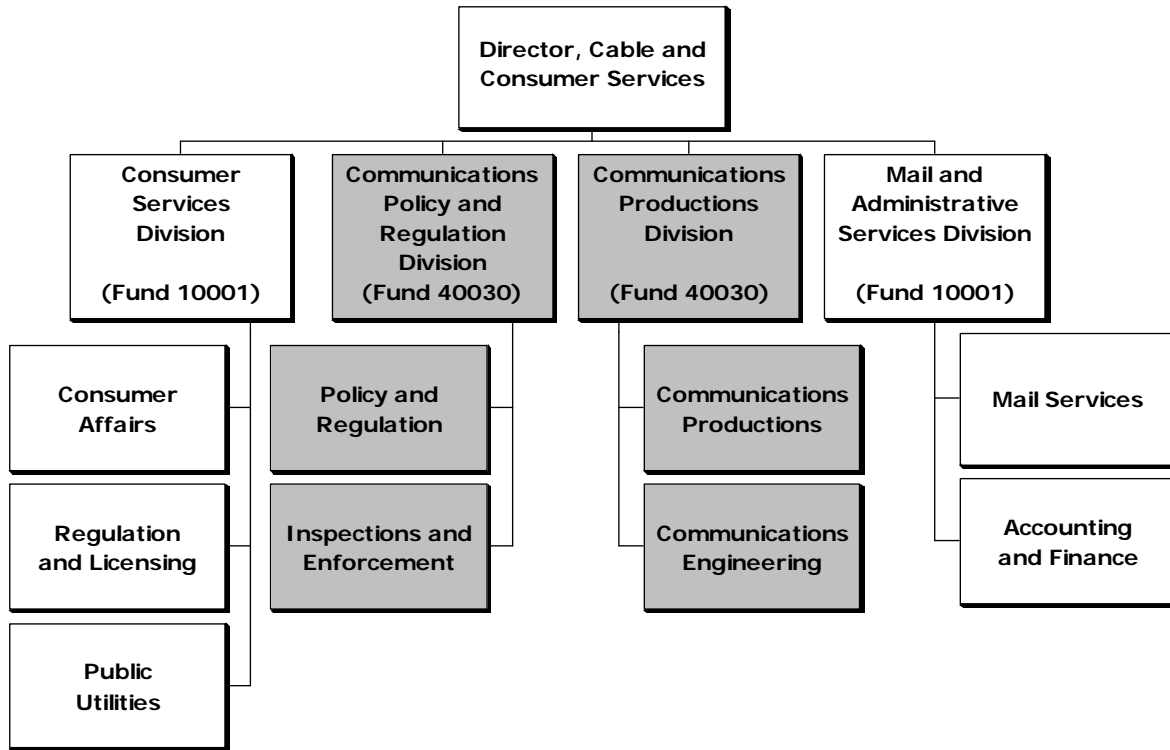


## Fund 40030 Cable Communications



The Department of Cable and Consumer Services (DCCS) 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. The Cable Communications function, which includes the Communications Policy and Regulation Division and the Communications Productions Division, is responsible for communications regulation and for television programming, and is presented in Fund 40030 (formerly Fund 105) (Volume 2). Fund 40030 is supported principally by revenue received from local cable operators through franchise agreements. Consumer Services, which mediates complaints, educates consumers, regulates taxicabs, issues licenses, and provides utility rate case intervention, 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 (FCTN).

To accomplish the mission, Cable Communications encourages competition, innovation, and inclusion of local community interests in the countywide deployment of cable communications services; negotiates, drafts, and provides regulatory oversight and enforcement of cable communications contracts, ordinances, statutes, and customer service policies; protects the health, safety, and welfare of the public by enforcing safety codes and construction standards; ensures community access to public, educational, and governmental programming; maintains a reliable means of mass communication of official information during emergencies; provides digital media production services to create informational programming for County residents accessible through a variety of distribution channels; and supports 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 Institutional Network (I-Net) and 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.

