AUDIT REPORT · FISCAL YEAR 2024

Georgia Public Telecommunications Commission

A Component Unit of the State of Georgia

Greg S. Griffin | State Auditor

DOAA
Georgia Department of Audits & Accounts

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION

AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION

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SECTION I

FINANCIAL

DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

INDEPENDENT AUDITOR'S REPORT

The Honorable Brian P. Kemp, Governor of Georgia
Members of the General Assembly of the State of Georgia
Members of the Board of Directors of the Georgia Public Telecommunications Commission
and
Mr. Bert Wesley Huffman, President and Chief Executive Officer

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Georgia Public Telecommunications Commission (Commission), a component unit of the State of Georgia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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 the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the Commission's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission'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 and required supplementary information listed in the table of contents 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 GAAS, 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 appropriate evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission’s basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary 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. Such 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 GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Commission’s 2023 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities and each major fund in our report dated December 19, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2025 on our consideration of the Commission’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission’s internal control over financial reporting and compliance.

A copy of this report has been filed as a permanent record and made available to the press of the State, as provided for by Official Code of Georgia Annotated section 50-6-24.

Respectfully submitted,

Greg S. Griffin
State Auditor

February 11, 2025

The following is a discussion and analysis of the financial performance of the Georgia Public Telecommunications Commission (Commission), which does business as Georgia Public Broadcasting (GPB). It provides an overview of the activities for the fiscal year ended June 30, 2024 and compares them to the fiscal year ended June 30, 2023. Georgia Public Broadcasting provides educational, instructional and public broadcasting services to the citizens of the state of Georgia. This information is designed to be read in conjunction with the Commission's financial statements that follow this section.

HIGHLIGHTS

Net Position

As of the close of fiscal year 2024, the Commission's combined ending net position totaled ($554,045). Of this total, $7,652,820 is net investment in capital assets and ($8,206,865) is unrestricted (deficit).

Long-term Liabilities

GPB's total long-term liabilities consist of $1,207,422 in compensated absences, $626,785 in leases and Subscription-Based Information Technology Arrangements (SBITA), $18,808,343 in GPB's proportionate share of net pension liability and $11,824,017 in net other post-employment benefit liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information to the basic financial statements themselves.

The *Government-Wide Financial Statements* are designed to provide a broad overview of the Commission's finances, in a manner similar to private-sector business reports.

The *Statement of Net Position* presents information on the Commission's assets, deferred outflows of resources, liabilities and deferred inflows of resources and net position as of June 30, 2024. The total of assets plus deferred outflows of resources less liabilities and deferred inflows of resources is reported as *Net Position*. Over time, increases or decreases in net position should serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The *Statement of Activities* presents information showing how the Commission's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned unused vacation leave).

The government-wide financial statements only include the operations of the Commission. The Commission is considered a component unit of the State of Georgia for financial reporting purposes because of the significance of the Commission's legal, operational and financial relationships with the State of Georgia. These reporting entity relationships are defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards.

Fund Financial Statements
A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All Commission funds can be classified into the category of *governmental funds*.

Governmental Funds
Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The Commission maintains three individual governmental funds. The *General Fund* is a major fund and is used to account for all activities of the Commission not otherwise accounted for by specific funds. The *Special Revenue Fund* is used to account for all financial transactions related to the blended component unit, The Foundation for Public Broadcasting in Georgia, Inc. The *Capital Projects Fund* accounts for financial transactions related to the Commission's capital facilities projects funded by Georgia State Financing and Investment Commission (GSFIC) bonds.

Notes To Financial Statements
Notes to financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the Basic Financial Statements section of this report.

Supplementary Information
In addition to this management's discussion and analysis, which is required supplementary information, the basic financial statements are followed by a section of other required supplementary information that further explains and supports the information in the financial statements. This section, which begins on page 60 of this report, consists of a schedule of the Commission's changes in total OPEB liability and related ratios for Georgia Public Telecommunications Commission's health plan, schedules of proportionate share of the net OPEB asset for SEAD, schedules of proportionate share of the net pension liability for the Employees' Retirement System (ERS) and the Teachers Retirement System of Georgia (TRS), schedules of contributions of ERS and TRS and notes to the required supplementary information for both pension plans.

Other supplementary information that is not required begins on page 69 and consists of a general fund statement of revenues and expenditures budget and actual statement and a statement of activities by Corporation for Public Broadcasting grantee and notes to this supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Georgia Public Telecommunications Commission Net Position

	2024	2023
Assets		
Capital Assets, Net of Depreciation	$ 7,690,383	$ 7,078,930
Intangible Right-To-Use Assets, Net of Amortization	589,222	659,566
Other Assets	23,590,320	21,067,603
Accounts Receivable		
Current	2,989,794	2,478,950
Noncurrent	875,488	733,573
Total Assets	35,735,207	32,018,622
Deferred Outflows of Resources		
Related to Defined Benefit Pension Plans	4,342,287	9,510,853
Related to Other Post-Employment Benefits Plans	2,730,918	3,593,278
Total Deferred Outflows of Resources	7,073,205	13,104,131
Liabilities		
Other Liabilities	3,927,365	1,388,193
Long-Term Liabilities		
Current	935,539	805,184
Noncurrent	31,531,028	34,791,321
Total Liabiltiies	36,393,932	36,984,698
Deferred Inflows of Resources		
Related to Lease Revenue	1,182,804	1,749,167
Related to Defined Benefit Pension Plans	298,678	247,310
Related to Other Post-Employment Benefits Plans	5,487,043	6,218,062
Total Deferred Inflows of Resources	6,968,525	8,214,539
Net Position		
Net Investment in Capital Assets	7,652,820	7,035,572
Unrestricted	(8,206,865)	(7,112,056)
Total Net Position	$ (554,045)	$ (76,484)

The Commission's total net position decreased by $477,561 from the prior year which is largely attributed to a decrease in deferred outflows of resources related to defined benefit pension plans.

The adoption of GASB Statement No. 87 on July 1, 2020, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease obligation and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Future receivables for leases were $1,230,137 and $1,876,270 for fiscal years 2024 and 2023, respectively. The adoption of GASB Statement No. 96 on

July 1, 2022, establishes standards of accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs). Under this statement, SBITAs are reported as right-to-use assets and subscription liabilities are reported with current and long-term debt.

Changes to capital assets were $611,453. The increase in capital assets is due to the current year addition of other property and equipment, construction in progress and current year depreciation expense.

The Commission's total liabilities for fiscal year 2024 decreased by $590,766 and are mostly attributable to a decrease in net pension liability of $2,829,285. These liabilities are offset by net changes in deferred outflows and inflows of resources related to defined benefit pension plans and the OPEB benefits plan and lease revenue.

The following is a summary of the Changes in Net Position for fiscal years 2024 and 2023:

	2024	2023
Revenues		
Program Revenues		
Charges for Services	$ 8,966,321	$ 7,896,675
Operating Grants and Contributions	4,583,925	5,079,641
Capital Grants and Contributions	3,285,037	209,329
General Revenues		
Intergovernmental - Other State Appropriations	13,615,702	14,814,216
Contributions and Donations	10,490,735	11,639,706
Miscellaneous Revenue	242,458	248,975
Unrestricted Investment Earnings	1,832,931	1,557,483
Transfers and Donated Assets	(185,062)	-
Total Revenues and Transfers	42,832,047	41,446,025
Expenses		
Culture and Education	43,309,608	46,832,815
(Decrease) in Net Position	(477,561)	(5,386,790)
Net Position - Beginning	(76,484)	5,310,306
Total Net Position - Ending	$ (554,045)	$ (76,484)

The increase in total revenues and transfers from fiscal year 2023 to fiscal year 2024 is attributable to a net effect of a decrease in state appropriations, an increase in investment earnings due to unrealized gains and increases in capital grants for projects funded by the Georgia State Financing and Investment Commission (GSFIC).

Other changes to revenue include an increase in sponsorship. The Statement of Activities reflects a decrease in net position attributable to current year activity.

FINANCIAL ANALYSIS OF THE COMMISSION'S FUNDS

General Fund

The general fund is the chief operating fund of the Commission and consists of the budget fund for GPB. The budget fund for GPB is the fund responsible for all activities of the Commission. At June 30, 2024 the general fund had $376,944 in assigned fund balance for encumbrances and $2,712,487 in unassigned fund balance as described in the Notes to the Financial Statements.

Special Revenue Fund

The special revenue fund is used to account for all financial transactions related to the blended component unit, The Foundation for Public Broadcasting in Georgia, Inc. Although legally separate, the Foundation is, in substance, a part of the Commission's operations. Funds raised by the Foundation are almost entirely devoted to the benefit of the Commission. At June 30, 2024 the special revenue fund has $18,468,148 in assigned fund balance as described in the Notes to the Financial Statements.

Capital Projects Fund

The capital projects fund accounts for financial transactions related to the Commission's capital facilities projects funded by Georgia State Financing and Investment Commission (GSFIC) bonds. At June 30, 2024 the capital projects fund had no fund balance.

BUDGET COMPARISON ANALYSIS

The original budget for the Commission of $39,566,821 increased to $39,619,109 during the fiscal year. Expenditures on a budgetary basis were less than budget by $1,065,508 and less than revenues by $1,188,471.

CAPITAL ASSETS

The Commission's investment in capital assets as of June 30, 2024, amounts to $50,774,130 which with accumulated depreciation of $43,083,747 leaves a net book value of $7,690,383. This investment in capital assets includes land, construction in progress, buildings and equipment. The actual depreciation charges for the year totaled $1,925,820. The Georgia Public Telecommunications Commission entered into a forty-year intergovernmental agreement with the Board of Regents effective July 1, 2012. The Commission transferred other property and equipment at its headquarters location and the WJSP tower site to the Board of Regents. This transfer is required to obtain the use of general obligation bonds sold in the Board of Regents name on behalf of the Commission. The Commission, an authority created after 1967, cannot sell bonds. There was $183,000 in assets transferred to the Board of Regents in fiscal year 2024.

LONG-TERM LIABILITY ADMINISTRATION

At June 30, 2024, the Commission had $32,466,567 in total long-term liability outstanding with $935,539 due within one year. The following table summarizes total long-term liability outstanding at June 30, 2024 and 2023.

	2024	2023
Leases and SBITA	$ 626,785	$ 702,924
Compensated Absences	1,207,422	1,252,933
Net Other Post-Employment Benefit Liability	11,824,017	12,003,020
Net Pension Liability	18,808,343	21,637,628
	$ 32,466,567	$ 35,596,505

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Georgia's economy has historically been, and remains, a strong, fiscally conservative state and economic opportunity has continued to grow for Georgians. For state government, there have been stronger than anticipated revenues, enabling the state to make strategic economic and infrastructure investments to support future growth. The Commission, along with other state agencies, were asked to maintain spending levels for both the amended fiscal year 2025 and next fiscal years.

The current state appropriation is approximately 31% of GPB's annual budget. To meet expenditures, GPB must raise approximately $29 million for the current budget year. Our revenue generation from outside sources remains critically important as state appropriations remain flat. GPB projects moderate increases in other sources of revenue to sustain its annual budget; however, fundraising efforts could be adversely affected if the economy is unstable.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Commission's finances for those individuals interested in the Commission's finances. Questions concerning any of the information provided in this report should be addressed to:

Georgia Public Broadcasting
Chief Financial Officer
260 14th Street N.W.
Atlanta, Georgia 30318-5360

BASIC FINANCIAL STATEMENTS

EXHIBIT "A"

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
STATEMENT OF NET POSITION
JUNE 30, 2024
(with summarized comparative information for the year ended June 30, 2023)

	Governmental Activities	
	2024	2023
ASSETS		
Cash and Cash Equivalents	$ 5,583,926	$ 2,842,556
Investments	17,216,192	17,523,026
Accounts Receivable		
Current		
Interest	3,233	5,602
Leases	354,649	1,142,697
Other	2,631,912	1,330,651
Noncurrent		
Leases	875,488	733,573
Net Other Post-Employment Benefit Asset	790,202	702,021
Intangible Right-to-Use Assets		
Transmission Towers	894,603	979,690
Equipment	-	30,146
SBITA	111,824	-
Less: Accumulated Amortization	(417,205)	(350,270)
Capital Assets		
Land	1,478,948	1,478,948
Construction in Progress	964,822	-
Buildings and Building Improvements	217,978	217,978
Other Property and Equipment	48,112,382	53,654,547
Less: Accumulated Depreciation	(43,083,747)	(48,272,543)
Total Assets	35,735,207	32,018,622
DEFERRED OUTFLOWS OF RESOURCES		
Related to Defined Benefit Pension Plans	4,342,287	9,510,853
Related to Other Post-Employment Benefits Plan	2,730,918	3,593,278
Total Deferred Outflows of Resources	7,073,205	13,104,131
LIABILITIES		
Accounts Payable and Other Accruals	964,329	1,103,738
Interest Payable	2,348	2,841
Unearned Revenue	2,960,688	281,614
Long-Term Liabilities		
Due Within One Year		
Compensated Absences	774,616	681,456
Leases and SBITA	160,923	123,728
Due in More Than One Year		
Compensated Absences	432,806	571,477
Leases and SBITA	465,862	579,196
Other Post-Employment Benefit Liability	11,824,017	12,003,020
Net Pension Liability	18,808,343	21,637,628
Total Liabilities	36,393,932	36,984,698
DEFERRED INFLOWS OF RESOURCES		
Related to Lease Revenue	1,182,804	1,749,167
Related to Defined Benefit Pension Plans	298,678	247,310
Related to Other Post-Employment Benefits Plans	5,487,043	6,218,062
Total Deferred Inflows of Resources	6,968,525	8,214,539
NET POSITION		
Net Investment in Capital Assets	7,652,820	7,035,572
Unrestricted (Deficit)	(8,206,865)	(7,112,056)
Total Net Position	$ (554,045)	$ (76,484)

The notes to the financial statements are an integral part of this statement.

