



# VERMONT UNIVERSAL SERVICE FUND OVERVIEW

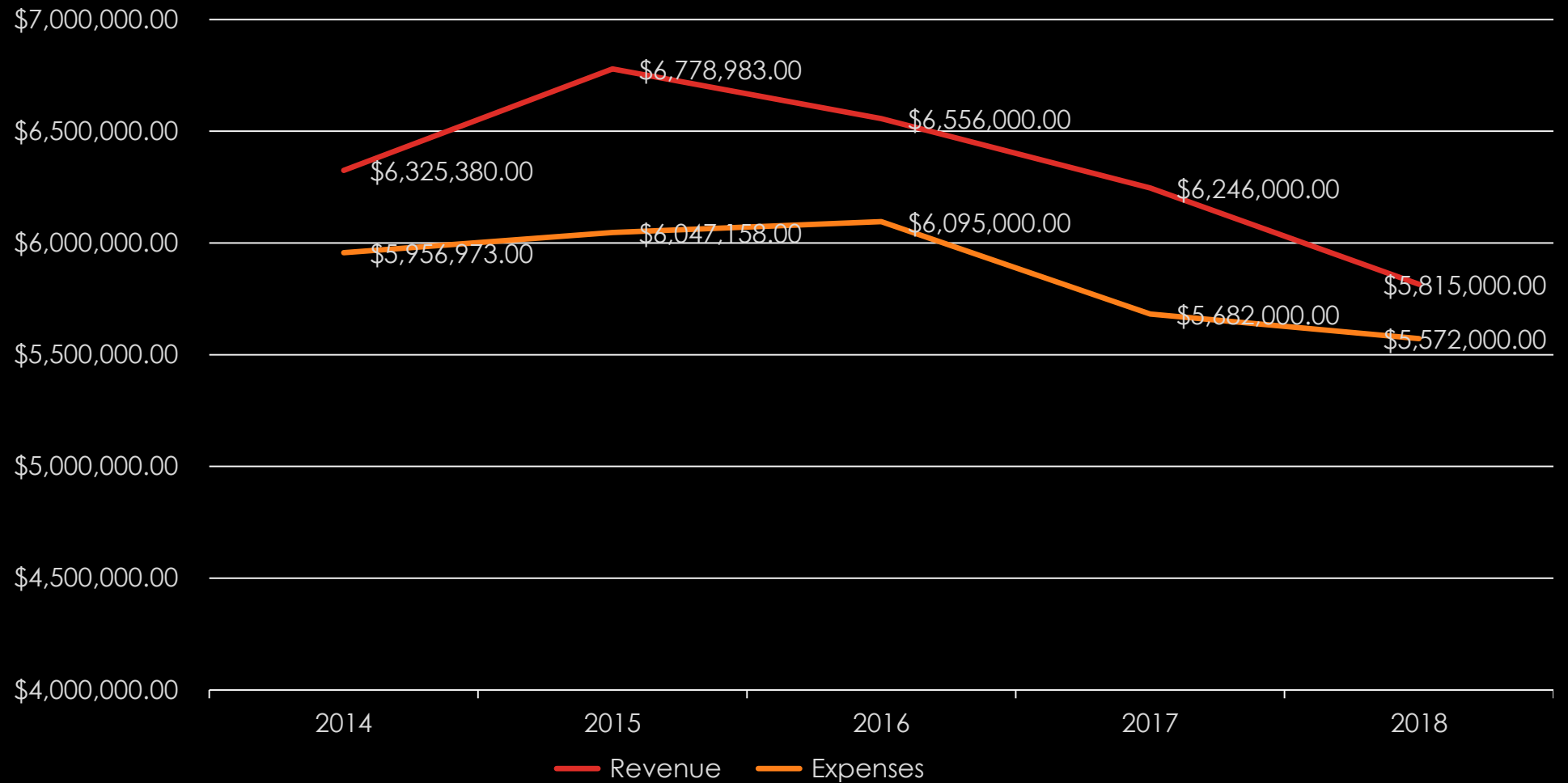
# VERMONT UNIVERSAL SERVICE FUND OVERVIEW

- VUSF supports 5 programs
- 2% fee on retail telecommunications services (i.e. telephone service)
- Collected on retail telecommunications persons purchasing service
  - ILECs
  - CLECs
  - Mobile Carriers – prepaid and post paid
  - fee is a line item on consumers' bills
- Fund Managed by an independent fiscal agent --- Solix, Inc.

