WKGC FM Radio Station
A Public Telecommunications Entity
Operated by Gulf Coast State College

FINANCIAL STATEMENTS

June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Gulf Coast State College
Panama City, Florida

Opinions

We have audited the accompanying financial statements of the enterprise fund of WKGC FM Radio Station (Station), a public telecommunications entity operated by Gulf Coast State College (College), as of and for the years ended June 30, 2024 and 2023, and the related notes to the basic financial statements, which collectively comprise the Station'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 enterprise fund of the Station as of June 30, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 College, 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.

Emphasis of Matter

As discussed in note 1, the financial statements are intended to present the financial position, changes in financial position and cash flows of only the Station's portion of Gulf Coast State College's financial statements. They do not purport to, and do not, present fairly the financial position of Gulf Coast State College, a component unit of the State of Florida, as of June 30, 2024 and 2023, the changes in its financial position, or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Station's 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 management's discussion and analysis on pages 4 through 8, the schedules of the defined benefit pension plans on pages 37 through 40, and the schedule of the other postemployment benefits on pages 41 through 42 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2024, on our consideration of the Station'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 Station'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 Station's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Panama City Beach, Florida
November 27, 2024

Management’s Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the WKGC FM Radio Station (Station) for the years ended June 30, 2024 and 2023, and should be read in conjunction with the financial statements and notes thereto. This overview is required by Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities, as amended by GASB Statement Nos. 37 and 38*. The MD&A, and financial statements and notes thereto, are the responsibility of Station's management. The Station is operated by Gulf Coast State College (a component unit of the State of Florida) located in Panama City, Florida.

FINANCIAL HIGHLIGHTS

The financial statements provide both short-term and long-term information about the Station's overall financial condition in a manner similar to those of a private-sector business. The financial statements include a statement of net position and a statement of revenues, expenses, and changes in net position that are designed to provide financial information about the activities of the Station presented on the accrual basis of accounting. The statement of net position provides information about the Station's financial position, its assets, deferred outflows of resources, liabilities, and deferred inflows of resources, using an economic resources measurement focus. The difference between those components, net position, is one way to measure the Station's financial health. The statement of revenues, expenses, and changes in net position presents information about the changes in the Station's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the Station's financial health is improving or deteriorating.

- Total assets and deferred outflows of resources of the Station exceeded total liabilities and deferred inflows of resources of the Station by $7,704 (net position). Of this amount, $135,061 is a deficit of unrestricted net position, there is no restricted net position, and $142,765 is net investment in capital assets.
- Total net position decreased from June 30, 2023 by $138,853 due to a net operating loss.
- Operating revenues were 59% of the total revenues of the Station.
- A loss of $466,200 from operations, offset by $327,347 of nonoperating revenues, resulted in an decrease in net position of $138,853 for the 2023-2024 fiscal year. Nonoperating revenues are general allocations from the College.

OVERVIEW OF THE FINANCIAL STATEMENTS

Pursuant to GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities, as amended by GASB Statement Nos. 37 and 38*, the Station's financial statements consist of the statement of net position; the statement of revenues, expenses, and changes in net position; the statement of cash flows; and notes to the basic financial statements. In addition to the financial statements, MD&A is included as required supplementary information.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

One of the most important questions asked about the Station's finances is, "Is the Station as a whole, better or worse off as a result of the year's activities?" The statement of net position and the statement of revenues, expenses, and changes in net position report information on the Station as a whole and on its activities in a way that helps answer this question. When revenues and other support exceed expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. The relationship between revenues and expenses may be thought of as the Station's operating results.

These two statements report the Station's net position and change in net position. You can think of the Station's net position, the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources as one way to measure the Station's financial health, or financial position. Over time, increases or decreases in the Station's net position is one indication of whether its financial health is improving or deteriorating.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources on the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. All of the current fiscal year's revenues and expenses are taken into account regardless of when cash is received or paid.

A condensed statement of net position for the respective fiscal years ended is presented in the following table.

Net Position

June 30,	2024	2023	2022
Current assets	$ 435,533	$ 386,140	$ 395,675
Capital assets, net	142,765	207,146	200,028
Total assets	578,298	593,286	595,703
Deferred outflows of resources	100,567	91,945	99,116
Current liabilities	249,878	216,063	249,925
Noncurrent liabilities	378,694	290,618	159,515
Total liabilities	628,572	506,681	409,440
Deferred inflows of resources	42,589	31,993	158,725
Net position			
Net investment in capital assets	142,765	203,541	200,028
Unrestricted	(135,061)	(56,984)	(73,374)
Total net position	$ 7,704	$ 146,557	$ 126,654

Revenues and expenses for the respective fiscal years are shown in the following table.

