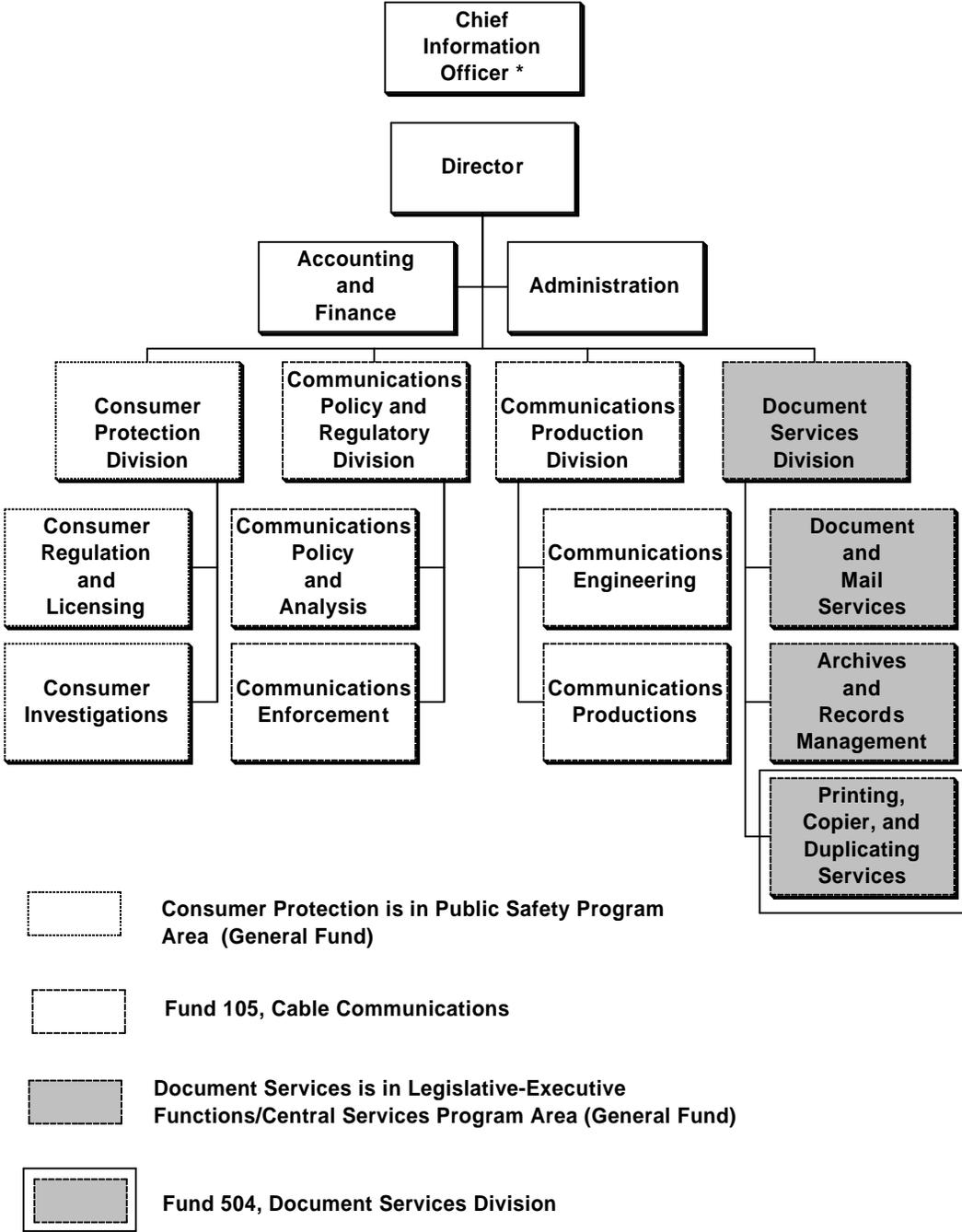


DEPARTMENT OF CABLE COMMUNICATIONS AND CONSUMER PROTECTION FUND 105, CABLE COMMUNICATIONS



* The Chief Information Officer has responsibility for strategic direction and oversight of this agency; however, for budget purposes, this position and associated funding are reflected within the Department of Information Technology.