# SUPPORTED PROGRAMS

- **Fiscal Agent Contract** – Solix Inc.
- **Vermont Lifeline Program** – bill credits to low income telephone users
- **Telephone Relay Service** – Communications service for deaf and hard of hearing
  - **Equipment Distribution Program** – equipment for deaf and hard of hearing
- **Enhanced 911**- disbursements set by state budget
- **Connectivity Fund** – supported by previous year surplus in the fund

## VUSF Revenues and Expenses 2014-2018

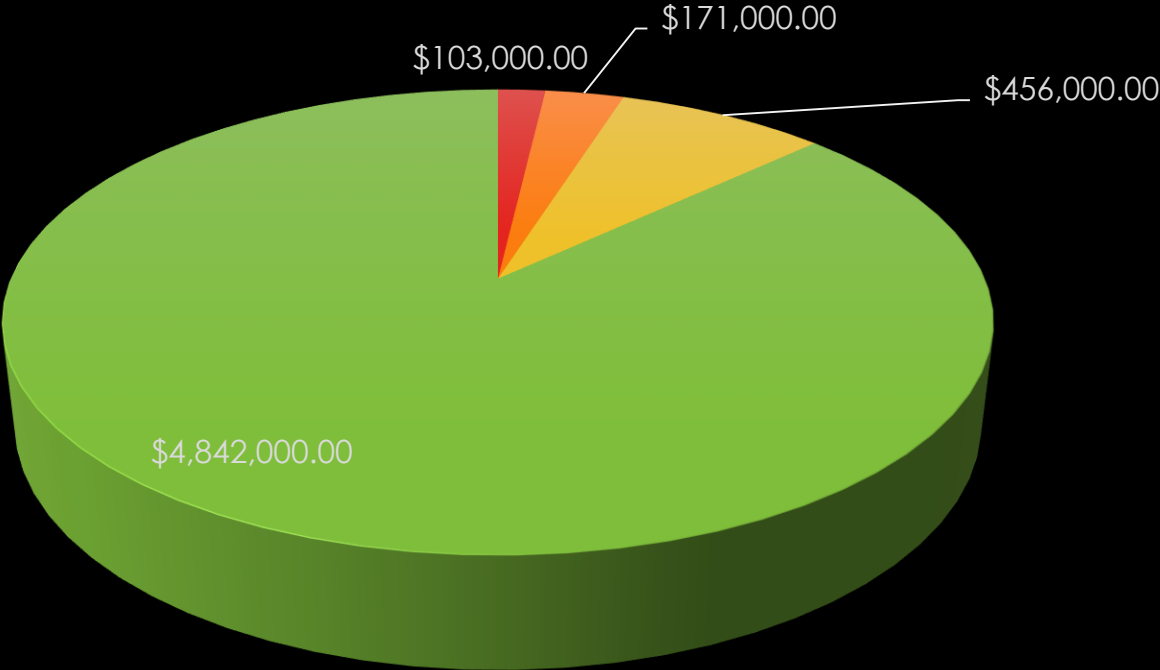


# FISCAL YEAR 2018 DISBURSEMENTS

Total Revenue:  
\$5,815,000

Total Disbursement:  
5,572,000\$

**FY 2018 Disbursements**



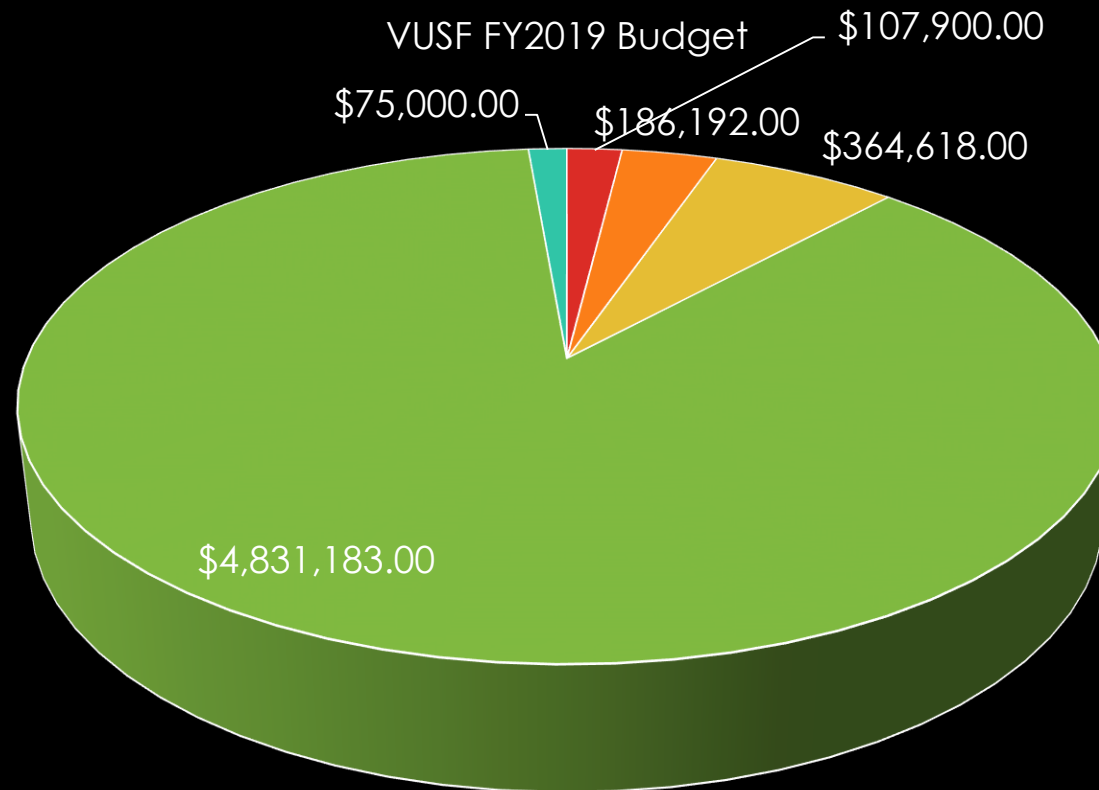
Source: 2018 VUSF Audit. Disbursements chart excludes disbursements from Connectivity Fund.

