

Cable Television Franchise Subfund

CableTelevision Franchise Subfund

Department Overview

The City of Seattle entered into cable franchise agreements beginning in 1996 that included a new franchise fee as compensation for cable television providers locating in the public right-of-way. A new franchise with Comcast was approved in 2006, and a second franchise, currently operated by Wave Division I, was approved in 2007. The Cable Television Franchise Subfund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Department of Information Technology (DoIT). Resolution 30379 establishes usage policies for the fund. The fund pays for the administration of the Cable Customer Bill of Rights and the Public, Education, and Government access costs the City is obligated to fund under the terms of its cable franchise agreements; support of the Seattle Channel, including both operations and capital equipment; programs and projects promoting citizen technology literacy and access, including related research, analysis, and evaluation; and use of innovative and interactive technology, including television and the Web, to provide means for citizens to access City services.

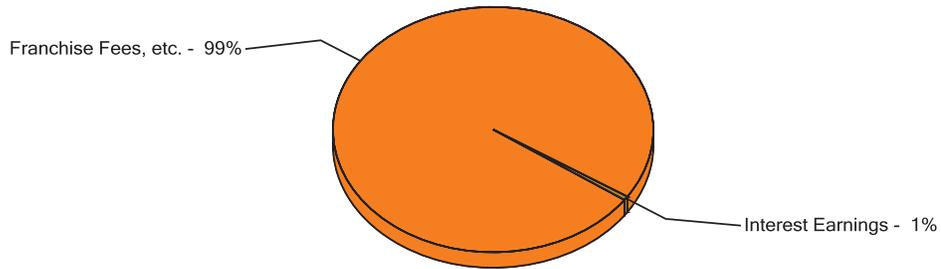
Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$7,733,220	\$8,180,663	\$8,541,894	\$8,764,198
Total Operations	\$7,733,220	\$8,180,663	\$8,541,894	\$8,764,198
Total Appropriations	\$7,733,220	\$8,180,663	\$8,541,894	\$8,764,198
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

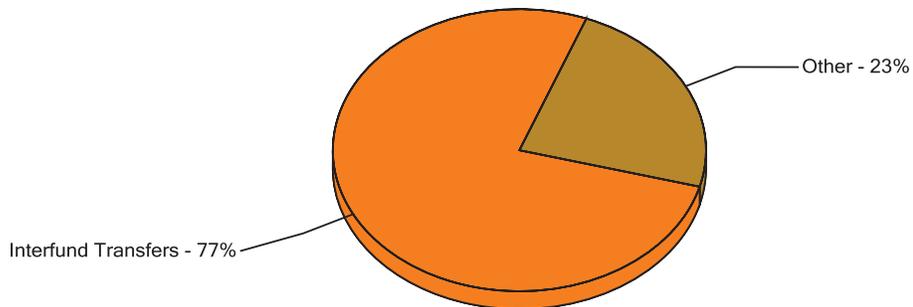
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

Cable Television Franchise Subfund

2013 Proposed Budget - Revenue by Category



2013 Proposed Budget - Expenditure by Category



Cable Television Franchise Subfund

Budget Overview

Cable Television Franchise Fund (Cable Fund) revenues are generated by franchise fees from cable television providers and these funds support limited activities provided by DoIT. Over the last several years, the Department has used Cable Fund revenues to support additional, qualified technology access programs such as the portion of email support previously funded by the General Fund. The 2013 and 2014 Proposed Budget continues previous uses of the Cable Fund for project management for the web team, web application support service to City departments, and administrative support for community outreach.

The Cable Fund recently received a small increase in revenues as Comcast raised its rates on home television service. In 2012, the Cable Fund also received revenue from outstanding cable franchise fees found during DoIT's auditing process. These increased revenues were one-time occurrences. The fund is only projected to grow minimally in the near future. The Department expects that the fund will begin to see expenditure pressures as it is called upon to fund major technology overhauls and, by 2016 DoIT may have to propose cuts to existing programming paid for by the Cable Fund in order to keep the fund in balance.

For further details regarding the use of Cable Television Franchise Subfund, please refer to the DoIT budget.

