

# Cable Television Franchise Subfund

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## Department Overview

The City of Seattle entered into cable franchise agreements beginning in 1996 that included a franchise fee as compensation for cable television providers locating in the public right-of-way. The City has approved franchises with CenturyLink, Comcast and Wave Division I.

The Cable Television Franchise Subfund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Seattle Information Technology Department (Seattle IT). Resolution 30379 establishes usage policies for the fund. The fund pays for the following services:

- 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 technology literacy and access, including related research, analysis, and evaluation; and
- use of innovative and interactive technology, including television and online content, to provide ways for residents to access City services.

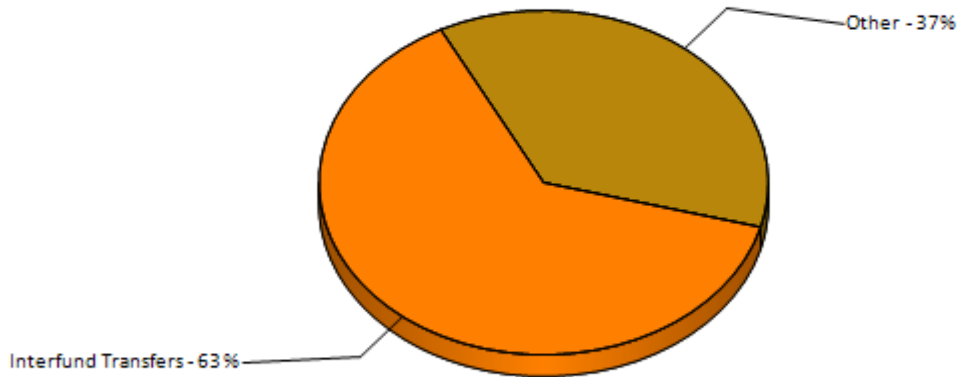
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
Other Funding - Operating	\$8,775,867	\$9,936,381	\$10,353,466	\$10,041,960
<b>Total Operations</b>	<b>\$8,775,867</b>	<b>\$9,936,381</b>	<b>\$10,353,466</b>	<b>\$10,041,960</b>
<b>Total Appropriations</b>	<b>\$8,775,867</b>	<b>\$9,936,381</b>	<b>\$10,353,466</b>	<b>\$10,041,960</b>
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 Human Resources Director actions outside of the budget process may not be detailed here.

## Cable Television Franchise Subfund

### 2017 Adopted Budget - Expenditure by Category



### Budget Overview

The Cable Television Franchise Fund (Cable Fund) receives revenues from cable television provider franchise fees. The 2017 Adopted and 2018 Endorsed Budget continues previous uses of the Cable Fund for programs such as the Seattle Channel, the Cable Customer Bill of Rights, initiatives that promote technology literacy and access, and technology that provides ways for residents to access City services.

The adopted budget funds a new public-facing community grant system to make it easier for community groups to apply for City grants. The Department of Neighborhoods is leading an effort with several departments to find ways to improve the community grant-making process and ease the administrative burden on community groups.

The adopted budget increases support for the City's Digital Equity Initiative by adding funds for community technology grants, digital services, training, and program management resources. Additionally, the Cable Fund will provide a portion of the funding for the City's Civic Technology Advocate, a position added in 2015 to help facilitate community partnerships and engage the Seattle tech community to create innovative solutions that leverage the City's open datasets. To make Seattle Channel operations more efficient, the Cable Fund will provide funds to purchase a second van thereby decreasing its reliance on fleet rentals and employees' personal car use.

The adopted budget also funds a Digital Media Specialist position to serve Seattle IT's Citywide Web Team. This position will be responsible for increasing the strategic use of digital media content on Seattle.gov and social media outlets. The Seattle Web Team lacks resources dedicated to producing, managing, and presenting digital media such as graphics, photos and video content. The position is expected to produce professional content in collaboration with customer departments in an effort to increase public engagement with the City's online presence.

# Cable Television Franchise Subfund

For additional detail regarding the use of Cable Fund, please refer to the Seattle IT budget.

## City Council Changes to the Proposed Budget

The Council made no changes to the 2017-2018 Proposed Budget.

## Incremental Budget Changes

### Cable Television Franchise Subfund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 9,936,381</b>	<b>0.00</b>	<b>\$ 9,936,381</b>	<b>0.00</b>
<b>Proposed Changes</b>				
Align with Information Technology Fund	\$ 307,085	0.00	-\$ 6,421	0.00
Seattle Public Library Digital Librarian	\$ 110,000	0.00	\$ 112,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 417,085</b>	<b>0.00</b>	<b>\$ 105,579</b>	<b>0.00</b>
<b>2017 Adopted/2018 Endorsed Budget</b>	<b>\$ 10,353,466</b>	<b>0.00</b>	<b>\$ 10,041,960</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Align with Information Technology Fund - \$307,085**

This adjustment aligns the Cable Fund with changes made in the Seattle IT budget for changes in usage of services supported with the Cable Fund and changes in cost allocation. This item includes \$644,000 to support the creation of a new community grant system, \$316,000 to support the City's Digital Equity Initiative, \$130,000 for a Digital Media Specialist on the Citywide Web Team, and \$39,000 for a second Seattle Channel van. These additions are offset, however, by changes in other cost allocations. Detail on these items can be found in the Seattle IT budget.

