



Cable Television Communications Plan

APPROVED FY19 BUDGET

\$16,193,212

FULL TIME EQUIVALENTS

31.85

☀ H. N. (SONNY) SEGAL, CHIEF INFORMATION OFFICER

MISSION STATEMENT

The mission of the Office of Cable and Broadband Services 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 FY19, the Cable Communications Plan consists of three elements: the Cable and Broadband Office appropriation (\$16,193,212), transfers to the County General Fund (\$10,126,335), and transfers to the County Capital Improvements Program (\$4,520,000) for a total use of fund resources of \$30,839,547. Within the Cable Office appropriation of \$16,193,212, Personnel Costs comprise 25.6 percent of the budget for 14 full-time positions. A total of 31.85 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 74.4 percent of the FY19 budget.

In FY19, 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 FY19, total transfers to MC are \$1,726,867, representing an increase of \$43,142 (or 2.6%) over the FY18 transfer of \$1,683,725.

Montgomery County Public Schools (MCPS): Funds are transferred from the Cable Fund to the General Fund, and then to MCPS. In FY19, total transfers to MCPS are \$1,789,941 representing an increase of \$92,437 (or 5.4%) over the FY18 transfer of \$1,697,504.

Maryland - National Capital Park and Planning Commission (M-NCPPC): Funds are transferred from the Cable Fund to the General Fund, and then to M-NCPPC. In FY19, total transfers to M-NCPPC are \$100,000, unchanged from the FY18 approved transfer.

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 (\$761,527) and other contributions (\$5,748,000).

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 FY18 estimates reflect funding based on the FY18 Approved Budget. The FY19 and FY20 figures are performance targets based on the FY19 Approved Budget and funding for comparable service levels in FY20.

INITIATIVES

- ★ The approved budget includes \$100,000 to continue funding the Connected Parks (previously WiFi in the Parks) initiative to bring internet connectivity to additional Maryland National Capital Park and Planning Commission (M-NCPPC) facilities.
- ★ Developed an online Transmission Facility Coordinating Group (TFCG) application filing system creating a transparent process for residents to view applications as they are filed with Montgomery County and on Data Montgomery maps.
- ★ Exploring public/private partnerships with Comcast to bring broadband to underserved rural areas of the Agricultural Reserve (Sugarland Road Project) and to promote Internet Essentials program that benefits low-income families and seniors.
- ★ Developing electronic financial reporting system for Communication Tower applications.
- ★ Developing an inspection protocol for post inspection of Transmission Facility Coordinating Group (TFCG) small cell applications.
- ★ Developing antenna and tower review and administration process for new cellular technologies.
- ★ Investigating the feasibility of Community Engagement and Social Media outreach for County Council meetings.
- ★ Launching three additional High Definition (HD) channels with RCN network.
- ★ Developing a marketing plan for the Public, Education, and Government (PEG) channels using a viewership study which was initiated to better understand viewing habits and preferences for receiving information about the programming content.

ACCOMPLISHMENTS

- ✓ Launched High Definition (HD) channels on the Comcast and RCN networks.
- ✓ Developed a Help Desk ticket system for County cable television inquiries.
- ✓ Launched Checkspeedmontgomery.com, a tool to help the County better understand the quality, cost, and use of Internet service by residents and businesses.
- ✓ Continued production of County Report This Week (CRTW), the award winning weekly half hour program produced collaboratively by members of the Public, Education, and Government (PEG) Governance Board. Topics include programs that impact County residents. CRTW airs on six PEG access channels, is available on demand and via mobile devices, as well on YouTube in English and Spanish.
- ✓ Initiated Public, Education, and Government (PEG) viewership study.
- ✓ Provided County Cable Montgomery (CCM) live coverage for the Fallen Firefighter Memorial Service.
- ✓ Montgomery Community Media held the first annual Excellence in Programming and Innovative Content (EPIC) Awards to recognize and celebrate outstanding multimedia content on television and the Internet.
- ✓ Received multiple Awards from the Alliance for Community Media (ACM); Government Programming Awards from the National Association of Telecommunication Officers and Advisors (NATOA); and Telly Awards.
- ✓ Provided special social media live coverage for multiple County departments and events including the Office of Human Rights, County Council Sessions, and Town Hall meetings.
- ✓ Developed an online interactive Geographic Information Systems (GIS) map of antenna and tower sites in Montgomery County that provide information to the public on the telecommunications infrastructure in the County.

