



MEMORANDUM

DATE: November 19, 2018
TO: Mayor and City Councilmembers
THROUGH: Darin Atteberry, City Manager
Kelly DiMartino, Sr. Assistant City Manager
FROM: Amanda King, Communications Director
Carson Hamlin, Video Production Manager
RE: Quarterly Cable Franchise and PEG Funding Update – Q3 2018

Background: The City has a non-exclusive franchise agreement with the local subsidiary of Comcast Corporation. During the franchise renewal process, Council made a request for increased tracking and reporting on compliance. Based on this request, quarterly reports will be shared and posted on the City’s franchise webpage: <http://www.fcgov.com/fctv/franchise.php>.

Below is a summary of quarterly franchise and PEG fees, reported customer complaints and current service pricing:

2018	Quarter 3			2018 Projection			
	Q3 2018 Budgeted	Q3 2018 Actual	Difference Over/(Under)	2018 Budgeted	2018 Projected	Proj Difference Over/(Under)	Variance Over/(Under)
Franchise Fee - 413010	\$ 390,091	\$ 394,475	\$ 4,384	\$ 1,560,364	\$ 1,595,382	\$ 35,018	2.2%
PEG - 441070	\$ 58,316	\$ 60,343	\$ 2,028	\$ 233,262	\$ 239,550	\$ 6,288	2.7%

Revenue received –

- Both the franchise and PEG fees came in above budget in Q3.
 - Franchise fees are based off 5% of gross revenue.
 - PEG fees are \$0.75/cable subscriber.
 - A financial audit is underway.

Complaints-

- Comcast reported zero complaints in Q3 2018. One complaint came to the City’s Franchise Administrator and was resolved by Comcast.
- **Comcast website check-**
 - The Digital Economy package, though difficult to find on the website, is listed at \$29.99 per month: <https://www.xfinity.com/hub/tv-video/best-comcast-xfinity-cable-tv-deals>
- **Comcast Customer Service Center check-**
 - Limited basic package signage was posted.

Other updates –

- The City's Franchise Administrator was also notified via email of the following channel lineup change:
 - Effective December 18, 2018 Comcast will add the following networks to the channel lineup in your community:
 - Newsmax - Digital Starter
 - Zee Living - Digital Preferred
 - i24 News - Digital Preferred