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# Cable Communications Plan

## MISSION STATEMENT

The mission of the Cable 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 FY15, the Cable Communications Plan consists of three elements: the Cable & Broadband Office appropriation (\$14,693,985), transfers to the County General Fund (\$8,401,025), and transfers to the County Capital Improvements Program (\$3,748,000) for a total use of fund resources of \$26,843,011. Within the Cable Office appropriation of \$14,693,985, Personnel Costs comprise 24.8 percent of the budget for sixteen full-time positions. A total of 30.5 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 75.2 percent of the FY15 budget.

In FY15, 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 FY15, total transfers to MC are \$1,430,000, representing an increase of \$84,200 (or 6.3%) over the FY14 transfer of \$1,345,800.

Montgomery County Public Schools (MCPS): Funds are transferred from the Cable Fund to the General Fund, and then to MCPS. In FY15, total transfers to MCPS are \$1,595,624, representing an increase of \$118,364 (or 8.0%) over the FY14 transfer of \$1,477,260.

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 (\$579,475), costs related to the Technology Modernization program (\$30,191), funding the workplan of the Legislative Branch Communications Outreach NDA (\$400,000), and other contributions (\$4,365,735).

## LINKAGE TO COUNTY RESULT AREAS

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

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

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## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY14 estimates reflect funding based on the FY14 approved budget. The FY15 and FY16 figures are performance targets based on the FY15 recommended budget and funding for comparable service levels in FY16.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***In FY14, COUNTY REPORT THIS WEEK (CRTW), the weekly half-hour program produced collaboratively by members of the PEG Governance Board, was named by the Alliance for Community Media the Best PEG News Program in America. In February 2014, CRTW will produce its 200th episode. The program will continue to highlight decisions that will impact County residents including master plans, zoning issues, FY15 Capital & Operating Budget, and the 2014 Primary Election polling places and results. The show airs on all the public, education, and government access channels, and is available on-demand, via mobile devices and on YouTube in English and Spanish.***
- ❖ ***In FY14, PEG Bytes, the bi-weekly newsletter produced by the PEG Governance Board, highlights the many hours of original, innovative content produced by the individual PEG channels. Each edition is distributed to a growing list of more than 450 people and includes an average of 12 stories generated exclusively by the PEG organizations.***
- ❖ ***In FY14, the PEG Channels will collaborate to provide coverage of the June 2014 Primary Election including production and editorial expertise, videotaped statements from candidates for office, debates among candidates for contested seats, and live coverage of election results and expert analysis on television, Internet, and via mobile devices. During FY15, the PEGs will provide this same coverage for the General Election.***
- ❖ ***In FY14, using a cutting-edge technology called LiveU, the PEGs collaborated on bringing high-profile events such as the O'Malley/Brown Administration announcing the \$630 Million Investment in the County's Transportation Network, an additional \$400 Million for construction of Purple Line for Montgomery and Prince George's Counties, and the Martin Luther King Celebration to cable and online audiences. LiveU allows video coverage anywhere in the county from locations where fiber is not available.***
- ❖ ***All Montgomery County Public elementary schools will be on FiberNet by the end of the 2014 calendar year at speeds capable of supporting instructional video, telephony, high-speed Internet, and back office applications (12 sites remain to be completed); additionally 19 Housing Opportunities Commission properties are also scheduled. By the end of FY15, FiberNet expects to have 487 sites on the network; the Traffic Management network plans to add 200 pedestrian safety beacons; FiberNet is expected to have more than 1,750 sites on the network by the end of FY17 serving every conceivable end-point from a pedestrian beacon to a major campus network or building complex.***
- ❖ ***Productivity Improvements***
  - ***In FY13, the Cable Office franchising team launched new social media tools to notify Montgomery County residents of the many features, benefits, and press releases concerning the cable providers.***
  - ***In FY13, in collaboration with MC311, the Cable Office developed an online form for consumers to submit questions and complaints about the cable, internet, and phone service provided by the three cable providers.***

## PROGRAM CONTACTS

Contact Ivan Galic of the Cable and Broadband Office at 240.777.2898 or Dennis Hetman of the Office of Management and Budget at 240.777.2770 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 telecommunication 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.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Percent of Customers Satisfied with Cable Office Complaint Handling	97	96	95	95	95
Average Days to Process Transmission Facilities Applications by Transmission Facilities Coordinating Group	27	30	30	30	30
Number of Transmission Facility Applications Processed	209	71	120	120	120

