



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

December 19, 2024

Auditor of State Rob Sand today released an audit report on Iowa PBS, Des Moines, Iowa for the year ended June 30, 2024. The Iowa PBS Foundation, a component unit, is included in the financial statements.

FINANCIAL HIGHLIGHTS:

Iowa PBS had General Fund revenue of \$14,740,608 for the year ended June 30, 2024, a 2.0% increase over the prior year. Revenues included a state appropriation of \$8,302,094, gifts and grants of \$3,570,758, federal assistance of \$898,567 and charges for service of \$649,725. The Iowa PBS Foundation received \$8,542,542 from Foundation memberships and gifts and grants of \$3,394,618.

Expenditures to operate the educational television network for the year ended June 30, 2024 were as follows:

	General Fund	Special Revenue Fund Iowa PBS Foundation	Total
Administration	\$ 2,563,636	-	2,563,636
Engineering and informational technology	4,964,354	-	4,964,354
Educational services	1,179,118	-	1,179,118
Programming, operations and production	8,747,164	-	8,747,164
Communications and community engagement	1,340,371	-	1,340,371
Emerging media	663,755	-	663,755
Debt Service:			
Principal	193,265	5,199	198,464
Interest	23,956	479	24,435
Fundraising services	-	4,202,565	4,202,565
Total	\$ 19,675,619	4,208,243	23,883,862

General Fund expenditures during the year ended June 30, 2024 decreased less than one percent from the prior year. The decrease in General Fund expenditures was primarily due to a decrease in administration expenditures for the roof replacement project and the parking lot resurfacing project, which was substantially completed during fiscal year 2023.

AUDIT FINDINGS:

Sand reported no findings pertaining to Iowa PBS during fiscal year 2024.

A copy of the audit report is available for review on the Auditor of State's website at [Audit Reports – Auditor of State](#).

IOWA PBS
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
JUNE 30, 2024

Iowa PBS



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

December 9, 2024

Iowa PBS
Des Moines, Iowa

To the Members of Iowa PBS:

I am pleased to submit to you the financial and compliance audit report for Iowa PBS for the year ended June 30, 2024. The audit was performed in accordance with U.S. Auditing Standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of Iowa PBS throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand".

Rob Sand
Auditor of State

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Iowa PBS

Officials

Name

Title

State

Honorable Kim Reynolds	Governor
Kraig Paulsen	Director, Department of Management
Timothy McDermott	Director, Legislative Services Agency

Board

Courtney Maxwell Greene	President
Angie Anderson	Vice President
Brooke Axiotis	Member
Robert Cramer (appointed 7/1/23)	Member
Kevin Fangman	Member
Jason L. Giles	Member
Kevin W. Krause	Member
Bruce McKee	Member
Greta Rouse (resigned 6/30/23)	Member
Gary Steinke	Member

Agency

Molly M. Phillips (retired 1/31/24)	Executive Director
Andrew Batt (appointed 2/1/24)	Executive Director
Michelle Wendel	Director of Administration
Kris May	Business Manager

Iowa PBS



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

Rob Sand
Auditor of State

Independent Auditor's Report

To the Board Members of Iowa PBS:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Iowa PBS, as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise Iowa PBS's basic financial statements listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Iowa PBS 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 Iowa PBS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The financial statements of the Iowa PBS Foundation were not audited in accordance with Government Auditing Standards.

We did not audit the financial statements of the Iowa PBS Foundation, a component unit which represents 100% of the assets and revenues of the Special Revenue Fund and 100% of the assets and revenues of the Permanent Fund. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Iowa PBS Foundation, are based solely on the report of the other auditor.

Emphasis of Matter

As discussed in Note 1, the financial statements of Iowa PBS present the financial position and the changes in financial position of only that portion of the financial reporting entity of the State of Iowa that is attributable to the transactions of Iowa PBS. They do not purport to, and do not, present fairly the financial position of the State of Iowa as of June 30, 2024, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 14 to the financial statements, Iowa PBS's beginning net position for governmental activities and Iowa PBS's fund 0004 and 0033 beginning fund balances were restated due to an error correction on revenue recognition of the Corporation for Public Broadcasting community service grants. Our opinions are 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 Iowa PBS'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 Iowa PBS'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 Iowa PBS'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, the Budgetary Comparison Information, the Schedule of the Agency's Proportionate Share of the Net Pension Liability, the Schedule of the Agency's Contributions and the Schedule of Changes in the Agency's Total OPEB Liability, Related Ratios and Notes on pages 8 through 14 and 52 through 64 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 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 Iowa PBS's basic financial statements. The supplementary information included in Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information in Schedules 1 through 3 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 9, 2024 on our consideration of Iowa PBS'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 Iowa PBS'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 Iowa PBS's internal control over financial reporting and compliance.



Brian R. Brustkern, CPA
Deputy Auditor of State

December 9, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION AND REPORTING ENTITY

Management of Iowa PBS provides this “Management’s Discussion and Analysis” of Iowa PBS’s annual financial statements. This narrative overview and analysis of the financial activities of Iowa PBS is for the fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with Iowa PBS’s financial statements which follow the discussion.

Iowa PBS is Iowa’s statewide public broadcasting network. Iowa PBS is an autonomous state agency under the umbrella of the Iowa Department of Education. The Iowa Public Broadcasting Board, the broadcast licensee, governs Iowa PBS and sets general programming objectives and policy guidelines. The nine-member Iowa Public Broadcasting Board is appointed per the Code of Iowa. Four members are appointed by the Governor must include one member from the business community not working in television and telecommunications, one member with experience or knowledge about the television industry, one member from the membership of a fund-raising nonprofit organization assisting Iowa PBS, and one member from the general public. The remainder of the Board consists of one member appointed by each of the following organizations: the state association of private colleges and universities, the superintendents of the community colleges, the administrators of the area education agencies, the state board of regents, and the state board of education.

Iowa PBS operates technical and production facilities that permit the creation and distribution of programming and educational products and services responsive to the varied interests of Iowans. Iowa PBS is the state’s largest provider of information and entertainment programming about Iowa. Iowa PBS broadcasts over 700 hours of high quality, locally produced programming that reflects a range of interests for Iowans across all demographic areas. Contributing membership to the Iowa PBS Foundation consists of approximately 56,300 households.

FINANCIAL HIGHLIGHTS

- Iowa PBS’s beginning net position at July 1, 2023 was restated due to the error correction for recognizing revenue from the Corporation for Public Broadcasting Community Service Grants. Revenue is now properly being recognized when the grants are received.
- In fiscal year 2024, total revenues increased approximately \$1,813,000. This is due in part to a gain on investments of approximately \$4,003,000 in fiscal year 2024 compared to gain on investments of approximately \$3,089,000 during fiscal year 2023. The increase is also due in part to an increase in membership revenue of approximately \$548,000 over the prior year.
- Program expenses during fiscal year 2024 increased approximately \$590,000 over the prior year. This is due in part to an increase in expenses related to pension accruals recognized during the year.
- Iowa PBS’s net position increased approximately \$7,995,000 over fiscal year 2023.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to Iowa PBS's basic financial statements. Iowa PBS's basic financial statements consist of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of Iowa PBS as a whole and present a longer-term view of Iowa PBS's finances. The activity of the Iowa PBS Foundation is shown in the Special Revenue Fund and the Permanent Fund financial statements. These financial statements show how the Foundation raised and used funds for the purpose of providing membership and fundraising services to Iowa PBS. These basic financial statements also include the Notes to Financial Statements which explain some of the information in the financial statements and provide more detail. Required Supplementary Information includes Iowa PBS's proportionate share of the net pension liability (asset) and related contributions. Supplemental information is also in schedule form and provides additional detail.

REPORTING IOWA PBS AS A WHOLE

The Statement of Net Position and the Statement of Activities (Exhibits A and B):

One of the most important questions asked about Iowa PBS's finances is "Is Iowa PBS as a whole better off or worse as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about Iowa PBS as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The entity-wide financial statements include two statements.

The Statement of Net Position presents all of Iowa PBS's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in Iowa PBS's net position may serve as a useful indicator of whether the financial position of Iowa PBS is improving or deteriorating.

The Statement of Activities presents information showing how Iowa PBS's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the event or change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future periods.

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. Iowa PBS's net position increased to approximately \$62.5 million at the end of fiscal year 2024 as compared to approximately \$54.5 million after restatement at the end of fiscal year 2023.

Restricted net position represents the largest portion of Iowa PBS's net position. Restricted net position increased approximately \$6.6 million, or 14.1% during fiscal year 2024. This increase was partly due to approximately \$2.3 million of net appreciation in fair value of investments being recognized in the Special Revenue Fund. Much of the restricted net position will be used for the acquisition or production of programming. This portion also includes endowment assets which are subject to external restrictions on how they may be used. The earnings on these assets will eventually be used for the acquisition of and/or production of television programs.

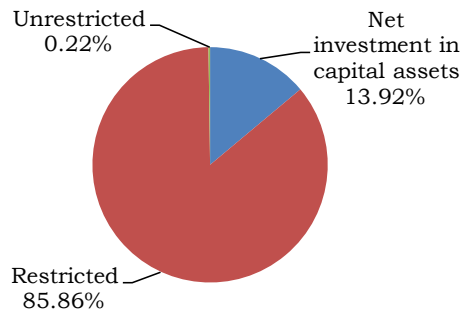
Investment in capital assets represents the second largest portion of net position and includes land, buildings, equipment, vehicles, television transmitters and right-to-use leased assets, less any related depreciation/amortization or outstanding liabilities used to acquire the assets. Iowa PBS uses these capital assets to provide services to its viewers and others. Consequently, these assets are not available for future spending. Net investment in capital assets increased approximately \$1.2 million, or 15.9%. This increase is partly due to \$1.1 million construction in progress being recognized in fiscal year 2024.

The remaining portion represents unrestricted net position and is available to be used to meet Iowa PBS's ongoing obligations to vendors.

Net Position of Governmental Activities

	June 30, 2024	June 30, 2023 (As Restated)
Assets		
Current and other assets	\$ 62,854,020	56,312,860
Capital assets, net	10,818,558	9,757,138
Total Assets	<u>73,672,578</u>	<u>66,069,998</u>
Deferred outflows of resources	<u>1,545,401</u>	<u>1,072,481</u>
Liabilities		
Current liabilities	2,214,057	1,837,097
Noncurrent liabilities	<u>7,722,941</u>	<u>7,322,238</u>
Total Liabilities	<u>9,936,998</u>	<u>9,159,335</u>
Deferred inflows of resources	<u>2,782,304</u>	<u>3,479,540</u>
Net Position		
Net investment in capital assets	8,698,201	7,506,899
Restricted	53,662,776	47,035,615
Unrestricted	<u>137,700</u>	<u>(38,910)</u>
Total Net Position	<u>\$ 62,498,677</u>	<u>54,503,604</u>

**FY 2024
Composition of Net Position**

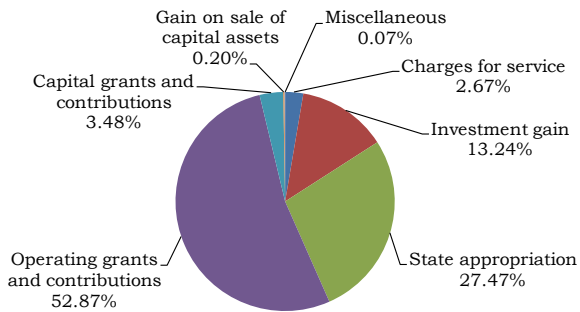


- The net position of Iowa PBS increased approximately \$7,995,000 during fiscal year 2024. Fiscal year 2024 revenues were approximately \$1,813,000 more than in fiscal year 2023. Operating grants and contributions revenue of approximately \$16.0 million, an increase from the prior year, represented 52.9% of total revenues during the year. Many of these funds are allocated for specific purposes by the grantor or contributor, such as federal grants, public broadcasting grants, fundraising expenses, and certain local or regional productions. During fiscal year 2024, Iowa PBS received state appropriations of approximately \$8.3 million, which represented 27.5% of total revenues. Fiscal year 2024 expenses were approximately \$590,000 more than in fiscal year 2023. Programming, operating and production expenses of approximately \$8.3 million represented 37.5% of total expenses during the fiscal year. Engineering and informational technology expenses of approximately \$3.8 million represented 17.3% of total expenses.

