

WNMU-TV & FM

Plan for Public Broadcasting

Board of Trustees Meeting
Northern Michigan University
October 8, 2004

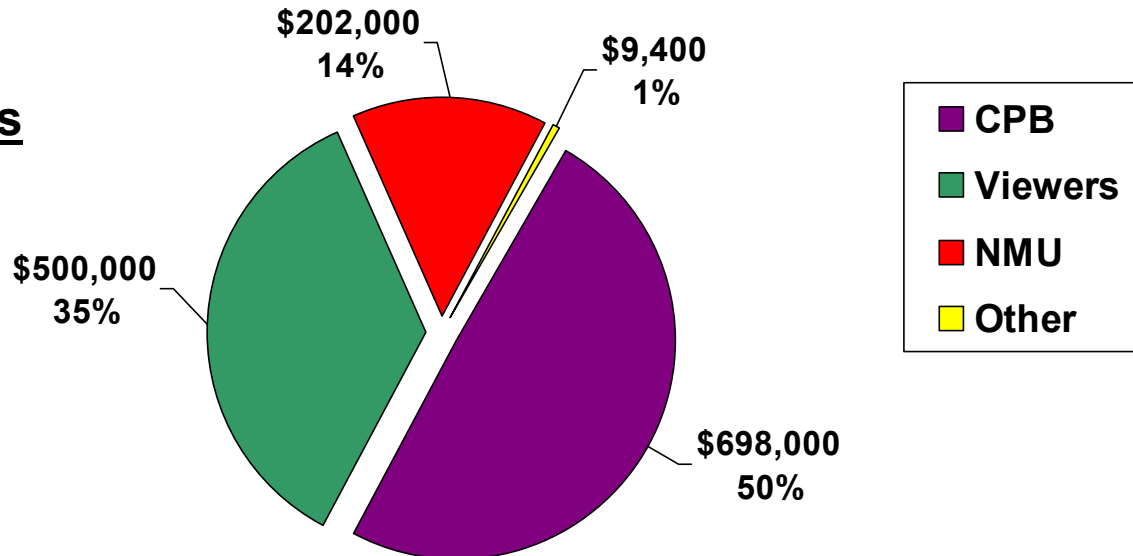
WNMU-TV FY-05

Operating Budget

Funding sources

<i>Expense Categories</i>	<i>Costs</i>	<i>CPB</i>	<i>Viewers</i>	<i>NMU</i>	<i>Other</i>
Program acquisitions	405,000		405,000		
Local productions	140,250		95,000	45,250	
Academic activities	114,265			114,265	
Marketing and PR	21,977			21,977	
General operations	727,908	698,000		20,508	9,400
Total	\$1,409,400	\$698,000	\$500,000	\$202,000	\$9,400

Funding Sources



Close WNMU-TV Cost Summary

• <u>One-time costs</u>		
– FCC notification / legal		\$ 7,500
– Refund of federal camera grant		\$117,000
– Refund of federal DTV grant		\$268,261
– Staff reduction in force (15 positions)		<u>\$416,571</u>
	Total	\$809,332
• <u>Potential one-time revenue</u>		
– Sale of license		<u>(\$250,000)</u>
	Net Closing Costs	\$559,332

Close WNMU-TV

On-Going Costs / Savings

- Annual on-going costs

– 4-city microwave and Instructional TV (AV) maintenance	\$62,461
– WUPX engineering support	\$ 2,500
– Non-broadcast productions and video	<u>\$30,000</u>
Total	\$94,961

- Annual General Fund base savings

– General fund base budget allocation	\$202,000
– Transmitter utilities reallocation	\$ 40,000
– Less on-going costs	<u>(\$ 94,961)</u>
Net annual savings	\$147,039

Close WNMU-TV

Impacts

- Impact on:
 - NMU Public Relations and Marketing
 - Commencement ceremonies broadcasts
 - Presidential, Gubernatorial and Legislator visits
 - University communications (Northern Notebook, TLC training video)
 - College credit for PBS Adult Learning Service
 - High School Bowl (48 UP & Wisconsin high schools)
 - K-12 Instructional Television
 - Instructional programs for 29,288 UP students (5 hours daily)
 - Recruitment
 - NMU promotional spots
 - Campus visit tours
 - Academic experience and direct student support
 - Public Eye News
 - Engineering maintenance for WUPX
 - Student use of broadcast production facilities
 - Guest lecture and instruction for broadcast production classes
 - Web streaming video support for ASNMU
 - Video production and streaming for TLC training, departmental programs
 - Student labor (financial aid) - \$27,000
 - Local Productions – student service learning experiences
 - TV Program Production (e.g.) Media Meet, High School Bowl, “Ask the Expert”
 - Fundraising, editing, traffic management, digital graphics

Close WNMU-TV Opportunity Cost

- **Future development of:**
 - NMU course credit-hour generation
 - Off-campus students
 - Enhanced student/parent/community communications
 - Internet Protocol (IP data-casting)
 - Promotion/recruitment materials
 - Faculty course content
 - Library services
 - High definition video/graphics
 - (partnerships with MGH and NMU health-care programs)

