



SAMPLE PRO FORMA for Proposed Project Area

SECTION I: GENERAL INFORMATION

1. APPLICANT NAME:	2. DATE:
3. PROJECT NAME:	

SECTION II: ASSUMPTIONS

1. Broadband Data Service – Existing Network (if partially served)	Prior Year	Year of Service
1A. Subscribers Beginning of Year		
1B. Subscribers End of Year		
1C. Increase (Decrease)		
1D. Average \$ Rate/Subscriber/Month		
2. Broadband Data Service – Grant Network	Prior Year	Year of Service
2A. Subscribers Beginning of Year		
2B. Subscribers End of Year		
2C. Increase (Decrease)		
2D. Average \$ Rate/Subscriber/Month		
3. Video Service – Existing Network (if partially served)	Prior Year	Year of Service
3A. Subscribers Beginning of Year		
3B. Subscribers End of Year		
3C. Increase (Decrease)		
3D. Average \$ Rate/Subscriber/Month		
4. Video Service – Grant Network	Prior Year	Year of Service
4A. Subscribers Beginning of Year		
4B. Subscribers End of Year		
4C. Increase (Decrease)		
4D. Average \$ Rate/Subscriber/Month		
5. VoIP Service – Existing Network (if partially served)	Prior Year	Year of Service
5A. Subscribers Beginning of Year		
5B. Subscribers End of Year		
5C. Increase (Decrease)		
5D. Average \$ Rate/Subscriber/Month		
6. VoIP Service – Grant Network	Prior Year	Year of Service
6A. Subscribers Beginning of Year		
6B. Subscribers End of Year		
6C. Increase (Decrease)		
6D. Average \$ Rate/Subscriber/Month		

SECTION II: ASSUMPTIONS (cont'd)		
7. Assumptions for Projections	Prior Year	Year of Service
7A. Middle Mile Revenues (\$)		
7B. Installation Revenues (\$)		
8. If project area is not partially served, provide average \$ rate/ subscriber/month from nearest, comparable active service area for:	Prior Year	
8A. Broadband Data Service		
8B. Video Service		
8C. VoIP Service		
9. Assumed inflation rate for operating revenues		
10. Assumed inflation rate for operating expenses		
11. Other assumptions – Please describe		

SECTION III: DEVELOPMENT COSTS						
Development Costs	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
1. Predevelopment						
2. Construction						
3. Construction Fees						
4. Acquisition						
5. Test Service						
6. Other Development Costs						
7. Total Development Costs						

SECTION IV: OPERATIONS						
Operating Revenues	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
1. Broadband Data Service						
1A. Actual Revenue from Existing Connections						
1B. Projected Revenue from New Connections						
2. Video Service						
2A. Actual Revenue from Existing Connections						
2B. Projected Revenue from New Connections						
3. VoIP Service						
3A. Actual Revenue from Existing Connections						
3B. Projected Revenue from New Connections						
4. Other Revenues						
5. Total Revenues						

SECTION V: OPERATING EXPENSES						
Operating Expenses	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
1. Backhaul						
2. IP/Interconnection						
3. Video Content Costs						
4. Spectrum						
5. Network Maintenance/Monitoring						
6. Utilities						
7. Sales and Marketing						
8. Customer Care						
9. Administrative Labor						
10. Administrative – Other						
11. Property Taxes						
12. Amortization of Grant Assets						
13. Depreciation of Grant Assets						
14. Other Expenses						
15. Total Operating Expenses						
16. Operating Income						

SECTION VI: OTHER INCOME (EXPENSE)						
Other Income (Expense)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
1. Interest Income						
2. CFA Broadband Grant						
3. Other Federal, State or Local Subsidies (list below)						
4. Gain (Loss) on Disposal of Assets						
5. Gain (Loss) on Marketable Securities						
6. Interest Expense – Existing Debt						
7. Interest Expense – New Debt						
8. Total Other Income (Expense)						

SECTION VII: TAXES AND NET INCOME						
Taxes	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
1. Federal, State and/or Local Income Taxes						
2. Net Income (Loss)						



SAMPLE PRO FORMA for Proposed Project Area

Purpose: This form can be used as a guide to develop a separate pro forma or as a fill-in pro forma to provide with a submitted application under the Unserved High-Speed Broadband Funding Program. Separate pro formas must contain, at a minimum, all information outlined within the Sample Pro Forma.

