

Resolution No.:	<u>18-1152</u>
Introduced:	<u>May 24, 2018</u>
Adopted:	<u>May 24, 2018</u>

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council

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**SUBJECT:** Approval of the FY 2019 Cable Communications Plan

**Background**

1. Section 8A-27(a) of the County Code provides that “All access grants, franchise fees, and other moneys received by the County from any franchisee may be spent only under a budget approved by the Council and in accordance with the County Cable Communications Plan.”
2. Section 8A-27(b) of the County Code provides that “The Cable Communications Plan must be proposed by the County Executive to the Council annually and may be amended at any time.”
3. Section 6.2.2 of the 2016 Cable Franchise Agreement with Comcast of Potomac, LLC. provides that Comcast must pay a grant to the County of 3% of Gross Revenues each quarter to be used for PEG and institutional network capital expenses. Paragraph 8 of Exhibit D of the Franchise Agreement provides that this grant may be used for capital and non-capital support for PEG purposes, including expenditures on PEG and FiberNet.
4. Section 8(b)(1) of the 2016 Franchise Agreement with Starpower Communications, L.L.C, doing business as RCN, provides that Starpower must pay a grant to the County of 3% of Gross Revenues to the County to be used for PEG and Institutional Network. Paragraph 3 of Exhibit F of the Franchise Agreement provides that this grant may be used for capital or non-capital support for PEG purposes.
5. Section 6.2.2 of the 2006 Franchise Agreement with Verizon provides that Verizon must pay a grant to the County of 3% of Gross Revenues each quarter to be used for PEG and institutional network purposes.
6. Section 8 of the Franchise Agreement with Starpower (doing business as RCN) and Section 7 of the Franchise Agreements with Verizon and Comcast provides that each franchisee must pay, for the life of the franchise, a franchise fee of 5% of annual gross revenues.

### General Provisions

1. Purpose and Effect: This Cable Communications Plan constitutes the County's formal direction for the use of resources required to be provided under Sections 7 and 8 of the Franchise Agreements with Comcast and Starpower (doing business as RCN); and Sections 3, 6, and 7 of the Franchise Agreement with Verizon.  
  
In FY 2019, these resources must be deposited by the County in its Cable TV Special Revenue Fund, and this Cable Communications Plan directs the use of the revenues in this Fund.
2. Spending Authority under the Time Period Governed by This Plan: This Cable Communications Plan provides spending authority for FY 2019. Resources appropriated in FY 2019 that are not encumbered by the County on or before June 30, 2019 must remain in the Cable TV Special Revenue Fund and be available for spending in future years.
3. Carryover: Resources provided to the County as a result of the requirements of the Franchise Agreements with Comcast, Starpower (doing business as RCN), and Verizon, but not specifically allocated in the Cable Communications Plan to the General Fund, must remain in the Cable TV Special Revenue Fund and be available to be allocated in future years.
4. Future Fiscal Years: No estimate shown for any fiscal year after FY 2019 reflects any commitment or decision by the Council, and any such estimate should not be taken as prejudging any decision regarding activities or allocations, either in absolute or relative amounts, of expenditures for future years.
5. Management of Funds: All equipment, personnel, and other resources approved in the Cable Communications Plan for funding from the Cable TV Special Revenue Fund must be managed so that the resources are reasonably available to all users of the cable system and provide benefits to the subscribing public and the franchisee.
6. Affirmative Action and MFD Procurement Procedures: The Board of Directors of Montgomery Community Television, Inc. (MCT), doing business as Montgomery Community Media (MCM), must adopt and follow an Affirmative Action Plan and procedures for procurements from minority-, female-, and disabled-owned businesses (MFD) that take into account both the requirements of the Franchise Agreements with Comcast, Starpower (doing business as RCN), and Verizon and relevant provisions of the County Code.
7. Financial Disclosure: The County must not spend any FY 2019 funds allocated to MCT until all members of the Board of Directors and the Executive Director of MCT have filed a financial disclosure statement with the Ethics Commission for the 2018 calendar year.
8. FY 2020-2025 Cable Plan: The Executive must submit a preliminary six-year Cable Communications Plan for FY 2020 through FY 2025 to the Council no later than January 15, 2019. The Executive submitted a preliminary six-year Cable Communications Plan for FY 2019 through FY 2024 to the Council on January 15, 2018. The Preliminary Cable

