



# Cable Television Communications Plan

RECOMMENDED FY25 BUDGET	FULL TIME EQUIVALENTS
\$6,556,970	0.00

 GAIL M. ROPER, CHIEF INFORMATION OFFICER/DIRECTOR

## MISSION STATEMENT

The Cable Television Communication Plan is a special revenue fund. Revenue is provided by cable franchise agreements and fees from the Transmission Facility Coordinating Group. Funding is passed through for: the operation of the Office of Broadband Program's (OBP); FiberNet programs; Community Technology; Community Engagement; Digital Equity; Public, Educational, and Government (PEG) programming by the Office of Public Information (PIO); the Montgomery County Council; the Maryland-National Capital Park and Planning Commission (M-NCPPC); Montgomery College; Montgomery County Public Schools (MCPS); Montgomery Community Media; PEG equipment; and municipal franchises administered by the County. The mission of the Cable Television Communications Plan is to provide effective management of the Fund; the County's cable franchise agreement; quality PEG programming; broadband governance; planning, execution, and operation of FiberNet; the County's communications network; and effective management of the deployment of wireless facilities throughout Montgomery County. Additional funding for OBP is provided and described in the Department of Technology and Enterprise Business Solutions' (TEBS) budget. Digital Equity initiatives are supported by the TEBS and Cable Fund budgets.

## BUDGET OVERVIEW

The total recommended FY25 Operating Budget for the Office of Broadband Programs is \$6,556,970, a decrease of \$7,505,043 or 53.37 percent from the FY24 Approved Budget of \$14,062,013. Personnel Costs comprise 0.00 percent of the budget for no full-time position(s) and no part-time position(s), and a total of 0.00 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 100.00 percent of the FY25 budget.

The Cable Fund is facing continued pressures from the trend towards cutting the cord. Cable Fund revenue from Franchise Fees and PEG Operating and Capital Grants are projected to fall by over \$2.36 million in FY25. This reduction is relative to the FY24 Approved Budget and includes mid-year reductions. Beginning in FY25, the Cable Fund revenue is expected to decrease every year by between seven and twelve percent.

In FY25, the County Executive decided to move critical programs out of the Cable Fund and into the Department of Technology Services and Enterprise Business Solutions (TEBS), Montgomery County Council, Office of Public Information (PIO), Department of

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Transportation (DOT), and Office of the County Attorney. These shifts will refocus the core mission of the Cable Fund on Public, Educational, and Governmental (PEG) services.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

## COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

- ❖ **Thriving Youth and Families**
- ❖ **A Growing Economy**
- ❖ **A Greener County**
- ❖ **Easier Commutes**
- ❖ **Effective, Sustainable Government**

## INITIATIVES

- ★ Simplify and streamline the Cable Fund by shifting programs out of the Cable Fund to refocus on core Public, Education, and Government (PEG) functions to reduce complexity.
- ★ Develop a strategic innovation plan in partnership with Connect Montgomery Alliance (CoMo) to create a new Connect Montgomery Network focused on serving the information needs of the County's diverse residents.

## PROGRAM CONTACTS

Contact Leny Bautista of the Department of Technology and Enterprise Business Solutions at 240.777.2865 or Seamus McNamara of the Office of Management and Budget at 240.777.2755 for more information regarding this department's operating budget.

## PROGRAM 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 FY24 estimates reflect funding based on the FY24 Approved Budget. The FY25 and FY26 figures are performance targets based on the FY25 Recommended Budget and funding for comparable service levels in FY26.

## PROGRAM DESCRIPTIONS

### ☀ **Connect Montgomery Alliance**

The Montgomery County Public, Education, and Government (PEG) Governance Board facilitates collaboration among the local PEG stations to promote meaningful and relevant PEG programming and media services to the Montgomery County community using current and emerging technologies. The PEG Governance Board (PGB) collaboratively works to expand community engagement, Spanish language programming, and access to digital media content featuring County residents, organizations, and

institutions. The budget for PEG includes funds for the purchase of equipment, promotion, and outreach support to increase channel awareness and viewership, and strategic planning.

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>1,005,221</b>	<b>0.00</b>
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	34,068	0.00
Reduce: CoMo Reduction for Operating Expenses	(26,356)	0.00
Reduce: CoMo PEG Equipment Reduction	(311,307)	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.	(34,277)	0.00
<b>FY25 Recommended</b>	<b>667,349</b>	<b>0.00</b>

## Media - Montgomery College

Montgomery College Television creates videos for Montgomery College educational cable channels, website, and social media. Funds are used for staff, equipment, operating expenses, and training student interns using hands on, real-life production techniques and facilities. Videos educate, inform, and support student success (i.e. closing the achievement gap, dual enrollment, retention, completion, transfer, and academic excellence). MCTV produces videos in Spanish, Amharic, Vietnamese, French, and Korean, and provides outreach to targeted underserved populations, engaging first-generation college students, non-native English speakers, immigrants, veterans, single parents, and those who are food insecure. Videos explore careers, economic development, and workforce preparedness. Additional funds are provided through the Montgomery College operating budget.

