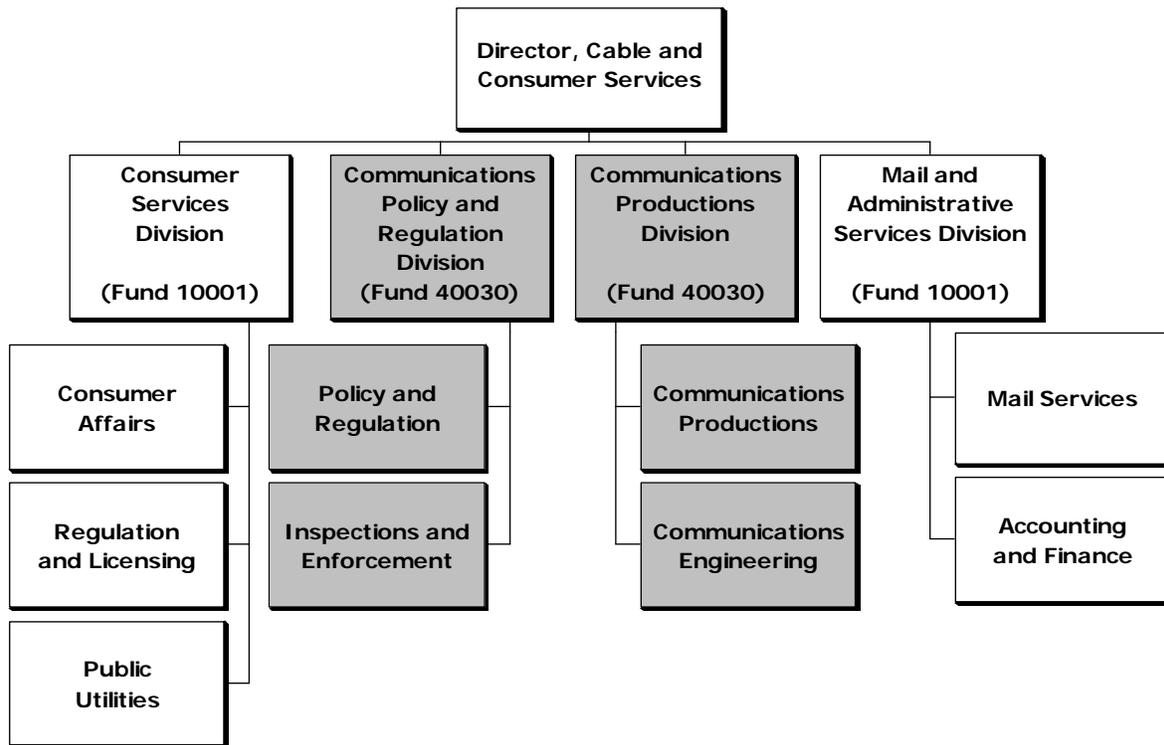


Fund 40030 Cable Communications



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 288,000 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.

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 enforces construction codes and standards on a competitively neutral basis. In FY 2014, more than 91 percent of inspected work sites were in compliance with applicable codes.

Communications Policy and Regulation consults with the Department of Information Technology and monitors new developments in cable and broadband legislation, regulation, and technology, tracking cable 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 composed 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 804,000 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 2016, approximately \$18.7 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 2014 Actual | FY 2015 Adopted | FY 2015 Revised | FY 2016 Advertised |
|--|--------------------|--------------------|---------------------|-----------------------|
| FUNDING | | | | |
| Expenditures: | | | | |
| Personnel Services | \$5,657,542 | \$5,845,923 | \$5,845,923 | \$6,214,499 |
| Operating Expenses | 3,599,255 | 3,572,096 | 12,494,413 | 5,726,190 |
| Capital Equipment | 274,696 | 450,000 | 713,256 | 450,000 |
| Total Expenditures | \$9,531,493 | \$9,868,019 | \$19,053,592 | \$12,390,689 |
| AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE) | | | | |
| Regular | 52 / 52 | 52 / 52 | 52 / 52 | 52 / 52 |

FY 2016 Funding Adjustments

The following funding adjustments from the FY 2015 Adopted Budget Plan are necessary to support the FY 2016 program.

