



**LAMOILLE FIBERNET COMMUNICATIONS UNION DISTRICT
EXECUTIVE AND FINANCE COMMITTEE MEETING
May 19, 2022, at 7:00 p.m.
Location: Virtual Online Only
Draft MINUTES**

7:01 pm Call to Order: Jane Campbell called the meeting to order.

7:01 pm Roll Call: Noting a quorum of voting members, Jane called the roll.

Committee Members Attendance

(V=Present and Voting, P=Present, A=Absent)

Jane Campbell	V
Stephen Friedman	V
Teelah Hall	V (joined 7:04)
Jeff Tilton	V (joined 7:25)
Paul Warden	V
Larry Lackey	P (joined at 7:04)

Other Lamoille FiberNet Attendees: Michael Rooney (GB member), Val Davis, Lisa Birmingham

Public/Guests: Sal Morales LCPC

7:02 pm Agenda Changes & Public Comment: No agenda changes or public comment.

7:03 pm Approval of 5/3 Minutes: Stephen Friedman moved to adopt the minutes as drafted; Paul Warden seconded. No discussion; all in favor.

7:04 pm: Teelah Hall and Larry lackey joined.

7:05 pm Executive Director Update: Val referred committee members to the Executive Director update in the packet and noted additional updates as follows:

- **Design Build RFP** - Five companies responded to the Design Build RFP; two potential applicants requested extensions. Val recommended modifying the RFP schedule by roughly four days to 6/1 proposal deadline, 6/9 vendor selection, and 6/20 contract selection. Val noted possibility of a special meeting to approve the selection. In response to members' questions, Val explained that the scope of RFP was for low-level design and construction, not providing internet service and noted that a vendor could potentially be both the project manager and general contractor for construction, or subcontract construction.



- Another CUD shared news of a Canadian company expressing interest in building and owning the network.
- NRTC Contract has been signed by LFCUD, awaiting NRTC signatures to complete execution.
- Tilton's invoice was received and sent to Larry and Nicole.

7:08 pm Treasurer Update, Check Writing, Additional Signatories: After Larry noted that there is usually no Treasurer's report for this meeting, Jane asked Val to update the committee on seeking a new Treasurer. Val noted that other CUDs are seeking treasurers and offering a stipend. Val recommended doing the same, estimating roughly \$1,000 a month. Jane noted that no responses have been received in three weeks after postings in Front Porch Forum. Larry described his experience in the role and noted that duties such as grant coding, payment tracking, and reporting. He also noted that project planning and securing financing, would be additional, more time-consuming duties. Members raised the ideas of sharing a professional with other CUDs, a professional bookkeeper or accountant also who serves as the Treasurer, then discussed potential issues associated with such sharing a professional or circuit rider and hiring a professional with dual roles. Jane suggested reviewing a job description before the committee or Governing Board agreed on how to move forward. Larry agreed to work with Val on a job description for the next ECF meeting.

Next, Val recommended the committee discuss Nicole's recommendation that the LFCUD explore using a QuickBooks-compatible program to make reconciling checks more efficient. Also, he recommended the committee consider whether and how to authorize additional signatories because two signatures are required on all checks, and Larry, one of the authorized signatories, is leaving. Currently, the Chair, Vice Chair and Treasurer are authorized signers and the CUD's financial policy has standards in place for incidental, major and minor expenses. Val added that ACH transfers might be available. Members discussed issues, such as financial controls, accountability and fraud and embezzlement risks, reducing the two-signature requirement all together or just for certain amounts. Stephen had serious concerns about the ACH transfers.

7:25 pm: Jeff Tilton and Michael Rooney joined.

After discussion, Jane requested that the committee finalize the question of whether a third authorized signatory is required and who should it be, and leave the QuickBooks decision on checks, to Val, as the manager, to decide. Paul offered that another signature was warranted. After acknowledging that the current policy defined a \$10,000 expense as a minor purchase, the Chair asked whether the committee would recommend lowering the threshold. Due diligence, such as monitoring fund sufficiency and adequate invoice documentation, in addition to expediency was discussed. Val noted that staff does not currently have access to bank records.

