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Communications & Public Involvement
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MEMORANDUM

DATE: May 26, 2021

TO: Mayor and City Councilmembers

THROUGH: Darin Atteberry, City Manager
Kelly DiMartino, Deputy City Manager
Tyler Marr, Interim Information and Employee Services Director

FROM: Amanda King, Communications Director
Carson Hamlin, Video Production Manager

RE: **Quarterly Cable Franchise and PEG Funding Update – Q1 2021**

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 Public, Educational, Governmental (PEG) fees, reported

	Quarter 1			2021 Budget and Actuals			
2021	Q1 2021 Budgeted	Q1 2021 Actual	Difference Over/(Under)	2021 Budgeted	2021 YTD Actual	Proj Difference Over/(Under)	Variance Over/(Under)
Franchise Fee - 413010	$ 433,500	$ 358,914	$ (74,586)	$ 1,734,000	$ 1,435,656	$ (298,344)	-17.2%
PEG - 441070	$ 56,250	$ 47,424	$ (8,826)	$ 225,000	$ 189,696	$ (35,304)	-15.7%

customer complaints and current service pricing:

Revenue received –

- Franchise fees were under budget by 17.2% in Q1.
- PEG fees were were down 15.7% in Q1.
  - Franchise fees are based off 5% of gross revenue.
  - PEG fees are $0.75/cable subscriber.
  - A financial audit is underway (see details below).

Complaints-

- Comcast reported zero complaints in Q1 2021.
- The City received zero complaints in Q1 2021:

Comcast website check-

- Limited Basic pricing could not be found on the Xfinity website.
- The lowest price listed for TV only was $49.99

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Comcast Customer Service Center check -

- Limited basic signage is posted at the customer service center.

Other Franchise Updates –

- Financial audit of Comcast:
  - Per the current cable franchise, the City is authorized to conduct a mid-franchise financial audit of Comcast which is in progress.
  - As of May 2021, the auditor is still awaiting missing documentation on various fees and commissions. If a resolution cannot be met, the auditor may issue an incomplete report with a note of noncompliance. City staff will consult with the City Attorney's office on best next steps.