FUND 105 CABLE COMMUNICATIONS

| Agency Position Summary | | | | | |
|--------------------------------|-----------|--------------------------|-------------|----------------------------|--|
| Fund 001 (General Fund) | | | | | |
| Public Safety | 15 | Regular Positions | 15.0 | Regular Staff Years | |
| Legislative Executive | <u>29</u> | Regular Positions | <u>29.0</u> | Regular Staff Years | |
| Fund 001 Total | 44 | Regular Positions | 44.0 | Regular Staff Years | |
| Fund 105 | 39 | Regular Positions | 39.0 | Regular Staff Years | |
| Fund 504 | <u>20</u> | Regular Positions | <u>20.0</u> | Regular Staff Years | |
| | 103 | Total Positions | 103.0 | Total Staff Years | |

Position Detail Information

ADMINISTRATION

1 *Director*
 1 **Administrative Assistant V**
 1 **Administrative Assistant IV**
 1 Administrative Assistant V
 4 Positions
 4.0 Staff Years

Accounting and Finance

1 Accountant III
 1 Accountant II
 3 Administrative Assistants III
 5 Positions
 5.0 Staff Years

CONSUMER PROTECTION DIVISION

1 Director, Consumer Protection
 1 Administrative Assistant IV
 1 Administrative Assistant II
 3 Positions
 3.0 Staff Years

Consumer Regulation and Licensing

1 Consumer Specialist III
 1 Management Analyst II
 2 Consumer Specialists I
 1 Utilities Analyst
 2 **Administrative Assistants II**
 7 Positions
 7.0 Staff Years

Consumer Investigations

1 Consumer Specialist III
 1 Consumer Specialist II
 5 Consumer Specialists I
 1 **Consumer Specialist I**
 1 **Administrative Assistant II**
 9 Positions
 9.0 Staff Years

COMMUNICATIONS POLICY AND REGULATORY DIVISION

1 **Director, Policy and Reg.**
 1 **Administrative Assistant III**
 2 Positions
 2.0 Staff Years

Communications Policy and Analysis

2 **Management Analysts III**
 2 Positions
 2.0 Staff Years

Communications Regulation and Enforcement

1 **Management Analyst III**
 1 **Engineer III**
 1 **Engineering Technician III**
 1 **Communications Engineer**
 4 **Senior Electrical Inspectors**
 8 Positions
 8.0 Staff Years

COMMUNICATIONS PRODUCTION DIVISION

1 **Director, Comm. Prod.**
 2 **Administrative Assistants II**
 3 Positions
 3.0 Staff Years

Communications Engineering

1 **Engineer III**
 1 **Engineer II**
 1 **Video Engineer**
 3 Positions
 3.0 Staff Years

Communications Productions

5 **Producers/Directors**
 4 **Assistant Producers**
 4 **Media Technicians**
 1 **Instruct./Cable TV Specialist**
 14 Positions
 14.0 Staff Years

DOCUMENT SERVICES DIVISION

Document and Mail Services

1 Director, Document Services
 1 Chief, Mail Services
 1 Administrative Assistant V
 15 Administrative Assistants II
 18 Positions
 18.0 Staff Years

Archives and Records Management

1 County Archivist
 1 Assistant Archivist
 1 Archives Technician
 2 Administrative Assistants II
 5 Positions
 5.0 Staff Years

Printing, Copier and Duplicating Services

1 *Printing Services Manager*
 2 *Customer Service Specialists*
 2 *Printing Shift Supervisors*
 8 *Print Shop Operators II*
 1 *Administrative Assistant III*
 4 *Print Shop Operators I*
 1 *Print Shop Helper*
 1 *Computer Systems Analyst III*
 20 Positions
 20.0 Staff Years

***Positions in bold italics are supported by Fund 105, Cable Communications.**

****Positions in italics are supported by Fund 504, Document Services Division.**

FUND 105 CABLE COMMUNICATIONS

Agency Mission

To encourage telecommunication industry development throughout the County that offers the greatest diversity and highest quality service at the least cost to citizens and businesses, to develop goals for future telecommunications development and related legislation, to provide regulatory oversight and enforcement of telecommunications statutes, to provide production services for visual communication technologies and informational programming for County citizens, and to support internal communications and training programming for County employees.

