

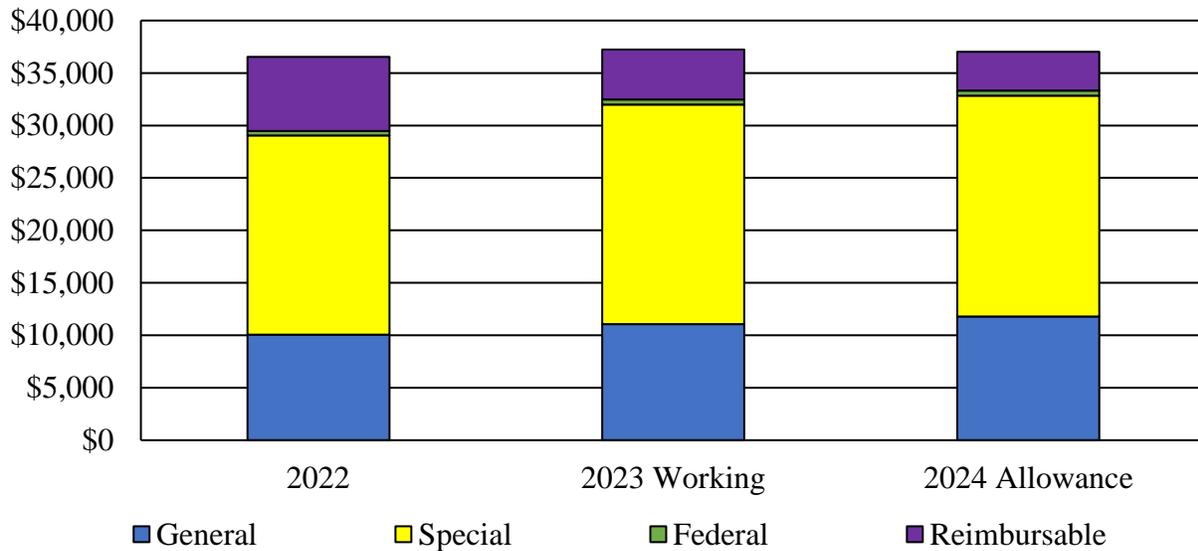
R15P00
Maryland Public Broadcasting Commission

Program Description

The Maryland Public Broadcasting Commission (MPBC) oversees Maryland Public Television (MPT), which operates and maintains a statewide broadcasting network for educational and cultural television programming. MPT is responsible for the preparation, content, and presentation of its programming and is also a member of the Public Broadcasting Service (PBS). MPBC is the federal licensee for all broadcasting stations operated by MPT and has six broadcast transmitters located throughout the State. MPBC is governed by an 11-member commission whose members are appointed by the Governor.

Operating Budget Summary

Fiscal 2024 Budget Decreases \$209,075, or 0.6%, to \$37.0 Million
(\$ in Thousands)



Note: The fiscal 2023 working appropriation includes deficiency appropriations including this agency’s share of a deficiency appropriation budgeted in the Statewide Account within the Department of Budget and Management (DBM). Fiscal 2024 salary enhancements are budgeted in the Statewide Account within DBM.

- The net decrease in the fiscal 2024 allowance compared to the adjusted fiscal 2023 working appropriation is reimbursable funds, including a \$2.2 million decrease due to the end of a grant from the Maryland State Department of Education (MSDE) for online course development.