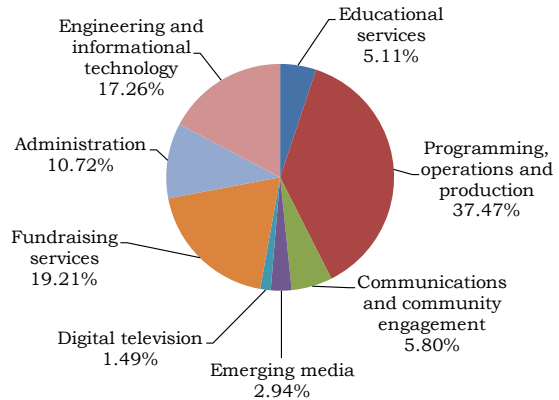
Changes in Net Position of Governmental Activities

	Year Ended June 30, 2024	Year Ended June 30, 2023 (As Restated)
Revenues:		
Program revenues:		
Charges for service	\$ 807,938	770,792
Operating grants and contributions	15,977,723	14,620,895
Capital grants and contributions	1,051,626	988,448
General revenues:		
State appropriation	8,302,094	8,885,040
Investment gain	4,003,276	3,089,060
Gain on sale of capital assets	59,335	34,665
Miscellaneous	21,006	21,267
Total revenues	<u>30,222,998</u>	<u>28,410,167</u>
Program expenses:		
Administration	2,382,808	2,636,002
Engineering and informational technology	3,835,465	3,997,964
Educational services	1,135,343	1,125,729
Programming, operations and production	8,330,066	7,401,601
Communications and community engagement	1,290,195	1,220,162
Emerging media	653,404	555,296
Digital television	331,697	546,476
Fundraising services	4,268,947	4,154,853
Total expenses	<u>22,227,925</u>	<u>21,638,083</u>
Change in net position	7,995,073	6,772,084
Net position beginning of year, as restated	<u>54,503,604</u>	<u>47,731,520</u>
Net position end of year	<u>\$ 62,498,677</u>	<u>54,503,604</u>

FY24 Revenues by Source



FY24 Expenses by Program



The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The Notes to Financial Statements can be found beginning on page 28.

Required supplementary information begins on page 52 and includes a comparison of Budget and Actual for the General Fund, information on Iowa PBS's proportionate share of the net pension liability and Iowa PBS's related contributions and the Schedule of Changes in Iowa PBS's Total OPEB Liability, Related Ratios and Notes.

Supplementary information begins on page 66 and provides detailed information about the individual funds and accounts and expenditures by object.

FINANCIAL ANALYSIS OF IOWA PBS'S INDIVIDUAL FUNDS

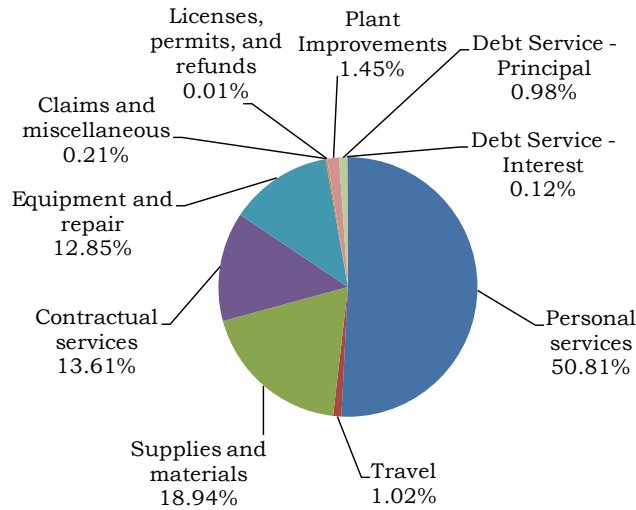
General Fund (Exhibits C and E):

As of June 30, 2024, Iowa PBS reported a combined General Fund balance of approximately \$24.6 million, which is approximately \$1.3 million more than the previous year's total. Iowa PBS's General Fund expenditures exceeded General Fund revenues by approximately \$4.9 million. Approximately \$6.2 million in net transfers were received from the Special Revenue Fund. Other financing sources of approximately \$93,000 were recognized in the General Fund, related to the acquisition of right-to-use assets under lease agreements entered into during the year.

Iowa PBS's total state appropriations of approximately \$8.3 million represents 56.3% of total General Fund revenues of approximately \$14.7 million. Gifts and grants of approximately \$3.6 million represent 24.2% of total General Fund revenues, while interest on investments of approximately \$909,000 represents 6.2% of total General Fund revenues.

Personal services of approximately \$10.0 million and supplies and materials of approximately \$3.7 million represents 50.8% and 18.9%, respectively, of total General Fund expenditures of approximately \$19.7 million (see Schedule 3). Contractual services remain a significant expenditure item. Other significant expenditures include the acquisition of national television programming and utilities needed to operate Iowa PBS's television transmission facilities.

Expenditures by Object



Special Revenue Fund (Exhibits C and E):

Iowa PBS’s Special Revenue Fund consists of the Iowa PBS Foundation. As of June 30, 2024, Iowa PBS reported a Special Revenue Fund balance of approximately \$23.9 million, which is approximately \$4.8 million more than the previous year’s total. Special Revenue Fund revenues exceeded Special Revenue Fund expenditures by approximately \$10.9 million. Approximately \$6.2 million was transferred to Iowa PBS’s General Fund to produce and/or acquire public television programming. Total Special Revenue Fund revenue of approximately \$15.2 million was comprised mainly of approximately \$8.5 million in membership revenue and approximately \$3.4 million in gifts and grants.

Permanent Fund (Exhibits C and E):

Iowa PBS’s Permanent Fund consists of restricted gifts of the Iowa PBS Foundation. While the corpus of the gifts is not available to spend, the earnings of the gifts are restricted for the acquisition and/or production of quality family programming. Earnings are recognized in the Iowa PBS Foundation’s unrestricted endowment in the Special Revenue Fund. As of June 30, 2024, Iowa PBS reported a Permanent Fund balance of approximately \$10.3 million. The Permanent Fund balance increased by approximately \$534,000 over June 30, 2023. Permanent Fund revenues of approximately \$534,000 was comprised of gifts and grants, including bequests, received during the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Iowa PBS’s receipts were approximately \$301,000 more than budgeted receipts, a difference of 3.4%. Iowa PBS received in-kind and indirect support that was not budgeted, as well as receipts from other entities for a parking lot resurfacing project and a roof replacement project funded by the State of Iowa’s Major Maintenance.

Total disbursements were approximately \$181,000 less than budgeted. Iowa PBS budgeted approximately \$344,000 for the capital purchase of a digital asset management system, however, due to Iowa PBS following procurement bidding rules, the purchase did not happen in fiscal year 2024. These funds will be available to purchase the digital asset management system in fiscal year 2025.

Iowa PBS exceeded the budgeted amount in the administration, programming, operations and production, communications and community engagement and debt service functions for the year ended June 30, 2024, primarily due to in-kind and indirect support that was not budgeted. All other Iowa PBS functional areas came in under budget.

CAPITAL ASSETS

Iowa PBS's investment in capital assets for its governmental activities at June 30, 2024 was approximately \$62.9 million, net of accumulated depreciation/amortization of approximately \$52.1 million, leaving a net book value of approximately \$10.8 million. This investment in capital assets includes land, buildings, improvements other than buildings, furniture, fixtures, equipment, right-to-use leased assets, vehicles and transmitters. Transmitter assets include property and equipment at the transmitter and translator sites across the state, such as towers, buildings, transmitters, antennas, transmission lines and test equipment.

The net increase in Iowa PBS's investment in capital assets for the current fiscal year was approximately \$1.1 million. Significant additions include approximately \$839,000 for an antenna replacement project and approximately \$153,000 for a roof replacement project. Depreciation/amortization charges for the year totaled approximately \$1.4 million.

More detailed information about Iowa PBS's capital assets is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

State General Fund revenue estimates are generated by the Iowa Revenue Estimating Conference (REC). The REC is comprised of the Governor or her designee, the Director of the Legislative Services Agency, and a third person agreed upon by the other two members. At the October 17, 2024 meeting, the REC decreased the estimate for General Fund tax and other receipts for fiscal year 2025.

The fiscal year 2025 General Fund state appropriation for Iowa PBS increased 2.2%, or approximately \$172,000 over fiscal year 2024 final General Fund appropriation.

CONTACTING IOWA PBS'S FINANCIAL MANAGEMENT

This financial report is designed to provide our viewers, educational users, and citizens of the State of Iowa with a general overview of Iowa PBS's finances and to show Iowa PBS's accountability for the money we receive. If you have questions about the report or need additional financial information, contact Iowa PBS, PO Box 6450, Johnston, Iowa 50131.

Basic Financial Statements

Iowa PBS

Iowa PBS
Statement of Net Position
June 30, 2024
with summarized comparative information for June 30, 2023

	Governmental Activities	
	2024	2023 (As Restated)
Assets		
Current assets:		
Cash	\$ 22,033,023	22,064,478
Unexpended appropriation	1,454,767	2,600,716
Accounts receivable	39,731	18,352
Lease receivable	223,692	225,402
Bequests and pledges receivable	430,622	310,299
Due from other state agencies	357,426	205,123
Due from federal government	425,946	5,000
Restricted assets - cash	440,960	354,609
Inventory	14,627	37,355
Prepaid expenses	104,303	93,924
Total current assets	25,525,097	25,915,258
Noncurrent assets:		
Investments	34,809,824	27,886,213
Beneficial interest in community trust	684,656	144,754
Bequests and pledges receivable	314,000	622,500
Lease receivable, non-current	1,520,443	1,744,135
Capital assets, net of accumulated depreciation/amortization	10,818,558	9,757,138
Total noncurrent assets	48,147,481	40,154,740
Total assets	73,672,578	66,069,998
Deferred Outflows of Resources		
Pension related deferred outflows	1,317,723	814,249
OPEB related deferred outflows	227,678	258,232
Total deferred outflows of resources	1,545,401	1,072,481
Liabilities		
Current liabilities:		
Accounts payable	1,109,982	681,373
Due to other state agencies	31,170	34,297
Advances from grantors	27,001	29,271
Compensated absences	754,461	819,360
Lease agreements	232,532	221,529
Accrued lease interest	27	35
Total OPEB liability	58,884	51,232
Total current liabilities	2,214,057	1,837,097
Noncurrent liabilities:		
Accounts payable	355,643	361,298
Compensated absences	1,062,337	902,028
Net pension liability	3,651,622	3,176,552
Lease agreements	1,887,825	2,028,710
Total OPEB liability	765,514	853,650
Total noncurrent liabilities	7,722,941	7,322,238
Total liabilities	9,936,998	9,159,335
Deferred Inflows of Resources		
Lease related deferred inflows	1,694,518	1,935,242
Pension related deferred inflows	370,470	864,402
OPEB related deferred inflows	517,628	464,529
Unconditional remainder interest	199,688	215,367
Total deferred inflows of resources	2,782,304	3,479,540
Net Position		
Net investment in capital assets	8,698,201	7,506,899
Restricted for:		
Nonexpendable - Donor restricted endowment	10,276,558	9,742,468
Expendable:		
Future state vehicle dispatch purchases	440,960	354,609
Acquisition or production of programming	42,945,258	36,938,538
Unrestricted	137,700	(38,910)
Total net position	\$ 62,498,677	54,503,604

See notes to financial statements.