WNMU-FM

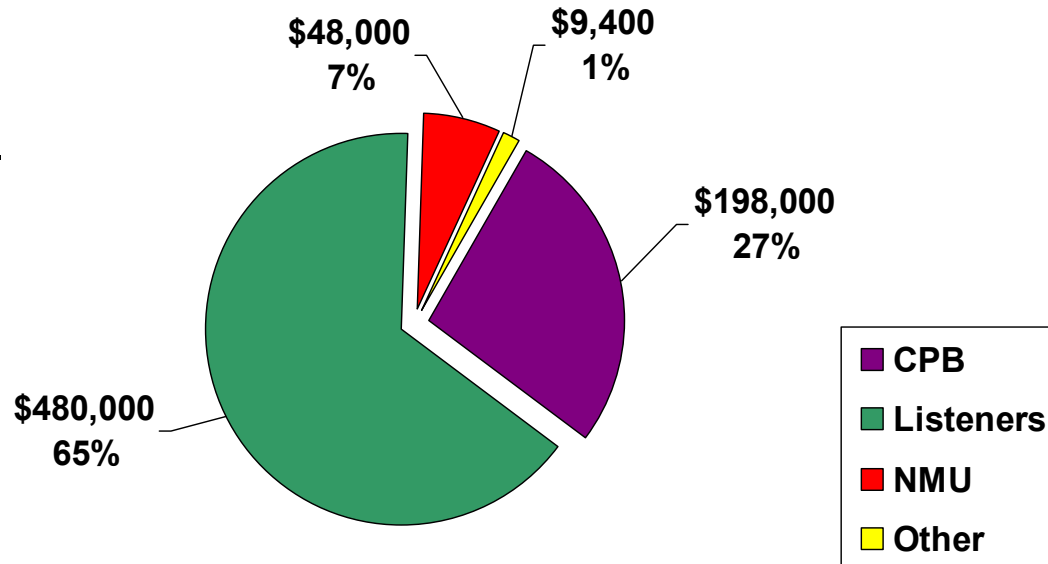
FY-05

Operating Budget

Funding sources

<i>Expense Categories</i>	<i>Costs</i>	<i>CPB</i>	<i>Listeners</i>	<i>NMU</i>	<i>Other</i>
Program acquisitions	144,000		144,000		
Local productions	5,700			5,700	
Academic activities	3,640			3,640	
General operations	582,060	198,000	336,000	38,660	9,400
Total	\$735,400	\$198,000	\$480,000	\$48,000	\$9,400

Funding Sources



Close WNMU-FM Cost Summary

• <u>One-time costs</u>		
– FCC notification / legal		\$ 2,500
– Staff reduction in force (6 positions)		<u>\$96,198</u>
	Total	\$98,698
• <u>Potential one-time revenue</u>		
– Sale of FM license		<u>(\$250,000)</u>
	Net Savings	\$151,302

Close WNMU-FM

On-Going Costs / Savings

- Annual on-going costs
 - “NMU Sports Net” audio streaming \$12,000

 - Annual General Fund base savings
 - General fund base budget allocation \$48,000
 - Transmitter utilities reallocation \$24,000
 - Less on-going costs (\$12,000)
- Net annual savings \$60,000**

Close WNMU-FM

Impacts

- Impact on:
 - NMU Public Relations and Marketing
 - Presidential, Gubernatorial and Legislator visits
 - Possible reductions in other University giving
 - Recruitment
 - NMU promotional spots
 - Campus visit tours
 - Academic experience and direct student support
 - Student use of broadcast production facilities
 - Guest lecture and instruction for broadcast production classes
 - Student employment (financial aid) - \$57,000
 - Local Productions – student service learning experiences
 - Fundraising
 - Traffic management
 - FM on-air announcing

Continue WNMU-TV/FM Operations Television Budget

<i>Revenues</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
Tower Rentals	9,400	9,800	10,000
CPB	698,000	670,000	600,000
Contributors	500,000	510,000	520,000
General Fund	202,000	202,000	202,000
Total Revenue	\$1,409,400	\$1,391,800	\$1,332,000
<i>Expenses</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
Salaries, wages, fringe	680,634	694,247	708,132
Student labor	27,000	27,000	26,000
PBS interconnect	48,412	40,000	35,000
Program acquisitions	405,000	400,000	380,000
Utilities	36,000	37,000	37,000
Other	166,000	165,000	145,000
Total Expenses	\$1,363,046	\$1,363,247	\$1,331,132
Balance	\$46,354	\$28,553	\$868

Continue WNMU-TV/FM Operations Radio Budget

<i>Revenues</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
Tower Rentals	9,400	9,800	10,000
CPB	198,000	195,000	159,000
Contributors	480,000	504,000	510,000
General Fund	48,000	48,000	48,000
Total Revenue	\$735,400	\$756,800	\$727,000
<i>Expenses</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
Salaries, wages, fringe	397,076	405,018	413,118
Student labor	57,000	57,000	56,000
Program acquisitions	144,000	142,000	140,000
Utilities	24,000	25,000	25,000
Other	104,800	105,600	75,110
Total Expenses	\$726,876	\$734,618	\$709,228
Balance	\$8,524	\$22,182	\$17,772

Continue WNMU-TV/FM Operations

One-time Expenses

Digital TV transmitter migration to full power	\$1,250,000
Digital master control automation	\$1,000,000
Digital FM transmitter replacement	<u>\$ 300,000</u>
Total	\$2,550,000

Funding

Federal PTFP/NTIA grant	\$1,530,000
Unused reduction in force funds	\$ 502,555
Automation labor savings (5 years, 3 positions)	<u>\$ 585,460</u>
Total	\$2,618,015

Partnerships

- Summary of discussions with Michigan Public Media (MPM) – University of Michigan:
 - Co-branding
 - Local program sharing
 - 1-time grant funding from CPB to support multi-station automation and eliminate redundant operations

Recommendation

Continue to operate Public TV and Radio:

- Costs approximately \$207,000 in General Fund support
- Leverages \$1.9 million in federal and private funds
- Continues our partnership with U.P. K-12 schools which depend on NMU broadcasting services
- Preserves jobs
 - 21 full-time positions
 - 44 student positions
- Allows continued integration of WNMU into university operations to strengthen academic programs
- Retains access to technology resources not available to other regional institutions
- Preserves our future technology options