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2024
(with summarized comparative information for the year ended June 30, 2023)

EXHIBIT "B"

		Program Revenues 2024			Net (Expense) Revenue and Changes in Net position	
					Governmental Activities	
Functions/Programs	Expenses 2024	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2024	2023
Governmental Activities						
Culture and Education						
Programming and Content	$ 15,775,219	$ 8,610	$ 4,583,925	$ -	$ (11,182,684)	$ (13,585,787)
Operations and Content Delivery	10,639,718	-	-	3,285,037	(7,354,681)	(11,109,825)
Facilities	3,112,049	1,284,877	-	-	(1,827,172)	(2,088,916)
Marketing and Communications	2,899,505	-	-	-	(2,899,505)	(2,896,853)
Fundraising	3,666,539	-	-	-	(3,666,539)	(4,018,264)
Sponsorship	1,214,552	5,350,933	-	-	4,136,381	2,813,895
Studio Rentals and Client Services	2,048,779	2,321,901	-	-	273,122	691,622
Administration	3,953,247	-	-	-	(3,953,247)	(3,453,042)
Total Governmental Activities	$ 43,309,608	$ 8,966,321	$ 4,583,925	$ 3,285,037	$ (26,474,325)	$ (33,647,170)
General Revenues						
Intergovernmental - Other State Appropriations					13,615,702	14,814,216
Contributions and Donations					10,490,735	11,639,706
Miscellaneous Revenue					242,458	248,975
Unrestricted Investment Earnings					1,832,931	1,557,483
Transfers and Donated Assets					(185,062)	-
Total General Revenues and Transfers					25,996,764	28,260,380
Change in Net Position					(477,561)	(5,386,790)
Net Position - Beginning					(76,484)	5,310,306
Net Position - Ending					$ (554,045)	$ (76,484)

The notes to the financial statements are an integral part of this statement.

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024
(with summarized comparative information for the year ended June 30, 2023)

EXHIBIT "C"

	General Fund	Special Revenue Fund	Capital Project Fund	Total Governmental Funds 2024	Total Governmental Funds 2023
ASSETS					
Cash and Cash Equivalents	$ 5,099,945	$ 1,252,083	$ -	$ 6,352,028	$ 3,023,778
Investments	-	17,216,192	-	17,216,192	17,523,026
Accounts Receivable					
Interest	3,233	-	-	3,233	5,602
Leases	1,230,137	-	-	1,230,137	1,876,270
Other	1,863,810	-	768,102	2,631,912	1,330,651
Total Assets	$ 8,197,125	$ 18,468,275	$ 768,102	$ 27,433,502	$ 23,759,327
LIABILITIES AND FUND BALANCES					
Liabilities					
Cash Overdraft	$ -	$ -	$ 768,102	$ 768,102	$ 181,222
Accounts Payable and Other Accruals	964,202	127	-	964,329	1,103,738
Unearned Revenue	2,960,688	-	-	2,960,688	281,614
Total Liabilities	3,924,890	127	768,102	4,693,119	1,566,574
DEFERRED INFLOWS OF RESOURCES					
Related to Lease Revenue	$ 1,182,804	$ -	$ -	$ 1,182,804	$ 1,749,167
Fund Balances					
Assigned	376,944	18,468,148	-	18,845,092	20,061,454
Unassigned	2,712,487	-	-	2,712,487	382,132
Total Fund Balances	3,089,431	18,468,148	-	21,557,579	20,443,586
Total Liabilities and Fund Balances	$ 8,197,125	$ 18,468,275	$ 768,102		

		2024	2023
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:			
Land	$ 1,478,948		
Construction in Progress	964,822		
Buildings and Building Improvements	217,978		
Other Property and Equipment	48,112,382		
Accumulated Depreciation	(43,083,747)		
Total Capital Assets		7,690,383	7,078,930
Right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds.			
Leased Transmission Towers	$ 894,603		
SBITA	111,824		
Accumulated Amortization	(417,205)		
Total Right-to-Use Assets		589,222	659,566
Certain liabilities and deferred inflows/outflows of resources are not due and payable in the current period and therefore are not reported as liabilities in the funds. These consist of:			
Compensated Absences		(1,207,422)	(1,252,933)
Lease Liability, SBITA and Interest Payable		(629,133)	(705,765)
Other Post-Employment Benefit Liability and Deferred Inflows on OPEB Plans		(13,789,940)	(13,925,783)
Pension Liability and Deferred Outflows and Inflows on Pension Plans		(14,764,734)	(12,374,085)
		(30,391,229)	(28,258,566)
Net Position of Governmental Activities (Exhibit "A")		$ (554,045)	$ (76,484)

The notes to the financial statements are an integral part of this statement.

EXHIBIT "D"

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2024
(with summarized comparative information for the year ended June 30, 2023)

	General Fund	Special Revenue Fund	Capital Project Fund	Total Governmental Funds 2024	Total Governmental Funds 2023
REVENUES					
Intergovernmental - Federal					
U.S. Department of Education	$ 67,135	$ -	$ -	$ 67,135	$ 95,586
Intergovernmental - Other					
State Appropriations through the Board of Regents of the University System of Georgia	13,615,702	-	-	13,615,702	14,814,216
Corporation for Public Broadcasting - Grants	4,516,790	-	-	4,516,790	4,984,055
GSFIC		-	3,285,037	3,285,037	209,329
Contributions and Donations					
Foundation for Public Broadcasting in Georgia, Inc.	-	10,490,735	-	10,490,735	11,639,706
Interest and Other Investment Income	-	345,958	-	345,958	391,919
Rents and Royalties	3,589,678	-	-	3,589,678	3,236,348
Sales and Services	25,710	-	-	25,710	522,284
Sponsorship	5,350,933	-	-	5,350,933	4,138,043
Gain on Investments		1,486,973	-	1,486,973	1,165,564
Miscellaneous	242,458	-	-	242,458	248,975
Total Revenues	27,408,406	12,323,666	3,285,037	43,017,109	41,446,025
EXPENDITURES					
Current					
Culture and Education					
Programming and Content	14,908,372	-	-	14,908,372	17,743,699
Operations and Content Delivery	8,366,986	-	2,575,037	10,942,023	10,174,997
Facilities	2,356,713	-	710,000	3,066,713	3,441,033
Marketing and Communications	2,640,206	-	-	2,640,206	2,627,707
Fundraising	3,529,658	7,023	-	3,536,681	3,794,923
Sponsorship	1,214,552	-	-	1,214,552	1,324,148
Studio Rentals and Client Services	2,000,781	-	-	2,000,781	1,683,514
Administration	3,475,371	118,417	-	3,593,788	3,063,134
Total Expenditures	38,492,639	125,440	3,285,037	41,903,116	43,853,155
Excess Of Revenues Over (Under) Expenditures	(11,084,233)	12,198,226	-	1,113,993	(2,407,130)
OTHER FINANCING SOURCES (USES)					
Leases	-	-	-	-	179,704
Interfund Transfers	13,400,000	(13,400,000)	-	-	-
Total Other Financing Sources (Uses)	13,400,000	(13,400,000)	-	-	179,704
Net change in Fund Balances	2,315,767	(1,201,774)	-	1,113,993	(2,227,426)
FUND BALANCES - BEGINNING	773,664	19,669,922	-	20,443,586	22,671,012
FUND BALANCES - ENDING	$ 3,089,431	$ 18,468,148	$ -	$ 21,557,579	$ 20,443,586

		2024	2023
Net change in fund balances - total governmental funds		$ 1,113,993	$ (2,227,426)
Amounts reported for governmental activities in the Statement of Activities are different because:			
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:			
Capital Outlay	$ 2,722,335		
Depreciation Expense	(1,925,820)	796,515	(423,113)
Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as revenues or expenditures in governmental funds. This activity consists of:			
Decrease in Compensated Absences		45,511	(12,941)
Decrease in Leases and SBITA		6,288	(21,496)
Decrease in Other Post-Employment Benefit Obligations		135,843	(26,780)
Increase in Pension Obligations		(2,390,649)	(2,675,034)
The net effect of transactions involving capital assets is to increase net position:			
Net Transfer of Equipment		(185,062)	-
Change in net position of governmental activities (Exhibit "B")		$ (477,561)	$ (5,386,790)

The notes to the financial statements are an integral part of this statement.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Georgia Public Telecommunications Commission (the Commission) is an instrumentality of the State of Georgia and a public corporation. The Commission, a component unit of the State of Georgia, was created by an Act of the General Assembly of the State of Georgia for the purpose of providing educational, instructional, and public broadcasting services to the citizens of the State of Georgia.

The overall management of the business and affairs of the Commission is vested in a Board of Directors. State law provides that the Board is to be comprised of nine members. Board members serve on a part-time basis and are appointed by the Governor for specific periods of time. The Board of Directors appoints an Executive Director who is responsible for the day-to-day operations of the Commission.

A component unit is an entity for which the Commission is financially accountable. Financial accountability includes the ability of the Commission to appoint a voting majority of the component unit's governing board and to impose its will upon the organization or to have the potential for the organization to provide specific financial benefits or impose specific financial burdens on the Commission.

Blended Component Unit

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the Commission and its blended component unit, The Foundation for Public Broadcasting in Georgia, Inc. ("the Foundation"). The Foundation assists the Commission in fulfilling its statutory responsibility for providing educational and public broadcasting to the citizens of the State of Georgia. Funds raised by the Foundation are almost entirely devoted to the benefit of the Commission. The Foundation's Board of Directors is composed of five directors, which are the Chairperson and the Vice Chairperson of the Commission's Board, the Executive Director of the Commission and two directors elected by the Foundation's Board.

Because the Foundation, a legally separate entity, is in substance a part of the Commission's operations, the financial statements of the Foundation have been blended with the financial statements of the Commission. To satisfy GAAP requirements for the blending of component units, the Foundation's financial activity is presented as a special revenue fund in a separate column on the Statement of Revenue, Expenditures and Changes in Fund Balance. This presentation more accurately depicts the unique relationship between the Commission and the Foundation.

The Georgia Public Telecommunications Commission, with its blended component unit, is considered a component unit of the State of Georgia for financial reporting purposes because of the significance of its legal, operational and financial relationships with the State of Georgia. The component unit is organized as a not-for-profit corporation in which the primary government is the sole corporate member, as identified in the component unit's articles of incorporation or bylaws, and the component unit is included in the financial reporting entity pursuant to the provisions defined in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards.

B. BASIS OF PRESENTATION

A key feature of the governmental financial reporting model is its unique combination of government-wide and fund financial reporting. This combination of government-wide and fund financial reporting is designed to accomplish two goals: (1) to provide information using the economic resources measurement focus and the accrual basis of accounting for functions reported in governmental funds, and (2) to provide net cost information by function for governmental activities. These goals are accomplished through government-wide financial statements and fund financial statements.

