

## NEK Community Broadband

# Finance Committee Meeting Minutes

December 2, 2021 4-5pm

**Attendees: Christa Shute (ED), Jami Jones (Clerk), Kristen Fountain (Treasurer), Michael Strait, William Piper, Woodman Page**

Quorum is 4

### Agenda Review-

- Approve Previous Meeting's [Minutes](#)
- **Motion to approve the meeting minutes from November Finance Committee Meeting. Motioned: William, Seconded: Mike. Carried: (4-0)**

### Updates-

- Review reports ([Balance](#), [P&L By Class](#), [Cash Flow](#), [Bank Statement](#))
  - Changes to the reports are happening because of the change over with Wendolyn. The classes will now be used for district areas and the customers will be how we track the individual grants.
  - The committee made changes to the titling of the "balance" document "General Administrative" vs "General Operating."
  - We will be including "Cash Flow" in the reports going forward.
- Quickbooks Consultants/COA Revision Overview
  - We have been working with Wendolyn and QuickStart to complete the move to Quickbooks Desktop: Enterprise.
  - Kristen gave an overview of the current working accounts. The current chart of accounts are based on RUS codes to streamline the collaboration with NRTC and the utilities in the future.
  - We will be adding a credit card to the accounts list.
  - We will be putting an operating agreement in place with WCVT. They will collect the revenue on our behalf and out of that account they will be paid, and the rest will be transferred to us as gross revenue.
    - Every month there would be a report of customers on record and all of the expenses would be invoiced. The invoice would be paid by our account, which will be on our accounting books.

It is a monthly income amount, and simplifies the transactions coming and going from our accounts.

- NEK will have Expense Construction accounts to be charged to the grants. They will be transferred to the assets, fixed assets, and depreciation accounts accordingly.
  - Network Equipment/Head-end Office space depreciate at different rates.
- We will also be starting to do payroll as we will have an Executive Director on staff.
- We were awarded \$6.6 mil, and will be invoicing for 25% of that.
- Cogs will mainly be from WCVT for network operations and retail services.
- The committee would like to know about the problems, and have the details available for review, if someone would like to go into the details.

## New Business-

- 2022 Final Budget Review/ 21 Budget to Actual Balance?
  - Christa- The budget is the same as was presented to the board, but it needs to be expanded for the realities of the ebb and flow of the business. We are going through a deep-dive of the business plan with Roger Nishi and will have a budget in the future that we can work off of functionally.
  - Bill- We all recognized that we needed to meet the Statute requirements, but that the budget would be amended as we understood what is coming in and going out. Perhaps the Executive Committee should have a quarterly review of the budget. The budget is likely to change in 2022. In the meantime, the financial documents should be up to date and as good as we can make them.
- Accounting RFP/Audit RFP
  - We will have an upcoming Audit, hopefully in February. We are still looking to find an auditor.
- Christa gave an update on the credit line: because we do not have the warehouses located, the bank cannot create a security with the landlord for the Fiber. Looking to issue a purchase of the Fiber by Friday.
- VLCT-ARPA webinar: talks about why the towns should give their funds to the CUDS. (resources directory)

- Woody- The ARPA debate could make it look like the towns “owe” the CUD.
- Bill- It is always a choice, we are not requiring the towns to pay to be members, but it is the money that the town would either give to the CUD or give it back to the government. It will not cost the taxpayers any tax derived funds from the town.
- Kristen- we do need to be careful on how the CUD presents the benefits and advantages.

## Adjourn

**Motion to adjourn. Motioned: William. Seconded: Mike. Carried: (4-0)**



*Respectfully submitted,*

*Jami Jones, NEK Community Broadband Clerk*