Program Performance Measures	Actual FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Hours of first-run locally produced and acquired Montgomery College MC-ITV programming <sup>1</sup>	314	317	390	450	500
Hours of Montgomery College student-assisted original programming <sup>2</sup>	94	106	150	180	215

<sup>1</sup> In FY21, original first-run and student-assisted programming declined due to reduction of in-person events (including sports), and faculty and students not having access to facilities. Also, short-form programming took priority over long-form. However, we were able to acquire more programming than we normally would outside of the pandemic.

<sup>2</sup> In FY21, student-assisted hours of original programs declined due to both the pandemic's impact on in-person events, as well as the need for short-form promos and PSAs.

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>0</b>	<b>0.00</b>
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

Note(s): Funding for MCPS-TV and Montgomery College Television is provided as a fund transfer to the MCPS and Montgomery College budgets.

## Media - Montgomery County 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 produced in multiple languages to reach the district's growing multicultural community. MCPS-TV regular programming includes live Board of Education meetings, live webstreaming events from schools, new curriculum training and staff development, live call-in and interactive programs on topical issues, student-produced in class programs, technology training, and televised instruction in a variety of academic content areas.

Program Performance Measures	Actual FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
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Program Performance Measures	Actual FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Hours of first run locally produced, block, and acquired Montgomery County Public Schools (MCPS) ITV programming <sup>1</sup>	242	203	211	220	229

<sup>1</sup> *In-person production stories were reduced due to covid restrictions.*

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>0</b>	<b>0.00</b>
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

Note(s): *Funding for MCPS-TV and Montgomery College Television is provided as a fund transfer to the MCPS and Montgomery College budgets.*

## Montgomery Community Media

Montgomery County supports community media and digital equity training through a contract with Montgomery Community Television, doing business as Montgomery Community Media (MCM). MCM operates two community media cable television channels, provides media technology training to County residents and community organizations, and produces independent, diverse, and informative cable programming for County residents. MCM's mission is to provide media, television production, 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 FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Hours of Montgomery Community Media (MCM) volunteer effort in creating public access programming <sup>1</sup>	1,312	884	946	1,022	1,114

<sup>1</sup> *MCM facilities were closed to volunteers in FY21 and part of FY22 due to COVID-19.*

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>3,045,462</b>	<b>0.00</b>
Reduce: MCM Reduction	(188,378)	0.00
<b>FY25 Recommended</b>	<b>2,857,084</b>	<b>0.00</b>

## Municipal Support

Cable operator franchise fees and PEG support obligations to participating municipalities within Montgomery County are paid by cable operators to the County for administrative efficiency and auditing effectiveness 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.

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>3,296,819</b>	<b>0.00</b>
Decrease Cost: Municipal Reduction	(264,283)	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.	1	0.00
<b>FY25 Recommended</b>	<b>3,032,537</b>	<b>0.00</b>

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## REALIGNED PROGRAMS

Funding in the following programs has been realigned to other programs within this department or to other departments.

### Media - PIO, Council, M-NCPPC

<b>FY25 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY24 Approved</b>	<b>1,492,594</b>	<b>8.09</b>
Shift: PIO positions to General Fund	(607,241)	(4.09)
Shift: Council Positions to General Fund	(823,230)	(3.80)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(62,123)	(0.20)
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

### OBP Community Engagement

<b>FY25 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY24 Approved</b>	<b>1,206,367</b>	<b>5.00</b>
Shift: Community Engagement to TEBS General Fund	(1,195,306)	(5.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(11,061)	0.00
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

### OBP Community Technology

<b>FY25 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY24 Approved</b>	<b>1,605,280</b>	<b>5.50</b>
Shift: County Attorney Community Technology Position to General Fund	(115,298)	(0.50)
Shift: Community Technology to General Fund	(1,481,166)	(5.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(8,816)	0.00
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

### OBP Digital Equity (Cable Fund)

<b>FY25 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY24 Approved</b>	<b>697,488</b>	<b>1.00</b>
Shift: Digital Equity from Cable Fund to TEBS General Fund	(711,972)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	14,484	0.00
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

### OBP Fibernet (CF)

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>1,712,782</b>	<b>4.75</b>
Shift: DOT Chargeback to General Fund	(106,135)	(0.75)
Decrease Cost: Cable Fund Salary Adjustment Reduction	(339,634)	0.00
Shift: FiberNet Personnel to TEBS General Fund	(1,325,698)	(4.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	58,685	0.00
<b>FY25 Recommended</b>	<b>0</b>	<b>0.00</b>

