



**Delta College**

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**Audited Financial Statements and  
Other Financial Information**

**June 30, 2022**

**WDCQ-TV  
Public Broadcasting Station**

**WDCQ-TV  
Delta College**

**Audited Financial Statements  
and Other Financial Information**

**June 30, 2022**

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**Management's Discussion and Analysis**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

The discussion and analysis of the financial statements of WDCQ-TV (the Station) provides an overview of the Station's financial activities for the years ended June 30, 2022, 2021 and 2020. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis, required supplementary information, and other supplementary information. Responsibility for the completeness and fairness of this information rests with the Station's management.

**Using this Report**

These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The financial statements are prepared under the accrual basis of accounting, whereby revenue and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Capital expenditures are capitalized on the balance sheet instead of expensed, and depreciation is recorded.

Activities are reported as either operating or nonoperating in accordance with GASB Statement No. 35. Charges for services and operating grants and contributions are recorded as operating revenues, including appropriations and donated facilities and administrative support from Delta College (College).

This annual financial report complies with these requirements and includes this management's discussion and analysis, the report of independent auditors, the basic financial statements, notes to financial statements, required supplementary information, and supplemental information similar to commercial enterprises and private-sector institutions.

Over time, increases or decreases in net position provide one indication of the financial health of an organization. To assess the overall health of the Station, many other non-financial factors also need to be considered such as trends in viewership, community volunteering, and the quality of regional and national programming.

**Adoption of New Accounting Standard**

The GASB issued GASB Statement No. 87, *Leases*, (GASB 87) which requires government lessors to recognize lease receivable asset and deferred inflow of resources for leases that were previously classified as operating leases. In accordance with the Statement, the Station adopted the Statement effective July 1, 2020. The balances were calculated using the facts and circumstances that existed as of July 1, 2020 as prescribed by GASB 87. There was no impact to beginning net position as of July 1, 2020.

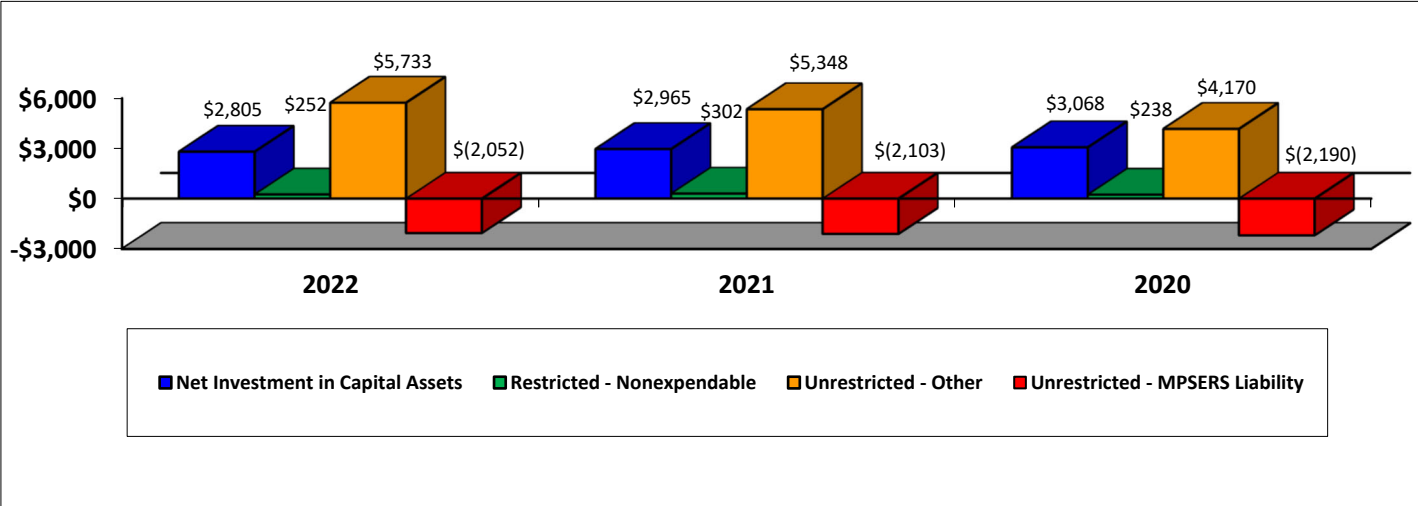
**Financial Highlights**

The Station experienced a \$226,000 increase in net position over the prior year. Station assets and deferred outflows of resources related to the Michigan Public School Employees' Retirement System (MPSERS) net pension and other postemployment benefits other than pensions (OPEB) liability, decreased \$59,000 and \$161,000, respectively. The Station's liabilities decreased by \$872,000. Deferred inflows of resources relative to the net pension and OPEB liability increased \$568,000 from the prior year, while deferred inflows of resources relative to leases decreased \$142,000 from the prior year.

**Management’s Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Financial Highlights – Continued**

The following chart provides a graphical breakdown of net position by category for the fiscal years ending June 30, 2022, 2021 and 2020, in thousands:



**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Summary of Selected Financial Data**

The following is a summary of the major components of the financial position of the Station as of June 30, 2022, 2021 and 2020, in thousands:

	2022	2021	2022-2021 Change	2020	2021-2020 Change
Current Assets	\$ 4,362	\$ 5,056	\$ (694)	\$ 3,910	\$ 1,146
Long-Term Assets:					
Capital Assets, Net of Depreciation	2,805	2,965	(160)	3,068	(103)
Other	2,558	1,763	795	852	911
<b>Total Assets</b>	<b>9,725</b>	<b>9,784</b>	<b>(59)</b>	<b>7,830</b>	<b>1,954</b>
Deferred Outflows of Resources	341	502	(161)	681	(179)
Current Liabilities	301	394	(93)	354	40
Non-Current Liabilities	1,418	2,197	(779)	2,527	(330)
<b>Total Liabilities</b>	<b>1,719</b>	<b>2,591</b>	<b>(872)</b>	<b>2,881</b>	<b>(290)</b>
Deferred Inflows of Resources	1,609	1,183	426	344	839
Net Position:					
Net Investment in Capital Assets	2,805	2,965	(160)	3,068	(103)
Restricted – Nonexpendable	252	302	(50)	238	64
Unrestricted	3,681	3,245	436	1,980	1,265
<b>Total Net Position</b>	<b>\$ 6,738</b>	<b>\$ 6,512</b>	<b>\$ 226</b>	<b>\$ 5,286</b>	<b>\$ 1,226</b>

The table on the following page summarizes the major components of the Station's operating results for the years ended June 30, 2022, 2021 and 2020, in thousands. Note that the combination of total operating revenue and nonoperating revenue (expense) equals \$2,832,000, \$3,657,000 and \$3,600,000, respectively, for the years ended June 30, 2022, 2021 and 2020. Of these amounts, support from the Corporation of Public Broadcasting and other grants and contracts comprises approximately 36%, 38% and 30%, respectively, of operating and nonoperating revenue for the three years ended June 30, 2022, 2021 and 2020. This means that the percentage of support provided to the Station by Delta College and private donors amounts to approximately 64%, 62% and 70% for each of the three respective years.

