

**MINUTES**  
**FINGER LAKES REGIONAL TELECOMMUNICATIONS DEVELOPMENT CORPORATION**  
**dba AXCESS ONTARIO**  
**BOARD OF DIRECTORS MEETING**  
**June 23, 2016**

Members Present:

David Smith  
John Dorak  
Mary Krause  
Doug Mossbrook  
Bob Seem  
John Sheppard  
Camille Sorensen  
Mark Tolbert  
Johnny Walker  
Drew Wickham  
Mike Manikowski

Members Absent:

Don Culeton

Others Present:

Sean Barry, CEO  
Andy Lukaszewicz, ECC Technologies  
Terry Phillips, The Bonadio Group  
Robin Johnson, Ontario County Real Property Tax Director  
JK Hage, Hage & Hage

The June 23, 2016 meeting of the Board of Directors of the Finger Lakes Regional Telecommunications Development Corporation, dba Axxcess Ontario, was called to order in the Ontario County Economic Development Conference Room, Mezzanine Level, County Municipal Building, 20 Ontario Street, Canandaigua, NY at 3:29 p.m. by Chairman Mark Tolbert.

**APPROVAL OF THE MINUTES:**

Approval of the minutes of the May 26, 2016 meeting was moved by John Sheppard, seconded by John Dorak. Motion carried.

**PROPERTY TAX UPATE:** Robin Johnson presented on the history of AO's property tax situation. Started with history back to 2007 and the formal opinion that ring would be taxable. To date Robin has not received anything that would give AO an exemption. There is also no legislation to back up giving an exemption. There was much debate around why as a 501c3, AO isn't tax exempt like hospitals and other not for profits. The Board understands that Robin must comply with ORPTS ruling and it is not up to her to change AO's taxable status.

JK Hage speaks to the fact that AO is the only open access ring in the state that pays property tax, files inventory with ORPS, or considers themselves taxable. As a result, we are in a situation of the worst of both worlds. AO is a not for profit that is treated as a for profit entity – a “fish that can’t swim”. JK states that if we choose to continue to pay tax, then we need to consider an exit strategy or make efforts to become profitable. Discussion continues around whether or not we should pay tax. Board agrees that AO has much bigger issues than property tax that will determine the fate of the organization.

John Dorak thanks Robin for presenting and standing her ground.

Mark asks JK if he feels the taxable status could be undone. JK states yes there is potential there.

Mark asks JK if the change needs to be at the local and state level. JK states that cooperation has to be at local level but not necessarily assessor by assessor. JK is asked if his firm could help and he said absolutely.

Mark asks if he would wager his legal fees on any savings that could be gained and JK states no. At best he considers us a turnaround situation, but not a wise investment. JK states that he does 100% believe in the product (open access fiber). Board thanks JK.

Mary Krause expresses for the record that she regrets that Helen wasn’t in attendance. In her opinion we did receive legal advice from JK even if JK said it wasn’t and Helen should have been here.

Camille: need all the facts to make a decision where to go next.

Mark Tolbert informs the board that Johnny Walker has submitted his letter of resignation from the board. Hopes to retire this summer and devote his time to other organizations. Gives some advice to the board to determine its intent – as a board and individually.

#### **SALES AND OPERATIONS:**

At 4:57 p.m., a motion was made by Johnny Walker, seconded by Bob Seem, to adjourn. The motion passed.

#### **REMINDER: NEXT BOARD MEETING IS JULY 7 AT 2:00 P.M.**

Distribution:

All Board Members, present and absent  
Ontario County Board of Supervisors  
Clerk’s Office, Board of Supervisors  
Mary Krause, County Administrator

Mary Gates, Deputy County Administrator  
Gary L. Curtiss, County Attorney  
Cathy Bentzoni, County Finance Officer  
Michael Wojcik, Economic Development