

**Minutes**

 WiredWest Board of Directors Meeting

Online

Wednesday, March 20, 2024, 6:30 pm

**Attending:** Doug McNally, Jim Drawe, Sheila Litchfield, David Gordon, Jeremy Gross, Kathy Soule-Regine, Bob Gross, Don Hall, Kent Lew, David Dvore, Simon Zelazo, MaryEllen Kennedy

**Guests:**

**Called to order at:** 6:33pm

**Approval of Warrant #18**

Moved: Sheila

Seconded: Bob Gross

Discussion: David moved to amend the warrant – Rowe’s total charge from WCF was copied from New Salem’s. He moved to use the correct total of $7,615.34 and to adjust the total to $171,852.80. Kent seconded the motion.

|  |  |
| --- | --- |
| **Member Town** | **Vote** |
| Becket | Y |
| Heath | y |
| New Salem | Y |
| Rowe | Y |
| Washington | Y |
| Windsor | Y |

Result: amendment approved

Sheila noted that the New Salem and Heath bills from Alarmworks were for alarm testing, not HVAC. Jessica will correct the accounting.

Jeremy asked about the monthly MLP fees. They are listed as an expense since WW will pay to the town; they are income for Becket.

Kent moved to approve the amended warrant. Jeremy seconded.

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| **Member Town** | **Vote** |
| Becket | Y |
| Heath | Y |
| New Salem | Y |
| Rowe | Y |
| Washington | Y |
| Windsor | Y |

Result: amended warrant was approved

**Approval of Minutes**

March 6, 2024

Moved: Sheila

Seconded: Kent

Discussion:

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| --- | --- |
| **Member Town** | **Vote** |
| Becket | Y |
| Heath | Y |
| New Salem | Y |
| Rowe | Y |
| Washington | Y |
| Windsor | Y |

Result: approved

**Executive Director and Finance Report**

Jim confirmed that the ACP number summary in his notes reported just on the services chosen by ACP customers.

Sheila asked if the amended auditor report will include corrections to the numbers that were in error (spotting by Kathy). They will. Jim is waiting for the updated report from the auditors.

Sheila asked if National Grid could be persuaded to move fiber at no charge when they replace poles on Burrington Rd in Heath. Bob G noted that if new poles are added, they will need to be licensed. Jeremy notes that grading season will start soon.

Becket should contact WCF about installing a pole instead of running microduct for a customer service drop under a road.

We will discuss possible changes to the service agreement at our meeting on April 17. Read Jim’s update and Deidre’s reply before then. Jim is requested to clean up all non-substantive changes and redistribute.

**Finance**

Jim sent the spreadsheets with budget estimates vs. actual to date. For budget planning, Jim recommends using the numbers in that sheet and round them down a bit since we had FY23 expenses carried over. Kent suggested that people look at the current % variance in Net Income between Actual and Budgeted (approximately -3%), and then apply that same percentage reduction to the estimated Excess Revenue from the original FY24 budget numbers to adjust expectations for this year’s dividend.

Leftover fiber reels: WCF will pay 50% of the original cost of remaining fiber they can use to the town and won’t charge for moving. Any reels they won’t take will need to be disposed of by the town.

Bob L. reports the Line of Credit of $500,000 was approved by Greenfield Savings Bank. The paper to sign will be mailed to Bob L. See Jim’s notes for details. This was prompted by WCF’s requirement to provide a large percentage of repair costs in a disaster scenario. Jeremy asked what the interest would be. That should be specified in the document to be sent to Bob L. David G. asked how long it would take to get the loan money when needed. Jim thinks WCF would accept the loan document as proof.

**Economy Internet Service offering**

MBI now defines a “Served Location” as having greater than 100Mb service and FCC has also announced they are raising the definition of broadband to 100/20Mb.

Kent asked that we consider if or when we should raise our economy service offering to 100Mb. Doug points out that we do offer 1Gb service, so does not think we need to raise the lower speed. Kathy notes that lower speeds can’t be described as broadband. She suggested that we could have an even lower cost/speed that would still permit phone. Jim had analyzed offerings. Even if all our customers reduced speed, it would lower our profit by half, but we would still be profitable. Jeremy asked if we need to change our marketing to show that 25Mb is not broadband.

**MLP accounting and funding methods**

How are MLP funds managed and accounted for in our towns?

Jim sent Deidre’s response to this question. She says the MLP funds should be separate. David reminds us that the law is clear on this issue. Kent suggests that we put our auditor in touch with someone who understands [MLP] Enterprise accounting under Ch 164. There are a couple of other auditors who have audited Internet-only MLPs. Jeremy states the other option is to move to Enterprise Fund accounting established under Ch 44 Section 53F 1/2, which is subject to town meeting approval. Jim stated there is no permission for towns to run a fiber network except in Ch 164 which requires this be done by an MLP. Ch 25 makes it illegal for any agency to control Internet service. Doug reminds us that WW will be able to pay virtually all our bills under the new contract, so there will be very few transactions to be processed through the MLP. David reminds us that WW can’t own assets and that towns will still need accounts for depreciation at least. Jim – WW can handle salaries of MLP Board and Manager, including processing the necessary deductions and tax reporting.

**Town updates**

**Other business which could not be reasonably foreseen within 48 hours of meeting**

Jim – customer credits for service interruption

Becket customer asked for a credit due to problems with their ONT. Bob G. asked if we should offer a credit for town-wide outages vs. equipment problems. WW is not obligated to do this, but MLP Managers may want to do this in their towns.

Kent – WCF proposal for “insurance” for repair costs

WCF has suggested they would like to include an option for repair insurance to cover the costs of customer repairs. Kent believes they are trying to resolve customer (and town) surprise at the cost of repairs and that they (customers) are responsible. They suggest building a pool among the towns to cover the cost of repairs. Sheila would like to know what would happen to any surplus at the end of the year and how it would be accounted for. David D questions how the cost of the pool will be determined. Our emergency repair standby charges are by mile, but response is prioritized by numbers of customers. He thinks it’s difficult to fairly divide the costs. Bob G – WCF sometimes asks whether customer repair should be charged to customer or the town – how would that be determined? Kent notes that we are already pooling the costs of repairs. Kent will be attending a meeting with WCF tomorrow and will report on their proposal.

Moved: Doug moves that we empower Kent to represent us at the meeting with WCF.

Seconded: Sheila

Discussion:

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| **Member Town** | **Vote** |
| Becket | Y |
| Heath | Y |
| New Salem | Y |
| Rowe | Y |
| Washington | R |
| Windsor | Y |

Result: passed

**Confirm next BoD meetings**

April 3, 6:30pm

April 17, 6:30pm

Future – every 1st & 3rd Wednesday at 6:30pm

**Adjourn** 8:36 pm

Kent moved, Jeremy seconded. Approved by voice vote.