The basic financial statements include prior year summarized comparative information in total, but not at the level of detail required for a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Commission’s financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities report information on all the non-fiduciary activities of the Commission and its component unit.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. The only exception to this general rule is in those instances where the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and (b) operating and capital grants and contributions that are restricted to meeting the operational requirements of a particular function. Annual appropriations received from the State of Georgia, through the Board of Regents of the University System of Georgia, and other items not meeting the definition of program revenues are instead reported as general revenue.

Fund Financial Statements

Separate financial statements for each fund category are provided for governmental funds. The major individual governmental funds are reported as separate columns in the fund financial statements.

The financial activities of the Commission and its blended component unit are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Commission uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The Commission reports the following major governmental funds:

The *General Fund* is used to account for all financial transactions not required to be accounted for in another fund. These transactions relate to resources obtained and used for providing educational, instructional and public broadcasting services to the citizens of the State of Georgia.

The *Special Revenue Fund* is used to account for all financial transactions related to the component unit, The Foundation for Public Broadcasting in Georgia, Inc.

The *Capital Projects Fund* accounts for financial transactions related to the Commission's capital facilities projects funded by Georgia State Financing and Investment Commission (GSFIC) bonds.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenue sources susceptible to accrual include intergovernmental revenue. Appropriations from the State of Georgia, passed through the Board of Regents of the University System of Georgia to the Commission, are recognized when they become measurable and available to the extent they are collected within the current period. All other revenue items become measurable and available when they are earned.

Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

D. ASSETS, LIABILITIES AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

The Commission's cash and cash equivalents are considered to be cash on hand, demand deposits with banks and other financial institutions, money market funds and the State investment pool that have the general characteristics of demand deposit accounts in that the Commission may deposit additional cash at any time and may withdraw cash at any time without prior notice or penalty.

Funds held in money market funds and certificates of deposit are valued at cost which approximates fair value.

Investments
Investments are defined as those financial instruments with terms in excess of three months from the date of purchase and certain other securities held for the production of revenue. Investments are presented at fair value.

Accounts Receivable
Accounts receivable for service are recorded when either the asset or revenue recognition criteria have been met. Management periodically reviews the status of all the accounts receivable balances for collectability and determined that the balances are collectible and an allowance for uncollectible accounts is considered unnecessary.

Capital Assets
Capital assets, which include property, plant and equipment, are reported in the applicable governmental activities in the government-wide financial statements. All land is capitalized regardless of cost. Buildings and building improvements are capitalized when the cost of individual items or projects exceeds $100,000. Equipment is capitalized when the cost of individual items exceeds $5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical costs or estimated historical cost if historical cost information is unavailable. Donated capital assets are recorded at acquisition value on the date donated. Disposals are deleted at recorded cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Capital assets of the Commission are depreciated using the straight-line method over the following estimated useful lives:

	Estimated Useful Life
Buildings and Building Improvements	10 - 50 Years
Equipment	3 - 20 Years
Vehicles	5 - 10 Years

Intangible Right-to-Use Assets
Leases, as a lessee, and subscription-based information technology arrangements (SBITAs) are included as intangible right-to-use assets and lease obligations on the Statement of Net Position. An intangible right-to-use asset represents the Commission’s right to use an underlying asset for the lease or subscription term. Lease obligations represent the Commission’s liability to make lease payments arising from the lease agreement. Intangible right-to-use assets and lease or subscription obligations are recognized based on the present value of lease or subscription payments over the agreement term, where the initial term exceeds 12 months. Residual value guarantees and the value of an option to extend or terminate a lease or subscription are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage are not included in the measurement of the lease or subscription liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease or subscription term or useful life of the underlying asset.

Leases as Lessee

The Commission is a lessee for noncancellable leases of certain space within buildings owned by 3rd parties.

At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The right-to-use lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on the straight-line basis over the shorter of the useful life of the asset or the lease term.

Key estimates and judgments related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

The lease agreements entered into by the Commission as lessee do not contain stated interest rates. Therefore, the Commission has used the State borrowing rate as the discount rate for the leases. The current incremental borrowing rate is 2.74% to 3.40% for the leases in which the Commission is currently involved as the lessee.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments the Commission will make over the lease term.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right-to-use assets and lease liabilities are reported with current and long-term debt on the statement of net position.

Leases as Lessor

The Commission is a lessor for noncancellable leases of space within buildings and transmission towers owned by the Commission. The Commission recognizes a lease receivable and a deferred inflow of resources for deferred lease receipts in the statement of net position.

At the commencement of a lease, the Commission initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources for deferred lease receipts is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date, less certain costs paid to or reimbursed to the lessee. Subsequently, the deferred inflow of resources is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

The lease agreements entered into by the Commission do not contain stated interest rates. Therefore, the Commission has used the State borrowing rate as the discount rate for the leases. The incremental borrowing rate is 2.74% to 3.40% for the leases in which the Commission is currently as the lessor.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments the Commission will receive over the lease term.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITA)
The Commission accesses another party’s combination of IT software and tangible capital assets for a noncancellable subscription period.

At the commencement of the subscription term, which is when the subscription asset is placed into service, a subscription liability is recognized. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term.

Subscription payments included in the measurement of the Subscription liability are composed of fixed payments the Commission will make over the Subscription term.

Key estimates and judgments related to subscriptions include how the Commission determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments:

SBITAs entered into by the Commission do not contain stated interest rates. Therefore, the Commission has used the State borrowing rate as the discount rate for the leases. The current incremental borrowing rate is 2.74% to 3.40% for the leases in which the Commission is currently involved as the lessee.

The Commission monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

SBITAs are reported as right-to-use assets and subscription liabilities are reported with current and long-term debt on the statement of net position.

Deferred Outflows of Resources
Deferred outflows of resources reported in the Commission’s Statement of Net Position represents resources related to the Employees’ Retirement System of Georgia (ERS) and the Teachers Retirement System of Georgia (TRS) pension plans and the Commission’s other post-employment benefits plan (OPEB) related to health insurance and the State Employees’

Assurance Department (SEAD) OPEB. It represents a consumption of net resources that is applicable to a future reporting period and will not be recognized as an outflow of resources (expense) until that time. Deferred outflows of resources have a positive effect on net position, but they are not assets.

Unearned Revenue
Unearned revenue includes grant funds, rentals and fees received but not earned.

Long-Term Liabilities
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. The Commission's long-term obligations include compensated absences, leases, pensions and other post-employment benefits obligations.

Deferred Inflows of Resources
Deferred inflows of resources reported in the Commission's Statement of Net Position represents resources related to the Employees' Retirement System of Georgia (ERS) and the Teachers Retirement System of Georgia (TRS) pension plans; the Commission's other post-employment benefits plan (OPEB) related to health insurance and the State Employees' Assurance Department (SEAD) OPEB and related to leases. It represents an acquisition of net resources that is applicable to a future reporting period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources have a negative effect on net position, but they are not liabilities.

Pension Items
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employees' Retirement System (ERS) and the Teachers Retirement System of Georgia (TRS) and additions to/deductions from ERS's and TRS's fiduciary net position have been determined on the same basis as they are reported by ERS and TRS. 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.

Other Post-Employment Benefits (OPEB) Items
There are two items relating to OPEB. The Commission's OPEB Plan is a single-employer defined benefit post-retirement healthcare plan and the SEAD-OPEB establishes a fund for the provision of term life insurance to retired and vested inactive members of ERS, the Georgia Judicial Retirement System (GJRS), and Legislative Retirement System (LRS). For purposes of measuring the net SEAD-OPEB asset, deferred outflows of resources and deferred inflows of resources related to SEAD-OPEB, and SEAD-OPEB expense, net position has been determined on the same basis as reported by ERS.

Fund Balance
In the fund financial statements, governmental funds fund balance is composed of classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The governmental funds classify fund balances as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed Fund Balance – This classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned Fund Balance – This classification includes revenue sources that reflect the intended use of resources established at either the highest level of decision making, or by a body or official designated for that purpose.

Unassigned Fund Balance – This classification includes that portion of fund balance that has not been restricted for specific purposes.

The Commission receives an annual appropriation from the State of Georgia through the Board of Regents of the University System of Georgia. In general, Georgia law requires that unencumbered annual state appropriations lapse at fiscal year end; however, statutory provisions allow the Commission to carry over unencumbered appropriations to future periods. Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end in the amount of $376,944 are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent fiscal year. The special revenue fund has an assigned fund balance of $18,468,148 as of June 30, 2024. This balance consists of funding for general operational support of the Commission.

Net Position

In the government-wide financial statements, the difference in the Commission's assets and liabilities is reported as net position. Where applicable, net position is reported in three categories:

> **Net investment in capital assets** consists of a total investment in capital assets, net of accumulated depreciation, and reduced by outstanding debt obligations related to leased assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component in capital assets.
>
> **Restricted net position** results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.
>
> **Unrestricted net position** consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position is often designated, indicating they are not available for general operations. Such designations have internally imposed constraints on resources but can be removed or modified.

E. REVENUES AND EXPENDITURES/EXPENSES

Program Revenues

Amounts reported as program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and (b) operating and capital grants and contributions that are restricted to meeting the operational requirements of a particular function. Annual appropriations received from the State of Georgia, through the Board of Regents of the University System of Georgia, and other items not meeting the definition of program revenues are instead reported as general revenue.

Compensated Absences
Employees earn annual leave ranging from ten to fourteen hours each month depending upon the employee’s length of continuous State service with a maximum accumulation of forty-five days. Employees are paid for a maximum of 360 hours of unused accumulated annual leave upon retirement or termination of employment.

Employees earn ten hours of sick leave each month with a maximum accumulation of ninety days. Sick leave does not vest with the employee. Unused accumulated sick leave is forfeited upon retirement or termination of employment unless an employee that is retiring has a combined total of 960 hours to include unused sick leave and forfeited annual leave. Thus, certain employees who retire with one hundred and twenty days or more of forfeited annual and sick leave or 960 hours or more are entitled to additional service credit in the Employees’ Retirement System of Georgia.

F. BUDGET
The annual budget of the Commission is prepared on the budgetary basis. The budget is prepared by the Commission and reviewed by the Board. Liabilities and expenditures are recorded upon issuance of completed purchase orders. Goods and services need not have been received for liabilities and expenditures to be recorded.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

State of Georgia Collateralization Statutes and Policies
Funds belonging to the State of Georgia (and thus the Commission) cannot be placed in a depository paying interest longer than ten days without the depository providing a surety bond to the State. In lieu of a surety bond, the depository may pledge as collateral any one or more of the following securities as enumerated in the Official Code of Georgia Annotated Section 50-17-59:

1. Bonds, bills, notes, certificates of indebtedness, or other direct obligations of the United States or of the State of Georgia.
2. Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia.
3. Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose.
4. Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia.
5. Bonds, bills, certificates of indebtedness, notes or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest and debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association and the Federal National Mortgage Association.
6. Letters of credit issued by a Federal Home Loan Bank.
7. Guarantee or insurance of accounts provided by the Federal Deposit Insurance Corporation.

The Georgia General Assembly enacted legislation creating the Georgia State Pledging Pool Program effective in January 1999. This bill allows a bank to manage the collateral pledged towards their public funds in a pooled method instead of the traditional dedicated method. The Commission and Foundation bank accounts are a part of the Georgia State Pledging Pool program that is administered by the Georgia Bankers Association. This pool allows public depositors the option of having their financial institution secure deposits using a pooled method. By using the pooled method, the bank can pledge a pool of securities against the combined deposits of all their public depositors net of the FDIC insured amount. There are three separate entities that monitor deposits on a regular basis – the financial institution, the Office of the State Treasurer (OST) and GBA Services, Inc. (GBASI), a subsidiary of Georgia Bankers Association an authorized administrative agent for the OST. Significant savings are realized in administrative time and by avoiding the fees safe keepers charge to move securities from one account holder to another.

NOTE 3: ACCOUNTING CHANGES – ADOPTION OF NEW ACCOUNTING PRINCIPLES

During fiscal year 2024, the following GASB statements were implemented:

No. 99 Omnibus 2022
The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The practice issues addressed by this Statement are as follows:
- Classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements.

- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.
- Terminology used in Statement 53 to refer to resource flows statements.

The Commission adopted this statement effective July 1, 2023, during the fiscal year preparation of financials statements. The adoption of this statement did not have an impact on the Commission's financial statements.

No. 100 Accounting Changes and Error Correction
The primary objective of this statement is to enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). The requirements of this statement apply to the financial statements of all state and local governments.

The requirements of this statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The Commission adopted this statement effective July 1, 2023, during the fiscal year preparation of financials statements. The adoption of this statement did not have an impact on the Commission's financial statements.

