



## Finance Committee Meeting Minutes - DRAFT

DATE: Monday, April 21, 2025

**Attendees:** Mike Strait, Marty Feltus, Chris Fortuna, Danielle Sukkaew, Ted Barnett, and Kitty Ufford-Chase

**Call to order at 1:05pm with quorum.**

**Agenda Review and Updates**

**Approval of Minutes of March 24, 2025**

	For	Against	Abstain
<b>Motioned: Marty Feltus Seconded: Ted Barnett</b>			
<b>Motion: to approve the minutes from 3/24/25</b>	3	0	

### BEAD Update

**Discussion Summary:** Chris started by talking about the three BEAD applications we turned in last week. We're applying for \$129 million for NEKCV, a few hundred thousand for the Montgomery area, and \$44 million dollars for the Northwest CUD. We're hearing that around mid-May the federal Commerce Department may want to announce their updates to the BEAD program and we don't know what the implications will be at this point.

### General Update

**Discussion Summary:** Chris noted that we are currently going through our annual workman's compensation audit (all the reports are due at the end of this month). The auditors for our financial audit are going to come for the first two weeks of June so we'll be preparing for their visit during May,

**ReConnect 4 Grant:** We have been realizing that a portion of the fiber and other materials we were going to use to build out Essex County is not reimbursable from the ReConnect grant because it was purchased with ARPA grant monies. We are in discussions with USDA to see if we can still be reimbursed and to shift the reimbursed funds for products already purchased with ARPA funds to reach other ARPA areas that we weren't going to get to.

Basically shift the costs of the reimbursed materials to other ARPA build areas. We are trying to avoid having to purchase more fiber right now.

Conversation then ensued about the pricing of new Fiber construction products and how it is being impacted by recent tariffs. We have started shifting our buying practices a few months ago to make sure we are buying everything we can buy in the U.S. because that is what BEAD funding requires. But there could be supply chain materials increases because parts of a particular product could be made elsewhere.

Chris also noted that the USDA staff we have been working with are still working at USDA, at least so far.

## 2024 Financials

**Discussion Summary:** Chris showed the balance sheet and the income statement for 2024 and said that pretty much everything is done for the 2024 Financials. Then he went over both the balance sheet and the income statement and talked about highlights. Conversation then ensued about what would happen if our BEAD application wasn't successful. Chris said that we should have enough customers to be financially sustainable if that happened.

## Monthly Customer Revenues for March 2025:

**Discussion Summary:** Recurring customer monthly revenue was \$127, 665 for March (combined NEK Broadband & CVFiber) from 1,290 customers. Revenue has been increasing approximately \$4,000 a month but that will probably go up now that spring is arriving. Chris said he expects an even stronger ramp-up for customer growth over all going into this construction season than last year as lots of miles have been released from construction and significant miles were built over this past winter than had not been done the year previous. In response to a question about taxes, Chris clarified that all taxes listed are pass throughs, like the sales and use tax we owe for customer revenue, except for the Gross Revenue Tax that we pay at the end of the year, but just on the telephone revenue.

## Adjourn

Motioned: Ted Barnett Seconded: Marty Feltus	For	Against	Abstain
Motion: to adjourn at 1:32pm	3	0	0

*Drafted by Kitty Ufford-Chase*