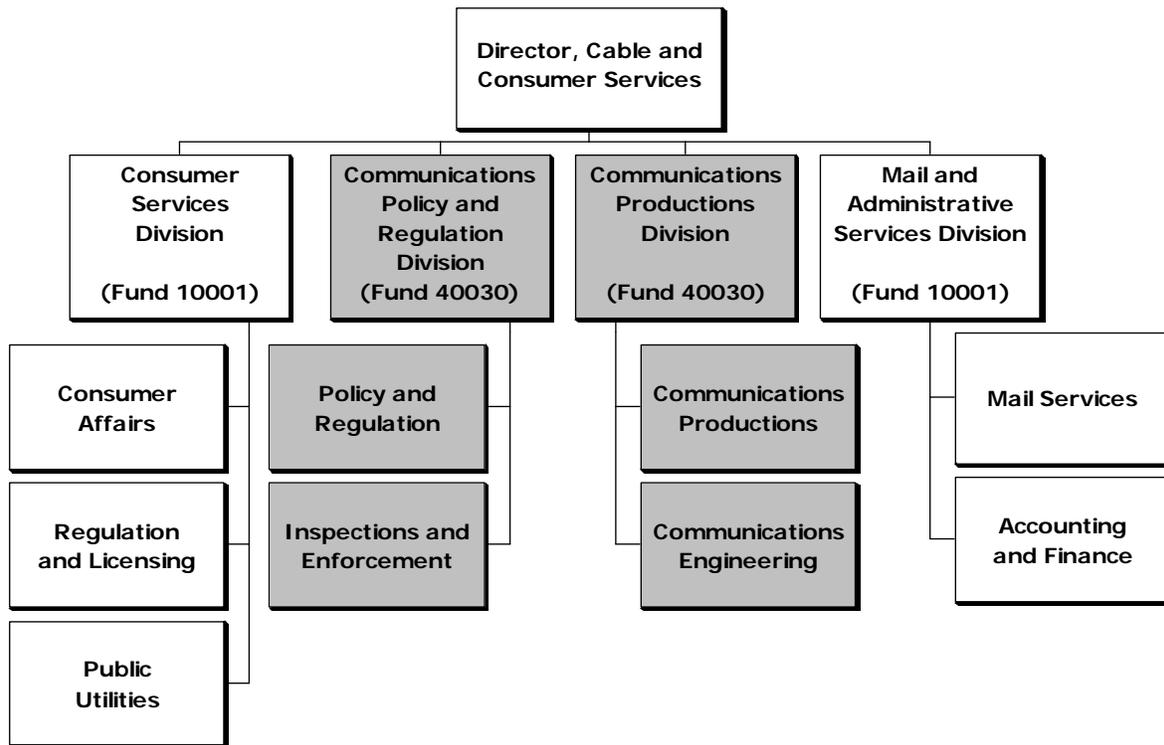


Fund 40030 Cable Communications



The Department of Cable and Consumer Services is the umbrella agency for four distinct functions: Communications Policy and Regulation; Communications Productions; Consumer Services; and Mail and Administrative Services. The total agency staff is dispersed over two funding sources: Cable Communications Fund and General Fund. Cable Communications includes Communications Policy and Regulation and Communications Productions and is responsible for communications regulation and for television programming, and is presented in Fund 40030 (Volume 2). Fund 40030 is supported principally by revenue received from local cable operators through franchise agreements. The General Fund includes Consumer Services, Accounting and Finance, and Mail Services. Consumer Services mediates complaints, educates consumers, regulates taxicabs, issues licenses, and provides utility rate case intervention and is presented within the Public Safety Program Area (Volume 1) and is fully supported by the General Fund. Mail and Administrative Services manages mail services as well as accounting and finance services. Mail Services along with Accounting and Finance are programs presented in the Legislative-Executive Functions/Central Services Program Area (Volume 1) and are fully supported by the General Fund. While the functions of the Department of Cable and Consumer Services provide diverse services, they all provide quality customer service to the community and work collaboratively with County agencies, neighboring jurisdictions, and professional organizations.



Fairfax County Government Channel 16 is one of the best government access cable television stations in the nation.