NOTE 4: DEPOSITS AND INVESTMENTS

A. Cash Deposits with Financial Institutions
Custodial Credit Risk - Deposits
The custodial credit risk for deposits is the risk that in the event of a bank failure, the Commission's deposits may not be recovered. At June 30, 2024 the Commission's deposits bank balance of $4,927,965 was insured and collateralized as part of the State of Georgia Pledging Pool; therefore, none of this amount was exposed to custodial credit risk.

	2024		2023	
	Cash & Cash Equivalents	Investments	Cash & Cash Equivalents	Investments
Per Statement of Net Position	$ 5,583,926	$ 17,216,192	$ 2,842,556	$ 17,523,026
Reclassifications to Investments for Risk Assessment Disclosures				
Money Market Mutual fund	(1,027,123)	1,027,123	(1,933,089)	1,933,089
Per Notes to the Financial Statements	$ 4,556,803	$ 18,243,315	$ 909,467	$ 19,456,115

B. Investments
The Commission's investments as of June 30, 2024 are presented by investment type and debt securities are presented by original maturity.

	Investment Maturity					
Investment Type	Less Than 1 Year	1 - 5 Years	6 - 10 Years	More than 10 Years	Fair Value 2024	Fair Value 2023
Debt Securities						
Corporate Bonds	$ -	$ 1,953,599	$ -	$ -	$ 1,953,599	$ 2,047,087
Money Market Mutual Fund	1,027,123	-	-	-	1,027,123	1,933,089
CMO&Asset Backed Securities	-	-	-	-	-	10,214
Municipal Bonds	-	187,235	-	-	187,235	301,273
U. S. Treasury Obligations	-	2,097,729	-	-	2,097,729	3,335,942
	$ 1,027,123	$ 4,238,563	$ -	$ -	$ 5,265,686	$ 7,627,605
Other Investments						
Exchange Traded Funds					12,977,629	11,828,510
					$ 18,243,315	$ 19,456,115

Interest Rate Risk
Interest rate risk is the chance that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Commission, through the Foundation, contracts with an investment consultant and professional investment managers to invest assets on the Foundation's behalf. The investment consultant and the fixed income manager work together to adjust bond duration to minimize the interest rate risk of the bond portfolio. Asset allocations and general investment guidelines are determined by the Foundation's investment policy.

Credit Risk
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The investment policy includes the following investing restrictions to manage credit risk:

1. **Acceptable Fixed Income Investments** may be comprised of the following: Domestic bonds, of "Baa3/BBB-" (as rated by Moody's and/or S&P) or better with sufficient liquidity; bonds issued by or guaranteed by the U.S. Treasury or U.S. Government agencies are considered AA+ rating; Convertible bonds; Treasury Inflation Protected Securities (TIP's); Exchange Traded Funds (ETF's) and Fixed Income mutual funds.
2. **Acceptable Cash Equivalent Investments** may be comprised of the following: Certificates of Deposit ($250,000 maximum investment per issuer, as insured by FDIC); Money Market Funds, Commercial Paper (Rate A-1, P-1), U.S. Treasury bills and any other high quality fixed income investment with a yield to maturity of less than one (1) year (see ratings restrictions in above Fixed Income).
3. **Unacceptable/Restricted Investments and/or Transactions** are as follows: Borrowing of money; Purchasing of securities on margin or short sales; Pledging, mortgaging, or hypothecating of any securities; Purchase of securities of the investment advisor, its parent or its affiliates; Purchase of illiquid securities (i.e. private placements, real estate or mortgages, Limited Partnerships); Purchase or sale of commodities, (unless held in an actively managed, liquid EFT or mutual fund structure), commodity contracts and purchase or sale of futures of options for speculation or leverage.

The following table provides information about the Commission's exposure to credit quality risk.

	Quality Ratings					Fair Value	Fair Value
Rated Debt Investments	AAA	AA	A	BBB	Unrated	2024	2023
Corporate Bonds	$ -	$ 140,272	$ 1,009,202	$ 804,125	$ -	$ 1,953,599	$ 2,047,087
Money Market Mutual Fund	-	-	-	-	1,027,123	1,027,123	1,933,089
CMO&Asset Backed Securities	-	-	-	-	-	-	10,214
Municipal Bonds	93,237	93,998	-	-	-	187,235	301,273
U.S. Agencies	-	-	-	-	-	-	-
U. S. Treasury Obligations	-	2,005,342	-	-	92,387	2,097,729	3,335,942
	$ 93,237	$ 2,239,612	$ 1,009,202	$ 804,125	$ 1,119,510	$ 5,265,686	$ 7,627,605

Equity Risk

Equity risk is the risk that equity investments or funds holding equity investments (ETFs and mutual funds) will lose value due to poor market conditions, an economic recession, and/or any number of unforeseen events (economic or geopolitical). Additionally, foreign equities held in U.S. dollar denominated funds are subject to foreign exchange risk. The Commission's policy for managing equity risk is to only allocate funds to equities that are longer-term in nature and can be held through a full market cycle. With the assistance of the investment consultant, the investment committee will determine the appropriate allocation to equities based on market conditions and the near-term liquidity needs of the Commission. The investment policy includes the following investing restrictions to manage equity risk:

1. **Acceptable Equity Investments** should consist of the following: Domestic (U.S.) common stock-includes preferred and convertible issues; American Depository Receipts (ADR's) of foreign companies; mutual funds (excluding those managed by the manager's/advisor's firm(s)); Exchange Traded Funds (ETF's) and Publicly-traded Real Estate Investment Trusts (REIT's).
2. **Unacceptable Equity Investments** include the following, but are not limited to: Unlisted stocks; "Penny Stocks," Options (puts and calls) and Non-U.S. Dollar denominated foreign stocks.

Fair Value Measurement

Investments are measured at fair value on a recurring basis and the Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles (GAAP). The hierarchy is based on the inputs used in valuation and gives the highest priority to unadjusted quoted prices in active markets and requires that observable inputs be used in the valuation when available. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into valuations are observable. In determining the level of the hierarchy, in which the estimate is disclosed, the highest level, Level 1, is given to unadjusted quoted prices in active markets and the lowest level, Level 3, to unobservable inputs.

- Level 1 – valuations based on unadjusted quoted prices in active markets for identical assets and have daily liquidity and daily pricing. Commission investments under Level 1 include money market funds, exchange traded funds and U.S. Treasury Securities.
- Level 2 – valuations based on quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable. Commission investments under Level 2 include Corporate and Municipal bonds.

- Level 3 – valuations based on inputs that are unobservable and significant to the overall fair value measurement. The Commission's investments did not hold any level 3 inputs at June 30, 2024.

The Commission did not have any Net Asset Value (NAV) investments at June 30, 2024. The following table shows the fair value leveling of the Commission's investments.

	Fair Value Measures Using				
Investments by Fair Value Level	**Quoted prices in active markets for identical assets Level 1**	**Significant other observable inputs Level 2**	**Significant unobservable inputs Level 3**	**Total 2024**	**Total 2023**
Debt Securities					
Corporate Bonds	$ -	$ 1,953,599	$ -	$ 1,953,599	$ 2,047,087
Money Market Mutual Fund	1,027,123	-	-	1,027,123	1,933,089
CMO&Asset Backed Securities	-	-	-	-	10,214
Municpal Bonds	-	187,235	-	187,235	301,273
U. S. Agencies	-	-	-	-	-
U. S. Treasury Obligations	2,097,729	-	-	2,097,729	3,335,942
Other Investments					
Exchange Traded Funds	12,977,629	-	-	12,977,629	11,828,510
	$ 16,102,481	$ 2,140,834	$ -	$ 18,243,315	$ 19,456,115

Custodial Credit Risk-Investments

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the Commission will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The Commission's policy for managing custodial credit risk for investments is to have all investments managed through an investment account custodian. This custodian provides Securities Investor Protection Corporation (SIPC) which protects securities customers of its member institutions for up to $500,000 (including $100,000 for claims for cash). In addition to this coverage, the custodian has secured protection through additional commercial insurance of up to $150 million per customer.

At June 30, 2024, $18,243,315 of the Commission's applicable investments was held by the investment account custodian.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Commission's policy for managing concentration of credit risk is no individual security, except diversified funds, shall make up more than 5% of each portfolio. The Fixed Income Securities portfolio has additional stipulations stating that in the case of asset backed securities and private label mortgage obligations the maximum limit shall relate to obligations from a specific "master trust" which holds the assets collateralizing the securities. There shall be no such limit on U.S. Government securities or U.S. Government-sponsored agency securities or mortgage obligations that are collateralized entirely by U.S. Government or U.S. Government agency securities. The maximum exposure to any single municipal obligor shall not exceed 5% of the total portfolio.

The investment advisor for the Fixed Income portfolio which represents approximately 22% of the Commission's total funds available for investment has additional restrictions to limit the relative sector exposure of the investments and additional restrictions on the type of investments. The restrictions include: No obligations of BB&T Corporation/Truist Financial Corporation which own the investment advisor's company; No Private Placements; No Derivatives; No Non-U.S. Dollar Denominated Issues. The restrictions to limit the relative sector exposure include: Exposure to corporate debt will be restricted to 60% of the portfolio market value; Exposure to mortgage-backed securities will be restricted to a maximum of 30% of the weighting of the portfolio; Asset-backed securities will be restricted to a maximum of 25% of the portfolio; Commercial Mortgage Backed Securities will be restricted to a maximum of 25% of the portfolio; Yankee debt will be restricted to a maximum of 10% of the fund and Total exposure to municipal obligations shall not exceed 15% of the overall account. At June 30, 2022, the Commission did not have any debt investments in any one organization, other than those issued or guaranteed by the U.S. Government or its agencies, which represented greater than 5% of total investments.

NOTE 5: ACCOUNTS RECEIVABLE

	Governmental Activities	
	2024	**2023**
Production, Sales, Rents and Sponsorship	$ 1,863,810	$ 1,149,429
Interest	3,233	5,602
Leases	1,230,137	1,876,270
GSFIC Bonds	768,102	181,222
Total	$ 3,865,282	$ 3,212,523

NOTE 6: CAPITAL ASSETS AND INTANGIBLE RIGHT-TO-USE ASSETS:

Capital asset activity at June 30, 2024 and June 30, 2023 is as follows:

Governmental Activities:	Beginning Balance 2024	Increases	Decreases	Ending Balance 2024
Capital Assets, Not Being Depreciated:				
Land	$ 1,478,948	$ -	$ -	$ 1,478,948
Construction in Progress	-	964,822	-	964,822
Total Capital Assets, Not Being Depreciated	1,478,948	964,822	-	2,443,770
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	217,978	-	-	217,978
Other Property and Equipment	53,654,547	1,757,513	(7,299,678)	48,112,382
Total Capital Assets Being Depreciated	53,872,525	1,757,513	(7,299,678)	48,330,360
Less: Accumulated Depreciation For:				
Buildings and Building Improvements	(68,664)	(4,905)	-	(73,569)
Other Property and Equipment	(48,203,879)	(1,920,915)	7,114,616	(43,010,178)
Total Accumulated Depreciation	(48,272,543)	(1,925,820)	7,114,616	(43,083,747)
Governmental Activities Capital Assets, Net	$ 7,078,930	$ 796,516	$ (185,062)	$ 7,690,383

Governmental Activities:	Beginning Balance 2023	Increases	Decreases	Ending Balance 2023
Capital Assets, Not Being Depreciated:				
Land	$ 1,478,948	$ -	$ -	$ 1,478,948
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	217,978	-	-	217,978
Other Property and Equipment	67,674,003	1,351,111	(15,370,567)	53,654,547
Total Capital Assets Being Depreciated	67,891,981	1,351,111	(15,370,567)	53,872,525
Less: Accumulated Depreciation For:				
Buildings and Building Improvements	(63,760)	(4,904)	-	(68,664)
Other Property and Equipment	(61,805,126)	(1,769,320)	15,370,567	(48,203,879)
Total Accumulated Depreciation	(61,868,886)	(1,774,224)	15,370,567	(48,272,543)
Governmental Activities Capital Assets, Net	$ 7,502,043	$ (423,113)	$ -	$ 7,078,930

Depreciation expense for the fiscal year ended June 30, 2024 was $1,925,820 and the total expense by function is as follows:

Culture and Education	
Operations and Content Delivery	$ 1,833,915
Studio Rentals and Client Services	7,858
Programming and Content	13,195
Marketing and Communications	1,659
Administration	4,880
Facilities	64,313
	$ 1,925,820

The Commission entered into a 40-year Intergovernmental Agreement with the Board of Regents effective July 1, 2012. In exchange for transferring Buildings and Building Improvements and Other Property and Equipment located at the Commission's headquarters and the WJSP tower site to the Board of Regents, the Commission receives the proceeds of general obligation bond funds sold in the Board of Regents' name. As an authority created after 1967, the Commission cannot sell bonds. Under the terms of the Agreement, the Commission continues to use and maintain its headquarters site and the WJSP tower site. The Commission is also permitted to improve these sites. Title to any improvements at these sites is transferred to the Board of Regents as the improvements are completed. Transfers to the Board of Regents are included as a decrease to the Commission's assets. The transfer to the Board of Regents of $183,000 is included as a decrease to the Commission's assets in fiscal year 2024.