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>1,625,073</b>	<b>8.90</b>
Increase Cost: Printing and Mail	664	0.00
Decrease Cost: Outside Legal Costs	-6,747	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.	18,598	0.00
<b>FY15 CE Recommended</b>	<b>1,637,588</b>	<b>8.90</b>

### **Community Access to Cable**

The Cable & Broadband Office administers a contract with Montgomery Community Television, doing business as Montgomery Community Media (MCM), through which MCM 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 Montgomery 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.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Hours of First Run Locally Produced, Block and Acquired MCM Programming	6,848	5,900	6,000	6,000	6,000
Hours of MCM Volunteer Effort in Creating Public Access Programming	13,642	16,500	17,000	17,000	17,500

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>2,368,509</b>	<b>0.00</b>
Increase Cost: Montgomery Community Television - Employee Salary and Benefits	50,122	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.	10,811	0.00
<b>FY15 CE Recommended</b>	<b>2,429,442</b>	<b>0.00</b>

### **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 web-streamed to the County's website.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Hours of First Run Locally Produced, Block and Acquired CCM Programming	2,631	2,533	2,555	2,578	2,602

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>2,477,176</b>	<b>15.90</b>
Increase Cost: Council Production Services Contract	12,600	0.00
Increase Cost: Community Access Facility - Rent and Utilities	10,811	0.00
Increase Cost: For Public Information Office Operating Expenses	5,440	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.	91,507	0.00
<b>FY15 CE Recommended</b>	<b>2,597,534</b>	<b>15.90</b>

### **Cable Programming for Public Schools**

The Montgomery County Public Schools (MCPS) Office of Communications is responsible for producing television programming for its educational cable channel. Funds are used for production of instructional, community-based, staff development, and training television programs; for programs viewed via the Internet; as well as for engineering, channel management, and program acquisition. MCPS regular programming includes Board of Education meetings, Homework Hotline Live!, 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. Many programs are translated and cablecast in multiple languages. Additional funds are requested and provided through the Public Schools' operating budget.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Hours of First Run Locally Produced, Block and Acquired MCPS ITV Programming	954	974	775	814	854

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>0</b>	<b>0.00</b>
<b>FY15 CE Recommended</b>	<b>0</b>	<b>0.00</b>

### **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.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Hours of First Run Locally Produced and Acquired MC-ITV Programming	336	245	225	235	235
Hours of Montgomery College Student-Assisted Original Programming	143	115	115	115	115

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>0</b>	<b>0.00</b>
<b>FY15 CE Recommended</b>	<b>0</b>	<b>0.00</b>

### **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.

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>3,552,887</b>	<b>0.00</b>
Increase Cost: Municipal Pass-through Payments	530,890	0.00
<b>FY15 CE Recommended</b>	<b>4,083,777</b>	<b>0.00</b>

### **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.

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>1,261,371</b>	<b>0.00</b>
Increase Cost: Public, Educational, and Governance (PEG) Equipment Maintenance Contracts	9,000	0.00
<b>FY15 CE Recommended</b>	<b>1,270,371</b>	<b>0.00</b>

### **FiberNet**

Funding from the Cable Special Revenue Fund are 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 and Public Schools, 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.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
New Sites Added to FiberNet	8	2	127	20	20

<b>FY15 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>2,337,889</b>	<b>5.70</b>
Increase Cost: Charges from Department of Transportation (DOT) for FiberNet Maintenance	121,280	0.00
Increase Cost: Miss Utility Compliance	120,000	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.	96,104	0.00
<b>FY15 CE Recommended</b>	<b>2,675,273</b>	<b>5.70</b>

