



16 September 2019

MEMO TO: PEG Study Committee

FROM: Vermont Access Network

RE: Vermont AMO Funding Trends 2006 - 2019

At the August 22, 2019 PEG Access Study Committee meeting, the cable representative, Dan Glanville, posed questions about the change in AMO revenue since 2006. Between 2006 and 2018, Comcast cable revenues increased by approximately 100%. This is due to both the increase in rates and the expansion of service territory.

During this period, Vermont Access Network members have managed steadily increasing revenues (and expenses) to meet community needs, manage the transition from analog to digital infrastructure and to compensate employees with livable wages and benefits.

An analysis of Vermont AMO annual reports during this period shows that PEG organizations have:

Services

- During this period, several AMO service territories were expanded to include more municipalities, schools, nonprofit organizations, and residents to serve.
- Production and community coverage, as measured by the number of programs produced, increased by 40% since 2006.
- Despite regular costs of doing business rising year over year, AMOs expanded their services, including more training programs and classes.

Upgraded Capital Investments from Analog to Digital

- Investments in production equipment (field and studio), playback (from managing tapes to video files), distribution (including cable and internet), and archiving digitization.
- The equipment market itself has transitioned from standard definition to HD cameras and playback systems. Some AMOs are now making the switch to 4K.

Personnel

- Increased the number of full time employees by approximately 70% to meet community needs for production and training.
- Increased compensation to “livable wage” standards.

- Provided benefits that accommodated health insurance increases of 6-10% per year.

Savings and Reserves

AMO annual reports also show evidence of cash reserves. It is a best practice in nonprofit management to reserve a minimum of 6 months of operating funds. Given the uncertain funding environment, several PEGs have reserved more than that. These funds are also used for significant capital purchases, such as studio moves or studio or playback upgrades. Examples:

- Equipment related to the playback of programming (used for online and cable channel viewing) range in price from \$30,000 - \$80,000, but the annual capital amount received by VAN members ranges from \$2,800 - \$152,000. The annual amount is typically not adequate for AMO's to cover these large purchases with a single year's funds.
- These reserves have also been used for relocating or expansion of a studio location, as dictated by community needs.

Vermont AMOs continue to be recognized regionally and nationally for their community partnerships, productions and leadership in PEG Access. Vermont AMOs are annually recognized for programming and operating excellence. Brattleboro Community TV received an award for overall excellence in a community media center at this year's Alliance for Community Media conference in Portland, Oregon.