



Cable Television Communications Plan

Approved FY18 Budget
\$16,071,604

Full Time Equivalents
32.50

Mission Statement

The mission of the Cable Television Communications Plan is to effectively manage the County's cable television and telecommunications franchise agreements and the Cable Special Revenue Fund to ensure that: cable services in Montgomery County are of high quality; cable and telecommunications providers comply with applicable safety and construction codes; cable customer service requirements and applicable consumer protection provisions are enforced; quality Public, Educational, and Governmental (PEG) cable programming is provided; FiberNet is expanded and operated to provide reliable voice, data, video and public safety communications to County government agencies; and a reliable and expedient process is provided for telecommunication carriers to establish transmission facilities in the County to speed deployment of services for residents while maintaining adequate public protection.

Budget Overview

For FY18, the Cable Communications Plan consists of three elements: the Cable & Broadband Office appropriation (\$16,071,604), transfers to the County General Fund (\$10,251,189), and transfers to the County Capital Improvements Program (\$4,570,000) for a total use of fund resources of \$30,892,793. Within the Cable Office appropriation of \$16,071,604, Personnel Costs comprise 26 percent of the budget for 14 full-time positions. A total of 32.5 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 74 percent of the FY18 budget.

In FY18, there are several transfers to the General Fund for the following:

Montgomery College (MC): Funds are transferred from the Cable Fund to the General Fund, and then to MC. In FY18, total transfers to MC are \$1,683,725, representing an increase of \$62,993 (or 3.9%) over the FY17 transfer of \$1,620,732.

Montgomery County Public Schools (MCPS): Funds are transferred from the Cable Fund to the General Fund, and then to MCPS. In FY18, total transfers to MCPS are \$1,697,504 representing a decrease of \$45,287 (or 2.6%) over the FY17 transfer of \$1,742,791.

Other: Funds are transferred from the Cable Fund to the General Fund to cover the cost of certain administrative services provided by the County to the Cable Fund (\$729,960), a one-time transfer to the Maryland-National Capital Park and Planning Commission (\$100,000), and other contributions (\$6,040,000).

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

Linkage to County Result Areas

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ **Children Prepared to Live and Learn**
- ❖ **An Effective and Efficient Transportation Network**
- ❖ **Healthy and Sustainable Neighborhoods**
- ❖ **A Responsive, Accountable County Government**
- ❖ **Strong and Vibrant Economy**
- ❖ **Vital Living for All of Our Residents**

Department Performance Measures

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY17 estimates reflect funding based on the FY17 approved budget. The FY18 and FY19 figures are performance targets based on the FY18 approved budget and funding for comparable service levels in FY19.

Initiatives

- ★ In FY17, *County Report This Week*, the award winning weekly half hour program produced collaboratively by members of the PEG Governance Board, continued to highlight decisions and programs that impact County residents including the FY18 Operating Budget recommendations, discussions and approval; 2016 local election information including polling places, voter registration, early voting and results coverage; recent legislation, recreational opportunities, transportation, economic issues and public safety concerns; and news and information concerning Montgomery County Public Schools and Montgomery College, the cities of Rockville and Takoma Park. This show airs on six public, education and government access channels, is available on demand, via mobile devices as well on YouTube in English and Spanish. This program is also produced in Spanish - *Capsula Informativa del Condado de Montgomery*.
- ★ In FY18, a permanent manager position for the FiberNet Network Operating Center (NOC) will be funded by the Cable Plan (replacing a contractor resource).
- ★ In FY18, additional resources will be assigned to review an increase in Tower Facilities applications the County has received.