| Agency Summary | | | | | |
|----------------------------------|--------------------|------------------------|------------------------|---------------------------|------------------------|
| Category | FY 2002 | FY 2003 | FY 2003 | FY 2004 | FY 2004 |
| | Actual | Adopted Budget Plan | Revised Budget Plan | Advertised Budget Plan | Adopted Budget Plan |
| Authorized Positions/Staff Years | | | | | |
| Regular | 39/ 39 | 39/ 39 | 39/ 39 | 39/ 39 | 39/ 39 |
| Expenditures: | | | | | |
| Personnel Services | \$2,844,139 | \$3,389,017 | \$3,389,017 | \$3,576,281 | \$3,556,732 |
| Operating Expenses | 1,650,151 | 2,131,577 | 12,037,593 | 2,171,024 | 2,171,024 |
| Capital Equipment | 68,319 | 250,000 | 4,379,967 | 250,000 | 250,000 |
| Total Expenditures | \$4,562,609 | \$5,770,594 | \$19,806,577 | \$5,997,305 | \$5,977,756 |

| Summary by Cost Center | | | | | |
|---|--------------------|------------------------|------------------------|---------------------------|------------------------|
| Category | FY 2002 | FY 2003 | FY 2003 | FY 2004 | FY 2004 |
| | Actual | Adopted Budget Plan | Revised Budget Plan | Advertised Budget Plan | Adopted Budget Plan |
| Communications Productions | \$2,170,170 | \$2,641,660 | \$2,944,179 | \$2,730,849 | \$2,722,120 |
| Communications Policy and Regulatory | 2,392,439 | 3,128,934 | 16,862,398 | 3,266,456 | 3,255,636 |
| Total Expenditures | \$4,562,609 | \$5,770,594 | \$19,806,577 | \$5,997,305 | \$5,977,756 |

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2004 Advertised Budget Plan, as approved by the Board of Supervisors on April 28, 2003:

- ◆ A decrease of \$19,549 reflects reduced funding for the Pay for Performance program. Based on the approved 25 percent reduction, the FY 2004 program will result in reductions in the increases employees will receive based on their performance rating, capping employees to a maximum of 5.25 percent. This adjustment leaves in place the Pay for Performance program in preparation for system redesign for FY 2005.

The following funding adjustments reflect all approved changes to the FY 2003 Revised Budget Plan from January 1, 2003 through April 21, 2003. Included are all adjustments made as part of the FY 2003 Third Quarter Review:

- ◆ The Board of Supervisors made no adjustments to this fund.

FUND 105 CABLE COMMUNICATIONS

County Executive Proposed FY 2004 Advertised Budget Plan

Purpose

The Cable Communications Fund was established by the Board of Supervisors in 1982 to provide accurate accounting of costs and revenues associated with the administration of the County's Cable Communications Ordinance and Franchise Agreements (COFA). In FY 2003, the Communications Productions and Communications Policy and Regulatory Divisions will continue to administer all aspects of the County's COFA.

The Communications Productions Division is responsible for the production of television programming for Channel 16, the Public Information Channel, and the Fairfax County Training Network (FCTN). Channel 16 programming includes both Board of Supervisors directed programming and the highest-rated program proposals submitted by County agencies as reviewed by the Government Access Advisory Committee (GAAC). In FY 2004, Channel 16 will televise 360 live Board of Supervisors and Planning Commission meetings, County Executive projects, Board-directed special programming, town meetings, and monthly video newsletters for Board members. In addition, the highest GAAC rated 228 programs and teleconferences which describe the services of County agencies will also be televised.

In addition to this programming for the public, the Division is responsible for programming on the closed-circuit Fairfax County Training Network (FCTN). In FY 2004, the Division will televise 96 training and internal communications productions which have been recommended by the Fairfax County Training Network evaluation committee as presenting the most critical programs for unmet County training needs, as well as national satellite conferences, telecommunication courses, video training, and lectures on areas such as leadership, team work, self improvement, and management issues.

The Communications Productions Division will continue to operate an emergency message system for citizens, serving as a centralized resource for loan pool equipment for County agencies, manage a satellite downlink for County teleconferencing, support the Video Magistrate System, County kiosk system, Internet video, video teleconferencing and video streaming of Channel 16 on the Internet to better serve County citizens.