Communications Plan must include: (a) a list of known PEG activities and funding needs for FY 2020 through FY 2025; (b) a preliminary plan for prioritizing PEG funding needs within the context of the County’s long-term vision for Cable television; (c) any capital project expenditures proposed to be funded through the plan; (d) changes to approved multi-year expenditures; and (e) updated projections of plan revenues for FY 2020 through FY 2025.

- 9. Reporting Requirements: The Executive must submit a quarterly summary report to the Council detailing revenues received by source for the Cable Plan and the levels of the Cable Fund Balance at the close of the prior quarter. The intent is to ensure that all revenues beyond those foreseen in the approved Cable Plan are explicitly identified and allocated by the Government Operations and Fiscal Policy Committee.

**FY 2019 Cable Communications Plan Description**

The FY 2019 Cable Communications Plan provides funding for cable franchise administration (Department of Technology Services, County Attorney’s Office, and outside professional services); for municipal equipment and support; for public, educational, and government access programming (Office of Public Information, Council, Montgomery College, Montgomery County Public Schools, and Montgomery Community Television, Inc.); for the Legislative Branch Communications Outreach non-departmental account (NDA); for the Interagency Technology Fund (ITF); and for other miscellaneous cable-related activities.

The attached table details the approved expenditures from the Cable TV Special Revenue Fund for the following purposes in FY 2019:

Franchise Administration

- A. Funds are allocated to the Department of Technology Services to administer the Franchise Agreements with Comcast, Starpower (doing business as RCN), and Verizon, including inspecting construction, testing signal quality, responding to residents’ complaints, budgeting franchise fee and grant funds received from the cable operator, managing the contract to provide public access services, supporting an advisory committee, administering Federal Communications Commission rules and regulations, preparing for and negotiating franchise agreements, and advising elected officials on related policy matters.
- B. Funds are allocated to the County Attorney’s Office to support the in-house staff costs associated with advising the Department of Technology Services and elected officials on related matters.
- C. Funds are allocated to hire outside professional services to advise or represent the County in areas of specialized telecommunications needs.

Municipal Support

- D. Funds are allocated for sharing franchise fee revenue with the municipal co-franchisors in accordance with the formula in Section 8A-29 of the County Code.
- E. Funds are allocated to support the 3 PEG channels allocated to (1) the City of Rockville; (2) the City of Takoma Park; and (3) the Montgomery County Chapter of the Maryland Municipal League. Funds are allocated from the Capital Equipment Support Grants, according to the requirements of Section 8(b)(1) of the Franchise Agreement with Starpower (doing business as RCN), the requirements of Section 6.2 of the Franchise Agreement with Comcast, the requirements of 6.2 of the Franchise Agreement with Verizon, and from the PEG Support Fund. Funds are allocated from the PEG Support Fund to the extent that the Participating Municipalities meet all applicable matching-fund requirements in the Settlement Agreement.

County Government Access Programming

- F. Funds are allocated for managing the County Government Channel, maintaining County Government Channel video equipment, closed captioning of County Government programming, and for the operation of the Technical Operations Center to monitor and adjust technical quality of PEG Programming.

Funds are allocated to the Office of Public Information for in-house staff and contractors to produce Executive Branch programming for the County Government Channel.

Funds are allocated to the Council for in-house staff and contractors to produce programming for the Council and Legislative Branch agencies.

Funds are allocated to the Montgomery County portion of the Maryland-National Capital Park and Planning Commission for contractors to provide cable-related services, including webcasting and services needed to produce programming for the Planning Board and the Parks Department.

Educational Access Programming

- G. Funds are allocated to Montgomery College to produce educational programs and operate a cable channel with in-house staff.
- H. Funds are allocated to Montgomery County Public Schools to produce educational programs for children, parents, and teachers; carry Board of Education meetings; and run other educational programming of interest to County residents.