Accomplishments

- ☑ In FY17, the Media Services Team continued to increase the use of social media to provide residents access to the meetings of the Executive and Legislative branches. In September, in order to reach youth, the Montgomery County Council's Youth Town Hall Meeting was live on Facebook. During October, the monthly meeting of the Commission on Human Rights was aired live on Facebook.
- ☑ In FY17, *PEG Bytes*, the bi-weekly e-newsletter produced by the PEG Governance Board, highlighted the innovative content produced by the individual PEG channels. Each edition is distributed to a growing list of 853 people and includes an average of eight stories generated exclusively by the PEG organizations.
- ☑ The PEG channels received the following awards during FY16 and FY17: six Hometown Awards from the Alliance for Community Media (ACM); eleven Government Programming Awards from the National Association of Telecommunications Officers and Advisors (NATOA); three Telly Awards honoring outstanding content for TV and Cable, Digital and Streaming

and non-broadcast distribution and six Communicator Awards judged by the Academy of Interactive and Visual Arts.

Innovations and Productivity Improvements

- ★ In FY17, the Office of Cable and Broadband Services managed and oversaw the launch of our first high definition PEG channels for Comcast and RCN subscribers: County Cable Montgomery; ED TV- Montgomery College and Montgomery County Public Schools; Montgomery Community Media; and Municipal Broadcast Network - Montgomery Municipal Cable, Rockville and Takoma Park. A fifth HD PEG channel will launch on Comcast in 2018. These signals, along with standard definition, are monitored in the County's Technical Operations Center.
- ★ In FY17, the Cable Office created a GIS web-based map that residents can utilize to show locations where new telecommunication antennas and towers will be placed in the County.

Program Contacts

Contact Phil Roter of the Cable and Broadband Office at 240.777.2886 or Naeem Mia of the Office of Management and Budget at 240.777.2782 for more information regarding this department's operating budget.

Program Descriptions

★ Cable Franchise Administration

The Cable & Broadband Office in the Department of Technology Services is responsible for administering the cable television agreements for the County and participating municipalities. The budget for franchise administration includes funds for cable management and enforcement staff, including cable and broadband complaint investigation staff, cable inspection and facilities testing staff, and office operating expenses. Funds will be used for engineering consulting services which require special expertise, such as engineering review of tower and antenna siting applications; IP-based interconnection of public, educational, and government access (PEG) video signals and facilities; transmission facility digital and engineering upgrades; and the implementation of future technology and mobile video applications. Funds will also be used to pay legal and financial consultants for work which requires special expertise, such as preparation of filings on behalf of the County before the Federal Communications Commission, analysis of legislative proposals, and County representation in cable and telecommunications service negotiations, and rate regulation and franchise compliance matters. The responsibilities associated with franchise administration include:

- Ensuring cable operator compliance with franchise financial, technical, and construction requirements and managing the cable franchise renewal and transfer process;
- Investigating and resolving cable and broadband subscriber and residential complaints;
- Administering contracts with and providing liaison and support services for the PEG channels;
- Collecting and administering franchise fees, grants, and other payments to the County and participating municipalities;
- Encouraging entry of competitive providers of telecommunications services and negotiating and reviewing proposed telecommunications franchises for use of the public rights-of-way;
- Directing and coordinating the Transmission Facilities Coordinating Committee;
- Supporting the Cable and Communications Advisory Committee and Cable Compliance Commission;
- Strategic planning for Montgomery County Government cable and communications technology;
- Preparing the annual Cable Communications Plan; and
- Monitoring and working with the Office of Intergovernmental Relations to advocate for effective and reasonable State and Federal cable, broadband and telecommunications regulations and legislation.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Transmission facilities application process - Average number of days to process applications for siting wireless towers	29	27	30	30	30
Number of transmission facility applications processed ¹	175	165	500	500	500
Percent of customers satisfied with Cable Office complaint handling	97	94	95	95	95

¹ Large projected increase associated with new small cell technology being deployed for 5G wireless networks.