Iowa PBS

Statement of Activities

Year ended June 30, 2024

with summarized comparative information for the year ended June 30, 2023

	Program Revenues			
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
<u>Functions</u>				
Governmental activities:				
Administration	\$ 2,382,808	-	696,925	212,722
Engineering and informational technology	3,835,465	626,279	439,754	838,904
Educational services	1,135,343	25,675	436,164	-
Programming, operations and production	8,330,066	78,388	1,204,302	-
Communications and community engagement	1,290,195	-	498,575	-
Emerging media	653,404	-	429,706	-
Digital television	331,697	-	-	-
Fundraising services	4,268,947	77,596	12,272,297	-
Total	<u>\$ 22,227,925</u>	<u>807,938</u>	<u>15,977,723</u>	<u>1,051,626</u>
General revenues:				
State appropriation				
Unrestricted investment gain				
Gain on sale of capital assets				
Miscellaneous				
Total general revenues				
Change in net position				
Net position beginning of year, as restated				
Net position end of year				
See notes to financial statements.				

Net (Expense) Revenue and Change in Net Position 2024	Net (Expense) Revenue and Change in Net Position 2023 (As Restated)
(1,473,161)	(972,346)
(1,930,528)	(3,050,909)
(673,504)	(856,689)
(7,047,376)	(6,110,667)
(791,620)	(743,525)
(223,698)	(236,472)
(331,697)	(546,476)
<u>8,080,946</u>	<u>7,259,136</u>
<u>(4,390,638)</u>	<u>(5,257,948)</u>
8,302,094	8,885,040
4,003,276	3,089,060
59,335	34,665
<u>21,006</u>	<u>21,267</u>
<u>12,385,711</u>	<u>12,030,032</u>
7,995,073	6,772,084
<u>54,503,604</u>	<u>47,731,520</u>
<u>\$ 62,498,677</u>	<u>54,503,604</u>

Iowa PBS

Balance Sheet
Governmental Funds

June 30, 2024

with summarized comparative information for June 30, 2023

	Special Revenue	
	General	Iowa PBS Foundation
Assets		
Cash	\$ 21,577,355	455,668
Investments	-	25,153,100
Beneficial interest in community trust	-	64,822
Unexpended appropriation	1,454,767	-
Accounts receivable	32,284	7,447
Lease receivable	1,744,135	-
Bequests and pledges receivable	-	744,622
Due from:		
Other funds	1,612,199	-
Other state agencies	357,426	-
Federal government	425,946	-
Restricted assets - cash	440,960	-
Inventory	-	14,627
Prepaid expenditures	75,963	28,340
Total assets	\$ 27,721,035	26,468,626
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts payable	\$ 886,300	474,163
Due to:		
Other funds	433,817	1,178,382
Other state agencies	31,170	-
Advances from grantors	27,001	-
Total liabilities	1,378,288	1,652,545
Deferred inflows of resources:		
Unavailable revenues:		
Memberships and contributions	-	672,214
Unconditional remainder interest	-	199,688
Lease related	1,694,518	-
Other	963	-
Total deferred inflows of resources	1,695,481	871,902
Fund balances:		
Nonspendable:		
Prepaid expenditures and inventory	75,963	42,967
Leases	49,617	-
Foundation endowment	-	-
Restricted for:		
Subsequent years' expenditures	440,960	-
Noncurrent receivables	-	314,000
Specific purposes	19,182,924	23,587,212
Committed	4,955,248	-
Unassigned	(57,446)	-
Total fund balances	24,647,266	23,944,179
Total liabilities, deferred inflows of resources and fund balances	\$ 27,721,035	26,468,626

See notes to financial statements.

<u>Permanent</u>		Total
Foundation	Total	2023
Endowment	2024	(As Restated)
-	22,033,023	22,064,478
9,656,724	34,809,824	27,886,213
619,834	684,656	144,754
-	1,454,767	2,600,716
-	39,731	18,352
-	1,744,135	1,969,537
-	744,622	932,799
-	1,612,199	1,555,122
-	357,426	205,123
-	425,946	5,000
-	440,960	354,609
-	14,627	37,355
-	104,303	93,924
<u>10,276,558</u>	<u>64,466,219</u>	<u>57,867,982</u>
-	1,360,463	948,648
-	1,612,199	1,555,122
-	31,170	34,297
-	27,001	29,271
-	<u>3,030,833</u>	<u>2,567,338</u>
-	672,214	913,509
-	199,688	215,367
-	1,694,518	1,935,242
-	963	3,445
-	<u>2,567,383</u>	<u>3,067,563</u>
-	118,930	131,279
-	49,617	34,295
10,276,558	10,276,558	9,742,468
-	440,960	354,609
-	314,000	622,500
-	42,770,136	36,128,736
-	4,955,248	5,276,131
-	(57,446)	(56,937)
<u>10,276,558</u>	<u>58,868,003</u>	<u>52,233,081</u>
<u>10,276,558</u>	<u>64,466,219</u>	<u>57,867,982</u>

Iowa PBS

Iowa PBS

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position

June 30, 2024

with summarized comparative information for June 30, 2023

	2024		2023 (As Restated)	
Total governmental fund balances (page 21)	\$ 58,868,003		\$ 52,233,081	
Amounts reported for governmental activities in the Statement of Net Position are different because:				
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds, as follows:				
Iowa PBS	\$ 10,735,487		\$ 9,612,235	
Iowa PBS Foundation	<u>83,071</u>	10,818,558	<u>144,903</u>	9,757,138
Other long-term assets are not available to pay current year expenditures and, therefore, are recognized as deferred inflows of resources in the governmental funds, as follows:				
Iowa PBS	963		3,445	
Iowa PBS Foundation	<u>672,214</u>	673,177	<u>913,509</u>	916,954
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental fund, as follows:				
Deferred outflows of resources	1,545,401		1,072,481	
Deferred inflows of resources	<u>(888,098)</u>	657,303	<u>(1,328,931)</u>	(256,450)
Long term liabilities, including lease agreements payable, compensated absences, total OPEB liability and net pension liability, are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:				
Lease agreements	(2,120,357)		(2,250,239)	
Accrued lease interest	(27)		(35)	
Current compensated absences	(754,461)		(819,360)	
Non-current compensated absences	(1,062,337)		(902,028)	
Termination benefits payable, included in accounts payable	(105,162)		(94,023)	
Current total OPEB liability	(58,884)		(51,232)	
Non-current total OPEB liability	(765,514)		(853,650)	
Net pension liability	<u>(3,651,622)</u>	<u>(8,518,364)</u>	<u>(3,176,552)</u>	<u>(8,147,119)</u>
Net position of governmental activities (page 17)	<u>\$ 62,498,677</u>		<u>\$ 54,503,604</u>	

See notes to financial statements.

Iowa PBS

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds

Year ended June 30, 2024

with summarized comparative information for the year ended June 30, 2023

	<u>Special Revenue</u>	
	<u>General</u>	<u>Iowa PBS Foundation</u>
Revenues:		
State appropriation	\$ 8,302,094	-
Federal assistance	898,567	-
Receipts from other entities	250,380	-
Fees and licenses	78,088	-
Gifts and grants	3,570,758	3,394,618
In-kind and indirect support	39,472	41,792
Memberships	-	8,542,542
Charges for service	649,725	78,146
Interest on investments	909,297	754,885
Net appreciation in fair value of investments	-	2,339,094
Refunds and reimbursements	20,854	-
Miscellaneous	21,373	-
Total revenues	<u>14,740,608</u>	<u>15,151,077</u>
Expenditures:		
Administration	2,563,636	-
Engineering and informational technology	4,964,354	-
Educational services	1,179,118	-
Programming, operations and production	8,747,164	-
Communications and community engagement	1,340,371	-
Emerging media	663,755	-
Fundraising services	-	4,202,565
Debt service:		
Principal	193,265	5,199
Interest	23,956	479
Total expenditures	<u>19,675,619</u>	<u>4,208,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,935,011)</u>	<u>10,942,834</u>
Other financing sources (uses):		
Transfers in	11,712,400	-
Transfers out	(5,533,924)	(6,178,476)
Lease agreements	93,009	-
Total other financing sources (uses)	<u>6,271,485</u>	<u>(6,178,476)</u>
Change in fund balances	1,336,474	4,764,358
Fund balances beginning of year, as restated	<u>23,310,792</u>	<u>19,179,821</u>
Fund balances end of year	<u>\$ 24,647,266</u>	<u>23,944,179</u>

See notes to financial statements.

Permanent		Total
Foundation	Total	2023
Endowment	2024	(As Restated)
-	8,302,094	8,885,040
-	898,567	10,000
-	250,380	1,001,710
-	78,088	63,593
534,090	7,499,466	6,107,107
-	81,264	64,368
-	8,542,542	7,994,278
-	727,871	738,262
-	1,664,182	1,174,228
-	2,339,094	1,914,832
-	20,854	-
-	21,373	32,986
534,090	30,425,775	27,986,404
-	2,563,636	3,742,580
-	4,964,354	4,288,268
-	1,179,118	1,240,806
-	8,747,164	8,346,549
-	1,340,371	1,312,383
-	663,755	599,898
-	4,202,565	4,194,437
-	198,464	191,048
-	24,435	26,159
-	23,883,862	23,942,128
534,090	6,541,913	4,044,276
-	11,712,400	11,545,848
-	(11,712,400)	(11,545,848)
-	93,009	23,870
-	93,009	23,870
534,090	6,634,922	4,068,146
9,742,468	52,233,081	48,164,935
10,276,558	58,868,003	52,233,081

Iowa PBS

Iowa PBS

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds to the Statement of Activities

Year ended June 30, 2024

with summarized comparative information for the year ended June 30, 2023

	2024	2023 (As Restated)
Change in fund balances - Total governmental funds (page 25)	\$ 6,634,922	\$ 4,068,146
Amounts reported for governmental activities in the Statement of Activities are different because:		
Contributions which will not be collected for several months after year end are not considered available revenues and, therefore, are deferred in the governmental funds.	673,177	916,954
Because some revenues will not be collected for several months after year end, they are not considered available revenues and are recognized as deferred inflows of resources in the governmental funds.	(916,954)	(493,191)
Governmental funds report capital outlays as expenditures while governmental activities report depreciation/amortization expense to allocate those expenditures over the life of the assets. In the current year, these amounts are:		
Iowa PBS:		
Expenditures for capital assets	\$ 2,317,606	\$ 2,825,104
Right-to-use leased capital assets	93,009	-
Depreciation/amortization expense	(1,346,698)	(1,847,262)
Iowa PBS Foundation:		
Expenditures for capital assets	-	72,675
Right-to-use leased capital assets	-	23,870
Depreciation/amortization expense	(61,832)	(47,402)
	1,002,085	1,026,985
In the governmental funds, the proceeds from the sale of capital assets increase financial resources, whereas the Statement of Activities only reports the gain on the disposition of capital assets.	59,335	34,665
The current year employer's share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the Statement of Net Position.	670,607	670,377
Only expenses which require current financial resources are reported in the governmental funds, whereas the Statement of Activities reports expenses for lease agreements payable, compensated absences, termination benefits, pension expense and other postemployment benefits not requiring the use of current financial resources, as follows:		
Lease agreements including interest payable	129,890	193,337
Compensated absences	(95,410)	182,617
Termination benefits	(11,139)	(11,507)
Pension expense	(148,271)	202,234
OPEB expense	(3,169)	(18,533)
	(128,099)	548,148
Change in net position of governmental activities (page 19)	<u>\$ 7,995,073</u>	<u>\$ 6,772,084</u>

See notes to financial statements.

