

State of Alaska FY2015 Governor's Operating Budget

Department of Administration Public Communications Services Results Delivery Unit Budget Summary

Public Communications Services Results Delivery Unit

Contribution to Department's Mission

To provide critical programs, local information, public telecommunication and new media services that inform and educate radio listeners throughout bush, rural and urban Alaska; to ensure the infrastructure for the dissemination of non-commercial public radio and related services to un-served and underserved audiences.

Core Services

- See Components.

Major RDU Accomplishments in 2013

- Despite losses in federal funding through sequestration, stations provided another year of service to un-served and underserved audiences across the state with free over the air programming and online services available to all Alaskans regardless of their ability to pay.
- Continued to address the chronic lack of engineering support at bush and rural radio stations.
- Improved government access programming on all digital platforms.
- First full year of operation for the new unified television service Alaska Public Media (APM) was successful.
- Alaska Rural communications Services (ARCS) was delivered with no major system-wide shutdowns or outages. As a State Satellite Relay Network, ARCS distributed all SOA Emergency Alert System (EAS) monthly exercises and actual emergency alerts.
- Negotiated deeply discounted, affordable, annual rates for network program buys.
- Produced affordable in state training for station managers, news personnel, and development/fundraising staff.
- Maintained and administered a group health plan for stations that can afford to offer coverage to employees.
- Continuation of the daily statewide news services from the Alaska Public Radio Network (APRN).
- Supported strategic restructuring and resource realignment between stations.
- Satellite services delivered ARCS, Alaska Public TV, University of Alaska TV and several public radio channels including APRN to audiences statewide.
- Alaska Native stations participated in the national dialogue and strategy on how to improve public broadcasting.
- Cost effectively represented system before federal, state and national agencies, entities, and organizations.

Key RDU Challenges

Engineering Support for Underserved Areas - The system has a chronic need for qualified engineering support. State funding appropriated in FY2012 helped establish a centrally managed engineering service which actively serves the system with emphasis on bush and rural stations with the greatest need. A third engineer would make the statewide work scope feasible and ensure that the critical service is sustainable; even more critical given losses in federal funding through sequestration.

Local Content - In the digital age, public media must build upon conventional broadcasting by increasing production of local, regional and statewide content for distribution across digital platforms. This challenge requires new expertise and financial resources but it will deepen community engagement and translate into increased private sector support. Public media is a key component of Alaska's communications infrastructure with year round dissemination of news and community information including emergency services, health and safety, education, weather and marine conditions. Sustaining this level of service at the community and statewide levels is challenged even more by escalating fixed operating costs and federal funding cuts through sequestration.

Strategic Restructuring - Public radio and television stations in Alaska are recognized nationally for successful strategic restructuring and resource realignment initiatives implemented in order to attain more cost effective scale while improving service. This is difficult, time and resource consuming work. In FY15 Alaska stations must continue to pursue strategic restructuring with each other and forge new partnerships with other Alaska institutions as a means to sustain and improve local service while gaining cost savings and operational efficiencies.

ARCS Maintenance - Local communities fund costs for equipment repair, replacement and shipping. Individuals at remote sites provide maintenance and troubleshooting labor as volunteers and their communities provide space and power for antennas and electronics. The fleet of Cband satellite dish antennas has been in service for over 20 years. Limited funds are currently being applied to select sites where extreme conditions have resulted in unserviceable dish antennas. However costs of parts, labor and shipping for ongoing maintenance of remote satellite antennas, cables and electronics that support ARCS distribution remain the responsibility of local communities.

Federal Mandate: LPTV Digital Conversion - September 2015 is the FCC deadline by which analog LPTV operations must convert to digital. A major benefit of ARCS digital conversion is service expansion offered by the multi-channel nature of digital television. An additional benefit is the replacement of the aging remote analog transmission infrastructure with new digital systems. State capital funds launched the ARCS Digital Conversion project to address the impending deadline and embrace the opportunity to significantly expand public service programming for bush residents.

Alaska Emergency Alert System (EAS) - Ongoing integration of the upgraded ARCS EAS system with FEMA and DHS&EM alerting systems for the application of next generation emergency alert and warning systems is critical. As a Satellite Relay Network ARCS plays a central role in the State of Alaska EAS Plan and is a designated monitoring assignment choice available to Alaska broadcasters. The ARCS low power television signals in bush communities provide year round 24/7 access to emergency information for rural viewers in their homes.

Satellite Uplink Equipment Replacement - All of the original uplink infrastructure equipment was replaced in 2007 at no expense to the State. This core technology is passing the 6 year mark this fiscal year and planning should begin for its maintenance in the second half of its expected decade lifespan. No state funds are designated for this task.

Significant Changes in Results to be Delivered in FY2015

In response to the September 2015 FCC deadline for digital conversion of analog LPTV operations, the State launched the ARCS Digital Conversion Project, targeting 185 remote sites for new digital transmission systems. It is anticipated the new electronics will carry warranties of 1 to 2 years reducing the need for associated repair costs during that time. The State will be required to convert analog licenses to digital.

Contact Information
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**Public Communications Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2013 Actuals				FY2014 Management Plan				FY2015 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Public Broadcasting Commission	53.3	0.0	0.0	53.3	54.2	0.0	0.0	54.2	54.2	0.0	0.0	54.2
Public Broadcasting - Radio	3,319.9	0.0	0.0	3,319.9	3,319.9	0.0	0.0	3,319.9	3,319.9	0.0	0.0	3,319.9
Public Broadcasting - T.V.	825.9	0.0	0.0	825.9	825.9	0.0	0.0	825.9	825.9	0.0	0.0	825.9
Satellite Infrastructure	848.2	200.0	0.0	1,048.2	847.3	323.7	0.0	1,171.0	847.3	323.7	0.0	1,171.0
Totals	5,047.3	200.0	0.0	5,247.3	5,047.3	323.7	0.0	5,371.0	5,047.3	323.7	0.0	5,371.0

Public Communications Services
Summary of RDU Budget Changes by Component
From FY2014 Management Plan to FY2015 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2014 Management Plan	5,047.3	0.0	323.7	0.0	5,371.0
FY2015 Governor	5,047.3	0.0	323.7	0.0	5,371.0