Fund 40030

Cable Communications

Mission

To promote the County's cable communications policy; to enforce public safety, customer service, and regulatory requirements among the County's franchised cable operators; and to produce television programming for Fairfax County Government Channel 16 and the Fairfax County Training Network.

To accomplish the mission, Communications Policy and Regulation and Communications Productions encourage competition, innovation, and inclusion of local community interests in the countywide deployment of cable communications services; negotiate, draft, and provide regulatory oversight and enforcement of cable communications contracts, ordinances, statutes, and customer service policies; protect the health, safety, and welfare of the public by enforcing safety codes and construction standards; ensure community access to public, educational, and governmental programming; maintain a reliable means of mass communication of official information during emergencies; provide digital media production services to create informational programming for County residents accessible through a variety of distribution channels; and support internal communications, including remote origination and viewing of training programs for County employees and emergency first-responders.

Focus

The Cable Communications Fund (CCF) was established by the Board of Supervisors in 1982 to provide accurate and auditable accounting of revenues and expenses associated with the administration of the County's cable communications ordinance and franchise agreements, communications productions, and cable-related consumer and policy services. CCF revenue supporting this fund comes from Public, Educational, and Governmental (PEG) access capital grants and state communications sales and use taxes received from local cable operators based on the operators' gross revenues.

Communications Policy and Regulation negotiates cable franchise agreements and is responsible for regulatory oversight of the County's three franchised cable television providers, serving over 289,000 cable subscribers, and providing over 75 percent of County households with a choice of cable service providers. Communications Policy and Regulation ensures that cable operators provide high-quality customer service, safe cable system construction and operation, and access to PEG programming and emergency information.

Communications Policy and Regulation enforces construction codes and standards on a competitively neutral basis. In FY 2013, more than 95 percent of inspected work sites were in compliance with applicable codes.

Cable Communications supports the following County Vision Elements:



Maintaining Safe and Caring Communities



Creating a Culture of Engagement



Connecting People and Places



Practicing Environmental Stewardship



Maintaining Healthy Economies



Exercising Corporate Stewardship

Fund 40030 Cable Communications

Communications Policy and Regulation monitors new developments in cable and broadband legislation, regulation, and technology and consults with the Department of Information Technology on various carrier and broadband regulatory matters before the Federal Communications Commission.

Communications Policy and Regulation will continue to administer financial support for the I-Net and support the construction of new I-Net sites and efforts to migrate video, high-speed data, and voice services to the I-Net in designated County and FCPS facilities. The I-Net, managed by the Department of Information Technology, is the backbone of the County Enterprise-wide Network. It is comprised of more than 4,000 kilometers of fiber linking over 400 County and Fairfax County Public Schools locations.

Communications Productions is responsible for the production of television programming for Fairfax County Government Channel 16 and the Fairfax County Training Network. Channel 16 televises meetings of the Board of Supervisors, Planning Commission, and Board of Zoning Appeals; County Executive projects; Board-directed special programming; town meetings; monthly Board of Supervisors video newsletters; and programs highlighting the services of County agencies. Channel 16 reaches an estimated 798,000 residents via cable television and reaches an even larger audience through video streaming and video-on-demand. Channel 16 reaches an increasingly diverse community by offering translated programming including Spanish, Korean, and Vietnamese, as requested by County agencies.

Communications Productions televises training and internal communication programming on the Fairfax County Training Network through the Fairfax County I-Net, reaching approximately 25,000 County and Fairfax County Public Schools' employees. Communications Productions operates an emergency message system, serves as the centralized resource for loan pool equipment, and supports video conferencing.



As part of Communications Productions, Meeting Space Management and Event Support is responsible for staffing and operation of the Government Center Conference Center, supporting the Fairfax County Board of Supervisors; Fairfax County Boards, Authorities, and Commissions; non-profit organizations; and County agencies.

During the period from FY 2012 – FY 2015, approximately \$15.0 million of the Fund 40030 balance has been used to support critical IT projects funded out of Fund 10040, IT Projects, including the Tax System Modernization Project, the Police In-Car Video Project, and several other IT-related projects.