Public Access Programming

- I. Funds are allocated for Montgomery Community Television, Inc., to perform services in FY 2019 specified in its contract with the County, including the following:

- (1) produce and schedule two public access channels, including disseminating information on the daily program schedule;
- (2) train community producers and technicians in program production and assist residents and community organizations in developing locally produced or locally sponsored programming;
- (3) provide and maintain a central access studio, field production equipment, and editing facilities for use by community producers in program production;
- (4) maintain all video equipment provided to MCT or purchased by MCT with cable company or County funds;
- (5) produce local interest and public affairs programming;
- (6) promote and encourage programming representing a diversity of community interests and needs; and
- (7) perform outreach and create programming in the down-county area.

#### PEG Network

- J. For FY 2019, funds are allocated for PEG equipment replacement, for joint PEG programming/promotion, PEG network engineering and administration, closed captioning of select PEG programming, and for PEG programming to provide access to cable by community organizations.

The Council wishes to encourage the most cost-effective operations of the PEG Channels and has directed the PEG Governance Board to enhance the sharing of equipment, facilities, and personnel. All funds appropriated for PEG equipment replacement must be administered by the Office of Cable and Broadband Services. Before spending any funds for this purpose, the PEG Governance Board must report to the Council and the Executive on their plans for the purchase and allocation of replacement equipment. The Council intends that preference be given to purchases of equipment and facilities that can be shared by more than one PEG Channel.

The Council encourages the municipal co-franchisors to develop plans for purchasing equipment, using engineering expertise available from the other PEG Channels and the Office of Cable and Broadband Services, and acquiring equipment that facilitates the sharing of resources with other PEG channels.

Before the PEG Governance Board may spend funds allocated for PEG joint Programming/Promotion, the Governance Board must report its general plans to the Council and the Executive.

#### Institutional Telecommunications

- K. The County continues to expand the FiberNet network to meet the telecommunications needs of County agency facilities. The Department of Technology Services must develop and implement a FiberNet buildout plan that identifies facilities with the greatest need for high-speed voice, data, and video transmissions and for which FiberNet offers lower cost service than private sector telecommunications providers. User agencies must notify the Council before paying any fee to or entering into any agreement with any private provider,

if using FiberNet to serve specific facilities is more advantageous to the County. The Council will then consider if adjustments to the funded FiberNet buildout schedule are warranted to avoid paying excessive fees to private providers for telecommunications service to any specific facility.

Allocation of FiberNet fibers to Montgomery College from the County FiberNet is subject to a construction memorandum of understanding between the College and the County signed on December 26, 2012, as well as approval by the Interagency Technology Policy and Coordination Committee.

Support of Legislative Branch Communications Outreach NDA

- L. In FY 2019, the Council approved a transfer of \$540,000 to the Legislative Branch Communications Outreach NDA to strengthen the capacity of the Legislative Branch offices to inform constituent communities of issues that directly affect them and to ensure that these communities' concerns are effectively taken into account.

In addition, on May 15, 2018, the Council authorized a one-time transfer of \$750,000 into this NDA to develop a solution to the failing 3<sup>rd</sup> floor audio/visual systems of the Council Office Building. This reduced the amount available for transfer to the General Fund in FY 2019 by \$750,000.

Support of the Interagency Technology Fund (ITF)

- M. In FY 2019, the Interagency Technology Fund will not receive any funding to support priority projects as approved by the ITPCC. However, in support of the Interagency Technology Policy and Coordination Committee (ITPCC) work program, \$100,000 is allocated to the Maryland National Capital Park and Planning Commission for the continuation of the "Connected Parks" project.

**Action**

The County Council for Montgomery County, Maryland approves the following resolution:

The Council approves the attached Cable Communications Plan as described in this resolution and appropriates cable communications grant resources and settlement funds as provided in the Cable Communications Plan and this resolution and any amendments to either that the Council adopts for FY 2019.

This is a correct copy of Council action.