Changes in intangible assets at June 30, 2024 and June 30, 2023 are shown below:

	Beginning Balance 2024	Increases	Decreases	Ending Balance 2024
Governmental Activities:				
Intangible Right-To-Use Assets, Being Amortized				
Transmission Towers	$ 979,690	$ -	$ (85,087)	$ 894,603
Equipment	30,146	-	(30,146)	-
SBITA	-	393,014	(281,190)	111,824
Total Leased Assets Being Amortized	1,009,836	393,014	(396,423)	1,006,427
Less Accumulated Amortization For:				
Transmission Towers	(327,821)	(126,887)	102,733	(351,975)
Equipment	(22,449)	(7,776)	30,225	-
SBITA	-	(346,420)	281,190	(65,230)
Total Accumulated Amortization	(350,270)	(481,083)	414,148	(417,205)
Governmental Activities Intangible Right-To-Use Assets, Net	$ 659,566	$ (88,069)	$ 17,725	$ 589,222

	Beginning Balance 2023	Increases	Decreases	Ending Balance 2023
Governmental Activities:				
Intangible Right-To-Use Assets, Being Amortized				
Transmission Towers	$ 799,986	$ 179,704	$ -	$ 979,690
Equipment	63,154	-	(33,008)	30,146
Total Leased Assets Being Amortized	863,140	179,704	(33,008)	1,009,836
Less Accumulated Amortization For:				
Transmission Towers	(199,882)	(127,939)	-	(327,821)
Equipment	(46,440)	(9,017)	33,008	(22,449)
Total Accumulated Amortization	(246,322)	(136,956)	33,008	(350,270)
Governmental Activities Intangible Right-To-Use Assets, Net	$ 616,818	$ 42,748	$ -	$ 659,566

Amortized expense for the fiscal year ended June 30, 2024 was $481,083 and the total expense by function is as follows:

Culture and Education		
Operations and Content Delivery	$	481,083

NOTE 7: LEASES AND SUBSCRIPTIONS

The adoption of GASB Statement No. 87 on July 1, 2020, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease obligation and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Commission is a lessee and lessor, and details of these leases for fiscal year 2024 are reported below.

The adoption of GASB Statement No. 96 on July 1, 2022, establishes standards of accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs). A SBITA is a contract that conveys control of the right to use another party’s IT software, alone or in combination with tangible capital assets. The Commission’s SBITA for fiscal year 2024 is detailed below.

Lessee
The Commission has acquired transmission tower space under the provisions of various contracts that convey control of the right to use another entity’s asset for a period of time in an exchange or exchange-like transaction. These contracts are classified as leases for accounting purposes. The Commission’s principal and interest payments related to leases for fiscal year 2024 were $123,728 and $19,290 respectively. Interest rates range from 2.26% to 3.40%.

The following is a summary of the carrying values of intangible right-to-use assets under lease at June 30, 2024:

	Gross Amount	Less: Accumulated Depreciation	Net Assets Held Under Lease Obligation	Outstanding Balance Per Lease Schedules
Transmission Towers - Total Assets Held Under Lease	$ 894,603	$ 351,975	$ 542,628	$ 579,199

The following schedule lists the pertinent information for each of the Commission's leases:

Description	Lessor	Original Principal	Lease Term Months	Outstanding Principal
Transmission Tower	Lighthouse Christian Broadcasting Corp	$ 179,704	120	$ 155,395
Transmission Tower	Crown Castle South, LLC	71,528	72	31,781
Transmission Tower	Media General Operations, Inc	300,052	57	119,970
Transmission Tower	Habersham Broadcasting Company	94,428	48	25,479
Transmission Tower	Crown Castle South, LLC	248,891	360	246,574
Total Leases		$ 894,603		$ 579,199

A schedule of future lease payments is shown below:

Year Ended June 30:	Principal	Interest	Total
2025	$ 122,962	$ 16,071	$ 139,033
2026	85,237	13,073	98,310
2027	21,416	11,561	32,977
2028	20,281	10,946	31,227
2029	21,805	10,358	32,163
2030 - 2034	90,714	42,292	133,006
2035 - 2039	34,215	34,422	68,637
2040 - 2044	52,465	27,104	79,569
2045 - 2049	76,005	16,237	92,242
2050 - 2052	54,099	2,695	56,794
Total Lease Payments	$ 579,199	$ 184,759	$ 763,958

Subscriptions

The Commission has acquired software as a service under the provisions of various contracts that convey control of the right to use another entity’s asset for a period of time in an exchange or exchange-like transaction. These contracts are classified as Subscription-Based Information Technology Arrangements (SBITAs) for accounting purposes. The Commission’s principal and interest payments related to SBITAs for fiscal year 2024 were $175,632 and $5,655, respectively. Interest rates range from 2.26% to 3.40%.

The following is a summary of the carrying values of intangible right-to-use assets under SBITA at June 30, 2024:

	Gross Amount	Less: Accumulated Depreciation	Net Assets Held Under Lease Obligation	Outstanding Balance Per Lease Schedules
SBITA - Total Assets Held Under Lease	$ 111,824	$ 65,230	$ 46,594	$ 47,586

The following schedule lists the pertinent information for the Commission's SBITA:

Description	Lessor	Original Principal	Lease Term Months	Outstanding Principal
Cisco Webex	Carousel Industries	$ 111,824	36	$ 47,586

A schedule of future lease payments is shown below:

Year Ended June 30:	Principal	Interest	Total
2025	$ 37,962	$ 830	$ 38,792
2026	9,624	44	9,668
Total Lease Payments	$ 47,586	$ 874	$ 48,460

Lessor

The Commission has rented out office space and transmission tower space under the provisions of various contracts that convey control of the right to use the Commission's assets for a period of time in an exchange or exchange-like transaction. These contracts are classified as leases for accounting purposes. The Commission's receivable and interest payments related to revenue leases for fiscal year 2024 were $1,293,446 and $53,435, respectively. Interest rates range from 2.26% to 3.40%.

The following is a summary of the inflows of resources under lease at June 30, 2024:

Description	Beginning Future Receivable	Less: Rent	Ending Future Receivable	Ending Deferred Inflows of Resources
Transmission Tower	$ 997,765	$ 125,260	$ 872,505	$ 829,962
Office Space	878,505	520,873	357,632	352,842
Total Leases	$ 1,876,270	$ 646,133	$ 1,230,137	$ 1,182,804

The following schedule lists the pertinent information for each of the Commission's revenue leases:

Description	Lessee	Beginning Future Receivable	Lease Term Months	Begin Month/Year	End Month/Year	Ending Future Receivable
Transmission Tower	Georgia Bureau of Investigation	$ 25,675	48	July 2020	June 2025	$ 13,053
Office Space	Georgia Institute of Technology	529,151	36	July 2020	June 2024	-
Transmission Tower	ITT Corporation	117,884	105	July 2020	February 2030	50,395
Office Space	Georgia Institute of Technology	349,354	36	July 2020	June 2024	-
Transmission Tower	National Oceanic and Atmospheric Admin.	134,917	39	July 2020	September 2024	27,448
Transmission Tower	Federal Bureau of Investigation	127,039	63	July 2020	September 2026	90,446
Transmission Tower	CNZ Communications SE, LLC	249,813	96	July 2020	June 2029	214,166
Transmission Tower	National Oceanic and Atmospheric Admin.	128,378	87	July 2020	September 2028	105,316
Transmission Tower	Ploener Radio Group, LLC	214,059	96	July 2020	June 2029	181,279
Office Space	Fox News Network, LLC	-	60	July 2023	June 2028	268,179
Office Space	Andrew J. Young Foundation, Inc.	-	24	July 2023	June 2025	45,345
Transmission Tower	Drug Enforcement Administration	-	60	October 2023	September 2028	190,402
Office Space	Georgia Radio Reading Service	-	60	July 2023	June 2028	44,108
Total Leases		$ 1,876,270				$ 1,230,137

A schedule of future lease payments is shown below:

Year Ended June 30:	Receivable	Interest	Total
2025	$ 354,649	$ 29,355	$ 384,004
2026	283,634	20,532	304,166
2027	258,796	12,798	271,594
2028	241,570	6,003	247,573
2029	91,488	1,191	92,679
Total Lease Receivable	$ 1,230,137	$ 69,879	$ 1,300,016

NOTE 8: INTERFUND TRANSFERS

In the fund financial statements, transfers represent flows of assets without equivalent flows of assets in return or requirements for repayment. In addition, transfers are recorded when a fund receiving revenue provides it to the fund which expends the resources. Transfers of balances between funds are made to accomplish various provisions of law. Transfers between funds as of June 30, 2024 were as follows:

Transfers	
General Fund	Special Revenue Fund
$ 13,400,000	$ (13,400,000)

The total transfer of funds from the Foundation (Special Revenue Fund) to the Commission's general fund for fiscal year 2024 was $13,400,000. The Foundation assists the Commission in fulfilling its statutory responsibility for providing educational and public broadcasting to the citizens of the State of Georgia. Funds raised by the Foundation are almost entirely devoted to the benefit of the Commission.

NOTE 9: LONG-TERM LIABILITIES

Long-term obligations at June 30 and changes for the fiscal year 2024 and 2023 are as follows:

Fiscal Year 2024	July 1, 2023	Increases	Decreases	June 30, 2024	Due Within One Year
Compensated Absences	$ 1,252,933	$ 905,569	$ 951,080	$ 1,207,422	$ 774,616
Leases and SBITA	702,924	-	76,139	626,785	160,923
Net Other Post-Employment Benefit Obligation Liability	12,003,020	-	179,003	11,824,017	-
Net Pension Liability	21,637,628	-	2,829,285	18,808,343	-
	$ 35,596,505	$ 905,569	$ 4,035,507	$ 32,466,567	$ 935,539

Fiscal Year 2023	July 1, 2022	Increases	Decreases	June 30, 2023	Due Within One Year
Compensated Absences	$ 1,239,992	$ 914,389	$ 901,448	$ 1,252,933	$ 681,456
Leases	638,523	179,704	115,303	702,924	123,728
Net Other Post-Employment Benefit Obligation Liability	14,559,204	-	2,556,184	12,003,020	-
Net Pension Liability	7,127,087	14,510,541	-	21,637,628	-
	$ 23,564,806	$ 15,604,634	$ 3,572,935	$ 35,596,505	$ 805,184

NOTE 10: RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The State of Georgia utilizes self-insurance programs established by individual agreement, statute or administrative action, to provide property insurance covering fire and extended coverage and automobile insurance and to pay losses that might occur from such causes; liability insurance for employees against personal liability for damages arising out of performance of their duties; survivors' benefits for eligible members of the Employees' Retirement System; consolidating processing of unemployment compensation claims against State agencies and the payment of sums due to the Department of Labor; and workers' compensation insurance coverage for employees of the State and for the receipt of benefits as prescribed by the workers' compensation statutes of the State of Georgia. These self-insurance funds are accounted for as internal service funds of the State of Georgia where assets are set aside for claim settlements. The majority of the risk management programs are funded by assessments charged to participating organizations. A limited amount of commercial insurance is purchased by the self-insurance funds applicable to property, employee and automobile liability, fidelity and certain other risks to limit the exposure to catastrophic losses. Otherwise, the risk management programs service all claims against the State for injuries and property damage. Financial information relative to the self-insurance funds will be presented in the *State of Georgia Annual Comprehensive Financial Report* for the fiscal year ended June 30, 2024.

In addition, the Commission has purchased a liability insurance policy for broadcasters and producers and Employment Practices Liability and Directors and Officers Liability insurance for the Foundation’s Board of Directors.

