

**Item Title:** Certify and Appropriate for Wake County's Public, Educational and Governmental (PEG) Channels

**Specific Action Requested:**

**That the Board of Commissioners:**

- 1. Approves the certification of Wake County's Public, Educational and Government (PEG) Channels as Channel 10 (P), Channel 18 (E) and Channel 11 (G); and**
- 2. Accepts and appropriates \$56,796 in state revenue to be used for expenses related to the production of PEG channel programming.**

**Item Summary:**

State law (Session Law 2008-148, "Supplemental PEG Support") provides that cities and counties can receive supplemental PEG channel support for up to three (3) channels: a public channel (P), and education channel (E) and a Government channel (G). Local governments are required by the state to update PEG Channel certification requests annually, no later than July 15.

Since FY 2010, Wake County has certified three channels each year for reimbursement:

- Raleigh Television Network Channel 18, operated by Cooperating Raleigh Colleges (CRC) (Education);
- Raleigh Television Network Channel 11 (Government); and
- Raleigh Television Network Channel 10 (Public).

This request for FY 2017 is for the same channels.

**Channels and Programming**

CRC is a nonprofit consortium serving Meredith College, North Carolina State University, Peace College, Saint Augustine's College, Shaw University and Wake Technical Community College. This channel provides countywide public access educational programming to cable subscribers in Wake County, including the live broadcast of Wake County Board of Commissioners meetings. The County administers a Memorandum of Agreement (MOA) to pass the supplemental funding through to CRC and detail broadcast times.

Wake County General Services Administration (GSA) and the Communications Office receive the state revenues for Channels 10 and 11. GSA is responsible for the equipment and staff in the control room during Board of Commissioners meetings. The Communications Office produces a monthly half-hour program about current topics of interest called WakeGov TV.

Both GSA and the Communications Office use these funds to supplement general fund allocations for producing television programming, and the replacement and maintenance of video production equipment.

Programming produced by the County (GSA and Communications Office) is broadcast by partner PEG channels. They currently include:

- CRC Channel 18
- Cary TV Channel 11
- Garner Channel 11
- Holly Springs Channel 11
- Knightdale Channel 22
- Raleigh Channel 11
- Wendell Channel 22
- Zebulon Channel 22

### **Funding Estimates**

There is currently a fixed fund of \$4 million divided among all PEG channels in North Carolina. PEG channel operators are eligible to receive quarterly disbursements. Each fall, the NC Department of Revenue reviews applications and certifies eligible channels.

In FY 2017, 143 PEG channels were certified. The number of channels did not change from FY 2016, but from FY 2015 to FY 2016, the number of channels increased from 140 to 143. As more channels are certified, funding to each channel decreases.

Below are the funding estimates for FY 2017:

Total Funds Available = \$4 million

Channels Certified = 143

Total Funds Provided per Channel = \$27,972

Pass Through to CRC = \$27,972

Payments per Year = 4

Each Payment = \$20,979

Total to Wake for funding 3 PEG channels = \$83,916

Amount Previously Appropriated, but not received in prior years = -\$27,120

Net Additional Authorization for FY17 = \$56,796

As additional channels have been authorized, state funding has decreased, resulting in less revenue received in prior years than authorized. The FY 2017 adopted budget did not include a final appropriation for these supplemental PEG channel funds.

### **Local Allocation**

Of the \$83,916 that is estimated to be received in FY17, approximately \$27,972 would be passed through to Cooperating Raleigh Colleges for the support of educational programming at the colleges. The remaining estimated \$55,944 would be spent by Wake County for the PEG Channels 10 and 11.

This request establishes a budget that recognizes an additional net \$56,796 in revenues from the State of North Carolina through the video programming service sales and use tax and expenditures.

### **Attachments:**

1. North Carolina PEG Channel Certification Request
2. Memorandum of Agreement with Cooperating Raleigh Colleges
3. Budget Memo