## BUDGET SUMMARY

	Actual FY13	Budget FY14	Estimated FY14	Recommended FY15	% Chg Bud/Rec
<b>CABLE TELEVISION</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,189,659	2,558,103	2,464,948	2,691,270	5.2%
Employee Benefits	715,361	876,267	892,729	960,120	9.6%
<b>Cable Television Personnel Costs</b>	<b>2,905,020</b>	<b>3,434,370</b>	<b>3,357,677</b>	<b>3,651,390</b>	<b>6.3%</b>
Operating Expenses	10,544,109	10,188,535	9,907,216	11,042,595	8.4%
Capital Outlay	0	0	0	0	—
<b>Cable Television Expenditures</b>	<b>13,449,129</b>	<b>13,622,905</b>	<b>13,264,893</b>	<b>14,693,985</b>	<b>7.9%</b>
<b>PERSONNEL</b>					
Full-Time	16	16	16	16	—
Part-Time	0	0	0	0	—
FTEs	29.50	30.50	30.50	30.50	—
<b>REVENUES</b>					
Franchise Fees	15,995,736	17,096,369	16,628,866	17,002,130	-0.6%
Gaithersburg PEG Contribution	187,426	189,162	177,614	174,950	-7.5%
I-Net Operating Revenue	1,965,770	0	1,761,616	1,800,372	—
Investment Income	0	10,000	0	0	—
PEG Capital Revenue	6,409,873	5,854,929	5,983,169	6,276,638	7.2%
PEG Operating Revenue	1,100,268	4,332,490	2,239,456	2,288,724	-47.2%
Tower Application Fees	58,580	100,000	100,000	120,000	20.0%
Other Charges/Fees	686,871	0	0	0	—
<b>Cable Television Revenues</b>	<b>26,404,524</b>	<b>27,582,950</b>	<b>26,890,721</b>	<b>27,662,814</b>	<b>0.3%</b>

## FY15 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>CABLE TELEVISION</b>		
<b>FY14 ORIGINAL APPROPRIATION</b>	<b>13,622,905</b>	<b>30.50</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Municipal Pass-through Payments [Municipal Support]	530,890	0.00
Increase Cost: FY15 Compensation Adjustment	147,332	0.00
Increase Cost: Charges from Department of Transportation (DOT) for FiberNet Maintenance [FiberNet]	121,280	0.00
Increase Cost: Miss Utility Compliance [FiberNet]	120,000	0.00
Increase Cost: Annualization of FY14 Personnel Costs	53,665	0.00
Increase Cost: Montgomery Community Television - Employee Salary and Benefits [Community Access to Cable]	50,122	0.00
Increase Cost: Council Production Services Contract [County Cable Montgomery]	12,600	0.00
Increase Cost: Community Access Facility - Rent and Utilities [County Cable Montgomery]	10,811	0.00
Increase Cost: Retirement Adjustment	10,228	0.00
Increase Cost: Public, Educational, and Governance (PEG) Equipment Maintenance Contracts [Public Education Government Access (PEG) Operations]	9,000	0.00
Increase Cost: Group Insurance Adjustment	5,795	0.00
Increase Cost: For Public Information Office Operating Expenses [County Cable Montgomery]	5,440	0.00
Increase Cost: Printing and Mail [Cable Franchise Administration]	664	0.00
Decrease Cost: Outside Legal Costs [Cable Franchise Administration]	-6,747	0.00
<b>FY15 RECOMMENDED:</b>	<b>14,693,985</b>	<b>30.50</b>

## PROGRAM SUMMARY

Program Name	FY14 Approved		FY15 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Cable Franchise Administration	1,625,073	8.90	1,637,588	8.90
Community Access to Cable	2,368,509	0.00	2,429,442	0.00
County Cable Montgomery	2,477,176	15.90	2,597,534	15.90
Cable Programming for Public Schools	0	0.00	0	0.00
Cable Programming for Montgomery College	0	0.00	0	0.00
Municipal Support	3,552,887	0.00	4,083,777	0.00
Public Education Government Access (PEG) Operations	1,261,371	0.00	1,270,371	0.00
FiberNet	2,337,889	5.70	2,675,273	5.70
<b>Total</b>	<b>13,622,905</b>	<b>30.50</b>	<b>14,693,985</b>	<b>30.50</b>