NOTE 11: RETIREMENT PLANS

The Commission participates in various retirement plans administered by the State of Georgia under two major retirement systems: Employees’ Retirement System of Georgia (ERS) and Teachers Retirement System of Georgia (TRS). These two systems issue separate, publicly available financial reports that include the applicable financial statements and required supplementary information. The reports may be obtained by visiting the following websites:

Employees’ Retirement System	www.ers.ga.gov
Teachers Retirement System	www.trsga.com

The significant retirement plans that the Commission participates in are described below. More detailed information can be found in the plan agreements and related legislation. Each plan, including benefit and contribution provisions, was established and can be amended by State law.

Employees’ Retirement System of Georgia (ERS)
Plan description
ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

Benefits Provided
The ERS Plan supports two benefit tiers: New Plan and Georgia State Employees’ Pension and Savings Plan (GSEPS). Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the new plan and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member’s highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members’ benefits provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through the ERS plan.

Contributions

Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Commission's total required contribution rate for the year ended June 30, 2024 was 29.35% of annual covered payroll for new plan members and 25.51% for GSEPS members. The Commission's contributions to ERS totaled $2,382,275 for the year ended June 30, 2024. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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

At June 30, 2024, the Commission reported a liability for its proportionate share of the net pension liability of $18,387,917. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023 was determined using standard roll-forward techniques. The Commission's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2023. At June 30, 2023, the Employer's proportion was 0.308233%, which was a decrease of 0.008562% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Commission recognized pension expense of $4,736,299. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 279,315	$ 43,088
Changes of assumptions	707,552	-
Net difference between projected and actual earnings on pension plan investments	749,062	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	87,313	222,374
Employer contributions subsequent to the measurement date	2,382,275	-
Total	$ 4,205,517	$ 265,462

Commission contributions subsequent to the measurement date of $2,382,275 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2025	$	676,832
2026	$	(273,401)
2027	$	1,496,872
2028	$	(342,523)

Actuarial Assumptions

The total pension liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Cost-of-living adjustment	1.05%, annually

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return*
Fixed Income	30.00%	0.90%
Domestic large equities	46.30%	9.40%
Domestic small equities	1.20%	13.40%
International developed market equities	12.30%	9.40%
International emerging market equities	5.20%	11.40%
Alternatives	5.00%	10.50%
Total	100.00%	

* Rates shown are net inflation

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Commission’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	$ 25,232,055	$ 18,387,917	$ 12,628,355

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/financials.

Teachers Retirement System of Georgia (TRS)
Plan Description
All qualifying employees in educational service as defined in §47-3-60 of the O.C.G.A. are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

Benefits Provided
TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions
Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2024. Employer's contractually required contribution rate for the year ended June 30, 2024 was 19.98% of payroll. The Commission's contributions to TRS were $42,598 for the year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At June 30, 2024, the Commission reported a liability for its proportionate share of the net pension liability of $420,426. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023 was determined using standard roll-forward techniques. The Commission's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2023. At June 30, 2023, the Commission's proportion was 0.001424%, which was a decrease of 0.000056% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Commission recognized pension expense of $68,033. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 21,349	$ 1,738
Changes of assumptions	43,253	-
Net difference between projected and actual earnings on pension plan investments	29,570	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	31,478
Employer contributions subsequent to the measurement date	42,598	-
Total	$ 136,770	$ 33,216

The Commission contributions subsequent to the measurement date of $42,598 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	$ 9,338
2026	$ 8,828
2027	$ 54,379
2028	$ (11,589)

Actuarial Assumptions

The total pension liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 8.75%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return*
Fixed Income	30.00%	0.90%
Domestic large equities	46.30%	9.40%
Domestic small equities	1.20%	13.40%
International developed market equities	12.30%	9.40%
International emerging market equities	5.20%	11.40%
Alternatives	5.00%	10.50%
Total	100.00%	

* Rates shown are net inflation

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current discount rate (6.90%)	1% Increase (7.90%)
Employer's proportionate share of the net pension liability	$ 664,742	$ 420,426	$ 220,909

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at www.trsga.com/publications.

GSEPS 401(k) Defined Contribution Component of ERS

In addition to the ERS defined benefit pension described above, Georgia State Employees' Pension and Savings Plan (GSEPS) members may also participate in the Peach State Reserves 401(k) defined contribution plan and receive an employer matching contribution. The 401(k) plan is administered by the Employees' Retirement System of Georgia (ERS) and was established by the Georgia Employee Benefit Plan Council in accordance with State law and Section 401(k) of the Internal Revenue Code (IRC). The GSEPS segment of the 401(k) plan was established by State law effective January 1, 2009. Plan provisions and contribution requirements specific to GSEPS can be amended by State law. Other general 401(k) plan provisions can be amended by the ERS Board of Trustees as required by changes in federal tax law or for administrative purposes. The State was not required to make significant contributions to the 401(k) plan prior to GSEPS because most members under other segments of the plan either were not State employees or were not eligible to receive an employer match on their contributions.

During the 2022 Legislative Session, the Georgia General Assembly approved a significant increase in the state employee 401(k) employer match, with an enhanced benefit that increases with years of service. The GSEPS plan includes automatic enrollment in the 401(k) plan at a contribution rate of 5% of salary unless the participating member elects otherwise. The member may change such level of participation at any time. In addition, the member may make such additional contributions as he or she desires, subject to limitations imposed by federal law. The State will match 100% of the employee's contribution up to 5%. Therefore, the employer will match 5% of salary when an employee contributes 5% to the 401(k) plan. GSEPS members with at least six years of service, and who are contributing at least 5%, will get an additional half percent employer match for every full year of service in excess of five years, up to a maximum match of 9%.

GSEPS employer contributions are subject to a vesting schedule, which determines eligibility to receive all or a portion of the employer contribution balance at the time of any distribution from the account after separation from all State service. Vesting is determined based on the following schedule:

Less than 6 years	5.0%
6 years	5.5%
7 years	6.0%
8 years	6.5%
9 years	7.0%
10 years	7.5%
11 years	8.0%
12 years	8.5%
13 or more years	9.0%

Employee contributions and earnings thereon are 100% vested at all times. The 401(k) plan also allows participants to roll over amounts from other qualified plans to their respective account in the 401(k) plan on approval of the 401(k) plan administrator. Such rollovers are 100% vested at the time of transfer. Participant contributions are invested according to the participant's investment election. If the participant does not make an election, investments are automatically defaulted to a Lifecycle fund based on the participant's date of birth.

The participants may receive the value of their vested accounts upon attaining age 59.5, qualifying financial hardship, or 30 days after retirement or other termination of service (employer contribution balances are only eligible for distribution upon separation from service). Upon the death of a participant, his or her beneficiary shall be entitled to the vested value of his or her accounts. Employees who die while actively employed and eligible for 401(k) employer matching contributions become fully vested in employer contributions upon death. Distributions are made in installments or in a lump sum. For fiscal year 2024, employee GSEPS contributions totaled $582,172 and GPTC recognized expense of $49,650.

Georgia Defined Contribution Plan

Certain employees of the Commission participate in the Georgia Defined Contribution Plan (GDCP), which is a single-employer defined contribution plan established by the General Assembly of Georgia for the purpose of providing retirement allowances for public employees who are not members of a public retirement or pension system. GDCP is administered by the ERS Board of Trustees.

A member may retire and elect to receive periodic payments after attainment of age 65. The payment will be based upon mortality tables and interest assumptions to be adopted by the Board. If a member has less than $3,500 credit to his/her account, the Board has the option of requiring a lump sum distribution to the member in lieu of making periodic payments. Upon the death of a member, a lump sum distribution equaling the amount credited to his/her account will be paid to the member's designated beneficiary. Benefit provisions of GDCP are established and may be amended by State statute.

Member contributions are 7.5% of gross salary. There are no employer contributions. Contribution rates are established and may be amended by State statute. Earnings are credited to each member's account in a manner established by the Board. Upon termination of employment, the amount of the member's account is refundable upon request by the member.

Total contributions by employees during the fiscal year ended June 30, 2024 were $86,366 which represents 7.5% of covered payroll. These contributions met the requirements of the plan.

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Commission participates in the following post-employment benefits plans:

Administered by the ERS System:
State Employees' Assurance Department (SEAD)
– For Retired and Vested Inactive (SEAD-OPEB)

Administered by the Georgia Public Telecommunications Commission (GPTC):
Georgia Public Telecommunications Commission Post-Employment Health Benefits Plan (GPTC OPEB Plan)

Separate financial reports that include the applicable financial statements and required supplementary information for the plans administered by ERS are publicly available and may be obtained from the offices that administer the plans.

State Employees' Assurance Department (SEAD)
Plan Description
SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provisions of term life insurance to retired and vested inactive members of ERS, the Georgia Judicial Retirement System (GJRS), and Legislative Retirement System (LRS). The plan is a cost-sharing multiple-employer defined benefit other postemployment benefits plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefits Plans other than OPEB Plans.* The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investments of such payments.

Benefits Provided
The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect on the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964 is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon death of the retiree.

Contributions
Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. There were no employer contributions required for the fiscal year ended June 30, 2024.

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

At June 30, 2024, the Commission reported an asset of $790,202 for its proportionate share of the net SEAD-OPEB asset. The net SEAD-OPEB asset was measured as of June 30, 2023. The total SEAD-OPEB asset used to calculate the net SEAD-OPEB asset was based on an actuarial valuation as of June 30, 2022. An expected total SEAD-OPEB asset as of June 30, 2023 was determined using standard roll-forward techniques. The Commission's proportion of the net SEAD-OPEB asset was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2023. At June 30, 2023, the Commission's proportion was 0.179182%, which was a decrease of 0.011799% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Commission recognized SEAD-OPEB expense of ($24,549). At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to SEAD-OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,048	$ -
Net difference between projected and actual earnings on pension plan investments	42,708	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	21,573	-
Total	$ 69,329	$ -

There were no employer contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	$ 20,396
2026	$ (14,569)
2027	$ 83,209
2028	$ (19,707)

Actuarial Assumptions

The total SEAD-OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases, including inflation:	
ERS	3.00 – 6.75%
GJRS	3.75%
LRS	N/A
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	N/A

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return*
Fixed Income	30.00%	0.90%
Domestic large equities	46.30%	9.40%
Domestic small equities	1.20%	13.40%
International developed market equities	12.30%	9.40%
International emerging market equities	5.20%	11.40%
Alternatives	5.00%	10.50%
Total	100.00%	

* Rates shown are net of inflation

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Commission's Proportionate Share of the Net SEAD-OPEB Asset to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net OPEB asset calculated using the discount rate of 7.00%, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net OPEB asset	$ (557,073)	$ (790,202)	$ 981,525

SEAD-OPEB Plan Fiduciary Net Position

Detailed information about the SEAD-OPEB plan's fiduciary net position is available in the separately issued ERS annual comprehensive financial report which is publicly available at www.ers.ga.gov/financials.

Georgia Public Telecommunications Commission Post-Employment Health Benefits Plan (GPTC OPEB Plan)
Plan Description
On November 1, 2013, the Commission began administering its own retiree health insurance plan. The GPTC OPEB Plan is a single-employer defined benefit post-retirement health care plan, or other post-employment benefits (OPEB Plan).

Effective July 1, 2018, the GPTC OPEB Plan implemented the provisions of GASB Statement No. 75 *Accounting and Financial Reporting for Post-Employment Benefits Plans Other Than Pensions,* which significantly changed the disclosures related to the plan. For the purposes of reporting under GASB Statement No. 75, the GPTC OPEB Plan is a single-employer defined benefit OPEB plan without a special funding situation where no assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The information disclosed in this note is presented in accordance with this standard. GPTC’s actuarial report was prepared as of June 30, 2023 (measurement date) based on data, assumptions and results of the biennial actuarial evaluation as of June 30, 2023 (valuation date). Total OPEB Liability (TOL) was calculated as of the measurement date June 30, 2023.

Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from the Employees’ Retirement System of Georgia or the Teachers Retirement System of Georgia. Coverage starts immediately at retirement, provided the retiree makes proper premium payments. Prior to Medicare eligibility, retirees are required to contribute to the premium at the same rate as active employees. Effective January 1, 2020, upon reaching Medicare eligibility, coverage for retirees is provided via a Medicare Advantage plan and retirees must pay the premiums for that plan. Retiree and spousal coverage is provided for the lifetime of the participant. Other dependents may participate for the lifetime of the retiree as long as the retiree pays the required monthly contribution for dependent coverage and the dependent is eligible to continue coverage based on age requirements. The Commission as an authority of the State of Georgia has the authority to establish and amend benefit provisions.