Changes in Net Position

For the year ended June 30,	2024	2023	2022
Operating revenues			
Donated facilities and administrative support	$ 208,739	$ 165,103	$ 166,022
Contribution and membership income	24,872	43,825	34,302
Community service grants			
Corporation for Public Broadcasting	115,453	127,221	273,927
Florida Department of Education	100,123	150,321	40,140
Relocation grant	-	-	26,844
Gulf Coast Foundation grant	15,000	15,000	15,000
Total operating revenues	464,187	501,470	556,235
Less: operating expenses	930,387	713,713	879,933
Operating loss	(466,200)	(212,243)	(323,698)
Nonoperating revenues (expenses)			
General allocations from Gulf Coast State College	327,347	232,146	312,526
Gain (loss) on disposal of assets	-	-	-
Total nonoperating revenues (expenses)	327,347	232,146	312,526
Net gain (loss)	$ (138,853)	$ 19,903	$ (11,172)

The Station's primary sources of funding are general allocations from Gulf Coast State College, Corporation for Public Broadcasting grants, Florida Department of Education Community Service grants, and donations. The Station's operating loss for the fiscal years ended June 30, 2024, 2023, and 2022, were $466,200, $212,243, and $323,698 respectively, and primarily consisted of:

- Donated facilities and support totaled $208,739 for the 2023-2024 fiscal year compared to $165,103 for the 2022-2023 fiscal year, representing a $43,636 increase due to increasing operating costs taking into consideration in the indirect cost calculation. Donated facilities and support totaled $165,103 for the 2022-2023 fiscal year compared to $166,022 for the 2021-2022 fiscal year, representing an $919 decrease due to decreasing costs taking into consideration in the indirect cost calculation.
- Community service grants totaled $230,576, $292,542, and $355,911 for fiscal years 2023-2024, 2022-2023, and 2021-2022, respectively. Grant revenues have remained fairly consistent each year.
- Contributions and membership income totaled $24,872 for the 2023-2024 fiscal year compared to $43,825 for the 2022-2023 fiscal year, representing a $18,953 decrease due to a decrease in underwriting. Contributions and membership income totaled $43,825 for the 2022-2023 fiscal year compared to $34,302 for the 2021-2022 fiscal year, representing a $9,523 increase due to increases in underwriting.

For the 2023-2024 fiscal year, general allocations from Gulf Coast State College increased $95,201 compared to the 2022-2023 fiscal year due primarily to an increase in college funded general expenses particularly related to salaries. General allocations from Gulf Coast State College for the 2022-2023 fiscal year decreased $80,380 compared to the 2021-2022 fiscal year due primarily to an decrease in college funded general expenses particularly related to salaries.

Operating expenses for the Station for the respective fiscal years are shown in the following table.

Operating Expenses

For the year ended June 30,	2024	2023	2022
Operating expenses			
Programming and production	$ 236,563	$ 215,517	$ 168,892
Broadcasting	241,048	194,210	402,944
Program information	78,466	15,838	13,462
Fundraising and membership development	9	3,640	10,256
Management and general	374,301	284,508	284,379
Total operating expenses	$ 930,387	$ 713,713	$ 879,933

For the 2023-2024 fiscal year, fundraising and membership decreased as a result of a decrease in noncapital expenses and salary costs, respectively. Programming and production, broadcasting, program information, and management increased as a result of an increase in noncapital expenses.

For the 2022-2023 fiscal year, broadcasting and fundraising and membership decreased as a result of an decrease in noncapital expenses and salary costs, respectively. Programming and production increased as a result of an increase in noncapital expenses. Program information and management and general remained consistent with small changes.

THE STATEMENT OF CASH FLOWS

Another way to assess the Station's financial health is to look at the statement of cash flows. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The statement of cash flows also helps user's assess:

- An entity's ability to generate future net cash flows
- Its ability to meets its obligations as they come due
- Its need for external financing

A summary of the Station's cash flows for the respective fiscal years is presented in the following table.

Cash Flows

For the year ended June 30,	2024	2023	2022
Net cash provided (used) by			
Operating activities	$ (274,008)	$ (171,678)	$ (269,311)
Noncapital financing activities	327,347	232,146	312,526
Capital and related financing activities	(18,021)	(102,354)	(58,406)

(Continued)

For the year ended June 30,	2024	2023	2022
Net increase (decrease) in cash	$ 35,318	$ (41,886)	$ (15,191)
Cash and cash equivalents, beginning of year	341,508	383,394	398,585
Cash and cash equivalents, end of year	$ 376,826	$ 341,508	$ 383,394

Net cash provided (used) by operating activities for the 2023-2024 fiscal year decreased by $102,330 compared to the 2022-2023 fiscal year primarily due to an increase in Broadcasting expenses during the year. Net cash used by operating activities for the 2022-2023 fiscal year increased by $97,633 compared to the 2021-2022 fiscal year primarily due to a decrease in Broadcasting expenses during the year.

For the 2023-2024, 2022-2023, and 2021-2022 fiscal years, general allocations from Gulf Coast State College totaling $327,347, $232,146, and $312,526, respectively, are reported as cash flows from noncapital financing activities, and are used by the Station to finance normal operating activities.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Station is required, pursuant to GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities, as amended by GASB Statement Nos. 37 and 38*, to depreciate capital assets. As a result, the Station recognized $82,402 of depreciation expense for the year ended June 30, 2024, $95,236 for the year ended June 30, 2023 and $80,337 for the year ended June 30, 2022. Refer to the notes to the basic financial statements for additional information on capital assets activity.

A list of capital assets, net of depreciation, for the respective fiscal years ended is presented in the following table.

Capital Assets

June 30,	2024	2023	2022
Furniture, machinery, and equipment	$ 142,765	$ 207,146	$ 200,028
Total capital assets, net	$ 142,765	$ 207,146	$ 200,028

The Station had no long-term debt outstanding at June 30, 2024, 2023, or 2022.