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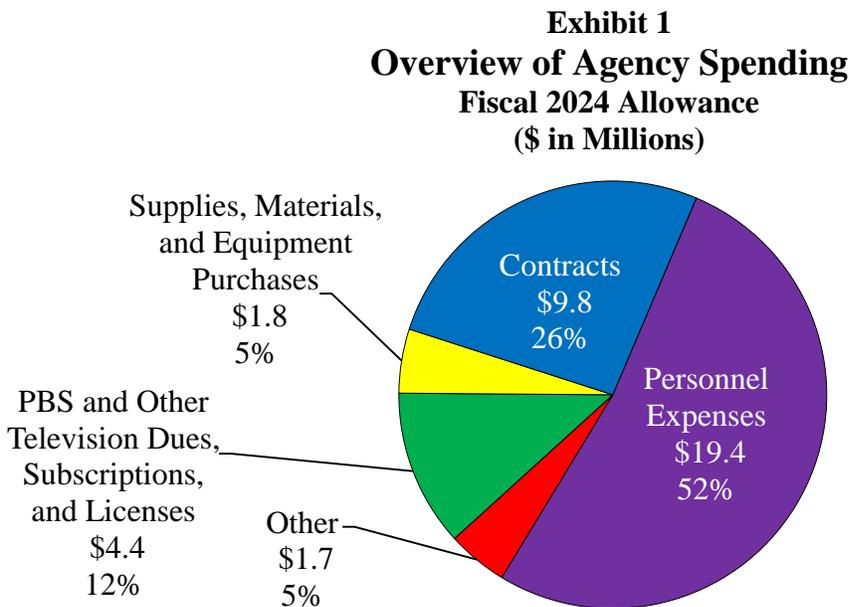
Fiscal 2023

Proposed Deficiency

The fiscal 2024 Budget Bill contains one proposed fiscal 2023 deficiency appropriation increasing the reimbursable fund appropriation by \$200,000. These funds are from the Department of Public Safety and Correctional Services (DPSCS) and are intended to be used for a media campaign agreement the agency has entered into with MPT.

Fiscal 2024 Overview of Agency Spending

As shown in **Exhibit 1**, the fiscal 2024 allowance for MPBC totals \$37.0 million. Slightly over half (52%) of the budget consists of personnel expenses for 145 regular positions and 15.7 contractual full-time equivalents (FTE), which total \$19.4 million. The remainder of the budget consists of the operating expenses for MPT, of which the largest category is contracts mainly related to television production and broadcasting that total \$9.8 million, or 26% of the budget. Fixed charges, including PBS and other public television dues, subscriptions, and licenses, total \$4.4 million, or 12% of the budget. Supplies, materials, and equipment purchases, which include funding for equipment for MPT’s television studio and capital lease payments to the State Treasurer’s Office, total \$1.8 million or 5% of the budget.



PBS: Public Broadcasting Service

Note: The fiscal 2024 allowance does not reflect funding for statewide personnel actions budgeted in the Statewide Account within the Department of Budget and Management.

Source: Governor’s Fiscal 2024 Budget Books

Proposed Budget Change

As shown in **Exhibit 2**, the fiscal 2024 allowance decreases by approximately \$209,000, or 0.6%, from the fiscal 2023 working appropriation after accounting for deficiency appropriations including MPBC’s share of the statewide deficiency for the 4.5% cost-of-living adjustment (COLA) provided in November 2022. The largest change in the fiscal 2024 allowance is a decrease in reimbursable funds of \$2.2 million corresponding to the end of a grant from MSDE for software development and subject matter experts for MPT online educational course development. MSDE and MPT previously entered into a memorandum of understanding (MOU) for the development of online educational modules for both students and educators to address distance learning delivery and teaching gaps highlighted by the COVID-19 pandemic. Federal funding was available to MSDE for this grant from the U.S. Department of Education as part of its Elementary and Secondary School Emergency Relief Fund. MPT’s work under this grant has concluded, and the terms of the MOU outlining the use of funding ended on September 30, 2022.

**Exhibit 2
Proposed Budget
Maryland Public Broadcasting Commission
(\$ in Thousands)**

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2022 Actual	\$10,074	\$18,969	\$423	\$7,086	\$36,552
Fiscal 2023 Working Appropriation	11,056	20,943	475	4,758	37,233
Fiscal 2024 Allowance	<u>11,780</u>	<u>21,053</u>	<u>477</u>	<u>3,714</u>	<u>37,024</u>
Fiscal 2023-2024 Amount Change	\$723	\$109	\$2	-\$1,044	-\$209
Fiscal 2023-2024 Percent Change	6.5%	0.5%	0.4%	-21.9%	-0.6%
Where It Goes:					<u>Change</u>
Personnel Expenses					
Employee and retiree health insurance.....					\$257
Regular earnings, primarily due to filling positions at higher than base salaries....					221
Annualization of November 2022 4.5% COLA.....					209
Employee retirement contributions					92
Turnover expectancy, reflecting a decrease from 4.39% to 4.09%					37
Other fringe benefit adjustments					-2