## BUDGET SUMMARY

	Actual FY23	Budget FY24	Estimate FY24	Recommended FY25	%Chg Bud/Rec
<b>CABLE TELEVISION</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,468,417	3,146,520	2,713,326	0	-100.0 %
Employee Benefits	624,118	744,711	649,626	0	-100.0 %
<b>Cable Television Personnel Costs</b>	<b>3,092,535</b>	<b>3,891,231</b>	<b>3,362,952</b>	<b>0</b>	<b>-100.0 %</b>
Operating Expenses	9,374,080	10,170,782	10,170,201	6,556,970	-35.5 %
<b>Cable Television Expenditures</b>	<b>12,466,615</b>	<b>14,062,013</b>	<b>13,533,153</b>	<b>6,556,970</b>	<b>-53.4 %</b>
<b>PERSONNEL</b>					
Full-Time	19	14	14	0	-100.0 %
Part-Time	0	0	0	0	—
FTEs	29.55	24.34	24.34	0.00	-100.0 %
<b>REVENUES</b>					
Franchise Fees	13,005,112	12,704,332	12,409,291	11,586,334	-8.8 %
Other Charges/Fees	1,192,527	0	0	0	—
PEG Capital Revenue	3,456,033	4,484,207	4,621,008	4,326,625	-3.5 %
PEG Operating Revenue	3,104,601	3,138,392	2,824,569	2,625,175	-16.4 %
Tower Application Fees	148,000	250,000	250,000	250,000	—
Miscellaneous Revenues	0	1,000,000	1,000,000	1,000,000	—
Investment Income	71,909	167,490	114,330	117,960	-29.6 %
<b>Cable Television Revenues</b>	<b>20,978,182</b>	<b>21,744,421</b>	<b>21,219,198</b>	<b>19,906,094</b>	<b>-8.5 %</b>

## FY25 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>CABLE TELEVISION</b>		
<b>FY24 ORIGINAL APPROPRIATION</b>	<b>14,062,013</b>	<b>24.34</b>
<b><u>Changes (with service impacts)</u></b>		
Reduce: CoMo Reduction for Operating Expenses [Connect Montgomery Alliance]	(26,356)	0.00
Reduce: MCM Reduction [Montgomery Community Media]	(188,378)	0.00
Reduce: CoMo PEG Equipment Reduction [Connect Montgomery Alliance]	(311,307)	0.00

## FY25 RECOMMENDED CHANGES

	Expenditures	FTEs
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Annualization of FY24 Compensation Increases	167,771	0.00
Increase Cost: FY25 Compensation Adjustment	129,167	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Connect Montgomery Alliance]	34,068	0.00
Technical Adj: Annualization of FY24 Personnel Costs	0	(0.20)
Decrease Cost: Printing and Mail	(3,258)	0.00
Decrease Cost: Retirement Adjustment	(8,996)	0.00
Shift: DOT Chargeback to General Fund [OBP Fibernet (CF)]	(106,135)	(0.75)
Shift: County Attorney Community Technology Position to General Fund [OBP Community Technology]	(115,298)	(0.50)
Decrease Cost: Municipal Reduction [Municipal Support]	(264,283)	0.00
Decrease Cost: Cable Operating Reduction	(327,791)	0.00
Decrease Cost: Cable Fund Salary Adjustment Reduction [OBP Fibernet (CF)]	(339,634)	0.00
Shift: PIO positions to General Fund [Media - PIO, Council, M-NCPPC]	(607,241)	(4.09)
Shift: Digital Equity from Cable Fund to TEBS General Fund [OBP Digital Equity (Cable Fund)]	(711,972)	(1.00)
Shift: Council Positions to General Fund [Media - PIO, Council, M-NCPPC]	(823,230)	(3.80)
Shift: Community Engagement to TEBS General Fund [OBP Community Engagement]	(1,195,306)	(5.00)
Shift: FiberNet Personnel to TEBS General Fund [OBP Fibernet (CF)]	(1,325,698)	(4.00)
Shift: Community Technology to General Fund [OBP Community Technology]	(1,481,166)	(5.00)
<b>FY25 RECOMMENDED</b>	<b>6,556,970</b>	<b>0.00</b>

## PROGRAM SUMMARY

Program Name	FY24 APPR Expenditures	FY24 APPR FTEs	FY25 REC Expenditures	FY25 REC FTEs
Connect Montgomery Alliance	1,005,221	0.00	667,349	0.00
Media - Montgomery College	0	0.00	0	0.00
Media - Montgomery County Public Schools	0	0.00	0	0.00
Media - PIO, Council, M-NCPPC	1,492,594	8.09	0	0.00
Montgomery Community Media	3,045,462	0.00	2,857,084	0.00
Municipal Support	3,296,819	0.00	3,032,537	0.00
OBP Community Engagement	1,206,367	5.00	0	0.00
OBP Community Technology	1,605,280	5.50	0	0.00
OBP Digital Equity (Cable Fund)	697,488	1.00	0	0.00
OBP Fibernet (CF)	1,712,782	4.75	0	0.00
<b>Total</b>	<b>14,062,013</b>	<b>24.34</b>	<b>6,556,970</b>	<b>0.00</b>

## FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY25	FY26	FY27	FY28	FY29	FY30
<b>CABLE TELEVISION</b>						
<b>EXPENDITURES</b>						
<b>FY25 Recommended</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>
No inflation or compensation change is included in outyear projections.						
<b>Subtotal Expenditures</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>	<b>6,557</b>