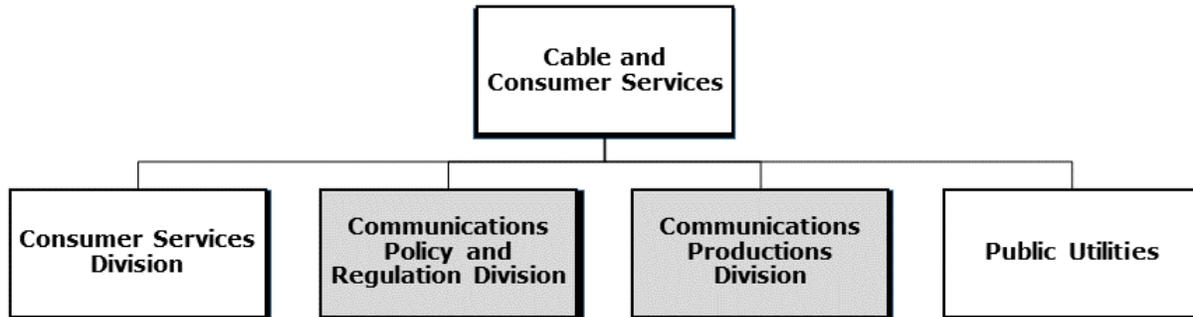


Fund 40030

Cable Communications



The Department of Cable and Consumer Services is the umbrella agency for four distinct functions: Consumer Services, Communications Policy and Regulation, Communications Productions, and Public Utilities. The total agency staff is dispersed over two funding sources, the Cable Communications Fund and the General Fund. Communications Policy and Regulation and Communications Productions are presented in Fund 40030 (Volume 2). Fund 40030 is supported principally by revenue received from local cable operators through franchise agreements. Consumer Services and Public Utilities are presented within the Public Safety Program Area of the General Fund (Volume 1). 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.



It is important to note that as part of the FY 2017 Adopted Budget Plan, the Mail Services section of the General Fund, which manages outgoing and incoming U.S. mail as well as inter-office mail and distribution, is being transferred to Fund 60020, Document Services, as a result of a reorganization designed to generate efficiencies. The Department of Information Technology manages Fund 60020 which should facilitate the increased use of technology to perform mail services-related tasks. In addition, the Accounting and Finance section, which is responsible for the development and oversight of the Department's budget and other related work, is being transferred to Fund 40030.

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

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.

Fund 40030 Cable Communications

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 286,000 cable subscribers, and providing over 71 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 2015, more than 94 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 fiber optic construction at new and existing County and FCPS locations. These locations are provided video,

Cable Communications supports the following County Vision Elements:



Maintaining Safe and Caring Communities



Creating a Culture of Engagement



Connecting People and Places



Exercising Corporate Stewardship



Building Livable Spaces

Fund 40030 Cable Communications

high-speed data, and voice services via the I-Net. The I-Net is the backbone of the County Enterprise-Wide Network and its operational management is the responsibility of the Department of Information Technology. It is composed of more than 4,000 kilometers of fiber linking over 400 County and Fairfax County Public Schools locations.

Communications Productions operates 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 795,000 residents via cable television and reaches an even larger audience through live video-streaming and video-on-demand. Channel 16 reaches an increasingly diverse community by offering programs translated into 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 30,000 Fairfax County Government 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 teleconferencing.

During the period from FY 2012 – FY 2017, approximately \$20.7 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.

Budget and Staff Resources

Category	FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$5,572,360	\$6,228,760	\$6,228,760	\$6,449,459	\$6,449,459
Operating Expenses	5,224,927	5,726,190	10,345,042	6,588,712	6,588,712
Capital Equipment	492,994	450,000	3,136,106	450,000	450,000
Total Expenditures	\$11,290,281	\$12,404,950	\$19,709,908	\$13,488,171	\$13,488,171
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	52 / 52	52 / 52	52 / 52	54 / 54	54 / 54

Fund 40030

Cable Communications

FY 2017 Funding Adjustments

The following funding adjustments from the FY 2016 Adopted Budget Plan are necessary to support the FY 2017 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 26, 2016.