- ◆ **Employee Compensation** **\$145,135**
 An increase of \$145,135 in Personnel Services includes \$46,073 for a 0.84 percent market rate adjustment (MRA) for all employees and \$99,062 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2015.
- ◆ **Other Post-Employment Benefits** **\$1,532**
 An increase of \$1,532 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 2016 Advertised Budget Plan.
- ◆ **Personnel Services** **\$221,909**
 An increase of \$221,909 is required to support increased fringe benefit and salary costs based on actual experience in the fund.
- ◆ **Operating Expenses Adjustment** **\$2,154,094**
 An increase of \$2,154,094 in Operating Expenses includes \$1,972,588 in funding for I-Net equipment costs fully supported by available I-Net revenue in FY 2016. In addition, funding of \$158,106 is included to fully fund increased Government Center Complex charges due to an increased number of capital renewal projects to comply with Americans with Disabilities Act (ADA) requirements and \$23,400 was included for miscellaneous Operating Expenses.
- ◆ **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.

Fund 40030

Cable Communications

Changes to FY 2015 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2015 Revised Budget Plan since passage of the FY 2015 Adopted Budget Plan. Included are all adjustments made as part of the FY 2014 Carryover Review, and all other approved changes through December 31, 2014.

◆ **Carryover Adjustments** **\$9,185,573**

As part of the FY 2014 Carryover Review, the Board of Supervisors approved encumbered funding of \$2,806,903 in Operating Expenses and \$6,378,670 in unencumbered carryover primarily attributable to unexpended funds related to the design and operation of the I-Net.

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.

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 2014 Actual | FY 2015 Adopted | FY 2015 Revised | FY 2016 Advertised |
|---|--|--|--------------------|-----------------------|
| EXPENDITURES | | | | |
| Total Expenditures | \$2,701,045 | \$2,958,632 | \$2,958,932 | \$4,067,672 |
| AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE) | | | | |
| Regular | 23 / 23 | 23 / 23 | 23 / 23 | 23 / 23 |
| <hr/> | | | | |
| <u>Office of the Director</u> 1 Director, DCCS 1 Administrative Assistant V <u>Regulation and Licensing</u> 1 Administrative Assistant III <u>Administrative Services</u> 1 Financial Specialist III 1 Administrative Assistant IV | <u>Communications Policy and Regulation Division</u> 1 Director, Policy and Regulation 1 Administrative Assistant IV <u>Policy and Regulation</u> 2 Management Analysts III <u>Public Utilities</u> 2 Utilities Analysts | <u>Inspections and Enforcement</u> 1 Engineer III 1 Engineering Technician III 1 Communications Engineer 6 Senior Electrical Inspectors <u>Consumer Affairs</u> 1 Consumer Specialist II 1 Consumer Specialist I 1 Administrative Assistant II | | |
| <hr/> | | | | |
| TOTAL POSITIONS | | | | |
| 23 Positions / 23.0 FTE | | | | |

Fund 40030

Cable Communications

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 2014 Actual | FY 2015 Adopted | FY 2015 Revised | FY 2016 Advertised |
|--|-------------------|--------------------|--------------------|-----------------------|
| EXPENDITURES | | | | |
| Total Expenditures | \$4,099,507 | \$4,533,436 | \$4,802,844 | \$4,761,977 |
| 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 | Administrative Associate |
| 1 | Administrative Assistant IV | 2 | Network Telecom Analysts II | 1 | Video Engineer |
| 1 | Administrative Assistant II | 1 | Network Telecom Analyst I | 1 | Administrative Assistant III |
| | | | | 1 | Administrative Assistant II |
| <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 2014 Actual | FY 2015 Adopted | FY 2015 Revised | FY 2016 Advertised |
|--|-------------------|--------------------|--------------------|-----------------------|
| EXPENDITURES | | | | |
| Total Expenditures | \$2,730,941 | \$2,375,951 | \$11,291,816 | \$3,561,040 |
| 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 |
|--|--------------------|----------------|-------------------------|------------------|
| | FY 2012 Actual | FY 2013 Actual | FY 2014 Estimate/Actual | FY 2015 |
| Communications Policy and Regulation Division | | | | |
| Percent of cable communications construction work sites inspected | 23% | 21% | 18% / 19% | 24% |
| Percent of homeowner cable construction complaints completed | 100% | 100% | 100% / 100% | 100% |
| Percent of favorably resolved cable service complaints | 100% | 99% | 97% / 100% | NA |
| Percent of inquiries completed | 100% | 100% | 99% / 100% | 99% |
| Communications Productions Division | | | | |
| Percent of requested programs completed | 100% | 100% | 98% / 100% | 98% |
| Percent of program transmission uptime | 98.2% | 99.2% | 99.5% / 98.8% | 99.5% |
| Percent of duplication requests completed within required deadline | 99% | 100% | 100% / 100% | 100% |
| Institutional Network | | | | |
| Percent of I-Net locations constructed | 100% | 90% | 85% / 88% | 90% |
| Percent of I-Net locations activated for video | 100% | 80% | 75% / 100% | 80% |
| Percent of I-Net overall uptime | 99.9% | 99.9% | 99.9% / 99.9% | 99.9% |

