



## **DRAFT**

### **5-Year Strategic Plan**

MINET has the following goals for the next five years. Accompanying each goal is a discussion of the plans to achieve the goal as well as a description of the metrics to be used to measure success for each idea. This plan covers through the end of the 2016 fiscal year.

1. MINET will generate enough cash to **meet all principal and interest payments on the debt** during the five years.

**How to Achieve:** MINET will undertake steps to meet business plans and budgets such that it will always be able to meet future debt payments. MINET will establish new goals with the Board each year using a budget. The annual budget, which must be approved by the Board, will predict revenues, expenses, capital spending, debt payments and cash generated.

The annual budget may focus on such goals as number of customers, or amounts of new sales generated, but in the end the most important metric from the budget will be the net cash generated each year. The budget reports will be reformatted to better measure and stress cash.

**Metrics:** The primary focus of the budget process is going to be to predict and measure cash generated. The amount of cash generated is the net result of revenues less expenses, less capital spending and less debt payments. By measuring cash, the Board will be focusing on the most important element in a budget since cash is the best measure of MINET's success. Measuring cash means the Board will monitor the net result of operations. For example, a budget that focuses on revenues generated may still fail if the revenue goals are met but the company exceeded spending on capital or expenses. Measuring cash generated each year measures the true success of the company.

Another metric to measure is accumulated cash. MINET should establish a sinking fund whereby any excess generated is put into an account as a hedge against future capital needs or against the proverbial rainy day. The Board should establish annual goals for cash generation, plus also establish goals for maintaining a viable cash sinking fund.

The Board will establish specific metrics each year as part of the budgetary process. In addition to measuring cash generated, the Board may wish to measure other statistics such as the number of customers, the amount of revenues, etc.

### **2011 Goal and Action Items:**

- The general manager recently introduced a revised budget that reflects the changes due to the bond refinancing. The GM will track MINET results compared to this budget for each meeting during 2011.
2. MINET will **sell to more business customers** within the network footprint. One of the most important aspects of the fiber network is the ability to bring savings and enhanced performance to the businesses in the community.

**How to Achieve:** MINET will establish the current baseline by counting the current number of businesses served by the fiber network. MINET will then establish annual goals for selling to more businesses. MINET will establish direct sales plans for achieving the goals.

**Metrics:** MINET will count the number of business customers on the network and regularly report this number to the Board. MINET will establish annual goals for the number of businesses that should be on the network.

### **2011 Goal and Action Items:**

- The company will add 20 new business customers during 2011.
3. MINET will measure **customer satisfaction** with the goal of improving overall customer satisfaction during the five year period.

**How to Achieve:** MINET will establish a baseline in existing customer satisfaction in the spring of 2011. This will be done by using a customer satisfaction survey. This survey will then be repeated in future years and the results compared against the baseline survey results.

**Metrics:** MINET will use standard industry practices for measuring customer satisfaction. For example, the survey will ask customers to rate MINET's performance on a scale of 1 to 10 for various service-related areas.

### **2011 Goal and Action Items:**

- The company will administer a customer satisfaction survey during the first quarter of 2011. This will be the baseline from which to measure all future customer satisfaction surveys.
4. The general manager of MINET will **take a significant role in the economic development effort of the two cities.**

**How to Achieve:** The GM will take part in economic development committees and will work to use the MINET asset as a way to help the towns keep existing jobs and attract new jobs.

**Metrics:** There are no easily measurable metrics for economic development that can be assigned solely to the MINET general manager. However, it is clear that making sure that the MINET network is front and center in any economic development efforts will help to make economic development a success.

**2011 Goal and Action Items:**

In the coming year the GM will specifically:

- Attend economic development meetings in the two towns.
- Work to develop the MINET story, in writing to use as an economic development tool.
- Contact other municipalities with fiber networks to determine how they have been able to leverage their fiber asset for economic development.

5. MINET will explore ways to grow the company's revenue by **seeking opportunities outside of MINET's existing borders.**

**How to Achieve:** MINET management will explore fiscally responsible ways to grow the company outside the existing borders of the network. The goal is to find a way to expand MINET revenues without spending full capital dollars to expand. This growth can be achieved in several ways:

- Obtain grants to extend the network
- Provide management services to surrounding communities
- Sell products to other government entities

**Metrics:** There is no easy metric to measure success in this area. MINET's goals should be to investigate external opportunities to expand the network, with the goal that such expansion should only be undertaken when it benefits MINET in terms of creating more revenue or spreading existing expenses to others.

**2011 Goal and Action Items:**

- In the first two quarters of 2011 the General Manager will work to determine if the current opportunity with six satellite communities is of interest worth pursuing. The GM will involve the Board as needed in the process and will regularly report on progress and on the potential for enhancing MINET revenues and spreading MINET costs.
6. MINET will engage in **community outreach** with the goal of staying engaged with existing customers and of touching base with the public in general.

**Metrics:** MINET will participate in various meetings with the public with the goal of describing our products, prices and services.

**2011 Goal and Action Items:**

- The company will hold one public open house during the year and will invite the public to come to MINET for a tour. We will make this a social event to attract more people to the open house.
- Employees of the company will meet with public groups in the community eight times during the year. These will be forums where MINET will be a speaker and will talk about the company, our products and services.
- Employees in the company will routinely attend public community functions so that MINET has a presence in the community. There is no specific numeric goal set for these meetings, but we will report such meetings monthly to the Board.