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	1,589,093	8.90
Increase Cost: TFCG Application Review Contracts	30,000	0.00
Increase Cost: Engineering & Inspection Services	10,000	0.00
Reduce: Legal and Professional Services	(18,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	151,846	0.00
FY18 Approved	1,762,939	8.90

Community Access to Cable

The Cable & Broadband Office administers a contract with Montgomery Community Television, doing business as Montgomery Community Media (MCM), through which it operates two community media cable television channels and provides media technology training to County residents and community organizations. MCM produces independent, diverse and informative cable programming for County residents. MCM's mission is to provide media, television production and technology training that empowers residents and organizations and provides them with the opportunity to interact, engage and influence the County government and the community by using the powerful media of television and the Internet.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Hours of first run locally produced, block, and acquired Montgomery Community Media (MCM) programming	6,918	7,170	7,185	7,190	7,195
Hours of Montgomery Community Media (MCM) volunteer effort in creating public access programming	17,000	17,911	17,500	17,500	17,500

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	2,604,200	0.00
Increase Cost: Community Access Facility Rent	8,468	0.00
Increase Cost: Community Access Facility Utilities	5,496	0.00
Reduce: Operating Expense - MCM	(2,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(8,000)	0.00
FY18 Approved	2,608,164	0.00

County Cable Montgomery

The Cable Office manages CCM (County Cable Montgomery), the government access channel. CCM programming includes live Council general and committee meetings, press conferences, town hall meetings, special events, and programs highlighting County services and activities. Funding is provided to the Cable Office, County Council, Office of Public Information (PIO), and

Maryland-National Capital Park and Planning Commission (M-NCPPC) to develop programming for CCM. Funding to provide engineering personnel for the Mobile Production Vehicle for the PEG Network and other digital media services for the Executive and Legislative Branches is also included in the allocation to the Cable Office. Over 99 percent of all CCM programming is presented with closed captions. Highlights of programs are available on the County's YouTube channel. Spanish language programming is produced and all programming is available via web-streaming from the County's website.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Hours of first run locally produced, block, and acquired County Cable Montgomery (CCM) programming	2,950	2,933	2,942	2,967	2,992

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	2,633,331	16.90
Reduce: Operating Expenses - PIO	(1,000)	0.00
Reduce: Operating Expenses - Council	(2,000)	0.00
Reduce: CCM Contracts - TV Production	(10,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	32,140	0.00
FY18 Approved	2,652,471	16.90

☀ Cable Programming for Public Schools

Montgomery County Public Schools Television (MCPS-TV) is a full-service television and multimedia facility that produces TV programs for students, staff, parents, and the general community; many of which are produced in multiple languages to reach the district's growing multicultural community. MCPS-TV regular programming includes Board of Education meetings, Homework HotlineLive!, staff training and development, live call-in and interactive programs, in-class student programs, student-produced programs, technology training, and televised instruction in a variety of academic content areas.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Hours of first run locally produced, block, and acquired Montgomery County Public Schools (MCPS) ITV programming	392	453	461	469	477

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	0	0.00
FY18 Approved	0	0.00

☀ Cable Programming for Montgomery College

The Instructional Television (ITV) and Media Production Services Unit of Montgomery College is responsible for creating cable programming available on the Montgomery College educational cable channel as well as video programming and learning materials available as on-line content. Funds are used for staff, equipment, and operating expenses to provide digital media services to support student success (i.e., course completion, retention, graduation, and academic excellence), produce Spanish language programming, and to advance the mission of the entire College community. The cable and video programming features acquired and originally produced educational, informational and instructional programming which directly supports the College's distance learning and instructional programs, and to provide professional and workforce development and self-enrichment opportunities for the community. Additional funds are provided through the Montgomery College operating budget.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Hours of first run locally produced and acquired Montgomery College MC-ITV programming	248	206	210	210	210
Hours of Montgomery College student-assisted original programming	142	144	145	145	145
FY18 Approved Changes			Expenditures	FTEs	
FY17 Approved			0	0.00	
FY18 Approved			0	0.00	

☀ Municipal Support

Franchise and PEG fees owed by cable operators to participating municipalities within Montgomery County are paid by cable operators to the County for administrative convenience and then redistributed by the County to the City of Rockville, the City of Takoma Park, and the Montgomery County Chapter of the Maryland Municipal League (MML). The County has a contractual obligation to pass through fees owed to municipalities and no discretion to alter these payments. Municipalities may use franchise fees for any purpose. Under the terms of the franchise agreements, participating municipalities must use Public, Education, and Government (PEG) Access Operating Support funding to support PEG programming operations and PEG capital support must be used for PEG and institutional network equipment, facilities and related capital expenditures.