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. At the end of FY 2012, there were over 280,000 cable subscribers within the County. More than two-thirds of County households now have a choice of cable service providers. Comcast and Cox provide service in separate, non-overlapping franchise areas. Verizon's franchise agreement specifies service throughout the County by 2012, subject to residential density and other conditions. Franchised cable service providers continue to offer video, broadband Internet access, and voice services. CPRD 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

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CPRD enforces construction codes and standards on a competitively neutral basis. In FY 2012, more than 96 percent of inspected work sites were in compliance with applicable codes. Verizon expects to complete build-out of the fiber-optic cable communications system in FY 2013, and Cox and Comcast will continue to replace and upgrade portions of the hybrid fiber-coaxial systems resulting in a continued need for construction-related inspections and complaint investigations.

In FY 2012, CPRD worked to analyze proposed state and federal cable, broadband, and telecommunications legislation and regulation. CPRD continues to work with other County agencies to monitor the fiscal impact on the CCF of the Virginia General Assembly's 2007 Communications Sales and Use Tax legislation. CPRD will also continue to work with the County Executive's legislative liaison and TeleCommUnity, a local government alliance, to monitor new developments in cable and broadband legislation, regulation and technology, and to work with other Department of Cable and Consumer Services (DCCS) staff to develop related consumer education materials. CPRD also continues to be active with public safety and new technology initiatives, and in particular, it provides consultation to the Department of Information Technology on various carrier and broadband regulatory matters before the Federal Communications Commission.



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 (FCPS) locations. CPRD 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. In FY 2014, for organizational and programmatic purposes and to properly align the budget with FOCUS, a new cost center has been created to highlight the I-Net function within Fund 40030. This new cost center will be referred to as the Institutional Network cost center and will be managed by the Department of Information Technology.

The Communications Productions Division (CPD) is responsible for the production of television programming for Fairfax County Government Channel 16 and the Fairfax County Training Network (FCTN). Channel 16 programming includes both Board-directed programming and program proposals submitted by County agencies. In FY 2014, Channel 16 will televise an estimated 330 live meetings of the Board of Supervisors, Planning Commission, Board of Zoning Appeals, County Executive projects, Board-directed special programming, town meetings, and monthly video newsletters for members of the Board of Supervisors. In addition, Channel 16 will televise programs and teleconferences highlighting the services of County agencies. The final number of informational programs produced in FY 2014 will be determined based on the needs of County agencies. Channel 16 reaches an estimated 645,000 residents with information about County programs and services available in the community. In addition Channel 16 programming is available via streaming and video-on-demand, reaching an even larger audience. CPD is also reaching out to an increasingly diverse community by offering translated programming including Spanish, Korean, and Vietnamese, as requested by County agencies.

In addition to programming for the public, CPD is responsible for programming on closed-circuit FCTN via the Fairfax County I-Net. In FY 2014, CPD will televise training and internal communications productions, as well as national satellite conferences, telecommunication courses, video training, and

## Fund 40030

### Cable Communications

lectures on areas such as leadership, ethics, public health and safety, and management techniques. FCTN programming reaches approximately 25,000 combined County and Fairfax County Public Schools' employees, providing the latest training and professional development programming to improve services to the public.

During FY 2014, CPD will continue to operate an emergency message system for the public, serve as a centralized resource for loan pool equipment for County agencies, manage a satellite downlink, and support video teleconferencing. CPD also provides engineering support services to County agencies and new County facilities that require complex audio and video installations.

CPD will continue to evaluate and redesign Channel 16 and FCTN programming, enhance current operations and customer service through technology changes, and support live remote testimony for public hearings. CPD will continue to maintain a national presence, be a leader in the quality of programming produced, and research new services to enhance operations.

In FY 2012 the Meeting Space Management and Event Support (MSMES) group was consolidated into CPD. MSMES is responsible for staffing and operation of the Government Center Conference Center, including reservations and scheduling, room set-up, and audio-visual support. MSMES supports the Fairfax County Board of Supervisors; Fairfax County agencies, Boards, Authorities, and Commissions (BACs); non-profit organizations; and others who need meeting and event space at the Government Center.