Fund 40030 Cable Communications

Budget and Staff Resources

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised
FUNDING				
Expenditures:				
Personnel Services	\$5,425,610	\$5,335,332	\$5,382,914	\$5,792,992
Operating Expenses	4,190,972	4,433,336	12,795,217	3,572,096
Capital Equipment	521,508	350,000	587,952	450,000
Total Expenditures	\$10,138,090	\$10,118,668	\$18,766,083	\$9,815,088
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	52 / 52	52 / 52	52 / 52	52 / 52

FY 2015 Funding Adjustments

The following funding adjustments from the FY 2014 Adopted Budget Plan are necessary to support the FY 2015 program.

- ◆ **Employee Compensation** **\$68,280**
 An increase of \$68,280 in Personnel Services reflects funding for a 1.29 percent market rate adjustment for all employees in FY 2015, effective July 2014.
- ◆ **Personnel Services** **\$423,437**
 An increase of \$423,437 in Personnel Services is required to support increased fringe benefit costs based on actual experience in the fund.
- ◆ **Other Post-Employment Benefits** **(\$34,057)**
 A decrease of \$34,057 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2015 Advertised Budget Plan.
- ◆ **Operating Expenses Adjustment** **(\$885,740)**
 A net decrease of \$885,740 in Operating Expenses includes a decrease of \$918,875 in funding for I-Net equipment costs; however, it should be noted that unspent prior year funds are anticipated to be available to meet all I-Net-related equipment cost requirements in FY 2015. This decrease is partially offset by an increase of \$33,135 in the Communications Productions Division primarily for increased contractual and maintenance costs related to capital equipment.
- ◆ **PC Replacement** **\$24,500**
 An increase of \$24,500 is included for PC replacement charges to reflect both updated inventory counts and revised costs, primarily associated with licenses and software requirements, following the review of the PC Replacement Program conducted in FY 2014.

Fund 40030

Cable Communications

- ◆ **Capital Equipment** **\$450,000**
 Capital Equipment funding of \$450,000 includes \$400,000 for video replacement equipment in the Communications Productions Division due to specific equipment being past its useful lifespan. In addition, \$50,000 is included for I-Net data and video network equipment.

Changes to FY 2014 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2014 Revised Budget Plan since passage of the FY 2014 Adopted Budget Plan. Included are all adjustments made as part of the FY 2013 Carryover Review, and all other approved changes through December 31, 2013:

- ◆ **Carryover Adjustments** **\$8,647,415**
 As part of the FY 2013 Carryover Review, the Board of Supervisors approved funding of \$8,647,415, including \$47,582 in Personnel Services for a one-time compensation adjustment of \$850 for merit employees paid in November 2013, \$381,949 in encumbered funding, and \$100,000 based on the revised Cox Cable Franchise agreement which increased the capital construction contribution to Channel 16 from \$250,000 to \$350,000. In addition, an amount of \$8,117,884 reflects unencumbered carryover of which \$7,992,506 was unexpended funds related to the design and operation of the I-Net and \$125,378 reflects various Channel 16 capital equipment acquisitions.

Cost Centers

The three cost centers within Fund 40030, Cable Communications, work together to achieve the mission of the Fund are the Communications Policy and Regulation Division, Communications Productions Division, and the Institutional Network. A large portion of the Communications Policy and Regulation Division is dedicated to I-Net initiatives and beginning in FY 2014, the I-Net function within the Communications Policy and Regulations Division was separated out into the newly created Institutional Network cost center.

Communications Policy and Regulation Division

The Communications Policy and Regulation Division (CPRD) negotiates cable franchise agreements and is responsible for regulatory oversight of the County's three franchised cable television providers.

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised
EXPENDITURES				
Total Expenditures	\$2,593,505	\$2,708,619	\$2,729,665	\$2,936,442
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	23 / 23	23 / 23	23 / 23	23 / 23

Fund 40030 Cable Communications

<u>Office of the Director</u>		<u>Communications Policy and Regulation Division</u>		<u>Inspections and Enforcement</u>	
1	Director, DCCS			1	Engineer III
1	Administrative Assistant V	1	Director, Policy and Regulation	1	Engineering Technician III
		1	Administrative Assistant IV	1	Communications Engineer
				6	Senior Electrical Inspectors
<u>Regulation and Licensing</u>		<u>Policy and Regulation</u>		<u>Consumer Affairs</u>	
1	Administrative Assistant III	2	Management Analysts III	1	Consumer Specialist II
<u>Administrative Services</u>		<u>Public Utilities</u>		1	Consumer Specialist I
1	Financial Specialist III	2	Utilities Analysts	1	Administrative Assistant II
1	Administrative Assistant IV				
TOTAL POSITIONS					
23 Positions / 23.0 FTE					

Communications Productions Division

The Communications Productions Division (CPD) produces programming for Fairfax County Government Channel 16 and the Fairfax County Training Network and manages the Government Center Conference Center.