**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Summary of Selected Financial Data – Continued**

	2022	2021	2022-2021 Change	2020	2021-2020 Change
Operating Revenue					
Community Service & Other Grants from Corporation for Public Broadcasting	\$ 937	\$ 1,352	\$ (415)	\$ 1,026	\$ 326
Other Grants and Contracts	92	30	62	42	(12)
Membership and Underwriting	660	708	(48)	700	8
General Appropriations & Donated Facilities and Administrative Support from Delta College	951	918	33	1,377	(459)
Miscellaneous	390	376	14	315	61
Total Operating Revenue	3,030	3,384	(354)	3,460	(76)
Operating Expenses					
Programming and Production	1,340	1,315	25	1,584	(269)
Broadcasting	607	495	112	709	(214)
Fundraising and Membership Development	273	237	36	391	(154)
Management and General	234	226	8	295	(69)
Depreciation	167	163	4	164	(1)
Total Operating Expenses	2,621	2,436	185	3,143	(707)
Operating Income	409	948	(539)	317	631
Nonoperating Revenue (Expense)					
Net Investment Income (Loss)	(263)	206	(469)	105	101
Lease interest income	26	29	(3)	-	29
Gifts	39	38	1	35	3
Net Nonoperating Revenue (Expense)	(198)	273	(471)	140	133
Other Revenue					
Additions to Permanent Endowments	15	5	10	24	(19)
Total Other Revenue	15	5	10	24	(19)
Increase in Net Position	226	1,226	(1,000)	481	745
Net Position					
Net Position – Beginning of Year	6,512	5,286	1,226	4,805	481
Net Position – End of Year	\$ 6,738	\$ 6,512	\$ 226	\$ 5,286	\$ 1,226

**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Operating Revenue**

Operating revenue includes all gifts, grants and charges for services that are used to fund the operating activities of the Station. The most significant operating revenue for the Station are the Community Service and other grants from the Corporation for Public Broadcasting (CPB), membership and program underwriting gifts, and general appropriations and donated facilities and administrative support from Delta College. Operating revenue highlights are as follows:

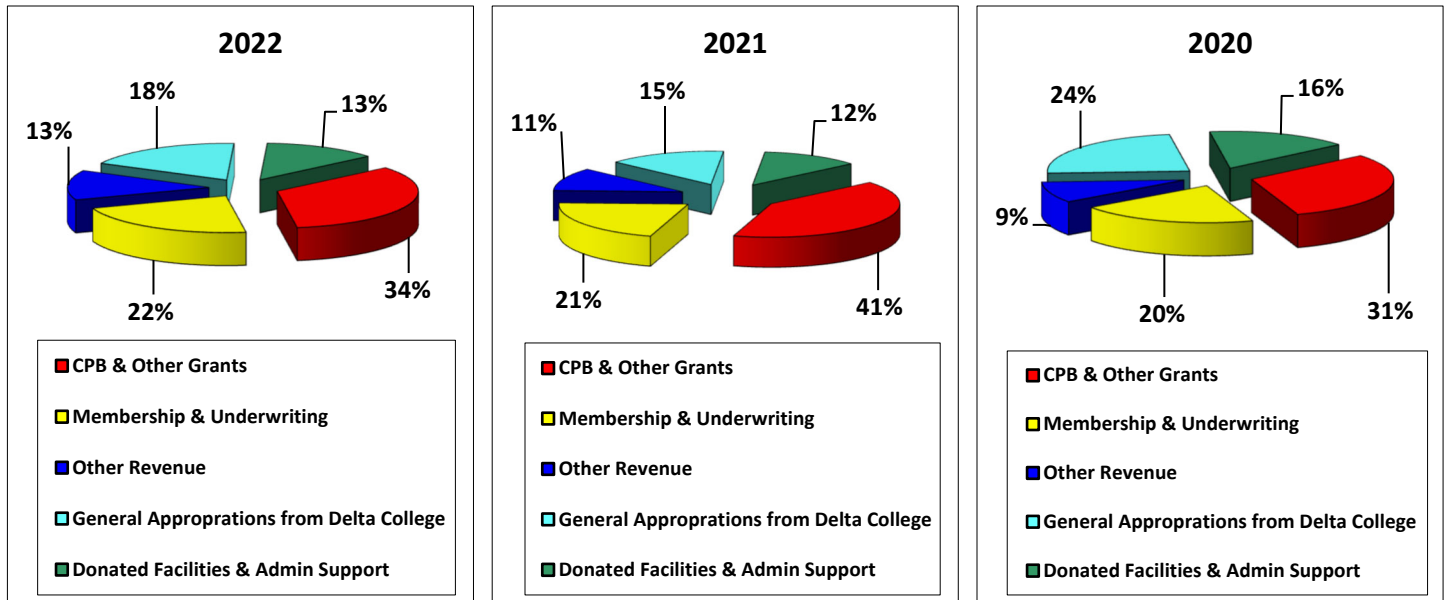
- For the years ended June 30, 2022, 2021 and 2020, respectively, the Station's total operating revenues amounted to \$3,030,000, \$3,384,000 and \$3,460,000. Variances in specific operating revenue line items are discussed in more detail below.
- During the years ended June 30, 2022, 2021 and 2020, the Station received a Community Service Grant (CSG) from the CPB in the amount of \$848,000, \$779,000 and \$683,000, respectively. In order to receive the CSG, the Station must file an Annual Financial Report with CPB, including audited financial statements, and maintain a minimum amount of nonfederal financial support (NFFS) each year. The NFFS from one year is used to determine CPB funding in the subsequent year, while CPB's funds are appropriated two years in advance. The amount of grant funding received by the Station is dependent on a number of factors including the Station's NFFS, the number of stations applying for CPB grant funding and the health of the national economy. During the year ended June 30, 2021 and 2020 the Station also received CARES Act funding in the amount of \$488,000 and \$260,000, respectively, passed through the CPB. There are no restrictions on the use of these funds, nor is there a deadline for spending the funds. These funds have been recognized as revenue in the year received.
- Membership gifts are those primarily obtained through the Station's on-air pledge drives and various solicitation mailings. A portion of membership gifts are matched by local companies through matching grant programs offered to their employees. For the years ended June 30, 2022, 2021 and 2020, membership gifts and matching grants revenue totaled \$623,000, \$652,000 and \$661,000, respectively.
- During the years ended June 30, 2022, 2021 and 2020, the Station earned underwriting revenue in the amount of \$37,000, \$56,000 and \$39,000, respectively.
- Other grants and contracts revenue consists primarily of various federal and private grants. Other grants and contracts amounted to \$92,000, \$30,000 and \$42,000 for the years ended June 30, 2022, 2021, and 2020. These grants are received from various sources and are generally intended to provide assistance with the production and promotion of the Station's programming. During the year ended June 30, 2021, the Station received a one-time grant from a local organization in lieu of their matching funds program that has been discontinued. The increase from 2021 to 2022 is primarily due to the increase in the Michigan Learning Channel activity.
- General appropriations from Delta College were \$554,000, \$500,000 and \$817,000, respectively, for the years ended June 30, 2022, 2021 and 2020. These appropriations primarily fund employee salaries, wages and benefits. The fluctuations in the appropriation are primarily due to the GASB 68 and 75 fluctuation between years as well as fluctuations in employee salaries, wages and benefits.

