



CVFIBER FINANCE AND AUDIT COMMITTEE SPECIAL MEETING MINUTES

Virtually on MS Teams

December 7, 2023

Minutes Short Summary

Linda Gravell requested that the agenda include a discussion of a working group be formed to examine the pricing of packages and installations. David Mannix, Ted Barnett, and Linda Gravell committed to staying on the Finance Committee for 2024. The Finance Committee recommended requesting the Governing Board to confirm David Mannix as Chair and Linda Gravell as Vice Chair of the Finance Committee. The Finance Committee agreed to move monthly meetings to the third Thursday of each month at 6pm excepting the few times that the configuration of the calendar will make a different meeting time necessary. David Mannix reported the 2024 budget was accepted at the Executive Committee to go for final approval to the Governing Board on December 12th. Linda Gravell requested review of the ARPU to ensure it meets CVFiber's sustainability goals, and she suggested a working group be formed once the new Finance Manager has been hired to review the pricings for installation and packages.

Present

Finance Committee Delegates: David Mannix (Chair, Marshfield), Linda Gravell (Waterbury), Tom Fisher (East Montpelier), and Ted Barnett (Williamstown)

Absent: Jerry Diamantides (Berlin)

Others Present: Jennille Smith (Executive Director), David Healy (Calais)

Call to order: David Mannix called the meeting to order at 5:04pm.

Additions to the agenda:

- Linda Gravell asked to discuss the formation of a working group to look into the ARPU to examine whether the internet packages, add-ons, and installations CVFiber is selling will keep CVFiber sustainable, particularly because installations cost more than estimated.

Public comment

- None

Committee Membership Roles

- David Mannix asked if each member present would be committed to staying on the committee for 2024. Tom Fisher declined, unless there is a dire need, as he is already on the Operations committee. Ted Barnett said he expects to stay for 2024; however, he does have a new job, but he will do his best to make more meetings. Linda Gravell and David Mannix both committed for 2024.
- David Mannix expressed concern about meeting quorum requirements. He also encouraged all members to solicit for more members, with finance background but also from any of the 20 town partners.
- David Healy declined to join the committee.

Committee Meeting Schedule 2024

- David Mannix reported the need for a Chair to replace Ray Pelletier.
- Linda Gravell nominated David Mannix. Ted Barnett seconded the nomination.
- Linda Gravell reported that David Mannix has shown the expertise needed to Chair the Committee in his work on the 2024 budget.
- The Committee unanimously recommended the Governing Board confirm David Mannix as the Chair of the Finance Committee.
- Linda Gravell nominated Ted Barnett for Vice Chair. Ted Barnett said that he needs to keep his CVFiber role separate from his work role. He would need to have conversations with employers.
- Linda Gravell also said she would serve as Vice Chair. She has a management degree from Rensselaer. Ted Barnett seconded Linda Gravell's nomination.
- The Committee unanimously recommended the Governing Board confirm Linda Gravell as Vice Chair of the Finance Committee.

2024 Committee Meeting Time

- David Mannix reviewed the calendar that Laurie Beth Putnam put together which showed that the Finance Committee could review the completed monthly financial data on the third Thursday of each month.
- Linda Gravell asked when Laurie Beth Putnam would have the financial documents and David Mannix said by around the 16th of each month.
- Jennille Smith pointed out that in February and March, the third Thursday would not be after these reports were ready.
- Linda Gravell suggested the fourth Thursday of each month. David Mannix agreed that the third Thursday conflicts with Communications Committee meetings, but noted that the fourth Thursday might not give enough notice to review the financial report for other committees.
- Linda Gravell asked if Ted Barnett could meet at 6pm on the third Thursday, as the Communications Committee meets at 5pm. Ted Barnett agreed this would work well.
- David Mannix said that meetings will now be the third Thursday of each month at 6pm unless there is a specific circumstance where the meeting needs to be delayed to the fourth Thursday. David Mannix will work with Laurie Beth Putnam to figure out when these few exceptions are and make sure they are posted on the CVFiber calendar.

2024 Budget Update

- David Mannix reported the 2024 budget was approved at the Executive Committee to go for final approval to the Governing Board on December 12th.
- Standing meetings are Monday mornings at 10am, which are half hour updates with Jennille Smith, Bonnie Batchelder and Laurie Beth Putnam on the progress of building the plan in QuickBooks.

Working Group to Review Pricing of Internet Packages, Especially High-End Business Packages

- Linda Gravell requested review of the ARPU to ensure it meets CVFiber's sustainability goals. She suggested forming a working group to review the pricings for installation and packages, as there is now concrete data to input. David Healy pointed out that the ARPU is based only on residential packages. Linda Gravell added that Waitsfield would like to renegotiate the installation price. Jennille Smith said that VCCB has adopted an affordability policy, that, as part of BEAD, there needs to be a low cost option for low-income Vermonters somewhere in the range of \$45-75 dollars/month, which is a \$4 discount off CVFiber's current lowest cost package. Jennille Smith pointed out that our business model should incorporate this discount. CVFiber's business model is also being redone by NRTC which will further identify what the ARPU is now and if it has changed to update our numbers from 18 months ago.
- Ted Barnett asked when the updated business plan would be ready. Jennille Smith said it should be ready any day now. Ted Barnett asked if VCCB has any intention of providing additional funds for the CUDs. Jennille Smith replied yes, this is being discussed in NRTC and VCUDA. CVFiber's first examination of pricing took into consideration the sister CUDs pricing, but they have since raised their rates. David Healy noted that the original numbers were based on take rate by speed, but CVFiber is getting higher take rates at higher speeds than predicted so this fact might made the newly required discount a wash.
- Linda Gravell suggested waiting until the new Finance Manager is hired before reaching any conclusions. David Mannix agreed and added this is a great example of how the new manager's skills can be used. Linda Gravell noted too that the person might not be on board until mid to late January.

Adjourned at 5:34pm

Respectfully submitted,
Jeremy Matt, Clerk