

Clerk's Note: Correction made to heading in attachment to read "Approved FY11".

#18 – Cable Communications Plan

CORRECTED COPY

Resolution No.:	<u>16-1381</u>
Introduced:	<u>May 27, 2010</u>
Adopted:	<u>May 27, 2010</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of the FY 2011 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 2.2 of the 2002 AT&T Comcast Transfer Agreement provides that ". . . all provisions of the Franchise Documents remain in full force and effect and are enforceable in accordance with their terms and with applicable law."
4. Section 7(b) of the 1998 Cable Franchise Agreement, assumed by Comcast from Prime Communications – Potomac, LLC, between the County and SBC Media Ventures, Inc. provides that Comcast must pay a capital grant to the County of "\$200,000 per year . . . to be used by the County, in its sole discretion, for PEG equipment . . . or for PEG-related facilities renovation, or construction."
5. Section 7(h)(1) of the 1998 Cable Franchise Agreement, assumed by Comcast from Prime Communications – Potomac, LLC, between the County and SBC Media Ventures, Inc. provides that Comcast must pay an annual capital grant to the County of \$1.2 million, adjusted annually by the Consumer Price Index, "to support installation, construction, operations, and maintenance of the County's FiberNet and associated network equipment, and the Institutional Network . . ."

6. Section 4.1 of the 1998 Cable Franchise Transfer Settlement Agreement, assumed by Comcast from Prime Communications – Potomac, LLC between the County, Prime Communications, and SBC Media Ventures, Inc. provides that Comcast must pay \$1.5 million, adjusted annually by the Consumer Price Index, for PEG support.
7. Section 7(b) of the 1999 Franchise Agreement with Starpower provides that Starpower must pay a capital grant to the County of “3% of Gross Revenues per year . . . excluding revenues arising from Internet Access . . . to be used by the County . . . for PEG access and institutional network purposes, including PEG access equipment, institutional network equipment or for renovation or construction of PEG access or institutional network facilities.”
8. On February 8, 2005 the County Council approved Resolution 15-889, supporting the transfer of interest in Starpower Communications LLC from Pepco Communications to RCN Telecom Services of Washington, D.C., Inc. Starpower is now doing business as RCN.
9. Section 3.3.6 of the 2006 Franchise Agreement with Verizon Maryland, Inc. provides that Verizon must pay \$200,000 within 30 days of the effective date of the Franchise Agreement and \$200,000 per year for four years on the anniversary of the effective date of the Franchise Agreement. In exchange, the County waived its ability to add more locations for cable service for public buildings above Verizon’s obligation to provide 100 connections at the County’s request.
10. Section 6.2 of the 2006 Franchise Agreement with Verizon provides that Verizon must pay a grant to the County of 3 percent of Gross Revenues each quarter to be used “for PEG and institutional network purposes.”
11. Section 8 of the Franchise Agreements with Comcast and RCN and Section 7 of the Franchise Agreement with Verizon provides that each franchisee must pay, for the life of the franchise, a franchise fee of 5 percent 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 RCN; Section 4.1 of the 1998 Cable Franchise Transfer Settlement Agreement, assumed by Comcast from Prime Communications – Potomac, LLC between the County, Prime Communications, and SBC Media Ventures, Inc.; and Sections 3, 6, and 7 of the Franchise Agreement with Verizon.

In FY 2011, 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 2011. Resources appropriated in FY 2011 that are not encumbered by the County on or before June 30, 2011 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, 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 2011 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) 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, RCN, and Verizon and relevant provisions of the County Code.
7. Financial Disclosure: The County must not spend any FY 2011 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 2009 calendar year.
8. FY 2012-2017 Cable Plan: The Executive must submit a preliminary six-year Cable Communications Plan for FY 2012 through FY 2017 to the Council no later than January 15, 2011. The Executive submitted a preliminary six-year Cable Communications Plan for FY 2011 through FY 2016 to the Council on January 15, 2010. The Preliminary Cable Communications Plan included: (a) a list of known PEG activities and funding needs for FY 2011 through FY 2016; (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 2011 through FY 2016.

FY 2011 Cable Communications Plan Description

The FY 2011 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.); 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 2011:

Franchise Administration

- A. Funds are allocated to the Department of Technology Services to administer the Franchise Agreements with Comcast, 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 7(b)(1)(B) of the Franchise Agreement with RCN, the requirements of Section 7(b)(2) of the Franchise Agreement with Comcast, and from the PEG Support Fund according to the requirements of Section 4.1 of the 1998 Cable Franchise Transfer Settlement Agreement assumed by Comcast from Prime Communications. 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. MCPS currently operates two educational access channels on the cable system.

