

State of Alaska FY2007 Governor's Operating Budget

Department of Administration Public Broadcasting - T.V. Component Budget Summary

Component: Public Broadcasting - T.V.

Contribution to Department's Mission

To provide critical programs and public telecommunication services that educate and inform Alaska television viewers throughout bush, rural and urban Alaska; to ensure the infrastructure for the dissemination of non-commercial public television and related services.

Core Services

This component contains funding for operating grants to four independently owned and operated public television stations that deliver public television programming to 87% of Alaska's population.

Local ownership and local control of programming remains a strength of Alaska's public television system. As mass media continues to consolidate ownership, the FCC is now pushing a new debate on the need for preserving and encouraging *localism* in broadcasting. These stations collectively make significant local programming contributions to viewers in Alaska. These stations work together to provide relevant local, regional and state news, information and general entertainment programming.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$627,100	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

In 1991, the State of Alaska invested \$7.5 million in the State's public broadcasting system. In FY06, the State invested \$3.1 million, a decline of nearly 60%. After several years of stable funding, public broadcasting saw a reduction in State support in FY06. Funding shortfalls are our biggest challenge.

Increases in the cost of doing business are escalating at a rate that can not be offset by local private sector dollars in many Alaskan communities. Sharply rising power generation, utilities and insurance costs, along with the demands for keeping up with new technology bring significant pressure to annual operating budgets and levels of service, in particular for the stations serving rural and bush communities.

Further diversification of non-state operating funds remains a high priority and a significant challenge given overall size and health of the state economy.

Funding has declined to a level where it is increasingly more difficult to provide staff to produce local and regional public affairs programming.

Significant Changes in Results to be Delivered in FY2007

As required by federal law, public television now provides digital television broadcast services in Anchorage, Fairbanks, and Juneau. Public TV also operates a joint digital television production facility based in Anchorage. Digital television production equipment located at all four stations will be employed for the production of local, statewide and national program production. This combined facility is a good example of the kinds of cooperative efforts public broadcasters in Alaska have employed in an effort to become more efficient and to expand program services to viewers. Additionally,

using the capability of the digital spectrum, stations will begin providing additional public broadcasting services to viewers across the state. While the conversion to digital television has been a financial burden on each of the stations and has increased operating expenses, the new technology will provide opportunities for a dramatic increase in Alaska-based public service for young children, K-12 and college students and adult populations.

Development of a data network between stations will provide grantees with high speed digital interconnections between stations providing economies of scale in bandwidth acquisition and full compatibility with the state's digital wide area network.

Public television stations will continue to collaborate with each other and forge new partnerships with other Alaska institutions as a means to sustain and improve the level of local service while gaining cost savings and operational efficiencies.

Major Component Accomplishments in 2005

Via the State's satellite infrastructure, public television stations continue to provide non-commercial programs to Alaskan viewers statewide. In addition to outstanding educational and entertainment programs enjoyed by all generations (e.g. Sesame Street, The News Hour, Nova, Masterpiece Theater, etc), the public television system provides Gavel to Gavel Alaska, coverage of the legislature, televised coverage of all arguments before the Alaska Supreme Court, presentations before the Alaska legislature by the congressional delegation, the Chief Justice of the Supreme Court and the Governor.

PTV stations are participating in the national Ready to Learn Service, providing programming and training for parents and child care workers to help prepare young children for school.

KUAC Fairbanks, KTOO Juneau and KAKM Anchorage are now all operating digital television transmitters. Planning continues for the DTV production center in Anchorage which will allow all of the PTV stations to shoot edit and produce in HDTV. Digital television will bring new channels of over-the-air television for the majority of Alaskans, including children's and educational channels, as well as an all Alaska channel.

Statutory and Regulatory Authority

AS 44.21.256-290 Alaska Public Broadcasting Commission
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**Public Broadcasting - T.V.
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	754.3	627.1	627.1
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	754.3	627.1	627.1
Funding Sources:			
1004 General Fund Receipts	754.3	627.1	627.1
Funding Totals	754.3	627.1	627.1

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	627.1	0.0	0.0	627.1
FY2007 Governor	627.1	0.0	0.0	627.1