Jane recommended that a resolution be presented to the Board next week to address the number of signatures, authorizing staff read-only access to bank records, and electronic or QuickBooks generated checks.



Discussion regarding logistics of check printing, whether the Executive Director should be authorized to be a signatory, recurring payments, adequate oversight, and turnaround times, ensued. Jane proposed to recommend to the board that 1) she, Paul and Jeff be authorized signers, 2) two signatures would be required, and 3) Val and Lisa get read-only access. Larry recommended, and the committee discussed setting a threshold to allow for one signature.

Jane revised and clarified her recommendation as: 1) once Larry moved off, Paul, Jane and Jeff would be authorized signatories for checks; 2) two signatures would be required for amounts over \$2,500; and 3) staff be authorized to get read-only access to Union Bank. Stephen Friedman so moved; Paul seconded; discussion followed. Larry raised question of whether authorized signers could also authorize on-line bill payment through the bank. Stephen recommended reviewing capabilities of current bank. The chair requested that Val research capabilities and controls, then called for any amendments to the motion hearing no amendments, she called the motion. With exception of Teelah Hall who dropped off the meeting, all members voted in favor; none opposed; no abstentions. Larry then requested and the Chair concurred, that additional research was needed on bill-pay privileges.

8:02 pm ISP Partnerships and RFP for Design and Construction: Val referred the committee to his Executive Director update and asked Stephen Friedman to provide an update of this week's meeting with partner, Northwest FiberWorX, and outside counsel. Stephen reported that the group reviewed the term sheet and determined that most items will be clarified without controversy, others may be more challenging and perhaps not be resolved, but the consensus was to move forward. Stephen noted concerns over how to address the inflationary environment. A counter proposal was sent to Google.

7:45 pm Standing Committees, Governance Structure and Possible Bylaw Changes: Referring the materials in the committee packet, the Chair asked members for their questions and concerns. Members wanted clarification on what and why external affairs was included with marketing and communications committee. Val explained the need for additional engagement with local boards and public during construction phase, unified communications and talking points, support Val. The current marketing and communications committee is developing policies and talking points, so expanded to External Affairs could be considered a name change.

Members discussed the merits of quarterly versus monthly meetings; several felt quarterly Governing board meetings were too infrequent during this phase of the organization. Val expressed concern over too many meetings, and recommended merging Construction with Partnership committee. Other members thought the partnership planning and development could and should remain separate from construction. The need for an additional committee may depend on whether a project management company was overseeing construction; if not, the committee would have more work overseeing construction. Jane noted that the original plan was to have a project management company.

In discussing whether to expand the Partnership Committee to include Grants and Development, members noted the sizeable expansion and perhaps the skills associated with grants and development were more closely aligned with the Communications Committee.



Regarding splitting the Executive and Finance Committee, Val noted the recommendation is not to split the committees now, but there will be time when it is appropriate.

Val emphasized that the standing committee recommendations tonight were intended to start the discussion with an eye towards additional consideration at the June ECF meeting and developing proposals for the full Board's consideration at the June GB meeting. Jane recommended allowing members to add ideas and comments to shared document prior to the next ECF meeting. Val agreed to facilitate.

8:18 pm Meeting Wrap up and Adjournment: Val suggested the committee consider adjusting the agendas going forward to include: a parking lot for unfinished business or new issues, agenda items for the next meeting.

Paul asked if the proposed bylaw changes accompanying the committee recommendations should be separately considered, and briefly discussed. Val recommended that the committee consider the bylaw changes in concert with the committee and governance change. Lisa noted the committee's earlier discussion on the role and authority of the treasurer, which might involve bylaw changes. Jane further recommended that committee members offer their suggestions and aspire to present bylaw changes at the June Board meeting.

Val agreed to set up two teaser documents one for committees and one for bylaws for everyone to review and contribute. Additional discussion regarding quorum requirements for governing boards versus committees, Roberts rules, and participation by alternate members, was had. Larry proposed for future consideration, postponing committee assignments until the meeting after the Annual Organizational meeting when new members join.

Hearing no other business, the Chair requested a motion to adjourn. Paul Warden so moved; Stephen Friedman seconded. All in favor; none opposed; no abstentions.

8:31 pm Adjourned.

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