During FY 2013 and FY 2014, approximately \$12.0 million of the Fund 40030 balance has been used to support critical IT projects, including the multi-year commitment to refresh core elements of the I-Net, the Police In-Car Video Project, and several other IT-related projects.

## Budget and Staff Resources

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
<b>FUNDING</b>				
Expenditures:				
Personnel Services	\$4,888,064	\$5,283,890	\$5,283,890	\$5,335,332
Operating Expenses	4,230,821	4,931,709	12,904,445	4,433,336
Capital Equipment	83,222	300,000	709,459	350,000
Capital Projects	0	0	0	0
Total Expenditures	\$9,202,107	\$10,515,599	\$18,897,794	\$10,118,668
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>				
Regular	51 / 51	52 / 52	52 / 52	52 / 52

## Fund 40030

### Cable Communications

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#### FY 2014 Funding Adjustments

*The following funding adjustments from the FY 2013 Adopted Budget Plan are necessary to support the FY 2014 program:*

- ◆ **Employee Compensation** **\$46,439**  
An increase of \$46,439 in Personnel Services reflects the full year impact of the FY 2013 2.5 percent performance-based scale and salary increase, effective January 2013, for non-uniformed employees. It should be noted that no funding is included for additional employee compensation for this department in FY 2014.
  
- ◆ **Other Post-Employment Benefits** **\$5,003**  
An increase of \$5,003 is required to reflect increased costs associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. Before FY 2011, costs related to these benefits were paid solely by the General Fund; however, these costs annual are now spread across funds in order to more appropriately reflect benefit-related expenses for the employees within each fund. For more information on Other Post-Employment Benefits, please refer to Fund 73030, the OPEB Trust Fund in Volume 2 of the FY 2014 Advertised Budget Plan.
  
- ◆ **Operating Expenses Adjustment** **(\$498,373)**  
A net decrease of \$498,373 in Operating Expenses includes a decrease of \$612,514 in the Communication Infrastructure Technologies area, reflecting projected FY 2014 I-Net revenue. This decrease in revenue is based on lower than projected actual recurring receipts and will reduce funding available for I-Net equipment. This decrease in Operating Expenses is partially offset by an increase of \$114,141 in the Communications Productions Division primarily for the Meeting Space Management and Event Support Branch supporting requirements in the Government Center Conference Center, captioning services for Planning Commission and Board of Zoning Appeals meetings, and showmobile-related costs.
  
- ◆ **Capital Equipment** **\$350,000**  
Capital Equipment funding of \$350,000 includes \$250,000 for video replacement equipment in the Communications Productions Division. In addition, \$50,000 is included for I-Net data and video network equipment, \$25,000 for the first year of a multi-year equipment refresh of the audio-video presentations systems located in the Government Center Conference Center and \$25,000 for the replacement of an Assistive Listening System unit.

#### Changes to FY 2013 Adopted Budget Plan

*The following funding adjustments reflect all approved changes in the FY 2013 Revised Budget Plan since passage of the FY 2013 Adopted Budget Plan. Included are all adjustments made as part of the FY 2012 Carryover Review, and all other approved changes through December 31, 2012:*

- ◆ **Carryover Adjustments** **\$8,382,195**  
As part of the FY 2012 Carryover Review, the Board of Supervisors encumbered funding of \$285,154 for various expenses associated with the I-Net installation and relocation and for various other expenses associated with the Cox Communications Franchise Renewal. In addition, unencumbered funding of \$8,097,041 was approved to fully appropriate the I-Net balance and various Channel 16 capital equipment acquisitions.

# Fund 40030

## Cable Communications

### Cost Centers

The three cost centers within Fund 40030, Cable Communications that 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

A large portion of the Communications Policy and Regulation Division (CPRD) is dedicated for I-Net initiatives. In addition, the CPRD negotiates cable franchise agreements and is responsible for regulatory oversight of the County's three franchised cable television providers.