INSTRUCTIONS

Section I: General Information

1. **Applicant Name** – Name of Applicant submitting application to the Unserved High-Speed Broadband Funding Program
2. **Date** – Date the pro forma is created
3. **Project Name** – Project Name provided in the application to be submitted to the Unserved High-Speed Broadband Funding Program

Section II: Assumptions

1. **Broadband Data Service – Existing Network (if partially served)** – Complete 1A – 1D if the proposed project area is partially served. If the proposed project area is not partially served, leave all of 1A – 1D blank.
 - a. **Subscribers Beginning of Year** – Indicate the number of Broadband Data Service subscribers in the partially served area at the beginning of the previous 12 months in Prior Year. Indicate the number of Broadband Data Service subscribers in the partially served area from the end of the previous 12 months (1B) in Year of Service.
 - b. **Subscribers End of Year** – Indicate the number of Broadband Data Service subscribers in the partially served area at the end of the previous 12 months in Prior Year. Indicate the number of anticipated new Broadband Data Service subscribers (previously served and grant supported network expansion) 12 months after the project area is served by the grant supported network expansion in Year of Service.
 - c. **Increase (Decrease)** – Subtract 1B from 1A for both columns.
 - d. **Average \$ Rate/Subscriber/Month** – Indicate the average monthly Broadband Data Service subscriber rate in the partially served area from the previous 12 months in Prior Year. Indicate the anticipated average monthly Broadband Data Service subscriber rate in the project area for the initial 12 months of service provided (partially served area and grant supported network expansion) in Year of Service. Round to the nearest cent using USD.
2. **Broadband Data Service – Grant Network** – Complete only if proposed project area is not currently served.
 - a. **Subscribers Beginning of Year** – Complete if grant network will have phased service availability. Indicate the anticipated number of new Broadband Data Service subscribers in the project area at the beginning of full service of grant network in Year of Service.
 - b. **Subscribers End of Year** – Indicate the total number of anticipated new Broadband Data Service subscribers 12 months after the project area is served by the grant supported network in Year of Service.
 - c. **Increase (Decrease)** – Subtract 1B from 1A.
 - d. **Average \$ Rate/Subscriber/Month** – Indicate the anticipated average monthly Broadband Data Service subscriber rate in the project area for the initial 12 months of service provided in Year of Service. Round to the nearest cent using USD.
3. **Video Service – Existing Network (if partially served)** – Complete 1A – 1D if the proposed project area is partially served. If the proposed project area is not partially served, leave all of 1A – 1D blank.
 - a. **Subscribers Beginning of Year** – Indicate the number of Video Service subscribers in the partially served area at the beginning of the previous 12 months in Prior Year. Indicate the number Video Service subscribers in the partially served area from the end of the previous 12 months (1B) in Year of Service.
 - b. **Subscribers End of Year** – Indicate the number of Video Service subscribers in the partially served area at the end of the previous 12 months in Prior Year. Indicate the number of anticipated new Video Service subscribers (previously served and grant supported network expansion) 12 months after the project area is served by the grant supported network expansion in Year of Service.