REQUESTS FOR INFORMATION

The MD&A is designed to provide a general overview of the Station's financial position and activities. Additional information can be requested by mail at the following address:

Gulf Coast State College
Attn: Vice President of Administration and Finance
5230 West Highway 98
Panama City, Florida 32401

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Statement of Net Position

June 30,		**2024**		2023
Assets				
Current assets				
Cash and cash equivalents	**$**	**211,631**	$	216,761
Due from Gulf Coast State College, net		**-**		6,680
Due from other entities		**19,933**		13,712
Prepaid expenses		**38,774**		24,240
Total unrestricted current assets		**270,338**		261,393
Restricted current assets				
Cash and cash equivalents		**165,195**		124,747
Total restricted current assets		**165,195**		124,747
Total current assets		**435,533**		386,140
Noncurrent assets				
Capital assets		**142,765**		207,146
Total capital assets, net		**142,765**		207,146
Total noncurrent asset		**142,765**		207,146
Total assets	**$**	**578,298**	$	593,286
Deferred Outflows of Resources				
Deferred outflows related to OPEB	**$**	**7,255**	$	7,233
Deferred outflows related to pension		**93,312**		84,712
Total deferred outflow of resources	**$**	**100,567**	$	91,945
Liabilities				
Current liabilities				
Accounts payable	**$**	**6,048**	$	6,680
Unearned revenue		**243,830**		209,383
Total current liabilities		**249,878**		216,063
Noncurrent liabilities				
Accrued compensated absences		**49,564**		37,962
Other postemployment benefits liability		**11,793**		19,021
Net pension liability		**317,337**		233,635
Total noncurrent liabilities		**378,694**		290,618
Total liabilities	**$**	**628,572**	$	506,681

(Continued)

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

June 30,	**2023**	2022
Deferred Inflows of Resources		
Deferred inflows related to OPEB	**$ 22,363**	$ 9,897
Deferred inflows related to pension	**20,226**	22,096
Total deferred inflow of resources	**$ 42,589**	$ 31,993
Net position		
Net investment in capital assets	**$ 142,765**	$ 203,541
Unrestricted	**(135,061)**	(56,984)
Total net position	**$ 7,704**	$ 146,557

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Statement of Revenues, Expenses, and Changes in Net Position

For the year ended June 30,	**2024**	2023
Operating Revenues		
Donated facilities and administrative services	**$ 208,739**	$ 165,103
Contribution and membership income	**24,872**	43,825
Community service grants		
Corporation for Public Broadcasting	**115,453**	127,221
Florida Department of Education	**100,123**	150,321
Gulf Coast Foundation grant	**15,000**	15,000
Total operating revenues	**464,187**	501,470
Operating Expenses		
Program services		
Programming and production	**236,563**	215,517
Broadcasting	**241,048**	194,210
Program information	**78,466**	15,838
Total program services	**556,077**	425,565
Support services		
Management and general	**374,301**	284,508
Fundraising and membership development	**9**	3,640
Total support services	**374,310**	288,148
Total operating expenses	**930,387**	713,713
Operating loss	**(466,200)**	(212,243)
Nonoperating Revenues		
General allocations from Gulf Coast State College	**327,347**	232,146
Total nonoperating revenues	**327,347**	232,146
Change in net position	**(138,853)**	19,903
Net position, beginning of year	**146,557**	126,654
Net position, end of year	**$ 7,704**	$ 146,557

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

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Statement of Cash Flows

For the year ended June 30,	**2024**	2023
Operating Activities		
Cash received from grants and contracts	**$ 265,482**	$ 231,608
Cash received from contributions and memberships	**24,872**	43,825
Cash paid to suppliers	**(158,361)**	(153,118)
Cash paid to employees	**(406,001)**	(293,993)
Net cash used in operating activities	**(274,008)**	(171,678)
Noncapital Financing Activities		
General allocations from Gulf Coast State College	**327,347**	232,146
Net cash provided by noncapital financing activities	**327,347**	232,146
Capital and Related Financing Activities		
Acquisition of capital assets	**(18,021)**	(102,354)
Net cash used in capital and related financing activities	**(18,021)**	(102,354)
Net increase (decrease) in cash and cash equivalents	**35,318**	(41,886)
Cash and cash equivalents, beginning of year	**341,508**	383,394
Cash and cash equivalents, end of year	**$ 376,826**	$ 341,508
Reconciliation of cash and cash equivalents to the Statement of Net Position		
Cash and cash equivalents per Statement of Net Position	**$ 211,631**	$ 216,761
Restricted cash and cash equivalents per Statement of Net Position	**165,195**	124,747
Total cash and cash equivalents per Statement of Net Position	**$ 376,826**	$ 341,508
Noncash financing activities		
Donated facilities and administrative services	**$ 208,739**	$ 165,103

(Continued)

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

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Statement of Cash Flows (Continued)

For the year ended June 30,	**2024**	2023
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	**$ (466,200)**	$ (212,243)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	**82,402**	95,236
(Increase) decrease in assets and deferred outflows		
Due from Gulf Coast State College, net	**6,680**	(6,680)
Due from other entities	**(6,221)**	(13,712)
Prepaid expenses	**(14,534)**	(11,959)
Deferred outflows of resources	**(8,622)**	7,171
Increase (decrease) in liabilities and deferred inflows		
Accounts payable	**(632)**	6,680
Unearned revenue	**34,447**	(40,542)
Accrued compensated absences	**11,602**	33,573
Other postemployment benefits liability	**(7,228)**	(15,494)
Net pension liability	**83,702**	113,024
Deferred inflows of resources	**10,596**	(126,732)
Total adjustments	**192,192**	40,565
Net cash used by operating activities	**$ (274,008)**	$ (171,678)

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

WKGC FM Radio Station (Station) is operated by Gulf Coast State College (College) (a component unit of the State of Florida), located in Panama City, Florida. The College is under the general direction and control of the Florida Department of Education, Division of Florida Colleges. The Station is operated as a separate department of the College. Accordingly, the Station's financial statements are combined and reported in the College's financial statements for the years ended June 30, 2024 and 2023. The Station's financial statements as of and for the years ended June 30, 2024 and 2023 are intended to present only the Station's portion of the College's financial position, changes in financial position and cash flows.

