

ALABAMA EDUCATIONAL TELEVISION COMMISSION

MINUTES

October 28, 2025

10:00 a.m.

*Alabama Public Television, Birmingham Conference Room
2112 11th Avenue S., Suite 400, Birmingham, Alabama 35205*

PRIOR NOTICE

Sufficient Prior Notice was given as required by the Alabama Open Meetings Act, the FCC, the CPB, and the policies of the AETC, as reported by APT Executive Director, Wayne Reid.

ROLL CALL (VERBAL)

A verbal roll call was conducted by Mrs. Bebe Williams, Vice Chairwoman, in the absence of Mr. Holland, who was participating virtually.

AETC Commissioners Present:

Mr. Ferris Stephens, Chairman

Mr. J. Holland, Secretary (*virtual*)

Mr. Pete Conroy

Mrs. Bebe Williams, Vice Chairwoman

Mr. Les Barnett (*virtual, joined at 11:39*)

Mr. William A. Green, Jr. (*virtual*)

The Alabama Educational Television Commission consists of seven members. Mrs. Tijuanna Adetunji was absent, and a quorum was present, and official business could be conducted.

CALL TO ORDER

The meeting was called to order at 10:27 a.m. by Chairman Ferris Stephens.

REVIEW OF MINUTES

Minutes of the July 29, 2025 meeting had been provided in writing prior to the meeting for review by the Commissioners. No corrections or modifications were requested.

Motion by: Commissioner Bebe Williams to approve the July 29, 2025 minutes

Second by: Commissioner Pete Conroy

Discussion: No discussion; a roll call vote was conducted.

Motion Passed Unanimously

SETTING OF OTHER BUSINESS

No additional items were added to the agenda.

OLD BUSINESS

Chairman Ferris Stephens noted that there was no old business to be discussed.

NEW BUSINESS

Executive Director Wayne Reid asked Julie Parker, of Kassouf & Company, the Alabama Educational Television's accounting firm, to present the financial statements and audit findings for the fiscal year ending September 30, 2024. Julie reported that the organization received an unmodified (clean) audit opinion. Total assets stood at approximately \$42 million, with liabilities of about \$5.8 million and a total net position of just over \$36 million. She noted a decrease in cash of approximately \$4.8 million due primarily to investments and fixed asset purchases. Overall, financial health remained strong, with liabilities representing less than 14% of assets.

Revenue for the year totaled \$24.4 million, reflecting an increase of \$3.8 million from the prior year, primarily due to restricted funds released for use. Expenses increased by \$2.56 million, largely tied to programming, production, broadcasting, and depreciation. The overall net position decreased by approximately \$620,000 compared to the prior year, primarily due to reduced appropriations.

No material weaknesses were identified in internal controls. Two minor recommendations were made: (1) improving documentation for restricted revenue to ensure consistent tracking from fundraising to accounting, and (2) considering allocation of depreciation expense between program and supporting services. Julie clarified that all restricted funds were properly spent in accordance with donor intent.

Discussion followed on how restricted revenues were tracked, with clarification that the issue involved documentation only, not spending. Julie confirmed that cash flow from investing activities included both purchases and sales of investments and fixed assets. She confirmed that these transactions are reported gross per accounting requirements. No further questions were raised, and the board thanked Julie for the report.

EXECUTIVE REVIEW

Chairman Ferris Stephens asked Executive Director Wayne Reid to provide his report.

Update of APT Activities – Wayne Reid, Executive Director

Executive Director Wayne Reid provided updates on APT's ongoing initiatives. The American 250 partnership with American Village continues, to produce two historical vignettes monthly through July 2026. APT vignettes will feature an original musical opening by composer Bobby Horton, with in-house graphics created by Heather Daniels-Whitson's team. Director Reid discussed upcoming programming tied to Ken Burns' "The Revolution", premiering November 16, with plans to collaborate on a live state event for the 2026 Semiquincentennial celebration.

Director Reid reported on recent structural changes following the Corporation for Public Broadcasting (CPB) funding adjustments. The production department has been reorganized into a Multi-Platform Content Team led by Heather Daniels-Whitson. This team focuses on content delivery across broadcast and digital platforms. Heather presented highlights including:

- "Garden Party" – a digital series expanding to a 13-episode broadcast season.
- "Jeffrey's Southern Ghosts" – a new digital-first historical storytelling series in collaboration with Katherine Tucker Windham's family.
- Ongoing American 250 vignettes with new original music by Bobby Horton.
- Completion of the "Capitol Journal" digital hub on APTV.org, consolidating news clips, podcasts, and written stories. Plans are underway to introduce a "Capitol Journal" newsletter.
- Season 4 of "DIY Science Time" is in production for spring 2026, with over 2.4 million cumulative streams from previous seasons.
- "Yellowhammer Nature Hunt" – a new educational series under development for middle school audiences.

Heather also reported progress in digital engagement, including the completion of a nine-month newsletter transformation project and integration of new audience testing systems.