Iowa PBS

Notes to Financial Statements

June 30, 2024

(1) Summary of Significant Accounting Policies

Iowa PBS, an agency of the State of Iowa, operates as an autonomous division of the Iowa Department of Education. It is mandated by statute to plan, establish and operate an educational television facility and such other communications services as may prove necessary to aid in the accomplishment of the educational objectives of the State of Iowa.

Iowa PBS operates nine digital transmitters and eight translators as follows:

<u>Digital Transmitters</u>	<u>Translators</u>
KDIN-DT Channel 11, Des Moines	K25PE-D Channel 25, Decorah
KIIN-DT Channel 12, Iowa City	K33PV-D Channel 33, Rock Rapids
KTIN-DT Channel 25, Fort Dodge	K18GU-D Channel 18, Ottumwa
KYIN-DT Channel 18, Mason City	K26JI-D Channel 26, Sibley
KSIN-DT Channel 28, Sioux City	K28JD-D Channel 28, Fort Madison
KBIN-DT Channel 33, Council Bluffs	K31NJ-D Channel 31, Lansing
KRIN-DT Channel 35, Waterloo	K19KX-D Channel 19, Keokuk
KHIN-DT Channel 35, Red Oak	K24IM-D Channel 24, Keosauqua
KQIN-DT Channel 34, Davenport	

The financial statements of Iowa PBS and its component unit have been prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Iowa PBS has included all funds and organizations. It has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with Iowa PBS are such that exclusion would cause Iowa PBS's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of Iowa PBS to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on Iowa PBS.

These financial statements present Iowa PBS (the primary government) and its component unit. The component unit discussed below is included in Iowa PBS's reporting entity because of the significance of its operational or financial relationship with Iowa PBS. Complete financial statements of the component unit, Iowa PBS Foundation, which issued separate financial statements, can be obtained from Iowa PBS, PO Box 6450, Johnston, Iowa 50131.

Blended Component Unit – The following component unit is an entity which is legally separate from Iowa PBS but is so intertwined with Iowa PBS it is, in substance, the same as Iowa PBS. It is reported as part of Iowa PBS and is blended into the Special Revenue and the Permanent Funds.

Iowa PBS Foundation (Foundation) is a nonprofit corporation which was incorporated in December 1991 for the purpose of soliciting and managing gifts of money and property for the exclusive purpose of granting gifts of money and/or property to Iowa PBS. The funds received by the Foundation, less expenses, are to be transferred monthly to Iowa PBS for programs and program expenses. Iowa PBS has sole discretion as to the use of the money or property. Iowa PBS provides support to the Foundation, including office space, equipment, website, legal services, television studio space and equipment, as well as broadcast production staff. The Foundation exclusively benefits Iowa PBS and provides services entirely to Iowa PBS.

B. Basis of Presentation

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 Iowa PBS's financial statements for the year ended June 30, 2023 from which the summarized information was derived.

Entity-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all the nonfiduciary activities of Iowa PBS and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes, intergovernmental revenues and other nonexchange transactions.

The Statement of Net Position presents Iowa PBS's nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. Net position is reported in the following categories/components:

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances for lease liabilities that are attributable to the acquisition of those assets.

Nonexpendable restricted net position is subject to externally imposed stipulations which require the preservation of the donor restricted endowment to be maintained permanently and distribution of accumulations to be made in accordance with the direction of the applicable donor gift instrument.

Expendable restricted net position results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation. Enabling legislation did not result in any restricted net position.

Unrestricted net position consists of net position not meeting the definition of the preceding categories/components. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental funds. The major individual governmental funds are reported as separate columns in the fund financial statements.

Iowa PBS reports the following major governmental funds:

The General Fund is the general operating fund of Iowa PBS and is used to account for all financial resources except for those accounted for in another fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs not paid from other funds.

The Special Revenue, Iowa PBS Foundation Fund is used to account for all money and property donations received to support public television in Iowa. Periodic transfers are made to the General Fund to finance program expenditures.

The Permanent Fund is used to hold restricted gifts made to Iowa PBS Foundation. While the corpus of the gifts is not available to spend, the earnings of the gifts are restricted for the acquisition and/or production of quality family programming. Earnings are recognized in the Iowa PBS Foundation's unrestricted endowment in the Special Revenue Fund and then transferred to the General Fund annually.

C. Measurement Focus and Basis of Accounting

The entity-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, Iowa PBS considers revenues to be available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments and compensated absences are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under lease agreements are reported as other financing resources.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, Iowa PBS's policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

Contributions, pledges, intergovernmental revenues and interest associated with the current fiscal year are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash and Pooled Investments – Iowa PBS makes deposits with the Treasurer of State and with other custodial banks. The cash balances of most funds are pooled and invested by the Treasurer of State.

Iowa PBS Foundation Investments – Investments are reported at fair value based on quoted market prices.

Restricted Assets – Cash – Iowa PBS makes monthly contributions to the State Vehicle Dispatcher. Such contributions are restricted for the purpose of purchasing replacement vehicles.

Pledges Receivable – Pledges receivable are recognized when pledged and are shown net of an allowance for uncollectibles.

Due from and Due to Other Funds – During the course of its operations, Iowa PBS has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Due from and Due to Other State Agencies – During the course of its operations, Iowa PBS has numerous transactions with other State of Iowa Agencies. To the extent certain transactions between Iowa PBS and other state agencies had not been paid or received as of June 30, 2024, receivables or payables have been recorded in the financial statements.

Capital Assets – Capital assets are tangible and intangible assets, which include land, buildings, equipment and infrastructure assets (e.g., towers, transmitters and similar items that are immovable and of value only to Iowa PBS), are reported in the governmental activities column in the entity-wide Statement of Net Position. Capital assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed under “Leases” below) if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Reportable capital assets are defined by Iowa PBS as assets with an initial, individual cost of in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Buildings	\$ 50,000
Building improvements	5,000
Transmitter sites	5,000
Machinery, equipment and vehicles	5,000
Right-to-use leased assets	5,000

Land and construction in progress are not depreciated. Right-to-use leased assets are amortized using the straight-line method over the term of the related lease. All other capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (In Years)	
	Iowa PBS	Iowa PBS Foundation
Buildings	32 - 39	-
Building improvements	4 - 15	-
Transmitter sites	3 - 19	-
Machinery, equipment and vehicles	3 - 20	5 - 7
Right-to-use leased assets	2 - 20	-

Leases – Iowa PBS as Lessee – Iowa PBS is the lessee for three noncancelable leases of transmitter sites and ten noncancelable leases of land. The Iowa PBS Foundation is the lessee for four noncancelable leases of equipment. Iowa PBS has recognized a lease liability and intangible right-to-use lease assets (lease assets) in the entity-wide financial statements. Iowa PBS recognizes leases with an individual value of \$5,000 or more.

At the commencement of a lease, Iowa PBS 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 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 a straight-line basis over the term of the related lease.

Key estimates and judgments related to leases include how Iowa PBS determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Iowa PBS uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, Iowa PBS generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that Iowa PBS is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Iowa PBS as the Lessor – Iowa PBS is the lessor for seven noncancelable leases of transmitter sites, one noncancelable lease of land and one noncancelable lease of equipment. Iowa PBS recognizes a lease receivable and a deferred inflow of resources in the entity-wide and governmental fund financial statements. Iowa PBS recognizes leases with an individual value of \$5,000 or more.

At the commencement of a lease, Iowa PBS 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 received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how Iowa PBS determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

Iowa PBS uses its incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from Iowa PBS after the measurement date but before the end of Iowa PBS's reporting period.

Advances from Grantors – Advances from grantors represents grant proceeds which have been received by Iowa PBS, but the eligibility requirements will not be met until succeeding fiscal years.

Pensions – 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 Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. 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.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflow of resources related to OPEB and OPEB expense, information has been determined based on the State of Iowa's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources – Deferred inflows of resources represents an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of memberships and contributions to the Foundation and other receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of unrecognized items not yet credited to pension and OPEB expense, deferred amounts related to leases, unconditional remainder interest and the unamortized portion of the net difference between projected and actual earnings on IPERS' investments.

Compensated Absences – Iowa PBS employees accrue vacation, sick leave and compensatory leave at rates specified in the Code of Iowa. Accumulated unused vacation leave and accrued compensatory leave is payable upon termination of employment. Accumulated unused sick leave is payable only upon retirement and only to limits specified in the Code of Iowa. The liabilities for compensated absences are based on rates of pay in effect at June 30, 2024 and 2023.

State Appropriation and Reversion – The Legislature makes annual appropriations of state funds to the various agencies. No payment of an obligation for goods and services can be charged to an appropriation subsequent to the last day of the fiscal year for which the appropriation is made unless such goods or services are received on or before June 30. Fifty percent of unobligated balances of operational appropriations at the end of fiscal year 2024, if any, may be encumbered for technology enhancement or purchases of goods and services from Iowa Prison Industries during the succeeding fiscal year. Any remaining funds are to be deposited in the General Fund of the state.

Fund Balance – In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts which cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the Legislature through appropriation or legislative action. Committed amounts cannot be used for any other purpose unless the Legislature removes or changes the specified use by taking the same action employed to commit those amounts.

Unassigned – All amounts not included in the preceding classifications.

(2) Deposits and Investments

Iowa PBS's deposits with the Treasurer of State throughout the period and at June 30, 2024 and 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds. All interest income on money invested in the investment pool is retained in the fund holding the cash balance.

At June 30, 2024 and 2023, the carrying amount of cash not held by the Treasurer of State was \$455,668 and \$2,826,205, respectively, and the bank balances were \$594,301 and \$2,883,129, respectively. Deposits of \$319,582 and \$477,536, respectively, are covered by federal depository insurance or by collateral held by the Foundation's agent in the Foundation's name as of June 30, 2024 and 2023. The remaining deposits of \$274,719 and \$2,405,593, respectively, are uninsured.

Investments are held by the Foundation in accordance with the component unit's investment policy. The purpose of the investment policy is to outline the asset allocation guidelines, the investment planning horizon, investment return objectives, the selection criteria application to investment managers and consultants and the monitoring and control procedures. At June 30, 2024 and 2023, the Foundation's investments had fair values of \$35,494,480 and \$28,030,967, respectively. Investments of the Foundation are not subject to GASB disclosure requirements.

(3) Beneficial Interest in Community Trust

The Community Foundation of Greater Des Moines (Community Foundation) was organized to receive gifts and bequests from private and public organizations and to make contributions to projects benefiting the greater Des Moines community. Direct contributions from donors were made on behalf of the Iowa PBS Foundation (Foundation) during the years ended June 30, 2024, June 30, 2023, June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, June 30, 2018, June 30, 2017, June 30, 2016, June 30, 2013 and June 30, 2012. The Community Foundation controls the investment and reinvestment of funds held and management of the funds is at the Community Foundation's sole discretion. The Foundation may receive distributions limited to no more than a 'spending formula' determined from time to time by the Community Foundation's Board of Directors.

