



Public Utility and Telecommunications Consulting

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June 20, 2018

Re: Revised Exhibit to the 2018 TRS Fund Annual Report

CG Docket No. 03-123 and CG Docket No. 10-51

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington D.C. 20554

Dear Ms. Dortch:

Enclosed is revised Exhibit 2 reflecting updated information. The revised exhibit includes the Commission established interim IP CTS per minute rate¹ to become effective for service on and after July 1, 2018 and its impact on the contribution factor. The recommended contribution factor changes from the filed rate of 0.03034 to the updated rate of 0.02801.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Rolka', is written over a horizontal line.

David Rolka, President

¹ See FCC 18-79, adopted June 7, 2018, released June 8, 2018.

PROJECTED 2018-2019

	Methodology	Prior Year Demand balance (May & June)	May & June of Prior year Rate	Projected Demand	Projected Rate	Projected Requirement	Fund Requirement
Traditional TRS	MARS	292,498	\$ 2.9186	1,400,423	\$ 3.2592	\$ 5,417,943	
Speech to Speech	MARS	26,472	\$ 2.9186	138,087	\$ 3.2592	\$ 527,313	
STS outreach		26,472	\$ 1.1310	138,087	\$ 1.1310	\$ 186,116	
Caption Telephone	MARS	685,666	\$ 1.9467	3,212,013.60	\$ 2.0007	\$ 7,761,061	
IP Caption Telephone	MARS & FCC 18-79	75,374,059	\$ 1.9467	425,837,980	\$ 1.7500	\$ 891,947,147	

Subtotal MARS:

IP Relay 5/2017 & 6/2017	DA 16-750	962,313.46	\$ 1.3350			\$ 1,284,688	\$ 905,839,580
IP Relay 7/2018 to 4/2019	DA 17-642			4,836,836	\$ 1.3600	\$ 6,578,098	

Subtotal Price Cap:

Tier 1 small Companies [May -June 2018]	FCC 17-86	766,498	\$ 5.2900			\$ 4,054,773	\$ 7,862,786
Tier 1 small Companies [July - April 2019]	FCC 17-86			4,081,205	\$ 5.29	\$ 21,589,576	
Tier 1 [May & June 2018]	FCC 17-86	5,790,073	\$ 4.8200			\$ 27,908,150	
Tier 1 [July - April 2019]	FCC 17-86			29,672,732	\$ 4.82	\$ 143,022,569	
Tier 2 [May & June 2018]	FCC 17-86	3,417,136	\$ 3.9700			\$ 13,566,029	
Tier 2 [July - April 2019]	FCC 17-86			16,448,126	\$ 3.97	\$ 65,299,061	
Tier 3 [May & June 2018]	FCC 17-86	12,226,035	\$ 3.2100			\$ 39,245,572	
Tier 3 [July - April 2019]	FCC 17-86			63,723,339	\$ 2.83	\$ 180,337,049	

Subtotal VRS:

Projected Provider Payments		21,433,243.21		109,844,196.90		\$ 495,022,778	
			131,277,440.10			\$ 1,408,725,144	

Deaf Blind Equipment Distribution Program

TRS Research						\$ 10,000,000	
iTRS National Outreach Program						\$ 8,650,000	
URD implementation						\$ 2,000,000	
Service Provider Audits						\$ 1,600,000	
**TRS Fund Administration						\$ 1,000,000	
iTRS Number Administration						\$ 2,400,000	
Investment Fees						\$ 1,005,000	
Data Collection Agent						\$ 190,000	
independent financial audit						\$ 88,800	
Bankruptcy / legal representation						\$ 65,000	
Council Meeting Expenses						\$ 50,000	
IPERA Plan & testing						\$ 50,000	
Two Average month provider Payment Reserve						\$ 250,000	
Non-Provider Subtotal:						\$ 234,788,000	

Grand Total Requirements:

estimated fund balance at 6/30/2017						\$ 1,670,861,944	
estimated interest on fund investments						\$ 172,187,810.01	
Net Fund Requirements:						\$ 1,200,000	
*Estimated Contribution Basis:						\$ 1,497,474,134	
Assessment Rate:						\$ 53,466,977,979	0.02801