The Division provides critical informational programming to an estimated 260,000 County households that subscribe to cable and to County agencies linked to the internal Training Network, as well as provides emergency communication information.

The Communications Policy and Regulatory Division will continue to encourage telecommunication industry development throughout the County that offers the greatest diversity and highest quality service at the least cost County citizens and businesses. Additionally, the Division develops goals for future telecommunications development and related legislation, and provides regulatory oversight and enforcement of telecommunications statutes. Significant increases continue to be experienced in the Division's workload related to regulatory, engineering and inspection functions. This includes the investigations of a growing percentage of technically-oriented citizen complaints; the development and enforcement of cable customer service standards; implementing a new franchise agreement with one of the County's cable companies; performing engineering testing and monitoring on an increasing number of miles of activated cable television plant; as well as providing engineering support for video and data communications projects associated with the connection of County facilities to the cable Institutional Network (I-Net).

The I-Net, being constructed by Cox Communications at a cost to the Cable Fund of \$11.2 million, is a fiber optic cable network that will link and provide video and data services to 390 County and Fairfax County Public Schools (FCPS) facilities. The construction of the I-Net is expected to be completed in FY 2004. Funding of approximately \$4.8 million is currently available in FY 2003 for equipment to connect the first 100 County and FCPS sites to the I-Net for video and data services.

FUND 105

CABLE COMMUNICATIONS

The County has franchised two cable operators to serve a combined total of over 250,000 subscribers. Each of these franchises establishes requirements for the provision of cable service that must be actively monitored and enforced by the franchising authority which is responsible for basic service and equipment rate regulation, construction schedules, customer service standards, bonds and insurance, and signal quality. For these provisions to be meaningful, the County must continue to be active in its regulatory role since there is no regulatory enforcement provided by the State or Federal governments.

Key Accomplishments

- ◆ Negotiated an agreement with Cox Communications that resulted in a new HSN target completion date; the addition of new I-Net sites at a reduced cost to the County; a monthly deduction from the purchase price of the I-Net, until the I-Net is 95 percent complete; and the creation of an escrow account that will become the property of Fairfax County should Cox Communication breach the agreement.
- ◆ Provided funding to the Consumer Protection Division to support a consumer investigator who handles cable television complaints. In FY 2002, the Consumer Protection Division resolved 2,124 of the 2,251 cable complaints received.
- ◆ Increased construction inspection coverage in the County to monitor the increased level of cable system upgrade.
- ◆ Created a public website for the Communications Policy and Regulatory Division (CPRD) that makes available the Cable Franchise Agreement and County's Cable Ordinance. Linked email functionality to the website to allow citizens to enter construction and policy complaints directly to the CPRD.
- ◆ In conjunction with the Consumer Protection Division, implemented an enhanced enforcement program that provides an improved application of customer service standards of the Cable Franchise Agreement and the County's Cable Ordinance to consumer complaints.
- ◆ Implemented in February 2001, a new cable inspection program based on a survey of best practices.
- ◆ In FY 2002:
 - Issued 425 notices of construction or network safety deficiencies;
 - Issued 144 VDOT deficiencies;
 - Issued 547 other code or franchise deficiencies;
 - Assessed \$7,200 in penalties against cable operators for non-compliance; and
 - Achieved 100 percent conformance with applicable federal, state and County communication statutes and codes for construction and safety violations as of July 2002.
- ◆ Responded with emergency messages and specialized programs to meet citizen communication needs as a result of new security initiatives.
- ◆ Purchased, installed and implemented additional digital video equipment providing improved service and technical quality to cable television viewers.
- ◆ Received the Media Award from Volunteer Fairfax, four awards from the Alliance for Community Media, three awards from the National Association of Telecommunications Officers and Advisors, and eight Telly Awards for programming excellence and professional quality.