#### **Seattle Public Library Digital Librarian - \$110,000**

This item includes \$110,000 for the Seattle Public Library's Digital Librarian, an existing position that will now spend all of its time on digital equity programming. In addition to working specifically on Wi-Fi hotspot outreach, this position now provides broad support of digital literacy through direct patron instruction and support. This position leads the organization by identifying audiences to serve, developing broad partnerships with City agencies as well as non-profits and other service providers, designing programs and instruction curriculum, and training staff and volunteers to deliver classes and direct services. More information on Seattle Public Library's use of Cable Fund for digital equity can be found in the Seattle Public Library's budget.

## Cable Television Franchise Subfund

### City Council Provisos

*There are no Council provisos.*

### Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
<b>Cable Fee Support to Information Technology Fund Budget Control</b>					
Applications		0	0	742,062	430,062
Business Office		-14,643	238,437	456,822	386,145
Citywide Web Team		1,211,646	945,258	1,122,959	1,135,302
Community Technology		1,429,344	1,715,774	1,701,104	1,687,396
Engineering and Operations		969,084	1,155,473	762,585	770,763
Office of Cable Communications		955,364	907,842	811,121	821,776
Open Data		0	0	307,153	312,935
Seattle Channel		3,627,540	3,709,800	3,306,378	3,343,070
Security, Risk and Compliance		0	0	435,097	442,581
Strategy and Planning		407,532	733,797	68,185	69,930
<b>Total</b>	<b>D160B</b>	<b>8,585,867</b>	<b>9,406,381</b>	<b>9,713,466</b>	<b>9,399,960</b>
<b>Cable Fee Support to Library Fund Budget Control Level</b>	<b>D160C</b>	<b>190,000</b>	<b>530,000</b>	<b>640,000</b>	<b>642,000</b>
<b>Department Total</b>		<b>8,775,867</b>	<b>9,936,381</b>	<b>10,353,466</b>	<b>10,041,960</b>

<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### Revenue Overview

#### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
421911	Franchise Fee Revenues, Licenses, Permits, and Fines	9,081,788	9,999,314	9,356,315	9,356,315
	<b>Total Franchise Fees, Licenses, Permits, and Fines</b>	<b>9,081,788</b>	<b>9,999,314</b>	<b>9,356,315</b>	<b>9,356,315</b>
461110	Interest Earnings	33,320	49,006	36,818	27,453
	<b>Total Interest Earnings/Investment Earnings</b>	<b>33,320</b>	<b>49,006</b>	<b>36,818</b>	<b>27,453</b>
<b>Total Revenues</b>		<b>9,115,108</b>	<b>10,048,320</b>	<b>9,393,133</b>	<b>9,383,768</b>

## Cable Television Franchise Subfund

379100	Use of (Contributions to) Fund Balance	-339,240	-111,939	960,333	658,192
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>-339,240</b>	<b>-111,939</b>	<b>960,333</b>	<b>658,192</b>
<b>Total Resources</b>		<b>8,775,868</b>	<b>9,936,381</b>	<b>10,353,466</b>	<b>10,041,960</b>

### 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 Seattle Information Technology Department's Information Technology Fund. These resources are used by the department for a variety of programs consistent with Resolution 30379.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Applications	0	0	742,062	430,062
Business Office	-14,643	238,437	456,822	386,145
Citywide Web Team	1,211,646	945,258	1,122,959	1,135,302
Community Technology	1,429,344	1,715,774	1,701,104	1,687,396
Engineering and Operations	969,084	1,155,473	762,585	770,763
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Open Data	0	0	307,153	312,935
Seattle Channel	3,627,540	3,709,800	3,306,378	3,343,070
Security, Risk and Compliance	0	0	435,097	442,581
Strategy and Planning	407,532	733,797	68,185	69,930
<b>Total</b>	<b>8,585,867</b>	<b>9,406,381</b>	<b>9,713,466</b>	<b>9,399,960</b>

## Cable Television Franchise Subfund

### **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.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Citizen Literacy/Access	190,000	530,000	640,000	642,000
<b>Total</b>	<b>190,000</b>	<b>530,000</b>	<b>640,000</b>	<b>642,000</b>

### **Cable TV Fund Table**

#### **Cable Television Franchise Subfund (00160)**

	2015	2016	2016	2017	2018
	<b>Actuals</b>	<b>Adopted</b>	<b>Revised</b>	<b>Adopted</b>	<b>Endorsed</b>
<b>Beginning Fund Balance</b>	<b>4,118,457</b>	<b>3,886,472</b>	<b>4,451,163</b>	<b>3,658,061</b>	<b>2,697,728</b>
Accounting and Technical Adjustments	-6,535	0	0	0	0
Plus: Actual and Estimated Revenues	9,115,108	10,048,320	9,403,279	9,393,133	9,383,768
Less: Actual and Budgeted Expenditures	8,775,867	9,936,381	10,196,381	10,353,466	10,041,960
<b>Ending Fund Balance</b>	<b>4,451,163</b>	<b>3,998,411</b>	<b>3,658,061</b>	<b>2,697,728</b>	<b>2,039,536</b>
Ongoing Reserve	1,916,380	2,090,457	2,129,457	2,153,020	2,106,294
Planning Reserve		801,450	500,000	283,754	97,699
<b>Total Reserves</b>	<b>1,916,380</b>	<b>2,891,907</b>	<b>2,629,457</b>	<b>2,436,774</b>	<b>2,203,993</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,534,783</b>	<b>1,106,504</b>	<b>1,028,604</b>	<b>260,954</b>	<b>-164,457</b>