  
 Megan Davey Limarzi, Esq.,  
 Clerk of the Council

**FY19 CABLE COMMUNICATIONS PLAN (in \$000's)**

		Act FY17	APP FY18	Est FY18	Approved FY19	Proj. FY20	Proj. FY21	Proj. FY22	Proj. FY23	Proj. FY24
1	BEGINNING FUND BALANCE	2,140	1,619	6,031	1,960	68	140	241	565	87
2	<b>REVENUES</b>									
3	Franchise Fees <sup>1</sup>	18,080	17,987	17,992	17,868	17,942	18,018	18,095	18,095	18,095
4	Gaithersburg PEG Contribution	175	168	169	165	164	164	163	163	163
5	PEG Operating Grant <sup>1,2,7</sup>	5,411	4,158	4,160	4,013	3,991	3,968	3,946	3,946	3,946
6	PEG Capital Grant <sup>1,2,7</sup>	7,560	6,674	6,711	6,644	6,814	6,882	6,951	6,951	6,951
7	FiberNet Operating & Equipment Grant <sup>2</sup>	0	0	0	0	0	0	0	0	0
8	Interest Earned	73	75	75	107	138	170	188	188	188
9	TFCG Application Review Fees	448	250	250	150	150	150	150	150	150
10	Miscellaneous	0	0	0	0	0	0	0	0	0
11	<b>TOTAL ANNUAL REVENUES</b>	<b>31,746</b>	<b>29,311</b>	<b>29,357</b>	<b>28,947</b>	<b>29,200</b>	<b>29,352</b>	<b>29,493</b>	<b>29,493</b>	<b>29,493</b>
12	<b>TOTAL RESOURCES-CABLE FUND</b>	<b>33,886</b>	<b>30,930</b>	<b>35,388</b>	<b>30,907</b>	<b>29,267</b>	<b>29,492</b>	<b>29,734</b>	<b>30,058</b>	<b>29,581</b>
13	<b>EXPENDITURE OF RESTRICTED FUNDS<sup>2</sup></b>									
14	<b>A. EXPENDITURE OF RESTRICTED CAPITAL FUNDS</b>									
15	<b>Municipal Capital Support<sup>3</sup></b>									
16	Rockville Equipment	943	931	953	931	973	983	993	993	993
17	Takoma Park Equipment	233	217	228	217	227	229	232	232	232
18	Municipal League Equipment	233	217	228	217	227	229	232	232	232
19	<b>SUBTOTAL</b>	<b>1,409</b>	<b>1,365</b>	<b>1,409</b>	<b>1,365</b>	<b>1,428</b>	<b>1,442</b>	<b>1,456</b>	<b>1,456</b>	<b>1,456</b>
20	<b>PEG Capital</b>	<b>768</b>	<b>759</b>	<b>759</b>	<b>759</b>	<b>957</b>	<b>1,191</b>	<b>1,319</b>	<b>1,319</b>	<b>1,319</b>
21	ultraMontgomery - CIP	680	680	680	680	680	680	680	680	680
22	FiberNet - CIP	3,693	3,890	3,890	3,840	3,750	3,569	3,496	3,496	3,496
24	(Must be greater or equal to Line 6) <b>SUBTOTAL</b>	<b>6,550</b>	<b>6,694</b>	<b>6,738</b>	<b>6,644</b>	<b>6,814</b>	<b>6,882</b>	<b>6,951</b>	<b>6,951</b>	<b>6,951</b>
25	<b>B. EXPENDITURE OF OTHER RESTRICTED FUNDS</b>									
26	<b>Municipal Franchise Fee Distribution<sup>3</sup></b>									
27	City of Rockville	846	757	758	757	770	774	778	778	778
28	City of Takoma Park	286	268	246	268	245	246	247	247	247
29	Other Municipalities	269	243	271	243	274	276	278	278	278
30	<b>SUBTOTAL</b>	<b>1,401</b>	<b>1,268</b>	<b>1,275</b>	<b>1,268</b>	<b>1,289</b>	<b>1,296</b>	<b>1,303</b>	<b>1,303</b>	<b>1,303</b>
31	<b>Municipal Operating Support<sup>3</sup></b>									
32	Rockville PEG Support	320	300	211	300	279	272	266	266	266
33	Takoma Park PEG Support	494	458	462	458	443	441	438	438	438
34	Muni. League PEG Support	494	458	462	458	443	441	438	438	438
35	<b>SUBTOTAL</b>	<b>1,308</b>	<b>1,215</b>	<b>1,135</b>	<b>1,215</b>	<b>1,166</b>	<b>1,154</b>	<b>1,142</b>	<b>1,142</b>	<b>1,142</b>
36	<b>SUBTOTAL</b>	<b>2,709</b>	<b>2,483</b>	<b>2,410</b>	<b>2,483</b>	<b>2,455</b>	<b>2,450</b>	<b>2,446</b>	<b>2,446</b>	<b>2,446</b>
37	<b>TOTAL EXPENDITURES OF RESTRICTED FUNDS</b>	<b>9,260</b>	<b>9,177</b>	<b>9,148</b>	<b>9,127</b>	<b>9,269</b>	<b>9,333</b>	<b>9,397</b>	<b>9,397</b>	<b>9,397</b>
38	<b>NET TOTAL ANNUAL REVENUES</b>	<b>22,487</b>	<b>20,134</b>	<b>20,164</b>	<b>19,820</b>	<b>19,930</b>	<b>20,019</b>	<b>20,097</b>	<b>20,097</b>	<b>20,097</b>
39	<b>NET TOTAL RESOURCES-CABLE FUND</b>	<b>24,627</b>	<b>21,753</b>	<b>21,782</b>	<b>21,780</b>	<b>19,998</b>	<b>20,159</b>	<b>20,337</b>	<b>20,661</b>	<b>20,184</b>