The Foundation's beneficial interest is carried at fair market value in the Statement of Net Position. The balances of the interests at June 30, 2024 and 2023 were \$684,656 and \$144,754, respectively.

(4) Due From and Due To Other Funds

The detail of interfund receivables and payables at June 30, 2024 and 2023 is as follows:

Fund	2024		2023	
	Receivable	Payable	Receivable	Payable
General	\$ 1,612,199	433,817	\$ 1,555,122	248,734
Special Revenue, Iowa PBS Foundation	-	1,178,382	-	1,306,388
Total	<u>\$ 1,612,199</u>	<u>1,612,199</u>	<u>\$ 1,555,122</u>	<u>1,555,122</u>

The interfund receivables and payables shown above are prior to eliminations within the same fund type.

These balances resulted from the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

(5) Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance Beginning of Year	Reclassifications	Increases	Decreases	Balance End of Year
Iowa PBS:					
Capital assets:					
Land, not being depreciated	\$ 1,299,063	-	-	-	1,299,063
Buildings	10,769,321	-	77,964	(75,225)	10,772,060
Transmitter sites	31,796,728	227,877	747,082	(655,844)	32,115,843
Machinery, equipment and vehicles	14,183,900	523,922	456,539	(1,831,772)	13,332,589
Right-to-use leased land	863,949	-	93,009	(41,100)	915,858
Right-to-use leased transmitter sites	1,770,740	-	-	-	1,770,740
Construction in progress, not being depreciated	2,169,119	(751,799)	1,095,356	-	2,512,676
Total capital assets	<u>62,852,820</u>	<u>-</u>	<u>2,469,950</u>	<u>(2,603,941)</u>	<u>62,718,829</u>
Less accumulated depreciation/amortization for:					
Buildings	9,806,201	-	176,807	(75,225)	9,907,783
Transmitter sites	30,354,537	-	405,345	(655,844)	30,104,038
Machinery, equipment and vehicles	12,571,060	-	508,808	(1,831,772)	11,248,096
Right-to-use leased assets	508,787	-	255,738	(41,100)	723,425
Total accumulated depreciation/amortization	<u>53,240,585</u>	<u>-</u>	<u>1,346,698</u>	<u>(2,603,941)</u>	<u>51,983,342</u>
Total capital assets, net	<u>\$ 9,612,235</u>	<u>-</u>	<u>1,123,252</u>	<u>-</u>	<u>10,735,487</u>
Iowa PBS Foundation:					
Capital assets:					
Machinery, equipment and vehicles	\$ 168,435	-	-	-	168,435
Right-to-use leased equipment	23,870	-	-	-	23,870
Total capital assets	<u>192,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,305</u>
Less accumulated depreciation/amortization for:					
Machinery, equipment and vehicles	42,109	-	56,145	-	98,254
Right-to-use leased assets	5,293	-	5,687	-	10,980
Total accumulated depreciation/amortization	<u>47,402</u>	<u>-</u>	<u>61,832</u>	<u>-</u>	<u>109,234</u>
Total capital assets, net	<u>\$ 144,903</u>	<u>-</u>	<u>(61,832)</u>	<u>-</u>	<u>83,071</u>

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

	Balance Beginning of Year	Reclassifications	Increases	Decreases	Balance End of Year
Iowa PBS:					
Capital assets:					
Land, not being depreciated	\$ 1,299,063	-	-	-	1,299,063
Buildings	10,769,321	-	-	-	10,769,321
Transmitter sites	31,619,905	158,104	18,719	-	31,796,728
Machinery, equipment and vehicles	13,304,744	305,846	717,092	(143,782)	14,183,900
Right-to-use leased land	863,949	-	-	-	863,949
Right-to-use leased building	21,537	-	-	(21,537)	-
Right-to-use leased transmitter sites	1,770,740	-	-	-	1,770,740
Construction in progress, not being depreciated	509,111	(463,950)	2,123,958	-	2,169,119
Total capital assets	60,158,370	-	2,859,769	(165,319)	62,852,820
Less accumulated depreciation/amortization for:					
Buildings	9,313,820	-	492,381	-	9,806,201
Transmitter sites	29,662,034	-	692,503	-	30,354,537
Machinery, equipment and vehicles	12,313,227	-	401,615	(143,782)	12,571,060
Right-to-use leased assets	269,561	-	260,763	(21,537)	508,787
Total accumulated depreciation/amortization	51,558,642	-	1,847,262	(165,319)	53,240,585
Total capital assets, net	\$ 8,599,728	-	1,012,507	-	9,612,235
Iowa PBS Foundation:					
Capital assets:					
Machinery, equipment and vehicles	\$ -	95,760	72,675	-	168,435
Right-to-use leased equipment	-	-	23,870	-	23,870
Construction in progress, not being depreciated	95,760	(95,760)	-	-	-
Total capital assets	95,760	-	96,545	-	192,305
Less accumulated depreciation/amortization for:					
Machinery, equipment and vehicles	-	-	42,109	-	42,109
Right-to-use leased assets	-	-	5,293	-	5,293
Total accumulated depreciation/amortization	-	-	47,402	-	47,402
Total capital assets, net	\$ 95,760	-	49,143	-	144,903

Depreciation / amortization expense for the years ended June 30, 2024 and 2023 was charged to the following functions:

	Iowa PBS	Iowa PBS Foundation	Total 2024	Total 2023
Governmental activities:				
Administration	\$ 143,792	-	143,792	426,287
Engineering and informational technology	625,891	-	625,891	682,998
Educational services	5,698	-	5,698	265
Programming, operations and production	274,219	-	274,219	184,904
Communications and community engagement	5,560	-	5,560	5,655
Emerging media	841	-	841	677
Digital television	290,697	-	290,697	546,476
Fundraising Services	-	61,832	61,832	47,402
Total depreciation/amortization expense	\$ 1,346,698	61,832	1,408,530	1,894,664

(6) Pension Plan

Plan Description – IPERS membership is mandatory for employees of Iowa PBS, except for those covered by another retirement system. Employees of Iowa PBS are provided with pensions through a cost-sharing multiple employer-defined benefit pension plan administered by the Iowa Public Employees’ Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member’s highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member’s monthly retirement benefit will be permanently reduced by an early retirement reduction. The early retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month the member receives benefits before the member’s earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member’s lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member’s beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member’s accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2024 and 2023, pursuant to the required rates, regular members contributed 6.29% of covered payroll and Iowa PBS contributed 9.44% of covered payroll, for a total rate of 15.73%.

Iowa PBS’s contributions to IPERS for the year ended June 30, 2024 and June 30, 2023 totaled \$670,607 and \$670,377.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2024, Iowa PBS reported a liability of \$3,651,622 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Iowa PBS's proportion of the net pension liability was based on Iowa PBS's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2023, Iowa PBS's proportion was 0.080901%, which was a decrease of 0.003176% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024 Iowa PBS recognized pension expense of \$148,271. At June 30, 2024, Iowa PBS 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	\$ 308,932	15,009
Changes of assumptions	-	58
Net difference between projected and actual earnings on IPERS' investments	338,184	-
Changes in proportion and differences between Agency contributions and the Agency's proportionate share of contributions	-	355,403
Agency contributions subsequent to the measurement date	<u>670,607</u>	-
Total	<u>\$ 1,317,723</u>	<u>370,470</u>

\$670,607 reported as deferred outflows of resources related to pensions resulting from Iowa PBS's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending 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 Ending June 30,	Total
2025	\$ (235,881)
2026	(381,024)
2027	758,261
2028	119,326
2029	<u>15,964</u>
Total	<u>\$ 276,646</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2023 valuation were based on the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (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 geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	21.0%	4.56%
International equity	16.5	6.22
Global smart beta equity	5.0	5.22
Core plus fixed income	23.0	2.69
Public credit	3.0	4.38
Cash	1.0	1.59
Private equity	17.0	10.44
Private real assets	9.0	3.88
Private credit	4.5	4.60
Total	<u>100.0%</u>	

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 employee contributions will be made at the contractually required rate and contributions from Iowa PBS will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Iowa PBS's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents Iowa PBS's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what Iowa PBS's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Iowa PBS's proportionate share of the net pension liability	\$ 7,764,162	3,651,622	205,246

IPERS' Fiduciary Net Position – Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to IPERS – At June 30, 2024, there were no amounts due to IPERS for legally required employer contributions or legally required employee contributions which had been withheld from employee wages but had not yet been remitted to IPERS.

(7) Leases – Lessee

Iowa PBS

Iowa PBS has three broadcast tower/transmitter site lease agreements, which expire between June 30, 2031 and September 30, 2033. An initial lease liability was recorded in the amount of \$1,770,740. Two of the three agreements require monthly payments ranging from \$5,098 to \$10,103 and one agreement requires annual payments of \$3,096, all with an implicit interest rate of 1.08%. During the year ended June 30, 2024, principal and interest paid were \$135,433 and \$15,751, respectively.

Iowa PBS also has ten land lease agreements, which expire between September 30, 2025 and August 31, 2039. An initial lease liability was recorded in the amount of \$863,949. On October 30, 2023 and March 26, 2024, two of the land leases expired and were renewed for 5 years each. An initial lease liability was recorded in the amount of \$73,726 for the renewals. The agreements require annual payments of \$3,859 and \$11,298, respectively, both with an implicit interest rate of 3.53%. Of the other eight land lease agreements, six of the agreements require annual payments ranging from \$3,000 to \$21,028 and two agreements require quarterly payments ranging from \$809 to \$1,688, all with an implicit interest rate of 1.08%. On July 1, 2023 Iowa PBS amended one of its broadcast tower/transmitter site lease agreements to lease land space at the site. An initial lease liability was recorded in the amount of \$19,283. The amendment requires additional monthly payments of \$160, to be increased annually by 3.00%, with an implicit interest rate of 3.53% and the lease will expire on September 30, 2033. During the year ended June 30, 2024, principal and interest paid were \$81,788 and \$8,205, respectively.

The following is a schedule by year of future minimum principal and interest lease payments required, which have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2024:

Iowa PBS

Year Ending June 30,	Transmitter Sites			Land		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 143,147	14,250	157,397	\$ 83,686	9,308	92,994
2026	151,218	12,664	163,882	86,958	8,670	95,628
2027	159,660	10,990	170,650	83,724	7,353	91,077
2028	168,493	9,222	177,715	87,046	6,047	93,093
2029	177,734	7,357	185,091	73,465	4,738	78,203
2030-2034	584,207	11,022	595,229	215,996	11,187	227,183
2035-2039	-	-	-	76,275	3,365	79,640
2040-2044	-	-	-	15,910	172	16,082
Total	<u>\$ 1,384,459</u>	<u>65,505</u>	<u>1,449,964</u>	<u>\$ 723,060</u>	<u>50,840</u>	<u>773,900</u>

Year Ending June 30,	Total		
	Principal	Interest	Total
2025	\$ 226,833	23,558	250,391
2026	238,176	21,334	259,510
2027	243,384	18,343	261,727
2028	255,539	15,269	270,808
2029	251,199	12,095	263,294
2030-2034	800,203	22,209	822,412
2035-2039	76,275	3,365	79,640
2040-2044	15,910	172	16,082
Total	<u>\$ 2,107,519</u>	<u>116,345</u>	<u>2,223,864</u>

Iowa PBS Foundation

Iowa PBS Foundation has four equipment lease agreements, which expire between June 15, 2025 and June 14, 2027. An initial lease liability was recorded in the amount of \$23,870. The four agreements require monthly payments ranging from \$40 to \$276, with a weighted average discount rate of 2.98%. During the year ended June 30, 2024, principal and interest paid were \$5,670 and \$471, respectively.