FUND 105

CABLE COMMUNICATIONS

FY 2004 Initiatives

- ◆ Monitor and enforce the terms and conditions established in the September 2002 agreement between the County and Cox Communications.
- ◆ Negotiate and implement a new cable franchise agreement with Comcast Communications to serve the Reston area.
- ◆ Monitor the cable television operators' franchise obligations to Fairfax County and its citizens, and promote competition in cable television services in the County.
- ◆ Activate the initial County/FCPS sites on the I-Net.
- ◆ Continue to serve the County's public information needs and internal training needs through the cable television network.
- ◆ Continue enhancements to the enforcement program as a means of enforcing the customer service standards of the Cable Franchise Agreement and the County's Cable Ordinance.
- ◆ Research a pilot program on digital video of e-government systems on cable television.
- ◆ Pursue new technology requirements for Internet, kiosk and court video, and other special projects.
- ◆ Replace video and editing equipment in the Board Auditorium and Production Studio with an annual grant from Cox Communications.

Performance Measurement Results

Performance Measurement indicators were developed to support the mission of the Fund. Measurements include Home Subscriber Cable Television Network and I-Net reliability, as well as serving the information of citizens and training needs of County employees.

The Administration and Communications Productions Divisions achieved their objectives in FY 2002. However, the I-Net measures are directly dependent on the design and construction schedule of Cox Communications. Thus, estimates are provided for FY 2003 and FY 2004, yet no actual data for FY 2002 is available.

Funding Adjustments

The following funding adjustments from the FY 2003 Revised Budget Plan are necessary to support the FY 2004 program:

- ◆ An increase of \$187,264 in Personnel Services associated with salary adjustments necessary to support the County's compensation program.
- ◆ A decrease in contract expenses of \$4.2 million due the final I-Net construction payment to Cox Communications scheduled for FY 2003 and not required in FY 2004.
- ◆ An increase of \$42,010 in operating expenses to reflect this fund's share of costs associated with the Public Service Radio System Replacement project. This project, IT0050 Public Service Communications Replacements in Fund 104, Information Technology supports the 7 year lease purchase of system infrastructure and the replacement of mobile and portable radios.
- ◆ Capital Equipment of \$250,000 is funded to support the replacement of equipment in the Board Auditorium and Production Studio.

FUND 105 CABLE COMMUNICATIONS

- ◆ A decrease in other operating and capital expenses of \$10.1 million due to the carryover from FY 2002 for costs associated with implementing the I-Net. Delays in the Cox Communication schedule for construction of the I-Net has delayed the expenditure of funds for implementation.

The following funding adjustments reflect all approved changes in the FY 2003 Revised Budget Plan since passage of the FY 2003 Adopted Budget Plan. Included are all adjustments made as part of the FY 2002 Carryover Review and all other approved changes through December 31, 2002:

- ◆ As part of the *FY 2002 Carryover Review*, \$13,580,389 of unencumbered carryover was added primarily for I-Net related expenses that were not made in FY 2002 due to delays in the Cox Communications construction and implementation schedule. The implementation of the I-Net is contingent on completion of the overall cable system upgrade.
- ◆ As part of the *FY 2002 Carryover Review*, \$455,594 of encumbered carryover was added.



Administration

Goal

To provide consumer protection services for consumers and businesses in Fairfax County in order to ensure compliance with applicable laws; to administer the County's Communications Ordinance and Cable Franchise Agreements in a manner that ensures the best possible cable communications service to all system subscribers/users; to oversee the construction, installation, and operation of all cable television systems in the County; to manage the use of the government access channels and the Institutional Network (I-Net); and to produce the programming for the government access channels.

Note: As in previous fiscal years, funding for this Cost Center is included in the budget for the Communications Policy and Regulatory Division.

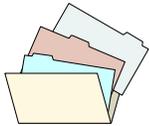
Performance Measures

Objectives

- ◆ To provide management support services to the Department's divisions so that 75 percent of efficiency, service quality, and outcome indicators are achieved.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|---|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2000 Actual | FY 2001 Actual | FY 2002 Estimate/Actual | FY 2003 | FY 2004 |
| Outcome: | | | | | |
| Percent of Department's performance indicators (efficiency, service quality and outcome) achieved | 75% | 75% | 75% / 75% | 75% | 75% |

FUND 105 CABLE COMMUNICATIONS



Communications Productions Division

| Cost Center Summary | | | | | |
|----------------------------------|--------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Category | FY 2002 Actual | FY 2003 Adopted Budget Plan | FY 2003 Revised Budget Plan | FY 2004 Advertised Budget Plan | FY 2004 Adopted Budget Plan |
| Authorized Positions/Staff Years | | | | | |
| Regular | 22/ 22 | 22/ 22 | 22/ 22 | 22/ 22 | 22/22 |
| Total Expenditures | \$2,170,170 | \$2,641,660 | \$2,944,179 | \$2,730,849 | \$2,722,120 |

Goal

To provide a centralized video production center and satellite conferencing facility for the Board of Supervisors, County Executive, and all County agencies in order to communicate critical County information to citizens and training for employees and to provide related production services in new technologies to benefit the public and County operations.