Public Access Programming

- I. Funds are allocated for Montgomery Community Television, Inc., to perform services in FY 2011 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 2011, funds are allocated for PEG equipment replacement, for an emergency equipment reserve to be used in case of imminent failure of major PEG video systems, 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 Network 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 Communications Services. Before spending any funds for this purpose, the PEG Network 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 Communications Services, and acquiring equipment that facilitates the sharing of resources with other PEG channels.

The Office of Cable and Communications Services must not spend funds from the Emergency Equipment Reserve until the PEG Network finds that additional replacement funds are needed to prevent interruption of programming on one or more PEG Channels.

All equipment purchased with Cable Funds, except equipment purchased with Municipal Grant funds or funds allocated to the Village of Friendship Heights under this Plan, must be titled to the Montgomery County Government, which may, under appropriate controls, allocate some of the equipment for use to individual PEG Channels.

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

Other Expenditures

- K. For FY 2011, funds are allocated to the Village of Friendship Heights for cable programming and equipment expenses.

Institutional Telecommunications

- L. For FY 2011, funds are allocated for Institutional Telecommunications for FiberNet capital improvements and operations. The County's Franchise Agreement with Comcast, assumed from Prime Communications, provides that Comcast must pay grants to support operations, maintenance, and the installation of cables and electronic equipment for the County's FiberNet.

The County plans to expand the FiberNet network to meet the telecommunications needs of County agency facilities. The Department of Technology Services must develop 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.

General Fund Transfers and Repayment Schedule

- M. In FY 2004, \$2,636,000 was appropriated from the Cable TV Special Revenue Fund to the General Fund to finance general government operations. This was the first year that the Executive recommended transferring funds derived from franchise fees for unspecified general government operations.

In FY 2006, the Council allocated \$1,241,000 to fund the County's Automated Traffic Management System.

In FY 2007, the Council allocated \$284,000 to fund technology projects for the Montgomery County portion of the Maryland-National Capital Park and Planning Commission Operating Budget.

In FY 2009, the Council transferred \$250,000 to the General Fund in order to support County operating expenses, and indicated their desire to ensure that this transfer will improve the technology infrastructure and productivity support for all County departments.

In FY 2010, \$3,235,830 was transferred from the Cable TV Special Revenue Fund to the General Fund to finance general government operations. The Council intended that this transfer improve the technology infrastructure and productivity support for all County departments.

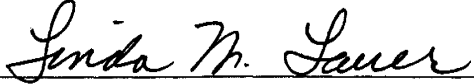
The FY 2004 General Fund transfer, the FY 2006 funding for the Automated Traffic Management System, and the FY 2007 funding for technology projects for the Montgomery County portion of the Maryland-National Capital Park and Planning Commission must be repaid without interest according to the following schedule: \$432,000 was paid in FY 2008, \$0 was paid in FY 2009 and FY 2010, and \$0 will be paid in FY 2011. As a part of the FY 2012 Recommended budget, the Executive must propose an amended repayment schedule.

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 2011.

This is a correct copy of Council action.


