



Executive Finance Committee Meeting
December 6, 2023, at 7:00 pm
Location: Virtual Only
Draft Minutes

7:02pm Call to Order: Jeff Tilton called the meeting to order.

Committee Members Attending
(V=Present and Voting, A=Absent)

P/V	Representative
V	Jeff Tilton, Waterville, Chair
V	Jane Campbell, Morrisville
V	Andy Ross, Wolcott
V	Randy Tomlin, Elmore
V	Stephen Friedman, Stowe
V	Paul Warden, Johnson
P	Lisa Birmingham, Exec Dir

Other Lamoille FiberNet attendees: xxx
Public/Guests: none

7:02 Agenda Changes None

7:03 Public Comment-- None

Accounting and Auditing

It was noted that Treasurer Mark Shilling was absent because it was his birthday. Lisa provided the Treasurer's update in his absence. The audits for 2021 and 2022 are complete in draft form. A number of accounting corrections were made in the process including correcting the year in which certain expenditures were recorded and capitalizing rather than expensing certain planning and engineering studies. The corrections resulted in there not being a requirement for a Single Federal Audit. The audit report includes three findings: 1) a pass-through grant to NEK was recorded in the wrong year; 2) Internal controls needed improvement to separate responsibility for accounting from preparation of financial statements; and 3) item 1 resulted in some inaccurate grant reporting.

The findings have been discussed with VCBB and are considered to reflect start-up learning curve. The consensus of the Committee was that we appreciate the guidance provided for improvement.

Jeff recommended that we work to make our expectations of the Treasurer and Accountant more explicit and implement improved procedures. There was a consensus to identify a Board Member to help Mark implement the recommendations and oversee the accounting/financial operations.

Paul Warden moved and Jane Campbell seconded a motion: We recommend that the Board accept the audit as written, forward it to the towns as required, and notify the State and Federal agencies that we do not need a Single Federal Audit.

Passed Unanimously

There was additional discussion of accounting and auditing responsibility. Batchelder remains engaged for the 2023 audit. The RFP for accounting services did not result in any viable candidates which was noted as a problem throughout the CUDs. Discussions with LCPC have identified the possibility of sharing an employee with LCPC and CVRPC beginning mid year 2024. Our current accountant would continue until then. The consensus was to pursue that option.

Office Space

Lisa indicated that we have given notice to our landlord, DeMars, that we do not intend to renew. WE plan to move into LCPC's office space and roughly ½ the cost.

Service Assessment

Fabian has been researching the status of service in parts of Cambridge. CCI appears to be tapping into existing fiber in Fairfax and appears to have similar infrastructure in Pleasant Valley and Westman Hill. These areas may not need to be part of Phase 2 depending on what CCI does on their own. Smuggler's View subdivision located below the Smuggler's Notch Resort is unserved and will need to be part of Phase 2

Contracts

Lisa continues to review the CCI contract with outside counsel and CCI counsel. She is also in receipt of the draft Grant Agreement from VCBB. There are three items still being finalized: 1) split of ownership in default – CCI to keep RDOF assets paid for by Federal gov't; 2) Clarification that network is to provide commercial (small business) but not enterprise dedicated fiber to institutions along the route; 3) defining clearly and limiting the conditions related to VCBB policies that can result in a cessation of work limiting it only to policies that would require a redesign of the network. The questions surrounding liens are considered legal only and would not hold up construction but CCI would reserve the right to litigate.

The consensus was that the draft contracts are to be sent to the Board for review prior to the meeting and at the 12/13 meeting the Board will be asked to vote to give Lisa authority to execute the contracts.

It was discussed briefly that VCBB has some local match funds that were unclaimed. How they will be distributed is as yet unknown but could result in a bit more funding to us or the individual towns' match.

8:20 Executive Session

Moved by Stephen Friedman and Seconded by Randy Tomlin to enter into Executive Session to discuss negotiation of a contract to reconcile who is to build areas in Wolcott and Elmore currently claimed by NEK, the premature disclosure of which would be disadvantageous to the CUD. All those present shall be included in the Executive Session. Approved unanimously.

8:42 Exit Executive Session. No action necessary.

Organizational Planning/Sustainability Task Force

Jeff asked that the task force consider Fabian's role during construction and how to manage the actual use of the local ARPA match funds. The Task Force also plans to confer with Southern Vermont on how the build and roll out has gone and their experience with responsibility during the build and after.

2024 Budget

No comments were received at the Public Hearing on the budget (November 15 Board of Governor's Meeting). It was moved by Jane Campbell and Seconded by Paul Warden to recommend that the Board adopt the proposed 2024 Budget without further amendment. Passed unanimously

8:49 Approval of 11/8 Minutes

Jane Campbell moved to approve the minutes with the correction that the Sustainability Task Force name be corrected to "Task Force". Randy Tomlin seconded, motion passed unanimously.

8:50 Wrap Up and Adjournment

Jeff announced that the December 13, 2023 Board Meeting will be fully remote due to concerns regarding weather at this time of year.

Paul Warden moved to adjourn, Randy Tomlin seconded, motion passed unanimously.