The Station's accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) applicable to public telecommunication entities operated by colleges and universities as prescribed by the Governmental Accounting Standards Board (GASB).

In evaluating the Station as a reporting entity, management has considered all potential component units in accordance with Section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board (GASB) Codification. Management determined no component units required disclosure with the Station's financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The proprietary fund is reported using the *economic resources measurement* focus and the *accrual basis of accounting*.

GASB allows public colleges and universities various reporting options. The College has elected to report as an entity engaged in only business-type activities. The accompanying financial statements are not a complete presentation of Gulf Coast State College, but report only the financial activity of the Station (a department within the College).

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance

Cash and cash equivalents

The Station's cash and cash equivalents are considered to be cash on hand, demand deposits, and all short-term investments with original maturities of three months or less from the date of acquisition.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables and Payables

Unearned revenue – Unearned revenue recorded on the balance sheet represents amounts received before eligibility requirements are met.

Allowance for doubtful accounts – Accounts receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in excess of 120 days are subject to being considered as uncollectible.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

Restricted Assets

Certain assets of the Station are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Restricted cash and cash equivalents – Grant money received from the Corporation for Public Broadcasting (CPB) in advance and not spent at year end, which have certain requirements related to allowable expenditures, are reported as restricted cash and cash equivalents.

Capital Assets

Capital assets, which include property, plant, and equipment, are defined by the Station are recorded at historical cost except in the case of donated assets, which are recorded at the estimated fair value of the asset at the date of the donation. The Station has a capitalization threshold of $5,000 for individual tangible personal property and $25,000 for improvements other than buildings. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for maintenance and repairs are expensed.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (continued)

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Capital asset classes	Lives
Buildings	40
Radio tower	10
Furniture, machinery, and equipment	7-10

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then.

The Station has two items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to other postemployment benefits* and the *deferred outflows related to pensions*. The deferred outflows related to other postemployment benefits are an aggregate of items related to other postemployments as calculated in accordance with GASB Codification Section P52: *Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided Through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred outflows related to other postemployment benefits and pensions will be recognized as either postemployment benefit and pension expense or a reduction in the postemployment benefit or net pension liability in future reporting years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Station has two items that qualify for reporting as deferred inflows of resources, the *deferred inflows related to other postemployment benefits* and the *deferred inflows related to pensions*. The deferred inflows related to other postemployment benefits are an aggregate of items related to other postemployments as calculated in accordance with GASB Codification Section P52: *Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided Through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources (continued)

deferred inflows related to other postemployment benefits and pensions will be recognized as either a reduction in postemployment benefits and pension expense or an increase in the postemployment benefit or net pension liability in future reporting years.

Compensated Absences

The College's policy permits employees to accumulate earned but unused leave benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the proprietary fund financial statements. The liability for compensated absences includes salary-related benefits, where applicable. The Station accrues a liability for employees directly associated with the Station but does not accrue compensated absences for employees whose salaries are allocated to the Station because the College is responsible for future retirement payments.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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 Postemployment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The Station's proportionate share of OPEB amounts is based on an allocation from the College's single employer plan based on the percentage of employees at the Station. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

Categories and Classification of Net Position

Net position flow assumption – Sometimes the Station will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Station's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenses

Operating and nonoperating revenue and expenses - Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Station's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Community service grants from the Florida Department of Education (FDOE) and the CPB can be used to support the general operations of the Station and are, therefore, included in operating revenues. Contributions that are unrestricted are recorded as operating revenue in the accompanying statements of revenues, expenses, and changes in net position when received.

Donated facilities and administrative services are comprised principally of contributed services and contributed space by the College and are valued at fair value and are considered operating revenues. An amount equal to the contribution is also recorded as management and general expense for donated administrative services and allocated between programming and production, broadcasting, and management and general for donated facilities.

General allocations from the College are recorded as nonoperating revenue when received. The balance of unexpended allocations reverts to the College's unrestricted net position at the end of each fiscal year.

Other in-kind contributions generally consist of donated services and support from the FDOE and other telecommunication activities. There were no other in-kind contribution revenues or expenses for the fiscal years ended June 30, 2024 and 2023.

Operating expenses include the costs of providing the various programs, support services and other activities. These expenses have been allocated among the programs and support services benefited generally based on hours worked on programs.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to the pension liability and the other postemployment benefits (OPEB) liability.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 27, 2024 and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*, 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). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 101*, Compensated Absences*, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The Station is evaluating the requirements of the above statement and its impact on reporting.

Note 2: DETAILED NOTES

Deposits

Monies invested by the College are covered by federal depository insurance (FDIC) and amounts more than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Station pursuant to Section 280.08, Florida Statutes.