PROGRAM CONTACTS

Contact Helen Ni of the Department of Technology Services at 240.777.2807 or Jennifer Nordin of the Office of Management and Budget at 240.777.2779 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Cable Franchise Administration

The Office of Cable and Broadband Services 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 are 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 are also 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, 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;
- 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 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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Transmission facilities application process - Average number of days to process applications for siting wireless towers	27	35	30	30	30
Number of transmission facility applications processed	165	422	350	350	350
Percent of customers satisfied with Cable Office complaint handling	94	94.2	95	95	95
FY19 Approved Changes			Expenditures	FTEs	
FY18 Approved			1,762,939	8.90	
Technical Adj: Reduction in FTE charges from County Council			0	(0.30)	
Decrease Cost: Increased Lapse			(135,008)	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.			(152,946)	(0.10)	
FY19 Approved			1,474,985	8.50	

Community Access to Cable

The Office of Cable and Broadband Services 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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Hours of first run locally produced, block, and acquired Montgomery Community Media (MCM) programming	7,170	4,132	4,151	4,231	4,231
Hours of Montgomery Community Media (MCM) volunteer effort in creating public access programming	17,911	17,500	17,000	16,500	16,000
FY19 Approved Changes			Expenditures	FTEs	

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	2,608,164	0.00
Increase Cost: Community Access Facility Rent Increase	27,276	0.00
Increase Cost: Community Access Facility Utility Cost Increase	8,471	0.00
FY19 Approved	2,643,911	0.00

County Cable Montgomery

The Office of Cable and Broadband Services manages County Cable Montgomery (CCM), the government access channel. CCM programming includes live County 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 Technical Operations Center which monitors the audio and video signal provided to the cable providers, administering contracts with and providing liaison and support services for the PEG channels, and other digital and social 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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Hours of first run locally produced, block, and acquired County Cable Montgomery (CCM) programming	2,933	2,608	2,665	2,725	2,788

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	2,652,471	16.90
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	49,470	(0.30)
FY19 Approved	2,701,941	16.60

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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Hours of first run locally produced, block, and acquired Montgomery County Public Schools (MCPS) ITV programming	453	426	435	444	453

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	0	0.00

FY19 Approved Changes	Expenditures	FTEs
FY19 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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Hours of first run locally produced and acquired Montgomery College MC-ITV programming	206	253	273	285	305
Hours of Montgomery College student-assisted original programming	144	139	140	140	140

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	0	0.00
FY19 Approved	0	0.00

☀ Municipal Support

Franchise and Public, Education, and Government (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 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.

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	3,819,000	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.	29,745	0.00
FY19 Approved	3,848,745	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; strategic planning; 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 build PEG facilities.

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	1,282,894	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.	(19,745)	0.00
FY19 Approved	1,263,149	0.00

FiberNet

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 the County and with its citizens, neighboring governments, and business partners.

Program Performance Measures	Actual FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
New sites added to FiberNet	45	12	25	18	10

FY19 Approved Changes	Expenditures	FTEs
FY18 Approved	3,946,136	6.70
Increase Cost: Dens Wave Division Multiplexing (DWDM) network equipment maintenance	55,000	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.	259,345	0.05
FY19 Approved	4,260,481	6.75

BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Approved FY19	%Chg Bud/App
CABLE TELEVISION					
EXPENDITURES					
Salaries and Wages	2,776,645	3,182,098	2,850,286	3,174,111	-0.3 %
Employee Benefits	946,742	986,724	873,185	975,473	-1.1 %
Cable Television Personnel Costs	3,723,387	4,168,822	3,723,471	4,149,584	-0.5 %

BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Approved FY19	%Chg Bud/App
Operating Expenses	11,894,630	11,902,782	11,902,579	12,043,628	1.2 %
Cable Television Expenditures	15,618,017	16,071,604	15,626,050	16,193,212	0.8 %
PERSONNEL					
Full-Time	13	14	14	14	—
Part-Time	0	0	0	0	—
FTEs	31.50	32.50	32.50	31.85	-2.0 %
REVENUES					
Franchise Fees	18,080,040	17,986,502	17,992,000	17,867,623	-0.7 %
Gaithersburg PEG Contribution	174,643	168,304	169,000	165,301	-1.8 %
Investment Income	73,147	75,330	75,000	106,720	41.7 %
PEG Capital Revenue	7,559,641	6,673,805	6,711,000	6,644,000	-0.4 %
PEG Operating Revenue	5,410,922	4,157,696	4,160,000	4,013,296	-3.5 %
Tower Application Fees	448,000	250,000	250,000	150,000	-40.0 %
Cable Television Revenues	31,746,393	29,311,637	29,357,000	28,946,940	-1.2 %

FY19 APPROVED CHANGES

	Expenditures	FTEs
CABLE TELEVISION		
FY18 ORIGINAL APPROPRIATION	16,071,604	32.50
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY19 Compensation Adjustment	97,236	0.00
Increase Cost: Dens Wave Division Multiplexing (DWDM) network equipment maintenance [FiberNet]	55,000	0.00
Increase Cost: Passive Optical Network (PON) maintenance in facilities shared by County Agencies	50,000	0.00
Increase Cost: Annualization of FY18 Personnel Costs	48,787	0.00
Increase Cost: Community Access Facility Rent Increase [Community Access to Cable]	27,276	0.00
Increase Cost: Community Access Facility Utility Cost Increase [Community Access to Cable]	8,471	0.00
Increase Cost: Printing and Mail	99	0.00
Technical Adj: Reduction in FTE charges from County Council [Cable Franchise Administration]	0	(0.30)
Technical Adj: Program Personnel Adjustment	0	(0.35)
Decrease Cost: Retirement Adjustment	(30,253)	0.00
Decrease Cost: Increased Lapse [Cable Franchise Administration]	(135,008)	0.00
FY19 APPROVED	16,193,212	31.85

PROGRAM SUMMARY

Program Name	FY18 APPR Expenditures	FY18 APPR FTEs	FY19 APPR Expenditures	FY19 APPR FTEs
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PROGRAM SUMMARY

Program Name	FY18 APPR Expenditures	FY18 APPR FTEs	FY19 APPR Expenditures	FY19 APPR FTEs
Cable Franchise Administration	1,762,939	8.90	1,474,985	8.50
Community Access to Cable	2,608,164	0.00	2,643,911	0.00
County Cable Montgomery	2,652,471	16.90	2,701,941	16.60
Cable Programming for Public Schools	0	0.00	0	0.00
Cable Programming for Montgomery College	0	0.00	0	0.00
Municipal Support	3,819,000	0.00	3,848,745	0.00
Public Education Government Access (PEG) Operations	1,282,894	0.00	1,263,149	0.00
FiberNet	3,946,136	6.70	4,260,481	6.75
Total	16,071,604	32.50	16,193,212	31.85

FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY19	FY20	FY21	FY22	FY23	FY24
CABLE TELEVISION						
EXPENDITURES						
FY19 Approved	16,193	16,193	16,193	16,193	16,193	16,193
No inflation or compensation change is included in outyear projections.						
Restore One-Time Lapse Increase	0	135	135	135	135	135
Restoration of one-time lapse adjustment in the budget development year						
Labor Contracts	0	56	56	56	56	56
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	16,193	16,384	16,384	16,384	16,384	16,384

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