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Where It Goes:	<u>Change</u>
Other Changes	
MPT advertising contracts across mediums for various State agencies.....	\$940
MPT television production contracts for on-air personnel, talent, and other services.....	295
Television studio and other equipment purchases.....	173
Contractual employee payroll including funding for 3 new contractual full-time equivalents and annualization of the 4.5% COLA.....	147
Electricity and other utilities costs	89
Subscriptions to media research organizations	85
Motor vehicles repair and maintenance, including the replacement of two new vehicles.....	72
Other.....	2
Contracts related to facilities maintenance and repairs	-46
Purchase cost of pledge premium items	-100
Capital lease payments to the State Treasurer.....	-158
Supplies and materials.....	-322
Reimbursable funds from MSDE online course development grant.....	-2,200
Total	-\$209

COLA: cost-of-living adjustment
MPT: Maryland Public Television
MSDE: Maryland State Department of Education

Note: Numbers may not sum to total due to rounding. The fiscal 2023 working appropriation includes deficiency appropriations including this agency’s share of a deficiency appropriation budgeted in the Statewide Account within the Department of Budget and Management (DBM). Fiscal 2024 salary enhancements are budgeted in the Statewide Account within DBM.

This decrease is partially offset by increases in a variety of other areas. The largest area of increase in the budget is for advertising contracts with other State agencies, for media campaigns across a variety of mediums, which have a net increase of \$940,000 after accounting for one-time reimbursable fund contracts in fiscal 2023 that do not continue in fiscal 2024. These include contracts with the Maryland Department of Health (\$800,000) and DPSCS (\$200,000) funded through a fiscal 2023 budget amendment and proposed deficiency appropriation. Other substantial increases are in the area of personnel to account for higher salaries and the annualization of the November 2022 4.5% COLA for State employees, as well as the costs associated with a net increase of 3 additional FTEs.

Personnel Data

	<u>FY 22</u> <u>Actual</u>	<u>FY 23</u> <u>Working</u>	<u>FY 24</u> <u>Allowance</u>	<u>FY 23-24</u> <u>Change</u>
Regular Positions	145.00	145.00	145.00	0.00
Contractual FTEs	<u>9.65</u>	<u>12.70</u>	<u>15.70</u>	<u>3.00</u>
Total Personnel	154.65	157.70	160.70	3.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	5.89	4.06%
Positions and Percentage Vacant as of 12/31/22	8.00	5.52%
Vacancies Above Turnover	2.11	

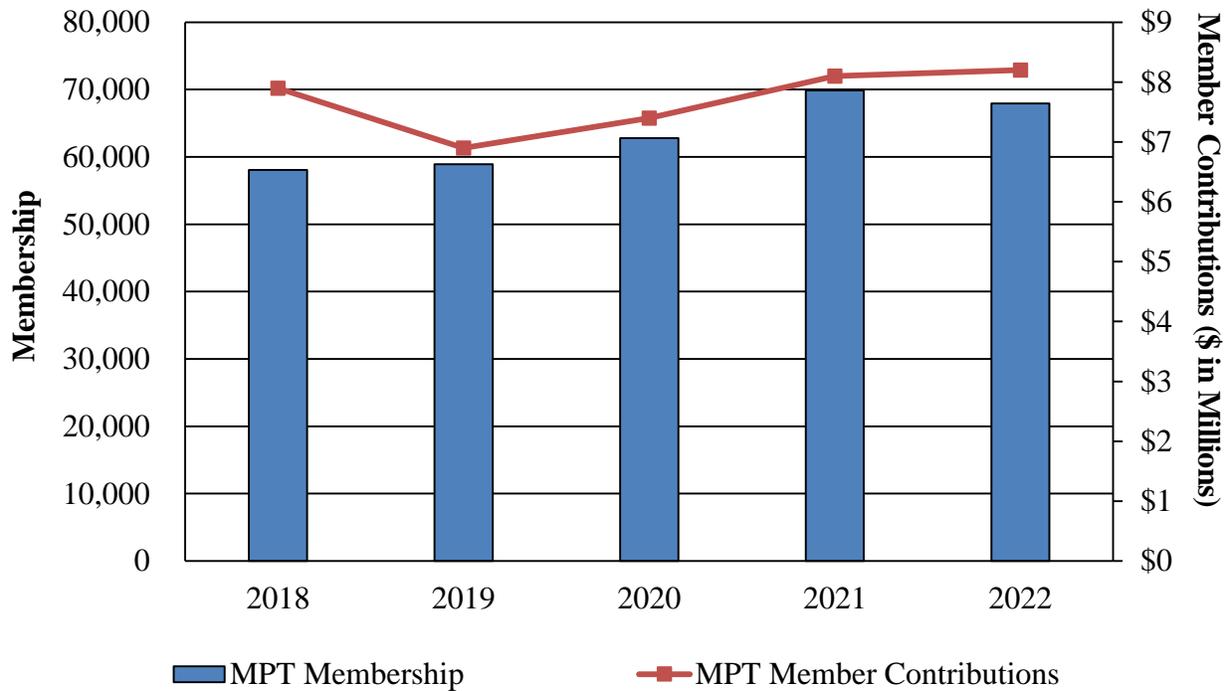
- The fiscal 2024 allowance includes funding for a net increase of 3 additional contractual FTEs including an MPT financial specialist for grants management, a front entrance receptionist, and an MPT assistant producer position.