Note 2: DETAILED NOTES (Continued)

Capital Assets

The following is a summary of changes in capital assets during the year ended June 30, 2024:

For the year ended June 30, 2024	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated				
Radio tower	$ 1,278,580	$ -	$ -	$ 1,278,580
Furniture, machinery, and equipment	940,141	18,021	-	958,162
Capital assets, being depreciated	2,218,721	18,021	-	2,236,742
Less accumulated depreciation for				
Radio tower	1,278,580	-	-	1,278,580
Furniture, machinery, and equipment	732,995	82,402	-	815,397
Total accumulated depreciation	2,011,575	82,402	-	2,093,977
Total capital assets being depreciated, net	$ 207,146	$ (64,381)	$ -	$ 142,765

Capital assets activity for the year ended June 30, 2023, was as follows:

For the year ended June 30, 2023	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated				
Radio tower	$ 1,278,580	$ -	$ -	$ 1,278,580
Furniture, machinery, and equipment	837,787	102,354	-	940,141
Capital assets, being depreciated	2,116,367	102,354	-	2,218,721
Less accumulated depreciation for				
Radio tower	1,278,580	-	-	1,278,580
Furniture, machinery, and equipment	637,759	95,236	-	732,995
Total accumulated depreciation	1,916,339	95,236	-	2,011,575
Total capital assets being depreciated, net	$ 200,028	$ 7,118	$ -	$ 207,146

Note 2: DETAILED NOTES (Continued)

Capital Assets (continued)

All depreciation expense for June 30, 2024 and June 30, 2023 was allocated to broadcasting for $82,402 and $95,236 and, respectively.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Accrued compensated absences	$ 37,962	$ 11,602	$ -	$ 49,564	$ 11,637
Other postemployment benefits liability	19,021	-	(7,228)	11,793	564
Net pension liability	233,635	83,702	-	317,337	-
Total long-term liabilities	$ 290,618	$ 95,304	$ (7,228)	$ 378,694	$ 12,201

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Accrued compensated absences	$ 4,389	$ 33,573	$ -	$ 37,962	$ -
Other postemployment benefits liability	34,515	-	(15,494)	19,021	392
Net pension liability	120,611	113,024	-	233,635	-
Total long-term liabilities	$ 159,515	$ 146,597	$ (15,494)	$ 290,618	$ 392

Compensated absences, other postemployment benefits, and the net pension liability will be liquidated in future periods.

Note 3: DEFINED BENEFIT PENSION PLANS

General Information

The Florida Retirement System (FRS) was created pursuant to Chapter 121, Florida Statutes, in order to provide a defined benefit pension plan for participating public employees. FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan (the FRS Investment Plan) alternative to the defined benefit plan for FRS members. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of state-administered retirement systems in paying health insurance costs.

Essentially all regular employees of the College are eligible to enroll as members of the state-administered FRS. Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of FRS, which includes its financial statements, required supplementary information, actuarial reports, and other relevant information, is available from the Florida Department of Management Services website (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- Regular – Members of FRS who do not qualify for membership in the other classes
- Drop – Members of FRS who have effectively retired and continue covered employment for up to five years
- Reemployed – Members of FRS who are employed after previous retirement under FRS

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service.

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description (continued)

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP program, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service credits, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

Class, initial enrollment, and retirement age/years of service	Percent Value
Regular members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Benefits Provided (continued)

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Health Insurance Subsidy Program

Plan Description

The Health Insurance Subsidy (HIS) Program is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Federal Medicare.

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2023-2024 fiscal year were as follows:

	Percentage of Gross Salary	
	Employee	**Employer (1)**
Regular class	3.00%	13.57%
DROP plan participants	0.00%	21.13%
FRS, reemployed retiree	note (2)	note (2)

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Contributions (continued)

Notes:

1) Employer rates include 2.00 percent for HIS. Employer rates, other than for DROP participants, include 0.06 percent for administrative/educational fees.
2) Contribution rates are dependent upon retirement class in which reemployed.

HIS is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, the contribution rate was 2.00 percent of payroll pursuant to Section 112.363, Florida Statutes. HIS contributions are deposited in a separate trust fund from which payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Station's contributions for the year ended June 30, 2024, were $29,356 to FRS and $5,882 to HIS.

Pension Liabilities and Pension Expense

The Station reports a liability for its proportionate share of net pension liabilities. Net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated July 1, 2023 for FRS and an actuarial valuation dated July 1, 2022 for HIS. The Company's proportions of the net pension liability were based on the Station's actuarially determined share of contributions to the pension plans, relative to the contributions of all participating entities.

	FRS	HIS
Net pension liability	$ 207,419	$ 109,918
Proportion at:		
Current measurement date	0.0005205%	0.0006921%
Prior measurement date	0.0004585%	0.0005951%
Pension expense (benefit)	$ (1,067)	$ (37,925)

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2024, the Station reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Effect of economic/demographic gains or losses (difference between expected and actual experience)	$ 19,475	$ -
Effect of assumptions changes or inputs	13,521	-
Net difference between projected and actual investment earnings	8,662	-
Changes in proportion and differences between contributions and proportionate share of contributions	10,238	6,521
Station contributions subsequent to the measurement date	29,356	-
Total	$ 81,252	$ 6,521

	HIS	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Effect of economic/demographic gains or losses (difference between expected and actual experience)	$ 1,609	$ 258
Effect of assumptions changes or inputs	2,890	9,525
Net difference between projected and actual investment earnings	57	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,622	3,922
Station contributions subsequent to the measurement date	5,882	-
Total	$ 12,060	$ 13,705