- c. **Increase (Decrease)** – Subtract 1B from 1A for both columns.
- d. **Average \$ Rate/Subscriber/Month** – Indicate the average monthly Video Service subscriber rate in the partially served area from the previous 12 months in Prior Year. Indicate the anticipated average monthly Video Service subscriber rate in the project area for the initial 12 months of service provided (partially served area and grant supported network expansion) in Year of Service. Round to the nearest cent using USD.
4. **Video Service – Grant Network** – Complete only if proposed project area is not currently served.
- a. **Subscribers Beginning of Year** – Complete if grant network will have phased service availability. Indicate the anticipated number of new Video Service subscribers in the project area at the beginning of full service of grant network in Year of Service.
- b. **Subscribers End of Year** – Indicate the total number of anticipated new Video Service subscribers 12 months after the project area is served by the grant supported network in Year of Service.
- c. **Increase (Decrease)** – Subtract 1B from 1A.
- d. **Average \$ Rate/Subscriber/Month** – Indicate the anticipated average monthly Video Service subscriber rate in the project area for the initial 12 months of service provided in Year of Service. Round to the nearest cent using USD.
5. **VoIP Service – Existing Network (if partially served)** – Complete 1A – 1D if the proposed project area is partially served. If the proposed project area is not partially served, leave all of 1A – 1D blank.
- a. **Subscribers Beginning of Year** – Indicate the number of VoIP Service subscribers in the partially served area at the beginning of the previous 12 months in Prior Year. Indicate the number VoIP Service subscribers in the partially served area from the end of the previous 12 months (1B) in Year of Service.
- b. **Subscribers End of Year** – Indicate the number of VoIP Service subscribers in the partially served area at the end of the previous 12 months in Prior Year. Indicate the number of anticipated new VoIP Service subscribers (previously served and grant supported network expansion) 12 months after the project area is served by the grant supported network expansion in Year of Service.
- c. **Increase (Decrease)** – Subtract 1B from 1A for both columns.
- d. **Average \$ Rate/Subscriber/Month** – Indicate the average monthly VoIP Service subscriber rate in the partially served area from the previous 12 months in Prior Year. Indicate the anticipated average monthly VoIP Service subscriber rate in the project area for the initial 12 months of service provided (partially served area and grant supported network expansion) in Year of Service. Round to the nearest cent using USD.
6. **VoIP Service – Grant Network** – Complete only if proposed project area is not currently served.
- a. **Subscribers Beginning of Year** – Complete if grant network will have phased service availability. Indicate the anticipated number of new VoIP Service subscribers in the project area at the beginning of full service of grant network in Year of Service.
- b. **Subscribers End of Year** – Indicate the total number of anticipated new VoIP Service subscribers 12 months after the project area is served by the grant supported network in Year of Service.
- c. **Increase (Decrease)** – Subtract 1B from 1A.
- d. **Average \$ Rate/Subscriber/Month** – Indicate the anticipated average monthly VoIP Service subscriber rate in the project area for the initial 12 months of service provided in Year of Service. Round to the nearest cent using USD.
7. **Assumptions for Projections**
- a. **Middle Mile Revenues** – Indicate actual revenues from wholesale internet, leasing facilities/infrastructure, and other middle mile activities from previous 12 months in partially served area in Prior Year. Indicate projected revenues from wholesale internet, leasing facilities/infrastructure, and other middle mile activities for the initial 12 months of service provided for new service connections in Year of Service. Round to the nearest dollar using USD.
- b. **Installation Revenues** – Indicate actual revenues from equipment and service installation from previous 12 months for new service connections in partially served area in Prior Year. Indicated projected revenues for equipment and service installation for the initial 12 months of service provided for new service connections in Year of Service. Round to the nearest dollar using USD.
8. **Complete if project is not partially served.** Provide the average monthly subscriber rate from the nearest, comparable active service area. Round to the nearest cent using USD.
- a. Broadband Data Service

- b. Video Service
 - c. VoIP Service
9. **Assumed inflation rate for operating revenues** – Indicate the assumed year over year inflation rate for operating revenues the initial 5 years of operation of the grant supported network. Round to the nearest 1/100th percent (0.XXXX or XX.XX%).
 10. **Assumed inflation rate for operating expenses** – Indicate the assumed year over year inflation rate for operating expenses for the initial 5 years of operation of the grant supported network. Round to the nearest 1/100th percent (0.XXXX or XX.XX%).
 11. **Other Assumptions** – Describe and indicate any other revenue or expenses assumptions used for calculations in Sections IV – VII. If more lines are needed, please use provide details in a separate spreadsheet.

Section III: Development Costs

Note: Costs should be documented with invoices and/or cost estimates prepared by an engineer or other qualified professional. If costs from all categories will be completely incurred prior to providing full service to the proposed project area, only provide figures for Year 0. If the project will have phased service availability, provide anticipated costs for each year after initial service is provided until implementation of the full project is complete.

1. **Predevelopment** – Indicate cumulative predevelopment costs. These costs will consist of any preconstruction costs required to serve the proposed project area, including engineering, technical studies, surveys, etc.
2. **Construction** – Indicate cumulative construction, equipment, materials, and labor costs to construct or install high-speed broadband infrastructure to serve the proposed project area.
3. **Construction Fees** – Indicate cumulative permit fees, planning costs, and construction bonds that are required to begin construction or installation of high-speed broadband infrastructure to serve the proposed project area.
4. **Acquisition** – Indicate cumulative acquisition costs required to begin construction or installation of high-speed broadband infrastructure to serve the proposed project area. Costs include appraisals, land acquisition, rights-of-way, easements, closing costs, and associated legal costs.
5. **Test of Service** – Indicate cumulative test of service costs for high-speed broadband infrastructure constructed and/or installed with grant assistance.
6. **Other Development Costs** – Indicate cumulative amounts of any other development costs not covered under previous lines that are required to construct and/or install high-speed service infrastructure to serve the proposed project area.
7. **Total Development Costs** – Add lines 1 – 6.

Section IV: Operating Revenues

Note: Year 1 indicates first 12 months of service to the full project area. If the grant supported network will have phased availability, add Subscribers Beginning of Year from 2, 4, and 6 in Section III to Actual Revenue from Existing Customers in Year 1 of appropriate lines below. If revenues/projections will not use level assumptions described in Section III, you must create a separate spreadsheet and explain any fluctuations from year to year.