Programming and Streaming Overview

Mike McKenzie outlined the upcoming holiday programming lineup, including the Birmingham Southern Alumni Choir concert, "American Revival" from Troy University, "Alabama Gospel Roots", and national holiday broadcasts such as "Spirit

of the Season”, “The Nutcracker”, and “Call the Midwife Christmas Special”. He noted that classic holiday films will also return to the schedule.

Director Reid and Mike McKenzie reviewed recent sports coverage, highlighting strong ratings for high school football playoff broadcasts, with several games achieving high statewide viewership.

Director Reid presented a detailed report on APT’s streaming performance, noting strong growth in digital audiences. General audience streaming reached approximately 600,000 users this quarter, while PBS Kids streaming exceeded 13 million streams and 555,000 users. Combined streaming via YouTube TV and Hulu Live reached nearly 2 million viewers statewide, underscoring the ongoing transition to multi-platform consumption. Director Reid explained that APT now benefits financially from YouTube monetization for its digital shorts.

The board discussed the financial model for PBS Passport, APT’s paid member streaming service. The current minimum contribution is \$5 per month, but PBS has recommended an \$8 tier. Director Reid noted that even with an 80% retention rate, projected annual revenue could rise to approximately \$4 million. Mike McKenzie explained that Passport provides access to roughly 6,000 titles, primarily PBS content, and functions as a member benefit rather than a subscription service.

WLRH Radio Station

Director Wayne Reid and Erich Brukner provided an update on WLRH. A recent hire for the morning show departed after one week; the remaining staff successfully covered the schedule and continued to produce high-quality local programming. Erich described the station’s transition to “Tennessee Valley Mornings”, which incorporates both national and local news and features segments from APT’s “Capitol Journal” team. Listener feedback has been increasingly positive. Despite initial membership cancellations following NPR being removed as a news source for WLRH, new memberships have since increased, and overall engagement remains strong.

Commissioner J. Holland inquired about the University of Alabama’s earlier proposal to assume control of WLRH. Director Reid confirmed that the university had been informed of the board’s decision to retain ownership, and that the station continues to operate successfully as a local service. Erich emphasized that WLRH’s unique community presence distinguishes it from other commercial stations in the Huntsville market.

At 11:26 a.m., Chairman Stephens called a recess as he thought for the remainder of the meeting it would be best if all who could possibly attend could be present and Commissioner Les Barnett would be available online (*virtual*) within a short time.

At 11:45 a.m., the meeting was restarted.

OTHER BUSINESS

Discussion on Loss of Federal Funding, PBS Contract and Future Planning

Director Reid noted that he had a meeting with Chairman Ferris Stephens and Commissioner Les Barnett in Montgomery to discuss the future of programming of the network. This took into account the recent loss of federal funding that had always been available from the Corporation for Public Broadcasting (CPB). Because the amount received for CPB was approximately the amount for the dues for PBS programming, a new direction was discussed at the meeting about achieving quality future programming suitable for Alabama adults and children. Options were raised about educational programming from sources other than from PBS.

The discussion of the commissioners then began about APT's contract with PBS for the present year; options involving the continuation of the relationship with PBS; and the implications of future renewal or non-renewal. This included discussion about the amount of PBS dues for future programming; whether it fits with Alabama tastes and needs, and options related to purchasing specific PBS programming on an a la carte basis. Also, there was discussion about the genuine concern that more employees would have to be let go from APT because CPB funds would no longer be forthcoming. Director Reid explained that the current contract with PBS, which began in July 2025, remains in force through June 2026. The next scheduled PBS payment of approximately \$1.4 million is due on November 30. He outlined the costs and obligations associated with the contract, noting that PBS provides services other than programming that at the present time are essential for program distribution, technology infrastructure, and national branding resources. He informed the Commission that such services would be difficult at this time to replicate independently. He emphasized that APT's audience expectations and funding mechanisms are largely built around PBS affiliation. Director Reid requested guidance from the Commission on whether to proceed with the payment, noting that nonpayment would place APT in breach of contract and would result in eventual loss of PBS programming.

Commissioner Pete Conroy expressed surprise that the subject of potentially ending the PBS relationship was being discussed without broader preparation. He emphasized that such a major strategic decision should be based on data and public input. He recommended a full side-by-side financial and programming analysis before making any decision, noting the impact on both viewers and donors. Commissioner Conroy commented that there appeared to be some other meeting held that he was not invited to. He also inquired about how many meetings there had been and who had been in those meetings. He also said he understood that there was a document produced at this sideline meeting and he wanted a copy of that document.

Chairman Stephens noted that there he had attended the one meeting between himself, Commissioner Barnett, and Director Reid on the subject of PBS programming in which Director Reid had referred to earlier in this meeting; Commissioner Barnett was not expected to be able to attend this meeting, and no vote was expected during it. Once it looked as though discussion about PBS was going to be raised among the Commissioners, the recess was called so Commissioner Barnett could join in, because of the subject's importance.