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending June 30, 2024. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

For the years ending June 30,	FRS Expense	HIS Expense
2024	$ 7,287	$ (1,941)
2025	(504)	(1,155)
2026	35,273	(1,596)
2027	2,450	(1,989)
2028	869	(837)
Thereafter	-	(9)
Total	$ 45,375	$ (7,527)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2023. The total pension liability for FRS was determined by an actuarial valuation dated July 1, 2023. The total pension liability for HIS was determined by an actuarial valuation dated July 1, 2022. The total pension liability for each of the plans was determined using the individual entry-age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	**HIS**
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.65%

Mortality assumptions for both plans were based on the PUB-2010 based table projected generationally with Scale MP-2018. The actuarial assumptions used in the FRS valuation dated July 1, 2023 were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018. No experience study has been completed for the HIS valuation, as it is on a pay-as-you-go basis, but the actuarial assumptions used for the valuation were based on certain results from the most recent experience study for FRS.

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions (continued)

The following changes in key actuarial assumptions occurred in 2023:

- HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.54% to 3.65%.
- HIS: Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from $5 times years of service to $7.50, with an increased minimum of $45 and maximum of $225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions that includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

	Target Allocation	Annual Arithmetic Return	Annual Geometric Return	Standard Deviation
Cash	1%	2.9%	2.9%	1.1%
Fixed income	20%	4.5%	4.4%	3.4%
Global equity	54%	8.7%	7.1%	18.1%
Real estate (property)	10%	7.6%	6.6%	14.8%
Private equity	11%	11.9%	8.8%	26.3%
Strategic investments	4%	6.3%	6.1%	7.7%
	100%			

Discount Rate

The discount rate used to measure the total pension liability for FRS was 6.7%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the Station's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

FRS Net Pension Liability		
1 % Decrease (5.70%)	Current Discount Rate (6.70%)	1 % Increase (7.70%)
354,314	207,419	84,524

HIS Net Pension Liability		
1 % Decrease (2.65%)	Current Discount Rate (3.65%)	1 % Increase (4.65%)
125,399	109,918	97,085

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Payables to the Pension Plan

As of June 30, 2024, the Station reported no payable to either pension plan.

Note 4: DEFINED CONTRIBUTION PLAN

The State Board Administration of Florida (SBA) administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida's Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates, based on salary and membership class, as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are

Note 4: DEFINED CONTRIBUTION PLAN (Continued)

funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2023-2024 fiscal year were as follows:

	Percentage of Gross Salary	
	Employee	**Employer**
FRS, Regular	3.00%	8.30%

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5 year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Station.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Station’s Investment Plan pension expense totaled $8,062 for the fiscal year ended June 30, 2024.

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan, administered by the Florida College System Rick Management Consortium (Consortium) that provides OPEB for all employees who satisfy the College’s retirement eligibility provisions. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the College are eligible to participate in the College’s healthcare benefits.

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Funding Policy

The College subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The College does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the College and the OPEB Plan members are established and may be amended by action from the Board. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. At June 30, 2024, the Station's proportionate share of the College's OPEB liability was 1.1 percent.

Plan Membership

At the valuation date June 30, 2023, the following employees were covered by the benefit terms:

	College	Station *
Inactive employees or beneficiaries currently receiving benefits	31	0
DROP members	17	0
Active employees	370	2.9
Total	418	2.9

* From the measurement date June 30, 2023 to June 30, 2024, the number of station employees participating increased to 3.9 employees.

Actuarial Assumptions and Other Inputs.

At the June 30, 2023 measurement date, the actuarial assumptions and other inputs, applied include the following:

Inflation	2.40 %
Real wage growth	0.85 %
Wage inflation	3.25 %
Salary increases	
Regular employees	3.40 % – 7.80 % (including inflation)
Senior management	4.10 %– 8.20 % (including inflation)
Discount rate	3.65 % (investment rate of return)
Healthcare cost trend rates	
Pre-Medicare	7.00 percent for 2023, decreasing to an ultimate rate of 4.40 percent by 2034
Medicare	5.13 percent for 2023, decreasing to an ultimate rate of 4.40 percent by 2027

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs. (continued)

The discount rates were based on the Bond Buyer General Obligation 20-year Municipal Bond Index as of the last Thursday of the month of the measurement date. The Bond Buyer 20-Bond General Obligation Index is the average rating of 20 bonds that are grade ‘Aa2’ (Moody’s) or grade ‘AA’ (S&P 500). The Bond Buyer 20-Bond General Obligation Index at June 30, 2023 was 3.65%.

Mortality rates were based on the PUB-2010 mortality tables, with adjustments for FRS experience and generational mortality improvements using Scale MP-2018.

The demographic actuarial assumptions for mortality retirement, disability incidence, and withdrawal used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2013, through June 30, 2018, adopted by FRS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care 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.

At June 30, 2024, the Station reported a total OPEB liability of $11,793. The information has been provided as of the June 30, 2023 measurement date.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2023	$ 19,021	$ -	$ 19,021
Changes for the year			
Service cost	1,335	-	1,335
Interest	861	-	861
Changes of assumptions and other inputs	(8,860)	-	(8,860)
Benefit payments	(564)	-	(564)
Net changes	(7,228)	-	(7,228)
Balance as of June 30, 2024	$ 11,793	$ -	$ 11,793

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs (continued)

Changes of assumptions and other inputs since prior measurement date were changes in discount rate. The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated June 30, 2023, except that these calculations are based in the Entry Age Normal actuarial cost method required by GASB P52: *Postemployment Benefits Other Than Pensions*.