The plan is currently funded on a pay-as-you-go basis. That is, annual employer costs of providing benefits will be financed in the same year as claims occur, with no significant assets accumulating as would occur in an advance funding strategy. The contribution requirements of plan members are established and may be amended by the Commission. Contributions of plan members or beneficiaries receiving benefits vary based on plan election, dependent coverage, and Medicare eligibility and election. Prior to Medicare eligibility, plans offered include a Health Reimbursement Account (HRA) and High Deductible Health Plan (HDHP). As of January 1, 2022, retirees are required to pay 11% of the premium through their required contributions.

The following schedule reflects membership for the GPTC-OPEB Plan as of June 30, 2023 measurement date.

Inactive Members or Beneficiaries Currently Receiving Benefits	19
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Active Members	104
Total Membership	123

Total OPEB Liability
GPTC's total OPEB liability of $11,824,017 was measured as of June 30, 2023, and as determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions
The total OPEB liability at June 30, 2023 is based on the June 30, 2023 actuarial valuation with actuarial assumptions and methods used in its determination. Significant assumptions included by the actuary include:

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary Increases, including wage inflation	3.00% - 6.75%
Municiapl Bond Index Rate	
Prior Measurement Date	3.54%
Measurement Date	3.65%
Health Care Cost Trends	
Pre-Medicare Medical and Prescription Drug	6.75% for 2023 decreasing to an ultimate rate of 4.50% by 2032
Medicare Medical and Prescription Drug	5.125% for 2023 decreasing to an ultimate rate of 4.50% by 2026

The discount rate used to measure the total OPEB liability was based on Bond Buyer 20-year General Obligation Bond Index published on the last Thursday of June by the Bond Buyer (www.bondbuyer.com).

Pre-retirement mortality rates were based on the Pub-2010 General Employee table, with no adjustments, projected generationally with the MP-2019 scale. Post-retirement mortality rates were based on the Pub-2010 family of mortality tables, with adjustments outlined in the actuarial valuation Statement of Actuarial Assumptions and Methods, to better fit actual experience, projected generationally with the MP-2019 scale.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023 valuation were based on the results of actuarial experience study for the July 1, 2014 through June 30, 2019, adopted by the Board of Trustees of the Employees' Retirement System of Georgia on December 17, 2020.

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

Changes in the Total GPTC OPEB Liability
The changes in the components of the OPEB liability for the year ended June 30, 2024, were as follows:

Total OPEB Liability Beginning of Year	$ 12,003,020
Changes for the Year:	
Service Cost as the end of the year*	623,138
Interest on TOL and cash flows	420,258
Difference between expected and actual experience	(1,029,253)
Changes of assumptions or other inputs	71,810
Net benefit payments and implicit subsidy credit**	(264,956)
Net Changes	(179,003)
Total OPEB Liability End of Year	$ 11,824,017

*The service cost includes interest for the year
**The net benefit payments shown above include $43,000 due to the implicit subsidy

Since the prior measurement date, there were no changes in benefit terms or changes in assumptions other than a change in the municipal bond index rate from 3.54% as of the prior measurement date to 3.65% as of the measurement date. Health care cost trend rates and inflation were used as of the valuation date.

Sensitivity of the Total GPTC OPEB Liability to Changes in the Health Care Cost Trend Rate
The following presents the total OPEB liability of the plan, calculated using the health care cost trend rates, as well as what the plan's 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.

Health Care Cost Trend Rate Sensitivity

	1% Decrease	Current	1% Increase
Total OPEB Liability	$ 9,857,369	$ 11,824,017	$ 14,396,054

Sensitivity of the Total GPTC OPEB Liability to Changes in the Discount Rate
The following exhibit presents the total OPEB liability of the plan, calculated using the discount rate of 3.65%, as well as what the plan's 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.

Discount Rate Sensitivity

	1% Decrease (2.65%)	Current (3.65%)	1% Increase (4.65%)
Total OPEB Liability	$ 14,145,354	$ 11,824,017	$ 10,015,764

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

The following table provides a summary of the deferred outflows of resources and deferred inflows of resources as the reporting date June 30, 2024.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 18,942	$ 2,929,650
Changes of assumptions or other inputs	2,419,377	2,557,393
Benefit payments subsequent to the measurement date	223,270	-
Total	$ 2,661,589	$ 5,487,043

Benefit payments paid subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred inflows of resources related to GPTC-OPEB benefits will be recognized in OPEB Expense as follows:

Year Ended June 30:	
2025	$ (624,174)
2026	$ (489,144)
2027	$ (673,507)
2028	$ (805,089)
2029	$ (405,469)
Thereafter	$ (51,341)

The calculation of the OPEB expense for the reporting year ended June 30, 2024 is shown in the following table:

Service cost at end of year*	$ 623,138
Interest on the total OPEB liability	420,258
Expensed portion of current-period difference beween expected and actual experience in the total OPEB liability	(162,343)
Expensed portion of current-period changes of assumptions or other inputs	11,326
Administrative costs	6,000
Recognition of beginning deferred outflows of resources as OPEB expense	862,793
Recognition of beginning deferred inflows of resources as OPEB expense	(1,579,027)
OPEB Expense	$ 182,145

*The service cost includes interest for the year

NOTE 13: NONMONETARY TRANSACTIONS

During the years ended June 30, 2024 and June 30, 2023 the Commission received in-kind contributions from the following institutions that housed local Georgia Public Broadcasting radio operations throughout the state. The in-kind contributions are for administrative, communication, facilities and departmental support. These amounts are not reflected on the Commission’s financial statements.

Institution	GPB Facility	In-Kind Contribution 2024	In-Kind Contribution 2023
Georgia Southern University (Armstrong Campus)	WSVH-FM	$ 64,242	$ 58,478
Mercer University	WMUM-FM	62,746	58,850
University of Georgia	WUGA-FM	1,301,251	1,120,303
Total In-Kind Contributions		$ 1,428,239	$ 1,237,631

NOTE 14: CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

Litigation, claims and assessments filed against the Commission, if any, are generally considered to be actions against the State of Georgia. Accordingly, significant litigation, claims and assessments pending against the State of Georgia are disclosed in the *State of Georgia Annual Comprehensive Financial Report* for the fiscal year ended June 30, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
GPTC's POST-EMPLOYMENT HEALTH BENEFIT PLAN
JUNE 30, 2024

SCHEDULE "1"

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability (measurement period ending)							
Service Cost at end of year	$ 623,138	$ 878,499	$ 913,875	$ 635,592	$ 881,442	$ 968,119	$ 1,082,723
Interest	420,258	311,861	331,440	393,317	601,555	557,453	483,452
Changes in benefit terms	-	-	-	-	(5,405,939)	-	-
Difference between expected and actual experience	(1,029,253)	9,197	(3,498,136)	21,748	(780,934)	44,189	(12,296)
Changes of assumptions or other inputs	71,810	(3,512,043)	1,947,071	2,959,429	656,956	(1,419,412)	(1,742,436)
Benefit payments and implicit subsidy credit	(264,956)	(243,698)	(263,189)	(237,110)	(281,285)	(249,364)	(179,824)
Net changes in Total OPEB Liability	(179,003)	(2,556,184)	(568,939)	3,772,976	(4,328,205)	(99,015)	(368,381)
Total OPEB Liability - beginning	12,003,020	14,559,204	15,128,143	11,355,167	15,683,372	15,782,387	16,150,768
Total OPEB Liability - ending	$ 11,824,017	$ 12,003,020	$ 14,559,204	$ 15,128,143	$ 11,355,167	$ 15,683,372	$ 15,782,387
Commission's covered payroll	$ 8,216,430	$ 7,716,670	$ 7,716,670	$ 8,536,794	$ 8,536,794	$ 7,639,554	$ 7,639,554
Total OPEB Liablity as a percentage of covered payroll	143.91%	155.55%	188.67%	177.21%	133.01%	205.29%	206.59%

Note: No assets are accumulated in a trust that meet the criteria to pay related benefits.

Changes in assumptions: Administrative costs are included in OPEB expense. Discount rate 3.65% per annum, compounded annually.
Health care cost trend rate assumptions:

	Pre-65 Retiree Claims Trend	Post-65 Retiree Claims Trend
2023	6.75%	5.125%
2024	6.50%	5.000%
2025	6.25%	4.750%
2026	6.00%	4.500%
2027	5.75%	4.500%
2028	5.50%	4.500%
2029	5.25%	4.500%
2030	5.00%	4.500%
2031	4.75%	4.500%
2032 and beyond	4.50%	4.500%

This schedule is intended to show information for 10 years. Additional years will be added as they become available.

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET SEAD-OPEB ASSET
EMPLOYEES' RETIREMENT SYSTEM
JUNE 30, 2024

SCHEDULE "2"

	2024	2023	2022	2021	2020	2019	2018
Employer's proportion of the net OPEB asset	0.179182%	0.190981%	0.182654%	0.199519%	0.195157%	0.186089%	0.207716%
Employer's proportionate share of the net OPEB asset	$ 790,202	$ 702,021	$ 1,124,831	$ 566,670	$ 551,836	$ 503,642	$ 539,864
Employer's covered payroll	$ 1,829,610	$ 1,970,808	$ 1,979,965	$ 2,377,364	$ 2,491,840	$ 2,576,156	$ 3,024,890
Employer's proportionate share of the net OPEB asset as a percentage of its covered payroll	43.19%	35.62%	56.81%	23.84%	22.15%	19.55%	17.85%
Plan fiduciary net position as a percentage of the total OPEB asset	144.49%	138.03%	164.76%	129.20%	129.73%	129.46%	130.17%

This schedule is intended to show information for 10 years. Additional years will be added as they become available.

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF CONTRIBUTIONS SEAD-OPEB
EMPLOYEES' RETIREMENT SYSTEM
JUNE 30, 2024

SCHEDULE "3"

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution *	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,669,470	$ 1,829,610	$ 1,970,808	$ 1,979,965	$ 2,377,364	$ 2,491,840	$ 2,576,156
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* Employer contributions are not currently required for the SEAD-OPEB plan.

This schedule is intended to show information for 10 years. Additional years will be added as they become available.

SCHEDULE "4"

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability	0.308233%	0.316795%	0.299047%	0.300737%	0.303758%	0.288566%	0.316308%	0.301857%	0.277984%	0.255447%
Employer's proportionate share of the net pension liability	$ 18,387,917	$ 21,157,043	$ 6,994,422	$ 12,675,935	$ 12,534,668	$ 11,863,043	$ 12,846,328	$ 14,279,104	$ 11,262,238	$ 9,580,841
Employer's covered payroll	$ 9,189,899	$ 8,393,564	$ 7,842,215	$ 8,308,833	$ 8,369,318	$ 8,025,859	$ 8,409,681	$ 7,571,004	$ 6,887,434	$ 6,252,863
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	200.09%	252.06%	89.19%	152.56%	149.77%	147.81%	152.76%	188.60%	163.52%	153.22%
Plan fiduciary net position as a percentage of the total pension liability	71.20%	67.44%	87.62%	76.21%	76.74%	76.68%	76.33%	72.34%	76.20%	77.99%

SCHEDULE "5"

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM OF GEORGIA
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability	0.001424%	0.001480%	0.001500%	0.001693%	0.001933%	0.001837%	0.001419%	0.001938%	0.001538%	0.001603%
Employer's proportionate share of the net pension liability	$ 420,426	$ 480,585	$ 132,665	$ 410,111	$ 415,647	$ 340,987	$ 263,726	$ 399,831	$ 234,145	$ 202,518
Employer's covered payroll	$ 207,535	$ 200,038	$ 195,138	$ 218,299	$ 235,960	$ 218,815	$ 165,129	$ 212,600	$ 162,373	$ 163,542
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	202.58%	240.25%	67.99%	187.87%	176.15%	155.83%	159.71%	188.07%	144.20%	123.83%
Plan fiduciary net position as a percentage of the total pension liability	76.29%	72.85%	92.03%	77.01%	78.56%	80.27%	79.33%	76.06%	81.44%	84.03%

SCHEDULE "6"

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSIONS
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 2,382,275	$ 2,634,945	$ 1,910,242	$ 1,767,727	$ 1,869,829	$ 1,897,360	$ 1,826,103	$ 1,924,905	$ 1,734,997	$ 1,395,723
Contributions in relation to the contractually required contribution	2,382,275	2,634,945	1,910,242	1,767,727	1,869,829	1,897,360	1,826,103	1,924,905	1,734,997	1,395,723
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 8,897,892	$ 9,189,899	$ 8,393,564	$ 7,842,215	$ 8,308,833	$ 8,369,318	$ 8,025,859	$ 8,409,681	$ 7,571,004	$ 6,887,434
Contributions as a percentage of covered payroll	26.77%	28.67%	22.76%	22.35%	22.50%	22.67%	22.75%	22.89%	22.92%	20.26%

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM OF GEORGIA
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 42,598	$ 41,466	$ 39,628	$ 37,193	$ 46,149	$ 49,316	$ 36,783	$ 23,258	$ 30,338	$ 21,352
Contributions in relation to the contractually required contribution	42,598	41,466	39,628	37,193	46,149	49,316	36,783	23,258	30,338	21,352
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 213,205	$ 207,535	$ 200,038	$ 195,138	$ 218,299	$ 235,960	$ 218,815	$ 165,129	$ 212,600	$ 162,373
Contributions as a percentage of covered payroll	19.98%	19.98%	19.81%	19.06%	21.14%	20.90%	16.81%	14.08%	14.27%	13.15%

EMPLOYEES' RETIREMENT SYSTEM

Changes of assumptions: On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases. The expectation of retired life mortality was changed from the RP-2000 Mortality Tables to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 Total Pension Liability.