The following is a schedule by year of future minimum principal and interest lease payments required, which have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2024:

Year Ending June 30,	Equipment		
	Principal	Interest	Total
2025	\$ 5,699	300	5,999
2026	3,844	154	3,998
2027	3,295	52	3,347
Total	<u>\$ 12,838</u>	<u>506</u>	<u>13,344</u>

(8) Indirect Administrative Support and In-Kind Contributions

Indirect administrative support provided by other state agencies and in-kind contributions for the years ended June 30, 2024 and 2023 include the following:

	Year Ended June 30,	
	2024	2023
Contributed support and in-kind contributions	<u>\$ 81,264</u>	<u>\$ 64,368</u>

These amounts are included in revenues and expenditures in the accompanying financial statements.

(9) Lessor Leases

Iowa PBS owns several transmitter sites which are located throughout the State. Iowa PBS has seven noncancelable leases for portions of tower space at some of the transmitter sites, which expire between April 30, 2025 and September 30, 2043. Iowa PBS receives monthly rent payments, ranging from \$375 to \$4,038 with an implicit rate of 1.08%.

Iowa PBS owns a panel antenna at the Waterloo transmitter site (equipment). Effective December 1, 2002, Iowa PBS entered into a ten-year lease, with two ten-year renewal options, with Sinclair Broadcasting whereby Sinclair Broadcasting can use the equipment to broadcast their DTV signal. Iowa PBS receives \$6,109 in equipment rent monthly with an implicit rate of 1.08%. The lease ends on August 31, 2031.

Iowa PBS owns land at the Fort Dodge (KTIN) transmitter site. Effective January 1, 2023, Iowa PBS entered into a five-year lease, with Iowa Farms Associates whereby Iowa Farms Associates agrees to provide professional farm management services and to manage agricultural lease(s) of the Property for agricultural purposes only. Iowa PBS receives \$27,560 annual rent with an implicit rate of 1.76%. The first lease payment was received March 16, 2023. The lease ends on December 31, 2027.

The following is a schedule by year of minimum future rental payments due to Iowa PBS as of June 30, 2024:

Year Ending June 30,	Transmitter Sites			Land		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 129,350	11,842	141,192	\$ 26,155	1,405	27,560
2026	80,481	10,698	91,179	26,615	945	27,560
2027	73,324	9,890	83,214	27,083	477	27,560
2028	75,896	9,085	84,981	-	-	-
2029	78,537	8,253	86,790	-	-	-
2030-2034	304,163	30,223	334,386	-	-	-
2035-2039	266,222	14,855	281,077	-	-	-
2040-2044	150,971	3,609	154,580	-	-	-
Total	<u>\$ 1,158,944</u>	<u>98,455</u>	<u>1,257,399</u>	<u>\$ 79,853</u>	<u>2,827</u>	<u>82,680</u>

Year Ending June 30,	Equipment			Total		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 68,187	5,121	73,308	\$ 223,692	18,368	242,060
2026	68,927	4,381	73,308	176,023	16,024	192,047
2027	69,676	3,632	73,308	170,083	13,999	184,082
2028	70,432	2,876	73,308	146,328	11,961	158,289
2029	71,196	2,112	73,308	149,733	10,365	160,098
2030-2034	156,920	1,914	158,834	461,083	32,137	493,220
2035-2039	-	-	-	266,222	14,855	281,077
2040-2044	-	-	-	150,971	3,609	154,580
Total	\$ 505,338	20,036	525,374	\$ 1,744,135	121,318	1,865,453

(10) Interfund Transfers

The detail of interfund transfers for the years ended June 30, 2024 and 2023 is as follows:

Fund	2024		2023	
	Transfers In	Transfers Out	Transfers In	Transfers Out
General	\$ 11,712,400	5,533,924	\$ 11,545,848	4,907,344
Special Revenue, Iowa PBS Foundation	-	6,178,476	-	6,638,504
Total	\$ 11,712,400	11,712,400	\$ 11,545,848	11,545,848

Transfers move gifts and grants from the Special Revenue, Iowa PBS Foundation Fund to the General Fund. Transfers from the General Fund represent the payment of obligations to other sub-General funds.

(11) Risk Management

State employee benefits for health, dental, long-term disability and life insurance coverage are insured through commercial insurers. There were no significant reductions in insurance coverage from the prior year and settlements have not exceeded coverage for the past three fiscal years.

The State of Iowa self-insures on behalf of its agencies for losses related to workers' compensation, its motor vehicle fleet, property damage and torts. A contingent fund exists under section 29C.20 of the Code of Iowa to provide compensation for loss or damage to state property (casualty losses).

The State of Iowa insures with commercial insurers for certain risks of loss assuming liability for any deductibles and claims in excess of coverage limitations. Iowa PBS insures its mobile broadcasting truck and contents for \$5.0 million. There were no settlements in excess of coverage for the past three fiscal years.

(12) Compensated Absences and Other Postemployment Benefits

Changes in compensated absences and other postemployment benefit obligations for the years ended June 30, 2024 and 2023 are summarized as follows:

Year ended June 30, 2024	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
Compensated absences	\$ 1,721,388	921,031	825,621	1,816,798	754,461
Net pension liability	3,176,552	475,070	-	3,651,622	-
Total OPEB liability	904,882	-	80,484	824,398	58,884
Total	\$ 5,802,822	1,396,101	906,105	6,292,818	813,345

Year ended June 30, 2023	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
Compensated absences	\$ 1,904,005	884,244	1,066,861	1,721,388	819,360
Net pension liability	118,933	3,057,619	-	3,176,552	-
Total OPEB liability	1,016,950	-	112,068	904,882	51,232
Total	\$ 3,039,888	3,941,863	1,178,929	5,802,822	870,592

Sick Leave Insurance Program (SLIP)

A voluntary termination program has been established by the State of Iowa. The program is an opportunity for employees who are retirement-eligible to use the value of their unused sick leave to pay the employer's share of the monthly premium of the State's group health insurance plan after their retirement.

Upon retirement, employees shall first receive a cash payment for accumulated, unused sick leave converted at the employee's current regular hourly rate of pay, up to \$2,000, payable with the final payroll warrant which includes the employee's retirement date. The value of the remaining balance of the accrued sick leave will be converted based upon the original balance (before the cash payment). The remainder of the sick leave value is calculated as follows, based on the number of sick leave hours the employee had before the cash payment:

If the sick leave balance is:	The conversion rate is:
Zero to 750 hours	60% of the value
Over 750 hours to 1,500 hours	80% of the value
Over 1,500 hours	100% of the value

The final calculated dollar value will be credited to the employee's Sick Leave Insurance Program (SLIP) account. Each month, Iowa PBS will pay 100% of the employer's share of the selected state group health insurance premium from the retiree's SLIP account. The retiree is responsible for any additional premiums associated with the employee/retiree share.

Iowa PBS will continue to pay the employer's share of the health insurance premium each month until the converted value of the employee's sick leave balance is exhausted, until the employee is eligible for Medicare, until the employee waives the benefit or until the employee dies, whichever comes first. The retired employees may stay with the same health insurance program as when employed or switch down at any time without underwriting. The converted value of the sick leave can only be applied to the employer's share of health insurance premium payments. It has no cash value, and it is not transferable to another use or to an heir. If a retired employee who has utilized this benefit returns to permanent state employment, all remaining balances in the SLIP account will be forfeited. All SLIP program benefits are financed on a pay-as-you-go basis by Iowa PBS. Amounts calculated for this program are included in the compensated absences liability for current employees and \$105,162 is included in accounts payable for retirees.

For the year ended June 30, 2024, six employees received benefits totaling \$67,959 under SLIP.

(13) Other Postemployment Benefits

Plan Description

Iowa PBS's employees are provided with OPEB through the State of Iowa OPEB Plan – a cost-sharing, multiple-employer defined benefit OPEB plan administered by the State of Iowa (State OPEB Plan). The State of Iowa provides access to postretirement medical benefits to all retirees as required by Chapter 509A.13 of the Code of Iowa. Although the retirees generally must pay 100% of the premium rate, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75), requires that employers recognize the Implicit Rate Subsidy that exists in postretirement medical plans provided by governmental employers.

The Implicit Rate Subsidy refers to the concept that retirees under the age of 65 (i.e., not eligible for Medicare) generate higher claims on average than active participants. When a medical plan is self-insured or fully insured through a third-party administrator, a premium is usually determined by analyzing the claims of the entire population in the plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower; therefore, the retirees' premiums are being subsidized by the active group. Since the employer generally pays a large portion or all of the premiums for the active group, this subsidy creates a liability for the employer. The difference between the expected claims for the retiree group and the blended premium is called the Implicit Rate Subsidy.

The State of Iowa Postretirement Medical Plan operates as a single-employer retiree benefit plan which provides medical insurance benefits for retirees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The State currently finances the retiree benefit plan on a pay-as-you-go basis.

Plan Benefits

The State currently offers three plans which are available to participants: Iowa Choice, National Choice and SPOC (State Police Officer's Council) (Alliance Select). The contribution requirements of the plan participants are established and may be amended by the State Legislature.

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, Iowa PBS reported a liability of \$824,398 for its proportionate share of the total OPEB liability. The total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation performed as of January 1, 2024 and rolled forward to June 30, 2024 using generally accepted actuarial principles. Iowa PBS's proportion of the total OPEB liability was based on a ratio of Iowa PBS's active employees in relation to all active employees of the State OPEB plan. At June 30, 2024, Iowa PBS's proportion was 0.445000%.

For the year ended June 30, 2024, Iowa PBS recognized OPEB expense of \$3,169. At June 30, 2024, Iowa PBS reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 196,982	85,091
Changes in proportion and differences in Iowa PBS's contributions and the Iowa PBS's proportionate share of contributions	-	63,214
Changes of assumptions	30,696	369,323
Total	<u>\$ 227,678</u>	<u>517,628</u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2025	\$ (38,088)
2026	(38,225)
2027	(37,088)
2028	(33,024)
2029	(32,200)
Thereafter	<u>(111,325)</u>
Total	<u>\$ (289,950)</u>

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 measurement was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.60%
Discount rate	3.93%
Healthcare cost trend rates	7.00%, decreasing to 4.5% ultimate.

The discount rate was based on the 20-year Bond Buyer GO Index as of the end of June 2024.

The majority of State of Iowa employees are participants in the Iowa Public Employees' Retirement Systems. For this reason, the individual salary increase, mortality withdrawal, retirement, and age of spouse assumptions are based on the assumptions used for the Iowa Public Employees' Retirement System (IPERS) actuarial valuation report as of June 30, 2024. The plan participation and coverage election at retirement assumptions are based upon the recent experience of the State of Iowa Postretirement Medical Plan.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability at June 20, 2023	<u>\$ 904,882</u>
Changes for the year:	
Service cost	65,268
Interest	34,797
Differences between expected and actual experiences	(6,017)
Assumption changes	(128,015)
Change in proportionate share	12,367
Benefit payments	<u>(58,884)</u>
Net changes	<u>(80,484)</u>
Total OPEB liability at June 20, 2024	<u>\$ 824,398</u>

Sensitivity of Iowa PBS's Total OPEB Liability to Changes in the Discount Rate

The proportionate share of the total OPEB liability was calculated using a discount rate of 3.93%, as well as a discount rate that is 1 percentage point lower (2.93%) or 1 percentage point higher (4.93%) than the current discount rate. The sensitivity of the proportionate share of the total OPEB liability to changes in the discount rate is presented below:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 882,775	824,398	769,324

Sensitivity of Iowa PBS's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The proportionate share of the total OPEB liability was calculated using a healthcare cost rate of 7.00% as well as a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current discount rate. The sensitivity of the proportionate share of the total OPEB liability to changes in the healthcare cost trend rate is presented below:

	1% Decrease (6.00%)	Healthcare Cost Trend Rate (7.00%)	1% Increase (8.00%)
Total OPEB liability	\$ 739,783	824,398	923,335

Payables to the OPEB Plan – There were no amounts due to the defined benefit State OPEB plan at June 30, 2024.