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised
EXPENDITURES				
Total Expenditures	\$4,093,322	\$4,125,123	\$4,389,611	\$4,507,018
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	29 / 29	29 / 29	29 / 29	29 / 29

<u>Communications Productions Division</u>		<u>Communications Engineering</u>		<u>Conference Center</u>	
1	Director, Comm. Productions	1	Network Telecom Analyst III	1	Video Engineer
1	Administrative Assistant IV	2	Network Telecom Analysts II	1	Administrative Assistant III
1	Administrative Assistant II	1	Network Telecom Analyst I	1	Administrative Assistant II
				1	Administrative Associate
<u>Communications Productions</u>		<u>Consumer Affairs</u>		<u>Regulation and Licensing</u>	
1	Instructional Cable TV Specialist	1	Administrative Assistant II	1	Administrative Assistant III
5	Producers/Directors				
6	Assistant Producers				
4	Media Technicians				
TOTAL POSITIONS					
29 Positions / 29.0 FTE					

Institutional Network

The Institutional Network cost center is responsible for the County Enterprise-Wide Network Services and is managed by the Department of Information Technology.

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised
EXPENDITURES				
Total Expenditures	\$3,451,263	\$3,284,926	\$11,646,807	\$2,371,628
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	0 / 0	0 / 0	0 / 0	0 / 0

Fund 40030 Cable Communications

Key Performance Measures

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate/Actual	FY 2014	FY 2015
Communications Policy and Regulation Division					
Percent of cable communications construction work sites inspected	27%	23%	25%/21%	18%	23%
Percent of homeowner cable construction complaints completed	100%	100%	100%/100%	100%	100%
Percent of favorably resolved cable service complaints	97%	100%	97%/99%	97%	NA
Percent of inquiries completed	100%	100%	99%/100%	99%	99%
Communications Productions Division					
Percent of requested programs completed	100%	100%	98%/100%	98%	98%
Percent of program transmission uptime	99.0%	98.2%	99.5%/99.2%	99.5%	99.5%
Percent of duplication requests completed within required deadline	91%	99%	100%/100%	100%	100%
Institutional Network					
Percent of I-Net locations constructed	73%	100%	100%/90%	85%	90%
Percent of I-Net locations activated for video	75%	100%	100%/80%	75%	80%
Percent of I-Net overall uptime	99.9%	99.9%	99.9%/99.9%	99.9%	99.9%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2015/advertised/pm/40030.pdf

Performance Measurement Results

The FY 2014 and FY 2015 estimates for construction work sites have been adjusted to reflect the FY 2013 workload. In FY 2015, the Cable Service Complaints Investigated will no longer be reflected in the Communications Policy and Regulation Division performance measures. This data is being reported within the Case Inquiry-related performance measures in the Department of Cable and Consumer Services – Consumer Services section which can be found in the Public Safety Program Area (Volume 1).

In FY 2013, the Communications Productions Division (CPD) produced more than 780 hours of programming, completing 100 percent of programs requested. CPD maintained a Fairfax County Government Channel 16 transmission uptime of 99.2 percent, reaching an estimated 798,000 residents, while televising Board of Supervisors, Planning Commission, Board of Zoning Appeals meetings, and other programs highlighting the services of County agencies.

In FY 2013, the percent of I-Net locations constructed (90 percent) and activated for video (80 percent), did not meet their performance targets due primarily to unanticipated project delays. The FY 2014 and FY 2015 future estimates have been adjusted based on the FY 2013 experience.