- ◆ **Employee Compensation** **\$153,132**
An increase of \$153,132 in Personnel Services includes \$73,530 for a 1.33 percent market rate adjustment (MRA) for all employees and \$78,264 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2016, as well as \$1,338 for employee pay increases for specific job classes identified in the County's benchmark class survey for comparator jurisdictions.
- ◆ **Funding for Positions Transfer** **\$140,000**
An increase of \$140,000 in Personnel Services is associated with the transfer of 2/2.0 FTE positions from the Department of Cable and Consumer Services (DCCS) in the General Fund to Fund 40030, Cable Communications. This realignment is part of a larger reorganization resulting in the transfer of the Mail Services section of DCCS to Fund 60020, Document Services, in order to generate efficiencies.
- ◆ **Other Post-Employment Benefits** **(\$72,433)**
A decrease of \$72,433 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 2017 Adopted Budget Plan.
- ◆ **Operating Expenses Adjustment** **\$862,522**
An increase of \$862,522 in Operating Expenses includes \$729,522 in funding for I-Net equipment costs fully supported by available I-Net revenue in FY 2017. In addition, funding of \$125,000 is included to replace a showmobile stage which has reached its end of life and can no longer functionally operate and \$8,000 is included based on the agency increasing the number of PCs included in the County's PC Replacement Program.
- ◆ **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 2016 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2016 Revised Budget Plan since passage of the FY 2016 Adopted Budget Plan. Included are all adjustments made as part of the FY 2015 Carryover Review, FY 2016 Third Quarter Review, and all other approved changes through April 30, 2016.

- ◆ **Carryover Adjustments** **\$7,304,958**
As part of the FY 2015 Carryover Review, the Board of Supervisors approved encumbered funding of \$1,599,685 in Operating Expenses and \$5,705,273 in unencumbered carryover primarily attributable to unexpended funds related to the design and operation of the I-Net.

Fund 40030

Cable Communications

Cost Centers

The three cost centers within Fund 40030, Cable Communications, are the Communications Policy and Regulation Division, Communications Productions Division, and the Institutional Network. They work together to achieve the mission of the Fund.

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 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
EXPENDITURES					
Total Expenditures	\$2,643,868	\$4,073,657	\$4,168,039	\$3,483,173	\$3,483,173
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	23 / 23	23 / 23	23 / 23	25 / 25	25 / 25
<hr/>					
1 <u>Office of the Director</u> Director, DCCS 1 Administrative Assistant V 1 <u>Regulation and Licensing</u> Administrative Assistant III 1 <u>Administrative Services</u> Financial Specialist III 1 Financial Specialist II (1T) 1 Administrative Assistant IV 1 Administrative Assistant III (1T)	1 1 1 2 2	<u>Communications Policy and Regulation Division</u> Director, Policy and Regulation Administrative Assistant IV <u>Policy and Regulation</u> Management Analysts III <u>Public Utilities</u> Utilities Analysts	<u>Inspections and Enforcement</u> 1 Consumer Specialist 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					
25 Positions (2T) / 25.0 FTE (2.0T)					

(T) Denotes Transferred Positions

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 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
EXPENDITURES					
Total Expenditures	\$4,315,930	\$4,769,087	\$5,018,329	\$4,899,926	\$4,899,926
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	29 / 29	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				
5	Assistant Producers				
1	Graphic Artist IV				
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 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
EXPENDITURES					
Total Expenditures	\$4,330,483	\$3,562,206	\$10,523,540	\$5,105,072	\$5,105,072
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0

Fund 40030 Cable Communications

Key Performance Measures

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate/Actual	FY 2016	FY 2017
Communications Policy and Regulation Division					
Percent of homeowner cable construction complaints completed	100%	100%	100%/100%	100%	100%
Percent of favorably resolved cable service complaints	99%	100%	NA/NA	NA	NA
Percent of inquiries completed	100%	100%	99%/100%	99%	99%
Percent of inspected work sites in compliance with applicable codes	95%	91%	NA/94%	93%	93%
Communications Productions Division					
Percent of requested programs completed	100%	100%	98%/99%	98%	98%
Percent of program transmission uptime	99.2%	98.8%	99.5%/99.7%	99.5%	99.5%
Percent of duplication requests completed within required deadline	100%	100%	100%/100%	100%	NA
Percent of reservation requests scheduled	NA	NA	NA/96%	96%	96%
Institutional Network					
Percent of I-Net locations constructed	90%	88%	90%/100%	90%	90%
Percent of I-Net locations activated for video	80%	100%	80%/100%	80%	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/fy2017/adopted/pm/40030.pdf

Performance Measurement Results

The Communications Inspections and Enforcement service area's output indicator has been updated to reflect cable communications construction work sites inspected by staff. In FY 2015, staff inspected 13,857 cable communications construction work sites. The service quality indicator has been updated to note the percentage of noncompliance notices issued within one business day after inspection. The outcome indicator has been updated to report the objective of the measure which is the percent of inspected work sites in compliance with applicable codes. In FY 2015, 94 percent of cable communications construction work sites inspected were in compliance with applicable codes.