## FUTURE FISCAL IMPACTS

Title	CE REC.					
	FY15	FY16	FY17	(\$000's)		
	FY18	FY19	FY20			
<b>This table is intended to present significant future fiscal impacts of the department's programs.</b>						
<b>CABLE TELEVISION</b>						
<b>Expenditures</b>						
<b>FY15 Recommended</b>	<b>14,694</b>	<b>14,694</b>	<b>14,694</b>	<b>14,694</b>	<b>14,694</b>	<b>14,694</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>37</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
<b>Labor Contracts - Other</b>	<b>0</b>	<b>-6</b>	<b>-6</b>	<b>-6</b>	<b>-6</b>	<b>-6</b>
These figures represent other negotiated items included in the labor agreements.						
<b>FiberNet - Increased Maintenance to Maintain current service levels</b>	<b>0</b>	<b>72</b>	<b>155</b>	<b>252</b>	<b>362</b>	<b>488</b>
Increase in maintenance costs as the number of FiberNet sites expand.						
<b>Miss Utility Compliance</b>	<b>0</b>	<b>11</b>	<b>23</b>	<b>38</b>	<b>55</b>	<b>74</b>
Utilize contract support to ensure compliance with the state Miss Utility identification and notification system for underground County-owned property.						
<b>Subtotal Expenditures</b>	<b>14,694</b>	<b>14,808</b>	<b>14,903</b>	<b>15,015</b>	<b>15,142</b>	<b>15,287</b>