Performance Measures

Objectives

- ◆ To serve the public information needs of the County by completing 98 percent of public information television programs requested on the FY 2004 production plan, while maintaining cost, quality, and work hour efficiencies.
- ◆ To train and educate the County workforce in the most cost effective manner possible by increasing the number of purchased programs and satellite telecourses and completing 98 percent of training programs on the FY 2004 production plan, while reducing the work hours needed for original programming.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|--|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2000 Actual | FY 2001 Actual | FY 2002 Estimate/Actual | FY 2003 | FY 2004 |
| Output: | | | | | |
| Original live program hours (1) | 694.0 | 774.5 | 726.0 / 792.0 | 710.0 | 714.0 |
| Original studio program hours (1) | 32.0 | 46.0 | 70.0 / 46.0 | 75.0 | 67.0 |
| Original field program hours (1) | 110.2 | 94.5 | 158.5 / 101.0 | 161.0 | 149.7 |
| Efficiency: | | | | | |
| Live program work hours per program hour (2) | 4.7 | 5.5 | 5.5 / 5.6 | 5.2 | 5.2 |
| Studio program work hours per program hour (2) | 36.0 | 42.9 | 43.8 / 40.8 | 44.8 | 46.4 |
| Field program work hours per program hour (2) | 164.8 | 160.2 | 157.9 / 167.2 | 157.5 | 157.3 |

FUND 105 CABLE COMMUNICATIONS

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|---|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2000 Actual | FY 2001 Actual | FY 2002 Estimate/Actual | FY 2003 | FY 2004 |
| Service Quality: | | | | | |
| Percent of clients satisfied with Channel 16 programs (3) | NA | 97% | 97% / 97% | 97% | 97% |
| Percent of clients satisfied with Channel 41 programs (3) | NA | 97% | 97% / 97% | 97% | 97% |
| Percent of clients satisfied with technology support projects (3) | NA | 97% | 97% / 97% | 97% | 97% |
| Outcome: | | | | | |
| Percent of requested programs completed on Channel 16 | 100% | 100% | 98% / 100% | 98% | 98% |
| Percent of requested programs completed on FCTN | 100% | 100% | 98% / 100% | 98% | 98% |

(1) While the original live program hours per year remains fairly constant from year to year, original studio and original field programs on Channels 16 and the Fairfax County Training Network vary from year to year as requested by the Board of Supervisors, County Executive, and as prioritized by advisory committees.

(2) The three Efficiency calculations combine Channel 16 and FCTN original programs.

(3) To further measure Service Quality, a client questionnaire has been developed to determine customer satisfaction.



Communications Policy and Regulatory Division

| Cost Center Summary | | | | | |
|----------------------------------|--------------------|-----------------------------|-----------------------------|--------------------------------|-----------------------------|
| Category | FY 2002 Actual | FY 2003 Adopted Budget Plan | FY 2003 Revised Budget Plan | FY 2004 Advertised Budget Plan | FY 2004 Adopted Budget Plan |
| Authorized Positions/Staff Years | | | | | |
| Regular | 17/17 | 17/17 | 17/17 | 17/17 | 17/17 |
| Total Expenditures | \$2,392,439 | \$3,128,934 | \$16,862,398 | \$3,266,456 | \$3,255,636 |

Performance Measures¹

Objectives

- ◆ To intervene on behalf of the County in any State and federal regulatory proposals that impact the provision of cable and telecommunications services in Fairfax County.
- ◆ To provide regulatory oversight of new cable and telecommunications technologies.
- ◆ To encourage and promote an ongoing competitive environment in Fairfax County for the provision of video programming.
- ◆ To enforce and ensure cable operator's strict compliance with Federal Communications Commission (FCC) regulations, and County regulations and statutes pertaining to customer service standards and performance.