In FY 2015, the Communications Productions Division (CPD) produced 936 hours of original programming, an increase of approximately 75 hours over FY 2014. This is due in part to an increase in requests for production by County agencies. CPD increased the program transmission uptime from 98.8 percent in FY 2014 to 99.7 percent in FY 2015. This is due to implementation of new processes and updated infrastructure.

Fund 40030

Cable Communications

Requests for DVD duplication services have decreased over the past three fiscal years due to the availability of programs through video-on-demand. In FY 2013, Communications Productions completed 562 requests for DVD duplication services; 470 requests in FY 2014; and 434 requests in FY 2015. Due to increased access to video programming on the Fairfax County website, Communications Productions will no longer track this performance measure beginning in FY 2017.

Starting in FY 2015, Meeting Space Management and Event Support performance measures were established to track performance in this line of business. Specifically, these measures will track the agency's ability to schedule reservation requests while meeting client's needs.

In FY 2015, 22 I-Net locations were constructed and five I-Net locations were activated for video transport. Both measures met the projected plan for FY 2015. In FY 2015, 103 I-Net incidents were repaired which exceeded the estimate of 85 due to increased construction and road repair activity within the County. The FY 2017 estimate has been adjusted based on the FY 2015 experience.

Fund 40030 Cable Communications

FUND STATEMENT

Fund 40030, Cable Communications

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Beginning Balance	\$12,950,994	\$3,142,927	\$11,938,592	\$1,681,053	\$1,681,053
Revenue:					
Miscellaneous Revenue	\$529	\$1,000	\$1,000	\$1,000	\$1,000
Fines and Penalties	9,000	0	0	0	0
I-Net and Equipment Grant	7,269,189	7,367,468	7,367,468	7,562,861	7,562,861
Franchise Operating Fees	18,125,762	17,800,000	17,800,000	18,300,000	18,300,000
Total Revenue	\$25,404,480	\$25,168,468	\$25,168,468	\$25,863,861	\$25,863,861
Total Available	\$38,355,474	\$28,311,395	\$37,107,060	\$27,544,914	\$27,544,914
Expenditures:					
Personnel Services	\$5,572,360	\$6,228,760	\$6,228,760	\$6,449,459	\$6,449,459
Operating Expenses	5,224,927	5,726,190	10,345,042	6,588,712	6,588,712
Capital Equipment	492,994	450,000	3,136,106	450,000	450,000
Total Expenditures	\$11,290,281	\$12,404,950	\$19,709,908	\$13,488,171	\$13,488,171
Transfers Out:					
General Fund (10001) ¹	\$3,148,516	\$3,532,217	\$3,532,217	\$3,869,872	\$3,869,872
Information Technology (10040) ²	2,900,000	3,680,240	3,680,240	2,000,000	2,000,000
Technology Infrastructure Services (60030) ³	5,870,771	4,621,425	4,621,425	3,545,391	3,545,391
Schools Operating Fund (S10000) ⁴	600,000	600,000	600,000	600,000	600,000
Schools Grants & Self Supporting (S50000) ⁴	2,257,314	2,932,217	2,932,217	3,269,872	3,269,872
Schools Grants & Self Supporting (S50000) ⁵	350,000	350,000	350,000	350,000	350,000
Total Transfers Out	\$15,126,601	\$15,716,099	\$15,716,099	\$13,635,135	\$13,635,135
Total Disbursements	\$26,416,882	\$28,121,049	\$35,426,007	\$27,123,306	\$27,123,306
Ending Balance⁶	\$11,938,592	\$190,346	\$1,681,053	\$421,608	\$421,608

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 2017 budget.

² In FY 2017, this funding reflects a direct transfer of \$2.0 million to Fund 10040, Information Technology, to support multiple IT project requirements.

³ FY 2017 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 2017 an amount of \$1,731,288 is included reflecting the fifth 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 2017 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.