**FY15 CE RECOMMENDED CABLE COMMUNICATIONS PLAN (in \$000's)**

	App FY13	Act FY13	App FY14	Est FY14	CE Rec FY15	Proj. FY16	Proj. FY17	Proj. FY18	Proj. FY19	Proj. FY20
<b>1 BEGINNING FUND BALANCE</b>	<b>645</b>	<b>467</b>	<b>1,023</b>	<b>817</b>	<b>(435)</b>	<b>384</b>	<b>899</b>	<b>1,403</b>	<b>1,424</b>	<b>1,445</b>
<b>2 REVENUES</b>										
3 Franchise Fees <sup>1</sup>	15,986	15,996	17,096	16,629	17,002	17,239	17,438	17,711	17,992	18,278
4 Gaithersburg PEG Contribution <sup>3</sup>	200	187	189	178	175	174	174	176	178	179
5 PEG Operating Grant <sup>1, 2, 3</sup>	2,180	2,200	4,332	2,239	2,289	2,339	2,391	2,443	2,497	2,552
6 PEG Capital Grant <sup>1, 2, 3</sup>	5,277	5,544	5,855	5,983	6,277	6,446	6,572	6,701	6,835	7,037
7 FiberNet Operating & Equipment Grant <sup>2</sup>	1,715	1,731	0	1,762	1,800	1,840	1,880	1,922	1,964	2,007
8 Interest Earned	10	0	10	0	0	0	0	0	0	0
9 TFCG Application Review Fees	120	59	100	100	120	120	120	120	120	120
10 Miscellaneous	-	687			0	0	0	0	0	0
11 Transfer from the General Fund	-				0	0	0	0	0	0
<b>12 TOTAL ANNUAL REVENUES</b>	<b>25,487</b>	<b>26,405</b>	<b>27,583</b>	<b>26,891</b>	<b>27,663</b>	<b>28,158</b>	<b>28,575</b>	<b>29,073</b>	<b>29,585</b>	<b>30,174</b>
<b>13 TOTAL RESOURCES-CABLE FUND</b>	<b>26,132</b>	<b>26,872</b>	<b>28,606</b>	<b>27,708</b>	<b>27,227</b>	<b>28,542</b>	<b>29,474</b>	<b>30,475</b>	<b>31,009</b>	<b>31,619</b>
<b>14 EXPENDITURE OF RESTRICTED FUNDS*</b>										
<b>15 A. EXPENDITURE OF RESTRICTED CAPITAL FUNDS</b>										
<b>16 Municipal Capital Support*</b>										
17 Rockville Equipment	744	789	836	852	894	918	936	954	973	993
18 Takoma Park Equipment	744	794	125	852	894	918	936	954	973	993
19 Municipal League Equipment	674	719	125	782	824	848	866	884	903	923
<b>20 SUBTOTAL</b>	<b>2,163</b>	<b>2,303</b>	<b>1,086</b>	<b>2,486</b>	<b>2,611</b>	<b>2,683</b>	<b>2,737</b>	<b>2,792</b>	<b>2,850</b>	<b>2,909</b>
<b>21 PEG Capital*</b>	<b>1,083</b>	<b>1,086</b>	<b>852</b>	<b>237</b>	<b>852</b>	<b>852</b>	<b>852</b>	<b>2,487</b>	<b>2,885</b>	<b>3,028</b>
22 Council Community Communications Capital	200	200	-							
23 FiberNet - CIP	1,831	1,002	3,916	3,916	3,748	4,098	3,945	1,422	1,100	1,100
24 (Must be greater or equal to Line 6) SUBTOTAL	5,277	4,591	5,855	6,640	7,211	7,633	7,534	6,701	6,835	7,037
<b>25 B. EXPENDITURE OF OTHER RESTRICTED FUNDS</b>										
<b>26 Municipal Franchise Fee Distribution*</b>										
27 City of Rockville	608	636	682	657	668	675	682	692	703	713
28 City of Takoma Park	235	253	248	240	240	241	242	245	249	252
29 Other Municipalities	227	241	262	259	266	271	275	279	284	289
<b>30 SUBTOTAL</b>	<b>1,070</b>	<b>1,130</b>	<b>1,191</b>	<b>1,155</b>	<b>1,174</b>	<b>1,187</b>	<b>1,199</b>	<b>1,217</b>	<b>1,235</b>	<b>1,254</b>
<b>31 Municipal Operating Support*</b>										
32 Rockville PEG Support	73	73	425	75	76	78	80	83	86	90
33 Takoma Park PEG Support	73	73	425	75	76	78	80	83	86	90
34 Muni. League PEG Support	143	143	425	145	146	148	150	153	156	160
<b>35 SUBTOTAL</b>	<b>288</b>	<b>290</b>	<b>1,275</b>	<b>294</b>	<b>299</b>	<b>305</b>	<b>311</b>	<b>319</b>	<b>329</b>	<b>339</b>