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
EXPENDITURES				
Total Expenditures	\$2,376,711	\$2,668,176	\$2,715,840	\$2,708,619
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	22 / 22	23 / 23	23 / 23	23 / 23
<hr/>				
<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		
<u>Regulation and Licensing</u>		6 Senior Electrical Inspectors		
1 Administrative Assistant III	<u>Policy and Regulation</u>	<u>Consumer Affairs</u>		
	2 Management Analysts III	1 Consumer Specialist II		
<u>Administrative Services</u>		1 Consumer Specialist I		
1 Financial Specialist III	<u>Public Utilities</u>	1 Administrative Assistant II		
1 Administrative Assistant IV	2 Utilities Analysts			
<hr/>				
TOTAL POSITIONS				
23 Positions / 23.0 FTE				

#### Communications Productions Division

The Communications Productions Division (CPD) is responsible for the production of television programming for Fairfax County Government Channel 16 and the Fairfax County Training Network (FCTN).

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
<b>EXPENDITURES</b>				
Total Expenditures	\$3,361,413	\$3,954,108	\$4,368,810	\$4,125,123
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>				
Regular	29 / 29	29 / 29	29 / 29	29 / 29

## Fund 40030 Cable Communications

<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				
<b>TOTAL POSITIONS</b>					
<b>29 Positions / 29.0 FTE</b>					

### 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 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
<b>EXPENDITURES</b>				
Total Expenditures	\$3,463,983	\$3,893,315	\$11,813,144	\$3,284,926
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>				
Regular	0 / 0	0 / 0	0 / 0	0 / 0

### Key Performance Measures

Indicator	Prior Year Actuals			Current Estimate
	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimate/Actual	FY 2013
<b>Communications Policy and Regulation Division</b>				
Percent of cable communications construction work sites inspected	27%	27%	28% / 23%	25%
Percent of homeowner cable construction complaints completed	100%	100%	100% / 100%	100%
Percent of favorably resolved cable service complaints	100%	97%	95% / 100%	97%
Percent of inquiries completed	103%	100%	99% / 100%	99%
<b>Communications Productions Division</b>				
Percent of requested live programs completed	100%	100%	NA / NA	NA
Percent of requested studio programs completed	99%	101%	NA / NA	NA
Percent of requested field programs completed	101%	100%	NA / NA	NA
Percent of requested programs completed	101%	100%	98% / 100%	98%
Percent of program transmission uptime	NA	99.0%	99.5% / 98.2%	99.5%
Percent of duplication requests completed within required deadline	NA	91%	100% / 99%	100%

## Fund 40030 Cable Communications

Indicator	Prior Year Actuals			Current Estimate
	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimate/Actual	FY 2013
<b>Institutional Network</b>				
Percent of I-Net locations constructed	100%	73%	100% / 100%	100%
Percent of I-Net locations activated for video	140%	75%	100% / 100%	100%
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/fy2014/advertised/pm/40030.pdf](http://www.fairfaxcounty.gov/dmb/fy2014/advertised/pm/40030.pdf)

### Performance Measurement Results

In FY 2012, the percent of favorably resolved cable service complaints was 100 percent, exceeding the performance target for FY 2012 by 5 percent. Partially as a result, the FY 2013 estimate has been increased to 97 percent.

Verizon's fiber optic cable communications system construction will continue in FY 2013; construction may increase slightly from FY 2012 levels as Verizon completes build-out.

In FY 2012, CPD combined live, studio, and field program hours into a single measure and introduced two new families of measures to report on other lines of service. As a result, N/A appears in three of the outcome measures. Please refer to the "percent of requested programs completed" for the combined measure. In FY 2012, the percent of requested programs completed was 100 percent, exceeding the performance target. The numbers of requests from the Board of Supervisors, County Executive, and County agencies vary—it is the goal to complete at least 98 percent of requested programs.

In FY 2012, the percent of I-Net locations constructed (100 percent), activated for video (100 percent) and overall uptime (99.9 percent) each met their performance targets. In FY 2013, it is anticipated that this trend will continue.

