



Communications & Public Involvement
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MEMORANDUM

DATE: March 8, 2019
TO: Mayor and City Councilmembers
THROUGH: Darin Atteberry, City Manager *DA*
 Kelly DiMartino, Sr. Assistant City Manager *KD*
FROM: Amanda King, Communications Director *AK*
 Carson Hamlin, Video Production Manager
RE: Quarterly Cable Franchise and PEG Funding Update – Q4 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/fectv/franchise.php>.

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

2018	Quarter 4			2018 Budget and Actuals			
	Q4 2018 Budgeted	Q4 2018 Actual	Difference Over/(Under)	2018 Budgeted	2018 Actual	Proj Difference Over/(Under)	Variance Over/(Under)
Franchise Fee - 413010	\$ 411,936	\$ 411,300	\$ (636)	\$ 1,588,364	\$ 1,610,683	\$ 22,319	1.4%
PEG - 441070	\$ 58,316	\$ 58,864	\$ 549	\$ 233,262	\$ 238,219	\$ 4,957	2.1%

Revenue received –

- Franchise fees came in slightly under budget in Q4 and were 1.4% over budget for the year.
- PEG fees were slightly higher in Q4 and 2.1% over budget for the year.
 - Franchise fees are based off 5% of gross revenue.
 - PEG fees are \$0.75/cable subscriber.
 - A financial audit is underway and expected to be complete by mid-2019.

Complaints-

- Comcast reported zero complaints in Q4 2018.
- **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 notified via email of the following channel lineup change:
 - Effective February 1, 2019 Comcast will drop MGM HD (Ch. 859) from the channel lineup.
 - This channel will be removed on that date as a result of a decision by the channel owners.