<b>36 SUBTOTAL</b>	<b>1,358</b>	<b>1,420</b>	<b>2,466</b>	<b>1,449</b>	<b>1,473</b>	<b>1,492</b>	<b>1,510</b>	<b>1,536</b>	<b>1,564</b>	<b>1,593</b>
<b>37 TOTAL EXPENDITURES OF RESTRICTED FUNDS</b>	<b>6,635</b>	<b>6,011</b>	<b>8,321</b>	<b>8,089</b>	<b>8,684</b>	<b>9,124</b>	<b>9,044</b>	<b>8,237</b>	<b>8,398</b>	<b>8,630</b>
<b>38 NET TOTAL ANNUAL REVENUES</b>	<b>18,852</b>	<b>20,394</b>	<b>19,262</b>	<b>18,802</b>	<b>18,979</b>	<b>19,033</b>	<b>19,531</b>	<b>20,836</b>	<b>21,187</b>	<b>21,543</b>
<b>39 NET TOTAL RESOURCES-CABLE FUND</b>	<b>19,497</b>	<b>20,861</b>	<b>20,285</b>	<b>19,619</b>	<b>18,543</b>	<b>19,418</b>	<b>20,430</b>	<b>22,238</b>	<b>22,611</b>	<b>22,989</b>
<b>40 EXPENDITURES OF NON-RESTRICTED FUNDS</b>										
<b>41 A. Transmission Facilities Coordinating Group</b>										
42 TFCG Application Review	175	175	175	175	175	179	185	191	198	206
<b>43 SUBTOTAL</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>179</b>	<b>185</b>	<b>191</b>	<b>198</b>	<b>206</b>
<b>44 B. FRANCHISE ADMINISTRATION</b>										
45 Personnel Costs - Cable Administration	819	773	834	834	840	878	921	970	1,025	1,088
46 Personnel Costs - DTS Administration	72	72	71	71	76	79	83	88	93	98
47 Personnel Costs - Charges for County Atty	98	98	103	103	110	115	120	127	134	142
48 Operating	70	141	80	72	81	83	85	88	91	95
49 Engineering & Inspection Services	70	86	88	88	88	90	93	96	99	104
50 Legal and Professional Services	275	289	275	200	268	275	283	292	303	315
<b>51 SUBTOTAL</b>	<b>1,404</b>	<b>1,458</b>	<b>1,450</b>	<b>1,367</b>	<b>1,463</b>	<b>1,520</b>	<b>1,585</b>	<b>1,660</b>	<b>1,745</b>	<b>1,842</b>
<b>52 SUBTOTAL</b>	<b>1,579</b>	<b>1,633</b>	<b>1,625</b>	<b>1,542</b>	<b>1,638</b>	<b>1,699</b>	<b>1,770</b>	<b>1,851</b>	<b>1,943</b>	<b>2,047</b>
<b>53 C. MONTGOMERY COUNTY GOVERNMENT - CCM</b>										
<b>54 Media Production &amp; Engineering</b>										
55 Personnel Costs	818	688	856	856	907	948	994	1,047	1,106	1,174
56 Operating	31	54	31	28	31	32	33	34	36	37
57 Contracts - TV Production	61	63	86	86	87	90	92	95	99	103
58 New Media, Webstreaming & VOD Services	38	41	38	38	38	39	40	41	43	45
<b>59 SUBTOTAL</b>	<b>949</b>	<b>845</b>	<b>1,012</b>	<b>1,009</b>	<b>1,064</b>	<b>1,108</b>	<b>1,160</b>	<b>1,218</b>	<b>1,284</b>	<b>1,358</b>
<b>60 Public Information Office</b>										
61 Personnel Costs	708	717	733	733	774	809	849	894	945	1,003
62 Operating Expenses	-	-	12	11	12	13	13	13	14	14
63 Contracts - TV Production	83	84	83	83	88	90	93	96	100	104
<b>64 SUBTOTAL</b>	<b>791</b>	<b>801</b>	<b>828</b>	<b>827</b>	<b>875</b>	<b>912</b>	<b>955</b>	<b>1,003</b>	<b>1,058</b>	<b>1,121</b>
<b>65 County Council</b>										
66 Personnel Costs	157	160	169	169	179	187	197	207	219	232
67 Operating Expenses	13	12	13	12	13	13	14	14	15	15
68 Contracts - TV Production	136	136	140	140	152	155	160	165	171	178
69 General Sessions and Committee Meetings	43	43	101	101	101	104	107	110	114	119
70 Multi-Lingual/Cultural Production Services	46	46	91	91	91	93	96	99	103	107
<b>71 SUBTOTAL</b>	<b>394</b>	<b>397</b>	<b>514</b>	<b>513</b>	<b>536</b>	<b>553</b>	<b>573</b>	<b>596</b>	<b>622</b>	<b>652</b>

