP-2015 to SOA RPH-2017 total dataset mortality table fully generational using Scale MP-2017. The health care trend rates have been reset to an initial rate of 9.0 percent, decreasing by 0.5 percent annually to an ultimate rate of 5.0 percent.

Other Supplemental Information

Other Supplemental Information
Combining Statement of Net Position

June 30, 2022

	WTIU TV	WFIU Radio	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 1,612,058	$ 381,728	$ 1,993,786
Receivables:			
Leases receivable	183,032	-	183,032
Other receivables	41,277	20,905	62,182
Prepaid expenses and other assets	35,714	38,535	74,249
Total current assets	1,872,081	441,168	2,313,249
Noncurrent assets:			
Leases receivable	501,320	-	501,320
Capital assets - Net	3,669,101	342,289	4,011,390
Total noncurrent assets	4,170,421	342,289	4,512,710
Total assets	6,042,502	783,457	6,825,959
Deferred Outflows of Resources			
Deferred pension costs	62,897	36,940	99,837
Deferred OPEB costs	99,884	69,166	169,050
Total deferred outflows of resources	162,781	106,106	268,887
Liabilities			
Current liabilities:			
Accounts payable	27,367	29,862	57,229
Accrued liabilities and other:			
Accrued salaries and wages	55,422	25,820	81,242
Compensated absences	208,600	108,705	317,305
Current portion of total OPEB obligations	35,877	21,071	56,948
Total current liabilities	327,266	185,458	512,724
Noncurrent liabilities:			
Compensated absences	103,230	53,795	157,025
Net pension liability	71,352	41,905	113,257
Net OPEB obligation	266,074	156,266	422,340
Total noncurrent liabilities	440,656	251,966	692,622
Total liabilities	767,922	437,424	1,205,346
Deferred Inflows of Resources			
Deferred pension cost reductions	122,372	71,870	194,242
Deferred OPEB cost reductions	165,390	71,850	237,240
Leases	707,280	-	707,280
Total deferred inflows of resources	995,042	143,720	1,138,762
Net Position			
Net investment in capital assets	3,669,101	342,289	4,011,390
Restricted for expendable station activities	-	59,810	59,810
Unrestricted	773,218	(93,680)	679,538
Total net position	**$ 4,442,319**	**$ 308,419**	**$ 4,750,738**

Other Supplemental Information
Combining Statement of Revenue, Expenses, and Changes in Net Position

June 30, 2022

	WTIU TV	WFIU Radio	Total
Operating Revenue			
Facility sales and services	$ 1,896,426	$ 161,649	$ 2,058,075
Other grants	72,431	1,500	73,931
Royalty income	352	5,919	6,271
Total operating revenue	1,969,209	169,068	2,138,277
Operating Expenses			
Program services - Programming and production	5,967,020	1,707,315	7,674,335
Program services - Broadcasting	695,382	330,577	1,025,959
Program services - Public information and promotion	345,619	148,259	493,878
Support services - Management and general	618,621	395,687	1,014,308
Support services - Fundraising, membership development, and underwriting solicitation	491,941	388,736	880,677
Total operating expenses	8,118,583	2,970,574	11,089,157
Operating Loss	(6,149,374)	(2,801,506)	(8,950,880)
Nonoperating Revenue			
Appropriations from State of Indiana	376,373	56,571	432,944
Donated facilities and administrative support from Indiana University	904,237	346,957	1,251,194
General Fund support from Indiana University	1,662,527	1,211,615	2,874,142
Corporation for Public Broadcasting contributions	1,426,522	219,127	1,645,649
Individual contributions	370,627	360,495	731,122
Corporate/Foundation contributions	30,999	760,453	791,452
Lease revenue	146,606	-	146,606
Other nonoperating revenue	15,618	7,113	22,731
Total nonoperating revenue	4,933,509	2,962,331	7,895,840
Change in Net Position	(1,215,865)	160,825	(1,055,040)
Net Position - Beginning of year	5,658,184	147,594	5,805,778
Net Position - End of year	**$ 4,442,319**	**$ 308,419**	**$ 4,750,738**

TRUSTEES AND ADMINISTRATIVE OFFICERS OF INDIANA UNIVERSITY