# Fund 40030

## Cable Communications

### FUND STATEMENT

#### Fund 40030, Cable Communications

	<b>FY 2012 Actual</b>	<b>FY 2013 Adopted Budget Plan</b>	<b>FY 2013 Revised Budget Plan</b>	<b>FY 2014 Advertised Budget Plan</b>
<b>Beginning Balance</b>	\$24,288,130	\$7,746,933	\$17,936,386	\$6,282,583
Revenue:				
Miscellaneous Revenue	\$606	\$1,200	\$1,200	\$1,200
Fines and Penalties	64,350	0	0	0
I-Net and Equipment Grant	7,022,323	7,188,349	7,188,349	6,474,603
Franchise Operating Fees	15,978,933	17,638,371	17,638,371	17,616,774
<b>Total Revenue</b>	<b>\$23,066,212</b>	<b>\$24,827,920</b>	<b>\$24,827,920</b>	<b>\$24,092,577</b>
<b>Total Available</b>	<b>\$47,354,342</b>	<b>\$32,574,853</b>	<b>\$42,764,306</b>	<b>\$30,375,160</b>
Expenditures:				
Personnel Services	\$4,888,064	\$5,283,890	\$5,283,890	\$5,335,332
Operating Expenses <sup>1</sup>	4,230,821	4,931,709	12,904,445	4,433,336
Capital Equipment	83,222	300,000	709,459	350,000
<b>Subtotal Expenditures</b>	<b>\$9,202,107</b>	<b>\$10,515,599</b>	<b>\$18,897,794</b>	<b>\$10,118,668</b>
Transfers Out:				
General Fund (10001) <sup>2</sup>	\$6,901,043	\$4,270,457	\$4,270,457	\$4,145,665
Schools Grants & Self Supporting (\$50000) <sup>3</sup>	3,476,203	4,898,169	4,898,169	4,482,175
Schools Grants & Self Supporting (\$50000) <sup>4</sup>	250,000	250,000	250,000	250,000
Information Technology (10040) <sup>5</sup>	5,670,000	3,260,000	3,260,000	2,900,000
General Construction and Contributions (30010)	1,904,500	0	0	0
Public Safety Construction (30070)	200,000	0	0	0
Capital Renewal Construction (30020)	0	285,000	285,000	0
Technology Infrastructure Services (60030) <sup>6</sup>	1,814,103	4,620,303	4,620,303	4,475,253
<b>Total Transfers Out</b>	<b>\$20,215,849</b>	<b>\$17,583,929</b>	<b>\$17,583,929</b>	<b>\$16,253,093</b>
<b>Total Disbursements</b>	<b>\$29,417,956</b>	<b>\$28,099,528</b>	<b>\$36,481,723</b>	<b>\$26,371,761</b>
<b>Ending Balance<sup>7</sup></b>	<b>\$17,936,386</b>	<b>\$4,475,325</b>	<b>\$6,282,583</b>	<b>\$4,003,399</b>
Reserve for PC Replacement	\$31,500	\$31,500	\$31,500	\$31,500
<b>Unreserved Ending Balance</b>	<b>\$17,904,886</b>	<b>\$4,443,825</b>	<b>\$6,251,083</b>	<b>\$3,971,899</b>

## Fund 40030

### Cable Communications

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<sup>1</sup> In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of \$15.00 has been reflected as a decrease to FY 2012 expenditures. This adjustment has been included in the FY 2012 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2013 Third Quarter package.

<sup>2</sup> 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 2014 budget. It should be noted that the FY 2012 transfer to the General Fund includes an additional \$2.0 million redirected by delaying an IT project and \$1.3 million identified by the Auditor to the Board.

<sup>3</sup> 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. In addition, annual reconciliation of the revenue and subsequent transfer is conducted and necessary adjustments have been incorporated in the FY 2014 budget.

<sup>4</sup> This funding reflects a direct transfer to FCPS to support a replacement equipment grant of \$250,000.

<sup>5</sup> In FY 2014, this funding reflects a direct transfer of \$2.9 million to Fund 10040, Information Technology to support multiple IT project requirements.

<sup>6</sup> 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 2014 an amount of \$2,661,150 is included reflecting the second year of a multi-year commitment to replace and refresh core elements of the I-Net.

<sup>7</sup> 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.