**FY15 CE RECOMMENDED CABLE COMMUNICATIONS PLAN (in \$000's)**

		App FY13	Act FY13	App FY14	Est FY14	CE Rec FY15	Proj. FY16	Proj. FY17	Proj. FY18	Proj. FY19	Proj. FY20
72	<b>MNCPPC</b>										
73	Contracts - TV Production	99	99	99	99	99	101	104	107	111	116
74	New Media, Webstreaming & VOD Services	24	17	24	24	24	25	26	27	27	29
75	<b>SUBTOTAL</b>	<b>123</b>	<b>116</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>126</b>	<b>130</b>	<b>134</b>	<b>139</b>	<b>145</b>
76	<b>SUBTOTAL</b>	<b>2,258</b>	<b>2,159</b>	<b>2,477</b>	<b>2,472</b>	<b>2,598</b>	<b>2,700</b>	<b>2,817</b>	<b>2,951</b>	<b>3,103</b>	<b>3,275</b>
77	<b>D. MONTGOMERY COLLEGE - MC ITV</b>										
78	Personnel Costs	1,159	1,159	1,260	1,260	1,344	1,404	1,473	1,551	1,640	1,740
79	Operating Expenses	86	86	86	86	86	88	91	94	97	101
80	<b>SUBTOTAL</b>	<b>1,245</b>	<b>1,245</b>	<b>1,346</b>	<b>1,346</b>	<b>1,430</b>	<b>1,427</b>	<b>1,492</b>	<b>1,560</b>	<b>1,560</b>	<b>1,560</b>
81	<b>E. PUBLIC SCHOOLS - MCPS ITV</b>										
82	Personnel Costs	1,341	1,352	1,371	1,380	1,490	1,557	1,633	1,720	1,818	1,929
83	Operating Expenses	117	106	106	97	106	108	112	115	119	124
84	<b>SUBTOTAL</b>	<b>1,458</b>	<b>1,458</b>	<b>1,477</b>	<b>1,477</b>	<b>1,596</b>	<b>1,665</b>	<b>1,745</b>	<b>1,835</b>	<b>1,937</b>	<b>2,053</b>
85	<b>F. COMMUNITY ACCESS PROGRAMMING<sup>1</sup></b>										
86	Personnel Costs	1,713	1,793	1,904	1,904	1,954	2,042	2,142	2,255	2,384	2,529
87	Operating Expenses	124	67	67	67	67	69	71	73	76	79
88	Rent & Utilities	407	367	374	374	385	395	406	420	435	453
89	New Media, Webstreaming & VOD Services	6	23	23	23	23	24	25	25	26	27
90	<b>SUBTOTAL</b>	<b>2,250</b>	<b>2,250</b>	<b>2,369</b>	<b>2,369</b>	<b>2,429</b>	<b>2,529</b>	<b>2,643</b>	<b>2,774</b>	<b>2,921</b>	<b>3,089</b>
91	<b>G. PEG OPERATING</b>										
92	Operating Expenses	46	57	107	102	116	119	122	126	131	136
93	Youth and Arts Community Media	25	26	50	50	50	51	53	54	56	59
94	Community Engagement	46	30	91	91	91	93	96	99	103	107
95	Closed Captioning	130	130	130	130	130	179	184	189	189	189
96	Technical Operations Center (TOC)	10	8	10	9	10	11	11	11	11	11
97	Mobile Production Vehicle	16	10	22	21	22	22	23	23	24	25
98	<b>SUBTOTAL</b>	<b>272</b>	<b>260</b>	<b>409</b>	<b>403</b>	<b>418</b>	<b>475</b>	<b>489</b>	<b>504</b>	<b>515</b>	<b>528</b>
99	<b>H. FIBERNET OPERATING</b>										
100	FiberNet - Personnel Charges for DTS	456	330	595	518	689	720	755	795	840	892
101	FiberNet - Operations & Maintenance DTS	1,131	1,110	1,131	1,177	1,131	1,159	1,193	1,232	1,278	1,330
102	FiberNet - Personnel Charges for DOT	68	68	74	74	76	80	84	88	93	99
103	FiberNet - Operations & Maintenance DOT	258	258	238	238	359	368	379	391	406	423
104	<b>SUBTOTAL</b>	<b>1,914</b>	<b>1,767</b>	<b>2,038</b>	<b>2,007</b>	<b>2,255</b>	<b>2,327</b>	<b>2,410</b>	<b>2,507</b>	<b>2,617</b>	<b>2,743</b>
105	<b>I. MISS UTILITY COMPLIANCE</b>										
106	Miss Utility Compliance	270	572	300	300	420	431	443	458	475	494
107	<b>SUBTOTAL</b>	<b>270</b>	<b>572</b>	<b>300</b>	<b>300</b>	<b>420</b>	<b>431</b>	<b>443</b>	<b>458</b>	<b>475</b>	<b>494</b>
108	<b>TOTAL EXPENDITURE OF UNRESTRICTED FUNDS</b>	<b>11,245</b>	<b>11,344</b>	<b>12,041</b>	<b>11,915</b>	<b>12,784</b>	<b>13,253</b>	<b>13,809</b>	<b>14,438</b>	<b>15,071</b>	<b>15,789</b>
109	<b>TOTAL EXPENDITURE OF RESTRICTED FUNDS</b>	<b>6,635</b>	<b>6,011</b>	<b>8,321</b>	<b>8,089</b>	<b>8,684</b>	<b>9,124</b>	<b>9,044</b>	<b>8,237</b>	<b>8,398</b>	<b>8,630</b>