Linda M. Lauer, Clerk of the Council

FY11 CABLE COMMUNICATIONS PLAN (\$000's)												
		Actual FY09	Approved FY10	Est'd FY10	Approved FY11	Change fr FY10 App		FY12	FY13	FY14	FY15	FY16
						\$	%					
1	BEGINNING FUND BALANCE	3,949	2,069	4,809	114	(1,955)	-94.5%	164	605	23	150	550
2	REVENUES											
3	5% Franchise Fee	11,282	11,280	12,015	12,533	1,253	11.1%	12,784	13,039	13,300	13,566	13,837
4	Gaithersburg PEG Contribution	183	187	182	164	(23)	-12.3%	152	155	158	160	162
6	PEG Operating Support	2,020	2,080	2,069	2,111	31	1.5%	2,174	2,240	0	0	0
6	PEG Capital Equipment	2,082	1,990	2,892	3,484	1,494	75.1%	3,589	3,660	6,260	6,385	6,513
7	Verizon - Facilities Grant	200	200	200	200	0	0.0%	0	0	0	0	0
8	FiberNet Operating & Equipment Support	1,589	1,637	1,628	1,660	23	1.4%	1,710	1,761	0	0	0
9	Interest Earned	68	30	10	30	0	0.0%	70	130	170	200	220
10	TFCG Application Review Fees	182	80	203	203	123	153.8%	180	150	140	140	140
11	Miscellaneous	2	0	0	0	0	0.0%	0	0	0	0	0
12	Transfer from the General Fund	0	0	0	0	0	0.0%	0	0	0	0	0
13	TOTAL ANNUAL REVENUES	17,608	17,484	19,199	20,385	2,901	16.6%	20,658	21,135	20,028	20,452	20,873
14	TOTAL RESOURCES-CABLE FUND	21,557	19,553	24,008	20,499	946	4.8%	20,822	21,741	20,051	20,602	21,422
15	NON-DISCRETIONARY EXPENDITURES (a)											
16	A. MUNICIPAL EQUIPMENT & OPERATIONS											
17	Municipal Franchise Fee Sharing											
18	City of Rockville	437	460	451	464	4	0.8%	473	483	492	502	512
19	City of Takoma Park	189	199	191	196	(3)	-1.7%	200	204	208	212	216
20	Other Municipalities	145	152	155	159	7	4.4%	162	165	169	172	176
21	SUBTOTAL	771	812	797	819	7	0.9%	835	852	869	887	904
22	Municipal Capital Support											
23	Rockville Equipment	296	276	402	466	190	68.8%	475	562	574	585	597
24	Takoma Park Equipment	348	276	402	466	190	68.8%	475	562	574	585	597
25	Municipal League Equipment	348	276	402	396	120	43.5%	404	412	420	429	437
26	SUBTOTAL	992	828	1,206	1,328	500	60.4%	1,355	1,537	1,667	1,599	1,631
27	Municipal Operating Support											
28	Rockville PEG Support	67	70	69	70	0	0.0%	71	73	0	0	0
29	Takoma Park PEG Support	67	70	69	70	0	0.0%	71	73	0	0	0
30	Muni. League PEG Support	67	70	69	140	70	100.0%	143	146	0	0	0
31	SUBTOTAL	201	211	207	280	69	32.7%	286	291	0	0	0
32	SUBTOTAL	1,964	1,851	2,210	2,427	576	31.1%	2,476	2,680	2,437	2,485	2,535
33	NET TOTAL ANNUAL REVENUES	15,644	15,633	16,989	17,958	2,325	14.9%	18,183	18,455	17,692	17,966	18,338
34	NET TOTAL RESOURCES-CABLE FUND	19,593	17,702	21,798	18,072	370	2.1%	18,346	19,060	17,615	18,116	18,887
35	EXPENDITURES											
36	A. Transmission Facilities Coordinating Group											
37	TFCG Application Review	244	180	293	275	95	52.8%	293	280	270	270	270
38	SUBTOTAL	244	180	293	275	95	52.8%	293	280	270	270	270
39	B. FRANCHISE ADMINISTRATION											
40	Personnel Costs - Cable Administration	550	705	623	794	89	12.6%	844	870	887	905	923
41	Personnel Costs - DTS Administration	52	69	69	69	0	0.0%	69	72	73	75	75
42	Personnel Costs - Charges for County Atty	76	95	95	95	0	0.0%	97	99	101	103	103
43	Operating	94	73	73	80	7	9.6%	84	88	93	97	102
44	Engineering Services	92	50	20	50	0	0.0%	75	75	50	50	50
45	Inspection Services	385	270	187	10	(260)	-96.3%	25	26	27	27	20
46	Legal and Professional Services	254	310	310	300	(10)	-3.2%	500	400	416	429	429
47	SUBTOTAL	1,503	1,572	1,377	1,398	(174)	-11.1%	1,694	1,630	1,646	1,686	1,701
48	SUBTOTAL	1,747	1,752	1,670	1,673	(79)	-4.5%	1,987	1,910	1,916	1,956	1,971
49	C. MONTGOMERY COUNTY GOVERNMENT - CCM											
50	Media Production & Engineering											
51	Personnel Costs	399	533	483	781	248	46.5%	805	821	837	854	871
52	Operating	19	25	25	40	15	60.0%	40	43	48	52	56
53	Contracts - TV Production	0	63	63	40	(23)	-36.5%	78	90	120	150	180
56	New Media, Webstreaming & VOD Services	40	48	94	38	(10)	-20.8%	39	40	42	43	44
57	SUBTOTAL	458	669	665	899	230	34.4%	962	994	1,047	1,099	1,151
58	Public Information Office											
59	Personnel Costs	389	560	563	705	145	25.9%	719	529	510	500	510
60	Operating Expenses	1	12	12	0	(12)	-100.0%	30	31	32	32	32
61	Contracts - TV Production	263	210	210	83	(127)	-60.5%	99	110	124	138	155
62	SUBTOTAL	653	782	785	788	6	0.8%	848	671	666	671	697
63	County Council											
64	Personnel Costs	53	74	74	154	80	108.1%	188	203	219	237	241
65	Operating Expenses	63	28	28	18	(10)	-35.7%	30	31	32	32	32
66	Contracts - TV Production	448	516	516	164	(352)	-68.2%	193	198	204	210	220
67	SUBTOTAL	564	618	618	336	(282)	-45.6%	410	432	455	480	494
68	MNCPPC											
69	Personnel Costs	101	101	78	83	(18)	-17.8%	90	97	100	108	110
70	Operating Expenses	0	21	21	0	(21)	-100.0%	0	0	0	0	0
71	Contracts - TV Production	127	117	117	81	(36)	-30.8%	111	114	118	121	125
72	New Media, Webstreaming & VOD Services	117	47	24	24	(23)	0.0%	25	25	26	27	28
73	SUBTOTAL	345	286	240	188	(98)	-34.3%	225	237	244	256	263
74	SUBTOTAL	2,020	2,355	2,308	2,211	(144)	-6.1%	2,445	2,334	2,411	2,505	2,605

