

State of Alaska FY2017 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, local information, public telecommunication and new media services that inform and educate television viewers throughout bush, rural and urban Alaska; to ensure the infrastructure for the dissemination of non-commercial public television and related services to un-served and underserved audiences.

Core Services

- This component contains funding for operating grants to four private non-profit independently owned and operated public television stations that deliver public television programming to 87% of Alaska's population. These stations share a collective mission of providing un-served and underserved audiences with free over the air programming available to all Alaskans regardless of their ability to pay.
- These stations and their wide spread system of low power translators are a key component of Alaska's telecommunications infrastructure. The stations each provide at least 11 hours a day of educational programming aimed at pre-school and young children. In addition, each station produces important local and statewide programming, including Alaska Weather, Running, Anchorage Edition, Gavel to Gavel, as well as Alaska history, science and public affairs programs.
- Local ownership and local control of programming is a key element of Alaska's public television system. As mass media continues to consolidate ownership, the FCC is pushing the need for preserving and encouraging localism in broadcasting. These stations work together to provide relevant local, regional and state news, information and general entertainment programming and services for all generations.
- Public television serves as a key component for emergency alert information in the state and works in partnership with Alaska Public Broadcasting, Inc. to maintain the ARCS rural TV network.

Major Component Accomplishments in 2015

- Stations provided another year of service to un-served and underserved audiences across the state with free over the air programming available to all Alaskans regardless of their ability to pay.
- Continued to seek new opportunities to provide integrated services and partner on new initiatives with other public broadcasting entities and community institutions.
- Increases in broadband capacity and connectivity between the four TV stations allowed for cost effective content sharing, distribution, and application on all digital platforms.
- Improved government access programming on all digital platforms.
- Third year of operation for the unified television service Alaska Public Television, a partnership of the stations in Anchorage, Juneau and Bethel, was successful.
- 360 North, the year-round Alaska public affairs channel provided Gavel Alaska during Legislative sessions and original Alaska content, including Alaska Supreme Court proceedings and coverage of major events like the Alaska Federation of Natives (AFN) Convention, Governor Walker's economic summit in Fairbanks, the Governor's swearing-in ceremony from Juneau and the statewide conference on housing and homelessness, to name a few. 360 North is widely available throughout Alaska and streamed on the web.
- Alaska public television provided non-commercial national programming such as Sesame Street, Masterpiece, American Experience, Nova, Charlie Rose, PBS News Hour, Nature, American Masters, and critically acclaimed series such as Downton Abbey and Sherlock.
- Other original Alaska programming included the award winning Indie Alaska series, AARP Alaska, telecasts of public policy speakers at the Anchorage and Juneau World Affairs Council, the Alaska Design Forum and the University of Alaska.
- Facilitates the statewide broadcast and distribution of distance education courses to Alaskans via UATV (University of Alaska Television) and the statewide distribution of Alaska Rural Communication Services (ARCS).

Key Component Challenges

Community Service - Providing daily local news and information programming and community based services to

residents across the state.

Facilities Maintenance & Repair – For public broadcasters, almost all sources of federal support for basic broadcast infrastructure have been eliminated, leaving stations with little ability to replace obsolete equipment and keep up with changing technology.

Alaska Content - For many years, there has been little production of local, regional and statewide public affairs and cultural programming as a result of tight budgets. Recent strategic restructuring has created new opportunities for expansion of Alaskan content across all digital media platforms. In short, more Alaskan content is now being produced for the benefit of viewers statewide. Further progress on this front is limited.

Digital Mandate for Translators - The Federal Communication Commission (FCC) has mandated the conversion of analog television service to digital service. Stations will be required to replace their extensive network of low-power analog translators, which serve rural Alaska, with digital equipment.

Closed Captions for the Deaf Community - Much of the television programming produced in Alaska isn't closed captioned for people with hearing disabilities, limiting access to televised government coverage of Gavel to Gavel Alaska, as well as important news, information and public affairs programming. The federal requirement for captioning television programming is becoming more stringent.

Strategic Restructuring - Alaska Public Television entered its third full year last year, proving to be a cost effective and locally relevant way of providing an expanded and improved range of public television services.

Significant Changes in Results to be Delivered in FY2017

Managers and local governing boards implemented a range of FY16 budget decisions. Despite efforts to increase FY16 revenue from the community, cuts to operating expenses occurred at all stations. Mid-year revisions may bring additional cuts after stations assess year to date local fundraising. The following FY16 impacts will continue in FY17.