Key Observations

1. MPT Membership Decreases, but Member Contributions Increase

Membership contributions from MPT members make up the largest share of special funds in the MPBC budget and are an essential element of funding for MPT operations. MPT membership is available to anyone who makes a donation of \$35 or more. As shown in **Exhibit 3**, MPT membership decreased by 3% in fiscal 2022 compared to fiscal 2021, to 67,950, following increases in the total number of members over the previous four fiscal years. Membership contributions increased slightly, by 1%, to \$8.2 million in fiscal 2022 compared to fiscal 2021. Fiscal 2022 was the third consecutive year in which MPT member contributions have increased.

Exhibit 3
MPT Membership and Member Contributions
 Fiscal 2018-2022



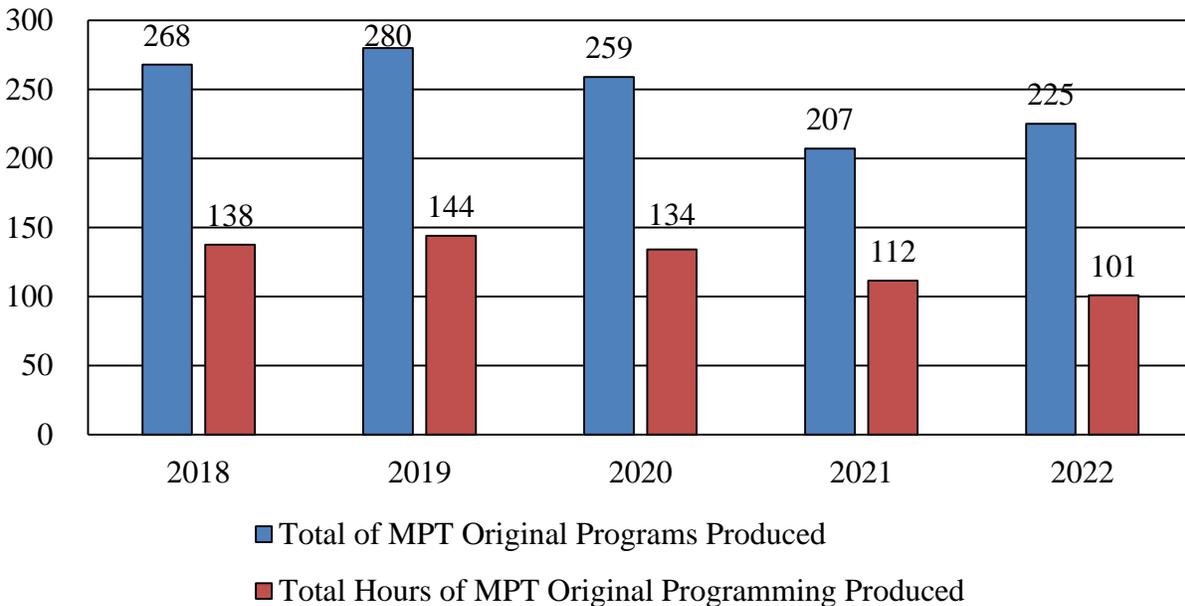
MPT: Maryland Public Television

Source: Maryland Public Broadcasting Commission

2. MPT Original Programming

In addition to broadcasting nationally available programming such as programs produced and distributed by PBS and other PBS member stations, MPT also produces and broadcasts its own original programming, which has a local focus. Popular examples of local programming highlighting Maryland include *Maryland Farm and Harvest*, *State Circle*, and *Direct Connection*. Additionally, in October 2022, two original documentaries co-produced by MPT, *Harriet Tubman: Visions of Freedom* and *Becoming Frederick Douglass* premiered on MPT and