(14) Error Correction

During fiscal year 2024, Iowa PBS determined that an unearned revenue (a liability) was incorrectly being recognized in the governmental funds and governmental activities until spent for the Community Service Grant (CSG) received from the Corporation for Public Broadcasting (CPB). CPB considers the CSG funds to be a voluntary nonexchange transaction and considers all eligibility criteria to be met at the time of disbursement; therefore, the entire CSG amount should be recognized as revenue at the time Iowa PBS receives the funds. The error correction resulted in adjustments to and restatements of beginning net position and fund balance, as follows:

Error Correction Impact on June 30, 2023 Beginning Balances:

	6/30/2022 (As Previously Reported)	Error Correction	7/1/2022 (As Restated)
Entity-Wide			
Governmental Activities	\$ 44,248,530	3,482,990	47,731,520
Governmental Funds			
Fund 0004	-	2,884,692	2,884,692
Fund 0033	-	598,298	598,298
Total Governmental Funds	\$ -	3,482,990	3,482,990

Error Correction Impact on June 30, 2024 Beginning Balances:

	6/30/2023 (As Previous) Reported)	Error Correction Related to 6/30/2022	Error Correction Related to 6/30/2023	7/1/2023 (As Restated)
Entity-Wide				
Governmental Activities	\$ 51,035,168	3,482,990	(14,554)	54,503,604
Governmental Funds				
Fund 0004	-	2,884,692	(2,249,899)	634,793
Fund 0033	-	598,298	2,235,345	2,833,643
Total Governmental Funds	\$ -	3,482,990	(14,554)	3,468,436

Required Supplementary Information

Iowa PBS

Budgetary Comparison Schedule of
Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual – General Fund

Required Supplementary Information

Year ended June 30, 2024

	General Fund Actual	Less Funds not Required to be Budgeted	Net
Revenues:			
State appropriation	\$ 8,302,094	-	8,302,094
Federal assistance	898,567	898,567	-
Receipts from other entities	250,380	37,658	212,722
Fees and licenses	78,088	78,088	-
Gifts and grants	3,570,758	3,570,758	-
In-kind and indirect support	39,472	3,381	36,091
Charges for service	649,725	25,975	623,750
Interest on investments	909,297	909,297	-
Refunds and reimbursements	20,854	20,854	-
Miscellaneous	21,373	357	21,016
Total revenues	<u>14,740,608</u>	<u>5,544,935</u>	<u>9,195,673</u>
Expenditures:			
Administration	2,563,636	726,225	1,837,411
Engineering and informational technology	4,964,354	1,428,732	3,535,622
Educational services	1,179,118	549,846	629,272
Programming, operations and production	8,747,164	5,737,106	3,010,058
Communications and community engagement	1,340,371	603,746	736,625
Emerging media	663,755	382,776	280,979
Debt Service:			
Principal	193,265	-	193,265
Interest	23,956	-	23,956
Total expenditures	<u>19,675,619</u>	<u>9,428,431</u>	<u>10,247,188</u>
Deficiency of revenues under expenditures	(4,935,011)	(3,883,496)	(1,051,515)
Other financing sources, net	<u>6,271,485</u>	<u>6,167,495</u>	<u>103,990</u>
Change in balances	1,336,474	2,283,999	(947,525)
Balance beginning of year, as restated	<u>23,310,792</u>	<u>20,528,882</u>	<u>2,781,910</u>
Balance end of year	<u>\$ 24,647,266</u>	<u>22,812,881</u>	<u>1,834,385</u>

See accompanying independent auditor's report.

Budgeted Amounts		Final to Net Variance
Original	Final	
8,287,346	8,287,346	14,748
-	-	-
117,000	131,750	80,972
-	-	-
500	500	(500)
-	-	36,091
475,000	475,000	148,750
-	-	-
-	-	-
-	-	21,016
<u>8,879,846</u>	<u>8,894,596</u>	<u>301,077</u>
1,401,563	1,416,313	(421,098)
4,043,313	4,385,183	849,561
775,394	775,394	146,122
2,824,398	2,824,398	(185,660)
733,068	733,068	(3,557)
293,730	293,730	12,751
-	-	(193,265)
-	-	(23,956)
<u>10,071,466</u>	<u>10,428,086</u>	<u>180,898</u>
(1,191,620)	(1,533,490)	481,975
<u>27,607</u>	<u>27,607</u>	<u>76,383</u>
(1,164,013)	(1,505,883)	558,358
<u>2,114,013</u>	<u>2,393,006</u>	<u>388,904</u>
<u>950,000</u>	<u>887,123</u>	<u>947,262</u>

Iowa PBS

Iowa PBS

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2024

Budgetary control is exercised over Iowa PBS through the budgetary process prescribed in Chapter 8 of the Code of Iowa. Each agency of the State prepares estimates of expenditures and income for each ensuing fiscal year. These estimates are transmitted to the Department of Management, which prepares and submits a tentative budget to the Governor. After holding public hearings, the Governor prepares and transmits the budget to the Iowa Legislature. The Legislature appropriates funds to the various agencies based on the budget as adjusted through the appropriation process. Formal and legal budgetary control is based on total operating expenditures by appropriation unit.

The budgetary process described above does not apply to the non-appropriated accounts, indirect cost associated with in-kind and indirect support revenue or the accounts of its component unit. The budget for the General Fund is adopted on a basis consistent with U.S. generally accepted accounting principles. There were no material violations of finance-related legal and contractual provisions.

Iowa PBS

Schedule of the Agency's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System
For the Last Ten Years*
(In Thousands)

Required Supplementary Information

	2024	2023	2022	2021
Agency's proportion of the net pension liability (asset)	0.080901%	0.084077%	(0.034451)% **	0.087658%
Agency's proportionate share of the net pension liability	\$ 3,652	3,177	119	6,158
Agency's covered payroll	\$ 7,105	6,772	6,897	6,957
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	51.40%	46.91%	1.73%	88.52%
IPERS' net position as a percentage of the total pension liability	90.13%	91.40%	100.81%	82.90%

* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

** Overall plan net pension asset.

See accompanying independent auditor's report.

2020	2019	2018	2017	2016	2015
0.092249%	0.094650%	0.093700%	0.094503%	0.095686%	0.098966%
5,342	5,990	6,242	5,947	4,727	3,925
7,021	7,114	6,994	6,782	6,550	6,476
76.09%	84.20%	89.25%	87.69%	72.17%	60.61%
85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

Iowa PBS

Schedule of Agency Contributions

Iowa Public Employees' Retirement System
For the Last Ten Years
(In Thousands)

Required Supplementary Information

	2024	2023	2022	2021
Statutorily required contribution	\$ 671	671	639	650
Contributions in relation to the statutorily required contribution	(671)	(671)	(639)	(650)
Contribution deficiency (excess)	\$ -	-	-	-
Agency's covered payroll	\$ 7,104	7,105	6,772	6,897
Contributions as a percentage of covered payroll*	9.44%	9.44%	9.44%	9.44%

* Amounts reported do not agree with calculated amounts due to rounding required contributions and covered payroll to nearest thousandth.

See accompanying independent auditor's report.

2020	2019	2018	2017	2016	2015
657	663	635	625	606	585
(657)	(663)	(635)	(625)	(606)	(585)
-	-	-	-	-	-
6,957	7,021	7,114	6,994	6,782	6,550
9.44%	9.44%	8.93%	8.93%	8.93%	8.93%

Iowa PBS

Iowa PBS

Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2024

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

Iowa PBS

Schedule of Changes in Agency's
Total OPEB Liability and Related Ratios

For the Last Seven Years*
Required Supplementary Information

	2024	2023	2022	2021
Service cost	\$ 65,268	69,271	78,680	79,586
Interest cost	34,797	36,270	22,021	22,736
Difference between expected and actual experiences	(6,017)	-	25,741	(2,927)
Changes in assumptions	(128,015)	(125,212)	(21,363)	(39,161)
Change in proportionate share	12,367	(31,429)	(12,441)	(41,719)
Benefit payments	(58,884)	(60,968)	(57,576)	(55,058)
Net change in total OPEB liability	(80,484)	(112,068)	35,062	(36,543)
Total OPEB liability beginning of year	904,882	1,016,950	981,888	1,018,431
Total OPEB liability end of year	\$ 824,398	904,882	1,016,950	981,888
Covered-employee payroll	\$ 6,312,248	6,096,024	6,506,141	6,491,579
Total OPEB liability as a percentage of covered payroll	13.1%	14.8%	15.6%	15.1%

* GASB Statement No. 75 requires ten years of information to be presented in this schedule; however, until a full 10-year trend is compiled, Iowa PBS will present information for those years for which information is available. The amounts presented for each fiscal year were determined as of June 30.

See Notes to the Required Supplementary Information - Schedule of Changes in Total OPEB Liability and Related Ratios.

See accompanying independent auditor's report.

2020	2019	2018
64,766	59,981	66,407
34,782	36,150	33,398
(5,347)	(1,348)	(5,453)
21,949	13,310	13,533
(10,016)	(39,003)	7,306
(54,066)	(53,410)	(47,095)
52,068	15,680	68,096
966,363	950,683	882,587
1,018,431	966,363	950,683
6,505,888	6,007,236	6,834,239
15.7%	16.1%	13.9%

Iowa PBS

Notes to Required Supplementary Information –
Schedules of Changes in Total OPEB Liability and Related Ratios

Year ended June 30, 2024

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

2024:

- Increased the discount rate from 3.65% to 3.93%.
- Updated medical claims costs based on recent experience.
- Updated retiree and spouse costs by age and by gender based on a review of historical claims experience by age, gender, and status (active vs retired) from Segal's claims data warehouse. Retiree and spouse costs by gender are now equal.
- Updated annual medical trend rates based on recent experience and future expectations.

2023:

- Increased the discount rate from 3.54% to 3.65%.
- Updated annual medical trend rates based on recent experience and future expectations.

2022:

- Increased the discount rate from 2.16% to 3.54%.
- Updated mortality assumptions, turnover rates assumptions, retirement rates assumptions and the salary scale to be consistent with the assumptions used in the June 30, 2022 IPERS actuarial valuation.
- Updated medical claims costs based on recent experience.
- Updated annual medical trend rates based on recent experience and future expectations.

2021:

- Decreased the discount rate from 2.21% to 2.16%.
- Updated medical claims costs based on recent experience.
- Updated annual medical trend rates based on recent experience and future expectations.

2020:

- Decreased the discount rate from 3.50% to 2.21%.
- Updated medical claims costs and premiums based on recent experience.
- Updated annual medical trend rates based on industry observations and the current SOA-Getzen model.
- Updated mortality assumptions, turnover rates assumptions, retirement rates assumptions and the salary scale to be consistent with the assumptions used in the June 30, 2019 IPERS actuarial valuation.