**FY19 CABLE COMMUNICATIONS PLAN (in \$000's)**

		Act FY17	APP FY18	Est FY18	Approved FY19	Proj. FY20	Proj. FY21	Proj. FY22	Proj. FY23	Proj. FY24
40	<b>EXPENDITURES OF NON-RESTRICTED FUNDS</b>									
41	<b>A. Transmission Facilities Coordinating Group</b>									
42	TFCG Application Review	220	250	250	230	237	243	250	250	250
43	<b>SUBTOTAL</b>	<b>220</b>	<b>250</b>	<b>250</b>	<b>230</b>	<b>237</b>	<b>243</b>	<b>250</b>	<b>250</b>	<b>250</b>
44	<b>B. FRANCHISE ADMINISTRATION</b>									
45	Personnel Costs - Cable Administration	960	1,065	702	849	1,046	1,095	1,146	1,146	1,146
46	Personnel Costs - DTS Administration	83	83	0	0	0	0	0	0	0
47	Personnel Costs - Charges for County Atty	119	119	116	118	131	138	144	144	144
48	Operating	142	67	71	68	77	79	81	81	81
49	Engineering & Inspection Services	95	78	78	78	73	75	77	77	77
50	Legal and Professional Services	95	100	100	100	127	131	134	134	134
51	<b>SUBTOTAL</b>	<b>1,493</b>	<b>1,512</b>	<b>1,067</b>	<b>1,212</b>	<b>1,454</b>	<b>1,517</b>	<b>1,582</b>	<b>1,582</b>	<b>1,582</b>
52	<b>SUBTOTAL</b>	<b>1,713</b>	<b>1,762</b>	<b>1,317</b>	<b>1,442</b>	<b>1,691</b>	<b>1,760</b>	<b>1,832</b>	<b>1,832</b>	<b>1,832</b>
53	<b>C. MONTGOMERY COUNTY GOVERNMENT - CCM</b>									
54	<b>Media Production &amp; Engineering</b>									
55	Personnel Costs	660	677	703	707	765	801	839	839	839
56	Operating	32	31	31	31	34	35	36	36	36
57	Contracts - TV Production	34	87	77	87	94	97	99	99	99
58	New Media, Webstreaming & VOD Services	45	58	58	58	62	64	66	66	66
59	<b>SUBTOTAL</b>	<b>771</b>	<b>854</b>	<b>869</b>	<b>884</b>	<b>956</b>	<b>997</b>	<b>1,040</b>	<b>1,040</b>	<b>1,040</b>
60	<b>Public Information Office</b>									
61	Personnel Costs	691	772	774	799	908	951	996	996	996
62	Operating Expenses	4	11	12	11	13	14	14	14	14
64	<b>SUBTOTAL</b>	<b>695</b>	<b>783</b>	<b>786</b>	<b>811</b>	<b>921</b>	<b>964</b>	<b>1,009</b>	<b>1,009</b>	<b>1,009</b>
65	<b>County Council</b>									
66	Personnel Costs	561	629	610	620	667	696	726	726	726
67	Operating Expenses	9	11	11	11	14	14	15	15	15
68	Contracts - TV Production	268	153	152	153	163	168	172	172	172
69	General Sessions and Committee Meetings	10	100	101	100	109	112	115	115	115
70	Multi-Lingual/Cultural Production Services	0	0	0	0	0	0	0	0	0
71	<b>SUBTOTAL</b>	<b>848</b>	<b>893</b>	<b>874</b>	<b>884</b>	<b>953</b>	<b>990</b>	<b>1,028</b>	<b>1,028</b>	<b>1,028</b>
72	<b>MNCPPC</b>									
73	Contracts - TV Production	89	99	99	99	106	109	112	112	112
74	New Media, Webstreaming & VOD Services	24	24	24	24	26	27	28	28	28
75	<b>SUBTOTAL</b>	<b>114</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>132</b>	<b>136</b>	<b>140</b>	<b>140</b>	<b>140</b>
76	<b>SUBTOTAL</b>	<b>2,427</b>	<b>2,653</b>	<b>2,652</b>	<b>2,702</b>	<b>2,962</b>	<b>3,087</b>	<b>3,216</b>	<b>3,216</b>	<b>3,216</b>