nationally on PBS stations. As shown in **Exhibit 4**, in fiscal 2022, the total number of original programs produced by MPT increased by 18 to 225, following declines in fiscal 2020 and 2021 due to interruptions and limits on production activities resulting from the COVID-19 pandemic. Despite the increase, the number of original programs remains below levels prior to the pandemic. The total number of hours of original MPT programming produced in fiscal 2022 was 101, a slight decrease from fiscal 2021, even with the higher number of original programs. This decrease was due to differences in program lengths.

Exhibit 4
MPT Original Programming
Fiscal 2018-2022



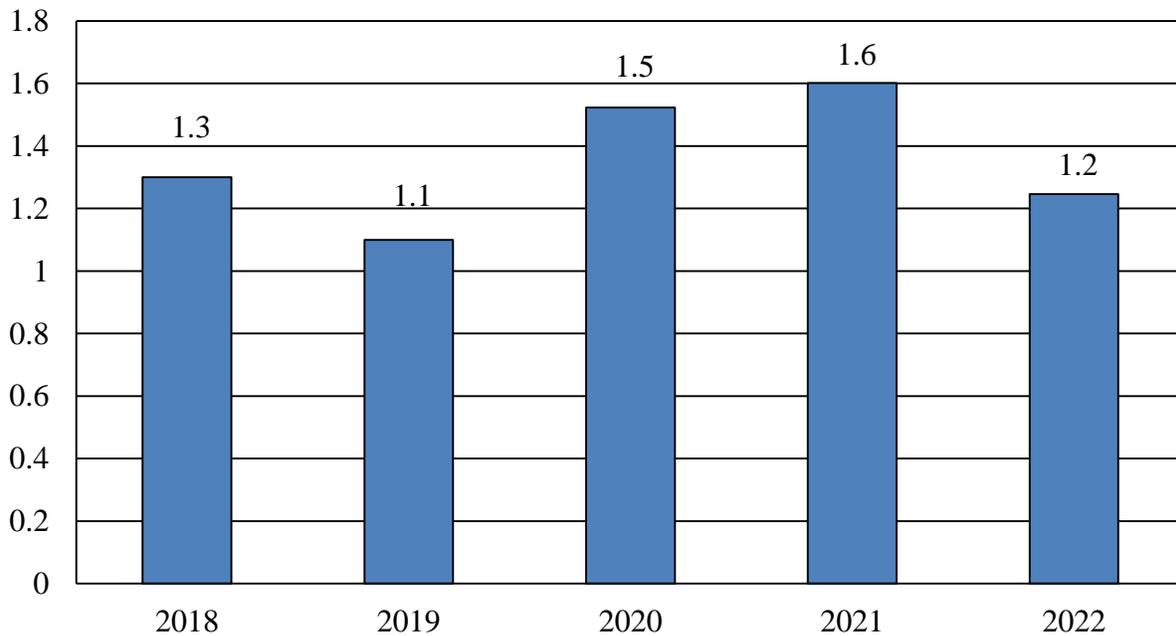
MPT: Maryland Public Television

Source: Maryland Public Broadcasting Commission

3. MPT Viewership

As shown in **Exhibit 5**, in fiscal 2022, total estimated viewership for MPT declined in fiscal 2022 following heightened viewership in fiscal 2020 and 2021, according to Nielsen television ratings. Viewership is defined as the total number of viewers ages two and older in the Baltimore and Washington, DC designated market area during the year. Viewership trends in recent years have fluctuated and were impacted in part by nationwide trends of increased television viewership during the height of the COVID-19 pandemic, as Americans spent more time at home. Despite the decrease, viewership in fiscal 2022 is at comparable levels to the period prior to the pandemic.