Fund 40030 Cable Communications

FUND STATEMENT

Fund 40030, Cable Communications

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
Beginning Balance	\$17,936,386	\$6,282,583	\$14,355,300	\$3,328,701
Revenue:				
Miscellaneous Revenue	\$701	\$1,200	\$1,200	\$1,200
Fines and Penalties	11,200	0	0	0
I-Net and Equipment Grant	7,222,121	6,474,603	6,474,603	7,294,523
Franchise Operating Fees	16,906,911	17,616,774	17,616,774	17,076,403
Total Revenue	\$24,140,933	\$24,092,577	\$24,092,577	\$24,372,126
Total Available	\$42,077,319	\$30,375,160	\$38,447,877	\$27,700,827
Expenditures:				
Personnel Services	\$5,425,610	\$5,335,332	\$5,382,914	\$5,792,992
Operating Expenses	4,190,972	4,433,336	12,795,217	3,572,096
Capital Equipment	521,508	350,000	587,952	450,000
Subtotal Expenditures	\$10,138,090	\$10,118,668	\$18,766,083	\$9,815,088
Transfers Out:				
General Fund (10001) ¹	\$4,270,457	\$4,145,665	\$4,145,665	\$3,148,516
Information Technology (10040) ²	3,260,000	2,900,000	2,900,000	2,900,000
Capital Renewal Construction (30020)	285,000	0	0	0
Technology Infrastructure Services (60030) ³	4,620,303	4,475,253	4,475,253	5,870,771
Schools Operating Fund (S10000) ⁴	600,000	0	600,000	600,000
Schools Grants & Self Supporting (S50000) ⁴	4,298,169	4,482,175	3,882,175	2,257,314
Schools Grants & Self Supporting (S50000) ⁵	250,000	250,000	350,000	350,000
Total Transfers Out	\$17,583,929	\$16,253,093	\$16,353,093	\$15,126,601
Total Disbursements	\$27,722,019	\$26,371,761	\$35,119,176	\$24,941,689
Ending Balance⁶	\$14,355,300	\$4,003,399	\$3,328,701	\$2,759,138
Reserve for PC Replacement	\$31,500	\$31,500	\$31,500	\$31,500
Unreserved Ending Balance	\$14,323,800	\$3,971,899	\$3,297,201	\$2,727,638

Fund 40030

Cable Communications

¹The base Transfer Out to the General Fund represents compensation for staff and services provided by the County primarily for cable-related activities and is calculated as 20 percent of the franchise operating fees. In addition, annual reconciliation of the revenue and subsequent transfer is conducted and necessary adjustments have been incorporated in the FY 2015 budget.

²In FY 2015, this funding reflects a direct transfer of \$2.9 million to Fund 10040, Information Technology, to support multiple IT project requirements, including the expansion of wireless service to all library branches.

³Funding of \$1,814,103 reflects a direct transfer to Fund 60030, Technology Infrastructure Services, to support staff and equipment costs related to construction of the I-Net. In addition, in FY 2015 an amount of \$3,796,668 is included reflecting the third year of a multi-year commitment to replace and refresh core elements of the I-Net, and \$260,000 reflects support for the Library Wireless project.

⁴The base Transfer Out to the Schools funding reflects compensation for staff and services provided by the Fairfax County Public Schools (FCPS) and is calculated as 20 percent of the franchise operating fees. Of this total, FCPS directs \$600,000 to Fund S10000, School Operating Fund, with the remaining total directed to Fund S50000, Schools Grants & Self Supporting. Annual reconciliation of the revenue and subsequent transfer is conducted and necessary adjustments have been incorporated in the FY 2015 budget. It should be noted that the FY 2013 actual transfer to Schools from Fund 40030 was directed entirely to Fund S50000; however, FY 2013 actuals have been restated to reflect the \$600,000 that FCPS redirected from S50000 to Fund S10000. The *FY 2014 Revised Budget Plan* reflects this same adjustment; which will be formally adjusted a part of the *FY 2014 Third Quarter Review*.

⁵This funding reflects a direct transfer of \$350,000 to FCPS to support a replacement equipment grant.

⁶Actual ending balances fluctuate year to year, as ending balances are reappropriated within Fund 40030. Equipment and services expenditure requirements fluctuate year to year based on I-Net construction and maintenance schedule.