**FY19 CABLE COMMUNICATIONS PLAN (in \$000's)**

		Act FY17	APP FY18	Est FY18	Approved FY19	Proj. FY20	Proj. FY21	Proj. FY22	Proj. FY23	Proj. FY24
<b>77</b>	<b>D. MONTGOMERY COLLEGE - MC ITV</b>									
<b>78</b>	Personnel Costs	1,367	1,463	1,463	1,506	1,751	1,834	1,920	1,920	1,920
<b>79</b>	Operating Expenses	333	221	221	221	93	95	98	98	98
<b>80</b>	<b>SUBTOTAL</b>	<b>1,699</b>	<b>1,684</b>	<b>1,684</b>	<b>1,727</b>	<b>1,844</b>	<b>1,929</b>	<b>2,018</b>	<b>2,018</b>	<b>2,018</b>
<b>81</b>	<b>E. PUBLIC SCHOOLS - MCPS ITV</b>									
<b>82</b>	Personnel Costs	1,606	1,564	1,564	1,656	1,832	1,918	2,009	2,009	2,009
<b>83</b>	Operating Expenses	137	133	133	133	148	152	156	156	156
<b>84</b>	<b>SUBTOTAL</b>	<b>1,743</b>	<b>1,698</b>	<b>1,698</b>	<b>1,790</b>	<b>1,980</b>	<b>2,070</b>	<b>2,164</b>	<b>2,164</b>	<b>2,164</b>
<b>85</b>	<b>F. COMMUNITY ACCESS PROGRAMMING<sup>a</sup></b>									
<b>86</b>	Personnel Costs	2,103	2,095	2,095	2,096	2,400	2,513	2,631	2,631	2,631
<b>87</b>	Operating Expenses	67	65	65	65	72	74	76	76	76
<b>88</b>	Rent & Utilities	411	425	425	459	442	454	466	466	466
<b>89</b>	New Media, Webstreaming & VOD Services	23	23	23	23	25	26	26	26	26
<b>90</b>	<b>SUBTOTAL</b>	<b>2,604</b>	<b>2,608</b>	<b>2,608</b>	<b>2,644</b>	<b>2,940</b>	<b>3,067</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>
<b>91</b>	<b>G. PEG OPERATING</b>									
<b>92</b>	Operating Expenses	147	161	161	161	195	201	206	206	206
<b>93</b>	Youth and Arts Community Media	93	80	100	100	108	111	114	114	114
<b>94</b>	Community Engagement	91	91	91	91	98	101	103	103	103
<b>95</b>	Closed Captioning	75	163	163	163	189	189	189	189	189
<b>96</b>	Technical Operations Center (TOC)	3	9	9	9	11	11	11	11	11
<b>98</b>	<b>SUBTOTAL</b>	<b>410</b>	<b>505</b>	<b>525</b>	<b>525</b>	<b>601</b>	<b>612</b>	<b>623</b>	<b>623</b>	<b>623</b>
<b>99</b>	<b>H. FIBERNET OPERATING</b>									
<b>100</b>	FiberNet - Personnel Charges for DTS	560	720	717	949	966	1,011	1,059	1,059	1,059
<b>101</b>	FiberNet - Operations & Maintenance DTS	1,197	1,224	1,276	1,329	1,212	1,245	1,279	1,279	1,279
<b>102</b>	FiberNet - Network Operations Center	988	910	910	910	910	910	910	910	910
<b>103</b>	FiberNet - Personnel Charges for DOT	90	104	101	106	115	120	126	126	126
<b>104</b>	FiberNet - Operations & Maintenance DOT	720	979	943	979	700	700	700	1,002	1,002
<b>105</b>	<b>SUBTOTAL</b>	<b>3,554</b>	<b>3,936</b>	<b>3,946</b>	<b>4,273</b>	<b>3,903</b>	<b>3,986</b>	<b>4,074</b>	<b>4,375</b>	<b>4,375</b>