**Management’s Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Operating Revenue – Continued**

- In accordance with CPB’s definition for institutional public broadcasting stations, the Station recognized a total of \$397,000, \$418,000 and \$560,000, respectively, in donated electricity, insurance and indirect support from Delta College for the years ended June 30, 2022, 2021 and 2020. Whereas electricity and insurance are based on actual direct costs, indirect support consists of allocations of the College’s institutional support and facility operation costs that benefit the Station.
- Miscellaneous revenue increased by \$14,000 to \$390,000 for the year ended June 30, 2022 and by \$61,000 to \$376,000 for the year ended June 30, 2021, as the result of increased rent from tower leases.

The following is a graphic illustration of operating revenue by source:





**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Operating Expenses**

Operating expenses are all the costs necessary to purchase, produce and broadcast the Station's programs and the related fundraising and administration costs. Operating expenses totaled \$2,621,000, \$2,436,000 and \$3,143,000, respectively, for the years ended June 30, 2022, 2021 and 2020.

The Station's operating expenses increased by \$185,000, or 8%, to \$2,621,000 for the year ended June 30, 2022. The following describes some variances in operating expense line items:

- Programming and production expenses increased \$25,000, or 2%, from the prior year. The majority of this increase was due to the increase in payroll and fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years; offset by a decrease in indirect College support.
- Broadcasting expense increased \$112,000, or 23%, to \$607,000. The majority of this increase was due to the increase in payroll, fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years, and repairs and maintenance costs.
- Fundraising and membership development expenses increased \$36,000, or 15%, from the prior year. The majority of this increase was due to the increase in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years and fundraising costs.

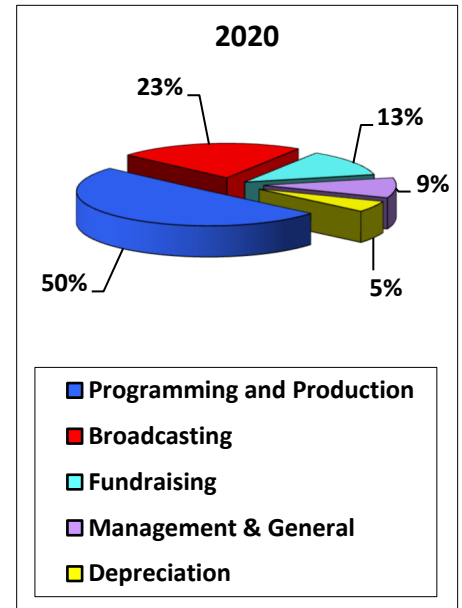
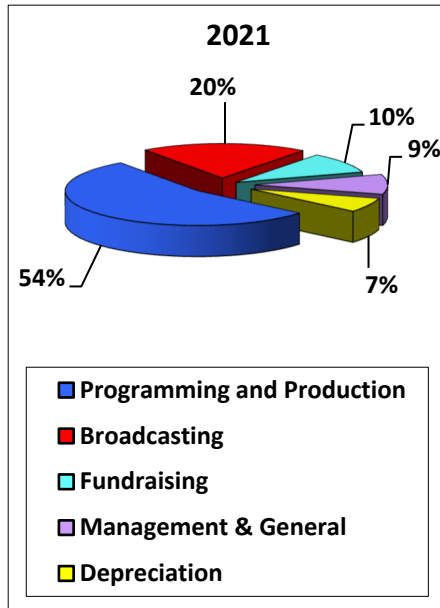
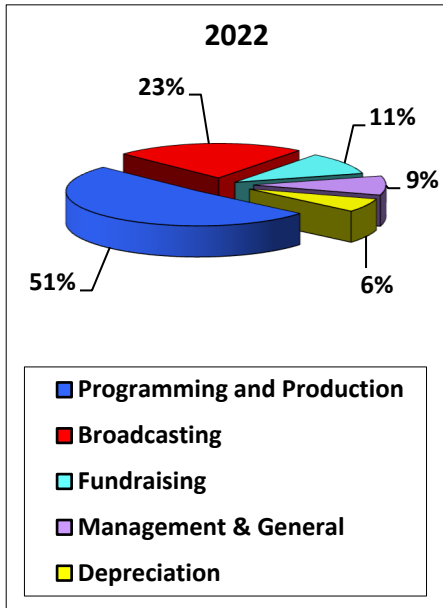
The Station's operating expenses decreased by \$707,000, or 22%, to \$2,436,000 for the year ended June 30, 2021. The following describes some variances in operating expense line items:

- Programming and production expenses decreased \$269,000, or 17%, from the prior year. The majority of this decrease was due to the decrease in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years; offset by an increase in program rights.
- Broadcasting expense decreased \$214,000, or 30%, to \$495,000. The majority of this decrease was due to the decrease in payroll and fringe benefit fluctuations, including the GASB 68 and GASB 75 fluctuations, between years; offset by an increase in electricity and supplies expense.
- Fundraising and membership development expenses decreased \$154,000, or 39%, from the prior year. The majority of this decrease was due to the decrease in fringe benefits primarily related to the GASB 68 and GASB 75 fluctuations between years.
- Management and general expenses decreased \$69,000, or 23%, to \$226,000. The majority of this decrease was due to the decrease in payroll and fringe benefit fluctuations, including the GASB 68 and GASB 75 fluctuations, between years; offset by an increase in tax expense.

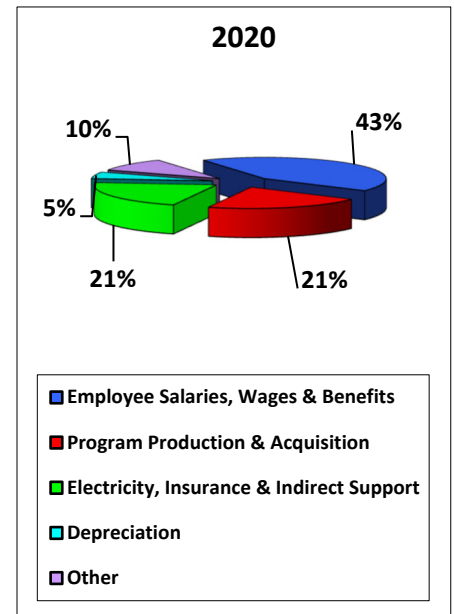
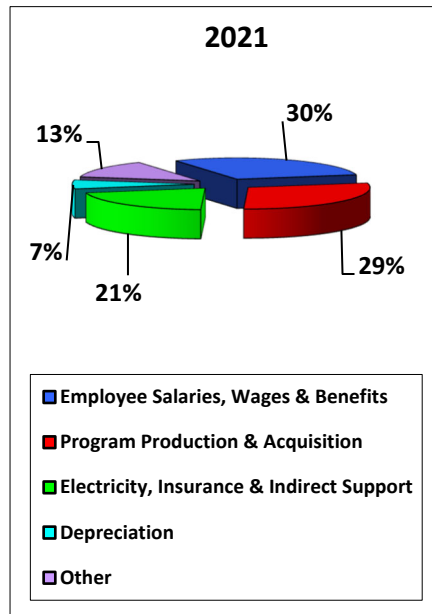
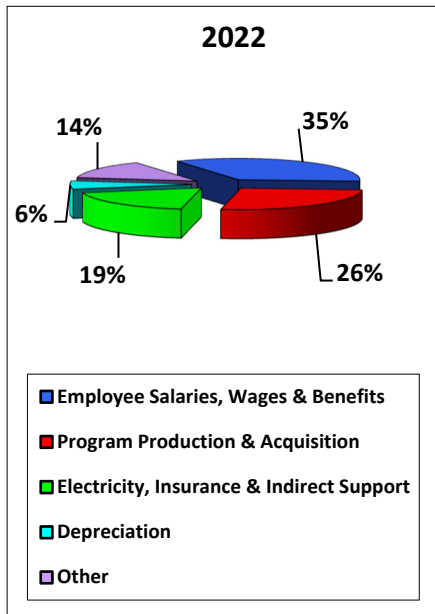
**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Operating Expenses – Continued**

The following is a graphic illustration of operating expenses by functional activity:



The following is a graphic illustration of operating expenses by natural expense classification:



**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Nonoperating Revenue (Expense)**

Nonoperating revenue (expense) is primarily non-exchange in nature. For the Station, it includes items such as investment income (including realized and unrealized gains and losses), lease interest income, non-capital gifts and gains or losses on the disposal of capital assets.