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System’s asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

TEACHERS RETIREMENT SYSTEM OF GEORGIA

Changes of assumptions: On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed from the RP-2000 Tables to the RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

On May 15, 2019, the Board adopted recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 30, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table from the RP-2000 Mortality Tables. In 2019, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

On May 11, 2022, the Board adopted recommended changes to the long-term assumed rate of return and payroll growth assumption utilized by the System. The long-term assumed rate of return was changed from 7.25% to 6.90%, and the payroll growth assumption was changed from 3.00% to 2.50%.

SEAD-OPEB Employer

Changes of assumptions: On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the Plan. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases. The expectation of retired life mortality was changed from the RP-2000 Mortality Tables to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes were first reflected in the calculation of the June 30, 2021 Total OPEB Liability.

SUPPLEMENTARY INFORMATION

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FOR FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance
Funds Available				
Revenues				
Other Revenues Retained	$ 39,566,821	$ 39,619,109	$ 39,742,072	$ 122,963
Expenditures				
Culture And Education	$ 39,566,821	$ 39,619,109	$ 38,553,601	$ 1,065,508
Excess of Funds Available over Expenditures			$ 1,188,471	$ 1,188,471

The budget for the Commission is adopted on a basis consistent with accounting practices prescribed or permitted by statutes and regulations of the State of Georgia, which is a basis other than prescribed by Generally Accepted Accounting Principles (GAAP). This budget is considered to be an appropriated budget. The following is an explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

Sources/inflows of resources	
Actual amounts (budgetary basis) "Funds available"	$ 39,742,072
Differences - Budget to GAAP:	
For budget purposes, certain adjustments to prior year revenue/receivable items are considered fund balance adjustments rather than revenue items for financial reporting purposes.	(10,000)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit "D")	$ 39,732,072
Uses/outflows for resources	
Actual amounts (budgetary basis) "expenditures"	$ 38,553,601
Differences - Budget to GAAP:	
For budget purposes, certain adjustments to prior year expenditure/payable items are considered fund balance adjustments rather than expenditure items for financial reporting purposes.	(75,551)
For budget purposes, encumbrances are reported as expenditures in the year purchase orders are issued but are expensed when invoiced for financial reporting purposes.	14,589
For budget purposes, expenditures in the Foundation are non-budgetary.	125,440
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit "D")	$ 38,618,079

GEORGIA PUBLIC TELECOMMUNICATIONS COMMISSION
STATEMENT OF ACTIVITIES
BY CORPORATION FOR PUBLIC BROADCASTING GRANTEE
FOR FISCAL YEAR ENDED JUNE 30, 2024
(with summarized comparative information for the year ended June 30, 2023)

SCHEDULE "10"

	GPB TV	WJSP-FM	WUGA-FM	Total 2024	Total 2023
REVENUES					
Intergovernmental - Federal					
U.S. Department of Education	$ 67,135	$ -	$ -	$ 67,135	$ 95,586
Intergovernmental - Other					
State Appropriations through the Board of Regents of the University System of Georgia	11,096,695	2,492,927	26,080	13,615,702	14,814,216
Corporation for Public Broadcasting - Grants	3,987,301	369,426	160,063	4,516,790	4,984,055
GSFIC	2,281,680	1,003,357	-	3,285,037	209,329
Contributions and Donations					
Foundation for Public Broadcasting in Georgia, Inc.	7,788,486	2,472,397	229,852	10,490,735	11,639,706
Interest and Other Investment Income	295,566	50,392	-	345,958	391,919
Rents and Royalties	3,588,278	1,400	-	3,589,678	3,236,348
Sales and Services	25,710	-	-	25,710	522,284
Sponsorship	4,101,461	1,099,535	149,937	5,350,933	4,138,043
Gain on Investments	1,189,578	297,395	-	1,486,973	1,165,564
Miscellaneous Revenue	216,095	26,363	-	242,458	248,975
Transfers and Donated Assets	(2,062)	(183,000)	-	(185,062)	-
Total Revenues, Special Items and Transfers	34,635,923	7,630,192	565,932	42,832,047	41,446,025
EXPENDITURES					
Programming and Content	11,827,688	3,742,986	204,545	15,775,219	18,681,232
Operations and Content Delivery	7,622,333	2,991,305	26,080	10,639,718	11,319,154
Facilities	2,178,434	933,615	-	3,112,049	3,409,482
Marketing and Communications	2,030,151	869,354	-	2,899,505	2,896,853
Fundraising	2,430,678	1,041,719	194,142	3,666,539	4,018,264
Sponsorship	840,133	331,310	43,109	1,214,552	1,324,148
Studio Rentals and Client Services	2,048,779	-	-	2,048,779	1,730,640
Administration	2,767,273	1,185,974	-	3,953,247	3,453,042
Total Expenditures and Governmental Activities	31,745,469	11,096,263	467,876	43,309,608	46,832,815
Change in Net Position	2,890,454	(3,466,071)	98,056	(477,561)	(5,386,790)
Net Position - Beginning	17,823,299	(19,002,288)	1,102,505	(76,484)	5,310,306
Net Position - Ending	$ 20,713,753	$ (22,468,359)	$ 1,200,561	$ (554,045)	$ (76,484)

Additional Information:

	GPB TV	WJSP-FM	WUGA-FM	Total 2024	Total 2023
In-Kind Donations	$ -	$ 126,988	$ 1,301,251	$ 1,428,239	$ 1,237,631

CORPORATION FOR PUBIC BROADCASTING

The Corporation for Public Broadcasting (CPB) is the steward of the federal government's investment in public media and supports the operations of more than 1,500 locally owned and operated public television and radio stations. CPB is a private nonprofit corporation created and funded by the federal government authorized by Congress in the Public Broadcasting Act of 1967. CPB does not produce or distribute programs, nor does it own, control or operate any broadcast stations. CPB's mission is the ensure universal access to non-commercial, high-quality content and telecommunications services.

CPB distributes community service grants (CSGs) to qualifying, noncommercial public television and radio stations that provide significant public service programming to their communities. CSGs are used to augment the resources of public broadcasting entities. In order to maintain any CPB funding, GPTC must meet a variety of legal, managerial, staffing, mandatory reporting and operational criteria on an annual basis.

GPTC is currently eligible to receive funding for three CPB grantees: GPB TV, WJSP-FM and WUGA-FM. Each grantee is required to file an Annual Financial Report (AFR) that reflects the revenue and expense activity attributable to the operations of GPTC. CPB's Financial Reporting Guidelines for Preparing the AFR require that all grantees include a supplemental schedule that shows the discrete information for each grantee that is consolidated in the audit.

SECTION II

INTERNAL CONTROL AND COMPLIANCE REPORT

DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Brian P. Kemp, Governor of Georgia
Members of the General Assembly of the State of Georgia
Members of the Board of Directors of the Georgia Public Telecommunications Commission
and
Mr. Bert Wesley Huffman, President and Chief Executive Officer

We have audited the financial statements of the governmental activities and each major fund of the Georgia Public Telecommunications Commission (Commission), a component unit of the State of Georgia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated February 11, 2025. We conducted our audit in accordance with the 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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying *Schedule of Findings* in finding FS 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Commission's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Commission's response to the finding identified in our audit and described in the accompanying *Schedule of Findings*. The Commission's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Greg S. Griffin
State Auditor

February 11, 2025

SECTION IV

FINDINGS AND QUESTIONED COST

FINANCIAL STATEMENT FINDINGS

FS-977-24-01 Strengthen Controls over Financial Reporting

Internal Control Impact: Significant Deficiency
Compliance Impact: None

Description:
The Georgia Public Telecommunications Commission's financial statement reporting process did not have adequate internal controls in place to prevent or detect errors in its basic financial statements, including note disclosures.

Background Information:
The Georgia Public Telecommunications Commission (GPTC) provides a nine-station television and 20-station radio network designed to meet the educational, cultural, and informational needs of Georgia residents. Additionally, GPTC provides electronically delivered classroom support for all Georgia learners and its towers serve as crucial infrastructure in Georgia's emergency management system. Additionally, as part of its responsibilities, the GPTC is required to produce accurate and timely financial statements and related note disclosures on an annual basis; however, these financial statements and note disclosures have required various audit adjustments in previous fiscal years.

Criteria:
The GPTC is responsible for maintaining a system of internal control over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The design and operation of the GPTC's controls should allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements of the financial statements in a timely manner, as well as facilitate the preparation of complete and accurate financial statements.

Condition:
Our review of the financial information prepared by the GPTC revealed that adjustments were required to present the financial statements in accordance with GAAP. The following adjustments were proposed by the auditors and accepted by the GPTC based on the results of audit procedures performed:

- An adjustment was made to cash and receivables on the Fund Financial Statements and the Government-wide Financial Statements as Georgia State Financing and Investment Commission reimbursement payments in the amount of $768,102 were received after fiscal year-end and incorrectly recorded as cash in the year under review.

- An adjustment was made to expenditures and assets on the Government-wide Financial Statements as expenditures in the amount of $964,822 that met the criteria for capitalization were incorrectly expensed.

- Several adjustments to note disclosures and related tables were made.

Cause:
Per discussion with management, the design and operation of the GPTC's controls over its financial reporting process did not incorporate appropriate review procedures and thus, did not detect certain errors and omissions in its financial statements and note disclosures.

Effect:
Prior to adjustment, the GPTC's basic financial statements contained significant misstatements. Without effective controls in place to address the risk of significant misstatements, the GPTC cannot ensure accurate financial reporting within its financial statements.

Recommendation:
We recommend the GPTC improve controls over financial reporting by incorporating additional reconciliations, analytical reviews, procedures for determining financial statement amounts, and training for staff. In addition, the GPTC should ensure that all designed controls are followed to detect and correct reporting errors in a timely manner.

Views of Responsible Officials:
We concur with this finding.

SECTION V

MANAGEMENT'S CORRECTIVE ACTION

CORRECTIVE ACTION PLANS - FINANCIAL STATEMENT FINDINGS

FS-977-24-01 Strengthen Controls over Financial Reporting

Internal Control Impact:	Significant Deficiency
Compliance Impact:	None

Description:

The Georgia Public Telecommunications Commission's financial statement reporting process did not have adequate internal controls in place to prevent or detect errors in its basic financial statements, including note disclosures.

Corrective Actions Plans:

The GPTC's Chief Financial Officer is responsible for financial statement reporting and intends to address the deficiency as follows:

1. GPTC's process in the preparation of its financial statements will be reviewed and discussed with management. This could include an evaluation of the external resources available including the preparation of financial statements.
2. Finance department leadership will evaluate the controls surrounding the preparation of its financial statements and note disclosures in accordance with generally accepted accounting principles (GAAP).
3. The Finance department leadership will attend any available training that is relevant to financials reporting.
4. Improvements in controls and procedures will be documented and communicated to relevant Finance department staff to ensure misstatements or discrepancies are identified and corrected in a timely manner.

Estimated Completion Date: June 30, 2025

Contact Person: Elizabeth Laprade, Chief Financial Officer
Telephone: (404) 685-2619
Email: elaprade@gpb.org

Approved by: Bert Wesley Huffman, President and Chief Executive Officer

Signature: Bert Wesley Huffman