1. **Broadband Data Service** – Input figures using assumptions from Section III
 - a. **Actual Revenue from Existing Connections** – Use figures from 1B and 1D in Prior Year column for Year 0 if the project area is partially served. Year 1 – Year 5 will also include the inflation rate in 9.
 - b. **Projected Revenue** – Use figures from 1B and 1D in Year of Service column or 2B and 2D for Year 1. Year 2 – Year 5 will also include the inflation rate in 9.
2. **Video Service** – Input figures using assumptions from Section III
 - a. **Actual Revenue from Existing Connections** – Use figures from 3B and 3D in Prior Year column for Year 0 if the project area is partially served. Year 1 – Year 5 will also include the inflation rate in 9.
 - b. **Projected Revenue** – Use figures from 3B and 3D in Year of Service column or 4B and 4D for Year 1. Year 2 – Year 5 will also include the inflation rate in 9.
3. **VoIP Service** – Input figures using assumptions from Section III
 - a. **Actual Revenue from Existing Connections** – Use figures from 5B and 5D in Prior Year column for Year 0 if the project area is partially served. Year 1 – Year 5 will also include the inflation rate in 9.

- b. **Projected Revenue** – Use figures from 5B and 5D in Year of Service column or 6B and 6D for Year 1. Year 2 – Year 5 will also include the inflation rate in 9.
4. **Other Revenues** – Input any revenues from middle mile and installation services and any other revenues from the existing network from the previous 12 months in Year 0 if the project area is partially served. Year 1 – Year 5 will include these and any other revenues not previously covered and the inflation rate in 9.
5. **Total Revenues** – Add all lines from Section IV in each column.

Section V: Operating Expenses

Note: Year 1 indicates first 12 months of service to the full project area. If expenses/projections will not use level assumptions described in Section III, you must create a separate spreadsheet and explain any fluctuations from year to year.

For the following lines, input any relative expenses for the existing network from the previous 12 months in Year 0 if the project area is partially served. Year 1 – Year 5 will include projected expenses for the existing and planned infrastructure in the full project area. If the project area is not partially served, input projected expenses for the planned infrastructure in the full project area in Year 1. Subsequent years will use the inflation rate in 10 from Section III.

1. Backhaul
2. IP/Interconnection
3. Video Content
4. Spectrum
5. Network/Maintenance
6. Utilities
7. Sales and Marketing
8. Customer Care
9. Administrative Labor
10. Administrative – Other
11. Property Taxes – If provider does not own property occupied by proposed infrastructure, input appropriate lease, rent, or other agreed upon annual payments.
12. Amortization of Grant Assets
13. Depreciation of Grant Assets
14. Other Expenses – Include any other expenses not previously covered.
15. Total Operating Expenses – Add all lines from Section V in each column.
16. Operating Income – Subtract line 15 from Section V from line 5 from Section IV.

Section VI: Other Income (Expense)

Note: Year 1 indicates first 12 months of service to the full project area. If income/expenses/projections will not use level assumptions described in Section III, you must create a separate spreadsheet and explain any fluctuations from year to year.

For the following lines, input any relative income/expenses for the existing network from the previous 12 months in Year 0 if the project area is partially served. Year 1 – Year 5 will include projected income/expenses for the existing and planned infrastructure in the full project area. If the project area is not partially served, input projected income/expenses for the planned infrastructure in the full project area in Year 1. Subsequent years will use the inflation rate in 9 (income) or 10 (expenses) from Section III.

1. **Interest Income**
2. **CFA Broadband Grant** – Input requested grant in Year 0
3. **Other Federal State, or Local Subsidies** – List source of subsidy and amount in appropriate column. If subsidies cover multiple years, input amounts according to award/agreement. If additional space is needed, please list in a separate document or spreadsheet. Subsidies should be supplemented by award letters from appropriate agencies.
4. **Gain (Loss) on Disposal of Assets**

5. **Gain (Loss) on Marketable Securities**
6. **Interest Expense** – Existing Debt
7. **Interest Expense** – New Debt
8. **Total Other Income** – Add all lines from Section VI in each column.

Section VII: Taxes and Net Income

Note: Year 1 indicates first 12 months of service to the full project area.

1. **Federal, State, and/or Local Income Taxes**
2. **Net Income (Loss)** – Total of line 6 from Section III, line 5 from Section IV, line 15 from Section V, line 8 from Section VI, and line 1 Section VII.