FY11 CABLE COMMUNICATIONS PLAN (\$000's)												
		Actual FY09	Approved FY10	Est'd FY10	Approved FY11	Change fr FY10 App		FY12	FY13	FY14	FY15	FY16
						\$	%					
75	D. MONTGOMERY COLLEGE - MC ITV											
76	Personnel Costs	1,103	1,141	1,141	1,174	33	2.9%	1,315	1,473	1,561	1,655	1,853
77	Operating Expenses	219	179	179	108	(71)	-39.7%	241	248	256	263	271
78	New Media, Webstreaming & VOD Services				6	6	100.0%	7	7	8	8	9
79	SUBTOTAL	1,322	1,320	1,320	1,288	(32)	-2.4%	1,563	1,728	1,825	1,926	2,133
80	E. PUBLIC SCHOOLS - MCPS ITV											
81	Personnel Costs	1,309	1,385	1,385	1,393	8	0.6%	1,610	1,803	1,912	2,026	2,269
82	Operating Expenses	274	197	197	98	(99)	-50.3%	301	310	320	329	339
83	New Media, Webstreaming & VOD Services						100.0%					
84	SUBTOTAL	1,583	1,582	1,582	1,491	(91)	-5.8%	1,912	2,114	2,231	2,356	2,609
85	F. COMMUNITY ACCESS PROGRAMMING (b)											
86	Personnel Costs	2,004	1,871	1,871	1,869	(2)	-0.1%	2,056	2,097	2,139	2,182	2,225
87	Operating Expenses	146	195	189	33	(162)	-83.1%	250	250	260	260	270
88	Rent & Utilities	496	496	496	457	(39)	-7.9%	507	522	538	554	571
89	New Media, Webstreaming & VOD Services	6		6	6	6	100.0%	7	8	9	9	10
90	SUBTOTAL	2,652	2,562	2,562	2,365	(197)	-7.7%	2,820	2,877	2,946	3,005	3,076
91	G. PEG NETWORK											
92	PEG Equipment Replacement	925	940	890	40	(900)	-95.7%	1,200	1,000	1,000	1,000	1,000
93	PEG Network Operating	82	125	100	80	(45)	-36.0%	215	240	250	270	270
94	Youth and Arts Community Media	76	90	64	50	(40)	-44.4%	100	100	100	110	110
95	Closed Captioning	237	291	267	225	(66)	-22.7%	361	422	430	439	452
96	Technical Operations Center (TOC)	14	23	23	13	(10)	-43.5%	24	25	26	27	27
97	PEG Network Mobile Production Vehicle	25	32	32	32	0	0.0%	35	37	39	41	41
98	Emergency Equipment Reserve	3	80	0	0	(80)	-100.0%	80	80	80	80	80
99	SUBTOTAL	1,367	1,581	1,376	440	(1,141)	-72.2%	2,016	1,904	1,925	1,966	1,980
100	H. FIBERNET											
101	FiberNet - Personnel Charges for DTS	183	177	177	193	16	9.0%	197	201	205	209	213
102	FiberNet - Operations & Maintenance DTS	852	1,013	1,013	900	(113)	-11.2%	907	935	963	992	1,021
103	FiberNet - Personnel Charges for DOT	46	46	46	46	0	0.0%	46	46	46	46	46
104	FiberNet - Operations & Maintenance DOT	198	198	198	198	0	0.0%	203	210	215	220	273
105	OPERATING SUBTOTAL	1,279	1,434	1,434	1,337	(97)	-6.8%	1,353	1,392	1,429	1,467	1,553
106	FiberNet - CIP	1,641	1,041	1,041	515	(526)	-50.5%	2,706	4,378	2,375	1,973	1,974
107	SUBTOTAL	2,920	2,475	2,475	1,852	(623)	-25.2%	4,059	5,770	3,804	3,440	3,527
108	TOTAL EXPENDITURES - PROGRAMS	15,575	15,477	15,503	13,747	(1,730)	-11.2%	19,278	21,317	19,494	19,639	20,437
109	I. OTHER											
110	Indirect Costs Transfer to Gen Fund	254	302	302	359	57	18.7%	379	363	368	374	381
111	Indirect Costs Transfer to Gen Fund (ERP & MCTime)	27	36	36	34	(2)	-6.6%	21	0	0	0	0
112	Transfer to the General Fund	250	3,236	6,729	6,157	2,921	90.3%	500	0	0	0	0
113	Grants to Organizations (Friendship Hts)	39	39	39	39	0	0.0%	39	39	39	39	39