FUND 105 CABLE COMMUNICATIONS

- ◆ To enforce strict compliance with all Federal, State, and County codes and standards pertaining to telecommunications construction in the County and to ensure 100 percent compliance of violations issued.
- ◆ To activate 100 percent of the total number of Institutional Network (I-Net) backbone hub locations for data transport.
- ◆ To activate 33.33 percent of the total number of Institutional Network locations for data transport.

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|---|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2000 Actual | FY 2001 Actual | FY 2002 Estimate/Actual | FY 2003 | FY 2004 |
| Output: | | | | | |
| Complaints against cable operators reviewed for enforcement actions (customer service and construction) | NA | NA | NA / NA | 100 | 100 |
| Number of yearly work locates received | NA | NA | NA / NA | 31,000 | 31,000 |
| Institutional Network signal checks, inspections or repairs | NA | NA | NA / NA | 190 | 190 |
| New I-Net Backbone Hub locations for data transport | NA | NA | NA / NA | 0 | 7 |
| New Institutional Network locations for data transport | NA | NA | NA / NA | 0 | 130 |
| Efficiency: | | | | | |
| Staff hours per field inspections, re-inspections, signal checks, equipment installations, and technical investigations | NA | NA | NA / NA | 0.93 | 0.93 |
| Staff hours per Institutional Network signal check, inspections or repairs | NA | NA | NA / NA | 86 | 86 |
| Staff hours per I-Net Backbone Hub locations for data transport activation | NA | NA | NA / NA | 0 | 80 |
| Staff hours per new Institutional Network location for data transport activation | NA | NA | NA / NA | 0 | 24 |

FUND 105 CABLE COMMUNICATIONS

| Indicator | Prior Year Actuals | | | Current Estimate | Future Estimate |
|--|--------------------|----------------|-------------------------|------------------|-----------------|
| | FY 2000 Actual | FY 2001 Actual | FY 2002 Estimate/Actual | FY 2003 | FY 2004 |
| Service Quality: | | | | | |
| Percent of reviewed complaints against cable operators resulting in enforcement actions | NA | NA | NA / NA | 80% | 80% |
| Percent of sites inspected | NA | NA | NA / NA | 18.9% | 18.9% |
| Institutional Network reliability compared to prior fiscal year | NA | NA | NA / NA | 100% | 100% |
| Percent of I-Net Backbone Network on-time installations for data transport | NA | NA | NA / NA | NA | 95% |
| Percent of Institutional Network on-time installations of new locations for data transport | NA | NA | NA / NA | NA | 95% |
| Outcome: | | | | | |
| Complaints against cable operators per 1,000 subscribers (2) | NA | NA | NA / NA | 9 | 7 |
| Percent of violations corrected | NA | NA | NA / NA | 100% | 100% |
| Percent of Institutional Network reliability | NA | NA | NA / NA | 99.9% | 99.9% |
| Percent of total I-Net Backbone Network locations activated with data transport | NA | NA | NA / NA | 0% | 100% |
| Percent of total Institutional Network users or services activated with data transport | NA | NA | NA / NA | 0.00% | 33.33% |

(1) These are new measures that began in FY 2003 and only have the FY 2003 estimate and FY 2004 estimate columns showing.

(2) The County continues to apply sanctions against Cox Communications Northern Virginia for poor customer service and anticipates an improvement its customer service performance. In late FY 2003, Cox Communications Northern Virginia is scheduled to have completed its cable system rebuild, which should result in the reduction of construction-related complaints in FY 2004. Additionally, it is anticipated that County sanctions against Cox Communications Northern Virginia will result in the significant improvement of its customer service performance, thus reducing the number of complaints.