Nonoperating revenue (expense) highlights are as follows:

- The Station's nonoperating revenue (expense) includes investment income (loss) from endowments and quasi-endowments. For the years ended June 30, 2022, 2021 and 2020, respectively, investment income (loss), net of investment management fees amounted to a loss of \$263,000, income of \$206,000 and income of \$105,000. These annual fluctuations resulted primarily from realized and unrealized gains on the Station's long-term investments.
- Lease interest income related to tower space totaled \$26,000 for the year ended June 30, 2022 and \$29,000 for the year ended June 30, 2021.
- For the years ended June 30, 2022, 2021 and 2020, respectively, non-capital gifts to the Station totaled \$39,000, \$38,000 and \$35,000.

**Other Revenue**

Other revenue consists of items that are typically nonrecurring, extraordinary or unusual to the Station. Other revenue for the Station includes items such as capital appropriations from Delta College, additions to endowments and gifts and grants received for capital projects. Other revenue for the years ended June 30, 2022, 2021 and 2020 included additions to permanent endowments in the amount of \$15,000, \$5,000 and \$24,000, respectively.

**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Statement of Cash Flows**

The primary purpose of the Statement of Cash Flows is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of Cash Flows also helps users assess:

- The ability to generate future net cash flows
- The ability to meet obligations as they come due
- Needs for external financing

The following table summarizes the Station's major cash flow components for the years ended June 30, 2022, 2021 and 2020, in thousands.

	2022	2021	2022-2021 Change	2020	2021-2020 Change
Cash Provided by (Used in):					
Operating Activities	\$ 380	\$ 1,171	\$ (791)	\$ 1,362	\$ (191)
Noncapital Financing Activities	54	43	11	59	(16)
Capital & Related Financing Activities	(7)	(61)	54	(74)	13
Investing Activities	(1,478)	(1,500)	22	1,428	(2,928)
Net Increase (Decrease) in					
Cash & Cash Equivalents	(1,051)	(347)	(704)	2,775	(3,122)
Cash & Cash Equivalents – Beginning of Year	3,295	3,642	(347)	867	2,775
Cash & Cash Equivalents – End of Year	\$ 2,244	\$ 3,295	\$ (1,051)	\$ 3,642	\$ (347)

**Debt**

As of June 30, 2022, 2021 and 2020, the Station had no debt.

**Capital Assets**

At June 30, 2022, 2021 and 2020, respectively, the Station had \$2.8, \$3.0 and \$3.1 million invested in capital assets, net of accumulated depreciation of \$5.3, \$5.2 and \$5.1 million. The Station had \$7,000 and \$61,000 of equipment purchases during the years ending June 30, 2022 and 2021. The Station disposed of \$92,000 and \$57,000 of equipment during the years ending June 30, 2022 and 2021, all of which was fully depreciated. Depreciation charges totaled \$167,000, \$163,000 and \$164,000, respectively, during the years ended June 30, 2022, 2021 and 2020. Details of these assets, net of accumulated depreciation, are as follows, in thousands:

	2022	2021	2022-2021 Change	2020	2021-2020 Change
Land and Improvements	\$ 117	\$ 118	\$ (1)	\$ 120	\$ (2)
Infrastructure	28	34	(6)	41	(7)
Buildings	2,469	2,575	(106)	2,681	(106)
Furniture and Equipment	191	238	(47)	226	12
Totals	\$ 2,805	\$ 2,965	\$ (160)	\$ 3,068	\$ (103)

**Management's Discussion and Analysis - Continued**  
**WDCQ-TV**  
**Delta College**  
**Year Ended June 30, 2022**

**Economic Factors That Will Affect the Future**

The federal funding for America's Public Broadcasting System (PBS) and National Public Radio (NPR) services are secured two years in advance by the CPB and is the greatest economic factor affecting the future health of Delta College Public Television.

CPB is a private 501(c)(3) nonprofit corporation that was created by Congress in 1967 and is forward-funded through federal appropriation. CPB matches locally raised nonfederal funds by stations and is a vital source of funding to the nation's public radio and TV stations. The resources provided through advanced federal funding enables local public broadcasting stations to leverage the promise of federal funds to raise additional state, local and private funds.

Public media organizations such as WDCQ-TV play an important role in today's environment of economic and growing political division in America. Delta College Public Media must continue to modernize its operations, create new and innovative partnerships with our peer public media organizations and find new and innovative avenues to digitally deliver our five television channels.

PBS, the main national television program supplier, continues to express budgetary concerns as it expands national program production development and prepares local public broadcasting stations for the transition to the Next Generation Television System (ATSC-3) and expanded live-stream distribution system. As PBS continues to pass along increases in future programming costs to all local stations, individual station operating budgets will continue to be negatively affected.

The current fiscal year 2025 CPB funding request includes national increases for CPB, Broadcast Interconnect, the Next Generation Warning System from FEMA, and level funding for the Ready To Learn early education service.

- \$565 million for the CPB – a \$40 million increase.
- \$60 million for public broadcasting interconnection – a \$40 million increase.
- \$40 million for the Next Generation Warning System at FEMA
- \$30.5 million for Ready To Learn – level funding.

The additional funding for CPB is needed to fulfill several system-wide station initiatives; including the development of new PBS and NPR programming, the need to expand individual station local-news operations, the implementation of a new station interconnect program delivery system and the transition to a digital-first production operation and (MVPD) multichannel video programming distribution system.

The College has renovated the Public Media facility and academic classroom area to enhance its operations and expand the broadcast stations' partnership with the **Electronic Media** and **Journalism** disciplines. With the new renovation now completed, Delta College Public Media and academic disciplines will need additional funding to develop new television and radio program offerings and internship opportunities for student engagement.

Other economic factors that will greatly affect WDCQ-TV in the future include the need to invest resources in infrastructure upgrades in order to maintain our current broadcast operations. We must also transition our station's Master Control and Television Transmitter infrastructure, over time, in order to prepare for the deployment of the nation's Next Generation Television System.

## Report of Independent Auditors

Board of Trustees  
WDCQ-TV  
Delta College  
University Center, Michigan

### ***Opinion***

We have audited the accompanying financial statements of WDCQ-TV (the Station) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise WDCQ-TV's basic financial statements as listed in the table of contents.

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

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WDCQ-TV 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.

### ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 11 and the Required Supplementary Information on pages 27 and 28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of functional expenses detail is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Andrews Hooper Paulik PLC*

Saginaw, Michigan  
October 19, 2022



Balance Sheets  
WDCQ-TV  
Delta College

	June 30,	
	2022	2021
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 2)	\$ 2,243,815	\$ 3,294,589
Short-term investments (Note 2)	1,828,396	1,499,671
Accounts receivable (Note 6)	137,732	126,508
Unexpired program rights	152,451	134,646
<b>Total Current Assets</b>	4,362,394	5,055,414
<b>Long-Term Accounts Receivable</b> (Note 6)	558,944	676,124
<b>Long-Term Investments</b> (Note 2)	1,999,246	1,087,265
<b>Capital Assets, Net</b> (Note 3)	2,805,178	2,965,323
<b>Total Assets</b>	9,725,762	9,784,126
<b>Deferred Outflows of Resources</b> (Note 5)	340,421	501,711
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	11,487	31,706
Accrued payroll and other compensation	96,610	94,599
Unearned revenue	192,534	267,499
<b>Total Current Liabilities</b>	300,631	393,804
<b>Non-Current Liabilities</b>		
Net pension and OPEB liability (Note 5)	1,418,246	2,196,889
<b>Total Liabilities</b>	1,718,877	2,590,693
<b>Deferred Inflows of Resources</b> (Note 5)	1,608,968	1,182,850
<b>Net Position</b>		
Net investment in capital assets	2,805,178	2,965,323
Restricted for nonexpendable endowments	252,165	302,281
Unrestricted (Note 4)	3,680,995	3,244,690
<b>Total Net Position</b>	\$ 6,738,338	\$ 6,512,294

The accompanying notes are an integral part of these statements.

**Statements of Revenue, Expenses and Changes in Net Position**  
**WDCQ-TV**  
**Delta College**

	<b>Year Ended June 30,</b>	
	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Operating revenue		
Community service and other grants from Corporation for Public Broadcasting	\$ 936,870	\$ 1,351,836
Other grants and contracts	92,361	29,604
Membership gifts and grants	623,170	651,948
Program underwriting revenue	36,973	56,421
General appropriations from Delta College	554,005	499,735
Donated facilities and administrative support from Delta College	396,863	418,575
Miscellaneous revenue	390,250	376,257
<b>Total Operating Revenue</b>	<b>3,030,492</b>	<b>3,384,376</b>
<b>Expenses</b>		
Operating expenses		
Programming and production	1,339,770	1,314,717
Broadcasting	607,448	494,604
Fundraising and membership development	272,705	237,562
Management and general	234,035	226,434
Depreciation expense	166,848	163,219
<b>Total Operating Expenses</b>	<b>2,620,806</b>	<b>2,436,536</b>
<b>Operating Income</b>	<b>409,686</b>	<b>947,840</b>
<b>Nonoperating Revenue (Expense)</b>		
Investment income (loss), net of investment expense of \$21,359 in 2022 and \$18,068 in 2021	(263,446)	206,038
Lease interest income	26,061	29,139
Gifts	38,743	37,794
<b>Total Nonoperating Revenue (Expense)</b>	<b>(198,642)</b>	<b>272,971</b>
<b>Net Income Before Other Revenue</b>	<b>211,044</b>	<b>1,220,811</b>
<b>Other Revenue</b>		
Additions to permanent endowments	15,000	5,000
<b>Total Other Revenue</b>	<b>15,000</b>	<b>5,000</b>
<b>Increase in Net Position</b>	<b>226,044</b>	<b>1,225,811</b>
<b>Net Position - Beginning of Year</b>	<b>6,512,294</b>	<b>5,286,483</b>
<b>Net Position - End of Year</b>	<b>\$ 6,738,338</b>	<b>\$ 6,512,294</b>

The accompanying notes are an integral part of these statements.

**Statements of Cash Flows**  
**WDCQ-TV**  
**Delta College**

	<b>Year Ended June 30,</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash Flows from Operating Activities</b>		
Community service and other grants from Corporation for Public Broadcasting	\$ 861,905	\$ 1,361,243
Other grants and contracts	92,361	29,604
Membership gifts and grants	623,170	651,948
Program underwriting revenue	36,973	56,421
General appropriations from Delta College	554,005	499,735
Miscellaneous revenue	373,699	350,071
Payments to suppliers	(1,541,059)	(1,238,629)
Payments to employees	(620,777)	(539,878)
	<u>380,277</u>	<u>1,170,515</u>
<b>Net Cash Provided by Operating Activities</b>	<b>380,277</b>	<b>1,170,515</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Gifts and contributions for other than capital purposes	<u>53,743</u>	<u>42,794</u>
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>53,743</b>	<b>42,794</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchase of capital assets	<u>(6,703)</u>	<u>(60,529)</u>
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(6,703)</b>	<b>(60,529)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sales and maturities of investments	1,848,274	1,839,023
Investment gain (loss)	5,073	(2,882)
Purchase of investments	<u>(3,331,438)</u>	<u>(3,335,961)</u>
<b>Net Cash Used in Investing Activities</b>	<u>(1,478,091)</u>	<u>(1,499,820)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(1,050,774)</b>	<b>(347,040)</b>
<b>Cash and Cash Equivalents - Beginning of year</b>	<u>3,294,589</u>	<u>3,641,629</u>
<b>Cash and Cash Equivalents - End of year</b>	<u>\$ 2,243,815</u>	<u>\$ 3,294,589</u>

The accompanying notes are an integral part of these statements.

Statements of Cash Flows - Continued  
WDCQ-TV  
Delta College

	Year Ended June 30,	
	2022	2021
<b>Reconciliation of Operating Income</b>		
<b>to Net Cash Provided by Operating Activities:</b>		
Operating income	\$ 409,686	\$ 947,840
Adjustment to reconcile operating income to net cash provided by operating activities:		
Depreciation	166,848	163,219
(Increase) decrease in assets:		
Accounts receivable	105,956	(691,691)
Unexpired program rights	(17,805)	22,991
Decrease in deferred outflows of resources	161,290	179,001
Increase (decrease) in liabilities:		
Accounts payable	(20,219)	15,011
Accrued payroll and other compensation	2,011	15,718
Unearned revenue	(74,965)	9,407
Net pension and OPEB liability	(778,643)	(329,836)
Increase in deferred inflows of resources	426,118	838,855
	<u>380,277</u>	<u>1,170,515</u>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 380,277</b>	<b>\$ 1,170,515</b>

The accompanying notes are an integral part of these statements.

## Notes to Financial Statements

WDCQ-TV

Delta College

June 30, 2022

### Note 1. Significant Accounting Policies

#### Reporting Entity

WDCQ-TV (the Station) is a nonprofit public television station, operated as a separate organizational unit of Delta College (College), a community college located in University Center, Michigan. The financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America as applicable to public colleges and universities outlined in Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, as required by the Corporation for Public Broadcasting (CPB).

Significant accounting policies followed by the Station are described below to enhance the usefulness of the financial statements to the reader.

#### Adoption of New Accounting Standard

The GASB issued GASB Statement No. 87, *Leases*, (GASB 87) which requires government lessors to recognize a lease receivable asset and a deferred inflow of resources for leases that were previously classified as operating leases. The Station adopted the Statement effective July 1, 2020. The balances were calculated using the facts and circumstances that existed as of July 1, 2020 as prescribed by GASB 87. There was no impact to beginning net position as of July 1, 2020. The Station reported a lease receivable of \$676,124 and \$801,324 as of June 30, 2022 and 2021, respectively, and a deferred inflow of resources of \$633,387 and \$775,138 as of June 30, 2022 and 2021.