Exhibit 5
MPT Viewers
Fiscal 2018-2022
(in Millions)



MPT: Maryland Public Television

Source: Maryland Public Broadcasting Commission

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

Updates

- ***Renovated MPT Production Studio Opens:*** In April 2022, MPT officially opened its newly renovated and expanded Irene and Edward H. Kaplan Production Studio at its headquarters in Owings Mills. The new facility is over 8,000 total square feet and includes updated television production technology and seating to accommodate a studio audience of up to 148 guests. The facility will be used by MPT for production of various local and national programming and various televised public affairs meetings and other live performances. Funding for this project was most recently included in the State’s capital budget in fiscal 2021.

Appendix 1
2022 Joint Chairmen’s Report Responses from Agency

The 2022 *Joint Chairmen’s Report* (JCR) requested that MPT and the Department of Information Technology (DoIT) prepare one report. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Pricing MPT Tower Resource Sharing Agreements Support Study:*** A report was submitted by DoIT, in consultation with MPT, addressing concerns raised by the committees that the State’s resource-sharing agreement programs did not effectively standardize the revenue schedule for private industry FM radio and television broadcasters who seek the utilization of State towers for the potential colocation of broadcast equipment. In response, DoIT and MPT developed a standardized rate schedule and pricing model for FM radio and television broadcasters, which is included as an appendix to the report. Further discussion of this issue can be found in the budget analysis for DoIT – F50.

**Appendix 2
Object/Fund Difference Report
Maryland Public Broadcasting Commission**

<u>Object/Fund</u>	<u>FY 22 Actual</u>	<u>FY 23 Working Appropriation</u>	<u>FY 24 Allowance</u>	<u>FY 23 - FY 24 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	145.00	145.00	145.00	0.00	0%
02 Contractual	9.65	12.70	15.70	3.00	23.6%
Total Positions	154.65	157.70	160.70	3.00	1.9%
Objects					
01 Salaries and Wages	\$ 15,576,640	\$ 17,302,129	\$ 18,532,647	\$ 1,230,518	7.1%
02 Technical and Special Fees	513,553	714,907	879,774	164,867	23.1%
03 Communication	444,992	496,562	499,762	3,200	0.6%
04 Travel	76,242	195,143	186,150	-8,993	-4.6%
06 Fuel and Utilities	796,388	790,361	879,489	89,128	11.3%
07 Motor Vehicles	58,493	67,776	139,711	71,935	106.1%
08 Contractual Services	13,193,593	10,586,418	9,788,267	-798,151	-7.5%
09 Supplies and Materials	742,545	1,388,141	957,069	-431,072	-31.1%
10 Equipment – Replacement	414,903	518,482	691,147	172,665	33.3%
11 Equipment – Additional	542,963	268,966	110,957	-158,009	-58.7%
13 Fixed Charges	4,191,640	4,269,018	4,358,978	89,960	2.1%
Total Objects	\$ 36,551,952	\$ 36,597,903	\$ 37,023,951	\$ 426,048	1.2%
Funds					
01 General Fund	\$ 10,074,015	\$ 10,866,414	\$ 11,779,746	\$ 913,332	8.4%
03 Special Fund	18,968,889	20,700,376	21,052,769	352,393	1.7%
05 Federal Fund	423,253	473,201	477,452	4,251	0.9%
09 Reimbursable Fund	7,085,795	4,557,912	3,713,984	-843,928	-18.5%
Total Funds	\$ 36,551,952	\$ 36,597,903	\$ 37,023,951	\$ 426,048	1.2%

Note: The fiscal 2023 appropriation does not include deficiencies. The fiscal 2024 allowance does not include salary adjustments that are budgeted within the Department of Budget and Management.