- Administrative
- Relay
- Lifeline
- E911

# VUSF BUDGET FISCAL YEAR 2019

Total  
Projected  
Revenues:  
\$5,822,150

Total  
Projected  
Expenses:  
\$5,564,893



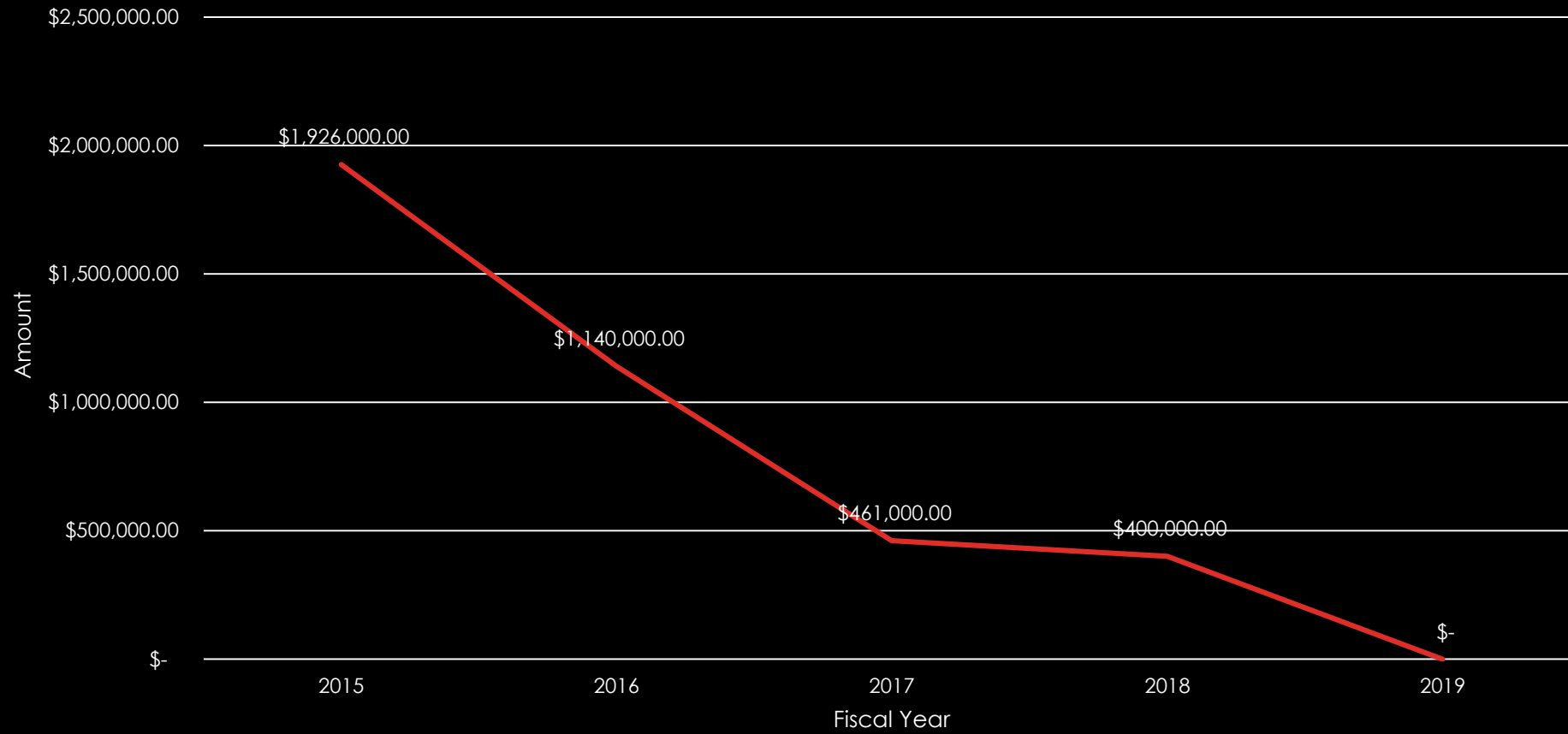
■ Administrative ■ Relay ■ Lifeline ■ E911 ■ Equipment

# CONNECTIVITY FUND

- Supports the High Cost Program and Connectivity Initiative
- High Cost Program provides ongoing support to Vermont Eligible Telecommunications Carriers (VETCs).
- Connectivity Initiative is a grant program that funds last mile broadband expansion.
- Fiscal agent determines amount of available funding from previous year surplus.
- 45% goes to High Cost, 55% goes to Connectivity



# VUSF Distributions to the Connectivity Fund by Year





# FUND TRENDS

- Declines in assessable revenue
  - Declines in phone rates
  - Shift from regulated to non-regulated revenues
  - Prepaid calling cards legislation
- Expense Fluctuations
  - Decline in lifeline recipients
  - Decline in TRS traffic
  - Steady increase in E911 funding