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	3,848,745	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(29,745)	0.00
FY18 Approved	3,819,000	0.00

☀ Public Education Government Access (PEG) Operations

The mission of the Public, Education, and Government (PEG) Governance Board is to facilitate collaboration among the local television access operators in providing and promoting the most effective public access, educational and government programming and media services to the Montgomery County community using current and emerging technologies. PEG is collaboratively working to expand community engagement programming, programming in languages other than English, and youth media programming. The budget for PEG includes funds for the purchase of equipment; engineering support; promotion and outreach support to increase channel awareness and viewership; operational and maintenance support for the mobile production vehicle; closed captioning and Spanish language support; and general operating and administrative expenses. Federal law and cable franchise agreements restrict use of some funds to PEG and Institutional Network capital expenditures. These funds may be used to purchase PEG equipment and renovate or construct PEG studio and mobile facilities.

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	1,343,207	0.00
Reduce: Technical Operations Center	(1,000)	0.00
Reduce: Mobile Production Vehicle	(19,000)	0.00
Reduce: Operating Expenses - PEG	(20,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(20,313)	0.00
FY18 Approved	1,282,894	0.00

Funding from the Cable Special Revenue Fund is used to support Montgomery County's private communications network - FiberNet. FiberNet is a critical infrastructure asset that provides carrier class voice, video, Internet access and data network services for Montgomery County Government, Montgomery County Public Schools (MCPS), Montgomery College, Housing Opportunities Commission (HOC), the Maryland-National Park and Planning Commission (M-NCPPC) and the Washington Suburban Sanitary Commission (WSSC). The County's public safety communications are also provided via FiberNet infrastructure. Additionally, FiberNet provides private network access to the State of Maryland and all of the local counties, municipalities and the District of Columbia. Expenditures cover the cost of network expansion, monitoring, management, and maintenance services. FiberNet is a countywide multi-million dollar investment that is crucial to the daily operation of local government within Montgomery County and with its citizens, neighboring governments, and business partners.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
New sites added to FiberNet	20	45	25	15	15

FY18 Approved Changes	Expenditures	FTEs
FY17 Approved	3,784,340	5.70
Increase Cost: FiberNet Operating and Maintenance	150,000	0.00
Increase Cost: Miss Utility	102,640	0.00
Increase Cost: Additional Increase for Miss Utility	38,360	0.00
Add: FiberNet NOC Manager Position	0	1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(129,204)	0.00
FY18 Approved	3,946,136	6.70

BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Approved FY18	%Chg Bud/App
CABLE TELEVISION					
EXPENDITURES					
Salaries and Wages	2,805,218	3,009,388	2,780,190	3,182,098	5.7 %
Employee Benefits	946,151	1,024,694	952,013	986,724	-3.7 %
Cable Television Personnel Costs	3,751,369	4,034,082	3,732,203	4,168,822	3.3 %
Operating Expenses	11,684,700	11,768,834	12,051,703	11,902,782	1.1 %
Cable Television Expenditures	15,436,069	15,802,916	15,783,906	16,071,604	1.7 %
PERSONNEL					
Full-Time	13	13	13	14	7.7 %
Part-Time	0	0	0	0	—
FTEs	30.50	31.50	31.50	32.50	3.2 %
REVENUES					
Franchise Fees	17,791,990	17,661,404	17,876,942	17,986,502	1.8 %
Gaithersburg PEG Contribution	173,866	169,513	170,867	168,304	-0.7 %
I-Net Operating Revenue	1,354,419	0	0	0	—

BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Approved FY18	%Chg Bud/App
Investment Income	22,327	26,990	43,940	75,330	179.1 %
Miscellaneous Revenues	213,179	0	0	0	—
PEG Capital Revenue	5,734,119	6,516,834	6,543,000	6,673,805	2.4 %
PEG Operating Revenue	1,721,805	4,119,609	4,223,000	4,157,696	0.9 %
Tower Application Fees	326,500	150,000	404,000	250,000	66.7 %
Cable Television Revenues	27,338,205	28,644,350	29,261,749	29,311,637	2.3 %

FY18 APPROVED CHANGES

	Expenditures	FTEs
CABLE TELEVISION		
	FY17 ORIGINAL APPROPRIATION	15,802,916 31.50
<u>Changes (with service impacts)</u>		
Add: FiberNet NOC Manager Position [FiberNet]	0	1.00
Reduce: Operating Expenses - PIO [County Cable Montgomery]	(1,000)	0.00
Reduce: Technical Operations Center [Public Education Government Access (PEG) Operations]	(1,000)	0.00
Reduce: Operating Expenses - Council [County Cable Montgomery]	(2,000)	0.00
Reduce: Operating Expense - MCM [Community Access to Cable]	(2,000)	0.00
Reduce: Transfer to Montgomery College	(3,000)	0.00
Reduce: CCM Contracts - TV Production [County Cable Montgomery]	(10,000)	0.00
Reduce: Legal and Professional Services [Cable Franchise Administration]	(18,000)	0.00
Reduce: Mobile Production Vehicle [Public Education Government Access (PEG) Operations]	(19,000)	0.00
Reduce: Operating Expenses - PEG [Public Education Government Access (PEG) Operations]	(20,000)	0.00
Reduce: Transfer to Montgomery County Public Schools	(114,330)	0.00
Reduce: PEG Capital - Equipment [Other Cable Activities]	(120,058)	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FiberNet Operating and Maintenance [FiberNet]	150,000	0.00
Increase Cost: Miss Utility [FiberNet]	102,640	0.00
Increase Cost: HD Equipment [Other Cable Activities]	100,000	0.00
Increase Cost: FY18 Compensation Adjustment	85,670	0.00
Increase Cost: Additional Increase for Miss Utility [FiberNet]	38,360	0.00
Increase Cost: TFCG Application Review Contracts [Cable Franchise Administration]	30,000	0.00
Increase Cost: Annualization of FY17 Personnel Costs	19,805	0.00
Increase Cost: Annualization of FY17 Compensation Increases	19,237	0.00
Increase Cost: Retirement Adjustment	10,028	0.00
Increase Cost: Engineering & Inspection Services [Cable Franchise Administration]	10,000	0.00
Increase Cost: Community Access Facility Rent [Community Access to Cable]	8,468	0.00
Increase Cost: Community Access Facility Utilities [Community Access to Cable]	5,496	0.00

FY18 APPROVED CHANGES

	Expenditures	FTEs
Decrease Cost: Printing and Mail	(628)	0.00
FY18 APPROVED	16,071,604	32.50

PROGRAM SUMMARY

Program Name	FY17 APPR Expenditures	FY17 APPR FTEs	FY18 APPR Expenditures	FY18 APPR FTEs
Cable Franchise Administration	1,589,093	8.90	1,762,939	8.90
Community Access to Cable	2,604,200	0.00	2,608,164	0.00
County Cable Montgomery	2,633,331	16.90	2,652,471	16.90
Cable Programming for Public Schools	0	0.00	0	0.00
Cable Programming for Montgomery College	0	0.00	0	0.00
Municipal Support	3,848,745	0.00	3,819,000	0.00
Public Education Government Access (PEG) Operations	1,343,207	0.00	1,282,894	0.00
FiberNet	3,784,340	5.70	3,946,136	6.70
Total	15,802,916	31.50	16,071,604	32.50

FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY18	FY19	FY20	FY21	FY22	FY23
CABLE TELEVISION						
EXPENDITURES						
FY18 Approved	16,072	16,072	16,072	16,072	16,072	16,072
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	29	29	29	29	29
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	16,072	16,101	16,101	16,101	16,101	16,101

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