Commissioner William Green voiced concerns that PBS' national direction and perceived political leanings would affect Alabama Public Television's reputation and state legislative funding. He suggested that while programming quality must remain a priority, the Commission should also evaluate whether PBS affiliations could limit future legislative support or public trust.

Vice Chair Bebe Williams stated that, while she shared some of the concerns raised, she favored honoring the current PBS contract through its term and urged caution about disrupting programming relied upon by Alabama viewers. She noted that educational children's content and long-standing PBS programs such as *Antiques Roadshow* and *Masterpiece* form a core part of APT's identity. Commissioner Williams encouraged exploring more local programming alternatives over time, such as expanding *Capitol Journal*, while maintaining stability and audience confidence.

Commissioner Les Barnett, now attending electronically, spoke at length about the need to explore potential independence from PBS. He cited rising costs and limited flexibility under the current agreement, noting that only a portion of member contributions support national content rather than local programming. Commissioner Barnett recommended that APT evaluate whether similar or greater impact could be achieved through locally produced and independently sourced content that could be bought by public television stations. He also encouraged a comprehensive cost-benefit analysis, including technological requirements and member communication considerations.

APT Foundation Authority board member Johnny Curry was recognized and expressed the opinion that immediate disaffiliation would be counterproductive. He and Commissioner Pete Conroy expressed strong opposition to the idea of ending PBS affiliation. Both noted their surprise that such discussion was taking place and emphasized that PBS programming remains central to APT's mission and public identity. They cautioned that separation could lead to confusion among viewers and potential loss of member donation support. Board Member Curry added that PBS content, such as *Masterpiece* and *NOVA*, is a major driver of membership engagement.

Commissioner Bebe Williams inquired about the financial obligations and whether alternatives to PBS programming could presently be realistically secured. Mike McKenzie, Director of Programming, clarified that roughly 90% of APT's present total schedule derives from PBS, including most daytime children's and primetime programs. While certain series could theoretically be purchased independently, PBS does not sell its programming à la carte, meaning a departure would require major new content acquisitions and infrastructure changes.

Several other commission members acknowledged Commissioner Barnett's points about long-term planning but agreed that continued participation in PBS for the present contract remains vital to audience expectations and educational service. Questions were raised regarding technical and financial implications of replacing PBS-supported systems, the potential costs of independent distribution, and the impact on content delivery.

Several commissioners agreed that APT should continue making PBS payments under the current agreement while developing a long-term analysis of costs, content options, and contract implications. Director Reid explained that, in addition to programming, PBS provides technical systems such as the media library, traffic system integration, and website support. Replacing those functions would require new procurement and personnel and expenses that are not in the budget.

During the general discussion, Chairman Ferris Stephens clarified that it appeared that no formal vote was being sought at the meeting on ending PBS membership. Rather, the immediate issue to be addressed, considering the general overall financial situation, was whether to authorize payment of the November 30, 2025 PBS invoice and whether to direct staff to begin a full evaluation of alternatives. Stephens asked Director Reid about the timing in which he could develop a detailed cost analysis on the option of not using PBS membership; the option of seeking a

cafeteria style format of programming from PBS because all public television stations' financial position had now significantly changed; and the option of not acting and risking additional layoffs of the network's staff if the funding deficit in the budget was not raised. He offered November 18, 2025 as a special meeting date to obtain that information if that date was available for all of the Commissioners. Stephens stated he proposed that this special meeting would serve as primarily an informational one to allow Commissioners to further deliberate on their options. Director Reid said he could, by November 18, prepare an analysis of these options for the Commission about PBS affiliation issues, including costs, benefits, and risks and to include financial modeling, estimates on membership perception, and programming impact.

Commissioner Williams reiterated the importance of maintaining public trust and the membership revenue, noting that sudden changes could jeopardize both. Commissioner Green and others emphasized the need to balance that concern with awareness of long-term state funding risks tied to PBS association. Several commissioners supported the idea of also conducting a structured review period, including cost projections, programming options, and potential negotiations with PBS to adjust contractual terms or waive certain content requirements, such as the *PBS NewsHour* or *Washington Week*.

Motion: By Commissioner Bebe Williams that Director Reid should contact other public television stations for the purpose of seeking to join with several states in similar situations to request a cafeteria style format of programming contract from PBS, including the option of not being required to air their news shows in the new contract; to stay with PBS for now, and to reconvene for a meeting on November 18 to gain information from Director Reid about options and projected costs.

Seconded by: Commissioner Les Barnett

Discussion: There being no further discussion, a roll call vote was conducted.

Motion Passed

Barnett – yes

Conroy – no

Green – yes

Williams – yes

Stephens – yes

Chairman Stephens noted that there was no further business to be discussed and called for a motion to adjourn.

ADJOURNMENT

Motion by: Commissioner Les Barnett
Second by: Commissioner William Green
Motion Passed Unanimously
The meeting was adjourned at 1:29 p.m.

Respectfully Submitted,



Lorraine Fancher
Recording Secretary

APPROVED – DATE: _____

Mr. Ferris Stephens
Chairman

Mr. J. Holland
Secretary