Balances were restated as follows for the effects of the Station's adoption of GASB 87:

	June 30, 2021 As Originally Reported	GASB 87 Impact	June 30, 2021 As Restated
Current assets	\$ 4,930,214	\$ 125,200	\$ 5,055,414
Long-term accounts receivable	-	676,124	676,124
Deferred inflows of resources	(407,712)	(775,138)	(1,182,850)
Net position	\$ 4,522,502	\$ 26,186	\$ 4,548,688

#### Accrual Basis

The financial statements of the Station have been prepared on the accrual basis of accounting, whereby revenue is recognized when earned and expenditures are recognized when the related liabilities are incurred and certain measurement and matching criteria are met.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of all highly liquid investments with an initial maturity of three months or less when purchased.

#### Investments

Investments are recorded at fair value, based on quoted market prices.

**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 1. Significant Accounting Policies – Continued**

**Leases**

The Station leases tower space to external parties. Lease receivables and deferred inflows of resources are recorded based on the present value of expected receipts over the term of the respective leases. The expected receipts are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using the Station's incremental borrowing rate. Deferred inflows of resources are recognized into income over the shorter of the lease term or the underlying asset.

**Purchased Program Rights**

Purchased program rights are recorded when acquired and amortized on an accelerated basis as the programs are broadcast.

**Capital Assets**

Capital assets are recorded at cost or, if acquired by gift, at the acquisition value as of the date of acquisition. Expenditures for maintenance and repairs are expensed as incurred. Depreciation is calculated on capital assets using the straight-line method over the estimated useful lives of the assets. *The American Health Association's Estimated Useful Lives of Depreciable Hospital Assets* was utilized as a guide in establishing useful lives of the Station's capital assets.

**Compensated Absences**

Compensated absences represent the accumulated liability to be paid under the Station's current vacation policy. Under the Station's policy, employees accrue vacation on a bi-weekly basis at a rate that is dependent on the employee's pay class.

**Pensions and OPEB (Postemployment Benefits Other Than Pensions)**

For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Revenue Recognition**

Restricted grant revenue is recognized only to the extent expended.

**Gifts and Pledges**

Gifts are recorded when received. Voluntary nonexchange transactions (pledges) are recognized in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. GASB Statement No. 33 requires recognition of the entire pledge in the first period that use is permitted and all applicable eligibility requirements have been satisfied. Such pledges are recorded at their discounted present value, net of allowance for uncollectible pledges. The Station has no pledges receivable recorded as of June 30, 2022 or 2021.

**Donated Facilities and Administrative Support**

Donated facilities from Delta College consist of office and studio space together with related occupancy costs, and are recorded in revenue and expense based on methods mandated by CPB. Administrative support from Delta College consists of allocated costs such as financial, administrative and personnel services and certain other institutional support expenses incurred by the College on behalf of the Station.

**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 1. Significant Accounting Policies – Continued**

**Operating Activities**

The Station’s policy for defining operating activities as reported on the Statements of Revenue, Expenses and Changes in Net Position are those that generally result from the provision of public broadcasting services. Revenue restricted by donors to use for capital improvements, and revenue and expenses that result from financing and investing activities are recorded as nonoperating revenue and expenses.

**Use of Estimates**

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

**Note 2. Cash and Cash Equivalents and Investments**

The Station considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Station’s deposits and investments are included on the Balance Sheets under the following classifications as of June 30:

	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 2,243,815	\$ 3,294,589
Short-term investments	1,828,396	1,499,671
Long-term investments	1,999,246	1,087,265
Total	<u>\$ 6,071,457</u>	<u>\$ 5,881,525</u>

The above amounts are classified in the following categories at June 30:

	<b>2022</b>	<b>2021</b>
Bank deposits (checking accounts, savings accounts and certificates of deposit)	\$ 2,243,565	\$ 3,294,985
Investments in securities and similar vehicles	3,827,642	2,586,290
Petty cash and cash on hand	250	250
Total	<u>\$ 6,071,457</u>	<u>\$ 5,881,525</u>

**Cash and Cash Equivalents**

Delta College invests and manages cash collectively by pooling cash reserves, including cash of the Station. It is not practical to determine the amount reflected in the accounts of the banks (without recognition of checks written but not cleared, or of deposits in transit) or the amount of federal depository insurance that is applicable to the Station’s portion of the pooled deposits as of June 30, 2022 or 2021. A portion of the Station’s cash is deposited in interest-bearing accounts.

**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 2. Cash and Cash Equivalents and Investments – Continued**

**Investments**

The Station has received certain contributions that are restricted for endowments. Such assets are pooled with and held within the Delta College Endowment Fund, and are invested in brokerage account cash and money funds, U.S. Treasury bills, notes and bonds, and debt and equity securities. The Station's investments are stated at fair value based upon market quotations. At June 30, 2022 and 2021, respectively, the fair value of the Station's investments held within the Delta College Endowment Fund is \$899,510 and \$1,087,265. At June 30, 2022 and 2021, the Station also held short- and long-term commercial paper in the amount of \$2,928,132 and \$1,499,671. Information as to amounts by investment type, associated risks and fair value measurements is included in the notes to the financial statements for Delta College.

**Note 3. Capital Assets**

The following tables present the changes in the various capital asset class categories:

<b>Year Ended June 30, 2022:</b>	Estimated Useful Life	Beginning Balance	Additions/Depreciation	Deletions	Ending Balance
<b>Depreciable Capital Assets:</b>					
Buildings	40 years	\$ 4,579,713	\$ -	\$ -	\$ 4,579,713
Infrastructure	20-25 years	148,005	-	-	148,005
Land improvements	20 years	32,606	-	-	32,606
Furniture and equipment	5-20 years	3,300,985	6,703	91,654	3,216,034
<b>Non-depreciable Capital Assets:</b>					
Land		100,789	-	-	100,789
<b>Total Capital Assets</b>		<b>8,162,098</b>	<b>6,703</b>	<b>91,654</b>	<b>8,077,147</b>
<b>Less Accumulated Depreciation:</b>					
Buildings		2,004,864	105,810	-	2,110,674
Infrastructure		114,141	6,341	-	120,482
Land improvements		14,671	1,630	-	16,301
Furniture and equipment		3,063,099	53,067	91,654	3,024,512
<b>Total Accumulated Depreciation</b>		<b>5,196,775</b>	<b>\$ 166,848</b>	<b>\$ 91,654</b>	<b>5,271,969</b>
<b>Capital Assets, Net</b>		<b>\$ 2,965,323</b>			<b>\$ 2,805,178</b>



**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 3. Capital Assets – Continued**

<b>Year Ended June 30, 2021:</b>	<b>Estimated Useful Life</b>	<b>Beginning Balance</b>	<b>Additions/ Depreciation</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Depreciable Capital Assets:</b>					
Buildings	40 years	\$ 4,579,713	\$ -	\$ -	\$ 4,579,713
Infrastructure	20-25 years	148,005	-	-	148,005
Land improvements	20 years	32,606	-	-	32,606
Furniture and equipment	5-20 years	3,297,315	60,529	56,859	3,300,985
<b>Non-depreciable Capital Assets:</b>					
Land		100,789	-	-	100,789
<b>Total Capital Assets</b>		<b>8,158,428</b>	<b>60,529</b>	<b>56,859</b>	<b>8,162,098</b>
<b>Less Accumulated Depreciation:</b>					
Buildings		1,898,462	106,402	-	2,004,864
Infrastructure		107,800	6,341	-	114,141
Land improvements		13,040	1,631	-	14,671
Furniture and equipment		3,071,113	48,845	56,859	3,063,099
<b>Total Accumulated Depreciation</b>		<b>5,090,415</b>	<b>\$ 163,219</b>	<b>\$ 56,859</b>	<b>5,196,775</b>
<b>Capital Assets, Net</b>		<b>\$ 3,068,013</b>			<b>\$ 2,965,323</b>