114	Consolidated Multiuse Technology Facility	0	0	0	0	0	0.0%	0	0	0	0	0
115	Advanced Traffic Management over FiberNet - CIP	45	0	0	0	0	0.0%	0	0	0	0	0
116	COB Renovations - CIP	109	0	843	0	0	0.0%	0	0	0	0	0
117	Park & Planning Technology Projects	600	0	0	0	0	0.0%	0	0	0	0	0
118	SUBTOTAL	1,324	3,613	7,949	6,589	2,975	82.3%	939	402	407	413	420
119	TOTAL EXPENDITURES	16,899	19,091	23,452	20,336	1,245	6.5%	20,216	21,719	19,901	20,052	20,857
120	J. ADJUSTMENTS											
121	Prior Year Adjustments	(144)	0	(41)	0	0	0.0%	0	0	0	0	0
122	Encumbrance Adjustment	295	0	0	0	0	0.0%	0	0	0	0	0
123	CIP - Designated Claim on Fund	0	0	(401)	0	0	0.0%	0	0	0	0	0
124	TOTAL ADJUSTMENTS	151	0	(442)	0	0	0.0%	0	0	0	0	0
125	FUND BALANCE	4,809	462	114	164	(298)	-64.6%	605	23	150	550	565
126	FUND BALANCE PER POLICY GUIDANCE	923	911	978	1,021	110	112.1%	1,043	1,066	1,089	1,112	1,136
127	K. SUMMARY - EXPENDITURES BY FUNDING SOURCE											
128	Transfer to Gen Fund-Indirect Costs	281	338	338	393	54	16.0%	400	363	368	374	381
129	Transfer to Gen Fund-Mont Coll Cable Fund	1,322	1,320	1,320	1,288	(32)	-2.4%	1,563	1,728	1,825	1,926	2,133
130	Transfer to Gen Fund-Public Sch Cable Fund	1,583	1,582	1,582	1,491	(91)	-5.8%	1,912	2,114	2,231	2,356	2,609
131	Transfer to CIP Fund	1,795	1,041	1,884	515	(526)	-50.5%	2,706	4,378	2,375	1,973	1,974
132	Transfer to the General Fund-Other	250	3,236	6,729	6,157	2,921	90.3%	500	0	0	0	0
133	FUND TRANSFERS SUBTOTAL	5,231	7,517	11,853	9,844	2,327	31.0%	7,080	8,583	6,799	6,629	7,097
134	Municipal Franchise & PEG Payments	1,964	1,851	2,210	2,427	576	31.1%	2,476	2,680	2,437	2,485	2,536
135	Fran Admin, PEG & FiberNet Op (excl Muni, GF, CIP)	12,890	12,963	12,629	11,237	(1,726)	-13.3%	14,534	14,659	15,090	15,594	16,348
136	Cable Fund Direct Expenditures	11,812	11,574	11,599	10,492	(1,082)	-9.3%	13,135	13,135	13,104	13,424	13,760

NOTES:

(a) Municipal Franchise Fee, PEG Capital and PEG Operating payments are contractually required by franchise, municipal, and settlement agreements, and by the County Code.

(b) Currently Montgomery Community Television, Inc., d/b/a Access Montgomery

These projections for the Cable TV Fund incorporate assumptions of annual resources and resource usage as well as projected end-of-year reserves available based on these assumptions. This scenario assumes that operating expenditures will experience net increases as a trend. Factors contributing to the assumed rate of increase include compensation adjustments, program and productivity improvements, and cost increases driven by inflation. The County Executive presents these fiscal projections as a tool for thinking about the future fiscal policy implications of the recommended program of expenditures and resources. Other scenarios would occur if the County Executive and County Council adopted a different program plan or if the future brings different trends than presumed in the incorporated assumptions.