

**Government Education Access Channels Committee**  
**2023-2024 Proposed Budget**

The following items are presented to the **Southern Shores Town Council** for their review and approval.

**Specific Action Requested:**

Approve the proposed 2023-2024 Budget

**Budget Summary**

The Government Education Access Channels (GEAC) Committee has reviewed and approved the proposed 2023-2024 budget for the operation of the Government and Education Channels. The proposed budget, which would take effect July 1, 2023, must be approved by every participating member entity of the Channels, which includes the towns of Duck, Southern Shores, Kitty Hawk, Kill Devil Hills, Nags Head, Manteo, and Dare County, Dare County Schools, College of The Albemarle, and UNC Coastal Studies Institute.

The budget as proposed requires no additional funding from the participating entities above the current annual \$1000 membership fee. The budget is funded primarily from the North Carolina Video Distribution proceeds, which are disbursed quarterly by the State to certified channels throughout the state. These funds must be used for the operations of the two channels and no other purpose. Additionally, the legislation that originally established the Video Distribution funding required that the proceeds not supplant current funding. Accordingly, the annual \$1000 membership fee that was in place when the program began must remain, or the Channels would lose all Video Distribution funding from the State.

The GEAC committee recommends the attached budget, which includes, in part, the following: continued funding for two full-time staff positions and the Local Programming Development Initiative to assist members in the development of programming for the Government and Education Channels. The funding also includes the continued funding of two regular news magazine shows that highlight each of the participating members on the Education Channel and the Government Channel.

<b>INCOME</b>	<b>CURRENT 2022-2023</b>	<b>PROPOSED 2023-2024</b>
NC PEG Supplemental Video Disbursement (from the state NCDOR) <sup>1</sup>	255,000.00	247,000.00
Member Fees (annual fee paid by participating entities) <sup>2</sup>	10,000.00	10,000.00
Interest Income (interest from fund balance)	1,000.00	5,000.00
<b>TOTAL INCOME</b>	<b>266,000.00</b>	<b>262,000</b>
<b>APPROPRIATED FUND BALANCE<sup>3</sup></b>	<b>54,920.00</b>	<b>63,626.00</b>
<b>TOTAL REVENUE</b>	<b>320,920.00</b>	<b>325,626.00</b>
<b>EXPENDITURES</b>		
Salaries (2 Full time employees) <sup>4</sup>	(116,404.00)	(128,422.00)
Merit Pay <sup>5</sup>	(2,255.00)	(2,568.00)
FICA	(8,904.00)	(9,825.00)
Retirement	(14,562.00)	(16,579.00)
Health Insurance <sup>6</sup>	(41,256.00)	(37,781.00)
Life Insurance	(210.00)	(210.00)
Retiree Health	(204.00)	(231.00)
Contractual Services (Production of Destination Dare/Ed Awareness) <sup>7</sup>	(34,000.00)	(40,000.00)
Professional Services <sup>8</sup>	(2,000.00)	(2,000.00)
Equipment - Repair, Replacement, Purchase <sup>9</sup>	(12,000.00)	(5,000.00)
Supplies <sup>10</sup>	(2,000.00)	(3,500.00)
Music Library	(350.00)	(350.00)
Training	(1,000.00)	(1,000.00)
Travel	(1,000.00)	(1,000.00)
Professional Memberships	(500.00)	(500.00)
Channel Operations <sup>11</sup>	(7,600.00)	(11,285.00)
Marketing	(1,000.00)	(1,000.00)
Miscellaneous	(500.00)	(500.00)
Capital Outlay	(0.00)	(0.00)
Contingency (Reserve for unexpected expenses)	(15,000.00)	(5,000.00)

