

## Alaska Public Broadcasting, Inc.

**Alaska Public Broadcasting Stations continue to operate in FY20 providing their communities with essential services, especially emergency alerting capacity (EAS) as well as local safety messaging and news coverage.**

The elimination of \$2.7 million dollars in State of Alaska funding means a loss of station revenue ranging from 7%-28%.

System-wide it means:

- Every station is fundraising more which reduces capacity to create and broadcast content
- Staff losses are both lost positions and losses of qualified experienced professionals
- Fewer news reports are coming out of rural communities
- Loss of rural engineering service from Alaska Public Broadcasting, Inc.
- No more central data gathering or centralized support for the stations
- Many stations are using reserves in FY20 and are not sure how they will survive in FY21.

**In response to a request for data from the stations these details were collected over the last weekend of January 2020.**

State of stations that could share their circumstances:

KDLL in Kenai has lost 2 reporter positions and now have only one staffer. Anticipating loss of federal funding and anticipating a year end deficit of **\$60,000** even with personnel reductions.

KUAC in Fairbanks has cut a reporter and an engineer. Unfilled are the TV producer, fiscal officer positions. Report that 94% of their university funding is cut. They have eliminated one of their TV channels and most of their HD radio and television signals. Staff is carrying increasing workloads due to cuts over time. KUAC has increased reliance on national programming due to reduced staffing needed to create local content, reduced news reporting, and reduced television production. Hardship waivers for national programming will terminate and more content be eliminated.

Likelihood of a **deficit is high**, especially because KUAC FM & TV is one of the most complex broadcast operations in Alaska. KUAC has multiple FM radio, television, translator, satellite and streaming operations that are facilitated by a multifaceted technical and engineering system that serves virtually every corner of the state. KUAC/University of Alaska is now also serving the state of Alaska by paying for the license and supporting the new uplink satellite antenna for ARCS.

KCUK Chevak will have to cut on air hours for 2 part-time announcers and cut back single full time staff to less than 8 hours per work day.

KTNA Talkeetna revenue decreased 25% in FY20 from the FY19 budget due to the loss of the state grant. Reduced staff by 0.5 FTE and reducing our office hours from 8 to 5 each day. There is only one full-time staff person. The board approved **using reserves** to make up some of the lost revenue and we are looking to rent out one of our offices for additional revenue. We have not had to reduce programming yet because several national programming programs reduced our rates for FY2020. We view FY20 as a transition year and anticipate additional cuts to staff and programming in FY21.

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KOTZ Kotzebue is operating with a volunteer general manager. Using more national programming Changed programing to use more national programming as staff is now doing more fundraising.

KBBI Homer is covering the loss of state funds for FY20 out of our reserve, which is not sustainable for more than a year or two. We will run a deficit at the end of FY20, of \$64,000. In FY21, we will cut our staff reporter position, reducing our ability to cover local news, and we may need to cut two of our part-time board hosts, further reducing the live presence during the day and cutting into our development efforts. The automation system is very out of date, requiring immediate replacement of both software and hardware. Once the board approves the project, we'll add another \$38,000 to our deficit, for a new server, new automation workstations, new network switch, and new automation software, plus accompanying costs for operating systems, utility software, editing software, means a **projected deficit of \$102,000**.

KBRW in Utqiagvik has an overall revenue loss of \$90,000 in FY20. The physical plant maintenance and equipment upgrade and replacement program had to be drastically cut back or eliminated in some areas, which will lead to increased problems in the future. Contract engineering visits cut back from 3 per year to one. Don't know what we'll do if there is a serious breakdown. All personnel are having to contribute more of their time on fundraising efforts instead of what they were hired to do. More than likely have to **use reserves** at year's end. Instead of meeting the increasing demand to provide coverage in our area, we are unable to even provide the status quo of past years due to staff shortages. The cost of doing Public Broadcasting (utilities, insurance, supplies, etc.) continues to rise.

KRBD Ketchikan downgraded the news director position to a news reporter. We also joined the Alaska Energy Desk to take advantage of that grant funding and that means our reporter is doing less local news coverage. News Director duties are now on the general manager. That includes FCC reports on local news coverage, monitoring our social media during and after regular work hours, filling in on Morning Edition hosting when the regular host can't be here and running the board for special coverage after regular work hours and supervise the summer intern. Little capacity of equipment replacement. Staff are doing more fundraising and underwriting is trending down. **Deficit projected at \$8,000** if there are no equipment replacement issues.

KZPA Fort Yukon eliminated the Office Manager position. The Board of Directors is now doing the day to day management of the station.

KHNS Haines cut 2 part-time positions and reduced one full-time position to part-time and cut programming significantly. Reduced staffing means we are less able to report on emergencies like the highway mud slide. We're **using reserves** in FY20 to offset state revenue, and seeking grants and corporate donors, which means less time and focus for making radio. They are experiencing some equipment breakdown vital to day-to-day operations.

KYUK in Bethel is now **using reserves** for operations despite elimination of the Chief Engineer position, loss of reporter position, reduction of COLA adjustments and hiring of less qualified staff. Deferred maintenance for our facility and equipment continues.

KSKO McGrath eliminated payroll for two half time employees. This resulted in less local programming, and more pressure on single staffer to fill on air hours. There is no backup capacity for

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the single operator at the station. **Using reserves** to make budget in FY20. It would require more use of reserves to hire a part time or on-call person to have backup. None of the current options appear sustainable over the long term.

KSTK Wrangell previously reduced one full time position to half time, reducing salary and health insurance expense. Reducing staff further would negatively impact the ability to broadcast and risk being ineligible for federal funding. KSTK eliminated approximately 1/3 of programming to cut costs. KSTK eliminated 100% of the technical replacement budget. Staff is now mainly focused on fundraising instead of broadcasting and news reporting. KSTK has doubled the number of special events and doubled the number of pledge drives each year. KSTK is operating on a deficit budget in FY20 **by using reserves**.

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