110	<b>TOTAL EXPENDITURES - PROGRAMS</b>	<b>17,880</b>	<b>17,355</b>	<b>20,362</b>	<b>20,004</b>	<b>21,468</b>	<b>22,378</b>	<b>22,853</b>	<b>22,675</b>	<b>23,469</b>	<b>24,420</b>
111	<b>J. OTHER</b>										
112	Indirect Costs Transfer to Gen Fund	388	388	539	539	579	606	635	669	707	750
113	Indirect Costs Transfer to Gen Fund (ERP & MCTime)	32	32	25	25	30	0	0	0	0	0
114	Transfer to the General Fund	7,064	7,064	7,175	7,175	4,366	4,260	4,184	5,308	4,988	4,582
115	Legislative Community Communications NDA	380	380	400	400	400	400	400	400	400	400
116	<b>SUBTOTAL</b>	<b>7,864</b>	<b>7,864</b>	<b>8,139</b>	<b>8,139</b>	<b>5,375</b>	<b>5,266</b>	<b>5,219</b>	<b>6,377</b>	<b>6,095</b>	<b>5,732</b>
117	<b>TOTAL EXPENDITURES</b>	<b>25,744</b>	<b>25,218</b>	<b>28,501</b>	<b>28,143</b>	<b>26,843</b>	<b>27,643</b>	<b>28,071</b>	<b>29,051</b>	<b>29,563</b>	<b>30,152</b>
118	<b>K. ADJUSTMENTS</b>										
119	Prior Year Adjustments		-	-	0	0	0	0	0	0	0
120	Encumbrance Adjustment		837	-	0	0	0	0	0	0	0
121	CIP - Designated Claim on Fund		-	-	0	0	0	0	0	0	0
122	<b>TOTAL ADJUSTMENTS</b>		<b>837</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
123	<b>FUND BALANCE</b>	<b>388</b>	<b>817</b>	<b>105</b>	<b>(435)</b>	<b>384</b>	<b>899</b>	<b>1,403</b>	<b>1,424</b>	<b>1,445</b>	<b>1,468</b>
124	<b>FUND BALANCE PER POLICY GUIDANCE<sup>5</sup></b>	<b>1,289</b>	<b>1,284</b>	<b>1,377</b>	<b>1,338</b>	<b>1,370</b>	<b>1,389</b>	<b>1,405</b>	<b>1,426</b>	<b>1,449</b>	<b>1,472</b>
125	<b>L. SUMMARY - EXPENDITURES BY FUNDING SOURCE</b>										
126	Transfer to Gen Fund-Indirect Costs	420	420	564	564	610	606	635	669	707	750
127	Transfer to Gen Fund-Mont Coll Cable Fund <sup>6</sup>	1,245	1,245	1,346	1,346	1,430	1,427	1,492	1,560	1,560	1,560
128	Transfer to Gen Fund-Public Sch Cable Fund <sup>6</sup>	1,458	1,458	1,477	1,477	1,596	1,665	1,745	1,835	1,937	2,053
129	Transfer to CIP Fund	1,831	1,002	3,916	3,916	3,748	4,098	3,945	1,422	1,100	1,100
130	Transfer to the General Fund-Other	7,064	7,064	7,175	7,175	4,366	4,260	4,184	5,308	4,988	4,582
131	Transfer to the General Fund-Legislative Branch NDA	580	580	400	400	400	400	400	400	400	400
132	<b>FUND TRANSFERS SUBTOTAL</b>	<b>12,597</b>	<b>11,768</b>	<b>14,878</b>	<b>14,878</b>	<b>12,149</b>	<b>12,456</b>	<b>12,400</b>	<b>11,194</b>	<b>10,692</b>	<b>10,445</b>
133	<b>Cable Fund Expenditure of Unrestricted Funds</b>	<b>8,543</b>	<b>8,641</b>	<b>9,218</b>	<b>9,092</b>	<b>9,758</b>	<b>10,161</b>	<b>10,572</b>	<b>11,043</b>	<b>11,573</b>	<b>12,176</b>
134	<b>Cable Fund Direct Expenditures</b>	<b>13,147</b>	<b>13,450</b>	<b>13,623</b>	<b>13,265</b>	<b>14,694</b>	<b>15,187</b>	<b>15,671</b>	<b>17,858</b>	<b>18,872</b>	<b>19,707</b>

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**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. The Comcast franchise renewal process has been recently initiated and specific elements of a final agreement are uncertain. Restricted categories such as PEG Capital and Operating support revenues, as well as Municipal Capital and Operating Support expenditures, will be affected. Municipal cost sharing is dependant on final negotiation of agreements between the County and municipalities. The County may require Capital Grants based on community needs. The County may negotiate, but may not require Operating Grants in addition to Franchise Fees. FY14-FY18 assumes that the County will require grants from Comcast calculated at the same rate as negotiated in the Verizon and RCN Franchises.
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).