**FY19 CABLE COMMUNICATIONS PLAN (in \$000's)**

	Act FY17	APP FY18	Est FY18	Approved FY19	Proj. FY20	Proj. FY21	Proj. FY22	Proj. FY23	Proj. FY24
<b>106 TOTAL EXPENDITURE OF UNRESTRICTED FUNDS</b>	<b>14,151</b>	<b>14,845</b>	<b>14,429</b>	<b>15,102</b>	<b>15,922</b>	<b>16,511</b>	<b>17,128</b>	<b>17,429</b>	<b>17,429</b>
<b>107 TOTAL EXPENDITURE OF RESTRICTED FUNDS</b>	<b>9,260</b>	<b>9,177</b>	<b>9,148</b>	<b>9,127</b>	<b>9,269</b>	<b>9,333</b>	<b>9,397</b>	<b>9,397</b>	<b>9,397</b>
<b>108 TOTAL EXPENDITURES - PROGRAMS</b>	<b>23,411</b>	<b>24,022</b>	<b>23,577</b>	<b>24,230</b>	<b>25,191</b>	<b>25,844</b>	<b>26,525</b>	<b>26,826</b>	<b>26,826</b>
<b>109 I. OTHER</b>									
110 Indirect Costs Transfer to Gen Fund	649	725	725	756	838	877	918	918	918
112 Telecom Transfer to the Gen Fund	5	5	5	5	0	0	0	0	0
113 Transfer to the General Fund	4,673	5,500	7,731	5,208	2,458	1,890	1,087	1,587	1,079
114 Legislative Community Communications NDA Transfer to the Maryland-National Capital Park and Planning Commission	490	540	1,290	540	540	540	540	540	540
115	-	100	100	100	100	100	100	100	100
116 <b>SUBTOTAL</b>	<b>5,817</b>	<b>6,870</b>	<b>9,851</b>	<b>6,609</b>	<b>3,936</b>	<b>3,407</b>	<b>2,645</b>	<b>3,145</b>	<b>2,637</b>
<b>117 TOTAL EXPENDITURES</b>	<b>29,228</b>	<b>30,892</b>	<b>33,428</b>	<b>30,839</b>	<b>29,127</b>	<b>29,251</b>	<b>29,170</b>	<b>29,971</b>	<b>29,463</b>
<b>118 J. ADJUSTMENTS</b>									
119 Prior Year Adjustments	0	0	0	0	0	0	0	0	0
120 Encumbrance Adjustment	343	0	0	0	0	0	0	0	0
122 <b>TOTAL ADJUSTMENTS</b>	<b>343</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>123 FUND BALANCE</b>	<b>6,031</b>	<b>39</b>	<b>1,960</b>	<b>68</b>	<b>140</b>	<b>241</b>	<b>565</b>	<b>87</b>	<b>117</b>
<b>124 FUND BALANCE PER POLICY GUIDANCE<sup>5</sup></b>	<b>1,488</b>	<b>1,465</b>	<b>1,465</b>	<b>1,450</b>	<b>1,458</b>	<b>1,467</b>	<b>1,475</b>	<b>1,475</b>	<b>1,475</b>
<b>125 K. SUMMARY - EXPENDITURES BY FUNDING SOURCE</b>									
126 Transfer to Gen Fund-Indirect Costs	649	725	725	756	838	797	834	834	834
127 Transfer to Gen Fund-Mont Coll Cable Fund <sup>6</sup>	1,621	1,684	1,684	1,727	1,844	1,929	2,018	2,018	2,018
128 Transfer to Gen Fund-Public Sch Cable Fund <sup>6</sup>	1,743	1,698	1,698	1,790	1,980	2,070	2,164	2,164	2,164
129 Transfer to CIP Fund	4,373	4,670	4,670	4,520	4,430	4,249	4,176	4,176	4,176