Sensitivity of the Net OPEB Liability

The following table represents the Station's total and net OPEB liability calculated using the discount rate of 3.65%, as well as what the Station's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current rate:

	1 % Decrease (2.65%)	Current Discount Rate (3.65%)	1 % Increase (4.65%)
Net OPEB liability	$ 15,308	$ 11,793	$ 9,155

The following table presents the total and net OPEB liability of the Station, as well as what the Station's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1 % Decrease	Healthcare Cost Trend Rates	1 % Increase
Net OPEB liability	$ 8,851	$ 11,793	$ 15,916

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

For the fiscal year ended June 30, 2024, the Station recognized an OPEB expense of $5,543. In addition, the Station reported deferred inflows of resources and deferred outflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,373	$ (11,157)
Change of assumptions	4,555	(11,206)
Contributions subsequent to the measurement date	327	-
Total	$ 7,255	$ (22,363)

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Of the total amount reported as deferred outflows of resources related to OPEB, $327 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the years ending June 30,		
2024	$	(1,495)
2025		(1,364)
2026		(1,148)
2027		(1,294)
2028		(1,617)
Thereafter		(8,517)
Total	$	(15,435)

Note 6: RISK MANAGEMENT PROGRAMS

The Station is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The College provided coverage to the Station for these risks through the Consortium which was created under authority of Section 1001.64(27), Florida Statutes, by the boards of trustees of the Florida public colleges for the purpose of joining a cooperative effort to develop, implement, and participate in a coordinated statewide college risk management program.

The Consortium is self-sustaining through member assessments (premiums) and is reinsured through commercial companies for claims in excess of specified amounts. Reinsurance from commercial companies provide excess coverage of up to $150 million. Insurance coverage obtained through the Consortium includes health and hospitalization, life, dental, fire, extended property, general and automotive liability, workers' compensation, and other liability coverage. For the years ended June 30, 2024 and 2023, claims against the policy did not exceed coverage.

Note 7: COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the Station expects such amounts not recorded, if any, to be immaterial.

Note 8: RELATED PARTY TRANSACTIONS

The Station receives administrative and monetary support from the College. However, the Station reimburses the College for expenses in excess of appropriations. Administrative support provided by the College is valued based on the salaries of the College's staff and their proportionate amount of time spent working on the station. The amounts reported as due from the College at June 30, 2024 and 2023 represent expenses incurred by the Station which will be reimbursed by the College. The reported amounts are considered to be fully collectible.

Required Supplementary Information

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Schedule of the Station's Proportionate Share of the Net Pension Liability – Florida Retirement System
Last 10 Fiscal Years

As of and for the year ended June 30,	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Station's proportion of the net pension liability	**0.0005205%**	0.0004585%	0.0005226%	0.0003553%	0.0003820%	0.0004307%	0.0004440%	0.0004601%	0.0005205%	0.0005022%
Station's proportionate share of the net pension liability	**$ 207,419**	$ 170,609	$ 39,476	$ 153,990	$ 131,560	$ 129,730	$ 131,385	$ 116,182	$ 67,224	$ 30,640
Station's covered payroll	**$ 187,805**	$ 179,207	$ 173,467	$ 219,877	$ 256,978	$ 301,585	$ 248,779	$ 277,289	$ 170,091	$ 188,839
Station's proportionate share of the net pension liability as a percentage of its covered payroll	**110.44%**	95.20%	22.76%	70.03%	51.20%	43.02%	52.81%	41.90%	39.52%	16.23%
Plan fiduciary net position as a percentage of the total pension liability	**82.38%**	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

See independent auditor's report.

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Schedule of the Station's Contributions – Florida Retirement System
Last 10 Fiscal Years

As of and for the year ended June 30,	**2024**	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	**$ 29,356**	$ 21,856	$ 22,091	$ 16,341	$ 12,272	$ 13,505	$ 12,275	$ 11,559	$ 11,221	$ 12,071
Contributions in relation to the contractually required contribution	**(29,356)**	(21,856)	(22,091)	(16,341)	(12,272)	(13,505)	(12,275)	(11,559)	(11,221)	(12,071)
Contribution deficiency/(excess)	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Station's covered payroll	**$ 213,555**	$ 187,805	$ 179,207	$ 173,467	$ 219,877	$ 256,978	$ 301,585	$ 248,779	$ 277,289	$ 170,091
Contributions as a percentage of covered payroll	**13.75%**	11.64%	12.33%	9.42%	5.58%	5.26%	4.07%	4.65%	4.05%	7.10%

See independent auditor's report.

Schedule of the Station's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Program
Last 10 Fiscal Years

As of and for the year ended June 30,	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Station's proportion of the net pension liability	**0.0006921%**	0.0005951%	0.0006614%	0.0005167%	0.0005684%	0.0006350%	0.0006654%	0.0006771%	0.0006881%	0.0006694%
Station's proportionate share of the net pension liability	**$ 109,918**	$ 63,026	$ 81,135	$ 63,089	$ 63,593	$ 67,204	$ 71,145	$ 78,911	$ 70,171	$ 62,600
Station's covered payroll	**187,805**	179,207	173,467	219,877	256,978	301,585	248,779	277,289	170,091	188,839
Station's proportionate share of the net pension liability as a percentage of its covered payroll	**58.53%**	35.17%	46.77%	28.69%	24.75%	22.28%	28.60%	28.46%	41.25%	33.15%
Plan fiduciary net position as a percentage of the total pension liability	**4.12%**	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

See independent auditor's report.

