

Cortland Cable Commission  
Monday, October 7, 2019  
7 PM, City Hall

Members present: Jim Forshee, Duane Andrus, Ed Finkbeiner, Sharon Stevans  
Members excused: Donna Johnson

The minutes of the July 1 meeting were approved without changes.

**Franchise Fee/ reduction in TV cable numbers issue**

Commissioner Finkbeiner reported that the issues discussed at the last meeting regarding possible reduction/loss of franchise fees as more people drop cable <sup>was</sup> raised by him at the NY Conference of Mayors meeting. He was told that constituents should advocate for NYS Legislators to pass a law to allow for franchise fees to be paid to municipalities based on internet service delivery. Commissioners then discussed a variety of issues impacting this possible avenue. IE: Constituents would have to understand more about the issue. Commissioner Finkbeiner pointed out that when/if loss of franchise fees results in local tax increases people will care. In addition, since the FCC has jurisdiction over cable, this would be more of a federal issue than one for NYS. However, it was felt that advocacy with our NYS representatives may spur some action on the state level to influence federal policy.

**Action item:** Commissioners will ask the Mayors & Supervisors in our franchise area to sign a letter that the Commission will draft. The letter will be addressed to our NYS representatives with copies sent to other municipalities to draw their attention to the issue. The letter will stress: #1 that cable customers are dropping & franchise fees are payable on revenues from cable; #2 municipalities' budgets may be adversely affected as cable customers drop; #3 since television delivered via streaming will depend on internet service delivered over cable infrastructure, advocacy to allow franchise fees to be paid based on internet delivery is advisable. Commissioner Finkbeiner suggested that fees be computed based on any customer who has an active cable drop- whether used for TV or internet. Commissioner Stevans will draft a letter & send out for review. It was decided that if there is little/no interest by municipalities the Commission will send an advocacy letter to NYS reps with broad Ccs, including the PSC.

Commissioner Finkbeiner stated that Mayor McCabe may be of help in his NYS rural affairs position.

Commissioner Forshee stated that with 5G, TV/streaming will be delivered without cable connections at all. How can franchise fees be computed/allowed based on signals through the air? If laws are changed to permit franchise payments based on internet delivery, a whole new type of franchise agreement will be necessary.

**Estimated loss of cable customers**

Commissioner Stevans reviewed some numbers she drew from franchise receipts, PSC numbers, and 1997 contract numbers.

In 2018 the City of Cortland had 2083 customers (based on reported franchise receipts). The 12/2016 numbers reported by the PSC were 4100 customers. The customers listed in the 1997 franchise agreement for the City were 12,423.

The numbers for the Village of Homer & Town of Homer based on 12/2016 PSC report & the franchise receipts were 659. The numbers in the 1997 franchise agreement were 3592.

These numbers reflect significant short term and long term reductions.

Commissioners discussed an article appearing in the Sunday Post Standard 10/6/19. It stated that Spectrum has lost 404,000 customers from 6/18 to 6/19. This represents 2.5% of its national customer base. However, TV revenues from residential customers rose .6% in the second quarter of this year. This is attributable to price increases.

**2020 meeting schedule**

Monday January 6

Monday April 6

Monday July 6

Monday October 5

Commissioners agreed to convene additional meetings if necessary.

Meeting adjourned at 7:50 PM

Respectfully submitted, Sharon Stevans