

NOTES TO THE FINANCIAL STATEMENTS**NOTE 18: COMPONENT UNITS – FINANCIAL INFORMATION**

Financial statements as of and for the fiscal year ended June 30, 2022 are presented below (dollars in thousands).

Statement of Net Position

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
Assets					
Cash and cash equivalents	\$ 3,523,128	\$ 529,024	\$ 850,101	\$ 177,383	\$ 5,079,636
Investments	4,395,080	142,855	-	1,265,184	5,803,119
Securities lending collateral	142,638	11,828	28,465	22,779	205,710
Receivables, net	1,657,439	111,759	144,369	88,860	2,002,427
Due from component units	1,104	1,001	-	3,522	5,627
Due from primary government	33,845	-	-	1,277	35,122
Inventories	162,378	15,109	-	755	178,242
Prepaid items	155,616	13,900	-	8,785	178,301
Hedging derivatives asset	159	-	-	-	159
Notes receivable, net	81,047	1,231	-	1,242,841	1,325,119
Lease receivable	119,699	2,187	-	58,721	180,607
Investment in joint venture	229,130	-	-	-	229,130
Restricted/designated cash and cash equivalents	1,736,545	301,798	-	1,312,177	3,350,520
Restricted investments	7,066,864	360,519	-	4,662,716	12,090,099
Restricted due from primary government	-	13,247	-	-	13,247
Restricted due from component units	-	2,104	-	2,886	4,990
Advances to outside entities	-	-	-	11,330	11,330
Beneficial interest in assets held by others	2,961	-	-	-	2,961
Net OPEB asset	4,133	797	3	23	4,956
Capital assets-nondepreciable	1,823,969	461,679	-	161,717	2,447,365
Capital assets-depreciable, net	14,630,382	3,608,006	-	837,783	19,076,171
Total Assets	<u>35,766,117</u>	<u>5,577,044</u>	<u>1,022,938</u>	<u>9,858,739</u>	<u>52,224,838</u>
Deferred Outflows of Resources					
Accumulated decrease in fair value of hedging derivatives	71,575	-	-	756	72,331
Deferred loss on refunding	51,729	-	-	138	51,867
Deferred outflows for asset retirement obligation	13,833	-	-	-	13,833
Deferred outflows for pensions	780,573	282,255	1,180	9,264	1,073,272
Deferred outflows for OPEB	1,577,727	259,876	2,551	12,599	1,852,753
Other deferred outflows	-	1,455	-	-	1,455
Total Deferred Outflows of Resources	<u>2,495,437</u>	<u>543,586</u>	<u>3,731</u>	<u>22,757</u>	<u>3,065,511</u>
Liabilities					
Accounts payable and accrued liabilities	1,385,255	88,350	24,786	240,553	1,738,944
Medical claims payable	-	-	409,058	-	409,058
Interest payable	40,441	4	-	20,878	61,323
Obligations under securities lending	142,638	11,828	28,465	22,779	205,710
Due to component units	-	-	-	10,617	10,617
Due to primary government	10	-	-	57,360	57,370
Unearned revenue	685,442	51,350	48,199	37,962	822,953
Advance from primary government	-	-	-	1,691	1,691
Deposits payable	30,762	-	-	3,668	34,430
Funds held for others	35,700	9,169	-	3,354,326	3,399,195
Hedging derivatives liability	71,575	-	-	897	72,472
Long-term liabilities:					
Due within one year	533,671	27,146	63	152,341	713,221
Due in more than one year	15,236,202	1,896,423	7,291	2,183,726	19,323,642
Total Liabilities	<u>18,161,696</u>	<u>2,084,270</u>	<u>517,862</u>	<u>6,086,798</u>	<u>26,850,626</u>