- Work force reductions and erosion of compensation and benefits; increased difficulty retaining, recruiting, and training staff. The group buy health insurance plan is at risk as group census drops.
- KTOO-TV Juneau, a PBS member since 1979, has now dropped membership in the national network in order to devote limited resources towards local programming, statewide legislative coverage, and producing content for 360 North. KTOO is working with PBS to see if the Anchorage station can replace the local PBS service in Southeast, but KTOO will no longer be able to take part in PBS's varied educational, cultural and public affairs initiatives. KTOO's state grant funding for Gavel to Gavel Alaska coverage of the Legislature is being reduced at a time when coverage of the Legislature's activities is more important than ever.
- All stations will lose federal matching funds from the Corporation for Public Broadcasting (CPB) in FY18: an additional 14% of every dollar for television will be forfeited. Additional federal matching funds will be lost. The bigger threat is future CPB eligibility status. Two Alaska public television stations will be at risk of losing significant federal funding.
- Urban organizations will be further stressed at a time when they will be increasingly relied upon by rural and bush stations that benefit from collaboration, restructuring and resource alignment. It is difficult to identify the tipping point for integrated service providers, those urban hubs that provide fee based support to rural stations by way of news, engineering, finance, fundraising, representation and administrative services.
- The APBC has been on a shoestring budget since 2001. The APBC cannot effectively administer and monitor the APBC's obligations resulting in less oversight of grantee eligibility and compliance; a less prepared and informed Commission, and the possibility that DOA will have to resume all functions related to supporting the APBC and by extension the stations.
- The ARCS Digital Conversion Project, now in its full deployment phase, will result in expanding over-the-air public television service to rural community sites. As each site goes digital its program content will expand from a single analog channel to four digital sub-channels, including APTV, UATV, and 360 North, bringing about a 300% increase in service to viewers with no increase in operating costs.

Degradation of station capacity and local services that began in FY16 will accelerate in FY17. Major impacts will be loss of local jobs, the demise of local programming including APRN, loss of national network programs, and further loss of federal funds. For many stations, a downward spiral will gain momentum as small staffs get smaller while

workloads increase.

Statutory and Regulatory Authority

AS 44.21.256-290 Alaska Public Broadcasting Commission
2 AAC 55 Alaska Public Broadcasting Commission

Contact Information
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Component Detail All Funds
Department of Administration

Component: Public Broadcasting - T.V. (2045)
RDU: Public Communications Services (30)

Non-Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	825.9	633.3	633.3	633.3	600.0	-33.3	-5.3%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	825.9	633.3	633.3	633.3	600.0	-33.3	-5.3%
Fund Sources:							
1004Gen Fund (UGF)	825.9	633.3	633.3	633.3	600.0	-33.3	-5.3%
Unrestricted General (UGF)	825.9	633.3	633.3	633.3	600.0	-33.3	-5.3%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Administration

Component: Public Broadcasting - T.V. (2045)
RDU: Public Communications Services (30)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2016 Conference Committee To FY2016 Authorized *****												
FY2016 Conference Committee												
1004 Gen Fund	ConfCom	633.3	0.0	0.0	0.0	0.0	0.0	633.3	0.0	0	0	0
	Subtotal	633.3	0.0	0.0	0.0	0.0	0.0	633.3	0.0	0	0	0
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
Reduce Grant Funding for Public Television												
1004 Gen Fund	Dec	-33.3	0.0	0.0	0.0	0.0	0.0	-33.3	0.0	0	0	0
	Totals	600.0	0.0	0.0	0.0	0.0	0.0	600.0	0.0	0	0	0

A reduction in the unrestricted general funds for public television funding will result in workforce reductions, reductions in Alaska news and public affairs information services; including the SOA Emergency Alert System and public safety information.

The leased fiber interconnection between Anchorage, Fairbanks and Juneau will be at risk, making cost sharing/efficiencies of the unified television service impossible (engineering, administration, fund-raising and programming costs).

There will be reductions in statewide public television services including Gavel to Gavel, 360 North and UATV.

Rural stations rely upon urban organizations for support; rural audiences benefit from restructuring and resource alignment that has occurred between urban and rural stations.

If a reduction is targeted only to urban stations this will result in a reduction in services to rural stations or an inability for urban television stations to offset costs to rural stations.

Line Item Detail
Department of Administration
Grants, Benefits

Component: Public Broadcasting - T.V. (2045)
RDU: Public Communications Services (30)

Line Number	Line Name	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
77000	Grants, Benefits	825.9	633.3	600.0

Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
77000 Grants, Benefits Detail Totals			825.9	633.3	600.0
77437	General Government	Alaska Public Broadcasting television station grants.	825.9	633.3	600.0