Emergency Contingency (Storm related overtime during activations)	(2,500.00)	(2,500.00)
Vehicle Maintenance	(1,000.00)	(1,000.00)
Vehicle Fuel	(2,000.00)	(2,000.00)
Insurance and Bonds	(3,425.00)	(2,975.00)
Uniforms	(500.00)	(400.00)
Verizon Wireless <sup>12</sup>	(750.00)	(750.00)
<b>TOTAL OPERATING EXPENDITURES</b>	<b>-270,920.00</b>	<b>-275,626.00</b>
<b>Local Program Development Initiative</b>		
This is money set aside in the budget to foster development of program content by the member entities. Money is awarded on an application and grant basis to participating entities by the Government and Education Access Channel Committee. The money can be used to produce programs, improve the quality of existing programs, or purchase equipment to provide for increased production and/or quality of programs.		
LPDI 1 - Coastal Studies Institute	(5,000.00)	(5,000.00)
LPDI 2 - College of The Albemarle	(5,000.00)	(5,000.00)
LPDI 3 - Dare County Government	(5,000.00)	(5,000.00)
LPDI 4 - Dare County Schools	(5,000.00)	(5,000.00)
LPDI 5 - Duck	(5,000.00)	(5,000.00)
LPDI 6 - Kill Devil Hills	(5,000.00)	(5,000.00)
LPDI 7 - Kitty Hawk	(5,000.00)	(5,000.00)
LPDI 8 - Manteo	(5,000.00)	(5,000.00)
LPDI 9 - Nags Head	(5,000.00)	(5,000.00)
LPDI 10 - Southern Shores	(5,000.00)	(5,000.00)
<b>TOTAL LPDI</b>	<b>(50,000.00)</b>	<b>(50,000.00)</b>
<b>TOTAL LPDI AND OPERATING EXPENDITURES</b>	<b>-320,920.00</b>	<b>-325,626.00</b>

Continue to footnotes on next page.

**Government and Education Access Channel  
Draft Budget Notes for 2021-2022**

Goals and Objectives to be achieved with this budget.

1. Continue to fund the operation of the channel at a level that provides a professional, reliable and quality service to the citizens of Dare County.

<sup>1</sup> **NC PEG Supplemental Video Disbursement** - this is revenue that is collected by the state in the form of a use tax on cable and satellite providers. The money is pooled and disbursed to qualifying PEG operations within the state. PEG stands for Public, Education, and Government Access. Dare County has 10 qualifying PEG entities, each is a member of the Government and Education Access Channel Committee. Each quarter, this money is disbursed to the entities by the state, and then the Government and Education Access Channels invoices the entities for this money. These state funds are the main source of funding for the Government and Education Access Channels. There has been a slight decrease in NC PEG revenue disbursements so the budget has been adjusted accordingly.

<sup>2</sup> **Member Fees** - Each entity member pays an annual membership fee to participate in the Government and Education Channel Access. This money must remain in place in order for each entity to receive the PEG Supplement from the state. There is no change to this amount from last year, so impact on each entity's budget is unchanged.

<sup>3</sup> **Appropriated Fund Balance** -The appropriated fund balance is the amount pulled from the unappropriated fund balance to meet the obligations of the budget. The unappropriated fund balance is currently \$319,229.23 and with the appropriation for the current fiscal year (\$54,920.00) subtracted, the total is anticipated to be \$264,309.23 on June 30, 2023.

<sup>4</sup> **Salaries** - This budget currently funds two full-time positions that are Dare County employees, and includes a 2.5% COLA increase as recommended by Dare County Finance for planning purposes.

<sup>5</sup> **Merit Pay** - awarded on performance. Dare County Finance has advised that \$2,568 be included for FY 2024.

<sup>6</sup> **Health Insurance** - Includes health insurance coverage for both employees.

<sup>7</sup> **Contractual Services** - This is for the production of Destination Dare and Dare Education Awareness, our two main programming initiatives that highlight interesting aspects of government and education in Dare County. Each entity contributes one segment to each episode. Destination Dare is produced every other month, and Dare Education Awareness is produced in the alternate months. Last year, we deducted \$6000 from this line item in an effort

to reduce the amount of contracted hours. However, rates have increased this year, which brings this line item back up to \$40,000.

<sup>8</sup> **Professional Services** - Item to pay for costs associated with professional services such as professional voiceover work, acting, and potential production support.

<sup>9</sup> **Equipment** - Monies set aside for the purchase and repair of large item video production equipment, such as cameras, editing computers, and lighting equipment.

<sup>10</sup> **Supplies** - This supports the purchase of supplies such as batteries, gaffers tape, lighting gels, accessories, and small equipment items that do not qualify as Capital Outlay or Equipment.

<sup>11</sup> **Channel Operations** - Expenses that support the day to day operation of the channels. This includes:

- \$4,200.00 - OBX Media: for website hosting and maintenance
- \$2,400.00 - Reflect: Streaming Video/VOD for online video streaming service
- \$3,700.00 - Cablecast: Closed captioning service (500 hours)
- \$600.00 - Adobe: Creative Cloud subscription for professional non-linear editing tools
- \$385.00 - Storyblocks: Digital asset and stock footage library

<sup>12</sup> **Verizon Wireless** - Line item dedicated to Verizon Wireless fee for use in mobile live broadcasting with Cradlepoint device.