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STN BOARD MEETING  
June 14, 2012  
Minutes

ATTENDANCE

Board Members: Dave Hopkins; Judy McIntosh; Mark Middaugh; Timothy O'Hearn; Michael Printup; Mark Rogus; Marcia Weber; Howard Zingler

Alternate Board Members: Michael Krusen; Jack Wheeler

Excused: Mark Alger; Thomas Santulli

CEO: Steven Manning

Guests: Brian Ketchum, Empire Telephone; Joe Starks, ECC Technologies; Jim Townsend, Legal Counsel; Dan Wilhelm, STC

Chair Marcia Weber called the meeting to order at 10:05 AM in the STC Conference Room.

1. APPROVAL OF MINUTES

On a motion duly made (Tim O'Hearn/Mark Rogus) and carried, the minutes of the May 10, 2012 meeting were approved.

2. CEO REPORT

- a. Preview STN Website – the Board reviewed the draft of the STN website and made suggestions.
- b. Update on FLRTDC and STN Agreement – STN has sent the draft Agreement with FLRTDC to independent council for their review. Word is expected back from Nixon-Peabody prior to the July Board meeting.

3. FINANCIAL / AUDIT REPORT

- a. 2011 Audit Opinion Changes – Mark Rogus noted that a letter was distributed to the Board from Bonadio after the approval of the 2011 Audit with items and a change in terminology that were not reviewed first with the Finance Committee. This was an issue with the process; the materials that the Board approved are fine but were different than what the Finance Committee approved.

Mark Rogus emphasized that anything to do with the posting of financials needs to be run by the Finance/Audit Committee.

- b. Presentation of Financials and Budget Template (handed out at meeting) – The Financial/Audit Committee met and discussed the 2012 Budget Plan. Mark Rogus thanked Dan Wilhelm and Andy Lukasiewicz, ECC Technologies, who did a great job on the budget template. Mark reviewed with the Board the financials and projected spending for the rest of this year and 2013 and noted that revenues are starting to come in.

The committee recommends to the Board that the 2012 Budget Plan dated 6/8/2012 that was distributed today be the adopted Budget for 2012. On a motion duly made (Mark Rogus/Judy McIntosh) and carried the 2012 Budget Plan was approved with the revision to the county contributions.

It is required that the 2013 Budget be adopted at the October 2012 meeting for submission by November 1, 2012. Dan noted that an annual report and numerous other forms are required to be submitted by the end of 2012.

#### 4. PROJECT REPORT

- a. Update and Financial Plan for Partnering - at the last meeting the Board authorized ECC to talk to Empire Telephone about a possible partnership to build the network in the northern Steuben County area. It was agreed by ECC and Empire Telephone that there is an opportunity to work together; both will give a presentation at the next board meeting. Brian Ketchum left the meeting at this point.
- b. Update on County IRU's – the group discussed the timing of the payments for the county IRU's. It was suggested that the counties make their 2012 payment before the fourth quarter of this year and then another payment in January 2013, if possible. The Steuben County Administration Committee approved the IRU, and it will go to the Board at the end of this month; if approved by their Board, the county's STN obligation will be paid in full during the 2012 calendar year. Chemung and Schuyler Counties will make a payment this year and others on the first of January in 2013 and 2014.

ECC is ready to discuss the county in-kind contribution. Joe Starks will set up a time to meet with the counties.

- b. Marketing Update – The three counties are interested in working together on coordinated public safety connections. Dave Hopkins and Joe Starks will raise this topic with the regional Public Safety

Coordinators. As more information is gathered, it will be brought back to the Board.

## EXECUTIVE SESSION

On a motion duly made (Jack Wheeler/Dave Hopkins) and carried, the meeting went into executive session to discuss customer-specific and contractual items. Mark Middaugh left the meeting at this point.

Upon a motion duly made (Dave Hopkins/Jack Wheeler) and carried, the regular board meeting resumed.

Action taken in Executive Session - On a motion duly made (Michael Printup/Dave Hopkins) and carried, the STN board approved the proposal from Guthrie to eliminate the penalty obligation for early termination after 60 months, with the caveat that the lateral is paid for by then.

6. OTHER – Jim Townsend reported that he received a letter from the Worker's Comp stating that they are requiring a statement from the Board that STN is a not-for-profit organization and that we don't want Worker's Comp coverage for any non-salaried officers of the Board. Jim called the insurance agent in charge but was unable to reach that person. On a motion duly made (Mike Krusen/Timothy O'Hearn) and carried, a statement will be sent to Workers' Comp that STN does not want coverage for any non-salaried officers.

7. ADJOURN – on a motion duly made (Michael Printup/Judy McIntosh) and carried, the meeting adjourned at 12:30 PM.

Respectfully submitted,  
Susan Cratsley, Recording Secretary