

State of Alaska FY2011 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.

Key Component Challenges

Growth of non-state operating funds remains a high priority. It is quite challenging given Alaska's small population base and small business community. In 1992, the State invested \$7.5 million in public broadcasting. In FY10, the State invested \$3.7 million, although \$250.0 was "one time only". Offsetting these losses in state support is the biggest challenge facing public broadcasting in Alaska.

Alaska's four public television stations have struggled to increase local fundraising. The cost of doing business is escalating at a rate that cannot be offset by local private sector dollars in many Alaskan communities. Fixed costs, including sharply rising power generation, utilities and insurance costs, along with a dramatic increase in the cost of DTV transmission mandated (but unfunded) by Congress bring significant pressure to annual operating budgets and levels of service, in particular for the stations serving rural and bush communities.

Local, regional and statewide public affairs programming has been cut back as a result of the funding realities impacting both system revenue and expense. Corresponding work force reductions have occurred at the stations, further weakening their ability to produce local content or respond to emergencies.

Significant Changes in Results to be Delivered in FY2011

As required by federal law, public television now provides digital television broadcast services in Anchorage, Fairbanks, and Juneau. The mandated conversion has greatly increased operating expenses due to significant increases in electrical consumption, equipment maintenance and software upgrades. This drain on operating budgets will further erode local production capability in FY11.

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. For example, the hub stations in Anchorage, Fairbanks and Juneau are actively exploring the feasibility of consolidating operations.

Using the capability of the digital spectrum, stations now provide additional public broadcasting services to viewers

across the state. KAKM and KTOO offer a second all Alaska channel called 360 North and KUAC in Fairbanks offers two additional PBS based services. While the conversion to digital television is a financial burden on each station and has increased operating expenses, the new technology provides opportunities for a dramatic increase in Alaska-based public service for young children, K-12 and college students and adult populations.

Public television will experiment with low power digital multi channel services. KUAC TV, Fairbanks, and Alaska Public Broadcasting, Inc., will jointly fund a project that will convert one of KUAC's new digital translators into a multi channel digital service, taking advantage of the recent modifications in the satellite delivery system and new multi channel capabilities in digital television transmitters. This project will demonstrate the delivery via low power over the air transmitters (translators) of public television, University of Alaska distance delivery programming and ARCS programming all via one transmitter. The same set top box manufactured to assist full service television stations in providing multi channel services will work for the low power services.

Major Component Accomplishments in 2009

Meeting the federal mandate to shut off analog transmitters and broadcast in digital was challenging and costly. KUAC Fairbanks, KTOO Juneau and KAKM Anchorage are now all operating digital transmitters. All three are providing enhanced multi-cast services on their digital transmitters and are now producing Alaskan programming in HDTV.

Via the state's satellite infrastructure, public television stations provided non-commercial programs to Alaskan viewers statewide. In addition to outstanding educational and entertainment programs enjoyed by all generations (e.g. *Sesame Street*, *Independent Lens*, *Nova*, *Reading Rainbow*, *The News Hour*, *Nature*, 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. Public television also facilitates the statewide broadcast and distribution of distance education courses to a majority of Alaskans via UATV (University of Alaska Television) and the statewide distribution of ARCS (Alaska Rural Communication Service).

KAKM partnered with a local filmmaker to produce a one-hour documentary entitled "For the Rights of All: The Alaska Civil Rights Story," co-presented with Native American Public Telecommunications. KUAC produced the documentary; "Mr. Alaska: Bob Bartlett Goes to Washington." The program focused on the Senator and his role in Alaska's early days of statehood. The program was broadcast statewide and nationally. KTOO's 360 North produced 27 hours of television coverage of the University of Alaska's Conference of Young Alaskans in Girdwood as well the 14th season of Gavel to Gavel Alaska.

Statutory and Regulatory Authority

AS 44.21.256-290 Alaska Public Broadcasting Commission
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Contact Information

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**Public Broadcasting - T.V.
Component Financial Summary**

All dollars shown in thousands

	FY2009 Actuals	FY2010 Management Plan	FY2011 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	527.1	527.1	527.1
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	527.1	527.1	527.1
Funding Sources:			
1004 General Fund Receipts	527.1	527.1	527.1
Funding Totals	527.1	527.1	527.1

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	527.1	0.0	0.0	527.1
FY2011 Governor	527.1	0.0	0.0	527.1

Component Detail All Funds
Department of Administration

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

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 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	527.1	527.1	527.1	527.1	527.1	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	527.1	527.1	527.1	527.1	527.1	0.0	0.0%
Fund Sources:							
1004 Gen Fund	527.1	527.1	527.1	527.1	527.1	0.0	0.0%
General Funds	527.1	527.1	527.1	527.1	527.1	0.0	0.0%
Federal Funds	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%
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 FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee	ConfCom	527.1	0.0	0.0	0.0	0.0	0.0	527.1	0.0	0	0	0
1004 Gen Fund		527.1										
Subtotal		527.1	0.0	0.0	0.0	0.0	0.0	527.1	0.0	0	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
Subtotal		527.1	0.0	0.0	0.0	0.0	0.0	527.1	0.0	0	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
Totals		527.1	0.0	0.0	0.0	0.0	0.0	527.1	0.0	0	0	0

Line Item Detail
Department of Administration
Grants, Benefits

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

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000	Grants, Benefits		527.1	527.1	527.1
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000 Grants, Benefits Detail Totals			527.1	527.1	527.1
77437	General Government	Alaska Public Broadcasting public television station grants.	527.1	527.1	527.1