**Note 4. Unrestricted Net Position**

The Station has designated the use of unrestricted net position as follows as of June 30:

	<b>2022</b>	<b>2021</b>
Designated for funds functioning as endowments	\$ 647,345	\$ 784,984
Unrestricted – MPSERS Pension Liability	(1,712,583)	(1,686,663)
Unrestricted – MPSERS OPEB Liability	(340,823)	(416,227)
Unrestricted and unallocated	5,087,056	4,562,596
<b>Total Unrestricted Net Position</b>	<b>\$ 3,680,995</b>	<b>\$ 3,244,690</b>

**Note 5. Retirement Plans**

The Station’s employees are included in a retirement plan funded by Delta College either through MPSERS, or the Optional Retirement Plan (ORP), a defined contribution plan, administered by TIAA-CREF. Prior to July 1, 2010, the MPSERS plan was strictly a defined benefit plan. Effective July 1, 2010, new MPSERS members participate in a hybrid plan which is both a defined benefit and defined contribution plan.

**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 5. Retirement Plans – Continued**

**MPSERS Defined Benefit Plan**

At June 30, 2022 and 2021, respectively, the Station reported a liability of \$1,334,835 and \$1,909,768 for its share of the College's proportionate share of the net pension liability of MPSERS. At June 30, 2022 and 2021, respectively, the Station also reported a liability of \$83,411 and \$287,121 for its share of the College's proportionate share of the net OPEB liability of MPSERS, for a total net pension and OPEB liability of \$1,418,246 as of June 30, 2022 and \$2,196,889 as of June 30, 2021. The net pension and OPEB liability at June 30, 2022 was measured as of September 30, 2021, and the total pension and OPEB liability used to calculate the net pension and OPEB liability was determined by an actuarial valuation rolled forward from September 30, 2020. The College's proportion of the net pension and OPEB liability was based on a projection of its long-term share of contributions to the pension and OPEB plans relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2021, the College's pension proportion was .32250%, a decrease of .01315% from its proportion measured as of September 30, 2020, which was .33565%. At September 30, 2021, the College's OPEB proportion was .31258%, a decrease of .01099% from its proportion measured as of September 30, 2020, which was .32357%. The Station's calculated share of the net pension and OPEB liability was based on its proportionate share of the College's covered employee payroll, as measured by the Station's MPSERS contributions.

For the years ended June 30, 2022 and 2021, respectively, the Station recognized MPSERS retirement expense of \$145,488 and \$55,186. For the two respective years, the Station reported deferred outflows of resources of \$239,343 and \$374,309 and deferred inflows of resources of \$617,091 and \$151,204 related to the MPSERS pension and deferred outflows of resources of \$101,078 and \$127,402 and deferred inflows of resources of \$358,490 and \$256,508 related to the MPSERS OPEB.

The Station reported deferred outflows of resources related to pension contributions subsequent to the measurement date of \$134,030 and \$124,135, respectively, as of June 30, 2022 and 2021 that will be recognized as a reduction of the net pension liability in the Station's respective subsequent fiscal year. The Station also reported deferred inflows of resources related to pension rate stabilization appropriations received subsequent to the measurement date of \$60,552 and \$56,870, respectively as of June 30, 2022 and 2021 that will be recognized as revenue in the respective subsequent fiscal year. The Station reported deferred outflows of resources related to OPEB contributions subsequent to the measurement date of \$30,617 and \$29,763, respectively, as of June 30, 2022 and 2021 that will be recognized as a reduction of the net OPEB liability in the Station's respective subsequent fiscal year.

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

Recognized in Year Ending June 30,	Pension	OPEB
2023	\$ (81,039)	\$ (74,972)
2024	(116,375)	(69,690)
2025	(131,002)	(63,888)
2026	(122,810)	(57,614)
2027	-	(19,329)
Thereafter	-	(2,536)
Total	<u>\$ (451,226)</u>	<u>\$ (288,029)</u>

**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 5. Retirement Plans – Continued**

**MPSERS Defined Benefit Plan – Continued**

The discount rate used to measure the total pension liability for the years ending June 30, 2022 and 2021, was 6.80% for the Basic, MIP and Pension Plus Plans, and 6.00% for the Pension Plus 2 Plan for the September 30, 2021 and 2020 valuation years. The following presents the net pension liability of the Station, which was calculated using the aforementioned discount rates, as well as what the Station's net pension liability would be if it were calculated using a discount rate that is 1.0% point lower or 1.0% point higher than the current rates:

	Net Pension Liability at 1.0% Decrease	Net Pension Liability at Current Discount Rate	Net Pension Liability at 1.0% Increase
June 30, 2022	\$ 1,908,451	\$ 1,334,835	\$ 859,269
June 30, 2021	\$ 2,471,870	\$ 1,909,768	\$ 1,443,910

The discount rate and current healthcare cost rate used to measure the total OPEB liability for the years ending June 30, 2022 and 2021 was 6.95% for the September 30, 2021 and 2020 valuation years. The following presents the net OPEB liability of the Station, which was calculated using the aforementioned rate, as well as what the Station's net OPEB liability would be if it were calculated using a discount and health care cost rate that is 1.0% point lower or 1.0% point higher than the current rate:

	Net OPEB Liability at 1.0% Decrease	Net OPEB Liability at Current Rate	Net OPEB Liability at 1.0% Increase
Discount Rate June 30, 2022	\$ 154,993	\$ 83,411	\$ 22,664
Current Healthcare Cost Rate June 30, 2022	\$ 20,302	\$ 83,411	\$ 154,417
Discount Rate June 30, 2021	\$ 368,840	\$ 287,121	\$ 218,321
Current Healthcare Cost Rate June 30, 2021	\$ 215,687	\$ 287,121	\$ 368,369

**ORP Defined Contribution Plan**

The Station recorded retirement expense related to the ORP of \$1,300 for the year ended June 30, 2022, based on ORP covered payroll of \$13,700. The Station had ORP covered payroll for the year ended June 30, 2021.

**Additional Information**

For additional information concerning the Station's retirement plans, refer to Delta College's June 30, 2022 audited financial statements.

**Note 6. Leases**

The Station leases tower space to external parties. The Station recognized revenue related to lease agreements, including lease interest income, in the amount of \$167,812 for the year ended June 30, 2022 and \$170,890 for the year ended June 30, 2021. The Station reported a lease receivable of \$676,124 and \$801,324 as of June 30, 2022 and 2021, respectively, and a deferred inflow of resources of \$633,387 and \$775,138 as of June 30, 2022 and 2021, respectively.

