



CVFIBER FINANCE AND AUDIT COMMITTEE MEETING MINUTES

Virtually on MS Teams

October 5, 2023

Minutes Short Summary

- The Finance Committee approved the meeting minutes for July 6, 2023. Ray Pelletier reported \$7.4 million on hand. Ray Pelletier reported that the Executive Committee has recommended approval of the 2024 Budget to the Governing Board, which will meet on Tuesday, October 10th. Ray Pelletier, David Mannix, and Jennille Smith will be working on a position description for a Finance Manager, and the expectation is that this position will be filled to start on January 1, 2024. Ray Pelletier asked David Mannix to take the lead on the defining the scope of work for these four positions: Finance Committee, Treasurer, Financial Manager and Accountant. The Committee discussed the feasibility of public quarterly financial reports. The Committee agreed to bring the timing of monthly meetings to the Executive Committee to see if Finance could meet after the monthly financial reports are closed but before the Governing Board meetings.

Present

Finance Committee Delegates: Ray Pelletier (Chair, Northfield), Linda Gravell (Waterbury), Philip Cecchini (Community Volunteer), and David Mannix (Marshfield)

Absent: Jerry Diamantides (Berlin), Ted Barnett (Williamstown), Tom Fisher (East Montpelier)

Others Present: Jennille Smith (Executive Director), Laurie Beth Putnam (Treasurer)

Call to order: Ray Pelletier called the meeting to order at 5:03pm.

Additions to the agenda:

- None

Public comment

- None

Prior Meeting Minutes

- MOTION (Ray Pelletier, second Linda Gravell)
To approve the meeting minutes for July 6, 2023.
Passed unanimously.

Preliminary September Financial Statement

- Discussion: Ray Pelletier reported \$7.4 million in the bank including almost \$900 from subscribers. Total expenses for the month were almost \$600,000.

Budget Update

- Ray Pelletier reported that the Executive Committee has recommended approval to the Governing Board. Their meeting is Tuesday, October 10th for final approval. The budget will be redrafted between now and December.
- Jennille Smith was on a call with PFM today. CVFiber is looking at expressions of interest going out in ten days. We hope to get about half a dozen, and we will follow up with all of them. We expect to get an RFP issued by the end of November/beginning of December. The response will take about 30 days and the negotiations will take 3-5 weeks, so we expect the cash to be on hand in February. This money is intended for the next phase, which is Marshfield.

Finance Manager Position

- Ray Pelletier, David Mannix, and Jennille Smith will be working on a position description. Ray Pelletier hopes the person will be able to start on January 1, 2024.
- Ray Pelletier noted that advertising for the position did not work that well for financial positions in the past, so he may suggest hiring a recruiting firm.
- Linda Gravell asked if it was possible that CVFiber might share a Finance Manager with other CUDs. Ray Pelletier said that is possible.
- Jennille Smith is going to investigate if a current person from another CUD might be able to step in. Ray Pelletier said that ECFiber has a person in this position. The person CVFiber needs five years from now may be different from the person needed now. If a firm can do this work, this might be more appropriate for now.
- David Mannix noted that there is a lot of work to be done to set up a system. Analyzing the data might take a lot less time.
- Philip Cecchini noted that once you move a way from a firm, then you lose the depth.
- Linda Gravell suggested that perhaps we learned a lesson with Crawford; a part-time shared person with other CUDs might be a better option.
- Ray Pelletier noted that the key now is the scope of work.
- David Mannix also noted that QuickBooks is also has a limited tool.

Organization Roles – FinCom, Treasurer, Finance Mgr, Accountant

- See above. Ray Pelletier asked David Mannix to take the lead on the defining the scope of work for these four positions.
- David Mannix proposed putting all the roles/responsibilities on a grid. Jennille Smith added that the physical inventory/audit report is part of this, and David Mannix agreed to include this in his matrix. Ray Pelletier noted that it would be great to have this done by next week.

Periodic Reporting and Dashboard

- Ray Pelletier shared a chart with anticipated grant funding for 2023. He also shared a chart of current expenses through September 2023. At the current course and speed, it is expected to complete 202 fiber miles. He also shared a cash flow chart with the sources of funding with a year total of \$18.8 million. ARPA funding is being used to pay Waitsfield in Calais, for example.
- David Mannix said that he could summarize the expenditures by Town, if needed.
- Ray Pelletier expected that there would be monthly reports for each town. Funds not expended will be held in reserve for future years for additional subscriptions.
- David Mannix would like to have a sub-group formed to decide what financial data each Committee needs each month. David Mannix will lead this effort.
- Ray Pelletier thought the group had agreed to post quarterly financials. The question is what details should be public.
- Key measures do require a narrative, added David Mannix, to make sense.
- Ray Pelletier noted that reporting on a Dashboard does allow the user to drill down into specifics. QuickBooks does have tools to do this.

Other Business

- Discussion: David Mannix asked the Committee to consider meeting after the P&Ls are closed. Laurie Beth Putnam said this would be possible after the 15th of each month. David Mannix also asked if Laurie Beth Putnam could provide a calendar for this.
- Ray Pelletier suggested that these steps might be taken once the 2024 Budget has been finalized.
- Ray Pelletier also suggested that the Governing Board perhaps should meet the third or fourth Tuesday of each month. As of now, the organizational meeting must be the second Tuesday in May, according to VCUDA.
- Ray Pelletier said he would bring this discussion to the Executive Committee.

Adjourned at 5:49pm

Respectfully submitted,
Jeremy Matt, Clerk