FUND 105 CABLE COMMUNICATIONS

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 105, Cable Communications

| | FY 2002 Actual | FY 2003 Adopted Budget Plan | FY 2003 Revised Budget Plan | FY 2004 Advertised Budget Plan | FY 2004 Adopted Budget Plan |
|---|---------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Beginning Balance¹ | \$15,605,539 | \$4,226,746 | \$18,964,394 | \$7,088,933 | \$7,088,933 |
| Revenue: | | | | | |
| Miscellaneous Revenue | \$2,998 | \$2,000 | \$2,000 | \$2,800 | \$2,800 |
| Fines and Penalties | 7,200 | 0 | 0 | 0 | 0 |
| I-Net and Equipment Grant | 2,886,419 | 2,912,921 | 2,912,921 | 2,999,869 | 2,999,869 |
| Franchise Operating Fees | 8,280,376 | 8,106,503 | 8,106,503 | 7,627,115 | 7,627,115 |
| Total Revenue | \$11,176,993 | \$11,021,424 | \$11,021,424 | \$10,629,784 | \$10,629,784 |
| Total Available | \$26,782,532 | \$15,248,170 | \$29,985,818 | \$17,718,717 | \$17,718,717 |
| Expenditures: | | | | | |
| Personnel Services | \$2,844,139 | \$3,389,017 | \$3,389,017 | \$3,576,281 | \$3,556,732 |
| Operating Expenses | 1,650,151 | 2,131,577 | 4,407,593 | 2,171,024 | 2,171,024 |
| I-Net Contribution ² | 0 | 0 | 7,630,000 | 0 | 0 |
| Capital Equipment | 68,319 | 250,000 | 4,379,967 | 250,000 | 250,000 |
| Subtotal Expenditures | \$4,562,609 | \$5,770,594 | \$19,806,577 | \$5,997,305 | \$5,977,756 |
| Transfers Out: | | | | | |
| General Fund (001) ³ | \$1,614,594 | \$1,465,732 | \$1,465,732 | \$1,396,150 | \$1,396,150 |
| Schools Grants and Self Supporting Programs (192) ⁴ | 1,390,935 | 1,374,576 | 1,374,576 | 1,353,329 | 1,353,329 |
| Schools Grants and Self Supporting Programs (192) ⁵ | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Total Transfers Out | \$3,255,529 | \$3,090,308 | \$3,090,308 | \$2,999,479 | \$2,999,479 |
| Total Disbursements | \$7,818,138 | \$8,860,902 | \$22,896,885 | \$8,996,784 | \$8,977,235 |
| Ending Balance⁶ | \$18,964,394 | \$6,387,268 | \$7,088,933 | \$8,721,933 | \$8,741,482 |
| Reserve for PC Replacement | \$24,600 | \$42,600 | \$42,600 | \$72,600 | \$72,600 |
| Unreserved Ending Balance | \$18,939,794 | \$6,344,668 | \$7,046,333 | \$8,649,333 | \$8,668,882 |

FUND 105

CABLE COMMUNICATIONS

¹ In order to account for Governmental Accounting Standards Board changes in the treatment of the year-end accrual of compensated absences, a restatement of the FY 2002 beginning balance for Fund 105, Cable Communications is reflected. This adjustment results in an increase in the FY 2002 beginning balance in the amount of \$37,243 and a one-time savings for the fund. The beginning balance audit adjustment has been included in the FY 2002 Comprehensive Annual Financial Report (CAFR).

² In FY 1999, an amount of \$2.8 million was approved from fund balance to support the first year payment associated with the installation of the Institutional Network (I-Net). In FY 2000 a payment of \$770,000 was made. Additionally, an estimated \$7.6 million will be spent in FY 2003 for the remaining cost of the I-Net construction. These expenditures are only for the construction of the I-Net as provided for in the franchise agreement with Cox Communications and does not include equipment and other operational funding.

³ The Transfer Out to the General Fund represents compensation to the General Fund for rent on property and public "rights-of-way" used by the cable companies serving Fairfax County. The amount represents approximately one percent of the gross revenues of the cable operators in the County (20 percent of franchise fees).

⁴ This funding reflects a direct transfer to FCPS to support the educational access grant. The amount is calculated as one percent of the gross revenues of Cox Communications. The actual amount to be transferred to the FCPS on an annual basis is based on actual gross receipts. Annual reconciliation of the revenue and subsequent transfer will be conducted and adjustments to the transfer level will be incorporated in the next years' budget.

⁵ This funding reflects a direct transfer to FCPS to support a replacement equipment grant of \$250,000.

⁶ Funding of \$48,645/site will be required for the remaining 300 sites over the next few years.