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2016/advertised/pm/40030.pdf

Performance Measurement Results

The FY 2015 estimate for construction work sites have been adjusted to reflect the FY 2014 workload. Beginning 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 2014, the Communications Productions Division (CPD) produced over 860 hours of original programming, an increase of over 80 hours from FY 2013. This is due in part to an increase in training programming produced for the Fairfax County Training Network. Based on FY 2012 - FY 2014 actuals, the FY 2015 estimate for “Staff Hours per Transmission Interruption Resolution” and “Staff Hours per Duplication Request” have been reduced.

In FY 2014, 87 I-Net incidents were repaired which exceeded the estimate of 75 due to increased construction and road repair activity within the County. The FY 2015 estimate has been adjusted based on the FY 2014 experience.

Fund 40030 Cable Communications

FUND STATEMENT

Fund 40030, Cable Communications

| | FY 2014 Actual | FY 2015 Adopted Budget Plan | FY 2015 Revised Budget Plan | FY 2016 Advertised Budget Plan |
|---|-------------------|-----------------------------------|-----------------------------------|--------------------------------------|
| Beginning Balance | \$14,355,300 | \$3,328,701 | \$12,950,994 | \$3,142,927 |
| Revenue: | | | | |
| Miscellaneous Revenue | \$2,603 | \$1,200 | \$1,200 | \$1,000 |
| Fines and Penalties | 20,000 | 0 | 0 | 0 |
| I-Net and Equipment Grant | 6,979,820 | 7,294,523 | 7,294,523 | 7,367,468 |
| Franchise Operating Fees | 17,477,857 | 17,076,403 | 17,076,403 | 17,800,000 |
| Total Revenue | \$24,480,280 | \$24,372,126 | \$24,372,126 | \$25,168,468 |
| Total Available | \$38,835,580 | \$27,700,827 | \$37,323,120 | \$28,311,395 |
| Expenditures: | | | | |
| Personnel Services | \$5,657,542 | \$5,845,923 | \$5,845,923 | \$6,214,499 |
| Operating Expenses | 3,599,255 | 3,572,096 | 12,494,413 | 5,726,190 |
| Capital Equipment | 274,696 | 450,000 | 713,256 | 450,000 |
| Total Expenditures | \$9,531,493 | \$9,868,019 | \$19,053,592 | \$12,390,689 |
| Transfers Out: | | | | |
| General Fund (10001) ¹ | \$4,145,665 | \$3,148,516 | \$3,148,516 | \$3,532,217 |
| Information Technology (10040) ² | 2,900,000 | 2,900,000 | 2,900,000 | 3,680,240 |
| Technology Infrastructure Services (60030) ³ | 4,475,253 | 5,870,771 | 5,870,771 | 4,621,425 |
| Schools Operating Fund (S10000) ⁴ | 600,000 | 600,000 | 600,000 | 600,000 |
| Schools Grants & Self Supporting (S50000) ⁴ | 3,882,175 | 2,257,314 | 2,257,314 | 2,932,217 |
| Schools Grants & Self Supporting (S50000) ⁵ | 350,000 | 350,000 | 350,000 | 350,000 |
| Total Transfers Out | \$16,353,093 | \$15,126,601 | \$15,126,601 | \$15,716,099 |
| Total Disbursements | \$25,884,586 | \$24,994,620 | \$34,180,193 | \$28,106,788 |
| Ending Balance⁶ | \$12,950,994 | \$2,706,207 | \$3,142,927 | \$204,607 |

¹ The 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 2016 budget.

² In FY 2016, this funding reflects a direct transfer of \$3.7 million to Fund 10040, Information Technology, to support multiple IT project requirements.

³ Funding 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 2016 an amount of \$2,807,322 is included reflecting the fourth year of a multi-year commitment to replace and refresh core elements of the I-Net.

⁴ The 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 2016 budget.

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

⁶ Actual 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.