**Notes to Financial Statements - Continued**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

**Note 7. Community Service Grants**

The Station receives a Community Service Grant (CSG) from CPB on an annual basis. The Station's CSG received and expended during recent fiscal years were as follows:

Year of Grant	Grants Received	Expended 2022	Expended 2021	Expended 2020	Uncommitted Balance at June 30
2022	\$ 848,468	\$ 848,468			\$ -
2021	779,420		\$ 779,420		-
2020	683,470			\$ 683,470	-

**Note 8. NonFederal Financial Support (NFFS)**

The CPB allocates a portion of its funds annually to public broadcasting entities, primarily based on 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 Station reported NFFS of \$1,646,430 and \$1,655,151 for the years ended June 30, 2022 and 2021, respectively.

**Note 9. Indirect Administrative Support**

Indirect support from Delta College consists of allocations of the College's institutional support and facility operation costs that benefit the Station, and is calculated based upon the ratio of the Station's operating costs to the College's total institutional support and facility operation costs. The fair value of this support is recognized in the Statements of Revenue, Expenses and Changes in Net Position under donated facilities and administrative support from Delta College in operating revenue and also in operating expenses. The value of this support included in the Statements of Revenue, Expenses and Changes in Net Position was approximately \$335,000 and \$352,000 for the years ended June 30, 2022 and 2021, respectively.

**Required Supplementary Information**  
**Schedule of Proportionate Share of Net Pension Liability and Contributions for Michigan Public School**  
**Employees' Retirement System (MPERS), and Notes to Required Supplementary Information**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

	2021	2020	2019	September 30,		2016	2015	2014
				2018	2017			
<b><u>Schedule of Proportionate Share of Net Pension Liability</u></b>								
WDCQ-TV's proportion of the net pension liability:								
As a percentage	0.00564%	0.00556%	0.00629%	0.00595%	0.00604%	0.00600%	0.00543%	0.00497%
Amount	\$ 1,334,835	\$ 1,909,768	\$ 2,084,610	\$ 1,788,631	\$ 1,565,283	\$ 1,496,071	\$ 1,327,123	\$ 1,094,137
WDCQ-TV's covered payroll	\$ 498,346	\$ 478,070	\$ 540,404	\$ 508,601	\$ 507,790	\$ 501,390	\$ 462,675	\$ 410,292
WDCQ-TV's proportionate share of the net pension liability, as a percentage of the Station's covered payroll	267.9%	399.5%	385.8%	351.7%	308.3%	298.4%	286.8%	266.7%
MPERS fiduciary net position, as a percentage of the total non-university net pension liability	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%	66.20%

	2022	2021	2020	June 30,		2017	2016	2015
				2019	2018			
<b><u>Schedule of Contributions for MPERS</u></b>								
WDCQ-TV's statutorily required contributions	\$ 176,476	\$ 159,148	\$ 163,101	\$ 156,306	\$ 166,317	\$ 142,604	\$ 128,209	\$ 86,945
WDCQ-TV's contributions in relation to statutorily required contribution	176,476	159,148	163,101	156,306	166,317	142,604	128,209	86,945
WDCQ-TV's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WDCQ-TV's covered payroll	\$ 504,561	\$ 467,499	\$ 517,563	\$ 507,539	\$ 516,869	\$ 518,571	\$ 458,396	\$ 402,154
WDCQ-TV's contributions as a percentage of covered payroll	35.0%	34.0%	31.5%	30.8%	32.2%	27.5%	28.0%	21.6%

**Notes to Required Supplementary Information**

Changes of benefit terms:

There were no changes of benefit terms from September 30, 2014 through September 30, 2021.

Changes of assumptions:

The discount rate was reduced to 6.80% for the September 30, 2021, 2020, and 2019 valuations, which was 7.05% at September 30, 2018, which was reduced from 7.50% at September 30, 2017. In addition, the September 30, 2017 discount rate was reduced from 8.00%, which was the discount rate for the years ending September 30, 2016, 2015, and 2014.

**Required Supplementary Information**  
**Schedule of Proportionate Share of Net OPEB Liability and Contributions for Michigan Public School**  
**Employees' Retirement System (MPSERS), and Notes to Required Supplementary Information**  
**WDCQ-TV**  
**Delta College**  
**June 30, 2022**

	<b>2021</b>	<b>2020</b>	<b>September 30, 2019</b>	<b>2018</b>	<b>2017</b>
<b><u>Schedule of Proportionate Share of Net OPEB Liability</u></b>					
WDCQ-TV's proportion of the net OPEB liability:					
As a percentage	0.00546%	0.00536%	0.00616%	0.00596%	0.00606%
Amount	\$ 83,411	\$ 287,121	\$ 442,115	\$ 473,420	\$ 536,724
WDCQ-TV's covered payroll	\$ 498,346	\$ 478,070	\$ 540,404	\$ 508,601	\$ 507,790
WDCQ-TV's proportionate share of the net OPEB liability, as a percentage of the Station's covered payroll	16.7%	60.1%	81.8%	93.1%	105.7%
MPSERS fiduciary net position, as a percentage of the total non-university net OPEB liability	87.33%	59.44%	48.46%	42.95%	36.39%

	<b>2022</b>	<b>2021</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>
<b><u>Schedule of Contributions for MPSERS</u></b>					
WDCQ-TV's statutorily required contributions	\$ 39,677	\$ 37,760	\$ 40,776	\$ 39,408	\$ 37,283
WDCQ-TV's contributions in relation to statutorily required contribution	<u>39,677</u>	<u>37,760</u>	<u>40,776</u>	<u>39,408</u>	<u>37,283</u>
WDCQ-TV's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
WDCQ-TV's covered payroll	\$ 504,561	\$ 467,499	\$ 517,563	\$ 507,539	\$ 516,869
WDCQ-TV's contributions as a percentage of covered payroll	7.9%	8.1%	7.9%	7.8%	7.2%

**Notes to Required Supplementary Information**

Changes of benefit terms:

There were no changes of benefit terms from September 30, 2017 to September 30, 2021.

Changes of assumptions:

The discount rate was reduced to 6.95% for the September 30, 2021, 2020, and 2019 valuations from 7.15%, which was the discount rate for the September 30, 2018 valuation, which was a decrease from 7.50% at September 30, 2017.

Supplemental Schedule of Functional Expenses Detail  
WDCQ-TV  
Delta College

	Year Ended June 30, 2022						Total
	Program Services		Supporting Services			Depreciation Expense	
	Programming and Production	Broadcasting	Fundraising and Membership Management				
			Development	and General			
Salaries and wages	\$ 283,018	\$ 196,325	\$ 88,539	\$ 53,870	\$ -	\$ 621,752	
Employee benefits	130,656	97,496	24,296	29,672	-	282,120	
Program production and acquisition costs	693,258	297	-	392	-	693,947	
Electricity expense	-	138,264	-	-	-	138,264	
Insurance expense	-	-	-	14,239	-	14,239	
Professional services fees	-	1,940	3,004	5,794	-	10,738	
Meeting, travel and conference expenses	3,552	5,394	978	3,750	-	13,674	
Supplies and miscellaneous expenses	46,297	84,765	118,641	94,353	-	344,056	
Depreciation expense	-	-	-	-	166,848	166,848	
Indirect College support	182,989	82,967	37,247	31,965	-	335,168	
<b>Total</b>	<u>\$ 1,339,770</u>	<u>\$ 607,448</u>	<u>\$ 272,705</u>	<u>\$ 234,035</u>	<u>\$ 166,848</u>	<u>\$ 2,620,806</u>	

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