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Schedule of the Station's Contributions – Health Insurance Subsidy Program
Last 10 Fiscal Years

As of and for the year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Contractually required contribution	**$ 5,882**	$ 3,910	$ 3,937	$ 3,026	$ 3,095	$ 3,598	$ 3,443	$ 3,521	$ 3,470	$ 2,502
Contributions in relation to the contractually required contribution	**$ (5,882)**	(3,910)	(3,937)	(3,026)	(3,095)	(3,598)	(3,443)	(3,521)	(3,470)	(2,502)
Contribution deficiency/(excess)	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Station's covered payroll	**$ 213,555**	$187,805	$179,207	$173,467	$219,877	$256,978	$301,585	$248,779	$277,289	$170,091
Contributions as a percentage of covered payroll	**2.75%**	2.08%	2.20%	1.74%	1.41%	1.40%	1.14%	1.42%	1.25%	1.47%

See independent auditor's report.

WKGC FM Radio Station – a Public Telecommunications Entity
Operated by Gulf Coast State College
Schedule of Changes in the Station's Total
Other Postemployment Benefits Liability and Related Ratios

As of and for the year ended June 30,	**2024**	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	**$ 1,335**	$ 1,648	$ 2,048	$ 1,059	$ 659	$ 890	$ 1,057
Interest	**861**	540	792	737	576	676	619
Changes of assumptions or other inputs	**(8,860)**	(17,290)	5,723	4,713	587	(1,417)	(2,677)
Benefits payments	**(564)**	(392)	(422)	(278)	(461)	(724)	(385)
Net change in total OPEB liability	**(7,228)**	(15,494)	8,141	6,231	1,361	(575)	(1,386)
Total OPEB liability - beginning	**19,021**	34,515	26,374	20,143	18,782	19,357	20,743
Total OPEB liability - ending	**$ 11,793**	$ 19,021	$ 34,515	$ 26,374	$ 20,143	$ 18,782	$ 19,357
Station's coved employee payroll	**$ 187,805**	$ 187,805	$ 179,207	$ 173,467	$ 219,877	$ 256,978	$ 301,585
Total OPEB liability as a percentage of the Station's covered employee payroll	**6%**	**10%**	19%	15%	9%	7%	6%

* GASB codification P52 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information will be presented for only the years for which information is available.

* The following discount rate changes:
6/30/19 - 3.87%
6/30/20 - 3.50%
6/30/21 - 2.21%
6/30/22 - 2.16%
6/30/23 - 3.54%
6/30/24 - 3.65%

See independent auditor's report.

Changes of Assumptions. The following changes in assumptions occurred between the two most recent measurement dates:

	Measurement Date: June 30, 2023	Measurement Date: June 30, 2022
Inflation:	2.40%	2.40%
Real wage growth:	0.85%	0.85%
Salary increases-regular employees:	3.40% to 7.80%	3.40% to 7.80%
Salary increase-senior management:	4.10% to 8.20%	4.10% to 8.20%
Discount rate:	3.65%	3.54%
Healthcare cost trend rates-premedicare:	7.00% for 2023, decreasing to an ultimately rate of 4.40% for 2034	7.00% for 2021, decreasing to an ultimately rate of 4.40% for 2032
Healthcare cost trend rates-medicare:	5.13% for 2023, decreasing to an ultimately rate of 4.40% for 2027	5.00% for 2021, decreasing to an ultimately rate of 4.40% for 2025
Mortality rates:	PUB-2010 mortality rates with adjustments using the Scale MP-2018	PUB-2010 mortality rates with adjustments using the Scale MP-2018

Report on Internal Control and Compliance Matters

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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*

To the Board of Trustees
Gulf Coast State College
Panama City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the enterprise fund of WKGC FM Radio Station (Station), a public telecommunications entity operated by Gulf Coast State College (College), as of and for the year ended June 30, 2024 and 2023, and the related notes to the basic financial statements, which collectively comprise the Station's basic financial statements, and have issued our report thereon dated November 27, 2024 .

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Station's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal control. Accordingly, we do not express an opinion on the effectiveness of the Station'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 entity'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 identified a deficiency in internal control, described below and identified as 2024-001, that we consider to be a significant deficiency.

2024-001 and 2023-001 Cutoff Transactions

Condition: Transactions were identified in the financial records for cash, revenue, receivables, expenses, unearned revenue, and fund balance that were not in accordance with generally accepted accounting principles. Transactions identified stemmed from cutoff considerations at year end related to year end accruals.

Criteria: Internal controls should prevent or detect and correct adjustments timely to provide materially correct financial information.

Cause: The Station's controls did not properly identify items in the correct fiscal year.

Effect: Account balances included transactions that were not in accordance with generally accepted accounting principles. Based on the dollar amount of the transactions, these transactions were treated as passed adjustments.

Recommendation: We recommend that the Station accounting staff continue to strive toward identifying proposed audit adjustments more timely.

Views of Responsible Officials and Planned Corrective Action: Management agrees with auditor's recommendation.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Station'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*.

Station's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Station's response to the finding identified above. The Station'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 entity'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 Station's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Panama City Beach, Florida
November 27, 2024