Incremental Budget Changes

Cable Television Franchise Subfund

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	\$ 8,180,663	0.00	\$ 8,180,663	0.00
Baseline Changes				
Align with Information Technology Fund	\$ 361,231	0.00	\$ 583,535	0.00
Total Incremental Changes	\$ 361,231	0.00	\$ 583,535	0.00
2013 - 2014 Proposed Budget	\$ 8,541,894	0.00	\$ 8,764,198	0.00

Description of Incremental Budget Changes

Baseline Changes

Align with Information Technology Fund - \$361,231

These technical adjustments in the 2013 and 2014 Proposed Budget for the Cable Fund include changes that are part of the DoIT budget changes. Please refer to the DoIT budget pages for more detailed information.

Cable Television Franchise Subfund

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Cable Fee Support to Information Technology Fund Budget Control					
Cable Communications		716,220	723,260	745,244	766,477
Community Technology		1,295,264	1,317,207	1,238,350	1,272,133
Finance and Administration		290,196	299,689	373,754	386,050
Seattle Channel/Democracy Portal		2,755,440	2,747,014	3,149,911	3,199,017
Technology Infrastructure		1,426,428	1,412,146	1,571,415	1,662,290
Technology Leadership		276,060	264,980	314,158	321,271
Web Site Support		783,612	1,226,366	959,061	966,959
Total	D160B	7,543,220	7,990,663	8,351,894	8,574,198
Cable Fee Support to Library Fund Budget Control Level	D160C	190,000	190,000	190,000	190,000
Department Total		7,733,220	8,180,663	8,541,894	8,764,198
Department Full-time Equivalents Total*		0.00	0.00	0.00	0.00

* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
421911	Franchise Fee Revenues, Licenses, Permits, and Fines	7,389,522	7,431,544	7,629,796	7,761,791
	Total Franchise Fees, etc.	7,389,522	7,431,544	7,629,796	7,761,791
461110	Arts Programming Interest Earnings	5,527	19,620	9,608	4,765
461110	Interest Earnings	32,725	26,554	30,614	26,286
	Total Interest Earnings	38,252	46,174	40,222	31,051
Total Revenues		7,427,774	7,477,718	7,670,018	7,792,842
379100	Use of (Contributions to) Fund Balance	305,446	702,944	871,878	971,356
	Total Use of (Contributions to) Fund Balance	305,446	702,944	871,878	971,356
Total Resources		7,733,220	8,180,662	8,541,896	8,764,198

Cable Television Franchise Subfund

Appropriations By Budget Control Level (BCL) and Program

Cable Fee Support to Information Technology Fund Budget Control Level

The purpose of the Cable Fee Support to Information Technology Fund Budget Control Level is to authorize the transfer of resources from the Cable Television Franchise Subfund to the Department of Information Technology's Information Technology Fund. These resources are used by the Department for a variety of programs consistent with Resolution 30379.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Cable Communications	716,220	723,260	745,244	766,477
Community Technology	1,295,264	1,317,207	1,238,350	1,272,133
Finance and Administration	290,196	299,689	373,754	386,050
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Total	7,543,220	7,990,663	8,351,894	8,574,198

Cable Fee Support to Library Fund Budget Control Level

The purpose of the Cable Fee Support to Library Fund Budget Control Level is to authorize the transfer of resources from the Cable Television Franchise Subfund to the Seattle Public Library's Operating Fund. The Library uses these resources to pay for and maintain computers available to the public.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Citizen Literacy/Access	190,000	190,000	190,000	190,000
Total	190,000	190,000	190,000	190,000

Cable Television Franchise Subfund

Cable TV Fund Table

Cable Television Franchise Subfund (00160)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Beginning Fund Balance	5,073,264	4,697,061	4,760,194	4,481,046	3,609,170
Accounting and Technical Adjustments	-7,624	0	0	0	0
Plus: Actual and Estimated Revenues	7,427,774	7,477,718	7,901,516	7,670,018	7,792,842
Less: Actual and Budgeted Expenditures	7,733,220	8,180,663	8,180,663	8,541,894	8,764,198
Ending Fund Balance	4,760,194	3,994,116	4,481,046	3,609,170	2,637,814
Designation for Cable Programs	2,287,144	1,613,605	1,582,696	873,453	234,368
Reserves Against Fund Balance	1,759,983	1,827,099	1,827,098	1,881,284	1,914,630
Total Reserves	4,047,127	3,440,704	3,409,794	2,754,737	2,148,998
Ending Unreserved Fund Balance	713,067	553,412	1,071,252	854,433	488,816