130 Transfer to Gen Fund-Other	4,673	5,500	7,731	5,208	2,458	1,890	1,087	1,587	1,079
131 Transfer to Gen Fund-Telecom	5	5	5	5	0	0	0	0	0
132 Transfer to the General Fund-Legislative Branch NDA Transfer to the Maryland-National Capital Park and Planning Commission	490	540	1,290	540	540	540	540	540	540
133	-	100	100	100	100	100	100	100	100
134 <b>FUND TRANSFERS SUBTOTAL</b>	<b>13,554</b>	<b>14,921</b>	<b>17,902</b>	<b>14,646</b>	<b>12,190</b>	<b>11,575</b>	<b>10,919</b>	<b>11,419</b>	<b>10,911</b>
<b>135 Cable Fund Expenditure of Unrestricted Funds</b>	<b>10,709</b>	<b>11,463</b>	<b>11,048</b>	<b>11,586</b>	<b>12,098</b>	<b>12,512</b>	<b>12,946</b>	<b>13,269</b>	<b>13,269</b>
<b>136 Cable Fund Direct Expenditures</b>	<b>16,017</b>	<b>15,971</b>	<b>15,526</b>	<b>16,193</b>	<b>16,937</b>	<b>17,677</b>	<b>18,251</b>	<b>18,552</b>	<b>18,552</b>
<b>137 Cable Fund Personnel</b>	<b>3,723</b>	<b>4,169</b>	<b>3,723</b>	<b>4,150</b>	<b>4,598</b>	<b>4,811</b>	<b>5,035</b>	<b>5,035</b>	<b>5,035</b>
<b>138 Cable Fund Operating</b>	<b>11,895</b>	<b>11,903</b>	<b>11,903</b>	<b>12,044</b>	<b>12,339</b>	<b>12,785</b>	<b>13,131</b>	<b>13,433</b>	<b>13,433</b>

**Notes:** These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, transfers, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors.

1. Subject to municipal pass-through payment.
2. Restricted revenue and expenditures: Certain Cable Fund revenues, required in excess of the federal limit on franchise fees, and corresponding expenditures (Municipal Franchise Fees/Pass-throughs, PEG Capital/Equipment Grants, and PEG Operating Revenue) are contractually required by franchise, municipal, and settlement agreements, and by the County Code, and may only be used for permissible federal purposes and in a manner consistent with applicable agreements.
3. Municipal payments are estimates. Actual payments will be calculated based upon actual revenue received, subscriber numbers and formulas specified within the Municipal MOU's.
4. Montgomery Community Television, Inc., d/b/a Montgomery Community Media, is designated as a sole source contractor to provide community access media services.
5. Fund balance per policy guidance is calculated as 8% of total non-restricted revenues (franchise fees, tower fees, and investment income).
6. The Cable Fund makes a fund transfer to Montgomery College and MCPS to support MCPS iTV and MC iTV.