NOTES TO THE FINANCIAL STATEMENTS**Statement of Net Position**

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
Deferred Inflows of Resources					
SCA revenue applicable to future years	314,514	-	-	-	314,514
Deferred state aid	103,840	-	-	132,227	236,067
Deferred inflows for lease agreements	127,642	2,028	-	58,297	187,967
Deferred inflows for pensions	915,807	341,274	1,411	9,583	1,268,075
Deferred inflows for OPEB	2,337,533	503,750	2,216	11,733	2,855,232
Deferred inflows for irrevocable split-interest agreements	20,368	-	-	-	20,368
Accumulated increase in fair value of hedging derivatives	159	-	-	-	159
Other deferred inflows	5,077	-	-	-	5,077
Total Deferred Inflows of Resources	3,824,940	847,052	3,627	211,840	4,887,459
Net Position					
Net investment in capital assets	9,855,445	3,945,440	-	893,599	14,694,484
Restricted for:					
Nonexpendable:					
Higher education	3,150,967	264,465	-	-	3,415,432
Expendable:					
Higher education	5,437,796	490,069	-	522,244	6,450,109
Health and human services	468,548	-	-	46	468,594
Economic development	-	-	-	900,794	900,794
Unrestricted	(2,637,838)	(1,510,666)	505,180	1,266,175	(2,377,149)
Total Net Position	\$ 16,274,918	\$ 3,189,308	\$ 505,180	\$ 3,582,858	\$ 23,552,264

Statement of Activities

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
Total expenses	\$ 14,780,690	\$ 2,588,065	\$ 4,166,836	\$ 1,199,306	\$ 22,734,897
Program revenues:					
Charges for services [1]	10,398,293	300,167	3,942,153	478,547	15,119,160
Operating grants and contributions:					
Federal aid - COVID-19	731,894	398,816	-	-	1,130,710
State aid - program	1,141	-	-	218,486	219,627
Other operating grants and contributions	1,497,616	848,607	15,299	168,234	2,529,756
Capital grants and contributions:					
State capital aid	120,986	71,684	-	11,038	203,708
Other capital grants and contributions	132,470	378,597	-	3,866	514,933
Net program (expense) revenue	(1,898,290)	(590,194)	(209,384)	(319,135)	(3,017,003)
Non-tax general revenues:					
Unrestricted investment earnings	-	-	-	(152,831)	(152,831)
State aid - coronavirus	86,005	16,378	215,056	3,050	320,489
State aid - general	3,462,980	1,168,621	-	155,011	4,786,612
Noncapital contributions	47,786	8,927	35	279	57,027
Miscellaneous	19,192	115	-	4,637	23,944
Total non-tax general revenues	3,615,963	1,194,041	215,091	10,146	5,035,241
Contributions to endowments	176,727	14,912	-	-	191,639
Change in net position	1,894,400	618,759	5,707	(308,989)	2,209,877
Net position — July 1, as restated	14,380,518	2,570,549	499,473	3,891,847	21,342,387
Net position — June 30	\$ 16,274,918	\$ 3,189,308	\$ 505,180	\$ 3,582,858	\$ 23,552,264

[1] The State Health Plan's charges for services include \$1.5 billion from the primary government.

NOTES TO THE FINANCIAL STATEMENTS**Significant Transactions Between Component Units**

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
State Health Plan - premium revenue (expense)	\$ (383,045)	\$ (107,072)	\$ 493,104	\$ (2,987)	\$ -

Intra-Entity Balances — Between Primary Government and Component Units

	Due From/Restricted Due From Component Units			Due From/Restricted Due From Primary Government			
	General Fund	Highway Fund	Total	University of North Carolina System	Community Colleges	Other Component Units	Total
Due To Component Units:							
General Fund	\$ —	\$ —	\$ —	\$ 7,695	\$ —	\$ 1,277	\$ 8,972
Other Governmental Funds				40	13,247	—	13,287
Other Funds	—	—	—	26,110	—	—	26,110
Due To Primary Government:							
University of North Carolina System	10	—	10	—	—	—	—
Other Component Units	17,360	40,000	57,360	—	—	—	—
Total	\$ 17,370	\$ 40,000	\$ 57,370	\$ 33,845	\$ 13,247	\$ 1,277	\$ 48,369