2019:

- Decreased the discount rate from 3.87% to 3.50%.

2018:

- Increased the discount rate from 3.58% to 3.87%.
- Decreased the inflation rate from 3.00% to 2.6%.

Supplementary Information

Iowa PBS

Combining Balance Sheet
General Fund Accounts

June 30, 2024

with summarized comparative information for June 30, 2023

	State Appropriations 0001	CPB Community Service Grant 2023-2025 0004	CPB Community Service Grant 2022-2024 0033	Market to Market 0069	Iowa PBS Miscel- laneous 0085
Assets					
Cash	\$ -	3,190,148	762,227	602,983	1,865,701
Unexpended appropriation	228,834	-	-	-	-
Accounts receivable	11,430	-	-	-	-
Lease receivable	1,744,135	-	-	-	-
Due from:					
Other funds	7,442	-	949	-	117,517
Other state agencies	-	20,777	6,629	3,957	10,839
Federal government	-	-	-	-	-
Restricted assets - cash	440,960	-	-	-	-
Prepaid expenditures	57,446	-	-	-	-
Total assets	2,490,247	3,210,925	769,805	606,940	1,994,057
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	241,427	-	90,775	4,596	1,132
Due to:					
Other funds	17,433	20,777	37,791	216	332
Other state agencies	27,582	-	1,334	740	174
Advances from grantors	18,710	-	-	8,291	-
Total liabilities	305,152	20,777	129,900	13,843	1,638
Deferred inflows of resources:					
Lease related	1,694,518	-	-	-	-
Other revenue	-	-	-	-	-
Total deferred inflow of resources	1,694,518	-	-	-	-
Fund balances:					
Nonspendable for prepaid expenditures	57,446	-	-	-	-
Nonspendable for lessor leases	49,617	-	-	-	-
Restricted for:					
Subsequent years' expenditures	440,960	-	-	-	-
Specific purposes	-	3,190,148	639,905	-	-
Committed	-	-	-	593,097	1,992,419
Unassigned	(57,446)	-	-	-	-
Total fund balances	490,577	3,190,148	639,905	593,097	1,992,419
Total liabilities, deferred inflows of resources and fund balances	\$ 2,490,247	3,210,925	769,805	606,940	1,994,057

See accompanying independent auditor's report.

Friends Funded Program- ming 0303	Educational Services 0304	Marketing and Distribution 0308	Educational and Contractual Services 0311	Capital Equipment Replacement 0316	Friends Contribution Account 0713	Technology Reinvestment 0943	Total 2024	Total 2023 (as restated)
568,779	130,179	114,274	1,102,519	395,707	12,844,838	-	21,577,355	19,238,273
-	-	-	-	-	-	1,225,933	1,454,767	2,600,716
-	-	-	-	20,854	-	-	32,284	10,883
-	-	-	-	-	-	-	1,744,135	1,969,537
32,429	24,163	-	-	22,814	1,406,885	-	1,612,199	1,555,122
5,084	7,707	729	9,848	10,172	80,464	201,220	357,426	205,123
-	29,859	-	-	396,087	-	-	425,946	5,000
-	-	-	-	-	-	-	440,960	354,609
15,018	-	-	-	3,499	-	-	75,963	73,900
621,310	191,908	115,003	1,112,367	849,133	14,332,187	1,427,153	27,721,035	26,013,163
59,893	5,614	-	8,812	396,087	-	77,964	886,300	451,382
264,666	4,966	-	362	-	81,893	5,381	433,817	248,734
106	618	-	-	-	616	-	31,170	34,297
-	-	-	-	-	-	-	27,001	29,271
324,665	11,198	-	9,174	396,087	82,509	83,345	1,378,288	763,684
-	-	-	-	-	-	-	1,694,518	1,935,242
-	963	-	-	-	-	-	963	3,445
-	963	-	-	-	-	-	1,695,481	1,938,687
15,018	-	-	-	3,499	-	-	75,963	73,900
-	-	-	-	-	-	-	49,617	34,295
-	-	-	-	-	-	-	440,960	354,609
-	-	-	1,103,193	-	14,249,678	-	19,182,924	17,628,794
281,627	179,747	115,003	-	449,547	-	1,343,808	4,955,248	5,276,131
-	-	-	-	-	-	-	(57,446)	(56,937)
296,645	179,747	115,003	1,103,193	453,046	14,249,678	1,343,808	24,647,266	23,310,792
621,310	191,908	115,003	1,112,367	849,133	14,332,187	1,427,153	27,721,035	26,013,163

Iowa PBS

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund Accounts

Year ended June 30, 2024

with summarized comparative information for the year ended June 30, 2023

	State Appropri- ations 0001	CPB Community Service Grant 2023-2025 0004	CPB Community Service Grant 2022-2024 0033	Market to Market 0069	Iowa PBS Miscel- laneous 0085
Revenues:					
State appropriation	\$ 7,958,286	-	-	-	-
Federal assistance	-	-	-	-	-
Receipts from other entities	212,722	-	-	-	-
Fees and licenses	-	-	-	61,588	-
Gifts and grants	-	3,501,998	-	-	-
In-kind and indirect support	36,091	-	-	3,381	-
Charges for service	623,750	-	-	-	-
Interest on investments	-	81,083	89,281	23,295	63,673
Refunds and reimbursements	-	-	-	-	-
Miscellaneous	21,016	-	-	-	357
	<u>8,851,865</u>	<u>3,583,081</u>	<u>89,281</u>	<u>88,264</u>	<u>64,030</u>
Expenditures:					
Operating:					
Administration	1,644,412	106,333	453,252	-	143,153
Engineering and informational technology	2,677,918	72,914	302,087	-	203,644
Educational services	629,272	75,652	221,369	-	1,000
Programming, operations and production	2,667,755	520,443	559,066	170,113	1,000
Communications and community engagement	736,625	92,846	354,811	-	4,620
Emerging media	280,979	78,455	303,153	-	471
Debt Service					
Principal	193,265	-	-	-	-
Interest	23,956	-	-	-	-
Total expenditures	<u>8,854,182</u>	<u>946,643</u>	<u>2,193,738</u>	<u>170,113</u>	<u>353,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,317)</u>	<u>2,636,438</u>	<u>(2,104,457)</u>	<u>(81,849)</u>	<u>(289,858)</u>
Other financing sources (uses):					
Operating transfers in	10,981	-	-	170,000	922,480
Operating transfers out	-	(81,083)	(89,281)	-	-
Lease Agreements	93,009	-	-	-	-
Total other financing sources (uses)	<u>103,990</u>	<u>(81,083)</u>	<u>(89,281)</u>	<u>170,000</u>	<u>922,480</u>
Change in fund balances	101,673	2,555,355	(2,193,738)	88,151	632,622
Fund balance beginning of year, as restated	388,904	634,793	2,833,643	504,946	1,359,797
Fund balance end of year	<u>\$ 490,577</u>	<u>3,190,148</u>	<u>639,905</u>	<u>593,097</u>	<u>1,992,419</u>

See accompanying independent auditor's report.

Friends Funded Program- ming 0303	Educational Services 0304	Marketing and Distri- bution 0308	Educational and Contractual Services 0311	Capital Equipment Replacement 0316	Friends Contribution Account 0713	Technology Reinvestment 0943	Total 2024	Total 2023 (as restated)
-	-	-	-	-	-	343,808	8,302,094	8,885,040
-	59,663	-	-	838,904	-	-	898,567	10,000
-	17,183	-	20,475	-	-	-	250,380	1,001,710
-	-	16,500	-	-	-	-	78,088	63,593
51,410	2,350	-	15,000	-	-	-	3,570,758	3,197,660
-	-	-	-	-	-	-	39,472	49,623
-	25,675	-	-	300	-	-	649,725	676,235
100,315	5,940	4,518	43,522	19,164	478,506	-	909,297	526,070
-	-	-	-	20,854	-	-	20,854	-
-	-	-	-	-	-	-	21,373	32,986
151,725	110,811	21,018	78,997	879,222	478,506	343,808	14,740,608	14,442,917
10,617	-	-	-	4,378	8,492	192,999	2,563,636	3,742,580
11,183	-	-	-	838,904	-	857,704	4,964,354	4,288,268
-	99,147	-	152,678	-	-	-	1,179,118	1,240,806
4,248,301	606	489	237,088	-	-	342,303	8,747,164	8,346,549
131,310	-	-	20,159	-	-	-	1,340,371	1,312,383
697	-	-	-	-	-	-	663,755	599,898
-	-	-	-	-	-	-	193,265	186,249
-	-	-	-	-	-	-	23,956	25,631
4,402,108	99,753	489	409,925	843,282	8,492	1,393,006	19,675,619	19,742,364
(4,250,383)	11,058	20,529	(330,928)	35,940	470,014	(1,049,198)	(4,935,011)	(5,299,447)
4,415,755	45,112	-	498,530	-	5,649,542	-	11,712,400	11,545,848
(259,062)	(9,853)	-	(58,299)	-	(5,036,346)	-	(5,533,924)	(4,907,344)
-	-	-	-	-	-	-	93,009	-
4,156,693	35,259	-	440,231	-	613,196	-	6,271,485	6,638,504
(93,690)	46,317	20,529	109,303	35,940	1,083,210	(1,049,198)	1,336,474	1,339,057
390,335	133,430	94,474	993,890	417,106	13,166,468	2,393,006	23,310,792	21,971,735
296,645	179,747	115,003	1,103,193	453,046	14,249,678	1,343,808	24,647,266	23,310,792

Iowa PBS

Iowa PBS

Schedule of Expenditures by Object
General Fund

Year ended June 30, 2024

with summarized comparative information for the year ended June 30, 2023

	<u>2024</u>	<u>2023</u>
Personal services	\$ 9,997,815	\$ 9,655,839
Travel	200,641	179,012
Supplies and materials	3,725,460	3,445,272
Contractual services	2,678,131	2,574,905
Equipment and repair	2,528,541	2,036,372
Claims and miscellaneous	41,439	55,298
Licenses, permits and refunds	280	280
Plant improvements	286,091	1,583,506
Debt Service - Principal	193,265	186,249
Debt Service - Interest	23,956	25,631
Total	<u>\$ 19,675,619</u>	<u>\$19,742,364</u>

See accompanying independent auditor's report.



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

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 Members of Iowa PBS:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Iowa PBS as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise Iowa PBS's basic financial statements, and have issued our report thereon dated December 9, 2024. Our report includes a reference to other auditors who audited the financial statements of the Iowa PBS Foundation as described in our report on Iowa PBS's financial statements. The financial statements of the Iowa PBS Foundation were not audited in accordance with Government Auditing Standards. This report on internal control over financial reporting and compliance and other matters does not include the results of the Iowa PBS Foundation's audit performed by another auditor.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Iowa PBS'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Iowa PBS's internal control. Accordingly, we do not express an opinion on the effectiveness of Iowa PBS'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 Iowa PBS'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Iowa PBS'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 which are required to be reported under Government Auditing Standards.

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 Iowa PBS's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Iowa PBS's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Iowa PBS during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Brian R. Brustkern, CPA
Deputy Auditor of State

December 9, 2024

Iowa PBS

Staff

This audit was performed by:

Brian R. Brustkern, CPA, Deputy
Tiffany M. Ainger, CPA, Manager
Karen J. Kibbe, Senior Auditor II
Laurel P. Hoogensen, Senior Auditor
Enoch D. Duval, Staff Auditor
Hunter W. Penton, Staff Auditor
Katherine A. Koele, Assistant Auditor
Stella F. Tsai, Assistant Auditor