

FY13-18 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Cable Communications Plan (\$000s)

FISCAL PROJECTIONS	FY11 Actual	FY12 Approved	FY12 Estimate	FY13 CE Rec	FY14 Projected	FY15 Projected	FY16 Projected	FY17 Projected	FY18 Projected
ASSUMPTIONS									
Consumer Price Index (Fiscal Year)	2.50%	2.40%	3.10%	2.70%	2.90%	2.85%	2.65%	2.65%	2.70%
Indirect Cost Rate	12.78%	12.59%	12.59%	12.13%	12.13%	12.13%	12.13%	12.13%	12.13%
Investment Income Yield	0.10%	0.40%	0.15%	0.25%	0.35%	0.85%	1.60%	2.35%	2.85%
1 BEGINNING FUND BALANCE	2,735	1,129	2,000	645	586	1,329	1,363	1,392	1,430
REVENUES									
2 5% Franchise Fee †	13,961	14,997	15,106	15,986	16,415	16,827	17,160	17,504	17,854
3 Gaithersburg PEG Contribution	97	197	198	200	202	206	210	214	218
4 PEG Operating Support †	2,092	2,134	2,137	2,180	-	-	-	-	-
5 PEG Capital Equipment Grant † ‡	4,955	4,809	4,861	5,277	9,753	10,000	10,200	10,406	10,616
6 Verizon - Facilities Grant	-	-	-	-	-	-	-	-	-
7 FiberNet Operating & Equipment Grant ‡	823	1,678	1,681	1,715	-	-	-	-	-
8 Interest Earned	1	20	-	10	10	30	60	90	110
9 TFCG Application Review Fees	143	246	120	120	120	120	120	120	120
10 Miscellaneous	241	-	-	-	-	-	-	-	-
11 TOTAL REVENUES	22,312	24,081	24,102	25,487	26,500	27,182	27,750	28,334	28,918
RESTRICTED EXPENDITURES									
12 PEG Capital Grant	76	955	955	1,283	4,709	4,910	3,737	3,891	5,795
13 Municipal PEG Capital Grant	1,788	1,976	1,985	2,163	2,574	2,640	2,688	2,741	2,796
14 FiberNet CIP	790	2,140	2,140	1,831	2,470	2,450	3,775	3,775	2,025
15 Subtotal Restricted Capital Expenditures (Must be Greater or Equal to Line 5)	2,654	5,071	5,080	5,277	9,753	10,000	10,200	10,406	10,616
16 Municipal Franchise Fee Distribution	943	975	1,028	1,070	1,093	1,108	1,124	1,143	1,166
17 Municipal Operating Support	209	298	284	288	0	0	0	0	0
18 TOTAL RESTRICTED EXPENDITURES	3,805	6,343	6,392	6,635	10,846	11,108	11,324	11,549	11,782
19 TOTAL DISCRETIONARY RESOURCES	18,506	17,738	17,710	18,852	15,654	16,074	16,427	16,785	17,136
20 TOTAL DISCRETIONARY RESOURCES (with fund balance)	21,242	18,867	19,710	19,497	16,240	17,403	17,790	18,177	18,566
NON-RESTRICTED EXPENDITURES									
MCG Expenditures									
21 Franchise Administration & TFCG	1,536	1,565	1,538	1,580	1,631	1,698	1,765	1,834	1,907
22 Montgomery County Government - CCM	2,025	2,091	2,053	2,212	2,297	2,397	2,497	2,602	2,712
23 WatchLocalTV.org	338	293	263	378	389	400	410	421	433
24 FiberNet Operating	1,195	1,416	1,528	1,914	1,969	2,037	2,102	2,170	2,241
25 Community Access Programming	2,365	2,245	2,245	2,270	2,371	2,475	2,578	2,686	2,801
26 MCG Expenditures Subtotal	7,459	7,610	7,626	8,354	8,656	9,006	9,353	9,713	10,093
27 Miss Utility Compliance	-	-	-	370	381	392	402	413	424
28 TOTAL NON-RESTRICTED EXPENDITURES	7,459	7,610	7,626	8,724	9,037	9,398	9,755	10,126	10,517
TRANSFERS and ADJUSTMENTS									
29 Transfer to Montgomery County Public Schools - MCPS ITV	1,491	1,425	1,425	1,458	1,527	1,598	1,670	1,745	1,825
30 Transfer to Montgomery College - MC ITV	1,288	1,230	1,230	1,245	1,304	1,366	1,427	1,492	1,560
31 Transfer to General Fund - Indirect Costs	393	403	403	420	426	441	461	481	503
32 Transfer to General Fund as Resource	8,749	8,086	8,086	7,064	2,618	3,237	3,085	2,903	2,700
33 Other Adjustments/Claims on Fund Balance Grants to Organizations (Friendship Hts)	(177)	-	295	-	-	-	-	-	-
34 TOTAL TRANSFERS AND ADJUSTMENTS	11,782	11,144	11,439	10,186	5,874	6,642	6,643	6,621	6,587
35 TOTAL USE OF RESOURCES	19,242	18,754	19,065	18,910	14,911	16,040	16,398	16,747	17,105
36 YEAR END FUND BALANCE	2,000	113	645	586	1,329	1,363	1,392	1,430	1,462
37 End-of-Year Fund Balance per Policy Guidelines	1,148	1,221	1,218	1,289	1,324	1,358	1,387	1,417	1,447
38 Cable Fund Direct Expenditures	10,337	11,813	11,878	13,529	17,413	18,056	17,304	17,900	20,274

Notes:

- † Subject to municipal pass-through payment
- ‡ Restricted revenue

1. 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, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors.
2. Certain Cable Fund revenues (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.
3. End-of-year reserves is targeted at 8% of total non-restricted revenues (franchise fees, tower fees, and investment income) per policy guidance.
4. The Comcast franchise renewal process has been recently initiated and specific elements of a final agreement are uncertain. Restricted categories such as FiberNet Operating revenue, PEG Operating revenue, and Municipal Operating Support expenditures may be impacted in the outyears.