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Southern Tier Network, Inc. November 13, 2014 Minutes

ATTENDANCE

Board Members: Alan Eusden; David Hopkins; Carl Hayden; Mark Middaugh; Michael Printup; Mark Rogus; Marcia Weber; Steve Wilber; Howard Zingler

Excused: Mark Alger; Mike Krusen; Judy McIntosh; Timothy O'Hearn; Thomas Santulli; Jack Wheeler

CEO: Steven Manning

Guests: Jeff Gasper, Marcelle VanPatten, Joe Starks (via conference call)--ECC Technologies;
J.K. Hage, Amy Porter--Hage and Hage (via conference call)
John Sheppard, Axxess Ontario Board Chair
Dan Wilhelm, STC/STN Accountant

CALL to ORDER - The meeting was called to order at 9:50 AM by chair Marcia Weber in the conference room at the STC office.

1. **APPROVAL OF THE MINUTES** - on a motion duly made (M. Printup/C. Hayden) and carried, the minutes of the October 9, 2014 meeting were approved.

2. **FINANCE-AUDIT COMMITTEE REPORT**

- a) **Review BOD template on STN's current financial performance** – (emailed prior to the meeting) the board reviewed and discussed the STN financial templates and approved them as presented.
- b) **Expansion Project pro forma financial review and recommendation** (emailed prior to meeting) – the board reviewed the financial breakdown for the 121 mile STN east expansion project, which has received approval for a NYS Empire State Development grant. The finance-audit committee recommends pursuing the grant and submitting the required application and filing fees. On a motion by M. Rogus, seconded by D. Hopkins, and carried, the board agreed to proceed with the application.
- c) **2014 Bonadio Engagement Approval** – on a motion duly made (H. Zingler/M. Middaugh) and carried, the group approved the contract with The Bonadio Group to perform the 2014 STN external audit.

The committee suggested that STN put out a bid next year to ensure that the fees and services remain competitive.

Alan Eusden and Mark Rogus left the meeting at this point.

- d) **2015 Budget Submission to PARIS** – the 2015 STN Budget was submitted to the NYS Public Authorities Reporting Information System (PARIS) on October 31, 2014. The budget can be updated/modified throughout the year if necessary. On a motion duly made (H. Zingler/M. Middaugh) and carried, the submittal of the STN 2015 budget to PARIS was approved.

3. **GOVERNANCE COMMITTEE REPORT**

- a) **Membership and Representation Discussion** – the group discussed board membership and representation. The Governance Committee will continue this discussion and bring it to future board meetings.
- b) **NYS Office of Real Property Communication** – STN received a letter from NYS Office of Real Property requesting more information on tax exemption status. After discussion, the board asked Hage and Hage to draft a letter to the NYS Office of Real Property addressing the tax exemption status. It will be sent to S. Manning and M. Weber for approval prior to submission.
- c) **Discussion Regarding Yates County OAN Build** – the board agreed that STN move forward with discussions with Yates County but requires more information from Yates before making a final decision.

4. **ECC PROJECT STATUS AND SALES AND MARKETING REPORT**

On a motion duly made (C. Hayden/D. Hopkins) and carried, the board went into **executive session** for the purpose of discussing contractual and customer-specific information.

John Sheppard, Access Ontario board chair, left the meeting for this discussion.

On a motion duly made (D. Hopkins/M. Middaugh) and carried, the Board came out of **executive session**.

The Board will invite Empire Telephone staff to the next meeting. John Sheppard rejoined the meeting.

- 5. **OTHER** – John Sheppard, Access Ontario board chair, spoke to the group about the AO network and their activities.
- 6. **ADJOURN** – The next meeting will be December 11, 2014. Upon a motion duly made (D. Hopkins/H. Zingler) and carried, the meeting adjourned at 11:50 AM.

Respectfully submitted,
Susan M. Cratsley
Recording Secretary