



Southern Vermont
Communications
Union District
www.sovtcud.net

**Southern Vermont
Communications Union District**

210 South St., Suite 6
Bennington, VT 05201

Southern Vermont Communications Union District

d/b/a Catamount Fiber

2023 Annual Report

Draft



2023: Our Fourth Year

Executive Summary:

The Southern Vermont Communications Union District (SoVT CUD) has had a very busy, and successful fourth year. In September 2022, SoVT CUD and its partner, Consolidated Communications Inc. (CCI) were awarded a \$9,009,085 Act 71 Construction Grant to fund Phase 2 of fiber network construction in SoVT CUD territory. After Phase 1 was completed at the end of 2022, construction of Phase 2 began in early 2023 and has consistently been ahead of schedule. To date, the Construction Grant has funded the passing of over 6,000 homes with fiber, including 1,300 that were unserved. Dozens of fiber distribution hubs (FDH) across all 14 member towns have been released for customer sales. Phase 2 is on track to be completed well before the end of the year, at which time over 95% of homes in Bennington County will have access to fiber optic internet service. As Phase 2 wraps up, SoVT CUD has begun to focus its efforts on providing service to the “hardest to reach addresses” that constitute Phase 3 of network construction.

2022 Activities and Plans for 2023

Phase 2 construction began in April 2023 with the Manchester, Stratton, and South Londonderry wire centers. Customers served by those wire centers were able to sign up for service in August. Construction progressed steadily over the spring and summer, with construction beginning in the final wire centers, Pownal and Rupert, in July.

Wire Center	Towns Covered	Service Available
Arlington	Arlington, Manchester, Rupert, Sandgate, Shaftsbury, Sunderland	October 2023
Pownal	Bennington, Pownal	October 2023
South Londonderry	Dorset, Landgrove, Londonderry, Peru, Winhall	August 2023
Manchester	Dorset, Manchester, Sandgate, Sunderland, Winhall	September 2023
Dorset	Dorset, Rupert	August 2023
Rupert	Rupert, Sandgate	September 2023
Stratton	Londonderry, Peru, Winhall	August 2023

SoVT CUD and CCI have worked with the Vermont Community Broadband Board (VCBB) to develop field inspection procedures and ensure compliance with Act 71 Construction Grant requirements. The CUD executive committee meets regularly with CCI staff to discuss network construction progress and resolve customer and address issues as they arise.

In August, SoVT CUD and CCI held a ribbon cutting event at Bromley Mountain in Peru to celebrate the near completion of the fiber network in Bennington County. The event was attended by Senator Peter Welch, and other local and state officials. There has been significant media coverage of SoVT CUD's success, including a [segment from Greater Northshire Access Television \(GNAT\)](#) and [NBC Channel 5](#).

SoVT CUD is now beginning to turn its attention to the approximately 20 "hardest to reach" addresses that constitute Phase 3. These addresses are primarily located in Arlington and Pownal and are unserved according to state data. The CUD has begun initial outreach to these property owners to assess the status of their internet service and build a finalized list of Phase 3 addresses to be covered under the CUD's universal service plan.

\$160,000 of the Act 71 Construction Grant has been allocated for CUD administrative expenses. The grant has a 24-month performance period, and although Phase 2A construction is expected to be complete by the end of 2023, the CUD intends to use the \$160,000 over a two-year-period which is reflected in the FY23 and FY 24 budgets. The CUD received its first payment of \$80,000 earlier this year to cover FY23 operating expenses. The CUD will receive the remaining \$80,000 for FY24 expenses.

As the year ends, the CUD looks forward to the deployment of high-quality fiber internet service in Bennington County, and the fulfillment of its mission to bring high-speed internet to Southern Vermont.

About the Southern VT CUD

Southern Vermont Communications Union District (SoVT CUD) was voted into existence in March 2019 by 12 towns in Bennington County. The number of member municipalities has since grown to 14.

Arlington

Bennington

Dorset

Landgrove

Londonderry

Manchester

Pownal

Peru

Rupert

Sandgate

Shaftsbury

Sunderland

Winhall

Woodford

A complete list of town representatives and alternates can be found on the CUD website: [Governing Board - SoVT CUD](#)

Public records for the CUD including bylaws, conflict of interest policy, meeting agendas, and minutes can also be found on the website: <https://public.sovtcud.net/>

The SoVT CUD governing board is led by:

- Chair, Eric Hatch.
- Vice-chair, Michael Corey.
- Clerk, Sheila Kearns.
- Treasurer, Al Bashevkin

Acknowledgements

All the representatives, alternates, and officers have given significant time and effort to the CUD and deserve respect and gratitude. They have made for a successful fourth year.

The CUD has greatly benefited from our partnership with the Bennington County Regional Commission (BCRC). The administrative assistance and expertise in navigating the public funding arena provided by Community and Economic Development Specialist Jonathan Cooper and Regional Planner Callie Fishburn has been invaluable. The CUD is especially indebted to BCRC's ability to keep us grounded in the broad development efforts of the region.

SOUTHERN VERMONT COMMUNICATIONS UNION DISTRICT
d/b/a CATAMOUNT FIBER

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET FUND POSITION
January 1, 2023- October 5, 2023

	Revenues, Expenses, and Changes in Net Fund Position
OPERATING REVENUES:	
Opening Balance 1/1/23 (carryover from FY 2022)	71,530.05
Grant Income	80,000.00
Anticipated Grants	
Total operating revenues	<u>151,530.05</u>
OPERATING EXPENSES:	
Treasurer Salary	(2,750.00)
Insurance	(4,651.00)
Legal services	(325.00)
Technical Assistance (BCRC & CTC)	(51,067.90)
VCUDA Membership Dues	(6,226.50)
Website	(545.20)
Total operating expenses	<u>(65,565.60)</u>
NONOPERATING INCOME AND (EXPENSES):	
Interest income	854.01
Google Workspace	(720.00)
Computer & Internet Expenses	(915.00)
Amazon Web Services	(25.43)
Miscellaneous expenses	(101.72)
Total Expenses	<u>(908.14)</u>
INCREASE (DECREASE) IN FUND NET POSITION	<u>(66,473.74)</u>
AND NET POSITION	<u>85,056.31</u>

SOUTHERN VERMONT COMMUNICATIONS UNION DISTRICT
d/b/a CATAMOUNT FIBER

BUDGET
Fiscal Year Ending December 31, 2024

Revenues		Notes
Act 71 Construction Grant *	80,000	Expected
Total Revenues	<u>80,000</u>	
Expenses		
<i>ACT 71 Construction Grant</i>		
<i>CUD Administration</i>		
BCRC Operational Support	45,000	
Legal Services	1,500	
FY23 Single Audit	20,000	
General Operations & Admin		
<i>Insurance</i>	5,000	
<i>Treasurer Salary</i>	3,000	
<i>VCUDA Dues</i>	4,500	
<i>Technology</i>	2,500	
Expenses Total	<u>81,500</u>	
Other income and (expense)		
Interest income	800	Estimate based on FY23 accrued interest
Total other income (expense)	<u>800</u>	
Revenue - Expenses (under)	(700)	
Net position, beginning of year	45,000	Estimate based on outstanding payments due in the last 3 months of 2023
Net position, end of year	<u>44,300</u>	